

**Operator::**

Good morning, ladies and gentlemen. Welcome to the Kepler Weber results video conference for the 4Q24. Present with us today are Bernardo Nogueira, the CEO; and Renato Arroyo, the CFO and IRO.

We would like to inform you that the presentation is being recorded and translated simultaneously. The translation option is available by clicking on the 'interpretation' button. For those following the videoconference in English, it is possible to mute the original audio in Portuguese by clicking on 'mute original audio'.

During the Company's presentation, all participants will have their microphones disabled. Ensuing this, the question and answer session will begin. To pose questions, click on the 'raise hand' icon. When you are announced, you will receive a request to unmute your microphone, and you can proceed with your question.

Please bear in mind that any forward statements made during this conference call relating to Kepler Weber's business outlook, operational targets and financial goals are projections of the Company's management and may or may not materialize. Investors should understand that political, macroeconomic and other operational factors may influence the Company's future and lead to results that differ materially from the expectations expressed in such forward-looking statements.

We will now show you a video on KW BIM, Building Information Modeling that uses 3D digital models to help us with the projection of K Weber products, speeding up the precision during the process. Ensuing this, we will turn the floor over to Mr. Bernardo Nogueira to begin the presentations on 2024 results.

**Video:**

Have you heard about BIM? Have you heard about the acronym BIM – Build Information Modeling? It is a methodology that has revolutionized the way in which we project and build storage units. It helps us during the entire life cycle of the venture.

Follow up on the Kepler Weber social media because we are going to be speaking more about this methodology.

**Bernardo Nogueira:**

Good morning, everyone. It is a great pleasure to be with you to present the results for the 4Q24 and the year-to-date. The year 2024 was marked by significant challenges such as the rise in interest rates and the increase in the cost of agricultural inputs. However, Kepler Weber demonstrated its resiliency by presenting solid results, maintaining the consistent growth trajectory of recent years.

As discussed in the last video conference, the opportunity to balance the semesters proved effective with robust results. In the 1H, we recorded double-digit growth with an increase of 17.2% vis-à-vis the 1H23, while in the 2H of the year, net revenue remained practically stable. As a result, net revenue grew 6.3% in the year. Adjusted EBITDA totaled R\$334.8 million in the period with a margin of 20.8%, and adjusted net profit reached R\$200.9 million. The 4Q showed a reduction of 8.4% vis-à-vis the 4Q23, reaching an adjusted EBITDA of R\$82.3 million with a net profit of R\$52 million.

With a focus on growth and adaptation, we have successfully pursued our strategy of diversifying our segments. In 2024, the Company's net revenue grew by 6.3% with 4 of

its 5 segments showing sustainable growth, especially in International business, 79% and ports and terminals, 20%. During the 4Q24, the Company saw an 8.4% dip in revenue compared to the 4Q23, with falls in agroindustry and ports and terminals, which have a higher concentration in business.

Despite this, the aftermarket and service segment stood out with a growth of 8.5%, a 10% increase in the order volume and almost 25% in the number of Procer customers, reflecting the success of innovation initiatives such as Biocav and the sales of Seletron machines. The Company will continue to focus on expanding its business anchored on diversification of its segments.

On slide 5, I share some important projects delivered in 2024, highlighting our operation and quality of delivery. We also highlight the renewal of our order book with 16 new contracts in the quarter, totaling more than R\$144.5 million in new sales.

I will now hand over the floor to CFO Renato, to present EBITDA and other financial indicators.

**Renato Arroyo:**

Good morning, everyone. Thank you very much, Bernardo. It is a pleasure to be here for the first time to share the results of the Company's economic and financial performance in the 4Q24 and accumulated results for the year.

We reached R\$333.4 million in adjusted EBITDA, representing a growth of 3.6% vis-à-vis 2023, with a margin of 20.8% despite the extensive macroeconomic challenges. This performance reflects the effectiveness of our operational strategy and the robustness of our business model, managing to keep our SG&A in line with inflation and significant expenses at Procer.

In the 4Q24, we generated R\$82.3 million in adjusted EBITDA with a margin of 19.9% in the quarter, a drop compared to our 4Q23, given the performance of the revenue throughout the year.

