



CORPORATE PARTICIPANTS

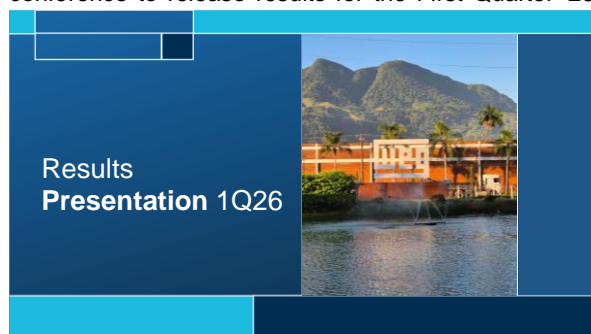
Mr. André Luís Rodrigues – Chief Financial Officer

Mr. André Meneguetti Salgueiro – Finance Director and Investor Relations Officer

Mr. Felipe Scopel Hoffmann – IR Manager

PRESENTATION

Operator: Good morning and welcome to the WEG conference to release results for the First Quarter '26



We have simultaneous translation in the 'Globe' icon at the bottom of the screen. We inform you that this conference call is being recorded, and the replay will be available at the IR website after the conclusion.

During the company's presentation, all participants will be in listen-only mode. We will then go on to the Q&A session. To ask a question, please click on the 'Raise Hand' icon at the bottom of the screen to join the queue. When your name is announced, a request to enable your microphone will appear on your screen. You should then activate your microphone. Should you have more than one question, we kindly ask you to address them all at once. If we are unable to answer all your questions, please send them through the e-mail at ri@weg.net and we will respond after the conference.

Please bear in mind that the forecasts contained in this document or any statements that may be made during this conference regarding future events, business outlook, operational and financial projections and targets are mere beliefs and expectations of WEG's

management based on currently available information.



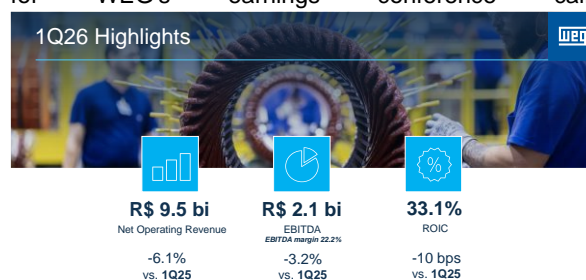
Such forward-looking statements involve risks and uncertainties and depend on circumstances that may or may not occur. Investors should understand that general economic conditions, industry conditions and other operating factors may impact WEG's future performance and lead to results that differ materially from those expressed.

With us today in Jaraguá do Sul, we have:

André Luís Rodrigues, administrative and financial VP; André Meneguetti Salgueiro, finance and investor relations director; and Felipe Scopel Hoffmann, investor relations manager. You may proceed.

Mr. André Luís Rodrigues – Chief Financial Officer

Good morning. It is a pleasure to be with you once again for WEG's earnings conference call.



I will begin with key figures on slide 3, where net operating revenue decreased 6.1% vis-a-vis 1Q25.

In Brazil, the decline in revenue was mainly driven by a lower level of deliveries in solar generation due to the absence of new projects. Despite this impact in the quarter, we maintain a positive outlook for other businesses supported by our solid level of order intake and backlog, especially in long-cycle businesses with power generation, transmission & distribution segments.

In international markets, industrial activity remained positive with highlights in segments such as oil & gas,



ventilation and refrigeration systems. The power generation, transmission & distribution segment also delivered strong performance with solid delivery volumes in transmission & distribution in North America, besides the generation businesses.

Despite solid performance in local currencies, revenue growth in Brazil was impacted by exchange rate fluctuations during the quarter.

EBITDA margin increased compared to the same period last year, reaching 22.2% for the quarter. EBITDA totaled 2.1 billion BRL, representing a decrease of 3.2% vis-a-vis 1Q25. Throughout the presentation, André Salgueiro will provide further details on these points.

In GTD, revenue was mainly impacted by the decline in solar generation business, as had been anticipated, with lower demand compared to 1Q25, which was the highest solar generation revenue quarter in WEG's history. The T&D business contributed positively, particularly driven by deliveries of large transformers and substations.

