

# Parent company and consolidated interim financial statements

# **September 30<sup>th</sup>, 2024 and 2023**

# Summary

## Interim financial statements

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"Sound Results in 3Q24 demonstrate the consistency and sustainability of our business

# **HIGHLIGHTS**

NET REVENUES reached R\$439.1 million in 3Q24, up 8.2% against R\$405.6 million in the same quarter of the previous year. Year-to-date, Net Revenues amounted to R\$1,147.2 million, up 13.6% compared to R\$1,009.9 million in the same period of the previous year.

ADJUSTED EBITDA reached R\$97.6 million in 3Q24, up 21.0% against R\$80.7 million in 3Q23. The ADJUSTED EBITDA margin for the quarter was 22.2%, an increase of 2.3 percentage points compared to 3Q23. Year-to-date, the ADJUSTED EBITDA was R\$252.5 million, up 20.9% compared to the same period of 2023. Year-to-date, the ADJUSTED EBITDA margin reached 22.0% and was 1.3 percentage point above the margin recorded in the same period of 2023.

ADJUSTED NET INCOME amounted to R\$61.2 million in 3Q24, with net margin of 13.9% and a reduction of 1.2 percentage point against 3Q23. Year-to-date, the Adjusted Net Income was R\$148.8 million, with net margin of 13.0% and 0.9 percentage point lower than the result recorded in the same period of 2023.

**KEPL** 



ITAG B3



**São Paulo, October 30, 2024** - Kepler Weber S/A (B3: KEPL3), the parent company of the Kepler Weber Group, a leader in equipment for grain storage and post-harvest solutions in Latin America, announces its consolidated results for the third quarter ended September 30, 2024 ("3Q24" and "9M24"). The individual and consolidated interim financial statements were prepared in accordance with CPC 21 (R1) – Interim Financial Statement, issued by the Accounting Pronouncements Committee (CPC), and in accordance with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB).

#### **MESSAGE FROM THE MANAGEMENT**

In the third quarter of 2024, our Company delivered sound results in all business areas. We highlight the results of the International Business and Ports & Terminals areas, which recorded important growth of 63.6% and 442.0% respectively against the same period of the previous year. The other areas recorded a performance very similar to that of the third quarter last year.

In recent years, the diversification of segments has been an important advantage for our company, and this was once again reflected in our results in 2024. Year-to-date, all business areas recorded growth in revenues compared to 2023, which was the second best year in the Company's history. All this, in a scenario of big challenges for the agribusiness sector, with decrease in prices of agricultural products, squeezed margins for producers, and unfavorable climate conditions in important agricultural regions.

Compared to the market, this incompatible but positive performance was the result of a set of strategies that were appropriately implemented by the organization, as well as of the positioning of our premium brand, which has leveraged our profitability with distinctive products and services.

Our proximity to customers of all segments has also been a key driver for our success. In this quarter, for example, the Company's major unit received more than 120 customers from all regions of Brazil, in addition to international customers coming from Paraguay, Argentina and Uruguay. Also in this quarter, events with customers were held in the Distribution Centers in four Brazilian states with presence of 170 partners, as well as 'field days' in Brazil and Argentina. Until September 2024, we received more than 1,200 customers in our events and exhibitions.

Another important and permanent strategy is our operational excellence, always keeping a disciplined management and the Lean Manufacturing methodology along the whole productive chain of the business, from the purchase of inputs, to manufacturing, delivery and implementation of projects at customers.

All these moves have been crucial in reducing adverse impacts and taking advantage of opportunities, despite the challenging environment. This is reflected in the performance of Net Revenues in 3Q24, which increased by 8.2%, as well as in the cash generation capacity of our operations (ADJUSTED EBITDA), which recorded a positive variation of 21% compared to the same period of the previous year. Both indicators remained at healthy levels, indicating the efficacy of our operational strategy and the strength of our business model.

From a financial point of view, we closed the quarter with Cash and Investments amounting to R\$457.9 million. This enabled us to keep a good level of Capex investments, Research & Development, as well as to pay interim dividends of R\$30.0 million to shareholders on July 10, 2024, coming from the Profit Reserve (Investment and working capital reserve), and Interest on equity of R\$15.4 million on August 23, 2024, to be included in the mandatory minimum dividends for the year.

We continue to be attentive to the market, so as to continue conducting our strategy in a smart manner. Our sound portfolio of orders and strong competition advantages enable us to face adverse situations. We believe that we will deliver robust results by the end of 2024.

We are strongly committed to the growth of results with excellence, innovating and expanding our actions with a permanent focus on profitability and strengthening our position on the market. We permanently seek to turn challenges into opportunities, fostering a long-term sustainable growth and ensuring the ongoing success of our Company.

Table 1 | Key Result Indicators (R\$ million)

	3Q24	3Q23	Δ%	2Q24	Δ%	9M24	9M23	12M23	12M22	Δ%
Return on Invested Capital (*)	42.1%	50.6%	-8.5 p.p.	43.5%	-1.4 p.p.	42.1%	50.6%	44.2%	103.8%	-8.5 p.p.
Net Operating Revenue	439.1	405.6	8.2%	327.8	33.9%	1,147.2	1,009.9	1,434.3	1,815.4	13.6%
Net Income	59.6	66.6	-10.4%	37.0	61.2%	148.8	151.2	215.6	382.5	-1.6%
Adjusted Net Income	61.2	61.5	-0.5%	34.8	75.8%	148.8	140.4	198.1	386.2	6.0%
Net Margin	13.6%	16.4%	-2.8 p.p.	11.3%	2.3 p.p.	13.0%	15.0%	15.0%	21.1%	-2 p.p.
Adjusted Net Margin	13.9%	15.2%	-1.2 p.p.	10.6%	3.3 p.p.	13.0%	13.9%	13.8%	21.3%	-0,9 p.p.
EBITDA	92.9	88.3	5.2%	63.3	46.9%	246.6	219.5	311.7	548.3	12.4%
EBITDA Margin	21.2%	21.8%	-0.6 p.p.	19.3%	1.9 p.p.	21.5%	21.7%	21.7%	30.2%	-0.2 p.p.
Adjusted EBITDA(**)	97.6	80.7	21.0%	63.6	53.6%	252.5	208.9	309.7	568.2	20.9%
Adjusted EBITDA Margin(**)	22.2%	19.9%	2.3 p.p.	19.4%	2.8 p.p.	22.0%	20.7%	21.6%	31.3%	1.3 p.p.
Earnings per Share (EPS)	0.3394	0.3767	-9.9%	0.2093	62.2%	0.8433	0.8511	1.4808	2.7733	-0.9%

(\*) ROIC over the past 12 months

(\*\*) Adjusted EBITDA = EBITDA (-) Non-recurring events (provisions for legal proceedings and untimely costs)

#### **NET OPERATING REVENUE**

Net Revenues increased by 8.2% in 3Q24 against 3Q23. Year-to-date, net revenues grew 13.6% against the same period in 2023. This includes the percentages of 88% and 89% regarding operations in the domestic market in 3Q24 and in the accumulated of 2024 respectively, and of 12% and 11% regarding operations in the international market in 3Q24 and in the accumulated of 2024 respectively.

For purposes of the statement of income, we have consolidated Procer's performance in the Replacement & Services segment. In the year-to-date 2024, we observed a significant contribution of R\$39.6 million from Procer, compared to R\$23.4 million in the same period of 2023, representing an increase of 69.8%. It is important to highlight that the purchase occurred in March 2023, so the comparison includes a period of nine months in 2024, against seven months in 2023, until September 30,2024.

Figure 1 shows the evolution in the proportion of revenues in each market:

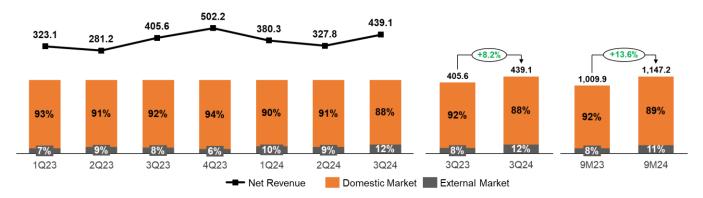


Figure 1 | Net Operating Revenues by Market (amounts in R\$ millions)

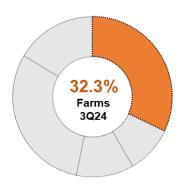
#### **Farms**



NOR	Farms
3Q24	141.8
3Q23	145.6
Δ%	-2.7%
2Q24	103.6
Δ%	36.8%
9M24	377.3
9M23	335.8
Δ%	12.4%

- In 3Q24, Net Revenues from the "Farms" segment was R\$141.8 million, marking the best quarter of 2024, with a performance very close to that recorded in the same period in 2023, with a slight drop of 2.7%. This result highlights the resilience of the Company and its capacity to keep a positive performance, despite the challenges faced by producers.
- Compared to 2Q24, there was a significant growth of 36.8%, boosted by seasonality. We highlight that, historically, the third quarter represents the peak of the annual sales cycle.
- half of 2024. This quarter, we recorded a portion of the revenue from a significant project in Piauí, which is nearing completion and has the capacity to store 66,000 tons of grain. This project has been a substantial driver of growth for the segment this quarter. Additionally, we highlight the expansions of units in Mato Grosso and the commissioning of new units in Goiás, Pará, and Bahia during this period.

## Segment's share in the Net Revenue



- Year-to-date, revenues amounted to R\$377.3 million, up 12.4% against the accumulated in 2023. This performance evidences the excellent execution of the Company's territory diversification strategy. In this quarter, results were boosted by improved climate and production conditions in the South region, as well as by the delivery of strategic projects in the Midwest and North regions.
- We recorded new significant sales in 3Q24. As an example, we highlight six projects amounting to approximately R\$72.1 million and intended for large rural producers from the states of Rio Grande do Sul, Bahia, Rondônia, Minas Gerais and Pará. These sales include new works that will boost our revenues in the fourth quarter of 2024 and first quarter of 2025.

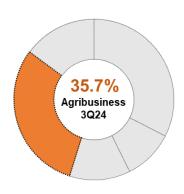
# Agribusiness



NOR	Agribusiness
3Q24	156.6
3Q23	154.2
Δ%	1.6%
2Q24	98.2
Δ%	59.5%
9M24	360.9
9M23	349.5
Δ%	3.2%

- Net Revenues from the "Agribusiness" segment reached R\$156.6 million, an increase of 1.6% compared to the same period in 2023 Year-to-date, we have reached R\$360.9 million, up 3.2% compared to the previous year. We highlight the momentum of the agribusiness sector in Brazil's South region, which, after the challenges caused by drought and adverse production conditions in recent years, is now making strong investments.
- Compared to the previous quarter (2Q24), we recorded a significant growth of 59.5%, with the highest revenues for the year, similarly to the performance achieved in the "Farms" segment. This result was also boosted by the historical seasonality in the period, as well as the beginning of the main phase of investments in the segment, consolidating the performance of new projects.

# Segment's share in the Net Revenue



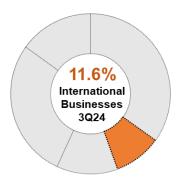
- Large and significant projects were billed in the quarter, such as deliveries to the Agribusiness sector of the State of Mato Grosso, in addition to wheat mills in the states of Paraná and Minas Gerais, and the expansion of cooperative units in the State of Paraná.
- In 3Q24, we made significant sales in the segment, including three projects for the agribusiness sector, two for cooperatives and one for a cereal dealer. These sales, which amount to R\$86.7 million, should boost our revenues both in the last quarter of 2024 and the first half of 2025.
- The Company is well positioned to capture value in the whole chain
  of transformation of agricultural products, which is expected to
  grow, like, for example, the corn ethanol sector.

#### **International Business**



NOR	International Businesses
3Q24	51.2
3Q23	31.3
Δ%	63.6%
2Q24	31.0
Δ%	65.2%
9M24	121.0
9M23	79.0
Δ%	53.1%

## Segment's share in the Net Revenue



- Net Revenues from the "International Business" segment in 3Q24 reached R\$51.2 million, up 63.6% compared to the same period in 2023. Compared to the last quarter (2Q24), the increase was 65.3%. Year-to-date, we reached R\$121.0 million, or a significant increase of 53.1% against the same period in 2023. It is important to highlight that the result for the quarter was the highest in the last 4 years, and the second best in history.
- This excellent result was due to the good performance of the Company's strategies in the segment, which strengthened our position in consolidated countries, expanded our activities in new markets and helped us improving sales management in all territories. Examples of the above factors are the conversion of opportunities in Uruguay and Paraguay, which are showing strong demand from rice producers, and the expansion to new markets in Central America and Asia.
- In 3Q24, we highlight the good performance of our sales in Latin America, particularly in Paraguay, Bolivia and Uruguay, reinforcing the leadership of Kepler Weber in the region.
- In 3Q24, we materialized important sales, highlighting two projects that were sold to cereal dealers, and one project for the agribusiness sector, which amounted to approximately R\$36.5 million. These projects will contribute to the growth of our revenues until the last quarter of 2024.

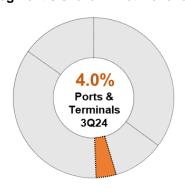
## **Ports & Terminals**



NOR	Ports & Terminals
3Q24	17.4
3Q23	3.2
Δ%	442.0%
2Q24	37.5
Δ%	-53.6%
9M24	101.4
9M23	63.0
Δ%	61.1%

- Net Revenues from the "Ports & Terminals" segment in 3Q24 reached R\$17.4 million, or five times greater than the same period in 2023. Year-to-date, we reached R\$101.4 million, up 61.1% against the result accumulated in 2023.
- Compared to 2Q24, we saw a reduction of 53.6%, which is due to the natural volatility of the volume of revenues in this segment. This variation is evidenced by the peak recorded in 2Q24, when we delivered four large projects, a scenario that was not repeated in 3Q24.
- In 3Q24, revenues from Kepler Weber's Ports & Terminals segment reflect the strength of three projects that are under an implementation phase in the region of Matopiba, in the Cerrado Biome, which comprises 4 states (Maranhão, Tocantins, Piauí and Bahia). Two projects are intended for grains, and one for fertilizers. This diversity of projects evidences the strength and the potential for growth in the segment.

### Segment's share in Net Revenue



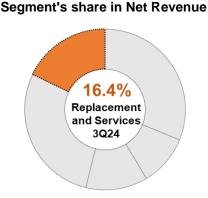
# Replacement & Services (R&S)



NOR	Replacement and Services
3Q24	72.1
3Q23	71.3
Δ%	1.1%
2Q24	57.6
Δ%	25.2%
9M24	186.6
9M23	182.6
Δ%	2.2%

- Net Revenues from the "Replacement & Services" segment in 3Q24 amounted to R\$72.1 million, up 1.1% against the same period in 2023. Year-to-date, Net Revenues from R&S reached R\$186.6 million, an increase of 2.2% compared to the same period of the previous year.
- These results reflect revenues from new products, such as the wood chips feeding system, and the synergy among the segments. We highlight the consolidation of our sales force with Procer, the significant growth in international business, increase in the number of customers served, and more proximity to customers due to the inauguration of the Luis Eduardo Magalhães DC, in Bahia.

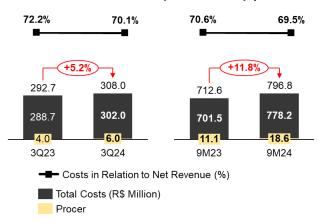
We have also recorded significant growth in sales of Seletron's products.



- Compared to 2Q24, there was a significant growth of 25.2%. This
  growth was boosted by the renewal, modernization and acquisition
  of equipment, as well as by a strategy of recovery focused on
  known customers. The implementation of our sales management
  tool has also allowed real time monitoring, which contributed to a
  positive performance in 3Q24.
- We highlight that, in the Replacement & Services segment, there
  was a 12% increase in orders compared to the orders served in
  3Q23, and Procer recorded an increase of almost 25% in the
  number of customers served compared to 3Q23.

## COST OF GOODS SOLD (COGS)

# Costs of Goods Sold (R\$ million) | Net Revenues (%)



- COGS amounted to R\$308.0 million and 70.1% of net revenues in 3Q24, down 2.1 percentage points on Net Revenues compared to 3Q23. Year-to-date, COGS amounted to R\$796.8 million, a variation of R\$84.3 million, and an increase of 11.8% compared to the same period last year, corresponding to 69.5% of net revenues and a reduction of 1.1 p.p. compared to the same period of 2023.
- Despite the unfavorable product mix scenario, with higher consumption of hours due to more robust and complex projects, we recorded a variation of 11.8% in COGS, and a decrease of 1.1 percentage points on Net Revenues, evidencing the efficacy of our cost management and gains of scale.

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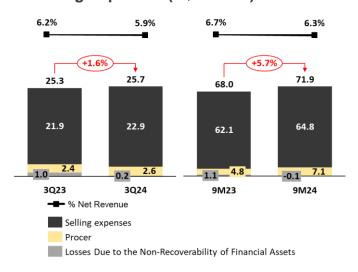
**Interim Financial Statements** 

Figure 2 | COGS Breakdown



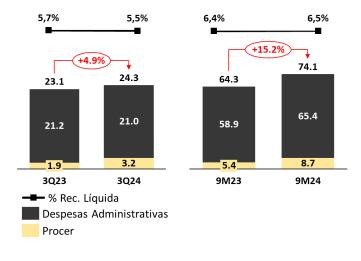
### SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

# Selling Expenses (R\$ million) % of Net Revenues



- **Selling Expenses** in 3Q24 amounted to R\$25.7 million, or 5.9% of net revenues. This is a reduction of 0.3 percentage point compared to the same period of the previous year. Year-to-date, Selling Expenses amounted to R\$71.9 million and 6.3% of net revenues, down 0.4 percentage point against the same period of the previous year.
- This variation in Selling Expenses reflects the specific adjustments made in our structure aiming at strengthening market coverage, as well as inflation impacts and expenses with trade fairs and exhibitions.

#### General and Administrative Expenses (R\$ million) % of Net Revenues



- General and Administrative Expenses amounted to R\$24.3 million in 3Q24, corresponding to 5.5% of Net Revenues, a reduction of 0.2 percentage point compared to the same quarter of the previous year. Year-to-date, General and Administrative Expenses amounted to R\$74.1 million, up 15.2%, and 0.1 percentage point higher than in the same period of 2023.
- The variations in the period were impacted by one-off expenditures in connection with the payment of bonuses relating to the achievement of targets in strategic projects. Additionally, there were specific reinforcements in our personnel structure, and investments in corporate programs and training programs, aiming at preparing our Company for sustainable growth in the next cycle.

# OTHER NET OPERATING REVENUES AND EXPENSES

**Other Net Operating Revenues and Expenses** showed a positive result of R\$2.0 million in 3Q24 compared to R\$14.8 million in 3Q23, or a reduction of 86.7%. Year-to-date, the positive net result was R\$12.7 million, compared to the positive net result of R\$28.9 million in the same period of the previous year. This reduction is primarily due to non-recurring tax credits regarding the recovery of taxes that was recorded in 2023.

#### FINANCIAL RESULT

#### **Financial Revenues**

**Financial Revenues** amounted to R\$22.1 million in 3Q24 and R\$11.2 million in 3Q23, representing 5.0% and 2.8% of net revenues respectively. Year-to-date, Financial Revenues amounted to R\$44.6 million and R\$39.0 million in the same period of the previous year, representing 3.9% of net revenues in both periods. Despite the increase in Cash position in relation to the same period of 2023, the reduction in the Official Basic Interest Rate (Selic) rate in this period impacted the return on financial investments.

# **Financial Expenses**

**Financial Expenses** amounted to R\$22.4 million in 3Q24 and R\$8.2 million in 3Q23, representing 5.1% and 2.0% of net revenues respectively. Year-to-date, Financial Expenses amounted to R\$44.2 million, and R\$34.4 million in the same period of the previous year, representing 3.8% and 3.4% of net revenues respectively. This increase is mainly due to higher expenses with financing charges in the relevant period.

### **Net Financial Result**

The **Net Financial Result** was negative by R\$0.2 million in 3Q24, compared to a positive result of R\$3.0 million in 3Q23. Year-to-date, the result was positive by R\$0.5 million, compared to the positive result of R\$4.7 million recorded in the same period of 2023.