In terms of CAPEX, investments totaled R\$47.3 million. Of these, 37% were earmarked for increasing manufacturing capacity, 35% for renovations and support, 17% for IT products and 11% for new products. These investments demonstrate the Company's desire for growth, sustained by excellent governance anchored by IT and highlighting the launch of new products.

I would like to speak about high availability of cash, which ended 2024 with a gross balance of R\$425 million and net cash of R\$114.4 million, despite the high dividends paid.

On slide 10, we look at ROIC, which reached 34.2% at the end of 2024, remaining at high levels compared to our peers. The drop is due to a tax increase provided in Law 14.789. Excluding this impact, the indicator would have remained at similar levels to those recorded previously.

With regard to dividends, we paid out R\$28.4 million made on November 8, 2024. This payment reflects an attractive payment of 72% in 2024 with a dividend yield of 9.1% for the year, demonstrating a high and consistent return to our shareholders.

With this, I end my part and turn the floor back to Bernardo. Thank you, Bernardo.

**Bernardo Nogueira:**

I would like to share with you some of the Kepler Weber's development and innovation initiatives. Among the highlights is the development of new products such as the new Seletron line and the launch of Biocav in April, generating approximately R\$20 million in revenue this year.

We also launched our online sales platform, KW Store, which offers a practical and secure shopping experience via the website with a wide range of products and deliveries throughout Brazil, the KW Store is a key part of our strategy to bring the Company closer to the customers. This initiative aims to create an ecosystem that facilitates access to our products and their maintenance services.

In December 2024, we reached a historic milestone with 306 projects in progress simultaneously, which demonstrates the enormous efficiency of the Orange team.

Before going on to questions and answers, I would like to reinforce recent achievements. First of all, I would like to thank the Kepler team for their consistent delivery of results throughout the year. We achieved annual net revenue growth of 6.3%. Kepler's diversification and operations in different industry sectors once again stood out, especially in Ports and Terminals and International business.

Finally, I would like to point out that we ended another quarter with solid net cash even after the payment of R\$148.7 million in dividends over the course of 2024. Net cash ended the year at R\$114.4 million.

The outlook for 2025, a forecast of a record 2024-2025 harvest. The implementation of the KW 2030 plan, strengthening leadership through high-quality products and excellent service, expanding the addressable market with new sources of revenue and generating value through the intelligent use of data connecting the entire agribusiness chain.

For 2025, given the challenging scenario with rising interest rates, inflation and costs, our focus will be on further optimizing process efficiency, aligning ourselves with a lean culture. We expect a year marked by seasonality in our segment with the 2Q that will be very positive.

We will now go on to the question and answers sessions.

**Kiepher Kennedy, Citibank:**

Good morning. First of all, to congratulate you for the year. Despite the challenges that are out of the control of the Company, your internal actions and management have managed excellent results. We have 2 questions at our end. First of all, that accommodation of margin that we saw in the 4Q. You explained briefly what happened. I would like to have more details.

It's interesting to observe that differently from other years, there is a break with a pattern. There was a more turbulent period of the Company in 2016, and we have been observing a rise of margin quarter-on-quarter. I would like to better understand this margin accommodation and why you have that break of a standard pattern. And what should we think going forward to 2025? Which is the Company's context, the orders for the Company, perhaps the ability to raise your prices? You did speak about seasonality and that the 2H25 that will be more robust and promising.

Secondly, I would like to ask about working capital in the inventory line item, we saw an increase vis-à-vis the 3Q, especially in raw materials. I would like to gain an understanding in terms of what we should expect because of this inventory increase, if it is a new standard of the Company? Are you preparing for future orders? This would be very helpful for us. Thank you.

**Bernardo Nogueira:**

Thank you for the question. It's a pleasure to have you here with us. I will begin answering and then Renato will speak about working capital. What we observed in 2024 was communicated in the last quarter. In 2024, we had seasonality, 45%, 55%, very strong, 1H24 accelerating growth, a good distribution during the year and in the 2H24, somewhat below, especially in the 4Q.

