Ferbasa

2024 MANAGEMENT Report

FESA
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Index

1. MESSAGE FROM MANAGEMENT

The year 2024 was significantly affected by the effects resulting from the intensification of current geopolitical conflicts, the consequent chain bottleneck in the logistics flow, the threats of protectionist trade sanctions between several countries, the uncertainties related to the European situation, and China's advances. At the same time, the context of 2024 was characterized by inflationary and exchange rate impacts, and higher interest rates, among others.

Notwithstanding this unfavorable scenario for investment and consumption decisions, and the maintenance of economic activity levels, in the global environment, the steel segment presented some stability in steel production, although on the one hand it was faced with the significant impact of the production sold by China, and on the other hand with the consequences reflected by the antidumping processes implemented by the United States of America involving Russia, Malaysia, Kazakhstan and Brazil. Obviously, such factors ended up interfering with the Company's trading pace.

All this conjuncture crossed by the world market implied in the reduction in the prices of silicon and chromium ferroalloys, in addition to having caused difficulties in the flow of sales and increase in export costs, as an effect of logistical obstacles and ongoing protectionist actions.

In Brazil, the growth in steel imports continued to exert intense pressure on the national steel sector, despite the relatively favorable domestic demand and protective actions put in place by the Federal Government. Similarly, the reduction in sales flow to the American market has posed challenges on inventory management, cash flows, and the development of new commercial alternatives, especially as it relates to the European market.

In the midst of this very adverse scenario, the Company, guided by the Board of Directors and its Executive Board, continued to work diligently in prioritizing initiatives aimed at the safety and development of people, focus on generating sustainable results, increasing competitiveness, optimizing productivity, process innovations, the evolution of risk management and mitigation of environmental impacts, ennoblement of the product portfolio, with emphasis on cost control measures, as well as austere cash management. Likewise, it also ensured the continuity of its strategic projects, in particular, the advancement of the definitions for the future construction of a new HC FeCr plant and 46 furnaces for the production of bioreducer, and the commissioning of the new Lime plant in 2024, among others.

30 YEARS OF SILBASA

In 2024, an important milestone referred to the celebration of the 30th anniversary of SILBASA – a joint venture signed with the Japanese companies Marubeni Corporation and Japan Metals & Chemicals for the production and marketing of high-purity ferrosilicon (FeSi HP). A relevant fact in the history of FERBASA, the solid partnership goes beyond the limits of commercial relations and materializes the connection between Brazilian and Japanese cultures, showing that the alliance signed in 1994 is strengthened by the intersection of the values of the organizations.

50 YEARS OF FOUNDATION

FERBASA is on the eve of its 65th anniversary, at the same time that the JOSÉ CARVALHO FOUNDATION celebrates its first cycle of 50 years of existence. This small age difference between the two sister entities draws our attention to the short time that a rich young man, but poor in banal ambitions, needed to start the construction of his second and grandiose enterprise, a new path paved by his committed, understanding and committed look at people's destinies.

In 2025, the FOUNDATION reaches its fiftieth anniversary with a curriculum copiously illustrated by thousands of lives, whose perspectives have gained a broader and more truthful meaning, due to the projects designed to offer quality education to the economically disadvantaged clientele. And it is based on this legacy that FERBASA will continue, in 2025, its civic trajectory inspired by the life and work of its founder, José Carvalho, maintaining its purpose of generating wealth shared with society, continuing the initiatives that aim to promote significant and definitive changes in the reality of the communities located around its operational units. For this reason, in 2024, through its social responsibility program ***Ferbasa Is Here***, more than R$ 17 million were invested in a set of actions, for the benefit of more than 100 thousand people from 24 municipalities.

In turn, the FOUNDATION, the majority shareholder of FERBASA and which annually applies the dividends received exclusively in the provision of free and quality EDUCATION to about 4 thousand children and young people from the Brazilian state of Bahia, will continue in its sublime mission of multiplying the relevance of its educational projects, and of working exhaustively to ensure the fullness of its objectives, by the certainty that only EDUCATION can lead to something really valuable.

2. CORPORATE PROFILE

With a solid track record of 64 years, **FERBASA** is the national leader in the production of ferroalloys and the only integrated producer of ferrochrome in the Americas. The Company is traditionally among the largest companies in Bahia and, in 2024, it remained among the 10 largest industries in the state, according to the annual ranking of Valor 1,000. With the integrated and verticalized production cycle in the areas of Metallurgy, Mining, Forest Resources and Renewable Energy, its performance is supported by a solid Integrated Management System, certified in accordance with ISO 9001, ISO 14001 and ISO 45001 standards.

The Company's portfolio, which serves the domestic market and countries such as Japan, China, the United States and the European Union, is composed of the alloys of High Carbon Ferrochrome (HC FeCr), Low Carbon Ferrochrome (LC FeCr), Ferrosilicon (FeSi 75), High Purity Ferrosilicon 75 (HP FeSi 75) and Ferrosilicon Chromium (FeSiCr), mainly intended for the steel sector and the manufacture of stainless and special steels.

The Mining segment has two chrome ore extraction units (one underground and one open-pit), two quartz mines and a plant dedicated to the production of quicklime, located in the Center-North and Northeast regions of the state of Bahia. The production of ores is directed, almost entirely, to its metallurgical unit, located in Pojuca/BA, where ferroalloys are produced in 14 electric furnaces equipped with baghouse filters designed to neutralize the release of particulate matter into the atmosphere. The Forest area consists of 64 thousand hectares (around 158 thousand acres), of which 25 thousand (around 61 thousand acres) are planted with renewable eucalyptus forests. The remaining extension of the forest asset encompasses legal reserve areas, firebreaks, native forests, Private Natural Heritage Reserve (in Portuguese RPPN stands for *Reserva Particular do Patrimômio Natural*), among other characterizations.

Guided by the sustainability and verticalization of the business, the Company's strategy was strengthened with the incorporation of the BW Guirapá Wind Complex, located in the municipalities of Caetité and Pindaí/BA. The 07 wind farms will have their clean and renewable energy available to be part of **FERBASA**'s supply mix from 2036, either for their own consumption or for the commercialization of the energy generated.

Located in Salvador/BA, a corporate office centralizes the services of all the group's operational units.

3. CORPORATE GOVERNANCE

A publicly traded company listed on B3 as Level 1 of Corporate Governance, **FERBASA** is based on solid foundations of integrity, equity and independence, based on its strong organizational culture, in addition to being in line with the best governance practices. The structured management guided by clear and non-negotiable definitions of the responsibilities of the Board of Directors and its Advisory Committees, the Fiscal Council and the Executive Board reiterates its unequivocal commitment to valuing life, the continuity of the business and the offer of high-quality products, respecting the environment and the human principles bequeathed by its Founder. In the same direction, the sustainability tripod is conducted through a system formed by rules, structures and processes that are periodically reviewed and establish comprehensive guidelines for all Units, with a view to generating value and the performance of governance agents and other individuals in the search for balance between all interested parties.

4. MARKET ENVIRONMENT

CRUDE STEEL: according to data from the *World Steel Association* (WSA), in 2024 the world production of crude steel, a relevant driver of ferrosilicon consumption, fell 0.8% compared to 2023, totaling 1,897.9 Mt. China was responsible for 53% of the total produced in this period (1,005.1 Mt). Among the world's largest producers, the best performers came from Turkey (+9.4%), India (+6.3%), Brazil (+5.3%) and Germany (+5.2%). The worst were recorded in Iran (+0.8%), China (-1.7%), the USA (-2.4%), Japan (-3.4%), South Korea (-4.7%) and Russia (-7.0%).

South America produced 41.9 Mt in 2024, remaining stable compared to 2023. Of this total, 33.7 Mt came from Brazil. According to statistics from the Brazil Steel Institute (in Portuguese **IABr** stands for *Instituto Aço Brasil*), the national production of crude steel was stimulated by the good level of domestic demand, despite the still growing level of imports. Between 2023 and 2024, the national apparent consumption grew 8.3%, with imports standing out, which jumped 18.2%.

FeSi: in China, which accounts for about 70% of the world's supply of silicon alloys, 5.6 Mt were produced in 2024, which represents stability (+0.9%) compared to 2023, according to specialized reports. In the period, there was also a slight drop in global demand for Chinese FeSi, mainly due to the lower domestic production of crude steel (-1.7%), which fell for the fourth consecutive year. In October 2024, the crude steel production and the monthly price of the Chinese FeSi grew for the last time in the year. This movement catalyzed the production of silicon alloys, which, in November/24, grew for the third consecutive month and reached its highest level in 22 months, putting downward pressure on the price of Chinese FeSi.

In Europe and the US, the average price of FeSi, in U.S. dollars, decreased by 10.8% and 6.0%, respectively, between 3Q24 and 4Q24. In the case of China, both the export price and the domestic market fell 2.9% in the period.

STAINLESS STEELS: specialized reports indicate that the world production of stainless steels, a reference for FeCr consumption, totaled 63.7 Mt in 2024, an increase of about 6% compared to 2023. Of this amount, China accounted for 41.1 Mt (63% of the 2024 total), which means an increase of 7.5% compared to 2023. In Brazil, the expectation is for a drop of 24% (285 thousand tons). In the same period, Europe and the US recorded respective increases of 1.7% and 6.0% compared to 2023, with estimated volumes of 6.3 Mt and 2.0 Mt.

FeCr: the worldwide production of HC FeCr, which tends to remain in line with the volumes of stainless steel manufactured, totaled
17,4 Mt in 2024, an increase of 12.3% compared to 2023, according to estimates by specialized publications. China accounted for 9.0 Mt (52% of the total in 2024), jumping 24.6% compared to 2023. For the first time, the country's quarterly production remained above 2 Mt, reaching its record in 2Q24. By analyzing the HC FeCr and stainless-steel data together, it is evident that the last two years have been marked by the growth of the consumption of chromium alloys, especially in China. Even with this upward pressure from demand, the price of the alloy has shown a predominant downward trend due to the excess in the world supply of HC FeCr. This scenario was exacerbated in 2024, when the supply of this alloy in the Chinese domestic market (production + imports) grew by 15.8% - more than twice the 7.5% increase in the country's consumption. With this oversupply of FeCr, its price in 4Q24 registered the largest quarterly reduction since 3Q22, giving up 9.0% compared to 3Q24, which reflects the cooling of the Chinese stainless-steel industry.

Chromium ore, which accounts for about 50% of FeCr's production cost and is therefore an important support in the price of alloys, also showed corrections during 4Q24, when South African producers reduced ore prices in response to announcements of a reduction in the purchase price of FeCr by Chinese steel mills. As a reference, although UG2 (popular grade of chrome ore from South Africa) recorded monthly average price levels above USD 250/t until November/24 and ended the year with a price of USD 200/t.

The prices charged by **FERBASA** are based on a "basket" of international prices, including those charged by the European, American and mainly Asian markets.

5. HIGHLIGHTS OF CONSOLIDATED RESULTS

The table below shows the main figures of the last quarterly calculation and the cumulative result for the year.

Highlights (R$ million)	4Q24	3Q24	Δ %	4T23	Δ %	2024	2023	Δ %
Average dollar practiced	5.73	5.51	*4.0%*	4.96	*15.5%*	5.36	5.02	*6.8%*
Net revenue	607.5	597.7	*1.6%*	541.7	*12.1%*	2,236.7	2,435.1	*-8.1%*
Cost of goods sold	526.6	498.7	*5.6%*	467.6	*12.6%*	1,840.1	1,901.2	*-3.2%*
Cost over revenue	*86.7%*	*83.4%*		*86.3%*		*82.3%*	*78.1%*	
Adjusted EBITDA	47,0	127.1	*-63,0%*	47.0	*0.0%*	352.0	454.4	*-22.5%*
EBITDA Margin	*7.7%*	*21.3%*		*8.7%*		*15.7%*	*18.7%*	
Net Profit	126.3	103.6	*21.9%*	55.0	*129.6%*	327.8	382.9	*-14.4%*
Profit margin	*20.8%*	*17.3%*		*10.2%*		*14.7%*	*15.7%*	

PRODUCTION - In 4Q24, 73.4 thousand tons of ferroalloys were produced, a reduction of 3.8% compared to 3Q24, due to the 6.2% growth in chromium alloys and the 21.3% decrease in silicon alloys. Also, between 3Q24 and 4Q24, FeSi HP production decreased 23.1% and reached a share of 37.5% of the total silicon alloys. In 2024, we recorded an increase of 1.5% compared to the previous year.

SALES VOLUME - 73.8 thousand tons of ferroalloys were sold in the fourth quarter of 2024. The increase of 8.0% compared to 3Q24 derives from the conjunction between the 25.4% increase in sales to the foreign market and the 6.4% reduction to the domestic market. In 2024, the total transacted fell 1.8% compared to 2023, with the 8.3% retraction in sales in Brazil, partially offset by the 5.3% expansion in exports.

NET REVENUE - In 4Q24, net revenue totaled R$607.5 million. The increase of 1.6% compared to 3Q24 was driven by factors such as the increase of 8.0% in sales volume and 4.0% in the average dollar practiced, combined with the drop of 8.4% in the average price in dollars of the alloys. In the comparison between 2024 and 2023, net revenue fell 8.1%, due to the reduction in revenues from the domestic and foreign markets.

COST OF GOODS SOLD - Consolidated COGS reached R$526.6 million in 4Q24 and grew 5.6% compared to 3Q24, largely reflecting the 5.3% increase in ferroalloys' COGS due to the 8.0% increase in sales volume, as well as the increase in costs related to the depletion of the fair value of the biological asset, expenses with idle capacity, furnace maintenance and inventory adjustments.

SELLING AND GENERAL/ADMINISTRATIVE EXPENSES - Selling expenses in 2024 totaled R$21.5 million and increased 10.8% compared to 2023, while general/administrative expenses totaled R$218.2 million and registered a slight increase of 3.9% compared to the same period of the previous year.

OTHER OPERATING INCOME/EXPENSES - In 2024, operating expenses totaled R$59.5 million, 17.9% lower than in 2023, with emphasis on tax credits earned in the amount of R$20.5 million in 2024.

ADJUSTED EBITDA - Operating cash generation, measured by Adjusted EBITDA, reached R$ 47.0 million in 4Q24, with an EBITDA margin of 7.7% and a decrease of 63.0% compared to 3Q24. In 2024, Adjusted EBITDA reached R$ 352.0 million and a margin of 15.7%, a result 22.5% lower than that achieved in 2023.

CASH GENERATION/CONSUMPTION - The consumption of cash, cash equivalents and financial investments totaled R$39.0 million in 2024, ending the period with a consolidated financial reserve of R$1.134 billion. Deducting the consolidated debt of R$423.7 million, the net cash position was R$709.9 million in 4Q24 compared to R$897.6 million at the end of 4Q23.

FINANCIAL RESULT - The consolidated financial result of R$ 73.5 million in 4Q24 was 191.7% higher than in 3Q24, basically due to the monetary adjustment of the recovery of tax credits, which totaled R$ 56.8 million in 4Q24. In the comparison between 2024 and 2023, there was an increase of 27.6% also due to the monetary adjustment of recovered tax credits, which added R$63.7 million in 2024 and offset the drop in the yield on financial investments, due to higher cash consumption and the reduction in the average interest rate in the period.

CAPEX - In 2024, R$ 288.7 million were invested, an amount 8,0% lower than in 2023, with emphasis on the acquisition of machinery and equipment for the most part of the Metallurgy and Mining units, as well as for the maintenance of the biological assets in the Forest Resources area. Also noteworthy is the investment of R$ 37.8 million made in equity interest with an electricity generating company, and R$ 35.9 million for the acquisition of land by Bahia Minas Bioenergia and R$11.0 million made in equity interest with an Coligada Bahia Minas Bioenergia.

NET INCOME - Consolidated net income reached R$ 327.8 million in 2024, a decrease of 14.4% compared to 2023. In 4Q24, we recorded an increase of 21,9% compared to the previous quarter.

6. OPERATING RESULTS

6.1 Production of ferroalloys

In 4Q24, 73.4 thousand tons of ferroalloys were produced. The 3.8% reduction compared to the previous quarter reflects the combination of the 6.2% increase in the production of chromium alloys and the 21.3% reduction in silicon. In the same direction, FeSi HP retracted 23.1% compared to 3Q24 and reached a share of 37.5% of the total silicon alloys.

The slight growth of 1.5% in the production of ferroalloys, in the comparison between 2024 and 2023, is the result of the increase of 6.0% in silicon alloys and the stability (-0.5%) in chromium alloys. On the other hand, FeSi HP recorded a reduction of 8.4%.

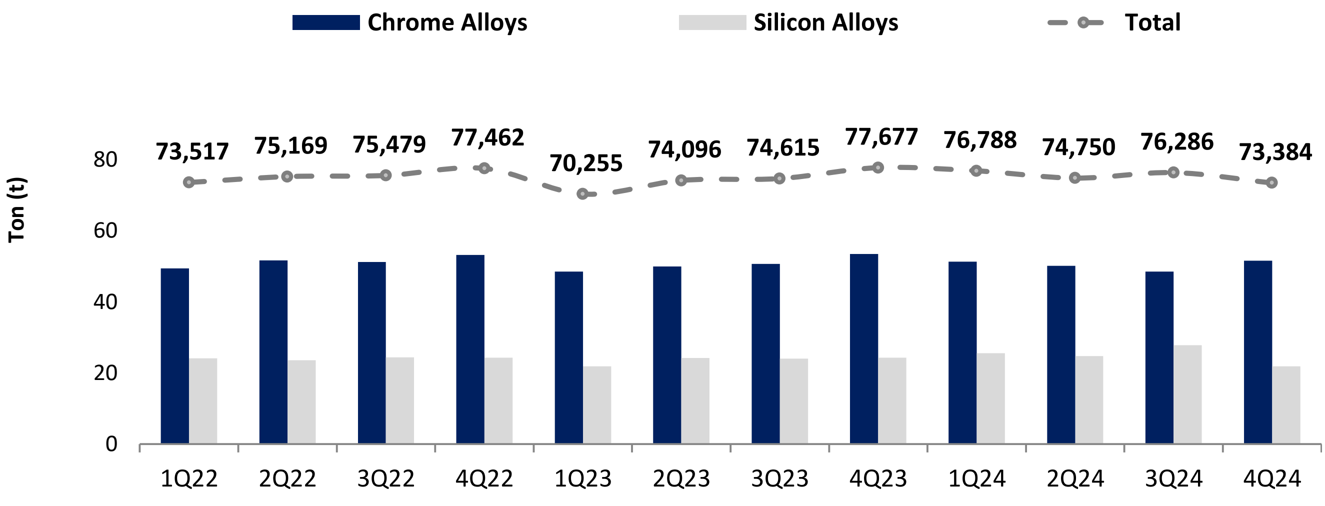
It is important to note that a portion of the ferroalloys manufactured is consumed internally, as an input in the other production chains.

Production (tonnes)	4Q24	3Q24	Δ %	4Q23	Δ%	2024	2023	Δ %
Chromium Alloys	51,513	48,495	*6.2%*	53,456	*-3.6%*	201,372	202,481	*-0.5%*
Silicon Alloys	21,871	27,791	*-21.3%*	24,221	*-9.7%*	99,836	94,162	*6.0%*
Total	**73,384**	**76,286**	***-3.8%***	77,677	*-5.5%*	**301,208**	**296,643**	***1.5%***
Installed capacity utilisation (MWh) %	***76.7%***	***85.2%***		*81.6%*		***82.3%***	***79.7%***	

The installed capacity, measured based on the amount of electricity that can be consumed in MWh, is based on the daily and uninterrupted operation of the furnaces at normal power (without power reduction or shutdowns of any kind) and the product mix that enables the operation of the furnaces at maximum power. The use of installed capacity, in turn, may be affected by (i) furnace shutdown or power reduction for maintenance, renovation or operational intervention; (ii) production of alloys that require power reduction; and (iii) commercialization of part of the energy contracted in the Free Market.

In 4Q24, **FERBASA** used 76.7% of the installed capacity of Metallurgy, a reduction of 8.5 p.p. compared to 3Q24, due to the management's decision to shut down 3 furnaces for a period of 2 months, with the timely commercialization of unconsumed energy, at a time of occasional price increases, in addition to the readjustment of inventory levels, which remained at higher levels because of commercial difficulties faced throughout the year in the domestic market and in international logistics. As a result of the furnace shutdown, maintenance was carried out in anticipation of future shutdowns scheduled for 2025.

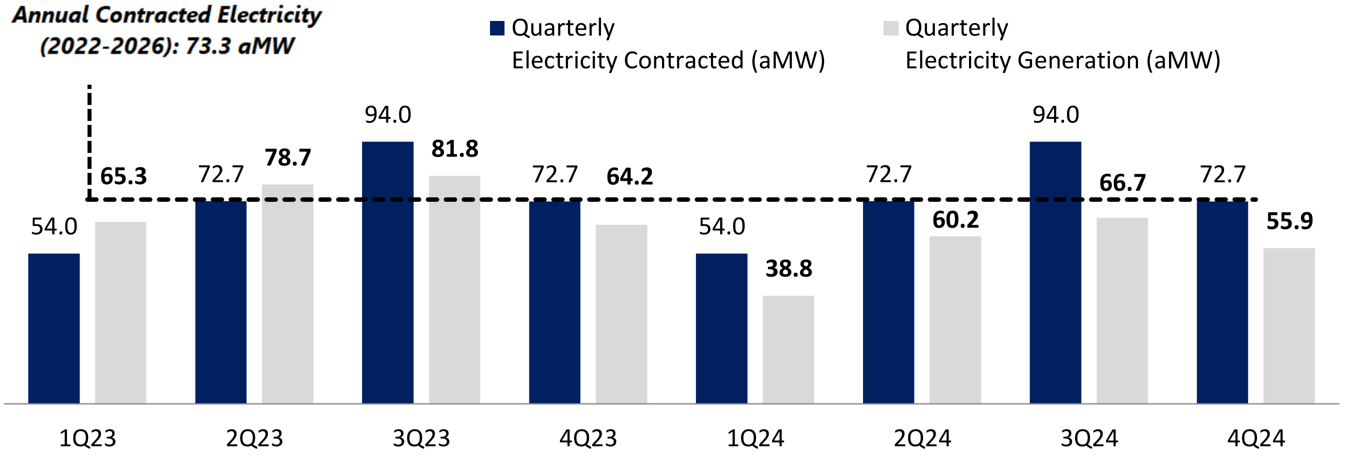
In the comparative analysis between 2024 and 2023, there was an increase of 2.6 p.p. in the utilization of installed capacity caused by the increase in the total volume of production, which included the absence of production restriction during peak hours (6 pm to 9 pm) throughout 2024, and the increase in the participation of silicon alloys, which are more electro-intensive.



4.2 Electric Power Generation - BW Guirapá

In 2024, net energy generation in BW Guirapá's parks reached 55.4 average MW, a volume 23.5% lower than in 2023 and 24.4% below the 73.3 average MW contracted for the year with the Electric Energy Trading Chamber – CCEE (in Portuguese it stands for *Câmara de Comercialização de Energia Elétrica*). Wind speed, the main factor influencing the performance of the wind complex, struck off 15.0 average MW of annual generation. Another factor of great relevance was the level of restrictions imposed by the National Electric System Operator – ONS (in Portuguese it stands for *Operador Nacional do Sistema Elétrico*), which frustrated BW Guirapá's annual energy generation by 6.5 average MW.

Net power generation at BW Guirapá's wind farms in 4Q24 was 55.9 average MW, 13.0% lower than in 3Q24 and 23.2% below the 72.7 average MW contracted for the quarter. The climatic effect was the main motivator, being responsible for the suppression of 13.3 average MW of the expected gross generation, a consequence of changes in the winds caused by atmospheric rivers and the frequent action of transient systems (cold fronts, troughs and cyclones) across the Atlantic Ocean.



In summary, the main factors that influence BW Guirapá's energy generation are (i) the operational availability of the entire Wind Complex, which, in the case of the wind turbine, is related to the time available to operate and the time relative to effective generation (availability for energy); (ii) performance of wind turbines, measured by the association between actual and expected generation, as a function of the theoretical power curve of the turbine; (iii) climatic conditions of the atmosphere that are reflected in the quality of the winds (speed and density), a determining factor for the level of energy generation; (iv) systemic restrictions imposed by the National Electric System Operator - ONS; and (v) internal and external electrical losses.

The difference between the expected gross generation (best expectation) of 83.1 average MW for 4Q24 and the actual net generation of 55.9 average MW can be explained as follows:

4Q24 - Manageable factors (-3.3 average MW):

- Realized availability of 97.8%, which caused a decrease of **1.4 MW** average in energy generation, a result mainly related to damage to wind turbines, especially generators and gearboxes.
- Average performance of 97.0%, which implied a decrease of **1.9 average MW** , as a result of the calibration of the equipment that guides the wind turbines.

4Q24 - Non-manageable factors (-24.0 average MW):

- The weather negatively impacted the expected gross generation by **13.3 average MW** , since the average wind speed (17 mph) was below the expected for the period (19 mph).
- The expansion of the systemic restrictions imposed by the ONS for real-time management of the National Interconnected System (in Portuguese, **SIN** stands for *Sistema Interligado Nacional*) reduced **6.7 average MW** of the Farm's generation in the period analyzed.
- The internal and external electrical losses referring, respectively, to the equipment and the transmission system (external systemic losses - apportionment of the ONS) suppressed **3.9 average MW** of the gross generation.

The reduction in wind quality and the brutal increase in the restrictions imposed by the ONS throughout 2024, especially in 3Q24 and 4Q24, generated an ICSD (debt service coverage ratio) indicator of 1.10 in BWG, therefore below the 1.30 required in the covenants with BNDES, and required **FERBASA** to contribute R$ 9.0 M to the reserve account of the Wind Complex for its regularization, as dictated by the contract with the development bank. The contribution was made on 02/18/25.

During the year, BW Guirapá continued to improve to prevent operational problems and mitigate failures, such as carrying out borescope inspections on wind turbines and strengthening operational controls. Such actions aim to optimize the monitoring and continuous evaluation of the main components of the wind turbine, anticipating failures, enabling improvements in maintenance scheduling and cost mitigation. Regarding the restrictions, BW Guirapá is enrolled in a lawsuit filed by ABEEOLICA - Brazilian Wind Power Association (in Portuguese, it stands for *Associação Brasileira de Energia Eólica*).

7. SALES

Sales in 4Q24 reached 73.8 thousand tons of ferroalloys, an increase of 8.0% compared to 3Q24, due to the combination of the 25.4% increase in shipments to the foreign market (ME) and the 6.4% decrease in sales to the domestic market (MI).

The quantities transacted in the year fell 1.8% compared to 2023. The result is associated with the decline of 8.3% in domestic sales and the increase of 5.3% in exports. In general, the performance in MI was affected by setbacks related to the still high level of steel imports in 2024, impacting the national steel segment, the main destination for ferroalloys. Regarding the ME, numerous logistical challenges were faced throughout the year, such as: conflicts in the Red Sea, restrictions on circulation in the Panama Canal, congestion in ports, shortage of containers, protectionist actions by some countries, in addition to the increase in transit time and maritime freight costs. Facing this challenging external scenario, **FERBASA** was able to maintain the volume sold of silicon alloys and expanded chrome exports.

