

RANDONCORP

Individual and consolidated financial
statements as of
December 31, 2024 and 2023

Contents

A free translation of the original report in Portuguese, as filed with the Brazilian Securities Commission (CVM), containing individual and consolidated financial statements prepared in accordance with accounting policies adopted in Brazil and international accounting standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB).

Independent auditors' report on individual and consolidated financial statements	03
Parent Company	
Balance sheets	09
Statements of income	13
Statements of comprehensive income	14
Statements of cash flows - Indirect method	15
Statements of changes in shareholders' equity	16
Statements of added value	18
Consolidated	
Balance sheets	19
Statements of income	23
Statements of comprehensive income	24
Statements of cash flows - Indirect method	25
Statements of changes in shareholders' equity	26
Statements of added value	28
Notes to the individual and consolidated financial statements	29



KPMG Auditores Independentes Ltda.

Av. Carlos Gomes, 258 – 6th floor

90480-000 - Porto Alegre/RS – Brazil

Zip code: 90480-000 - Porto Alegre/RS – Brasil Telephone +55 (51) 3327-0200

kpmg.com.br

Independent auditors' report on the individual and consolidated financial statements

(A free translation of the original report in Portuguese, as filed with the Brazilian Securities Commission (CVM), containing individual and consolidated financial statements prepared in accordance with accounting policies adopted in Brazil and international accounting standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB))

To the Shareholders and Management

RANDON S.A. IMPLEMENTOS E PARTICIPAÇÕES

Caxias do Sul - Rio Sul

Opinion

We have audited the individual and consolidated financial statements of Randon S.A Implementos e Participações (Company), identifying as parent company and consolidated financial statements, respectively, which comprise the balance sheet as of December 31, 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended. as well as related notes, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of Randon S.A. Implementos e Participações as of December 31, 2024, and its individual and consolidated financial performance and cash flows for the year then ended, in accordance with accounting policies adopted in Brazil and international accounting standards (IFRS Accounting Standards) issued by the *International Accounting Standards Board* (IASB).

Basis for opinion

We conducted our audit in accordance with International and Brazilian Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of Individual and Consolidated Financial Statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements and are set forth on the Professional Code of Ethics for Accountants and on the professional standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of sales revenues

See note 28 to the individual and consolidated financial statements

Key audit matters	How the audit addressed this matter
<p>As mentioned in 28, the Company recognizes its revenues when there is objective evidence that its performance obligations were met, showing mainly that the products have been transferred to its customers' control.</p> <p>Considering the number of transactions involved, the range of products included in the Company's portfolio, the logistics issues involved and the design of its processes and internal controls that support the revenue recognition, certain sales, particularly those made close to the year-end, are recognized before the actual transfer of control to clients, without this being detected and timely adjusted by the Company.</p> <p>Therefore, a possible recognition of revenue outside the proper accrual period was considered significant for our audit.</p>	<p>Our audit procedures mainly included:</p> <ul style="list-style-type: none">▪ Understanding the sales flows and processes reported in the Company and the main components of the consolidated financial statements, tests of the design and implementation of revenue recognition controls, particularly those related to the determination of the moment when the Company transfers control over the goods sold to the counterparty, particularly during the cutoff period;▪ We inspected the supporting documentation that shows its accounting recognition in the proper accounting period for a sample of the Company's sales transactions; and▪ We evaluated whether disclosures in the individual and consolidated financial statements are in accordance with applicable standards and whether they consider all relevant information. <p>According to the evidence we obtained by applying the procedures summarized above, we considered that revenue recognition and related disclosures are acceptable in the context of the individual and consolidated financial statements for the year ended December 31, 2024 taken as a whole.</p>

Recoverable value of goodwill due to expected future profitability

See note 15 to the individual and consolidated financial statements

Key audit matters	How the audit addressed this matter
<p>As mentioned in note 15, the Company tests the need for impairment of goodwill for expected future profitability by conducting studies to estimate the recoverable value of the cash-generating unit ("CGU") to which goodwill was allocated. Studies are based on estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to each CGU. The estimated recoverable amounts of each CGU are then compared with their carrying amounts to assess the need to recognize some loss.</p> <p>In preparing these studies significant assumptions and judgments are used to estimate future cash flows, mainly including revenue growth, gross margin, fixed and variable expenses, as well as the estimated discount rate used to bring cash flows to present value.</p> <p>Due to the significance and high level of judgment involved in estimating and determining those assumptions, we considered this to be a key audit matter.</p>	<p>Our audit procedures mainly included:</p> <ul style="list-style-type: none"> - Understanding the manner and methodology of preparation of technical studies and impairment tests made available by the Company; - With the help of our corporate finance experts, we evaluated the reasonableness of the significant assumptions and judgments made for estimating future cash flows, in accordance with the budgets approved by the Board of Directors, including mainly revenue growth assumptions, gross margins, fixed and variable expenses and discount rates used; - Comparison of historical data with management's projections made in the current period and past periods; and - Analyzing the disclosures included by the Company in the individual and consolidated financial statements. <p>According to the evidence obtained by applying the procedures described above, we considered that the measurement of the recoverable value to test the <i>goodwill for impairment</i> is acceptable in the context of the consolidated financial statements for the year ended December 31, 2024 taken as a whole.</p>

Recoverability of deferred tax assets

See note 27.2 to the individual and consolidated financial statements

Key audit matters	How the audit addressed this matter
<p>As described in notes to the individual and consolidated financial statements 27.2, as of December 31, 2024, the Company has recognized deferred tax assets in the amounts of R\$248,252 thousand and R\$223,876 thousand in Company and Consolidated, respectively, consisting of income and social contribution tax losses and temporary</p>	<p>Our audit procedures in this area included, but were not limited to:</p> <ul style="list-style-type: none"> - With the help of our corporate finance experts, we evaluated the reasonableness of the main assumptions used by the Company to forecast future taxable profit, such as sales growth, gross

<p>differences, whose recovery depends on the generation of future taxable profit.</p> <p>The Company prepares at least annually estimates about the generation of future taxable profit to determine the likelihood of recovery of these deferred tax assets. The estimates about the generation of future taxable profit involve significant estimates and judgments by management, such as revenue growth, gross margin, fixed and variable expenses, as well as possible adjustments between book profit and income and social contribution tax bases. Due to the significance and high level of judgment involved in developing the estimates and assumptions used to calculate future tax profits that support the recoverability of deferred taxes, we considered this to be a key audit matter.</p>	<p>margin, fixed and variable expenses, as well as possible adjustments to calculate estimated taxable profit;</p> <ul style="list-style-type: none"> - We obtained evidence that the estimated future taxable profit used to assess the recoverability of deferred taxes is consistent with management's estimates; -With the help of our tax experts, we considered the adequacy of the application of tax laws and tax deductions to determine the calculation base of tax losses and temporary differences; and - We also evaluated whether the Company's forecasts showed, for the portion of unused tax losses and deductible temporary differences recognized as deferred tax assets, the existence of future taxable profit sufficient to allow their realization, and we evaluated the adequacy of the disclosures included in the Company's notes. <p>According to the evidence obtained by applying the procedures summarized above, we considered that the values of deferred tax assets are acceptable in the context of the individual and consolidated financial statements taken as a whole for the year ended December 31, 2024.</p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Other issues

Statements of value added

The individual and consolidated statements of value added for the year ended December 31, 2024, prepared under the responsibility of the Company's management, and presented as supplementary information for IFRS Accounting Standards, were submitted to the same audit procedures followed together with the audit of the Company's financial statements. In order to form our opinion, we evaluated whether these statements are reconciled to the Company's financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added have been adequately prepared, in all material respects, according to the criteria set on this Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

Audit of prior year's financial statements

The individual and consolidated balance sheets as of December 31, 2023 and the individual and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows and related notes for the year then ended, presented as related amounts in the individual and consolidated financial statements of the current year, were previously audited by other independent auditors, who issued an unchanged report thereon on March 12, 2024. The related amounts for the

individual and consolidated statements of value added for the year ended December 31, 2023 were submitted to the same audit procedures by those independent auditors and, based on their audit, they issued their report with no changes.

Other information that accompanies the individual and consolidated financial statements and the independent auditors' report

Management is responsible for the other information. The other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is material misstatement of the Management Report, we are required to report on such fact. We have nothing to report on this.

Responsibilities of Management and Those Charged with Governance for the Individual and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these individual and consolidated financial statements in accordance with accounting policies adopted in Brazil and with International Accounting Standards (IFRS Accounting Standards), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of the Individual and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and international standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and international standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the collusion, misrepresentation of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the corresponding transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit, and therefore for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical and independence requirements, and communicate with them all relationships or issues that could substantially affect our independence, including, when applicable, the actions taken to eliminate the threats or safeguards applied by the Company.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation prohibits public disclosure of the matter, or when, in extremely rare circumstances, we determine that the matter should not be communicated in our report because the adverse consequences of doing so may reasonably be expected to outweigh the public interest benefits of such communication.

Porto Alegre, March 19, 2025

KPMG AUDITORES INDEPENDENTES

CRC SP No. 014428/F-7

Original report in Portuguese signed by

Cristiano Jardim Seguecio

Accountant CRC SP-244525/O-9 T-RS

Randon S.A Implementos e Participações

Parent company / Balance sheets Assets - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
1	Total assets	7.053.243	6.309.912
1.01	Current assets	2.364.183	2.171.321
1.01.01	Cash and cash equivalents	936.395	1.126.503
1.01.03	Trade accounts receivable	356.981	277.673
1.01.03.01	Clients	356.981	277.673
1.01.04	Inventories	615.158	388.701
1.01.04.01	Raw materials	123.067	121.192
1.01.04.02	Work in process	158.187	125.167
1.01.04.03	Ready-made products	221.073	59.554
1.01.04.04	Material for resale and maintenance	80.594	85.732
1.01.04.05	Advances to suppliers	2.295	1.146
1.01.04.06	Imports in transit	42.511	7.276
1.01.04.07	Impairment loss on inventories	-12.569	-11.366
1.01.06	Taxes to be recovered	314.128	245.551
1.01.06.01	Current taxes recoverable	314.128	245.551
1.01.07	Prepaid expenses	12.085	18.695
1.01.08	Other current assets	129.436	114.198
1.01.08.03	Other	129.436	114.198
1.01.08.03.01	Derivative financial instruments	194	564
1.01.08.03.02	Other current assets	12.705	12.746
1.01.08.03.03	Randonprev actuarial valuation	0	286
1.01.08.03.05	Dividends and interest on equity capital	114.071	98.492
1.01.08.03.06	Assets held for sale	2.466	2.110
1.02	Noncurrent assets	4.689.060	4.138.591
1.02.01	Long-term receivables	528.207	665.423
1.02.01.07	Deferred Taxes	248.252,00	176.954,00
1.02.01.07.01	Deferred income and social contribution taxes	248.252,00	176.954,00
1.02.01.09	Related party receivables	33.399	85.704
1.02.01.09.02	Credits with subsidiaries	33.399	85.704
1.02.01.10	Other non-current assets	246.556	402.765
1.02.01.10.03	Court deposits	8.435	5.581
1.02.01.10.04	Recoverable taxes	238.121	397.184
1.02.02	Investments	3.420.629	2.774.550
1.02.02.01	Equity investments	3.420.629	2.774.550
1.02.03	Property plant and equipment	731.760	693.762
1.02.03.01	Property and equipment in operation	712.531	665.889
1.02.03.01.01	Property and equipment in operation	1.116.166	1.030.115
1.02.03.01.02	Depreciation	-403.635	-364.226
1.02.03.02	Right to use in leases	19.229	27.873
1.02.03.02.01	Right to use in leases	24.844	49.232
1.02.03.02.02	Amortization of right to use leases	-5.615	-21.359
1.02.04	Intangible	8.464	4.856
1.02.04.01	Intangible	8.464	4.856
1.02.04.01.02	Intangible assets in operation	104.981	99.231
1.02.04.01.03	Amortization	-96.517	-94.375

Randon S.A Implementos e Participações

Parent company / Balance sheets Liabilities - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
2	Total liabilities	7.053.243	6.309.912
2.01	Current liabilities	1.045.505	1.109.298
2.01.01	Payroll and social charges	50.420	45.676
2.01.01.02	Payroll liabilities	50.420	45.676
2.01.02	Trade payables	484.207	484.220
2.01.02.01	Local suppliers	470.440	464.528
2.01.02.01.01	Local suppliers	458.168	456.473
2.01.02.01.02	Drawee Risk	12.272	8.055
2.01.02.02	Foreign suppliers	13.767	19.692
2.01.03	Tax liabilities	47.539	46.263
2.01.03.01	Federal tax liabilities	47.539	46.263
2.01.04	Loans and financing	263.877	301.921
2.01.04.01	Loans and financing	263.877	301.921
2.01.04.01.01	In Local Currency	208.973	276.512
2.01.04.01.02	In foreign currency	54.904	25.409
2.01.05	Other liabilities	159.688	201.330
2.01.05.02	Other	159.688	201.330
2.01.05.02.01	Dividends and interest on equity capital payable	76.547	104.171
2.01.05.02.04	Advances from clients	33.802	29.474
2.01.05.02.05	Profit sharing of employees and managers	30.723	31.097
2.01.05.02.08	Other accounts	12.693	30.252
2.01.05.02.09	Trade receivables per merchandise to be delivered	3.572	2.800
2.01.05.02.11	Rentals	2.351	3.536
2.01.06	Provisions	39.774	29.888
2.01.06.02	Other provisions	39.774	29.888
2.01.06.02.01	Provisions for warranties	28.778	22.365
2.01.06.02.04	Commissions payable	10.996	7.523
2.02	Noncurrent liabilities	2.777.815	2.422.839
2.02.01	Loans and financing	2.678.974	2.331.451
2.02.01.01	Loans and financing	2.678.974	2.331.451
2.02.01.01.01	In Local Currency	2.419.796	2.162.006
2.02.01.01.02	In foreign currency	259.178	169.445
2.02.02	Other liabilities	32.325	43.517
2.02.02.02	Other	32.325	43.517
2.02.02.02.04	Other accounts	6.700	6.160
2.02.02.02.05	Interest payable	5.921	10.721
2.02.02.02.06	Accounts payable for business combination	1.028	925
2.02.02.02.07	Rentals	18.676	25.711
2.02.04	Provisions	66.516	47.871
2.02.04.01	Provisions for labor and civil lawsuits	51.790	17.268
2.02.04.01.01	Tax provisions	16.421	7.745
2.02.04.01.02	Provisions for social security and labor proceedings	33.986	8.796
2.02.04.01.04	Provisions for civil proceedings	1.383	727
2.02.04.02	Other provisions	14.726	30.603
2.02.04.02.04	Impairment loss on investments	14.726	30.603

Randon S.A Implementos e Participações

Parent company / Balance sheets Liabilities - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
2.03	Equity	3.229.923	2.777.775
2.03.01	Paid-in capital	2.000.000	1.293.170
2.03.02	Capital Reserves	-235.208	-235.208
2.03.02.07	Acquisitions of investments in subsidiaries	-228.037	-228.037
2.03.02.08	Capital reserves	-7.171	-7.171
2.03.04	Profit Reserves	1.435.509	1.867.241
2.03.04.01	Legal Reserve	258.397	237.972
2.03.04.07	Tax incentive reserve	34.356	34.356
2.03.04.09	Treasury shares	-9.997	-9.997
2.03.04.10	Other profit reserves	1.152.753	1.604.910
2.03.08	Other comprehensive income	29.622	-147.428
2.03.08.01	Adjustment attributable to property, plant and equipment	71.060	72.378
2.03.08.02	Share of profit (loss) of equity-accounted investees	-51.629	-224.467
2.03.08.03	Other comprehensive income	10.191	4.661
2.03.08.02	Share of profit (loss) of equity-accounted investees	-51.629	-224.467
2.03.08.03	Other comprehensive income	10.191	4.661

Randon S.A Implementos e Participações

Parent company / Statements of income - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
3.01	Revenue from the sale of goods and/or services	3.614.533	4.035.627
3.02	Cost of Goods and/or Services Sold	-3.070.749	-3.413.826
3.03	Gross Profit	543.784	621.801
3.04	Operating expenses/revenues	129.469	24.935
3.04.01	Selling expenses	-157.332	-189.290
3.04.02	Administrative and general expenses	-216.687	-180.668
3.04.04	Other operating income	10.028	9.111
3.04.05	Other operating expenses	-66.049	-139.790
3.04.06	Share of profit of equity-accounted investees	559.509	525.572
3.05	Profit (loss) before net finance income (costs) and taxes	673.253	646.736
3.06	Net finance costs	-326.419	-328.211
3.06.01	Finance income	198.977	255.477
3.06.02	Finance costs	-525.396	-583.688
3.07	Result Before Two Taxes on Profit	346.834	318.525
3.08	Income and social contribution taxes	61.667	63.162
3.08.01	Current	4.338	0
3.08.02	Deferred	57.329	63.162
3.09	Profit (loss) from continuing operations	408.501	381.687
3.11	Profit/Loss for the period	408.501	381.687

Randon S.A Implementos e Participações

Parent company / Statements of comprehensive income - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
4.01	Profit for the period	408.501	381.687
4.02	Other comprehensive income	178.368	-158.252
4.02.01	Cumulative translation adjustments	172.838	-164.268
4.02.02	Actuarial gain/loss - Randonprev	-813	-880
4.02.03	Deferred income and social contribution taxes	206	223
4.02.04	Derivatives - cash flow hedge	9.693	6.673
4.02.05	Deferred taxes on derivatives	-3.556	0
4.03	Comprehensive income for the period	586.869	223.435

Randon S.A Implementos e Participações

Parent company / Statements of cash flows – Indirect method - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
6.01	Net cash from operating activities	77.622	633.685
6.01.01	Cash from operations	289.152	170.178
6.01.01.01	Profit for the year	408.501	381.687
6.01.01.02	Depreciation and Amortization	53.706	50.798
6.01.01.03	Provisions for litigation	34.522	1.495
6.01.01.04	Allowance for ECLs	-1.764	-15.461
6.01.01.05	Impairment loss on obsolete inventories	1.203	-6.124
6.01.01.06	Provision for current and deferred income and social contribution taxes	-61.667	-63.162
6.01.01.07	Other provisions	590	-11.164
6.01.01.08	Residual cost of written-off and sold permanent assets	1.287	1.560
6.01.01.10	Foreign exchange gains and losses on loans	407.644	354.686
6.01.01.11	Changes in derivative financial instruments	948	325
6.01.01.15	Share of profit (loss) of equity-accounted investees	-559.509	-525.572
6.01.01.17	Income from court proceedings receivable	-379	-1.269
6.01.01.18	Impairment loss	593	-33
6.01.01.19	Provision for interest on leases	3.477	2.412
6.01.02	Changes in assets and liabilities	-211.530	463.507
6.01.02.02	Trade receivables	-77.679	204.286
6.01.02.03	Inventories	-227.660	197.971
6.01.02.04	Trade payables and drawee's risk	-13	-120.419
6.01.02.05	Trade accounts payable	-9.174	-173.832
6.01.02.07	Financial investments	0	65.140
6.01.02.08	Recoverable taxes	95.696	160.442
6.01.02.09	Other assets	7.300	129.919
6.02	Net cash from investing activities	-10.327	47.300
6.02.01	Acquisition of property, plant and equipment	-91.906	-60.254
6.02.02	Additions to intangible assets	-6.194	-552
6.02.05	Proceeds from profit and dividends from subsidiaries	309.313	324.795
6.02.06	Paid-in capital in subsidiary	-273.845	-224.868
6.02.07	Loans granted to subsidiaries	52.305	8.179
6.03	Net cash from financing activities	-257.403	-674.093
6.03.01	Payment of dividends and interest on equity capital	-148.079,00	-147.697,00
6.03.03	Loans taken out	1.084.321	0
6.03.04	Repayment of loans	-829.200	-134.109
6.03.05	Interest paid on loans	-353.286	-382.813
6.03.06	Lease payment	-10.581	-9.474
6.03.09	Payments of derivatives	-578	0
6.05	Increase (decrease) in cash and cash equivalents	-190.108	6.892
6.05.01	Beginning balance of cash and cash equivalents	1.126.503	1.119.611
6.05.02	Final balance of cash and cash equivalents	936.395	1.126.503

Randon S.A Implementos e Participações

Parent company / Statements of changes in shareholders’ equity - at December 31, 2024

(In thousands of reais)

Account Code	Description Of Account	Paid-up capital	Capital reserves, granted options and treasury shares	Profit Reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity
5.01	Beginning balances	1.293.170	-235.208	1.867.241	0	-147.428	2.777.775
5.02	Prior year adjustments	0	0	0	0	0	0
5.03	Adjusted beginning balances	1.293.170	-235.208	1.867.241	0	-147.428	2.777.775
5.04	Capital transactions with shareholders	706.830	0	-431.732	-409.823	0	-134.725
5.04.06	Dividends	0	0	0	-15.346	0	-15.346
5.04.07	Interest on equity capital	0	0	0	-119.379	0	-119.379
5.04.08	Legal reserve	0	0	20.425	-20.425	0	0
5.04.10	Reserve for investments and working capital	706.830	0	-452.157	-254.673	0	0
5.05	Total comprehensive income	0	0	0	409.823	177.050	586.873
5.05.01	Profit for the period	0	0	0	408.501	0	408.501
5.05.02	Other comprehensive income	0	0	0	1.322	177.050	178.372
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	172.838	172.838
5.05.02.06	Realization of the depreciation of attributable cost	0	0	0	46	-46	0
5.05.02.07	Realization of the net tax revaluation reserve	0	0	0	489	-489	0
5.05.02.08	Hedge Accounting	0	0	0	0	6.137	6.137
5.05.02.09	Onerous Contracts	0	0	0	4	0	4
5.05.02.10	Realization of the depreciation of attributable cost in subsidiaries	0	0	0	783	-783	0
5.05.02.12	Actuarial valuation	0	0	0	0	-607	-607
5.06	Internal changes in equity	0	0	0	0	0	0
5.07	Final Balance	2.000.000	-235.208	1.435.509	0	29.622	3.229.923

Randon S.A Implementos e Participações

Parent company / Statements of changes in shareholders' equity - at December 31, 2023

(In thousands of reais)

Account Code	Description Of Account	Paid-up capital	Capital reserves, granted options and treasury shares	Profit Reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity
5.01	Beginning balances	1.293.170	-235.738	1.675.086	0	12.247	2.744.765
5.02	Prior year adjustments	0	0	0	0	0	0
5.03	Adjusted beginning balances	1.293.170	-235.738	1.675.086	0	12.247	2.744.765
5.04	Capital transactions with shareholders	0	530	180.494	-371.482	0	-190.458
5.04.07	Interest on equity capital	0	0	0	-190.988	0	-190.988
5.04.08	Legal reserve	0	0	18.780	-18.780	0	0
5.04.10	Reserve for investments and working capital	0	0	161.714	-161.714	0	0
5.04.11	Paid-in capital in joint ventures	0	530	0	0	0	530
5.05	Total comprehensive income	0	0	5.585	377.558	-159.675	223.468
5.05.01	Profit for the period	0	0	0	381.687	0	381.687
5.05.02	Other comprehensive income	0	0	5.585	-4.129	-159.675	-158.219
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	-164.268	-164.268
5.05.02.06	Realization of the depreciation of attributable cost	0	0	0	576	-576	0
5.05.02.07	Realization of the net tax revaluation reserve	0	0	0	45	-45	0
5.05.02.08	Hedge Accounting	0	0	0	0	6.673	6.673
5.05.02.09	Onerous Contracts	0	0	0	33	0	33
5.05.02.10	Realization of the depreciation of attributable cost in subsidiaries	0	0	0	802	-802	0
5.05.02.12	Actuarial valuation	0	0	0	0	-657	-657
5.05.02.13	First-time Adoption CPC 48/ IFRS 9 Expected Losses	0	0	5.585	-5.585	0	0
5.06	Internal changes in equity	0	0	6.076	-6.076	0	0
5.06.04	Tax incentive reserve	0	0	6.076	-6.076	0	0
5.07	Final Balance	1.293.170	-235.208	1.867.241	0	-147.428	2.777.775

Randon S.A Implementos e Participações

Parent company / Statements of added value - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
7.01	Revenues	4.410.963	4.900.704
7.01.01	Sales of Merchandise, Products and Services	4.390.799	4.853.878
7.01.02	Other income	9.583	8.652
7.01.03	Revenues from refs. to Build Own Assets	8.817	22.713
7.01.04	Provision/Reversal of loans. Impairment loss on trade and other receivables	1.764	15.461
7.02	Input acquired from third parties	-3.610.336	-4.176.660
7.02.01	Prods., Merchs. Costs and Servs. Sold	-3.135.580	-3.590.895
7.02.02	Materials, Energy, Servs. third parties and other	-474.756	-585.765
7.03	Gross value added	800.627	724.044
7.04	Retentions	-53.706	-50.798
7.04.01	Depreciation, Amortization and Depletion	-53.706	-50.798
7.05	Net value added produced	746.921	673.246
7.06	VLR Added Received in Transfer	758.930	781.508
7.06.01	Share of profit of equity-accounted investees	559.509	525.572
7.06.02	Finance income	198.976	255.477
7.06.03	Other	445	459
7.06.03.01	Rentals and royalties	445	459
7.07	Total value added to be distributed	1.505.851	1.454.754
7.08	Distribution of value added	1.505.851	1.454.754
7.08.01	Staff	408.445	342.707
7.08.01.01	Direct compensation	273.144	221.906
7.08.01.02	Benefits	46.906	45.355
7.08.01.03	F.G.T.S.	34.953	27.613
7.08.01.04	Other	53.442	47.833
7.08.01.04.02	Management fees	17.317	12.342
7.08.01.04.03	Employee Profit Sharing	33.125	32.566
7.08.01.04.04	Retirement and pension plans	3.000	2.925
7.08.02	Taxes, Fees and Contributions	136.728	124.130
7.08.02.01	Federal	92.996	90.344
7.08.02.02	State	39.331	29.531
7.08.02.03	Municipal	4.401	4.255
7.08.03	Return on third-party capital	552.177	606.230
7.08.03.01	Interest	525.396	583.688
7.08.03.02	Rents	26.781	22.542
7.08.04	Return on equity capital	408.501	381.687
7.08.04.01	Interest on equity capital	119.379	190.988
7.08.04.02	Dividends	15.346	0
7.08.04.03	Retained earnings/Loss for the period	273.776	190.699

Randon S.A Implementos e Participações

Consolidated / Balance sheets Assets - at December 31, 2024 and 2023

(In thousands of reais)

Account Code	Account Description	31/12/2024	31/12/2023
1	Total assets	15.437.636	12.820.143
1.01	Current assets	8.911.878	7.387.648
1.01.01	Cash and cash equivalents	2.252.138	2.864.807
1.01.02	Financial investments	13.993	52
1.01.02.03	Financial investments measured at amortized cost	13.993	52
1.01.02.03.01	Financial investments	13.993	52
1.01.03	Accounts receivable	2.650.385	2.139.863
1.01.03.01	Clients	2.650.385	2.139.863
1.01.04	Inventories	2.572.377	1.773.228
1.01.04.01	Raw materials	726.103	605.426
1.01.04.02	Work in progress	439.715	340.783
1.01.04.03	Ready-made products	744.878	397.645
1.01.04.04	Auxiliary material and maintenance	423.778	316.584
1.01.04.05	Advances to suppliers	9.135	6.566
1.01.04.06	Imports in progress	282.708	126.379
1.01.04.07	Inventory valuation allowance	-72.314	-53.629
1.01.04.08	Adjustment for inflation	18.374	33.474
1.01.06	Taxes to be recovered	681.471	484.951
1.01.06.01	Current recoverable taxes	681.471	484.951
1.01.07	Prepaid expenses	100.051	68.959
1.01.08	Other current assets	641.463	55.788
1.01.08.02	Discontinued operation assets	2.747	2.752
1.01.08.03	Other	638.716	53.036
1.01.08.03.01	Derivative financial instruments	7.378	564
1.01.08.03.02	Other current assets	81.298	40.257
1.01.08.03.03	Receivables from consortium appeals	2.643	2.815
1.01.08.03.04	Assets held for sale	11.915	8.578
1.01.08.03.05	Randonprev Actuarial Valuation	1	822
1.01.08.03.06	Other investments	535.481	0
1.02	Non-current assets	6.525.758	5.432.495
1.02.01	Non-current assets	2.188.636	1.866.186
1.02.01.01	Financial investments measured at fair value through profit or loss	176.770	100.090
1.02.01.04	Accounts receivable	981.957	783.390
1.02.01.04.01	Accounts receivable	981.957	783.390
1.02.01.07	Deferred Taxes	223.876	197.431
1.02.01.07.01	Deferred income and social contribution taxes	223.876	197.431
1.02.01.10	Other non-current assets	806.033	785.275
1.02.01.10.03	Court deposits	39.081	28.322
1.02.01.10.04	Recoverable taxes	359.254	500.146
1.02.01.10.05	Assets held for sale	6.261	0
1.02.01.10.06	Other non-current assets	376.070	234.574
1.02.01.10.09	Consortium shares	25.367	22.233
1.02.02	Investments	190.205	103.101
1.02.02.01	Equity interest	187.919	100.900

