

Hypera Pharma reports Net Revenue of R\$7,442.5 million and the highest ever recorded Cash Flow from Operations of R\$2,539.6 million in 2024

São Paulo, March 20, 2025 – Hypera S.A. (“Hypera Pharma” or “Company”; B3: HYPE3; Bloomberg: HYPE3 BZ; ISIN: BRHYPEACNOR0; Reuters: HYPE3.SA; ADR: HYPMY) announces its financial results for 2024. Financial data disclosed here are taken from the consolidated financial statements of Hypera S.A., prepared in accordance with the Brazilian Accounting Pronouncement Committee (CPC) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

2024 Highlights

- Total sell-out growth of 9.3%¹, with 8.1%² growth in the pharmaceutical retail and 25.5%³ growth in Non-Retail
- Highest ever recorded Cash Flow from Operations of R\$2,539.6 million, or 6.0% higher than 2023
- Free Cash Flow growth of 20.7% compared to the same period last year
- Interest on Equity and Dividends approval totaling R\$738.9 million (R\$1.17/share) related to the 2024 fiscal year

Table 1

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	2023	% NR	2024	% NR	Δ %
Gross Revenue, net of Returns and Unconditional Discounts	2,174.8	117.8%	1,920.1	127.1%	-11.7%	9,150.2	115.6%	8,855.8	119.0%	-3.2%
Net Revenue	1,846.9	100.0%	1,511.0	100.0%	-18.2%	7,914.7	100.0%	7,442.5	100.0%	-6.0%
Gross Profit	1,146.4	62.1%	786.4	52.0%	-31.4%	4,995.5	63.1%	4,381.0	58.9%	-12.3%
SG&A (excl. Marketing and R&D)	(286.6)	-15.5%	(320.5)	-21.2%	11.8%	(1,108.0)	-14.0%	(1,182.2)	-15.9%	6.7%
Research & Development	(40.8)	-2.2%	(22.3)	-1.5%	-45.5%	(169.5)	-2.1%	(145.5)	-2.0%	-14.1%
Marketing	(292.7)	-15.8%	(383.1)	-25.4%	30.9%	(1,243.0)	-15.7%	(1,326.0)	-17.8%	6.7%
EBITDA from Continuing Operations	580.7	31.4%	136.9	9.1%	-76.4%	2,756.1	34.8%	2,101.0	28.2%	-23.8%
Net Income from Continuing Operations	307.8	16.7%	79.5	5.3%	-74.2%	1,651.1	20.9%	1,333.0	17.9%	-19.3%
Cash Flow from Operations	792.0	42.9%	698.2	46.2%	-11.8%	2,396.0	30.3%	2,539.6	34.1%	6.0%
Free Cash Flow	573.5	31.0%	431.4	28.5%	-24.8%	1,458.7	18.4%	1,760.8	23.7%	20.7%

EARNINGS CONFERENCE CALL – PORTUGUESE: 03/21/2025, 11am (Brasília) / 10am (New York)

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Note: (1) Sell-out PPP (Pharmacy Purchase Price) and HPP (Hospital Purchase Price), as reported by IQVIA, considers the average purchase price by pharmacies, chains and hospitals; (2) In PPP, according to IQVIA; (3) In HPP, according to IQVIA

Operating Scenario

Hypera Pharma's total sell-out grew 9.3%¹ in 2024, in line with the average growth of the categories in which it operates, mainly as a consequence of: (i) the significant increase in sales of products for the Non-Retail Market, which contributed to the 25.5%² sell-out growth in this segment, a level almost 20 percentage points higher than the market growth; and (ii) the investments in the leading pharmaceutical retail brands. In this same period, the total market growth reached 11.7%³, boosted mainly by the sales increase of 23.8% of patent-protected products.

The sell-out growth in the pharmaceutical retail market was driven, both in the year and in the quarter, by the performance in the VMS (vitamins, minerals and supplements), Nausea and Gynecology categories. Products related to Flu, Respiratory, Pain and Fever, which concentrate Hypera Pharma's important Power Brands⁴ and represent a little more than 1/3 of the sell-out, compared to around 10% of total pharmaceutical retail sales, showed an important recovery in the second half of the year and ended 2024 with a growth of 6%, compared to a 3% decrease in 2023.

As a result, the pharmaceutical retail sell-out grew 8.1%⁵ in 2024, in line with the Company's expectations for the year, and 3.3 percentage points below the market. This performance is mainly due to: (i) the lower growth in Flu, Respiratory, Pain and Fever, which are more relevant for the Company's sales in comparison to the market; and (ii) the sales increase of 20.8% of patent-protected products.

In 4Q24, the sell-out growth in the pharmaceutical retail was 9.2%, compared to the 13.8% market growth for the same period. The market growth was benefited by the 25.1% growth in sales of patent-protected products.

It is worth noting that Hypera Pharma has important projects in its innovation pipeline to enter in molecules that will no longer be protected by patents in the coming years, as well as to reinforce its operations in several categories related to chronic and preventive treatments, whose growth estimated by IQVIA for the next 5 years is higher than the average growth expected for the pharmaceutical retail market.

Net Revenue was R\$7,442.5 million and EBITDA from Continuing Operations was R\$2,101.0 million in 2024. Net Revenue and EBITDA from Continuing Operations didn't keep pace with the sell-out growth in the period due to the start of the working capital optimization process in 3Q24, which seeks to increase cash generation: (i) by decreasing inventories at clients and consequently reducing the number of accounts receivable days; and (ii) by the expected increase in the Company's profitability, mainly due to the reduction in returns, discounts and discards.

It is important to mention that even with the reduction in EBITDA from Continuing Operations, the Company achieved Cash Flow from Operations of R\$2,539.6 million in 2024, the highest level in its history, and increased its free cash flow generation by 20.7% in the year.