In the commercial and appliance motors segment, growth in the quarter was impacted by sales volatility, inventory adjustments in certain key segments, such as air conditioning motors, despite a positive dynamic in sectors like washing machines.

In coatings and varnishes, demand remained stable and diversified across the different end markets, with highlights in oil & gas and mining.

In the international markets, despite the negative impact from the depreciation of the USD, short-cycle equipment such as low-voltage electric motors delivered solid performance, particularly in oil & gas and ventilation and refrigeration systems for data centers.

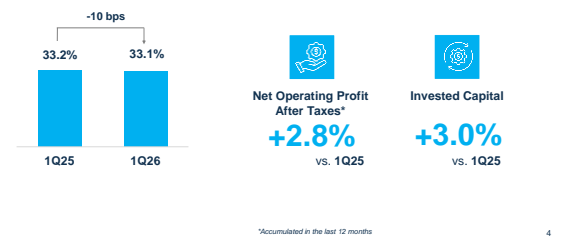
We recorded strong delivery in long-cycle equipment, especially in high-voltage motors, in addition to an improvement in order intake, contributing to the buildup of a healthy backlog for the coming quarters.

In GTD segment, the T&D business continues to perform well, mainly driven by deliveries in the U.S., combined with healthy demand in other key markets such as Colombia. In the generation business, we continue to observe a positive dynamic across most regions, especially in North America and Europe.

In commercial and appliance motors, demand remained stable across most regions with highlights in Mexico and the U.S.

In coatings, revenue growth was also supported by the strong performance of operations in Mexico and U.S.A. and the positive contributions of the Heresite business.

Return on invested capital

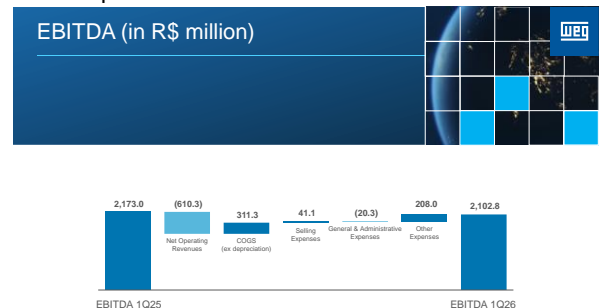
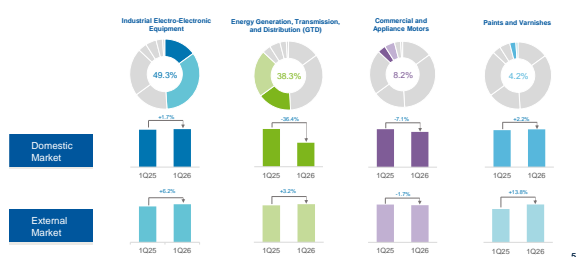


ROIC, one of our key financial indicators, remained at a very high level of 33.1%, and we will see this with more detail in the next slide. The ROIC remained at a healthy level, virtually stable compared to 1Q25, reinforcing the quality of our investments, our discipline in capital allocation and the consistency of our long-term strategy.

Mr. André Meneguetti Salgueiro – Finance Director and Investor Relations Officer

Thank you, André, good morning, everybody. On slide 5, I will walk you through revenue performance across our business areas. In Brazil, demand for short-cycle equipment declined, driven by lower business volumes across different segments. On the other hand, long-cycle equipment contributed positively with a solid level of deliveries, reflecting the order backlog built in recent quarters.

1Q26 Business Area Performance



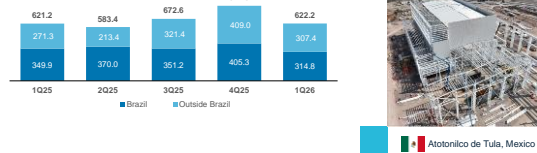
On slide 6, we present the evolution of EBITDA. EBITDA margin reached 22% for the quarter, increasing compared to the same period last year, mainly reflecting a more favorable product mix and improvement in other operating expenses, particularly due to a higher



reversal of the profit-sharing provision from the previous year.

volatility, such as raw material cost fluctuations and the continued depreciation of the USD.

Investments (CAPEX)



Atotonilco de Tula, Mexico

7

On slide 7, we show you the evolution of investments totaling 622 million, evenly split between Brazil and international operations. In Brazil, we continue with the modernization and expansion of production capacity in T&D, as well as investments aimed at productivity gains in our operations in Jaraguá do Sul.

