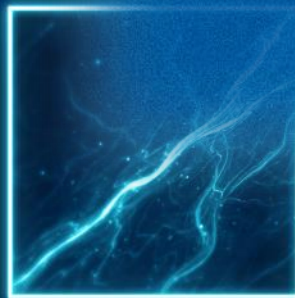


WEG DAY

2024



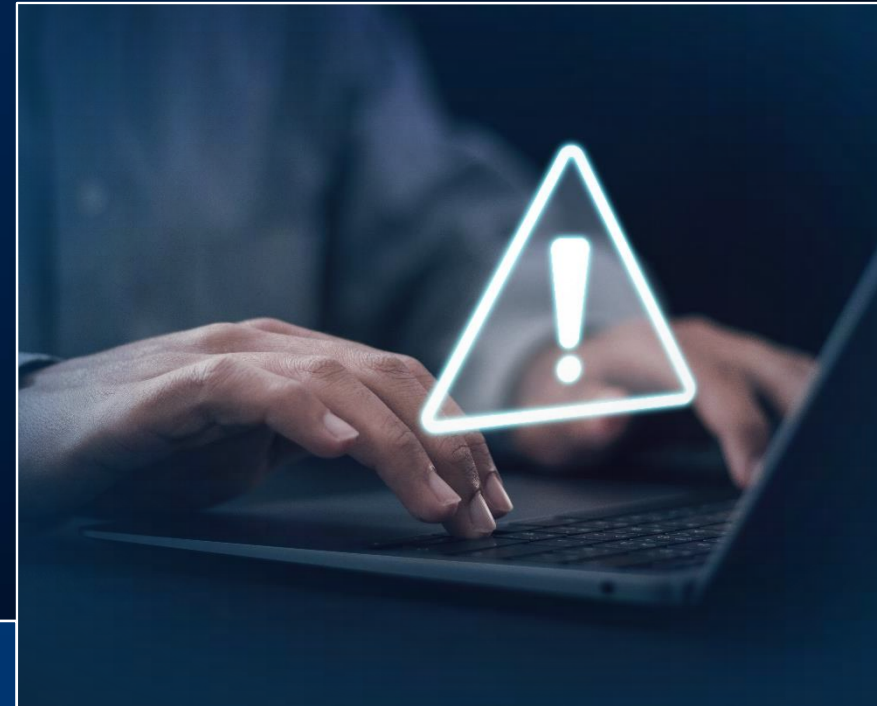
Driving efficiency and sustainability



Disclaimer



Any forward-looking statements that may be made about future events, at business perspective, at operational and financial projections and goals, and the growth potential of WEG in the future, constitute mere beliefs and expectations of WEG's management, based on information currently available. These statements involve risks and uncertainties and therefore depend on circumstances that may or may not occur. Investors should understand that general economic, industrial, and other operating conditions may affect WEG's future performance and lead to results that differ from those expressed in such forward-looking state.



WEG
DAY
2024

Schedule

Online Broadcast

Simultaneous Translation



**JOÃO PAULO
GUALBERTO DA SILVA**
Managing Director
WEG Energy



**ANDRÉ LUÍS
RODRIGUES**
CFO



**RODRIGO FUMO
FERNANDES**
Managing Director
WEG Industrial Motors



**ALBERTO
KUBA**
CEO

9:00 AM Opening (broadcast start time)

9:10 AM Industrial motors strategy

9:35 AM Alternators strategy

10:00 AM Q&A

10:20 AM *Coffee break*

10:50 AM Financial update

11:10 AM Strategic update

11:40 AM Q&A

**WEG
DAY**
2024

Strategy Industrial Motors

RODRIGO FUMO FERNANDES

Managing Director
WEG Industrial Motors



WEG
DAY
2024

WEG Industrial Motors

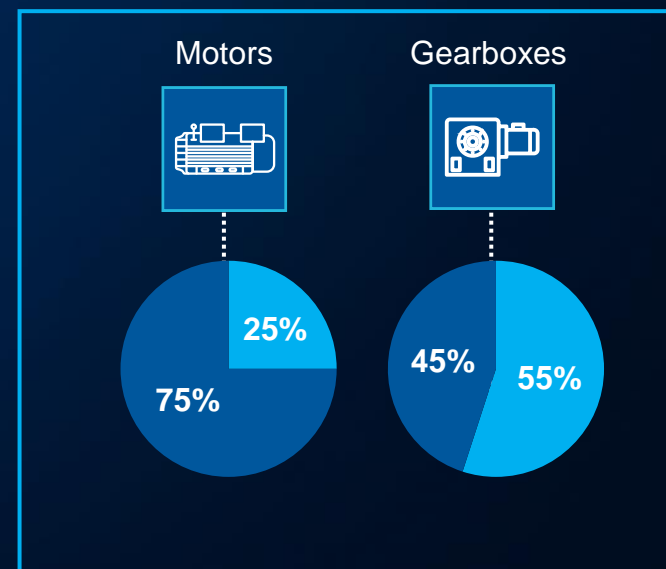


 + de **13,000** employees worldwide

 + de **10 mil** motors produced per day



75%
sales in **2023**
were electric motors of
high efficiency

Distribution of Global Revenue



+ de
R\$ 710 millions
in investments in 2023

+ de
500,000 m²
of built area

 Brazil
 External Market

WEG
DAY
2024

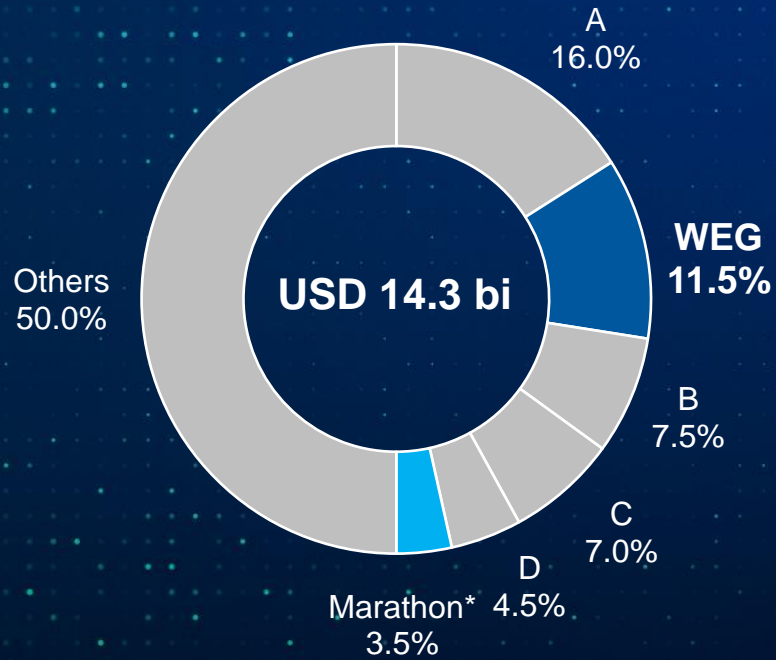
Footprint



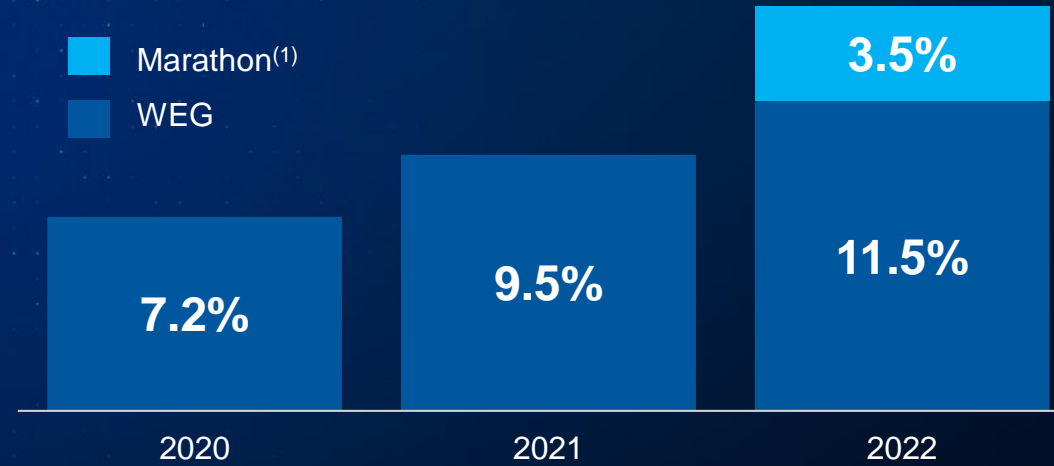
Market Share



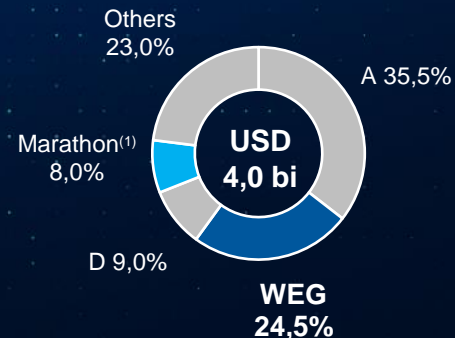
Industrial Motors Low Voltage WEG + Marathon*: 15%



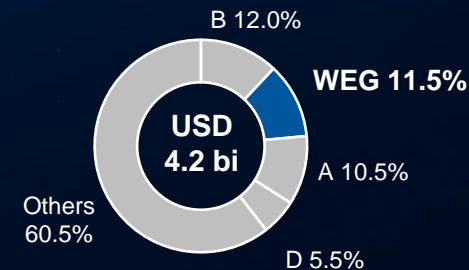
Market share growth



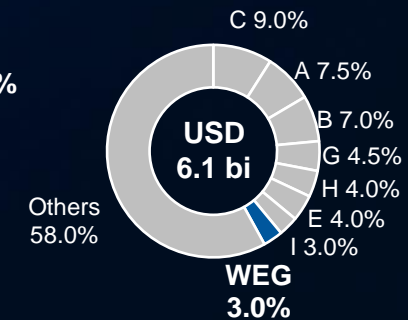
Americas



EMEA



Asia Pacific



Source: Omdia 2023 – LV Motors
(1) Considers brands Marathon, Cemp and Rotor



Marathon Integration



115 participants

3 days
event in
Jaraguá do Sul

21 presentations

12 hours
of factory visits



WEG
DAY
2024

Marathon Integration



Day 01
Closing Date
May 01, 2024

- WEG and Marathon merge
- 2,500 employees
- Integration begins

Integration Meeting
June 17, 2024

- Marathon Executives at Jaraguá do Sul
- WEG Business Structure
- Governance, Culture, Mission, and Vision
- Integration strategies