## **EBITDA**

Table 2 | EBITDA

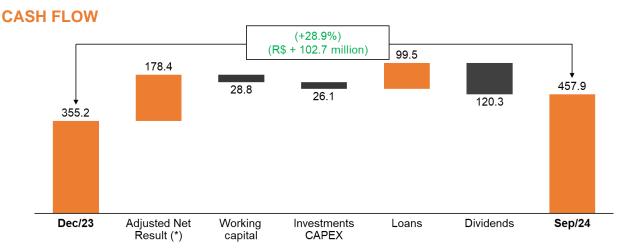
Net Income (R\$ thousands)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Net Operation Revenues	439,052	405,628	8.2%	1,147,197	1,009,929	13.6%
Net Profit	59,641	66,591	-10.4%	148,801	151,190	-1.6%
(+) Provision for IR and CS – Current and Deferred	23,220	15,620	48.7%	68,712	47,432	44.9%
(-) Financial Revenue	(22,140)	(11,177)	98.1%	(44,644)	(39,031)	14.4%
(+) Financial Expenses	22,373	8,200	172.8%	44,163	34,358	28.5%
(+) Depreciation and Amortization	9,823	9,073	8.3%	29,579	25,538	15.8%
EBITDA Margin	21.2%	21.8%	-0.6 p.p.	21.5%	21.7%	-0,2 p.p.
EBITDA	92,917	88,307	5.2%	246,611	219,487	12.4%
Supplementary Costs and Warranties	-	3,000	-100.0%	-	1,139	-100.0%
(+) Contingencies/Other	4,707	(10,642)	-144.2%	5,925	(11,754)	-150.4%
Adjusted EBITDA Margin	22.2%	19.9%	2.3 p.p.	22.0%	20.7%	1,3 p.p.
Adjusted EBITDA	97,624	80,665	21.0%	252,536	208,871	20.9%
(+) Provision for IR and CS – Current and Deferred	(3,121)	2,598	-220.1%	(5,899)	(203)	2810.7%
Adjusted Net Margin	13.9%	15.2%	-1.2 p.p.	13.0%	13.9%	-0,9 p.p.
Adjusted Net Income	61,227	61,547	-0.5%	148,827	140,372	6.0%

In 3Q24, our **EBITDA** was R\$92.9 million, up 5.2% compared to the result of R\$88.3 million recorded in 3Q23. The EBITDA margin for the quarter was 21.2%, or 0.6 percentage point lower than in 3Q23. Year-to-date, EBITDA reached R\$246.6 million, up 12.4% against the same period of 2023, while the EBITDA margin was 21.5%. Despite an unfavorable mix, the positive variation of +12.4% in EBITDA is explained by a balanced management of prices and costs.

The **Adjusted EBITDA** was R\$97.6 million, up 21.0% compared to the result of R\$80.7 million recorded in 3Q23. The Adjusted EBITDA margin for the quarter was 22.2%, or 2.3 percentage points higher than in 3Q23. Year-to-date, the Adjusted EBITDA was R\$252.5 million, up 20.9% against the same period of 2023, while the Adjusted EBITDA margin was 22.0%. The variation recorded in the year 2023 was mainly due to non-recurring tax credits regarding PIS/COFINS and monetary adjustment of IR/CSLL (Income Tax/Social Contribution on Net Income). In 2024, this is mainly due to fees from successful contingencies.

#### **NET INCOME**

In 3Q24, **Net Income** amounted to R\$59.6 million, with net margin of 13.6%, down 2.8 percentage points compared to a net margin of 16.4% in 3Q23. Year-to-date, Net Income was R\$148.8 million, with net margin of 13.0%, and a reduction of 2.0 percentage points compared to R\$151.2 million in the same period of 2023 and net margin of 15.0%. The reduction in the net margin is due to the impacts of Law 14.789/23 on the taxation of tax incentives as from the year 2024.



(\*) Adjusted net result of Depreciation/Amortization and Income Tax.

Figure 3 | Cash flow reconciliation (amounts in R\$ million)

The accumulated result, net of depreciation, amortization and income tax, amounted to R\$178.4 million. In the period, working capital showed a negative variation of R\$28.8 million, primarily driven by the performance of inventories.

Year-to-date, our investments amounted to R\$26.1 million, as detailed below ("Investments (Capex)").

Regarding financing activities, the net amount of R\$99.5 million reflects the financing agreed with the ("IFC"), in the net amount of R\$148.3 million, and the repayment of financing agreements planned for the period.

In 3Q24, the Company paid dividends and Interest on Equity in the amount of R\$45.5 million, as reflected in cash disbursements.

# **RETURN ON INVESTED CAPITAL (ROIC)**

In 3Q24, **ROIC** was 42.1%, down 1.4 percentage point against the previous quarter. Operating Income after taxes reached R\$243.0 million, down 1.8% compared to R\$247.5 million in the second quarter of 2024. In addition, the average level of invested capital showed a reduction of 1.4% between quarters, amounting to R\$577.0 million, compared to R\$569.1 million in the previous quarter.

# **INVESTMENTS (CAPEX)**



Figure 4 | Quarterly Evolution of CAPEX (amounts in R\$ millions)

In 3Q24, we invested R\$9.9 million, of which R\$5.1 million was allocated to the development of new products; R\$2.2 million, to the modernization and expansion of production capacity; R\$2.1 million, to Information Technology; and R\$0.5 million, to supporting Capex.

Year-to-date, our investments amounted to R\$26.1 million, distributed as follows: R\$9.2 million, in the modernization and expansion of production capacity; R\$9.1 million, in the development of new products; R\$4.2 million, in supporting Capex; and R\$3.6 million, in Information Technology.

37%
3Q23
13%
3Q24
14%
9M23
6%
9M23
6%
9M24
35%

Increased Manufacturing Capacity
New products
Information Technology
Reforms / Legislation - NRs

Figure 5 | CAPEX Evolution (in %)

# CASH AND CASH EQUIVALENTS, AND INDEBTEDNESS

Table 3 | Cash and Cash Equivalents, and Indebtedness

Indebtedness (R\$ thousands)	Sep/2	Sep/24		Dec/23		/23
IFC	3,673		-		_	
FINAME Materials	-		52,216		50,712	
Export Credit Note	11,960		14,530		13,027	
Financial Rural Producer Note	64,466		12,310		14,838	
Agribusiness Credit Rights Certificate	10,437		50,430		50,467	
Short Term	90,536	31%	129,486	66%	129,044	62%
IFC	148,445		-		-	
Export Credit Note	20,000		30,000		30,000	
Financial Rural Producer Note	36,000		36,000		48,000	
Long Term	204,445	69%	66,000	34%	78,000	38%
Total Indebtedness	294,981	100%	195,486	100%	207,044	100%
Availability (Current and Non-current)	457,910		355,235		320,036	
Positive net cash	162,929		159,749		112,992	

On September 30, 2024, total consolidated debt increased by 51% compared to 4Q23. Of this debt, 10.8% corresponds to the Export Credit Note; 51.6% refers to the financing agreement with the International Finance Corporation (IFC); and 34.1% relates to Farmers Financial Notes. The 51% increase in debt is mainly due to the IFC financing, in the net amount of R\$148.3 million, taken in May 2024. As a result, Positive Net Cash as of September 30, 2024 was R\$162.9 million, compared to R\$113.0 million in the same period of 2023.

#### **DIVIDENDS AND INTEREST ON EQUITY**

#### **DIVIDENDS AND INTEREST ON EQUITY**

As approved by the Board of Directors, the Company made two payments in 3Q24:

- Interim dividends: R\$30.0 million, representing R\$0.16975888 per share.
- Interest on Equity: R\$15.4 million, representing R\$0.08766970 per share.

The payment was made on July 10, 2024 without withholding income tax, in accordance with the applicable legislation, and without remuneration or adjustment for inflation.

Interest on Equity was paid on August 23, 2024, with a fifteen percent (15%) withholding tax, except for shareholders that declared themselves as "exempt" until August 19, 2024.

Table 4 | Payout

	9M24	2023	2022	Δ% 2023/2022
Mandatory dividends	-	27,871	77,690	-64.1%
Interest on Equity	15,447	32,718	18,678	75.2%
Additional dividends	-	47,000	-	0.0%
Interim dividends	30,010	42,282	84,338	-49.9%
Gross Total	45,457	149,871	180,706	-17.1%
Net profit	148,801	245,214	382,468	-35.9%
Payout	30.55%	61.12%	47.2%	29.4%

# **SHARE PERFORMANCE | KEPL3**

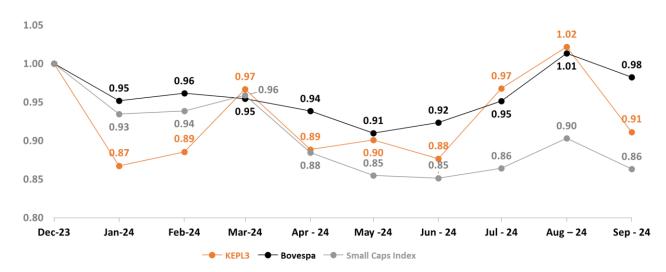


Figure 6 | Kepler versus Market | Base 100 | Base date: September 30, 2024

In September 2024, Kepler's shares showed a reduction of -8.9% compared to December 2023. In the same period, the Ibovespa index depreciated -1.8%, while the Small Caps index depreciated -13.7%. In September 2024, the average daily liquidity of Kepler's shares reached R\$10.3 million.

#### **OWNERSHIP STRUCTURE**

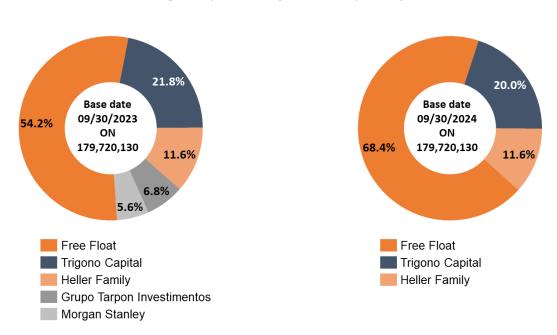


Figure 7 | Ownership Structure (KEPL3)

# **KEPL3 Shares Repurchase Program**

On March 25, 2024, the Company announced, through a Material Fact notice, the creation of a share repurchase plan. The plan aims at purchasing up to 17,658,311 common shares issued by the Company, equivalent to 10% of KEPL3 outstanding shares, according to the limits provided for in the applicable regulations, without reducing its capital stock.

The main objective of the Repurchase Program is to keep the shares in treasury for subsequent cancellation or disposal by the Company.

Before the repurchase program, the quantity of shares in Treasury was 2,959,896 ON. Until September 30, 2024, 2,779,600 ON shares were repurchased. Of this total, 289,386 ON shares were used regarding the Company's Shares Plan<sup>1</sup>. Accordingly, on September 30, 2024, the Company had a balance of 5,450,110 ON shares in Treasury.

It is important to highlight that the shares repurchased until September 30 represented 31% of the expected limit of 17,658,311 ON shares. We closed 3Q24 with R\$457.9 million in Cash, which shows a strong base to support our growth strategies and keep the repurchase plan active until its deadline, which is scheduled for March 25, 2025.

# **ADR (American Depositary Receipt)**

A Material Fact was published on September 26, 2024 to inform that, with reference to the Material Fact disclosed by the Company on June 19, 2024, the Depositary Institution of the American Depositary Receipt Program, that is, JPMorgan Chase Bank, met all obligations provided for in the Deposit Agreement and formally terminated the Program.

The Company emphasized that the termination of the ADR Program has not changed its participation in the Novo Mercado segment of B3 S.A. – Bolsa, Brasil, Balcão (Brazilian stock exchange) or the trading of its shares in this market, and that it will maintain its initiatives to access and attract new international investors, focusing its efforts on expanding the local investor base by increasing daily tradability in order to positively impact the liquidity of its shares.

# **ESG (ENVIRONMENTAL, SOCIAL AND GOVERNANCE)**



**K**EPLER**M**EBER

The information included in this release was selected based on its importance and materiality for Kepler Weber. More detailed historical data about the performance and initiatives of Kepler Weber can be checked with ease and transparency on the website: https://ri.kepler.com.br. The financial information includes, in addition to the parent company, or "Kepler Weber S.A." (KWSA), the subsidiary "Kepler Weber Industrial S.A." (KWI), the subsidiary "Procer" and the

FIDC. The scope of non-financial indicators includes KWSA and KWI.



At Kepler Weber, we believe that our responsibility in the communities where we operate goes beyond the creation of jobs. Our commitment to the social pillar is reflected in initiatives that foster positive changes and contribute to a more sustainable, diverse and inclusive society. In line with our purpose of caring for life, we continually invest in the local communities, fostering a culture of social participation, responsibility and empathy.

This year, we highlight our support to the "Ajuda RS" program [aid to the State of Rio Grande do Sul], which was one of the most important initiatives held by us. On July 22, the Jacob Sehn Municipal School, located in Cruzeiro do Sul, State of Rio Grande do Sul, has partially resumed its activities after the devastating floods that happened in May. Kepler Weber has successfully completed the first phase of the reconstruction project, providing a positive and welcoming return to the students and employees. This achievement was possible thanks to a collective effort, and we express our gratitude to all persons who contributed to it. We will continue to advance to the next phases of this project, and we will share the progress made.

In line with the "Yellow September" campaign, we carried out the "Cócegas no Coração" project in the communities of Panambi and Campo Grande, both in Rio Grande do Sul, impacting 1,797 students and teachers. The project included 7 theater presentations and 17 workshops that discussed topics such as self-esteem, bullying and non-violent communication. Our objective is to strengthen the affective bonds in the school environment and encourage a healthier dialogue between adolescents and educators.

Short- and Long-Term Incentive Program

These actions have also reached our employees. The lecture "O coração transformando o ambiente de trabalho" [The heart transforming the work environment], given by artist Caciano Kuffel, inspired 1,279 collaborators to think about the impact of emotional well-being on productivity and teamwork. Additionally, more than 50 leaders attended the workshop "A humanização em prol da relação professional," [Humanization for the benefit of professional relations], given by psychologist Fernando Bins, which stimulated a new perspective of humanization in the corporate environment.

We maintain permanent social projects that take place on a monthly basis at the communities where we operate, reinforcing our commitment to local sustainability. An example of that is the sponsorship, through the culture incentive law, of the "Semente Mágica" project, which has transformed the lives of children in Panambi/State of Rio Grande do Sul for more than 10 years. This year, we have expanded the project's activities, which include community vegetable gardens and educational practices, to the city of Campo Grande/State of Mato Grosso do Sul, serving 148 students of local schools.

Another highlight is the "Sapatilhas e Laços" project, idealized by the education department of Panambi/Rio Grande do Sul. In the last two years, the project has offered ballet classes to 90 children from 5 to 15 years old of the public education system, promoting their cultural inclusion and personal development.

Kepler Weber adopts a holistic strategy for continuous improvement in all operating areas, from production and quality management, to social and environmental responsibility.



Eco-efficiency is part of our processes, such as the use of steel scrap. In 2024, Kepler Weber produced 5,368 tons of scrap, resulting in total revenues of R\$8,258,266.90 until 3Q24. In January, the Company started a project to reduce and reuse scraps in some of its internal manufacturing processes. Scrap generation was reduced by approximately 126 tons, corresponding to some R\$467,000.00.

Considering the best practices, 100% of the electricity purchased by the two units comes from renewable sources. The use of renewable sources in energy management represents 60% of total energy consumed at Kepler Weber.

The Company continues monitoring the impacts of climate effects caused by the large flood that affected the State of Rio Grande do Sul. To date, we have not identified significant changes in our business structure. Likewise, the impacts of climate effects that are known so far are not expected to cause material economic losses in this year's results.

For more information, access: https://ri.kepler.com.br/en/corporate-governance/sustainability-esg/

## **Composition of Governance Bodies**

#### **BOARD OF DIRECTORS**

Luiz Tarquínio Sardinha Ferro Chairman

> Júlio Toledo Piza Vice President

#### **Permanent Members**

Arthur Heller Britto
Marcelo Guimaraes Lopo Lima
Maria Gustava Brochado Heller Britto
Piero Abbondi
Ricardo Sodré Oliveira

Ruy Flaks Schneider

#### **FISCAL COUNCIL**

Reginaldo Ferreira Alexandre Chairman

#### **Permanent Members**

Doris Beatriz França Wilhelm Francisco Eduardo de Queiroz Ferreira

#### **Alternate Members**

Emílio Otranto Neto Maria Elvira Lopes Gimenez Rosângela Costa Süffert

#### **EXECUTIVE BOARD**

Bernardo Osborn Gomes Nogueira
Chief Executive Officer and Investor
Relations Officer

Fabiano Schneider
Chief Industrial and Product Officer

Karine Olczevski

General Counsel and Governance, Risk and Compliance Officer

Diego Wenningkamp

Digital Projects and Service
Implementation Officer

Jean Felizardo de Oliveira Chief Commercial Officer

Simone dos Santos Lisboa
Chief People & Management Officer

Marcos Henrique Schwarz Chief Supply Chain Officer

#### STRATEGY, INVESTMENT AND FINANCE COMMITTEE

#### Members:

Arthur Heller Britto
Bernardo Osborn Gomes Nogueira
Luiz Tarquínio Sardinha Ferro
Marcelo Guimaraes Lopo Lima
Piero Abbondi

# AUDIT AND RISK COMMITTEE

Antonio Edson Maciel dos Santos Coordinator

> Valmir Pedro Rossi Member

Luiz Tarquínio Sardinha Ferro Member of the Board of Directors and Director

# PEOPLE, COMPLIANCE AND SUSTAINABILITY COMMITTEE

#### Members:

Júlio Cesar de Toledo Piza Neto Karine Olczevski Maria Gustava Brochado Heller Britto Piero Abbondi

Ruy Flaks Schneider

# 3Q24 FINANCIAL STATEMENTS Earnings Videoconference

#### **EARNINGS VIDEOCONFERENCE**

Kepler will hold a videoconference in Portuguese on October 31, 2024 (Thursday), with simultaneous translation into English, at the following times:

- 10:00 a.m. Brazil Time
- 9:00 a.m. USA Time

The link to the videoconference will be available on the Investor Relations website: <a href="https://mzgroup.zoom.us/webinar/register/WN\_krgd9vz3ROefHerG5gdCNQ">https://mzgroup.zoom.us/webinar/register/WN\_krgd9vz3ROefHerG5gdCNQ</a>

#### **Participants:**

- Bernardo Nogueira | Chief Executive Officer
- Edirlei Lohrentz da Silva | Controller

## **Investor Relations:**

- Sandra Vieira | IR Coordinator
- Leonardo Santos | IR Analyst
- Laura Sannomiya | IR Analyst

Contact: ri@ri.kepler.com.br

The presentation will also be available on our website, in the Investor Relations section (http://ri.kepler.com.br/). Please, log on approximately 10 minutes before the time set for the videoconference.



#### FORWARD-LOOKING STATEMENTS

Statements contained in this report concerning Kepler's business prospects, projections and actual results and potential growth are mere forecasts based on Management's expectations for Kepler's future. These expectations are highly dependent on market changes, on the general economic performance of Brazil, the industry and international markets, and are subject to change.

#### INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY INFORMATION

The Shareholders, Board of Directors and Officers Kepler Weber S.A. São Paulo - SP

#### Introduction

We have reviewed the individual and consolidated interim financial statements of Kepler Weber S.A. (Company) contained in the Quarterly Information Form (ITR) for the quarter ended September 30, 2024, which comprise the statement of financial position as at September 30, 2024 and the related statements of profit or loss and of comprehensive income for the three and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, and notes to the individual and consolidated interim financial statements, including material accounting policies and other explanatory information.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 – Interim Financial Reporting, and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of review

We conducted our review in accordance with Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information form referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR) and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

#### Other matters

#### Statements of value added

The abovementioned quarterly information includes the individual and consolidated statement of value added (SVA) for the nine-month period ended September 30, 2024, prepared under Company's Management responsibility, and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

### Audit and review of corresponding figures

The audit of the individual and consolidated statements of financial position as at December 31, 2023 and the review of the individual and consolidated interim financial information for the quarter ended September 30, 2023 presented for comparison purposes were conducted under the responsibility of other independent auditor, who issued unmodified audit and review reports dated February 28, 2024 and October 31, 2023, respectively.

Porto Alegre, October 30, 2024.

ERNST & YOUNG Auditores Independentes S/S Ltda. CRC SP-015199/F

Arthur Ramos Arruda Accountant CRC RS-096102/O



# STATEMENT FROM THE BOARD OF EXECUTIVE OFFICERS ON THE FINANCIAL STATEMENTS

The Company's Board of Executive Officers, persuant to subsection VI of § 1<sup>st</sup> of Article 27 of CVM Instruction 80/2022, declares that reviewed, discussed and agreed with the individual and consolidated interim financial statements for the period ended on September 30<sup>th</sup>, 2024, prepared in accordance with the law and the Bylaws, audited by Ernst & Young Auditores Independentes S/S Ltda.

