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Company Data / Capital Stock

Number of Shares (in thousands)	Current quarter 12/31/2024
Paid-in Capital	
Common	339,000,000
Preferred	0
Total	339,000,000
Treasury Shares	
Common	3,773,296
Preferred	0
Total	3,773,296

Individual Financial Statements / Balance Sheet – Assets
(in thousands)

Code of the account	Description of the code	Last year 12/31/2024	Next to last year 12/31/2023	Last but two year 12/31/2022
1	Total Assets	12,663,593	12,255,163	11,264,248
1.01	Current Assets	5,919,426	5,640,568	4,775,285
1.01.01	Cash and Cash Equivalents	2,142,136	2,264,281	639,300
1.01.02	Financial Investments	17,147	15,204	16,599
1.01.02.03	Financial Investments Valued at Amortized Cost	17,147	15,204	16,599
1.01.03	Trade Accounts Receivable	1,651,775	1,821,231	1,652,875
1.01.03.01	Clients	1,651,775	1,821,231	1,652,875
1.01.04	Inventory	1,663,322	1,319,049	2,068,001
1.01.06	Recoverable Taxes	268,518	146,120	259,252
1.01.06.01	Current Recoverable Taxes	268,518	146,120	259,252
1.01.06.01.01	Income Tax and Social Contribution	59,275	26,603	28,461
1.01.06.01.02	Other Recoverable Taxes	209,243	119,517	230,791
1.01.07	Prepaid Expenses	21,743	21,017	10,820
1.01.08	Other Current Assets	154,785	53,666	128,438
1.01.08.03	Other	154,785	53,666	128,438
1.01.08.03.02	Derivative Financial Instruments	118,398	10,438	15,302
1.01.08.03.03	Restricted Deposits	6,405	2,823	69,570
1.01.08.03.20	Other Current Assets	29,982	40,405	43,566
1.02	Non-Current Assets	6,744,167	6,614,595	6,488,963
1.02.01	Long-Term Assets	663,418	545,576	538,912
1.02.01.03	Financial Investments Valued at Amortized Cost	1,206	2,072	1,518
1.02.01.04	Trade Accounts Receivable	2,179	5,107	2,878
1.02.01.04.01	Clients	2,179	5,107	2,878
1.02.01.10	Other Non-Current Assets	660,033	538,397	534,516
1.02.01.10.03	Judicial Deposits	251,116	258,036	263,201
1.02.01.10.04	Income Tax and Social Contribution	49,227	45,881	41,913
1.02.01.10.05	Other Recoverable Taxes	145,703	89,458	149,130
1.02.01.10.06	Indemnity Assets	101,151	92,266	75,256
1.02.01.10.07	Derivative Financial Instruments	91,297	47,950	0

Individual Financial Statements / Balance Sheet – Assets
(in thousands)

Code of the Account	Description of the code	Last year 12/31/2024	Next to last year 12/31/2023	Last but two year 12/31/2022
1.02.01.10.08	Other Non-Current Assets	21,539	4,806	5,016
1.02.02	Investments	776,801	785,386	748,528
1.02.02.01	Shareholdings	720,913	728,995	692,891
1.02.02.01.02	Subsidiaries	668,024	655,830	623,098
1.02.02.01.03	Jointly controlled	52,001	72,277	68,905
1.02.02.01.04	Other Shareholdings	888	888	888
1.02.02.02	Investment Properties	55,888	56,391	55,637
1.02.03	Property, Plant and Equipment	3,448,380	3,458,090	3,431,931
1.02.03.01	Property, Plant and Equipment in Operation	2,725,170	2,818,126	2,877,941
1.02.03.02	Right-of-use in Progress	348,222	339,735	313,104
1.02.03.02.02	Right-of-Use	348,222	339,735	313,104
1.02.03.03	Property, Plant and Equipment in Progress	374,988	300,229	240,886
1.02.04	Intangible	1,855,568	1,825,543	1,769,592
1.02.04.01	Intangible	1,855,568	1,825,543	1,769,592
1.02.04.01.02	Brands and Patents	552,674	552,563	552,439
1.02.04.01.03	Software	251,630	209,844	142,076
1.02.04.01.04	Goodwill	944,412	944,412	944,412
1.02.04.01.05	Customer Relationships	106,852	118,724	130,596
1.02.04.01.06	Non-Compete Agreement	0	0	69

Individual Financial Statements / Balance Sheet – Liabilities
(in thousands)

Code of the account	Description of the code	Last year 12/31/2024	Next to last year 12/31/2023	Last but two year 12/31/2022
2	Total Liabilities and Shareholders' Equity	12,663,593	12,255,163	11,264,248
2.01	Current Liabilities	2,671,731	2,381,247	2,332,149
2.01.01	Social and Labor Liabilities	156,993	242,813	244,646
2.01.01.01	Social Liabilities	69,443	77,771	64,339
2.01.01.02	Labor Liabilities	87,550	165,042	180,307
2.01.02	Suppliers	1,077,516	1,230,329	1,196,778
2.01.02.01	Domestic Suppliers	1,074,951	1,230,329	1,196,778
2.01.02.02	Foreign Suppliers	2,565	0	0
2.01.03	Tax Obligations	101,154	110,788	123,358
2.01.03.01	Federal Tax Obligations	41,910	27,315	20,571
2.01.03.01.01	Income Tax and Social Contribution	9,220	1,778	1,778
2.01.03.01.02	Other Federal Tax Obligations	32,690	25,537	18,793
2.01.03.02	State Tax Obligations	56,654	80,993	100,192
2.01.03.03	Municipal Tax Obligations	2,590	2,480	2,595
2.01.04	Loans and Financing	1,087,334	509,892	505,547
2.01.04.01	Loans and Financing	1,087,334	509,892	505,547
2.01.04.01.01	National Currency	32,611	209,190	293,314
2.01.04.01.02	Foreign Currency	1,054,723	300,702	212,233
2.01.05	Other Obligations	248,734	287,425	261,820
2.01.05.02	Other	248,734	287,425	261,820
2.01.05.02.05	Government Subsidies	11,136	5,828	25,007
2.01.05.02.06	Derivative Financial Instruments	22,191	34,594	54,506
2.01.05.02.07	Leasing	98,550	86,343	65,535
2.01.05.02.20	Other Non-Current Liabilities	116,857	160,660	116,772
2.02	Non-Current Liabilities	1,993,919	2,269,222	2,223,378
2.02.01	Loans and Financing	1,275,451	1,634,518	1,649,425
2.02.01.01	Loans and Financing	1,275,451	1,634,518	1,649,425
2.02.01.01.01	National Currency	1,275,451	1,150,388	1,127,655
2.02.01.01.02	Foreign Currency	0	484,130	521,770

Individual Financial Statements / Balance Sheet – Liabilities
(in thousands)

Code of the account	Description of the code	Last year 12/31/2024	Next to last year 12/31/2023	Last but two year 12/31/2022
2.02.02	Other Obligations	268,394	346,086	333,345
2.02.02.02	Other	268,394	346,086	333,345
2.02.02.02.06	Derivative Financial Instruments	0	67,050	50,660
2.02.02.02.07	Leasing	256,681	271,091	264,533
2.02.02.02.20	Other Non-Current Liabilities	11,713	7,945	18,152
2.02.03	Deferred Taxes	258,624	93,850	16,002
2.02.03.01	Deferred Income Tax and Social Contribution	258,624	93,850	16,002
2.02.04	Provisions	191,450	194,768	224,606
2.02.04.01	Provisions Tax, Social Security, Labor and Civil	191,450	194,768	224,606
2.02.04.01.01	Tax Provisions	110,043	96,858	97,183
2.02.04.01.02	Labor and Social Security Provisions	69,820	82,113	111,655
2.02.04.01.04	Civil Provisions	11,587	15,797	15,768
2.03	Shareholders' Equity	7,997,943	7,604,694	6,708,721
2.03.01	Realized Capital Stock	2,597,656	2,597,656	2,597,656
2.03.02	Capital Reserves	46,417	47,392	39,723
2.03.02.08	Special Reserve	16,529	16,528	16,529
2.03.02.09	Granted Recognized Shares	29,888	30,864	23,194
2.03.04	Profit Reserves	5,361,714	4,975,128	4,152,643
2.03.04.01	Legal Reserves	332,389	321,848	320,874
2.03.04.02	Statutory Reserves	1,116,183	1,091,923	1,285,126
2.03.04.07	Tax Incentive Reserve	3,932,032	3,496,931	2,627,739
2.03.04.08	Additional Proposed Dividend	93,948	141,379	0
2.03.04.09	Treasury shares	-112,838	-76,953	-81,096
2.03.06	Equity Adjustments	-12,282	-15,268	-81,461
2.03.06.01	Gains (Losses) on Cash-Flow Hedge	-18,614	-23,133	-123,426
2.03.06.02	Tax Effects on Cash-Flow Hedge	6,332	7,865	41,965
2.03.07	Accumulated Translation Adjustments	4,438	-214	160

Individual Financial Statements / Statement of Income
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
3.01	Revenue from Sale of Goods and/or Services	9,584,701	10,725,793	10,063,582
3.01.01	Gross Sales and /or Services	11,849,132	13,075,088	12,195,128
3.01.02	Returns, Discounts and Taxes	-2,264,431	-2,349,295	-2,131,546
3.02	Cost of Goods Sold and/or Services Rendered	-6,336,174	-7,225,406	-7,210,808
3.02.01	Cost of Goods Sold	-6,768,921	-7,728,254	-7,785,311
3.02.02	Tax Incentives (ICMS)	432,747	502,848	574,503
3.03	Gross Income	3,248,527	3,500,387	2,852,774
3.04	Operating Income/Expenses	-2,425,211	-2,438,369	-2,267,791
3.04.01	Selling Expenses	-1,899,568	-1,933,033	-1,781,772
3.04.01.01	Selling Expenses	-1,806,776	-1,842,947	-1,704,158
3.04.01.03	Depreciation and Amortization	-92,792	-90,086	-77,614
3.04.02	General and Administrative Expenses	-391,780	-383,116	-338,317
3.04.02.01	Administrative Expenses	-342,675	-340,577	-298,991
3.04.02.03	Depreciation and Amortization	-49,105	-42,539	-39,326
3.04.04	Other Operating Income	107,360	113,824	131,177
3.04.05	Other Operating Expenses	-243,860	-220,783	-245,600
3.04.06	Equity in Net Income of Subsidiaries	2,637	-15,261	-33,279
3.05	Income Before Financial Results and Tax	823,316	1,062,018	584,983
3.06	Financial Results	-6,522	-129,080	-230,802
3.06.01	Financial Income	421,107	415,234	328,927
3.06.02	Financial Expenses	-427,629	-544,314	-559,729
3.07	Income Before Tax	816,794	932,938	354,181
3.08	Income Tax and Social Contribution	-170,846	-44,284	127,658
3.08.01	Current	-8,816	-1,559	9,774
3.08.02	Deferred	-162,030	-42,725	117,884
3.09	Net Income from the Continuing Operations	645,948	888,654	481,839
3.11	Income for the Period	645,948	888,654	481,839
3.99	Earnings per Share - (Reais / Share)			

Individual Financial Statements / Statement of Income
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
3.99.01	Basic Earnings per Share			
3.99.01.01	Common	1.90545	2.6214	1.42135
3.99.02	Diluted Earnings per Share			
3.99.02.01	Common	1.91341	2.63005	1.4286

Individual Financial Statements / Statements of Comprehensive Income
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
4.01	Net Profit for the Period	645,948	888,654	481,839
4.02	Other Comprehensive Income	7,638	65,819	-123,023
4.02.01	Gains (Losses) on Cash-Flow Hedges	4,519	100,293	-186,380
4.02.02	Accumulated Translation Adjustments	4,652	-374	-12
4.02.03	Tax effects on Cash-Flow Hedges	-1,533	-34,100	63,369
4.03	Comprehensive Income for the Period	653,586	954,473	358,816