Marathon Integration Group
July 03, 2024

- Marathon and WEG Executives
- Multidisciplinary group
- Permanent forum
- Identify synergies
- Operational improvements
- Gain in competitiveness



Strategy North America



Century-old Brand in America

Strong presence in the automotive, metallurgical, pulp and paper, and Commercial HVAC⁽¹⁾ sectors

Synergies and Opportunities

- Four new factories
- Drives WEG's Motion Drive strategy
- Providing complete solutions with variable frequency drivers
- Strengthens WEG's presence in important segments
- Scale gains in the synergy from Marathon Monterrey and WEG Mexico

Wausau, US



Monterrey, Mexico



(1) Heating, Ventilating and Air Conditioning

Strategy China

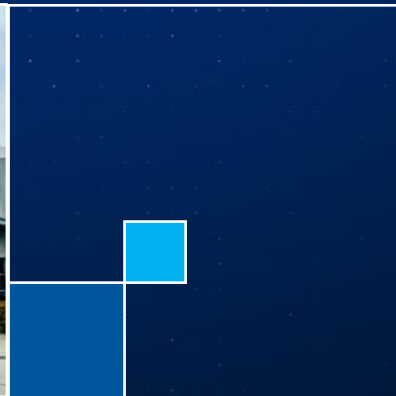


Recognized brand
in operation
since **1958**

Low voltage IEC/NEMA
and medium voltage IEC
motors

Synergies and Opportunities

- Inclusion of WEG drivers and gearboxes in Marathon's supply packages
- Production of motors for export
- Knowledge and experience of the local Marathon team
- Gains in synergy between Marathon and WEG China



Wuxi, **China**

WEG
DAY
2024

Strategy India



Ahmedabad, India

Synergies and Opportunities

- Two new plants, in Kolkata and Ahmedabad
- Greater proximity to India's major industrial clusters
- Participation in important segments such as Flame Proof, Smoke Extraction, Crane Duty, Slipring, Brake Motor
- Expansion of the network of Resellers and Service Centers



Kolkata, India



Strategy Europe



Eibergen, **Netherlands**



Leader in marine propulsion solutions, with more than 60 years of experience



Reference in motors for high-risk environments, such as energy and Oil & Gas



Milan, **Italy**

Business Impact

Complement to WEG in Portugal in explosion-proof motors

Geographical expansion and strengthening of presence in Europe

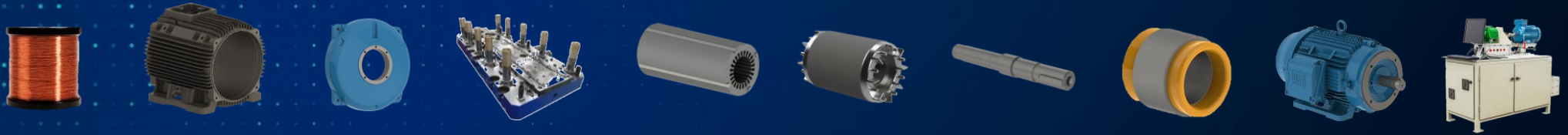
Reinforces WEG's performance in the Naval and Hazardous Area