Hypera Pharma made significant and faster-than-initially-expected progress in the working capital optimization over the last quarter by defining a new commercial policy that increased the recurrence of order placements, sales and delivery of products over the months. As a result, the Company closed the 4Q24 reducing the average receivables term for new sales and is already operating with receivables term of approximately 70⁶ days for the new sales made in the end of 1Q25.

The working capital optimization hasn't had any impact on the availability of products at the points of sale and on the sell-out performance.

With the working capital optimization conclusion in 2025, the Company will bring the inventory of its products at its clients to a similar level of what is practiced today by the pharmaceutical industry in Brazil, without compromising the sell-out growth forecasted for the coming years, the remuneration of its shareholders and the investments planned in marketing, innovation and production capacity increase.

Hypera Pharma approved the payment of Interest on Equity and Dividends totaling R\$738.9 million (R\$1.17/share) for the 2024 fiscal year, representing a dividend yield of 6.5%, and invested more than R\$2.3 billion in marketing, innovation and in the increase of its production and distribution capacity.

Investments in advertising, consumer promotion, medical visits, free samples and initiatives at the points of sale with the aim of boosting sell-out growth amounted R\$1,326.0 million in 2024, and investments in Research and Development, including the amount capitalized as intangible assets, reached R\$558.8 million⁷.

Note: (1) Sell-out PPP (Pharmacy Purchase Price) and HPP (Hospital Purchase Price), as reported by IQVIA, considers the average purchase price by pharmacies, chains and hospitals; (2) In HPP, according to IQVIA; (3) In PPP, according to IQVIA, excludes Therapeutic Class Z, Infant Formulas and MECE Market for Diagnostic Tests; (4) Power Brands are brands with +R\$100 million in sales; (5) In PPP, according to IQVIA; (6) Average receivables period for sales made in March/2025; (7)

The Company strengthened its product portfolio with more than 50 launches in 2024, with the line extensions of important brands in Gastroenterology, Pain, Sun Protection and Skin Cleaning in Consumer Health and Skincare, and the new products in Cardiology, Central Nervous System and Respiratory in Prescription Products, being the main highlights of the year. In Similar and Generics, the Company advanced in its strategy to increase the coverage of molecules in Central Nervous System, Cardiology and Gastroenterology.

Fixed assets investments focused on increasing production capacity totaled R\$427.7 million in 2024, and include investments in the new innovation center, new pilot plant and in the new oncological and biological plants to support the Non-Retail Market growth, as well as the investments on the scopolamine extraction site for the main raw material to produce Buscopan.

The Company also completed the expansion of its distribution center in Anápolis-GO that began in 2022, adding 26,500 pallet positions with inventory management and automated picking in an area of more than 4,600 square meters, which will contribute to reducing the lead time for delivery of its products and, consequently, to the process of working capital optimization.

Over the past year, Hypera Pharma was once again awarded for its medium and long-term sustainable practices and commitments, and advanced in the development of its corporate governance. The Company was once again selected to be part of the London Stock Exchange's **FTSE4Good Index Series**, one of the most important international sustainability indexes from the Financial Times Stock Exchange (FTSE), and of the B3's **IDIVERSA**, which recognizes companies that meet relevant gender and race diversity criteria.

For the 3rd consecutive year, Hypera Pharma is part of the B3 **Corporate Sustainability Index** ("ISE") portfolio and was a highlight in the **S&P Global Sustainability Yearbook**, which brought together the world's most sustainable companies in the pharmaceutical sector over the last year. It should also be noted that Hypera Pharma increased its score on the **Dow Jones Sustainability Index** by around 10% in 2024.

In addition, with the aim of further strengthening aspects of corporate governance and advising the Board of Directors on the definition of guidelines and actions for integrating the governance, environmental and social dimensions into Hypera Pharma's strategy, the **Governance and Sustainability Committee** was created in the beginning of 2024. Over the course of the year, it conducted the review of the Board of Directors and the Advisory Committees Rules of Procedure, and the Company's new Materiality study, which will be the basis for Hypera Pharma's ESG strategy and for the content of its Sustainability Reports from 2025 onwards.

Hypera Pharma is the only pharmaceutical company with a relevant participation in all segments of the retail market and present in practically every point of sale in Brazil, with an irreplicable portfolio of leading brands. The combination of these attributes with the strength and resilience of the brand portfolio and the contribution of the innovation pipeline make the Company the pharmaceutical industry best prepared to capture the growth opportunities in the Brazilian pharmaceutical market in the coming years.

In addition, with the conclusion of the working capital optimization process scheduled for 2025, Hypera Pharma will be able to combine sustainable growth with an increase in Return on Invested Capital due to the significant reduction in investments in working capital as a percentage of Net Revenue.