Internationally, we advanced investments in transformer plants in Mexico, Colombia and voltage production capacity in China. With that, I conclude my remarks and return the floor to André.

Mr. André Luís Rodrigues – Chief Financial Officer

On slide 8, before moving on to the Q&A session I would like to highlight the following: at the end of February, WEG was acknowledged in the S&P Global 2026 Sustainability Yearbook, including the top ESG-rated companies in each sector. This is an important international recognition that reinforces the consistency of our sustainability strategy on a global scale.

Recent Achievements



Recognition in the S&P Global Sustainability Yearbook 2026

Outlook



Healthy operating margin dynamics and positive returns



Positive long-cycle order backlog in Brazil and abroad



The global macroeconomic environment and exchange-rate volatility require attention

8

Finally, we continue to see a healthy operating environment, which, combined with our product mix should continue to support solid operating margins.

Order intake for long-cycle equipment remains strong in the industrial segment and in the T&D business, alongside a recovery in industrial activity across our main international markets.

It is important to remain attentive to the global macroeconomic environment and potential risks and

Contacts Investor Relations

ri.weg.net
 +55 47 3276 6106
ri@weg.net
twitter.com/weg_ir

Driving efficiency and sustainability

Q&A SESSION

Operator

(inaudible 10:01) Q&A session. Now, should you wish to pose a question, please click on the icon at the bottom of the screen. If announced, a request to activate your microphone will show up on your screen, which should enable you to pose your question. We kindly ask you to make all questions at once.

Our first question comes from Rogerio Araujo. You may proceed, Rogerio.

Rogerio Araujo - Bank of America

Good morning and thank you for taking my question. I have two questions here, the first referring to the line item 'other operating results', which was positive in 42 million. We perceived a line of significant investments, capital investments, and another line of reversal of profit sharing, 2.5 points margin in terms of the positive effect.

Was there any negative impact or only these two that we were able to map? If it is truly only these, what impacted your recurring margin? Was it the 50% tariff from the United States for Brazilian exports? Well, this should be reverted in 2HTY. That's the first question.

The second question refers to long-cycle equipment in the international market. There seems to be an improvement in order intake, which is a signal that investment of companies abroad are being postponed because of uncertainties. Has this improved or is it too early to refer to this?

Mr. André Luís Rodrigues – Chief Financial Officer



This is André Rodrigues, Rogerio, thank you for the question. Let me speak about the first part of your question, the nonrecurring events. We did have share leftover from the previous exercise. What happened here? The bonus for managers and others showed that we had not complied with some of the goals of 2025. This reduced the amount. As part of the goals that we measured at the end of the year, each department has their own goals, and we carry out an adjustment in the subsequent period. This was the impact that refers to that share.

We also had nonrecurring effects of some operations in WEG outside of Brazil. For example, a company restructuring in South Africa; the share of a controlled company with accounting gains in the quarter; and the effect of monetary correction in countries with hyperinflation such as Turkey. We did have a negative impact on that line item that you asked about.

Well, what led to that difference between the EBITDA margin and the gross margin this quarter? Despite the product mix, we observed some negative impacts. What is more relevant for the quarter was the increase of expenses with staff personnel. At the beginning of the year, we have a salary readjustment in the country, and the drop in revenue, of course, means we have lower attribution of fixed costs, especially in moments with high inflation. We need to control our staff.

And the highlight refers to T&D operations that throughout the year will resume some operations that we have been investing in. This is part of the preparation for a capacity increase that we have foreseen. We hope to normalize that impact during the year as the factories come into operation, and of course, growth will return to expected levels.

Now we also had the increase of some raw materials such as copper; short-term volatility of exchange rate; reductions in revenues from exports, which also brought about an impact; and the tariffs of the U.S.A., of course, are related to some rules in Session 232. Because of this less favorable dynamic during the period, we're seeking operational efficiency and operational gains, which will contribute to WEG's competitiveness.

Mr. André Meneguetti Salgueiro – Finance Director and Investor Relations Officer

Hello. Regarding the foreign market, the first comment that I would like to highlight is that the market had a general performance in general. We had a growth of 16.1% in USD, and even in local currency. The USD is losing its appreciation. In local currency, we had a

growth of 2 digits, a growth of 3% in the quarter. For short cycle, this is a very healthy and positive growth, and for the long cycle, the situation improved.