Complementary portfolio

Leverages existing distribution network, maximizing reach and market penetration



Vertical Integration WEG & Marathon



Wire Factory

Casting

Cast Iron
Machining

Tooling

Stamping

Aluminum
Die casting

Shaft
Machining

Winding

Assembly

Testing

WEG



Marathon



WEG
DAY
2024

Marathon Products

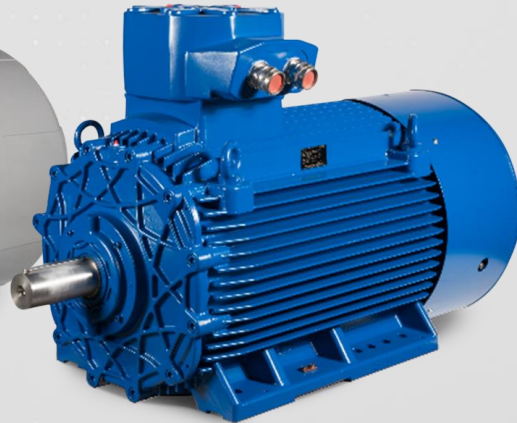


rotor
WEG Group



MARINE

cemp
WEG Group



EXPLOSION
PROOF

marathon



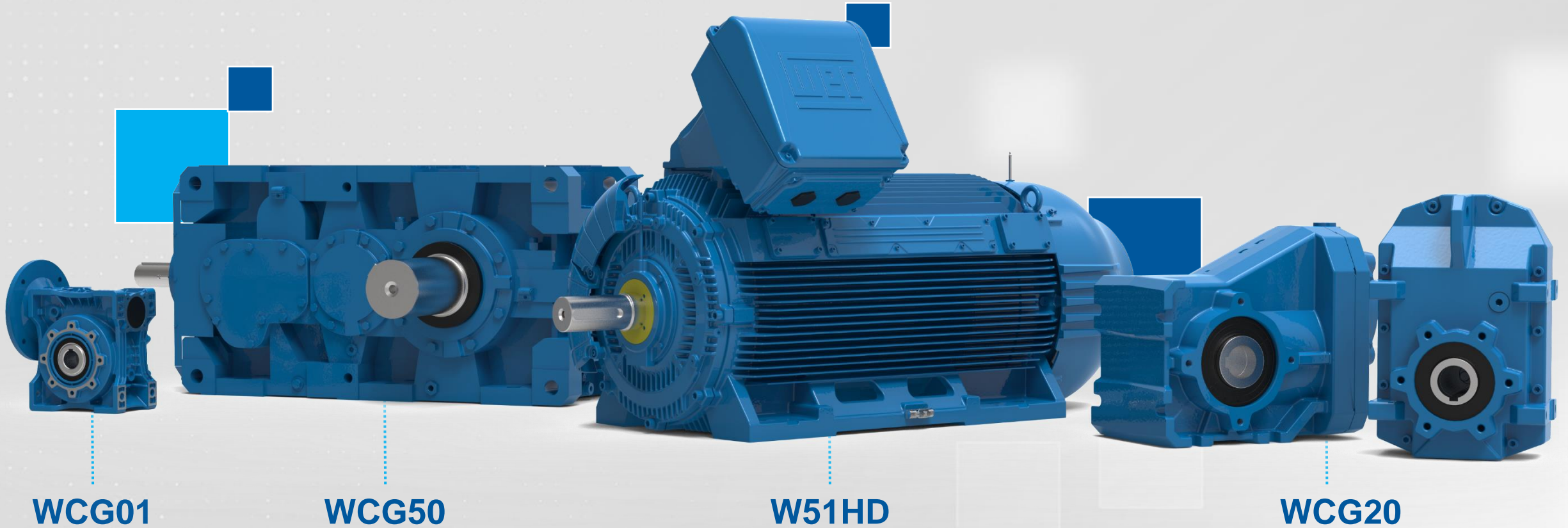
IEEE 841



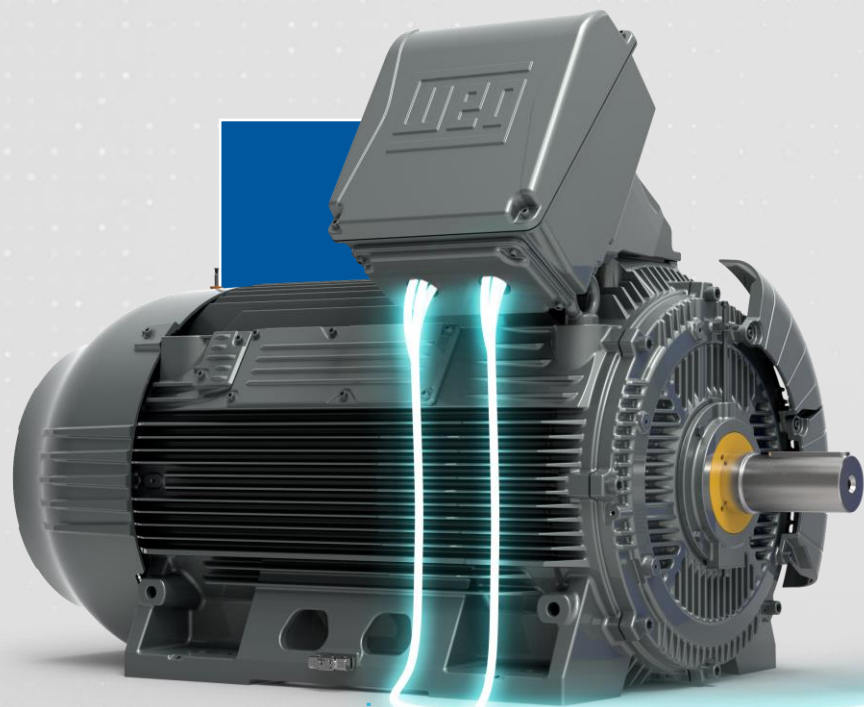
FIRE PUMP



Products Focus on Competitiveness



High Technology and Sustainability



W23 Sync+Ultra



CFW 900

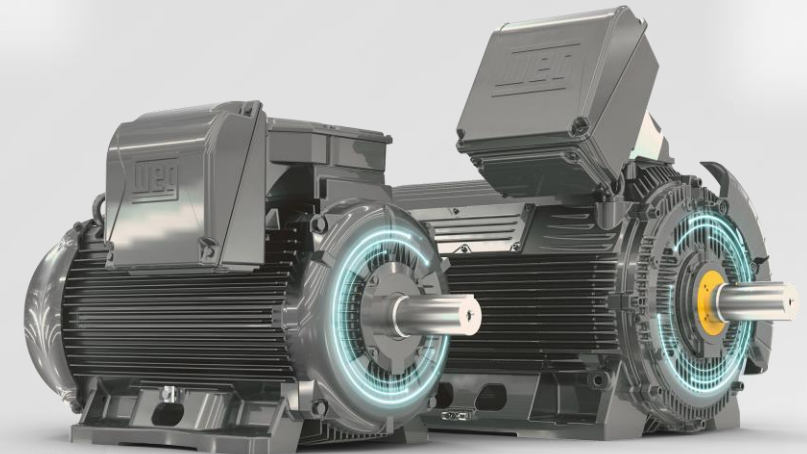
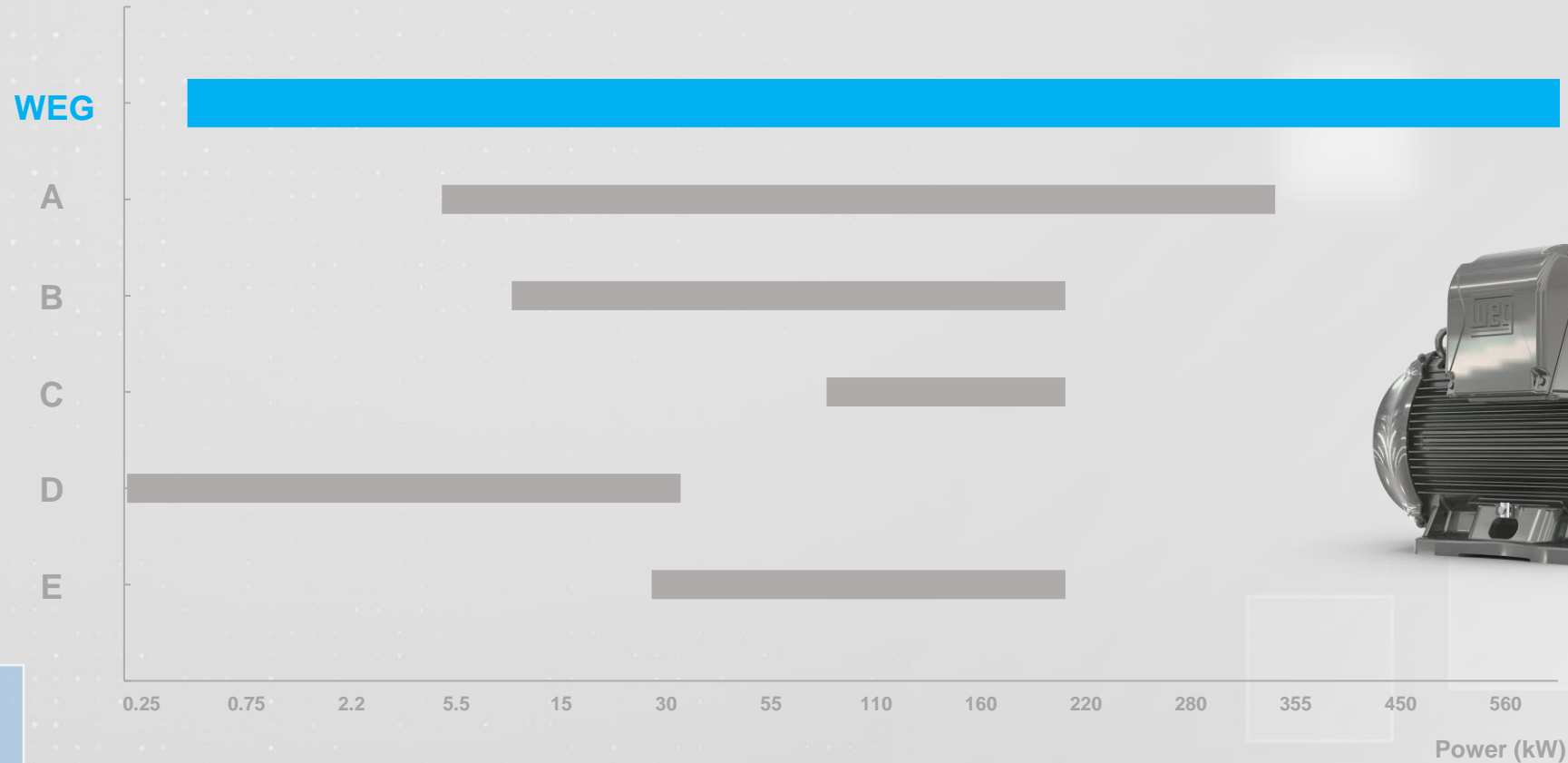
IEC IE5 and IE6

Frame IEC 80 to 450

0.75kW up to 1250 kW



Synchronous Motors Benchmarking



W23 SYNC+ 4-pole motor comparison with main competitor's equivalent



High Technology and Sustainability



W80 AXgen + CFW 900

Axial Flux Technology



International release in **October 2024** and for Brazil in **January 2025**



Factory Expansion Mexico

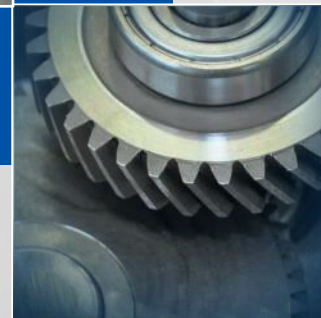


Components for Gearboxes

R\$ 63
millions
investment

2,500 m²
built area

Start of
operations in
2025



New Wire Factory Mexico



Rectangular and Circular Wires

R\$ 340
millions
investment

24,000 m²
built area

Start of
operations in
2029



WEG
DAY
2024

Wire Factory Expansion Brazil

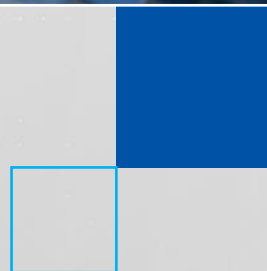
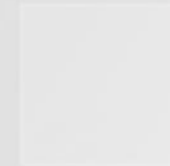


