



WEG will invest approximately R\$ 670 million in vertical integration processes in Mexico and Brazil

Projects involve the expansion of factories, acquisition of machinery, and plant modernization over the next five years

WEG S.A. (B3: WEGE3 / OTC: WEGZY) announced an investment plan of approximately R\$ 670 million over the next five years, focusing on expanding and vertical integration its transformer and electric motor businesses in Mexico and Brazil.

In Mexico, the investments will be destined for the construction of a new building for manufacturing wires in the city of Atotonilco de Tula, in addition to the acquisition and installation of equipment. The goal is to meet current and projected demand for wires and cables used in the transformer and electric motor businesses in North America. The planned investment is approximately R\$ 336 million over the next five years.

In Brazil, the investments will be made in the manufacturing plants of Itajaí and Guaramirim, both in the state of Santa Catarina. In Itajaí, the company will expand its wire factory by 9,500 m² (102,000 ft²), currently measuring 8,500 m² (91,000 ft²), to meet current and projected demand for transformers in Brazil. The planned investment in this project, close to R\$ 169 million, has an estimated timeline of five years.

In Guaramirim, the plan consists of expanding one of the foundry buildings, currently measuring 11,000 m² (118,000 ft²), by an additional 6,000 m² (64,000 ft²), as well as modernizing the machinery, with an expected investment of approximately R\$ 165 million over the next three years.

According to Rodrigo Fumo, Managing Director of Industrial Motors at WEG, this initiative reinforces the company's strategy and commitment to the sustainable development of its businesses, which involves investing in the vertical integration of industrial processes, looking for to optimize resources, costs, and delivery times for its products. "With these new investments, we are taking an important step toward the vertical integration of electric motor manufacturing and are optimistic about the growth prospects in this market, as well as for transformers, both in Brazil and abroad. We want to be ready to serve our customers with excellence, speed, and innovation," declares the WEG executive.

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About WEG

Founded in 1961, WEG is a global electro-electronic equipment company, operating in the capital goods sector with a focus on electric motors, gearboxes and drives and controls, energy generation and transformers, electrification products and systems, automation and digitalization. WEG stands out in innovation by constantly developing solutions to meet the major trends in energy efficiency, renewable energy and electric mobility. With manufacturing units in 17 countries and present in more than 135 countries, the company has more than 45,000 employees worldwide. WEG's net revenue reached R\$ 32.5 billion in 2023, 52.9% from external markets.

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