Sales (tonnes)	4Q24	3Q24	Δ%	4Q23	Δ%	2024	2023	Δ%
DOMESTIC MARKET								
Chromium Alloys	28.303	31.119	*-9,0%*	29.428	*-3,8%*	109.316	125.155	*-12,7%*
Silicon Alloys	6.688	6.259	*6,9%*	4.942	*35,3%*	22.412	18.497	*21,2%*
Total DM	**34.991**	**37.378**	***-6,4%***	34.370	*1,8%*	**131.728**	**143.652**	***-8,3%***
FOREIGN MARKET								
Chromium Alloys	23.144	11.790	*96,3%*	11.624	*99,1%*	64.163	57.019	*12,5%*
Silicon Alloys	15.666	19.156	*-18,2%*	20.055	*-21,9%*	72.732	72.978	*-0,3%*
Total FM	**38.810**	**30.946**	***25,4%***	31.679	*22,5%*	**136.895**	**129.997**	***5,3%***
TOTAL (DM + FM)	**73.801**	**68.324**	***8,0%***	66.049	*11,7%*	**268.623**	**273.649**	***-1,8%***

5.1 Net Revenue

Net revenue in 4Q24 totaled R$ 607.5 million, an increase of 1.6% compared to 3Q24. This amount expresses the combination of increases of 8.0% in sales volume and 4.0% in the average dollar price, partially offset by the 8.4% reduction in the average price of alloys in dollars.

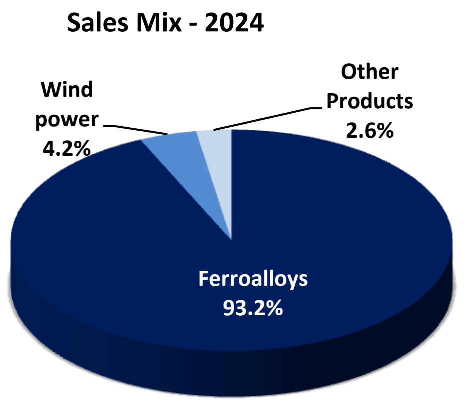
In the comparison between 2024 and 2023, net revenue decreased 8.1%, reflecting the 7.6% drop in revenue from ferroalloys. This result shows the decrease of 11.6% in the average price in dollars of ferroalloys and 1.8% in the total traded, in addition to the appreciation of 6.8% in the average dollar practiced.

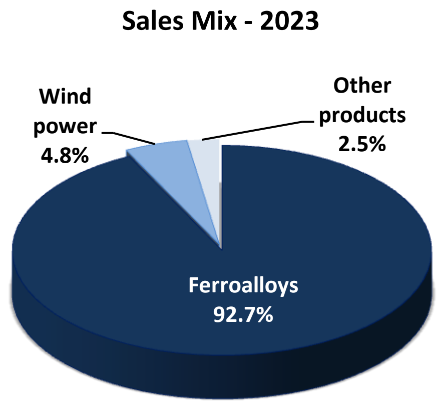
Net Revenue (R$ million)	4Q24	3Q24	Δ %	4Q23	Δ %	2024	2023	Δ %
DOMESTIC MARKET								
Ferroalloys	264.0	287.4	*-8.1%*	234.7	*12.5%*	981.8	1,090.9	*-10.0%*
Wind power	24.0	28.7	*-16.4%*	26.9	*-10.8%*	94.1	117.8	*-20.1%*
Other Products (*)	15.1	16.7	*-9.6%*	13.8	*9.4%*	57.7	60.3	*-4.3%*
Total MI	**303.1**	**332.8**	***-8.9%***	275.4	*10.1%*	1,133.6	1,269.0	*-10.7%*
FOREIGN MARKET								
Ferroalloys	304.4	264.9	*14.9%*	266.3	*14.3%*	1,103.1	1,166.1	*-5.4%*
Total ME	**304.4**	**264.9**	***14.9%***	266.3	*14.3%*	**1,103.1**	**1,166.1**	***-5.4%***
TOTAL (MI+ME)	**607.5**	**597.7**	***1.6%***	541.7	*12.1%*	**2,236.7**	**2,435.1**	***-8.1%***
Average dollar (R$/USD)	**5.73**	**5.51**	***4.0%***	4.96	*15.5%*	**5.36**	**5.02**	***6.8%***

(*) includes recipe with chromite sand, lime, microsilica, wood and slag.

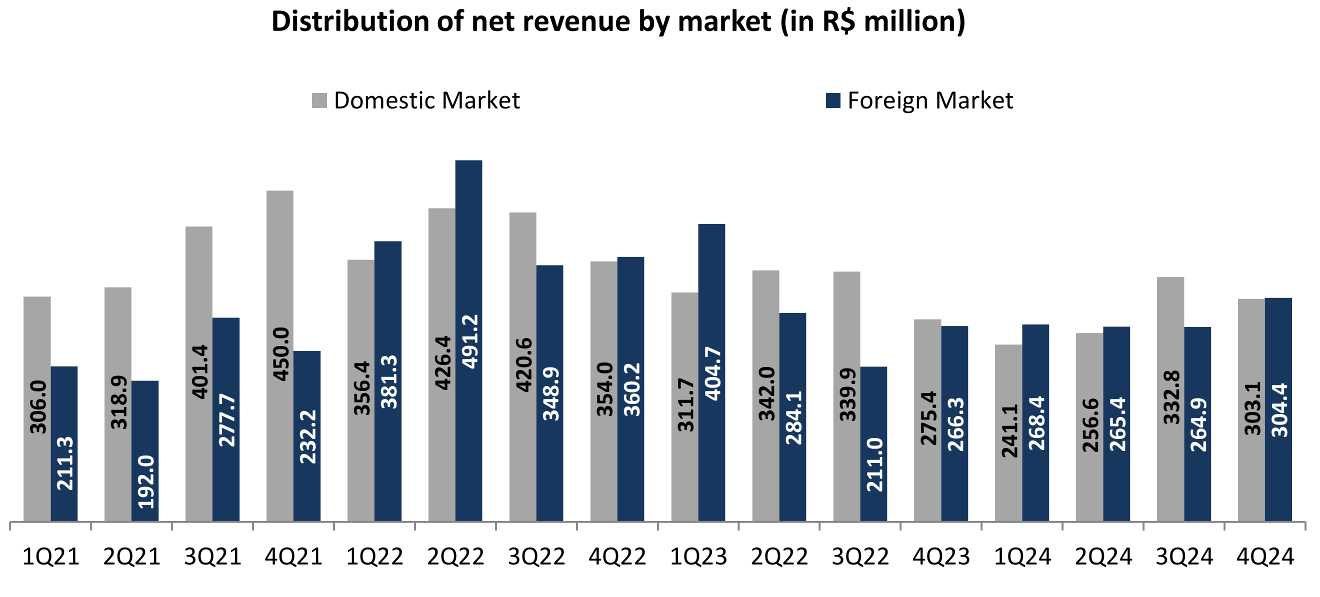
5.2 Net Revenue by Product and Market

Net revenue by product is shown in the chart below:





In 2024, the modest performance of the global steel industry, especially due to the slowdown in the production of stainless steel in China and low growth of the global economy, depressed the prices of ferroalloys. A relevant factor associated with silicon alloys was the precaution of the American market in relation to the pricing effects resulting from the *US antidumping* process. In addition, there were logistical problems that led to difficulties in the flow of products, enhancing the movement of price reductions this year.



8. COST OF GOODS SOLD

The cost of goods sold (COGS), considering exclusively the data of ferroalloys, totaled R$ 440.8 million in 4Q24. The increase of 5.3%, compared to 3Q24, combined the increase of 8.0% in sales volume and the reduction in the cost of some important inputs, especially electricity and bioreducer.

Also, in 4Q24, R$51.6 million was included in costs related to the depletion of the fair value of the biological asset, expenses with idle capacity and furnace maintenance, in addition to inventory adjustments. As a result, consolidated COGS ended 4Q24 at R$526.6 million, up 5.6% from the previous quarter.

When analyzing the period between 2023 and 2024, the COGS of ferroalloys recorded a decrease of 6.8%, mainly due to the lower costs of electricity and coke, in addition to also reflecting the decrease of 1.8% in sales volume. It is important to mention that, within the portfolio of electricity contracts, the contractual changes negotiated specifically with CHESF in 2023, within the scope of the Competitive Energy Project, brought a differentiated condition, and responsible for the reduction of 21.8% in the cost of energy consumed by Metallurgy in 2024. This extraordinary condition will not extend to 2025, when the CHESF contract tariff will return to the usual levels.

In the case of HC FeCr, a drop in production costs was recorded between 2023 and 2024, attributed to reductions in expenses with electricity and coke, the latter reflecting the decline in the international price of coal. In the same direction, the production cost of LC FeCr decreased due to the lower expenditure on electricity and reducer, FeSiCr, which is produced domestically and was directly benefited by the decrease in the production cost of HC FeCr. The retraction in the cost of ferrosilicon production is due to the containment in expenses with electricity and electrical paste, in addition to the dilution of fixed costs as a result of the increase in production.

When observing the relationship between COGS and net revenue of ferroalloys, it is possible to notice a small increase of 0.7% among the accumulated figures of last two years, mainly caused by the decrease in revenue due to the drop in trading prices in dollars, which neutralized the improvement in production costs recorded in the year.

The "Wind Power" line presented in the table below is related to the COGS of the BW Guirapá wind complex, which covers the main cost components associated with the operation of wind turbines, such as equipment maintenance, power transmission and depreciation.

COGS (R$ million)	4Q24	%RL(*)	3Q24	%RL(*)	4Q23	%RL(*)	2024	%RL(*)	2023	%RL(*)
Ferroalloys	440.8	77.6%	418.7	75.8%	424.7	84.8%	1,628.5	78.1%	1,746.4	77.4%
Wind power	24.1	100.4%	23.8	82.9%	23.7	88.1%	97.3	103.4%	85.1	72.2%
Other products (i)	10.1	66.9%	11.2	67.1%	9.4	68.1%	40.3	69.8%	39.9	66.2%
Subtotal Products	**475.0**		**453.7**		**457.8**		**1,766.1**		**1,871.4**	
Depletion of the fair value of Biological active ingredient	10.4		25.7		7.7		36.1		32.5	
Idle capacity	12.8		3.8		4.0		21.5		14.4	
Other	28.4		15.5		(1.9)		23.7		(17.1)	
Subtotal Other	**51.6**		**45.0**		**9.8**		**81.3**		**29.8**	
Grand total	**526.6**		**498.7**		**467.6**		**1,847.4**		**1,901.2**	
% Net Revenue	**86.7%**		**83.4%**		**86.3%**		**82.6%**		**78.1%**	

(*) considers the COGS percentages by the RL of each product.

(i) Costs for the products include: chromite sand, lime, microsilica, wood and slag.

9. EXPENDITURE

9.1 Selling Expenses

Selling expenses totaled R$21.5 million in 2024 - an amount 10.8% higher than the R$19.4 million realized in 2023. This variation is due to the increase in exports and the increase in maritime freight costs, a consequence of the international logistics problems that marked the year. In relation to net revenue, the percentages of selling expenses corresponded to 1.0% in 2024 and 0.8% in 2023.

9.2 General and Administrative Expenses

Consolidated general and administrative expenses include portions related to salaries, benefits, management fees, social charges, consulting services and the provision of profit sharing. In 2024, such expenses totaled R$218.2 million (R$9.2 million related to BWG), an increase of 3.9% compared to the R$210.0 million recorded in 2023 (R$7.7 million related to BWG).

9.3 Other Operating Expenses/Income

Operating expenses reached R$ 59.5 million in 2024, 17.9% lower than in 2023. This variation results from revenue from the recovery of tax credits in the amount of R$ 20.5 million in 2024 (the total recovered was R$ 84.2 million, of which R$ 63.7 million of monetary adjustment was recorded in the financial revenue). The main accumulated expenditure occurred in the lines related to Social and Corporate Responsibility (R$ 17.7 million), other taxes and fees (R$ 17.5 million), in addition to expenses with geological surveys, consultancies and others (R$ 44.8 million).

10. ADJUSTED EBITDA

EBITDA is not a measure defined by Brazilian and international accounting standards, representing the profit for the period calculated before Interest, Income Tax, Social Contribution, Depreciation, Amortization and Depletion. **FERBASA** discloses its adjusted EBITDA in accordance with CVM Resolution 156/22, i.e., with the elimination of the net effect of the fair value of biological assets, the provision for contingencies and other non-recurring effects.

EBITDA - Consolidated (R$ million)	4Q24	3Q24	*ã%*	4Q23	*A%*	2024	2023	*A%*
Net Profit	126.3	103.6	*21.9%*	55.0	*129.6%*	327.8	382.9	*-14.4%*
(+/-) Net financial result	(73.5)	(25.2)	*191.7%*	(26.9)	*173.2%*	(147.9)	(115.9)	*27.6%*
(+/-) IRPJ/CSLL	(28.2)	(13.7)	*105.8%*	(11.6)	*143.1%*	(7.9)	36.8	-
(+/-) Depreciation, amortization, depletion and capital gain[1]	57.7	77.8	*-25.8%*	47.4	*21.7%*	228.8	187.9	*21.8%*
EBITDA	**82.3**	**142.5**	***-42.2%***	**63.9**	***28.8%***	**400.8**	**491.7**	***-18.5%***
(+/-) Provision for contingencies and others[2]	0.6	(1.5)		13.0		(4.9)	10.9	
(+/-) Net Effect of Fair Value of Biological Assets	(29.4)	(9.1)		(24.4)		(38.5)	(39.2)	
(+/-) Reversal of wind farm decommissioning provision (CPC 25)[3]	-	-		(10.6)		-	(10.6)	
(+/-) Tax credit recovery[4]	(4.4)	(11.5)		-		(17.2)	-	
(+/-) Other effects[5]	(2.1)	6.7		5.1		11.8	1.6	
Adjusted EBITDA	**47.0**	**127.1**	***-63.0%***	**47.0**	***0.0%***	**352.0**	**454.4**	***-22.5%***
EBITDA Margin	***7.7%***	***21.3%***		***8.7%***		***15.7%***	***18.7%***	

1) Capital gain refers to the effect of the realization of the assets valued at their fair value, reflecting the acquisition of BWG.
2) Effect of the constitution of new processes and reversals of provisions for contingencies in the period (Note 26 of the 2024 Financial Statements).
3) Revaluation of the provision for decommissioning (CPC-25) of wind farms, considering the costs of dismantling equipment and civil works (Note 25 of the 2024 Financial Statements).
4) Constitution of tax credits from federal taxes (does not include monetary adjustment).
5) Includes the effects of the constraint on BWG's power generation and consolidated actuarial liabilities.

11. FINANCIAL STRUCTURE

11.1 Net Cash and Cash Consumption

In 2024, according to the Cash Flow Statement - "DFC" (CPC 03-R2) (in Portuguese, **DFC** stands for *Demonstração de Fluxo de Caixa*), which considers only the variation in cash accounts and cash equivalents, the amount generated by operating, investment and financing activities was (+) R$122.3 million, mainly impacted by:

(+) R$357.1 million of operating income generated in the period, including variations in working capital, interest payments and taxes.

(-) R$97.1 million from investment activities, results influenced by:

i) transfer of financial investments in the amount of (+) R$ 238.5 million to Cash and Cash Equivalent;

ii) acquisitions for fixed assets and biological assets, which together totaled (-) R$ 288.7 million;

iii) equity interest in an energy generation company and and land acquisitions for eucalyptus planting , in the amount of (-) R$ 48.8 million (ref. APE - Self-Production by Equivalence);

iv) others, in the amount of (+) R$ 1.9 million.

(-) R$ 137.7 million from financing activities, whose impacts were:

i) amortization of consolidated loans and financing in the amount of (-) R$ 70.5 million (R$ 26.4 million referring to BWG's debt with BNDES);

ii) payment of leases/rents totaling (-) R$ 89.7 million;

iii) payment of interest on equity and proposed dividends in the order of (-) R$ 173.6 million;

iv) capital injection in Bahia Minas Bioenergia (portion paid by the minority partner) in the amount of (+) R$ 24.9 million; and

v) raising of financial resources through an advance on an exchange contract (ACC) in the amount of (+) R$ 196,1 million, at an average discount of 6.06% p.a., with monthly maturities in 2Q25, 3Q25 and 4Q25, and an average exchange rate of R$/US$ 5.64, with the objective of financing the loading of ferroalloy inventories, taking advantage of the exchange rate level.

Also considering the "Financial Investments" account, whose variation was negative by R$161.2 million, there was a total cash consumption of R$39.0 million in 2024. As of December 31, 2024, the consolidated financial reserve reached R$1.134 billion (including cash, cash equivalents and marketable securities, of which R$139.4 million came from BWG) and consolidated debt amounted to R$423.7 million (R$189.0 million related to BWG's debt with BNDES). Thus, the Company ended 2024 with a net cash position of R$ 709.9 million.

Net Cash - Consolidated (R$ million)	12/31/2024	12/31/2023	Δ
Cash and cash equivalents	464.1	341.8	122.3
Financial investments	669.5	830.8	(161.3)
Total Financial Reserve	**1,133.6**	**1,172.6**	**(39.0)**
Loans and financing*	(423.7)	(275.0)	(148.7)
Cash (Debt) Net (a)	**709.9**	**897.6**	**(187.7)**

(*) IOF value on funding is R$ 3.1 and R$ 3.6 million for 12/31/24 and 12/31/23, respectively.

11.2 Net Financial Result

In 4Q24, the financial result totaled R$ 73.5 million, 191.7% higher than the R$ 25.2 million in the previous quarter. This increase was mainly due to the 170.1% increase in financial revenue, mainly caused by the monetary adjustment of tax credits, which added R$56.8 million in 4Q24.

The 27.6% increase in the 2024 financial result compared to the previous year was mainly caused by the 22.2% increase in financial revenue, caused by the monetary adjustment of recovered tax credits, which added R$63.7 million in 2024 and offset the drop in the yield on financial investments due to higher cash consumption and reduction in the average interest rate between the periods.

In addition, we inform that the Company has US$ 7.4 million in export locks, at an average exchange rate of R$/US$ 5.87 and maturity in 1Q25.

Financial result (R$ million)	4Q24	3Q24	Δ%	4Q23	Δ%	2024	2023	Δ%
Financial performance								
Financial income	102.9	38.1	*170.1%*	40.4	*154.7%*	207.1	169.5	*22.2%.*

Financial expense	(16.9)	(15.1)	*11.9%*	(11.3)	*49.6%*	(54.1)	(51.3)	*5.5%*
Net exchange rate variation	(12.5)	2.2	-	(2.2)	*468.2%*	(5.1)	(2.3)	*121.7%*
Grand total	**73.5**	**25.2**	***191.7%***	**26.9**	***173.2%***	**147.9**	**115.9**	***27.6%***

12. CAPEX

12.1 Operational

In 2024, CAPEX totaled R$288.7 million, an amount 8.0% lower than in 2023. The values segregated by business unit are reported below:

CAPEX (R$ million)	Metallurgy	Mining	Forest	Wind power	2024	2023
Machinery and equipment	49.9	69.8	17.1	9.4	146.2	171.1
Biological active ingredient	-	-	72.7	-	72.7	71.7
Mines	-	21.4	-	-	21.4	24.1
Buildings	3.6	17.9	16.1	0.3	37.9	23.6
Land	-	-	-	-	-	23.4
Vehicles and tractors	0.3	1.4	-	-	1.7	2.8
Furniture and fixtures	1.0	0.6	-	-	1.6	1.6
Other (i)	3.1	0.9	3.2	-	7.1	10.5
Total	57.9	112.0	109.1	9.7	288.7	328.8

(i) Includes: advances, information technology, intangibles and others.

The most significant investments in 2024 were related to the acquisition of machinery and equipment (50.6%), mostly for the Metallurgy and Mining units, as well as maintenance of the biological asset (25.2%) for the Forest Resources area. Such expenditures represented, together, 75.8% of the total CAPEX made in the period.

12.2 Equity Interests

As disclosed to the market on February 9, 2024, a disbursement of R$ 37.8 million was made for the acquisition of a 45% stake in Sociedade NK232 (a company of the Auren Energia S.A. group) for the purpose of exploring the Ventos de São Ciro (in the Brazilian state of Piauí) and Ventos de São Bernardo (in the Brazilian state of Pernambuco) wind farms. The investment will allow the Company to supply 35 average MW of electricity for 20 years, under the self-production by equivalence (in Portuguese, **APE** stands for *autoprodução por equiparação*) regime.

Additionally, in July 2024, the second capital contribution in the amount of R$ 11.0 million was made to Empresa Bahia Minas Bioenergia (Subsidiary), a company established in partnership with APERAM INOX AMÉRICA DO SUL S.A., aiming at the acquisition of rural properties to be used in the exploration of eucalyptus and other forest species.

13. NET INCOME AND RESULTS

As a result of the effects mentioned in this report, consolidated net income in 4Q24 was R$126.3 million (net margin of 20.8%). In the accumulated result of 2024, net income reached R$ 327.8 million (net margin of 14.7% on net revenue and a reduction of 14.4% compared to 2023). The main elements that influenced the 2024 result, compared to the same period of the previous year, were:

(i) appreciation of 6.8% in the average dollar practiced;

(ii) a drop of 11.6% in the average price of ferroalloys in dollars;

(iii) a reduction of 1.8% in the total sales volume of ferroalloys;

(iv) a 6.8% drop in the cost of goods sold (COGS) of ferroalloys;

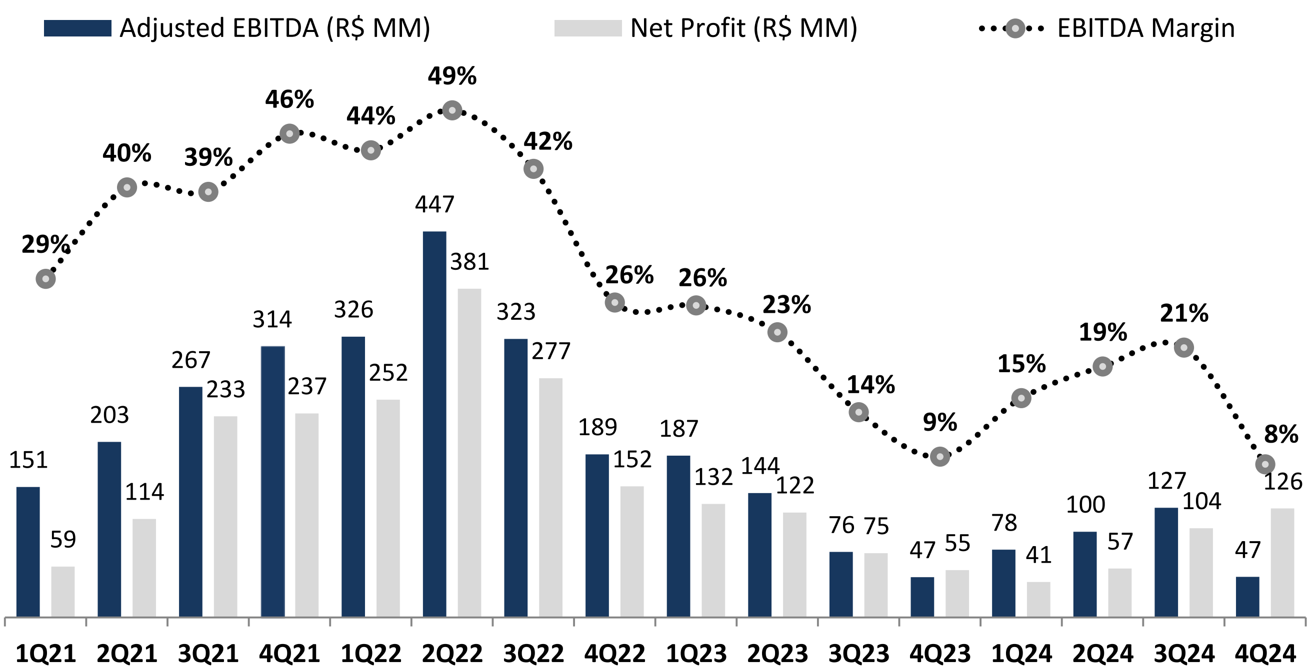
(v) loss of R$ 15.8 million from BW Guirapá;

(vi) revenue of R$ 84.2 million, related to the recovery of tax credits, of which R$ 20.5 million in other operating revenues and R$ 63.7 million as financial revenue;

(vii) positive adjustment of R$38.5 million for the calculation of the fair value of the biological asset, being (+) R$74.6 million, resulting from fluctuations in the market price of wood, in the volume of forest and in the discount rate and (-) R$ 36.1 million for wood consumption;

In addition, **FERBASA** achieved a consolidated cash consumption of R$ 39.0 million in 2024.

The following chart shows the evolution of EBITDA, EBITDA margin and net income since 1Q21.



14. STATEMENT OF ADDED VALUE

The table below shows the wealth generated by the Company and its respective distribution. In 2024, **FERBASA** generated R$ 943.4 million, an amount 6.2% lower than in 2023:

SAV (R$ million)	2024	2023	Δ %
Employees	449.9	416.7	*8.0%*
Government	119.5	159.7	*-25.2%*
Other (1)	46.2	46.6	*-0.9%*
Net Profit (2)	327.8	382.9	*-14.4%*
Total	943.4	1,005.9	*-6.2%*

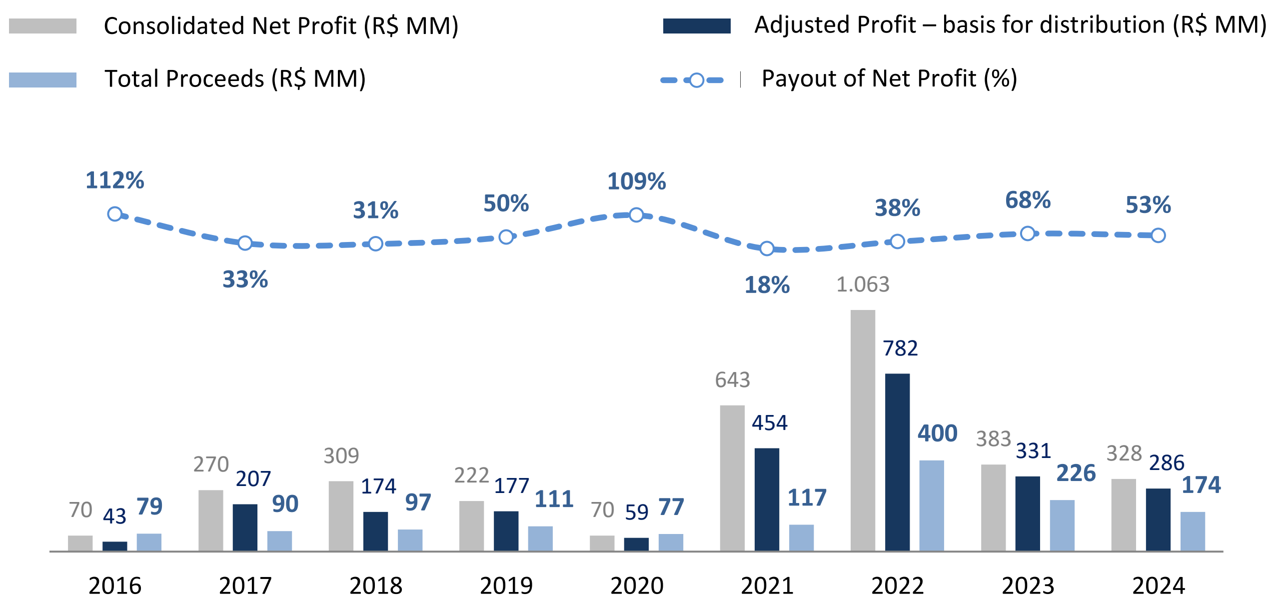
(1) They refer to interest, rents, leases, financial expenses, passive exchange rate variation and others.
(2) Shareholders and retained earnings.

15. CAPITAL MARKETS AND INVESTOR RELATIONS

FERBASA follows market practices for the disclosure of information, maintaining an institutional website and other direct communication channels with the Investor Relations area. In addition, conferences are held to disclose quarterly results and an annual public meeting. The following is a summary of the relevant information for our investors and the market in general.