São Paulo, October 30th, 2024.

#### **BOARD OF EXECUTIVE OFFICERS**

Chief Executive Officer and Investor Relations Officer (Acting)
Bernardo Osborn Gomes Nogueira

**Chief Industrial and Product Officer**Fabiano Schneider



# STATEMENT FROM THE BOARD OF EXECUTIVE OFFICERS ON THE REPORT OF THE INDEPENDENT AUDITORS

The Company's Board of Executive Officers, persuant to subsection V of § 1<sup>st</sup> of Article 27 of CVM Instruction 80/2022, declares that reviewed, discussed and agreed with the opinion expressed in the Independent auditors' report prepared by Ernst & Young Auditores Independentes S/S Ltda., dated October 30<sup>th</sup>, 2024, relating to the individual and consolidated Interim Financial Statements for the quarter ended on September 30<sup>th</sup>, 2024.

São Paulo, October 30th, 2024.

#### **BOARD OF EXECUTIVE OFFICERS**

Chief Executive Officer and Investor Relations Officer (Acting)
Bernardo Osborn Gomes Nogueira

Chief Industrial and Product Officer Fabiano Schneider





# **BALANCE SHEETS**

September 30<sup>th</sup>, 2024 and December 31<sup>st</sup>, 2023 (In thousands of reais)

		Parent C	ompany	Conso	lidated
	Note	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Assets	<u> </u>				
Current					
Cash and cash equivalents	7	11,359	4,534	427,067	322,923
Short-term investments	7	-	2,391	30,843	32,312
Trade accounts receivable	8	-	-	249,082	308,132
Inventories	9	-	-	287,765	254,147
Taxes recoverable	10	4,811	1,617	59,965	43,802
Other assets	17	5,088	26,144	23,444	20,592
Total current assets		21,258	34,686	1,078,166	981,908
Noncurrent					
Long-term receivables					
Trade accounts receivable	8	-	-	5,966	11,773
Taxes recoverable	10	8,548	12,000	23,462	36,827
Deferred taxes	11	15,631	16,378	38,243	54,894
Other assets	17	6	15	5,581	3,799
		24,185	28,393	73,252	107,293
Investments	12	737,879	739,237	102	93
Investment properties	13	30,781	32,083	1,346	1,398
Property, plant and equipment	14	1	13	257,941	257,983
Intangible assets	15	1,280	1,280	117,970	121,397
Right of use	16	622	-	21,893	1,208
		770,563	772,613	399,252	382,079
Total noncurrent assets		794,748	801,006	472,504	489,372
Total assets		816,006	835,692	1,550,670	1,471,280



## **BALANCE SHEETS**

**September 30<sup>th</sup>, 2024 and December 31<sup>st</sup>, 2023** (In thousands of reais)

		Parent C	Conso	lidated	
	Note	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Liabilities and equity					
Current					
Suppliers	18	818	971	114,461	120,878
Loans and financing	19	-	-	90,536	129,486
Social and labor obligations		2,498	3,479	52,254	44,844
Advances from customers		-	-	156,743	197,992
Taxes payable	23	501	935	6,159	9,984
Income and social contribution taxes payable	23	-	-	9,187	6,570
Commissions payable		-	-	12,079	16,443
Interest on equity and dividends payable		-	27,871	672	30,811
Provision for warranties		-	-	34,186	26,943
Leases	16	129	-	3,954	501
Other liabilities	25	1,509	2,415	23,909	23,449
Total current liabilities		5,455	35,671	504,140	607,901
Noncurrent					
Suppliers	18				12
Loans and financing	19	-	-	204,445	66,000
Provisions for tax, civil and labor risks	24	25	25	11,974	11,800
Put option - contingent consideration	26.2	54,960	54,960	54,960	54,960
Leases	16	507	0-1,000	19,051	787
Other liabilities	25	579	18,833	1,620	3,617
Total noncurrent liabilities		56,071	73,818	292,050	137,176
Total Honcurrent habilities		30,071	73,010	292,030	137,170
Equity					
Capital	27	344,694	244,694	344,694	244,694
Treasury shares	27	(49,958)	(22,303)	(49,958)	(22,303)
Capital reserves	27	7,853	7,456	7,853	7,456
Revaluation reserves	27	158	158	158	158
Equity adjustments	27	23,090	24,367	23,090	24,367
Income reserves	27	294,821	471,831	294,821	471,831
Retained earnings for the period		133,822	-	133,822	-
Total equity		754,480	726,203	754,480	726,203
Total liabilities and equity		816,006	835,692	1,550,670	1,471,280



## **INCOME STATEMENTS**

Three and nine-month periods ended September 30<sup>th</sup>, 2024 and 2023 (In thousands of reais, except earnings per share)

		Parent Company			Consolidated				
	Note	3Q24	9M24	3Q23	9M23	3Q24	9M24	3Q23	9M23
Net operating revenue	28	_	_	_	_	439,052	1,147,197	405,628	1,009,929
Cost of sales and services	30	_	_	_	_	(307,958)	(796,834)	(292,745)	(712,562)
Gross profit		-	-	-	-	131,094	350,363	112,883	297,367
Operating income (expenses)									
Selling expenses	30	-	-	-	-	(25,590)	(72,035)	(24,256)	(66,923)
Impairment losses on financial assets	30	-	-	-	-	(104)	153	(1,032)	(1,106)
General and administrative expenses	30	(3,817)	(15,306)	(5,608)	(15,668)	(24,269)	(74,119)	(23,125)	(64,317)
Other operating income (expenses), net	29	7,488	19,637	4,460	7,278	1,963	12,670	14,764	28,928
Equity pickup	12	53,530	143,349	66,320	155,371		-	-	_
Operating profit		57,201	147,680	65,172	146,981	83,094	217,032	79,234	193,949
Finance costs	31	(468)	(1,975)	(812)	(2,452)	(22,373)	(44,163)	(8,200)	(34,358)
Finance income	31	2,151	3,843	189	1,142	22,140	44,644	11,177	39,031
Income before income and social contribution taxes		58,884	149,548	64,549	145,671	82,861	217,513	82,211	198,622
Current income and social contribution taxes	11	386	_	746	(43)	(23,125)	(52,061)	(16,713)	(35,331)
Deferred income and social contribution taxes	11	371	(747)	1,296	5,562	(95)	(16,651)	1,093	(12,101)
Net income for the period		59,641	148,801	66,591	151,190	59,641	148,801	66,591	151,190
							·		
Basic earnings per share (in reais)	32	0.3394	0.8433	0.3767	0.8511	0.3394	0.8433	0.3767	0.8511
Diluted earnings per share (in reais)	32	0.3378	0.8383	0.3745	0.8463	0.3378	0.8383	0.3745	0.8463



# STATEMENTS OF COMPREHENSIVE INCOME

Three and nine-month periods ended September 30th, 2024 and 2023 (In thousands of reais)

Income for the period	
Total comprehensive income for the period	

Parent Company and Consolidated						
3Q24	9M24	3Q23	9M23			
59,641	148,801	66,591	151,190			
59,641	148,801	66,591	151,190			



## STATEMENTS OF CHANGES IN EQUITY

Nine-month periods ended September 30<sup>th</sup>, 2024 and 2023 (In thousands of reais)

			Capital	reserves				Income rese	erves		
	Capital	Treasury shares	Tax incentives	Fair value of Restricted share plan	Revaluation reserve	Equity adjustments	Legal reserve	Tax incentive reserve	Investment and working capital reserve	Retained earnings/ accumulated losses	Total
Balances at December 31st, 2022	144,694	(7,806)	617	2,812	158	26,139	28,940	57,257	344,459	-	597,270
Capital increase	100,000	-	-	-	-	-	-	-	(100,000)	-	-
Treasury shares	-	(16,204)	-	-	-	-	-	-	-	-	(16,204)
Transfer of shares	-	1,707	-	(2,115)	-	-	-	-	-	-	(408)
Fair value of restricted share plan	-	-	-	4,770	-	-	-	-	-	-	à,77Ó
Realization of deemed cost due to depreciation	-	-	-	-	-	(2,033)	-	-	-	2,033	-
Taxes on realization of deemed cost	-	-	-	-	-	691	-	-	-	(691)	-
Interim dividends	-	-	-	-	-	-	-	-	(34,562)	-	(34,562)
Net income for the period	-	-	-	-	-	-	-	-	-	151,190	151,190
Allocations:	-	-	-	-	-	-	-	-	-	(20,438)	(20,438)
Interest on Equity		-	-	-	-	-	-	-	-	(20,438)	(20,438)
Balances at September 30 <sup>th</sup> , 2023	244,694	(22,303)	617	5,467	158	24,797	28,940	57,257	209,897	132,094	681,618
Balances at December 31 <sup>st</sup> , 2023	244,694	(22,303)	617	6,839	158	24,367	41,200	57,257	373,374	-	726,203
Capital increase (note 27.6)	100,000	-	-	-	-	-	-	-	(100,000)	-	-
Treasury shares	-	(29,835)	-	-	-	-	-	-	-	-	(29,835)
Transfer of shares	-	2,180	-	(2,180)	-	-	-	-	-	-	-
Fair value of restricted share plan	-	-	-	2,577	-	- ()	-	-	-		2,577
Realization of deemed cost due to depreciation	-	-	-	-	-	(1,934)	-	-	-	1,934	-
Taxes on realization of deemed cost	-	-	-	-	-	657	-	-	-	(657)	- (4 000)
Discretionary dividends - Procer	-	-	-	-	-	-	-	-	-	(1,008)	(1,008)
Additional dividend (note 27.6)	-	-	-	-	-	-	-	-	(47,000)	-	(47,000)
Interim dividends (note 27.6)	-	-	-	-	-	-	-	-	(30,010)	-	(30,010)
Unclaimed dividends	-	-	-	-	-	-	-	-	-	199	199
Net income for the period	-	-	-	-	-	-	-	-	-	148,801	148,801
Allocations:	-	-	-	-	-	-	-	-	-	(15,447)	(15,447)
Interest on Equity (note 27.7)	-		-		-	-		-	-	(15,447)	(15,447)
Balances at September 30 <sup>th</sup> , 2024	344,694	(49,958)	617	7,236	158	23,090	41,200	57,257	196,364	133,822	754,480

The explanatory notes are an integral part of these individual and consolidated interim financial statements.

http://ri.kepler.com.br/ Interim Financial Statements 29



# STATEMENTS OF CASH FLOWS - INDIRECT METHOD

Nine-month periods ended September 30<sup>th</sup>, 2024 and 2023

(In thousands of reais)

Cash flows from operating activities         Met income for the period         148,801         151,190         448,801         151,190           Adjustments:         3         3         25,538         25,578         25,538           Provisions for tax, civil and labor contingencies         1,366         1,358         29,579         25,538           Provisions for inventories         2         497         1,467         1,866           Provisions for inventories         3         6         1,538         29,579         25,538           Provisions for inventories         3         6         1,467         1,248         4,817           Cherry for warranties         3         6         1,533         1,106         (163)         1,106           Cherry for warranties         3         6         1,533         1,106         (161)         1,107         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,106)         (1,107)         (1,106)         (1,106)         (1,106)         (1,106)         (1,107)         (1,106)         (1,107)		Parent Company		Consolidated		
Net income for the period		9M24	9M23	9M24	9M23	
Adjustments:         Depreciation and amortization         1.366         1.358         29.579         25.538           Provisions for tax, civil and labor contingencies         - (497)         17.4         (562)           Provisions for inventories         - (497)         17.4         (562)           Provisions for warranties         - (5, 64)         1.467         1.886           Provisions for warranties         - (5, 64)         - (153)         1.106           Other provisions         306         (5)         (497)         (12,149)           Cost of PEChitangible assets written off         - (3, 22,27)         7.401         4.425           Courrent income and social contribution tax expenses         - (43, 25,26)         16,651         12,101           Equity pickup         (143,349)         (155,371)         - (5,655)         222,976           Changes in assets and liabilities         - (5,565)         (35,085)         (35,085)         (38,087)           Trade accounts receivable         1,247         (3,513)         (1,000)         1,892           Takes recoverable         1,247         (3,513)         (1,000)         1,892           Other assets         (1,314)         3,805         7,532         31,422           Social and labor obligat		148 801	151 190	148 801	151 190	
Depreciation and amortization         1,366         1,358         29,579         25,538           Provisions for inventories         -         (497)         174         (562)           Provisions for inventories         -         -         1,467         1,886           Provisions for warranties         -         -         1,233         4,171           Impairment losses on financial assets         -         -         1,233         4,171           Cost of PPE/intangible assets written off         -         -         3,788         (61)           Finance income costs         767         1,227         7,401         4,425           Current income and social contribution tax expenses         -         43         52,061         35,331           Deferred income and social contribution tax expenses         -         43         52,061         35,331           Equity pickup         8,638         (7,517)         266,115         12,217           Changes in assets and liabilities         -         65,010         (33,827)           Inventories         -         -         65,010         (33,827)           Inventories         -         -         65,010         (33,827)           Inventories         - <t< td=""><td></td><td>140,001</td><td>101,100</td><td>140,001</td><td>101,100</td></t<>		140,001	101,100	140,001	101,100	
Provisions for tax, civil and labor contingencies   - (497)   174   (562)   Provisions for marchines   - 1,467   1,886   Provisions   - 1,467   1,886   Provisions   - 1,467   1,886   Provisions   - 1,467   1,886   Provisions   - 1,467   1,477   1,560   1,477   1,479		1,366	1,358	29,579	25,538	
Provisions for warranties		-	(497)	174	(562)	
Impairment losses on financial assets   -   (153)   1,106		-	-	1,467	1,886	
Other provisions         306         (5)         (497)         (12,149)           Cost of PE/Enitrangible assets written off         -         -         3,788         (61)           Finance income (costs)         767         1,327         7,401         4,252           Current income and social contribution tax expenses         -         43         52,061         35,331           Deferred income and social contribution tax expenses         747         (5,562)         16,651         12,101           Equity pickup         (143,349)         (185,371)         266,515         222,976           Changes in assets and liabilities         -         -         65,010         (33,827)           Inventories         -         -         65,010         (33,827)           Inventories         -         1,247         (3,513)         (1,809)         1,822           Other assets         (1,344)         (3805         7,532         31,442	Provisions for warranties	-	-			
Cost of PPE/Intangible assets written off   -   -   3,788   (61)		-	-			
Finance income (costs)         767         1,327         7,401         4,425           Current income and social contribution tax expenses         -         43         52,081         35,331           Deferred income and social contribution tax expenses         747         (5,562)         16,651         12,101           Equity pickup         8,638         7,517         266,515         222,976           Changes in assets and liabilities         -         -         55,010         (33,827)           Inventories         -         -         (35,085)         16,476           Taxes recoverable         1,247         (3,513)         (1,009)         1,892           Other assets         (1,314)         3,805         7,532         31,442           Suppliers         46         208         (6,230)         64,320           Social and labor obligations         (981)         (2,460)         7,410         (1,699)           Taxes payable         (434)         (652)         (3,525)         (860)           Advances from customers         (561)         3,611         (2,729)         3,580           Cash flows from (used in) operating activities         (561)         3,611         (4,124)         (57,734         246,426		306	(5)	` '	(12,149)	
Current income and social contribution tax expenses   -   43   52,061   35,331     Deferred income and social contribution tax expenses   747   (5,562)   16,651     Equity pickup   (143,349)   (155,371)   -   -   -     Changes in assets and liabilities   -     65,010   (33,827)     Trade accounts receivable   -		-	-			
Deferred income and social contribution tax expenses		767				
Equity pickup						
Changes in assets and liabilities				16,651	12,101	
Changes in assets and liabilities         -         6,010         (33,827)           Trade accounts receivable         -         (35,085)         16,476           Taxes recoverable         1,247         (3,513)         (1,809)         1,892           Other assets         (1,314)         3,805         7,532         31,442           Suppliers         46         208         (6,230)         64,320           Social and labor obligations         (981)         (2,460)         7,410         (1,699)           Taxes payable         (434)         (632)         (38,25)         (860)           Advances from customers         -         -         (41,249)         (57,874)           Other liabilities         (561)         3,601         (2,792)         3,580           Cash flows from (used in) operating activities         6,641         (6,508)         255,477         246,426           Interest paid on loans, financing and intercompany loans         (2,176)         (1,426)         (16,141)         (17,948)           Incernest paid on loans, financing activities         3,476         (9,071)         188,868         192,991           Cash flows from investing activities         2,312         2,312         77,536           Acquisition of PPE and	Equity pickup				-	
Trade accounts receivable	Channes in access and liabilities	8,638	(7,517)	266,515	222,976	
Taxes recoverable				GE 040	(22.027)	
Taxes recoverable		-	-			
Other assets         (1,314)         3,805         7,532         31,442           Suppliers         46         208         (6,230)         64,320           Social and labor obligations         (981)         (2,460)         7,410         (1,699)           Taxes payable         (434)         (632)         (3,825)         (860)           Advances from customers         -         -         (41,249)         (57,874)           Other liabilities         (561)         3,601         (2,792)         3,580           Cash flows from (used in) operating activities         6,641         (6,508)         255,477         246,426           Interest paid on loans, financing and intercompany loans Income and social contribution taxes paid         (989)         (1,137)         (50,468)         35,487           Net cash flows from (used in) operating activities         -         -         (26,137)         (50,487)           Net cash flows from investing activities         -         -         (26,137)         (53,621)           Short-term investing activities         -         -         (26,137)         (53,621)           Short-term investing activities         -         -         (26,137)         (53,621)           Short-term investing activities         - <t< td=""><td></td><td>1 247</td><td>(2 512)</td><td></td><td></td></t<>		1 247	(2 512)			
Suppliers						
Social and labor obligations         (981)         (2,460)         7,410         (1,699)           Taxes payable         (434)         (632)         (3,825)         (860)           Advances from customers         -         -         -         (41,249)         (57,874)           Other liabilities         (561)         3,601         (2,792)         3,580           Cash flows from (used in) operating activities         6,641         (6,508)         255,477         246,426           Interest paid on loans, financing and intercompany loans Income and social contribution taxes paid         (9,989)         (1,137)         (50,468)         (35,487)           Net cash flows from (used in) operating activities         3,476         (9,071)         188,868         192,991           Cash flows from investing activities         -         -         (26,137)         (53,621)           Short-term investments         2,391         -         2,312         77,536           Dividends and IOE received         166,193         258,690         -         -         -         (45,262)         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -		( ' '				
Taxes payable						
Advances from customers Other liabilities         (561)         3,601         (2,792)         3,580           Cash flows from (used in) operating activities         6,641         (6,508)         255,477         246,426           Interest paid on loans, financing and intercompany loans Income and social contribution taxes paid         (9,899)         (1,137)         (50,488)         (35,487)           Net cash flows from (used in) operating activities         3,476         (9,071)         188,868         192,991           Cash flows from investing activities         2         -         (26,137)         (53,621)         Short-term investments         2,391         -         2,312         77,536         Dividends and IOE received         166,193         258,690         -         -         -         45,262         -<			( ' '		( ' '	
Other liabilities         (561)         3,601         (2,792)         3,580           Cash flows from (used in) operating activities         6,641         (6,508)         255,477         246,426           Interest paid on loans, financing and intercompany loans Income and social contribution taxes paid (989)         (1,137)         (50,468)         (35,487)           Net cash flows from (used in) operating activities         3,476         (9,071)         188,868         192,991           Cash flows from investing activities         -         -         (26,137)         (53,621)           Acquisition of PPE and intangible assets         -         -         -         (26,137)         (53,621)           Dividends and IOE received         166,193         258,690         -		(404)	(002)		' '	
Cash flows from (used in) operating activities         6,641         (6,508)         255,477         246,426           Interest paid on loans, financing and intercompany loans Income and social contribution taxes paid         (989)         (1,137)         (50,468)         (35,487)           Net cash flows from (used in) operating activities         3,476         (9,071)         188,868         192,991           Cash flows from investing activities         -         -         (26,137)         (53,621)           Short-term investments         2,391         -         2,312         77,536           Dividends and IOE received         166,193         258,690         -         -           Acquisition of subsidiary, net of cash acquired         -         (45,262)         -         (45,262)           Net cash flows from (used in) investing activities         168,584         213,428         (23,825)         (21,347)           Cash flows from financing activities         (29,835)         (16,204)         (29,835)         (16,204)           Repayment of loans and financing         -         -         (110,000)         (60,000)           Loans and financing raised         -         -         (2,223)         -           Dividends and IOE paid         (120,328)         (132,690)         (123,694)		(561)	3.601			
Income and social contribution taxes paid   (989)   (1,137)   (50,468)   (35,487)						
Income and social contribution taxes paid   (989)   (1,137)   (50,468)   (35,487)	Interest paid on loans, financing and intercompany loans	(2 176)	(1 426)	(16 141)	(17 948)	
Cash flows from investing activities         3,476         (9,071)         188,868         192,991           Cash flows from investing activities         -         -         (26,137)         (53,621)           Acquisition of PPE and intangible assets         -         -         (26,137)         (53,621)           Short-term investments         2,391         -         2,312         77,536           Dividends and IOE received         166,193         258,690         -         -         -           Acquisition of subsidiary, net of cash acquired         -         (45,262)         -         (45,262)           Net cash flows from (used in) investing activities         168,584         213,428         (23,825)         (21,347)           Cash flows from financing activities         -         (45,262)         -         (45,262)           Net cash flows from financing activities         -         -         (45,262)         (21,347)           Cash flows from financing activities         -         -         (110,000)         (60,000)           Loans and financing activities         -         -         (110,000)         (60,000)           Loans and financing expenses         -         -         -         (2,223)         -           Dividends and IOE paid<						
Acquisition of PPE and intangible assets						
Acquisition of PPE and intangible assets	Cash flows from investing activities					
Short-term investments         2,391         -         2,312         77,536           Dividends and IOE received         166,193         258,690         -         -         -           Acquisition of subsidiary, net of cash acquired         -         (45,262)         -         (45,262)           Net cash flows from (used in) investing activities         168,584         213,428         (23,825)         (21,347)           Cash flows from financing activities         (29,835)         (16,204)         (29,835)         (16,204)           Repayment of loans and financing         -         -         (110,000)         (60,000)           Loans and financing raised         -         -         (10,000)         100,000           Financing structuring expenses         -         -         (2,223)         -           Dividends and IOE paid         (120,328)         (132,690)         (123,604)         (132,690)           Intercompany loans         (15,000)         (55,000)         -         -         -           Lease considerations paid         (72)         (44)         (5,237)         (3,533)           Net cash flows used in financing activities         (165,235)         (203,938)         (60,899)         (112,427)           Statement of increase in cash		-	_	(26.137)	(53.621)	
Dividends and IOE received		2.391	_			
Acquisition of subsidiary, net of cash acquired       - (45,262)       - (45,262)         Net cash flows from (used in) investing activities       168,584       213,428       (23,825)       (21,347)         Cash flows from financing activities       Treasury shares       (29,835)       (16,204)       (29,835)       (16,204)         Repayment of loans and financing       - (110,000)       (60,000)			258,690	-,	-	
Net cash flows from (used in) investing activities         168,584         213,428         (23,825)         (21,347)           Cash flows from financing activities         Treasury shares         (29,835)         (16,204)         (29,835)         (16,204)           Repayment of loans and financing         -         -         (110,000)         (60,000)           Loans and financing raised         -         -         210,000         100,000           Financing structuring expenses         -         -         (2,223)         -         -         (2,223)         -         -         (2,223)         -         -         (2,223)         -         -         (2,223)         -         -         (2,223)         -         -         (2,223)         -         -         (2,223)         -         -         -         -         -         -         -         -         -         -         -         -         -         -         -         - <td r<="" td=""><td>Acquisition of subsidiary, net of cash acquired</td><td>-</td><td></td><td>-</td><td>(45,262)</td></td>	<td>Acquisition of subsidiary, net of cash acquired</td> <td>-</td> <td></td> <td>-</td> <td>(45,262)</td>	Acquisition of subsidiary, net of cash acquired	-		-	(45,262)
Treasury shares       (29,835)       (16,204)       (29,835)       (16,204)         Repayment of loans and financing       -       -       (110,000)       (60,000)         Loans and financing raised       -       -       210,000       100,000         Financing structuring expenses       -       -       (2,223)       -         Dividends and IOE paid       (120,328)       (132,690)       (123,604)       (132,690)         Intercompany loans       (15,000)       (55,000)       -       -         Lease considerations paid       (72)       (44)       (5,237)       (3,533)         Net cash flows used in financing activities       (165,235)       (203,938)       (60,899)       (112,427)         Increase in cash and cash equivalents       6,825       419       104,144       59,217         Statement of increase in cash and cash equivalents       6,825       419       104,144       59,217         At beginning of period       4,534       4,630       322,923       254,454		168,584		(23,825)		
Treasury shares       (29,835)       (16,204)       (29,835)       (16,204)         Repayment of loans and financing       -       -       (110,000)       (60,000)         Loans and financing raised       -       -       210,000       100,000         Financing structuring expenses       -       -       (2,223)       -         Dividends and IOE paid       (120,328)       (132,690)       (123,604)       (132,690)         Intercompany loans       (15,000)       (55,000)       -       -         Lease considerations paid       (72)       (44)       (5,237)       (3,533)         Net cash flows used in financing activities       (165,235)       (203,938)       (60,899)       (112,427)         Increase in cash and cash equivalents       6,825       419       104,144       59,217         Statement of increase in cash and cash equivalents       6,825       419       104,144       59,217         At beginning of period       4,534       4,630       322,923       254,454	Cash flows from financing activities					
Repayment of loans and financing       -       -       (110,000)       (60,000)         Loans and financing raised       -       -       210,000       100,000         Financing structuring expenses       -       -       (2,223)       -         Dividends and IOE paid       (120,328)       (132,690)       (123,604)       (132,690)         Intercompany loans       (15,000)       (55,000)       -       -         Lease considerations paid       (72)       (44)       (5,237)       (3,533)         Net cash flows used in financing activities       (165,235)       (203,938)       (60,899)       (112,427)         Increase in cash and cash equivalents       6,825       419       104,144       59,217         Statement of increase in cash and cash equivalents       6,825       419       104,144       59,217         At beginning of period       4,534       4,630       322,923       254,454		(29,835)	(16,204)	(29,835)	(16,204)	
Loans and financing raised       -       -       210,000       100,000         Financing structuring expenses       -       -       (2,223)       -         Dividends and IOE paid       (120,328)       (132,690)       (123,604)       (132,690)         Intercompany loans       (15,000)       (55,000)       -       -         Lease considerations paid       (72)       (44)       (5,237)       (3,533)         Net cash flows used in financing activities       (165,235)       (203,938)       (60,899)       (112,427)         Increase in cash and cash equivalents       6,825       419       104,144       59,217         Statement of increase in cash and cash equivalents       6,825       419       104,144       59,217         At beginning of period       4,534       4,630       322,923       254,454	Repayment of loans and financing	-	-		(60,000)	
Dividends and IOE paid Intercompany loans         (120,328)         (132,690)         (123,604)         (132,690)           Lease considerations paid         (15,000)         (55,000)         -         -           Lease considerations paid         (72)         (44)         (5,237)         (3,533)           Net cash flows used in financing activities         (165,235)         (203,938)         (60,899)         (112,427)           Increase in cash and cash equivalents         6,825         419         104,144         59,217           Statement of increase in cash and cash equivalents         6,825         419         104,144         59,217           At beginning of period         4,534         4,630         322,923         254,454		-	-	210,000	100,000	
Intercompany loans         (15,000)         (55,000)         -         -           Lease considerations paid         (72)         (44)         (5,237)         (3,533)           Net cash flows used in financing activities         (165,235)         (203,938)         (60,899)         (112,427)           Increase in cash and cash equivalents         6,825         419         104,144         59,217           Statement of increase in cash and cash equivalents         6,825         419         104,144         59,217           At beginning of period         4,534         4,630         322,923         254,454	Financing structuring expenses	-	-	(2,223)	-	
Lease considerations paid         (72)         (44)         (5,237)         (3,533)           Net cash flows used in financing activities         (165,235)         (203,938)         (60,899)         (112,427)           Increase in cash and cash equivalents         6,825         419         104,144         59,217           Statement of increase in cash and cash equivalents         6,825         419         104,144         59,217           At beginning of period         4,534         4,630         322,923         254,454	Dividends and IOE paid			(123,604)	(132,690)	
Net cash flows used in financing activities         (165,235)         (203,938)         (60,899)         (112,427)           Increase in cash and cash equivalents         6,825         419         104,144         59,217           Statement of increase in cash and cash equivalents         6,825         419         104,144         59,217           At beginning of period         4,534         4,630         322,923         254,454				-	-	
Increase in cash and cash equivalents         6,825         419         104,144         59,217           Statement of increase in cash and cash equivalents         6,825         419         104,144         59,217           At beginning of period         4,534         4,630         322,923         254,454					(3,533)	
Statement of increase in cash and cash equivalents         6,825         419         104,144         59,217           At beginning of period         4,534         4,630         322,923         254,454	Net cash flows used in financing activities	(165,235)	(203,938)	(60,899)	(112,427)	
At beginning of period 4,534 4,630 322,923 254,454	Increase in cash and cash equivalents	6,825	419	104,144	59,217	
At beginning of period 4,534 4,630 322,923 254,454	Statement of increase in cash and cash equivalents	6,825	419	104,144	59,217	
	At beginning of period					
		,			,	