Earnings Discussion

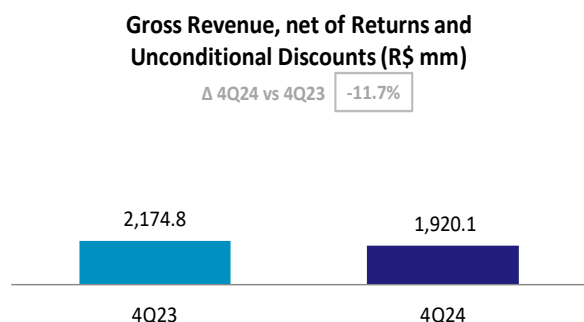
Income Statement

Table 2

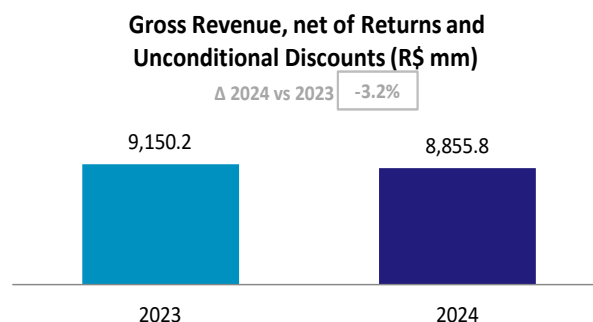
(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	2023	% NR	2024	% NR	Δ %
Net Revenue	1,846.9	100.0%	1,511.0	100.0%	-18.2%	7,914.7	100.0%	7,442.5	100.0%	-6.0%
Gross Profit	1,146.4	62.1%	786.4	52.0%	-31.4%	4,995.5	63.1%	4,381.0	58.9%	-12.3%
Marketing Expenses	(292.7)	-15.8%	(383.1)	-25.4%	30.9%	(1,243.0)	-15.7%	(1,326.0)	-17.8%	6.7%
Selling Expenses	(239.2)	-13.0%	(243.3)	-16.1%	1.7%	(929.4)	-11.7%	(962.3)	-12.9%	3.5%
General and Administrative Expenses	(88.2)	-4.8%	(99.4)	-6.6%	12.7%	(348.1)	-4.4%	(365.5)	-4.9%	5.0%
Other Operating Revenues (Expenses)	(25.3)	-1.4%	(9.4)	-0.6%	-62.9%	22.9	0.3%	68.5	0.9%	199.1%
Equity in Subsidiaries	11.1	0.6%	10.8	0.7%	-2.1%	19.9	0.3%	24.2	0.3%	21.6%
EBIT from Continuing Operations	512.0	27.7%	62.0	4.1%	-87.9%	2,517.8	31.8%	1,820.0	24.5%	-27.7%
Net Financial Expenses	(218.8)	-11.8%	(221.5)	-14.7%	1.2%	(1,008.3)	-12.7%	(840.7)	-11.3%	-16.6%
Income Tax and CSLL	14.6	0.8%	239.0	15.8%	1541.1%	141.6	1.8%	353.8	4.8%	149.8%
Net Income from Continuing Operations	307.8	16.7%	79.5	5.3%	-74.2%	1,651.1	20.9%	1,333.0	17.9%	-19.3%
Net Income from Discontinued Operations	0.3	0.0%	(0.6)	0.0%	-	(0.6)	0.0%	(2.1)	0.0%	277.4%
Net Income	308.1	16.7%	79.0	5.2%	-74.4%	1,650.6	20.9%	1,330.9	17.9%	-19.4%
EBITDA from Continuing Operations	580.7	31.4%	136.9	9.1%	-76.4%	2,756.1	34.8%	2,101.0	28.2%	-23.8%

Net Revenue

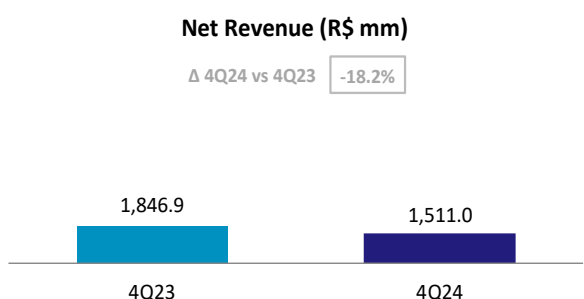
Graph 1



Graph 2



Graph 3



Graph 4

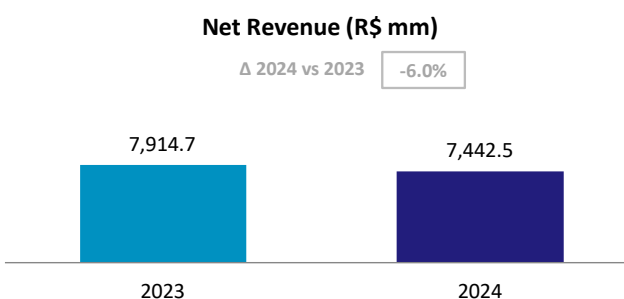


Table 3

(R\$ million)	4Q23	4Q24	Δ %	2023	2024	Δ %
Gross Revenue, net of Returns and Unconditional Discounts	2,174.8	1,920.1	-11.7%	9,150.2	8,855.8	-3.2%
Promotional Discounts	(168.4)	(258.4)	53.4%	(591.7)	(763.8)	29.1%
Taxes	(159.4)	(150.6)	-5.5%	(643.9)	(649.5)	0.9%
Net Revenue	1,846.9	1,511.0	-18.2%	7,914.7	7,442.5	-6.0%

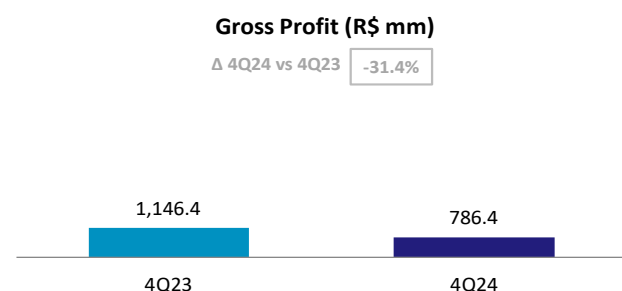
Gross Revenue, net of Returns and Unconditional Discounts, totaled R\$8,855.8 million in 2024, down 3.2% versus the previous year, while Net Revenue reached R\$7,442.5 million in the same period. In 4Q24, Gross Revenue, net of Returns and Unconditional Discounts and Net Revenue reached R\$1,920.1 million and R\$1,511.0 million, respectively.