15.1 Earnings

The chart below shows a historical series of profit distribution that reinforces **FERBASA**'s position as a regular payer of dividends. In the year, R$ 173.5 million in earnings were distributed in the form of JCP, reaching a payout of 55% in relation to net income for the year.



15.2 Corporate Events

In January 2024, **FERBASA** carried out the split of its shares, in the proportion of 01 (one) to 04 (four) of the same type. The additional shares, resulting from the split operation, were credited to the Company's shareholders on 01/25/2024.

In November 2024, the cancellation of (i) 35,000 (thirty-five thousand) common shares (FESA3) and (ii) 70,000 (seventy thousand) preferred shares (FESA4), all registered and without par value, held in treasury, was carried out. The cancellation of shares did not change the Company's capital stock of R$ 1,470,395,617.65 (one billion, four hundred and seventy million, three hundred and ninety-five thousand, six hundred and seventeen reais and sixty-five cents) and which was divided into 353,175,000 (three hundred and fifty-three million, one hundred and seventy-five thousand) shares, without par value, being 117,725,000 (one hundred and seventeen million, seven hundred and twenty-five thousand) common shares and 235,450,000 (two hundred and thirty five million, four hundred and fifty thousand) preferred shares.

Shareholder Base	CS		PS		Total
	Shareholders	Treasury	Shareholders	Treasury	
Position Dec/2023	29,400,000	40,000	55,696,700	3,183,300	88,320,000
Post Split position (1 : 4) – Jan/2024	117,600,000	160,000	222,786,800	12,733,200	353,280,000
Post Cancellation Position – Dec/2024	**117,600,000**	**125,000**	**222,786,800**	**12,663,200**	**353,175,000**

15.3 FESA4 performance on B3

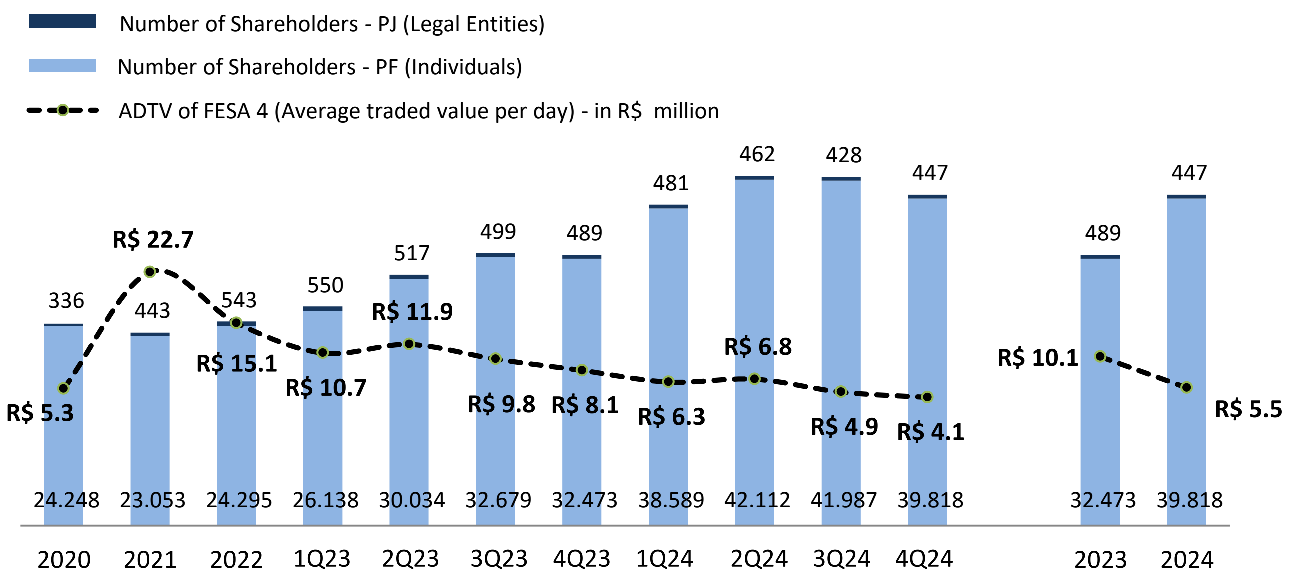
The table below shows some indicators of the behavior of **FERBASA**'s preferred shares in 4Q24.

		4Q24	3Q24	A%
Volume of shares traded (thousands)		31,926	39,126	*-18.4%*
Amount transacted (R$ thousands)		248,770	320,452	*-22.4%*
Market value (R$ thousands)	(1)	3,270,400	3,372,646	*-3.0%*
Outstanding shares - *Free Float* (thousand)	(2)	161,826	161,839	*-0.01%*
Weighted average of the price in the period (R$ PN)		7.79	8.19	*-4.9%*
Last price of the period (R$ PN)		8.19	7.68	*6.6%*
Book value per share (R$)		9.72	9.86	*-1.5%*

Notes:
(1) Total number of shares (by ON and PN class) multiplied by the respective quotations on the dates of 12/31/2024 and 09/30/2024;
(2) Total number of shares, excluding those held by **the Treasury** (4Q24 - ON: 160 thousand; PN: 12,733 thousand. 3Q24 - ON: 125 thousand; PN: 12,633 thousand), the **Controller** (4Q24 - ON: 116,348 thousand; PN: 62,052 thousand. 3Q24 - ON: 116,348 thousand; PN: 62,065 thousand) and **Administrators** (ON: 312; PN: 148 thousand).

Throughout the year, the Brazilian capital market suffered the impacts of the international situation, with emphasis on (i) the worsening of geopolitical tensions; (ii) resumption of the upward trend in interest rates; (iii) devaluation of the exchange rate; and (iv) uncertainties linked to the country's fiscal and inflationary scenario. This context affected the consumption and price of commodities, especially those related to the steel industry, explaining the low performance of stocks linked to the steel sector in 2024.

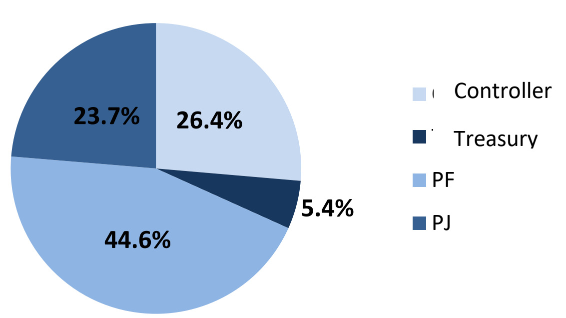
In the following chart, we present the evolution of the shareholder base, by type of shareholder, and of the liquidity measured by ADTV.

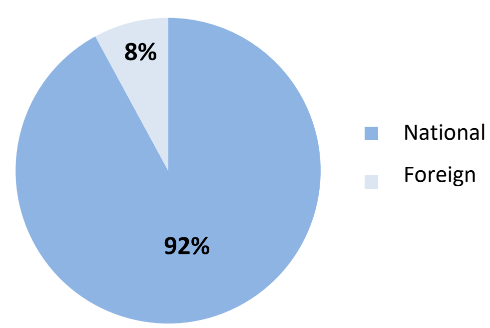


The Company's ADTV (Average Daily Trading Volume) in 4Q24 reached R$ 4.1 million and decreased 16.0% compared to 3Q24. While, in the interval between 2023 and 2024, it reduced by 45.6%, mainly due to the 28.6% retraction in the average price of FESA4. We also highlight the 22% increase in the shareholder base in this period.

15.4 Investor Profile

The shareholder profile of FERBASA's preferred shares (FESA4), based on the shareholder base on 12/31/2024, is as follows





16. SUSTAINABLE DEVELOPMENT

16.1 ESG Commitment

Anchored in a commitment made to itself, its employees, neighboring communities, the country and future generations, regardless of any fads, FERBASA decided, since its incorporation, to be a responsible company in essence, facilitating the natural fulfillment of requirements, whether of a permanent or temporary nature. In 2024, under the coordination of the ESG Committee, the activities followed a successful path, given the evolution of the Work Plan established for the two-year period of 2023 and 2024, with 100% implementation of assumed demands.

In order to keep the market updated with our initiatives and projects, in addition to the annual disclosure of the Sustainability Report (all editions available for consultation at https://www.FERBASA.com.br/relatorio-de-sustentabilidade/), we list in this topic the most relevant points of the year:

ESG – Environment	**ODS***
• Assurance of the Greenhouse Gas inventory (base year 2023) by Bureau Veritas Certification at the Limited level; • Start of operation of the gas burners at the Araticum Farm, which prevents the dispersion of smoke and odor from the unit's ovens. The project started in 2023 with investments of more than R$ 40 million.	15 VIDA SOBRE A TERRA 11 CIDADES E COMUNIDADES SUSTENTÁVEIS
ESG – Social	**ODS***
• First social audit carried out by a client, encompassing all FERBASA operational units to assess points related to human rights, environment and climate change, relationship with communities, safety and labor relations; • Realization of R$ 17.7 million in social investments through the actions of the FERBASA is Here program, which covers six lines of action: Education, Rural and Community Development, Environment, Art and Culture, Sports and Health.	8 EMPREGO DIGNO E CRESCIMENTO ECONÔMICO 10 REDUÇÃO DAS DESIGUALDADES
ESG – Governance	**ODS***
• Adherence to the EcoVadis platform, obtaining a score of 51% in the first cycle and guaranteeing the seal of Company committed to sustainability;	16 PAZ, JUSTIÇA E INSTITUIÇÕES FORTES 17 PARCERIAS E MEIOS DE IMPLEMENTAÇÃO

*(*) The Sustainable Development Goals (SDGs, in Portuguese, **ODS** stands for Objetivos de Desenvolvimento Sustentável) comprise a global agenda adopted during the United Nations Summit on Sustainable Development in September 2015, consisting of 17 goals and 169 targets to be achieved by 2030*

17. EXPECTATIONS FOR 2025

The scenario presented by the World Bank for developing economies, responsible for 60% of global growth, is one of uncertainty due to issues such as the stagnation of structural reforms, the occurrence of trade wars that trigger protectionist measures in several countries, in addition to growing costs related to climate change. In 2024, new global trade restrictions were about five times higher than the 2010-2019 average. As a result, in 2025 the growth expectation for developing economies is the weakest in the last 25 years and in the global context, GDP is expected to grow 2.7% in 2025, maintaining the same pace as in 2024, according to the World Bank.

The release of data on the Brazilian economy should confirm expectations for the main indicators of economic activity with a growth of 3.5% in 2024. The recent rise in the dollar has put pressure on inflation and a consequent increase in the basic interest rate, which tends to slow down GDP growth throughout 2025. The Secretariat of Economic Policy (SPE) of the Ministry of Finance estimates that the Gross Domestic Product will grow 2.5% in 2025.

According to the World Steel Association (WSA), global steel production is expected to recover by 1% in 2025, after three consecutive years of decline. Such expectation is related to a number of factors, including global economic development, technological innovations, and sustainability policies. According to the WSA, this recovery will be driven mainly by emerging economies, especially India, which is expected to maintain strong growth in steel demand, estimated at 8% for 2025. As a point of attention, Chinese demand should continue to decelerate in 2025, but at a more moderate pace than in recent years. The performance of the real estate sector in China and other regions of the globe persists as an important focus of risk, which tends to worsen in the face of forecasts of an increase in international financial costs, driven by restrictive monetary policies adopted to combat inflation. In addition, there is also fear about the consequences of protectionist actions among many countries.

According to the Brazil Steel Institute, a slight reduction in crude steel production is expected, estimated at 33.58 Mt for 2025, which would represent a decrease of 0.6% compared to 2024. Sales in the domestic market are also expected to register a drop of 0.8%, still reflecting the pressure exerted by imported steels, despite the restrictions imposed by the Brazilian government in 2024.

Based on the effort to reproduce its corporate culture as a relevant aspect of the path to business continuity, in 2025 **FERBASA** will continue to focus on cost management in all areas, including the support of international consultancy specializing in process optimization and cost reduction. We will also be directed to the evolution of strategic projects, among which the expansion of the installed capacity for the production of chromium ferroalloys stands out, through the construction of a new factory in Pojuca.

As an important initiative to strengthen the vertical chain, we highlight the technological renovation of the quicklime production unit, which, in 2025, will seek to reach the desired production levels, and the investments in the construction of charcoal kilns in the region of Maracás and Planaltino with the start of operation scheduled for 2026,

in addition to investments in technology in the chrome mining units aimed at efficiency gains. Finally, **FERBASA** starts 2025 aware of the challenges presented by the new circumstances of the international market and committed to the careful management of cash flow to ensure the sustainability of the business.

The market statements and outlook contained in this Report have been considered at the time of its construction and, therefore, are subject to change as a result of variations in the scenarios presented herein.

18. ACKNOWLEDGMENTS

We thank once again for the trust placed by our shareholders, customers, suppliers, market agents in **FERBASA**'s performance, and our employees, for their commitment and dedication during this journey. Our commitment to stakeholders is based on the Company's corporate values, which ensure responsible, ethical, transparent management based on business sustainability.

THE BOARD

19. GLOSSARY

High Carbon Ferrochrome (HC FeCr) - An alloy of iron and chromium that has a carbon content, also known as "Charge Chrome", it is used in the manufacture of stainless steels and special alloys. Stainless steels are used in the food, chemical, cellulose, petroleum industries, in addition to the so-called "white goods", household utensils, civil construction and others.

Low Carbon Ferrochrome (LC FeCr) - An alloy of iron and chromium that has a carbon content of up to 0.15%, used during the production of steels to correct chromium content without causing undesirable variations in carbon content. Industrially, it has the same purpose as high carbon ferrochrome, being used in the production of stainless steels with wide application in the consumer goods industries.

Ferrosilicon Chromium (FeSiCr) - Reducing element in the manufacture of Low Carbon Ferrochrome and steels, for the addition of chromium and silicon.

Ferrosilicon 75 (FeSi75) - In steel production, Standard Ferrosilicon 75 is used as a deoxidizer and alloying element; in the foundry industry it serves as a graphitizing agent. High Purity Ferrosilicon (HP) is part of the manufacture of steels for the manufacture of transformers, hydroelectric plants, freezers, hermetic compressors for refrigerators and others.

Million tons (Mt) - According to the International System of Units (S.I.), the prefix that designates the million (mega) can be represented by the capital letter M. In the case of the ton, its representation in the S.I. is the lowercase letter t. Therefore, for millions of tons, the abbreviation Mt. can be adopted (conversion: 1 Mt = 1,000,000 t).

20. MAIN CONSOLIDATED FINANCIAL STATEMENTS (in R$ thousands)

20.1 Balance sheet

ASSETS	2024	2023
Current Assets	1.745.724	1.584.250
Cash and cash equivalents	464.086	341.787
Financial investments	382.660	463.299
Accounts receivable from customers	200.707	197.566
Stocks	556.125	519.147
Taxes to be recovered / restituted	120.949	44.615
Anticipated expenses	2.901	6.038
Advance to Supplier - Energy	-	167
Other assets	18.296	11.631
Non-current Assets	2.642.156	2.526.447
Advance to Supplier - Energy	286.910	367.541
Financial investments	3.396	8.051
Stocks	7.209	6.932
Taxes to be recovered	9.673	9.520
Judicial deposits	724	897
Other credits	66.886	124
Investments	1.751.7	1.687.877
Fixed and intangible assets	89.973	96.952
Right of use in lease	425.59	348.553
Biological active ingredient		
Total Assets	4.387.880	4.110.697

*The financial, parent and consolidated statements, including explanatory notes and audit opinion of Pricewaterhousecoopers Auditores Independentes, are available on the websites www.cvm.gov.br, www.b3.com.br and www.**FERBASA**.com.br.*

LIABILITIES AND STOCKHOLDERS' EQUITY	2024	2023
Current Assets	652.462	499,147
Suppliers	127.104	147,832
Cash Advance from customers	10.462	29,419
Loans and financing	261.243	72,676
Cost of funding	(455)	(455)
Labor and actuarial obligations	101.476	104,064
Taxes and social contributions	39.021	24,138
CCEE reimbursement account	54.852	64,841
Proposed dividends and interest on equity	62	60
Rents payable	43.401	44,634
Other liabilities	15.296	11,938
Non-Current Assets	394.645	420,063
Loans and financing	162.444	202,296
Cost of funding	(2.676)	(3,132)
Obligations with acquisition of subsidiary	4.978	4,978
Labor and actuarial obligations	70.884	58,552
Taxes and social contributions	3.587	3,587
Deferred taxes and social contributions	8.498	4,321
CCEE reimbursement account	23.983	2,254
Provision for contingencies	62.595	74,403
Provision for environmental liabilities	40.809	46,352
Rents payable	19.543	26,452
Total Stockholders' Equity	3.340.773	3,191,487
Shareholders' Equity Controlling Shareholders	3.339.257	3,190,099
Share Capital	1.470.396	1,470,396
Profit reserve	1.859.894	1,705,095
Equity valuation adjustments	34.573	40,362
Treasury shares	(25.606)	(25,754)
Participation of non-controlling shareholders	1.516	1,388
Total Liabilities and Shareholder's Equity	4.387.880	4,110,697

*The financial, parent and consolidated statements, including explanatory notes and audit opinion of Pricewaterhousecoopers Auditores Independentes, are available on the websites www.cvm.gov.br, www.b3.com.br and www.**FERBASA**.com.br.*

20.2 Income Statement

	4Q24		4Q23		2024		2023	
	R$ thousand	*%NR*	*R$ thousand*	*%NR*	*R$ thousand*	*%NR*	*R$ thousand*	*%NR*
GROSS INCOME	678.605	100,0	607.722	100,0	2,516,724	100.0	2,742,475	100.0
Domestic market	374.195	55,1	341.462	56,2	1,413,653	56.2	1,576,378	57.5
Foreign market	304.410	44,9	266.260	43,8	1,103,071	43.8	1,166,097	42.5
Sales Taxes	(71.140)	(10,5)	(66.010)	(10,9)	(280,020)	(11.1)	(307,340)	(11.2)
NET REVENUE	607.465	100,0	541.712	100,0	2,236,704	100.0	2,435,135	100.0
Cost of goods sold	(526.580)	(86,7)	(467.630)	(86,3)	(1,847,40	(82.6)	(1,901,206)	(78.1)
Variation in the FV of the biological	39.768	1,8	32.157	5,9	74,626	3.3	71,728	2.9
GROSS PROFIT	120.653	19,9	106.239	19,6	463,929	20.7	605,657	24.9
Operating Expenses								
With sales	(5.817)	(1,0)	(4.908)	(0,9)	(21,547)	(1.0)	(19,371)	(0.8)
Administrative	(30.786)	(5,1)	(34.363)	(6,3)	(127,723)	(5.7)	(120,340)	(4.9)
Remuneration of Adm and PSP	(28.760)	(4,7)	(19.692)	(3,6)	(89,393)	(4.0)	(89,691)	(3.7)
Other (Expense) Operating Income	(30.670)	(5,0)	(30.859)	(5,7)	(59,494)	(2.7)	(72,524)	(3.0)
Operating profit before financial	24.620	4,1	16.417	3,0	165,772	7.4	303,731	12.5
Financial income	102.886	16,9	40.419	7,5	207,143	(9.3)	169,566	7.0
Financial expense	(16.983)	(2,8)	(11.255)	(2,1)	(54,173)	(2.4)	(51,360)	(2.1)
Net exchange rate variation	(12.429)	(2,0)	(2.244)	(0,4)	(5,054)	(0.2)	(2,300)	(0.1)
Financial Result	73.474	12,1	26.920	5,0	147,916	6.6	115,906	4.8
Profit before IRPJ/CSLL	98.094	16,1	43.337	8,0	313,688	14.0	419,637	17.2
IRPJ/CSLL	28.173	4,6	11.686	2,2	4,912	0.2	(36,752)	(1.5)
Net income for the year	126.267	20,8	55.023	10,2	318,600	14.2	382,885	15.7

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20.3 Cash Flow Statement (Indirect)

CASH AND CASH EQUIVALENT	2024	2023
Profit for the year	327.754	382.885
Net income adjustments		
Interest and net monetary and exchange rate variations	(101.964)	(54.730)
Depreciation, amortization and depletion	194.899	151.595
Biological asset depletion	65.637	64.425
Change in fair value of biological assets	(74.626)	(71.728)
Residual value of permanent assets written off	1.607	-
Deferred taxes	7.183	24.888
Demobilization Provision (Reversal)	-	(10.627)
Updating Lease Payable	(3.936)	1.967
Post-employment benefit update	3.490	1.579
Constitution (reversal) of provision for contingencies	(12.987)	10.871
Other	10.038	4.601
	417.095	505.726
Reduction (increase) in asset accounts:		
Accounts receivable from customers	11.939	12.055
Stocks	(23.114)	64.935
Taxes to be recovered	25.174	(12.594)
Advance to vendors	167	2.000
Judicial Deposits	-	31.460
Other assets	(4.219)	(3.728)
Increase (reduction) in liability accounts:		
Suppliers	(16.982)	20.086
Taxes and social contributions	14.997	(6.600)
Income tax and social contribution payable	15.066	11.796
Labor and actuarial obligations	(2.587)	(32.184)
CCEE reimbursement accounts	8.530	(9.756)
Advance on customers	-	(31.790)
Other liabilities	(17.892)	2.047
Income tax and social contribution paid	(44.602)	(43.537)
Interest paid in the year	(26.452)	(33.351)
Net cash generated from operating activities	357.120	476.565
Cash flow from investing activities		
Capex	(288.672)	(328.839)
Sale of fixed assets	1.791	2.027
Movement in financial investments	238.507	81.607
Equity investment	(48.799)	-
Exchange variation on cash and equivalents	46	235
Net cash invested in investing activities	(97.127)	(244.970)
Cash flow from financing activities		
Amortization of loans and financing	(70.512)	(67.114)
Loans and financing (ACC)	196.099	-
Capital contribution	(89.663	(70.879)
Amortization of leases	(173.618	(225.917)
Dividends and interest on equity paid	(137.694)	(363.910)
Net cash applied in financing activities	122.299	(132.315)
Increase (decrease) in cash and cash equivalents		
Cash and cash equivalent at the beginning of the year	341.787	474.102
Cash and cash equivalent at year-end	464.086	341.787
Net increase (decrease) in cash balance and cash equivalent	122.299	(132.315)
Net increase (reduction) in the balance of financial investments	(161.270)	19.810
Net increase (reduction) in the financial reserve	(38.971)	(112.505)

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CIA DE FERRO LIGAS DA BAHIA S.A. – FERBASA AND SUBSIDIARIES

Balance Sheet

In thousands of reais

		Parent		Consolidated	
ASSETS	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
CURRENT					
Cash and cash equivalent	9	344.269	215.629	464.086	341.787
Financial Investments	10	382.660	463.299	382.660	463.299
Accounts receivable	11	190.030	187.035	200.707	197.566
Inventories	12	556.125	519.147	556.125	519.147
Recoverable taxes	13	109.150	37.494	120.949	44.615
Prepaid expenses		2.901	6.038	2.901	6.038
Advances to suppliers		-	167	-	167
Other assets		13.507	7.892	18.296	11.631
Total current assets		1.598.642	1.436.701	1.745.724	1.584.250
NON-CURRENT					
Financial Investments	10	232.326	314.566	286.910	367.541
Inventories	12	3.396	8.051	3.396	8.051
Recoverable taxes	13	7.209	6.932	7.209	6.932
Judicial deposits	15	9.123	8.970	9.673	9.520
Other credits		717	890	724	897
		252.771	339.409	307.912	392.941
Investiments	16	623.327	590.296	66.886	124
Permanent and Intangible Assets	17	1.095.750	977.265	1.737.329	1.673.511
Right of use in leasing	17	81.174	88.018	89.973	96.952
Intangible	17	5.696	5.194	14.463	14.366
Biological Asset	18	425.593	348.553	425.593	348.553
		2.231.540	2.009.326	2.334.244	2.133.506
Total non-current assets		2.484.311	2.348.735	2.642.156	2.526.447
TOTAL ASSETS		4.082.953	3.785.436	4.387.880	4.110.697

		Parent		Consolidated	
LIABILITIES AND EQUITY	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
CURRENT					
Suppliers	19	123.992	141.966	127.104	147.832
Advances from customers	20	10.462	29.419	10.462	29.419
Loans and Financing	21	234.646	46.058	260.788	72.221
Labor and actuarial obligations	23	100.921	103.455	101.476	104.064
Taxes and social contributions	24	38.090	23.424	39.021	24.138
CCEE reimbursement account	27	-	-	54.852	64.841
Proposed dividends and interest on equity		-	-	62	60
Leases payable	22	42.787	44.010	43.401	44.634
Other liabilities		13.300	10.116	15.296	11.938
Total current liabilities		564.198	398.448	652.462	499.147
NON-CURRENT					
Loans and financing	21	-	15.052	159.768	199.164
Obligations with acquisition of subsidiary		4.978	4.978	4.978	4.978
Labor and actuarial obligations	23	70.884	58.552	70.884	58.552
Taxes and social contributions	24	3.500	3.500	3.587	3.587
Taxes and social contributions - deferred	14	7.157	3.091	8.498	4.321
CCEE reimbursement account	27	-	-	23.983	2.254
Provisions for contingencies	26	62.595	74.403	62.595	74.403
Provision for environmental liabilities	25	17.428	17.729	40.809	46.352
Leases payable	22	12.956	19.584	19.543	26.452
Total non-current liabilities		179.498	196.889	394.645	420.063
EQUITY	30				
Share capital		1.470.396	1.470.396	1.470.396	1.470.396
Retained earnings		1.859.894	1.705.095	1.859.894	1.705.095
Equity assessment adjustment		34.573	40.362	34.573	40.362
Treasury shares		(25.606)	(25.754)	(25.606)	(25.754)
Equity attributable to owners of the Company		3.339.257	3.190.099	3.339.257	3.190.099
Participation of non-controlling shareholders		-	-	1.516	1.388
Total Equity		3.339.257	3.190.099	3.340.773	3.191.487
TOTAL LIABILITIES AND EQUITY		4.082.953	3.785.436	4.387.880	4.110.697

The notes are an integral part of these financial statements.

CIA DE FERRO LIGAS DA BAHIA S.A. – FERBASA AND SUBSIDIARIES

Income statements
(In thousands of Reais - R$, except earnings per share)

		Parent		Consolidated	
	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
NET SALES REVENUE	31	2.142.826	2.317.555	2.236.704	2.435.135
Cost of goods sold	32	(1.745.058)	(1.818.353)	(1.840.126)	(1.901.206)
Variation in the fair value of biological assets	18	74.626	71.728	74.626	71.728
GROSS PROFIT		472.394	570.930	471.204	605.657
OPERATING EXPENSES	32				
Selling expenses		(21.547)	(19.371)	(21.547)	(19.371)
General and administrative expenses		(204.986)	(198.080)	(218.223)	(210.031)
Other operating income (expenses)		(54.932)	(78.043)	(59.505)	(72.524)
		(281.465)	(295.494)	(299.275)	(301.926)
Equity	16	(20.088)	20.292	-	-
OPERATING PROFIT		170.841	295.728	171.929	303.731
FINANCIAL RESULT	33				
Financial income		219.927	168.095	243.326	189.290
Financial costs		(72.019)	(47.071)	(95.420)	(73.384)
		147.908	121.024	147.906	115.906
PROFIT BEFORE PROFIT TAXES		318.749	416.752	319.835	419.637
INCOME TAX AND SOCIAL CONTRIBUTION	14				
Current		15.828	(9.423)	15.102	(11.864)
Deferred		(7.072)	(24.680)	(7.183)	(24.888)
		8.756	(34.103)	7.919	(36.752)
PROFIT FOR THE PERIOD		327.505	382.649	327.754	382.885
Profit attributed to controlling shareholders		327.505	382.649	327.505	382.649
Profit attributed to non-controlling shareholders				249	236
BASIC/DILUTED PROFIT PER ON SHARE - BRL	30			0,90305	4,22041
BASIC/DILUTED PROFIT PER PN SHARE - BRL	30			0,99335	4,64245

The notes are an integral part of these financial statements.