Randon S.A Implementos e Participações

Consolidated / Balance sheets Assets - at December 31, 2024 and 2023

(In thousands of reais)

Account Code	Account Description	31/12/2024	31/12/2023
1.02.02.01.05	Other investments	187.919	100.900
1.02.02.02	Investment property	2.286	2.201
1.02.03	Property plant and equipment	2.878.898	2.544.611
1.02.03.01	Property, plant and equipment in operation	2.616.768	2.277.594
1.02.03.01.01	Property, plant and equipment in operation	4.467.358	3.886.748
1.02.03.01.02	Depreciation	-1.850.590	-1.609.154
1.02.03.02	Right of Use under Lease	262.130	267.017
1.02.03.02.01	Right of Use under Lease	393.818	397.382
1.02.03.02.02	Amortization of lease right-of-use assets	-131.688	-130.365
1.02.04	Intangible assets	1.268.019	918.597
1.02.04.01	Intangible	1.268.019	918.597
1.02.04.01.02	Intangible assets in operation	1.638.840	1.224.130
1.02.04.01.03	Amortization	-370.821	-305.533

Randon S.A Implementos e Participações

Consolidated / Balance sheets Liabilities - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
2	Total liabilities	15.437.636	12.820.143
2.01	Current liabilities	4.659.918	4.070.902
2.01.01	Payroll and social charges	192.109	156.719
2.01.01.02	Payroll liabilities	192.109	156.719
2.01.02	Trade payables	1.412.814	1.201.208
2.01.02.01	Local suppliers	990.698	910.411
2.01.02.01.01	Local suppliers	990.698	910.411
2.01.02.02	Foreign suppliers	422.116	290.797
2.01.03	Tax liabilities	313.861	261.233
2.01.03.01	Federal tax liabilities	313.861	261.233
2.01.03.01.01	Income and social contribution taxes payable	59.833	49.350
2.01.03.01.02	Other federal liabilities	254.028	211.883
2.01.04	Loans and financing	1.524.655	1.217.464
2.01.04.01	Loans and financing	1.524.655	1.217.464
2.01.04.01.01	In Local Currency	1.325.848	1.043.334
2.01.04.01.02	In foreign currency	198.807	174.130
2.01.05	Other liabilities	1.120.293	1.156.754
2.01.05.02	Other	1.120.293	1.156.754
2.01.05.02.01	Dividends and interest on equity capital payable	127.327	150.992
2.01.05.02.04	Customer advances	195.244	117.604
2.01.05.02.05	Profit sharing of employees and managers	122.555	117.887
2.01.05.02.07	Trade combination payables	41.167	179.314
2.01.05.02.08	Other accounts	196.190	161.603
2.01.05.02.09	Trade receivables per merchandise to be delivered	4.611	3.508
2.01.05.02.10	Derivative financial instruments	259	7.309
2.01.05.02.11	Rentals	46.467	35.554
2.01.05.02.12	Third-party funding	386.473	382.983
2.01.06	Provisions	93.439	74.772
2.01.06.02	Other provisions	93.439	74.772
2.01.06.02.01	Provisions for warranties	57.615	35.422
2.01.06.02.04	Commissions payable	35.824	39.350
2.01.07	Liabilities on non-current assets sold and discontinued	2.747	2.752
2.01.07.02	Liabilities on discontinued operation assets	2.747	2.752
2.01.07.02.01	Liabilities from discontinued operation	2.747	2.752
2.02	Noncurrent liabilities	6.270.030	4.853.851
2.02.01	Loans and financing	5.208.157	4.121.368
2.02.01.01	Loans and financing	5.208.157	4.121.368
2.02.01.01.01	In Local Currency	4.559.827	3.870.204
2.02.01.01.02	In foreign currency	648.330	251.164
2.02.02	Other liabilities	882.007	601.787
2.02.02.02	Other	882.007	601.787
2.02.02.02.03	Taxes and contributions	1.388	3.692
2.02.02.02.04	Other accounts	138.850	101.605
2.02.02.02.05	Liabilities from consortium members' funds	2.476	2.058

Randon S.A Implementos e Participações

Consolidated / Balance sheets Liabilities - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
2.02.02.02.06	Accounts payable for business combination	166.205	168.635
2.02.02.02.07	Rentals	221.331	243.576
2.02.02.02.08	Interest payable	11.402	19.101
2.02.02.02.09	Third-party funding	334.737	56.928
2.02.02.02.10	Payables to other related parties	5.618	6.192
2.02.04	Provisions	177.873	128.116
2.02.04.01	Provisions for labor and civil lawsuits	177.873	128.116
2.02.04.01.01	Tax provisions	62.974	53.779
2.02.04.01.02	Provisions for social security and labor proceedings	113.427	73.560
2.02.04.01.04	Provisions for civil proceedings	1.472	777
2.02.06	Unreappropriation of profit and revenue	1.993	2.580
2.02.06.03	Investment grants to be recognized	1.993	2.580
2.02.06.03.01	Tax Incentive Reserve	1.993	2.580
2.03	Consolidated equity	4.507.688	3.895.390
2.03.01	Paid-in capital	2.000.000	1.293.170
2.03.02	Capital Reserves	-235.208	-235.208
2.03.02.07	Acquisitions of investments in subsidiaries	-228.037	-228.037
2.03.02.08	Capital reserves	-7.171	-7.171
2.03.04	Profit Reserves	1.435.509	1.867.241
2.03.04.01	Legal Reserve	258.397	237.972
2.03.04.07	Tax incentive reserve	34.356	34.356
2.03.04.09	Treasury shares	-9.997	-9.997
2.03.04.10	Other profit reserves	1.152.753	1.604.910
2.03.08	Other comprehensive income	29.622	-147.428
2.03.08.01	Adjustment attributable to property, plant and equipment	71.060	72.378
2.03.08.02	Share of profit (loss) of equity-accounted investees	-51.629	-224.467
2.03.08.03	Other comprehensive income	10.191	4.661
2.03.09	Participation of Non-controlling Shareholders	1.277.765	1.117.615

Randon S.A Implementos e Participações

Consolidated / Statements of income - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
3.01	Revenue from the sale of goods and/or services	11.915.741	10.887.843
3.02	Cost of Goods and/or Services Sold	-8.731.589	-8.094.488
3.03	Gross Profit	3.184.152	2.793.355
3.04	Operating expenses/revenues	-1.904.123	-1.508.787
3.04.01	Selling expenses	-954.055	-757.506
3.04.02	Administrative and general expenses	-797.611	-663.445
3.04.04	Other operating income	123.865	133.321
3.04.05	Other operating expenses	-285.809	-219.087
3.04.06	Share of profit of equity-accounted investees	9.487	-2.070
3.05	Profit (loss) before net finance income (costs) and taxes	1.280.029	1.284.568
3.06	Net finance costs	-268.680	-343.328
3.06.01	Finance income	1.045.257	846.908
3.06.01.01	Finance income	894.141	719.514
3.06.01.02	Hyperinflation Effect	151.116	127.394
3.06.02	Finance costs	-1.313.937	-1.190.236
3.07	Result Before Two Taxes on Profit	1.011.349	941.240
3.08	Income and social contribution taxes	-319.667	-278.015
3.08.01	Current	-335.764	-298.338
3.08.02	Deferred	16.097	20.323
3.09	Profit (loss) from continuing operations	691.682	663.225
3.10	Profit (loss) from discontinued operation, net of tax	14	264
3.10.01	Profit/Loss from discontinued operation	14	264
3.11	Consolidated profit (loss) for the period	691.696	663.489
3.11.01	Attributable to shareholders of the company	408.501	381.687
3.11.02	Attributable to NCI	283.195	281.802
3.99	Earnings per share - (Real/ share)		
3.99.01	Basic earnings per share		
3.99.01.01	ON	1,2443	1,1626
3.99.01.02	PN	1,2443	1,1626
3.99.02	Diluted earnings per share		
3.99.02.01	ON	1,2443	1,1626
3.99.02.02	PN	1,2443	1,1626

Randon S.A Implementos e Participações

Consolidated / Statements of comprehensive income - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
4.01	Consolidated profit for the period	691.696	663.489
4.02	Other comprehensive income	265.961	-234.806
4.02.01	Cumulative translation adjustments	260.431	-240.822
4.02.02	Actuarial gain/loss - Randonprev	-813	-880
4.02.03	Deferred income and social contribution taxes	206	223
4.02.04	Derivatives - cash flow hedge	9.693	6.673
4.02.05	Deferred taxes on derivatives	-3.556	0
4.03	Consolidated comprehensive income for the period	957.657	428.683
4.03.01	Attributable to shareholders of the company	586.869	223.435
4.03.02	Attributable to NCI	370.788	205.248

Randon S.A Implementos e Participações

Consolidated / Statements of cash flows – Indirect method - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
6.01	Net cash from operating activities	376.135	2.181.891
6.01.01	Cash from operations	2.163.009	1.840.911
6.01.01.01	Profit for the year	691.696	663.489
6.01.01.02	Depreciation and Amortization	342.520	285.652
6.01.01.03	Provisions for litigation	49.757	41.973
6.01.01.04	Allowance for ECLs	24.789	-19.512
6.01.01.05	Impairment loss on obsolete inventories	11.251	-6.728
6.01.01.06	Provision for current and deferred income and social contribution taxes	319.667	278.015
6.01.01.07	Other provisions	-3.031	-5.716
6.01.01.08	Residual cost of written-off and sold permanent assets	23.206	14.427
6.01.01.10	Foreign exchange gains and losses on loans	805.635	744.097
6.01.01.11	Changes in derivative financial instruments	-16.906	4.418
6.01.01.15	Adjustment for inflation adjustment	-151.116	-127.394
6.01.01.16	Share of profit (loss) of equity-accounted investees	-9.487	2.070
6.01.01.17	Reversal (allowance) of impairment loss	7.583	9.608
6.01.01.18	Income from court proceedings receivable	-3.237	-3.187
6.01.01.19	Foreign exchange gain or loss and interest on leases	73.154	17.319
6.01.01.20	Offsetting against amounts withheld from a business combination	-2.472	-57.620
6.01.02	Changes in assets and liabilities	-1.786.874	340.980
6.01.02.01	Recoverable taxes	-26.027	292.012
6.01.02.02	Trade receivables	-675.742	-314.057
6.01.02.03	Inventories	-725.213	481.175
6.01.02.04	Trade payables	193.093	-263.077
6.01.02.06	Paid income and social contribution taxes	-286.701	-233.104
6.01.02.07	Financial investments	-626.102	612.891
6.01.02.08	Other assets	-260.953	-72.754
6.01.02.09	Other liabilities	620.766	-164.761
6.01.02.10	Net change in discontinued operation	5	2.655
6.02	Net cash from investing activities	-1.149.015	-607.002
6.02.01	Acquisition of property plant and equipment	-432.116	-327.562
6.02.02	Acquisition of intangible assets	-28.328	-18.059
6.02.04	Business combination	-613.571	-171.381
6.02.07	Acquisition of interest in joint subsidiary	-75.000	-90.000
6.03	Net cash from financing activities	160.211	-1.214.944
6.03.01	Payment of dividends	-139.712	-87.485
6.03.03	Loans taken out	3.468.188,00	1.017.667,00
6.03.04	Repayment of loans	-2.187.517,00	-1.187.474,00
6.03.05	Interest paid on loans	-692.326	-686.751
6.03.06	Lease payment	-76.189	-62.944
6.03.07	Related party loans	-574	-231
6.03.11	Payment of derivatives	-578	-1.029
6.03.12	Payment of interest on equity capital	-214.701	-206.697
6.03.13	Derivatives taken	3.620	0
6.05	Increase (decrease) in cash and cash equivalents	-612.669	359.945
6.05.01	Beginning balance of cash and cash equivalents	2.864.807	2.504.862

Randon S.A Implementos e Participações

Consolidated / Statements of changes in shareholders’ equity - at December 31, 2024

(In thousands of reais)

Account code	Description Of Account	Paid-up capital	Capital reserves, granted treasury shares	Profit Reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity	Non-controlling interests	Consolidated equity
5.01	Beginning balances	1.293.170	-235.208	1.867.241	0	-147.428	2.777.775	1.117.615	3.895.390
5.02	Prior year adjustments	0	0	0	0	0	0	0	0
5.03	Adjusted beginning balances	1.293.170	-235.208	1.867.241	0	-147.428	2.777.775	1.117.615	3.895.390
5.04	Capital transactions with shareholders	706.830	0	-431.732	-409.823	0	-134.725	-216.866	-286.734
5.04.06	Dividends	0	0	0	-15.346	0	-15.346	-139.047	-154.393
5.04.07	Interest on equity capital	0	0	0	-119.379	0	-119.379	-77.819	-132.341
5.04.08	Legal reserve	0	0	20.425	-20.425	0	0	0	0
5.04.10	Reserve for investments and working capital	706.830	0	-452.157	-254.673	0	0	0	0
5.05	Total comprehensive income	0	0	0	409.823	177.050	586.873	377.016	899.032
5.05.01	Profit for the period	0	0	0	408.501	0	408.501	283.195	691.696
5.05.02	Other comprehensive income	0	0	0	1.322	177.050	178.372	93.821	207.336
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	172.838	172.838	87.593	195.574
5.05.02.06	Realization of the depreciation of attributable cost	0	0	0	46	-46	0	0	0
5.05.02.07	Realization of the net tax revaluation reserve	0	0	0	489	-489	0	0	0
5.05.02.08	Hedge Accounting	0	0	0	0	6.137	6.137	6.228	12.365
5.05.02.09	Onerous Contracts	0	0	0	4	0	4	0	4
5.05.02.10	Realization of the depreciation of attributable cost in subsidiaries	0	0	0	783	-783	0	0	0
5.05.02.12	Actuarial valuation	0	0	0	0	-607	-607	0	-607
5.06	Internal changes in equity	0	0	0	0	0	0	0	0
5.07	Final Balance	2.000.000	-235.208	1.435.509	0	29.622	3.229.923	1.277.765	4.507.688

Randon S.A Implementos e Participações

Consolidated / Statements of changes in shareholders' equity - at December 31, 2023

(In thousands of reais)

Account code	Description Of Account	Paid-up capital	Capital reserves, granted treasury shares	Profit Reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity	Non-controlling interests	Consolidated equity
5.01	Beginning balances	1.293.170	-235.738	1.675.086	0	12.247	2.744.765	1.076.501	3.821.266
5.02	Prior year adjustments	0	0	0	0	0	0	0	0
5.03	Adjusted beginning balances	1.293.170	-235.738	1.675.086	0	12.247	2.744.765	1.076.501	3.821.266
5.04	Capital transactions with shareholders	0	530	180.494	-371.482	0	-190.458	-160.632	-351.090
5.04.06	Dividends	0	0	0	0	0	0	-87.160	-87.160
5.04.07	Interest on equity capital	0	0	0	-190.988	0	-190.988	-73.472	-264.460
5.04.08	Legal reserve	0	0	18.780	-18.780	0	0	0	0
5.04.10	Reserve for investments and working capital	0	0	161.714	-161.714	0	0	0	0
5.04.11	Paid-in capital in joint ventures	0	530	0	0	0	530	0	530
5.05	Total comprehensive income	0	0	5.585	377.558	-159.675	223.468	205.274	428.742
5.05.01	Profit for the period	0	0	0	381.687	0	381.687	281.802	663.489
5.05.02	Other comprehensive income	0	0	5.585	-4.129	-159.675	-158.219	-76.528	-234.747
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	-164.268	-164.268	-76.554	-240.822
5.05.02.06	Realization of the depreciation of attributable cost	0	0	0	576	-576	0	0	0
5.05.02.07	Realization of the net tax revaluation reserve	0	0	0	45	-45	0	0	0
5.05.02.08	Hedge Accounting	0	0	0	0	6.673	6.673	0	6.673
5.05.02.09	Onerous Contracts	0	0	0	33	0	33	26	59
5.05.02.10	Realization of the depreciation of attributable cost in subsidiaries	0	0	0	802	-802	0	0	0
5.05.02.12	Actuarial valuation	0	0	0	0	-657	-657	0	-657
5.05.02.13	First-time Adoption CPC 48/ IFRS 9 Expected Losses	0	0	5.585	-5.585	0	0	0	0
5.06	Internal changes in equity	0	0	6.076	-6.076	0	0	-3.528	-3.528
5.06.04	Tax incentive reserve	0	0	6.076	-6.076	0	0	-3.528	-3.528
5.07	Final Balance	1.293.170	-235.208	1.867.241	0	-147.428	2.777.775	1.117.615	3.895.390

Randon S.A Implementos e Participações

Consolidated / Statements of added value - at December 31, 2024 and 2023

(In thousands of reais)

Code for the Account	Account description	31/12/2024	31/12/2023
7.01	Revenues	14.595.999	13.524.926
7.01.01	Sales of Merchandise, Products and Services	14.491.918	13.304.119
7.01.02	Other income	110.793	120.049
7.01.03	Revenues from refs. to Build Own Assets	30.925	81.246
7.01.04	Provision/Reversal of loans. Impairment loss on trade and other receivables	-37.637	19.512
7.02	Input acquired from third parties	-9.921.416	-9.378.010
7.02.01	Prods., Mercs. Costs and Servs. Sold	-7.704.871	-6.933.132
7.02.02	Materials, Energy, Servs. third parties and other	-2.207.668	-2.444.125
7.02.03	Loss/Recovery of assets	-8.877	-753
7.03	Gross value added	4.674.583	4.146.916
7.04	Retentions	-342.520	-285.652
7.04.01	Depreciation, Amortization and Depletion	-342.520	-285.652
7.05	Net value added produced	4.332.063	3.861.264
7.06	VLR Added Received in Transfer	1.068.118	858.110
7.06.01	Share of profit of equity-accounted investees	9.487	-2.070
7.06.02	Finance income	894.443	719.514
7.06.03	Other	164.188	140.666
7.06.03.01	Rents and royalties	13.072	13.272
7.06.03.02	Adjustment for inflation gain/loss	151.116	127.394
7.07	Total value added to be distributed	5.400.181	4.719.374
7.08	Distribution of value added	5.400.181	4.719.374
7.08.01	Staff	1.747.268	1.448.448
7.08.01.01	Direct compensation	1.236.830	1.030.921
7.08.01.02	Benefits	228.177	185.278
7.08.01.03	F.G.T.S.	114.743	88.911
7.08.01.04	Other	167.518	143.338
7.08.01.04.02	Management fees	37.683	28.501
7.08.01.04.03	Employee Profit Sharing	116.791	105.724
7.08.01.04.04	Retirement and pension plans	13.044	9.113
7.08.02	Taxes, Fees and Contributions	1.564.038	1.347.879
7.08.02.01	Federal	910.819	843.035
7.08.02.02	State	634.946	485.600
7.08.02.03	Municipal	18.273	19.244
7.08.03	Return on third-party capital	1.397.165	1.259.294
7.08.03.01	Interest	1.313.937	1.190.236
7.08.03.02	Rents	83.228	69.058
7.08.04	Return on equity capital	691.696	663.489
7.08.04.01	Interest on equity capital	119.379	264.460
7.08.04.02	Dividends	15.346	87.160
7.08.04.03	Retained earnings/Loss for the period	273.776	30.067
7.08.04.04	Part of Non-controlling interests in retained earnings	283.195	281.802
7.08.05	Other	14	264
7.08.05.01	Loss from discontinued operation	14	264

(A free translation of the original in Portuguese)

Notes to the financial statements

(In thousands of real, unless otherwise stated)

1 Information about the Company

Randon S.A. Implementos e Participações ("Randoncorp" or "Company", together with its subsidiaries as "Consolidated", "Company"), is a public corporation whose shares are traded at B3 S.A. - Brasil, Bolsa, Balcão (RAPT3 and RAPT4), headquartered at Avenida Abramo Randon, number 770, in Caxias do Sul, state of Rio Grande do Sul. The Company is part of B3's Level 1 of Corporate Governance. The Company operates in a wide range of industries, including OEM (Original Equipment Manufacturer), motion controls, financial and digital services, auto parts and advanced technology.

2 Basis of preparation and presentation of the individual company and consolidated financial statements

The financial statements have been prepared in accordance with *IFRS Accounting Standards* issued by the *International Accounting Standards Board - IASB* and Brazilian accounting policies (BRGAAP), including pronouncements, guidelines and interpretations issued by the Committee of Accounting Pronouncements (CPC) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission as of December 31, 2024.

In accordance with OCPC 7 Technical Guidance and CVM Resolution No. 189/2023, the Company discloses only the information considered relevant and that helps users in decision-making. The information included in this proposal is that used by the Company's management.

For the year ended December 31, 2024, the financial statements were authorized for issue by the Board of Directors at a meeting held on March 19, 2025.

2.1 Accounting policies

The Company consistently applies the accounting policies presented in the notes to the financial statements.

2.2 Functional and presentation currency

These financial statements are presented in Brazilian real, the Company's functional currency, and balances have been rounded to the nearest thousand, except when otherwise indicated. For foreign subsidiaries that operate in a stable economic environment with another functional currency, the statements of profit or loss are translated into Reais at the monthly average exchange rate and assets and liabilities at the final rate. For companies that operate in a hyperinflationary environment, the balances of assets, liabilities and accrued profit are translated at the final rate. For companies operating in countries with hyperinflationary economies, the financial statements are adjusted for changes in the general purchasing power of the currency, and the balances of assets, liabilities and accrued profit (loss) are translated using the final rate. Equity items are held at the historical rate in all scenarios.

The functional currency of each subsidiary is shown below:

2.3 Basis of consolidation and investments in subsidiaries

The Company applied consistently all accounting policies and periods for consolidation purposes to all years presented in these individual company and consolidated financial statements.

a) Subsidiaries

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. They are recognized using the equity method.

b) Associates

Associate entities are all entities over which the Company has significant influence, but does not have control, usually together with an ownership interest. Investments and gains (losses) of associates are recognized using the equity method in the parent company.

c) Transactions eliminated on consolidation

Intra-group balances, transactions and any unrealized income and expenses arising from these transactions are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The consolidated financial statements comprise the financial statements of Randoncorp and its subsidiaries as of December 31, 2024 and 2023, presented below:

Controlled	Corporate purpose	Host country	Ownership interest			
			2024		2023	
			Direct	Indirect	Direct	Indirect
Air Brake Company Holland BV <i>(u)</i>	Manufacture of parts and accessories for motor vehicles	Holland	-	100	-	-
AML Juratek Limited <i>(t)</i>	Holding	United Kingdom	-	100	-	100
Armetal Autopartes S.A. <i>(c)</i>	Distribution of auto parts	Argentina	-	100	-	100
ASK Fras-le Friction Private Limited <i>(c)</i>	Manufacturing and selling auto parts	India	-	51	-	51
Assured Performance Ireland Ltd <i>(u)</i>	Distribution of auto parts	Ireland	-	100	-	-
Banco Randon S.A. <i>(j)</i>	Financial institution	Brazil	-	100	-	100
Bettaparts <i>(p)</i>	Distribution of auto parts	United Kingdom	-	100	-	100
Castertech Fundição e Tecnologia Ltda. <i>(b)</i>	Iron & Steel Casting & Machining	Brazil	100	-	100	-
Castertech Mogi Guaçu <i>(k)</i>	Testing and technical analysis	Brazil	-	100	-	100
Castertech Schroeder Ltda. <i>(k)</i>	Iron and steel casting	Brazil	-	100	-	100
Castertech Schroeder Usinagem Ltda. <i>(k)</i>	Machining	Brazil	-	100	-	100
Castertech Usinagem e Tecnologia Ltda. <i>(k)</i>	Machining	Brazil	-	100	-	100
Centro Tecnológico Randon Ltda. <i>(b)</i>	Service, development and management of experimental research projects	Brazil	54,93	45,07	54,93	45,07
Changzhou Eurosystem Braking System Co., Ltd. <i>(u)</i>	Manufacture of parts and accessories for motor vehicles	China	-	100	-	-
Conexo Serviços Digitais e Coworking Ltda. <i>(b)</i>	Development and licensing of applications and digital platforms	Brazil	100	-	100	-
Drakefield Limited <i>(u)</i>	Manufacture of parts and accessories for motor vehicles	United Kingdom	-	100	-	-
DBServer Assessoria em Sistemas de Informação Ltda. <i>(m)</i>	Development of digital services	Brazil	55,9	-	55,9	-
EAGAL Inc. <i>(u)</i>	Manufacture of parts and accessories for motor vehicles	United Kingdom	-	100	-	-
EBS Aftermarket Group Limited <i>(v)</i>	Holding	United Kingdom	-	100	-	-
European Braking Systems Ltd <i>(u)</i>	Manufacture of parts and accessories for motor vehicles	United Kingdom	-	100	-	-
European Braking Systems S.R.L. <i>(u)</i>	Manufacture of parts and accessories for motor vehicles	Romania	-	100	-	-
Fanacif S.A. <i>(c)</i>	Trade, representation and distribution of auto parts	Uruguay	-	100	-	100
Farloc Argentina S.A.I.C. YF <i>(e)</i>	Manufacture of brake fluid and coolants	Argentina	-	76,09	-	76,09
Fras-le Andina Com. and Repres. Ltda. <i>(c)</i>	Representation and trade of auto parts	Chile	-	99	-	99
Fras-le Argentina S.A. <i>(c)</i>	Representation and trade of auto parts	Argentina	0,16	99,84	0,16	99,84
Fras-le Europe <i>(c)</i>	Representation and trade of auto parts	Germany	-	100	-	100
Fras-le Europe B.V. <i>(c)</i>	Distribution of auto parts	Holland	-	100	-	100
Fras-le Friction Material Pinghu Co Ltd. <i>(c)</i>	Manufacturing and selling auto parts	China	-	100	-	100
Fras-le Mexico S de RL de CV <i>(c)</i>	Representation and trade of auto parts	Mexico	-	99,66	-	99,66
Fras-le North America, Inc. <i>(c)</i>	Manufacturing and selling auto parts	USA	-	100	-	100
Fras-le Panamericana S.A.S. <i>(c)</i>	Representation and trade of auto parts	Colombia	-	100	-	100
Frasle Mobility. <i>(b)</i>	Manufacture of parts and accessories for motor vehicle brake systems	Brazil	52,57	-	52,57	-
Freios Controll Ltda. <i>(d)</i>	Manufacture of parts and accessories for motor vehicles	Brazil	-	100	-	100
Fundituba – Indústria Metalúrgica Ltda. <i>(k)</i>	Iron and steel casting	Brazil	-	100	-	100
Jiaxing Bafu trading Co. Ltd <i>(h)</i>	Export of parts and accessories for vehicles	China	-	100	-	100
Jost Brasil Sistemas Automotivos Ltda. <i>(b)</i>	Manufacture of parts and accessories for motor vehicles	Brazil	51	-	51	-
Juratek Limited <i>(p)</i>	Distribution of auto parts	United Kingdom	-	100	-	100
Jurid do Brasil Sistemas Automotivos Ltda. <i>(d)</i>	Manufacture of parts and accessories for motor vehicles	Brazil	-	80,10	-	80,10
Hercules Enterprises, LLC <i>(o)</i>	Manufacture and trade of road implements	USA	-	100	-	100
Master Automotive Systems Ltda. <i>(b)</i>	Manufacture of parts and accessories for motor vehicles	Brazil	51	-	51	-
Master Europe Automotive Systems Limited <i>(w)</i>	Manufacture of parts and accessories for motor vehicles	United Kingdom	-	100	-	-
Nakata Automotiva Ltda. <i>(d)</i>	Manufacture and sale of parts and accessories for motor vehicles	Brazil	-	100	-	100
Nakata Osasco Ltda. <i>(d)</i>	Manufacture and sale of parts and accessories for motor vehicles	Brazil	-	100	-	-
Nione Ltda. <i>(l)</i>	Nanotechnology Research, Production and Application Unit	Brazil	-	100	-	100
Randon Administradora de Consórcios Ltda. <i>(b)</i>	Management of consortia for the acquisition of assets	Brazil	99,57	-	99,57	-
Randon Argentina S.A. <i>(a)</i>	Manufacture and trade of road implements	Argentina	95,12	4,88	95,12	4,88
Randon Auto Parts North America LLC <i>(s)</i>	Manufacture of parts and accessories for motor vehicles	USA	-	100	-	-
Randon Automotive Systems USA LLC <i>(o)</i>	Operate warehouses for importing, storing, supplying, and distributing automotive components	USA	-	100	-	100
Randon Auttom Automação e Robótica Ltda. <i>(b)</i>	Technological solutions in industrial automation and robotics	Brazil	100	-	100	-
Randon Auttom Ltda. <i>(b)</i>	Manufacture and marketing of robotic cells, machines and devices	Brazil	96	-	96	-
Randon Auttom USA LLC <i>(n)</i>	Technological solutions in industrial automation and robotics	USA	-	100	-	100
Randon Collection Comércio de Artigos Promocionais Ltda. <i>(b)</i>	Retail trade of apparel goods, accessories and accessories	Brazil	100	-	100	-
Randon Corretora de Seguros Ltda. <i>(b)</i>	Insurance brokerage firm	Brazil	100	-	100	-
Randon DB North America LLC <i>(o)</i>	Development of digital services	USA	-	100	-	-
Randon HoldCo USA LLC <i>(a)</i>	Holding company of non-financial institutions	USA	100	-	100	-
Randon Implementos para o Transporte Ltda. <i>(b)</i>	Manufacturing of cabs, bodies and trailers for trucks	Brazil	100	-	100	-
Randon Investimentos Ltda. <i>(b)</i>	Financial institution holding company	Brazil	100	-	100	-
Randon Messias Implementos para o Transporte Eireli <i>(b)</i>	Manufacture and trade of road implements	Brazil	100	-	100	-
Randon North America LLC <i>(o)</i>	Manufacture and trade of chassis, trailers, transport equipment and components	USA	100	-	100	-
Randon Perú S.A.C. <i>(a)</i>	Manufacture, assembly and trade of road implements	Peru	100	-	100	-
Randon Triel-HT Implementos Rodoviários Ltda. <i>(b)</i>	Manufacture and trade of road implements	Brazil	51	-	51	-
Randon Serviços e Participações Ltda. <i>(b)</i>	Holding company of non-financial institutions	Brazil	100	-	100	-
Randon USA LLC <i>(a)</i>	Own, manage, develop, promote, invest in and market companies and businesses in the automotive and transportation industries	USA	100	-	100	-
Randon Veículos Ltda. <i>(i)</i>	Manufacture of machinery and equipment for earthmoving, paving and construction	Brazil	100	-	100	-
RVC LLC <i>(o)</i>	Holding company of non-financial institutions	USA	-	100	-	-
RVC Venture Capital Partic. e Invest. Ltda. <i>(b)</i>	Holding company of non-financial institutions	Brazil	100	-	100	-
Suspensys Automotive Systems <i>(f)</i>	Manufacture of parts and accessories for motor vehicles	Mexico	0,12	99,8	0,12	99,8
Suspension Mogi Guaçu Ltd. <i>(k)</i>	Manufacture of mechanical and air suspensions, third axle, hub and drums, parts and accessories for motor vehicles	Brazil	-	100	-	100
Tekjur Limited <i>(R)</i>	Holding	United Kingdom	-	-	-	100
Venice Implementos Rodoviários Ltda. <i>(b)</i>	Manufacture and trade of road implements	Brazil	100	-	100	-