# STATEMENTS OF VALUE ADDED

Nine-month periods ended September 30<sup>th</sup>, 2024 and 2023 (In thousands of reais)

	Parent Company		Consolidated		
	9M24	9M23	9M24	9M23	
Operating revenues					
Sales of goods, products and services	-	-	1,335,800	1,191,900	
Impairment losses on financial assets	-	-	153	(1,106)	
Cost of products, goods and services sold	-	-	(774,185)	(692,357)	
Materials, energy, third-party services and other	(3,797)	(11,428)	(141,331)	(118,034)	
Gross value added	(3,797)	(11,428)	420,437	380,403	
Depreciation and amortization	(1,366)	(1,358)	(29,579)	(25,538)	
Net value added produced by the Company	(5,163)	(12,786)	390,858	354,865	
Value added received in transfer	167,839	180,208	31,709	48,590	
Equity pickup	143,349	155,371	-	-	
Finance income	1,150	1,138	27,302	28,172	
Foreign exchange/monetary gains	2,693	3	17,342	10,859	
Deferred income and social contribution taxes	(747)	5,562	(16,651)	(12,101)	
Rental and royalties	21,088	18,134	-	4	
Other	306	- 407	3,716	21,656	
Total value added to be distributed	162,676	167,422	422,567	403,455	
Distribution of value added	162,676	167,422	422,567	403,455	
Employees	7,897	7,907	154,687	135,378	
Direct compensation	314	848	115,237	101,326	
Benefits	307	283	17,459	15,082	
Unemployment Compensation Fund (FGTS)	-	-	7,711	7,038	
Management remuneration	6,406	6,776	6,406	6,776	
Other	870	-	7,874	5,156	
Severance pay	<u>-</u>	-	1,909	2,027	
Other employee expenses	870	-	5,965	3,129	
Taxes	4,231	5,930	42,341	47,965	
Federal	4,061	5,761	55,936	50,379	
State	-	-	(14,506)	(3,293)	
Local	170	169	911	879	
Debt remuneration	1,747	2,395	76,738	68,922	
Interest and other financial charges	968	1,743	26,068	23,527	
Commissions	-	-	33,545	35,798	
Foreign exchange losses Other third-party expenses	14 765	49 603	15,323 1,802	7,623 1,974	
Equity remuneration	148,801	151,190	148,801	151,190	
Income for the period	133,354	130,752	133,354	130,752	
Interest on Equity	15,447	20,438	15,447	20,438	
into root on Equity	10,771	20,700	10,771	20,700	



#### NOTES TO PARENT COMPANY AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(In thousands of reais, unless otherwise stated)

## 1. OPERATIONS

Kepler Weber S.A. ("Parent Company" or "KWSA") is a publicly-held corporation since December 15, 1980, headquartered in the city and state of São Paulo, Brazil, and is listed on the "Novo Mercado" segment (the highest level of Governance) of B3 S.A. Brasil, Bolsa, Balcão ("B3") under ticker "KEPL3".

The Company and its direct and indirect subsidiaries, individually or jointly (the "Company" or "Consolidated"), are the market leaders in storage equipment and post-harvest grain solutions in Latin America, in the operating activities of production of grain storage and preservation systems (silos, dryers, cleaning machines and their components), industrial equipment, and port terminals. It also offers spare parts and technical assistance services, technical engineering services, data processing, grain temperature and moisture monitoring services in the processing and storage process, as well import and export of raw materials, finished and semi-finished goods, including under the terms of the export trading company legislation, technical services relating to foreign trade and promotion of Brazilian products in the foreign market.

## 2. BASIS OF CONSOLIDATION

The consolidated financial statements include the following companies, all of which are headquartered in Brazil and have the Brazilian real as functional currency:

	% Direct and indirec	t equity interest	
	09/30/2024	12/31/2023	
Direct subsidiaries	·		
Kepler Weber Industrial S.A. ("KWI")	100%	100%	
Procer Automação S.A. ("Procer")	100%	100%	
Special Purpose Entity (SPE) - indirect subsidiary			
Kepler Weber FIAGRO-Direitos Creditórios ("FIDC KWI")	100%	100%	

The subsidiaries' financial statements are included in the consolidated financial statements from the date that control commences until the date it ceases to exist. In preparing these financial statements, the financial statements of the subsidiaries closed on the same reporting date were used, whose financial information is recognized using the equity method.

The subsidiaries' accounting policies are aligned with the policies adopted by the Parent Company.

The Company consolidates the financial statements of FIDC KWI, in accordance with *CPC* 36 (R3) / IFRS 10 - Consolidated financial statements, since the activities are conducted for the most part based on the operational needs of subsidiary KWI, which is exposed to most of the risks and rewards related to the fund through the ownership of all subordinated shares. In the process of consolidating KWI FIDC, assets and liabilities, and gains and losses from operations between the Company and FIDC KWI were eliminated.



#### Transactions eliminated on consolidation

Intercompany balances and transactions, and any revenues or expenses derived from intercompany transactions are eliminated upon preparation of the consolidated financial statements. Unrealized gains arising from transactions with investees accounted for under the equity method are eliminated against the investment, proportionally to the interest held in the investee.

Unrealized losses are eliminated similarly to unrealized gains, but only to the extent that there is no evidence of impairment loss.

# 3. BASIS OF PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

The parent company and consolidated interim financial statements were prepared in accordance with *CPC* 21 (R1) - Interim Financial Reporting, issued by the Brazilian Financial Accounting Standards Board (*CPC*), and in accordance with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), having been analyzed by the Audit and Risk Committee and the Supervisory Board, and resolved by the Board of Directors on October 30, 2024, for publication on the same date.

The parent company and consolidated interim financial statements have been prepared to update users on the material information presented in the period and should be analyzed together with the parent company and consolidated financial statements for the year ended December 31, 2023. In order to disclose only material information or information that has changed significantly in relation to the last annual financial statements, the explanatory notes listed below have not been fully disclosed or are not at the same level of detail as the notes included in the annual financial statements:

Description	Note
Business combination	4
Cash and cash equivalents and short-term investments	8
Trade accounts receivable	9
Inventories	10
Income and social contribution taxes	12
Investments	13
Investment properties	14
Property, plant and equipment (PP&E)	15
Intangible assets	16
Right of use and lease liabilities	17
Asset impairment test	18
Suppliers	20
Share-based payment agreement	23
Provisions for tax, civil and labor contingencies	26
Financial instruments	28
Net revenue	30
Insurance coverage	36

#### 3.1. Statement of relevance

The relevant information specific to the interim financial statements, and only such information, is being disclosed, and corresponds to the information used by management, in compliance with Accounting Guidance *OCPC* 07 - Presentation and Disclosures in General Purpose Financial Statements.

#### 3.2 Basis of measurement

The parent company and consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value, when required by the standard, and the initial recognition of a Business Combination and the seller's put option.



# 3.3 Functional currency, presentation currency, and foreign currency transactions and balances

The parent company and consolidated interim financial statements are presented in Brazilian reais (R\$), which is the Parent Company's and subsidiaries' functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the transaction dates. Balances of the statement of financial position accounts stated in foreign currency are translated at the exchange rate prevailing on the statement of financial position date. Exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency are recognized in P&L for the year.

# 3.4 Significant accounting judgments, estimates, and assumptions

In preparing the parent company and consolidated interim financial statements, management uses judgments, estimates and assumptions that affect the application of accounting policies and reported asset, liability, revenue and expense amounts. Actual results could differ from these estimates, which are revised on an ongoing basis and recognized prospectively. The Company understands that these uncertainties are included in the following explanatory notes:

Estimates	Note
Impairment losses on financial assets	8
Provision for inventory losses	9
Recognition and realization of deferred tax assets	11.2
Investment properties	13
Property, plant and equipment (PP&E)	14
Intangible assets	15
Right of use and Leases	16
Share-based payment agreements	21
Provision for tax, civil and labor contingencies	24

# 3.5 Seasonality

Financial information is subject to seasonal variations arising from the harvest period, directly influencing sales and consequently revenue at the different times of the year, which occur mainly in the Farms and Agribusiness segments. In the Ports and Terminals segments, seasonality is not well defined. Moreover, climate factors and financial market constraints could change the need for working capital over the period, as well as directly impact current inventory levels, customer advances, loans, suppliers, and sales volume.

#### 3.6 New standards and interpretations, both effective and not yet effective

The new standards and interpretations, both effective and not yet effective, are disclosed below:

- Supplier finance arrangements, amendment to CPC 26/IAS 1 and CPC 40/IFRS 7 became effective on January 1, 2024 and did not generate any impact as the Company does not currently have this type of arrangement;
- ii) IFRS S1 and IFRS S2 General requirements for sustainability-related financial disclosures and climaterelated disclosures: mandatory as of January 1, 2026 - the Company is assessing the impacts of the standard for compliance; and
- iii) IFRS 18 Presentation and Disclosure of Financial Statements: effective as of January 1, 2027 the Company is assessing the impacts of the standard.



# 4 KEPLER WEBER FIAGRO-DIREITOS CREDITÓRIOS ("FIDC KWI")

FIDC KWI began operating in January 2023 and its business purpose defined in the regulation is to foster investment in fixed capital and promote the access of small and medium-sized companies and agricultural producers to capital resources, in order to increase the competitiveness of the Brazilian agribusiness industry. It was organized as a closed-end fund, governed by Law No. 8668 of June 25<sup>th</sup>, 1993, as amended by Law No. 14130 of March 29<sup>th</sup>, 2021, by CVM Resolution No. 39, by CVM Ruling No. 356, by the Regulations and by other applicable legal and regulatory provisions, for the specific purpose of granting financing with charges to the Company's customers. FIDC KWI has an indefinite operational life. The equity structure of FIDC KWI is as follows:

Shares	Yield rate	% of equity of FIDC	Number (in thousands)	09/30/2024	12/31/2023
Junior subordinated	(*)	100%	15	16,760	8,891

<sup>(\*)</sup> The FIDC Kepler regulation does not define a yield for junior subordinated shares.

Yield from junior subordinated shares is presented as cash and cash equivalents, totaling R\$869 at September 30, 2024 (R\$891 at December 31, 2023). The consolidated statement of financial position of FIDC KWI is broken down as follows:

	09/30/2024	12/31/2023
Assets		
Current		
Cash and cash equivalents	11,465	2,762
Trade accounts receivable	729	999_
Total current assets	12,194	3,761
Noncurrent		
Trade accounts receivable	4,575	5,185
Total noncurrent assets	4,575	5,185
Total assets	16,769	8,946
Liabilities and equity		
Current		
Other liabilities	9	55_
Total current liabilities	9	55_
Equity		
Capital	15,000	8,000
Income reserve	891	891
Retained earnings for the period	869	<u> </u>
Total equity	16,760	8,891
Total liabilities and equity	16,769	8,946

## 5 FINANCIAL RISK MANAGEMENT

The Company engages in transactions involving financial instruments. The Company's risk management policies and guidelines are established to detect and analyze any risks to which it is exposed, set limits and appropriate risk controls, and also to monitor risks and compliance with these limits. The risk management policies and guidelines are regularly revised to reflect changes in market conditions and in the Company's activities.

Given its nature and operational structure, the Company is exposed to the following risks arising from the use of financial instruments:

- i) Credit risk;
- ii) Liquidity risk; and
- iii) Market risk.



#### 5.1 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade accounts receivable) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the established policies and guidelines. Investments of surplus funds are made only with financial institutions authorized and approved by the Company's executive board, within defined credit limits, which are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential bankruptcy.