CIA DE FERRO LIGAS DA BAHIA S.A. – FERBASA AND SUBSIDIARIES

Statements of comprehensive income
In thousands of Reais

		Parent		Consolidated	
	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
NET INCOME FOR THE PERIOD		327.505	382.649	327.754	382.885
Actuarial obligations	23	(8.842)	(11.012)	(8.842)	(11.012)
Effect of income tax and social contribution on actuarial obligations		3.007	3.744	3.007	3.744
Cumulative Conversion Adjustment		46	235	46	235
Other comprehensive income for the year, net of taxes		(5.789)	(7.033)	(5.789)	(7.033)
TOTAL COMPREHENSIVE INCOME		321.716	375.616	321.965	375.852
Profit attributed to controlling shareholders				321.716	375.616
Profit attributed to non-controlling shareholders				249	236

The notes are an integral part of these financial statements.

Statements of changes in equity

In thousands of Reais

			Attributable chontrolling shareholders									
			Profit reserves				Asset				Attributable to	Total
	Note	Share capital	Legal	Tax incentive	For Investments	Profits to be realized	valuation adjustments	Treasury shares	Retained earnings	Total equity	non-controlling shareholders	consolidated shareholder's equity
BALANCES ON DECEMBER 31, 2022	31	1.225.444	205.182	542.706	995.108	49.595	47.395	(25.754)	-	3.039.676	1.211	3.040.887
Tax incentive reclassification		-	-	144	(144)	-	-	-	-	-	-	-
Capitalization of reserves		244.952	-	-	(244.275)	-	-	-	(677)	-	-	-
Other comprehensive results		-	-	-	-	-	(7.268)	-	-	(7.268)	-	(7.268)
Adjust asset valuation		-	-	-	-	-	235	-	-	235	-	235
Prescribed dividends		-	-	-	-	-	-	-	677	677	-	677
Net profit for the year		-	-	-	-	-	-	-	382.649	382.649	236	382.885
Profit destination:												-
Formation of reserves		-	19.133	32.836	104.810	-	-	-	(156.779)	-	-	
Proposed dividends		-	-	-	-	-	-	-	-	-	(59)	(59)
Interest on equity		-	-	-	-	-	-	-	(225.870)	(225.870)	-	(225.870)
BALANCES ON DECEMBER 31, 2023	30	1.470.396	224.315	575.686	855.499	49.595	40.362	(25.754)	-	3.190.099	1.388	3.191.487
Tax incentive reclassification		-	-	2.375	(2.375)	-	-	-	-	-	-	-
Capitalization of reserves		-	-	-	942	-	-	-	(942)	-	-	-
Other comprehensive results		-	-	-	-	-	(5.835)	-	-	(5.835)	-	(5.835)
Capital contribution		-	-	-	-	-	-	-	-	-	-	-
Adjust asset valuation		-	-	-	-	-	46	-	-	46	-	46
Prescribed interest on equity		-	-	-	-	-	-	-	942	942	-	942
Complementary interest on equity		-	-	-	(10.280)	-	-	-	-	(10.280)	(59)	(10.339)
Cancellation of treasury shares		-	-	-	(148)	-	-	148	-	-	-	-
Net profit for the year		-	-	-	-	-	-	-	327.505	327.505	249	327.754
Profit destination:												
Formation of reserves		-	16.375	26.093	121.817	-	-	-	(164.285)	-	-	-
Proposed dividends		-	-	-	-	-	-	-	-	-	(62)	(62)
Interest on equity		-	-	-	-	-	-	-	(163.220)	(163.220)	-	(163.220)
BALANCES ON DECEMBER 31, 2024	30	1.470.396	240.690	604.154	965.455	49.595	34.573	(25.606)	-	3.339.257	1.516	3.340.773

The notes are an integral part of these financial statements.

CIA DE FERRO LIGAS DA BAHIA S.A. – FERBASA AND SUBSIDIARIES

Cash flow demonstrations
In thousands of Reais

	Note	Parent		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
CASH FLOW FROM OPERATING ACTIVITIES					
Net income for the period		327.505	382.649	327.754	382.885
Adjustments to reconcile net income for the period with					
net cash generated by operating activities:					
Interest and net monetary and exchange variations		(113.463)	(73.248)	(96.723)	(54.730)
Depreciations, amortizations and depletions	17	150.023	107.825	194.899	151.595
Depletion of biological assets	18	65.637	64.425	65.637	64.425
Change in fair value of biological assets	18	(74.626)	(71.728)	(74.626)	(71.728)
Equity	16	20.088	(20.292)	-	-
Gain/loss on write-off/disposal		746	111	1.607	111
Deferred taxes	14	7.072	24.680	7.183	24.888
Provision (reversal) of Demobilization		-	-	(5.241)	(10.627)
Provision (reversal) for loss in inventory	12	4.179	(93)	4.179	(93)
Lease payable update	22	(4.267)	1.590	(3.936)	1.967
Update of postemployment benefit plans	23	3.490	1.579	3.490	1.579
Constitution (reversal) of provision for contingencies	26	(12.987)	10.871	(12.987)	10.871
Others		986	(290)	5.859	4.583
Decrease (increase) in asset accounts:					
Accounts receivable		12.085	12.426	11.939	12.055
Inventories		(23.114)	64.935	(23.114)	64.935
Recoverable taxes assets		29.798	(12.249)	25.174	(12.594)
Advance to suppliers		167	2.000	167	2.000
Judicial deposits		(153)	31.914	(153)	31.460
Other assets		(2.810)	(3.447)	(4.066)	(3.728)
Increase (decrease) in liability accounts:					
Suppliers		(14.189)	21.279	(16.982)	20.086
Taxes and social contributions		14.666	(5.411)	14.997	(6.600)
Income tax and social contribution		14.473	9.423	15.066	11.796
Labor and actuarial obligations		(2.534)	(32.173)	(2.587)	(32.184)
CCEE reimbursement account		-	-	8.530	(9.756)
Advances from customers		(18.957)	(31.790)	(18.957)	(31.790)
Other liabilities		553	1.172	1.065	2.047
Income tax and social contribution paid		(43.930)	(40.006)	(44.602)	(43.537)
Interest paid in the period		(9.356)	(14.216)	(26.452)	(33.351)
Net cash generated by operating activities		331.082	431.936	357.120	476.565
CASH FLOWS FROM INVESTMENT ACTIVITIES					
Acquisition of Permanent Assets	17	(206.277)	(224.214)	(215.931)	(257.113)
Cost of planting and maintenance of biological assets	18	(72.741)	(71.726)	(72.741)	(71.726)
Receipt for sale of permanent assets		1.791	2.027	1.791	2.027
Dividends Received		548	141	-	-
Financial applications and redemption		234.948	76.344	238.507	81.607
Contribution to subsidiaries		(1.736)	(17.651)	-	-
Equity investment		(48.799)	-	(48.799)	-
Net cash invested in investment activities		(92.266)	(235.079)	(97.173)	(245.205)
CASH FLOWS FROM FINANCING ACTIVITIES					
Fundraising	21	196.099	-	196.099	-
Amortization of financing	21	(44.148)	(41.024)	(70.512)	(67.114)
Rental amortization	22	(88.627)	(69.704)	(89.663)	(70.879)
Dividends and interest on shareholders' equity paid		(173.500)	(225.870)	(173.618)	(225.917)
Net cash invested in financing activities		(110.176)	(336.598)	(137.694)	(363.910)
EXCHANGE VARIATION WITHOUT CASH AND EQUIVALENTS		-	-	46	235
NET INCREASE (REDUCTION) IN THE BALANCE OF CASH AND CASH EQUIVALENTS		128.640	(139.741)	122.299	(132.315)
Cash and cash equivalents at the beginning of the year	9	215.629	355.370	341.787	474.102
Cash and cash equivalents at the end of the period	9	344.269	215.629	464.086	341.787
NET INCREASE (REDUCTION) IN THE BALANCE OF CASH AND CASH EQUIVALENTS		128.640	(139.741)	122.299	(132.315)

The notes are an integral part of these financial statements.

CIA DE FERRO LIGAS DA BAHIA S.A. – FERBASA AND SUBSIDIARIES

Statements of added value
In thousands of Reais

		Parent		Consolidated	
	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
SALES REVENUE		2.418.156	2.620.356	2.516.724	2.742.475
Other income		76.236	10.907	79.713	23.348
Provision/Reversal of Doubtful Credits		-	-	-	-
		2.494.392	2.631.263	2.596.437	2.765.823
INPUTS PURCHASED FROM THIRD PARTIES					
Cost of goods sold (includes raw materials)		(903.180)	(1.005.395)	(905.903)	(915.967)
Materials, energy, third-party services and others		(678.901)	(678.694)	(732.674)	(812.839)
GROSS VALUE ADDED		912.311	947.174	957.860	1.037.017
Depreciation, amortisation and depletion	17 e 18	(208.470)	(172.250)	(253.346)	(216.020)
Capital gain	16	-	-	(4.418)	(4.418)
NET VALUE ADDED PRODUCED BY THE COMPANY		703.841	774.924	700.096	816.579
ADDED VALUE RECEIVED IN TRANSFER					
Financial income	33	219.927	168.095	243.327	189.290
Equity	16	(20.088)	20.292	-	-
TOTAL ADDED VALUE TO DISTRIBUTE		903.680	963.311	943.423	1.005.869
DISTRIBUTION OF ADDED VALUE					
Employees:					
Salaries and wages		351.638	334.232	358.618	340.207
Benefits		67.417	54.949	68.069	55.554
FGTS (*Service Time Guarantee Fund*)		23.013	20.830	23.251	20.963
		442.068	410.011	449.938	416.724
Taxes, fees and contributions:					
Federal		86.148	120.390	92.996	128.910
State		23.729	29.163	24.604	29.507
Municipal		1.710	1.081	1.900	1.244
		111.587	150.634	119.500	159.661
Third-party capital remuneration		22.520	20.017	46.231	46.599
Equity remuneration					
Interest on equity/Dividends		163.220	225.870	163.282	225.929
Retained earnings		164.285	156.779	164.223	156.720
Participation of non-controlling		-	-	249	236
		327.505	382.649	327.754	382.885
DISTRIBUTED VALUE ADDED		903.680	963.311	943.423	1.005.869

The notes are an integral part of these financial statements.

1. OPERATIONAL CONTEXT

Cia de Ferro Ligas da Bahia - FERBASA ("Ferbasa" or "Company") is a publicly-held corporation, headquartered in Pojuca - BA, registered with the Brazilian Securities and Exchange Commission - CVM (***CVM*** – in Portuguese, *Comissão de Valores Mobiliários*) and has shares traded on the São Paulo Stock Exchange (B3 S.A. - Brasil, Bolsa, Balcão). Ferbasa began its activities on February 23, 1961 and operates sustainably in the areas of chromite mining, metallurgy in the production of ferroalloys, renewable forest resources and wind power generation, all in the State of Bahia. Its parent company is the José Carvalho Foundation, a non-profit entity with an indefinite term, with the primary objective of providing quality education to needy children and young people.

These individual and consolidated financial statements were approved by the Company's Board of Directors on March 6, 2025.

1.1 ESG agenda (*Environmental, Social and Governance*) - environment, social and governance.

FERBASA has historically prioritized actions that contribute to the evolution of the ESG agenda in its corporate agenda. As a result of the first diagnosis focused on the subject, the roadmap was drawn up that aims to accelerate advances related to sustainability. As one of the consequences of this work, we have incorporated into the Management Report a specific topic called "ESG Agenda", which aims to inform and disseminate the main updates related to the matter to our Stakeholders.

The Company does not have, as of December 31, 2024: (i) loans or financing linked to green goals or commitments; (ii) insurance related to ESG aspects; (iii) carbon credit transactions; (iv) ESG risk linked to inventories or impact on the useful or residual life of its assets; (v) provisions or contingent liabilities constituted related to ESG, in addition to the environmental provision already disclosed by the Company; and (vi) risk of discontinuity of its operations.

1.2 Tax Reform on consumption

On December 20, 2023, Constitutional Amendment (***"EC"***, in Portuguese, *Emenda Constitucional*) No. 132 was enacted, which establishes the Tax Reform ("Reform") on consumption. The Reform model is based on a VAT divided ("dual VAT") into two competences, one federal (Contribution on Goods and Services – ***CBS***, in Portuguese, C*ontribuição sobre Bens e Serviços*), which will replace PIS and COFINS, and one subnational (Tax on Goods and Services – ***IBS***, in Portuguese, *Imposto sobre Bens e Serviços*), which will replace ICMS and ISS.

A Selective Tax (***"IS"***, in Portuguese, *Imposto Seletivo*) was also created – of federal competence, which will be levied on the production, extraction, commercialization or import of goods and services harmful to health and the environment, under the terms of a complementary law.

On December 17, 2024, the approval by the National Congress of the first complementary bill (***PLP***, in Portuguese, *Projeto de Lei Complementar*) 68/2024, which regulated part of the Reform, was concluded. PLP 68/2024 was sanctioned with vetoes by the President of the Republic on January 16, 2025, becoming Complementary Law No. 214/2025.

Although the regulation and institution of the IBS Management Committee was initially addressed in PLP No. 108/2024, according to the Reform regulation project, which will still be considered by the Federal Senate, part of the negotiation has already been incorporated into PLP No. 68/2024, approved as mentioned above, which, among other provisions, determined the institution, until December 31, 2025, of the aforementioned Committee, responsible for the administration of said tax.

There will be a transition period from 2026 to 2032, in which the two tax systems – old and new – will coexist. The impacts of the Reform on the calculation of the above-mentioned taxes, as of the beginning of the transition period, will only be fully known when the process of regulation of the pending issues by complementary law is completed. Consequently, there is no effect of the Reform on the financial statements as of December 31, 2024.

1.3 Effects of the Russia-Ukraine and Israel-Hamas conflicts

The year 2024 began under the intensification of historical geopolitical conflicts that once again took the form of wars in Europe and the Middle East, and which unfolded, generating a bottleneck in the global logistics flow. And it ended under a significant deterioration in expectations caused by the threats of protectionist trade sanctions between several countries.

In Brazil, the growth in steel imports continued to exert strong pressure on the national steel sector, despite the favorable moment in domestic demand and protective actions put in place by the Brazilian government. The reduction in the flow of sales to the American market launched challenges on inventory management, cash flows and the development of new commercial alternatives, which focused on the European market.

Regarding FERBASA, all this conjuncture crossed by the world market has led to a reduction in the prices of silicon and chromium ferroalloys, in addition to difficulties in the flow of sales and an increase in export costs, such is the effect of logistical obstacles and protectionist actions today. The Company faced this scenario by maintaining its focus on initiatives aimed at expanding its competitiveness, promoting actions to optimize productivity, search for innovation in its processes, evolution in the risk management agenda and mitigation of environmental impacts, with ennoblement of the product portfolio and permanent action on cost control and adequate cash management, also ensuring the continuity of its strategic projects.

2. DECLARATION OF CONFORMITY AND BASIS OF PREPARATION

2.1. Declaration of conformity

The individual and consolidated financial statements were prepared in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS, issued by the International Accounting Standards Board - IASB), currently referred to by the IFRS Foundation as "IFRS Accounting Standards",® including the interpretations issued by the IFRS Interpretations Committee (IFRIC® Interpretations) or by its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

The accounting practices adopted in Brazil comprise those included in Brazilian corporate law and the pronouncements, guidelines and technical interpretations issued by the Accounting Pronouncements Committee (***CPC***, in Portuguese, *Comitê de Pronunciamentos Contabéis*) and approved by the Federal Accounting Council (***CFC***, in Portuguese, *Conselho Federal de Contabilidade*) and the Brazilian Securities and Exchange Commission (CVM).

Management declares that all relevant information in the financial statements, and only them, are being disclosed and correspond to those used by Management in its management.

2.2. Preparation base

The individual and consolidated financial statements have been prepared with historical cost as a value basis and adjusted to reflect the attributable cost of certain property, plant and equipment at the date of transition to CPC/IFRS, except for certain financial assets and liabilities (including derivative and non-derivative financial instruments) and biological assets that are measured at fair value.

The presentation of the Statement of Value Added (***DVA***, in Portuguese, *Demonstração do Valor Adicionado*), individual and consolidated, is required by Brazilian corporate law and by the accounting practices adopted in Brazil, applicable to publicly-held companies. IFRS do not require the presentation of such a statement. Consequently, under IFRS, this statement is presented as supplementary information, without prejudice to the set of financial statements.

The preparation of the financial statements requires the use of certain critical accounting estimates and judgments by Management in the process of applying the accounting policies of the Company and its subsidiaries and affiliates. Those areas that require a higher level of judgment and have greater complexity, as well as the areas in which assumptions and estimates are significant for the financial statements, are disclosed in Note 4.

The material accounting policies applied in the preparation of these financial statements are described in Note 6. These policies were applied consistently in the years presented.

3. FUNCTIONAL CURRENCY AND FOREIGN CURRENCY CONVERSION

The functional currency of the Company and all its subsidiaries and affiliates is the Real (BRL), the currency of the main economic environment in which the Company and its subsidiaries and affiliates operate, and the same currency used to prepare and present the financial statements.

Transactions with foreign currencies are translated into functional currency using the exchange rates prevailing on the transaction dates or on the valuation date when the items are measured again. Foreign exchange gains and losses resulting from the settlement of these transactions and the translation at year-end exchange rates, referring to monetary assets and liabilities in foreign currencies, are recognized in the statement of income in the period in which they occur.

4. KEY ACCOUNTING JUDGMENTS AND SOURCES OF UNCERTAINTY IN ESTIMATES

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events, that are considered reasonable for the circumstances. The effects of revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or also in subsequent periods, if the revision affects both the present period and future periods.

By definition, accounting estimates will rarely equal the respective actual results. Estimates and assumptions that present a significant risk, likely to cause a material adjustment in the carrying amounts of assets and liabilities for the next fiscal year, are contemplated below:

4.1. Biological Assets

The calculation of the fair value of the biological asset takes into account several assumptions with a significant degree of judgment, such as the estimated sale price, cubic quantity of wood, average annual increment (***IMA***, in Portuguese, *Incremento Médio Anual*) per forest garden and business risk rate. Any changes in these assumptions used may imply a change in the result of the discounted cash flow and, consequently, in the appreciation of these assets.

Biological assets can also be impacted by climate change, particularly Regarding physical impacts related to extreme weather events and those related to chronic risks resulting from long-term changes in weather patterns. The Company analyzed the main risk factors, highlighted below:

- losses of biological assets due to fires and impacts arising from greater presence and resistance of pests and other forest diseases favored by the gradual increase in temperature;
- reduction in productivity and expected growth (IMA) due to the decrease in the availability of water resources in basins; and
- interruption in the production chain due to adverse weather events.

Although the effects of climate change represent a source of uncertainty, the Company does not consider that there is a material impact on its judgments and estimates of the physical risks mentioned above in the short/medium term, based on the climatic history of the regions where the plantations are located. Regarding the occurrence of pests and diseases, the Company has a technical team composed of employees and consultants, who work in the diagnosis and quick actions against possible occurrences and losses.

4.2. Useful life of fixed assets

The Company recognizes the depreciation of its fixed assets based on the estimated useful life for use of each asset. In the case of fixed assets, the valuation is carried out by the management or by third-party specialists and considers the way in which these assets are used in their operations. In the case of intangible assets, such as software, the valuation is made based on the average time of use of these assets, which considers the terms of the contracts.

In relation to improvements in third-party properties with a lease agreement, amortization is calculated and recorded according to the period of the rental contracts, the depreciation/amortization periods are reviewed in each period.

As described in Note 6.5, the Company reviews the estimated useful life of fixed assets and the estimated mines' mine-drawn reserves annually at the end of each reporting period.

4.3. Fair value of financial instruments

The fair value of financial instruments is determined by the use of information obtained from the fund managers or financial institutions with which the Company maintains these financial instruments. The fair amounts recognized in the financial statements may not represent the amount of cash that the Company would receive or pay at the time of future settlement of these transactions.

4.4. Provision for inventory obsolescence

The Company has maintained provisions for obsolescence and slow turnover, related to maintenance items without rotation, for more than five (5) years. The determination of this provision is made using the best information available on the date of the financial statements, involving experiences from past events, as well as experts in the field, when applicable.

4.5. Provision for actuarial obligations

The current value of the obligations of post-employment benefit plans with a defined benefit characteristic, referring to the health care plan, private pension, retirement premium and FGTS (Portuguese acronym that stands for ***Service Time Guarantee Fund***) fine, depend on a series of factors that are determined based on actuarial calculations, which use a series of assumptions. Among the assumptions used in determining the net cost (revenue) for post-employment benefit plans is the discount rate. Any changes to these assumptions will affect the carrying amount of post-employment benefit plan obligations (Note 23).

The Company determines the appropriate discount rate at the end of each fiscal year. This is the interest rate that should be used to determine the present value of future estimated cash outflows, which should be required to settle post-employment benefit plans. In determining the appropriate discount rate, the Company considers the interest rates on federal government securities. The discount rate of the bonds compatible with the estimated average term of payments of the post-employment benefit plans is adopted. For cases in which there are no government bonds with the same duration evaluated for the plan, linear interpolation was adopted in the estimate.

4.6. Provision for contingencies

The Company has the practice of managing its lawsuits internally and uses specialized law firms on a timely basis, generally in actions related to tax nature. The Company's procedures are to analyze, based on the history of the claim, what is the expectation of cash disbursement for each of the existing shares and the respective probability of loss. In this way, the Legal Department prepares an analysis based on the value of the lawsuit, the risk and the provision necessary for recording in the financial statements, which is usually different from the value of the claim.

The Company is a party involved in labor, civil and tax lawsuits. These processes, when applicable, are supported by judicial deposits (Note 26).

4.7. Provision for mine closures and decommissioning of wind farms

The Company considers the estimates of the costs of closing mines and demobilizing wind farms as critical accounting practices because they involve relevant amounts of provision and because they are estimates that involve several assumptions, such as interest rates, inflation, useful life of the asset considering the current stage of its Depletion and the projected dates of Depletion. Regarding demobilization, the main activities to be completed in the dismantling process are the removal of: (i) blades; (ii) axis; (iii) engine; (iv) steel tower sections; (v) electrical panels; and (vi) others. Due to the lack of historical decommissioning costs in the market (the wind segment in Brazil is quite new), as well as the company itself, it was necessary to consider the costs of installation services to assess the cost of decommissioning wind farms, including crane mobilization, labor, etc. (Note 25).

The costs of mine closure and decommissioning of the wind farm are capitalized as part of the asset's book value, being amortized for the period of its useful life or concession period.

Although the estimates are reviewed annually, this provision requires the assumption of assumptions to project the cash flows applicable to the operations.

4.8. Leasings

In thousands of reais, unless otherwise indicated

The Company uses incremental rates to discount cash flows from lease payments, the implied rates of which cannot be determined immediately.

The present values of lease liabilities are determined based on the incremental rates estimated at the start date of each lease (Note 22).

5. CLASSIFICATION OF FINANCIAL INSTRUMENTS AND FAIR VALUE HIERARCHY

The following are the Asset and Liability financial instruments:

		Parent		Consolidated	
	Accounting measurement	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Assets					
Cash and cash equivalents	Amortized cost	344,269	215,629	464,086	341,787
Financial investments - current	Fair value through profit or loss	382,660	463,299	382,660	463,299
Financial investments - non-current	Fair value through profit or loss	232,326	314,566	286,910	367,541
Accounts receivable from customers	Amortized cost	190,030	187,035	200,707	197,566
Judicial deposits	Amortized cost	9,123	8,970	9,673	9,520
Liabilities					
Suppliers	Amortized cost	123,992	141,966	127,104	147,832
Advance on customers	Amortized cost	10,462	29,419	10,462	29,419
Advance on current exchange contract	Amortized cost	219,656	-	219,656	
Loans and financing - current	Amortized cost	14,990	46,058	41,587	72,676
Funding cost	Amortized cost	-	-	(455)	(455)
Loans and financing - current		234,646	46,058	260,788	72,221
Loans and financing - non-current	Amortized cost	-	15,052	162,444	202,296
Funding cost	Amortized cost	-	-	(2,676)	(3,132)
Loans and financing - non-current	Amortized cost	-	15,052	159,768	199,164
CCEE Reimbursement Account - Current	Amortized cost	-	-	54,852	64,841
CCEE Reimbursement Account - Non-Current	Amortized cost	-	-	23,983	2,254
Rents Payable - Current	Amortized cost	42,787	44,010	43,401	44,634
Rents payable - non-current	Amortized cost	12,956	19,584	19,543	26,452

6. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are summarized below. These policies were applied consistently in the years presented.

6.1. Cash and cash equivalents and financial investments

Cash and cash equivalents include cash, bank deposits and other highly liquid short-term investments whose original maturities are less than three (3) months, which are readily convertible into a known amount of cash and which are subject to negligible risk of change in value.

The Company has, together with the financial institutions with which it operates, securities with first-line issuers (CDB - Bank Deposit Certificate Transactions, financial bills, debentures, open-ended fund and exclusive investment fund), in accordance with its Risk Management and Financial Management Policy and classified as cash and cash equivalents and financial investments in current and non-current assets. The profitability of the portfolio of financial investments is included in Notes 9 and 10.

6.2. Accounts receivable from customers

Customer accounts receivable correspond to the amounts receivable from the sale of products in the normal course of their activities, plus exchange rate variation when denominated in foreign currency. The average period of receipt is 30 (thirty) days. They are, therefore, presented in current assets and recognized, initially, at fair value and, subsequently, at amortized cost.

Expected losses with doubtful loans (henceforth "PECLD") are constituted based on an individual analysis of the amounts receivable, considering: (i) the concept of incurred loss and expected loss, taking into account default events that are likely to occur in the twelve months following the date of disclosure of said financial statements, (ii) financial instruments that had a significant increase in credit risk, but do not present objective evidence of *impairment*, and; (iii) financial assets that already present objective evidence of *impairment* as of December 31, 2024.

The PECLD were constituted in an amount considered by the Administration necessary and sufficient to cover probable losses in the realization of these credits, which may be modified due to the recovery of credits from debtor customers or change in the financial situation of customers.

The adjustment to the present value of the balance of accounts receivable from customers is not relevant due to the short period of its realization.

6.3. Inventories

Inventories are shown at cost or net realization value, whichever is lower. The method of evaluating inventories is the weighted average. The cost of finished goods and products in preparation comprises costs, raw materials, direct labour, other direct costs and their direct production costs (based on normal operating capacity). Net realisation value is the estimated sale price in the ordinary course of business, less the estimated completion costs and estimated costs required to make the sale.

The cost of wood transferred from biological assets is its fair value plus harvesting and freight expenses.

Inventory balances are presented with the net of expected losses constituted to cover any probable losses identified or estimated by Management.

6.4. Biological Assets

The biological assets correspond to eucalyptus forests, which are intended for the production of bioreducers, used as a basic input in the production of ferroalloys, in addition to the sale of unconsumed wood to third parties. The harvesting process has an approximate cycle of 07 (seven) years and may vary from the crop and genetic material to which it refers. Biological assets are measured at fair value, deduced to the estimated costs of sale at the time of harvest.