Associate	Corporate Purpose	Host country	Ownership Interest			
			2024		2023	
			Direct	Indirect	Direct	Indirect
Addiante S.A (q)	Lease, maintenance and repair of means of transport and machinery and equipment	Brazil	50	-	50	-
(a) Foreign subsidiaries.						
(b) Domestic subsidiaries.						
(c) Foreign subsidiaries under direct control held by Frasle Mobility.						
(d) Company directly controlled by Frasle Mobility in Brazil.						
(e) A foreign subsidiary whose direct control is held by Armetal Autopartes S.A.						
(f) Foreign controlled company with direct control held by Castertech Fundação e Tecnologia Ltda.						
(g) Companies directly controlled by Master Sistemas Automotivos Ltda. in Brazil.						
(h) Subsidiary whose direct control is held by Fras-le Friction Material Pinghu Co Ltd.						
(i) Subsidiary in Brazil and discontinued operation.						
(j) Companies with direct control held by Randon Investimentos Ltda.						
(k) Companies directly controlled by Castertech Fundação e Tecnologia Ltda. in Brazil.						
(l) Companies directly controlled by Centro Tecnológico Randon Ltda. in Brazil.						
(m) Company whose direct control is held by Randon Serviços e Participações in Brazil.						
(n) Foreign subsidiary whose direct control is held by Randon Autom Automação e Robótica Ltda.						
(o) Foreign subsidiary company with direct control held by Randon Holdco USA LLC.						
(p) A foreign subsidiary whose direct control is held by AML Juratek Limited.						
(q) Affiliated company with ownership interest in Randon Serviços e Participações Ltda.						
(r) Foreign controlled company whose direct control is retained by Fras-le AML Juratek Limited, terminated on December 3, 2024.						
(s) Foreign controlled company with direct control held by Randon Automotive Systems USA.						
(t) Foreign subsidiary company with direct control held by Fras-le Europe B.V.						
(u) A foreign subsidiary under direct control is held by EBS Aftermarket Group Limited.						
(v) A foreign subsidiary controlled by Master Europe Automotive Systems Limited.						
(w) Foreign controlled company with direct control held by Master Sistemas Automotivos Ltda.						

3 Standards, amendments and interpretations issued but not yet effective

3.1 CVM Resolution No. 197/2023 – *International Tax Reform Pilar Two Model Rules*

Pillar 2 is a set of global rules developed by the OECD/G20 adopted in Brazil through Law No. 15,079/2024, which came into force on January 1, 2025. This standard requires a minimum taxation of 15% for large groups with consolidated revenues in excess of €750,000 thousand (approximately R\$4,801,050 as of December 31, 2024).

Considering that Randoncorp exceeded this level in 2024, the Company is evaluating the impacts of this rule on its international markets, including Germany, the Netherlands, Ireland, the United Kingdom and Romania. However, the Company does not expect material impacts on the calculation of income tax or on the financial statements for the current periods, mainly due to the application of the *Safe Harbor* rules to calculate GloBE. The final calculations will be completed after the *Country-by-Country Reporting (CbCR)* is submitted with the submission by July 31, 2025, and, if necessary, additional tax adjustments will be made by December 31, 2025.

3.2 IFRS 18 – Presentation and Disclosure of Financial Statements

IFRS 18 will replace IAS 1 (equivalent to CPC 26(R1) – Presentation of Financial Statements). Its purpose is to improve the transparency and comparability of financial information, providing a clearer view of the

performance of companies.

The main changes to the standard are: i) New categories and subtotals in the statement of profit or loss: operational, investment, financing, discontinued operation and income tax; ii) Disclosure in notes to non-GAAP metrics (EBITDA); and (iii) presentation of operating expenses specified by nature.

The effective date of the standard is January 1, 2027. The Company is assessing the impacts of the applicability of the standard.

4 Significant accounting judgments, estimates and assumptions

Estimates and related assumptions are made according to historical experience, and are reviewed on an ongoing basis, and changes are recognized prospectively. Actual results may differ from these estimates.

Information on judgments, uncertainties about assumptions and estimates with a significant risk of resulting in material adjustment in the year ended December 31, 2024 is included in the notes below:

Judgments
Note 5 - Business combination, acquisitions and goodwill
Note 11 - Recoverable taxes and contributions
Note 15 - Impairment
Note 16 - Property and equipment
Note 17 - Intangible assets
Note 18 - Leases
Note 21 - Provision for litigation
Note 28 - Net sales revenue
Uncertainties about assumptions and estimates
Note 5 - Business combination, acquisitions and goodwill
Note 9 - Trade receivables
Note 10 - Inventories
Note 11 - Recoverable taxes and contributions
Note 13 - Pension plans and post-employment benefits
Note 15 - Impairment
Note 16 - Property and equipment
Note 17 - Intangible assets
Note 23 - Objectives and policies for financial risk management
Note 27 - Income taxes
Note 28 - Net sales revenue

5 Business combination, acquisitions and goodwill

They are recorded using the acquisition method when control is transferred to the Company. The cost of an acquisition is the sum of the consideration transferred, which is determined based on the fair value at the date of acquisition, and the value of any non-controlling interests in the acquiree. For each business combination, the acquirer shall measure non-controlling interests in the acquiree at fair value or based on their interest in the net assets identified in the acquiree. Costs directly attributable to acquisition are expensed as incurred.

The recognition and measurement of acquired assets and liabilities involve significant accounting judgments and estimates, particularly in determining the fair values of identifiable tangible and intangible assets, contingent liabilities, provisions, contingent consideration and other elements of the acquisition. These amounts may be impacted by assumptions such as discount rates, cash flow projections and useful lives of acquired assets.

The consideration transferred does not include amounts related to the settlement of pre-existing

relations. These amounts are generally recognized in profit or loss in the period they occur.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration is classified as equity instrument, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss for the period they occur.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred over the fair value of the identifiable net assets acquired and liabilities assumed. If consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized as a gain in profit or loss.

a) Acquisitions in 2024

- **Acquisition of EBS Aftermarket Group**

According to a Significant Fact disclosed on October 17, 2024, subsidiary Master Europe Automotive Systems Limited ("Master Europe") entered into a Shares *Purchase Agreement* ("*SPA*") to acquire 100% of the shares of EBS Aftermarket Group Limited ("EBS Group"), headquartered in Manchester, United Kingdom, including its subsidiaries, European Braking Systems Ltd; Drakefield Limited; Air Brake Company Holland BV, Assured Performance International (Ireland) Limited, Changzhou Eurosystem Braking System Co., Ltd; European Braking Systems S.R.L., and EAGAL Inc.

The Company's main purpose with the operation is to expand its operations in the international market of its business in the Autoparts Vertical, through the diversification of products and expansion of brands in its portfolio. Randoncorp, through its subsidiary Master Sistemas Automotivos Ltda., continues to reaffirm its position as one of the largest brake system companies worldwide and, after this acquisition, will expand its operations in the European market.

The deal was effectively closed on November 8, 2024, after the fulfillment of all precedent conditions included in the Purchase and Sale Agreement. It is not subject to approval by antitrust agencies in any jurisdiction.

As of December 31, 2024, the work of expert appraisers hired to determine the fair values of assets acquired and liabilities assumed from the acquisition, including the calculation and allocation of goodwill in accordance with CPC 15 (R1) - Business Combinations (IFRS 3), was not yet completed. However, the Company has prepared its preliminary evaluations and accounting records for this business combination and does not expect significant changes.

The Company has up to one year (measurement period) to adjust the provisional amounts initially recognized on the acquisition date in a retrospective manner as information is obtained necessary to measure the fair values of assets and liabilities, as set forth by CPC 15 (R1) and IFRS 3.

Below is a summary of the assets acquired and liabilities assumed, considering EBS Group's statement of financial position as of November 8, 2024, and the fair value adjustments estimated according to the experts' report.

	Carrying value	Fair value
Assets	224.295	352.405
Circulating		
Cash and cash equivalents	14.232	14.232
Clients	58.136	58.136
Inventories	89.919	100.288
Recoverable taxes	15.649	15.649
Other assets	5.706	5.706
Non-current		
Property plant and equipment	25.339	58.509
Intangible assets	2.096	86.667
Leases	13.218	13.218
Passive	53.727	53.727
Circulating		
Trade payables	18.513	18.513
Salaries and orders payable	1.014	1.014
Income and social contribution taxes	2.603	2.603
Leases	1.574	1.574
Other liabilities	17.171	17.171
Non-current		
Leases	11.644	11.644
Other non-current liabilities	1.208	1.208
Assets net of liabilities	170.568	298.678

Goodwill arising from the acquisition has been recognized as follows:

Consideration transferred (a)	446.927
Acquired equity	170.568
Identifiable assets	
Inventories (b)	10.368
Property and equipment (c)	33.171
Intangible (d)	84.571
Goodwill recognized on the transaction	148.249

(a) The consideration transferred considered the fair value of all the payments in that transaction. The total consideration for the acquired company was £ 59,917 thousand, equivalent to R\$446,927 on November 8, 2024, and the total amount was settled when the purchase was completed.

(b) The acquired company's inventories on the date of acquisition consisted of finished goods. Inventories were taken and items were stated at fair value. The fair value adjustment allocated to inventories was £ 1,390 thousand, equivalent to R\$10,368 as of November 8, 2024.

(c) The acquired company's property, plant and equipment on the acquisition date consisted mainly of land and buildings and machinery and equipment. A direct comparison of market data and the historical cost measurement method were applied to value property, plant and equipment.

The first consists of analyzing market conditions and transactions comparable to the asset that is being valued and thus determining the fair value where reliable and available data about sales can be found. The second method consists of assessing the value and the associated values for replacement, replacement or reproduction of assets. Under the historical cost valuation method, the value of an asset is determined by adjusting the acquisition cost for inflation and determined in accounting records by applying specific economic indexes generally used by competent and official agencies. The fair value adjustment allocated to property, plant and equipment was £ 4,447 thousand, equivalent to R\$33,171 as of November 8, 2024.

The appreciation value will be depreciated over the term of its useful life.

(d) The intangible assets found, whose amount can be measured reliably by the Company, consist of clients and brands. The client portfolio was valued using the Multi Period Excess Earnings Method, which is based on a cash flow discount calculation of future economic benefits attributable to the client

base, net of the elimination of the contributions payable on their generation. To estimate the remaining useful life of the client portfolio, we applied a churn rate (*churn rate*) to the revenue base, estimated according to an analysis of the client portfolio and historical revenues, representing an economic useful life of 8.4 years. The fair value allocated to customer relationships on the acquisition date was £5,294 thousand, equivalent to R\$39,490 on November 8, 2024, which will be amortized over the lease of the Company's useful life.

The trademarks were evaluated using the *Relief from Royalties method*, which consists of valuing the asset by capitalizing on the *royalties* that are saved by the fact of having the intellectual property. In other words, the trademark owner makes a profit by owning the intangible asset instead of having to pay *royalties* for its use. The *royalty* savings were determined by applying a market *royalty rate* (expressed as a percentage on revenues) to the future revenues expected to be earned from the sale of the product or service associated with the intangible asset. The economic useful life considered for this intangible asset was 12 years and the allocated fair value on the date of acquisition was £ 6,044 thousand, equivalent to R\$45,081 on November 8, 2024, amortized over its useful life.

The goodwill determined by the Company, in the amount of £ 19,875 thousand, equivalent to R\$148,249 as of November 8, 2024, represents the future economic benefit expected from the synergies arising from the acquisition and expansion of the Company's operations in the international auto parts market, in line with Randoncorp's strategic guidelines. EBS Group contributed net revenue of R\$36,848 and profit of R\$4,801 from the date of acquisition through December 31, 2024 to profit or loss for the year. If the combination had occurred at the beginning of the year, the consolidated net revenue for 2024 would total R\$12,159,311, and the consolidated profit for 2024 would total R\$441,003.

b) Acquisitions in progress in 2024

- **Acquisition of Delta Group**

As disclosed in the 3rd quarter of 2024, on October 8, 2024, Randoncorp, through its Financial and Digital Services vertical, announced that it would expand its investment in Delta Group, a company specialized in technology and services for the insurance and transportation markets. With this move, Randoncorp will hold 80% of Delta Global's share capital, strengthening the strategic partnership started in 2021.

Delta Global, which manages more than 600,000 vehicles, offers an integrated platform that combines advanced technology and services for insurers and transportation and logistics companies. With this increase in share, Randoncorp aims to expand the customer base and increase synergies between the solutions offered by the vertical, strengthening its position in the digital and financial services market.

As of December 31, 2024, the transaction had not been completed. On January 14, 2025, Randon Serviços e Participações Ltda. completed the acquisition of 80% of Delta Global Serviços e Tecnologia S.A. The amount paid for the acquisition is R\$36,313.

The initial accounting for the business combination is still in progress on the date the financial statements were authorized for publication, given that fair value assessments of the assets acquired and liabilities assumed have not been completed. Accordingly, we were unable to disclose the final amount of the consideration transferred, the goodwill determined and the allocation of the net assets acquired. These processes are expected to be completed by the first quarter of 2025.

- **Acquisition of Kuo Refacciones**

As disclosed in the second quarter of 2024, on June 24, 2024, the Company informed through its indirect subsidiaries Frasle México S. de RL de CV ("Frasle Mexico") and Frasle North America, Inc. the acquisition of 100% of the shares of Dacomsa and indirectly through Dacomsa, S.A de C.V. ("Dacomsa"), of 99.99984017% of the shares of Kuo Motor, S.A. de C.V. ("Kuo Motor") and 100% of the shares of Fricción

y Tecnologia S.A. de C.V. ("Fritec"), in addition to other tangible and intangible assets related to the businesses of the acquirees. The purpose of this transaction is part of the Company's strategy of internationalizing its aftermarket business by diversifying its products and expanding its portfolio of brands.

As of December 31, 2024, the completion of the transaction remained subject to the fulfillment of conditions precedent, including regulatory approval in Mexico. Therefore, as of December 31, 2024 the Company had not yet assumed control of the acquired companies.

On January 14, 2025, the acquisition was completed, reaffirming the position and understanding of its subsidiary Frasle Mobility as one of the largest "house of brands" in the auto parts aftermarket in Brazil. After this acquisition, it will have the same representation in Latin America. The amount paid for the acquisition is MXN 7,100,000 thousand (equivalent to approximately R\$2,200,000).

The initial accounting for the business combination is still in progress on the date the financial statements were authorized for publication, given that fair value assessments of the assets acquired and liabilities assumed have not been completed. Accordingly, we were unable to disclose the final amount of the consideration transferred, the goodwill determined and the allocation of the net assets acquired. These processes are expected to be completed by the first quarter of 2025.

c) Acquisitions in 2023

- **Acquisition of AML Juratek Limited.**

According to a market communication disclosed on February 16, 2023, indirect subsidiary Fras-le Europe B.V. entered into a purchase agreement to acquire all the shares of AML Juratek Limited. ("AML"), with its registered office in Doncaster, United Kingdom. AML is the parent company of Juratek and Bettaparts, operating companies with a long track record in the European auto parts aftermarket.

This is a move in the Company's strategy to expand its aftermarket business in mature markets by diversifying products and expanding the brands in its portfolio.

The total consideration for the acquired company was £18,303 thousand, equivalent to R\$114,478 as of March 1, 2023, of which £16,085 thousand (R\$100,605) paid at the closing of the transaction and £2,218 thousand (R\$13,873) to be paid within two (2) years from the acquisition date, of which £1,823 thousand (R\$11,402) arising from financial investments with restricted liquidity until contractual clauses are complied with. Moreover, the amount of £395 thousand (R\$2,471) was recognized for the working capital difference set at the closing date of the deal in relation to the amount presented in AML Juratek's balance sheet on the closing date. As of December 31, 2024, the inflation-adjusted balance payable was R\$15,420 (December 31, 2023 was R\$11,395).

- **Acquisition of DBServer Assessoria em Sistemas de Informação Ltda.**

According to a market notice disclosed on December 16, 2022, direct subsidiary Randon Serviços e Participações Ltda. entered into a purchase and sale agreement to acquire 51% of the shares of DB Server Assessoria em Sistemas de Informação Ltda. ("DB"), which operates in the *business-to-business* segment (B2B), with professional services specialized in technology and innovation, serving large corporations in Brazil and abroad, and participating in all stages of the life cycle of a digital product, being located in Porto Alegre, in the State of Rio Grande do Sul. The Company's main objective with the operation is to expand the portfolio of digital solutions and accelerate Randoncorp's digitalization process.

The consideration transferred considered the fair value of all payments and debts assumed in this transaction. The total consideration paid by the acquired company was R\$49,618 as of February 1, 2023, of which R\$7,735 was paid at the closing of the acquisition on February 15, 2023, R\$17,570 was to be paid within two (2) years from the acquisition date and R\$24,313 to be paid when the remaining

acquisition occurs within four (4) years.

The Company recognized the acquisition of a 100% controlling interest in the acquired company, according to the *Early Acquisition* method set forth by CPC 15 (R1) – Business Combinations (IFRS 3).

In the year ended December 31, 2024, subsidiary DB Server Assessoria em Sistemas de Informação Ltda. paid amounts withheld from the business combination in the amount of R\$12,953. As of December 31, 2024, the adjusted for inflation balance payable was R\$32,236 (R\$43,588 as of December 31, 2023).

- **Merger of Ferrari Indústria Metalúrgica Ltda. by Master Sistemas Automotivos Ltda.**

On April 1, 2023, management approved the merger of Ferrari Indústria Metalúrgica Ltda. by Master Sistemas Automotivos Ltda. The merger did not result in an increase in capital.

d) Effects of acquisitions prior to 2023

- **Acquisition of Nakata Automotiva S.A.**

In the year ended December 31, 2024, the Company revised its estimates for future tax benefits, which resulted in an increase in liabilities in "accounts payable" by business combination in the amount of R\$2,016 (decrease of R\$16,701 as of December 31, 2023).

In the year ended December 31, 2024, Frasle Mobility reported a decrease in accounts payable for a business combination of R\$20,731 (R\$7,419 as of December 31, 2023), of which R\$2,175 consists of the offsetting of the payment of contingencies that occurred in the year and R\$18,556 paid for the amounts withheld from the business combination.

- **Acquisition of Armetal Autopartes S.A.**

In the year ended December 31, 2024, subsidiary Frasle S.A. "Frasle Mobility" paid amounts withheld from the business combination with its subsidiary Armetal Autopartes S.A., in the amount of R\$11,014, less expenses incurred with the offset of expenses provided for in the purchase and sale agreement.

- **Acquisition of Fremax Ltda.**

In the year ended December 31, 2024, amounts withheld from the business combination were paid in the amount of R\$3,641.

- **Acquisition of CNCS Indústria Metalúrgica Ltda.**

In the year ended December 31, 2024, the Company revised the estimates for the utilization of tax losses, leading to a decrease in the liability payable by R\$140 (R\$0 as of December 31, 2023).

In the year ended December 31, 2024, amounts withheld from the business combination were paid in the amount of R\$538.

- **Acquisition of Fundituba Indústria Metalúrgica Ltda.**

In the year ended December 31, 2024, the Company revised the estimates for the utilization of tax losses, leading to a reduction in the liability payable by the amount of R\$1,636 (R\$0 as of December 31, 2023).

- **Acquisition Hercules Enterprises, LLC**

In the year ended December 31, 2024, subsidiary Randon HoldCo USA LLC ("HoldCo") recognized a decrease in accounts payable for the business combination of its subsidiary Hercules Enterprises, LLC of US\$25,500 thousand, equivalent to R\$141,634 on July 19, 2024, for the payment of the transferred consideration.

The Company is currently negotiating the acquisition of Hercules Enterprise LLC., which occurred in the year ended December 31, 2022. Negotiations are related to the EBITDA calculation base for calculating the *earn-out* expected for this business combination. The Company understands that the amount of

R\$30,607 presented in accounts payable for business combinations, including *escrow account* and *earn-out* recognized, represents the best estimate for the year ended December 31, 2024. Existing discussions may have an impact on this estimate due to future events and may change the recognized amount, within a trading range agreed by the parties.

e) Accounts payable by business combination

The breakdown of the balances payable by business combination as of December 31, 2024 and 2023, respectively, is shown as follows:

	Parent company 2024	2023	Consolidated 2024	2023
Hercules Enterprises LLC.	-	-	30.607	147.059
Nakata Automotiva Ltda.	-	-	97.789	106.962
DBServer Assessoria em Sistemas de Informação Ltda.	-	-	32.236	43.588
Fremax Automotive Systems Eireli	-	-	12.551	14.625
Amal Juratek Ltd.	-	-	15.420	11.395
Armetal Autopartes S.A.	-	-	1.178	12.750
CNCS Indústria Metalúrgica Ltda.	-	-	3.540	3.840
Fundituba Indústria Metalúrgica Ltda.	-	-	2.198	4.058
Ferrari Metallurgical Industry Ltda.	-	-	3.063	2.747
Randon Corretora de Seguros Ltda.	1.028	925	1.028	925
Grupo EBS Aftermarket	-	-	7.762	-
Total	1.028	925	207.372	347.949
Circulating	-	-	41.167	179.314
Non-current	1.028	925	166.205	168.635

Business combinations are adjusted for inflation as set forth by contract, and are subject to exchange rate fluctuations when they are not performed in the country's functional currency.

6 Segment reporting

The segregation of information by segment is presented below and takes into consideration the results of operations that the Company's management uses to make business decisions. Segment performance is measured based on operating profit or loss, and the companies' finance (including financing income and expenses) and income taxes are managed in the consolidated financial reporting and is not allocated to the operating segments.

- (a) **OEM segment:** comprises the results of the business units of implements, trailers, semi-trailers, chassis bodies, railway cars and spare parts.
- (b) **Auto parts segment:** comprises the results of the business units of brake systems, axles and suspensions, coupling systems, electromobility, casting and machining.
- (c) **Motion control segment:** comprises the results of the friction materials, brake components, suspension, steering and *powertrain systems*.
- (d) **Financial and digital services segment:** comprise the results of the consortium, credit, insurance, startup investment, heavy vehicle lease and *software development business units*.
- (e) **Advanced technology and headquarter segment:** comprise the results of the business units of *headquartering*, manufacturing and commercialization of robotic cells, industrial automation, development and approval of products for the mobility industry, production and processing of materials through nanotechnology.

RANDONCORP

6.1 Segment reporting

	OEM		Motion Control		Financial & Digital Services		Auto		Technology. Advanced & HQ		Adjustments and eliminations		Consolidated total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net revenue	4.161.214	4.549.945	3.965.776	3.388.657	844.724	704.675	3.889.961	3.280.158	207.728	163.252	(1.153.662)	(1.198.844)	11.915.741	10.887.843
Third party	4.136.275	4.510.048	3.894.239	3.332.114	730.652	592.645	3.072.814	2.395.477	81.761	57.559	-	-	11.915.741	10.887.843
Intersegments	24.939	39.897	71.537	56.543	114.072	112.030	817.147	884.681	125.967	105.693	(1.153.662)	(1.198.844)	-	-
Cost of sales and services	(3.595.425)	(3.915.720)	(2.635.267)	(2.250.055)	(306.356)	(270.931)	(3.052.501)	(2.587.445)	(80.674)	(65.936)	938.634	995.599	(8.731.589)	(8.094.488)
Gross profit	565.789	634.225	1.330.509	1.138.602	538.368	433.744	837.460	692.713	127.054	97.316	(215.028)	(203.245)	3.184.152	2.793.355
Operating revenues (expenses)	(416.894)	(372.299)	(811.337)	(596.048)	(308.906)	(261.681)	(352.328)	(259.753)	415.570	337.697	(430.228)	(356.703)	(1.904.123)	(1.508.787)
Sales	(187.819)	(212.692)	(404.730)	(313.026)	(192.035)	(142.695)	(172.710)	(108.456)	(5.909)	(3.748)	9.148	23.111	(954.055)	(757.506)
General and Administrative	(169.050)	(150.585)	(317.435)	(250.044)	(122.224)	(102.768)	(176.138)	(131.105)	(139.815)	(128.910)	127.051	99.967	(797.611)	(663.445)
Other operating income (expenses)	(60.025)	(9.022)	(89.647)	(32.526)	(4.134)	(14.148)	(3.480)	(20.192)	(4.658)	(9.878)	-	-	(161.944)	(85.766)
Share of profit (loss) of equity-accounted investees	-	-	475	(452)	9.487	(2.070)	-	-	565.952	480.233	(566.427)	(479.781)	9.487	(2.070)
Net finance income (costs)	(114.890)	(205.112)	24.129	(15.871)	6.459	6.272	(45.932)	(55.721)	(214.632)	(150.433)	76.186	77.537	(268.680)	(343.328)
Profit (before income taxes)	34.005	56.814	543.301	526.683	235.921	178.335	439.200	377.239	327.992	284.580	(569.070)	(482.411)	1.011.349	941.240
IRPJ (Corporate Income Tax) and CSLL (Social Contribution Tax)	(17.340)	(51.026)	(168.597)	(137.950)	(75.587)	(64.102)	(132.582)	(108.216)	74.439	83.279	-	-	(319.667)	(278.015)
On. descontinuada	14	264	-	-	-	-	-	-	-	-	-	-	14	264
Non-controlling interests	(3.546)	(4.027)	(6.961)	(11.348)	-	-	122	9	-	408	(272.810)	(266.844)	(283.195)	(281.802)
Liquid result	13.133	2.025	367.743	377.385	160.334	114.233	306.740	269.032	402.431	368.267	(841.880)	(749.255)	408.501	381.687

Depreciation and amortization per business segments:

	Carmaker		Motion Control		Financial & Digital Services		Auto		Technology. Advanced & HQ		Adjustments and eliminations		Consolidated total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Depreciation and amortization	74.690	58.400	158.712	124.696	7.270	5.926	86.323	74.584	15.525	20.644	-	1.402	342.250	285.652
Total	74.690	58.400	158.712	124.696	7.270	5.926	86.323	74.584	15.525	20.644	-	1.402	342.250	285.652

6.2 Assets by business segments:

	Carmaker		Motion Control		Financial & Digital Services		Auto		Technology, Advanced & HQ		Adjustments and eliminations		Consolidated total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Non-current														
Long-term														
assets	333.859	541.243	197.931	97.160	1.440.007	1.068.670	52.338	46.410	1.017	1.926	(60.392)	(86.654)	1.964.760	1.668.755
Property plant and equipment	821.144	735.260	808.200	703.443	4.523	4.428	913.245	769.071	76.500	71.130	(6.844)	(5.738)	2.616.768	2.277.594
Intangible assets	346.683	279.580	586.859	554.564	57.578	55.052	264.187	16.202	12.712	14.594	-	(1.395)	1.268.019	918.597
Right to Use														
Leases	57.711	83.241	161.631	147.935	2.560	2.978	36.103	30.650	8.838	6.906	(4.713)	(4.693)	262.130	267.017
Total	1.559.397	1.639.324	1.754.621	1.503.102	1.504.668	1.131.128	1.265.873	862.333	99.067	94.556	(71.949)	(98.480)	6.111.677	5.131.963

*Total assets consist of total non-current assets less deferred taxes and investments.