#### 5.1.1 Trade accounts receivable and other receivables

The Company's credit granting policy aims to minimize issues arising from customer defaults through the careful selection of the portfolio. Credit limits are established by the Risk Committee based on internal classification criteria.

To monitor credit risk, customers are grouped according to their credit characteristics, geography, type of industry, maturity and existence of previous financial hardship, and are segregated into individuals, agricultural producers, legal entities, agricultural cooperatives, or trading companies.

The Company basically operates with sales on demand from end customers, under contract, and with partial payments according to the physical events (equipment assembly stage), which may cause an increase in the overdue position that does not necessarily mean default due to lack of financial conditions of the customers. Historically, no significant losses were recognized in trade accounts receivable.

In January 2023, Kepler Weber Fiagro - Direitos Creditórios ("FIDC KWI") began operating, with which customers of the subsidiary KWI carry out financing transactions, transferring the credit risk to the shareholders according to the equity interest held, as detailed in Note 4. Also, part of the sales is made through lines of financing with financial institutions taken by the customer, transferring the credit risk to the financial agent.

The Company understands that there is no significant credit risk in relation to transactions classified as other receivables in the interim financial statements.

## 5.1.2 Credit risk exposure

The table below summarizes the Company's exposure to credit risk:

		Farein Company		y Consolidate	
	Note	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Cash and cash equivalents	7	11,359	4,534	427,067	322,923
Short-term investments	7	-	2,391	30,843	32,312
Trade accounts receivable	8		-	255,048	319,905
Total		11,359	6,925	712,958	675,140



# 5.2 Liquidity risk

This is the risk that the Company may not have sufficient funds to honor its commitments.

Control over liquidity and cash flow is constantly monitored to ensure that the operational generation of cash and advance funding, when necessary, are in excess of the working capital needs, not generating liquidity risks to the Company.

The Company has a financing agreement with IFC, which establishes the covenants presented in the table below.

	Covenants – IFC Financing		
Current liquidity ratio	Current Assets - Prepaid expenses	minimum 1.3	
Current inquidity ratio	Current liabilities	times	
Forward-looking debt	Net income + Non-cash items + Short-term payments - Value added capital expenditures - Value added working capital	minimum 1.25	
service coverage ratio	Short-term scheduled debt payments + debt fees	times	
Consolidated debt/EBITDA	Consolidated debt	maximum 2.75	
Consolidated debl/EBITDA	EBITDA	times	
Liabilitias/tangible aguity	Liabilities and equity	maximum 1.6	
Liabilities/tangible equity	Tangible equity	times	

Covenants are measured every quarter based on the Company's financial statements. At September 30<sup>th</sup>, 2024, the Company is compliant with these covenants.

The table below summarizes the maturity profile of the Company's financial liabilities as of the date of these consolidated financial statements:

		Parent	Company	/		Consolidated					
			Within			Within					
	Carrying	Contractual	6	7 to 12	Above	Carrying	Contractual	6	7 to 12	Above	
	amount	cash flow	months	months	1 year	amount	cash flow	months	months	1 year	
Loans and financing	-	-	-	-	-	294,981	386,008	45,772	73,972	266,264	
Suppliers	818	818	818	-	-	114,461	114,461	114,437	24	-	
Leases	636	846	108	108	630	23,005	31,844	3,525	3,525	24,794	
Put option - consideration	54,960	54,960	-	-	54,960	54,960	54,960	-	-	54,960	
Total financial liabilities	56,414	56,624	926	108	55,590	487,407	587,273	163,734	77,521	346,018	

The Company's contractual cash flows are presented considering the principal amount plus interest incurred up to the date of final settlement of financing, loans and leases, and only the principal amount for the other liabilities.

#### 5.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, especially the financial risks of fluctuations in exchange rates and interest rates affecting the Company's profit or loss. The objective of market risk management is to manage and control exposures to risks within acceptable parameters, while optimizing return.



Consolidated

# 5.3.1 Currency risk

The Company operates in the foreign market, and its sales are used as collateral in foreign currency transactions. The Company's P&L is susceptible to variations due to the effects of exchange rate volatility on assets and liabilities pegged to foreign currencies, especially the US dollar and Euro.

#### Currency risk exposure

The tables below summarize the Company's exposure to currency risk as of the date of the financial statements (based on nominal values).

Consolid	lated
09/30/2024	12/31/2023
6,485	3,364
2,469	4,296
(839)	(665)
(1,135)	(1,343)
6,980	5,652
1,281	1,168
Consolid	lated
09/30/2024	12/31/2023
(501)	(856)
(501)	(856)
(83)	(160)
	09/30/2024 6,485 2,469 (839) (1,135) 6,980 1,281  Consolid 09/30/2024 (501) (501)

The following tables show the sensitivity of the Company's pretax income and equity to a possible change in US dollar and euro exchange rates, with all other variables held constant. The Company considers as a possible scenario the market projections and expectations obtained from the Focus report for the US dollar and from bank projections for Euro, for the next disclosure of the exchange rate and for the changes in the respective contracts subject to these risks.

	Rate at 09/30/2024	Possible rate
Net financial instruments subject to variation (USD 1,281)	5.4475	5.4100
Annual financial projection – R\$	6,980	6,932
Variation – R\$		(48)
	Consoli	dated
	Rate at	
	Rate at 09/30/2024	Possible rate
Net financial instruments subject to variation (EUR 83)		Possible rate 5.6940
Net financial instruments subject to variation (EUR 83) Annual financial projection – R\$ Variation – R\$	09/30/2024	

The following exchange rates obtained from the Central Bank of Brazil (BACEN) were applied in the period:

Currency	Avera	ge rate	Spot rate as of the f	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
USD	5.2439	4.9947	5.4475	4.8407
EUR	5.7036	5.4023	6.0719	5.3516

#### 5.3.2 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Short-term investment yield is affected by the CDI interest rate, while finance costs from loans and financing and hedging transactions through the Company's swap instrument are affected by the CDI interest rate plus fixed rates.

*Profile:* As of the interim financial statements date, the profile of CDI interest-bearing financial instruments is as follows:



Carrying amount	Parent Company				
	09/30/2024	12/31/2023			
Instruments subject to variable rates Financial assets Highly liquid short-term investments	11,321 11,321	<b>6,915</b> 4,524			
Short-term investments	-	2,391			
Financial liabilities	<u> </u>	(16,328)			
Other liabilities - Intercompany loans	-	(16,328)			
Net financial assets and liabilities	11,321	(9,413)			
Carrying amount	Consolid	ated			
	09/30/2024	12/31/2023			
Instruments subject to variable rates					
Financial assets	451,168	348,301			
Highly liquid short-term investments	420,325	315,989			
Short-term investments	30,843	32,312			
Financial liabilities	(294,981)	(195,486)			
IFC	(152,118)	-			
Rural Product Bill (CPR Bocom)	(50,598)	-			
Export Credit Note (NCE)	(31,960)	(44,530)			
Agribusiness Receivables Certificate (CDCA)	(10,437)	(50,430)			
FINAME	-	(51,726)			
Swap FINAME	(54.000)	(490)			
Rural Product Bill (CPR)	(51,226)	(44,723)			
Swap CPR	1,358	(3,587)			
Net financial assets and liabilities	156,187	152,815			

Trade accounts receivable and payable balances are not subject to interest adjustment.

#### Cash flow sensitivity analysis for variable rate instruments

For financial investments with immediate and non-immediate liquidity and for loans and financing and hedge transactions through swap instruments, subject to the variation of the CDI rate, management considered the market projections and expectations for the next disclosure of the CDI rate as the possible scenario.

the market projections and expectations for the flext disclosure of the	Parent Compa	
	Annual revenue on index 09/30/2024	Possible rate
Net financial assets and liabilities subject to CDI variation: R\$ 11,321	10.40%	10.88%
Annual projection on financial assets	1,177	1,232
Variation		55
	Consolidated	<u> </u>
	Annual revenue on index 09/30/2024	Possible rate
Net financial assets and liabilities subject to CDI variation: R\$ 156,187	10.40%	10.88%
Annual projection on financial assets	16,243	16,993
Variation		750



# 5.3.3 Derivatives

The Company has a market risk mitigation policy so as to avoid exposure to changes in amounts, operating with instruments that allow risk control. Swap contracts are used as hedging instruments for exposure to foreign exchange and interest rate volatilities. The Company does not invest in derivatives or any other risky financial instruments for speculative purposes. The Company does not apply hedge accounting.

In December 2022, subsidiary KWI raised a loan (CPR) in dollars totaling US\$11,510, bearing interest of 6.92% p.a. and maturing in 2027. To hedge against exchange differences arising from the transaction, it entered into a hedging transaction through a swap instrument. This transaction consists of an exchange of fixed interest rates and exchange differences (long position) for an interest rate based on the CDI plus fixed rate (short position). The value of the principal (notional) and maturities of the swap transaction are identical to the debt flow, which is the hedged item. As such, the currency risk is eliminated.

The table below details the swap transactions as of the date of the interim financial statements:

							Accounts receiv	able (payable)
Instrument	Maturity	Notional value	Long position	Short position	Fair value assets	Fair value liabilities	09/30/2024	12/31/2023
FX swap								
CPR	Dec/27	US\$11,510	US\$ + 6.92%	CDI + 2.48%	51,226	(49,868)	1,358	(3,587)
Interest rate swap								
FINAME	Feb/24	R\$50,000	IPCA + 7.2667%	CDI + 0.35%	-	-	-	(490)
Total consolidated						ı	1,358	(4,077)

# 5.4 Capital structure

The main objective of the Company's capital management is to ensure a strong credit rating with financial institutions and an optimal capital ratio, thus supporting business and maximizing shareholder value.

To mitigate liquidity risks and optimize the weighted average cost of capital, the Company constantly monitors its debt levels based on market patterns.

The Company's net debt for the adjusted capital ratio is presented below:

	Consoli	dated
	09/30/2024	12/31/2023
Loans and financing	294,981	195,486
Cash and cash equivalents	(427,067)	(322,923)
Short-term investments	(30,843)	(32,312)
Positive net cash position (A) (*)	(162,929)	(159,749)
Total equity (B)	754,480	726,203
Positive net cash position/equity ratio (A/B)	22%	22%

<sup>(\*)</sup> The Company has cash and cash equivalents and short-term investments in excess of gross debt.



#### **6 SEGMENT INFORMATION**

The Company has five reportable business segments that require different operating strategies:

Farms: This system has a complex structure, which involves the different stages of the storage process in order to maintain all the characteristics of the grain, both in terms of sanitary and quality preservation. This segment includes: storage silos, cleaning machines, dryers and conveyors, and focuses on agricultural producers of all sizes.

**Agroindustry:** Business unit focused on serving cooperatives, grain merchants and trading companies, which offers complete and customized solutions for agribusiness and ethanol plants with the objective of providing the best cost-benefit.

**Ports and Terminals:** This segment includes equipment that involves advanced engineering projects and significant structural calculations to support an uninterrupted operation throughout the year and, in addition, the sea and inland ports, multimodal transshipment stations, sugar terminals, ports and terminals, floating industry and processing of grains and solid bulk in general operate with flows of up to 3 thousand tons and capacity of up to 30 thousand tons. This requires such structures to be more robust than the silos used on rural properties.

Replacement and Services: Replacement and Services Department has nine strategically located Distribution Centers (states of Bahia, Pará, Tocantins, Mato Grosso, Mato Grosso do Sul, Goiás, Paraná and Rio Grande do Sul), which offer safety and agility in equipment maintenance, with parts ready for delivery at factory prices. Since the acquisition of Procer, the related services and products have become part of this segment.

**International Business:** includes all the lines of the segments reported above, but with a focus on the foreign market. This segment has a consolidated brand that has been operating in Latin America for more than 50 years and strategically participates in specific business in other markets.



# 6.1 Operating income per segment

Management separately monitors operating income (loss) of the business segments to make decisions on fund allocation and evaluate performance. The performance of the segments is presented based on gross profit. Operating expenses, net finance income and costs, and income taxes are administered at the consolidated level and are not allocated to the operating segments.

						Cons	olidated					
	Fa	rms	Agroindustry		International Business		Ports and Terminals		Replacement and Services		Total	
	3Q24	3Q23	3Q24	3Q23	3Q24	3Q23	3Q24	3Q23	3Q24	3Q23	3Q24	3Q23
Net revenue	141,750	145,655	156,630	154,195	51,219	31,309	17,371	3,205	72,082	71,264	439,052	405,628
Cost of sales and services	(98,678)	(107,974)	(117,253)	(117,083)	(31,654)	(21,988)	(13,662)	(5,701)	(46,711)	(39,999)	(307,958)	(292,745)
Gross profit	43,072	37,681	39,377	37,112	19,565	9,321	3,709	(2,496)	25,371	31,265	131,094	112,883
Operating expenses (SG&A)											(49,963)	(48,413)
Other operating income (expenses), net											1,963	14,764
Net finance income (costs)											(233)	2,977
Income before income taxes											82,861	82,211

		Consolidated										
	Far	ms	Agroindustry		International Business		Ports and Terminals		Replacement and Services		To	tal
	9M24	9M23	9M24	9M23	9M24	9M23	9M24	9M23	9M24	9M23	9M24	9M23
Net revenue	377,297	335,800	360,864	349,517	120,989	79,023	101,408	62,954	186,639	182,635	1,147,197	1,009,929
Cost of sales and services	(259,086)	(238,632)	(260,983)	(261,297)	(78,888)	(53,334)	(75,009)	(48,659)	(122,868)	(110,640)	(796,834)	(712,562)
Gross profit	118,211	97,168	99,881	88,220	42,101	25,689	26,399	14,295	63,771	71,995	350,363	297,367
Operating expenses (SG&A)											(146,001)	(132,346)
Other operating income (expenses), net											12,670	28,928
Net finance income (costs)											481	4,673
Income before income taxes											217,513	198,622

Operating assets and liabilities are substantially the same for all segments.



# **6.2** Geographical information by segment

Net revenues segregated by domestic market and continents are presented below:

_	
Conso	hatchil

	Consolidated												
	Farms		Agroindustry Intern		International	nternational Business Ports and T		erminals	Replacement	Replacement and Services		Total	
	3Q24	3Q23	3Q24	3Q23	3Q24	3Q23	3Q24	3Q23	3Q24	3Q23	3Q24	3Q23	
Domestic market	141,750	145,655	156,630	154,195	-	-	17,371	3,205	70,246	44,744	385,997	347,799	
Americas	-	-	-	-	47,204	28,950	-	-	1,749	25,876	48,953	54,826	
Central America	-	-	-	-	1,474	2,343	-	-	47	60	1,521	2,403	
South America	-	-	-	-	45,730	26,607	-	-	1,702	25,816	47,432	<i>5</i> 2 <i>,4</i> 23	
Africa	-	-	-	-	-	-	-	-	-	644	-	644	
Europe	-	-	-	-	1,434	-	-	-	-	-	1,434	-	
Asia	-	_	-	-	2,581	2,359		_	87	-	2,668	2,359	
Total	141,750	145,655	156,630	154,195	51,219	31,309	17,371	3,205	72,082	71,264	439,052	405,628	

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-	OI.	ISO	пu	G I	ιeι

_	Farm	ıs	Agroind	ustry	International	Business	Ports and T	erminals	Replacement	and Services	Tot	al
	9M24	9M23	9M24	9M23	9M24	9M23	9M24	9M23	9M24	9M23	9M24	9M23
Domestic market	377,297	335,800	360,864	349,517	-	-	101,408	62,954	180,224	148,821	1,019,793	897,092
Americas	-	-	-	-	114,957	74,523	-	-	5,519	33,157	120,476	107,680
Central America	-	-	-	-	2,297	2,361	-	-	183	718	2,480	3,079
South America	-	-	-	-	112,660	72,162	-	-	5,336	32,439	117,996	104,601
Africa	-	-	-	-	-	2,025	-	-	302	657	302	2,682
Europe	-	-	-	-	1,434	116	-	-	-	-	1,434	116
Asia	-	-	-	-	4,598	2,359	-	-	594	-	5,192	2,359
Total	377,297	335,800	360,864	349,517	120,989	79,023	101,408	62,954	186,639	182,635	1,147,197	1,009,929



Composition of

# 7 CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

# 7.1 Cash and cash equivalents

		Parent C	ompany	Conso	idated
	Rate	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Cash and banks		38	10	6,742	6,934
Highly liquid short-term investments		11,321	4,524	420,325	315,989
Sweep account	2% to 5% of the CDI	1	8	1,357	36
CDB	92% to 105% of the CDI	11,320	4,516	407,504	313,191
LFT – FIDC KWI	100% of the SELIC	-	-	4,464	1,135
Investment funds – FIDC KWI	(i)			7,000	1,627
		11,359	4,534	427,067	322,923

<sup>(</sup>i) Refers to an investment fund that is linked to financial transactions referenced to the variation of the Interbank Deposit Certificate (CDI), with the objective of offering the Company with profitability that follows the variation of the CDI.

# 7.2 Short-term investments

	_	Parent C	ompany	Consoli	dated
Insurance line	Rate	09/30/2024	12/31/2023	09/30/2024	12/31/2023
CDB - not immediate	101% of the CDI	-	2,391	30,843	32,312
		-	2,391	30,843	32,312

As of September 30<sup>th</sup>, 2024, the weighted average of the yield rates on short-term investments with immediate and non-immediate liquidity was 101.37% of the CDI (101.72% of the CDI as of December 31<sup>st</sup>, 2023).

The Company's exposure to interest rate risks and a sensitivity analysis for financial assets and liabilities are disclosed in Note 5.

# 8 TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable correspond to customer receivables for the sale of products or provision of services in the ordinary course of the Company's business.

	Consolidated				
Current	09/30/2024	12/31/2023			
Domestic trade accounts receivable	251,385	319,516			
Foreign trade accounts receivable	6,485	3,364			
	257,870	322,880			
Expected credit losses	(2,822)	(2,975)			
Total	255,048	319,905			
Current assets	249,082	308,132			
Noncurrent assets	5,966	11,773			
Total	255,048	319,905			

Changes in expected credit losses are as follows:

	Consolid	ated
	09/30/2024	12/31/2023
Opening balance	(2,975)	(904)
Additions from business combination	-	(361)
Additions	(1,486)	(3,172)
Reversals	1,639	1,462
Closing balance	(2,822)	(2,975)
	(=,0==)	(=,0:0)

The allowance for expected credit losses is considered sufficient by the Management to cover expected losses on realization of receivables, based on analysis of the customer portfolio.

As of September 30th, 2024 and 2023, overdue and falling due receivables are as follows:



Consolidated

Consolidated

	Consolidated		
	09/30/2024	12/31/2023	
Overdue			
Within 30 days	9,863	7,136	
31 to 60 days	3,622	4,444	
61 to 90 days	3,304	1,694	
91 to 120 days	1,782	984	
121 to 150 days	1,695	2,700	
151 to 180 days	2,151	718	
181 to 365 days	2,281	11,669	
More than 365 days	3,565	3,410	
	28,263	32,755	
Percentage of overdue vs. trade accounts receivable	11%	10%	
Falling due			
Within 30 days	76,173	85,358	
31 to 60 days	37,621	49,621	
61 to 90 days	24,639	38,815	
91 to 120 days	34,266	43,007	
121 to 150 days	19,358	23,380	
151 to 180 days	12,582	17,139	
181 to 365 days	19,002	21,032	
More than 365 days	5,966	11,773	
•	229,607	290,125	
Provision for impairment of financial assets	(2,822)	(2,975)	
Total, net	255,048	319,905	

The Company periodically evaluates the balances of overdue amounts in order to estimate impairment losses on financial assets and understands that most overdue amounts not covered by a provision are linked to physical events (equipment assembly stage) with no expected future losses. Of the overdue amount, approximately R\$ 9,590 are concentrated in five customers (R\$ 14,525 in five customers as of December 31, 2023).

The equipment sold by the Company has specific characteristics designed individually for each customer. The business model and commercial agreement entered into between the parties provide for advances from customers.