Gross Revenue, net of Returns and Unconditional Discounts and Net Revenue didn't keep pace with the sell-out growth in the year and especially in 4Q24 due to the start of the working capital optimization process in 3Q24, which seeks to increase cash generation by decreasing inventories at clients and consequently reducing the number of accounts receivable days.

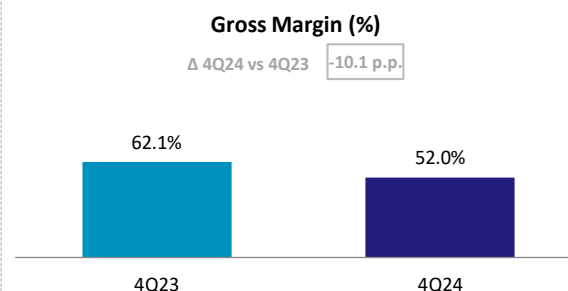
The Net Revenue decrease was higher than the Gross Revenue, net of Returns and Unconditional Discounts decrease, both in the year and in the quarter, mainly as a consequence of the higher level of Promotional Discounts to boost the sell-out growth in generics.

Gross Profit

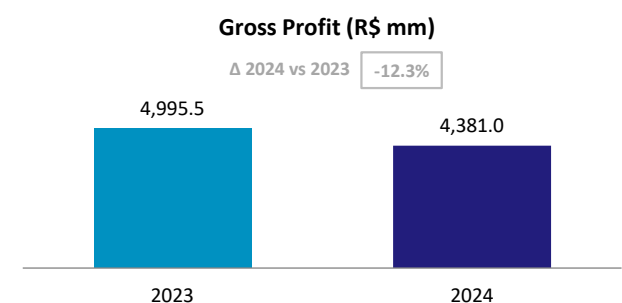
Graph 5



Graph 6



Graph 7



Graph 8

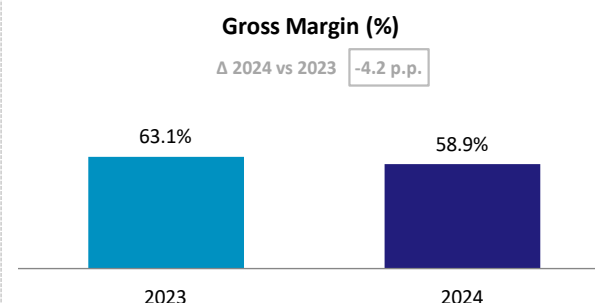


Table 4

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	Δ p.p.	2023	% NR	2024	% NR	Δ %	Δ p.p.
Gross Profit	1,146.4	62.1%	786.4	52.0%	-31.4%	-10.1 p.p.	4,995.5	63.1%	4,381.0	58.9%	-12.3%	-4.2 p.p.

Gross Profit reached R\$4,381.0 million in the year and R\$786.4 million in the quarter, with a reduction in Gross Margin of 4.2 percentage points in 2024 and 10.1 percentage points in 4Q24, when compared to the same periods of the previous year.

The reduction in Gross Margin in 2024 and in 4Q24 was mainly the result of the change in the mix of products sold and the lower operating leverage due to the working capital optimization process that began in 3Q24, which resulted in a decrease in Net Revenue in the year and in the quarter, mainly in Consumer Health and Prescription Products, which concentrate Hypera Pharma's main Power Brands and which have a Gross Margin higher than the Company's average.

Marketing Expenses

Table 5

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	2023	% NR	2024	% NR	Δ %
Marketing Expenses	(292.7)	-15.8%	(383.1)	-25.4%	30.9%	(1,243.0)	-15.7%	(1,326.0)	-17.8%	6.7%
Advertisement and Consumer Promotion	(81.9)	-4.4%	(98.5)	-6.5%	20.3%	(356.0)	-4.5%	(375.4)	-5.0%	5.4%
Trade Deals	(60.9)	-3.3%	(89.6)	-5.9%	47.2%	(219.1)	-2.8%	(239.2)	-3.2%	9.2%
Medical Visits, Promotions and Others	(149.9)	-8.1%	(195.0)	-12.9%	30.1%	(667.9)	-8.4%	(711.4)	-9.6%	6.5%

Marketing Expenses grew by 6.7% in 2024 and totaled R\$1,326.0 million, in line with the sell-out growth. In 4Q24, the growth in Marketing Expenses at a higher level than the sell-out growth is mainly due to the lower expenses related to the Flu, Respiratory, Pain and Fever categories in 4Q23, a period in which the sell-out of these categories was still being negatively affected by the lower number of flu cases in Brazil.

Selling Expenses

Table 6

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	2023	% NR	2024	% NR	Δ %
Selling Expenses	(239.2)	-13.0%	(243.3)	-16.1%	1.7%	(929.4)	-11.7%	(962.3)	-12.9%	3.5%
Commercial Expenses	(150.1)	-8.1%	(170.3)	-11.3%	13.4%	(571.2)	-7.2%	(618.5)	-8.3%	8.3%
Freight and Logistics Expenses	(48.3)	-2.6%	(50.8)	-3.4%	5.2%	(188.7)	-2.4%	(198.3)	-2.7%	5.1%
Research & Development	(40.8)	-2.2%	(22.3)	-1.5%	-45.5%	(169.5)	-2.1%	(145.5)	-2.0%	-14.1%

Selling Expenses grew by 3.5% in 2024 and by 1.7% in 4Q24, lower than the sell-out growth in both periods, mainly because of the reduction in Research and Development expenses due to the lower spending needs to maintain the current portfolio of products. In this quarter, the *Lei do Bem* benefit amounted to R\$28.2 million, compared to R\$8.4 million in 4Q23.