Here, we have two aspects: in GTD, we were doing very well, with T&D we had no changes; quite the contrary, we only confirm the positive outlook, and the portfolio is being built up for coming years. In GTD we have alternators, Marathon alternators with the performance improving in the last quarters; and simple compensators, an issue we have been discussing with you, with a very healthy dynamic and greater need for this equipment.

What was perhaps lacking was the industrial part because of a decline in dynamic, but we did see an improvement in intake for industrial long cycle in Germany and the United States, some projects that have become part of our backlog. I can't say that this will be something constant or recurrent because of the general macroeconomic situation, but we do see an improvement in order intake, which points towards positive outlook for coming quarters.

Rogerio Araujo - Bank of America

If you allow me a follow-up in the first question, the 50% tariff of Brazilian imports was canceled in the U.S.A. in February. Is this effect alone enough to allow you to make estimates? And would it bring back an increase in the recurrent margins to the levels of previous quarters?

Mr. André Luís Rodrigues – Chief Financial Officer

Rogerio, it's too early to give you any estimate here. There's a change of dynamic when we compare this with 4Q. If we look at the 232, now the situation was more favorable for exports from Mexico, less favorable for imports from Brazil with 232, and the tariff from 122 decreasing to 10%. We have a more favorable situation for Brazil going forward as long as that remains in place, and less favorable for Mexico.

Rogerio Araujo - Bank of America

Thank you, thank you very much André, Salgueiro.

Operator

Our next question is from Lucas Marchiori from BTG Pactual. Your microphone has been activated.



part of the equipment; now there is an aliquot that will encompass the entire product.

Lucas Marchiori - BTG Pactual

Good morning, everybody. Allow me to pose two questions to speak about the 232 that some of rules that have been altered is considerable. Perhaps you can comment on the net-net of the 232 of metal components and all the classification of products of the motor and the transformer as well, and which is a more favorable change for Brazil.

But between motors and transformers, is this going to be of help? Is it hampering your exports or is it something neutral when it comes to exports to the U.S.A.?

Now for the short cycle, more motors, we know that the portfolio is short as the motor also depends on looking at the 232. I think the 122 has been stabilized. Have you seen any change in your order intake in this specific item in the U.S.A.? Is it about to improve or not?

Mr. André Luís Rodrigues – Chief Financial Officer

Lucas, regarding tariffs, a very important topic to mention here is that conditions at present are the same for all countries. To explain to you what changed, previously, we had a situation where Brazil had a tariff of 50%. With this new rule of the 122, the tariff dropped to 10%. It, of course, depends on the products. But when we speak about motors below 200 HP, the tariff is practically zero; and above 200 HP it increases. Well, above 200 HP, it will go on to 25%, and below that, it will remain at the 10% tariff. 5% was for the 232.

Let me begin a little better here. The 122 has a 10% tariff for motors, commercial motors and appliance, the tri-phase motors up to 200 HP; above 200 HP, we have a tariff per product and no longer per component. And well, in our case, this refers more to aluminum, and the tariff would be more than 25%.

In Mexico, when we speak about the main equipment, because of the agreement between U.S.A. and Mexico the countries will follow the 122, 20% for transformers up to 10 MVA; and for oil transformers above 10, the tariff will go to more than 15%.

The situation in Mexico, well, we used to tax part of the equipment. In the case of the transformer, the steel more specifically, that referred to 50%. This was the rule in effect. And now the taxation is 25% for almost all of the parts of the transformers for distribution. So they're under a lower aliquot than that of 15%, but this is a great change. Formally, we had a rule where we would tax

Mr. André Meneguete Salgueiro – Finance Director and Investor Relations Officer

Now this is Salgueiro. Regarding the short-cycle portfolio in the U.S.A., it continues to be positive. It is a short-cycle portfolio, we don't have more visibility for the United States for both short-cycle and long cycle the situation is quite healthy.

We highlighted some segments such as oil & gas, refrigeration for data centers, where the demand continues to increase for electric motors in the industrial part. That's a highlight. But as a whole, both are performing relatively well.

Lucas Marchiori - BTG Pactual

Well, thank you, thank you very much.