Individual Financial Statements / Statement of Cash Flow - Indirect Method
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
6.01	Net Cash from Operating Activities	565,838	2,114,374	97,157
6.01.01	Cash Generated from Operations	1,492,729	1,616,964	1,030,340
6.01.01.01	Net Income before Income Tax and Social Contribution	816,794	932,938	354,181
6.01.01.02	Depreciation and Amortization	353,023	345,409	304,775
6.01.01.03	Cost of Sale of Fixed Assets	1,110	2,977	1,331
6.01.01.04	Equity in Net Income of Subsidiaries	-2,637	15,261	33,279
6.01.01.05	Updated Financing, Debentures and Exchange Rate Variations	385,356	101,043	93,567
6.01.01.06	Updated Financial Investment in the Long Term	-125	-216	-264
6.01.01.07	Updated Judicial Deposits	-8,806	-15,180	-14,381
6.01.01.08	Estimated Losses Due to the Reduction in the Recoverable Amount of Taxes	-4,756	201	0
6.01.01.09	Tax Credits and Updates	-78,648	-76,272	-62,526
6.01.01.10	Provision for Civil, Labor and Tax Risks/Other	66,667	46,198	40,025
6.01.01.11	Provision (Reversal) for Impairment Losses of Customers	23,936	16,455	23,404
6.01.01.12	Provision (Reversal) for Impairment Losses on Inventories	10,622	9,949	16,788
6.01.01.13	Granted Recognized Shares	17,028	13,809	11,010
6.01.01.14	Lease Update	38,894	36,088	27,059
6.01.01.15	Losses (Gains) from Derivative Transaction Contracts	-136,549	196,639	228,452
6.01.01.16	Provision (Reversal) for Expenses/Indemnity Asset	-8,589	-16,076	-11,375
6.01.01.17	Provision for Income Tax on Financing	2,635	1,853	1,789
6.01.01.18	Provision (Reversal) for Reduction of the Recoverable Value of Assets	0	5,888	0
6.01.01.19	Reversal of Gain on acquisition of equity interest	16,774	0	-16,774
6.01.02	Changes in Assets and Liabilities	-696,180	835,086	-591,138
6.01.02.01	(Increase) Decrease in Restricted Deposits	-3,582	66,747	-69,570
6.01.02.02	(Increase) Decrease in Trade Accounts Receivable	148,447	-187,040	-248,063
6.01.02.03	(Increase) Decrease in Inventories	-404,774	796,822	-946,732
6.01.02.04	(Increase) Decrease in Recoverable Taxes	-48,174	323,512	405,429
6.01.02.05	(Increase) Decrease in Financial Investments	-1,943	1,395	-33
6.01.02.06	(Increase) Decrease in Judicial Deposits, Net of Provisions for Risks	-54,260	-55,691	-51,833
6.01.02.07	(Increase) Decrease in Prepaid Expenses	-726	-10,197	-3,376

Individual Financial Statements / Statement of Cash Flow - Indirect Method (in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
6.01.02.08	(Increase) Decrease in Indemnity Assets	5,202	1,191	-685
6.01.02.09	(Increase) Decrease in Other Assets	-2,772	3,372	-26,607
6.01.02.10	Increase (Decrease) in Suppliers	-189,852	-53,643	401,671
6.01.02.11	Increase (Decrease) in Taxes and Contributions	-13,938	-60,229	-114,505
6.01.02.12	Increase (Decrease) in Social and Labor Liabilities	-85,819	-1,833	68,436
6.01.02.14	Increase (Decrease) in Government Subsidies	5,308	-19,179	14,162
6.01.02.15	Increase (Decrease) in Other Liabilities	-49,297	29,859	-19,432
6.01.03	Other	-230,711	-337,676	-342,045
6.01.03.02	Interests Paid	-126,491	-116,227	-79,769
6.01.03.03	Income Tax and Social Contributions Paid	0	-4,778	0
6.01.03.05	Receipts (Payments) of Resources for Settlement of Derivative Transactions	-68,045	-205,609	-262,276
6.01.03.06	Exchange Variations Paid	-36,175	-11,062	0
6.02	Net Cash from Investment Activities	-300,632	-345,783	-612,630
6.02.01	Acquisition of Property and Intangible Assets	-242,849	-241,360	-174,935
6.02.02	Amortization of Debt Acquisition of Companies	-46,732	-52,308	-7,037
6.02.03	Financial Investment in the Long Term	-100	-2,045	-1,500
6.02.04	Acquisition of Equity Interest	0	0	-9,429
6.02.06	Redeem Financial Investment in the Long Term	1,070	1,667	2,257
6.02.07	Advance for Capital Subscription	-12,021	-51,737	-421,986
6.03	Net Cash from Financing Activities	-387,351	-143,610	-400,031
6.03.01	Interest on Equity Paid	-221,821	-69,775	-655,483
6.03.02	Acquisition Financing	1,165,706	329,346	426,970
6.03.03	Financing Payment	-1,182,057	-324,818	-69,539
6.03.04	Acquisition of Company’s Shares	-50,533	0	-36,597
6.03.05	Lease Payment	-98,646	-78,363	-65,382
6.05	Increase (Decrease) in Cash and Cash Equivalents	-122,145	1,624,981	-915,504
6.05.01	Opening Balance of Cash and Cash Equivalents	2,264,281	639,300	1,554,804
6.05.02	Closing Balance of Cash and Cash Equivalents	2,142,136	2,264,281	639,300

Individual Financial Statements / Statement of Changes in Shareholders´ Equity - 01/01/2024 to 12/31/2024 (in thousands)

Code of the account	Description of the code	Capital Stock	Capital Reserves, Options Granted and Shares in Treasury	Profit Reserves	Retained Earnings or Accumulated Losses	Comprehensive Income	Shareholders' Equity
5.01	Opening Balance	2,597,656	-29,561	5,052,081	0	-15,482	7,604,694
5.02	Prior Year Adjustments	0	0	0	0	0	0
5.03	Adjusted Opening Balance	2,597,656	-29,561	5,052,081	0	-15,482	7,604,694
5.04	Capital Transactions with Associates	0	-36,860	-49,027	-174,450	0	-260,337
5.04.04	Acquisition of Treasury Shares	0	-50,533	0	0	0	-50,533
5.04.08	Minimum Mandatory Dividends	0	0	0	-50,076	0	-50,076
5.04.09	Additional dividends proposed	0	0	93,948	-124,374	0	-30,426
5.04.10	Approval of Additional Dividends	0	0	-141,379	0	0	-141,379
5.04.11	Granted Recognized Shares	0	17,028	0	0	0	17,028
5.04.12	Exercise of the Restricted Shares Granting Plan with Treasury Shares	0	-3,355	-1,596	0	0	-4,951
5.05	Total Comprehensive Income	0	0	0	645,948	7,638	653,586
5.05.01	Net Profit for the Period	0	0	0	645,948	0	645,948
5.05.02	Other Comprehensive Income	0	0	0	0	7,638	7,638
5.05.02.01	Adjustments of Financial Instruments	0	0	0	0	2,986	2,986
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	4,652	4,652
5.06	Mutations of Internal Equity	0	0	471,498	-471,498	0	0
5.06.01	Constitution of Reserves	0	0	471,498	-471,498	0	0
5.07	Closing Balance	2,597,656	-66,421	5,474,552	0	-7,844	7,997,943

Individual Financial Statements / Statement of Changes in Shareholders´ Equity - 01/01/2023 to 12/31/2023 (in thousands)

Code of the account	Description of the code	Capital Stock	Capital Reserves, Options Granted and Shares in Treasury	Profit Reserves	Retained Earnings or Accumulated Losses	Comprehensive Income	Shareholders' Equity
5.01	Opening Balance	2,597,656	-41,373	4,233,739	0	-81,301	6,708,721
5.02	Prior year adjustments	0	0	0	0	0	0
5.03	Adjusted Opening Balance	2,597,656	-41,373	4,233,739	0	-81,301	6,708,721
5.04	Capital Transactions with Associates	0	11,812	-51,823	-18,489	0	-58,500
5.04.07	Interest on Equity	0	0	-52,132	-13,867	0	-65,999
5.04.08	Minimum Mandatory Dividends	0	0	0	-4,622	0	-4,622
5.04.11	Granted Recognized Shares	0	13,808	0	0	0	13,808
5.04.12	Exercise of the Restricted Shares Granting Plan with Treasury Shares	0	-1,996	309	0	0	-1,687
5.05	Total Comprehensive Income	0	0	0	888,654	65,819	954,473
5.05.01	Net Profit for the Period	0	0	0	888,654	0	888,654
5.05.02	Other Comprehensive Income	0	0	0	0	65,819	65,819
5.05.02.01	Adjustments of Financial Instruments	0	0	0	0	66,193	66,193
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	-374	-374
5.06	Mutations of Internal Equity	0	0	870,165	-870,165	0	0
5.06.01	Constitution of Reserves	0	0	870,165	-870,165	0	0
5.07	Closing Balance	2,597,656	-29,561	5,052,081	0	-15,482	7,604,694

Individual Financial Statements / Statement of Changes in Shareholders´ Equity - 01/01/2022 to 12/31/2022 (in thousands)

Code of the account	Description of the code	Capital Stock	Capital Reserves, Options Granted and Shares in Treasury	Profit Reserves	Retained Earnings or Accumulated Losses	Comprehensive Income	Shareholders' Equity
5.01	Opening Balance	2,597,656	-15,313	4,408,223	0	41,722	7,032,288
5.02	Prior year adjustments	0	0	0	0	0	0
5.03	Adjusted Opening Balance	2,597,656	-15,313	4,408,223	0	41,722	7,032,288
5.04	Capital Transactions with Associates	0	-26,060	-656,323	0	0	-682,383
5.04.04	Acquisition of Treasury Shares	0	-36,597	0	0	0	-36,597
5.04.07	Interest on Equity	0	0	-655,484	0	0	-655,484
5.04.11	Granted Recognized Shares	0	11,011	0	0	0	11,011
5.04.12	Exercise of the Restricted Shares Granting Plan with Treasury Shares	0	-474	-839	0	0	-1,313
5.05	Total Comprehensive Income	0	0	0	481,839	-123,023	358,816
5.05.01	Net Profit for the Period	0	0	0	481,839	0	481,839
5.05.02	Other Comprehensive Income	0	0	0	0	-123,023	-123,023
5.05.02.01	Adjustments of Financial Instruments	0	0	0	0	-123,011	-123,011
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	-12	-12
5.06	Mutations of Internal Equity	0	0	481,839	-481,839	0	0
5.06.01	Constitution of Reserves	0	0	481,839	-481,839	0	0
5.07	Closing Balance	2,597,656	-41,373	4,233,739	0	-81,301	6,708,721

Individual Financial Statements / Statement of Value Added
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
7.01	Revenues	11,107,952	12,337,179	11,573,049
7.01.01	Sale of Goods, Products and Services	10,975,172	12,204,396	11,450,100
7.01.02	Other Revenues	114,083	115,797	120,108
7.01.03	Related to Construction of Own Assets	42,633	33,441	26,245
7.01.04	Provision/Reversal of Doubtful Accounts	-23,936	-16,455	-23,404
7.02	Input Acquired from Third Parties	-7,787,369	-8,516,368	-8,750,193
7.02.01	Costs of Products, Goods and Services Sold	-4,838,348	-5,624,737	-5,992,760
7.02.02	Materials, Energy, Third Party Services and Other	-2,933,687	-2,882,136	-2,752,727
7.02.04	Other	-15,334	-9,495	-4,706
7.02.04.01	Materials Related to Construction of Own Assets	-15,334	-9,495	-4,706
7.03	Gross Value Added	3,320,583	3,820,811	2,822,856
7.04	Retention	-353,023	-345,409	-304,775
7.04.01	Depreciation, Amortization and Depletion	-353,023	-345,409	-304,775
7.05	Net Value Added Produced	2,967,560	3,475,402	2,518,081
7.06	Value Added Received Through Transfer	423,744	399,973	295,648
7.06.01	Equity in Net Income of Subsidiaries	2,637	-15,261	-33,279
7.06.02	Financial Revenue	421,107	415,234	328,927
7.07	Total Value Added to Distribute	3,391,304	3,875,375	2,813,729
7.08	Distribution of Value Added	3,391,304	3,875,375	2,813,729
7.08.01	Personnel	1,335,145	1,344,427	1,193,542
7.08.01.01	Direct Compensation	934,662	855,139	749,197
7.08.01.02	Benefits	317,415	412,992	376,070
7.08.01.03	Severance Fund (FGTS)	83,068	76,296	68,275
7.08.02	Taxes, Fees and Contributions	952,267	1,069,137	554,980
7.08.02.01	Federal	607,830	510,734	197,944
7.08.02.02	State	328,257	542,622	343,344
7.08.02.03	Municipal	16,180	15,781	13,692
7.08.03	Remuneration of Third-Party Capital	457,944	573,157	583,368
7.08.03.01	Interest Rates	427,629	544,314	559,729

Individual Financial Statements / Statement of Value Added
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
7.08.03.02	Rentals	30,315	28,843	23,639
7.08.04	Remuneration of Own Capital	645,948	888,654	481,839
7.08.04.01	Interest on Own Capital	80,501	212,000	66,514
7.08.04.03	Retained Earnings/Losses for the Period	565,447	676,654	415,325

Consolidated Financial Statements / Balance Sheet - Assets
(in thousands)

