

**EARNINGS
RELEASE
4Q24**

FRAS
B3 LISTED N1

IBRA B3

IGC B3

IGCT B3

SMLL B3

Caxias do Sul, March 18, 2025. Frasle Mobility (Fras-le S.A. – B3: FRAS3) discloses its results for the fourth quarter of 2024 (4Q24) and twelve months of 2024 (2024). The Company’s Financial Information is consolidated in accordance with international standards IFRS – International Financial Reporting Standards and monetary vales are expressed in Reais, unless otherwise indicated. Comparisons are made with the fourth quarter of 2023 (4Q23) and twelve months of 2023 (2023).

HIGHLIGHTS



NET REVENUE (R\$)

4.0 B

+17.0% vs. 2023

GUIDANCE R\$ 3.7 – 4.0 B

MARKET CAP (12/31/2024)

R\$ 5.5 B

CLOSING QUOTE “FRAS3”

R\$ 20.50

FREE FLOAT

33.2%

Videoconference of Results 4Q24

March, 19, 2025 (Wednesday)

11 am Brasília

09 am New York

02 pm London

WEBCAST (Portuguese/English): [Click here](#)

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INTERNATIONAL MARKET¹ (US\$)

289.7 M

+17.7% vs. 2023

GUIDANCE US\$ 250 – 290 M



ADJUSTED EBITDA (R\$)

729.0 M

+9.7% vs. 2023

ADJUSTED EBITDA MARGIN 18.4%

GUIDANCE 17 – 21 %



INVESTMENTS² (R\$)

165.8 M

+24.0% vs. 2023

GUIDANCE R\$ 130 – 170 M

FORWARD-LOOKING STATEMENTS. The statements contained in this report regarding FRASLE MOBILITY’s (FRAS-LE S.A.) business prospects, projections and results and the company’s growth potential are merely forecasts and were based on management’s expectations regarding the Company’s future. These expectations are highly dependent on changes in the market, the general economic performance of the country, the sector, and international markets, and may undergo changes.

¹ Value referring to the sum of exports out of Brazil and revenues from operations abroad, net of intercompany operations;

² Value referring to organic investments.

FRASLE MOBILITY UNIVERSE

INVESTOR DAY

Frasle Mobility Universe 2024 took place in a hybrid manner on December 4, gathering investors and capital market analysts in the city of Caixas do Sul, in the State of Rio Grande do Sul. The event's fifth edition aimed at bringing investors closer to the Company's business, innovation, sustainability and long-term planning strategies. The replay of the event is available on **Frasle Mobility's official YouTube channel**.

SUSTAINABLE CALDEIRA VERDE PROJECT

In December, our Caxias do Sul manufacturing plant located in the State of Rio Grande do Sul inaugurated the **Caldeira Verde** project. It consists of replacing the use of natural gas with biomass to generate the steam needed in the process of pressing brake pads and linings. The initiative is responsible for reducing the operation's greenhouse gas emissions, representing a 60% reduction in its own emissions and half of the target set by its parent company Randoncorp.

SUBSEQUENT EVENTS

CONCLUSION OF THE ACQUISITION

In January, we concluded the acquisition of KUO Refacciones, the leader in the Mexican automotive market. Now renamed **Dacomsa**, the operation received around R\$2.2 billion in investments and has the structure of the engine parts manufacturing operations of the local brands Moresa and TF Victor, leaders in the supply of engine pistons and gaskets, with two production plants in the State of Guanajuato, and the friction materials production operations of the Fritec brand, leader in the supply of brake pads and shoes, with plants in Mexico City. With this move, Frasle Mobility will consolidate its leading position in the three main markets for the automotive aftermarket industry in Latin America, that is, Brasil, Mexico and Argentina.

MARCAS DA OFICINA /CINAU AWARD

*Our brands stood out in the award ceremony, securing **first place as the most purchased and recognizable brand**.*



Brake pad



Tie rod, tie rod end outer, and suspension pivot



Disc brake



Master cylinder, and vaccum booster

MAIORES DO TRANSPORTE & MELHORES DO TRANSPORTE 2024 AWARD



Best truck and bus parts manufacturer

MESSAGE FROM MANAGEMENT

In 2024, Frasle Mobility was consolidated as a company with consistent growth, driven by a portfolio of leading brands and a successful geographic expansion strategy. Evidence of that is our growth rate, which has remained above two-digit figures since 2018, reflecting the strength and resilience of our business model and its management team. Our end-of-year results reached the top of our guidance, while maintaining healthy margins, thus reaffirming our DNA of growth with sustainability.

The progress made in 2024 paves the way for a new cycle of expansion for Frasle Mobility. However, we know that to sustain this pace, we need to continually seek new growth drivers. At this point, much of this growth has already been promoted through the completion of the acquisition of Dacomsa, consolidating a solid foundation for the coming years. We reiterate, as we do year after year, our commitment to innovation and the sustainability of our growth, keeping life in motion and projecting an even more robust future.

Even in the face of significant challenges, such as the floods that impacted our operations and global logistical obstacles, we were able to advance and grow in several product lines, with emphasis on light-duty brake pads and shock absorbers. This performance reaffirms Frasle Mobility's ability to adapt and overcome adversity, building up even more the trust of our customers and partners.

We reached the end of year with important organizational changes, preparing the Company for a path of even greater relevance and scale. Frasle Mobility is shaping up to be a much larger company, strengthening its position in the global market. We remain confident and committed to creating value for our stakeholders. We continue to evolve, innovate and grow, ready for the challenges and opportunities that the future holds for us.

"We reiterate, as we do year after year, our commitment to innovation and the sustainability of our growth, keeping life in motion and projecting an even more robust future..."

MAIN FIGURES

	4Q24	4Q23	Δ %	3Q24	Δ %	2024	2023	Δ %
Net Revenue	1,107.8	741.3	49.4%	1,036.5	6.9%	3,965.8	3,388.7	17.0%
Domestic Market	668.6	555.5	20.4%	647.8	3.2%	2,403.6	2,156.5	11.5%
Foreign Market	439.2	185.8	136.4%	388.7	13.0%	1,562.2	1,232.2	26.8%
Foreign Market US\$	75.3	37.0	103.9%	70.1	7.5%	289.7	246.1	17.7%
Exports – Brazil US\$	38.5	26.7	44.5%	31.1	23.7%	125.0	108.5	15.2%
Gross Profit	394.4	202.6	94.6%	330.9	19.2%	1,330.5	1,138.6	16.9%
Gross Margin	35.6%	27.3%	8.3 pp	31.9%	3.7 pp	33.5%	33.6%	-0.1 pp
Operating Profit	171.4	81.4	110.5%	154.2	11.2%	519.2	542.6	-4.3%
Operating Margin	15.5%	11.0%	4.5 pp	14.9%	0.6 pp	13.1%	16.0%	-2.9 pp
EBITDA	220.4	113.1	94.8%	191.2	15.3%	677.9	667.2	1.6%
EBITDA Margin	19.9%	15.3%	4.6 pp	18.4%	1.4 pp	17.1%	19.7%	-2.6 pp
Net Profit	135.1	93.9	43.8%	89.0	51.8%	374.7	388.7	-3.6%
Net Margin	12.2%	12.7%	-0.5 pp	8.6%	3.6 pp	9.4%	11.5%	-2.0 pp
Adjusted EBITDA	217.0	98.0	121.6%	195.4	11.1%	729.0	664.7	9.7%
Adjusted EBITDA Margin	19.6%	13.2%	6.4 pp	18.9%	0.7 pp	18.4%	19.6%	-1.2 pp
Investments	79.9	59.6	34.1%	44.2	80.9%	165.8	133.7	24.0%
ROIC	15.6%	19.3%	-3.7 pp	12.9%	2.7 pp	15.6%	19.3%	-3.7 pp