The Company evaluates the fair value of biological assets always in the third quarter of each year and complements it on December 31, with the gain or loss in the variation in the fair value of biological assets recognized in the income statement for the period in which they occur, in a specific line of the income statement called "Variation in the Fair Value of Biological Assets". The value of biological asset depletion is measured by the volume of timber cut, valued at its fair value.

The significant assumptions in determining the fair value of biological assets are set out in Note 18.

6.5. Fixed Assets

The assets that are part of the fixed assets are recorded at the historical cost of acquisition, construction and attributed cost less accumulated depreciation.

Depreciation of assets begins when they are ready for intended use on the same basis as other fixed assets. It is recognized based on the estimated useful life of each asset, by the straight-line method, so that the cost value minus the residual value after its useful life is fully written off (except for land and fixed assets in progress that do not suffer depreciation).

Mine depletion is calculated at the rate corresponding to the ratio of the amount of depleted ore to the estimated mineable reserve.

The retirement of an asset item occurs after disposal. Gains and losses arising from disposals are determined by comparison with the carrying amount and are recognized in the income statement in the "Other operating income (expense)" account.

Fixed assets in progress, for the purpose of supplying products or services, are recorded at cost value.

Repairs and maintenance are appropriate to the result during the year in which they are incurred. The cost of major renovations is added to the carrying value of the asset when the future economic benefits exceed the performance standard initially estimated for the asset. Reforms are depreciated over the remaining useful life of the related asset.

6.6. Leasings

The Company and its subsidiaries evaluate, on the date of commencement of the agreement, whether this agreement is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

6.6.1. Right of use in lease

The Company and its subsidiaries recognize the right-of-use assets on the lease commencement date (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any new remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made up to the commencement date. Right-of-use assets are depreciated linearly, for the shortest period between the lease term and the estimated useful life of the assets.

6.6.2. Payable Leasings

On the lease commencement date, the Company and its subsidiaries recognize the lease liabilities measured by the present value of the lease payments to be made during the lease term. Variable lease payments that do not depend on an index or rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that generates these payments occurs.

When calculating the present value of lease payments, the Company and its subsidiaries use both the initial measurement and the remeasurement of observable nominal rates.

6.6.3. Short-term leases and low-value assets

The Company and its subsidiaries apply the short-term lease recognition exemption to their short-term leases of machinery and equipment (i.e., leases whose lease term is equal to or less than twelve (12) months from the commencement date and which do not contain a call option). It also applies the granting of low-value asset recognition exemption to leases of office equipment that are considered to be of low value. Short-term lease payments and low-value asset leases are recognised as an expense on a straight-line basis over the lease term.

6.7. Impairment of non-financial assets

Non-financial assets that have a defined useful life are reviewed for impairment indicators whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

A loss is recognized when the carrying amount of the asset exceeds its recoverable amount, which represents the greater of the fair value of an asset minus its costs of sale and its value in use. For the purposes of this valuation, assets are grouped into the lowest levels for which separately identifiable cash flows exist (Cash Generating Units – UGCs, in Portuguese, *Unidades Geradoras de Caixa*). In addition, no indicators of impairment were identified for any of the Company's companies. Ferbasa has recorded a gain with an advantageous purchase resulting from the acquisition of BW Guirapá, so there is no goodwill accounted for.

6.8. Suppliers

Accounts payable to suppliers are obligations payable for goods or services that were acquired in the normal course of business and are classified as current liabilities because they are due within 01 year. They are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

On December 31, 2024 and 2023, the Company did not carry out drawn risk operations.

6.9. Distribution of dividends and interest on equity

The distribution of dividends to shareholders is recognized based on Brazilian corporate law and the Company's bylaws. At the end of the year, the amount of the minimum mandatory dividend, as provided for in the Company's Bylaws, is recorded as current liabilities in the "dividends and interest on equity" account. The portion of the excess dividends is presented under the heading "proposed additional dividend", in the "profit reserves" group in shareholders' equity. Once approved by the general meeting, this portion is transferred to current liabilities.

The Company may anticipate to its shareholders, based on the corporate legislation in force and its Bylaws, the payments of dividends and/or interest on capital.

The tax benefit of interest on equity is recognized in the income statement.

6.10. Income tax and social contribution

The provision for income tax and social contribution is based on the taxable income for the year that differs from the profit presented in the income statement because it excludes taxable or deductible income or expenses in other years, in addition to excluding non-taxable or non-deductible items on a permanent basis.

The provision for income tax and social contribution is individually calculated by the Company and its subsidiaries based on the rates in force at the end of the year, considering the tax benefits granted by SUDENE. The portion of income tax reduction corresponding to tax incentives is recognized in the income statement, but transferred from the retained earnings account to the profit reserve at the end of the year because it cannot be distributed to shareholders.

Deferred taxes are recognized on the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Active deferred taxes are only recognized to the extent that taxable income for the next few years is likely to be available and against which temporary differences can be used, based on projections prepared and supported by internal assumptions. Deferred tax liabilities are fully recognized, and the amounts booked and projections are periodically revised.

6.11. Provisions

Provisions for mine closure, demobilization and contingencies (labor, civil and tax) are recognized when: (i) the Company has a present obligation, even if not formalized, as a result of events that have already occurred; (ii) an outflow of funds is likely to be necessary to settle the obligation; and (iii) the value can be reliably estimated.

Provisions are measured at the present value of the expenses that are expected to be required to settle the obligation, using a rate before tax effects that reflects current market assessments of the time value of money and the specific risks of the obligation. The increase in the obligation as a result of the passage of time is recognized as a financial expense.

The provision for environmental recovery comprises the representative expenses of mine closure resulting from the completion of activities. The cost of demobilizing an asset equivalent to the obligation is capitalized as part of the asset's book value and is amortized over the period of its useful life. Provisions for contingencies are recognized in profit or loss.

6.12. Loans and financing

Financing is initially recognized at fair value, net of the costs incurred in the transaction and is subsequently demonstrated at amortized cost. Any difference between the amounts raised (net of transaction costs) and the total amount payable is recognized in the income statement during the period in which the financing is outstanding, using the effective interest rate method.

Financing is classified as current liabilities unless the Company has an unconditional right, at the end of the year, to defer the settlement of liabilities for at least twelve (12) months after the balance sheet date.

The restrictive contractual clauses (covenants) that the Group is obliged to comply with, up to the balance sheet date, are considered in the classification of loans as current or non-current. However, those that the Group is required to comply with after the balance sheet date do not affect the rating at the balance sheet date, but are disclosed in the financial statements.

6.13. Employee Benefits

6.13.1. Post-employment benefit

For the defined contribution plan, the Company pays contributions to a privately managed pension plan on a contractual or voluntary basis. As of the cessation of the contributions and agreed deadlines, the Company has no obligations related to additional payments.

The Company offers post-employment benefits to employees for the length of service. The expected costs of these benefits are accumulated during the period of employment, estimating how many employees will achieve this right and discounting the amount at present value.

6.13.2. Retirement health care benefit

The Company offers post-retirement medical assistance benefits to its employees, in accordance with the legal precepts related to the subject. Entitlement to these benefits is generally conditional on the employee remaining in employment until retirement age and completing a minimum length of service. The expected costs of these benefits are accrued over the period of employment, using the same accounting methodology used for defined benefit pension plans. Actuarial gains and losses arising from adjustments based on experience and changes in actuarial assumptions are debited or credited to shareholders' equity, in other components of the comprehensive income. These obligations are assessed annually by qualified and independent actuaries.

6.13.3. Retirement bonus and FGTS fine - Collective bargaining agreements

According to the Company's agreements and conventions, the employee upon retiring from the company, due to disability, length of service or old age, will be entitled to a premium in the amount of 10% (ten percent) of the nominal salary for each year of service, limited to 01 (one) nominal salary. In addition, the employee opting for the FGTS, upon being permanently retired, and not remaining in the Company at the time of termination, will be entitled to the indemnity amounts to which he is entitled as if he were terminated for convenience. To be entitled to these benefits, the length of service provided must be greater than 05 (five) years (Metallurgy) and 08 (eight) years (Mining).

6.13.4. Profit Shares

The Company recognizes a liability, and a profit-sharing expense based on the result of the year, after subtracting the accumulated losses and the provision for income tax and social contribution on net income. The Company recognizes a provision when it is contractually obligated or when there is a previous practice that has generated a non-formalized obligation.

6.14. Capital social

Common and preferred shares are classified in equity. When the Company purchases its shares (treasury shares), the amount paid, including any additional costs directly attributable (net of income tax), are deducted from the shareholders' equity attributable to shareholders until the shares are canceled or reissued. When these shares are subsequently reissued, any amount received, net of any additional transaction costs directly attributable and the respective effects of income tax and social contribution, is included in the shareholders' equity attributable to the Company's shareholders.

6.15. Revenue Recognition

Revenue comprises the fair value of the consideration received or to be received for the sale of products and for the supply of energy in the normal course of the activities of the Company and its subsidiaries. Revenue is presented with a net of taxes, returns, rebates and discounts, as well as the elimination of leases between controlled companies. The result of the ***ICMS DESENVOLVE tax incentive*** is also recognized in the sales revenue line. On this result, until December 31, 2024, there was no incidence of PIS and COFINS. The subsidiaries recognize the revenue arising from the supply of electricity considering the amount in MWh generated and supplied valued at the contracted price.

The Company and its subsidiaries recognize revenue when: (i) the amount of revenue can be safely measured; (ii) it is likely that future economic benefits will flow to the Company and its subsidiaries; (iii) when the Company transfers to the buyer the control related to the ownership of the products, that is, when the products are effectively delivered; and (iv) when specific criteria have been met for the activities of the Company and its subsidiaries.

6.16. Presentation of information by segments

The information by operating segments is presented in a manner that is consistent with the internal report provided to the key operational decision-maker. The main operational decision-maker, responsible for allocating resources and evaluating the performance of the operating segments, is represented by the Board of Directors, which is also responsible for making the Company's strategic decisions.

6.17. Government grants

Due to the industrial enterprise installed in the area of operation of the Superintendence of the Development of the Northeast (SUDENE), the Company enjoys the tax benefit of income tax reduction, with a percentage reduction of 75% (seventy-five percent) on income tax and non-refundable additions, levied on the revenues detailed in Note 31.

The Company has a government subsidy called ***"ICMS - DESENVOLVE"*** (ICSM - DEVELOPS), which is systematically recognized in the result when it is calculated.

The benefits of the Industrial Development and Economic Integration Program of the State of Bahia (ICMS DESENVOLVE), with the purpose of expanding the industrial process, aiming at increasing the production of ferroalloys, are based on the following terms:

- Deferral of the entry and payment of ICMS on imports and acquisitions produced in this State, of goods intended for fixed assets, until the moment when their disincorporation occurs.

- Deferral of the entry and payment of ICMS on acquisitions in another Federation Unit in relation to the rate differential, of goods destined to fixed assets, to the moment when their disincorporation occurs.

- Extension of the term of 72 (seventy-two) months for payment of the ICMS debit balance related to the company's own operations, generated due to the investments provided for in the incentivized project, as established in Class I, Table I, attached to the ICMS DESENVOLVE Regulation.

- Portion of the monthly ICMS debit balance subject to the incentive, in excess of R$ 3,414, adjusted annually by the IGPM.

- Granting of a period of 12 (twelve) years for the enjoyment of the benefits, counted from the use of Concession Resolution No. 59/2015 of the DOE, of May 12, 2015.

- On each installment of the ICMS with an extended term, an interest rate of 80% (eighty percent) of the TJLP per year or another that may replace it will be charged, according to Table II, attached to the ICMS DESENVOLVE Regulation.

- Regarding the extension of the term of seventy-two (72) months, in the event of the anticipation of the payment of the installment with an extended term, the Company will benefit from a discount of ninety percent (90%) on the amount subject to extension and shall pay the remaining ten percent (10%) as ICMS. The discount portion is being recorded under the heading "Net sales revenue".

- Law No. 13,564, of June 20, 2016, established the obligation to deposit, in favor of the State Fund for the Fight and Eradication of Poverty, established by Law No. 7,988, of December 21, 2001, the amount corresponding to 10% (ten percent) inherent to the respective incentive or benefit, under penalty of loss of the latter, in case of non-compliance. The State of Bahia regulated, through Decree No. 16,970 of August 19, 2016, the procedures to be adopted in the calculation and payment of the deposit amount. The Company complies with the provisions of the legislation in force.

6.18. Consolidation and investments in subsidiaries

The consolidated financial statements include the financial statements of the Company and its subsidiaries, as well as exclusive funds measured in accordance with the criteria disclosed in Note 6. The disclosure of the Company's interest percentages in each of its subsidiaries is disclosed in Note 16.

The Company controls an entity when it is exposed to or entitled to variable returns as a result of its involvement with the entity and is able to affect those returns through its power over the entity.

In the Company's individual financial statements, the financial statements of the subsidiaries are recognized through the equity method.

In the consolidation process, the balance of the balance sheet and income accounts corresponding to transactions carried out with subsidiaries are eliminated, as well as the unrealized gains and losses and investments in these subsidiaries and their respective equity results.

The accounting policies of the subsidiaries are changed, when necessary, to ensure consistency with the policies adopted by the Company.

6.19. Financial assets

Financial assets are classified at initial recognition as amortized cost, fair value through other comprehensive income and fair value through profit or loss.

6.19.1. Amortized cost

The financial instruments included in this group are balances from common transactions such as: accounts receivable from customers, judicial deposits, suppliers, loans and financing, cash and cash equivalents and financial investments held by the Company. All are recorded at their nominal values plus, when applicable, contractual charges and interest rates, whose appropriation of expenses and revenues is recognized to the result of the period (Note 5).

6.19.2. Measured at fair value through profit or loss

These assets are measured at fair value. Net income, including interest, is recognized directly in profit or loss (Note 5).

6.19.3. Measured at fair value through other comprehensive income

These assets are measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses, and impairment are recognized in profit or loss. Other net results are recognized in other comprehensive income. In the case of derecognition, the result accumulated in other comprehensive results is reclassified to the result (Note 5).

6.19.4. Recognition and measurement

Regular purchases and sales of financial assets are recognized on the trade date. Financial assets are initially recognised at fair value, plus transaction costs for all financial assets not classified as fair value through profit or loss. Financial assets are written off when the rights to receive cash flows have matured or have been transferred; in the latter case, provided that the Company has significantly transferred all risks and rewards associated with the financial assets.

6.19.5. Impairment of financial assets

The Company measures the provision for loss in an amount equal to the expected credit loss for life. In determining whether the credit risk of a financial asset has increased significantly since initial recognition and in estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without unreasonable cost or effort. This includes quantitative and qualitative information and analysis, based on the Company's historical experience, credit assessment and considering forward-looking information. The provision for credit risks was calculated based on the risk analysis of the credits, which includes the history of losses, the individual situation of the clients, the situation of the economic group to which they belong, the real guarantees for the debts and the evaluation of the legal advisors, and is considered sufficient to cover any losses on the amounts receivable, in addition to a forward-looking assessment that takes into account the change or expectation of change in economic factors that affect expected credit losses, which will be determined based on weighted probabilities.

6.19.6. Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows of the asset expire, or when it transfers to a third party the contractual rights to receive the cash flows on a financial asset in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset and also it does not retain control over the financial asset.

6.20. Financial liabilities

Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss. Financial liability is classified as measured at fair value through profit or loss if it is classified as held for trading, is a derivative or is designated as such at initial recognition. Financial liabilities measured at fair value against profit or loss are measured at fair value and net income, including interest, is recognized in profit or loss.

The Company's financial liabilities are represented by loans and financing and suppliers, which are classified in the amortized cost category.

The Company derecognizes financial liability when its contractual obligation is withdrawn, cancelled or expired and when the terms are modified and the cash flows of the modified liability are materially different, in which case a new financial liability based on the modified terms is recognized at fair value. The difference between the extinguished carrying amount and the consideration paid (including transferred assets that do not carry through cash or assumed liabilities) is recognized in profit or loss.

6.21. Derivative and non-derivative financial instruments

When appropriate, the Company uses derivative and non-derivative financial instruments to minimize the risks involving the impact of exchange rate fluctuation on the conversion of its sales prices in the foreign market, in accordance with the internal policy approved by Management.

These instruments are initially recognized at fair value on the date on which the contracts are concluded and are subsequently remeasured at their fair values.

The method for recognizing the gain or loss resulting from this remeasurement depends on whether or not the derivative is designated as a derivative and non-derivative hedging instrument in the case of hedge accounting.

The Company designates derivatives as hedge accounting when related to highly probable future operations (cash flow hedge) and documents at the beginning of the transaction the relationship between the derivative and non-derivative hedging instruments and the hedged items, as well as its risk management objectives and strategies. The Company also documents, both at the beginning of the *hedge* and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in the cash flow of hedged items.

The effective portion of changes in fair value from derivatives that are designated and qualified as a cash flow hedge is recognized as an "Equity Valuation Adjustment" (under "Other Comprehensive Income") in equity, net of deferred taxes. The gain or loss related to the non-effective portion is immediately recognized in profit or loss as "Financial Income".

The amounts accumulated in equity are reclassified to income in the periods in which the hedged contracts are settled, in the "Financial Result" line according to the Company's accounting policy. When the hedge no longer meets the criteria for hedge accounting, it is prospectively discontinued and any gain or loss accumulated in shareholders' equity remains there, and from that moment on, the respective gains and losses ascertained are recognized in the income statement for the period. When the planned operation is no longer expected to occur, the accumulated gains or losses that are reported in shareholders' equity are immediately transferred to profit or loss and presented in "Financial Result".

The total fair value of derivative and non-derivative instruments is classified as a non-current asset or liability when the remaining maturity of the hedged item is greater than twelve (12) months.

On December 31, 2024 and 2023, the Company did not carry out operations with hedge accounting.

7. NEW TECHNICAL PRONOUNCEMENTS

7.1. The following changes to accounting standards became effective for the year beginning January 1, 2024:

(i) IAS 1 (CPC 26) - Presentations of Financial Statements, non-current liabilities with restrictive clauses and Classification of liabilities as current or non-current;

(ii) IAS 7 (CPC 03) and IFRS 7 (CPC 40) - Supplier financing agreement;

(iii) IFRS 16 (CPC 06) - Leases, leases for sale and leaseback;

The Company evaluated the content of these pronouncements and did not identify any impacts.

7.2. Standards issued, but changes not yet in force.

The following policy changes were issued by the IASB but are not in effect for the 2024 fiscal year. The early adoption of standards, although encouraged by the IASB, is not allowed in Brazil, by the

In thousands of reais, unless otherwise indicated

Accounting Pronouncements Committee (CPC, in Portuguese, *Comitê de Pronunciamentos Contábeis*).

(i) IAS 7 (CPC 40) and IAS 9 (CPC 48) - Classification and measurement of financial instruments;

(ii) IFRS 18 - Presentation and Disclosure in Financial Statements;

(iii) IFRS 19 - Subsidiaries without Public Liability: Disclosure;

(iv) IAS 21 (CPC 02) - Lack of interchangeability.

The changes will be effective for annual reporting periods beginning on or after January 1, 2025. No material impact on the Company's financial statements is expected from such changes.

8. RISK MANAGEMENT

The Company's activities expose it to various financial risks, such as: (i) foreign exchange risk, (ii) interest rate risk, (iii) credit risk, (iv) liquidity risk, (v) concentration risk, (vi) commodity price risk and (vii) other non-financial risk factors.

Risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

8.1. Risco cambial

Foreign exchange risk arises from the mismatch of the functional currency (Real) and foreign currency transactions (US Dollar), including Accounts Receivable from Customers, Advances on Foreign Exchange Contracts (ACC, in Portuguese, *Adiantamentos sobre Contratos de Câmbio*) and export exchange lock contracts.

For the purposes of sensitivity analysis, the Company adopted as scenario I (probable) the expectation of the average exchange rate for the year 2025, according to the Focus Report of January 24, 2025.

		12/31/2024		Scenario I	
	Salary	US$	R$	Rate	Gain / (Loss) R$
Parent and Consolidated					
Accounts receivable from customers (net PECLD)	2025	6,141	38,023	6.0000	(1,177)
Exchange Contract Advance (ACC)	2025	34,770	215,306	6.0000	6,686

		12/31/2024 - Hired			Scenario I	
	Salary	US$	R$	Weighted average rate (R$)	Rate US$	Gain / (Loss) R$
Parent and Consolidated						
Export barriers	2025	7,408	43,459	5,8668	6.0000	(987)

The Company values derivative financial instruments at their fair value, with B3 as its main source of data. The fair values of publicly quoted non-derivative financial instruments are based on current purchase prices. If the market for financial assets and securities, not listed on the Stock Exchange, are not active, the Company establishes the fair value through valuation techniques.

In thousands of reais, unless otherwise indicated

These techniques include the use of recent transactions contracted with third parties, with reference to other instruments that are substantially similar.

As of December 31, 2024, the Company had no outstanding derivative or non-derivative financial instruments

8.2. Interest Rate Risk

The interest rate risk arises from the possibility, due to changes in the financial market, of changes in the values of the securities acquired in the portfolio of financial investments arising from their mark-to-market, the choice of indexes and the option for pre-fixed or post-fixed rates, as well as in the present value and cost of loans and financing.

For the balance applied on December 31, 2024, the Company and its subsidiaries consider as scenario I (probable) the basic interest rate for the end of 2025 of 15.00% p.a., according to the Focus Report of January 24, 2025.

Interest Rate Risks	Closing rate 12/31/2024 – p.a.	Likely scenario I
Basic interest rate – (% p.a.)	12.25%	15.00%
Parent		
Balance of financial investments (Notes 9 and 10)	954,501	1,080,598
Net effect		126,097
Consolidated		
Balance of financial investments (Notes 9 and 10)	1,122,069	1,268,924
Net effect		146,855

For the balance of loans and financing on December 31, 2024, the Company and its subsidiaries consider as scenario I (probable) the TJLP for the end of 2025 of 7.43% p.a., and for the CDI (Interbank Deposit Certificate) of 14.90% p.a..

Interest rate risks (note 21)	Closing fee 12/31/2024 - p.a.	Likely scenario I
Interest rate - TJLP - (% p.a.)	7.43%	7.97%
Parent:		
Balance of loans and financing	4,198	4,532
Net effect		(334)
Interest rate - TJLP - (% p.a.)		
Consolidated:		
Balance of loans and financing	193,239	208,639
Net effect		(15,400)
Interest rate - CDI - (% p.a.)	12,15%	14,90%
Parent and Consolidated:		
Balance of loans and financing	10,792	12,400
Net effect		(1,608)

8.3. Credit risk

In thousands of reais, unless otherwise indicated

The risk arises from the possibility of the Company incurring losses resulting from the choice of assets to make up the investment portfolio, the financial capacity of the counterparties to the derivative contracts and the difficulty of receiving in the settlement of sales and the non-compliance with obligations for the delivery of goods or services paid through advances to suppliers.

The Company limits the allocation of its financial investments to each issuer of financial bills, debentures or bonds to a maximum of thirty percent (30%) of the volume of the investments. This limit does not apply to securities issued by the National Treasury. In derivatives operations, the Company works with first-rate financial institutions. As of December 31, 2024, the Company does not have any open derivatives transactions.

The credit risk of customers is monitored and there is no material history of losses.

In addition, the Company maintains an adequate relationship with first-rate banking institutions for credit availability.

8.4. Liquidity risk

The Company's objective is to maintain a robust position in cash and financial investments to meet its financial, operational and investment commitments. The amount kept in cash is intended to honor the disbursements foreseen in the normal course of its operations, while the surplus is invested in longer-term financial investments.

The Company's financial liabilities with a maturity of more than 1 year and with cash settlement are loans and financing. The maturities of these liabilities are shown in Note 21. Future loan and financing disbursements are shown below:

Years	Parent	Consolidated
2025	234,646	260,788
2026	-	26,142
2027	-	26,142
2028	-	26,142
2029	-	26,142
2030 onwards	-	55,200
Total	234,646	420,556

8.5. Concentration risk

The Company has a concentration of revenues in some customers, which were representative in 2024. In the domestic market, for Ferrochrome, the customers are Aperam Inox and Magotteaux Brasil and, in the foreign market, for Ferrosilicon, Marubeni Corporation and CCMA. Any reductions in demand from these customers may cause significant impacts on the Company's cash generation capacity.

In this context, the Company has been maintaining a constant focus on initiatives to reduce costs with a view to increasing international competitiveness, in addition to improving its diversification strategy in the customer portfolio, with emphasis on the foreign market.

In addition, the Company has financial investments with immediate liquidity and maintains an adequate relationship with first-rate banking institutions for credit availability.

8.6. Commodity price risk

It refers to exposure to variations in the prices of products (ferroalloys), which may significantly alter the Company's operating margins. Management understands that exposure to this risk is part of the nature of its business and there are currently no mechanisms or financial instruments to mitigate this risk.

8.7. Capital management

The Company manages its capital structure by monitoring the ratio between its net debt, which corresponds to the balances of cash and cash equivalents and financial investments (Notes 9 and 10) deducted from the balances of loans and financing (Note 21) and EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization - EBITDA), based on its Financial Risk Management Policy.

The Company adopts a maximum limit for indebtedness of 1.5x EBITDA.

8.8. Other non-financial risk factors

- Regulatory risks: the Company is subject to strict laws and regulations at the federal, state and municipal levels. In addition, non-compliance with these laws or regulations, or the occurrence of accidents that affect the environment, arising from the Company's operations (mining, forest resources, metallurgy and wind farm), may result in administrative, civil and/or criminal sanctions with fines, indemnification obligations and/or financial disbursements by the Company, which may adversely affect its operating results and financial condition.

- Environmental risks: the Company is subject to the laws and regulations relevant to the activities in which it operates, having established environmental measures and procedures aimed at mitigating this risk. Management conducts periodic reviews to identify environmental risks and to ensure that its existing systems are sufficient to manage those risks. The Company, attentive to global problems related to the environment and, in accordance with environmental legislation, operates according to its environmental licenses and has the environmental management of the forestry and metallurgy areas certified by ISO 14001.

- Climate and nature risks: the Company's operating activities are exposed to the risks of damage resulting from climate change, such as high temperatures, floods and extreme rainfall, and natural risks, such as damage resulting from pests, diseases, forest fires and other forces of nature (mine collapses, floods, among others). The Company has processes in place to mitigate these risks, including regular inspections of the plantation areas and hiring a specialized company to analyze the structural conditions of the mine and develop contingency plans.

- Fair value risk of biological assets: although the biological asset is substantially planted for its own consumption (bioreducer), the Company is subject to impacts on net income and, consequently, on the distribution of dividends, due to changes in the assumptions for calculating the fair value of biological assets: market prices, forest productivity, discount rates, etc. The assumptions are reviewed annually to anticipate possible impacts.

- Risk of non-maintenance of tax incentives: the Company has an income tax incentive because it is located in the area where SUDENE operates. In the case of ICMS, there is a benefit called ICMS DESENVOLVE that extends the deadlines for payment of 90% (ninety percent) of the tax by up to 72 (seventy-two) months, with a discount of 90% (ninety percent) of the extended portion if the payment occurs until the 20th (twentieth) day of the month of anticipation. If these incentives are not renewed, the Company's results will be negatively impacted.

In thousands of reais, unless otherwise indicated

- Electricity risk: due to its electro-intensive nature, the Company depends on energy at prices compatible with its competitors in Brazil and abroad. To minimize exposure to energy supply or a significant increase in prices, the Company has a long-term contract with CHESF. On August 21, 2015, the Company, together with other electro-intensive companies in the Northeast, signed an extension of the contract, whose term was extended until 2037. Additionally, in 2018, the Company acquired the BW Guirapá wind farm, reinforcing its intention to perpetuate its activities and also become a generator of electricity.