#### 9 INVENTORIES

# 9.1 Inventories breakdown

	Concon	aatoa
	09/30/2024	12/31/2023
lucts	27,109	25,440
process	98,078	78,024
	167,490	158,366
to suppliers	4,897	659
ion for losses due to obsolescence	(9,809)	(8,342)
	287,765	254,147

# 9.2 Changes in provision for inventories losses

	09/30/2024	12/31/2023
Opening balance	(8,342)	(6,435)
Additions from business combinations	-	(82)
Additions	(8,912)	(5,855)
Write-offs	7,445	4,030
Closing balance	(9,809)	(8,342)



#### 10 TAXES RECOVERABLE

	Parent Co	ompany	Consoli	dated
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
State VAT (ICMS)	-	-	24,783	17,197
Federal VAT (IPI)	-	-	8,309	6,502
Contribution Taxes on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS) recoverable	-	-	582	553
REINTEGRA (tax incentive for exports) - Decree No. 7633/11	-	-	479	351
Withholding Income Tax (IRRF), Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Profit (CSLL)	4,150	1,617	20,047	14,532
Other taxes recoverable	661	-	5,765	4,667
Total current	4,811	1,617	59,965	43,802
ICMS	-	-	14,914	24,827
IRRF, IRPJ and CSLL	8,548	12,000	8,548	12,000
Total noncurrent	8,548	12,000	23,462	36,827
Total	13,359	13,617	83,427	80,629

Term of Agreement TSC 001/22: Subsidiary KWI has been realizing the ICMS credit balance through the Term of Agreement TSC 001/22, signed on January 20, 2022, with the state of Rio Grande do Sul, published in the Official Gazette of this state on April 28, 2022 and amended on May 12, 2023, valid for credit transfers until March 31, 2028. The objective of the agreement is to improve and expand the production infrastructure involving machinery and equipment, with an initial investment of R\$65,374, expanded to R\$70,000 in the amendment, until December 31, 2025 and, in return, the subsidiary will be authorized to transfer the ICMS credit balance to third parties. The Company expects to realize these ICMS credits within the term of the Agreement, with monthly transfer limited to R\$1,200, pursuant to the current legislation. Until September 30, 2024, ICMS credits totaling R\$27,600 had been realized.

Non-levy of IRPJ/CSLL on SELIC-based adjustment of taxes paid in error: After judgment on June 10, 2022 of Topic 962 of the Federal Supreme Court, which ruled out the levy of IRPJ and CSLL on the Central Bank Benchmark rate (SELIC)-based adjustment exclusively regarding taxes paid in error, whether at the administrative or legal level, the stay of the proceeding was suspended and decisions were awarded denying that the Appeal to the High Court of Justice continue - application of Topic 962 of the Federal Supreme Court - and dismissing the Appeals to the High Court of Justice and to the Supreme Court lodged by the Company in relation to the claim for breach of contract. KWI filed appeals against the order dismissing the decision so that the discussion regarding the breach of contract could be remanded to the higher courts, and the Federal Government did not lodge an appeal.

After receiving the appeal, the High Court of Justice decided on its dismissal, so the case became final and unappealable at the High Court of Justice on June 13, 2023. Accordingly, the case was remanded to the Federal Supreme Court, which denied the Company's appeal. Therefore, in light of the STF ruling on Topic 962 and the Federal Government's failure to file an appeal, in 2Q23, subsidiary KWI recognized R\$4,379 in current assets as an overpayment of Corporate Income Tax (IRPJ) and Social Contribution on Net Profit (CSLL) on SELIC due to improperly paid tax amounts, which was matched against "Recovery of sundry expenses" under "Other operating income (expenses), net" in the amount of R\$3,512, and R\$867 was recognized as "Monetary gains" in "Finance income (costs)".



# 11 INCOME AND SOCIAL CONTRIBUTION TAXES

#### 11.1 Reconciliation of effective rate

The reconciliation of income and social contribution taxes calculated by applying the combined tax rates on P&L is shown below:

	Parent Company				Consolidated			
	3Q24	9M24	3Q23	9M23	3Q24	9M24	3Q23	9M23
Income (loss) before IRPJ and CSLL	58,884	149,548	64,549	145,671	82,861	217,513	82,211	198,622
Combined tax rate	34%	34%	34%	34%	34%	34%	34%	34%
Tax expense at nominal rate	(20,021)	(50,846)	(21,947)	(49,528)	(28,173)	(73,954)	(27,952)	(67,531)
Permanent (additions) exclusions:				_				
Equity pickup	18,201	48,739	22,549	52,826	-	-	-	-
Interest on equity (paid)	5,252	5,252	6,949	6,949	5,252	5,252	6,949	6,949
Interest on equity (received)	(1,557)	(1,557)	(5,917)	(5,917)	-	-	-	-
Government grants	-	-	-	-	-	-	4,698	12,232
Bonus	-	(671)	-	(601)	-	(671)	-	(601)
Income and social contribution tax losses recorded in	_		3,812	3,812	_	_	3,812	3,812
assets			3,012	3,012			3,012	3,012
Other permanent (additions) exclusions, net	(1,118)	(1,664)	(3,404)	(2,022)	(299)	661	(3,127)	(2,293)
IRPJ and CSLL in P&L	757	(747)	2,042	5,519	(23,220)	(68,712)	(15,620)	(47,432)
Current	386	-	746	(43)	(23,125)	(52,061)	(16,713)	(35,331)
Deferred	371	(747)	1,296	5,562	(95)	(16,651)	1,093	(12,101)
Effective rate	(1.29%)	0.50%	(3.16%)	(3.79%)	28.02%	31.59%	19.00%	23.88%

In 2024, the effective tax rate was impacted mainly by the application of Law No. 14789/23, which eliminated the possibility of permanently excluding the government grant (Note 33) of subsidiary KWI in calculating IRPJ/CSLL.

#### 11.2 Deferred income and social contribution taxes

The projections indicate that the tax credit balances accounted for as of September 30, 2024 will be absorbed by taxable profits in an estimated period of 8 years at the Parent Company, and in an estimated period of 4 years at subsidiary KWI, as follows:

	Parent Company				Consolidated			
Year	IRPJ	CSLL	Total	% - Realization	IRPJ	CSLL	Total	% - Realization
2024	817	241	1,058	4.32%	7,894	2,777	10,671	15.81%
2025	1,371	493	1,864	7.62%	9,570	3,445	13,015	19.28%
2026	1,872	674	2,546	10.41%	11,346	4,085	15,431	22.86%
2027	2,351	847	3,198	13.07%	8,447	3,040	11,487	17.02%
2028 to 2030	11,444	4,355	15,799	64.58%	12,362	4,531	16,893	25.03%
	17,855	6,610	24,465	100.00%	49,619	17,878	67,497	100.00%



Deferred income and social contribution taxes originate as follows:

	KW	/SA	KWI		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Assets	-					
Income and social contribution tax losses	20,513	20,513	464	17,203	20,977	37,716
Temporary differences	3,952	5,057	42,568	41,368	46,520	46,425
Impairment losses on financial assets	-	-	692	685	692	685
Provision for inventory obsolescence	-	-	3,138	2,679	3,138	2,679
Estimated losses on PP&E	-	-	400	-	400	-
Provision for commissions payable	-	-	3,588	4,994	3,588	4,994
Provision for freight payable	-	-	2,174	2,258	2,174	2,258
Provision for contingencies	9	9	4,063	4,003	4,072	4,012
Provision for Bonus and Profit Sharing Program	773	1,050	4,640	5,127	5,413	6,177
Provision for guarantees and additional orders	-	-	11,623	9,161	11,623	9,161
Deferral of assembly income and extended warranty	-	-	5,948	6,360	5,948	6,360
Provision for variable compensation/stock plan	2,917	3,849	-	-	2,917	3,849
Other provisions	253	149	6,302	6,101	6,555	6,250
	24,465	25,570	43,032	58,571	67,497	84,141
Liabilities						
Revaluation reserve to be released to retained earnings	(81)	(81)	-	-	(81)	(81)
Equity adjustments	(8,278)	(8,634)	(3,607)	(3,908)	(11,885)	(12,542)
Depreciation for tax vs. corporate purposes	(475)	(477)	(15,880)	(15,214)	(16,355)	(15,691)
IRPJ/CSLL on capitalization of interest	-	-	(933)	(933)	(933)	(933)
	(8,834)	(9,192)	(20,420)	(20,055)	(29,254)	(29,247)
Deferred taxes, net	15,631	16,378	22,612	38,516	38,243	54,894

Below is the breakdown and changes in assets and liabilities net of deferred income and social contribution taxes, recognized at nominal rates:

	Parent Company							
	Balance in Dec/2022	Other	Recognized in P&L	Balance in Dec/2023	Recognized in P&L	Balance in Sept/2024		
Assets								
Income tax losses	7,473	(2,835)	10,311	14,949	-	14,949		
Social contribution tax losses	2,770	(1,020)	3,814	5,564	-	5,564		
Other temporary differences	2,695	-	2,362	5,057	(1,105)	3,952		
Total noncurrent assets	12,938	(3,855)	16,487	25,570	(1,105)	24,465		
Liabilities								
Equity adjustment - useful life vs. tax life variation	(9,674)	-	482	(9,192)	358	(8,834)		
Total noncurrent liabilities	(9,674)	-	482	(9,192)	358	(8,834)		
Net balance	3,264	(3,855)	16,969	16,378	(747)	15,631		

	Consolidated							
	Balance in Dec/2022	Other	Recognized in P&L	Balance in Dec/2023	Recognized in P&L	Balance in Sept/2024		
Assets								
Income tax losses	38,335	(2,725)	(7,922)	27,688	(12,275)	15,413		
Social contribution tax losses	13,216	(981)	(2,207)	10,028	(4,464)	5,564		
Other temporary differences	42,380	-	4,045	46,425	95	46,520		
Total noncurrent assets	93,931	(3,706)	(6,084)	84,141	(16,644)	67,497		
Liabilities								
Equity adjustment - useful life vs. tax life variation	(29,424)	-	177	(29,247)	(7)	(29,254)		
Total noncurrent liabilities	(29,424)	-	177	(29,247)	(7)	(29,254)		
Net balance	64,507	(3,706)	(5,907)	54,894	(16,651)	38,243		



As of September 30<sup>th</sup>, 2024, the Parent Company records income and social contribution tax loss carryforward to be offset in the amount of R\$ 10,675 (R\$ 10,675 as of December 31<sup>st</sup>, 2023), which was not used as base for recognition of deferred income and social contribution taxes. Tax credits arising from these tax losses will be recognized to the extent that projections indicate that their realization is highly likely in the foreseeable future. As they are not within the foreseeable profit period defined by management, deferred tax assets were not recognized in relation to these items, in the amounts of R\$3,630 in the Parent Company. Deductible temporary differences and tax loss carryforward may be carried indefinitely in accordance with current tax legislation.

## 12 INVESTMENTS - PARENT COMPANY

#### 12.1 Investment balances

	09/30/20	124	12/31/20	123
	Procer	KWI	Procer	KWI
Equity interest	100%	100%	100%	100%
Number of shares	213,376	160,919,458	213,376	160,919,458
Current assets	28,693	1,027,708	32,857	943,517
Noncurrent assets	15,985	328,395	10,964	351,407
Total assets	44,678	1,356,103	43,821	1,294,924
Current liabilities	16,427	490,740	18,399	584,257
Noncurrent liabilities	396	235,579	172	79,514
Total liabilities	16,823	726,319	18,571	663,771
Equity	27,855	629,784	25,250	631,153
Total liabilities and equity	44,678	1,356,103	43,821	1,294,924

	09/30/20	24	09/30/20	23
	Procer	KWI	Procer	KWI
Revenues	52,595	1,107,548	29,575	986,578
Expenses	(47,974)	(966,369)	(27,772)	(830,530)
Net income for the period	4,621	141,179	1,803	156,048

# 12.2 Changes in investments

	Procer	KWI	Total
Balance at December 31, 2022	-	639,417	639,417
Business combination	105,794	-	105,794
Equity pickup (i)	6,070	233,150	239,220
Distribution of dividends	(840)	(215,021)	(215,861)
Interest on equity	-	(26,393)	(26,393)
Discretionary dividends	(2,940)	-	(2,940)
Balance at December 31, 2023	108,084	631,153	739,237
Equity pickup (i)	2,170	141,179	143,349
Write-off of revaluation surplus items	(143)	-	(143)
Distribution of dividends	(1,008)	(137,970)	(138,978)
Interest on equity	-	(4,578)	(4,578)
Discretionary dividends	(1,008)	<u> </u>	(1,008)
Balance at September 30, 2024	108,095	629,784	737,879

i) As of September 30, 2024, equity pickup with effect of profit on intercompany inventories in the amount of R\$101 (negative R\$1,541 as of December 31, 2023), and depreciation and amortization of revaluation surplus in the negative amount of R\$2,552 (negative R\$2,302 as of December 31, 2023), in subsidiary Procer.



# 13 INVESTMENT PROPERTIES

# 13.1 Breakdown of investment properties

		Parent Company					
			09/30/2024		12/31/2023		
	Weighted average depreciation						
Items	rate % p.a.	Cost	Depreciation	Net value	Net value		
Land	-	11,931	-	11,931	11,931		
Buildings and improvements	2%	51,694	(32,852)	18,842	20,112		
Facilities	10%	3,855	(3,847)	8	40		
		67,480	(36,699)	30,781	32,083		

		Consolidated				
			09/30/2024		12/31/2023	
	Weighted average depreciation					
Items	rate % p.a.	Cost	Depreciation	Net value	Net value	
Land	-	434	-	434	434	
Buildings and improvements	2%	2,464	(1,552)	912	964	
		2,898	(1,552)	1,346	1,398	

# 13.2 Changes in the net residual value of investment properties

	Parent Company				
Items	12/31/2022	Depreciation	12/31/2023	Depreciation	09/30/2024
Land	11,93	-	11,931	-	11,931
Buildings and improvements	21,808	(1,696)	20,112	(1,270)	18,842
Facilities	84	1 (44)	40	(32)	8
	33,823	(1,740)	32,083	(1,302)	30,781
		Consc	olidated		
Items	12/31/2022	Depreciation	12/31/2023	Depreciation	09/30/2024
Land	434	1 -	434	-	434
Buildings and improvements	1033	3 (69)	964	(52)	912
	1,46	7 (69)	1,398	(52)	1,346

# 14 PROPERTY, PLANT AND EQUIPMENT (PP&E)

## 14.1 Breakdown of PP&E

		Parent Company					
			09/30/2024		12/31/2023		
Items	Weighted average depreciation rate % p.a.	Cost	Depreciation	Net value	Net value		
Machinery and equipment	10%	1	(1)	-	-		
Furniture and fixtures	10%	240	(239)	1	13		
IT equipment	20%	443	(443)	-	-		
		684	(683)	1	13		



			Consolidated			
			09/30/2024		12/31/2023	
	Weighted average					
Items	depreciation rate % p.a.	Cost	Depreciation	Net value	Net value	
Land	-	11,772	-	11,772	11,772	
Buildings and improvements	2%	107,624	(68,115)	39,509	41,236	
Facilities	10%	37,203	(28,017)	9,186	10,539	
Machinery and equipment	7%	315,900	(159,545)	156,355	141,675	
Furniture and fixtures	10%	9,530	(7,633)	1,897	1,907	
Vehicles	18%	583	(545)	38	370	
IT equipment	21%	21,572	(18,388)	3,184	3,998	
Lease	20%	395	(395)	-	-	
Construction in progress	-	35,667	· -	35,667	45,824	
Revaluation surplus - PPE	30%	617	(284)	333	662	
	_	540,863	(282,922)	257,941	257,983	

# 14.2 Changes in PP&E

	Parent Company						
Items	12/31/2022		Depreciation	12/31/2023	Depreciation	09/30/2024	
Furniture and fixtures		28	(15)	13	(12)	1	
		28	(15)	13	(12)	1	

_				Consolidate	ed		
Items	12/31/2022	Additions	Additions from business combinations	Provisions/ write-offs	Depreciation	Transfers	12/31/2023
Land	11,772	-	-	-	-	-	11,772
Buildings and improvements	42,914	55	920	-	(3,912)	1,259	41,236
Facilities	10,196	-	65	-	(2,065)	2,343	10,539
Machinery and equipment	115,444	104	532	(2)	(11,597)	37,194	141,675
Furniture and fixtures	1,456	199	193	-	(528)	587	1,907
Vehicles	-	64	449	-	(143)	-	370
IT equipment	3,916	14	442	(72)	(1,391)	1,089	3,998
Construction in progress	22,342	65,780	115	(49)	-	(42,364)	45,824
Revaluation surplus - PPE	-	-	865	-	(203)	-	662
<u>-</u>	208,040	66,216	3,581	(123)	(19,839)	108	257,983

				Consolidated		
			Provisions/			
Items	12/31/2023	Additions	write-offs	Depreciation	Transfers	09/30/2024
Land	11,772	-	-	-	-	11,772
Buildings and improvements	41,236	346	-	(3,009)	936	39,509
Facilities	10,539	-	-	(1,485)	132	9,186
Machinery and equipment	141,675	793	(210)	(10,379)	24,476	156,355
Furniture and fixtures	1,907	225	-	(352)	117	1,897
Vehicles	370	-	(241)	(91)	-	38
IT equipment	3,998	10	(4)	(1,087)	267	3,184
Construction in progress	45,824	17,521	(2,009)	-	(25,669)	35,667
Revaluation surplus - PPE	662	-	(142)	(187)	<u>-</u>	333
	257,983	18,895	(2,606)	(16,590)	259	257,941

As of September 30, 2024, no indication of impairment was identified for the Company's PP&E items.



# 15 INTANGIBLE ASSETS

# 15.1 Breakdown of intangible assets

		Parent Company				
		09/30/2	024	12/31/2023		
Items	Amortization rate % p.a.	Cost	Net value	Net value		
Trademarks and patents	-	1,280	1,280	1,280		
Software and licenses	20%	12	-	-		
		1,292	1,280	1,280		

			Consolidated	
	_	09/30/2	2024	12/31/2023
Items	Amortization rate % p.a.	Cost	Net value	Net value
Product development	20%	34,234	23,133	21,160
Trademarks and patents	-	5,628	5,362	5,580
Software and licenses	20%	83,949	13,366	17,329
Intangible assets in progress	-	7,374	7,374	7,320
Revaluation surplus of customer portfolio	17%	9,900	7,354	8,627
Goodwill	-	61,381	61,381	61,381
		202,466	117,970	121,397

# 15.2 Changes in intangible assets

_		Consolidated							
			Additions from business						
Items	12/31/2022	Additions	combination	Amortization	Transfers	12/31/2023			
Product development	3,794	3,797	15,800	(2,914)	683	21,160			
Trademarks and patents	1,882	-	3,698	-	-	5,580			
Software and licenses	21,128	62	64	(6,766)	2,841	17,329			
Intangible assets in progress	5,661	5,291	-	_	(3,632)	7,320			
Revaluation surplus of customer portfolio	-	-	9,900	(1,273)	-	8,627			
Goodwill	-	-	61,381	-	-	61,381			
	32,465	9,150	90,843	(10,953)	(108)	121,397			

			Consolidat	ed		
			Provisions/			
Items	12/31/2023	Additions	write-offs	Amortization	Transfers	09/30/2024
Product development	21,160	4,596	-	(2,623)	-	23,133
Trademarks and patents	5,580	48	-	(266)	-	5,362
Software and licenses	17,329	19	-	(5,066)	1,084	13,366
Intangible assets in progress	7,320	2,579	(1,182)	-	(1,343)	7,374
Revaluation surplus of customer portfolio	8,627	-	-	(1,273)	-	7,354
Goodwill	61,381	-	-	-	-	61,381
	121,397	7,242	(1,182)	(9,228)	(259)	117,970

The amounts related to "intangible assets in progress" correspond mainly to investments in SAP modules, still in the deployment phase, and to development of new products.

As of September 30, 2024, no indication of impairment was identified for the Company's intangible assets.



## 16 RIGHT OF USE AND LEASES

# 16.1 Breakdown of right of use

		Parent Company		Consolid	dated
Description	Useful life (years)	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Real estate properties	2	622	-	1,605	791
Vehicles	5	-	-	20,002	18
Machinery and equipment	1 to 17	-	-	286	399
Total		622	-	21,893	1,208

# 16.2 Changes in right of use

		Parent Company						
		Additions/						
Description	12/31/2023	write-offs	Depreciation	09/30/2024				
Real estate properties	-	674	(52)	622				
Total	-	674	(52)	622				
		Consol	idated					

	Consolidated					
		Additions/				
Description	12/31/2023	write-offs	Depreciation	09/30/2024		
Real estate properties	791	1,234	(420)	1,605		
Vehicles	18	23,160	(3,176)	20,002		
Machinery and equipment	399	-	(113)	286		
Total	1,208	24,394	(3,709)	21,893		

#### 16.3 Breakdown of leases

		_	Parent Company		Consolid	dated
Description	Weighted average rate (p.a.)	Maturity	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Real estate properties	7.90%	2026	636	-	1,675	815
Vehicles	15.75%	2029	-	-	20,987	18
Machinery and equipment	7.9% to 8.02%	2035	-	<u>-</u>	343	455
Total			636	-	23,005	1,288
Current liabilities		_	129	-	3,954	501
Noncurrent liabilities			507	-	19,051	787
Total		_	636	-	23,005	1,288

Payments of lease liabilities generate potential PIS and COFINS credit right included in the lease consideration, according to the periods scheduled for payment, of 9.25%, totaling R\$2,128 as of September 30, 2024.