Values in R\$ million (except for exports, profit per share and percentage)

	4Q24	4Q23	Δ %	3Q24	Δ %	2024	2023	Δ %
Average price of the US dollar	5.84	4.95	18.0%	5.55	5.4%	5.39	4.99	7.9%

BUSINESS OVERVIEW IN THE QUARTER

In the fourth quarter of 2024, we reached a 49.4% growth in net revenue compared to the same period of the previous year. It is important to note that when looking at quarter-to-quarter comparison, we see that political and economic factors in Argentina affected the results due to the accounting effects of hyperinflation and currency devaluation, impacts that were widely disclosed by the Company.

Isolating this factor, our growth over the fiscal years is sustained by our business diversification strategy, combined with our strong brands, customer relationships and operational management focused on efficiency and productivity of our plants.

Maritime transport and logistics have shown great improving this quarter, releasing pent-up demand for co-manufactured products and again boosting exports, especially to the Argentine and North American markets. In the domestic market, the replacement segment remained buoyant, driven by the high demand for repairs in auto repair shops. In addition, our operations around the world saw gains related to new business acquisitions, as a result of the work initiated in previous cycles.

SALES PERFORMANCE

VOLUMES AND NET REVENUE BY PRODUCT FAMILY

Sales Volumes by Product Line in millions of pieces																
VOLUMES	4Q24		4Q23		Δ %		3Q24		Δ %		2024		2023		Δ %	
	Friction Material	28.4		27.3		4.2%		28.1		0.9%		108.1		104.8		3.2%
Components for the Brake System	2.8		2.5		13.0%		3.0		-5.5%		10.6		9.5		10.9%	
Components for the Suspension, Steering and Powertrain	5.7		4.7		23.6%		5.8		-0.4%		21.5		19.4		10.5%	

Sales Revenue by Material in R\$ million																
NET REVENUE	4Q24		4Q23		Δ %		3Q24		Δ %		2024		2023		Δ %	
	Friction Material	506.5	45.7%	361.9	48.8%	39.9%		480.2	46.3%	5.5%		1,873.4	47.2%	1,635.4	48.3%	14.6%
Components for the Brake System	216.8	19.6%	153.4	20.7%	41.4%		224.3	21.6%	-3.3%		787.8	19.9%	676.0	19.9%	16.5%	
Components for the Suspension, Steering and Powertrain	329.8	29.8%	213.0	28.7%	54.8%		291.7	28.1%	13.1%		1,126.5	28.4%	948.6	28.0%	18.8%	
Other products *	54.7	4.9%	13.0	1.8%	321.0%		40.3	3.9%	35.6%		178.0	4.5%	128.7	3.8%	38.4%	
Total Net Revenue	1,107.8	100.0%	741.3	100.0%	49.4%		1,036.5	100.0%	6.9%		3,965.8	100.0%	3,388.7	100.0%	17.0%	

*The components are detailed at the end of this report.

Friction volume has changed in total for 2023 due to the reclassification of intercompany sales and accounting for sets for parts.

The Company ended 4Q24 with continued growth in volume and revenue. Highlights by product family are:

Friction Materials:

- Brake linings for commercial vehicles helped increase the revenue, mainly in exports, with an increase in volumes and exchange rate impact.
- Brake pads for heavy vehicles showed growth driven by the new premium lines for trucks, buses and light commercial vehicles.
- In the light vehicle segment, brake pads continue to contribute positively to the result, both in volume and revenue, driven by the high demand for repairs in workshops.

Brake System Components:

- Brake discs showed a positive outlook at the end of 4Q24: resumption of exports and the work of repositioning the product in the market. The drop between 4Q24 and 3Q24 is related to the automakers' vacations and the shutdown of the manufacturing plant in December for maintenance work, a common procedure in the foundry sector.
- The Control unit advances in this internationalization strategy and in the expansion of its portfolio, covering both the development of new products and the acquisition of co-manufactured products.

Suspension, Steering and Powertrain components:

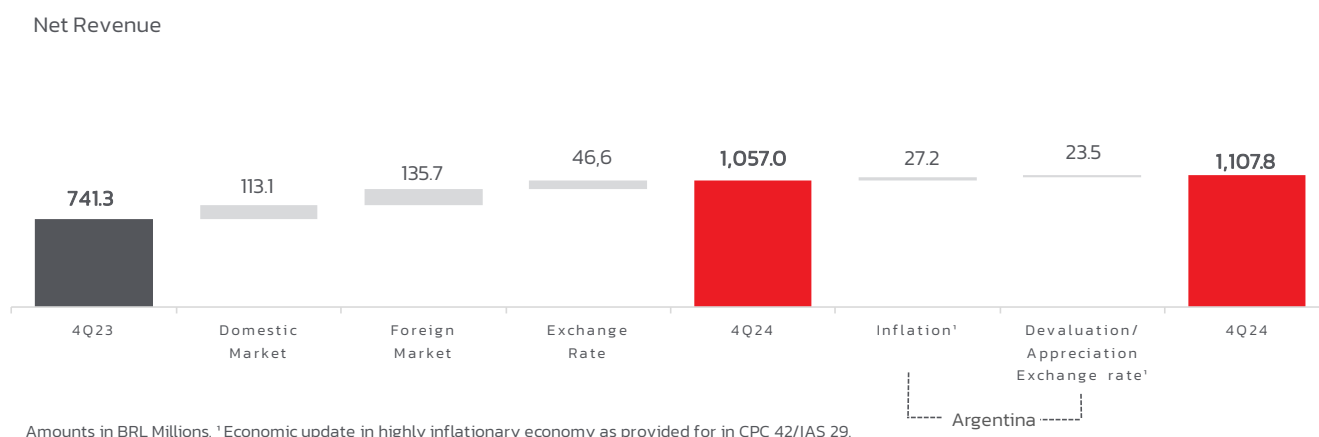
- The growth in revenue and volume is supported by the pent-up demand for co-manufactured products caused by the global logistics crisis and by mix. The Extrema site ends the 2024 cycle with market share gains in the domestic market and the strengthening of its product portfolio.

Other products:

- In this quarter, Composs began its internationalization process with exports to Argentina. At the same time, it continues to invest in the research and development of new technologies applied to products.

NOTE: It is important to highlight that the performance of sales revenue by material family does not necessarily reflect the same behavior in volumes, as we have to consider the effects of exchange rate variations, product mix and prices charged. It is also important to remember that, in 4Q23, the Argentine peso suffered a strong devaluation (360,68 USD/ARS 12/01/2023 vs. 808.45 USD/ARS 12/29/2023), negatively impacting revenues in the amount of R\$114.3 million (history available in our [modeling guide](#)). For more details on product families, see Annex IV.