Operator

Our next question comes from Kiepher Kennedy from Citibank. You may proceed.

Kiepher Kennedy - Citibank

Good morning, thank you for taking my question, simply a follow-up in terms of tariffs for Mexico. Last year, they prepared to operate through Mexico to operate part of these effects, and it's very clear that we now have a change. I would like to understand what has happened with the company plans regarding what you had thought about previously, if there are any difficulties or if it is easy to change that dynamic that you had last year to operate in the best way possible to mitigate these effects. Should we expect improvements in the coming quarters? Now in the day to day of the company, how are you going to do this?

Second question, we're going to begin to see this more at the end of this year, an update on the evolution of CapEx in the plants. I think only in 2027 we will better see those revenues being generated.

And if all the geopolitical tensions that you referred to at the beginning of the call, if you have observed a change in appetite on behalf of the customers, or this is not a relevant issue.

Mr. André Meneguete Salgueiro – Finance Director and Investor Relations Officer



Hello Kiepher. Regarding the change of those tariffs, WEG has announced, and a large part of our plan was announced last year. We had a good evolution. We don't see anything substantial left to do. We were able to properly address most of that transfer of production to Mexico. I think this was a very ascertained movement on the part of Brazil. Well, some parts have an advantage in terms of production and logistic gains.

We don't observe any change in our plans vis-a-vis what we announced in the past. And our investment plan that is being carried out in Mexico will not change with this new entry of capacity, I think this will pose new opportunities for the company.

Mr. André Meneguetti Salgueiro – Finance Director and Investor Relations Officer

Regarding CapEx, we have a budget of approved CapEx of 3.6 billion for 2026, we spent 622 million in 1Q. We will increase the pace in coming quarters.

Most of the projects are focused on the T&D area: we have the Betim plant in Brazil that should be ready midyear; we have other projects in Gravataí; the new plant in Colombia that should be ready at the end of the year; and the plant of Mexico that will be ready at the beginning of 2027.

We have significant investments in other businesses: we have an investment in the new plant in Itajaí, the new BESS plant that will begin at the end of the year. Part of the investments will remain for 2027. Investments in Guaramirim in the present-day plant and the new plant that we're building, that will begin this year and the coming year.

Besides Brazil and Mexico, T&D in Colombia; we have a new plant in Mexico; a reductor plant in Turkey as well, and the motor plant of average voltage in China, which is a project that should advance this year. These are the main projects for this year.

We have 3.6 billion foreseen for this year, so we have a significant increase compared to the 2.7 billion of investments in the past. This points to the opportunities the company will detect going forward for the development of the business in coming years.

Regarding your final question, we're in the middle of the conflict, of all of these geopolitical issues. Of course, this brings about uncertainties, increases in raw material, and this could induce demand for some sectors such as oil & gas, but we're always at the very beginning of this process.

The market is sort of on standby awaiting a result and hoping for a definite resolution of this conflict so that

things can become stabilized and we have, we can have a clearer view of opportunities and know where the business is going in the long term.

Kiepher Kennedy - Citibank

Thank you, thank you very much.

Operator

Thank you, Kiepher. Our next question comes from Daniel Gasparete. Your microphone has been unmuted.

Daniel Gasparete – Itaú BBA

Good morning, everybody. Thank you for taking my question, a follow-up on the previous questions. It's very difficult to speak about margin and variables for the company, but we can speak about trends. At the beginning, you spoke about the increase of cost with staff, the increase in copper, the fact about the revenues that had a reduction this quarter.

Is the trend to be closer to 20 vis-a-vis 2022? I know that this will increase during the year. But in the next quarter, should there be a trajectory that will be closer to the lower level with increases in the rest of the year? Which will be the trend then?

The second question about the direction that you had presented about the growth of revenue of being closer to two digits for the year. What will happen with the exchange rate with the delays, postponements? Simply to know your mindset.

Mr. André Luís Rodrigues – Chief Financial Officer

Thank you, Gasparete. When we speak about margin expectations, we're always very cautious. When the margin is very strong or when it is below the expectations, this is never a benchmark of what will happen in longer periods. We're working with healthy margins in the last three years, we have emphasized this.

The margins in 1Q were impacted because of nonrecurring events, I explained this in Rogerio's question. But the expectation is to deliver margins based on the averages of the last few years.