Rectangular Wires

R\$ 170
millions
investment

9,500 m²
built area

Start of
operations in
2029



WEG
DAY
2024

Foundry Expansion Brazil



Expansion and modernization

R\$ 160
millions
investment

6,000 m²
built area

Start of
operations in
2027



WEG
DAY
2024

Key Messages



Global Strategic presence

Marathon Synergy

Growth capacity

Innovation and technology



Alternators Strategy

**JOÃO PAULO
GUALBERTO DA SILVA**
Managing Director
WEG Energy



**WEG
DAY**
2024

WEG Energy



Complete solutions

For renewable energy generation

Wide Service Network

Marathon
+3 factories



+
5,100
employees worldwide



+
30,000
+1,000 HP medium voltage motors delivered

9 factories in **7** countries in **4** continents

Distributors in + 120 countries



+
132 GW

Installed in power generation



+
5,000

Turbo and hydro generators produced



+
1,1 GW

Installed in wind turbines



+
255,000

Synchronous alternators produced



+
1,300

Steam turbines produced for thermal generation by biomass

WEG
DAY
2024

Footprint

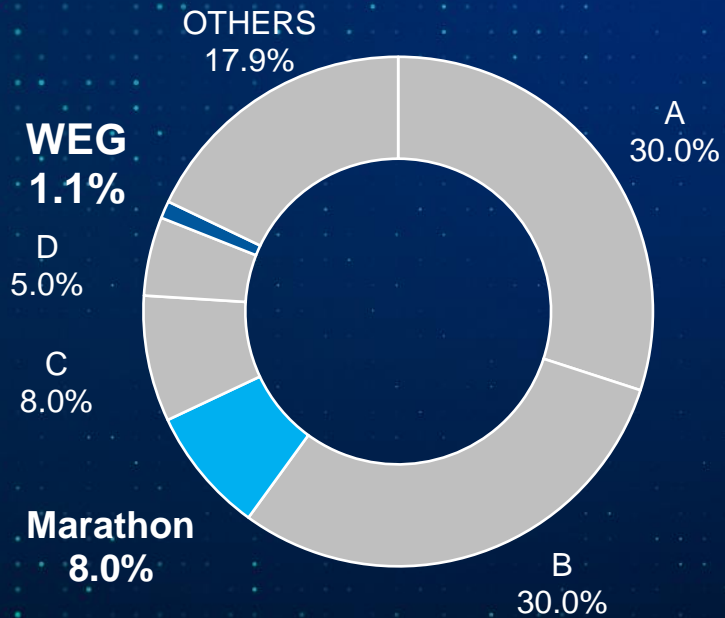


Market Share

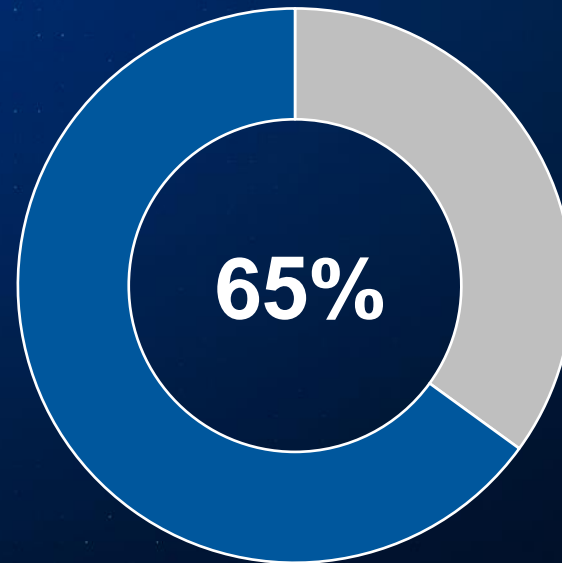


Alternators

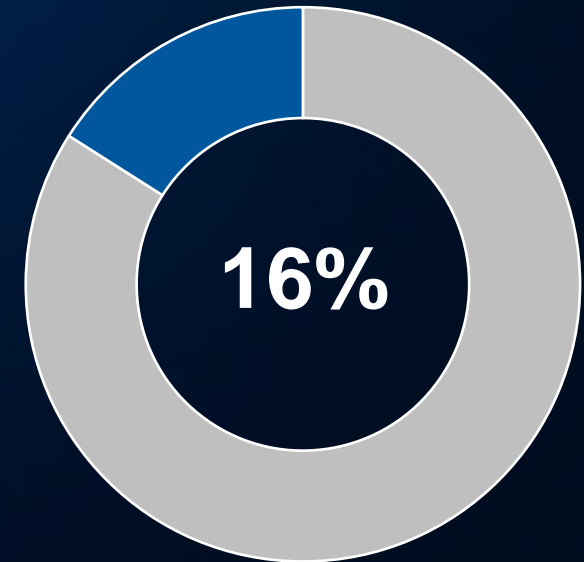
WEG + Marathon: 9.1%



Brazil



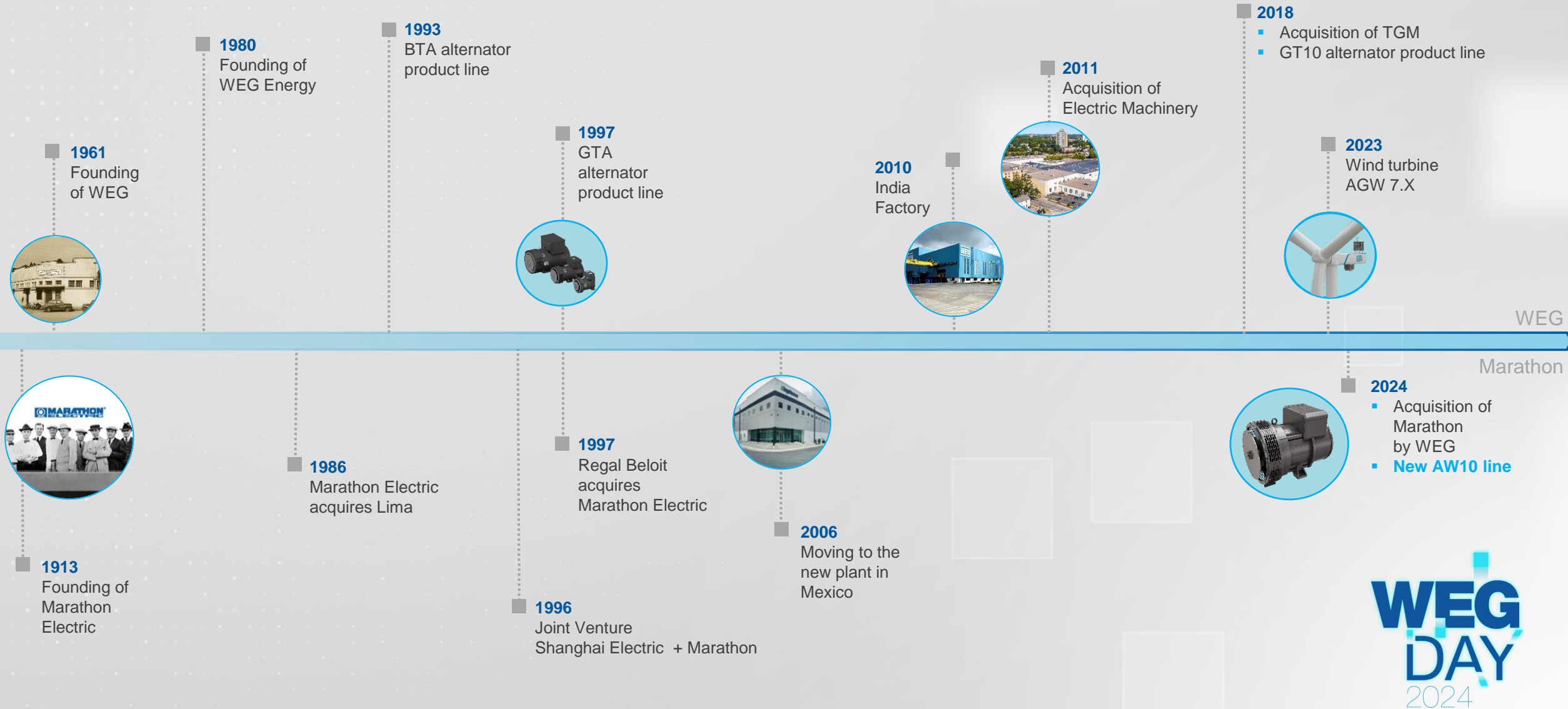
North America



Source: Omdia



Timeline Alternators



Global Strategy Alternators



North America Marathon

Traditional brand with excellent reputation

Regain market share

Dedicated production lines in the US and Mexico

Production and Engineering close to customers

Vertical integration of WEG Mexico as a supplier

Costs and lead times reduction

South and Central America WEG

Production and Engineering close to customers

Open new markets and local support

Factory dedicated to alternator business

Important logistical gains

Good brand positioning



Global Strategy Alternators



China Marathon

JV 55% Marathon and 45% Shanghai Electric
Production and Engineering close to customers
Open new markets and local support
Factory dedicated to the alternator business
Important logistical gains
Good brand positioning in the market

Europe and Middle East Marathon

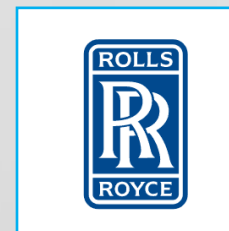
Traditional brand with an excellent reputation
Regain customers in the medium term



Commercial Strategy Alternators



Focus on **partnerships** with the main OEMs in the market



Integration Strategy



Use WEG's **vertical integration** for production and supply chain improvements

Cast iron from **Mexico** to support the Monterrey and Wausau structure

Suppliers of WEG units in **India and China**



Stamping production unit in **Mexico**

Production gains with stamped sheets **standardization**

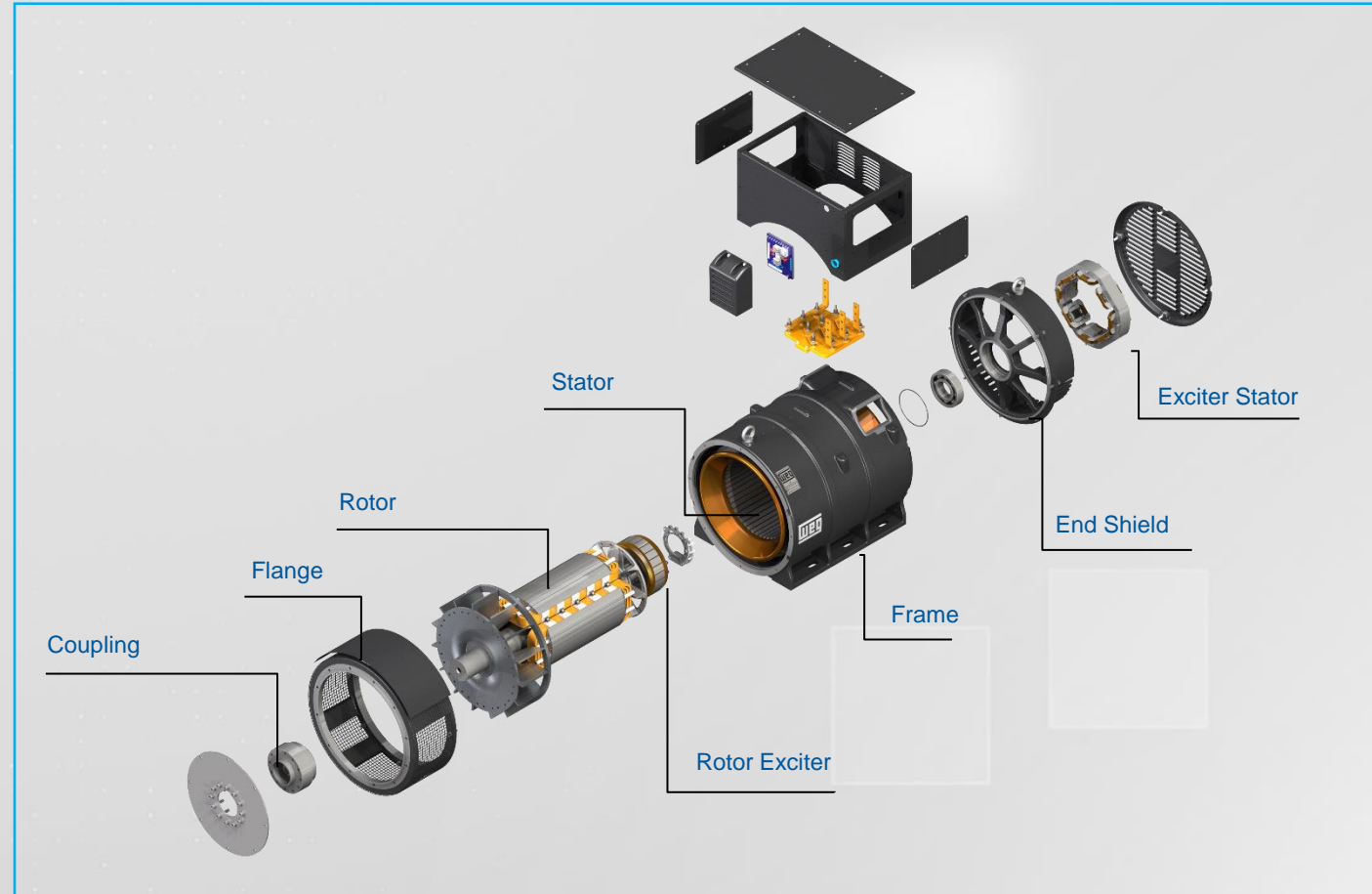


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DAY
2024

Integration Strategy



Use WEG's **vertical integration** for production and supply chain improvements



Alternators Committee



PRODUCTS

Evaluation of new products and technologies

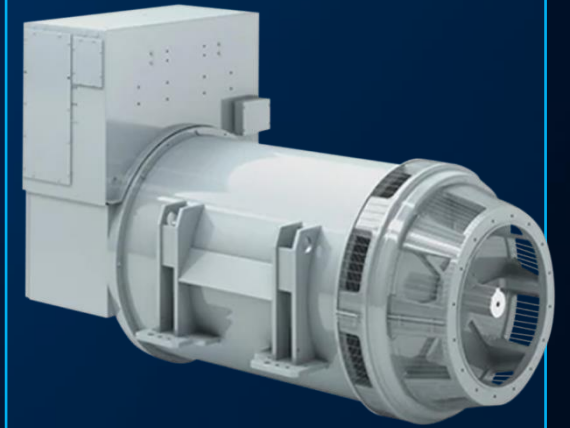
Pipeline priority validation for new products