Below is a graph in causal format showing the effects that modified the performance of consolidated net revenue in 4Q24, as compared to 4Q23.



REVENUE BY MARKET

Net Revenue by Markets													
Markets	4Q24		4Q23		Δ %	3Q24		Δ %	2024		2023		Δ %
DM Aftermarket	602.4	54.4%	501.7	67.7%	20.1%	580.9	56.0%	3.7%	2,162.4	54.5%	1,946.5	57.4%	11.1%
DM OEM	66.2	6.0%	53.8	7.3%	23.0%	66.9	6.5%	-1.0%	241.1	6.1%	210.0	6.2%	14.8%
Domestic Market	668.6	60.4%	555.5	74.9%	20.4%	647.8	62.5%	3.2%	2,403.6	60.6%	2,156.5	63.6%	11.5%
FM Aftermarket	388.5	35.1%	143.0	19.3%	171.7%	335.8	32.4%	15.7%	1,345.1	33.9%	1,037.7	30.6%	29.6%
FM OEM	50.7	4.6%	42.8	5.8%	18.4%	52.9	5.1%	-4.3%	217.2	5.5%	194.4	5.7%	11.7%
Foreign Market	439.2	39.6%	185.8	25.1%	136.4%	388.7	37.5%	13.0%	1,562.2	39.4%	1,232.2	36.4%	26.8%
Total Aftermarket Net Revenue	990.8	89.4%	644.6	87.0%	53.7%	916.7	88.4%	8.1%	3,507.5	88.4%	2,984.2	88.1%	17.5%
Total OEM Net Revenue	116.9	10.6%	96.6	13.0%	21.0%	119.8	11.6%	-2.4%	458.3	11.6%	404.4	11.9%	13.3%
Total Net Revenue	1,107.8	100%	741.3	100%	49.4%	1,036.5	100%	6.9%	3,965.8	100%	3,388.7	100%	17.0%

Values in R\$ million

Note: Reclassification of intercompany revenue eliminations modified the result of the Revenue lines in the Domestic and Foreign Market in 2023. The changes made are highlighted in the Company's [Modeling Guide](#).

Domestic Market (DM)

Replacement

- > The increase in sales of used vehicles in 4Q24 generated greater demand for repairs in the auto repair shops, strengthening the replacement segment, especially the brake pad line.
- > Recovery of demand affected by logistical problems, in 3Q24. In addition, the Extrema (MG) site increased its market share by expanding its customer network and diversifying its portfolio.

Automakers

- > New business approved during 2024 drives the growth of the brake pad line for light vehicles in the OES (Original Equipment Supplier) market this quarter.

- > Compared to 4Q23, the stronger domestic market for new trucks contributed to revenue growth.

International Market (IM)

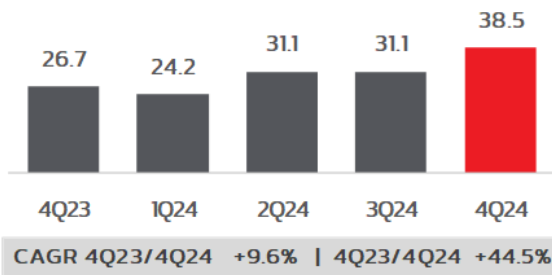
Replacement

- > The crisis in ports faced in the third quarter encouraged the American market to replenish safety stocks, a factor that benefited Brazilian exports.
- > The appetite for imported products in Argentina improved, benefiting Brazilian exports. In addition, the rise in the US dollar also contributed to the result.

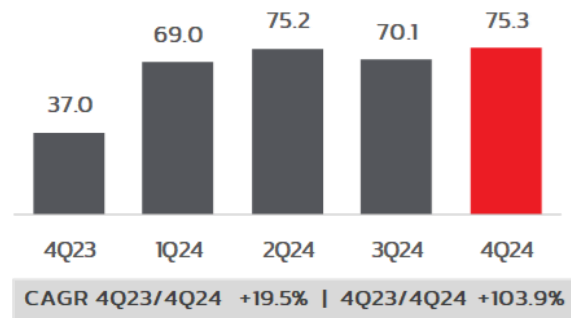
Automakers

- > The drop between 4Q24 and 3Q24 is related to the lack of operations at ports and the difficulty in serving the American market. Despite these specific challenges, exports remain strong, especially for the commercial vehicle brake lining.
- > India operation is also a highlight in terms of increasing market share in the commercial vehicle brake lining. The gains are attributed to the quality of the product.