General and Administrative Expenses & Other Operating Revenues / Expenses, Net

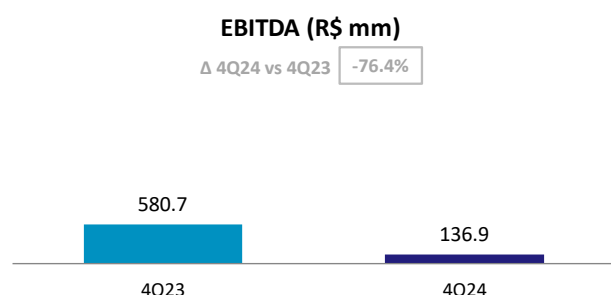
Table 7

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	2023	% NR	2024	% NR	Δ %
General & Administrative Expenses	(88.2)	-4.8%	(99.4)	-6.6%	12.7%	(348.1)	-4.4%	(365.5)	-4.9%	5.0%
Other Operating Revenues (Expenses)	(25.3)	-1.4%	(9.4)	-0.6%	-62.9%	22.9	0.3%	68.5	0.9%	199.1%

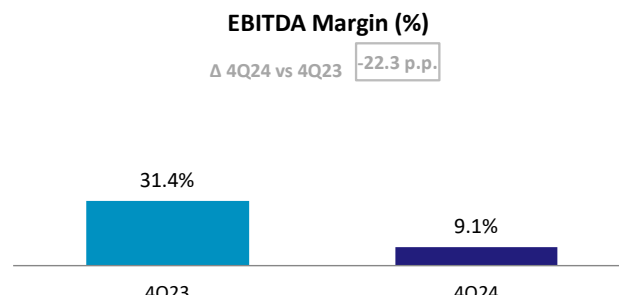
General and Administrative Expenses reached R\$365.5 million in 2024, compared to R\$348.1 million in 2023, and grew by 5.0%, in line with the inflation (Brazilian IPCA index) in the period.

EBITDA from Continuing Operations

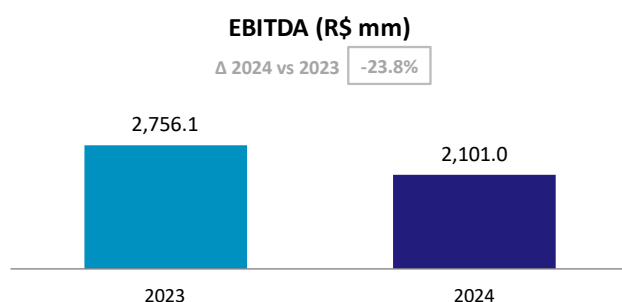
Graph 9



Graph 10



Graph 11



Graph 12

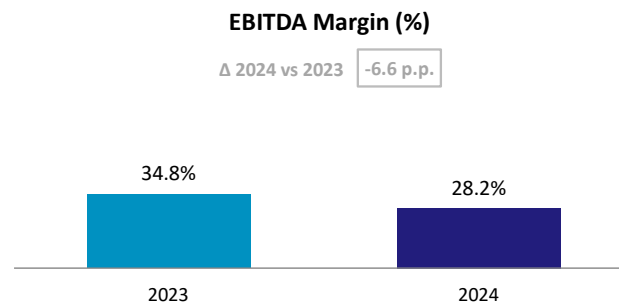


Table 8 – EBITDA from Continuing Operations

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	2023	% NR	2024	% NR	Δ %
EBITDA from Continuing Operations	580.7	31.4%	136.9	9.1%	-76.4%	2,756.1	34.8%	2,101.0	28.2%	-23.8%

EBITDA from Continuing Operations was R\$2,101.0 million in 2024, with EBITDA Margin of 28.2%, and R\$136.9 million in 4Q24, with EBITDA Margin of 9.1%.

The change in EBITDA from Continuing Operations and EBITDA Margin compared to 2023 and 4Q23 is mainly due to the working capital optimization process that began in 3Q24 and intensified in 4Q24, which resulted in: (i) the reduction in Net Revenue of 6.0% for the year and 18.2% for the quarter, with the aim of decreasing inventories at clients and consequently reducing the accounts receivable days; and (ii) the lower Gross Margin due to the change in the mix of products sold and lower operating leverage.

In addition, it should be noted that the Company did not change its main initiatives to support the sustainable sell-out growth during the working capital optimization process in 2024, which resulted in an increase in marketing, sales, general and administrative expenses in the year and in the quarter, increasing the share of these expenses as a percentage of Net Revenue, contributing negatively to EBITDA from Continuing Operations and EBITDA Margin.

Net Financial Expenses

Table 9

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ R\$	2023	% NR	2024	% NR	Δ R\$
Financial Result	(218.8)	-11.8%	(221.5)	-14.7%	(2.7)	(1,008.3)	-12.7%	(840.7)	-11.3%	167.6
Net Interest Expenses	(192.3)	-10.4%	(170.1)	-11.3%	22.2	(881.6)	-11.1%	(699.5)	-9.4%	182.1
Cost of Hedge and FX Gains (Losses)	(1.4)	-0.1%	(22.9)	-1.5%	(21.6)	(28.3)	-0.4%	(33.5)	-0.5%	(5.2)
Other	(25.1)	-1.4%	(28.5)	-1.9%	(3.4)	(98.4)	-1.2%	(107.6)	-1.4%	(9.3)

The Financial Result was negative by R\$840.7 million in 2024, R\$167.6 million less than in 2023. This variation is the result of lower interest expenses in the period due to the lower Selic rate.