SALES & MARKETING

Product portfolio

Sales Analytics

Trends and market segments



QUALITY

Product Certification
Governance

Products, Laboratories and
Manufacturing Plants

OTHER INITIATIVES

Competition Mapping

Customer Movements

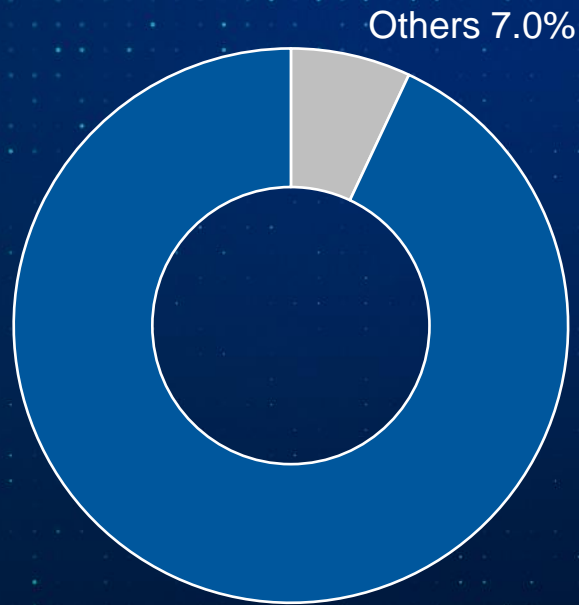
Best Practices/Tactical Plan
Promotion



Global Sales 2023



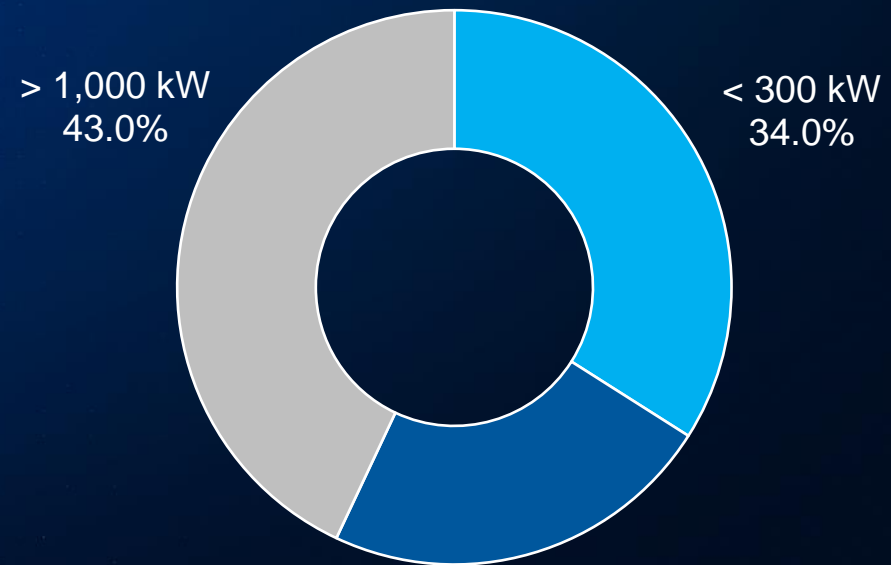
Sales Channel



OEM 93.0%

Others 7.0%

Product Type



> 1,000 kW
43.0%

< 300 kW
34.0%

300 to 1,000 kW
23.0%

Source: Omdia



Alternators Business Strategy



Continued use in critical applications such as hospitals, airports, telecommunications

Advancing AI and cloud services increases demand for Data Center applications

Energy consumption grows faster than new sources of generation

More frequent blackouts due to high power usage

EVs⁽¹⁾ growth adding demand to an already saturated grid



(1) Electric Vehicles



Key Messages



**Marathon Business
Integration**

**Important market
for WEG Energy**

**Consolidation of
global presence**

**WEG
DAY
2024**

Financial Update

ANDRÉ LUÍS RODRIGUES
CFO



WEG
DAY
2024

WEG at a Glance



+

45,000

employees
worldwide



+

4,700

engineers



+

60,000

Motors
produced
per day

63

factories

in

17

countries

in

4

continents

Distributors in **+ 120 countries**

59%

of **2023's** revenue
came from products launched in
the last 5 years

R\$

**228.3
Billion**

in market value
(Sep/2024)

Stock Exchange

WEGE3 (B3)

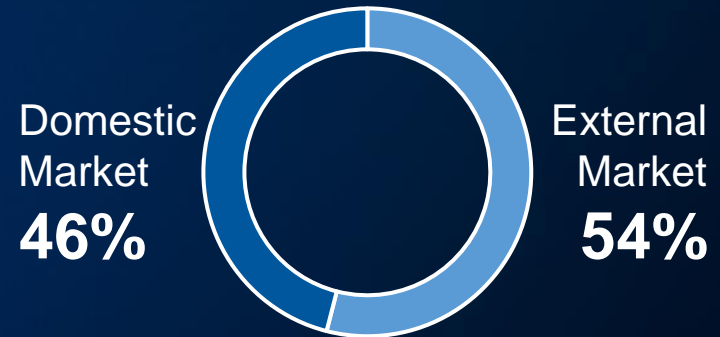
WEGZY (OTC – ADR Level 1)

**WEG
DAY**
2024

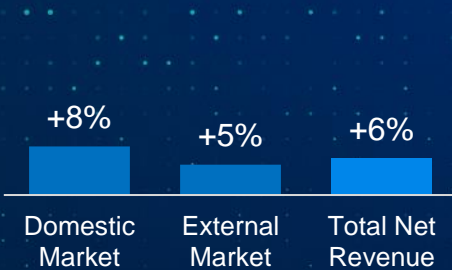
Performance



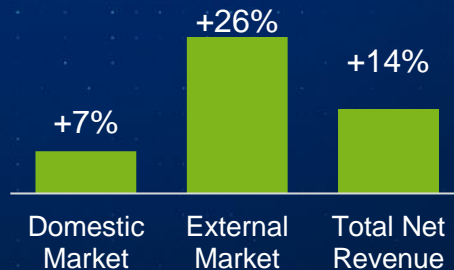
Net Operating Revenue **+9.1%**



Industrial Electro-Electronic Equipment (EEI)



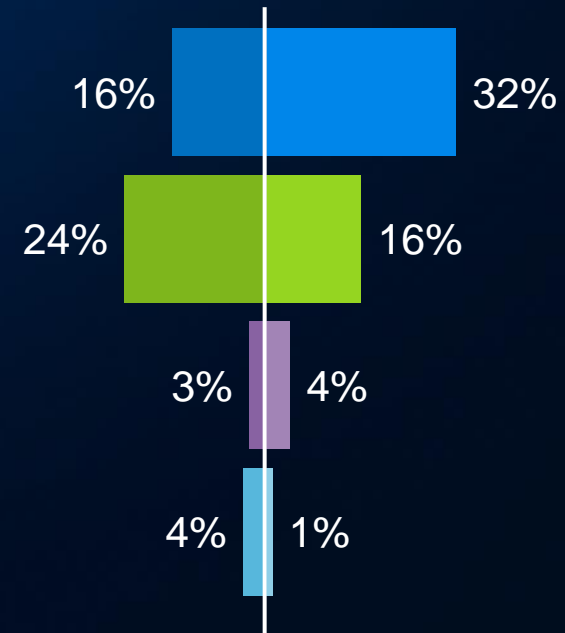
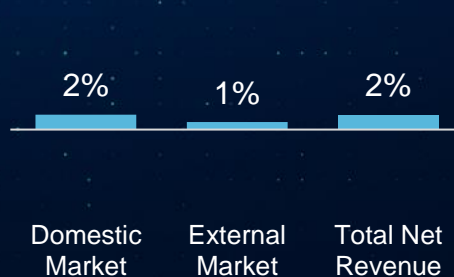
Energy Generation, Transmission and Distribution (GTD)



Commercial and Appliance Motors (MCA)



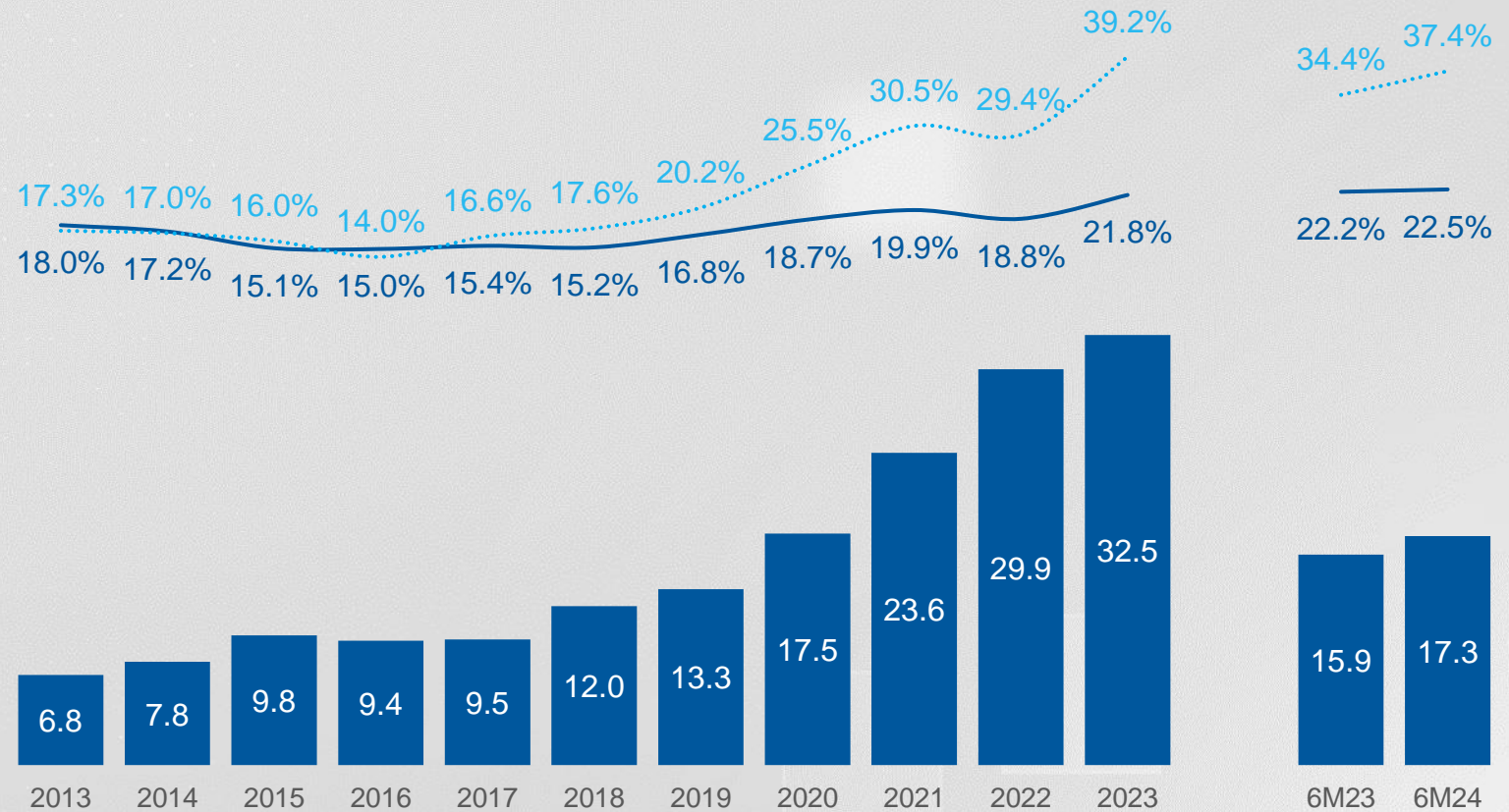
Paints and Varnishes (T&V)