Which is the macro situation? And I am going to repeat a well-known issues, -10% in harvest, a break in commodities, of course, a dip in the income of all of the Brazilian agribusiness and interest rates on the rise with a scarcity of credit. This generated additional pressure in the 4Q.

You used the term accommodation, and we see that accommodation being prolonged during the 1H25. Our order book is equal or superior to that of last year as in January and February and the provision that we have for March indicate that in the 2Q, we will return to the levels we had in 2024.

Of course, we are going to match what we did in 2024, in the 1H24, but we are going to catch up on that difference that we perceived in the 4Q. It's seasonality. And in 2025, we will go back to the traditional levels of our business, 35% to 65%.

To summarize for the year 2025, we are working very closely to our customers. What do we perceive is the resumption of a record harvest, 15% more in the soybean harvest. This has been confirmed. It's not merely an expectation. The price of soybeans advancing in a stable way, as it has been in the last 12 months, an increase in the corn price of approximately 20%, which will generate higher incomes because of the full harvest.

Our outlook for 2025 at present is to have a year of growth. Not only is this an ambition based on the data, but it's also based on our CRM, on the incoming business that is much higher than it was at this point last year.

So sales are quite dynamic. We did have a certain slowdown. There was a concern with the harvest plan, but along with this plan, we have great projects, an increase in the ethanol industry, and we see that all of this will speed up during the year. And the year 2025, our centennial year, we see that everything will be surpassed.

I will give the floor to Renato to answer about working capital.

**Renato Arroyo:**

Good morning. Thank you for the question. To support the answers given by Bernardo, in the 4Q, we did have a problem with margins, perhaps because of the higher interest rates. We also had greater credit restriction.

Besides the higher interest rate, there is a restrictive credit situation in the market. It's important to highlight that despite the drop in the 4Q of volume, where we delivered R\$82 million of EBITDA, this is a significant result for the Company.

And to answer your question, Kiepher, about working capital, we have an increase of inventory when you look at December 2024, R\$45 million, all of this because we have a very leveled portfolio, high 3% to 5%.

This explains why we had a higher inventory because in tonnes, we have a backlog that is 3% to 5% higher than last year. Now we are going to be working at the same level of working capital that we had in 2024, 45 to 50 days. This is what we have done in the last few years. So structurally, we do not expect any change in terms of working capital vis-à-vis 2024.

**Fernanda Urbano, XP:**

Good morning. Thank you for taking our questions. We have 2, the first is a follow-up on profitability, simply to better understand the drivers of that margin accommodation. You remarked here and in the release about a difference in the product mix this quarter. Perhaps you could share more details about that mix and which are the type of product that may have increased this less favorable mix. And how can we interpret that lower margin? Is that an effect of pricing, cost in USD increasing, a less favorable demand environment for you to transfer that price to the end customer? So we would like to better understand the mix and pricing.

The second question is a follow-up on the harvest plan and the possibilities of funding vis-à-vis the increase in interest rate. How much of your revenues is exposed to those funding lines? And do you have an initial estimate for the harvest plan that will be announced in the middle of the year?

**Bernardo Nogueira:**

Fernanda, thank you. I will work along with Renato to respond your questions. I am going to speak about profitability. It's a sensitive point for our customers. It refers to their profitability. The agricultural chain suffered significantly during 2024 because of lower harvest, lower prices, and alongside it, with an increase in interest rates with pressure on pricing.

When a customer comes to buy new property or equipment, they are going to insist more on discounts so that they fit within their budget. And of course, all of this exerts pressure on our margins directly.

Kepler Weber is a leader. We have double the share of the second runner. Customers prefer Kepler Weber, but in years of difficulty with accounts, they will think about their moment of purchase. And so that has also exerted pressure on our margins.

We see that this scenario is changing, especially in the 2H24 with more attractive prices throughout the chain, not only with the farmers.

I will give the floor to Renato, who will speak about the harvest plant, Plano Safra.

**Renato Arroyo:**

Simply to corroborate what was said by Bernardo, there are some factors impacting profitability. If we compare the 4Q23 and 4Q24, we had a drop of 10%. Doubtlessly, this decreases our revenues potentially, and we have the interest rate market with an impact as well.