Code of the account	Description of the code	Last year 12/31/2024	Next to last year 12/31/2023	Last but two year 12/31/2022
1	Total Assets	12,768,867	12,340,992	11,439,492
1.01	Current Assets	5,999,125	5,700,122	4,877,015
1.01.01	Cash and Cash Equivalents	2,152,587	2,267,837	648,046
1.01.02	Financial Investments	17,147	15,204	16,599
1.01.02.03	Financial Investments Valued at Amortized Cost	17,147	15,204	16,599
1.01.03	Trade Accounts Receivable	1,667,866	1,839,656	1,690,882
1.01.03.01	Clients	1,667,866	1,839,656	1,690,882
1.01.04	Inventory	1,687,637	1,338,350	2,111,549
1.01.06	Recoverable Taxes	289,536	156,940	263,102
1.01.06.01	Current Recoverable Taxes	289,536	156,940	263,102
1.01.06.01.01	Income Tax and Social Contribution	61,309	27,427	28,494
1.01.06.01.02	Other Recoverable Taxes	228,227	129,513	234,608
1.01.07	Prepaid Expenses	23,579	22,090	14,249
1.01.08	Other Current Assets	160,773	60,045	132,588
1.01.08.03	Other	160,773	60,045	132,588
1.01.08.03.02	Derivative Financial Instruments	118,568	10,438	15,601
1.01.08.03.03	Restricted Deposits	6,405	2,823	69,570
1.01.08.03.20	Other Current Assets	35,800	46,784	47,417
1.02	Non-Current Assets	6,769,742	6,640,870	6,562,477
1.02.01	Long-Term Assets	677,640	550,770	539,882
1.02.01.03	Financial Investments Valued at Amortized Cost	1,206	2,072	1,518
1.02.01.04	Trade Accounts Receivable	2,179	5,107	2,878
1.02.01.04.01	Clients	2,179	5,107	2,878
1.02.01.10	Other Non-Current Assets	674,255	543,591	535,486
1.02.01.10.03	Judicial Deposits	251,385	258,539	263,651
1.02.01.10.04	Income Tax and Social Contribution	49,227	45,881	41,913
1.02.01.10.05	Other Recoverable Taxes	146,205	89,960	149,637
1.02.01.10.06	Indemnity Assets	101,151	92,266	75,256
1.02.01.10.07	Derivative Financial Instruments	91,297	47,950	0

Consolidated Financial Statements / Balance Sheet - Assets
(in thousands)

Code of the account	Description of the code	Last year 12/31/2024	Next to last year 12/31/2023	Last but two year 12/31/2022
1.02.01.10.08	Other Non-Current Assets	34,990	8,995	5,029
1.02.02	Investments	86,947	118,645	118,099
1.02.02.01	Shareholdings	31,059	62,254	62,462
1.02.02.01.04	Jointly controlled	30,171	61,366	61,574
1.02.02.01.05	Other Shareholdings	888	888	888
1.02.02.02	Investment Properties	55,888	56,391	55,637
1.02.03	Property, Plant and Equipment	3,590,675	3,578,776	3,547,760
1.02.03.01	Property, Plant and Equipment in Operation	2,841,205	2,926,489	2,984,976
1.02.03.02	Right-of-use in Progress	348,632	340,556	314,953
1.02.03.02.02	Right-of-Use	348,632	340,556	314,953
1.02.03.03	Property, Plant and Equipment in Progress	400,838	311,731	247,831
1.02.04	Intangible	2,414,480	2,392,679	2,356,736
1.02.04.01	Intangible	2,414,480	2,392,679	2,356,736
1.02.04.01.02	Brands and Patents	790,382	790,152	790,035
1.02.04.01.03	Software	252,309	210,585	142,433
1.02.04.01.04	Goodwill	1,243,915	1,243,915	1,256,841
1.02.04.01.05	Customer Relationships	127,292	147,299	166,484
1.02.04.01.06	Non-Compete Agreement	582	728	943

Consolidated Financial Statements / Balance Sheet - Liabilities (in thousands)

Code of the account	Description of the code	Last year 12/31/2024	Next to last year 12/31/2023	Last but two year 12/31/2022
2	Total Liabilities and Shareholders' Equity	12,768,867	12,340,992	11,439,492
2.01	Current Liabilities	2,732,737	2,425,812	2,467,420
2.01.01	Social and Labor Liabilities	161,099	248,353	252,401
2.01.01.01	Social Liabilities	71,134	79,456	66,593
2.01.01.02	Labor Liabilities	89,965	168,897	185,808
2.01.02	Suppliers	1,095,064	1,237,076	1,234,613
2.01.02.01	Domestic Suppliers	1,086,339	1,232,054	1,225,066
2.01.02.02	Foreign Suppliers	8,725	5,022	9,547
2.01.03	Tax Obligations	111,272	119,528	126,812
2.01.03.01	Federal Tax Obligations	51,515	34,118	22,066
2.01.03.01.01	Income Tax and Social Contribution	9,457	1,779	1,778
2.01.03.01.02	Other Federal Tax Obligations	42,058	32,339	20,288
2.01.03.02	State Tax Obligations	57,067	82,870	102,117
2.01.03.03	Municipal Tax Obligations	2,690	2,540	2,629
2.01.04	Loans and Financing	1,103,540	522,487	561,948
2.01.04.01	Loans and Financing	1,103,540	522,487	561,948
2.01.04.01.01	National Currency	40,970	219,987	332,149
2.01.04.01.02	Foreign Currency	1,062,570	302,500	229,799
2.01.05	Other Obligations	261,762	298,368	291,646
2.01.05.02	Other	261,762	298,368	291,646
2.01.05.02.05	Government Subsidies	11,136	5,828	25,007
2.01.05.02.06	Derivative Financial Instruments	22,191	34,594	54,506
2.01.05.02.07	Leasing	98,768	86,808	66,601
2.01.05.02.20	Other Debts	129,667	171,138	145,532
2.02	Non-Current Liabilities	2,038,187	2,310,486	2,263,351
2.02.01	Loans and Financing	1,286,149	1,648,569	1,664,599
2.02.01.01	Loans and Financing	1,286,149	1,648,569	1,664,599
2.02.01.01.01	National Currency	1,286,149	1,161,085	1,138,352
2.02.01.01.02	Foreign Currency	0	487,484	526,247
2.02.02	Other Obligations	271,063	347,752	336,018

Consolidated Financial Statements / Balance Sheet - Liabilities
(in thousands)

Code of the account	Description of the code	Last year 12/31/2024	Next to last year 12/31/2023	Last but two year 12/31/2022
2.02.02.02	Other	271,063	347,752	336,018
2.02.02.02.03	Tax Obligations	0	0	451
2.02.02.02.06	Derivative Financial Instruments	0	67,050	50,660
2.02.02.02.07	Leasing	256,697	271,299	265,316
2.02.02.02.20	Other Non-Current Liabilities	14,366	9,403	19,591
2.02.03	Deferred Taxes	289,228	118,359	37,422
2.02.03.01	Deferred Income Tax and Social Contribution	289,228	118,359	37,422
2.02.04	Provisions	191,747	195,806	225,312
2.02.04.01	Provisions Tax, Social Security, Labor and Civil	191,747	195,806	225,312
2.02.04.01.01	Tax Provisions	110,043	96,858	97,183
2.02.04.01.02	Labor and Social Security Provisions	70,097	83,031	112,045
2.02.04.01.04	Civil Provisions	11,607	15,917	16,084
2.03	Shareholders’ Equity	7,997,943	7,604,694	6,708,721
2.03.01	Realized Capital Stock	2,597,656	2,597,656	2,597,656
2.03.02	Capital Reserves	46,417	47,392	39,723
2.03.02.08	Special Reserve	16,529	16,528	16,529
2.03.02.09	Granted Recognized Shares	29,888	30,864	23,194
2.03.04	Profit Reserves	5,361,714	4,975,128	4,152,643
2.03.04.01	Legal Reserves	332,389	321,848	320,874
2.03.04.02	Statutory Reserves	1,116,183	1,091,923	1,285,126
2.03.04.07	Tax Incentive Reserve	3,932,032	3,496,931	2,627,739
2.03.04.08	Additional Proposed Dividend	93,948	141,379	0
2.03.04.09	Treasury Shares	-112,838	-76,953	-81,096
2.03.06	Equity Adjustments	-12,282	-15,268	-81,461
2.03.06.01	Gains (Losses) on Cash-Flow Hedges	-18,614	-23,133	-123,426
2.03.06.02	Tax Effects on Cash-Flow Hedges	6,332	7,865	41,965
2.03.07	Accumulated Translation Adjustments	4,438	-214	160

Consolidated Financial Statements / Statement of Income
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
3.01	Revenue from Sale of Goods and/or Services	9,662,833	10,840,280	10,129,205
3.01.01	Gross Sales and / or Services	12,003,014	13,287,524	12,301,036
3.01.02	Returns, Discounts and Taxes	-2,340,181	-2,447,244	-2,171,831
3.02	Cost of Goods Sold and/or Services Rendered	-6,336,786	-7,244,911	-7,242,142
3.02.01	Cost of Goods Sold	-6,769,533	-7,747,759	-7,816,645
3.02.02	Tax Incentives (ICMS)	432,747	502,848	574,503
3.03	Gross Income	3,326,047	3,595,369	2,887,063
3.04	Operating Income/Expenses	-2,496,698	-2,526,759	-2,303,881
3.04.01	Selling Expenses	-1,936,590	-1,991,854	-1,827,653
3.04.01.01	Selling Expenses	-1,842,967	-1,900,800	-1,749,899
3.04.01.03	Depreciation and Amortization	-93,623	-91,054	-77,754
3.04.02	General and Administrative Expenses	-417,007	-414,397	-358,531
3.04.02.01	Administrative Expenses	-356,762	-357,414	-307,495
3.04.02.03	Depreciation and Amortization	-60,245	-56,983	-51,036
3.04.04	Other Operating Income	108,920	127,480	133,667
3.04.05	Other Operating Expenses	-247,030	-247,779	-251,680
3.04.06	Equity in net Income of Subsidiaries	-4,991	-209	316
3.05	Income Before Financial Results and Tax	829,349	1,068,610	583,182
3.06	Financial Results	-6,164	-132,583	-231,491
3.06.01	Financial Income	421,703	417,024	332,036
3.06.02	Financial Expenses	-427,867	-549,607	-563,527
3.07	Income Before Tax	823,185	936,027	351,691
3.08	Income Tax and Social Contribution	-177,237	-47,373	130,148
3.08.01	Current	-9,111	-1,559	9,774
3.08.02	Deferred	-168,126	-45,814	120,374
3.09	Net Income from the Continuing Operations	645,948	888,654	481,839
3.11	Income for the Period	645,948	888,654	481,839
3.11.01	Awarded to Members of the Parent Company	645,948	888,654	481,839
3.99	Earnings per Share - (Reais / Share)			

Consolidated Financial Statements / Statement of Income
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
3.99.01	Basic Earnings per Share			
3.99.01.01	Common	1.90545	2.6214	1.42135
3.99.02	Diluted Earnings per Share			
3.99.02.01	Common	1.91341	2.63005	1.4286

Consolidated Financial Statements / Statements of Comprehensive Income
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
4.01	Net Profit for the Period	645,948	888,654	481,839
4.02	Other Comprehensive Income	7,638	65,819	-123,023
4.02.01	Gains (Losses) on Cash-Flow Hedges	4,519	100,293	-186,380
4.02.02	Accumulated Translation Adjustments	4,652	-374	-12
4.02.03	Tax effects on Cash-Flow Hedges	-1,533	-34,100	63,369
4.03	Comprehensive Income for the Period	653,586	954,473	358,816
4.03.01	Awarded to Members of the Parent Company	653,586	954,473	358,816

Consolidated Financial Statements / Statement of Cash Flow - Indirect Method
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to12/31/2023	Last but two year 01/01/2022 to 12/31/2022
6.01	Net Cash from Operating Activities	591,669	2,125,782	106,620
6.01.01	Cash Generated from Operations	1,520,840	1,640,372	1,008,532
6.01.01.01	Net Income before Income Tax and Social Contribution	823,185	936,027	351,691
6.01.01.02	Depreciation and Amortization	368,969	364,971	317,250
6.01.01.03	Cost of Sale of Fixed Assets	1,290	11,748	1,343
6.01.01.04	Equity in Net Income of Subsidiaries	4,991	209	-316
6.01.01.05	Updated Financing, Debentures and Exchange Rate Variations	385,683	103,715	93,754
6.01.01.06	Updated Financial Investment in the Long Term	-125	-216	-264
6.01.01.07	Updated Judicial Deposits	-8,806	-15,180	-14,381
6.01.01.08	Estimated Losses Due to the Reduction in the Recoverable Amount of Taxes	-4,756	201	0
6.01.01.09	Tax Credits and Updates	-80,410	-77,996	-62,526
6.01.01.10	Provision for Civil, Labor and Tax Risks/Other	66,045	46,537	40,025
6.01.01.11	Provision (Reversal) for Impairment Losses of Customers	23,849	16,626	24,324
6.01.01.12	Provision (Reversal) for Impairment Losses on Inventories	11,439	15,447	16,719
6.01.01.13	Granted Recognized Shares	17,028	13,809	11,010
6.01.01.14	Lease Update	38,961	36,241	27,159
6.01.01.15	Losses (Gains) from Derivative Transaction Contracts	-137,323	196,794	229,104
6.01.01.16	Provision (Reversal) for Expenses/Indemnity Asset	-8,589	-16,076	-11,375
6.01.01.17	Provision for Income Tax on Financing	2,635	1,853	1,789
6.01.01.18	Provision (Reversal) for Reduction of the Recoverable Value of Assets	0	5,662	0
6.01.01.19	Reversal of Gain on acquisition of equity interest	16,774	0	-16,774
6.01.02	Changes in Assets and Liabilities	-698,668	824,568	-559,844
6.01.02.01	(Increase) Decrease in Restricted Deposits	-3,582	66,747	-69,570
6.01.02.02	(Increase) Decrease in Trade Accounts Receivable	152,588	-159,985	-243,732
6.01.02.03	(Increase) Decrease in Inventories	-404,387	816,505	-949,485
6.01.02.04	(Increase) Decrease in Recoverable Taxes	-58,027	319,917	407,040
6.01.02.05	(Increase) Decrease in Financial Investments	-1,943	1,395	-33
6.01.02.06	(Increase) Decrease in Judicial Deposits	-54,144	-55,752	-51,890
6.01.02.07	(Increase) Decrease in Prepaid Expenses	-1,489	-7,841	-6,251