Δ% 06M24 / 06M23



Operating Results



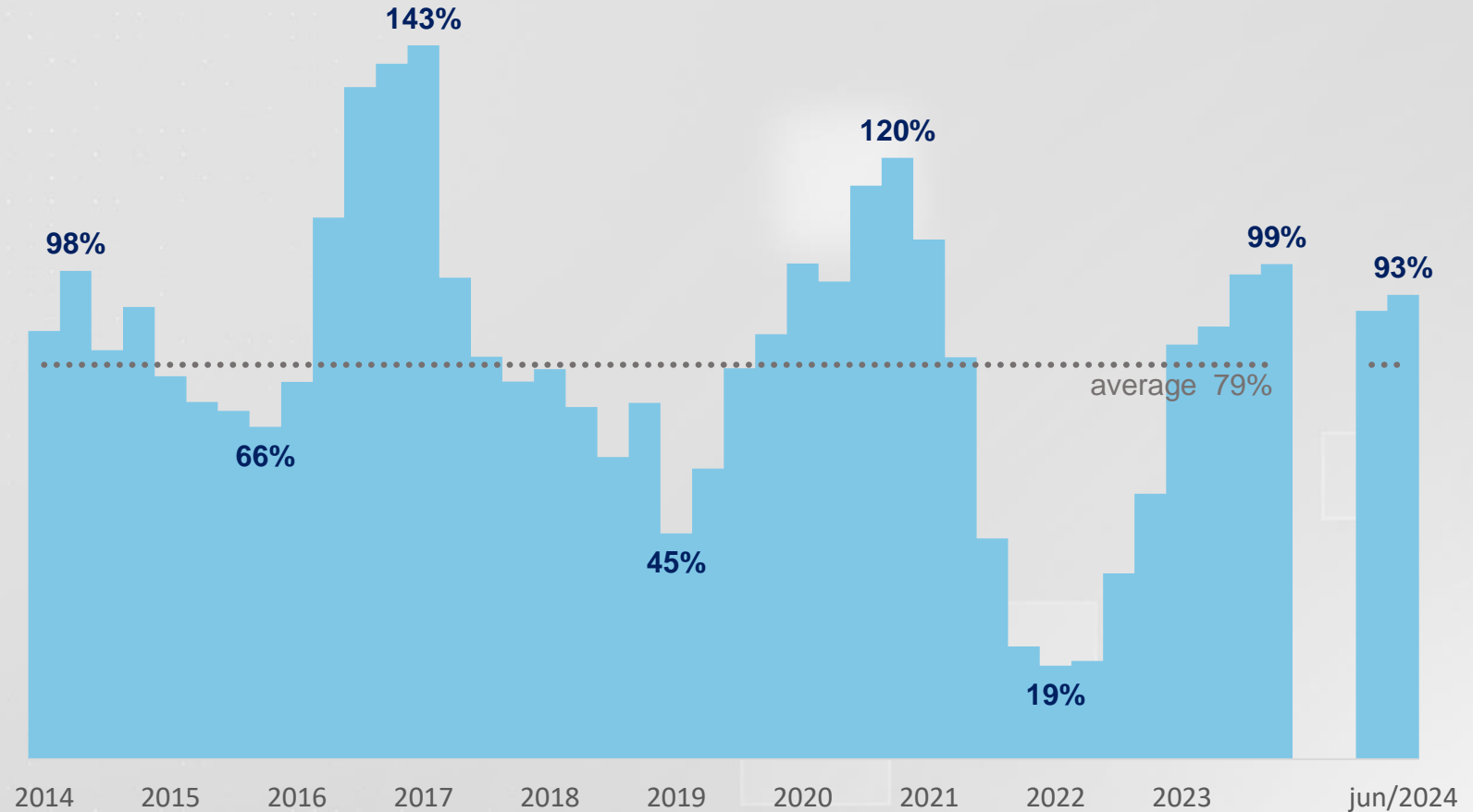
■ Net Revenue (R\$ Billions)
 — Margem EBITDA
 ⋯ ROIC



Cash Flow Conversion



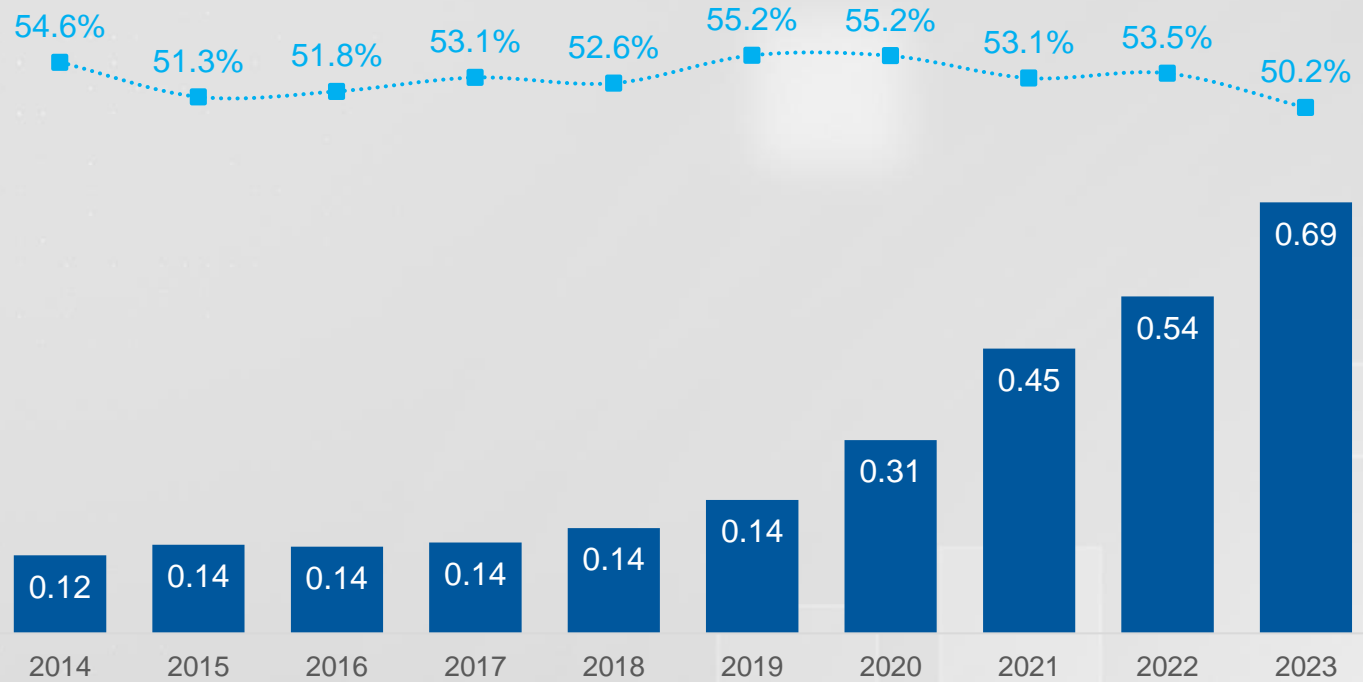
Considered **EBITDA** of the last 12 months in relation to **Operating Cash Flow**



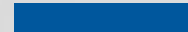
Net cash position of **R\$ 3.0 billion** in June 2024



Dividend Flow



Dividends per share (R\$)



Pay-out (%)



Marathon Integration



Administrative areas integration

Consolidation of **activities** and process **standardization**

Implementation of the **WEG Business Services (WBS)** in the operations



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2024

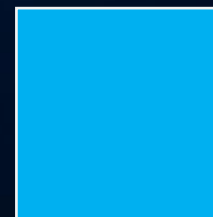
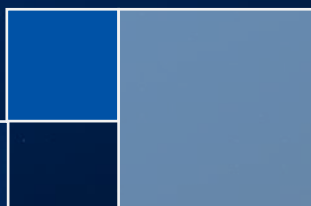
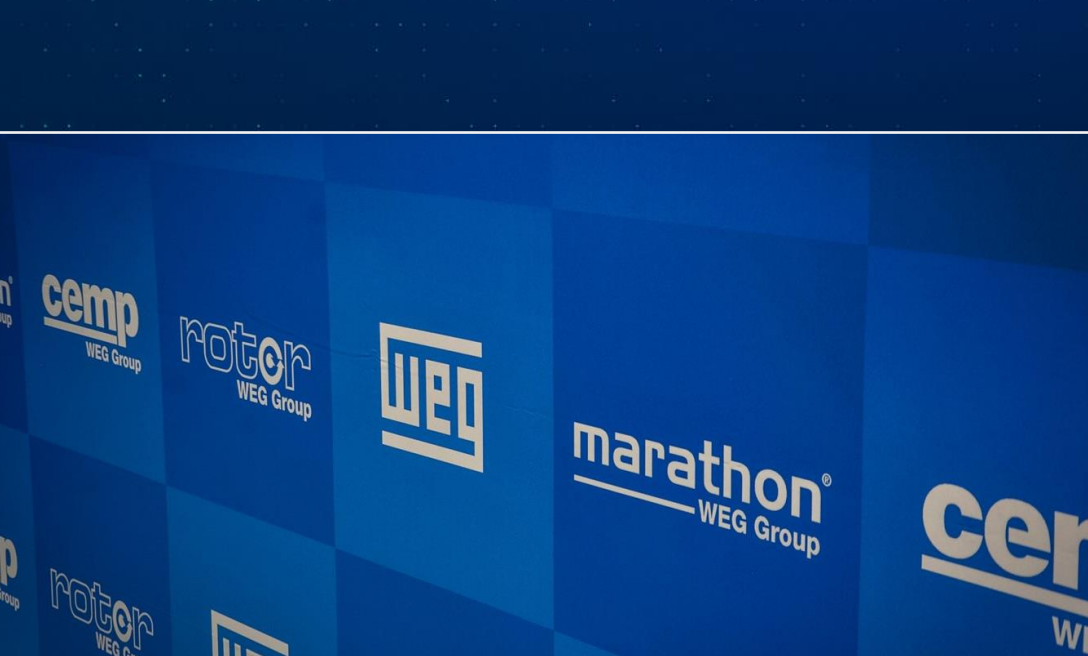
Integração Marathon