Net Income

Table 10

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	2023	% NR	2024	% NR	Δ %
EBIT from Continuing Operations	512.0	27.7%	62.0	4.1%	-87.9%	2,517.8	31.8%	1,820.0	24.5%	-27.7%
(-) Net Financial Expenses	(218.8)	-11.8%	(221.5)	-14.7%	1.2%	(1,008.3)	-12.7%	(840.7)	-11.3%	-16.6%
(-) Income Tax and Social Contribution	14.6	0.8%	239.0	15.8%	1541.1%	141.6	1.8%	353.8	4.8%	149.8%
Net Income from Continuing Operations	307.8	16.7%	79.5	5.3%	-74.2%	1,651.1	20.9%	1,333.0	17.9%	-19.3%
(+) Net Income from Discontinued Operations	0.3	0.0%	(0.6)	0.0%	-	(0.6)	0.0%	(2.1)	0.0%	277.4%
Net Income	308.1	16.7%	79.0	5.2%	-74.4%	1,650.6	20.9%	1,330.9	17.9%	-19.4%
EPS	0.49	-	0.13	-	-74.1%	2.61	-	2.12	-	-18.7%
EPS from Continuing Operations	0.48	-	0.13	-	-73.7%	2.61	-	2.12	-	-18.6%

Net Income from Continuing Operations fell in the year and in the quarter because of the decrease in EBIT from Continuing Operations due to the working capital optimization process that began in 3Q24.

Cash Flow (Continuing and Discontinued Operations)

Graph 13

Cash Flow from Operations (R\$ mm)

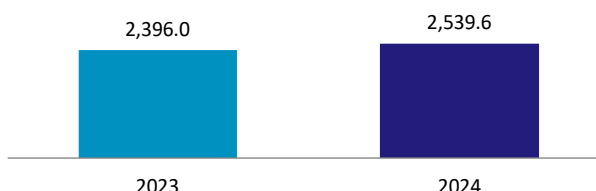
Δ 4Q24 vs 4Q23 -93.8



Graph 14

Cash Flow from Operations (R\$ mm)

Δ 2024 vs 2023 143.6



Graph 15

Free Cash Flow (R\$ mm)

Δ 4Q24 vs 4Q23 -142.1



Graph 16

Free Cash Flow (R\$ mm)

Δ 2024 vs 2023 302.2



Table 11

(R\$ million)	4Q23	4Q24	2023	2024
Cash Flow from Operations	792.0	698.2	2,396.0	2,539.6
Capital increase in subsidiaries/associates	(3.7)	(4.9)	(10.8)	(5.3)
Dividends Received	3.5	4.7	3.5	4.7
Purchase of Property, Plant and Equipment	(117.0)	(160.2)	(460.2)	(429.4)
Purchase of Intangible Assets	(95.2)	(104.2)	(352.5)	(342.9)
Acquisitions of Subsidiaries, Net of Cash Acquired	(4.8)	(2.3)	(115.2)	(7.6)
Sale of Property, Plant and Equipment	(1.4)	0.0	(2.1)	1.7
(=) Free Cash Flow	573.5	431.4	1,458.7	1,760.8

The Company recorded the highest ever Cash Flow from Operations in 2024 even with the reduction in EBITDA from Continuing Operations. Cash Flow from Operations was R\$2,539.6 million in 2024, or 6.0% higher than 2023, and benefited mainly from the reduction in investments in working capital throughout the year.

The reduction in Cash Flow from Operations in 4Q24, when compared to the same period of the previous year, is mainly the result of the start of the working capital optimization process in 3Q24, which led to a significant reduction in EBITDA from Continuing Operations in the same period.

Free Cash Flow in 2024 was 20.7% higher than in 2023 and reached R\$1,760.8 million, being impacted by the lower level of investments in fixed assets in the year due to the payment for the acquisition of the Boehringer Ingelheim plant in Itapeperica da Serra/SP made in 2023.

Net Debt

Table 12

(R\$ million)	12/31/2023	12/31/2024
Loans and Financing	(9,937.8)	(9,380.0)
Notes Payable	(24.1)	(17.3)
Gross Debt	(9,961.8)	(9,397.4)
Cash and Cash Equivalents	2,580.9	1,739.3
Net Cash / (Debt)	(7,380.9)	(7,658.0)
Unrealized Gain/Loss on Debt Hedge	(27.8)	156.9
Net Cash / (Debt) After Hedge	(7,408.7)	(7,501.1)

The Company ended 2024 with Net Debt after Hedge of R\$7,501.1 million, compared to R\$7,408.7 million at the end of 2023.

Other Information

Cash Conversion Cycle – Continuing Operations

Table 13

(Days)	1Q24	2Q24	3Q24	4Q24	(R\$ million)	1Q24	2Q24	3Q24	4Q24
Receivables ⁽¹⁾	122	116	126	119	Receivables	2,730	3,108	2,993	2,249
Inventories ⁽²⁾	265	203	226	241	Inventories	2,095	1,931	1,933	1,939
Payables ^{(2) (3)}	(93)	(80)	(95)	(122)	Payables ⁽³⁾	(737)	(757)	(813)	(984)
Cash Conversion Cycle	294	240	257	238	Working Capital	4,088	4,282	4,114	3,204
					% of Annualized Net Revenue ⁽⁴⁾	56%	49%	54%	53%

(1) Calculated based on Continuing Operations Gross Revenue, Net of Discounts

(2) Calculated based on Continuing Operations COGS

(3) Includes Suppliers' Assignment of Receivables

(4) Annualized Net Revenue for the last 3 months

Tax Credits that offset Income Tax cash payment

i) **Federal Recoverable Taxes:** R\$279.4 million (please refer to Explanatory Note 13 of the Financial Statements)

ii) **Cash effect of Income Tax and Social Contribution Losses Carryforward:** R\$4,459.3 million (please refer to Explanatory Note 21(a) of the Financial Statements)

iii) **Goodwill:** the Company has R\$1,081.5 million in goodwill to be amortized for tax purposes until August 2030, which will generate a reduction in cash disbursement for the payment of Income Taxes of R\$367.7 million