7 Cash and cash equivalents

Cash and cash equivalents comprise demand deposits and short-term financial investments to meet short-term financial obligations.

Financial investments are immediately convertible into a known amount of cash with their issuer and are not subject to significant changes in value. They are recognized at cost plus income earned through the balance sheet dates, which do not exceed their market or realizable value.

	Index	Remuneration	Parent company		Consolidated	
			2024	2023	2024	2023
Cash and banks			39.991	76.111	250.032	246.761
Cash in transit (a)			14.839	9.312	37.906	30.526
Financial investments	CDI	50.0%-110.0% (75%-106.35% in 2023)	881.565	1.041.080	1.964.200	2.587.520
Total			936.395	1.126.503	2.252.138	2.864.807

(a) Cash in transit consists of proceeds from exports held in a financial institution and outstanding because of the signature of foreign exchange contracts on the reporting date.

Note 23 describes the credit risk practice and policy.

8 Non-liquid financial investments

Financial investments in certificates of bank deposit (CDBs) that are not readily convertible into cash, considering the date of transaction, and Financial Treasury Bills (LFT), which are federal government securities. The classification of financial investments depends on the purpose for which the investment was acquired, according to its category. Where applicable, costs directly attributable to the acquisition of a financial asset are added to the amount originally recognized.

Application	Index	Remuneration	Consolidated	
			2024	2023
CDB	CDI	96% (102%-104% in 2023)	183.001	61.284
LFT	Selic Over	100% (100% in 2023)	7.762	38.858
Total			190.763	100.142
Circulating			13.993	52
Non-current			176.770	100.090

9 Trade receivables

They consist of the consideration for the sale of merchandise or the rendering of services over the Company's normal course of activities, taking into consideration all significant facts and circumstances when applying each stage of the model for contracts with its customers.

If the collection period is one year or less from the balance sheet date, or another period that complies with the Company's normal cycle of operations, trade receivables are classified into current assets. Otherwise they are classified into non-current assets.

Trade receivables are recognized at amortized cost, discounted to present value using the effective interest rate method, less the allowance for *impairment*.

	Parent company		Consolidated	
	2024	2023	2024	2023
In Brazil	225.517	139.251	3.158.926	2.535.823
- From third parties	33.997	71.458	3.122.747	2.505.532
- Related parties (note 12)	191.344	67.483	33.772	29.033
- Vendor	176	310	2.407	1.258
External	138.012	145.947	555.731	429.900
- From third parties	75.746	105.933	395.476	332.753
- Related parties (see note 12)	62.266	40.014	160.255	97.147
Subtotal	363.529	285.198	3.714.657	2.965.723
Less:				
- Present value adjustment	(2.842)	(2.055)	(7.901)	(5.693)
- Allowance for impairment loss on trade receivables	(3.706)	(5.470)	(74.414)	(36.777)
Total	356.981	277.673	3.632.342	2.923.253
Circulating	356.981	277.673	2.650.385	2.139.863
Non-current	-	-	981.957	783.390

As of December 31, 2024 and 2023, the average collection periods at the parent company for the local market are 22 and 29 days, respectively, and for the foreign market 54 and 83 days, respectively. The average collection terms of non-current assets in the consolidated financial statements are 1,026 days as of December 31, 2024 and 1,024 as of December 31, 2023 and basically consist of the transactions carried out by financial institutions.

The criterion for recognizing the allowance for impairment loss on trade receivables takes into consideration a specific allowance matrix that considers historical loss rates observed after 180 days of the portfolio's maturity and weighted by the percentage of default incurred in each *aging* interval. Rates are updated annually and factors such as payment history and economic conditions are evaluated, although at the moment there is no significant correlation with macroeconomic variables.

Changes in the ECL allowance are shown below:

	Parent company		Consolidated	
	2024	2023	2024	2023
Balance at beginning of year	(5.470)	(20.931)	(36.777)	(56.289)
Addition by business combination	-	-	(12.848)	(359)
Additions	(4.517)	(6.211)	(52.446)	(38.482)
Recoveries/Realizations	6.281	10.661	27.657	47.342
Reversal of first-time adoption provision CPC 48/ IFRS 9	-	11.011	-	11.011
Balance at the end of the year	(3.706)	(5.470)	(74.414)	(36.777)

As of December 31, 2024 and 2023, the aging schedule of trade receivables is as follows:

	Parent company		Consolidated	
	2024	2023	2024	2023
Falling due	226.452	170.247	2.350.556	2.765.341
Overdue:				
Within 1-30 days	22.252	68.961	692.633	149.581
Within 31-60 days	8.543	12.285	320.581	15.849
Within 61-90 days	19.422	5.148	131.145	7.530
Within 91 to 180 days	41.620	11.107	192.802	12.238
Over 181 days	45.240	17.450	26.940	15.184
Total	363.529	285.198	3.714.657	2.965.723

The Company's balances include accounts receivable overdue for more than 91 days basically consisting of sales of products to subsidiaries, according to note 12.

The group's exposure to credit and currency risk related to trade accounts receivable is disclosed in note 23.

10 Inventories

Inventories are measured at the lower of their cost and the net realizable value, and are calculated on the basis of the weighted average costing principle, including expenditure incurred in acquiring the

inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

	Parent company		Consolidated	
	2024	2023	2024	2023
Finished goods	221.073	59.554	744.878	397.645
Work in progress	158.187	125.167	439.715	340.783
Raw materials	123.067	121.192	726.103	605.426
Auxiliary and maintenance material	80.594	85.733	423.778	316.584
Advances to suppliers	2.295	1.146	9.135	6.566
Imports in progress	42.511	7.275	282.708	126.379
Adjustment for inflation	-	-	18.374	33.474
Impairment losses on inventories	(12.569)	(11.366)	(72.314)	(53.629)
Total	615.158	388.701	2.572.377	1.773.228

The Company uses estimates to evaluate the realization of inventories. The realizable value is estimated considering the estimated selling price less the estimated costs of completion and selling expenses.

The impairment loss on inventories is recognized according to the evaluation of the movement of materials. On this evaluation, it is observed whether the material does not exceed the maximum acceptable range without movement. If this interval is exceeded, a percentage allowance for inventories is applied according to a progressive scale according to the period of time without use and type of material.

	Parent company		Consolidated	
	2024	2023	2024	2023
Balance at the beginning of the year	(11.366)	(17.490)	(53.629)	(59.294)
Addition by business combination	-	-	(7.434)	(1.063)
Additions	(8.778)	(12.808)	(38.518)	(50.947)
Recoveries/Realizations	7.575	18.932	27.267	57.675
Balance at the end of the year	(12.569)	(11.366)	(72.314)	(53.629)

11 Recoverable taxes

Recoverable taxes are recognized according to the law in force and are subject to future revisions due to possible divergent understandings issued by the judiciary on general repercussions and/or repeated appeals.

The impairment testing of those assets takes into consideration the most recent financial forecasts and budgets, which are prepared separately by Management, in addition to the tax and legal criteria for recognizing tax credits. If some asset is found to be impaired within the period forecast by tax agencies, a loss is recognized in profit or loss for the year.

	Parent company		Consolidated	
	2024	2023	2024	2023
Contribution for Social Integration Program and Tax for Social Security Financing (PIS) and COFINS (a)	253.794	325.111	357.044	426.248
Income tax and social contribution on net income (IRPJ) and social contribution tax (CSLL) (b)	180.639	209.770	231.826	295.548
Value-Added Tax on Sales and Services (ICMS) (c)	64.833	62.543	169.431	128.629
IPI (Federal VAT) (d)	34.548	41.118	49.147	51.447
Import Tax (e)	12.844	-	49.936	27.407
Green Mobility Programme (MOVER) (i)	4.178	-	40.593	-
Reintegra (h)	1.406	1.191	19.200	3.591
Goods and Services Tax (GTS) India (g)	-	-	1.993	1.041
Value added tax (VAT) (f)	-	-	84.415	37.868
Other	7	3.002	37.140	13.318
Total	552.249	642.735	1.040.725	985.097
Circulating	314.128	245.551	681.471	484.951
Non-current	238.121	397.184	359.254	500.146

a) Contribution for Social Integration Program and Tax for Social Security Financing (PIS and COFINS)

The Company has an asset balance resulting from the deduction of ICMS from the PIS and COFINS calculation base. As of December 31, 2024, the balance was R\$238,256 (Company) and R\$258,102 (Consolidated) (R\$303,961 and R\$326,261 as of December 31, 2023, respectively).

In June 2023, the parent company filed a lawsuit for the recovery of the undue payment, seeking to recognize the right to receive the tax debt, through a court-ordered payment, in the amount of R\$178,890. From the initial recognition of the asset until the year ended December 31, 2024, the consolidated amounts of R\$751,644 were offset.

In October 2024, an unappealable decision was made final and unappealable to indirect subsidiary Fundituba Indústria Metalúrgica Ltda., which recognized the Company's right to calculate PIS and COFINS credits on the receipt of recyclable inputs. Therefore, the Company, through its indirect subsidiary Fundituba, recognized R\$2,047 as PIS and COFINS credits. The Brazilian Federal Revenue Service is currently waiting for the approval of the credit recognition request to allow the offsetting of these credits against the Company's own debts.

The Company also has credits originating from the non-cumulative collection of PIS and COFINS, mainly calculated on the acquisition of property, plant and equipment items which are offset in successive monthly installments, as required by law.

b) Income and social contribution taxes (IRPJ and CSLL) and undue SELIC (Central Bank overnight rate)

On September 24, 2021, the Federal Supreme Court (STF), in a judgment on a special appeal with general repercussion, decided that the levy of IRPJ (Corporate Income Tax) and CSLL (Social Contribution Tax) on the adjustment for inflation of the SELIC (Central Bank overnight rate), levied on tax debts, is unconstitutional.

According to the STF's decision and the support of its legal and tax counselors, in the context of ICPC 22 (IFRIC 23) – Uncertainty over the treatment of taxes on profit, in the year ended December 31, 2021 the Company recognized R\$96,572 (Company) and R\$160,170 (Consolidated) as IRPJ and CSLL.

The legal entities Frasle Mobility, Jost Brasil Sistemas Automotivos Ltda., Master Sistemas Automotivos Ltda., Randon Administradora de Consórcios Ltda., Randon S.A. Implementos e Participações, Fremax Sistemas Automotivos, Jurid do Brasil Sistemas Automotivos Ltda., Freios Controil Ltda., Ferrari Indústria Metalúrgica Ltda., Castertech Fundação e Tecnologia Ltda., Castertech Usinagem e Tecnologia Ltda. and Fundituba Indústria Metalúrgica Ltda. had a favorable court decision passed on and administrative qualification granted by the Tax Authorities in the year 2024.

The legal entity Randon Implementos Para o Transporte Ltda. had a final and unappealable favorable court decision and requested the issuance of a court-ordered debt payment in the amount of R\$929, by way of an action for the recovery of undue debt.

Nakata Automotiva Ltda. is waiting for a final and unappealable decision on its claim against that matter. The success amount reported for Nakata Automotiva Ltda. is linked to the supervenience clause of the agreement for the acquisition of the subsidiary. The amount of the transfer to the sellers, provided for in 2021, when the provision was accrued, was R\$5,603 and was recorded in other liabilities of the purchaser Frasle Mobility, in the amount of the estimated gain, net of taxes.

As of December 31, 2024, the asset balance arising from the deduction of the SELIC (Central Bank overnight rate) from the IRPJ and CSLL calculation base was R\$73,258 (Company) and R\$82,731 (Consolidated) (R\$ 115,267 and R\$156,950, as of December 31, 2023). From the initial recognition of the asset to the year ended December 31, 2024, R\$24,922 was offset in the Company (R\$0 as of December

31, 2023) and R\$88,204 in the Consolidated (R\$33,167 as of December 31, 2023).

In the year ended December 31, 2024, the parent company and its subsidiaries Randon Implementos para o Transporte Ltda. and Jurid do Brasil Sistemas Automotivos Ltda., reclassified R\$13,815, R\$2,705 and R\$119 from recoverable IRPJ (Corporate Income Tax) to deferred income and social contribution tax assets, respectively, inherent in periods in which not enough IRPJ/CSLL was paid. As a result of this reclassification, the Companies also adjusted the amounts of inflation adjustment using the SELIC rate in finance income.

c) Value-Added Tax on Sales and Services (ICMS)

They consist of credits calculated from business transactions and the acquisition of property, plant and equipment items generated at the Company's and its subsidiaries' production and commercial units.

d) IPI (Federal VAT)

Consist of amounts originating from business transactions and can be offset against taxes of the same nature.

e) Import Tax (II)

Recoverable taxes on imports of foreign products made by the Company and its subsidiaries, whose taxable event is their entry into Brazil.

f) Value Added Tax (VAT)

Value-added tax credits recoverable by subsidiaries Randon Argentina S.A., Fras-le Argentina S.A. and Armetal Autopartes S.A, Fanacif S.A. and Farloc Argentina S.A.I.C YF. Those claims do not become time-barred.

g) Goods and Services Tax (GST) Índia

Tax credits on goods and services recoverable from subsidiary ASK Fras-le Friction Private Limited.

h) Reintegrate

Consists of a tax regime whereby the Company takes credits for exports of manufactured goods in its production chain. These credits are offset when the amounts payable are calculated for any other federal tax

i) Green Mobility Program (MOVER)

Program aimed at supporting the decarbonization of Brazilian vehicles, technological development and global competitiveness through tax incentives.

12 Related Parties

They consist of sales of merchandise to supply the markets where they are located and sales of input used in production. Purchases made from related parties consist of the supply of input used in the Company's production process and products for resale. Other related party transactions comprise shared administrative services.

Checking account balances, related to loan agreements between parent companies, subsidiaries and other related parties in Brazil, have an indeterminate maturity date and are adjusted pro rata tempore using the DI-Extra rate, published by Anbima. The balances of loans between the parent company and foreign subsidiaries have a set maturity dates and are adjusted using sovereign bond trading rates.

Business transactions with these related parties follow specific pricing policies and deadlines set forth in the association agreements between the parties. The commercial agreement takes into account the

term, volume and specificity of the products acquired by the related parties, which are not comparable to those sold to unrelated parties.

The Company uses as interest rate for the Company's business transactions that fall due on time the interbank deposit certificate (CDI), which is the same benchmark rate for business transactions carried out with third parties. No interest is charged on business transactions payable in cash.

The main balances of assets and liabilities as of December 31, 2024 and 2023, as well as the transactions that had an impact on profit or loss for the years ended December 31, 2024 and 2023, regarding transactions with related parties, arise from the Company's transactions with its parent company and subsidiaries, which were carried out under specific conditions, considering the volumes of transactions and payment terms, which are not comparable to transactions with unrelated third parties.

Randoncorp is directly controlled by Dramd Participações e Administração Ltda, which holds the majority of its voting shares. Below are the Company's main transactions with subsidiaries and other related parties:

Transactions with subsidiaries	Banco Randon	Castertech and subsidiaries	Frasle and subsidiaries	Jost	Master and subsidiaries	Randon Consortiums	Randon Argentina	Randon Implements Transport	Venice	Other subsidiaries	Total subsidiaries
Trade receivables	25	4.085	13.572	103	1.838	-	48.979	60.716	106.708	17.188	253.214
Financial investments and others	59.907	-	-	-	-	-	-	-	-	-	59.907
Interest on equity capital and dividends receivable	3.479	30.370	32.995	3.960	13.968	29.299	-	-	-	-	114.071
Related party loan receivable	-	-	-	-	-	-	17.138	-	-	16.261	33.399
Other receivables	116	605	1.073	-	358	179	50	605	-	206	3.192
Trade payables	(18)	(32.883)	(1.467)	(13.498)	(8.638)	-	-	(34)	(238)	(5.687)	(62.463)
Drawee's Risk	(12.272)	-	-	-	-	-	-	-	-	-	(12.272)
Advances from clients	(5)	(42)	-	-	(45)	-	-	(1)	-	(9)	(102)
Other liabilities	(176)	-	-	-	-	-	-	-	-	-	(176)
Other payables	-	-	(27)	-	-	-	-	-	-	(14)	(41)
Asset (Liabilities) balance as of December 31, 2024	51.056	2.135	46.146	(9.435)	7.481	29.478	66.167	61.286	106.470	27.945	388.729
Sale of goods and services	2.479	33.316	35.294	2.198	12.803	3.817	30.272	157.935	327.268	41.925	647.307
Purchase of goods and services	-	(637.436)	(2.864)	(221.091)	(132.102)	-	(17)	(10.027)	(3.837)	(18.804)	(1.026.178)
Other operating revenues/finance expenses, net (a)	(27.181)	36.976	62.826	9.179	20.525	8.211	1.045	8.240	1.026	11.038	131.885
Profit or loss balance as of December 31, 2024	(24.702)	(567.144)	95.256	(209.714)	(98.774)	12.028	31.300	156.148	324.457	34.159	(246.986)

(a) The amount of R\$62,826 related to other net operating revenues/finance costs of subsidiary Frasle consists of administrative services paid to the parent company, and are detailed below: i) IT projects, services and structure R\$28,973; ii) administrative services of the Center for Shared Solutions: R\$ 12,539; iii) other sundry services R\$21,314.

Transactions with subsidiaries	Banco Randon	Castertech and subsidiaries	Frasle and subsidiaries	Jost	Master and subsidiaries	Randon Consortiums	Randon Argentina	Randon Implements Transport	Venice	Other subsidiaries	Total subsidiaries
Trade receivables	202	2.468	10.927	351	1.893	-	24.979	1.250	48.903	16.359	107.332
Financial investments and others	117.961	-	-	-	-	-	-	-	-	-	117.961
Interest on equity capital and dividends receivable	2.694	29.009	28.071	4.460	11.958	22.300	-	-	-	-	98.492
Related party loan receivable	-	-	-	-	-	-	12.476	72.782	-	446	85.704
Other receivables	-	-	-	819	-	-	-	-	-	2	821
Trade payables	-	(26.913)	(40)	(18.493)	(7.392)	-	-	(3.918)	-	(745)	(57.501)
Advances from clients	(2)	(325)	-	(12)	(27)	(1)	-	-	-	(128)	(495)
Other liabilities	(8.365)	-	-	-	-	-	-	-	-	-	(8.365)
Other payables	(206)	(1.451)	(2.422)	(19)	(769)	(253)	(144)	(105)	-	(579)	(5.948)
Asset balance (liabilities) as of December 31, 2023	112.284	2.788	36.536	(12.894)	5.663	22.046	37.311	70.009	48.903	15.355	338.001
Sale of goods and services	2.098	32.017	40.877	1.690	11.616	2.730	41.489	91.149	227.337	34.550	485.553
Purchase of goods and services	-	(752.413)	(4.910)	(230.751)	(103.216)	-	(59)	(60.894)	(3.825)	(16.004)	(1.172.072)
Other operating revenues/finance costs, net	(29.662)	30.345	45.934	6.671	16.931	7.248	(102.298)	11.593	506	7.809	(4.923)
Profit or loss balance as of December 31, 2023	(27.564)	(690.051)	81.901	(222.390)	(74.669)	9.978	(60.868)	41.848	224.018	26.355	(691.442)

	Addiante S.A.	Dramd	Instituto Elisabetha Randon	Instituto Hercilio Randon	Other related parties	Total other related parties
Transactions with other related parties						
Trade receivables	-	-	-	396	-	396
Trade payables	-	-	-	-	(144)	(144)
Advances from clients	-	-	-	-	(18)	(18)
Interest on equity capital and dividends payable	-	(29.139)	-	-	-	(29.139)
Asset (Liabilities) balance as of December 31, 2024	-	(29.139)	-	396	(162)	(28.905)
Sale of goods and services	55.194	207	377	1.349	77	57.204
Purchase of goods and services	-	-	-	(19)	(1.207)	(1.226)
Other operating revenues/finance costs, net	-	-	-	-	(220)	(220)
Innovation projects - other expenses	-	-	-	(22.952)	-	(22.952)
Donations/Charitable Appropriations	-	-	(4.169)	-	-	(4.169)
Profit or loss balance as of December 31, 2024	55.194	207	(3.792)	(21.622)	(1.350)	28.637

	Addiante S.A.	Dramd	Instituto Elisabetha Randon	Instituto Hercilio Randon	Other related parties	Total other related parties
Transactions with other related parties						
Trade receivables	-	-	42	-	123	165
Trade payables	-	-	-	-	(121)	(121)
Advances from clients	(10.292)	-	-	-	(7)	(10.299)
Interest on equity capital and dividends payable	-	(40.956)	-	-	-	(40.956)
Asset balance (liabilities) as of December 31, 2023	(10.292)	(40.956)	42	-	(5)	(51.211)
Sale of goods and services	77.633	182	263	985	49	79.112
Purchase of goods and services	-	-	-	-	(1.419)	(1.419)
Other operating revenues/finance costs, net	-	61	-	-	(182)	(121)
Innovation projects - other expenses	-	-	-	(18.664)	-	(18.664)
Donations/Charitable Appropriations	-	-	(1.313)	-	-	(1.313)
Profit or loss balance as of December 31, 2023	77.633	243	(1.050)	(17.679)	(1.552)	57.595

12.1 Drop down of assets and liabilities of Randon Auttom Automação e Robótica Ltda. by Randon Auttom Ltda.

On May 1, 2023, management approved the *spun-off* of Randon Auttom Automação e Robótica Ltda. by Randon Auttom Ltda. The assets and liabilities transferred were valued at book value by independent external advisers, leading to a net assets of R\$1,775, which came to be demonstrated as share capital of Randon Auttom Ltda.

On May 1, 2023, the balances of assets and liabilities of Randon Auttom Automação e Robótica Ltda. were taken over by Randon Auttom Ltda. at the book value shown below:

	Carrying amount as of April 30, 2023
Assets	11.466
Circulating	9.205
Cash and cash equivalents	1.615
Trade receivables	2.456
Inventories	4.743
Recoverable taxes	250
Other assets	141
Non-current	2.261
Recoverable taxes	23
Deferred taxes	785
Property plant and equipment	1.298
Intangible assets	155
Passive	9.691
Circulating	9.331
Trade payables	2.659
Salaries and charges	997
Taxes and fees payable	2.145
Advances from clients	1.725
Other payables	1.805
Non-current	360
Deferred taxes	360
Equity	1.775
Capital social	1.775

12.2 Debt forgiveness with subsidiary Randon Argentina

In the second half of 2023, due to the economic scenario and restrictions on remittances from outside Argentina, management approved the forgiveness of the debt to subsidiary Randon Argentina. The transaction caused the write-off as loss on receivables of accounts in the amount of USD20 million (R\$99,502), Company, and R\$22,634, Consolidated. Likewise, USD785 thousand (R\$3,847), in the parent company, and R\$0, in the consolidated financial statements, was written off as interest on the loan that Randon Argentina had with the controlling company.

12.3 Key management personnel compensation

The Company and its subsidiaries defined key personnel as the following: the Board of Directors, the Board of Executive Officers appointed as per the Bank's by-laws, the Audit Committee, the Management not appointed as per the Company's by-laws and the main executives of the subsidiaries. Key management personnel compensation is as follows:

	Parent company		Consolidated	
	2024	2023	2024	2023
Short and long-term benefits (a)	31.482	37.408	75.948	57.328
Post-employment benefits – Retirement plan	1.318	1.386	1.958	2.086
Total	32.800	38.794	77.906	59.414

(a) Short-term benefits comprise salaries, wages, profit sharing, health care expenses and termination benefits. Long-term benefits consist of profit sharing, payable every three years in the job, according to the Company's results, and are linked to executive performance indicators.

12.4 Other key management personnel transactions

As of December 31, 2024, the Company's key management personnel had financial investments in Banco Randon, a direct subsidiary of the Company, in the amount of R\$5,563. These investments are priced according to market conditions.

Moreover, the Company did not pay share-based remuneration to its key management personnel.

13 Pension plans and post-employment benefits

The Company sponsors a supplementary defined contribution pension plan with a guaranteed minimum benefit equivalent to one basic contractual salary for every 10 years of service provided to Randoncorp, limited to 30 years, making it a mixed plan. The plan is administered by Randonprev Fundo de Pensão, a Closed Supplementary Pension Fund Entity, and offers benefits such as normal and early retirement, disability retirement, death pension and guaranteed minimum benefit.

Post-employment benefit obligations are actuarially measured using the projected credit unit method, considering assumptions such as salary growth rate, expected return rate on the plan's assets and participants' retirement age. The discount rate used to measure these obligations is based on long-term market rates. The plan's assets are measured at fair market value.

Actuarial assumptions include factors such as long-term inflation, turnover and mortality of participants, estimated according to adherence studies conducted by actuarial advisers. These assumptions have an impact on the Company's accounting for benefits and the measurement of obligations.

The following tables summarize the components of the net benefit expense recognized in profit or loss, as well as the status and amounts recognized in the balance sheet.

Net benefit expense	Parent company		Consolidated	
	2024	2023	2024	2023
Current service cost	(246)	(232)	(738)	(660)
Cost of interest on benefit obligations	(300)	(310)	(864)	(879)
Interest income on the plan's assets	362	433	1.040	1.217
Interest on the unrecoverable surplus	(20)	(46)	(57)	(130)
Defined benefit cost in profit or loss	(204)	(155)	(619)	(452)

Actual return on the plan's assets	Parent company		Consolidated	
	2024	2023	2024	2023
Return on the plan's assets	813	1.049	2.439	2.766
Interest income on the plan's assets	362	433	1.040	1.217
Actual return on the plan's assets	1.175	1.482	3.479	3.983

Benefit asset	Parent company		Consolidated	
	2024	2023	2024	2023
Defined benefit obligation	(3.741)	(3.750)	(11.007)	(10.750)
Fair value of the plan's assets	3.830	4.126	11.269	11.828
Due adjustment	(89)	(90)	(261)	(256)
Benefit asset	-	286	1	822

Current assets	-	286	1	822
-----------------------	----------	------------	----------	------------

Changes in the present value of defined benefit liabilities are as follows:

	Parent company	Consolidated
Defined benefit liability as of December 31, 2022	(3,555)	(9,963)
Interest cost	(310)	(879)
Current service cost	(232)	(660)
Benefits paid	145	559
Actuarial gains/losses on liabilities	102	192
Transfers	100	-
Defined benefit liability as of December 31, 2023	(3,750)	(10,751)
Interest cost	(300)	(864)
Current service cost	(246)	(738)
Benefits paid	218	357
Actuarial gains/losses on liabilities	337	1,141
Past Service Cost – Benefit Implementation	-	(152)
Defined benefit liability as of December 31, 2024	(3,741)	(11,007)

Changes in the fair value of the plan's assets are as follows:

	Parent company	Consolidated
Fair value of the plan's assets as of December 31, 2022	4,642	13,009
Return on investment	(616)	(1,548)
Employer contribution	345	926
Benefits paid	(145)	(559)
Amounts written off	(100)	-
Fair value of the plan's assets as of December 31, 2023	4,126	11,828
Return on investment	(451)	(1,399)
Employer contribution	373	1,197
Benefits paid	(218)	(357)
Amounts written off	-	-
Fair value of the plan's assets as of December 31, 2024	3,830	11,269

The Company contributed R\$4,716 to its defined benefit plans in 2024. The principal categories of the plan's assets, with a percentage of the fair value of the plan's total assets, are as follows:

	Parent company		Consolidated	
	2024	2023	2024	2023
Actions	804	944	2,366	2,706
Titles	3,026	3,182	8,902	9,122
	3,830	4,126	11,268	11,828

The total expected asset yield rate is calculated based on market expectations at that date, applicable to the period over which the obligation is to be settled. These expectations are reflected in the key assumptions below.