Evaluation and
deployment of
**Information
Security** tools

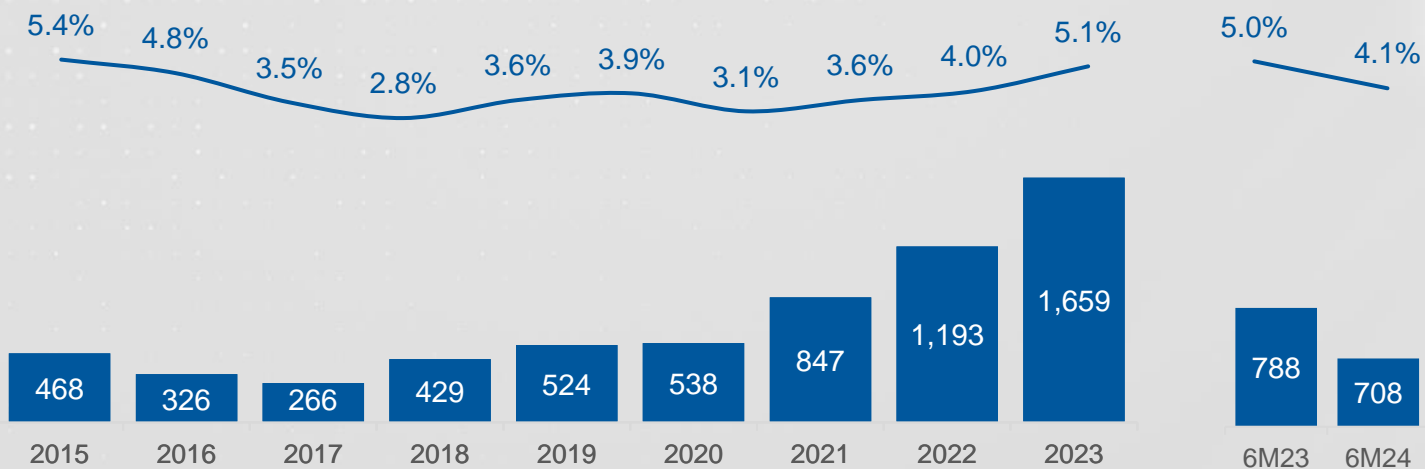
Installation
of a new
Data Center

Separation and
**System
Integration**

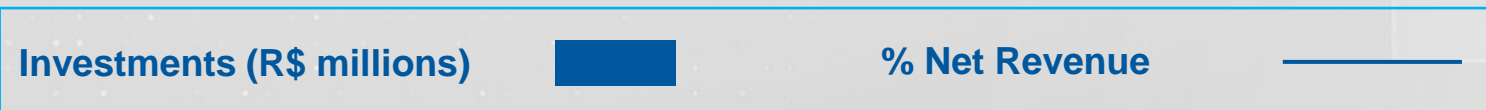


**WEG
DAY**
2024

Investments



Investments



New Paint Factory Mexico



Industrial Liquid Paints

R\$ 100
millions
investment

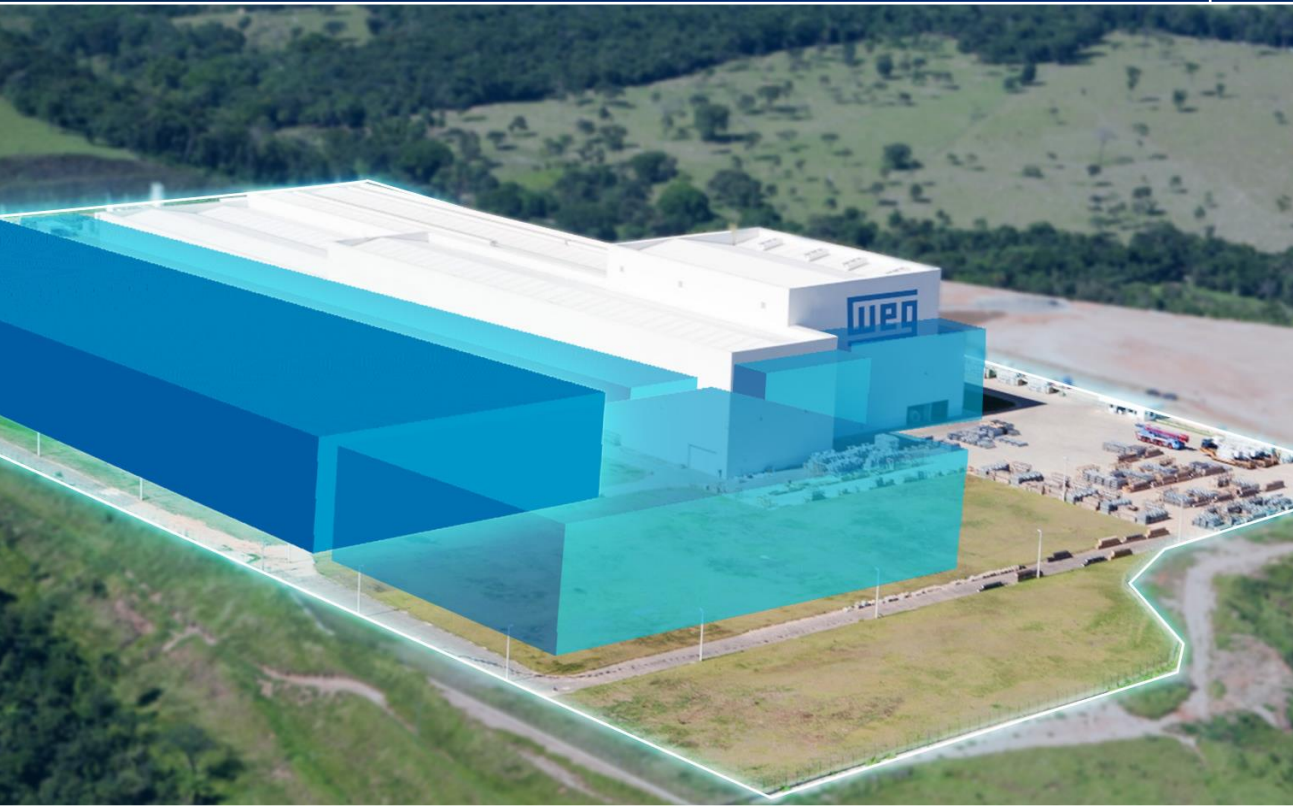
5,300 m²
built area

Start of
operations in
2026



WEG
DAY
2024

Factory Expansion Betim



Power Transformers

R\$ 370
millions
investment

75,000 m²
built area

Start of
operations in
2026

WEG
DAY
2024

Factory Expansion Gravataí



Transformers up to 230 kV

R\$ 128
millions
investment

7,300 m²
built area

Start of
operations in
2026



WEG
DAY
2024

Key Messages



Consistent **Cash Generation**

Improvements as **Integration** progresses

Healthy **EBITDA Margin** and **ROIC**



Strategy Update

ALBERTO KUBA
CEO



WEG
DAY
2024

Transition of Command



Acknowledgment

- Board of Directors
- Harry Schmelzer Jr.
- Executive Board
- Employees

Transition process



Still Challenging Scenario on Main Markets



US

- Manufacturing PMI Falling
- Moderate Industrial Production Growth
- Stability in durable goods prices
- Persistent challenges in the labor market

Europe

- Purchasing Managers' Manufacturing Index (PMI) down since 2023
- Economic activity slowing down
- Challenges in the manufacturing sector
- Consumption still weak

China

- Decline in Foreign Direct Investment (FDI)
- Decline in capital goods output



We Move Forward on Several Fronts

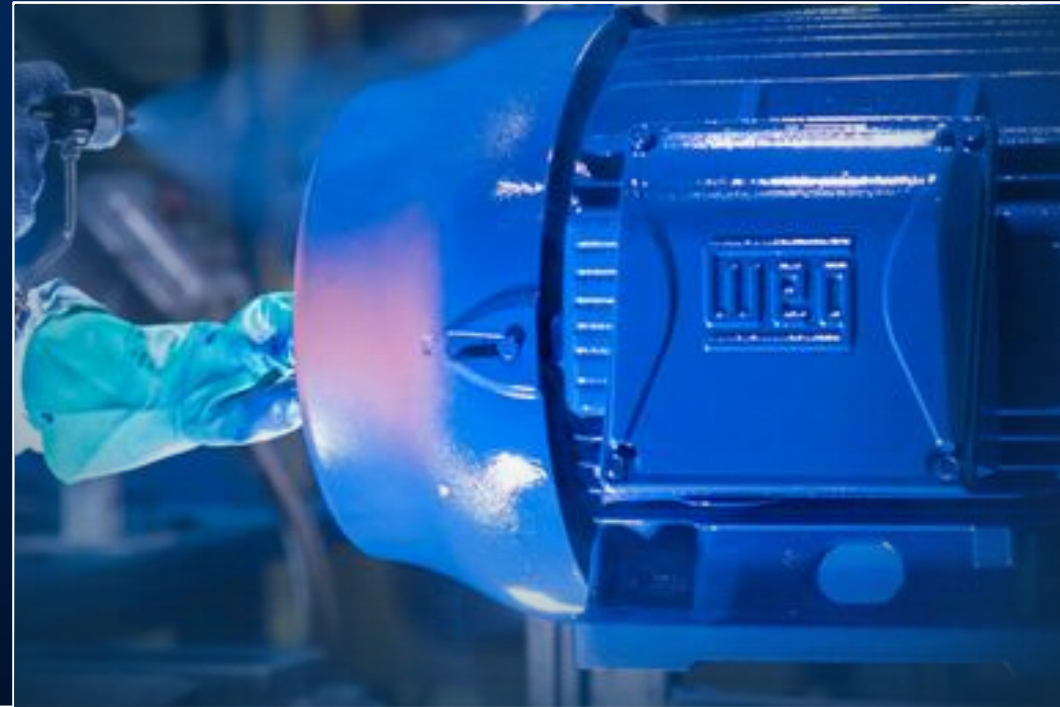


Increase international participation with the **Motion Drive** strategy

Growth in sales of projects for **Medium Voltage (MV) Motors and Drives**

Recovery in sales of **Commercial & Appliance Motors**

Expansion and strengthening of the **Transmission & Distribution (T&D) business**



WEG
DAY
2024

Favorable Winds to Business



Investments for Energy Transition

Energy Efficiency
Operational Efficiency

Renewable Energies
Electric Mobility

Growth in the use of Generative AI

Data Center Expansion
Increased energy consumption

Network availability
Grid reliability



Energy Transition



Global investment in technologies for energy transition has reached a record **\$1.7 trillion in 2023** ⁽¹⁾

To achieve the goals of the Paris Agreement, the average annual Investment needs to almost triple, reaching **\$4.8 trillion** between 2024 and 2030 ⁽¹⁾

Estimates that the **Transformer market will grow 5% p.a. by 2030**, driven by renewable generation, electrification and grid modernization ⁽²⁾

The **Electrified Transportation Sector** was the **biggest driver of investments** in energy transition in 2023 with US\$ 634 billion ⁽³⁾