Consolidated Financial Statements / Statement of Cash Flow - Indirect Method (in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
6.01.02.08	(Increase) Decrease in Indemnity Assets	5,202	1,191	-685
6.01.02.09	(Increase) Decrease in Other Assets	-11,473	-3,331	-27,447
6.01.02.10	Increase (Decrease) in Suppliers	-181,173	-85,049	416,637
6.01.02.11	Increase (Decrease) in Taxes and Contributions	-11,380	-57,040	-116,448
6.01.02.12	Increase (Decrease) in Social and Labor Liabilities	-87,254	-4,048	68,050
6.01.02.14	Increase (Decrease) in Government Subsidies	5,308	-19,179	14,162
6.01.02.15	Increase (Decrease) in Other Liabilities	-46,914	11,038	-192
6.01.03	Other	-230,503	-339,158	-342,068
6.01.03.02	Interests Paid	-126,832	-117,854	-80,156
6.01.03.03	Income Tax and Social Contributions Paid	-56	-4,778	0
6.01.03.05	Receipts (Payments) of Resources for Settlement of Derivative Transactions	-67,440	-205,464	-261,912
6.01.03.06	Exchange Variations Paid	-36,175	-11,062	0
6.02	Net Cash from Investment Activities	-326,377	-343,860	-601,114
6.02.01	Acquisition of Property, Plant and Equipment and Intangible Assets	-278,178	-262,237	-177,125
6.02.02	Amortization of Debt Acquisition of Companies	-49,169	-81,245	-7,037
6.02.03	Financial Investment in the Long Term	-100	-2,045	-1,500
6.02.04	Acquisition of Equity Interest	0	0	-415,069
6.02.06	Redeem Financial Investment in the Long Term	1,070	1,667	2,257
6.02.07	Advance for Capital Subscription	0	0	-2,640
6.03	Net Cash from Financing Activities	-385,149	-161,643	-413,451
6.03.01	Interest on Equity Paid	-221,821	-69,775	-655,483
6.03.02	Acquisition Financing	1,172,112	331,715	430,094
6.03.03	Financing Payment	-1,185,755	-344,077	-85,330
6.03.04	Acquisition of Company 's Shares	-50,533	0	-36,597
6.03.05	Lease Payment	-99,152	-79,506	-66,135
6.04	Exchange Variation on Cash and Equivalents	4,607	-488	127
6.05	Increase (Decrease) in Cash and Cash Equivalents	-115,250	1,619,791	-907,818
6.05.01	Opening Balance of Cash and Cash Equivalents	2,267,837	648,046	1,555,864
6.05.02	Closing Balance of Cash and Cash Equivalents	2,152,587	2,267,837	648,046

Consolidated Financial Statements / Statement of Changes in Shareholders´ Equity - 01/01/2024 to 12/31/2024 (in thousands)

Code of the account	Description of the code	Capital Stock	Capital Reserves, Options Granted and Shares in Treasury	Profit Reserves	Retained Earnings or Accumulated Losses	Comprehensive Income	Shareholders' Equity	Participation of Non-Controlling	Consolidated Shareholders' Equity
5.01	Opening Balance	2,597,656	-29,561	5,052,081	0	-15,482	7,604,694	0	7,604,694
5.02	Prior years adjustments	0	0	0	0	0	0	0	0
5.03	Adjusted Opening Balance	2,597,656	-29,561	5,052,081	0	-15,482	7,604,694	0	7,604,694
5.04	Capital Transactions with Associates	0	-36,860	-49,027	-174,450	0	-260,337	0	-260,337
5.04.04	Acquisition of Treasury Shares	0	-50,533	0	0	0	-50,533	0	-50,533
5.04.08	Minimum Mandatory Dividends	0	0	0	-50,076	0	-50,076	0	-50,076
5.04.09	Additional dividends proposed	0	0	93,948	-124,374	0	-30,426	0	-30,426
5.04.10	Approval of Additional Dividends	0	0	-141,379	0	0	-141,379	0	-141,379
5.04.11	Granted Recognized Shares	0	17,028	0	0	0	17,028	0	17,028
5.04.12	Exercise of the Restricted Shares Granting Plan with Treasury Shares	0	-3,355	-1,596	0	0	-4,951	0	-4,951
5.05	Total Comprehensive Income	0	0	0	645,948	7,638	653,586	0	653,586
5.05.01	Net Profit for the Period	0	0	0	645,948	0	645,948	0	645,948
5.05.02	Other Comprehensive Income	0	0	0	0	7,638	7,638	0	7,638
5.05.02.01	Adjustments of Financial Instruments	0	0	0	0	2,986	2,986	0	2,986
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	4,652	4,652	0	4,652
5.06	Mutations of Internal Equity	0	0	471,498	-471,498	0	0	0	0
5.06.01	Constitution of Reserves	0	0	471,498	-471,498	0	0	0	0
5.07	Closing Balance	2,597,656	-66,421	5,474,552	0	-7,844	7,997,943	0	7,997,943

Consolidated Financial Statements / Statement of Changes in Shareholders´ Equity - 01/01/2023 to 12/31/2023 (in thousands)

Code of the account	Description of the code	Capital Stock	Capital Reserves, Options Granted and Shares in Treasury	Profit Reserves	Retained Earnings or Accumulated Losses	Comprehensive Income	Shareholders' Equity	Participation of Non-Controlling	Consolidated Shareholders' Equity
5.01	Opening Balance	2,597,656	-41,373	4,233,739	0	-81,301	6,708,721	0	6,708,721
5.02	Prior years adjustments	0	0	0	0	0	0	0	0
5.03	Adjusted Opening Balance	2,597,656	-41,373	4,233,739	0	-81,301	6,708,721	0	6,708,721
5.04	Capital Transactions with Associates	0	11,812	-51,823	-18,489	0	-58,500	0	-58,500
5.04.07	Interest on Equity	0	0	-52,132	-13,867	0	-65,999	0	-65,999
5.04.08	Minimum Mandatory Dividends	0	0	0	-4,622	0	-4,622	0	-4,622
5.04.11	Granted Recognized Shares	0	13,808	0	0	0	13,808	0	13,808
5.04.12	Exercise of the Restricted Shares Granting Plan with Treasury Shares	0	-1,996	309	0	0	-1,687	0	-1,687
5.05	Total Comprehensive Income	0	0	0	888,654	65,819	954,473	0	954,473
5.05.01	Net Profit for the Period	0	0	0	888,654	0	888,654	0	888,654
5.05.02	Other Comprehensive Income	0	0	0	0	65,819	65,819	0	65,819
5.05.02.01	Adjustments of Financial Instruments	0	0	0	0	66,193	66,193	0	66,193
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	-374	-374	0	-374
5.06	Mutations of Internal Equity	0	0	870,165	-870,165	0	0	0	0
5.06.01	Constitution of Reserves	0	0	870,165	-870,165	0	0	0	0
5.07	Closing Balance	2,597,656	-29,561	5,052,081	0	-15,482	7,604,694	0	7,604,694

Consolidated Financial Statements / Statement of Changes in Shareholders´ Equity - 01/01/2022 to 12/31/2022 (in thousands)

Code of the account	Description of the code	Capital Stock	Capital Reserves, Options Granted and Shares in Treasury	Profit Reserves	Retained Earnings or Accumulated Losses	Comprehensive Income	Shareholders' Equity	Participation of Non-Controlling	Consolidated Shareholders' Equity
5.01	Opening Balance	2,597,656	-15,313	4,408,223	0	41,722	7,032,288	0	7,032,288
5.02	Prior years adjustments	0	0	0	0	0	0	0	0
5.03	Adjusted Opening Balance	2,597,656	-15,313	4,408,223	0	41,722	7,032,288	0	7,032,288
5.04	Capital Transactions with Associates	0	-26,060	-656,323	0	0	-682,383	0	-682,383
5.04.04	Acquisition of Treasury Shares	0	-36,597	0	0	0	-36,597	0	-36,597
5.04.07	Interest on Own Capital	0	0	-655,484	0	0	-655,484	0	-655,484
5.04.11	Granted Recognized Shares	0	11,011	0	0	0	11,011	0	11,011
5.04.12	Exercise of the Restricted Shares Granting Plan with Treasury Shares	0	-474	-839	0	0	-1,313	0	-1,313
5.05	Total Comprehensive Income	0	0	0	481,839	-123,023	358,816	0	358,816
5.05.01	Net Profit for the Period	0	0	0	481,839	0	481,839	0	481,839
5.05.02	Other Comprehensive Income	0	0	0	0	-123,023	-123,023	0	-123,023
5.05.02.01	Adjustments of Financial Instruments	0	0	0	0	-123,011	-123,011	0	-123,011
5.05.02.04	Translation Adjustments for the Period	0	0	0	0	-12	-12	0	-12
5.06	Mutations of Internal Equity	0	0	481,839	-481,839	0	0	0	0
5.06.01	Constitution of Reserves	0	0	481,839	-481,839	0	0	0	0
5.07	Closing Balance	2,597,656	-41,373	4,233,739	0	-81,301	6,708,721	0	6,708,721

Consolidated Financial Statements / Statement of Value Added
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
7.01	Revenues	11,189,265	12,484,150	11,657,897
7.01.01	Sale of Goods, Products and Services	11,054,837	12,337,882	11,533,377
7.01.02	Other Revenues	115,644	129,453	122,599
7.01.03	Related to Construction of Own Assets	42,633	33,441	26,245
7.01.04	Provision/Reversal of Doubtful Accounts	-23,849	-16,626	-24,324
7.02	Input Acquired from Third Parties	-7,792,939	-8,583,641	-8,823,134
7.02.01	Costs of Products, Goods and Services Sold	-4,794,681	-5,584,628	-6,013,526
7.02.02	Materials, Energy, Third Party Services and Other	-2,982,924	-2,989,518	-2,804,902
7.02.04	Other	-15,334	-9,495	-4,706
7.02.04.01	Materials Related to Construction of Own Assets	-15,334	-9,495	-4,706
7.03	Gross Value Added	3,396,326	3,900,509	2,834,763
7.04	Retention	-368,969	-364,971	-317,250
7.04.01	Depreciation, Amortization and Depletion	-368,969	-364,971	-317,250
7.05	Net Value Added Produced	3,027,357	3,535,538	2,517,513
7.06	Value Added Received Through Transfer	416,712	416,815	332,352
7.06.01	Equity in Net Income of Subsidiaries	-4,991	-209	316
7.06.02	Financial Revenue	421,703	417,024	332,036
7.07	Total Value Added to Distribute	3,444,069	3,952,353	2,849,865
7.08	Distribution of Value Added	3,444,069	3,952,353	2,849,865
7.08.01	Personnel	1,373,994	1,388,487	1,208,959
7.08.01.01	Direct Compensation	962,489	885,049	759,681
7.08.01.02	Benefits	324,708	421,931	378,502
7.08.01.03	Severance Fund (FGTS)	86,797	81,507	70,776
7.08.02	Taxes, Fees and Contributions	964,943	1,095,865	571,718
7.08.02.01	Federal	620,397	524,439	202,611
7.08.02.02	State	328,174	555,439	355,195
7.08.02.03	Municipal	16,372	15,987	13,912
7.08.03	Remuneration of Third Party Capital	459,184	579,347	587,349
7.08.03.01	Interest Rates	427,867	549,607	563,527

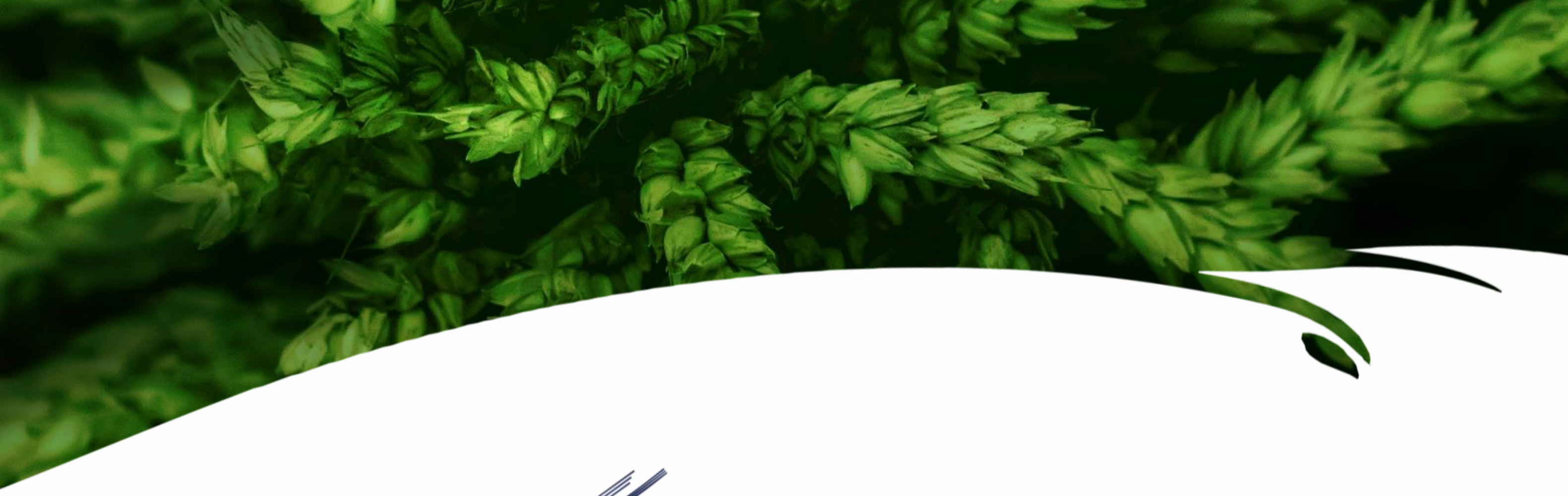
Consolidated Financial Statements / Statement of Value Added
(in thousands)

Code of the account	Description of the code	Last year 01/01/2024 to 12/31/2024	Next to last year 01/01/2023 to 12/31/2023	Last but two year 01/01/2022 to 12/31/2022
7.08.03.02	Rentals	31,317	29,740	23,822
7.08.04	Remuneration of Own Capital	645,948	888,654	481,839
7.08.04.01	Interest on Own Capital	80,501	212,000	66,514
7.08.04.03	Retained Earnings/Losses for the Period	565,447	676,654	415,325

Management Report 2024

M. Dias Branco

Dream, do, grow



SUMMARY

MESSAGE FROM THE CEO

Dear readers,

First of all, we would like to thank you for your genuine interest in learning more about our Company. Our purpose is to feed and inspire people, turning dreams into reality. We remain steadfast in this commitment, always seeking the best for our employees, customers, consumers, suppliers and investors. We hope that this report will be a valuable source of information, providing you with the transparency you need to continue with us on this path of growth and positive impact.