Reconciliation of Adjusted EBITDA, or EBITDA from Continuing Operations Calculation

Table 14

(R\$ million)	4Q23	% NR	4Q24	% NR	Δ %	2023	% NR	2024	% NR	Δ %
Net Income	308.1	16.7%	79.0	5.4%	-74.4%	1,650.6	20.9%	1,330.9	17.9%	-19.4%
(+) Income Tax and CSLL	(14.1)	-0.8%	(237.6)	-15.7%	1579.0%	(143.6)	-1.8%	(355.4)	-4.8%	147.5%
(+) Net Interest Expenses	218.8	11.8%	221.5	14.7%	1.2%	1,008.3	12.7%	840.7	11.3%	-16.6%
(+) Depreciations / Amortizations	68.7	3.7%	74.9	5.0%	9.0%	238.3	3.0%	281.1	3.8%	17.9%
EBITDA	581.4	31.5%	137.7	9.3%	-76.3%	2,753.6	34.8%	2,097.3	28.2%	-23.8%
(-) EBITDA from Discontinued Operations	(0.7)	0.0%	(3.0)	-0.2%	327.9%	2.5	0.0%	3.7	0.1%	49.6%
Adjusted EBITDA (EBITDA from Continuing Operations)	580.7	31.4%	134.8	8.9%	-76.8%	2,756.1	34.8%	2,101.0	28.2%	-23.8%

EBITDA is a non-accounting measure prepared by the Company and it is calculated based on net income, added by income taxes, financial expenses net of financial income, depreciation and amortization. The Adjusted EBITDA, or EBITDA from Continuing Operations, represents EBITDA, excluding the effects related to discontinued operations that affected the Company's EBITDA. The Company uses Adjusted EBITDA, or EBITDA from Continuing Operations, as a non-accounting measure, to present its performance in a way that better translates the operating cash generation potential of its business.

Disclaimer

This release contains forward-looking statements that are exclusively related to the prospects of the business, its operating and financial results, and prospects for growth. These data are merely projections and, as such, based exclusively on our management's expectations for the future of the business and its continued access to capital to fund its business plan. These forward-looking statements substantially depend on changing market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors, as well as the risks shown in our filed disclosure documents, and are therefore subject to change without prior notice.

Additional unaudited information herein reflects management's interpretation of information taken from its financial information and their respective adjustments, which were prepared in accordance with market practices and for the sole purpose of a more detailed and specific analysis of our results. Therefore, these additional data must also be analyzed and interpreted independently by shareholders and market agents, who should carry out their own analysis and draw their own conclusions from the results reported herein. No data or interpretative analysis provided by our management should be treated as a guarantee of future performance or results and are merely illustrative of our directors' vision of our results.

Our management is not responsible for compliance or accuracy of the management financial data discussed in this report, which must be considered as for informational purposes only, and should not override the analysis of our audited consolidated financial statements or our reviewed quarterly information for purposes of a decision to invest in our stock, or for any other purpose.

Consolidated Income Statement (R\$ thousand)

Table 15

	4Q23	4Q24	2023	2024
Net Revenue	1,846,925	1,510,991	7,914,658	7,442,466
Cost of Goods Sold	(700,503)	(724,551)	(2,919,114)	(3,061,467)
Gross Profit	1,146,422	786,440	4,995,544	4,380,999
Selling and Marketing Expenses	(531,922)	(626,432)	(2,172,415)	(2,288,299)
General and Administrative Expenses	(88,215)	(99,406)	(348,121)	(365,464)
Other Operating Revenues (Expenses)	(25,315)	(9,392)	22,910	68,533
Equity in Subsidiaries	11,064	10,828	19,893	24,181
Operating Income Before Equity Income and Financial Result	512,034	62,038	2,517,811	1,819,950
Net Financial Expenses	(218,755)	(221,481)	(1,008,336)	(840,712)
Financial Expenses	(281,998)	(277,930)	(1,255,941)	(1,112,295)
Financial Income	63,243	56,449	247,605	271,583
Profit Before Income Tax and Social Contribution	293,279	(159,443)	1,509,475	979,238
Income Tax and Social Contribution	14,561	238,955	141,638	353,762
Net Income from Continuing Operations	307,840	79,512	1,651,113	1,333,000
Net Income from Discontinued Operations	279	(554)	(563)	(2,125)
Income for the Period	308,119	78,958	1,650,550	1,330,875
Earnings per Share – R\$	0.49	0.13	2.61	2.12

Consolidated Balance Sheet (R\$ thousand)