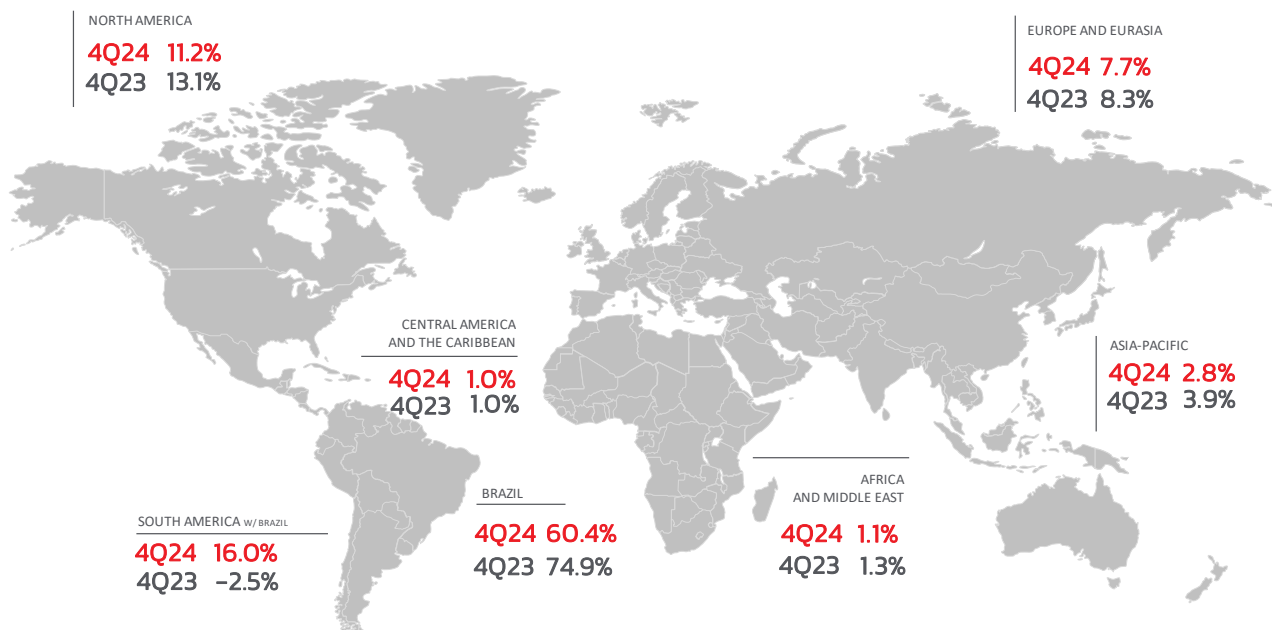
Exports - Brazil US\$



Foreign Market US\$



REVENUE BREAKDOWN ACROSS THE GLOBE

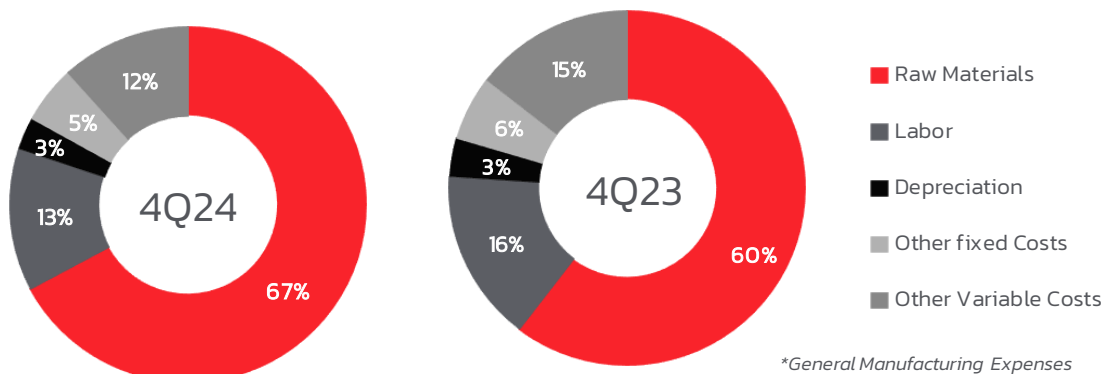


- > **North America:** The reduced revenue in our United States operation is due to maritime logistics issues faced in 3Q24, which affected the availability of the product mix in our inventories for sale in 4Q24.
- > **South America:** The scenario in Argentina was positive in 4Q24. The subsidiary worked on portfolio development, sales team and inventory equalization, reversing the negative result of 4Q23 caused by the exchange rate devaluation in the country.
- > **Europe and Eurasia:** When comparing quarter-over-quarter the drop in the share percentage is connected to the increase in the representation of other geographies. However, operations on the continent grew in revenue, driven by the increased sales in the European used car market. In addition, portfolio development efforts continue to be made.
- > **Asia:** The percentage reduction in revenue is associated with the increased representation of other regions and the strengthening of exports, especially to Europe, from our operation in China. Meanwhile, the operation in India remains active in new business, with emphasis on advances in the Original Equipment Manufacturer segment.

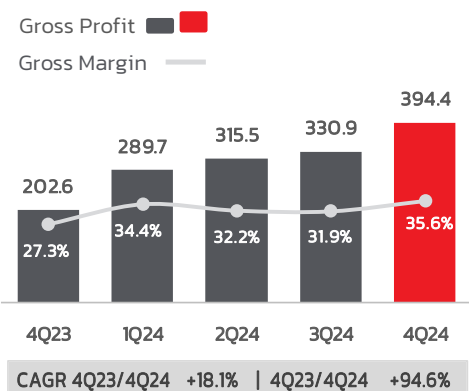
OPERATING PERFORMANCE

COST OF GOODS SOLD (COGS) AND GROSS PROFIT

In 4Q24, cost of goods sold totalled R\$ 713.4 million, accounting for 64.4% of net revenue, and resulted in gross profit of R\$ 394.4 million and gross margin of 35.6%, 8.3 percentage points higher than in the same period of the previous year. The chart below shows the composition of COGS and the main highlights.



- > In this quarter, with the removal of the PAIS (For an Inclusive and Solidary Argentina) tax, which was levied on imported goods, there was a reversal of R\$1.9 million in the COGS. The changes in Argentine economic scenario and their inflationary effects are detailed in our [modeling guide](#).
- > Exchange rate variations stimulated the increase in logistics costs, and co-manufactured products influenced the increase in raw materials.



- Greater dilution of fixed costs, favored by the increase in working days and production volume. It is worth noting that, in December 2023, the Company upgraded the SAP ECC ERP to SAP HANA ERP, impacting the reduction in the number of working days.
- Despite the aforementioned effects, the growth in gross margin is ensured by productivity initiatives and efficient cost management. An example of this is Fremax subsidiary, which showed a reduction in the electricity bill, in addition to reducing GHG emissions, as a result of an agreement with the city's government agency for the benefit of the energy substation, scheduled to open in the second half of 2025.

OPERATING EXPENSES AND REVENUES

	4Q24		4Q23		Δ %	3Q24		Δ %	2024		2023		Δ %
Selling Expenses	-129.4	-11.7%	-72.0	-9.7%	79.7%	-101.2	-9.8%	27.8%	-404.7	-10.2%	-313.0	-9.2%	29.3%
Variable Expenses w/ Sales	-43.2	-3.9%	-28.8	-3.9%	49.9%	-36.5	-3.5%	18.2%	-142.8	-3.6%	-115.2	-3.4%	24.0%
Other Expenses w/ Sales	-86.2	-7.8%	-43.2	-5.8%	99.7%	-64.7	-6.2%	33.3%	-262.0	-6.6%	-197.9	-5.8%	32.4%
Administrative Expenses	-85.5	-7.7%	-66.7	-9.0%	28.3%	-80.9	-7.8%	5.7%	-317.4	-8.0%	-250.0	-7.4%	27.0%
Other Net Expenses/Income	-8.3	-0.7%	17.7	2.4%	-146.8%	5.0	0.5%	-266.9%	-89.6	-2.3%	-32.5	-1.0%	175.6%
Other Operating Expenses	-21.2	-1.9%	-15.0	-2.0%	41.1%	-17.7	-1.7%	19.7%	-142.6	-3.6%	-102.0	-3.0%	39.8%
Other Operating Income	12.9	1.2%	32.8	4.4%	-60.6%	22.7	2.2%	-43.1%	53.0	1.3%	69.5	2.1%	-23.8%
Equity Equivalence	0.3	0.0%	-0.3	0.0%	-197.6%	0.4	0.0%	-36.6%	0.47	0.0%	-0.45	0.0%	-205.0%
Total Operating Exp/Income	-222.9	-20.1%	-121.2	-16.3%	84.0%	-176.7	-17.1%	26.1%	-811.3	-20.5%	-596.0	-17.6%	36.1%

Values in R\$ millions and % over Net Revenue

The fourth quarter saw an 84.0% increase in operating expenses and revenues compared to the same period last year. Below are some highlights of the quarter:

- The increase in sales expenses is mainly attributed to sales campaigns and marketing costs for promotions and commissions.
- As for administrative expenses, the highlights were M&A expenses (R\$0.6 million in the quarter and R\$7.2 million in the year). Given the connection with the Company's M&A strategy, which is increasingly one-off, these expenses will not be considered for adjusted EBITDA purposes.
- Other operating income show increased balance due to the reversal of the restructuring provision of the subsidiary Fanacif S.A. (R\$3.0 million) and the Green Mobility and Innovation Program (*Mover*) in the amount of R\$10.5 million.
- The most relevant impacts on other operating expenses include the update of the business combination (supervenience) of R\$2.0 million of Nakata Automotiva S.A. (in 4Q23 there was a reversal of R\$28.5 million), in addition to the reversal of impairment in the parent company and in Frasle Europe B.V. (Netherlands warehouse) of R\$2.4 million (impairment amount in 4Q23 was negative R\$13.3 million).