Now what supports what I have said for 2HTY, where we should have a normalization of the impact, a more normal situation, all of this should contribute to that. It is important to follow up on the market to see if that



dynamic will change with the variation of the exchange rate, with what will happen with revenue and the change in the price of commodities and changes in the tariff rates.

First, the expectation of growth for revenue, it will bring about improvements in the margins.

It's also important to remind you we had a price increase because of the increase in raw material in the last few months, with the expectation of a normalization of the exchange rate. Should this materialize, we will have an impact in profitability in the long term.

Mr. André Meneguete Salgueiro – Finance Director and Investor Relations Officer

Now regarding the growth expectation that we had mentioned at the end of last year, we carried out an exercise for this year, and every time we do this, we base ourselves on a constant exchange rate. We're thinking of 5.50, 5.60 in terms of the exchange rate for the USD, and this to attain that initial expectation.

Now we have seen an appreciation of the BRL in the last weeks below 5 per USD. So we do end up having a challenge when it comes to delivering our original expectation. That is why we base ourselves on constant currency. Until the end of the year, everything will depend on the variations. This is something we do not control; we're going to follow up on this and observe the evolution.

1H of the year has always had lower growth, weaker growth. We had a drop in this quarter. We had the leftover of the solar drop in this 1Q, and then we should increase the pace in coming quarters. Obviously, we have to follow up on the evolution of the exchange rate.

Daniel Gasparete – Itaú BBA

Thank you, thank you very much.

Operator

Our next question is from Lucas Laghi from XP. Your microphone has been activated, you may proceed.

Lucas Laghi – XP Investimentos

Good morning. Can you hear me?

Mr. André Meneguete Salgueiro – Finance Director and Investor Relations Officer

Yes, yes, we can hear you well, Lucas.

Lucas Laghi – XP Investimentos

Well, thank you for the questions, for taking my questions. I don't want to continue to insist on profitability, but in the present-day context we no longer have that tariff for Brazil. We have copper, steel, aluminum, silver, plus your competitors. Simply to understand if after the price increases of your company and industry as a whole, if you will be able to recompose your profitability. Will there be room for further price increases in those projects that have been more impacted because of the tariffs and the price of commodities? Is there still room in the industry for further price increases to enhance your profitability?

My second question, you very quickly referred to the conflict. Historically, we see that when you have commodities at a high-level price, the appetite of investors increases. Then we have that issue of a shock of demand, making the price of commodities increase.

Are there any sectors that draw your attention at present? Questions of your customers regarding those sectors? It's still very early on for this, but are sectors standing out, perhaps referring to a more traditional position of these sectors in coming quarters? That super cycle suggested by the price of commodities perhaps could reflect on demand for you going forward. These are my questions.

Mr. André Luís Rodrigues – Chief Financial Officer

Thank you for the questions, Lucas. Now when it comes to the price dynamic question, as we tend to say, readjustments are made based on market conditions, the impact on the business dynamic, exchange rate and the cost of raw material. We have to assess that case by case. Some of the price increases are very recent, and we have to follow up to see what will happen with the market - and of course, the conflict may have an impact on this, and we will reposition.

Now when we speak about commodity industry, we're referring to industries that demand our products: oil & gas, mining, pulp and paper, steel mines, these are process industries. So we come from a very positive dynamic in most of them.

In oil & gas, we highlighted it in the call presentation. Oil and gas is at a positive situation and tends to continue positively because of the cost of the barrel of oil. This



will unharness investments, of course, in the U.S.A. The cost will remain at high levels, so we will have more structural investments for the long term.

So we're following up on this and speaking with customers about opportunities. I do highlight oil & gas, and if that movement continues in other commodities, pulp and paper and metals, this demands our products and equipment.

Lucas Laghi – XP Investimentos

Thank you

Operator

Our next question comes from Jens Spiess, a question in English. You may proceed.

Jens Spiess – Morgan Stanley

Hello, yes, hello everybody. So my question is on EI domestic. You mentioned that you saw some like short-cycle weakness. Just wondering how much visibility you have into that. And also if that weakness has been mainly driven by order volume or if you're actually seeing also some pricing pressure, and if this is typical of an election year. Just any additional color of what's driving that weakness would be much appreciated, thank you.