We believe in the potential of an integrated vision that encompasses the financial, economic, social, environmental and governance dimensions. The alignment of these pillars is paramount for M. Dias Branco to achieve sustainable, long-term growth, ensuring that our operations generate value for both the Company and society. We seek to promote collective well-being, preserve the environment and maximize value for our shareholders through a dynamic and efficient governance system.

Over more than 70 years of history, we have built solid foundations that have driven our growth: we are leaders in the pasta and crackers and cookies markets, we have a broad portfolio of regional and national brands, we offer food recognized for flavor and quality, we have a robust financial structure, strong cash generation and a high level of productive integration. Furthermore, our widespread distribution model, modern manufacturing facilities and high level of verticalization reinforce our competitiveness. These strengths, combined with the dedication and skills of our professionals, give us the confidence that we can continue growing in a sustainable manner.

Even in a challenging scenario in 2024, marked mainly by the depreciation of Brazilian Real against the U.S. Dollar, we recorded net revenue of R$ 9.7 billion and a sales volume of 1,754.8 thousand tons. We gained *market share* in volume in the crackers and cookies segments – our core activity – and wheat flour. In addition, we achieved a net income of R$ 646 million, EBITDA of R$ 1.2 billion and operating cash generation of R$ 592 million, reinforcing our resilience to deal with complex macroeconomic contexts and our ability to expand our market share.

In 2024, we implemented several initiatives that have already delivered positive results and will continue to boost our performance in the coming years. We unified our commercial team under a single national Board, strengthened our market strategy by creating a team dedicated to commercial excellence and improving our go-to-market approach. In addition, we have structured a team focused on Food Service and we have adopted a series of actions to optimize our commercial performance, always with a close eye on the needs of customers and consumers.

We continued to strengthen our exports, with expansion in the United States, the development of our own brands and strategic moves in Central and South America. Particularly in Uruguay, we expanded our presence thanks to the synergy with the Las Acacias operation, reinforcing our competitiveness in the region.

We implemented strategic restructuring in our operations to increase efficiency and strengthen business competitiveness. We invested in new technologies and modernized our industrial units, improving our processes and consolidating our standard of excellence.

Innovation continues to be a key lever for our growth, both in the adoption of new technologies and in the launch of higher value-added products. An example of this was the successful implementation of the new ERP (*Enterprise Resource Planning*), which unified the Company's various data sources, providing more accuracy and agility in decision-making.

In the portfolio of launches, we introduced instant noodles, from Adria, Isabela, Vitarella and Richester brands, which offer consumers innovative technology by eliminating frying from the manufacturing process. As for the Piraquê brand, we expanded our offering with Leite Maltado Black and Goiabinha Cookies. These initiatives reinforce our commitment to delivering high-quality, innovative products that meet consumer needs.

We will continue to focus our efforts on the continuous improvement of ESG practices, structured around three fundamental pillars: Caring for the Planet (Environmental), Believing in People (Social) and Strengthening Alliances and Maximizing Value (Governance). In 2024, we remained on B3's Corporate Sustainability Index (ISE) and achieved a double AA rating from Morgan Stanley Capital International (MSCI) for the second year in a row. For the seventh consecutive year, we retained our AAA rating from Fitch Ratings, with a stable outlook. We were also recognized by ANEFAC Award with the Transparency and Good ESG Practices trophies. Reinforcing our commitment to ethics and transparency, we joined the UN Global Compact's 100% Transparency Movement.

In addition, we obtained ISO 37001 certification, which attests to the implementation of an effective Anti-Bribery Management System, contributing to risk mitigation, stronger governance and increased investor and stakeholder confidence. Driven by the progress in Governance pillar of the ESG Agenda, we achieved a level of adherence of over 97% in the CVM Governance Report, consolidating our position as a benchmark in good practices aligned with Brazilian Corporate Governance Code.

Finally, we reaffirm our commitment to executing our strategy with excellence, focusing on the long term, but without losing sight of the continuous search for short-term results. We will continue to be guided by simplicity, attitude, collaboration, respect and excellence - the fundamental values that underpin our journey.

We have a well-defined, recently updated strategic direction, and we strongly believe in the potential of our team to generate value for all our stakeholders. We will be bold, while keeping our usual balance and nurturing a healthy and responsible non-conformism - the one that drives us and propels us confidently towards being the most recognized food solutions company in the markets in which we operate.

Ivens Dias Branco Júnior
CEO

M. DIAS BRANCO

M. Dias Branco S. A. Indústria e Comércio de Alimentos is a publicly traded corporation listed on B3 S.A. - Brasil, Bolsa, Balcão in Novo Mercado segment (MDIA3). Leader in Brazil's cookie & cracker, pasta, granolas and healthy cookies markets. M. Dias Branco operates in industrialization, sale and distribution of food. The Company's purpose is to feed and inspire people turning dreams into reality.

Dream, Do, Grow. This is the purpose of M. Dias Branco. With 70 years of history, the Company has been growing consistently and sustainably, investing in the modernization of its industrial park, the adoption of the best market management practices and the development of its professionals. The entire M. Dias Branco team is inspired by the mission, vision and values shared below:

Mission

To offer quality, innovative, healthy and tasty food with competitive prices, providing well-being and happiness to people.

Vision

To be a large food company in Brazil, with a global presence, diversified operations, sustainable growth and respect for our origins.

Values

Simplicity in relationships and in the search for practical solutions;

Attitude to innovate and make it happen;

Collaboration for business growth;

Respect for people and the common good;

Excellence in everything we do.

Its modern production facilities, plants strategically located throughout the country, vertical production process, portfolio of strong brands with national and international coverage, in addition to financial robustness and strong cash generation to support the growth strategy, are differentiators of M. Dias Branco's business model and which supports a profitable growth strategy.

During planning, different initiatives were drawn up for the Brazilian regions, aimed at harnessing expansion opportunities according to the characteristics of each segment. This strategy has repercussions on the distribution of our teams, organizational structure and investments.

The main product categories are cookies and crackers, pasta, wheat flour and bran, margarine and vegetable shortening, in addition to other product lines, such as cakes, cake mixes, snacks and nuts, toasts, peanut butter, seasonings, chocolates, granola and grains, breads and wraps, sugar, and sweeteners. With the acquisition of Frontera, Fit Food, Smart and Jasmine, the Company reinforced its presence in healthy foods and snacks, in addition to marking its entry into the seasonings, sauces and condiments segments. Furthermore, it began its international expansion with the acquisition of Las Acacias in Uruguay.

RECOGNITION

In 2024, M. Dias Branco's management and market practices earned recognition from several organizations. In this sense, we highlight some awards and recognitions:

Fitch Ratings reaffirms Rating AAA Stable Outlook, for the seventh consecutive year.

Carbon Efficient Index (ICO2), reinforcing its commitment to the efficient management of Greenhouse Gases (GHG) and practices aimed at climate transition.

MSCI ESG reaffirms Rating AA, for the third consecutive year.

Teva Women in Leadership® Index, the first in Brazil to select companies with the highest share of women in governance.

B3's Great Place to Work Index (IGPTW), which considers certified companies as an excellent place to work.

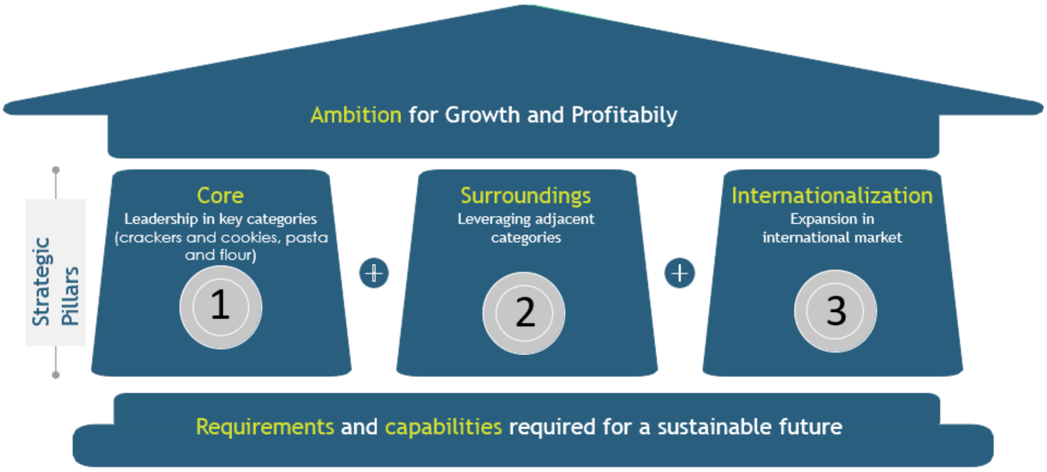
IDIVERSA B3, top 20 companies that value diversity.

Additionally, the Company received, for the seventh time, the ANEFAC Transparency Trophy, which highlights the best practices in the disclosure of financial and accounting information by Brazilian companies. In addition, it was a finalist for the ANEFAC ESG Good Practices Award, established in 2024 to recognize and reward companies that stand out in initiatives that permeate business continuity, environmental preservation and people's well-being.

M. Dias Branco was also recognized as a leader in several categories in the Institutional Investor survey, one of the main publications in the international financial market. In the Food and Beverage segment, in the Latin America Midcap ranking, the Company won first place for Best CEO, Best CFO, Best Investor Relations Professional, Best Board of Directors and Best Investor Relations Team, among other awards.

STRATEGIES AND OUTLOOK

M. Dias Branco has expanded its footprint on the national scene by diversifying its portfolio into new businesses, while strengthening its main categories. Additionally, the Company has intensified its exports, improving its position in the international market and progressively increasing its global share, which represents an important strategic step in its continued growth.



Growth and profitability continue to be the main priorities, and their achievement is structured around three strategic pillars:

- Core: strengthening of the leading categories and those accounting for most of the revenues (crackers and cookies, pasta and flour);

- Surroundings: expansion and strengthening of new product categories, aiming at portfolio diversification and increased profitability, always aligned with market trends and consumer behavior;

- Internationalization: expanding presence in priority international markets and strengthening operations in Uruguay, together with Las Acacias unit.

To support these pillars and assure their effective implementation, ensuring the achievement of strategic ambitions, requirements, capabilities and structuring projects are needed, as detailed in the topics below.

STRATEGIC PROJECTS

In 2024, a number of initiatives were implemented to drive the execution of the current strategic direction, most notably the efforts to improve commercial excellence, including the review of the service model with adjustments in priority regions (Route to Market - RTM in priority regions), the improvement of service levels and optimization to increase operational efficiency. There have also been investments in the use of technology and data science to make strategic decisions more accurate. These actions were carried out in an environment focused on the evolution of organizational culture, with an emphasis on agility to promote efficient decision-making.

DISSEMINATION OF THE STRATEGY

The Company has been dedicated to communicating its strategy on a clear and accessible basis to all employees (operational, tactical and leadership), with the aim of strengthening everyone's sense of purpose and belonging.

A *gamified* platform was created called "Jornada da Estratégia"(Strategy Journey), an online game that makes the experience of learning about strategy more fun and practical. The pilot now run is targeted at the operational audience, offering information on the Company's history, how it got here, the main progress it has made, and the core issues related to growth with profitability, as set out in the strategic direction.