Here comes the issue of the harvest plan with an impact on revenues. Although our revenues do depend up to 15% of IPCA on the harvest plan, it shows that we are less dependent on the harvest plan that we were years ago, but anyway, it does represent 15%.

What we see with the harvest plan is that it is very important for the entire chain, it is important for Kepler Weber. But when we look at harvest plan of R\$8 million, there was a release of R\$2.3 million, representing 25%.

If we compare this with past years, we can look at last year, this release was 60% to 70%. This also exerts pressure on our profitability. We do have that dependency of 15%. We are quite protected. We have diversified our businesses. Some of our businesses do not depend on this harvest plan, and the diversification acts as a protection vis-à-vis the harvest plan and the IPCA.

**Rodolfo, investor (via webcast):**

The difficulty of the government in sending in the values necessary for IPCA, how can this impact farms and the farm sector? Ports and terminals, was this something recurrent? Or should we not expect these levels going forward?

**Renato Arroyo:**

Good morning, Rodolfo. Thank you very much for the question. I briefly answered this to Fernanda. Of course, the harvest plant can work as inhibition. There's still a doubt regarding the resumption or not.

As I highlighted previously, this does not represent a large amount of our revenues. It represents 15% of our revenues regardless of the IPCA. Of course, it is 15%, and we are seeking alternatives to detect opportunities for funding for our customers through our partners to mitigate that potential if the harvest plan does not materialize. There will not be an impact on our revenues because of this.

If you would like to speak about ports and terminals, Bernardo?

**Bernardo Nogueira:**

Thank you for the question, Rodolfo. Simply to complement about the harvest plan, Plano Safra, of course, it does not help there was a reduction, but it is important to remind you that storage went from important to critical in the decisions of the chain as a whole. We see customers seeking other forms of funding, alternatives to funding, and this is a relevant point.

About ports and terminals, we have our largest portfolio, the greatest opportunity we had in history in ports and terminals. We have several projects that have been announced. We are now in the engineering process and working with suppliers.

We are participating in significant negotiations for ports and terminals at this point, and at the end of the 1Q, we hope to have good news to speak about a significant business closing.

**Renato Franco, investor (via webcast):**

Which is the expectation for 2025 regarding the international business segment? Do you think they could enhance their pace of growth vis-à-vis the years 2024, 2023?

**Bernardo Nogueira:**

Thank you for the question, Renato. Regarding International businesses, they were the star of the year with a growth of over 70%, truly fantastic, especially if we look at the situation of Brazil.

We have high hopes regarding Argentina. There is a significant change in the business environment there, especially in Argentine agribusiness. In 2024, we had the first sale to Argentina after years without activity with that country.

And I remind you that Kepler has an industrial matrix that is very close to Argentina. Argentina, Paraguay and Uruguay are very good sources. And yes, we did have a good year in International business.

We do think that 70% is a high bar, but in January, we have been able to maintain that level. We are working in the Group so that this can become our new normal.

**Rose, investor (via webcast):**

Which is the impact of the high temperatures at present in Brazil? Is there any expectation for a break in productivity for soybeans? And how will this impact the Company's business?

**Renato Arroyo:**

Rose, thank you for your concern. The temperatures, they truly are high. What we observed in the soybean harvest, it's a harvest that has grown approximately 15% in Brazil. This is very possible for the farmer, for the cooperative. They need to invest more in that product. So this is very good for Kepler.

Perhaps it's worthwhile mentioning that that 15% growth is not homogeneous for all of Brazil. We have higher growth in the Cerrados, and in Rio Grande do Sul, Mato Grosso, we have had a slight drop. So it's not balanced between the states. But yes, the harvest was very good, and this is very positive for our business as well.

**Gabriel Azevedo, Agência Estado (via webcast):**

The business model of the real estate fund foresees remuneration of IPCA and 6% to 10% on the capital invested. Considering the macroeconomic scenario with a drop in Selic and volatility and inflation, how will the Company maintain this fund attractive for institutional investors? Do you have plans for adjustment of profitability if the cost of capital changes significantly?