## 16.4 Changes in leases

		Parent Company					
		Additions/					
Description	12/31/2023	write-offs	Settlement	Interest incurred	09/30/2024		
Real estate properties	-	675	(72)	33	636		
Total	-	675	(72)	33	636		

			Consolidated		
		Additions/			
Description	12/31/2023	write-offs	Settlement	Interest incurred	09/30/2024
Real estate properties	815	1,178	(458)	140	1,675
Vehicles	18	23,160	(4,643)	2,452	20,987
Machinery and equipment	455	-	(136)	24	343
Total	1,288	24,338	(5,237)	2,616	23,005



## 17 OTHER ASSETS

	Parent Compa	ny	Consolidated	ł
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Rental and royalties - related parties	4,143	2,535	_	-
Dividends receivable - related parties	672	23,310	-	-
Prepaid expenses	173	117	4,284	3,330
Advances to employees	101	-	2,983	1,365
Advances to suppliers	5	-	8,560	10,845
ICMS negotiated with third parties	-	-	8,049	4,355
Judicial deposits	-	-	4,351	3,473
Other assets	-	197	798	1,023
Total	5,094	26,159	29,025	24,391
Current assets	5,088	26,144	23,444	20,592
Noncurrent assets	6	15	5,581	3,799
Total	5,094	26,159	29,025	24,391

# 18 SUPPLIERS

	Parent Cor	npany	Consolid	ated
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Suppliers - Domestic	818	971	113,121	119,369
Suppliers - Foreign	-	-	1,340	1,521
Total	818	971	114,461	120,890
Current liabilities	818	971	114,461	120,878
Noncurrent liabilities	-	-	-	12
Total	818	971	114,461	120,890

# 19 LOANS AND FINANCING

					Consolida	ted		
			09/30/2024			12/31/2023		
	Maturity	Charges	Current	Noncurrent	Total	Current	Noncurrent	Total
Local currency								
IFC	Apr/31	CDI + 2.00% p.a.	3,673	148,445	152,118	-	-	-
CPR Bocom	May/25	CDI + 0.75% p.a.	50,598	-	50,598	-	-	-
NCE	Mar/27	CDI + 2.55% p.a.	11,960	20,000	31,960	14,530	30,000	44,530
CDCA	May/25	CDI + 0.85% p.a.	10,437	-	10,437	50,430	-	50,430
FINAME	Feb/24	IPCA + 7.17% p.a.	-	-	-	51,726	-	51,726
(+/-) Swap - FINAME	Feb/24	CDI + 0.35% p.a.	-	-	-	490	-	490
Foreign currency								
CPR	Dec/27	US\$ + 6.92% p.a.	13,602	37,624	51,226	11,290	33,433	44,723
(+/-) Swap - CPR	Dec/27	CDI + 2.48% p.a.	266	(1,624)	(1,358)	1,020	2,567	3,587
Total		_	90,536	204,445	294,981	129,486	66,000	195,486

In June 2024, subsidiary KWI obtained financing from the International Finance Corporation ("IFC"), in the amount of R\$ 150,000, maturing in April 2031, and a grace period for the commencement of principal payment until April 2026. The funds will be allocated to the modernization and expansion of the plants located in Panambi and Campo Grande. The Company permanently monitors compliance with the covenants set forth in that agreement (Note 5).

The Parent Company is listed as guarantor for the funds raised by subsidiary KWI in the amount of R\$ 294,981 as of September 30<sup>th</sup>, 2024 (R\$ 188,000 as of December 31<sup>st</sup>, 2023).



Amounts recorded as noncurrent liabilities as of September 30th, 2024 mature as follows:

	Consolidated
Maturity	09/30/2024
2025	12,056
2026	48,749
2027	48,851
2028	26,949
2029 to 2031	67,840
	204,445

The Company's exposure to interest rate risks and a sensitivity analysis for financial assets and liabilities are disclosed in Note 5.

## **20 EMPLOYEE BENEFITS**

Obligations arising from short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### Private pension plan

The Company offers a defined contribution pension plan to its employees. The plan provides for one-to-one matching contributions, i.e., for every R\$1 (one real) contributed by the employee, the Company contributes R\$1 (one real). Under the defined contribution plan, no long-term liabilities are recognized. The amounts of contributions stated in P&L for the period, under "general and administrative expenses" and recognized contributions are presented below:

	Consolidated				
	3Q24	9M24	3Q23	9M23	
Private pension plan contributions recognized	75	216	87	230	
Total	75	216	87	230	



#### 21 SHARE-BASED PAYMENT AGREEMENTS

The breakdown of Restricted Share Plans as of September 30th, 2024 is as follows:

				Short-terr	n batch (i)				Long-term ba	atch (i)	
		Number of	,								Risk-free
Grants	Volatility	shares granted	04/30/2025	04/30/2026	04/30/2027	Fair value	04/30/2025	04/30/2026	04/30/2027	Initial price	interest rate
3 <sup>rd</sup> Grant	36.62%	496,104	21,408	-	-	9.48	110,190	-	-	8.34	11.73%
4 <sup>th</sup> Grant	37.78%	409,502	18,510	18,510	-	11.87	-	95,706	-	10.57	12.52%
5 <sup>th</sup> Grant	36.58%	248,830	23,512	23,512	23,512	10.49		-	93,289	10.02	9.94%
			63,430	42,022	23,512		110,190	95,706	93,289		

<sup>(</sup>i) Appropriate number and amounts based on the split of May 5th, 2022 in the proportion of 1:3, and the split of April 3rd, 2023 in the proportion of 1:2.

The fair value of the share purchase plan rights was assessed based on the Monte Carlo model. The expected volatility was estimated considering the historical volatility of the Company's share price in a period proportional to the expected term. The expected term of the instruments was based on historical experience and the general behavior of the shareholder.

The changes in grants under the restricted share plan are as follows:

	2 <sup>nd</sup> Grant	3 <sup>rd</sup> Grant	4" Grant	5" Grant	Total
Balance in 12/31/2023	176,712	418,200	409,502	-	1,004,414
New grants	-	-	-	248,830	248,830
Payments (transfers)	(176,712)	(60,138)	(52,536)	-	(289,386)
Cancellations		(226,464)	(224,240)	(85,005)	(535,709)
Balance at 09/30/2024	-	131,598	132,726	163,825	428,149

As of September 30<sup>th</sup>, 2024, the total amount of R\$ 2,577 (R\$ 4,770 as of September 30<sup>th</sup>, 2023) was recognized as capital reserve in the Company's equity, matched against an expense in P&L.

**Executive** 

### 22 RELATED PARTIES

# 22.1 Transactions with related parties - effects on the Parent Company

Related party balances are presented below:

	09/30/2024			12/31/2023			
	KWI	Procer	Total	KWI	Procer	Total	
Current assets	4,143	672	4,815	25,005	840	25,845	
Other assets	4,143	672	4,815	25,005	840	25,845	
Rental	3,044	-	3,044	994	-	994	
Royalties	1,099	-	1,099	1,541	-	1,541	
Dividends receivable		672	672	22,470	840	23,310	
Noncurrent liabilities	-	-	-	(16,328)	-	(16,328)	
Other liabilities	-	-	-	(16,328)	-	(16,328)	
Intercompany loans		-	-	(16,328)	-	(16,328)	
Total	4,143	672	4,815	8,677	840	9,517	

The table below presents income (expenses) with related parties:

		Executive Board and Board of			Board and Board of	
	KWI	Directors	3Q24	KWI	Directors	3Q23
Income (expenses)						
Other income (rental)	4,801	-	4,801	3,072	-	3,072
Other income (royalties)	4,321	-	4,321	4,038	-	4,038
Finance costs (intercompany loan)	_	-	-	(539)	-	(539)
Management remuneration and benefits	-	(1,871)	(1,871)	-	(3,574)	(3,574)
		Executive Board			Executive	

	and Board of			Board of		
	KWI	Directors	9M24	KWI	Directors	9M23
Income (expenses)						
Other income (rental)	10,012	-	10,012	8,113	-	8,113
Other income (royalties)	11,076	-	11,076	10,021	-	10,021
Finance costs (intercompany loan)	(848)	-	(848)	(1,488)	-	(1,488)
Management remuneration and benefits	-	(6,713)	(6,713)	-	(7,059)	(7,059)

- a) The Parent Company KWSA has a commercial lease agreement and amendment effective until June 17<sup>th</sup>, 2032 with its subsidiary KWI regarding the industrial plant located in Panambi.
- b) There is an onerous assignment agreement (*royalties*) for use of trademarks between the Parent Company KWSA and its wholly-owned subsidiary KWI effective until April 1<sup>st</sup>, 2025.
- c) The Parent Company is the guarantor of loans and financing of subsidiary KWI, in the amount of R\$ 294,981 as of September 30<sup>th</sup>, 2024 (R\$188,000 as of December 31<sup>st</sup>, 2023).
- d) The intercompany loan agreement with subsidiary KWI signed on May 8<sup>th</sup>, 2023 and effective until March 23<sup>rd</sup>, 2028, bearing interest of CDI + 0.9% p.a. and taken out to meet obligations in the ordinary course of business, was early settled in May 2024.

The rental, royalty payment and loan transactions with related parties were carried out under specific conditions between the parties and could be different had they been carried out with unrelated third parties.

Management remuneration payable are stated under "Social and labor obligations".



# 22.2 Key management personnel compensation

At the Annual and Special General Meeting (AGM/SGM) held on April 3<sup>rd</sup>, 2024, management's annual global compensation limit was set at up to R\$ 13,190, which includes management remuneration and bonuses, for the period from April 2024 to March 2025.

		Parent Company and Consolidated						
	3Q24	9M24	3Q23	9M23				
Fees and bonuses	(2,461)	(6,356)	(2,310)	(3,350)				
Direct and fringe benefits	(83)	(307)	(98)	(283)				
Share-based payment agreement	673	(50)	(1,166)	(3,426)				
Total	(1,871)	(6,713)	(3,574)	(7,059)				

#### 23 INCOME AND SOCIAL CONTRIBUTION TAXES PAYABLE

Parent Company		Consoli	dated
09/30/2024	12/31/2023	09/30/2024	12/31/2023
-	-	1,175	1,516
414	232	3,601	5,531
72	693	72	693
15	10	1,311	2,244
501	935	6,159	9,984
-	-	9,187	6,570
-	-	9,187	6,570
501	935	15,346	16,554
	09/30/2024 - 414 72 15 501 	414 232 72 693 15 10 501 935	09/30/2024         12/31/2023         09/30/2024           -         -         1,175           414         232         3,601           72         693         72           15         10         1,311           501         935         6,159           -         9,187           -         9,187

## 24 PROVISION FOR TAX, CIVIL AND LABOR RISKS

The Company is a party to labor, civil, tax and other proceedings in progress, with disputes at both the administrative and legal levels. When applicable, such proceedings are supported by judicial deposits. The provisions for losses, if any, arising from these proceedings are estimated and restated by management, based on the opinion of its external legal advisors.

**Labor and social security proceedings:** refer mostly to labor claims filed by former employees involving amounts owed under their employment agreement.

**Tax proceedings:** involve discussions about unapproved tax credits, reimbursements, tax bases, taxes and disallowance of credits in request for COFINS refund and for IPI reimbursement.

**Civil proceedings:** these include lawsuits that result in conflict of interests, represented by compensation claims filed mostly by customers. Among these proceedings, the compensation claim filed in 2008 against Kepler Weber Industrial S.A. stands out, for payment of fine for late delivery of transmission towers.

As of September 30<sup>th</sup>, 2024, the balances of provision for tax, civil and labor risks are as follows:

		Parent Company					
	Civil	Labor	Tax	Total			
Balance at 12/31/2023	25	-	-	25			
Additions of provisions	-	25	-	25			
Reversals of provisions	(25)	-	-	(25)			
Balance at 09/30/2024	-	25	-	25			



Balance at 12/31/2023 Additions of provisions Reversals of provisions Write-offs Balance at 09/30/2024

	Consolidated							
Civil	Labor	Tax	Total					
9,664	2,044	92	11,800					
228	591	7	826					
-	(27)	-	(27)					
	(625)	-	(625)					
9,892	1,983	99	11,974					

### Contingent liabilities:

In addition, the Company is a party to labor, civil, tax and other proceedings whose likelihood of loss has been assessed as possible by management and the legal advisors and for which no provision was set up.

The Notice served by the Rio Grande do Sul State Finance Department on October 9, 2015 against subsidiary Kepler Weber Industrial S.A. stands out, alleging violation of ICMS legislation in certain transactions carried out by the unit located in Panambi, state of Rio Grande do Sul. The tax credit subject matter of the notice totals, on August 31st, 2024 was R\$62,461, of which R\$20,439 refers to the principal amount, R\$12,263 to the fine, and R\$29,759 to interest. In April 2019, the Administrative Court of Tax Appeals' judgment of the appeal to the Supreme Court was published, granting the Notice and summoning the Company to pay the debt. The Parent Company and its subsidiary Kepler Weber Industrial S.A. filed an appeal, which is being processed at the 6th Court of the Porto Alegre State Finance Department, seeking the guarantee/security deposit of the debts through Court Bond in the total amount of R\$63,590, which quarantees 104% of the restated debt amount on the contract date, combined with an interim relief that was granted, allowing the company to issue a tax compliance certificate and preventing the inclusion of the debt in credit restriction agencies, as well as the elimination of the effects of the Notice, which is awaiting judgment. The Rio Grande do Sul State filed a tax enforcement suit in the amount of R\$57,134, which is being processed at the 1st Judicial Court of Panambi/RS, seeking the payment of this guaranteed debt, for which the Company stated a request to suspend the enforcement until the suit is judged. The enforcement was suspended and a judgment was issued on the proceeding, whereby the request presented by the Company was granted, thus considering the notice undue and fully eliminating the effects of the tax debts based on Notice No. 0034087737. As a result of this judgment, the Rio Grande do Sul State filed an appeal. The Company also filed a cross appeal requesting recognition of its right to hold the credits in the event of a reversal of the judgment. On June 19th, 2024, the appeals were judged and the lower court judgment was upheld unanimously. In the appeal, the Court stressed the validity of the Company's acts, mentioning other evidence added to the case file, especially the expert evidence, which dismissed the assumptions presented by the State of Rio Grande do Sul at the time the notice was served. The court decision was published. The parties were summoned, and the State of Rio Grande do Sul consented. Consequently, the Company was handed down a fully favorable res judicata decision. The case has already been remanded to the lower court, and the State of Rio Grande do Sul has already demonstrated in the records the complete cancellation and discharge of the assessment, with no further amount being owed.

The table below presents the amounts of the proceedings assessed as possible loss:

	Parent Cor	npany	Consolidated			
Type	09/30/2024	12/31/2023	09/30/2024	12/31/2023		
Labor	58	-	495	1,001		
Tax	5,734	5,521	7,137	66,338		
Civil	-	-	7,622	5,035		
	5,792	5,521	15,254	72,374		



# **25 OTHER LIABILITIES**

	Parent C	ompany	Consolidated		
	09/30/2024	12/31/2023	09/30/2024	12/31/2023	
Intercompany loans payable (Note 22)	-	16,328	-	-	
Provision for freight	-	-	6,393	6,640	
Provision for charges on share-based payment program	1,344	4,481	1,344	4,481	
Kepler Contractor Development Program	-	-	1,500	1,200	
Provision for contractors payable	-	-	671	1,141	
Provision for negotiations of fines	-	-	4,531	2,798	
Sundry provisions and other liabilities (i)	744	439	11,090	10,806	
Total	2,088	21,248	25,529	27,066	
Current liabilities	1,509	2,415	23,909	23,449	
Noncurrent liabilities	579	18,833	1,620	3,617	
Total	2,088	21,248	25,529	27,066	

<sup>(</sup>i) The amounts contained in this item include sundry provisions in the ordinary course of the business, consisting mainly of amounts referring to indemnities with representatives, lifetime pensions, electricity, consulting fees, among others.

# **26 FINANCIAL INSTRUMENTS**

# 26.1 Classification of financial instruments

Financial instruments are classified as follows:

	Parent Company						
	•		Amortized			Amortized	
	Note	FVTPL (*)	cost	09/30/2024	FVTPL (*)	cost	12/31/2023
Financial assets							
Cash and cash equivalents	7	11,359	-	11,359	4,534	-	4,534
Short-term investments	7	-	-	-	2,391	-	2,391
Financial liabilities							
Suppliers	18	-	(818)	(818)	-	(971)	(971)
Leases	16	-	(636)	(636)	-	-	-
Intercompany loans payable	22	-	· -	-	-	(16,328)	(16,328)
Put option - contingent consideration		(54,960)	-	(54,960)	(54,960)	_	(54,960)
Total		(43,601)	(1,454)	(45,055)	(48,035)	(17,299)	(65,334)

		Consolidated					
	Not		Amortized			Amortized	
	е	FVTPL (*)	cost	09/30/2024	FVTPL (*)	cost	12/31/2023
Financial assets							
Cash and cash equivalents	7	427,067	-	427,067	322,923	-	322,923
Short-term investments	7	30,843	-	30,843	32,312	-	32,312
Trade accounts receivable	8	-	255,048	255,048	-	319,905	319,905
Financial liabilities							
Suppliers	18	-	(114,461)	(114,461)	-	(120,890)	(120,890)
Loans and financing	19	1,358	(296, 339)	(294,981)	(4,077)	(191,409)	(195,486)
Leases	16	-	(23,005)	(23,005)	-	(1,288)	(1,288)
Put option - contingent consideration		(54,960)	-	(54,960)	(54,960)	-	(54,960)
Total		404,308	(178,757)	225,551	296,198	6,318	302,516

<sup>(</sup>i) Fair value through profit or loss



#### 26.2 Fair value

The fair values of financial instruments, presented for reference purposes only, are as follows:

			Parent Co	ent Company		
		09/30	0/2024	12/3	1/2023	
		Carrying	_	Carrying		
	Hierarchy	amount	Fair value	amount	Fair value	
Financial assets			_			
Cash and cash equivalents	(2)	11,359	11,359	4,534	4,534	
Short-term investments	(2)	-	-	2,391	2,391	
Liabilities						
Put option - contingent consideration	(3)	(54,960)	(54,960)	(54,960)	(54,960)	
-		(43,601)	(43,601)	(48,035)	(48,035)	

		Consolidated					
		09/30	)/2024	12/31	/2023		
		Carrying		Carrying			
	Hierarchy	amount	Fair value	amount	Fair value		
Financial assets	·						
Cash and cash equivalents	(2)	427,067	427,067	322,923	322,923		
Short-term investments	(2)	30,843	30,843	32,312	32,312		
Liabilities							
Swap - CPR and FINAME	(2)	1,358	1,358	(4,077)	(4,077)		
Put option - contingent consideration	(3)	(54,960)	(54,960)	(54,960)	(54,960)		
		404,308	404,308	296,198	296,198		

<sup>(</sup>i) Put option - contingent consideration refers to the business combination that took place in March 2023, with the acquisition of 50.002% of Procer shares. The amount of R\$54,960 payable by May 2028, deadline established in the agreement for acquisition of the remaining shares of Procer, considered as the seller's put option under "Put option – contingent consideration" in the Parent Company's liabilities, was calculated considering the mechanism established in the Shareholders' Agreement, which provides for an evaluation of the equivalent of 8 times the EBITDA of the twelve months prior to the exercise of the seller's put option. The put option is updated by multiples of the EBITDA of the acquired entity every year end until the date of its settlement. Based on the projections at the acquisition date, the Company did not identify a significant change in Procer's performance projections that could have an impact on the restatement of fair value of the put option – contingent consideration recognized in the Parent Company's long-term liabilities as of September 30, 2024. The projections will be updated at the end of each fiscal year of the subsidiary until the date of settlement of the put option - contingent consideration.

The Company management considered the following assumptions in assessing the fair value of the financial instruments: Cash and cash equivalents and short-term investments in CDBs and similar instruments have daily liquidity and are subject to repurchase agreements, considering the remuneration provided for in the instrument's yield curve and, therefore, the carrying amount reflects the fair value.