Mr. André Meneguetti Salgueiro – Finance Director and Investor Relations Officer

Jens, this is André. I will keep my answer in Portuguese for the simultaneous translation. For industrial equipment in Brazil, the growth was limited with short cycle with a drop in revenues. We had an improvement in the long cycle. Demand for short cycle in Brazil, the demand was truly weaker. We see this in commercial motors and appliance with a drop of 7.2% in the quarter.

We have a macro environment that is not favorable, a very high interest rate. Yesterday, we had the second reduction in interest rate, but they continue to be very high. And we do have the year of elections that always brings about instability in demand.

What I can share is that we saw an evolution throughout the quarter. In March, for example, in terms of order intake, it was better than January and February, and this trend will remain for the coming months. We should see an improvement in the pace of growth of the short-cycle part. We have not had an impact on price here, it's all

about volume. We had a price re-composition, as mentioned by André recently. The price effect will simply advance, will progress. So I think basically, it's all about a drop in volume.

Jens Spiess – Morgan Stanley

Thank you

Operator

Our next question comes from Alberto from UBS. Your microphone has been activated, you may proceed.

Alberto Valerio - UBS

Well, good morning, Salgueiro, Rodrigues, Felipe, thank you for taking my question. Could you give us more color on the projects we have for Brazil? As you mentioned, well, you had a negative surprise in terms of demand, and yesterday we had an auction for batteries with the response that still is not out. The revenues are 1 billion for the year for the contract of that auction. Now has anything changed according to the business outlook? Will this extend to 2027, or can all of this materialize in 2026?

Mr. André Meneguetti Salgueiro – Finance Director and Investor Relations Officer

Alberto, this is Salgueiro. The performance of Brazil, I was speaking about the short cycle for the industrial segment began weakly, improved in March. When we look at projects, we had a 1Q in the long cycle that did present growth. We had growth in electric, electronic industrial equipment; and of course, we have opportunities in GTD. In GTD, we had a reduction because of the renewable energy, solar energy because of deliveries that we were not able to replicate this year.

We have good growth in T&D, and when we look at the rest of the year, we do have other opportunities. T&D, we'll continue to assess. Although we still have not had the auction, we did obtain a significant order last year, the project in Fernando de Noronha. Part of it should come in this year.



And recently, we had the T&D auction, which included synchronous compensators and there's a backlog for us. I think all of this will materialize in the coming year. Part of this will be delivered in 2027, 2028. In terms of our order backlog, we do see an improvement, especially in GTD.

Alberto Valerio - UBS

Very good. So for the year, you have a full portfolio, a full backlog, everything that will be coming in for 2027?

Mr. André Meneguetti Salgueiro – Finance Director and Investor Relations Officer

Well, it depends on the product. If we go to the industrial area, we still have time. If anything comes in until midyear, we will have a better performance in 2HTY.

For larger machines, T&D, we can do this. But for large-sized transformers or synchronous transformers or larger projects, it's natural that this will be part of the backlog for 2027 or 2028.

see an improvement, especially in GTD.

Alberto Valerio - UBS

Thank you very much

Operator

Our next question is from Marcelo Motta from JP Morgan. You may proceed.

Marcelo Motta - JP Morgan

Good morning, everybody. If you could speak about your price increase, you did mention them. If you have a range of the magnitude so that we can verify this with the increase of raw material now, or is there still room for you to catch up in terms of those recent price increases we have observed?

A second point to go back to how you see the revenue growth throughout the year. In 1HTY a certain weaker performance, will this compromise your figures for the year? And so in terms of solar energy, we seem to have a carryover. Should we perhaps see better revenues in 2HTY or do you deem this to be very difficult, thank you.

Mr. André Meneguetti Salgueiro – Finance Director and Investor Relations Officer

Well, regarding our commercial strategy, well, we don't disclose this information. What we have been saying and reinforcing steadily is that we have already had a price increase in the last few weeks, at the beginning of the year, for all geographies, with the exclusion of North America (we did this in 4Q because of the tariffs at that time).

Now when it comes to revenues, it doesn't change what we always say. We had an adverse situation in 1Q with the exchange rate playing against us. In 2QLY we had a reduction in the exchange rate, a different rate of comparison: the USD was 5.85 and this year in 1Q it was 5.25, and it is even lower at present.