	2024	2023
Discount rate	10,82%	9,19%
Growth rate for salaries	6,61%	6,54%

Life expectancy (years) in pension plans for participants aged

60 years:

Men	24,59	24,59
Women	27,42	27,42

The estimated defined benefit expected for the next year is the following:

Maturity profile of the defined benefit obligation	Parent company	Consolidated
Benefit payments expected in the year ending December 31, 2025	822	2.400
Expected benefit payments in the years ending from December 31, 2026 to December 31, 2034	4.729	14.167
Total	5.551	16.567
Analyzing defined benefit obligations by participant category		
Equity information		
Percentage of total allocation as of December 31, 2024		
Variable income	21%	21%
Fixed income	48%	48%
Real estate	1%	1%
Other	30%	30%
Subtotal	100%	100%
Profit or loss for the year		
Current service cost	248	(746)
Net interest on liabilities/(assets)	(20)	55
Profit or loss for the year	228	(691)

The table below shows the sensitivity analysis of the present value of the liability as of December 31, 2024 and 2023:

Sponsor	Present value of liabilities (VPO) 2024	1 pp Increase - Effect on VPO	1 pp Decrease - Effect on VPO	Present value of liabilities (VPO) 2023	1 pp Increase - Effect on VPO	1 pp Decrease - Effect on VPO
Randon S.A. Implementos e Participações	3.741	(175)	195	3.750	(316)	89
Frasle Mobility	3.350	(151)	168	3.318	(278)	76
Castertech Fundação e Tecnologia Ltda.	1.180	(69)	77	1.109	(110)	45
Master Sistemas Automotivos Ltda.	840	(45)	50	836	(75)	25
Nakata Automotiva Ltda.	463	(10)	11	508	(28)	(4)
Jost Brasil Sistemas Automotivos Ltda.	346	(17)	20	308	(29)	11
Freios Controil Ltda.	261	(12)	13	246	(21)	6
Randon Administradora de Consórcios Ltda.	174	(8)	9	171	(14)	3
Jurid do Brasil	151	(7)	8	-	-	-
Fundituba – Indústria Metalúrgica Ltda.	120	(4)	5	134	(10)	1
Randon Implementos Para o Transporte Ltda.	105	(2)	2	103	(6)	(1)
Randon Triel HT Implementos Rodoviários Ltda.	87	(5)	5	79	(8)	3
Banco Randon S.A.	67	(3)	3	62	(5)	1
Venice Implementos Rodoviários Ltda.	46	(1)	1	54	(4)	-
Randon Auttom Ltda.	34	(2)	3	37	(4)	3
Randon Technology Center Ltda.	33	(2)	2	32	(3)	2
Nione Ltda.	6	-	-	3	-	-
Conexo Serviços Digitais e Coworking Ltda.	2	-	-	-	-	-
Castertech Mogi Guaçu Ltd.	1	-	-	-	-	-
Total	11.007	(513)	572	10.750	(911)	260

According to item 145 of CPC33 (R1) and the results of the study, the effect on the value of the VPO was calculated considering a higher and lower percentage point in the discount rate. The combination of the actual discount rate and the inflation rate generates a nominal discount rate of 10.82% p.a. as of December 31, 2024 (9.19% as of December 31, 2023).

14 Investments

Investments in subsidiaries are accounted for on the equity method of accounting in accordance with CPC18 (R2)//AS28 for the parent company's financial reporting purposes. Other investments that do not fall within these asset classes are stated at acquisition cost, less impairment loss, when applicable.

14.1 Breakdown of balances

	Parent company		Consolidated	
	2024	2023	2024	2023
Equity-accounted subsidiaries	3.413.421	2.746.123	-	-
Other investments	2.144	1.722	5.782	3.250
Investments in joint ventures	-	-	182.137	97.650
Unrealized gains on inventories/properties	(9.662)	(3.898)	-	-
Total	3.405.903	2.743.947	187.919	100.900

Classification as non-current assets

Equity-accounted investees	3.420.629	2.774.550	-	-
Other investments	-	-	5.782	3.250
Investments in joint ventures	-	-	182.137	97.650

Classification in non-current liabilities

Impairment losses on investments	(14.726)	(30.603)	-	-
Total net investments	3.405.903	2.743.947	187.919	100.900

14.2 Changes in balances

Movements in investments are as follows:

	Parent company		Consolidated	
	2024	2023	2024	2023
Balances at the beginning of the year	2.743.947	2.475.105	100.900	11.930
Paid-in capital	273.845	224.868	-	-
Paid-in capital jointly controlled (a)	-	-	75.000	90.000
Share of profit (loss) of equity-accounted investees	559.509	525.572	9.487	(2.070)
Foreign exchange gain (loss) on foreign investees	169.225	(163.098)	2.110	-
Unrealized profit/loss on inventories/properties	(5.764)	2.893	-	-
Interest on shareholders' equity and dividends	(341.884)	(322.084)	-	-
Change in ownership interest in subsidiary	-	530	-	-
Cash flow hedge - COE	6.904	-	-	-
Other results of subsidiaries	121	161	422	1.040
Balances at the end of the year	3.405.903	2.743.947	187.919	100.900

(a) In the fourth quarter of 2024, the Company paid up capital in the amount of R\$75,000 in joint subsidiary Addiante S.A. (in 2023 the amount was R\$90,000).

14.3 Changes in balances by subsidiary

	Balance in 2023	Share of profit of equity- accounted investees	Paid-in capital	Interest on equity capital and dividends received	Cumulative translation adjustments	Onerous Contracts	Cash flow hedges	Actuarial Assessment	Balance in 2024
Frasle Mobility (a)	965.733	193.583	-	(92.354)	91.342	-	6.904	(122)	1.165.086
Castertech Fundação e Tecnologia Ltda. (a)	539.301	108.882	-	(45.619)	789	-	-	(92)	603.261
HoldCO USA	272.393	(15.217)	160.519	-	91.723	-	-	-	509.418
Randon Investimentos Ltda.	359.977	20.923	20.000	(4.061)	-	-	-	(3)	396.836
Randon Services	109.185	14.378	85.254	-	-	-	-	-	208.817
Randon Administradora de Consórcios Ltda.	100.590	121.021	-	(53.107)	-	-	-	(23)	168.481
Master Sistemas Automotivos Ltda. (a)	137.652	60.803	-	(55.472)	179	-	-	(34)	143.128
RVC Venture Capital Participações e Investimentos Ltda.	49.940	1.018	-	-	-	-	-	-	50.958
Jost Brasil Sistemas Automotivos Ltda. (a)	86.716	41.475	-	(82.131)	-	-	-	(13)	46.047
Randon Technology Center Ltda.	39.118	578	2.472	-	-	-	-	(2)	42.166
Randon Messias Implements for Transport Eireli	25.855	(4.585)	-	-	-	-	-	-	21.270
Randon Auttom Ltda.	18.513	(986)	-	-	-	4	-	(5)	17.526
Randon Implementos para o Transporte Ltda.	17.782	(895)	-	-	-	-	-	(7)	16.880
Venice Implementos Rodoviários Ltda.	13.144	6.496	-	(7.140)	-	-	-	1	12.501
Randon Auttom Automação e Robótica Ltda.	8.342	(2.519)	5.550	-	59	-	-	-	11.432
Randon Triel-HT Implementos Rodoviários Ltda.	6.502	3.121	-	-	-	-	-	(5)	9.618
Randon Corretora de Seguros Ltda.	2.793	3.456	-	(2.000)	-	-	-	-	4.249
Conexo Serviços Digitais e Coworking Ltda.	1.259	(981)	-	-	-	-	-	-	278
Randon Collection Comércio de Artigos Promocionais Ltda.	87	(5)	50	-	-	-	-	-	132
Fras-le Argentina S.A.	5	73	-	-	(18)	-	-	-	60
Randon Perú S.A.C	100	(113)	-	-	16	-	-	-	3
Suspensys Automotive Systems	(66)	(10)	-	-	(2)	-	-	-	(78)
Randon Argentina S.A.	(8.798)	9.013	-	-	(14.863)	-	-	-	(14.648)
Total	2.746.123	559.509	273.845	(341.884)	169.225	4	6.904	(305)	3.413.421

(a) Excludes unrealized profits on inventories: Frasle Mobility (R\$1,364), Master Sistemas Automotivos Ltda. (R\$1,062), Jost Brasil Sistemas Automotivos Ltda. (R\$1,459) and Castertech Fundação e Tecnologia Ltda. (R\$1,140). Excludes unrealized profits of property, plant and equipment Randon Auttom Automação e Robótica Ltda. (R\$2,177). Randon Auttom Ltda. (R\$3,927). In addition, the following leases are removed from IFRS 16: Master Sistemas Automotivos Ltda. R\$55, Jost Brasil Sistemas Automotivos Ltda. R\$149.

14.3.1 Restructuring controlled by FANACIF

On April 16, 2024, subsidiary Frasle Mobility announced the shutdown of the manufacturing activities of its subsidiary Fanacif S.A. ("Fanacif") in Montevideo, Uruguay, as part of a footprint optimization strategy in response to the business challenges faced over the past years. The Company will continue to operate in the Uruguayan market, maintaining its commercial and distribution operations in the country.

As of December 31, 2024, the impacts related to the restructuring of Fanacif in the indirect subsidiary were R\$37,513 and in subsidiary Frasle Mobility R\$8,331 consisting of investment impairment and R\$ (2,833) of deferred tax on *impairment*. The accounting effect on profit reported by Randoncorp, after non-controlling interests, was R\$22,611.

14.4 Changes in balances by joint subsidiary

	Balance in 2023	Share of profit of equity-accounted investees	Paid-in capital	Balance in 2024
Addiante S.A.	97.650	9.487	75.000	182.137
Total	97.650	9.487	75.000	182.137

15 Impairment loss

Management tests its assets annually or whenever there is evidence of impairment. The purpose is to identify possible impairment losses resulting from economic, operational or technological changes that may have an impact on the book values of assets.

The recoverable amount of an asset is the greater of its value in use, net of costs to sell, and its value in use. The estimate of value in use is obtained by projecting discounted cash flows based on macroeconomic, operating and industry assumptions consistent with the strategic plan approved by Management.

The fundamental assumptions used in the assessment of the recoverable value include:

- **Forecast period:** financial projections cover a five-year period, and are adjusted according to perpetuity when applicable.
- **Discount rate:** based on the Company's weighted average cost of capital (WACC), considering Randoncorp's capital structure and adjusted according to the risk profile of each CGU, taking into consideration factors such as geographic location, exchange rate volatility, industry risk and cash flow projections.
- **Future growth:** growth rate based on industry projections and market expectations.

Assets with an indefinite useful life, such as goodwill, are not amortized and are annually tested for *impairment* to assess the need for an adjustment to their book value. These tests consider the value generation of the assets that informed their measurement, ensuring that they remain aligned with the future profitability prospects of the related cash-generating unit.

15.1 Recognition, Reversal and Allocation of *Impairment Losses*

An impairment loss on an asset is recognized in profit or loss when its book value exceeds its recoverable value. If there is a significant change in the assumptions on which the original estimate was based, the reversal may be made, provided that the new recoverable value does not exceed the carrying value of the asset if no loss had been recognized. Impairment of goodwill may not be reversed.

In the cash-generating units, loss is primarily allocated to goodwill for expected future profitability, if any. The remaining losses are recognized in intangible assets determined as future cash flows as capital

gains and finally in the most significant property and equipment of the CGU.

15.2 Impairment testing

On December 31, 2024, the Company tested the units that showed signs of impairment, as well as intangible assets with indefinite useful lives and the goodwill paid for expected future profitability in business combinations. Units that showed no evidence of loss or did not meet the established criteria were not submitted to the test.

In the year ended December 31, 2024, management found the need to recognize additional *impairment* in the cash-generating unit of Suspensys Automotive Systems and to reverse the amount recognized in prior years of UGC Fras-le Europe BV, as reported below:

Enterprise	Note	Average gross margin	Discount rate	2024	2023
Amal Juratek Limited		40,44%	13,03%	Unidentified	Untested ¹
ASK Frasle Friction		33,81%	13.65% (12.07% in 2023)	Unidentified	Unidentified
Banco Randon		29,72%	16.86% (12.32% in 2023)	Unidentified	Unidentified
Castertech Machining		13,80%	13.58% (12.28% in 2023)	Unidentified	Unidentified
DBServer		27,11%	13.58% (12.32% in 2023)	Unidentified	Unidentified
Fanacif	14.3.1	34,26%	17.25% (14.20% in 2023)	Unidentified	(11.897)
Frasle Argentina		40,25%	18.93% (18.90% in 2023)	Unidentified	Unidentified
Frasle Friction Material Pinghu		27,42%	12.19% (10.00% in 2023)	Unidentified	Unidentified
Fras-le Europe B.V.		31,49%	13.03% (12.54% in 2023)	Unidentified	(633)
Frasle North America		16,69%	11.93% (10.49% in 2023)	Unidentified	Unidentified
Frasle Panamericana		21,00%	14.31% (12.54% in 2023)	Unidentified	Unidentified
Freios Controil Ltda.		34,44%	13,58%	Unidentified	Untested ²
Fremax		37,26%	13.58% (13.32% in 2023)	Unidentified	Unidentified
Fundituba Metallurgical Industry		18,66%	13.58% (12.32% in 2023)	Unidentified	Unidentified
Hercules Enterprises LLC		16,15%	11.93% (10.49% in 2023)	Unidentified	Unidentified
Jurid		24,49%	13.58% (12.32% in 2023)	Unidentified	Unidentified
Master Flores da Cunha (UGC)		17,93%	13.58% (12.32% in 2023)	Unidentified	Unidentified
Nakata		39,76%	13.58% (12.32% in 2023)	Unidentified	Unidentified
Randon Argentina		14,28%	18.93% (18.90% in 2023)	Unidentified	Unidentified
Randon Auttom Ltda. (UGC)		27,14%	13.58% (12.32% in 2023)	Unidentified	Unidentified
Randon Corretora de Seguros		43,79%	13.58% (12.32% in 2023)	Unidentified	Unidentified
Randon Impl. for Transport Ltd. (15.2 f)		9,72%	13.58% (12.32% in 2023)	-	(5.061)
Randon Triel HT		19,78%	13.58% (12.32% in 2023)	Unidentified	Unidentified
Suspensys Automotive Systems (15.2 g)		18,00%	14.25% (12.26% in 2023)	(15)	(2.870)
Total				(15)	(20.461)

¹ AML Juratek Company acquired in 2023, investment measured at fair value under the PPA - Purchase Price Allocation.

² Brakes Controil in 2023 there were no indications to carry out the test, in 2024 it was carried out by the company having been impacted by the floods that occurred in the State of Rio Grande do Sul, being located in the city of São Leopoldo.

a) Fras-le Europe B.V.

For the year 2024, the test conducted indicated the return on investment. Updated financial forecasts, grounded in the Annual Operational Plan and consistent market assumptions, have shown sustainable cash generation and economic viability of assets. Therefore, the Company fully reversed the *impairment* on December 31, 2024, in the amount of R\$1,704 in the Parent Company and R\$692 in the Unit, ensuring that the assets are properly reflected in the financial statements. In 2023 the Company showed that the value of its operating assets is not partially recoverable, and for that reason the residual balance of its property, plant and equipment was recognized directly in the CGU, *impairment* in the amount of R\$633

b) Suspensys Automotive Systems

On December 31, 2023, the property and equipment of Suspensys was tested for impairment, leading to a 100% *impairment rate*. The 2024 test confirmed the maintenance of this *impairment loss*, with an additional record of R\$15 as of December 31, 2024, referring to property, plant and equipment acquired in the year. The Company has no intention of discontinuing the operations of this CGU at this time.

c) Sensitivity analysis

The Company conducted a sensitivity analysis projecting optimistic and pessimistic scenarios for its

investments, considering the companies tested by KPMG and the following assumptions: (i) EBTIDA 2% lower and higher and (ii) 2% lower discount rate and the result of the analysis of the realizable value less book value is presented as follows:

Enterprise	Real scenario	Optimistic scenario	Pessimistic scenario
AML Juratek	87.996	160.530	37.893
ASK Frasle Friction	37.733	43.132	32.870
Banco Randon	59.180	132.128	6.224
Castertech Machining	13.799	23.821	7.121
DBServer	104.899	146.497	77.470
Fanacif	8.964	10.381	7.832
Fras-le Argentina	165.752	171.532	160.240
Fras-le Friction (a)	4.797	10.530	(435)
Frasle Europe B.V.	2.762	3.812	1.785
Frasle North America	169.877	203.852	140.451
Frasle Panamericana	600	908	300
Controil Brakes	210.064	240.916	182.881
Fremax (UGC)	339.936	519.774	220.730
Fundituba	14.573	18.855	10.754
Hercules Enterprises LLC (a)	16.727	142.161	(64.828)
Jurid	13.208	19.420	7.723
Master (UGC)	28.525	44.475	18.009
Nakata	1.807.092	2.465.316	1.367.021
Randon Argentina S.A.	26.772	35.058	19.494
Randon Auttom (UGC)	125.382	162.084	100.955
Randon Corretora de Seguros	17.921	26.092	12.488
Randon Triel HT	57.335	66.331	49.719

(a) When forecasting a pessimistic scenario using the assumptions highlighted above, the Company identified a possible *impairment*. However, management uses scenarios based on appropriate projections already considering market risks, which present net recoverable value. The other CGUs did not find alternative scenarios that would cause *impairment*.

15.3 Impairment testing of operating assets

The Company also annually tests operating assets for impairment, focusing on the physical analysis of property, plant and equipment to identify their unused condition. If assets are found to be in disuse or with no prospects of future use, impairment is performed, since there is no possibility of recovering the book value of these assets.

As of December 31, 2024, the impairment balance of operating assets was R\$3,355 (Company) and R\$6,785 (Consolidated) (R\$2,762 - Company and R\$6,599 - Consolidated as of December 31, 2023).

15.4 Changes in the allowance for impairment

The movement in the recoverable amount of assets is as follows:

	Parent company		Consolidated	
	2024	2023	2024	2023
Balance at the beginning of the year	(4.811)	(4.966)	(44.527)	(35.041)
Impairment loss for the year (a)	(948)	(1.116)	(10.558)	(22.374)
Reversals/updates (b)	355	1.271	2.975	12.888
Balance at the end of the year	(5.404)	(4.811)	(52.110)	(44.527)

(a) Consist of movements reported during the year consisting of impairment loss on the parent company's operating assets in the amount of R\$948, impairment loss on operating assets in subsidiary Frase-le in the amount of R\$389, impairment of the investment in indirect subsidiary Fanacif in the amount of R\$8,331 - detailed in note 14.3.1, impairment of operating assets in subsidiary Randon Implementos for transportation in the amount of R\$875 and in property and equipment in indirect subsidiary Suspensys Automotive Systems in the amount of R\$15.

(b) Consist of the changes reported during the year consisting of the reversal of impairment in the parent company's accounts of R\$355, in indirect subsidiaries Frase-le Europe B.V., of which in the amount of R\$1,704 in the parent company and R\$692 in the unit, and other changes in subsidiary Frase-le and indirect subsidiary Frase-le North America.

16 Property plant and equipment

a) Recognition and measurement

Property and equipment are measured at historic acquisition or construction cost less accumulated depreciation and any recognized impairment *losses*. Cost includes expenditure that is directly attributable to the acquisition of the asset, such as materials, direct labor, dismantling, site restoration and financing costs for qualifying assets.

Management makes judgments and estimates to define which assets are to be capitalized and to segregate components with different useful lives. Subsequent expenditure is recognized as an asset when it adds future economic benefits to the Company, while ongoing repairs and maintenance expenses are recognized in profit or loss. Likewise, assets are written off when they are disposed of or when economic benefits are not expected to be generated, with the recognition of possible gains or losses in profit or loss for the year.

b) Depreciation

Depreciation is recognized according to the estimated useful life of each asset or family of assets from the date they are available for use using the straight-line method, so that their residual value after their useful life has elapsed is fully written off. Depreciation methods, useful lives and residual values are reviewed annually, and the effects of any changes in estimates are recorded prospectively. Land is not depreciated.

The estimated useful lives for the current year are as follows:

	Consolidated	
	Average useful life	% of year
Buildings	26 years old	3,9%
Furniture and fixtures	11 years	9,0%
Machinery and equipment	10 years	10,4%
Molds	10 years	10,3%
Right to use substation	9 years	11,1%
Vehicles	9 years	11,1%
Technology equipment	5 years	18,9%

Parent company

Cost of property, plant and equipment	Land and Buildings	Machines Equipment and Molds	Furniture and Utensils	Equipment Technology	Vehicles	Property plant and equipment in course	Total
Balances as of December 31, 2022	471.032	410.511	13.230	20.783	8.223	40.363	964.142
Acquisitions	10.034	4.859	747	1.526	233	29.182	46.581
Write-off	(107)	(7.297)	(74)	(120)	-	-	(7.598)
Transfers	2.875	39.224	314	222	133	(43.084)	(316)
Balances as of December 31, 2023	483.834	447.297	14.217	22.411	8.589	26.461	1.002.809
Acquisitions	2.631	14.511	2.193	4.085	547	54.038	78.005
Write-off	(932)	(2.643)	(482)	(856)	(165)	-	(5.078)
Transfers	2.865	15.096	548	691	434	(19.634)	-
Balances as of December 31, 2024	488.398	474.261	16.476	26.331	9.405	60.865	1.075.736
Depreciation and impairment losses							
Balances as of December 31, 2022	(101.551)	(209.681)	(4.420)	(9.038)	(5.588)	-	(330.278)
Depreciation expense in the period	(7.720)	(28.379)	(1.031)	(3.589)	(432)	-	(41.151)
Write-off	85	5.824	56	88	-	-	6.053
Transfers	-	1.149	-	-	-	-	1.149
Balances as of December 31, 2023	(109.186)	(231.087)	(5.395)	(12.539)	(6.020)	-	(364.227)
Depreciation expense in the period	(7.809)	(30.110)	(1.151)	(3.695)	(496)	-	(43.261)
Write-off	667	2.169	267	648	101	-	3.852
Impairment losses	(320)	(118)	(19)	(319)	(1)	-	(777)
Transfers	-	-	-	-	-	-	-
Balances as of December 31, 2024	(116.648)	(259.146)	(6.298)	(15.905)	(6.416)	-	(404.413)
Liquid Residual Value							
Balances as of December 31, 2023	374.648	216.210	8.822	9.872	2.569	26.461	638.582
Balances as of December 31, 2024	371.750	215.115	10.178	10.426	2.989	60.865	671.323

Consolidated

Cost of property, plant and equipment	Land and Buildings	Machines Equipment and molds	Furniture and Utensils	Equipment computation	Vehicles	Property, plant and equipment in course	Total
Balances as of December 31, 2022	1.091.673	2.336.186	92.791	70.806	24.378	289.754	3.905.588
Acquisitions	15.772	65.700	7.293	7.901	844	187.360	284.870
Addition by business combination	72	3.920	1.551	1.123	577	-	7.243
Write-off	(1.024)	(54.315)	(1.825)	(2.365)	(1.096)	(910)	(61.535)
Transfers	53.542	164.674	7.098	4.488	723	(231.517)	(992)
Foreign exchange gain (loss)	(31.901)	(54.404)	(11.823)	(3.141)	(5.748)	(729)	(107.746)
Effect of hyperinflation	14.560	22.166	7.853	1.996	4.101	489	51.165
Balances as of December 31, 2023	1.142.694	2.483.927	102.938	80.808	23.779	244.447	4.078.593
Acquisitions	8.830	107.909	9.865	14.725	1.375	271.269	413.973
Addition by business combination	26.724	12.380	4.436	5.091	5.277	173	54.081
Write-off	(11.257)	(55.680)	(4.701)	(3.993)	(2.074)	(829)	(78.534)
Transfers	31.082	132.033	3.956	3.307	523	(170.901)	-
CAPITAL GAINS	27.345	4.020	865	(37)	978	-	33.171
Foreign exchange gain (loss)	19.513	70.855	8.172	(425)	1.001	3.714	102.830
Effect of hyperinflation	24.849	26.356	10.273	1.458	2.384	4.987	70.307
Others (a)	(22.401)	(1.869)	-	-	-	-	(24.270)
Balances as of December 31, 2024	1.247.379	2.779.931	135.804	100.934	33.243	352.860	4.650.151
Depreciation and impairment losses							
Balances as of December 31, 2022	(255.767)	(1.417.147)	(51.830)	(37.522)	(15.057)	49	(1.777.274)
Depreciation expense in the period	(21.211)	(137.546)	(6.304)	(9.981)	(1.513)	-	(176.555)
Addition by business combination	(68)	(3.075)	(1.450)	(1.078)	(305)	-	(5.976)
Write-off	961	41.969	1.420	1.991	814	-	47.155
Impairment losses	(10.434)	(1.715)	(297)	(692)	(150)	(20)	(13.308)
Transfer	465	(98)	(866)	784	(296)	-	(11)
Foreign exchange gain (loss)	2.076	32.406	9.597	2.196	3.691	(3)	49.963
Effect of hyperinflation	(4.341)	(13.041)	(4.932)	(2.488)	(2.691)	-	(27.493)
Balances as of December 31, 2023	(288.319)	(1.498.247)	(54.662)	(46.790)	(15.507)	26	(1.903.499)
Depreciation expense in the period	(25.741)	(158.264)	(9.099)	(12.143)	(1.827)	-	(207.074)
Addition by business combination	(10.645)	(8.459)	(3.240)	(4.200)	(2.198)	-	(28.742)
Write-off	6.249	43.123	3.188	2.950	1.685	-	57.195
Impairment losses	(6.073)	4.876	(376)	(130)	27	18	(1.658)
Transfer	-	(27)	(1)	28	-	-	-
Foreign exchange gain (loss)	(3.393)	(39.690)	(4.288)	(1.625)	(541)	14	(49.523)
Effect of hyperinflation	(7.187)	(18.349)	(7.208)	(930)	(1.871)	-	(35.545)
Other (a)	14.820	-	-	-	-	-	14.820
Balances as of December 31, 2024	(320.289)	(1.675.037)	(75.686)	(62.840)	(20.232)	58	(2.154.026)
Liquid Residual Value							
Balances as of December 31, 2023	854.375	985.680	48.276	34.018	8.272	244.473	2.175.094
Balances as of December 31, 2024	927.090	1.104.894	60.118	38.094	13.011	352.918	2.496.125

(a) Amount shown in other amounts consisting of the reclassification to current assets held for the sale of Fanacif.

The balance sheet balances of property, plant and equipment consist of the following amounts:

	Parent company		Consolidated	
	2024	2023	2024	2023
Property, plant and equipment in operation	671.323	638.582	2.496.125	2.175.094
Advances to suppliers and imports in progress	41.208	27.307	120.643	102.500
	712.531	665.889	2.616.768	2.277.594

16.1 Construction in progress

Consolidated construction in progress basically consists of projects for the expansion and optimization of industrial units, as listed below:

	Parent company		Consolidated	
	2024	2023	2024	2023
Construction and improvements in real estate	14.365	1.880	90.788	23.536
Manufacturing and installation of machinery; and equipment	39.158	19.066	225.082	193.423
Toolmaking	5.104	2.383	23.813	10.079
Other	2.238	3.132	13.235	17.435
	60.865	26.461	352.918	244.473

16.2 Capitalized borrowing costs

In the year ended December 31, 2024, the borrowing cost capitalized in the consolidated financial statements was R\$525 (R\$0 as of December 31, 2023).