#### Fair value hierarchy

In measuring the fair value of an asset or a liability, the Company uses observable market inputs as much as possible. The fair values are classified into different hierarchical levels based on inputs used in the valuation techniques, as follows:

Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, whether directly or indirectly; and

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



#### 27 EQUITY

# 27.1 Capital

At the Special General Meeting held on April 11<sup>st</sup>, 2024, capital increase of R\$100,000 was approved through capitalization of the investment and working capital reserve.

As of September 30<sup>th</sup>, 2024, capital is represented by 179,720,130 (one hundred and seventy-nine million, seven hundred and twenty thousand, one hundred and thirty) common shares, totaling R\$ 344,694 (R\$ 244,694 as of December 31<sup>st</sup>, 2023).

# **27.2** Treasury shares

At the Board of Directors' Meeting held on March 28<sup>th</sup>, 2024, the Company's Share Buyback Program was approved, with the objective of acquiring up to 17,658,311 common shares in a period of up to 12 months. As of September 30<sup>th</sup>, 2024, the number of shares under the buyback program is 2,779,600 common shares.

As of September 30<sup>th</sup>, 2024, the total number of treasury shares is 5,450,110 (five million, four hundred and fifty thousand, one hundred and ten), amounting to R\$ 49,958 (R\$ 22,303 as of December 31<sup>st</sup>, 2023).

# 27.3 Capital reserves

#### Tax incentives

This refers to tax incentives, donations and investment grants, totaling R\$ 617 as of September 30<sup>th</sup>, 2024 and December 31<sup>st</sup>, 2023.

# Share-based payment reserve - Fair value of restricted share plan

This refers to grants of Restricted Shares, still open and approved on the dates below:

Grant of restricted shares	Approval date
3 <sup>rd</sup> Grant	04/27/2022
4 <sup>th</sup> Grant	02/15/2023
5 <sup>th</sup> Grant	03/20/2024

As of September 30<sup>th</sup>, 2024, the recognized balance of the share-based payment reserve is R\$ 7,236 (R\$6,839 as of December 31<sup>st</sup>, 2023).

## 27.4 Equity adjustments

This refers to adjustments resulting from adoption of the deemed cost of PP&E on the transition date, with adjustments made mainly due to depreciation of items measured on January 1<sup>st</sup>, 2009, totaling the balance of R\$ 23,090 at September 30<sup>th</sup>, 2024 (R\$ 24,367 at December 31<sup>st</sup>, 2023).

#### 27.5 Revaluation reserves

These refer to balances of revaluations carried out in 1984 and 1991. The residual balance of R\$ 158 refers to land.



# 27.6 Income reserves

Net income for the year will be allocated as follows:

- a) 5% (five percent) for the legal reserve, up to 20% (twenty percent) of capital;
- b) 25% (twenty-five percent) for dividends to shareholders; e
- c) 25% (twenty-five percent) for investment and working capital reserve.

The purpose of the investment and working capital reserve is to ensure investments in permanent assets and increase in working capital, including through amortization of the Parent Company's debts, as well as financing of subsidiaries. This reserve is capped at the amount of paid-in capital.

### Legal reserve

This refers to the recognition of legal reserve according to Law No. 6404/76. The balance as of September 30<sup>th</sup>, 2024 totals R\$ 41,200 (R\$ 41,200 as of December 31<sup>st</sup>, 2023).

#### Tax incentive reserves

This refers to the government grant of subsidiary KWI as a tax incentive reflexively recognized by the Parent Company. At September 30<sup>th</sup>, 2024 and December 31<sup>st</sup>, 2023, the balance is R\$ 57,257.

### Investment and working capital reserve

This refers to the investment and working capital reserve pursuant to the Company's bylaws, totaling R\$ 196,364 as of September 30<sup>th</sup>, 2024 (R\$373,374 as of December 31<sup>st</sup>, 2023).

At the Annual General Meeting held on April 3<sup>rd</sup>, 2024, the shareholders resolved on the payment of additional dividends for 2023 of R\$ 47,000, and at the Special General Meeting held on April 11<sup>th</sup>, 2024, the shareholders resolved on the allocation of R\$ 100,000 for capital increase.

At the meeting held on June 25<sup>th</sup>, 2024, the Board of Directors resolved on the payment of interim dividends of R\$ 30,010.

# 27.7 Interest on Equity (IOE)

At the Board of Directors meeting held on July 31st, 2024, was resolve on the payment of IOE of R\$ 15,447, to be attributed to mandatory minimum dividends referring to the year ending December 31st, 2024

# 28 NET REVENUE

		Consolidated					
	3Q24	9M24	3Q23	9M23			
Gross revenue	508,940	1,341,465	480,703	1,200,188			
Sales taxes	(68,193)	(188,603)	(73,411)	(181,971)			
Returns and rebates	(1,695)	(5,665)	(1,664)	(8,288)			
Total	439,052	1,147,197	405,628	1,009,929			
		Consolida	ted				
	3Q24	9M24	3Q23	9M23			
Sale of products	421,615	1,099,096	368,607	951,476			
Provision of services	17,437	48,101	37,021	58,453			
Total	439,052	1,147,197	405,628	1,009,929			
Total	439,052	1,147,197	405,628				



# 29 OTHER OPERATING INCOME (EXPENSES), NET

	Parent Company			Consolidated				
	3Q24	9M24	3Q23	9M23	3Q24	9M24	3Q23	9M23
Rental of investment properties	4,801	10,012	3,072	8,113	-	-	-	-
Royalties	4,321	11,076	4,038	10,021	-	-	-	-
Government grants	-	-	-	-	13,990	37,912	13,817	35,977
SEPROTUR-FAI contribution	-	-	-	-	(303)	(824)	(277)	(720)
Gain (loss) on disposal of PP&E	-	-	-	-	(158)	55	198	196
Recovery of sundry expenses	15	357	20	58	452	4,123	12,189	22,531
Provision for inventory obsolescence and losses	-	-	-	-	(632)	(2,782)	(1,701)	(2,547)
Provision for civil, labor and tax contingencies	(23)	-	437	497	162	(174)	726	562
Miscellaneous sentences	(16)	(36)	16	(2)	(2,670)	(3,072)	(1,066)	(1,795)
Zero Litigation Program	-	-	-	(5,446)	-	-	-	(5,946)
Loss on receipt of trade accounts receivable	-	-	-	-	(82)	(298)	267	840
Estimated losses on PP&E	-	-	-	-	(1,175)	(1,175)	-	-
PIS/COFINS on other revenues	(1,267)	(2,374)	(2,267)	(3,287)	(1,267)	(2,374)	(2,270)	(3,312)
Profit sharing	(886)	(1,160)	(840)	620	(5,905)	(14,918)	(5,534)	(13,486)
Contractual fines	-	-	-	-	(2,372)	(2,852)	(792)	(2,065)
Kepler Contractor Development Program	-	-	-	-	69	(1,539)	(420)	(1,138)
Other	543	1,762	(16)	(3,296)	1,854	588	(373)	(169)
Total	7,488	19,637	4,460	7,278	1,963	12,670	14,764	28,928

## **30 EXPENSES BY NATURE**

	Parent Company			Consolidated				
	3Q24	9M24	3Q23	9M23	3Q24	9M24	3Q23	9M23
Depreciation and amortization (i)	(476)	(1,366)	(439)	(1,358)	(9,823)	(29,579)	(9,073)	(25,538)
Personnel expenses	(2,293)	(10,100)	(4,037)	(10,619)	(53,320)	(150,121)	(49,829)	(136,065)
Raw materials / acquired products	_	-	_	_	(196,826)	(513,424)	(191,223)	(466,836)
Expenses with employee benefits	(83)	(307)	(98)	(283)	(6,867)	(17,358)	(5,484)	(15,082)
Sales commissions	-	-	-	-	(14,501)	(33,484)	(12,746)	(35,978)
Guarantees	-	-	-	-	(11,333)	(24,137)	(15,374)	(25,367)
Freight on sales	-	-	-	-	(12,565)	(27,862)	(7,591)	(17,876)
Assembly services	-	-	-	-	(13,071)	(32,146)	(9,532)	(29,854)
Third-party services	(532)	(1,958)	(692)	(2,190)	(9,733)	(22,109)	(8,617)	(21,174)
Travels and representations	(377)	(573)	(75)	(249)	(4,404)	(9,867)	(3,494)	(8,208)
Rentals	(36)	(267)	(73)	(168)	(2,282)	(5,212)	(2,096)	(6,225)
Manufacturing idle time	-	-	-	-	-	-	-	(2,422)
Maintenance of machinery and equipment	-	-	-	-	(6,214)	(15,811)	(4,378)	(12,270)
Production consumables	-	-	-	-	(15,768)	(38,082)	(11,214)	(29,560)
Other expenses	(20)	(735)	(194)	(801)	(1,214)	(23,643)	(10,507)	(12,453)
Total	(3,817)	(15,306)	(5,608)	(15,668)	(357,921)	(942,835)	(341,158)	(844,908)
Selling expenses	-	-	-	-	(25,590)	(72,035)	(24,256)	(66,923)
Impairment losses on financial assets	-	-	-	-	(104)	153	(1,032)	(1,106)
General and administrative expenses	(3,817)	(15,306)	(5,608)	(15,668)	(24,269)	(74,119)	(23,125)	(64,317)
Cost of sales and services	-	-	-		(307,958)	(796,834)	(292,745)	(712,562)
Total	(3,817)	(15,306)	(5,608)	(15,668)	(357,921)	(942,835)	(341,158)	(844,908)

<sup>(</sup>i) The amounts contained in this account refer to changes in depreciation/amortization of the groups of rights of use, investment properties, PP&E and intangible assets, including revaluation surplus due to business combination.

Manufacturing idle time refers to unusual amounts or overhead possibly not allocated to the products, especially because of the low volume of production and shipping, recognized directly in P&L in the period in which they take place in a separated account of cost of sales and services, in line with *CPC* 16/ IAS 2 - Inventories.



# 31 FINANCE INCOME (COSTS)

	Parent Company			Consolidated				
	3Q24	9M24	3Q23	9M23	3Q24	9M24	3Q23	9M23
Finance income								
Foreign exchange/monetary gains	1,631	2,693	1	3	9,993	17,342	1,359	10,859
Short-term investment yields	808	1,068	26	977	9,745	16,382	3,230	13,904
Income from interest appropriated	(288)	81	162	162	2,271	10,458	6,540	13,776
Other finance income	-	1	-	-	131	462	48	492
	2,151	3,843	189	1,142	22,140	44,644	11,177	39,031
Finance costs								
Financial charges paid	-	-	-	-	(1,039)	(4,607)	(1,497)	(3,548)
Expenses from interest appropriated	-	(848)	(539)	(1,489)	(8,058)	(17,859)	(6,417)	(18,201)
Foreign exchange/monetary losses	(3)	(14)	(13)	(49)	(11,076)	(15,323)	746	(7,623)
Late-payment interest and contractual IOF	(44)	(61)	(6)	(244)	(150)	(415)	(201)	(1,095)
PIS/COFINS on other finance income	(100)	(179)	(8)	(56)	(620)	(1,435)	(513)	(1,407)
Withholding income tax on foreign operations	(48)	(52)	-	-	(115)	(267)	(58)	(200)
Other finance costs	(273)	(821)	(246)	(614)	(1,315)	(4,257)	(260)	(2,284)
	(468)	(1,975)	(812)	(2,452)	(22,373)	(44,163)	(8,200)	(34,358)
Finance income (costs), net	1,683	1,868	(623)	(1,310)	(233)	481	2,977	4,673

#### 32 EARNINGS PER SHARE

	Pa			
	3Q24	9M24	3Q23	9M23
Basic:				
Net income	59,641	148,801	66,591	151,190
Weighted average number of common shares	175,740,870	176,444,176	176,760,234	177,637,446
Basic earnings per common share (R\$)	0.3394	0.8433	0.3767	0.8511
Diluted:				
Net income	59,641	148,801	66,591	151,190
Weighted average number of common shares adjusted for dilution effect	176,543,485	177,512,274	177,823,078	178,644,318
Diluted earnings per share - total (R\$)	0.3378	0.8383	0.3745	0.8463

Appropriate quantities and values based on the 1:2 stock split of April 3rd, 2023.

### 33 GOVERNMENT GRANTS

Government grants intended to compensate the Company for expenses incurred are recognized in profit or loss as other income on a systematic basis in the same periods in which the expenses were recognized. Upon setup of the plant in the state of Mato Grosso do Sul, subsidiary KWI was granted a tax benefit of 90% reduction in the ICMS debit balance calculated on a monthly basis. The term of the agreement originally signed in 2002 was later amended, extending the benefit to 2032. The Company agreed to the following:

- a) Make investments until December 31st, 2028;
- b) Maintain and create jobs until December 31st, 2032; e
- c) Maintain minimum annual revenues (Mato Grosso do Sul plant) until 2032.

The benefit recognized in the period ended September 30<sup>th</sup>, 2024 totaled R\$ 41,180 (R\$ 35,977 in the same period of 2023), recognized in profit or loss for the period as "Other operating income", net of taxes (R\$ 37,371 in the period ended September 30<sup>th</sup>, 2024), with the gross amount allocated at the end of the current year to tax incentive reserve in the subsidiary's equity.



# 34 INSURANCE COVERAGE

	Consolid	lated
	Effective period	Amount
Civil liability - life insurance	Oct/24-May/25	2,489
Civil liability D&O	Sept/24-Apr/25	30,000
Civil liability and property damage - third parties - industrial	Mar/25	70,000
		102,489
Business risks (inventories, buildings and credit risks)		
	Sept/24	2,570
	Oct/24	410
	Nov/24	1,333,705
	Dec/24	2,205,300
	Jan/25	42,598
	Mar/25	2,627
	Jun/25	8,871
	Sept/25	600
	Oct/25	1,281
	Apr/26	4,719
	May/27	79,053
		3,681,734
	_	3,784,223

#### Breakdown of the insurance lines is as follows:

Insurance line	Consolidated
Warranties related to customers/suppliers	139,098
Domestic transportation	1,900,000
Export transportation	175,266
Import transportation	125,190
Engineering risks (assembly-related work of the Company's responsibility)	70,000
Property (loss of profits)	1,342,180
Civil liability D&O	25,000
General civil liability	5,000
Life	2,489
	3,784,223



# 35 SUPPLEMENTARY CASH FLOW INFORMATION - FINANCING ACTIVITIES

The changes in cash flows from financing activities are shown below:

	Parent Compa	ny			
	Intercompany		Treasury	IOE and	
Items	loans	Leases	shares	dividends	Total
Balance at 12/31/2022	70,707	43	(7,806)	77,690	140,634
Changes in cash	(56,426)	(44)	(16,204)	(132,690)	(205,364)
Share buyback	-	-	(16,204)	-	(16,204)
Dividends and IOE (paid)	-	-	_	(132,690)	(132,690)
Intercompany loan amortization	(55,000)	-	-	-	(55,000)
Interest paid for intercompany loans and leases	(1,426)	-	-	-	(1,426)
Leases settlement	_	(44)	-	-	(44)
Noncash changes	1,489	1	1,707	55,000	58,197
Disposal/transfer of shares	-	-	1,707	-	1,707
Distribution of dividends and IOE	-	-	-	55,000	55,000
Interest incurred	1,489	1	-	-	1,490
Balance at 09/30/2023	15,770	-	(22,303)	-	(6,533)
Balance at 12/31/2023	16,328	_	(22,303)	27,871	21,896
Changes in cash	(17,176)	(72)	(29,835)	(120,328)	(167,411)
Share buyback	-	-	(29,835)	-	(29,835)
Dividends and IOE (paid)	-	-	-	(120,328)	(120,328)
Intercompany loan amortization	(15,000)	-	-	-	(15,000)
Interest paid for intercompany loans and leases	(2,176)	-	-	-	(2,176)
Leases settlement	-	(72)	-	-	(72)
Noncash changes	848	708	2,180	92,457	96,193
Distribution of dividends and IOE	-	-	-	92,457	92,457
Disposal/transfer of shares	-	-	2,180	-	2,180
Interest incurred	848	33	-	-	881
Remeasurement and new agreements	-	675	-	-	675
Balance at 09/30/2024	-	636	(49.958)	-	(49,322)



	Consolidated				
	Loans and		Treasury	IOE and	
Items	financing	Leases	shares	dividends	Total
Balance at 12/31/2022	166,791	4,069	(7,806)	77,690	240,744
Changes in cash	22,052	(3,533)	(16,204)	(132,690)	(130,375)
Share buyback	-	-	(16,204)	-	(16,204)
Dividends and IOE (paid)	-	-	-	(132,690)	(132,690)
Loans, financing and intercompany loans raised	100,000	-	-	-	100,000
Repayment of loans and financing	(60,000)	-	-	-	(60,000)
Interest paid on loans and financing	(17,948)	-	-	-	(17,948)
Leases settlement	-	(3,533)	-	-	(3,533)
Noncash changes	18,201	1,959	1,707	55,000	76,867
Disposal/transfer of shares	-	-	1,707	-	1,707
Distribution of dividends and IOE	-	-	-	55,000	55,000
Interest on loans and financing	18,201	347	-	-	18,548
Additions from business combinations	-	562	-	-	562
Remeasurement and new agreements	-	1,050	-	-	1,050
Balance at 09/30/2023	207,044	2,495	(22,303)	-	187,236
Balance at 12/31/2023	195,486	1,288	(22,303)	30,811	205,282
Changes in cash	81,636	(5,237)	(29,835)	(123,604)	(77,040)
Share buyback	-	-	(29,835)	-	(29,835)
Dividends and IOE (paid)	-	-	_	(123,604)	(123,604)
Loans and financing raised	210,000	-	-	-	210,000
Repayment of loans and financing	(110,000)	-	-	-	(110,000)
Interest paid on loans and financing	(16,141)	-	-	-	(16,141)
Structuring costs	(2,223)	-	-	-	(2,223)
Leases settlement	-	(5,237)	-	-	(5,237)
Noncash changes	17,859	26,954	2,180	93,465	140,458
Disposal/transfer of shares	-	-	2,180	-	2,180
Distribution of dividends and IOE	-	-	-	93,465	93,465
Interest on loans and financing	17,717	2,616	-	-	20,333
Structuring costs	142	-	-	-	142
Remeasurement and new agreements	=	24,338		-	24,338
Balance at 09/30/2024	294,981	23,005	(49,958)	672	268,700

The Company classified the dividends received as "Investing activities" in the Parent Company statements of cash flows.

# **36 EVENTS AFTER THE REPORTING PERIOD**

## 36.1 Interest on equity (IOE) an Interim dividends

The payment of IOE and interim dividends was resolved at the Board of Director's meeting held on October 30th, 2024.

On November 28<sup>th</sup>, 2024, the payment of IOE will be made in the amount of R\$ 14,152, to be attributed to mandatory minimum dividends referring to the year ending December 31<sup>st</sup>, 2024, and of interim dividends in the amount of R\$ 14,223, to reduce the investment reserve and working capital, totaling R\$ 0.15788568 per common share issued by the Company, excluding treasury shares, totaling R\$ 28,375.



#### **BOARD OF DIRECTORS**

#### President of the Board of Directors

Luiz Tarquínio Sardinha Ferro

#### Vice-President of the Board of Directors

Júlio Cesar de Toledo Piza Neto

#### **Members**

Marcelo Guimaraes Lopo Lima Arthur Heller Britto Ricardo Sodré Oliveira Piero Abbondi Maria Gustava Brochado Heller Britto Ruy Flaks Schneider

#### **AUDIT AND RISK COMMITTEE**

#### **Audit and Risk Committee Coordinator**

Antônio Edson Maciel dos Santos

#### **Board Members and Directors**

Luiz Tarquínio Sardinha Ferro (director and member) Valmir Pedro Rossi (member)

#### SUPERVISORY BOARD

### **President of the Supervisory Board**

Reginaldo Ferreira Alexandre

#### Members

Dóris Beatriz França Wilhelm Francisco Eduardo de Queiroz Ferreira

#### STATUTORY BOARD

#### **Chief Executive Officer and Investor Relations Officer (Acting)**

Bernardo Osborn Gomes Nogueira

#### **Chief Industrial and Product Officer**

Fabiano Schneider

### **MANAGEMENT**

#### **Controllership Manager**

Edirlei Lohrentz da Silva

# **ACCOUNTANT**

Cristiane Beatriz Back Bender CRC- RS 072285/O-2