EBITDA AND ADJUSTED EBITDA

Consolidated EBITDA for 4Q24 totaled R\$220.4 million, with a margin of 19.9%, an increase of 4.6 percentage points compared to the same period last year.

EBITDA Reconciliation and Adjusted EBITDA								
	4Q24	4Q23	Δ %	3Q24	Δ %	2024	2023	Δ %
Net Profit	135.1	93.9	43.8%	89.0	51.8%	374.7	388.7	-3.6%
Financial Result	-2.0	-39.3	-94.9%	42.5	-104.7%	-24.1	15.9	-252.0%
Depreciation	49.0	31.7	54.5%	37.0	32.3%	158.7	124.7	27.3%
Income Tax / Social Contribution	38.3	26.8	43.0%	22.6	69.3%	168.6	137.9	22.2%
EBITDA	220.4	113.1	94.8%	191.2	15.3%	677.9	667.2	1.6%
EBITDA Margin	19.9%	15.3%	4.6 pp	18.4%	1.4 pp	17.1%	19.7%	-2.6 pp
Non-recurring Events	-3.4	-15.2	-77.8%	4.2	-179.9%	51.1	-2.6	-2095.2%
Asset impairment	-2.4	13.3	-118.0%	0.0	0.0%	5.9	13.3	-55.4%
Fanacif Restructuring	-3.0	0.0	0.0%	-1.5	104.8%	37.5	0.0	0.0%
Rescission action Nakata	0.0	0.0	0.0%	0.0	0.0%	0.0	-24.5	-100.0%
Business combination update	2.0	-28.5	-107.1%	0.0	0.0%	2.0	-28.5	-107.1%
Exclusion of ICMS from PIS/COFINS calculation base	0.0	0.0	0.0%	0.0	0.0%	0.0	37.1	-100.0%
Sale of assets	0.0	0.0	0.0%	5.7	-100.0%	5.7	0.0	0.0%
Adjusted EBITDA	217.0	98.0	121.5%	195.4	11.1%	729.0	664.7	9.7%
EBITDA Margin – Adjusted	19.6%	13.2%	6.4 pp	18.9%	0.7 pp	18.4%	19.6%	-1.2 pp

Values in R\$ million

In this quarter, one-off events were recorded, resulting in adjusted EBITDA of R\$217.0 million and adjusted EBITDA margin of 19.6%. Regarding these one-off events, we highlight:

- Reversal of impairment of Fras-le Europe B.V. (Netherlands warehouse) in the amount of R\$1.7 million and of the parent company in the amount of R\$0.7 million, totaling R\$2.4 million in the quarter. The balance breakdown is available in Note 15.
- Reversal of restructuring of Fanacif S.A. in the amount of R\$3.0 million, related to the sale of assets that had been provisioned as losses. The breakdown of the amounts is available in Note 14.4.
- Update of the business combination (supervenience) of R\$2.0 million related to the acquisition of Nakata. For more information, see note 5.

About the year of 2024:

- In 2Q24, R\$8.3 million of investment impairment was recorded, related to the restructuring of Fanacif S.A.
- Sale of Farloc building in Argentina for a net negative amount of R\$5.7 million. The sale was made as the operation was transferred to the Buenos Aires site in Garín, along with the other operations in the country. For more information, see note 31.

FINANCIAL RESULT

	4Q24	4Q23	Δ %	3Q24	Δ %	2024	2023	Δ %
Exchange Variation	85.2	20.6	313.4%	32.8	159.9%	358.2	93.3	283.8%
Interests on Capital Investment	52.8	57.1	-7.6%	40.1	31.7%	183.9	219.0	-16.0%
Present Value Adjust	6.5	4.7	38.5%	5.5	17.8%	20.9	19.7	6.4%
Other Financial Income	4.6	1.2	297.9%	0.7	530.1%	12.8	5.4	137.6%
Financial Income	149.1	83.6	78.4%	79.1	88.5%	575.9	337.4	70.7%
Exchange Variation	-96.1	-55.1	74.4%	-45.0	113.4%	-389.5	-201.2	93.6%
Financing Interests	-34.0	-24.2	40.6%	-34.4	-1.2%	-130.3	-109.1	19.5%
Present Value Adjust	-9.9	-18.5	-46.2%	-7.2	37.6%	-29.4	-37.9	-22.5%
Bank Expenses	-16.0	-5.6	188.2%	-13.6	17.9%	-53.1	-47.1	12.7%
Other Financial Expenses	-17.7	-16.6	7.0%	-17.3	2.6%	-61.9	-38.9	59.0%
Financial Expenses	-173.7	-119.8	45.0%	-117.5	47.9%	-664.2	-434.2	53.0%
Monetary adjustment (IAS 29)	26.6	75.5	-64.7%	-4.1	-746.1%	112.4	80.9	38.9%
Financial Result	2.0	39.3	-94.9%	-42.5	-104.7%	24.1	-15.9	-252.0%

Values in R\$ millions

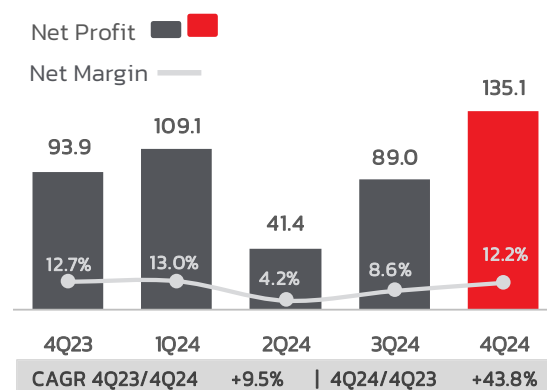
In the quarter, the Company's financial result totaled R\$2 million, and the year ended with R\$24.1 million. The main highlights were:

- The average exchange rate of the US dollar against the Real increased by 18.0 percentage points in 4Q24, driving growth in the exchange rate variation line.
- The increase in other financial income in 2024 is linked to gains from legal proceedings.
- The Operations in Argentina impacted the financial result in hyperinflation (IAS 29) given that the country presented accumulated inflation of 117% in the twelve months of 2024 (vs. 211.4% in 2023). The breakdown of the impact by Business Unit is in Note 33.