17 Intangible assets

a) Software

Acquired software licenses are capitalized according to costs incurred to acquire them and prepare them for use, and are amortized during their estimated useful lives, limited to six years. The decision on whether to capitalize or recognize it as an expense involves management's judgment, considering whether the expenses generate future economic benefits for the Company.

Software maintenance costs are recognized as expenses as incurred, while development costs directly attributable to exclusive software projects controlled by the Company are recognized as intangible assets when the software is available for use or sale and when future economic benefits can be measured reliably. If these criteria are not met, expenses are recognized as expense. Development costs previously recognized as expenses may not be reclassified as assets in subsequent periods.

The measurement and amortization of intangible assets involve significant judgments and estimates, such as the definition of the economic useful life, the expectation of generating future benefits and the segregation of costs directly attributable to the development of the asset.

b) Amortization

Amortization is calculated on intangible assets less their estimated residual values using the straight-line basis over their estimated useful lives. and is generally recognized in profit or loss.

c) Business combinations and goodwill

Intangible assets acquired in a business combination basically consist of goodwill from acquisitions of investments, brands and client portfolios. In the consolidated financial statements, intangible assets acquired in a business combination and recognized separately from goodwill are measured at fair value at acquisition date, which is equivalent to cost, and are amortized over their estimated useful lives using the straight-line method.

Goodwill is the positive difference between the amount paid or payable and the net fair value of the acquired entity's assets and liabilities. Goodwill from acquisitions of subsidiaries is recognized as "intangible assets". If the acquirer reports negative goodwill, it must recognize the amount as gain in profit or loss on the acquisition date. Goodwill is annually tested for *impairment* and accounted for at cost less accumulated *impairment* losses, which are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Goodwill is allocated to cash generating units (CGUs) for impairment testing purposes. Goodwill acquired in a business combination is allocated to the CGUs or groups of CGUs that are expected to benefit from the synergies of the combination that originated the goodwill, duly segregated according to the operating segment.

Details about capital gains and goodwill arising from the acquisition of business combinations in 2024 and 2023 are presented in note five.

The estimated useful lives for the current year are as follows:

	Consolidated	
	Average useful life	% of year
Software & Licenses	5 years	20,3%
Added value of the client portfolio	11 years	9,1%
Trademarks	20 years	5,0%

Changes in intangible assets are as follows:

Parent company

Cost or valuation	Trademarks and patents	Intangible assets in progress	Software & Licenses	Total
Balances as of December 31, 2022	202	28	98,166	98,396
Acquisitions	-	299	253	552
Write-off	-	-	(33)	(33)
Transfers	-	(28)	344	316
Balances as of December 31, 2023	202	299	98,730	99,231
Acquisitions	-	390	5,804	6,194
Write-off	-	-	(272)	(272)
Transfers	-	(318)	318	-
Balances as of December 31, 2024	202	371	104,580	105,153
Amortization				
Balances as of December 31, 2022	-	-	(92,148)	(92,148)
Amortization expense for the year	-	-	(2,245)	(2,245)
Write-off	-	-	18	18
Balances as of December 31, 2023	-	-	(94,375)	(94,375)
Amortization expense for the year	-	-	(2,353)	(2,353)
Write-off	-	-	211	211
Impairment losses	-	-	(172)	(172)
Balances as of December 31, 2024	-	-	(96,689)	(96,689)
Liquid Residual Value				
Balances as of December 31, 2023	202	299	4,355	4,856
Balances as of December 31, 2024	202	371	7,891	8,464

Consolidated

Cost or valuation	Patents and trademarks	Intangible assets as of course	Software e Licenses	Portfolio of Clients	Agio	Right to use Power substation	Right-of-use assets	Total
Balances as of December 31, 2022	163,996	5,051	219,685	397,641	321,116	16,914	1,322	1,125,725
Addition by business combination	11,871	-	-	96,973	58,129	-	-	166,973
Acquisitions	-	14,335	3,616	-	108	-	-	18,059
Write-off	-	-	(428)	-	-	-	-	(428)
Transfers	-	(3,981)	4,973	-	-	-	-	992
Foreign exchange gain (loss)	(11,268)	-	(908)	(69,624)	(45,851)	-	-	(127,651)
Hyperinflation effect	5,813	-	726	47,822	25,374	-	-	79,735
Balances as of December 31, 2023	170,412	15,405	227,664	472,812	358,876	16,914	1,322	1,263,405
Addition by business combination	45,081	-	2,865	39,490	148,249	-	-	235,685
Acquisitions	-	17,936	10,392	-	-	-	-	28,328
Write-off	-	(198)	(2,552)	-	-	-	-	(2,750)
Transfers	-	(17,428)	17,428	-	-	-	-	-
Foreign exchange gain (loss)	22,858	-	2,803	55,713	48,824	-	-	130,198
Hyperinflation effect	4,314	-	1,291	35,994	19,397	-	-	60,996
Balances as of December 31, 2024	242,665	15,715	259,891	604,009	575,346	16,914	1,322	1,715,862
Amortization and impairment loss								
Balances as of December 31, 2022	(16,041)	-	(188,716)	(63,654)	(12,184)	(16,889)	-	(297,484)
Amortization expense for the year	(11,466)	-	(15,003)	(32,052)	-	(3)	-	(58,524)
Write-off	-	-	381	-	-	-	-	381
Impairment loss	(3,503)	-	-	324	7,995	-	-	4,816
Transfer	-	-	11	-	-	-	-	11
Foreign exchange gain (loss)	35	-	6,395	92	-	-	-	6,522
Hyperinflation effect	-	-	(530)	-	-	-	-	(530)
Balances as of December 31, 2023	(30,975)	-	(197,462)	(95,290)	(4,189)	(16,892)	-	(344,808)
Addition by business combination	-	-	(769)	-	-	-	-	(769)
Amortization expense for the year	(11,323)	-	(13,316)	(42,788)	-	(3)	-	(67,430)
Write-off	-	-	883	-	-	-	-	883
Impairment loss	(4,828)	-	(172)	1,663	-	-	-	(3,337)
Transfer	(5,057)	14,259	-	(9,202)	-	-	-	-
Foreign exchange gain (loss)	(4,258)	-	(1,453)	(9,000)	3,087	-	-	(11,624)
Hyperinflation effect	-	-	(1,362)	-	(19,396)	-	-	(20,758)
Balances as of December 31, 2024	(56,441)	14,259	(213,651)	(154,617)	(20,498)	(16,895)	-	(447,843)
Liquid Residual Value								
Balances as of December 31, 2023	139,437	15,405	30,202	377,522	354,687	22	1,322	918,597
Balances as of December 31, 2024	186,224	29,974	46,240	449,392	554,848	19	1,322	1,268,019

18 Leases

At the commencement date of each rental agreement, an assessment is made of whether the arrangement is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company uses a single recognition and measurement approach for all leases except for short-term leases and leases of low-

value assets.

18.1 Right-of-use asset

The right-of-use asset is recognized initially at the lease commencement date and is depreciated on a straight-line basis over the useful life of the lease or the useful life of the asset being leased. The cost of right-of-use assets includes recognized lease liabilities, initial direct costs incurred by the Company and lease payments made to the date of commencement less possible lease incentives received.

The average useful lives of right-of-use assets estimated for the current year are as follows:

	Consolidated	
	Average useful life	% year
Machinery and equipment	7	15%
Buildings	17	6%
Vehicles	4	27%

The composition and changes in right-of-use assets for the years ended December 31, 2024 and 2023 are as follows:

	Parent company			
	Right-of-use of machinery and equipment	Rights of use of buildings and land	Rights of Use of vehicles	Total
As of December 31, 2022	14.831	4.656	2.403	21.890
Additions	7.263	7.489	1.481	16.233
Write-off	(1.975)	(871)	-	(2.846)
Depreciation	(5.750)	(1.038)	(616)	(7.404)
As of December 31, 2023	14.369	10.236	3.268	27.873
Additions	7.917	1.497	1.078	10.492
Write-off	(4.743)	(6.234)	(67)	(11.044)
Depreciation	(6.181)	(984)	(927)	(8.092)
As of December 31, 2024	11.362	4.515	3.352	19.229

	Consolidated			
	Right-of-use of machinery and equipment	Rights of use of buildings and land	Rights of Use of vehicles	Total
As of December 31, 2022	87.095	179.825	3.877	270.797
Additions	27.894	30.474	2.218	60.586
Addition by business combination	-	12.495	209	12.704
Write-off	(6.818)	(5.751)	(354)	(12.923)
Transfers	(15.442)	15.442	-	-
Effect of hyperinflation	-	11.946	-	11.946
Foreign exchange gain (loss)	(22.475)	(3.042)	(3)	(25.520)
Depreciation	(20.383)	(28.637)	(1.553)	(50.573)
As of December 31, 2023	49.871	212.752	4.394	267.017
Additions	19.464	19.119	3.529	42.112
Addition by business combination	-	11.810	1.408	13.218
Write-off	(17.049)	(27.873)	(290)	(45.212)
Effect of hyperinflation	-	40.215	-	40.215
Foreign exchange gain (loss)	301	12.417	78	12.796
Depreciation	(23.771)	(41.977)	(2.268)	(68.016)
As of December 31, 2024	28.816	226.463	6.851	262.130

18.2 Lease liability

Lease liabilities are recognized at the lease commencement date and measured at the present value of the lease payments to be made over the lease term. The present value of leases is calculated using an incremental rate.

Lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under a residual value guarantee. Lease payments also include the exercise price under a purchase option that is reasonably certain to be exercised and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Variable lease payments that do not depend on an index or rate are recognized as expenses in the period when the event or condition that generates these payments occurs and is presented in note 29.

The carrying amount of lease liabilities is remeasured in the case of changes in rates, lease payments or terms, and the impacts are recognized in lease assets and in profit or loss.

Changes in lease liabilities as of December 31, 2024 and 2023 are as follows:

	Parent company	Consolidated
As of December 31, 2022	22.925	265.703
Additions	16.233	60.648
Addition by business combination	-	12.704
Write-off	(2.849)	(14.300)
Interest on leases	2.412	35.459
Payments	(9.474)	(62.944)
Foreign exchange gain (loss)	-	(18.140)
As of December 31, 2023	29.247	279.130
Additions	10.492	42.112
Addition by business combination	-	13.218
Write-off	(11.608)	(63.627)
Interest on leases	3.477	53.870
Payments	(10.581)	(76.189)
Foreign exchange gain (loss)	-	19.284
As of December 31, 2024	21.027	267.798
Circulating	2.351	46.467
Non-current	18.676	221.331

Changes in leases are described in the table below:

Information supplementary to the cash flow	Parent company	Consolidated
Balance as of December 31, 2022	22.925	265.703
Additions per business combination	-	12.704
Cash changes:		
Receipt (payment)	(9.474)	(62.944)
Subtotal	(9.474)	(62.944)
Changes that do not affect cash:		
Interest expense	2.412	35.459
Add-backs/write-offs	13.384	46.348
Foreign exchange gain (loss)	-	(18.140)
Subtotal	15.796	63.667
Balance as of December 31, 2023	29.247	279.130
Additions per business combination	-	13.218
Cash changes:		
Receipt (payment)	(10.581)	(76.189)
Subtotal	(10.581)	(76.189)
Changes that do not affect cash:		
Interest expense	3.477	53.870
Add-backs/write-offs	(1.116)	(21.515)
Foreign exchange gain (loss)	-	19.284
Subtotal	2.361	51.639
Balance as of December 31, 2024	21.027	267.798

As of December 31, 2024, the balances of lease liabilities per maturity are as follows:

	Parent company	Consolidated
Salaries	2024	2024
2025	2.350	46.467
2026	2.474	43.814
2027	2.594	38.277
2028 and beyond	13.609	139.240
Total	21.027	267.798

According to the guidelines set forth by Official Letter 02/2019 issued by the CVM SNC/SEP 02/2019, in order to evaluate the users of information, the Company calculated future cash flows using the nominal rate. If the Company had adopted this rate on December 31, 2024, the depreciation impacts on the Company's results would be R\$7,063 (Company) and R\$62,702 (Consolidated). while interest from leases in the Company and Consolidated financial statements would be R\$3,113 and R\$57,740,

respectively.

The Company does not have sub-lease agreements or retro-lease transactions.

19 Trade payables

Trade payables are liabilities payable for the acquisition of goods or services, classified in current liabilities because they mature within one year. These amounts are recognized initially at fair value and then measured at amortized cost.

Trade payables on the reporting date are presented as follows:

	Parent company		Consolidated	
	2024	2023	2024	2023
In Brazil	460.408	458.317	995.897	913.345
From third parties	399.499	400.695	995.897	913.345
Related Parties	60.909	57.622	-	-
External	13.767	19.692	422.116	290.797
From third parties	12.213	19.692	422.116	290.797
Related Parties	1.554	-	-	-
Subtotal	474.175	478.009	1.418.013	1.204.142
Discounted present value	(2.240)	(1.844)	(5.199)	(2.934)
Total	471.935	476.165	1.412.814	1.201.208

20 Drawee's risk transactions

The Company has agreements with Banco Randon to allow its suppliers to advance their receivables through a transaction called "drawee risk". Forfeiting is a transaction involving the supplier's transfer of its receivables to a financial institution, which in turn becomes the holder of the rights to receive it from suppliers. The Company keeps track of the composition of its portfolio and the conditions established with suppliers, which have not changed the terms and amounts agreed upon with respect to the original transactions.

As of December 31, 2024, the amount of drawee's risk transactions was R\$12,272 (Company) and R\$0 (Consolidated (due to the transactions carried out with Banco Randon, the Company's subsidiary, and eliminated in the consolidated financial statements). As of December 31, 2023, the balances were R\$8,055 (Company) and R\$0 (Consolidated).

21 Provision for litigation

The Company and its subsidiaries are parties to judicial and administrative proceedings incidental to its business filed at court and government agencies, which address the following issues:

Labor - Provisions to support probable losses related to labor lawsuits mostly filed by former employees of the Company and of service providers.

Tax - Provisions to cover probable losses on tax proceedings consisting of federal, state and municipal assessments of deficiencies that are underway, partly at the administrative level and partly at the judicial level, arising from disagreements about the Company's and tax authorities' interpretation of tax law.

Civil - Provisions to cover probable losses on civil proceedings consisting of damages lawsuits filed mostly by clients against the Company.

The Company's assessment of the likelihood of loss comprises an evaluation of available evidence, of the hierarchy of laws, of available court precedents, of the most recent appeals court decisions and their relevance to the legal system, as well as consultations with external lawyers. Provisions are revised and adjusted to consider changes in circumstances, such as the statute of limitations period applicable to the case, completions of tax inspections or further exposures, identified according to new matters or court decisions.

21.1 Provisions for litigation

According to the opinion of the Company's legal counsel, the estimated amounts of loss risk adjusted for inflation are:

	Parent company		Consolidated	
	2024	2023	2024	2023
Labor	33.986	8.796	113.427	73.560
Fiscal	16.421	7.745	62.974	53.779
Civil	1.383	727	1.472	777
Total	51.790	17.268	177.873	128.116

Changes in the provision for lawsuit liabilities:

	Parent company				Consolidated			
	Balance as of 2023	Addition	Write-off/ Realization	Balance in 2024	Balance as of 2023	Addition	Write-off/ Realization	Balance in 2024
Labor	8.796	31.244	(6.054)	33.986	73.561	60.813	(20.947)	113.427
Fiscal	7.745	9.439	(763)	16.421	53.779	10.266	(1.070)	62.975
Civil	727	928	(272)	1.383	776	806	(111)	1.471
Total	17.268	41.611	(7.089)	51.790	128.116	71.885	(22.128)	177.873

The main tax proceedings that have been provided for consist of lawsuits filed against indirect subsidiaries Jurid and Nakata, whose unfavorable outcome as of December 31, 2024 is in the amounts of R\$6,900 (R\$6,367 as of December 31, 2023) and R\$37,146 (R\$37,146 as of December 31, 2023) as of December 31, 2024, respectively, as well as a lawsuit filed against the parent company that addresses the offset of PIS and COFINS debts against third-party credits, whose amount as of December 31, 2024 was R\$8,786 (as of December 31, 2023 an unfavorable outcome was possible).

The Company is the target of several labor claims mostly related to claims for indemnity.

21.2 Court deposits

Judicial bonds consist of amounts deposited in court for civil, tax, labor and social security lawsuits, performed to ensure the enforcement of these lawsuits or to suspend the enforceability of receivables under collection.

	Parent company		Consolidated	
	2024	2023	2024	2023
Labor	7.561	4.948	20.870	16.023
Fiscal	196	213	17.420	11.766
Civil	90	90	136	136
Pension	588	330	655	397
Total	8.435	5.581	39.081	28.322

21.3 Contingent liabilities

The Company and its subsidiaries are party to ongoing judicial and administrative proceedings for which, when an unfavorable outcome is possible, no provisions for contingencies are accrued.

	Parent company		Consolidated	
	2024	2023	2024	2023
Labor	104.706	70.149	223.051	163.124
Fiscal	93.871	97.444	201.472	195.754
Civil	9.446	8.047	14.706	11.910
Pension	330	330	416	416
Total	208.353	175.970	439.645	371.204

The main proceedings that pose possible risk of loss are the following:

21.3.1) PIS and COFINS - The Parent Company is being executed by the Federal Government regarding the collection of PIS and COFINS originating from administrative proceedings that deal with requests for offset of debits against IPI credits acquired from third parties. The amount involved is R\$32,349.

21.3.2) Offsetting according to the IRPJ/CSLL (Social Contribution Tax) loss balance - The Brazilian Federal Revenue Service assessed a deficiency in the Company's tax returns for offsetting the negative balances of IRPJ/CSLL calculated in 2004, 2005 and 2006. The amount of the lawsuits is R\$ 25,915.

21.3.3) COFINS - Enforcement of tax debts filed by the Federal Government in connection with a tax credit arising from an administrative proceeding that arises from alleged COFINS debts (FINSOCIAL) and is staying for a stay of execution, awaiting the judgment of an appeal. The amount involved is R\$13,464, in the parent company.

21.3.4) PDI - Incentive to Research and Technological Development - Disallowance of expenses considered in the calculation of the incentive to Research and Technological Development, by the Federal Revenue Service, under the argument that they do not match the Company's R&D (subsidiary Castertech in the amount of R\$ 10,096 and subsidiary Jost in the amount of R\$ 4,347). The amount involved is R\$ 14,443.

21.3.5) PIS and COFINS (Actions for rescission) - Indirect subsidiaries Nakata and Jurid were cited in a lawsuit filed by the Federal Government seeking to overturn part of the decision that recognized the right of companies to exclude ICMS from the calculation base of PIS and COFINS. The amount involved is R\$15,726 for Nakata and R\$461 for Jurid, totaling R\$16,187.

21.3.6) Drawback – assessments of deficiency issued by the Federal Revenue Service against the parent company, subsidiary Frasle Mobility and subsidiary Master to collect IPI (Excise Tax), II (Import Tax), PIS (Contribution for Social Integration Program), COFINS (Tax for Social Security Financing) and AFRMM (Contribution for Social Security Funding) levied on imports, plus late payment fine of 20% and tax deficiency fine of 75%. The amounts involved are R\$11,821 for the parent company, R\$9,425 for Frasle Mobility and R\$2,415 for Master, totaling R\$23,661.

21.3.7) II, IPI, PIS and COFINS – Consists of a tax deficiency assessed by the Federal Revenue Service against indirect subsidiary Nakata Automotiva Ltda., demanding II, IPI, PIS and COFINS debts related to imports made from 2007 to 2009. The amount involved is R\$ 7,573.

21.3.8) IPI – Assessments of deficiency issued by the Federal Revenue Service against subsidiary Castertech for the collection of IPI. The amount involved is R\$ 7,264.

21.4 Contingent assets

The Company has contingent assets against which it is a plaintiff in civil, social security and tax proceedings. Contingent assets are not recognized, except when the gain is considered to be virtually certain, or when security interest is pledged or favorable legal decisions, which may not be appealed, have been rendered.

As of December 31, 2024, the total amount of lawsuits with a probable chance of winning, which are classified as contingent assets not recognized in the books of account, was R\$4,303 (Company) (R\$4,246 as of December 31, 2023) and R\$5,986 (Consolidated) (R\$5,969 as of December 31, 2023).

22 Loans and financing

The balances of loans, financing and debentures are initially recognized at fair value upon the receipt of funds. They are then measured at amortized cost, i.e. plus charges, interest calculated using the effective rate and monetary and foreign exchange gains (losses) and amortization, as set forth by contract, incurred through the balance sheet dates.

	Index	Annual interest	Final maturity of the contract	Parent company		Consolidated	
				2024	2023	2024	2023
Circulating							
Local currency:							
Working Capital	CDI+	0,10% a 2,49%	Mar/29	-	-	326.235	149.635
Finame (Government Agency for Machinery)	IPCA+	4,92%	December 2024	-	-	-	132
Finame (Government Agency for Machinery)	SELIC+	1,34%	Jun/28	-	-	376.558	304.323
Debentures	CDI+	1,17% a 1,69%	May/31	180.365	264.584	332.515	313.677
RISE	CDI+	1,29% a 2,60%	May/27	3.166	10.818	124.439	158.322
RISE	FIXED RATE	14,84%	Jul/26	-	800	-	800
NC	CDI+	0,90% a 1,85%	out/31	-	-	14.718	10.770
4131	CDI+	3,00%	Ago/26	-	-	36.873	39.315
Vendor	CDI+	4,00%	Jan/25	176	310	21.164	13.386
Exim Pre-Shipment	TLP+	0,80%	Jan/29	19.065	-	19.065	-
Exim Pre-Shipment	CDI+	0,80% a 1,59%	Jun/29	-	-	56.564	47.018
Fundopem	IPCA+	1,00% a 3,00%	Feb/37	-	-	3.539	4.521
FINEP (Research and Project Financing Agency)	TJLP+ /TR+	0,80% a 3,30%	Set/40	109	-	1.559	-
IFC	CDI+	1,50%	Apr/33	6.092	-	12.619	-
Foreign currency:							
Working Capital	FIXED	6,75% a 9,15%	Jun/25	-	-	88.662	55.033
Working Capital	FIXED	25,00% a 46,00%	Out/26	-	-	14.388	732
Working Capital	SOFR+	2,25%	Jul/25	-	-	6.396	35.475
Overdraft	UK BASE RATE+	2,30%	May/24	-	-	-	16.425
Pre-export contract	SOFR+	3,23% a 3,53%	Jul/25	31.328	24.704	61.752	48.988
RISE	FIXED	5,45 a 5,64%	May/29	844	705	1.219	16.950
ACC	FIXED	6,06%	Set/29	-	-	3.176	-
Term Loan	FIXED	2,28% a 2,85%	Nov/31	-	-	358	527
Exim Pre-Shipment	SOFR 5A+	0,8% a 1,40%	Jun/29	22.732	-	22.856	-
				263.877	301.921	1.524.655	1.217.464
Non-current							
Local currency:							
Working Capital	CDI+	0,10% a 2,49%	Mar/29	-	-	6.667	10.500
Debentures	CDI+	1,17% a 1,69%	May/31	1.730.569	1.512.006	1.974.714	1.895.581
IFC	CDI+	1,50%	Apr/33	246.187	-	494.100	-
RISE	CDI+	1,29% a 2,60%	May/27	300.000	500.000	410.333	728.333
4.131	CDI+	3,00%	Ago/26	-	-	33.333	66.667
RISE	FIXED RATE	14,84%	Jul/26	-	150.000	-	150.000
NC	CDI+	0,90% a 1,85%	Out/31	-	-	504.051	200.000
Fundopem	IPCA+	1,00% a 3,00%	Feb/37	3.588	-	33.434	14.566
FINEP (Research and Project Financing Agency)	TJLP+ TR+	0,80% a 3,30%	Set/40	81.639	-	103.711	-
Finame (Government Agency for Machinery)	SELIC+	1,34%	Jun/28	-	-	714.303	634.474
Exim Pre-Shipment	TLP+	0,80%	Jan/29	57.813	-	57.813	-
Exim Pre-Shipment	CDI+	0,80% a 1,59%	Jun/29	-	-	227.368	156.944
Foreign currency:							
Working Capital	FIXED	25,00% a 46,00%	out/26	-	-	499	834
Pre-export contract	SOFR+	3,23% a 3,53%	Jul/25	-	24.206	-	47.482
RISE	FIXED	5,45 a 5,64%	May/29	185.768	145.239	254.546	199.011
Term Loan	FIXED	2,28% a 2,85%	nov/31	-	-	265.969	3.837
Exim Pre-Shipment	SOFR 5A+	0,8% a 1,40%	Jun/29	73.410	-	127.316	-
				2.678.974	2.331.451	5.208.157	4.121.368
Total loans				2.942.851	2.633.372	6.732.812	5.338.833

The parent company's loans and financing are secured by sureties and guarantees in the amount of R\$1,601,013 (R\$963,327 as of December 31, 2023).

Subsidiary Frasle Mobility provides endorsements and sureties to its subsidiaries in the amount of R\$125,306 (R\$162,705 as of December 31, 2023) and to its parent company in the amount of R\$256,817 (R\$0 as of December 31, 2023).

Indirect subsidiary Fras-le Europe B.V. has loans in the amount of R\$4,890 that are collateralized by items of property, plant and equipment.

Moreover, the Company and its subsidiaries have entered into finance agreements with banks, IFC and BNDES, as well as debentures, commercial notes and working capital transactions in the amount of R\$4,445,410 whereby financial commitments (*covenants*) are calculated according to the ratio of net debt to EBITDA, with no effect of subsidiary Randon Investimentos Ltda.

These financial commitments are monitored quarterly, but measured annually on the reporting dates.

Both as of December 31, 2024 and December 31, 2023, the consolidated net debt/consolidated EBITDA ratios lower than or equal to 3.50, set forth by contract, were being complied with by the Company and its subsidiaries.

a) Vendor

Vendor transactions are carried out with recourse.

b) Fundopem

The Company benefits from a tax incentive granted by the state of Rio Grande do Sul (Fundopem), whereby the Company postpones the payment of the portion of the ICMS debt monthly generated. The incentive has a grace period of 33 to 54 months and has payment terms between 54 and 96 months from each debt, adjusted by the IPCA (Extended Consumer Price Index) published by IBGE (Brazilian Institute of Geography and Statistics) and interest rate ranging from 1% to 3% p.a.

c) Debentures

Consist of funding raised through unsecured debentures issued under a subscription regime under a private instrument for placing and using restricted efforts.

Date of issue	Series	Maturity date	Index	Annual interest	Parent company	Consolidated
April 10, 2019	Only	April 10, 2026	CDI+	1,20%	266.664	266.664
June 15, 2020 (a)	Only	June 15, 2027	CDI+	1,45%	-	175.000
July 15, 2020	Only	July 15, 2027	CDI+	1,45%	-	210.000
February 11, 2022	First	February 3, 2027	CDI+	1,54%	250.000	250.000
February 11, 2022	Second	February 03, 2029	CDI+	1,69%	250.000	250.000
November 09, 2022	First	November 09, 2027	CDI+	1,50%	229.000	229.000
November 09, 2022	Second	November 09, 2029	CDI+	1,69%	271.000	271.000
May 22, 2024	Unique	May 19, 2031	CDI+	1,17%	600.000	600.000

(a) In December 2024, the Company settled the debentures issued on June 15, 2020 in the amount of R\$35,000.

On September 4, 2024, according to a significant fact disclosed by subsidiary Frasle Mobility, the subsidiary approved the 5th issue of simple, nonconvertible, unsecured debentures, in a single series, totaling R\$750,000. Debentures mature in seven years and bear interest at 100% of the accrued interbank deposit rate, plus 1.22% per year. The funds will be used for cash reinforcement and risk management (*liability management*). As of December 31, 2024, the funds from this issuance of debentures had not yet been disbursed.

d) Guarantees

As of December 31, 2024 and 2023, the Company had the following amounts of collateral consisting of endorsements, sureties, trust property and mortgages provided to the companies:

	Type of collateral	Consolidated	
		2024	2023
Master Sistemas Automotivos Ltda.	Downstream	6.292	7.300
Banco Randon S.A.	Bail bonds	700.000	300.000
Randon Technology Center	Downstream	8.876	3.190
Castertech Machining	Downstream	2.005	2.005
Frasle Mobility	Downstream	266.454	7.649
Randon Automotive	Bail	6.396	2.495
Randon Holdco	Bail	-	12.988
Randon Auttom Automation and Robotics Ltd.	Downstream	500	2.174
Randon Argentina S.A.	Stand By	6.258	888
Jost Brasil Sistemas Automotivos Ltda.	Downstream	1.982	1.817
Randon Triel-HT Impl. Rodoviários Ltda.	Downstream	1.391	11.774
Castertech Foundry and Technology Ltd.	Downstream	540.175	611.047
Hercules Enterprises, LLC	Stand By	60.685	-
Total		1.601.014	963.327

In addition to the sureties and sureties granted to the companies mentioned above, the Company did

not grant sureties and sureties to third parties as of December 31, 2024 (R\$2,955 as of December 31, 2023).