- Transportation logistics risk: The chromium ore is transported for approximately 390 km from the mines operated by the Company to the Metallurgical Plant, located in the municipality of Pojuca, in the State of Bahia. This transport is primarily carried out by rail, being provided by a private company, through a Federal Public Concession (Malha Centro-Leste), whose regulation and inspection are in charge of the National Land Transport Agency – ANTT (in Portuguese, *Agência Nacional de Transportes Terrestres)*. Any discontinuity in the provision of transportation services by the concessionaire will force the Company to seek economically viable alternatives.

9. CASH AND CASH EQUIVALENTS

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cash and banks	4,754	5,964	11,587	11,972
Investments in CBD (i)	31,473	3,952	46,309	64,653
Investment funds (ii)	308,042	205,713	406,190	265,162
	344,269	215,629	464,086	341,787

(i) Operations in Bank Deposit Certificates ("CDB") and Commercial Lease Bills (***LAM***, in Portuguese, *Letras de Arrendamento Mercantil*), whose weighted average rate of return was 100.2% of the CDI (101.3% on December 31, 2023), whose redemption has daily liquidity without material change in nominal value.

(ii) Operations in securities through investment funds, whose redemption has liquidity at D+1 without material change in the nominal value. The monthly weighted average return, marked to market, was 106.8% of the CDI (97.0% on December 31, 2023).

10. FINANCIAL INVESTMENTS

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Current:				
Financial bills (i)	137,767	170,114	137,767	170,114
Investment funds (ii)	146,028	166,033	146,028	166,033
CDB (iii)	4,212	76,448	4,212	76,448
Other (iv)	94,653	50,704	94,653	50,704
	382,660	463,299	382,660	463,299
Non-current:				
Financial bills (i)	48,863	232,806	72,584	255,917

In thousands of reais, unless otherwise indicated

CDB (iii)	116,842	75,901	116,842	75,901
Investment funds (ii)	-	-	30,863	29,864
Reinvestment deposit (v)	6,496	5,859	6,496	5,859
Other (iv)	60,125	-	60,125	-
	232,326	314,566	286,910	367,541
	614,986	777,865	669,570	830,840

(i) Financial bills with monthly weighted average remuneration, marked to market, of 109.9% of the CDI (99.7% as of December 31, 2023).

(ii) Investments in investment funds whose securities have maturities that exceed 90 (ninety) days and the average monthly weighted remuneration, marked to market, was 103.3% of the CDI (100.0% as of December 31, 2023). Although the Company and its subsidiaries select securities with liquidity in the secondary market, uncertainty regarding market conditions and prices at a liquidity event suggests that these investments are not considered cash equivalents. Investment Funds classified as "Non-Current" refer to the amounts allocated to BW Guirapá's debt reserves and O&M accounts.

(iii) Investments in Bank Deposit Certificates ("CDB"), whose average monthly remuneration rates were 115.6% of the CDI (108.9% on December 31, 2023).

(iv) Agribusiness Receivables Certificate (***CRA***, in Portuguese, *Certificado de Recebíveis do Agronegócio*), Debentures and Treasury bills with a weighted monthly average remuneration, marked to market, of 91.6% of the CDI (81.1% as of December 31, 2023).

(v) Regarding the IRPJ reinvestment subsidy, at *Banco do Nordeste do Brasil* (BNB, Bank of Northeast of Brazil), with a yield of 100% of the CDI, on December 31, 2024 and 2023.

11. ACCOUNTS RECEIVABLE FROM CUSTOMERS

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Domestic market	152,229	134,743	162,906	145,274
Foreign market	38,023	52,514	38,023	52,514
Expected losses on doubtful accounts (PECLD)	(222)	(222)	(222)	(222)
	190,030	187,035	200,707	197,566

On December 31, 2024, the Company has R$1,359 (2023, R$18,721) receivable from related parties, according to Note 28.

Foreign market receivables are in U.S. dollars (US$), converted to Reais (R$) on the date of preparation of the financial statements. On December 31, 2024 and 2023, the Company did not have any transaction that generated a significant adjustment effect to present value.

On December 31, 2024 and 2023, the Company had a provision for expected loss in doubtful accounts, in the amount of R$ 222, considered sufficient to cover possible losses in accounts receivable, according to an internal analysis carried out by Management.

Accounts receivable by maturity age are shown below:

In thousands of reais, unless otherwise indicated

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
To expire	185,069	176,371	195,746	186,902
Expire from 0-30 days	4,354	10,664	4,354	10,664
Expire for more than 60 days	829	222	829	222
PECLD	(222)	(222)	(222)	(222)
	190,030	187,035	200,707	197,566

12. INVENTORIES (PARENT AND CONSOLIDATED)

Inventories are shown at the average cost of purchases or production, lower than the replacement cost or the realization value.

	12/31/2024	12/31/2023
Current:		
Finished goods	243.920	220.587
Raw materials	158.609	139.833
Chromium ore	58.189	47.843
Materials for maintenance (i)	95.407	110.884
	556.125	519.147
Non-Current:		
Materials for maintenance (i)	14.152	14.627
Provision for obsolescence (ii)	(10.756)	(6.576)
	3.396	8.051
	559.521	527.198

(i) Maintenance material inventories are classified into current or non-current assets, considering the consumption history.

(ii) The Company maintains a provision for obsolescence related to items with low turnover, when there is no forecast of use in the upcoming periods.

The breakdown of the cost of goods sold is presented in Note 32.

13. TAXES TO BE RECOVERED AND REFUNDED

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Current:				
IRPJ and CSLL	37.471	25.754	49.222	32.834
IPI (i)	59.376	-	59.376	-
PIS and COFINS to be recovered	7.667	8.134	7.668	8.135
ICMS to be recovered	4.635	3.606	4.655	3.606
Other	1	-	28	40
	109.150	37.494	120.949	44.615

In thousands of reais, unless otherwise indicated

Non-current:				
ICMS to be recovered	6.897	6.621	6.897	6.621
Other	312	311	312	311
	7.209	6.932	7.209	6.932
	116.359	44.426	128.158	51.547

(i) In 1989, the Company initiated a lawsuit seeking the cash receipt of the "IPI Premium Credit", instituted by Decree-Law No. 491/1969 as a tax incentive for exports. The action was concluded in 1995, and in 2002 the offsetting of credits obtained with tax debts began. However, the Federal Revenue Service rejected the offsets, alleging lack of clarity in the conclusion of the judicial process. The Company appealed administratively and, only in 2024, obtained a favorable decision for the compensation made and the reimbursement in cash of the remaining balance. This balance was recorded in December 2024 and effectively received in January 2025.

14. CURRENT AND DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

Deferred income tax and social contribution are calculated on the temporary differences between the tax calculation bases and the book values of the Assets and Liabilities of the financial statements. The rates of these taxes, for determining deferred taxes, are 25% for IRPJ and 9% for CSLL.

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Deferred tax assets				
Provision for contingencies	(62,595)	(74,403)	(62,595)	(74,403)
Provision for inventory losses (i)	(10,756)	(6,576)	(10,756)	(6,576)
Profit sharing allowance (ii)	(56,302)	(61,381)	(56,302)	(61,381)
Provision for environmental liabilities	(17,428)	(17,729)	(17,428)	(17,729)
Labor and actuarial obligations	(70,884)	(58,552)	(70,884)	(58,552)
Realization of capital gain	(29,822)	(25,404)	(29,822)	(25,404)
PECLD Provision	(222)	(222)	(222)	(222)
Taxes of suspended chargeability (PIS/COFINS)	(4,358)	(4,358)	(4,358)	(4,358)
Tax losses	-	-	(628)	(955)
Other temporary provisions	(42,793)	(16,141)	(42,793)	(16,141)
Calculation basis	(295,160)	(264,766)	(295,788)	(265,721)
Deferred IRPJ at the rate of 25%	69,272	61,916	69,430	62,155
Deferred CSLL at the rate of 9%	26,564	23,829	26,621	23,915
Deferred IRPJ/CSLL assets [(A)]	95,836	85,745	96,051	86,070

s
cence related to maintenance items with low turnover and provision of inventories.

(ii) The profit sharing of the Management in the amount of R$ 18,070 (2023, R$ 17,100) is the basis only for the calculation of the deferred CSLL. In the case of IRPJ, it is a permanent difference.

In thousands of reais, unless otherwise indicated

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Deferred Taxes Liability				
Deemed *cost*	58,811	58,811	63,385	63,385
Biological assets - fair *value*	139,844	104,997	139,844	104,997
Advantageous purchase	75,143	75,143	75,143	75,143
IFRS 16 Leases	24,215	16,562	24,215	16,562
Accelerated depreciation	4,909	5,770	4,909	5,770
Calculation basis	302,922	261,283	307,496	265,857
Deferred IRPJ at the rate of 25%	(75,730)	(65,321)	(76,874)	(66,464)
Deferred CSLL at the rate of 9%	(27,263)	(23,515)	(27,675)	(23,927)
Deferred IRPJ/CSLL liability (B)	(102,993)	(88,836)	(104,549)	(90,391)
Liquid Deferred IRPJ/CSLL (A+B)	(7,157)	(3,091)	(8,498)	(4,321)

Management, based on the best estimate, on an individual analysis of the provisions, believes that it will realize the tax credits arising from the temporary differences as shown below:

	Parent		Consolidated	
	IRPJ/CSLL - deferred		IRPJ/CSLL - deferred	
Calendar year	Asset	Liability	Asset	Liability
2025	34,358	21,925	34,358	21,925
2026	241	2,068	456	2,068
2027	180	12,083	180	12,083
2028	122	12,588	122	12,588
2029	61	273	61	273
2030 onwards	60,874	54,056	60,874	55,612
	95,836	102,993	96,051	104,549

The IRPJ and CSLL amounts that affected the results of the respective fiscal years are shown below:

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Profit before IRPJ/CSLL	318,749	416,752	319,835	419,637
Combined IRPJ/CSLL rate	34%	34%	34%	34%
IRPJ/CSLL at the rates of the legislation	(108,375)	(141,696)	(108,744)	(142,677)
Amounts that affected the calculation of IRPJ/CSLL				
Interest on equity	58,990	76,796	58,990	76,796
Equity	(6,829)	6,899	-	-
Donations	(1,834)	(3,585)	(1,858)	(3,617)
IRPJ / CSLL calculation review (iii)	30,302	-	30,302	-
Other	10,628	(2,342)	3,317	(1,226)
SUDENE fiscal incentive (iv)	25,874	29,825	25,912	33,972
	8,756	(34,103)	7,919	(36,752)
IRPJ and CSLL Results				

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
SUDENE fiscal incentive (iii)	25,874	29,825	25,912	33,972
Current	(10,046)	(39,248)	(10,810)	(45,836)
Deferred	(7,072)	(24,680)	(7,183)	(24,888)
IRPJ and CSLL expense	8,756	(34,103)	7,919	(36,752)

(iii) Review of calculations in the Fiscal Accounting Record – (ECF in Portuguese).

(iv) Due to the industrial enterprise installed in the area of operation of the Superintendence of the Development of the Northeast (SUDENE), the Company enjoys the tax benefit of income tax reduction, with a percentage reduction of 75% (seventy-five percent) on income tax and non-refundable additions, levied on revenues:

- Arising from the manufacture of ferroalloys and their by-products, in the period from January 1, 2023 to December 31, 2032, according to Constitutive Report No. 018/2023.
- Arising from the exploration and processing of chromium ore, in the period from January 1, 2016 to December 31, 2025, according to Constitutive Report No. 0131/2016.
- Arising from the generation of electricity, in the period from January 1, 2018 to December 31, 2027, according to Constitutive Reports No. 487, 488, 489, 490, 491, 492 and 428/2018, replaced by Nos. 291, 292, 293, 300, 301, 302, and 303/2019.
- Arising from the manufacture of crushed quicklime and crushed lime, in the period from January 1, 2023 to December 31, 2032, according to Constitutive Report No. 0021/2023.

The portion corresponding to the income tax reduction incentives is recognized in the income statement and at the end of each fiscal year is transferred from retained earnings to a profit reserve (tax incentive) and cannot be distributed to shareholders. On December 31, 2024, the Company transferred the following amounts:

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
SUDENE	25,874	29,825	25,912	33,972
Reinvestment	219	219	219	219
ICSM Develops	-	2,792	-	2,792
	26,093	32,836	26,131	36,983

The movement of deferred taxes during the 2024 and 2023 fiscal years is presented below:

	Parent	Consolidated
Balance as of 12/31/2022 - Asset Deferred Taxes	17,845	16,823
Recognized in other comprehensive results	3,744	3,744
Recognized in the result	(24,680)	(24,888)
Balance as of 12/31/2023 - Net Deferred Taxes	(3,091)	(4,321)
Balance as of 12/31/2023 - Asset Deferred Taxes	(3,091)	(4,321)
Recognized in other comprehensive results	3,006	3,006

In thousands of reais, unless otherwise indicated

Recognized in the result	(7,072)	(7,183)
Balance as of 12/31/2024 - Net Deferred Taxes	(7,157)	(8,498)
Balance as of 12/31/2024 - Asset deferred taxes	-	-
Balance as of 12/31/2024 - Deferred taxes liabilities	(7,157)	(8,498)

15. JUDICIAL DEPOSITS

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Labor	519	507	528	516
Tax (i)	8,604	8,463	9,145	9,004
	9,123	8,970	9,673	9,520

(i) They refer to deposits associated with tax proceedings and questions regarding the legality and constitutionality of certain taxes, which are recorded in the Company's non-current assets, until the judicial decision to redeem these deposits by one of the parties involved occurs.

16. INVESTMENTS

The following is a brief comment on the subsidiaries and affiliates:

- *Silício de Alta Pureza da Bahia S.A.* ("Silbasa") is a privately held company, located in Pojuca-BA, the result of a technological partnership with Marubeni Corporation, a Japanese company, whose object is the commercialization of high purity ferrosilicon alloys and Japan Metals & Chems - JMC.

- *Mineração Vale do Jacurici S.A*. ("Jacurici") is a privately held company whose corporate purpose is the research and mining of chromium ore deposits.

- *Reflorestadora e Agrícola S.A.* ("Reflora") is a privately held company whose objective is the preparation and/or execution of reforestation projects, as well as the production of bioreducers.

- *Indústria de Minérios Damacal Ltda*. ("Damacal") has as its corporate purpose the use and exploitation of limestone deposits to produce lime.

- *Ferbasa & CO S.A.S.* ("Ferbasa & CO") is a wholly owned subsidiary in the city of Bogotá. Its purpose is to constitute and be part of companies of all kinds, including sole proprietorships, as well as to open branches and agencies that are necessary for the proper development of its corporate purpose; manufacture and marketing of different types of iron and iron alloys, research and exploration of mineral deposits, national and international production and marketing of coal and coke.

- *Bahia Minas Bioenergia Ltda.* ("Bahia Minas"), is an affiliate, incorporated in December 2023, with the specific purpose of acquiring rural properties for the exploitation of eucalyptus and corymbia crops, which may be explored directly and/or through an Agricultural Partnership Agreement.

In thousands of reais, unless otherwise indicated

In addition, the following is information about its subsidiary wind energy generator:

BW Guirapá I S.A. is a privately held company and its corporate purpose is to hold 100% (one hundred percent) of the capital stock of the following companies ("Subsidiaries"): Central Eólica Angical S.A.; Caititu S.A. Wind Power Station; Coqueirinho Wind Power Plant S.A.; Central Eólica Corrupião S.A.; Inhambu Wind Power Plant S.A.; Tamanduá Mirim S.A. Wind Power Station; and Central Eólica Teiú S.A., whose main operational characteristics are shown below:

Wind Power Plant	Installed capacity (MW) (i)	1st MME Authorization Ordinance (ii)	Contracted energy from the 1st to the 3rd year of the 3rd quadrennium (MWmed) (ii)	Initial Contract Price (R$/MWh)	Updated price (R$/MWh) (iv)
Angical	12.95	37, of 03/02/2012	5.0	99.98	207.96
Caititu	22.2	54, of 09/02/2012	9.8	99.98	207.96
Coqueirinho	29.6	53, of 09/02/2012	12.4	96.97	201.70
Corrupião	27.75	70, of 22/02/2012	11.7	96.97	201.70
Inhambu	31.45	69, of 22/02/2012	15.0	96.97	201.70
Tamanduá Mirim	29.6	52, of 09/02/2012	12.3	96.97	201.70
Teiú	16.65	36, of 03/02/2012	7.1	99.98	207.96
	170.20		73.3		

(i) According to MME Authorization Ordinance.

(ii) Authorized to establish itself as an independent producer of electricity for a period of thirty-five (35) years from the 1st Ordinance of the MME - Ministry of Mines and Energy. The 2nd Ordinance changed technical characteristics to adapt to the reality of the parks.

(iii) According to the purchase and sale agreement, the 3rd quadrennium comprises the period between July 2022 and June 2026, with each annual cycle starting in July and ending in June of the following year.

(iv) Value updated annually by the Extended Consumer Price Index (***"IPCA"***, in Portuguese, *Índice de Preços ao COnsumidor Amplo*) since July 2011 and updated by the CCEE base date July 2024.

The summarized financial information about the subsidiaries and affiliates is described below:

	Share %	Assets	Liabilities	Net Worth "PL"	Revenues	Expenditure	Profit (loss)	Participation in the PL of subsidiaries and affiliates	Company's Participation (equity equity)	
12/31/2023										
Silbasa	51.26	3,025	169	2,856	978	(492)	486	1,463	249	
Jacurici	100.00	28,696	1,517	27,179	4,614	(3,243)	1,371	27,179	1,371	
Reflora	99.98	3,981	82	3,899	440	(126)	314	3,899	314	
Damacal	100.00	3,011	313	2,698	270	(62)	208	2,698	208	
Ferbasa & CO	100.00	2,176	1,267	909	-	(1,914)	(1,914)	909	(1,914)	
Bahia Minas	51.00	15,000	-	15,000	-	-	-	15,000	-	
BW Guirapá	100.00	805,442	321,006	484,436	147,085	(122,603)	24,482	539,070	20,064	(*)
								590,218	20,292	
12/31/2024										
Silbasa	51.26	3,288	171	3,117	1,006	(497)	509	1,598	261	
Jacurici	100.00	29,248	1,504	27,744	3,911	(3,170)	741	27,744	741	
Reflora	99.98	4,224	83	4,141	416	(100)	316	4,140	316	

In thousands of reais, unless otherwise indicated

Damacal	100.00	3,162	310	2,852	254	(52)	202	2,852	202	
Ferbasa & CO	100.00	3,192	1,865	1,327	-	(1,364)	(1,364)	1,327	(1,364)	
Bahia Minas	51.00	50,936	1	50,935	14	(9)	5	25,977	3	
BW Guirapá	100.00	768,433	299,823	468,610	114,150	(129,976)	(15,826)	518,826	(20,244)	(*)
								582,464	(20,085)	

(*) Adjusted for assets valued at fair value in the acquisition of BW Guirapá and their respective realization of the net amount of R$50,216 and R$4,418 (2023, R$54,634 and R$4,418).

The movement of investments is shown below:

	Silbasa	Jacurici	Reflora	Damacal	BW Guirapá	Ferbasa & CO	Bahia Minas	Other	Total
Baçance on December 31, 2022	1,276	26,107	3,660	2,539	519,006	(63)	-	78	552,603
Equity:									
Investment (i)	-	-	-	-	-	2,651	15,000	-	17,651
Realization of capital gain	-	-	-	-	(4,418)	-	-	-	(4,418)
Equity valuation adjustment	-	-	-	-	-	235	-	-	235
Dividends	(62)	(299)	(75)	(49)	-	-	-	-	(485)
Profit or loss for the year	249	1,371	314	208	24,482	(1,914)	-	-	24,710
Sale December 31, 2023	1,463	27,179	3,899	2,698	539,070	909	15,000	78	590,296
Sale December 31, 2023	1,463	27,179	3,899	2,698	539,070	909	15,000	78	590,296
Equity:									
Reclassification	-	-	-	-	-	-	-	-	-
Investment (ii)	-	-	-	-	-	1,736	-10,974	40,785	53,495
Realization of capital gain	-	-	-	-	(4,418)	-	-	-	(4,418)
Equity valuation adjustment	-	-	-	-	-	46	-	-	46
Dividends	(126)	(176)	(75)	(48)	-	-	-	-	(425)
Profit or loss for the year	261	741	316	202	(15,826)	(1,364)	-25.977	-	(15,667)
Sales December 31, 2024	1,598	27,744	4,140	2,852	518,826	1,327	-	40,863	623,327

(i) The investment of December 31, 2023 refers to the payment of the capital stock of the subsidiary Ferbasa & CO and an advance for the purchase of land for investment, in the amounts of R$ 2,651 and R$ 15,000, respectively.

(ii) They refer to: (a) Closing of the share purchase and sale agreement, for the acquisition of 45% (forty-five) of interest in the Company NK 232 *Empreendimentos e Participações S.A.* (a company of the *Auren Energia S.A. group*). The total acquisition price was R$37,822, the value of which was initially recognized as fair value and subsequently measured by the amortized cost using the effective rate, with an updated value on December 31, 2024 is R$40,785, classified as other interests. The purpose of this company is to operate the *Ventos de São Ciro* (located in the Brazilian state of Piauí) and *Ventos de São Bernardo* (located in the Brazilian state of Pernambuco) wind farms, and will enable FERBASA to consume, under the self-production by equivalence (***APE***, in Portuguese, *Autoproduçãop or Equiparação*) regime, the electricity generated in the aforementioned farms. In addition, we simultaneously signed the Power Purchase and Sale Agreements (PPA) with the aforementioned Wind Farms, which will provide FERBASA with the supply of 35MW average of electricity, for 20 years, with supply starting in 2025. There is an option to repurchase said asset at the end of the contractual term; (b) Payment of the capital stock of the company *Bahia Minas Bioenergia Ltda*. and *Ferbasa & CO*, respectively R$ 10,974 and R$ 1,736.

17. FIXED ASSETS, INTANGIBLE AND RIGHT OF USE IN LEASE

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023

In thousands of reais, unless otherwise indicated

Land for planting	124,308	124,302	124,460	124,454
Land	29,764	29,514	35,534	50,284
Buildings	236,025	153,461	389,170	289,844
Machinery and equipment	418,657	351,628	871,506	852,298
Vehicles and tractors	16,185	14,969	16,185	14,969
Furniture and Utensils	5,296	3,069	5,462	3,271
Computing	6,900	7,315	7,083	7,525
Mine development	108,886	94,831	108,886	94,831
Ongoing and others	149,729	198,176	179,043	236,035
Fixed Assets (17.1)	1,095,750	977,265	1,737,329	1,673,511
Right of use - lease (17.2)	81,174	88,018	89,973	96,952
Total Assets	1,176,924	1,065,283	1,827,302	1,770,463
Intangible (17.3)	5,696	5,194	14,463	14,366

The table below shows the economic useful life of the assets, and the annual depreciation rates were calculated by the straight-line method (Consolidated):

	Average lifespan (years)
Asset	
Machinery and equipment	21
Vehicles and tractors	5
Buildings	25
Furniture and fixtures	10
Computers and others	5
Right of use in lease	
Right of use machinery and equipment	4
Right of land use	29
Right of use buildings	5

In thousands of reais, unless otherwise indicated

17.1. Asset

	Parent									
	Land for planting	Land	Buildings	Machinery and equipment	Vehicles & tractors	Furniture & Utensils	Computing	Mines	Other fixed assets	Total
Cost										
Balance on 12/31/2022	115,419	26,357	235,817	720,755	71,967	13,356	17,108	136,087	214,777	1,551,643
Additions and transfers	8,883	3,222	13,826	134,583	16,099	1,465	5,486	23,985	11,162	218,711
Write-offs	-	(65)	(52)	(86)	(623)	-	(19)	-	-	(845)
Reclassifications	-	-	838	-	-	-	-	-	(1,119)	(281)
Balance on 12/31/2023	124,302	29,514	250,429	855,252	87,443	14,821	22,575	160,072	224,820	1,769,228
Balance on 12/31/2023	124,302	29,514	250,429	855,252	87,443	14,821	22,575	160,072	224,820	1,769,228
Additions and transfers	-	250	94,523	120,180	5,462	3,018	1,957	21,223	(42,186)	204,427
Write-offs	-	-	(550)	(5,148)	(6,260)	(2)	(51)	-	-	(12,011)
Reclassifications	6	-	(2)	3	(423)	(1)	2	(66)	7,139	6,658
Balance on 12/31/2024	124,308	29,764	344,400	970,287	86,222	17,836	24,483	181,229	189,773	1,968,302
Accumulated depreciation and depletion										
Balance on 12/31/2022			(87,628)	(461,466)	(71,144)	(11,072)	(13,129)	(59,759)	(23,410)	(727,608)
Depreciation and depletion expense			(9,372)	(42,437)	(1,953)	(680)	(2,150)	(5,482)	(3,005)	(65,079)
Write-offs			32	60	623	-	19	-	-	734
Reclassifications			-	-	-	-	-	-	(229)	(229)
Amortization reinvestment			-	219	-	-	-	-	-	219
Balance on 12/31/2023			(96,968)	(503,624)	(72,474)	(11,752)	(15,260)	(65,241)	(26,644)	(791,963)
Balance on 12/31/2023			(96,968)	(503,624)	(72,474)	(11,752)	(15,260)	(65,241)	(26,644)	(791,963)
Depreciation and depletion expense			(11,615)	(53,147)	(4,084)	(783)	(2,375)	(6,978)	(3,302)	(82,284)
Write-offs			203	4,912	6,098	2	50	-	-	11,265
Reclassifications			5	10	423	(7)	2	(124)	(10,098)	(9,789)
Amortization reinvestment			-	219	-	-	-	-	-	219
Balance on 12/31/2024			(108,375)	(551,630)	(70,037)	(12,540)	(17,583)	(72,343)	(40,044)	(872,552)
Net balances in:										
12/31/2023	124,302	29,514	153,461	351,628	14,969	3,069	7,315	94,831	198,176	977,265
12/31/2024	124,308	29,764	236,025	418,657	16,185	5,296	6,900	108,886	149,729	1,095,750

In thousands of reais, unless otherwise indicated

	Consolidated									
	Land for planting	Land	Buildings	Machinery and equipment	Vehicles & tractors	Furniture & Utensils	Computing	Mines	Other fixed assets	Total
Cost										
Balance on 12/31/2022	115,571	32,127	394,544	1,449,975	80,754	13,630	17,500	136,087	254,923	2,495,111
Additions and transfers	8,883	18,222	14,038	154,015	16,099	1,513	5,647	23,985	9,133	251,535
Write-offs	-	(65)	(52)	(86)	(623)	-	(19)	-	(1,397)	(2,242)
Reclassifications	-	-	838	-	-	-	-	-	(1,119)	(281)
Balance on 12/31/2023	124,454	50,284	409,368	1,603,904	96,230	15,143	23,128	160,072	261,540	2,744,123
Balance on 12/31/2023	124,454	50,284	409,368	1,603,904	96,230	15,143	23,128	160,072	261,540	2,744,123
Additions and transfers	-	250	94,873	136,687	5,462	3,025	2,016	21,223	(49,455)	214,081
Write-offs	-	-	(550)	(6,606)	(6,260)	(31)	(67)	-	-	(13,514)
Reclassifications	6	(15,000)	(2)	3	(423)	(1)	2	(66)	7,091	(8,390)
Balance on 12/31/2024	124,460	35,534	503,689	1,733,988	95,009	18,136	25,079	181,229	219,176	2,936,300
Accumulated depreciation and depletion										
Balance on 12/31/2022			(107,652)	(663,753)	(79,931)	(11,171)	(13,426)	(59,759)	(23,355)	(959,047)
Depreciation and depletion expense			(12,318)	(83,299)	(1,953)	(701)	(2,197)	(5,482)	(1,921)	(107,871)
Write-offs			32	60	623	-	19	-	-	734
Reclassifications			-	-	-	-	-	-	(229)	(229)
Amortization reinvestment			-	219	-	-	-	-	-	219
Realization of added value			414	(4,833)	-	-	1	-	-	(4,418)
Balance on 12/31/2023			(119,524)	(751,606)	(81,261)	(11,872)	(15,603)	(65,241)	(25,505)	(1,070,612)
Balance on 12/31/2023			(119,524)	(751,606)	(81,261)	(11,872)	(15,603)	(65,241)	(25,505)	(1,070,612)
Depreciation and depletion expense			(14,529)	(92,833)	(4,084)	(797)	(2,446)	(6,978)	(4,541)	(126,208)
Write-offs			203	5,557	6,098	2	50	-	-	11,910
Reclassifications			18,917	(18,986)	423	(7)	2	(124)	(10,087)	(9,862)
Amortization reinvestment			-	219	-	-	-	-	-	219
Realization of added value			414	(4,833)	-	-	1	-	-	(4,418)
Balance on 12/31/2024			(114,519)	(862,482)	(78,824)	(12,674)	(17,996)	(72,343)	(40,133)	(1,198,971)
Net balances in:										
12/31/2023	124,454	50,284	289,844	852,298	14,969	3,271	7,525	94,831	236,035	1,673,511
12/31/2024	124,460	35,534	389,170	871,506	16,185	5,462	7,083	108,886	179,043	1,737,329

In thousands of reais, unless otherwise indicated

Other Fixet Assets

They include ongoing fixed assets in the amount of R$143,091, Parent Company (2023, R$191,687), and R$144,117, Consolidated (2023, R$200,030), in addition to other fixed assets corresponding to wind farm demobilizations, mine closures, environment, road maintenance, among others.