Another initiative, a podcast series called "Ligados na Estratégia" (Connected to the Strategy), reinforces the Company's progress. In each episode, priority strategic themes were addressed with clear and objective communication, with the participation of the leaders involved, facilitating in-depth study and understanding.

MANAGEMENT MODEL

To ensure systematic monitoring of strategic initiatives, the Transformation Office, the management unit that supports the Company in achieving its goals, continued to operate with structured governance and reports to the Strategy Committee, the People and Management Committee, the CEO and to the Board of Directors. Currently, M. Dias Branco has the support of an external consultancy, which actively participates in the activities of the Transformation Office.

With the aim of strengthening the result-oriented culture and the management model, the Partners for Results Program, a network of employees connected to the management of business areas, was strengthened by training participants in topics relevant to strategic direction.

The execution of the strategic direction, with constant monitoring of results and the engagement of all teams, is fundamental to achieving the goals set, transforming our ambitions into tangible achievements.

RESEARCH AND DEVELOPMENT (R&D)

M. Dias Branco's Research and Development area works collaboratively to develop the national regulatory scenario, in line with strategic interests. The purpose is to exercise active leadership and strengthen relations with associations and government bodies, always acting with ethics, transparency and fairness, ensuring strict compliance with health regulations from raw materials to end consumers.

The commitment to regulatory compliance is reflected in active support for development projects, sharing of regulatory trends, information and experiences. Legal compliance assessments are performed at all stages of the projects, ensuring that the products meet the highest quality and safety standards, a fundamental conduct to maintain the market leadership position and promote continuous innovation.

In 2024, 75 initiatives focused on reducing costs and increasing productivity were mapped, linked to the development of inputs, processes and products. During the year, productivity initiatives contributed R$ 35.2 million to the Company's results. 51 of these initiatives have been implemented, and 24 will be continued in 2025.

Throughout the year, the mapping of strategic scientific research territories, which began in the previous year, was completed. The process culminated in an analysis of technological trends for food development, with a view to the scientific potential of universities and research centers, both in Brazil and worldwide, focused on the Company's strategic territories of interest. This was an important step forward in allocating resources to opportunities to foster research.

NEW PRODUCTS

M. Dias Branco's line of new products illustrates the commitment to promoting innovative and sustainable solutions to the food market. In 2024, 31 innovation projects for new products were completed, 18 for the domestic market, 6 for export and 7 for the health market.

During the year, 59 new products were launched (55 in 2023), 54 to the domestic market and 5 to export, which added to the launches of the last 24 months, amounted to R$ 430.7 million in revenue of the Company. The total investment in R&D and open innovation in the year was R$ 16.5 million (R$ 17.4 million in 2023).

A highlight was the launch of the first non-fried instant noodles on the Brazilian market, in various flavors. The technology to produce instant noodles without frying, by pre-cooking the dough in hot air, was created in Asia and sold exclusively to Brazil. Among the healthy products, the innovation of *ricefajor* stands out, similar to the traditional alfajor, but made with rice crackers.

Collabs between companies are a trend in several sectors and received the attention of the Product Development area, resulting in a partnership with Bob's Brasil for the launch of a shake and an ice cream with pieces of Goiabinha Piraquê.

DIGITAL TRANSFORMATION

In 2024, M. Dias Branco reached a significant milestone in its digital transformation journey with the go live of the Simplifique (Simplify) Project, one of the Company's largest business systems modernization initiatives. The transition to SAP S/4HANA platform took place in January 2024 and was conducted on a controlled manner, with minimal impact on operations and stabilization in record time, as a result of detailed planning and collaborative execution between the IT and Business areas, as well as strategic partners. The initiative began in 2022 and mobilized more than **800 employees and all units**, integrating **47 legacy systems**.

As a result, business processes have been harmonized across the Company, providing real-time visibility, increased agility in decision-making and flexibility to support future growth. The new data architecture also enabled significant gains in data management, supporting complementary initiatives such as the Commercial Control Tower, which centralizes information on sales, prices, market coverage, demand forecasts and performance by point of sale.

Another highlight was the implementation of SAP Analytics Cloud (SAC) for budget planning. 2025 budget was fully prepared on the new platform, consolidating all stages in a single environment, with scenario simulation, more accurate forecasts and agile approvals.

Complementing this evolution, we strengthened cybersecurity practices, with a technical-financial plan to protect industrial (OT) and corporate (IT) networks, ensuring the security of operations in an increasingly digitalized environment.

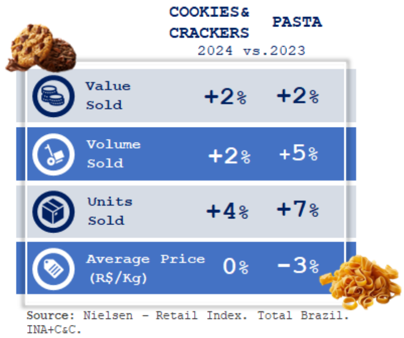
Simplifique not only modernized M. Dias Branco's technological infrastructure, but also stood out for the quality of delivery, focusing on the standard version of SAP S/4HANA, resulting in only 7% customization. The controlled transition, the stability at the start of the operation and the effective management of the change were distinguishing features that led SAP to recognize M. Dias Branco as a success case, highlighting this initiative as a benchmark at the manufacturer's main domestic event.

In addition to consolidating the Company's technological base, the project established the foundations for a more efficient, scalable and data-driven operation, driving competitiveness and innovation in the food sector.

MARKET CONTEXT

COOKIES & CRACKERS AND PASTA MARKETS

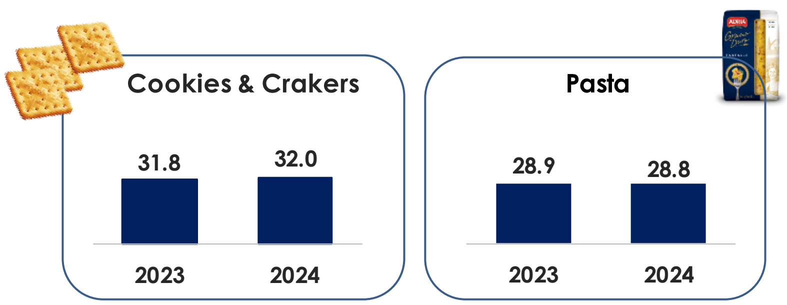
The markets of Cookies & Crackers and Pasta (sell-out) increased in volume and value in the quarter and in the year.



MARKET SHARE

M. Dias Branco is in the leading position in the cookies and crackers and pasta markets in Brazil, whose share of sales volume in 2024 was **32.0%** in cookies and crackers (31.8% in 2023) and **28.8%** in pasta (28.9% in 2023). The graph shows M. Dias Branco's market share volume in the period from January to December 2024.

Market Share* (% de volume sold)



***Source:** Nielsen– Retail Index. Total Brazil. INA+C&C. Cookies and Crackers / Pasta.

ECONOMIC AND FINANCIAL PERFORMANCE

In 2024, M. Dias Branco achieved **R$ 9.7 billion** net revenue, representing a **10.9%** decrease compared to the previous year, due to a decline in volumes sold **(-1.8%)** and average price **(-9.8%)**. The main indicators of consolidated results for 2024 compared to 2023 are shown below:

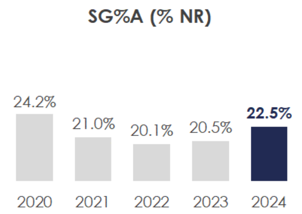
Financial and operating results	2024	2023	Variation
Net Revenue (R$ million)	9,662.9	10,840.3	-10.9%
Total Sales Volume (thousand tonnes)	1,754.8	1,786.9	-1.8%
Market Share of Cookies and Crackers (volume)*	32.0%	31.8%	0.2 p.p
Market Share of Pasta (volume)*	28.8%	28.9%	-0.1 p.p
Net Income (R$ million)	646.0	888.7	-27.3%
EBITDA (R$ million)	1,198.3	1,433.6	-16.4%
EBITDA Margin	12.4%	13.2%	-0.8 p.p
Net Cash (Debt) (R$ million)	-24.6	73.6	n/a
Net Cash (Debt) / EBITDA (last 12 months)	0.0	0.1	-100.0%
Capex (R$ million)	304.4	366.7	-17.0%
Net Cash generated from operating activities	591.7	2,125.8	-72.2%

Note: The values presented were updated by Nielsen.

Throughout the year, several initiatives were implemented to align price, volume, and margins with market conditions, always focusing on value creation and profitable growth.

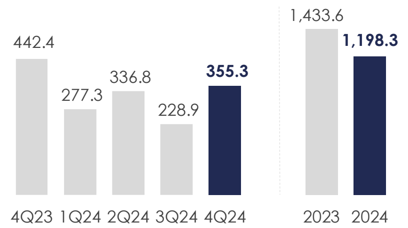
- **Consolidation of the commercial team in a single national leadership,** increasing the dynamism and synergy in negotiations with retailers;
- **Consolidation of a team dedicated entirely to commercial excellence,** starting to operate with more information and better control of the route to the market (go-to-market), at the level of customers, stores and SKUs and improving the control of investments (discounts, campaigns, etc.);
- **Allocation of the Revenue Management team to the Vice Presidency of Investments and Controllership.** The change is bringing stricter control of commercial budgets and pricing adjustments;
- **Creation of a team focused on Foodservice.** Now we have a dedicated team at the national level. Additionally, specific Marketing and Trade Marketing strategies were developed for this segment;
- **Strengthened of exports,** with growth in existing markets and expansion into new ones. In Uruguay, Las Acacias' coverage increased, supported by adjustments in the go-to-market model.

Highlight for an increase in gross margin by **1.3 p.p**, going from 33.2% in 2023 to **34.4%** in 2024. Administrative and selling expenses (SG&A) decreased by **2.5%,** but increased in representativeness over net revenue, as a result of the **9.8%** drop in the average price, which went from R$ 6.1 to R$ 5.5.

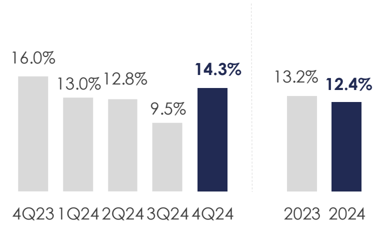


As a result, the Company recorded **R$ 1.2 billion** EBITDA (-16.4% versus 2023), with **12.4%** EBITDA margin (13.2% in 2023) and **R$ 646.0 million** net income (-27.3% versus 2023).

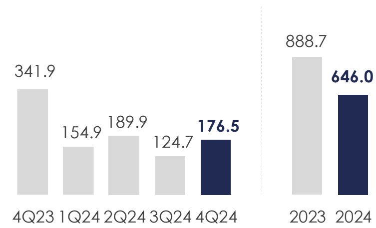
EBITDA (R$ million)



EBITDA Margin (%)



Net income (R$ million)



NET REVENUE

In 2024, the net revenue was **R$ 9.7 billion**, with a decline in average price **(-9.8%)** and volumes sold **(-1.8%)**. In terms of groups of categories, Core Products and Wheat Milling and Refined Oils decreased, while Adjacencies grew.

The drop in net revenue reflects the reduction in volumes, impacted both by the implementation of the SAP system, and by the retraction observed in third quarter, due to the price adjustments implemented in July 2024.

Net revenue, volume and price	2024	2023	Var. %
Volume	**1,754.8**	**1,786.9**	**-1.8%**
Price	**5.5**	**6.1**	**-9.8%**
Net Revenue	**9,662.9**	**10,840.3**	**-10.9%**
Core Products*	7,521.9	8,456.0	-11.0%
Wheat Milling and Refined Oils**	1,659.1	1,941.6	-14.5%
Adjacencies***	481.9	442.7	8.9%

**Cookies and Crackers, Pasta and Margarine;*

***Wheat Flour, Bran and Industrial Vegetable Shortening;*

****Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.*

Consistent investments in new product launches, commercial and marketing actions and attention to market trends are part the strategy to strengthen our brands. In 2024, innovation stood out, with high-value-added items such as the new lámens, which use technology to eliminate frying from the manufacturing process, as previously highlighted in the Research and Development section.

Additionally, under the Piraquê brand, the Cookies Leite Maltado Black, Goiabinha, and the Piraquê + Bob's partnership featuring Goiabinha Piraquê desserts were launched. In Vitarella, new wafer biscuits were introduced in cocada with peanut and corn with guava flavors. Fit Food's new line of chocolates and biscuits includes chocolate bars, filled bonbons, and Arrozfajor. Meanwhile, Jasmine launched the Premium Low Carb Granolas and Mini Granolas, both with a carbon-neutral certification.

COSTS

In 2024, the cost of goods sold drop **12.6%** compared to the previous year, representing **70.1%** of net revenue of the period (71.5% in 2023).

COGS (R$ million)	2024	% Net Rev.	2023	% Net Rev.	Var. %	Var. p.p.
Raw material	4,314.4	44.6%	5,321.8	49.1%	-18.9%	-4.5 p.p.
Packages	633.1	6.6%	663.1	6.1%	-4.5%	0.5 p.p.
Labor	890.8	9.2%	855.4	7.9%	4.1%	1.3 p.p.
Indirect costs	706.7	7.3%	662.8	6.1%	6.6%	1.2 p.p.
Depreciation and amortization	210.7	2.2%	212.0	2.0%	-0.6%	0.2 p.p.
Cost of goods sold	13.8	0.1%	32.6	0.3%	-57.7%	-0.2 p.p.
Total	6,769.5	70.1%	7,747.7	71.5%	-12.6%	-1.4 p.p.