The Company does not have other long-term commitments.

22.1 Main funding of the year

a) International Finance Corporation

The Company has a finance agreement with the *International Finance Corporation "IFC"*, entered into on February 28, 2024, in the amount of R\$500,000. The funds will be allocated mainly to sustainability-oriented projects, linked to the public commitment to reduce greenhouse gas emissions by 40%. The payment term is 9 years, with a grace period of 2 years. If the goals set forth in the agreement are achieved, a discount benefit on financing interest is foreseen as of 2026.

22.2 Changes in loans, financing and debentures

Loans, financing and debentures	Parent company	Consolidated
Balance as of December 31, 2022	2.795.608	5.417.678
Addition by business combination	-	33.615
Cash changes:		
Receipt	-	1.017.667
Payment	(134.109)	(1.187.474)
Interest paid	(382.813)	(686.751)
Subtotal	(516.922)	(856.558)
Changes That Do Not Affect Cash		
Accrued interest expense	373.875	782.649
Foreign exchange gain (loss)	(19.012)	(53.617)
Other	(177)	15.065
Subtotal	354.686	744.097
Balance as of December 31, 2023	2.633.372	5.338.832
Cash changes:		
Receipt	1.084.321	3.468.188
Payment	(829.200)	(2.187.517)
Interest paid	(353.286)	(692.326)
Subtotal	(98.165)	588.345
Changes That Do Not Affect Cash		
Accrued interest expense	338.778	688.711
Foreign exchange gain (loss)	69.001	124.243
Other	(135)	(7.319)
Subtotal	407.644	805.635
Balance as of December 31, 2024	2.942.851	6.732.812

23 Financial risk management objectives and policies

The Company and its subsidiaries carry out transactions with financial instruments, all of which are recorded in balance sheet accounts, which are designed to meet their operating needs and to reduce exposure to financial risks, particularly related to loans and fund investments, market risks (exchange and interest rates), high volatility of commodities and liquidity risk. to which the Company understands it is exposed, according to the nature of its business and operating structure.

A portion of the Company's revenues are generated by the sale of products to foreign markets, exposed to the risk of exchange rate fluctuations. Moreover, the Company enters into finance agreements in financial markets at fixed or floating rates, exposed to the risk of interest rate fluctuations. Fair values are determined based on market price quotations, when available.

The fair values of cash and cash equivalents, trade receivables, short-term debt and trade payables approximate their book values. The fair values of other long-term assets and liabilities do not differ significantly from their book values.

These risks are managed by defining strategies prepared and approved by the Company's management. The risks faced by the Company and its subsidiaries are described below.

23.1 Market risk

The Company and its controlled companies do not have speculative trading in derivatives or other risky assets.

Market risk is the risk that the fair value of future cash flows from a financial instrument fluctuates due to changes in market prices. Market prices comprise three types of risk: interest rate risk, exchange rate risk and price risk which can be posed by commodities and shares, among others. Financial instruments affected by market risk include loans receivable and loans payable, deposits, held-to-maturity financial instruments measured at fair value through profit or loss and derivative financial instruments.

Below is a class comparison of the book value and fair value of the Company's financial instruments presented in the financial statements.

Parent company

			Carrying value		Fair value	
	Note	Hierarchy	2024	2023	2024	2023
Assets						
Fair value through profit or loss						
Cash and cash equivalents	7	2	936.395	1.126.503	936.395	1.126.503
Financial instruments and derivatives	23.1	2	194	564	194	564
Amortized cost						
Trade receivables	9		356.981	277.673	356.981	277.673
Liabilities						
Liabilities at amortized cost						
Trade payables	19		(471.935)	(476.165)	(471.935)	(476.165)
Drawee's risk	20		(12.272)	(8.055)	(12.272)	(8.055)
Accounts payable by business combination	5		(1.028)	(925)	(1.028)	(925)
Loans and financing	22	2	(2.942.851)	(2.633.372)	(2.962.931)	(2.648.893)
Total			(2.134.516)	(1.713.777)	(2.154.596)	(1.729.298)

Consolidated

			Carrying value		Fair value	
	Note	Hierarchy	2024	2023	2024	2023
Assets						
Fair value through profit or loss						
Cash and cash equivalents	7	2	2.252.138	2.864.807	2.252.138	2.864.807
Structured transaction certificates	23.4	2	535.481	-	535.481	-
Non-liquid financial investments	8	2	190.763	100.142	190.763	99.914
Derivative financial instruments	23.1	2	7.378	564	7.378	564
Receivables from consortium funds		2	28.010	25.048	28.010	25.048
Amortized cost						
Trade receivables	9		3.632.342	2.139.863	3.632.342	2.139.863
Liabilities						
Fair value through profit or loss						
Derivative financial instruments	23.1	2	(259)	(7.309)	(259)	(7.309)
Liabilities at amortized cost						
Trade payables	19		(1.412.814)	(1.201.208)	(1.412.814)	(1.201.208)
Accounts payable by business combination	5		(207.372)	(347.949)	(207.372)	(347.949)
Loans and financing	22	2	(6.732.812)	(5.338.832)	(6.760.904)	(5.361.654)
Total			(1.707.145)	(1.764.874)	(1.735.237)	(1.787.924)

The fair values of cash and cash equivalents and financial investments are measured at the market value of investments. At each period analyzed by our team, for investments with a grace period of less than or equal to 90 days, a 10% discount on the agreed rate is considered, reflecting the average penalty charged by banks on early redemptions.

In the case of loans, when there is a negotiation price available, the amount of the last negotiation is used. Otherwise, fair value is calculated considering *Break Funding Fee - BFF clauses* or, if there are no break funding clauses, book value clauses. In addition, the costs incurred to issue debentures and commercial notes allocated to liabilities are disregarded to measure fair value.

a) Derivative financial instruments

The Company and its subsidiaries follow the policy of carrying out transactions with derivative financial instruments to mitigate or eliminate the risks inherent in their operations.

The management of the Company and its subsidiaries constantly monitors the derivative financial instruments entered into by means of their internal controls.

The derivative financial instruments currently entered into by the Company, all registered with CETIP, result from exchange rate risk and have the specific purpose of hedging its estimated foreign currency exposure.

The derivative financial instruments entered into by the Company and its subsidiaries basically consisted of *non-deliverable forward* transactions to hedge expected future sales to foreign clients for which the Company expects to be carried out and the credit balance denominated in foreign currency and swap transactions are highly probable to hedge the foreign exchange gain or loss on some loans denominated in foreign currency. Under this type of transaction, the Company has duties and obligations based on a price quotation previously agreed upon maturity, i.e. the forward contracts entered into by the Company do not have variation margins. Net income from these transactions is recognized on an accrual basis in its financial statements.

Below are the gains and losses in the years ended December 31, 2024 and 2023, grouped by the main risk categories, at fair value and allocated to finance income (costs):

Foreign exchange hedging transactions	Coin	Parent company		Consolidated	
		2024	2023	2024	2023
Financial derivatives	R\$	309	3.468	11.461	(6.451)
Total	R\$	309	3.468	11.461	(6.451)

The tables below show the Company's balances of derivatives.

Parent company

Description/ Counterparty	Notional value Notional value – in thousands of R\$		Fair Value (credit) / debit		Cumulative effect in 2024 (credit)/ debit		Cumulative effect in 2023 (credit)/ debit	
	2024	2023	2024	2023	Amount received	Value paid	Amount received	Value payment
SWAP	18.577	29.048	194	564	578	-	3.812	-
Total	18.577	29.048	194	564	578	-	3.812	-

Consolidated

Description/ Counterparty	Notional value Notional – in thousands		Fair Value (credit) / debit		Cumulative effect in 2024 (credit)/ debit		Cumulative effect in 2023 (credit)/ debit	
	2024	2023	2024	2023	Amount received	Value paid	Amount received	Value payment
SWAP	87.355	82.820	6.717	(6.745)	578	(3.620)	3.812	(3.075)
NDF	-	-	-	-	-	-	-	(1.766)
Future Contract	29.329	-	402	-	-	-	-	-
Total	116.684	82.820	7.119	(6.745)	578	(3.620)	3.812	(4.841)

Changes in derivative financial instruments	Assets		Passive
	Parent company	Consolidated	Consolidated
Balance as of December 31, 2022	889	889	4.245
Cash changes:			
Receipt	-	-	-
Payment	-	-	(1.029)
Subtotal	-	-	(1.029)
Changes that do not affect cash:			
Foreign exchange gain (loss)	(325)	(325)	4.093
Subtotal	(325)	(325)	4.093
Balance as of December 31, 2023	564	564	7.309
Cash changes:			
Receipt	-	(3.620)	-
Payment	578	578	-
Subtotal	578	(3.042)	-
Changes that do not affect cash:			
Foreign exchange gain (loss)	(948)	9.856	(7.050)
Subtotal	(948)	9.856	(7.050)
Balance as of December 31, 2024	194	7.378	259

23.2 Fair value hierarchy

The Company applies CPC 40 (R1) (*IFRS 7*) to financial instruments measured at fair value in the balance sheet, which requires the disclosure of fair value measurements by the levels in the fair value hierarchy:

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

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

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

The Company has only derivative financial instruments measured at fair value considering a Level 2 valuation technique. There were no transfers between levels 1, 2 and 3 during the year ended December 31, 2024.

23.3 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument fluctuates due to changes in market interest rates.

The Company's exposure to the risk of changes in market interest rates basically consists of long-term obligations subject to floating interest rates.

The Company manages interest rate risk by maintaining a balanced portfolio between financial flows receivable and financial flows payable subject to fixed and variable rates. To mitigate these risks, the Company and its subsidiaries follow the practice of diversifying their funding in terms of fixed or floating rates, permanent assessment of the risks faced by financial institutions and, in certain circumstances, assess the need of entering into hedging instruments to curb the financial cost of transactions.

23.4 Foreign exchange risk

The Company adopts *hedge accounting*, in accordance with market practices (CPC 48/*IFRS 9*) and internal regulations, to minimize the volatility of the exchange rate variation in the Company's profit or loss.

The Company has formally designated derivative instruments to hedge its highly probable future exports in US dollars to hedge its cash flow hedge accounting in order to reduce the volatility of export revenues resulting from changes in exchange rates against the Brazilian real.

Adoption is supported by the effectiveness of export expectations over time, when compared with the flow of maturities of commitments subject to variation in foreign currency, mainly the US dollar (USD), which are diluted in the long term.

This practice aims at reflecting in a more adequate manner the Company's results with respect to assets and liabilities exposed to foreign currency fluctuations.

The *hedging* framework consists of covering a group of liabilities, firm commitments, highly probable forecast transactions with risk characteristics similar to those of exports to be set in foreign currency (USD) against the risk of exchange rate fluctuation against the real - BRL, adopting as current hedging instrument non-derivative financial instruments (financing), in amounts and maturities equivalent to the *budget* of sales of manufactured products.

Foreign exchange risk is the risk that the fair value of future cash flows from a financial instrument fluctuates due to changes in exchange rates. The Company's exposure to the risk of exchange rate fluctuations relates mainly to its operating activities (when revenues or expenses are denominated in a currency other than its functional currency) and its net investments in foreign subsidiaries.

The Company acts internationally and is exposed to the exchange rate risk arising from exposures to certain currencies, particularly the US dollar, which rose 27.91% in the year ended December 31, 2024 (7.20% as of December 31, 2023). Exchange rate risk also results from business and financial transactions, assets and liabilities recognized in the Company's books of account and net investments abroad. The Company and its subsidiaries manage their exchange rate risk in relation to their functional currency. In addition to accounts receivable from exports to Brazil and investments abroad that constitute *natural hedges*, the Company constantly evaluates its exchange rate exposure and, when necessary, enters into derivative financial instruments for *hedging* purposes.

These transactions are carried out directly with financial institutions. The impact on the cash flows of the Company and its subsidiaries is reported only on the date contracts are settled. However, the settlement of these financial transactions is linked to proceeds from sales, which in turn are associated to foreign exchange gains or losses, therefore, offsetting possible foreign exchange gains or losses on hedging instruments.

a) Financial instruments designated as hedge accounting

Parent company and Consolidated						
Kind	Hiring fee	Designation fee	Notional US\$ mil	Foreign exchange gain (loss) accounted for in equity	Carrying value	Effect on profit or loss
PPE	3,7430	3,7430	1.500	3.673	9.285	2.062
PPE	3,7491	3,7491	1.500	3.664	9.285	2.053
Total			3.000	7.337	18.570	4.115

Below is a breakdown of the maturity dates of derivative transactions and deferred foreign exchange gains and losses that fall into the *hedge accounting methodology*.

Parent company and Consolidated

Reference year	Notional USD mil	Reference year	Sales in thousands of USD designated
2025	3.000	2025	3.000
Total	3.000		3.000

b) Exchange rate exposure

As of December 31, 2024 and 2023, the foreign exchange exposure of the Company and its subsidiaries to foreign currency transactions is as follows:

	US\$ mil			
	Parent company		Consolidated	
	2024	2023	2024	2023
A. Net assets in U.S. dollars	24.284	25.818	154.851	105.510
B. Loans/financing in USD	(50.740)	(40.259)	(136.856)	(87.871)
C. Derivative financial instruments	3.000	6.000	18.843	11.107
D. Future exports designated for <i>hedge accounting</i>	3.000	6.000	3.000	6.000
E. Net exposure	(20.456)	(2.441)	39.838	34.746

c) Certificate of Structured Transactions (COE)

In order to mitigate the exchange rate fluctuation risks associated with the acquisition of Kuo

Refacciones, the Company, through its direct subsidiary Frasle Mobility, entered into a COE (Certificate of Structured Transactions) linked to the performance of the Mexican peso against the real. Approximately 25% of the funds to be used in the transaction are allocated in Brazil, which creates a need for protection against exchange rate fluctuations between the Brazilian real and the Mexican peso.

The COE was designated as a cash flow hedge for this highly probable transaction, given that the transaction is directly linked to the acquisition amount. That financial instrument was duly recognized in Other Investments in the Company's current assets and foreign exchange gains and losses on those investments are recognized in Other Comprehensive Income in equity.

Although the conditions precedent for the acquisition have not yet been finalized, the amount in Mexican pesos has already been established. The hedging strategy ensures protection against exchange rate volatility, in accordance with the Company's financial policy.

	Initial Investment	Foreign exchange gain or loss (OCI)	Earnings (net finance income)	Balance as of December 31, 2024
Certificate of Structured Transactions (COE)	500.000	19.896	15.585	535.481
Total other investments	500.000	19.896	15.585	535.481

23.5 Sensitivity analysis

The Company is exposed to fluctuations in exchange and interest rates that affect both the cost of its loans and financing and the yields on its financial investments. In order to analyze the possible impacts of these variations, a sensitivity analysis was conducted based on three scenarios: probable, reasonably possible and possible. The probable scenario was built according to market projections of the US dollar-real exchange rates, Selic (Central Bank overnight rate), CDI (interbank deposit certificate) and IPCA (Extended Consumer Price Index), as estimated on the Focus report disclosed by the Central Bank of Brazil. For international rates, such as SOFR and other exchange rates (euro, pound sterling, rupee and Argentinian peso), Bloomberg projections were used. For the variables that do not have official market projections (TR, TJLP and TEC-3), we decided to adopt, in the probable scenario, the current rates as of December 31, 2024.

The method used to calculate the potential impact of changes in exchange and interest rates involved the application of historical standard deviations from the rates reported over the past five years. Therefore, under the reasonably possible scenario, the rates would range by 1 standard deviation from the probable scenario, while under the possible scenario fluctuations would reach three standard deviations. This approach reflects the volatility expected for each interest rate, taking into account the historical behavior of these variables.

The sensitivity analysis considers positions outstanding as of December 31, 2024, according to their nominal values and the interest of each instrument. The table below shows the fluctuations in the values of financial instruments under each scenario.

Parent company

Instrument/Sensitivity	Amounts exposed in 2024	Probable	Reasonably possible	Possible
US dollar - real exchange rate	R\$	6,00	6,98	8,94
Exim	(96.142)	(4.895)	(5.517)	(7.962)
RISE	(186.613)	(10.198)	(11.493)	(16.586)
PPE	(31.328)	(2.355)	(2.655)	(3.831)
Interest rate CDI	R\$	14,90%	19,99%	30,16%
Working Capital	(252.280)	(42.692)	(55.950)	(82.467)
Debentures	(1.910.933)	(316.421)	(415.209)	(612.785)
RISE	(303.166)	(52.524)	(68.269)	(99.760)
Vendor	(176)	(26)	(35)	(53)
SWAP CDI x Dollar	194	188	218	280
(Passive)				
Financial investments	936.395	139.523	187.151	282.406
IPCA interest rate	R\$	5,00%	7,05%	11,16%
Fundopem	(3.588)	(217)	(292)	(440)
SOFR interest rate	R\$	3,57%	13,52%	33,41%
PPE	(18.865)	(1.282)	(3.159)	(6.912)
Interest rate - TLP	R\$	10,84%	13,01%	17,35
Exim	(76.878)	(9.014)	(10.695)	(14.056)

Consolidated

Instrument/Sensitivity	Amounts exposed in 2024	Probable	Reasonably possible	Possible
US dollar - real exchange rate	R\$	6,00	6,98	8,94
ACC	(3.176)	(186)	(210)	(303)
Working Capital	(80.348)	(5.254)	(5.922)	(8.546)
Exim	(150.172)	(7.775)	(8.762)	(12.645)
RISE	(255.766)	(13.850)	(15.609)	(22.526)
PPE	(61.752)	(4.775)	(5.381)	(7.766)
Futures exchange rate	662	25	402	1.049
Euro-real exchange rate	R\$	6,30	6,82	7,67
Working Capital	(4.891)	(109)	(116)	(138)
Exchange rate Argentinian peso - real	R\$	0,0043	0,0037	0,0031
Working Capital	(14.887)	(4.108)	(2.517)	(1.286)
Rupee - real exchange rate	R\$	0,0699	0,0779	0,0923
Working Capital	(14.710)	(1.274)	(1.371)	(1.748)
Exchange rate Pounds - Real	R\$	7,62	8,12	8,91
Working Capital	(261.436)	(19.378)	(20.275)	(23.270)
Interest rate CDI	R\$	14,90%	19,99%	30,16%
4131	(70.207)	(13.358)	(17.919)	(27.039)
Working Capital	(517.225)	(87.305)	(114.474)	(168.811)
Debentures	(2.307.229)	(382.307)	(501.618)	(740.239)
Exim	(174.067)	(27.686)	(36.617)	(54.479)
NC	(518.768)	(85.918)	(112.765)	(166.460)
Vendor	(21.164)	(4.118)	(5.237)	(7.476)
RISE	(534.773)	(92.988)	(121.762)	(179.309)
SWAP CDI x Dollar				
(Passive)	6.717	(122)	(8.747)	(20.309)
Financial investments	2.424.129	361.195	484.494	731.090
IPCA interest rate	R\$	5,00%	7,05%	11,16%
Fundopem	(36.973)	(2.348)	(3.117)	(4.657)
SELIC interest rate	R\$	15,00%	20,12%	30,36%
Exim	(109.864)	(18.489)	(24.203)	(35.633)
SOFR interest rate	R\$	3,57%	13,52%	33,41%
Working Capital	(6.396)	(372)	(1.008)	(2.281)
PPE	(18.865)	(1.282)	(3.159)	(6.912)
Interest rate SONIA	R\$	3,79%	7,91%	16,15%
Working Capital	(261.436)	(17.359)	(28.132)	(49.677)
Interest rate TEC-3	R\$	46,81%	76,78%	136,71%
Working Capital	(735.455)	(322.203)	(542.597)	(983.386)
Interest rate TJLP	R\$	7,43%	8,31%	10,07%
FINEP (Research and Project Financing Agency)	(7.364)	(610)	(676)	(806)
Interest rate - TLP	R\$	10,84%	13,01%	17,35%
Exim	(76.878)	(9.014)	(10.695)	(14.056)

Benchmark interest rate	R\$	0,77%	3,31%	8,41%
Exim	(97.906)	(3.183)	(5.737)	(10.847)

23.6 Capital structure risk

The primary objective of the Company's capital management is to ensure that the Company maintains a strong credit rating and a trouble-free capital ratio in order to support the business and maximize shareholder value.

The Company manages its capital framework and adjusts it to reflect changes in economic conditions. The capital structure or financial risk results from the choice between equity capital (capital contributions and retained earnings) and debt capital which the Company and its subsidiaries make to finance their transactions. In order to mitigate liquidity risks and optimize the weighted average cost of capital, the Company and its subsidiaries permanently monitor indebtedness levels according to market standards and compliance with covenants set forth on loan and financing agreements.

There were no changes in objectives, policies or processes during the years ended December 31, 2024 and 2023. The Company includes in its net debt loans and financing that bear interest less cash and cash equivalents and non-highly liquid investments, as shown below.

	Note	Parent company		Consolidated	
		2024	2023	2024	2023
Loans and financing	22	2.942.851	2.633.372	6.732.812	5.338.832
Derivative financial instruments	23.1	-	-	259	7.309
Accounts payable by business combination	5	1.028	925	207.372	347.949
Payables to other related parties	12	-	-	5.618	6.192
Third-party fundraising		-	-	721.210	439.911
(-) Cash and cash equivalents	7	(936.395)	(1.126.503)	(2.252.138)	(2.864.807)
(-) Other investments	23.4	-	-	(535.481)	-
(-) Non-highly liquid investments	8	-	-	(190.763)	(100.142)
(-) Derivative financial instruments	23.1	(194)	(564)	(7.378)	(564)
Net debt		2.007.290	1.507.230	4.681.511	3.174.680
Equity		3.245.269	2.777.775	3.245.269	2.777.775
Equity and net debt		5.252.559	4.285.005	7.926.780	5.952.455

23.7 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk in its operating activities (mainly with respect to trade receivables) and financing, including deposits in banks and financial institutions, foreign exchange transactions and other financial instruments. The maximum exposure to credit risk on the reporting date is the recorded amount of each class of contractual assets mentioned in Notes 7, 8 and 9.

a) Accounts receivable

The client's credit risk is managed by each business unit and is subject to procedures, controls and a policy established by the Company with respect to this risk. Credit limits are set for all clients according to internal classification criteria. Credit analysis is made by indirect subsidiary Banco Randon S.A. The client's credit standing is assessed according to an extensive internal credit rating system. Some sales are financed by Banco Randon S.A., where the Company equalizes rates, and some sales are guaranteed by the distributor network. Outstanding trade receivables are frequently tracked. As of December 31, 2024, the Company had approximately 26 clients (27 clients as of December 31, 2023) who owed the Company more than R\$10,000 each and accounted for approximately 73% (75% as of December 31, 2023) of all trade receivables. The need for an allowance for impairment loss is reviewed at each reporting date for all customers. The simplified approach is used to obtain expected loss percentages that are applied to the portfolio, according to the aging list. Historical loss rates are annually adjusted according to an increase in the portfolio's most recent crop, and a possible correlation between these rates and macroeconomic variables is evaluated.

According to the operational risk of each client, the Company classifies trade and other receivables taking into account the risk and collateral that each client has. The Company classifies clients in the

following manner:

Parent company

	2024	2023
Minimum Risk	75	46
Low risk	4	10
Medium risk	3	8
High risk	10	34
Very high risk	8	1

Consolidated

	2024	2023
Minimum Risk	50	43
Low risk	33	34
Medium risk	7	8
High risk	9	16
Very high risk	2	-

b) Financial instruments and bank deposits

The credit risk of balances with banks and financial institutions is managed by the Company's Treasury according to established policy. Surplus funds are invested only in financial institutions that meet the guidelines set forth by the Financial Policy approved by the Board of Directors.

The Company uses the risk ratings of *Standard and Poor's*, *Moody's* and *Fitch* to determine the *risk assessment ratings* of the counterparties to financial assets classified as cash, cash equivalents and financial investments, according to the limits established in its financial policy:

Parent company

Risk-assessed financial assets	2024	2023
AAA	642.118	851.946
AA+	294.277	274.557
Total	936.395	1.126.503

Consolidated

Risk-assessed financial assets	2024	2023
AAA	2.444.951	2.507.218
AA+	314.538	317.810
AA-	76	75
A	1.754	-
B-(a)	199.051	137.057
	2.960.370	2.962.160
Financial assets without risk assessment		
Other financial assets without risk assessment (b)	18.012	2.789
	18.012	2.789
Total	2.978.382	2.964.949

- a) Consist of banks located in Argentina, in accordance with the Brazilian Finance Policy.
b) Unrated investments

23.8 Liquidity risk

Liquidity risk consists of the possibility of the Company and its subsidiaries not having sufficient funds to meet their commitments because of the different currencies and settlement dates of their receivables and payables.

Liquidity and cash flow control is monitored on a daily basis to ensure that cash flows from operating activities and early fund-raising, if necessary, are sufficient to meet its schedule of commitments and do not pose liquidity risks to the Company.

The table below summarizes the maturity profile of the Company's and its subsidiaries' financial liabilities as of December 31, 2024, based on undiscounted contractual payments.

Parent company

Year ended December 31, 2024	Up to three months	3 to 12 months	Within 1-5 years	More than five years	Cash Flows	Carrying value
Loans and financing	44.433	496.131	2.889.492	810.741	4.240.797	2.942.851
Accounts payable by business combination	-	-	1.028	-	1.028	1.028
Trade payables	468.177	3.561	193	4	471.935	471.935
Drawee's risk	12.272	-	-	-	12.272	12.272
Total	524.882	499.692	2.890.713	810.745	4.726.032	3.428.086

Year ended 31 December 2023	Up to three months	3 to 12 months	Within 1-5 years	More than five years	Cash Flows	Carrying value
Loans and financing	60.948	488.993	3.029.001	-	3.578.942	2.633.372
Accounts payable by business combination	-	-	925	-	925	925
Trade payables	462.344	15.132	529	4	478.009	476.165
Drawee's risk	8.055	-	-	-	8.055	8.055
Total	531.347	504.125	3.030.455	4	4.065.931	3.118.517

Consolidated

Year ended December 31, 2024	Up to three months	3 to 12 months	Within 1-5 years	More than five years	Cash Flows	Carrying value
Loans and financing	321.427	816.439	4.102.478	538.399	5.778.743	6.732.812
Accounts payable by business combination	-	59.949	147.423	-	207.372	207.372
Trade payables	1.283.407	127.576	1.799	32	1.412.814	1.412.814
Total	1.604.834	1.003.964	4.251.700	538.431	7.398.929	8.352.998

Year ended 31 December 2023	Up to three months	3 to 12 months	Within 1-5 years	More than five years	Cash Flows	Carrying value
Loans and financing	321.427	816.438	4.102.478	538.399	5.778.742	5.338.832
Accounts payable by business combination	10.692	168.622	160.025	8.610	347.949	347.949
Trade payables	1.031.774	167.361	6.959	32	1.206.126	1.201.208
Total	1.363.893	1.152.421	4.269.462	547.041	7.332.817	6.887.989

23.9 High commodity volatility risk

This risk is related to the possibility of significant fluctuations in the prices of the Company's main raw materials, such as steel, resins, rubber and other inputs used in production. Because the Company operates in a commodity market, the cost of goods sold by the Company may be affected by changes in the prices of the raw materials it purchases. In order to mitigate this risk, the Company constantly monitors price fluctuations in local and international markets, makes early purchases and locks prices with its main suppliers.

24 Information on share capital and reserves
24.1 Number of authorized shares

	As of December 31, 2024 and 2023
Common stock	200.000
Preference shares	400.000
Total shares	600.000

24.2 Shares issued and fully paid in

	Ordinary		Preferred	
	In thousands of shares	R\$	In thousands of shares	R\$
Balance as of December 31, 2024	116.516	709.827	211.778	1.290.173

24.3 Treasury share reserve

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity.