NET PROFIT

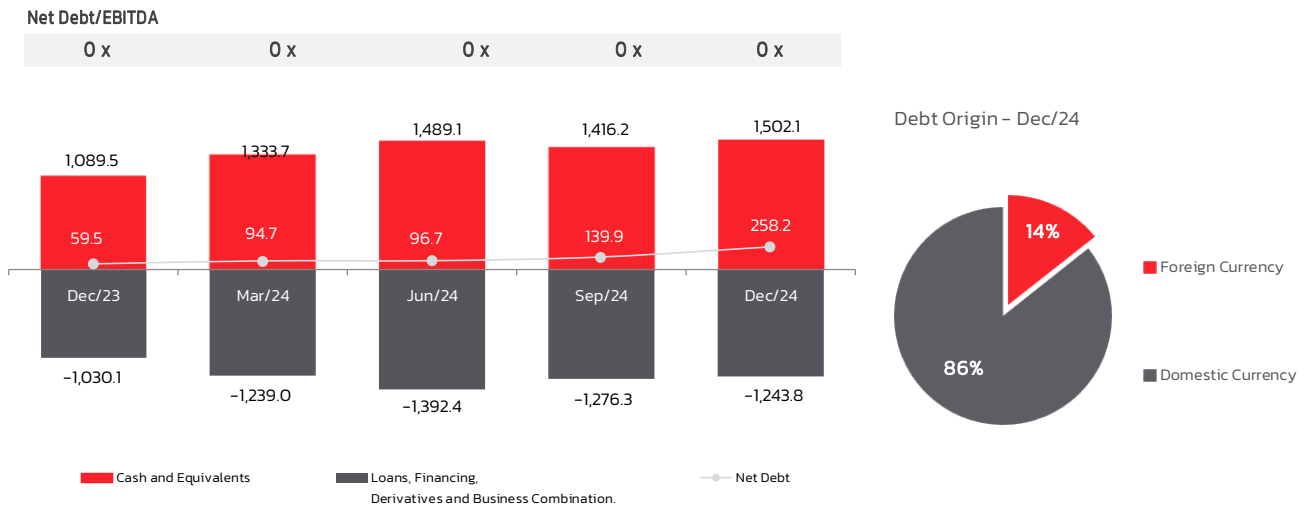
The combination of the factors above resulted in a net profit of R\$135.1 million in 4Q24, with a net margin of 12.2%. The effective tax rate for the year was 31.0%, 4.8 percentage points higher than that of the 2023 cycle, which ended at 26.2%. There are two main reasons for the increase:

- The restructuring of Fanacif S.A, which resulted in an accounting effect of R\$43.0 million in net income, and in the unrecognized deferred tax in the amount of R\$11.1 million, which contributed to the increase in the effective Income Tax/Social Contribution rate.
- The Subsidy Taxation Law, by which ICMS tax benefits began to be taxed in PIS/COFINS and IR/CS in the annual amount of R\$ 13.3 million.



FINANCIAL MANAGEMENT

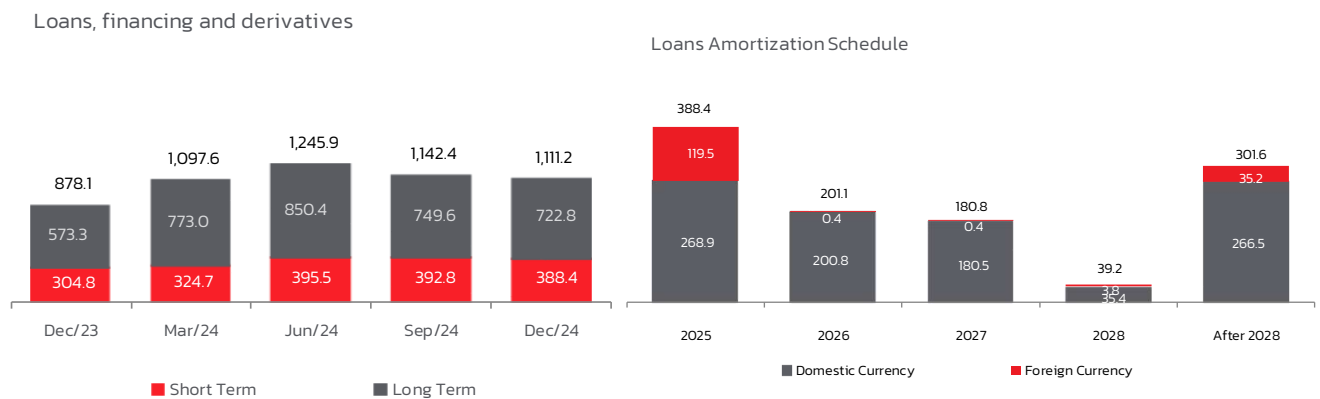
NET DEBT



The main indexers of consolidated gross debt at the end of 4Q24 were:

- > Lines in Reais indexed to the CDI (Interbank Deposit Certificate), which accounted for 73.99% (average cost CDI + 1.45%);
- > Lines in Euros (Euro + 2.0% per year) with 0.44%;
- > Dollar lines (US\$ + average of 5.1% per year) with 13.89%;
- > Lines in Reais indexed to Others, which represented 11.68% (average cost CDI + 1.38%).

The following graphs show the debt breakdown at the end of 4Q24:



WORKING CAPITAL

	2020	2021	2022	2023	2024
Resources Investment					
Customers	289,2	268,3	271,7	422,8	434,4
<i>In Days</i>	<i>49 d</i>	<i>29 d</i>	<i>25 d</i>	<i>35 d</i>	<i>31 d</i>
Inventory	494,1	825,2	857,7	783,5	1.054,8
<i>In Days</i>	<i>84 d</i>	<i>89 d</i>	<i>80 d</i>	<i>65 d</i>	<i>76 d</i>
Others Resources	221,9	150,6	116,4	109,4	182,0
Total of Resources Invested	1.005,2	1.244,2	1.245,8	1.315,7	1.671,2
Sources					
Suppliers*	-265,4	-348,4	-388,2	-435,9	-619,0
<i>In Days</i>	<i>45 d</i>	<i>38 d</i>	<i>36 d</i>	<i>36 d</i>	<i>45 d</i>
Others Resources	-133,9	-155,0	-189,3	-212,8	-311,2
Total of Sources	-399,3	-503,4	-577,5	-648,7	-930,2
WC in R\$	606,0	740,8	668,2	667,0	741,0
<i>WC in Days</i>	<i>103 d</i>	<i>80 d</i>	<i>62 d</i>	<i>55 d</i>	<i>54 d</i>

Values in R\$ million. *Total value is the sum of

NCG in R\$ disclosed in 2023 was R\$664.8 but there were changes to the values in the "customers" line and the value was changed to R\$667.0.

The year 2024 ended with increase in the working capital requirement, driven mainly by the exchange rate variation (U.S. dollar x Brazilian real). Additionally, key highlights include:

- A higher volume of in-transit products drove the increase in the accounts receivable line.
- Over the quarter, the maritime logistics issues that impacted ports globally were gradually resolved, and the arrival of co-manufactured products contributed to the increase in inventory levels.
- The growth in the accounts payable line is linked to payment term negotiations and the acquisition of equipment for the automation of the Extrema distribution center, which is scheduled to begin operations in December 2025.

FREE CASH FLOW

	2020	2021	2022	2023	2024
EBITDA	330.9	388.1	453.1	667.2	677.9
Investments	-56.0	-115.6	-106.4	-133.7	-165.8
Financial Result	14.6	-49.1	-84.2	-15.9	24.1
Income and Social Taxes	-72.5	-15.4	-45.5	-137.9	-168.6
Working Capital Variation	-272.6	-134.8	44.2	1.2	-74.0
Operating Cash Flow	-55.6	73.2	261.2	381.0	293.6
Dividends/ROE	-15.5	-78.9	-70.1	-111.3	-162.8
Capital Integr. / Business Acquis.	-283.4	-57.6	595.8	-110.3	-38.4
Others	-82.3	-59.7	-49.9	-98.0	106.3
Free Cash Flow	-436.8	-123.0	737.0	61.4	198.8
NET DEBT (NET CASH)	-616.0	-739.0	-2.0	59.5	258.2

Values in R\$ million

The Company generated R\$293.6 million in operating cash flow in 2024, with the main highlights being:

- The capital contribution/business acquisition line included movements related to the business combination of Fremax site (R\$3.6 million), Extrema site (R\$18.6 million) and Armetal (R\$12.0 million). In addition, R\$2.0 million was allocated to the full capitalization of Randon Technology Center and R\$2.2 million to pay contingencies at the Extrema site.