Table 16

Assets	12/31/2023	12/31/2024	Liabilities and Shareholders' Equity	12/31/2023	12/31/2024
Current Assets	8,077,766	6,681,876	Current Liabilities	4,644,236	3,940,088
Cash and Cash Equivalents	2,580,893	1,739,327	Suppliers	389,667	448,535
Accounts Receivables	2,642,146	2,249,259	Assignment of Receivables	448,307	535,607
Inventories	2,191,731	1,938,600	Loans, Financing and Debentures	2,120,539	1,393,636
Recoverable Taxes	446,514	414,561	Salaries Payable	442,286	367,523
Financial Derivatives	295	125,455	Income Tax and Social Contribution	3,759	4,609
Other Assets	211,392	209,261	Taxes Payable	86,565	108,228
Dividends and IOC receivables	4,795	5,413	Accounts Payable	418,705	409,688
			Dividends and IOC Payable	696,966	648,559
			Notes Payable	20,457	15,367
			Financial Derivatives	16,985	8,336
Non-Current Assets	16,430,985	17,877,207	Non-Current Liabilities	8,346,642	8,517,176
Long Term Assets	1,317,883	2,043,301	Loans, Financing and Debentures	7,817,240	7,986,405
Deferred Income Tax and Social Contribution	869,524	1,684,251	Deferred Income Tax and Social Contribution	175,752	136,824
Recoverable Taxes	222,666	65,764	Taxes Payable	2,805	32,415
Other Assets	213,845	259,291	Accounts Payable	180,905	184,070
Financial Derivatives	11,848	33,995	Provisions for Contingencies	127,553	143,580
			Notes Payable	3,600	1,959
			Financial Derivatives	38,787	31,923
Fixed Assets and Investments	15,113,102	15,833,906	Shareholders' Equity	11,517,873	12,101,819
Investments	120,639	144,494	Capital	4,478,126	9,705,886
Biological Assets	12,583	7,401	Capital Reserve	1,190,071	1,183,264
Property, Plants and Equipments	3,548,040	3,891,156	Equity Valuation Adjustments	(278,927)	(279,524)
Intangible Assets	11,431,840	11,790,855	Profit Reserves	6,135,131	1,509,483
			Treasury Stock	(20,277)	(22,828)
			Attributed to non-controlling shareholders	13,749	5,538
Total Assets	24,508,751	24,559,083	Total Liabilities and Shareholders' Equity	24,508,751	24,559,083

Consolidated Cash Flow Statement (R\$ thousand)

Table 17

	4Q23	4Q24	2023	2024
Cash Flows from Operating Activities				
Income (Loss) Before Income Taxes including Discontinued Operations	293,970	(160,209)	1,506,986	975,514
Depreciation and Amortization	68,703	74,874	238,312	281,055
Asset Impairment	40,002	1,007	37,014	22,135
Gain on Permanent Asset Disposals	(1,592)	1,321	43,665	957
Equity Method	(10,504)	(10,689)	(20,035)	(24,578)
Foreign Exchange (Gains) Losses	1,370	22,925	28,337	33,533
Net Interest and Related Revenue/Expenses	217,385	198,556	979,999	807,179
Expenses Related to Share Based Remuneration	16,678	9,536	46,196	33,203
Provisions and Others	46,310	(96,452)	(25,939)	(222,230)
Adjusted Results	672,322	40,869	2,834,535	1,906,768
Decrease (Increase) in Assets	337,353	559,672	160,562	586,439
Trade Accounts Receivable	265,301	690,260	(116,421)	302,909
Inventories	(4,345)	(88,365)	(90,970)	80,122
Recoverable Taxes	25,446	(8,937)	154,768	228,911
Judicial Deposits and Others	1,238	(8,975)	8,532	(29,812)
Other Accounts Receivable	49,713	(24,311)	204,653	4,309
Increase (Decrease) in Liabilities	(217,657)	97,657	(599,104)	46,392
Suppliers	82,568	49,384	(10,980)	20,313
Assignment of Receivables	(195,521)	97,912	(420,151)	87,299
Financial Derivatives	(19,092)	3,279	(86,620)	(6,146)
Income Tax and Social Contribution Paid	(1,342)	(3,153)	(4,132)	(7,878)
Taxes Payable	(14,534)	(23,337)	16,288	51,873
Salaries and Payroll Charges	(37,875)	(16,196)	8,499	(28,590)
Accounts Payable	(36,852)	7,402	(120,118)	(18,755)
Operations Interest Paid	8,515	(18,618)	33,248	(55,528)
Other Accounts Payable	(3,524)	984	(15,138)	3,804
Net Cash Provided by Operating Activities	792,018	698,198	2,395,993	2,539,599
Cash Flows from Investing Activities				
Capital Increase/Decrease in Subsidiaries/Affiliates	(3,708)	(4,861)	(10,812)	(5,311)
Acquisitions of Subsidiaries, Net of Cash Acquired	(4,755)	(2,295)	(115,184)	(7,570)
Acquisitions of Property, Plant and Equipment	(117,027)	(160,238)	(460,183)	(429,392)
Intangible Assets	(95,191)	(104,150)	(352,530)	(342,875)
Proceeds from the Sale of Assets with Permanent Nature	(1,364)	40	(2,065)	1,739
Interest and Others	38,869	39,214	146,108	186,314
Dividends Received	3,478	4,657	3,478	4,657
Net Cash From Investing Activities	(179,698)	(227,633)	(791,188)	(592,438)
Cash Flows from Financing Activities				
Inflow from Loans and Financing	865,883	1	2,221,882	2,351,000
Treasury Stock Purchase / Sale	6,429	0	(48,968)	(42,561)
Repayment of Loans - Principal	(713,629)	(896,311)	(1,925,175)	(3,108,476)
Repayment of Loans - Interest	(378,865)	(364,907)	(1,306,450)	(1,195,001)
Dividends and IOC Paid	(27,839)	(683,076)	(759,885)	(787,286)
Loan Derivatives	(1,807)	4,430	(67,789)	(6,403)
Net Cash From Financing Activities	(249,828)	(1,939,863)	(1,886,385)	(2,788,727)
Net Increase (Decrease) in Cash and Cash Equivalents	362,492	(1,469,298)	(281,580)	(841,566)
Statement of Increase in Cash and Cash Equivalents, Net				
Cash and Cash Equivalents at the Beginning of the Period	2,218,401	3,208,625	2,862,473	2,580,893
Cash and Cash Equivalents at the End of the Period	2,580,893	1,739,327	2,580,893	1,739,327
Change in Cash and Cash Equivalent	362,492	(1,469,298)	(281,580)	(841,566)