Repurchased shares are classified as treasury shares and are presented as a debit in equity in the treasury share reserve. When treasury shares are sold, canceled or reissued subsequently, the amount is recognized as an increase or decrease in equity and the resulting gain or loss is presented as profit reserve, according to the allocation made by the Company's management.

On April 13, 2020, the Company started a program for the repurchase of preference shares (RAPT4), all clerical shares and with no par value. The program ended on October 9, 2020, with the acquisition of 13 million shares, in the amount of R\$133,737, which may be held in the treasury, disposed of or canceled. On December 17, 2021, a new buyback program was approved. By December 31, 2022, the Company had repurchased one million thirty-seven thousand (1,037) shares, in the amount of R\$9,997. The program ended on June 19, 2023.

24.4 Legal reserve

The legal reserve is recognized at the rate of 5% of annual profit, up to the limit of 20% of share capital, pursuant to article 193 of Act No. 6,404/76. As of December 31, 2024 the balance was R\$258,397 (R\$237,972 as of December 31, 2023).

24.5 Reserve for investment and working capital

The purpose is to ensure investments in property, plant and equipment and to increase working capital, including the repayment of the Company's debts, as well as the financing of subsidiaries and affiliated companies. The reserve for impairment is made up of the balance of adjusted profit after the mandatory appropriation of reserves and dividends.

On March 12, 2024, the Company's Board of Directors approved the capitalization of the reserve for investments and working capital in the amount of R\$706,830, adjusting share capital from R\$1,293,170 to R\$2,000,000, which does not cause the dilution or change in equity interest. The completion of the capitalization was approved by the Annual and Extraordinary General Meeting held on April 18, 2024.

24.6 Tax incentive reserve

Considering the enactment of Law 14.789/2023, the Company enjoys ICMS, Fundopem and Rota 2030 tax incentives. As from 2024, Management will no longer set up a reserve due to a change in the law. Therefore, as of December 31, 2024 and 2023 the balance remains at R\$34,356.

24.7 Capital reserves and transactions

The Company consists of the goodwill paid on the acquisition of shares in Suspensys Sistemas Automotivos Ltda. in 2013, the effect of the change in the percentage of control over its subsidiary Frasle Mobility, occurred in 2013 and 2022, and in Randon Auttom Ltda., in 2023, and the effect of the goodwill on the acquisition of shares in Randon Corretora de Seguros, occurred in June 2021.

24.8 Other comprehensive income

Other comprehensive income in equity is as follows:

	Booking revaluation	Cost attributable to property, plant and equipment	Equity valuation adjustment			Actuarial valuation	Total
			Foreign exchange gain (loss) on investments abroad	Foreign exchange gain (loss) on the related party loan	Hedge accounting		
Balances as of December 31, 2022	5.028	73.801	(63.226)	3.027	(11.695)	5.312	12.247
Additions (write-offs) in the year	(44)	(1.378)	(163.098)	(1.171)	6.673	(657)	(159.675)
Balances as of December 31, 2023	4.984	72.423	(226.324)	1.856	(5.022)	4.655	(147.428)
Additions (write-offs) in the year	(46)	(1.272)	169.220	3.618	6.137	(607)	177.050
Balances as of December 31, 2024	4.938	71.151	(57.104)	5.474	1.115	4.048	29.622

a) Revaluation reserve

The set up as a result of the revaluation of the parent company's property, plant and equipment items for the purpose of paying in the share capital of subsidiaries Master Sistemas Automotivos Ltda., on September 29, 2006, and Castertech Tecnologia e Fundação Ltda., on September 1, 2006, according to

valuation reports prepared by an expert company.

The Company decided to keep the balances of revaluation reserves and realize them through the depreciation of revalued assets, as allowed by CFC Resolution No. 1,152/2009.

b) Cost attributable to property, plant and equipment

The revenue reserve was set up as a result of the determination of property, plant and equipment items at fair value in accordance with technical pronouncement CPC 27 - Property, plant and equipment and ICPC 10 - Interpretation about the Initial Application to Property, Plant and Equipment and Investment Property of CPC Technical Pronouncements 27, 28, 37 and 43, recorded according to a valuation report prepared by an expert company.

c) Foreign exchange gain (loss) on investments abroad

Domestic currency differences consist of the recognition of foreign currency differences arising from the translation of the financial statements of foreign subsidiaries, in accordance with Technical Pronouncement CPC 02 (R2) - The Effects of Changes in Foreign Exchange Rates.

d) Foreign exchange gain (loss) on related party loan

Foreign exchange gain (loss) on the loan taken out from subsidiary Randon Argentina, considered to be a net investment, in accordance with CPC 02 (R2) - The Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements.

e) Hedge accounting

Contains the effective portion of *cash flow hedges* through the reporting date. The effective portion of gains or losses on cash flow hedging instruments that represent the movements in cash flow *hedges* and the effective portion of contracts, net of taxes, is also accounted for as a separate component.

f) Actuarial valuation

Reserve originated from the recognition of actuarial gains on the employee benefit plan, in accordance with CPC Technical Pronouncement 33 (R1) - Employee Benefits.

25 Dividends and interest on equity capital paid and proposed

Under the Company's bylaws, common and preference shares are entitled to minimum non-discretionary dividends of 30% of adjusted profit. Preferred shares entitle all other rights granted to common shares on equal terms, plus priority in the reimbursement of capital, without a premium, in proportion to the Company's interest in share capital if the Company is wound up; and, also, the right to be included in the public offering for sale of control, pursuant to article 254-A of Law No. 6,404/76, with the wording given by Law No. 10,303/01.

Dividends were calculated as follows:

	2024	2023
Profit for the year	408.501	381.687
Tax incentive reserve	-	(6.076)
Legal reserve (5%)	(20.425)	(18.780)
Realization of attributable cost depreciation	1.274	1.378
Onerous Contracts	4	33
Realization: First-time adoption of CPC 48 / IFRS 9	-	(5.585)
Adjusted profit for the year	389.354	352.657
(+) Realization of revaluation reserve	45	45
Profit base for distribution	389.399	352.702
Non-discretionary dividends (30%)	116.820	105.431
Interest on equity capital	119.381	190.988
Withholding income tax	(17.907)	(28.648)
Interest on equity capital, net of taxes	101.474	162.340
Remaining balance of dividends to be distributed	15.346	-

25.1 Interest on equity capital

As allowed by Act No. 9,249/95, the Company calculated and paid interest on equity capital, which was allocated to the dividends approved at a meeting of the Board of Directors according to the long-term interest rate (TJLP) in effect in the year, which was accounted for as finance costs, as required by tax law. For the preparation of these financial statements, interest was eliminated from finance costs for the year and is presented in the retained earnings account.

Income and social contribution taxes for the year were reduced by R\$4,671 in the Company financial statements and by R\$68,586 in the consolidated financial statements due to the deduction of these taxes for the interest on equity capital credited to shareholders.

Period	R\$/share	Number of shares (in thousands)	Credit	Payment	Value
3T24	0,15426	328.294	17/07/2024	15/08/2024	50.643
4T24	0,20938	328.294	12/12/2024	24/01/2025	68.738

Period	R\$/share	Number of shares (in thousands)	Credit	Payment	Value
3T23	0,22240	328.294	18/07/2023	15/08/2023	73.012
4T23	0,35936	328.294	14/12/2023	21/01/2024	117.976

The amounts are presented as recorded in the minutes, gross of income tax.

25.2 Changes in interest on equity capital and dividends

Dividends and interest on equity capital	Parent company		Consolidated
	Receivable	To be paid	To be paid
Balance as of December 31, 2022	102.142	84.110	123.559
Cash changes:			
Dividends and interest on equity capital received	(324.795)	-	-
Dividends and interest on equity capital paid	-	(147.697)	(294.182)
Subtotal	(324.795)	(147.697)	(294.182)
Changes that do not affect cash:			
Distribution of dividends and interest on equity capital	320.718	167.859	323.893
Other	427	(101)	(2.278)
Subtotal	321.145	167.758	321.615
Balance as of December 31, 2023	98.492	104.171	150.992
Cash changes:			
Dividends and interest on equity capital received	(309.313)	-	-
Dividends and interest on equity capital paid	-	(148.079)	(356.360)
Subtotal	(309.313)	(148.079)	(356.360)
Changes that do not affect cash:			
Distribution of dividends and interest on equity capital	333.239	120.642	332.882
Other	(8.347)	(187)	(187)
Subtotal	324.892	120.455	332.695
Balance as of December 31, 2024	114.071	76.547	127.327
Circulating	114.071	76.547	127.327
Non-current	-	-	-

26 Earnings per share

The calculation of basic earnings per share is performed by means of dividing the profit for the year attributable to holders of ordinary and preferred shares of the parent company by the weighted average number of ordinary and preferred shares available during the year.

Diluted earnings per share are calculated by dividing the profit attributable to holders of ordinary and preferred shares of the parent company by the weighted average number of shares available during the year. The table below shows data about results and shares used to calculate basic and diluted earnings per share:

	2024		2023	
	Ordinary	Preferred	Ordinary	Preferred
Profit for the year	144.983	263.518	135.466	246.221
Weighted-average number of shares issued (in thousands)	116.516	211.778	116.516	211.778
Basic and diluted earnings per share (Brazilian real)	1,2443	1,2443	1,1626	1,1626

27 Income taxes

27.1 Current Imposed

The breakdown of income and social contribution tax expenses in the years ended December 31, 2024 and 2023 is summarized below:

	Parent company		Consolidated	
	2024	2023	2024	2023
Current income and social contribution taxes:				
Current income and social contribution tax expense	4.338	-	(335.764)	(298.338)
Deferred income and social contribution taxes:				
Temporary differences and tax losses consist of the recognition and reversal of temporary differences and tax losses	57.329	63.162	16.097	20.323
Income and social contribution tax expenses presented in the statement of profit or loss	61.667	63.162	(319.667)	(278.015)

The reconciliation of tax expense to the result of the multiplication of book profit, before taxes, by the local tax rate in the years ended December 31, 2024 and 2023, is described below:

	Parent company		Consolidated	
	2024	2023	2024	2023
Income before taxes	346.834	318.525	1.011.349	941.240
At the combined tax rate of 34%	(117.924)	(108.299)	(343.858)	(320.022)
Controlled Aliquot Differential	-	-	(7.424)	986
Deferred charges not recognized on tax losses	-	-	(10.349)	(1.226)
Interest on equity capital received	(45.260)	(41.808)	(45.260)	(41.808)
Share of profit (loss) of equity-accounted investees (a)	190.233	178.694	3.226	(3.476)
CAPITAL GAINS	-	-	8.326	-
Interest on equity capital paid	40.589	64.936	107.859	130.266
Technology incentive	(392)	-	11.006	18.395
Taxation on a universal basis – TBU	(9.781)	-	(16.590)	-
Other revenues (expenses), non-deductible	(4.062)	(43.843)	(36.557)	(76.926)
Tax-exempt revenues	8.264	13.482	9.954	15.796
Income and social contribution taxes in profit or loss for the year	61.667	63.162	(319.667)	(278.015)
Effective rate	(17,78%)	(19,83%)	31,61%	29,54%

(a) Share of profit (loss) of equity-accounted investees net of amortization of capital gains.

27.2 Deferred income and social contribution taxes

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Uncertainties exist regarding the interpretation of complex tax regulations and the amount and timing of future taxable profit. Considering the extent of international business relationships, and the long-term nature and complexity of existing contractual instruments, differences between actual results and assumptions adopted by the Company, or future changes in these assumptions, could require future adjustments in recognized tax income and expense.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary

differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred income and social contribution tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets are offset only if some criteria are met.

As of December 31, 2024 and 2023, deferred income and social contribution taxes consist of:

Parent company

	Statement of financial position		Equity		Result	
	2024	2023	2024	2023	2024	2023
Income and social contribution tax losses to offset	248.280	196.987	-	-	51.293	75.646
Provision for profit sharing	12.459	14.218	-	-	(1.759)	(2.812)
Reversal of undue adjustment of SELIC (Central Bank overnight rate) - note 11	13.815	-	13.815	-	-	-
Warranties	9.785	7.604	-	-	2.181	225
Sundry provisions	7.077	10.062	-	941	(2.985)	425
ECL allowance	1.260	1.860	-	-	(600)	(5.257)
Provision for litigation	17.608	5.871	-	-	11.737	508
Impairment loss on inventories	4.274	3.864	-	-	410	(2.083)
Tax credits to be used	-	4.349	-	-	(4.349)	-
Unrealized profit on inventories/property, plant and equipment	3.285	1.326	-	-	1.959	(983)
Provision for commissions and freight	2.391	1.391	-	-	1.000	(257)
Discounted present value	580	72	-	-	508	(766)
Derivative transactions	(66)	(192)	-	-	126	110
Added value	-	-	-	-	-	477
Actuarial valuation	(2.055)	(1.998)	154	173	(211)	(238)
Revaluation to be made	(2.641)	(2.675)	-	-	34	(128)
Depreciation - fair value of property, plant and equipment	(30.547)	(30.888)	-	-	341	510
Depreciation - useful life / tax purposes	(37.253)	(34.897)	-	-	(2.356)	(2.215)
Deferred income and social contribution tax expense	-	-	-	-	57.329	63.162
Deferred tax assets	248.252	176.954	-	-	-	-
Equity	-	-	13.969	1.114	-	-

Consolidated

	Statement of financial position		Equity		Result	
	2024	2023	2024	2023	2024	2023
Income and social contribution tax losses to offset	344.233	282.522	-	-	61.711	98.382
Provision for profit sharing	38.651	46.876	-	-	(8.225)	(2.860)
Provision for litigation	58.709	43.541	-	-	15.168	14.534
Sundry provisions	2.708	32.741	196	269	(30.229)	5.504
Reversal of undue adjustment of SELIC (Central Bank overnight rate) - note 11	16.639	-	16.639	-	-	-
ECL allowance	22.573	12.094	-	-	10.479	(7.914)
Impairment loss on inventories	21.369	15.129	-	-	6.240	(1.721)
Warranties	17.746	11.191	-	-	6.555	556
Provision for commissions and freight	11.885	13.220	-	-	(1.335)	3.355
Adjustment for inflation of contingent consideration	4.820	4.820	-	-	-	(9.689)
Impairment of assets	14.673	4.051	-	-	10.622	2.163
Consideration payable to clients	-	159	-	-	(159)	(6.658)
Tax credits to be used	-	4.349	-	-	(4.349)	-
Unrealized profit on inventories/property, plant and equipment	3.395	1.486	-	-	1.909	(923)
Onerous contracts	597	1.106	2	(30)	(511)	923
Derivative transactions	(6.831)	2.293	(6.764)	-	(2.359)	1.152
Incentivized accelerated depreciation	468	(56)	-	-	524	799
Revaluation to be made	(2.641)	(2.675)	-	-	34	(128)
Actuarial valuation	(3.731)	(3.792)	135	133	(74)	40
Discounted present value	5.380	1.984	-	-	3.396	3.774
First-time adoption CPC 47 – Resol. BCB 120	(89.405)	(46.844)	-	-	(42.561)	(36.822)
Adjustment for inflation	(19.303)	(28.369)	2.630	10.051	6.435	(17.999)
Added value	(70.196)	(36.559)	(2490)	(5.261)	(31.147)	234
Addition by business combination	(1.211)	(22.484)	-	-	21.273	(22.484)
Fair value of property, plant and equipment	(46.136)	(47.177)	-	-	1.041	1.072
Depreciation - useful life / tax purposes	(100.516)	(92.175)	-	-	(8.341)	(4.967)
Deferred corporate income and social contribution taxes	-	-	-	-	16.097	20.323
Deferred tax assets	223.876	197.431	-	-	-	-
Equity	-	-	10.348	5.162	-	-

The Company and its subsidiaries have recognized tax losses to offset in the amount of R\$1,280,057 (R\$930,598 as of December 31, 2023), which may be offset against future taxable profit of the company in which they were generated. The estimated recovery of tax credits on income and social contribution tax losses was based on taxable profit projections, taking into consideration several financial and business assumptions considered at year end. Estimates may not be fulfilled in the future considering the uncertainty about these provisions.

The Company and its subsidiaries conducted impairment studies of their deferred assets for the year ended December 31, 2024. These studies show the recoverability of the parent company and its subsidiaries. The table below shows the realization of deferred taxes on tax losses with their expiration dates:

on deferred income tax losses

	Without deadline	Within 1-5 years	Within 5-10 years	10-15 years	More than 15 years
Expiration	277.284	10.849	25.961	3.550	26.589

28 Net sales revenue

Interbank investments are recognized at the amount that reflects the Company's expected to be paid for the consideration for financial products and services offered to clients. They are recognized in profit or loss to the extent that agreed-upon performance obligations are met.

The amount recognized considers accounting estimates and judgments including commercial discounts, structured rebate programs based on traded volumes and contractual criteria, as well as return rights on products sold. In addition, discounts are made to present value long-term transactions and external factors, such as exchange rate fluctuations and hyperinflationary effects, which are monitored to ensure

the trustworthiness of financial information.

Net sales revenue is as follows:

	Parent company		Consolidated	
	2024	2023	2024	2023
Gross sales revenue	4.441.858	4.893.984	14.647.422	13.430.109
In Brazil	4.156.110	4.360.397	12.000.044	11.120.372
External	285.748	533.587	2.647.378	2.309.737
Taxes on sales	(776.266)	(818.251)	(2.576.177)	(2.416.276)
Sales returns and other deductions (a)	(51.059)	(40.106)	(155.504)	(125.990)
Net revenue	3.614.533	4.035.627	11.915.741	10.887.843

(a) The Company uses rebate practices for business purposes. As of December 31, 2024, the amount was R\$52,188 (Consolidated, R\$31,989 as of December 31, 2023) and was reflected on the "Returns and other deductions" line item.

29 Expenses by nature

The Company's statements of profit or loss are presented by nature. Below is the breakdown of expenses by nature.

	Parent company		Consolidated	
	2024	2023	2024	2023
Expenses by function:				
Cost of goods sold and services rendered	(3.070.749)	(3.413.826)	(8.731.589)	(8.094.488)
Selling expenses	(157.332)	(189.290)	(954.055)	(757.506)
General and administrative expenses	(216.687)	(180.668)	(797.611)	(663.445)
Total	(3.444.768)	(3.783.784)	(10.483.255)	(9.515.439)
Expenses by nature:				
Raw materials and consumables	(2.499.023)	(2.891.321)	(6.290.241)	(5.962.174)
Personnel expenses	(452.719)	(381.720)	(1.915.354)	(1.566.755)
Care and maintenance	(137.754)	(107.346)	(378.480)	(334.141)
Depreciation and amortization	(53.706)	(50.798)	(342.520)	(285.652)
Freight	(35.393)	(82.066)	(271.197)	(249.906)
Administrative services	(66.849)	(61.636)	(292.786)	(216.787)
Electrical energy	(16.245)	(19.078)	(138.853)	(143.795)
Commissions	(31.173)	(40.983)	(127.318)	(105.863)
Rents	(26.781)	(22.542)	(83.228)	(69.058)
Technical assistance	(40.705)	(28.808)	(94.447)	(59.744)
Professional fees	(5.840)	(12.480)	(17.635)	(31.298)
IT expenses	(39.044)	(40.377)	(56.662)	(57.195)
Management fees	(17.317)	(12.342)	(37.683)	(28.501)
Other expenses	(22.219)	(32.287)	(436.851)	(404.570)
Total	(3.444.768)	(3.783.784)	(10.483.255)	(9.515.439)

30 Expenses on employees and profit sharing

	Parent company		Consolidated	
	2024	2023	2024	2023
Wages and salaries	(321.931)	(263.093)	(1.404.046)	(1.158.127)
Social security costs	(80.882)	(71.936)	(274.363)	(226.073)
Vested benefits	(49.906)	(46.691)	(236.945)	(182.555)
Total	(452.719)	(381.720)	(1.915.354)	(1.566.755)

The profit sharing recognized by the Company and its subsidiaries for the year ended December 31, 2024 was R\$92,950 (R\$76,143 as of December 31, 2023).

31 Other operating income (expenses)

	Parent company		Consolidated	
	2024	2023	2024	2023
Other operating income:				
Revenues from agreements in which the Brokerage Firm operates	1.274	4.150	1.274	4.150
Revenues from tax credits	379	269	3.237	2.187
Reversal of the allowance for impairment	-	1.149	3.536	4.479
Reimbursement of donations	-	1.000	-	1.272
Revenue from claim reimbursement	474	832	2.634	1.839
Rental income	446	459	12.616	13.272
Sale of electricity	388	92	1.998	2.975
Sale of assets (a)	25	87	15.061	4.449
Offsetting of amounts withheld for business combination	-	-	2.472	4.605
Tax incentives (b)	4.178	-	52.022	1.976
Recovery of consortium loans	-	-	4.239	2.819
Reversal of the allowance for losses on consortium groups	-	-	2.772	2.586
Interest and fines on layaway contracts	-	-	2.908	2.265
Maintenance fee for non-localized consortium members	-	-	3.853	4.798
Reversal of escrow and overgrowth active business combination	-	-	1.776	53.015
Recovery of non-compliance expenses	1.887	804	2.232	1.049
Reversal of operating provisions	-	-	4.906	636
Debt forgiveness – note 12.2	-	-	-	22.634
Other operating income	977	269	6.329	2.315
Total	10.028	9.111	123.865	133.321
Other operating expenses:				
Debt forgiveness – note 12.2	-	(99.502)	-	-
Provision for profit sharing	(19.292)	(18.993)	(92.950)	(76.143)
Expenses on legal proceedings	(15.856)	(15.530)	(38.365)	(41.528)
Provision for labor, civil and tax contingencies	(27.594)	(1.495)	(44.998)	(41.973)
Impairment loss	(593)	(1.116)	(10.669)	(14.087)
Residual cost of written-off and sold assets	(1.231)	(411)	(23.206)	(13.278)
Fines, taxes and fees	(845)	(371)	(11.477)	(10.664)
Actuarial assessment expense	(246)	(232)	(493)	(412)
Restructuring expenses - note 14.3.1	-	-	(37.513)	-
Active overflow in business combination	-	-	(2.016)	-
Allowance for impairment loss on other receivables	-	-	(721)	(69)
Provision for dividends	-	-	(3.317)	(5.362)
Other operating expenses	(392)	(2.140)	(20.084)	(15.571)
Total	(66.049)	(139.790)	(285.809)	(219.087)
Other operating income/expenses	(56.021)	(130.679)	(161.944)	(85.766)

(a) In the third quarter of 2024, the Company, through its subsidiary Farloc Argentina S.A.I.C YF, sold a property recognized as property, plant and equipment. The transaction caused a loss of R\$5,659, given that the transaction was lower than the carrying amount recognized as assets. This loss was recognized as other operating expenses in profit or loss.

(b) Amounts related to the Green Mobility Program (MOVER), tax recovery in subsidiaries and other tax incentives.

32 Net finance income (costs)

Interest income or expense is recognized using the effective interest method. The Company classifies loans and financing as financing activities because they consist of costs incurred with obtaining funding.

	Parent company		Consolidated	
	2024	2023	2024	2023
Finance income:				
Foreign exchange gain (loss)	60.282	80.521	463.559	229.012
Interest on financial investment earnings	79.578	82.792	283.437	331.912
Discounted present value	29.364	40.151	79.409	87.849
Adjustment for inflation of appeal deposits and court proceedings	24.307	39.652	38.138	48.077
Interest income	725	636	794	1.141
Gains on derivatives	1.051	6.257	18.547	12.497
Other finance income	3.670	5.468	10.257	9.026
Total finance income	198.977	255.477	894.141	719.514
Finance costs:				
Interest and commissions on financing agreements	(339.525)	(376.300)	(555.629)	(579.475)
Foreign exchange gain (loss)	(77.149)	(82.107)	(526.163)	(391.076)
Discounted present value of assets and liabilities	(44.440)	(49.139)	(108.189)	(110.203)
Tax on financial transactions	(11.657)	(13.123)	(32.498)	(30.504)
Debt forgiveness – note 12.2	-	(3.847)	-	-
Losses on derivative transactions	(742)	(2.789)	(7.086)	(18.948)
Banking costs	(38.453)	(49.365)	(5.750)	(5.041)
Finance costs other	(13.430)	(7.018)	(78.622)	(54.989)
Total finance costs	(525.396)	(583.688)	(1.313.937)	(1.190.236)
Adjustment for inflation	-	-	151.116	127.394
Net finance income (costs)	(326.419)	(328.211)	(268.680)	(343.328)

33 Hyperinflationary economy

The financial statements of subsidiaries operating in hyperinflationary economies are adjusted for the change in the general purchasing power of the current currency, so that their amounts are stated in the monetary unit of measurement at the end of the year as determined by CPC 42 / IAS 29 - Financial Reporting in Hyperinflationary Economies.

In 2024, Argentina had 117% of cumulative inflation over the 12-month period (211.4% as of December 31, 2023). The effects of those effects are shown in the table below:

Impact on finance income	Consolidated	
	2024	2023
Randon Argentina	38.694	46.459
Frasle Mobility	40.308	79.008
Frasle Argentina	27.840	(133)
Armetal	44.274	2.060
Total	151.116	127.394

Moreover, the Argentinian peso remained stable in 2024 (79.7% devaluation in 2023).

34 Assets and liabilities from discontinued operation

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if earlier. A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from the rest of the Company and which represent a separate major line of business or geographic area of operations.

Profit (loss) from discontinued operation is presented in a single amount in profit or loss, comprising total profit after income tax from these transactions, less any impairment-related loss. Net cash flows attributable to operating, investing and financing activities of the discontinued operations are presented separately in the note.

When a transaction is classified as a discontinued operation, the comparative statements of profit or loss are republished as if the transaction had been discontinued from the beginning of the comparative year. Any non-controlling interest in the disposal group is presented in equity and is not reclassified in the balance sheet.

34.1 Discontinued operation of Randon Veículos

The operation of Randon Veículos was terminated in December 2020 and the balances of the discontinued operation as of December 31, 2024 and 2023 are shown below:

Balance sheet of discontinued operation	2024	2023
Cash and cash equivalents	2.513	2.480
Other assets	234	272
Total assets	2.747	2.752
Other liabilities	3.194	3.213
Equity	(447)	(461)
Total liabilities	2.747	2.752
Statement of profit or loss of discontinued operation	2024	2023
Cost of sales	-	(10)
Gross profit	-	(10)
Operating revenues (expenses)	(234)	(135)
Net finance income (costs)	297	430
Profit before two taxes	63	285
Taxes	(50)	(21)
Profit for the year	13	264
Statement of cash flows from discontinued operation	2024	2023
Profit for the year	13	264
Current income and social contribution taxes	50	21
Reversal of provisions for discontinuation	-	(3.081)
Changes in assets and liabilities	(30)	(70)
Net cash from (used in) operating activities	33	(2.866)
Net cash from (used in) discontinued operation	33	(2.866)
Cash and cash equivalents at beginning of year	2.480	5.346
Cash and cash equivalents at end of year	2.513	2.480
Increase (decrease) in cash and cash equivalents	33	(2.866)

35 Subsequent events

35.1 Acquisition of the assets of AXN Heavy Duty LLC

On January 31, 2025, Randon Auto Parts North America LLC. completed the business combination, which includes the acquisition of the assets and inventories of AXN Heavy Duty LLC. This move is part of the Company's business internationalization strategy, increasing the brands of the auto parts portfolio, as well as its exposure in hard currency and its operations in developed economies. The amount paid for the acquisition is US\$12,300 (equivalent to R\$74,000) for assets and intangible assets, plus US\$37,000 thousand (equivalent to R\$223,000) from inventories to be acquired within 18 months.

The initial accounting for the business combination is still in progress on the date the financial statements were authorized for publication, given that fair value assessments of the assets acquired and liabilities assumed have not been completed. Accordingly, we were unable to disclose the final amount of the consideration transferred, the goodwill determined and the allocation of the net assets acquired. These processes are expected to be completed by the first quarter of 2025.

35.2 Issuance of debentures

On January 13, 2025, the funds from the fifth issue of simple debentures by subsidiary Fras-le S.A., mentioned in note 22.c, were disbursed in the amount of R\$750,000.

35.3 Completion of the acquisitions of KUO Refacciones and Grupo Delta

As detailed in note 5 - Business Combination, Acquisitions and Goodwill, on January 14, 2025, the Company completed two strategic acquisitions, namely KUO Refacciones acquired through indirect subsidiaries Frasle México S. de RL de CV and Frasle North America, and Delta Global Serviços e Tecnologia S.A. through subsidiary Randon Serviços e Participações Ltda.