- > Growth in net debt due to the increase in loans and financing obtained by the Company, the most relevant being the contract signed in March with the International Finance Corporation (“IFC”) in the amount of R\$250 million and the financing for export promotion in the amount of R\$145.0 million, carried out in June.

DIVIDENDS AND INTEREST ON NET EQUITY

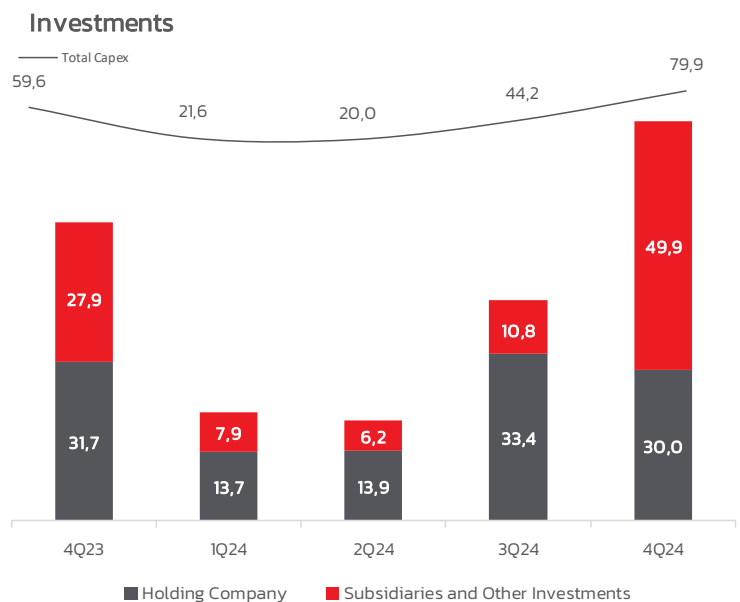
According to the Material Fact disclosed on December 11, 2024, the payment of interest on equity in the amount of R\$72,807,079.23 was approved at a meeting of the Board of Directors, which accounts for gross amount of R\$0.272669 per share. To access the history, click here.

INVESTMENTS (CAPEX)

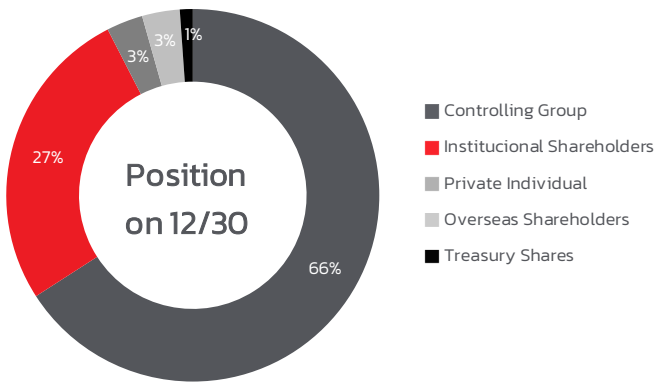
The quarter ended with R\$79.9 million invested, with the main highlights being:

- > At the controlling company, the most relevant investments were: the acquisition of a dynamometer (R\$2.8 million), adjustments to the manufacturing plant (R\$1.9 million), purchase of tools (R\$3.5 million), purchase of machinery/equipment (R\$1.7 million) and the green boiler (R\$1.0 million). At the Fremax subsidiary, the substation continued (R\$5.2 million) and equipments were acquired to increase capacity (R\$1.7 million).

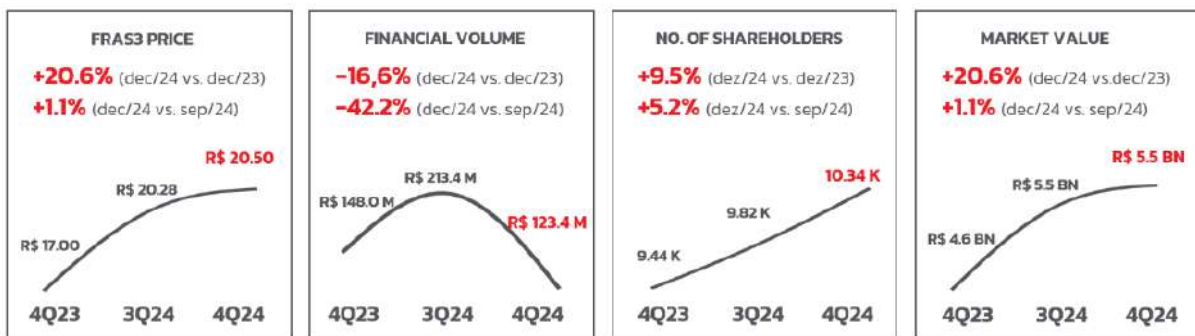
- > In the subsidiaries, highlights include the beginning of automation of the warehouse at the Extrema site (R\$19.4 million), the updating of the manufacturing park due to gains from new business at Sorocaba site (R\$4.7 million) and acquisitions of machinery for Control (R\$4.3 million).



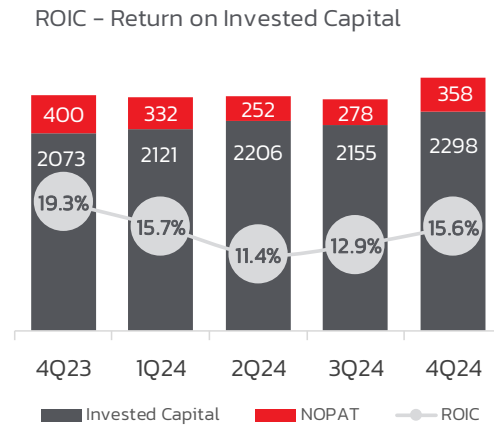
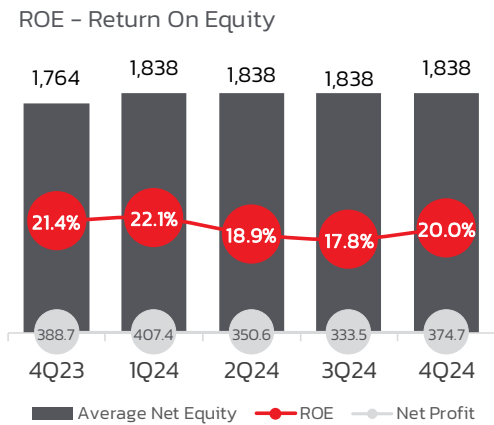
CAPITAL MARKET



In 4Q24, 17.6 million “FRAS3” shares were traded. During this period, an average daily trading volume of R\$6.1 million was recorded, a reduction of 17.5% when compared to the shares movement recorded in 4Q23. The Company’s market value at the end of December reached R\$5.5 billion.