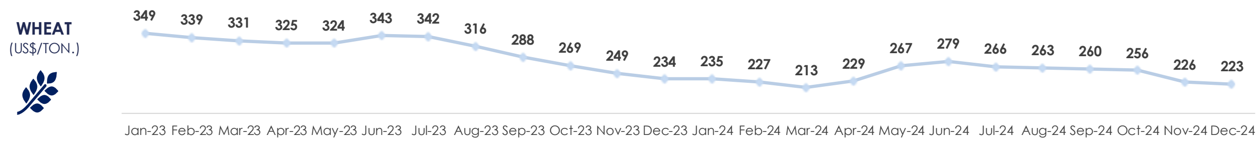
The **1.4 p.p** decrease in COGS as a percentage of revenue in 2024 versus 2023 was influenced by the drop in the price of wheat in dollars, which offset the effects of the devaluation of the Real and the increase in the cost of palm oil in Reais.

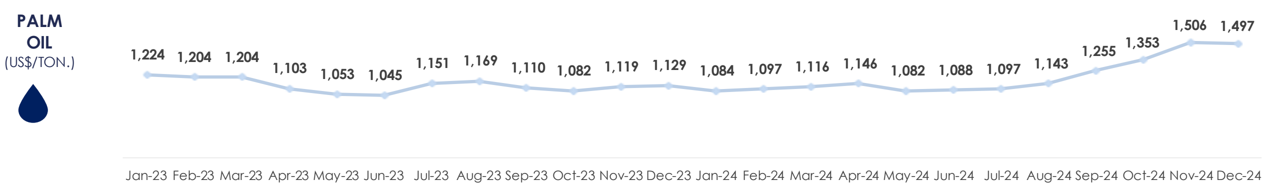
The average price of wheat in the market has been declining since July 2023, except for the second quarter of 2024, when weather concerns about the drought in Russia reduced harvest estimates for the year, boosting the price of the commodity. After this increase, the reduction in imports by Turkey and the improvement in expectations for the American harvest put downward pressure on prices. Since then, the commodity has remained stable.

Palm oil stabilized at the end of the quarter, after a strong rise at the beginning of the third quarter of 2024.This increase was mainly driven by projections of a drop in production due to adverse weather conditions, especially in Malaysia and South America.

As for the impact of wheat and palm oil prices, is evident in the graphs below the evolution of acquisition prices in M. Dias Branco's inventories and market prices for the periods from 2023 to 2024:

Market Price - Wheat and Palm Oil





PRODUCTION AND UTILIZATION OF PRODUCTION CAPACITY

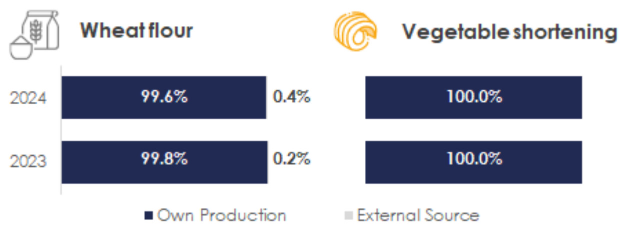
In 2024, the level of capacity utilization totaled **58.8%** (-1.5 p.p versus 2023), due to the reduction in volumes produced in the period, in line with the decline in sold volumes.

Production Capacity Utilization	2024	2023	Var.
Total Production	2,565.4	2,613.0	-1.8%
Total Production Capacity	4,364.8	4,330.9	0.8%
Capacity Utilization	**58.8%**	**60.3%**	**-1.5 p.p.**

In line with the strategy of increasing operational efficiency by optimizing the cost structure, the Company continues to make adjustments to the logistics, production and distribution networks. Thus, in October 2024, the Company transferred pasta production from the Madureira factory, in Rio de Janeiro, to other units, ensuring increased operational efficiency and agility in product delivery.

VERTICAL INTEGRATION

The Company produces the most part of its two main raw materials used in production. In 2024, **99.6%** of all wheat flour and **100%** of all vegetable shortening used in the production process were manufactured in-house (99.8% and 100% in 2023, respectively).



INVESTMENT SUBSIDIES

Investment subsidies are transferred to the result in compliance with CPC 07 and IAS 20 – Government Subsidies and are divided between state and federal.

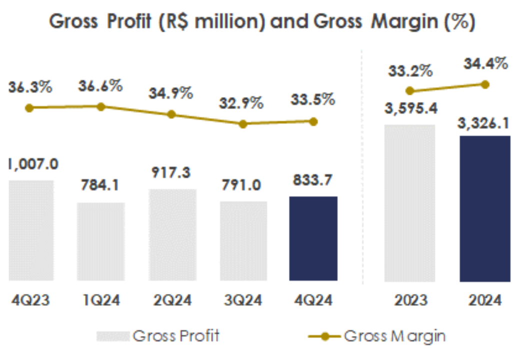
As of January 2024, as a result of Law No. 14,789/2023, investment subsidies started to be taxed by PIS, COFINS, social contribution and income tax. In contrast, the Law established the possibility of calculating tax credits, corresponding to the rate of twenty-five percent (25%) applied to investment subsidy revenues, establishing some conditions that limit the value of the credit.

In 2024, the Company acquired the right to **R$ 432.7 million**, net of taxes plus tax credits on subsidies (R$ 502.8 million as of December 31, 2023), arising from the state incentives in force.

For further information see Note 20 to the financial statements for the year ended December 31, 2024.

GROSS PROFIT

In 2024, gross profit decreased by **7.5%**, primarily impacted by the reduction in volumes. On the other hand, the gross margin increased by **1.2 p.p.**, expanding from 33.2% in 2023 to **34.4%** in 2024, reflecting lower pressure from commodity costs.



OPERATING EXPENSES

Operating expenses were down **1.4%**, mainly due to the non-provision of profit-sharing as a result of the failure to meet targets for corporate performance indicators, in contrast to extraordinary expenses for staff restructuring and an increase in technology expenses.

There was also an increase in representativity over net revenue **(+2.5 p.p.)**, as a result of the **9.8%** drop in the average price, which went from R$ 6.1 to R$ 5.5.

Operating Expenses (R$ million)	2024	% Net Rev.	2023	% Net Rev.	Var. %	Var. p.p.
Selling*	1,843.0	19.1%	1,900.6	17.5%	-3.0%	1.6 p.p.
Administrative	323.6	3.3%	322.3	3.0%	0.4%	0.3 p.p.
(SG&A)	**2,166.6**	**22.5%**	**2,222.9**	**20.5%**	**-2.5%**	**2 p.p.**
Donations	33.2	0.3%	35.3	0.3%	-5.9%	0 p.p.
Taxes	33.4	0.3%	38.6	0.4%	-13.5%	-0.1 p.p.
Depreciation and amortization	158.2	1.6%	152.9	1.4%	3.5%	0.2 p.p.
Other operating expenses/(revenue)	100.3	1.0%	76.8	0.7%	30.6%	0.3 p.p.
TOTAL	**2,491.7**	**25.8%**	**2,526.5**	**23.3%**	**-1.4%**	**2.5 p.p.**

*Salaries and benefits, freight and other expenses with marketing, sales force and logistics.

Note: In the presentation of Financial Statements, depreciation and amortization expenses were included in selling and administrative expenses, and tax expenses were added to other expenses (income), net. For further information see Note 27 to the financial statements for the year ended December 31, 2024.

FINANCIAL RESULT

In 2024, the Company reported a negative result of **R$ 6.2 million**, compared to a result of **R$ 132.6 million** in 2023. The lower pressure on financial results was mainly due to the increase in revenue from financial investments and the decrease in the cost of debt, combined with the reduction in net debt over the periods.

Financial Result (R$ million)	2024	2023	Var. %
Financial Revenue	421.7	417.0	1.1%
Financial Expenses	-427.9	-549.6	-22.1%
TOTAL	**-6.2**	**-132.6**	**-95.3%**

TAXES ON INCOME

Income and Social Contribution Taxes (R$ million)	2024	2023	Var. %
Income and Social Contribution Taxes	209.1	47.4	n/a
Income Tax Incentive	-31.9	0.0	n/a
TOTAL	**177.2**	**47.4**	**n/a**

The Company ended 2024 with a provision of R$ 177.2 million for income tax and CSLL. The increase is the result of the taxation of subsidies that began in January 2024, as a result of Law No. 14,789, of December 29, 2023.

The effective tax rate for 2024 was 21.5%. In addition to the impact of taxation on subsidies, the increase in the rate compared to previous years was influenced by the increase in Deferred Income Tax due to the temporary gain from swap operations, which is not part of the calculation basis for federal benefits (SUDENE). This last factor represented 7.2 p.p. of the total rate.

EBITDA AND NET PROFIT

The Company closed 2024 with EBITDA of **R$ 1.2 billion** (decrease **16.4%** over 2023), with an EBITDA margin of **12.4%** (13.2% in 2023). Net income reached **R$ 646.0 million** in 2024, a decrease of **27.3%** vs. 2023. The performance mainly reflects the decline in volumes sold and the average price, despite lower pressure from commodity costs.

EBITDA – NET REVENUE

EBITDA CONCILIATION (R$ million)	2024	2023	Var. %
Net Revenue	**9,662.9**	**10,840.3**	**-10.9%**
Cost of goods sold	-6,769.5	-7,747.7	-12.6%
Depreciation and Amortization of cost of goods	210.7	212.0	-0.6%
Tax Incentive (ICMS)	432.7	502.8	-13.9%
Operating Expenses	-2,491.7	-2,526.5	-1.4%
Equity in net income of subsidiaries	-5.0	-0.2	n/a
Depreciation and Amortization of expenses	158.2	152.9	3.5%
EBITDA	**1,198.3**	**1,433.6**	**-16.4%**
EBITDA Margin	**12.4%**	**13.2%**	**-0.8 p.p**

EBITDA – NET INCOME

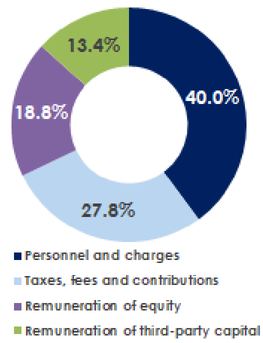
EBITDA CONCILIATION (R$ million)	2024	2023	Var. %
Net Profit	**646.0**	**888.7**	**-27.3%**
Income Tax and Social Contribution	209.1	47.4	n/a
Income Tax Incentive	-31.9	0.0	n/a
Financial Revenue	-421.7	-417.0	1.1%
Financial Expenses	427.9	549.6	-22.1%
Depreciation and Amortization of cost of goods	210.7	212.0	-0.6%
Depreciation and Amortization of expenses	158.2	152.9	3.5%
EBITDA	**1,198.3**	**1,433.6**	**-16.4%**
EBITDA Margin	**12.4%**	**13.2%**	**-0.8 p.p**

VALUE ADDED

In 2024, the wealth produced by the Company was **R$ 3.4 billion**. The amount allocated to personnel and payroll totaled R$ 1.4 billion, representing the most significant portion, followed by taxes, fees and contributions; remuneration of equity; and remuneration of third-party capital, as shown below:

Distribution of value added (R$ million)	2024	%VA	2023	%VA
Personnel and charges	1,374.0	40.0%	1,388.5	35.1%
Taxes, fees and contributions	952.4	27.8%	1,095.9	27.7%
Remuneration of third-party capital	459.2	13.4%	579.3	14.7%
Remuneration of equity (Retained earnings)	645.9	18.8%	888.7	22.5%
Total	**3.341,5**	**100.0%**	**3,952.4**	**100.0%**

Distribution of value added



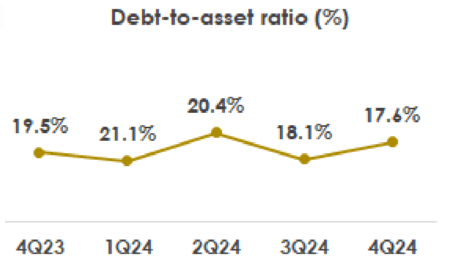
CAPITALIZATION, DEBT AND CASH FLOW

The Company closed the period with a cash position of **R$ 2.2 billion** (R$ 2.3 billion in 2023) and gross debt of **R$ 2.4 billion** (R$ 2.2 billion in 2023), in addition to a reduction in leverage, with net cash/LTM EBITDA (last 12 months) of **0.0x** in 2024 (net debt was 0.1x in 2023).