Additions and transfers

They include acquisitions of fixed assets realized in the periods and ongoing projects transferred to operations.

Goods offered as collateral

In the year ended December 31, 2024, fixed assets that were offered as collateral for loan operations and lawsuits totaled R$3,397.

17.2. Right of use in lease

The movement of the right of use, during the year ended December 31, 2024, was as follows:

	Parent	Consolidated			
	Machinery and equipment	Machinery and equipment	Land	Buildings	Total
Cost					
Cost on 12/31/2022	127,397	127,397	13,151	176	140,724
Additions/Remeasurement	86,597	86,597	(1,905)	-	84,692
Cost on 12/31/2023	213,994	213,994	11,246	176	225,416
Cost on 12/31/2023	213,994	213,994	11,246	176	225,416
Additions/Remeasurement	69,277	69,277	331	-	69,608
Cost on 12/31/2024	283,271	283,271	11,577	176	295,024
Depreciation					
Depreciation on 12/31/2022	(86,780)	(86,780)	(1,857)	(141)	(88,778)
Additions	(39,196)	(39,196)	(455)	(35)	(39,686)
Depreciation on 12/31/2023	(125,976)	(125,976)	(2,312)	(176)	(128,464)
Depreciation on 12/31/2023	(125,976)	(125,976)	(2,312)	(176)	(128,464)
Additions	(76,121)	(76,121)	(466)	-	(76,463)
Depreciation on 12/31/2024	(202,097)	(202,097)	(2,778)	(176)	(204,927)
Net balance on 12/31/2023	88,018	88,018	8,934	-	96,952
Net balance on 12/31/2024	81,174	81,174	8,799	-	89,973

The recognized amounts of additions and remeasurements in the individual amount of R$69,277 (2023, R$86,597) and consolidated amount of R$69,608 (2023, R$84,692) did not affect the cash flow statements and part of the depreciation of the right of use in lease in the amount of R$9,730 (2023, R$2,614) was appropriated to the cost of inventory.

In thousands of reais, unless otherwise indicated

17.3. Intangible

	Parent			Consolidated
	Software	Right of use	Software	Total
Cost				
Balance on 12/31/2022	9,426	13,863	298	23,587
Additions and transfers	5,503	-	75	5,578
Reclassifications	642	-	-	642
Balance on 12/31/2023	15,571	13,863	373	29,807
Balance on 12/31/2023	15,571	13,863	373	29,807
Additions and transfers	1,850	-	-	1,850
Low	-	-	(3)	(3)
Balance on 12/31/2024	17,421	13,863	370	31,654
Accumulated amortization				
Balance on 12/31/2022	(9,337)	(4,421)	(155)	(13,913)
Amortization expense	(936)	(389)	(99)	(1,424)
Reclassifications	(104)	-	-	(104)
Balance on 12/31/2023	(10,377)	(4,810)	(254)	(15,441)
Balance on 12/31/2023	(10,377)	(4,810)	(254)	(15,441)
Amortization expense	(1,348)	(389)	(97)	(1,834)
Reclassifications	-	-	84	84
Balance on 12/31/2024	(11,725)	(5,199)	(267)	(17,191)
Net balance on 12/31/2023	5,194	9,053	119	14,366
Net balance on 12/31/2024	5,696	8,664	103	14,463

18. BIOLOGICAL ASSET (PARENT AND CONSOLIDATED)

Biological assets are represented by formed and forming forests, intended to supply wood for the production of bioreducer, which, in turn, is a raw material in the manufacture of silicon ferroalloys. The forests are located in Bahia. The movement of the balance of biological assets and the net effect of the change in fair value are shown below:

	12/31/2024	12/31/2023
At the beginning of the exercise	348,553	276,279
Plantations and maintenance (historical cost)	72,741	71,726
Depletion (i)	(69,295)	(71,180)
Fair value variation (ii)	74,626	71,728
Write-offs (iii)	(1,032)	-
At the end of the financial year	425,593	348,553

(i) The depletion (cut-off) calculated at fair value was R$69,295 (2023, R$71,180), of which R$29,517 (2023, R$31,934) was at historical cost and R$39,778 (2023, R$39,246) was due to the effect of the variation in fair value.

(ii) On December 31, 2024, the effect on the result due to the change in fair value was R$74,626 and the consumption/sale of wood was R$36,120. Thus, the impact of the calculation of the biological asset on the income statement was R$ 38,506.

(iii) Loss of 63/ha of forests, caused by damage resulting from rains, intense winds and fires.

In thousands of reais, unless otherwise indicated

Forests in formation that are less than 2 (two) years old are maintained at historical cost as a result of Management's understanding that during this period the historical cost of forest in formation approaches fair value.

To determine the fair value of the biological assets, the discounted cash flow model was used, whose projections are based on a projective scenario, with productivity and eucalyptus plantation area for a cutting cycle of approximately 7 (seven) years. The period of cash flows was projected according to the productivity cycle of forestry projects. The volume of production of eucalyptus "standing wood" to be harvested was estimated considering the average productivity per m3 of wood from each garden at the cutting age.

The average productivity varies as a function of the genetic material, edapho-climatic conditions (climate and soil) and, mainly, silvicultural management. This projected volume component consists of the Average Annual Increment (***IMA***, in Portuguese, *Incremento Médio Anual*) per region. Annual inventories are carried out to validate growth rates.

The prices of biological assets, denominated in R$/cubic meter, are obtained at the prices charged by the Company in sales to third parties or through price research in the regional market, through a study carried out by a specialized and independent company, considering the destination of eucalyptus for wood production. The discount rate used in cash flows corresponds to the weighted average cost of capital of the Company's forest resources segment.

The estimated average standard cost includes expenses with mowing activities, chemical control of weed competition, combating ants and other pests, fertilization, road maintenance, inputs, services and own labor. The estimated costs of remuneration of the own land used for cultivation were also considered.

The Company conducts the fair value assessment of biological assets in September and updates it to December 31 of each fiscal year. The main assumptions considered in the calculation of the fair value of biological assets are:

	Parent and Consolidated	
	12/31/2024	12/31/2023
Effective planting area (hectare)	25,670	25,670
Average annual increment (IMA) - m³/hectare year	32,88	33,07
Average gross selling price - R$/m3	154,00	125,23
Remuneration of own land - R$/hectare	1,000.00	1,000.00
Deflated Discount Rate - %	8.91%	7.09%

Also, on December 31, 2024, there was an inflow of 975,881 m3 (2023, 1,219,088 m³).

The fair values of biological assets were considered to be level 3 in the fair value hierarchy defined by IFRS 13/CPC 46 (information for assets or liabilities that is not based on marketable data, i.e. unobservable assumptions).

The Company has 5,222 hectares of biological assets pledged as collateral for financing with the National Bank for Economic and Social Development (***BNDES***, in Portuguese, *Banco Nacional de Desenvolvimento Econômico e Social*).

In thousands of reais, unless otherwise indicated

19. SUPPLIERS

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Electrical energy	14,883	24,481	14,883	24,481
Raw material and inputs	94,219	106,796	94,219	106,796
Other Suppliers (i)	14,890	10,689	18,002	16,555
	123,992	141,966	127,104	147,832

(i) These are various services (consulting, transportation, research and prospecting, etc.), as well as suppliers not linked to production. On December 31, 2024, the Company had the amount of R$ 670 (2023, R$ 867) payable to related parties according to Note 28.

20. ADVANCE PAYMENTS FROM CUSTOMERS (PARENT AND CONSOLIDATED)

	12/31/2024	12/31/2023
Advance on customers	10,462	29,419

The most relevant item refers to funds received by shipments of products in transit on the base date of December 31, 2024 and 2023, whose respective revenue recognition occurs at the end of the landing at the place of destination, where the delivery obligation ceases and the control of the products is effectively transferred to the customer.

21. LOANS AND FINANCING

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Current:				
Financing (i)	14,990	46,058	14,990	46,058
BNDES BW Guirapá Financing (ii)	-	-	26,597	26,618
Advance on exchange contract (iii)	219,656	-	219,656	
Subtotal Financing	234,646	46,058	261,243	72,676
Funding cost	-	-	(455)	(455)
Total Current	234,646	46,058	260,788	72,221
Non-current:				
Financing (i)	-	15,052	-	15,052
BNDES BW Guirapá Financing (ii)	-	-	162,444	187,244
Subtotal Financing	-	15,052	162,444	202,296
Funding cost		-	(2,676)	(3,132)
Total non-current	-	15,052	159,768	199,164
Total	234,646	61,110	420,556	271,385

(i) Long-term third-party capital for investment in the forestry area and for the acquisition of machinery and equipment allocated to metallurgy and mining.

(ii) Financing with the National Bank for Economic and Social Development (BNDES) raised by the subsidiary BW Guirapá and its subsidiaries on October 6, 2015 to finance the construction of wind farms. The guarantees offered for the payment of the debt were: pledge of BW Guirapá's shares, pledge of credit rights (O&M agreement), pledge of emerging rights (authorization of independent producer), pledge of machinery and equipment (wind turbines), fiduciary assignment of credit rights (revenues from the sale of energy and the CER, and constitution of reserve accounts) and bank guarantee.

In thousands of reais, unless otherwise indicated

(iii) Raising of financial resources through the advance of the exchange contract (***ACC***, in Portuguese, *Adiantamento de Contrato de Câmbio*), at an average discount of 6.06% p.a., with maturities in 2025, average exchange rate of R$/US$ 5.64, with the objective of financing ferroalloy inventories and taking advantage of the favorable level of the exchange rate at the moment.

The table below shows the main characteristics of the debts of the Company and its subsidiaries:

Modality	Salaries	Charges (a.a.)	Amortization	Guarantees	Parent	Consolidated
FINEM	2025	TJLP + 2.27%	Monthly	Land Mortgage	4,198	4.198
FINEM	2032	TJLP + 2.65%	Monthly	See (ii) above.	-	189.041
				TJLP subtotal (Note 8.2)	4,198	193.239
CCB	2025	Permanent contract + 1.86%	Annual	Clean	10,792	10.792
				CDI subtotal (note 8.2)	10,792	10.792
ACC	2025	VC+6.27%	Annual	Export History	219,656	219.656
				Subtotal	234,646	423.687
				(-) Funding cost	-	(3,131)
				Total	234.646	420,556

Because the loans and financing do not have derivative financial instruments linked to them, the carrying amount recorded as of December 31, 2024 and 2023 is in line with the fair value of these debts.

The movement of loans and financing is shown as follows:

	Parent	Consolidated
Balances on December 31, 2022	104,187	337,992
Interest and monetary variations provisioned	11,595	32,835
Amortization of funding cost	-	455
Interest paid	(13,648)	(32,783)
Amortization of principal	(41,024)	(67,114)
Balances on December 31, 2023	61,110	271,385
Capture	196,099	196,099
Interest and monetary variations provisioned	28,413	47,053
Amortization of funding cost	-	455
Interest paid	(6,828)	(23,924)
Amortization of principal	(44,148)	(70,512)
Baçances on December 31, 2024	234,646	420,556

The amounts classified in non-current liabilities are broken down as follows, by maturity year:

Expiration year	Parent	Consolidated
2026	-	26,142
2027	-	26,142
2028	-	26,142
2029	-	26,142
2030 onwards	-	55,200
Total	-	159,768

In thousands of reais, unless otherwise indicated

Restrictive contractual clauses - "*covenants*"

The consolidated financial statements include financing that includes restrictive clauses requiring compliance with annual performance indexes, in which the early maturity of the debt, in the event of non-compliance with the covenants, is the maximum condition contemplated therein.

Specifically, BW Guirapá and the Wind Power Plants, were required to maintain, throughout the term of the BNDES financing agreement, the annual consolidated debt service coverage ratio (ICSD) equal to or greater than 1.30. BNDES authorized, through a contractual amendment, from June 2021 the obligation to provide additional resources within 5 (five) business days from the date of calculation of the ICSD so that the calculation of said index reaches 1.30 in case the ICSD is less than 1.30, but equal to or greater than 1.10, in which case the contractual obligation provided for the year in question is considered fulfilled. On December 31, 2024, the ICSD index was 1.10 and, therefore, the BW Guirapá Subsidiary made the necessary contribution of R$ 9,000 to the reserve account, on February 18, 2025.

In addition, they have as relevant obligations, compliance with deadlines to start and execute the commercial operation; presentation to the BNDES of the respective operating licenses; maintain a good situation with the environmental agencies, CCEE, ANEEL, MME, the National Electric System Operator (***"ONS"***, in Portuguese, *Operador Nacional do Sistema Elétrico*) and/or any other bodies and entities that are part of the Direct or Indirect Public Administration; as well as adopt measures and actions aimed at avoiding or correcting damage to the environment; occupational safety and medicine. These clauses were met on December 31, 2024 and 2023.

22. PAYABLE LEASINGS

	Parent	Consolidated			
	Machinery and equipment	Machinery and equipment	Land	Buildings	Total
Balance on 12/31/2022	39,882	39,882	10,161	34	50,077
Additions/Remeasurements	86,597	86,597	(1,905)	-	84,692
Payments	(69,704)	(69,704)	(1,134)	(41)	(70,879)
AVP Realization	6,819	6,819	370	7	7,196
Balance on 12/31/2023	63,594	63,594	7,492	-	71,086
Balance on 12/31/2023	63,594	63,594	7,492	-	71,086
Additions/Remeasurements	69,277	69,277	331	-	69,608
Payments	(88,627)	(88,627)	(1,036)	-	(89,663)
AVP Realization	11,499	11,499	414	-	11,913
Balance on 12/31/2024	55,743	55,743	7,201	-	62,944
Current	42,787				43,401
Non-current	12,956				19,543

On December 31, 2024, the Company estimated the discount rates, based on the financing interest rates observed in the Brazilian market, for the term of its contracts. The weighted average rate used for the parent company is 15.47% p.a. and for the subsidiary BW it is 9.54% p.a.

The amounts classified in non-current liabilities are broken down as follows, by maturity year:

Expiration year	Parent	Consolidated

Expiration year	Parent	Consolidated
2026	11,598	12,459
2027 a 2030	1,358	3,416
2031 a 2035	-	2,022
2036 a 2040	-	1,544
2041 a 2045	-	77
2046 onwards	-	25
Total	12,956	19,543

The table below shows the estimated value of the potential PIS/COFINS right to be recovered, which is included in the lease consideration for the Parent Company, according to the periods foreseen for payment:

	Parent				Consolidated			
	Nominal		Adjusted to present value		Nominal		Adjusted to present value	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Consideration	72,920	76,444	55,743	63,594	86,244	90,474	62,944	71,086
Potential PIS/COFINS (9.25%)	6,745	7,071	5,156	5,882	7,978	8,369	5,822	6,575

In compliance with Circular Letter/CVM/SNC/SEP No. 02/2019, the Company presents the comparative balances of the lease liability, the right of use, the financial expense and the depreciation expense, considering the effect of the projected future inflation on the flows of the lease contracts, discounted at the nominal rate:

	2025	2026	2027 on
Lease liability			
Accounting - IFRS 16 / CPC 06 (R2)	11,063	1,242	-
Real Rate (inflation efect)	13,679	3,905	-
Range	2,616	2,663	-
Net right of use – final balance			
Accounting - IFRS 16 / CPC 06 (R2)	42,715	16,018	-
Real Rate (inflation efect)	55,563	38,407	-
Range	12,848	22,389	-
Financial expense			
Accounting - IFRS 16 / CPC 06 (R2)	7,214	1,807	200
Real Rate (inflation efect)	7,885	2,234	630
Range	671	427	430
Depreciation expense			
Accounting - IFRS 16 / CPC 06 (R2)	21.357	22.549	23.519
Real Rate (inflation efect)	22.549	29.332	33.862
Range	1.192	6.783	10.343

23. LABOR AND ACTUARIAL OBLIGATIONS

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023

In thousands of reais, unless otherwise indicated

Current:				
Salaries and charges	13,494	13,858	13,824	14,135
Labor provisions and charges	31,125	28,216	31,350	28,428
Profit sharing (i)	56,302	61,381	56,302	61,501
	100,921	103,455	101,476	104,064
Non-current:				
Labor and actuarial obligations (ii)	70,884	58,552	70,884	58,552
	171,805	162,007	172,360	162,616

(i) The Company's Bylaws establish that the profit for the year shall be allocated up to ten percent (10%) for distribution to employees and up to ten percent (10%) of the resulting balance for management bonuses. On December 31, 2024, the balance of management interests is R$ 18,070 (2023, R$ 17,100) and the balance of employees' interests is R$ 38,232 (2023, R$ 44,281).

(ii) The Company maintains labor and actuarial obligations as follows:

- Private Pension: The Company maintains a defined contribution plan for supplementary retirement, managed by BRASILPREV Seguros e Previdência S.A. and a health care plan managed by Bradesco Saúde.

- Retirement premium: The Company also stipulates an additional post-employment benefit for employees who receive a salary below the social security ceiling and who have worked at the Company for at least ten (10) uninterrupted years. It is a one-time payment to the employee when their employment relationship ends.

- FGTS fine: The Company has established a provision for a post-employment benefit related to the FGTS fine at the time of retirement for employees exposed to harmful risks (special retirement), opting for the FGTS, terminated at their request, and not remaining at the time of their termination. These special retirees will be entitled to the benefit as if they were dismissed, as long as the length of service is greater than 5 (five) or 8 (eight) years, depending on the location in which they work.

- Healthcare: Employees who join the Company as of these changes will not be entitled to remain in the plan when retired or terminated, while those who joined the Company before the changes, with more than thirty (30) years of uninterrupted employment, when terminated by retirement and provided that they assume the full cost of the plan, will have the right to remain in the plan. Employees who were active before the changes, when terminated as retired or non-retired, will have the respective time limits (1 (one) year for each year of contribution limited to 9 (nine) years and 1/3 of the contribution time with a minimum of 6 (six) months and a maximum of 2 (two) years, respectively) of permanence in the plan, provided that the legal requirements established for this are met and assuming the full cost of the plan health care.

(a) The table below shows the movement of the present value of actuarial obligations (parent and consolidated):

	Healthcare	Private Pension, retirement premium and FGTS fine	Total
Value of actuarial obligations at the beginning of the year	24,060	34,492	58,552

In thousands of reais, unless otherwise indicated

Current service expense and interest on the obligation recognised in profit or loss for the year	3,090	4,571	7,661
Contributions made by the employer in the year (-)	(1,815)	(2,356)	(4,171)
(Gain)/Loss on actuarial obligations	6,835	2,007	8,842
Present value of actuarial obligations at the end of the year	32,170	38,714	70,884

(b) The following are the actuarial gains and losses in the year on the present value of the defined benefit obligation, with identification of those occurring due to changes in demographic and financial assumptions and those due to adjustment of experience, as well as identification of the amounts to be recognized in Other Comprehensive Income (parent and consolidated):

	Health Plan	Private Pension, retirement premium and FGTS fine	Total
Actuarial gain/(loss) due to change in demographic assumptions	(10,307)	-	(10,307)
Actuarial gain/(loss) due to change in financial assumptions	6,275	3,839	10,114
Actuarial gain/(loss) due to experience adjustments	(2,803)	(5,846)	(8,649)
Amounts to be recognised in ORA at year-end	(6,835)	(2,007)	(8,842)

(c) Sensitivity analysis of the results of the actuarial valuation of post-employment benefits liabilities; for this analysis, variations on the assumptions of overall mortality, interest rates, medical inflation and option to remain in the retirement plan were considered in relation to the base scenario (parent and consolidated):

	Health Plan		Private Pension, retirement premium and FGTS fine	
	Liability	Impact	Liability	Impact
Base scenario	32,171	-	38,713	-
Overall mortality – 10% smoothing in rates	32,833	2.1%	38,720	0.02%
Overall mortality – 10% increase in rates	31,494	(2.1%)	38,707	(0.02%)
Real interest rates – reduction of 0.50% p.a.	33,906	5.4%	39,464	1.4%
Real interest rates – increase of 0.50% p.a.	30,518	(5.1%)	37,997	(1.85%)
Medical inflation – reduction of 1.00% p.a.	29,031	(9.8%)	-	-
Medical inflation – increase of 1.00% p.a.	35,824	11.4%	-	-

(d) Actuarial assumptions

	12/31/2024	12/31/2023
Expected inflation rate - % p.a.	4.00	4.00
Real discount rate - Pension Plan - % p.a.	7.60	5.36
Real discount rate - Health plan funding - % p.a.	7.26	5.50
Real discount rate - Retirement premium - % p.a.	7.66	5.31
Real discount rate - FGTS fine - % p.a.	7.66	5.31
Turnover rate - % p.a.	5.00	5.00
Real wage growth - % p.a.	0.50	0.50
Permanence in the plan after retirement - % (indirect subsidy)	36.80	42.00
Retirement eligibility	65 normal 25, 20 and 15 special	65 normal 25, 20 and 15 special

In thousands of reais, unless otherwise indicated

24. TAXES AND SOCIAL CONTRIBUTIONS

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Current:				
IRPJ and CSLL	-	-	5	21
ICMS	24,906	11,924	24,991	12,022
PIS and COFINS	3,008	356	3,518	623
IRRF to be collected	5,605	5,244	5,845	5,447
IPI	372	542	372	542
Other	4,199	5,358	4,290	5,483
	38,090	23,424	39,021	24,138
Non-current:				
IRPJ - Reinvestment (i)	3,500	3,500	3,500	3,500
PIS and COFINS	-	-	87	87
	3,500	3,500	3,587	3,587
	41,590	26,924	42,608	27,725

(i) It refers to 30% (thirty) of the IRPJ due in the calendar year 2022, maintained until the approval of the projects sent to SUDENE. If approved, this amount will be capitalized, otherwise, the Company will make the payment.

25. PROVISION FOR ENVIRONMENTAL LIABILITIES

The Company uses judgments and assumptions when measuring its obligations regarding the provision for the closure of mines and wind farms, of the assets linked to its operations. Costs potentially covered by insurance or indemnities are not deducted from the amount provisioned, because their recovery is considered uncertain.

The costs of closing/demobilization were measured based on available information and discounted to the average cost of capital rate of each project for the remaining period of operation adopted. Thus, the Company applied the technical interpretation ICPC 12 - Changes in Liabilities due to Deactivation, Restoration and Other Similar Liabilities and CPC 25 - Provisions, Contingent Liabilities and Contingent Assets.

The movements of these provisions are shown below:

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Non-current				
Opening balance	17,729	15,666	46,352	56,313
Estimate Revision (i)	-	-	-	(12,024)
Write-offs	(1,160)	(888)	(1,160)	(888)
Monetary Update, AVP and others	859	2,951	(4,383)	2,951
Ending balance	17,428	17,729	40,809	46,352

(i) In the fourth quarter of 2023, the Company hired a specialized consultancy to reassess the assumptions applied to the provision for the decommissioning of wind farms, considering all the dismantling costs for the removal of wind turbines, the "Substations" SES - BW Guirapá I and BW Guirapá II, the 69 KV "Transmission Lines" TLS and civil works. Based on its best estimate of the costs to be incurred in the dismantling of these wind farms at the end of the authorization, discounted at present value, considering a long-term rate of the direct treasury, the updated value of the provision was R$23,381 (2023, R$28,623).

In thousands of reais, unless otherwise indicated

26. PROVISION FOR CONTINGENCIES (PARENT AND CONSOLIDATED)

The Management of the Company and its subsidiaries, based on the position of its legal advisors, classified the lawsuits according to the degree of risk of loss, as follows:

	Possible		Probable	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Tax/Administrative	30,342	27,534	52,536	63,746
Labor	700	746	5,696	6,596
Civil	480	442	4,363	4,061
	31,522	28,722	62,595	74,403

26.1. Provisioned processes, with probable risk of loss.

	12/31/2024	12/31/2023
Tax/Administrative:		
PIS and COFINS (i)	18,218	16,429
CDE Fees (ii)	19,191	19,191
Social security contributions (iii)	9,454	22,259
Other	5,673	5,867
Labor (iv)	5,696	6,596
Civil:		
Deconstitution of land deed (v)	2,541	2,342
BW Guirapá (en-)	1,309	1,309
Other	513	410
	62,595	74,403

(i) PIS and COFINS: The Company provisioned R$18,218 (2023, R$16,429) related to a risk assessment carried out by Management, supported by a tax office on extemporaneous credits launched and offset against federal taxes.

(ii) CDE Tariffs: The Company participates in declaratory actions with a request for anticipation of relief filed by ABRACE - Brazilian Association of Large Industrial Energy Consumers and Free Consumers (in Portuguese, *Associação Brasileira de Grandes Consumidores Industriais de Energia e de Consumidores Livres*) as a plaintiff, through which it contests the amount calculated by ANEEL, related to the Energy Development Account – CDE (in Portuguese, *Conta de Desenvolvimento Energético*) (for the years 2015 and 2016). On December 31, 2024 and 2023, the Company has a provision for controversial amounts in the amount of R$ 19,191 related to the CDE, whose enforceability is removed by virtue of injunctions granted in favor of ABRACE.

In thousands of reais, unless otherwise indicated

(iii) Social charges: The Company provisioned the amount of R$ 9,454 (2023, R$ 22,259), of which: (a) R$ 6,421 (2023, R$ 9,469) refers to the social security contribution levied on the one-third of the vacation. Despite the Company's debate with the Tax Authorities through a Writ of Mandamus and not yet having become final, Topic 985 was judged by the STF, establishing as legitimate the levy of social contribution on the one-third of vacation. The case is pending consideration of the Motion for Clarification in the STF to establish a possible modulation of the effects of the decision. Although the discussion does not specifically conform to Topics 881 and 885 of the STF and the Company does not have *res judicata*, based on the aforementioned decision of the STF, as well as the opinion of its legal advisors, the due provision was recorded; and (b) BRL 3,033 (2023, BRL 12,790) referring to the payment of employer's social security contributions.