ROE AND ROIC



APPENDICES

Appendix I

CONSOLIDATED STATEMENT OF INCOME

Values in thousands of Reais

	4Q24	%	4Q23	%	2024	%	2023	%	Variations	
									4Q24/4Q23	2024/2023
Net Revenue	1,107,759	100.0%	741,266	100.0%	3,965,776	100.0%	3,388,657	100.0%	49.4%	17.0%
COGS – Cost of Goods Sold	-713,383	-64.4%	-538,633	-72.7%	-2,635,267	-66.5%	-2,250,056	-66.4%	32.4%	17.1%
Gross Profit	394,376	35.6%	202,633	27.3%	1,330,509	33.5%	1,138,601	33.6%	94.6%	16.9%
Selling Expenses	-129,383	-11.7%	-71,985	-9.7%	-404,730	-10.2%	-313,025	-9.2%	79.7%	29.3%
Administrative Expenses	-85,528	-7.7%	-66,659	-9.0%	-317,435	-8.0%	-250,044	-7.4%	28.3%	27.0%
Other Operation Expens./Incom.	-8,301	-0.7%	17,736	2.4%	-89,647	-2.3%	-32,527	-1.0%	-146.8%	175.6%
Financial Result	1,990	0.2%	39,272	5.3%	24,129	0.6%	-15,871	-0.5%	94.9%	-252.0%
Financial Income	149,091	13.5%	83,567	11.3%	575,936	14.5%	337,397	10.0%	78.4%	70.7%
Financial Expenses	-173,748	-15.7%	-119,827	-16.2%	-664,229	-16.7%	-434,203	-12.8%	45.0%	53.0%
Monetary adjustment	26,647	2.4%	75,533	10.2%	112,422	2.8%	80,935	2.4%	-64.7%	38.9%
Income Before Tax	173,429	15.7%	120,717	16.3%	543,300	13.7%	526,682	15.5%	43.7%	3.2%
Income and Social Tax	-38,301	-3.5%	-26,778	-3.6%	-168,597	-4.3%	-137,950	-4.1%	43.0%	22.2%
Net Profit	135,127	12.2%	93,939	12.7%	374,703	9.4%	388,732	11.5%	43.8%	-3.6%
Attributable to non-controlling shar.	-1,403	-0.1%	-6,370	-0.9%	-6,961	-0.2%	-11,347	-0.3%	-78.0%	-38.7%

Values in R\$ thousands

Appendix II

CONSOLIDATED BALANCE SHEET

Values in thousands of Reais

	12.31.24	12.31.23
Assets	4,869,614	3,911,999
Current Assets	3,078,097	2,372,623
Cash and Cash Equivalents	844,881	1,050,412
Financial Applications	13,993	52
Receivables	475,497	449,791
Inventory	1,054,752	783,465
Taxes Recoverable	143,381	88,903
Other Current Assets	545,593	0
Non-current Assets	1,791,517	1,539,376
Long-Term Realisable Assets	197,931	99,124
Investments	36,896	34,310
Fixed Assets and Leases	969,831	851,378
Intangible	586,859	554,564
Liabilities	4,869,614	3,911,999
Current Liabilities	1,499,219	1,113,326
Salaries and Charges	108,686	90,670
Suppliers	617,387	435,860
Tax Obligations	140,895	106,561
Loans and Financing	388,411	304,819
Others Obligations	230,046	169,262
Provisions	13,794	6,154
Non-current Liabilities	1,118,910	937,559
Loans and Financing	722,767	573,323
Others Obligations	275,442	266,498
Deferred Taxes	8,720	0
Provisions	110,506	96,263
Profits and Revenues to Be Appropriated	1,475	1,475
Equity	2,251,485	1,861,114
Social Capital	1,229,400	1,229,400
Capital Reserves	-16,556	-16,556
Profit Reserves	1,034,004	839,145
Other Comprehensive Results	-27,998	-213,801
Non-controlling Participation	32,635	22,926

Values in R\$ thousands

Appendix III
STATEMENTS OF CASH FLOW – INDIRECT METHOD

Values in thousands of Reais

	12.31.24	12.31.23
Operational Cash Flow		
Net Operational Cash	113,984	1,037,516
Cash generated from operations	829,624	669,887
Net Income for the Period	374,703	388,732
Depreciation and Amortization	158,712	124,695
Provision for Disputes	14,243	42,404
Provision for Doubtful Settlement Credit	2,022	-529
Other Provisions	7,456	6,571
Residual Cost of Assets and Leases Downloaded and Sold	13,630	5,511
Variation on Loans, Derivatives and Leases	204,077	106,312
Equity	-475	452
Provision for Income Tax and Current and Deferred Social Contribution	168,597	137,950
Provision for Obsolete Inventories and Negative Margin	7,357	-5,432
Monetary Correction Adjustment	-112,422	-80,935
Revenue From Active Lawsuits	-11,904	-462
Impairment Reduction	6,100	2,238
Clearing Retained Amounts in Business Combination	-2,472	-57,620
Changes in assets and liabilities	-715,640	367,629
Receivables	-22,662	1,397
Accounts Receivable from Customers	-14,994	-104,950
Inventory	-290,695	115,724
Suppliers	182,635	34,608
Accounts Payable	215,187	-122,773
Income Tax and Social Contribution Paid	-92,092	-55,894
Financial Investments	-617,381	490,632
Judicial Deposits	30	3,143
Taxes to be Recovered	-75,668	5,742
Investment Cash Flow		
Net investment cash	-201,082	-236,388
Fixed and Intangible Purchases	-165,843	-133,700
Capital Payment in Affiliates	-2,028	-1,803
Business Combination	-33,211	-100,885
Cash From Financing Activities		
Net funding cash	-118,433	-318,571
Payment Interest Equity and Dividends	-162,805	-111,267
Loans and Financial Instruments Taken	500,156	94,734
Payment of Loans and Financial Instruments	-313,612	-161,210
Interest Paid with Loans	-102,928	-108,813
Lease Payment	-39,244	-32,015
Funding Cash Flow	-205,531	482,557

Values in R\$ thousands

Appendix IV
 DETAILING BY PRODUCT FAMILY

Detailed description – Product family	
Friction Material	Brake linings for commercial vehicles, Brake pads for commercial vehicles, automobiles, motorcycles and small-sized aircraft, Brake linings for automobiles, railway shoes, Brake Shoes for commercial vehicles and automobiles clutch facings, molded linings, universal sheets and industrial products.
Components for the Brake System	Brake Discs, Brake Drums, Master Cylinder, Vacuum Booster, Wheel Cylinder, Wheel hubs, repair kits, actuators, and retaining valves.
Components for Suspension System, Steering, Powertrain	Shock absorbers, Suspension Plate, Bars, Pivots and Terminals, Rubber & Metal Rubber Parts, CV Joint, Crown and Pinion, Motorcycle – Suspension, Transmission & Brake, Suspension bushing kits, ball joints, gas and mechanical springs.
Other Various Products	Components for the Engine (Pistons, valves, water pumps, oil pumps, fuel pumps, hoses, air filters, gaskets), Packed liquids (Brake fluids, coolants, Antifreeze, anticorrosive, additives, Lubricants), Composite Materials, Other Various Products (Polymer materials that do not fall into the previous categories, Cardan shaft and accessories, bearings, cross pieces, axles, flange, linkage bar, reaction bar, side steering rod, rod ends, joints, backing plates, riveting machines, rivets, dies and iron and steel scrap).