Now the fact that we have a centralized solar generation portfolio backlog, well, to give you more color, what we sold in 1QLY was the highest revenue in the history of the company concentrated in a quarter; 2Q was strong - not the same as in 1Q - but strong as well.

So we maintain that expectation of having an unfavorable situation for solar generation in 1HTY and a more positive scenario in 2HTY because the base of comparison will be similar to what is happening at present. We won't have that reduction that we had in 1Q, and the exchange rate should be somewhat more favorable vis-a-vis what we faced in 1QLY.

Marcelo Motta - JP Morgan

Thank you. Thank you very much, André.

Operator

Our next question is from Marcelo Motta from JP Morgan. Once your microphone is activated...

Marcelo Motta - JP Morgan

I just asked the question, thank you very much.

Operator

Our next question comes from Daniel from Bradesco BBI. You may proceed.

Daniel Federle - Bradesco BBI

Good morning, everybody, thank you for taking my question. Two follow-ups about points we have already



discussed: first of all, the cost of personnel with a clear message. You do have a capacity increase, so you need to hire more people.

But I would like to speak about your trajectory in last years. Your personnel line item has been expanding gradually year after year as of 2022. I would like to understand the structural dynamic for this.

Secondly, you mentioned for capacity increases that are ready - Betim, for example, in midyear. What does this represent? Will this increase the capacity of transformers by 30%, 40%? Could you give us a figure so that we will see what this means in practice and if this will generate revenues for this year, thank you.

Mr. André Luís Rodrigues – Chief Financial Officer

Hello Daniel, this is André. I will answer the first part of the question referring to personnel. It's natural at the beginning of the year to have a re-composition of salary in most countries, and this becomes diluted through time, a very important point for comparison with previous years.

Let's go back to 2024, where we had a wind and solar portfolio. Well, these are businesses with very expressive revenues with... in the case of solar energy, we import the panels. We're an integrator per se and the amount of personnel devoted to these businesses tends to be smaller. So this helps us to dilute the issue of costs referring to personnel, and also it has an impact when we look at the figures for this year.

The main message is that the company has invested continuously in cost reduction programs in automation. For those who have visited our facilities, you will readily see an increase in automation, even in administrative areas with the use of AI. All of this helps us seek out better productivity. We're not going to stop.

Mr. André Meneguete Salgueiro – Finance Director and Investor Relations Officer

Regarding the capacity, perhaps we need to go back to 2023, 2024, two important years. Now we had an announcement at the beginning of 2024 with an extension of capacity increase until 2027.

We have invested in a 10% increase in capacity. We have the coming into operation of Betim in midyear, that will be 10%. So we will get to 25% increase, which means we have another 75%, the new plant in Colombia and that of Mexico for the beginning of 2027.

We're speaking of the plants that are ready. We won't have revenues immediately. We're now contracting/hiring personnel, labor and of course, the coming into operation. We still are not concerned with the backlog; we're building that backlog. The order intake will appear at the beginning of each operation. It's simply an operational issue at each of the facilities. We will have the contribution of Betim throughout 2H, and Colombia and Mexico will contribute as of 2027.

Daniel Federle - Bradesco BBI

Let me speak about the initial status, the initial capacity of transformers. At the beginning, the company was balanced. Did you have most of the operations in Brazil? So which is the domestic expansion, which is the international expansion?

Mr. André Meneguete Salgueiro – Finance Director and Investor Relations Officer

I don't have the figures here, Daniel, but Brazil did most of this work. And in investments, marginally, we had an increase in the international markets because of the Mexican plant, which is very relevant as it will service Mexico and the U.S.A.; and in Colombia, which is a greenfield.

We have carried out a brownfield, the expansion of an already existing plant, and the additional volume will be more relevant. 75% for the new capacity basically referred to Colombia and Mexico that will come into operation in 2027.

Daniel Federle - Bradesco BBI

Thank you, thank you very much.

Operator

We conclude the question-and-answer session. Once again, should you still have any doubts, please send your question to our e-mail ri@weg.net. I will return the floor to Mr. Rodrigues for the closing remarks. You may proceed.

Mr. André Luís Rodrigues – Chief Financial Officer

Once again, thank you for your attendance. Have an excellent day, see you at our next call.

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Operator

The WEG conference call ends here. We would like to thank all of you for your participation, have a good day.