(iv) Labor lawsuits: The Company and its subsidiaries have several labor lawsuits filed by former employees, employees of outsourced companies (subsidiary liability), or class actions that deal with the payment of labor rights (severance pay, overtime, additional hours, among others). In addition, the Company has collective actions against it, filed by the Labor Public Prosecutor's Office, namely: (a) the Public Civil Action that questions alleged irregularity in the outsourcing of Forestry activities and asks for the condemnation of the Respondent for collective moral damages with a value of cause declared in an updated initial petition of BRL 18,796 (2023, BRL 16,372). Considering the phase and procedural history, a provision of BRL 1,000 was made (2023, BRL 1,056); and (b) the Public Civil Action that seeks to impute to the Company the responsibility for the occurrence of a fatal accident with its former employee with the value of the cause declared in an updated initial petition of BRL 3,134 (2023, BRL 3,102), claiming the fulfillment of obligations to do, in addition to the payment of collective moral damages. Considering the phase and procedural history, a provision of R$ 500 was made (2023, R$ 310). The other lawsuits have an initial cause value of BRL 15,080 (2023, BRL 12,488) and considering the phase and procedural history, a provision of BRL 4,196 was made (2023, BRL 5,230).

There are a total of 103 lawsuits on December 31, 2024 (2023, 118) and the amount provisioned for those considered probable loss – in whole or in part – is BRL 5,696 (2023, BRL 6,596).

(v) Deconstitution of land deed: The Company acquired, in good faith, real estate in Bahia for eucalyptus plantation. Even though there was no real lien on these properties at the time of the transfer, the Company was sued by a company seeking to annul the purchase and sale contracts for owning these lands as collateral in a bankruptcy proceeding of former owners. The Company maintains a provision of R$2,541 (2023, R$2,342) to cover the probable losses involved in this discussion.

(vi) In the acquisition of BW Guirapá, the Company recorded a provision in the amount of R$ 1,309 related to compensation processes for damages related to the implementation of wind farms.

The following is the movement of provisions:

	Labor	Tax	Civil	Total
Balances on December 31, 2022	7,449	48,571	4,697	60,717

In thousands of reais, unless otherwise indicated

New processes/complements	-	13,189	-	13,189
Reversals/write-offs	(853)	(828)	(636)	(2,317)
Currency Updates	-	2,814	-	2,814
Balances on December 31, 2023	6,596	63,746	4,061	74,403
New processes/complements	-	446	302	748
Reversals/write-offs	(900)	(13,969)	-	(14,869)
Currency Updates	-	2,313	-	2,313
Balances on December 31, 2024	5,696	52,536	4,363	62,595

26.2. Risks of losses considered possible and, therefore, not accrued:

	Possible	
	12/31/2024	12/31/2023
Tax/Administrative	30,342	27,534
Labor	700	746
Civil	480	442
	31,522	28,722

- Tax/Administrative:

Administrative tax matters: The Company responds to a series of inquiries involving payments considered undue or overpaid and fines, largely due to differences between statements and ancillary obligations. The Company considers that part of the risk is possible, totaling R$14,059 (2023, R$12,525).

PIS and COFINS: In the case of assessments related to PIS and COFINS for the base years 2004 and 2006, the possible risk totals R$ 15,455 (2023, R$ 14,245).

The Municipality of Queimadas has fined for irregularities in its mining processes and the Company considers that part of the risk is possible, totaling R$ 828 (2023, R$ 764).

- Labor:

The Company has lawsuits filed by former employees, employees of third-party companies (subsidiary liability) or class actions with an updated initial claim value of BRL 15,722 (2023, BRL 12,907), for which the Company's legal advisors understand that loss is possible, and for these lawsuits, the estimated risk is BRL 700 (2023, R$ 746).

- Civil:

The Company has lawsuits for moral and possessory damages filed against it, the risk of which is considered possible by its legal advisors. Although the procedural claims point to total values of relevant causes, the Company, with the support of its legal advisors, considers the possible risk to total R$ 480 (2023, R$ 442). In addition, the proceeding classified as a possible risk that is being processed in secrecy of justice before the civil court of Pojuca, Bahia, filed on April 27, 2016, has the value of the case updated by BRL 188,580 on December 31, 2024 (2023, BRL 173,810), however, considering the initial stage of the processing of the lawsuit and the understanding of the Company's legal advisors on the merits of the claim, It has no risk amount involved to be considered at the time of issuance of these financial statements.

On September 23, 2022, the Company released a Notice to the Market informing that it had been cited in a lawsuit whose purpose is to discuss the allocation of José de Carvalho's shares for the constitution of the José Carvalho Foundation, in the 70s. A preliminary hearing was held for an attempt at conciliation on December 14, 2022, without success. The Company then filed its response on February 1, 2023, presenting facts and evidence that ratify the full confidence in the dismissal of the allegations portrayed in the lawsuit. The proceeding classified as "possible" risk has the value of the claim declared by the Plaintiff, in the initial petition, of R$ 1,771,825, however, considering the initial stage of the processing of the lawsuit and the understanding of the Company's legal advisors on the merits of the claim, it does not have the risk value involved to be considered until the time of issuance of these financial statements. The Company reiterates the information that third-party conflicts with its parent company are a matter beyond its control.

In thousands of reais, unless otherwise indicated

27. REIMBURSEMENT ACCOUNT – CCEE (CONSOLIDATED)

	Consolidated	
	12/31/2024	12/31/2023
Balance at beginning of period	67,095	73,515
Compensation	30,005	1,616
Penalty	3,020	-
Update	3,210	3,336
Write-offs	(24,495)	(11,372)
Balance at the end of the period	78,835	67,095
Current	54,852	64,841
Non-current	23,983	2,254
	78,835	67,095

Under an authorization regime, the BW Guirapá Wind Complex has all its production contracted for a period of twenty years with the Electric Energy Trading Chamber (***"CCEE"***, in Portuguese, *Câmara de Comercialização de energia Elétrica*), within the scope of the Reserve Auction - 2011 ("LER 2011", in Portuguese, ***LER*** is *Leilão de Reserva*) in the regulated environment. Reimbursement accounts - CCEE refer to the differences between the contracted amount and the value of electricity actually generated. The calculation criteria are defined contractually, through a tolerance limit between the energy actually generated and the contracted energy, as follows:

- The accepted contractual limit, without the incidence of penalties or bonuses, is equivalent to the supply of 90% to 130% of the contracted energy of a year, calculated at the end of each quadrennium. In these cases, the positive or negative deviation between the energy supplied and the contracted energy is recognized in the asset or liability, respectively, by applying the updated contractual price on the MWh calculated. Any differences between the supply of electricity and the contracted energy will be compensated for each contractual quadrennium, with the first quadrennium ending on June 30, 2018, the second quadrennium ending on June 30, 2022 and the third quadrennium began in July 2022.

- If the energy supplied is less than 90% (ninety percent) of the contracted energy, the due reimbursement will occur with the application of 115% of the current contractual price on the amount in MWh that is less than the 90% (ninety percent) contracted. If the energy supplied is greater than 130% of the contracted energy, the Companies will receive 70% (seventy percent) of the contracted price on the amount in MWh that exceeds the 130% (one hundred and thirty percent) contracted. In both cases, the financial settlement occurs from July of the current year to June of the following year.

In thousands of reais, unless otherwise indicated

Additionally, as of June 2023, the CCEE began recalculating the calculations of reimbursements, considering the energy not supplied by constrained off wind farms. The effects were calculated for CCEARs and CERs, with the end of the contractual year by September 2021. For the period from October 2021, the recalculation schedule has not yet been released, however, it is expected that this will occur during the year 2025, due to the publication of the new trading rules according to ANEEL normative resolution No. 1,110, of December 10, 2024 (version 2025.5.0). The Company reflected in the segregation between current and non-current the schedule already disclosed.

28. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

	Result			Asset	Liability
	Rental costs (i)	Sales revenue (ii)	Other (revenue)/ operating expenses (iii)	Accounts receivable from customers (ii)	Other suppliers (iii)
Parent:					
José Carvalho Foundation	-	203	14,010	-	670
Controlled:					
BW Guirapá S.A.	-	-	(576)	-	-
Silício de Alta Pureza da Bahia S.A.	840	-	-	-	-
Mineração Vale do Jacurici S.A.	1,524	-	-	-	-
Reflorestadora e Agrícola S.A.	60	-	-	-	-
Indústria de Minérios Damacal Ltda.	36	-	-	-	-
Related Part:					
Marubeni Corporation (iv)	-	349,927	-	1,359	-
Total on December 31, 2024	2,460	350,130	13,434	1,359	670
Total on December 31, 2023	2,460	471,299	10,565	18,721	867

(i) Lease of the operations of the subsidiaries.

(ii) Revenues and receivables from the sale of alloys (FeSi75) to the related company abroad and accounts receivable from the sale of wood, quicklime and slag dust to the Parent Company.

(iii) (a) Cooperation and Partnership Agreement for the reservation and guarantee of enrollment in schools of the José Carvalho Foundation for dependents of the Company's employees who reside in the municipalities where the schools are located (Pojuca, Catu and Andorinhas); (b) Agreement for socio-educational-sports training, of children from 8 (eight) to 14 (fourteen) years of age, public school students, aiming at the development of learning and sports practice; (c) Cooperation and Partnership Agreement for the implementation of the José Carvalho Memorial, whose objective is to preserve the memory, cultural heritage, existing collection, the founder's residence in life, in addition to hosting the permanent organizational culture program; (d) Infrastructure Sharing Agreement and Administrative Structure of corporate activities between Ferbasa and BW Guirapá.

(iv) Marubeni Corporation has an interest in *Silício de Alta Pureza da Bahia S.A. ("Silbasa")* together with Ferbasa and Japan Metals & Chems - JMC.

In addition, the Company has, among its staff, close family members of key management personnel, who hold managerial positions and remuneration compatible with their respective functions, and thay were paid by Ferbasa in the amount of BRL 2,339 in the 2024 fiscal year (2023, BRL 2,514).

In thousands of reais, unless otherwise indicated

The Company has no guarantees granted or received to/from related parties.

28.1. Management Compensation

The overall compensation of the Company's managers, which includes the directors and statutory officers, and which was approved at the Annual General Meeting, is shown below:

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Overall remuneration	39,246	37,028	44,019	40,793
Social security contributions (i)	7,187	3,742	8,142	4,497
	46,433	40,770	52,161	45,290

(i) In the first half of 2024, R$ 2,975 was recorded referring to social security charges on variable compensation, paid in April 2024. Until 2023, these social security charges were being provisioned as Liability contingencies.

On December 31, 2024, the Company and its subsidiaries do not have key personnel who are not statutory, nor do they have compensation plans that use the Company's shares or other long-term benefits other than those disclosed in Note 23.

29. EQUITY

29.1. Social Capital

At a meeting of the Board of Directors held on August 28, 2023, the increase in the capital stock from R$ 1,225,444 to R$ 1,470,396 was approved, through the capitalization of part of profit reserves in the amount of R$ 244,952. This capitalization was carried out without the issuance of new shares. On December 31, 2024, the subscribed and paid-in capital is represented by 353,175 thousand registered shares with no par value, of which 117,725 thousand are common shares and 235,450 thousand preferred shares, distributed as follows:

	12/31/2024		12/31/2023	
Shareholders	Common shares	Preferred shares	Common shares	Preferred shares
Fundação José Carvalho	116,347,784	62,065,200	29,086,696	15,300,800
Trígono Capital	12,000	24,127,700	3,000	8,358,100
Vanguard Group	-	6,237,044	-	1,555,711
Black Rock	-	4,647,526	-	1,703,787
Other shareholders	1,240,216	125,709,330	310,304	28,778,302
Treasury shares	125,000	12,663,200	40,000	3,183,300
	117,725,000	235,450,000	29,440,000	58,880,000

Events approved at the Extraordinary General Meeting held on December 20, 2023:

- Stock split

  In order to make its shares more accessible to investors and, consequently, favor the increase in liquidity, the Extraordinary General Meeting held on December 20, 2023, approved the submission to the EGM, the proposal for the split of the Company's shares, in the ratio of 1 (one) share to 4 (four) shares, without any change in the value of the capital stock. The shares will be traded "ex-split" as of 01/24/2024 and the shares resulting from the split were credited to shareholders on 01/25/2024.

In thousands of reais, unless otherwise indicated

- Authorized share capital

  Increase in the limit of the Company's authorized capital stock from R$ 1,500,000 to R$ 3,000,000.

The Company may, by resolution at the Shareholders' Meeting, promote the increase of the various existing types and classes of shares, without keeping proportion with the others or create a class of preferred shares, observing the limit of 2/3 of the total shares issued for preferred shares without voting rights, or subject to restrictions as to such right.

29.2. Treasury shares

The Company has acquired shares through the Buyback Program that remain in treasury, and the decision on their sale and/or cancellation will be made in due course and duly communicated to the market. The volume of treasury shares and their respective market value, considering the closing price of quotation on B3, is as follows:

	12/31/2024		12/31/2023	
	PN	ON	PN	ON
Number of treasury shares	12,663,200	125,000	3,183,300	40,000
Quotation on B3 - R$/share	8.19	11.40	46.49	69.25
Average acquisition cost - R$/share	2.02	0.18	8.07	0.72

Preferred shares: (i) do not have voting rights; (ii) have a statutory guarantee of payment of dividends 10% (ten percent) higher than those paid to holders of common shares; and (iii) have priority in the repayment of capital.

In an extraordinary meeting held on November 7, 2024, the Board of Directors approved the cancellation of part of the treasury shares, with the cancellation of 35,000 common shares and 70,000 preferred shares, all registered and without par value, held in treasury and without reduction of capital stock, after the cancellation 125,000 common shares and 12,663,200 preferred shares remained in treasury.

29.3. Profit reserves

- The legal reserve is constituted with an increase in the capital stock and the allocation of 5% (five percent) of the profit for the year, until it reaches 20% (twenty percent) of the capital stock, and its use is restricted to the compensation of losses, after the balances of the profit reserves have been absorbed.

- The SUDENE tax incentive profit reserves, related to income tax, refers to the portion of the income tax incentive arising from the operating profit, and the ***ICMS DESENVOLVE*** (ICMS DEVELOPS) related to the gain of the tax incentive on the outstanding balance of the tax on the circulation of goods. These reserves are constituted by transferring the portion of the tax incentive that affected the expense with income tax and ICMS for the year and cannot be distributed to shareholders. The reserve referring to SUDENE also includes the reinvestment value of income tax.

In thousands of reais, unless otherwise indicated

- The profits, after the appropriation of the legal reserve, profit reserve (tax incentive) and attribution of dividends to be distributed to shareholders, are transferred to the profit retention reserve account for investments, to be carried out in accordance with the Company's capital budget and strategic planning. In fiscal year 2024, the prescribed dividends in the amount of R$942 (2023, R$677) were reverted to the profit reserve account, pursuant to Law No. 6,404/76.

29.4. Other comprehensive results and equity valuation adjustment

Other comprehensive income comprises income and expense items (including reclassification adjustments), which are not recognized in the income statement as required or permitted by the pronouncements, interpretations and guidance issued by the CPC. Created by Law No. 11,638/07, the group of "Equity valuation adjustments" maintained in the Company's shareholders' equity includes valuation adjustments with increases and decreases in assets and liabilities, when applicable, while not computed in the income for the year, until its effective realization.

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cost assigned land - parent company (i)	58,811	58,811	63,385	63,385
Cost assigned land - controlled (i)	3,019	3,019	3,019	3,019
Adjustments to actuarial obligations (note 23)	(11,422)	(2,581)	(11,422)	(2,581)
Equity valuation adjustments	287	232	287	232
Deferred taxes	(16,113)	(19,119)	(17,668)	(20,674)
	34,582	40,362	37,601	43,381

(i) Deemed cost for forest lands, an option exercised in the initial adoption of the new accounting pronouncements converging with IFRS on January 1, 2009.

29.5. Unrealized profit reserve

The Company constituted a reserve of unrealized profits arising from the gain from the advantageous purchase of the acquisition of the BW Guirapá complex, which took place in 2018, in the amount of R$ 49,595.

29.6. Dividends and interest on equity

The Company grants its shareholders the right to receive a minimum mandatory dividend of twenty-five percent (25%) of the adjusted annual net income each fiscal year. Interest on equity is considered as a distribution of profits for the purposes of determining the minimum mandatory dividend. The preferred share has dividends 10% (ten percent) higher than that attributed to the common share.

Maintaining itself as a regular payer of dividends to shareholders, through Board of Directors Meetings, the Company distributed in 2024, R$ 173,500 (2023, R$ 225,870), as Interest on Equity, which R$ 163,220 will be imputed to the amount of the minimum mandatory dividend related to the fiscal year of 2024 and R$ 10,280 distributed based on the profit reserve balance, as shown in the following table:

Deliberation in RCA	Start of payment	Gross Value	Gross value per share (in R$)	
			Ordinary	Preferential

		173,500		
05/28/2024	06/22/2024	17,500	0.04825383436	0.05307921780
08/29/2024	09/22/2024	18,000	0.04963251534	0.05459576687
11/28/2024	12/20/2024	18,000	0.04963251534	0.05459576687
12/10/2024	12/27/2024	109,720	0.30253709651	0.33279080616
12/10/2024	12/27/2024	10,280	0.02834633910	0.03118097301

	12/31/2024	12/31/2023
(=) Net income for the year	327,505	382,649
(-) Constitution of legal reserve (5% net income)	(16,375)	(19,133)
(-) Tax incentive reserve (SUDENE, ICMS DESENVOLVE and reinvestment)	(26,093)	(32,836)
(=) Adjusted base profit for distribution (A)	285,037	330,680
Minimum mandatory dividends (25%)	71,259	82,670
Interest on equity distributed from adjusted base income Common shares-R$0.4501 (2023, R$2.4912) per share	52,927	73,242
Preferred shares - R$0.4951 (2023, R$2.7403) per share	110,293	152,628
Total (B)	163,220	225,870
Percentage of net income adjusted for distribution (B/A)	57%	68%
Interest on equity distributed by profit reserve in 2024		
Common shares - R$ 0.0283 per share	3,333	-
Preferred shares - R$ 0.0312 per share	6,947	-
Dividends distributed by profit reserve (C)	10,280	-
(=) Total Interest on Equity (B+C)	173,500	225,870

30. EARNINGS PER SHARE

As defined by IAS 41 - Earnings per Share, the basic calculation of earnings per share is made by dividing the net income for the three-month period attributable to holders of the Company's common and preferred shares by the weighted average number of common and preferred shares available during the period. In the case of the Company, the diluted earnings per share are equal to the basic earnings per share, as it does not have diluting potential common or preferred shares.

	12/31/2024	12/31/2023
Profit from operations attributable to shareholders of the parent company	327,505	382,649
Reconciliation of distributable income, by class (numerator):		
Attributable Profit from Operations:		
To Common shares	106,199	124,080
To Preferred shares	221,306	258,569
Weighted average of the number of shares, by class (denominator):		
Weighted average number of shares without treasury shares:		
Ordinary Issued	117,600,000	29,400,000
Preferred Issued	222,786,800	55,696,700

In thousands of reais, unless otherwise indicated

	12/31/2024	12/31/2023
Basic/diluted* result per share (in R$)		
Ordinary shares	0.90305	4.22041
Preferred shares	0.99335	4.64245

(*) The Company does not hold potential dilutable shares outstanding or other instruments that could result in a dilution of earnings per share.

31. NET SALES REVENUE

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Gross Sales				
Domestic market	1,317,323	1,457,316	1,415,891	1,579,435
Foreign market	1,144,505	1,190,894	1,144,505	1,190,894
	2,461,828	2,648,210	2,560,396	2,770,329
Sales deductions				
Returns and rebates	(43,672)	(27,854)	(43,672)	(27,854)
Sales Taxes	(275,330)	(302,801)	(280,020)	(307,340)
	(319,002)	(330,655)	(323,692)	(335,194)
	2,142,826	2,317,555	2,236,704	2,435,135

32. COSTS OF GOODS SOLD AND EXPENSES

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cost of goods sold (i)	(1,745,058)	(1,818,353)	(1,840,126)	(1,901,206)
Selling expenses	(21,547)	(19,371)	(21,547)	(19,371)
General and administrative expenses	(120,321)	(113,029)	(127,830)	(120,340)
Employee profit sharing	(38,232)	(44,281)	(38,232)	(44,401)
Management Compensation	(46,433)	(40,770)	(52,161)	(45,290)
Total general and administrative expenses	(204,986)	(198,080)	(218,223)	(210,031)
Other income/(expenses), net (iii)	(54,932)	(78,043)	(59,505)	(72,524)
	(2,026,523)	(2,113,847)	(2,139,401)	(2,203,132)

The following is the breakdown by nature of the costs of goods sold and operating expenses:

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Variable costs and indirect product expenses	(885,643)	(1,061,336)	(973,222)	(1,072,317)
Personnel expenses (ii)	(491,648)	(456,719)	(447,241)	(466,480)
Depreciation and depletion expenses	(215,660)	(172,250)	(260,536)	(216,020)
Expenditure on the provision of services	(206,958)	(198,219)	(226,483)	(224,517)
Maintenance and repair expenses	(116,750)	(102,719)	(117,365)	(106,610)
Fuels and lubricants	(33,418)	(30,204)	(33,535)	(30,307)

In thousands of reais, unless otherwise indicated

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cost of idle capacity	(21,514)	(14,357)	(21,514)	(14,357)
Other income/ (expenses), net (iii)	(54,932)	(78,043)	(59,505)	(72,524)
	(2,026,523)	(2,113,847)	(2,139,401)	(2,203,132)

(i) Costs of goods sold include:

- Cost of electricity for consumption in the 14 (fourteen) electric furnaces. In addition to electric furnaces, there is energy consumption in the areas of auxiliary services and others, as well as in mining.
- The Company imports reactive metallurgical coke (met coke) (a commodity available in the international market) for the production of ferrochrome.
- Cost of transportation of chromium ore between the mines (Municipality of Campo Formoso) and metallurgy (Pojuca-BA), predominantly by rail and road transport.
- The consolidated includes depreciation, amortization, energy transmission, system use charges, operation and maintenance, etc. for wind power generation in the amount of R$97,313 (2023, R$85,054).

(ii) It includes personnel expenses, management fees, and profit sharing for employees and managers.

(iii) The following is the breakdown by nature of other net income (expenses):

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Post-employment benefit	(3,490)	(1,579)	(3,490)	(1,579)
Social and corporate responsibility	(17,625)	(19,682)	(17,693)	(19,775)
Assignment of energy	9,021	(7,653)	9,021	(7,653)
Consulting and research	(35,318)	(21,067)	(35,950)	(21,374)
Other taxes and contributions	(16,147)	(14,059)	(17,500)	(15,769)
Realization of capital gain	-	-	(4,418)	(4,418)
Tax credits	20,524	-	20,524	-
Other expenses	(11,897)	(14,003)	(9,999)	(1,956)
	(54,932)	(78,043)	(59,505)	(72,524)

33. FINANCIAL RESULT

	Parent		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Financial income				
Income from financial investments (i)	103,499	145,054	120,604	166,141
Update of tax credits (ii)	69,236	-	69,236	-
Exchange rate variation	36,197	19,724	36,236	19,724
Update decommissioning provision	4,267	-	9,509	-
Other financial income	6,728	3,317	7,741	3,425
	219,927	168,095	243,326	189,290
Financial expenses				
Exchange rate variation	(41,251)	(22,024)	(41,210)	(22,024)

In thousands of reais, unless otherwise indicated

Interest incurred	(13,764)	(9,348)	(32,415)	(30,647)
Other financial expenses	(17,004)	(15,699)	(21,795)	(20,713)
	(72,019)	(47,071)	(95,420)	(73,384)
	147,908	121,024	147,906	115,906

(i) This effect is provided by the higher amount invested, the increase in the basic interest rate in this period and the change in the mix of financial investments, respecting the Financial Risk Policy.

(ii) Includes the monetary adjustment of R$ 63,715 referring to ICMS gross up tax credits on the PIS/COFINS calculation basis and IPI premium credit, and another R$ 5,521 referring to other taxes.

34. OPERATING SEGMENTS

The management of operations is carried out by the executive board, headed by the Chief Executive Officer, in order to comply with the guidelines established in the Company's operating and investment budget, which are annually approved by the Board of Directors. The Company segmented its operational structure, which is vertical, considering the products that were sold:

- Ferroalloys segment - high carbon chromium ferroalloys, low carbon ferroalloys and chromium ferrosilicon, special silicon and standard silicon;
- Wind energy segment - electricity generation of the subsidiary BW Guirapá;
- Others - forestry activity, with the sale of standing wood and mining activities with the sale of chromium ore, chromite sand, quicklime and hydrated lime.

Information about the financial result, income tax and social contribution, total assets and liabilities were not disclosed in the information by segment, due to the non-use, by the Company's management, of such data in a segmented manner, as they are managed and analyzed in a consolidated manner in its operation.

	Consolidated							
	Ferroalloys		Wind power		Other segments		Total	
	12/31/24	12/31/23	12/31/24	12/31/23	12/31/24	12/31/23	12/31/24	12/31/23
Net Sales								
Domestic market	981,810	1,091,228	94,105	117,807	57,718	60,003	1,133,633	1,269,038
Foreign market	1,103,071	1,166,097	-	-	-	-	1,103,071	1,166,097
	2,084,881	2,257,325	94,105	117,807	57,718	60,003	2,236,704	2,435,135
Cost of goods sold	(1,628,509)	(1,746,511)	(97,313)	(85,054)	(114,304)	(69,641)	(1,840,126)	(1,901,206)
Change in the fair value of biological assets	-	-	-	-	74,626	71,728	74,626	71,728
Gross profit	456,372	510,814	(3,208)	32,753	18,040	62,090	471,204	605,657
Operating Expenses	(282,342)	(296,607)	(9,117)	2,565	(7,816)	(7,884)	(299,275)	(301,926)
Operating income before financial result	174,030	214,207	(12,325)	35,318	10,224	54,206	171,929	303,731
Product sales (tonnes)								
Domestic market	131,728	143,652						
Foreign market	136,895	129,997						
	268,623	273,649						

In thousands of reais, unless otherwise indicated

35. LONG-TERM COMMITMENTS

On December 31, 2024, the Company has long-term commitments with suppliers in the take-or-pay modality with rail transportation and bioreducer supply, in addition to power reserve and power transmission agreements. The contracts provide for termination and suspension of supply clauses for reasons of non-compliance with essential obligations. There are no liabilities recorded beyond the amount that is recognized monthly. These long-term commitments total R$122,555 in the parent company and R$132,708 in the consolidated, per year.

36. INSURANCE COVERAGE

The Company and its subsidiaries have insurance coverage against fire of equipment, explosions, electrical damage, vehicles, international import and export transport, civil and business liability, surety bond and operational risks of wind power generation, on December 31, 2024 in the amount of R$ 287,056 (2023, R$ 229,654) at the parent company and R$ 1,172,615 (2023, R$ 1,219,679) in the consolidated.

37. TRANSACTIONS THAT DID NOT AFFECT CASH

During fiscal years 2024 and 2023, the Company carried out the following transactions that did not involve cash, so these are not reflected in the cash flow statements.

		Parent		Consolidated	
Description	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Gain (loss) with actuarial liabilities	23	3,490	1,579	3,490	1,579
Provision for environmental liabilities	25	-	-	-	(12,025)
Right of use in leases according to IFRS 16	17.2	69,277	86,597	69,608	84,692
Depreciation Right of Use appropriated to the cost of inventory	17.2	9,730	2,614	9,730	2,614
Appropriate depletion to the cost of inventory	18	3,658	6,755	3,658	6,755
Realization of capital gain	16	4,418	4,418	4,418	4,418

Accountant:
Arnaldo Pereira Anastácio
Accounting Manager
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