**Renato Arroyo:**

Thank you very much for the question. This refers to the real estate fund. Where we always receive questions from the real estate fund, it does not belong to Kepler Weber. It belongs to a third party. It is an independent fund with an independent management. It is now on a call for capital. That capital represents R\$500 million. The manager of this offer is BTG, so the rates that you mentioned are set forth by BTG.

As Bernardo mentioned, this is a critical issue in Brazil. It goes beyond all of this, and a building built may have high valuation in the future. When you leave the fund, you have

a disinvestment and higher profitability of investors. Preferably, this fund will be used with the products of Kepler Weber.

It's important to know this to make distinctions. About the fund per se, we do converse with them often, they are quite happy with the call for capital that is being done. There is significant interest in this fund and this real estate fund in Brazil is very attractive. It represents R\$150 billion. In our opinion, this will lead to storage funds that will demand more silos, more storage and will create additional purchases from Kepler Weber.

**Rogério Santos, investor (via webcast):**

The Company stood out in the payment of dividends as presented here. What is the outlook for this year? Will you continue with the same dividend payout levels?

**Renato Arroyo:**

Good morning, and thank you very much for the question. This, of course, is a reason of pride for the Company, the consistent payout of dividends throughout the years. When we look at the last 3, 4 years of the Company, we have had a 10% dividend yield. It's important to highlight that in 2024, the Company paid out R\$150 million in dividends, maintaining a strong cash position. We have a net cash position of R\$115 million despite our payout.

All of this gives us a great deal of calmness because of the present interest rate. This is not a company that needs to seek out funds. This is a company that operationally generates consistent results. In the year of 2024, we generated 21% of EBITDA. So our operational generation gives us that tranquility to pay out good dividends during the year.

We have the mandatory dividend, and additionally to this, we will release more dividends. And this will be very constant in terms of payout, always between 8% to 10% of dividend yield. And this is what we expect for 2025 as well.

We have high expectations for the 2H25. We will begin a recovery and perhaps we will be able to pay out dividends similar to those paid out in recent years.

Bernardo, should you wish to add something?

**Bernardo Nogueira:**

I think you answered that very clearly, Renato. We want to show that in 2025, Kepler Weber had the highest dividend payout, highest dividend yield. We are in first place in Brazilian businesses and second place in capital goods. These are levels that we want to maintain throughout 2025, and I am quite confident that we will be able to achieve this.

**Operator:**

The question-and-answer session ends here. We will return the floor to Bernardo Nogueira for the closing remarks.

**Bernardo Nogueira:**

Thank you all for your attendance and for your interest in this call and in sharing this moment. I would like to close by thanking the Kepler team. We had an excellent year 2024 with all of the assets we mentioned here. We had 6% growth in net revenue,

productivity at the plants, 5% higher in Panambi. We had customers that were very well serviced.

Our NPS went from 68% to 77%, a growth of 5% in the number of customers serviced by Kepler. We have 1,400 customers that are being serviced. So the base of our business did very well.

In 2025, the challenges are well known. The team knows what it has to do. We are highly focused on operational excellence, a reduction of cost at point of balance that we began in 2024 and will be the theme throughout 2025.

When we look at our strategic plan 2025-2030, we want to have excellence in our service to customers. We already have 3 new launches for 2025. So the path for us is very clear in that sense.

And finally, regarding dividends, we have that desire, that will to continue to be a significant payer of dividends, the first company in Brazilian agribusiness. We hope to maintain this level in 2025. We have the same challenges we had in 2024, but the winds are in our favor because of the growth of maize, because of the growth in harvest. We will have the normal seasonality in the business, 35%-65% between the quarters. But we know what needs to be done, and we are quite confident that we will have a 2025, even better in this year where we celebrate 100 years.

We will meet again at the close of the 1Q.

**Operator:**

The Kepler Weber video conference for earnings for 2024 ends here. Should you have any questions, please send your questions to [ri.kepler@kepler.com.br](mailto:ri.kepler@kepler.com.br). We would like to thank all of you for your attendance and have an excellent day.

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