(1) BloombergNEF Energy Transition Investment Trends 2024

(2) Mckinsey/WEG 2024

(3) Article: CNBC Spencer Kimball Aug 2024

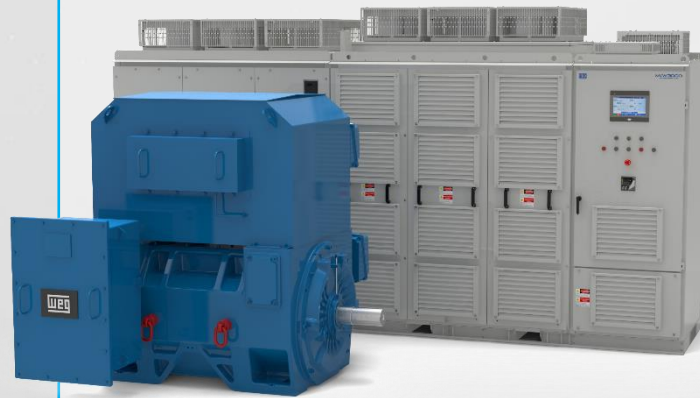
Traditional Businesses Strategy



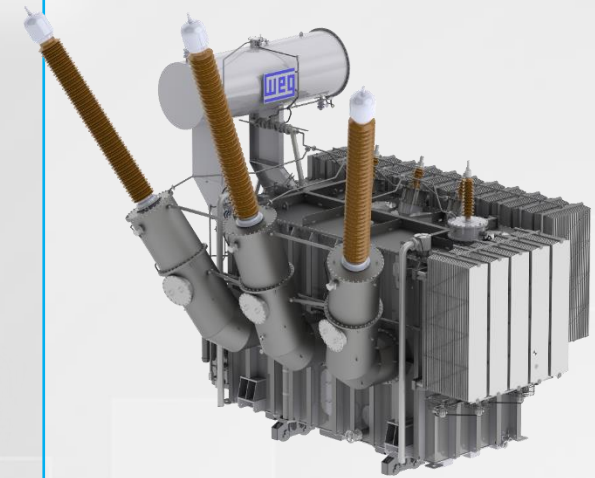
Motion Drives



MV Motors & Drives



Transmission & Distribution



Commercial Structure



Commercial presence in **41** countries

Distributors in more than **120** countries



Industrial Footprint Motion Drive



29 factories in 13 countries

- Low Voltage Industrial Motors WEG
- Low Voltage Industrial Motors Marathon
- Low Voltage Drives
- Gearboxes and Geared Motors



Industrial Footprint Medium Voltage



11 factories in **6** countries

 Medium Voltage Industrial Motors

 Medium Voltage Drives

WEG
DAY
2024

Industrial Footprint T&D



13 factories in 5 countries



Transformers



Developing Business Strategy



Renewable Energies



Expansion:

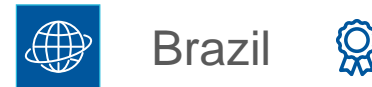
- US
- India



Expansion:

- Latin America
- South Africa

Electric Mobility



Expansion:

- Latin America
- Europe

- Network Integrators
- Sell online
- B2C Promotion
- Automotive Partnerships
- Strategic Partnerships

BESS⁽¹⁾



Expansion:

- Latin America
- US

Electric Mobility WEMOB



STATION HPC (DC)
Launching November 2024



Global Products

Complete recharge ecosystem



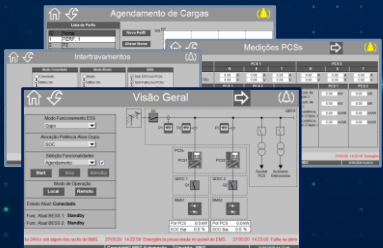
Pioneer in accredited certification by INMETRO



BESS Composition



Two-Way
Converter



Automation and
Control System



Transformer
Medium Voltage /
Low Voltage



Battery Bank + Management System



Auxiliary
Systems



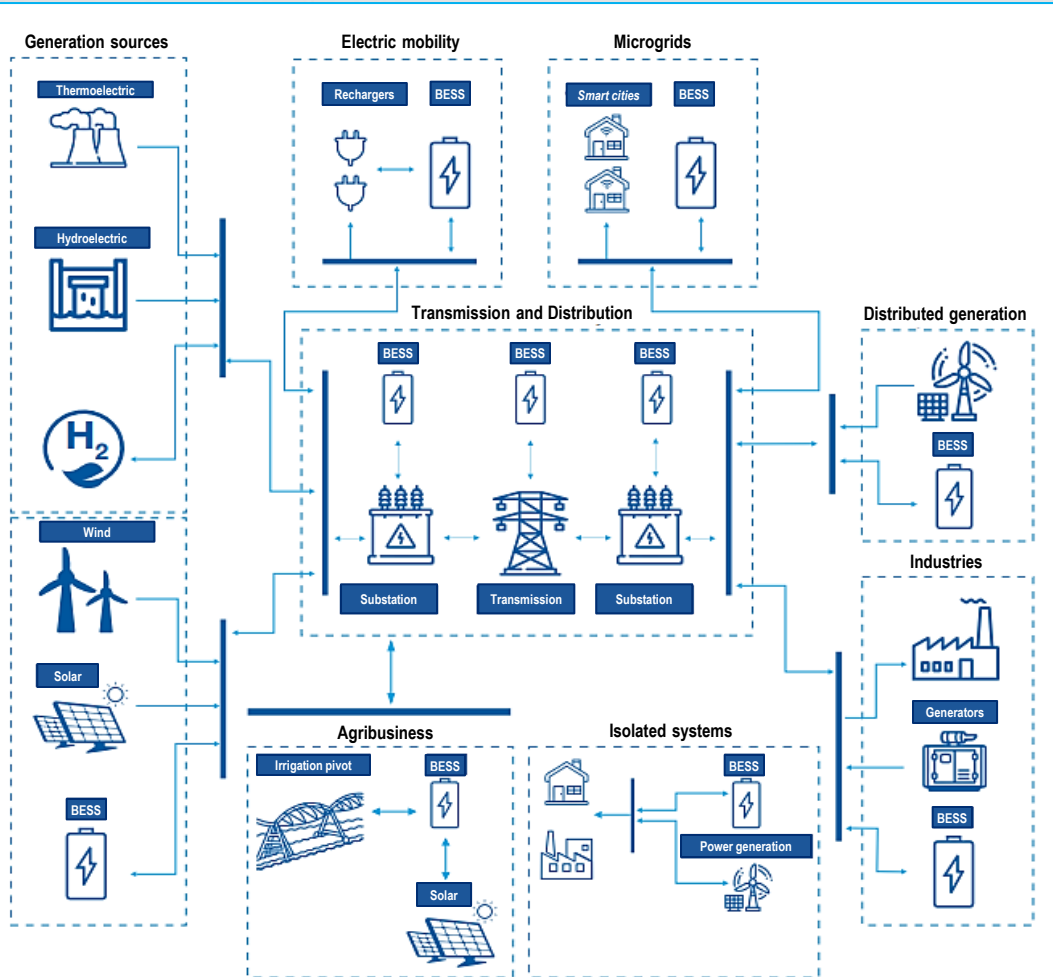
- Air conditioning
- Fire system
- Metering



Panels
Direct Current /
Alternating Current



BESS Connection Points



Connection at all points in the electrical system

Configuration per connection point

Compatible with **generation** sources

BESS Portfolio



M&A Strategy



MARKET ACCESS



TECHNOLOGY

* Acquisition of specific technology or businesses



WEG Carbon Neutral Program



WEG Carbon Neutral Program

Reduce GHG emissions by 52% by 2030

Achieve Net Zero by 2050

Scope 1

- Electrification of natural gas boiler
- Use of biofuel
- Use of electric vehicles
- Process optimization to reduce energy consumption

Scope 2

- ~90% Renewable Energy consumed in Brazil in 2024
- ~75% of the group's global electricity demand in 2024 from renewable sources

Projects developed to reduce emissions (2023)

Mapped opportunities	Approved projects	Potential Reduction (tCO2e)
809	610	32,000

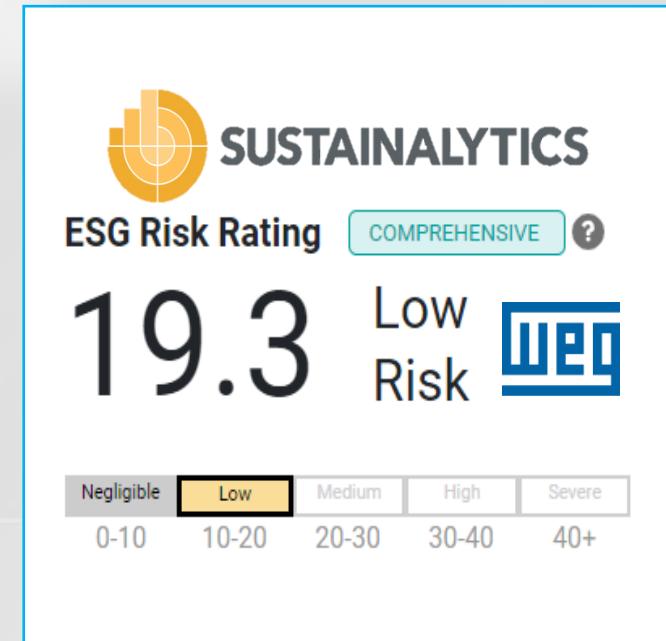
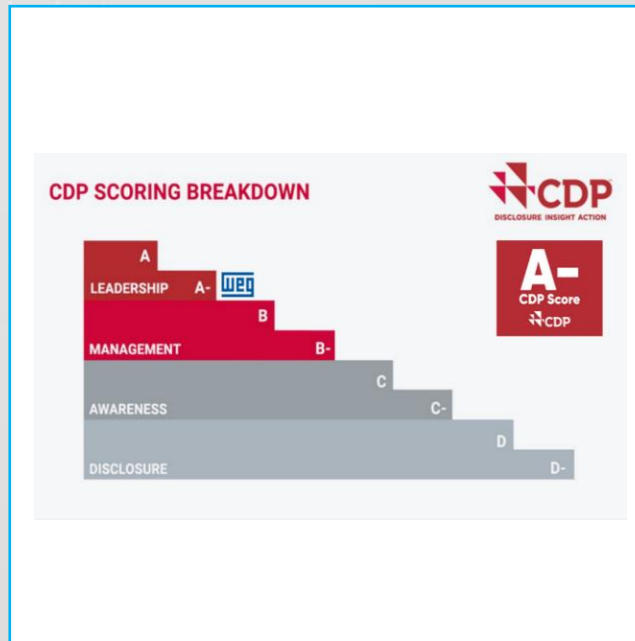
RESULTS

-25%

Effective reduction of emissions in 2 years

WEG
DAY
2024

ESG Achievements



Key Messages



Accelerate Internationalization

Potential opportunities with **Energy Transition** and Use of **AI**

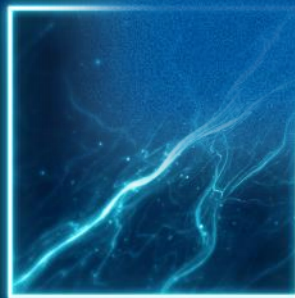
Expansion of the **Electric Mobility** and **BESS** portfolio

Advancing **ESG** projects



WEG DAY

2024



Driving efficiency and sustainability