Capitalization (R$ million)	2024	2023	Variation
Cash	2,152.6	2,267.8	-5.1%
Linked deposits	6.4	2.8	n/a
Financial Investments Short Term	17.1	15.2	12.5%
Financial Investments Long Term	1.2	2.1	-42.9%
Total Indebtedness	**-2,389.6**	**-2,171.1**	**10.1%**
(-) Short Term	-1,103.5	-522.5	n/a
(-) Long Term	-1,286.1	-1,648.6	-22.0%
(-) Derivatives Financial Instruments	**187.7**	**-43.2**	**n/a**
(=) Net Cash (Net Debt)	**-24.6**	**73.6**	**n/a**
Shareholder's Equity	7,998.0	7,604.7	5.2%
Capitalization	**10,387.6**	**9,775.8**	**6.3%**

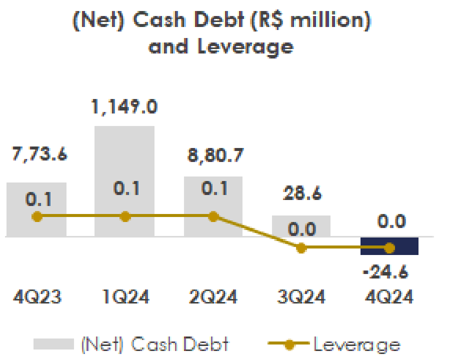
Financial Indicator	2024	2023	Variation
Cash (Debt) Net / EBITDA (last 12 months)	0.0	0.1	-100.0%
Cash (Debt) Net / Shareholder's Equity	-0.3%	1.0%	-1.3 p.p
Indebtedness / Total Assets	18.7%	17.6%	1.1 p.p

The debt-to-asset ratio reached **18.7%**, an increase 1.1 p.p. compared to the final position in 2023, as shown in the graph on the side, influenced by the **10.1%** increase in total debt.

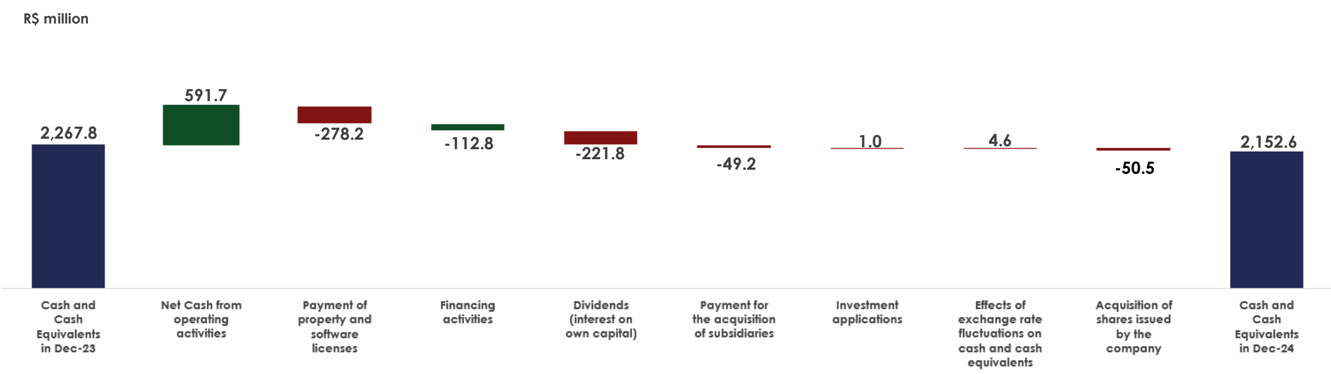


Net debt reached **R$ 24.6 million** in 2024 (net cash of R$ 73.6 million in 2023), with leverage was **0.0x** in 2024 (net debt-to-EBITDA for the last 12 months was 0.1x in 2023).

At the end of 2024, **53.8%** of the debt was in the long term, while **46.2%** was short term. A highlight was the Rating AAA Stable Outlook, reaffirmed by Fitch for the 7th consecutive year.

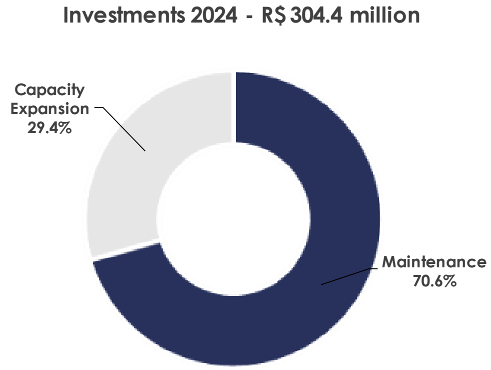


With a stable cash and cash equivalents position, the main movements are highlighted below: operational cash generation of **R$ 591.7 million**, capex investments of **R$ 278.2 million**, and payment of interest on the equity totaling **R$ 221.8 million**.



INVESTMENTS

Investments (R$ million)	2024	2023	Variation
Buildings	17.1	60.9	-71.9%
Machinery and equipment	129.3	155.3	-16.7%
Construction in progress	46.6	33.3	39.9%
Vehicles	0.1	0.0	n/a
IT Equipment	22.0	6.0	n/a
Furniture and Fixtures	6.0	9.3	-35.5%
Land	7.2	0.0	n/a
Software Use License	75.4	100.5	-25.0%
Others	0.7	1.4	-50.0%
Total	**304.4**	**366.7**	**-17.0%**



Investments totaled **R$ 304.4 million** in 2024 (-17.0% vs. 2023). Highlighting improvements in Eusébio unit (CE) and the machinery and equipment to produce non-fried ramen.

The Company maintained investments in subsidiaries. The relevant changes and details are disclosed in Note 8 to the financial statements for the year ended December 31, 2024.

SHAREHOLDER REMUNERATION

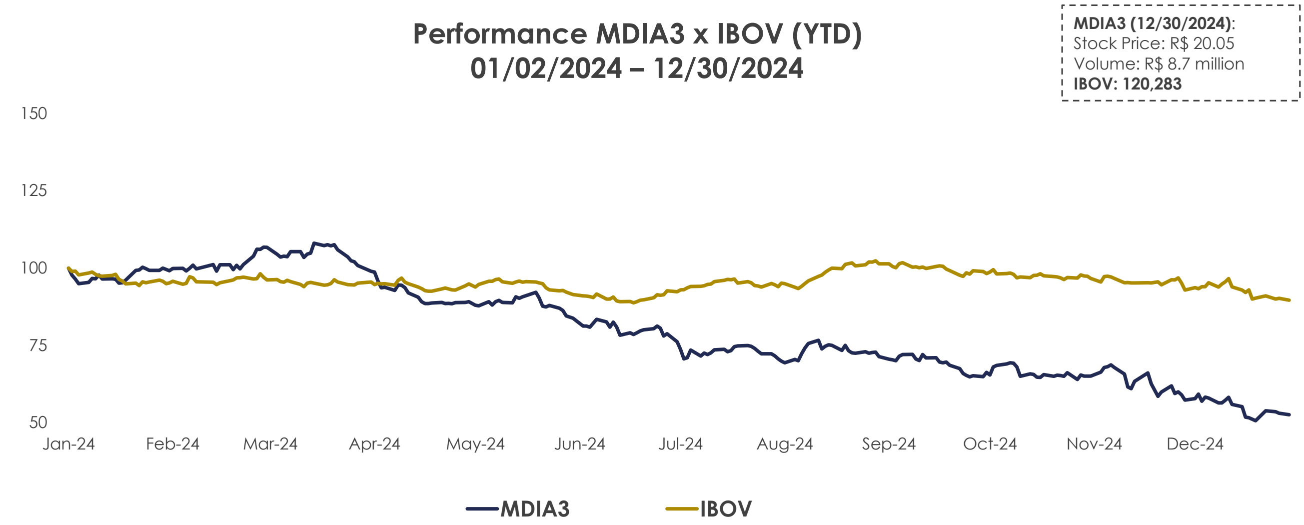
The Company's bylaws set forth the distribution of a minimum dividend of 25% of the net income for the year, adjusted pursuant to art. 202 of Law No. 6,404/1976, as well as the possibility of crediting shareholders in the form of interest on equity – IoE, in compliance with the limits established by law. Interest on equity shall always be ascribed to the mandatory dividend.

The shareholder remuneration policy, approved in 2023, provides for a target percentage of eighty percent (80%) of the adjusted net income related to the reference year and frequency of five payments per year, four of them with a fixed amount of R$ 0.06 per share and the fifth referring to the residual value, after approval by the Shareholders' Meeting, which will resolve on the financial statements for the reference year.

In the year ended December 31, 2024, the Company recorded quarterly payments as interest on equity in the amount of R$ 80,502 and, in line with the aforementioned remuneration policy, allocated part of the net profit for distribution in the form of dividends, in the amount of R$ 93,948. The proposal will be submitted for approval at the General Shareholders Meeting, to be held on March 28, 2025.

CAPITAL MARKET

The Company's shares are traded on B3 (Brasil, Bolsa e Balcão) under the ticker MDIA3 and are listed in Novo Mercado segment. On **December 30, 2024**, there were **64,895,358** outstanding shares, representing 19.1% of the Company's share capital, priced at **R$ 20.05** each.



M. Dias Branco is part of important stock indexes: IBrA (Brazil Broad-Based Index), ISE (Corporate Sustainability Index), ICO2 (Carbon Efficient Index), ICON (Consumption Index), IGC (Special Corporate Governance Index), IGC-NM (Corporate Governance Index - Novo Mercado), IGPTW (B3 GPTW Index), IGCT (Corporate Governance Trade Index), INDX (Industrial Index), ITAG (Special Tag Along Stock Index), SMLL (Small Cap Index), IDIVERSA (Diversity Index), and IAGRO-FFS (B3 Agribusiness Index).

MDIA B3 LISTED NM | IBRA B3 | ISE B3 | ICO2 B3 | ICON B3 | IGC B3 | IGC-NM B3 | IGPTW B3 | IGCT B3 | INDX B3 | ITAG B3 | SMLL B3 | IDIVERSA B3 | IAGRO-FFS B3 | MSCI ESG RATINGS AA

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

The Company's social and environmental performance is integrated into its strategic decisions, which follow the evolution of society and its needs, so that its vision is always clear in relation to risks and opportunities, with sustainable growth, and continues to evolve in the environmental, social and governance aspects.

As a consequence of adopting sustainability as part of the business, in 2024, M. Dias Branco remained in the Teva Women in Leadership Index, iDiversa, iGPTW, and rejoined the Efficient Carbon Index (ICO2) all from B3. Highlighting the maintenance of the double AA rating from Morgan Stanley Capital International (MSCI). In addition, the Company was recognized by the Anefac Award with the Transparency and ESG Best Practices trophies.

Thus, reinforcing its commitment to sustainability, M. Dias Branco established its ESG Strategic Agenda, in which the ESG Committee and the Board of Directors approved the priority topics, indicators, targets and governance, prioritizing the topics grouped into three pillars that represent ESG:

Caring for the Planet

Manage environmental impacts and promote efficiency in the use of natural resources.

- Water
- Energy
- Climate change
- Waste
- Sustainable plastic packaging and materials
- Combating food loss and waste

Believing in People

Promote social development and people's well-being.

- Relationships with communities
- Human capital
- Diversity and inclusion
- Health and safety
- Healthy and nutritious food
- Food safety

Strengthening Alliances

Improve governance for sustainable development across our value chain.

- Risks and opportunities in sustainability
- Governance, ethics and integrity
- Sustainable value chain

Various business areas support governance through practices, programs and projects. Each prioritized topic is addressed through multidisciplinary Working Groups (GTs) or is part of the scope of activity of a specific area. The results of the initiatives are reported and monitored at the executive level in the monthly Management by Guidelines (GPD) meetings and the Executive Sustainability Committee.

Furthermore, the Sustainability Policy guides the Company's positioning regarding Sustainability governance, based on the principles and guidelines that drive the Sustainable Development of Society, with respect and transparency towards stakeholders.

ENVIRONMENTAL MANAGEMENT

The Company's environmental strategy focuses on managing environmental impacts and promoting efficient use of natural resources, guided by the concept of sustainable development and in compliance with applicable legal provisions. The commitment to the Sustainable Development Goals (SDGs) and the Global Compact Principles stands out.

The commitment to managing environmental impacts and promoting efficiency in the use of natural resources is detailed in the Integrated Management System (IMS) Policy, which guides actions to minimize impacts resulting from the Company's activities, and encourages investments and initiatives in research and innovation, and prioritizes pollution prevention, reduction of solid waste generation and water and energy consumption.

WATER

The Company takes actions to ensure that activities are performed in such a way as to minimize the level of vulnerability of the water sources used, such as reducing consumption and reuse of water and treatment of effluents. There are two public targets were announced on water consumption by 2030: Reduction of water consumption to 0.40 m³/ton of products and reaching 30% of water reuse.

In 2024, water consumption remained at 0.46 m³/t, the same recorded in 2023. The result was maintained due to awareness-raising actions, the improvements made to its system, balancing it with production demands and other activities. Regarding water reuse, the ratio reached 15.7% in the year (15.9% in 2023). The result was impacted by a rainy season with lower volumes, making it impossible to allocate reused water for landscaping.

The Company continue to adopt measures in relation to this topic, such as the use of rainwater harvesting systems, quick action in solving leaks and losses, and awareness actions, informing the results related to the use of natural resources for the stakeholders.

WASTE

M. Dias Branco seeks to implement actions to reduce the generation of solid waste — inherent to human life — and ensure sustainable practices for the management of this waste. The Company's initiatives are expressed in two public commitments by 2030: zeroing the amount of waste sent to landfills in all operations and collecting 38% of all post-consumption packaging.

In 2024, total waste generation increased 8.7%, while total production decreased 2.9%. As a result, the intensity of waste generation (waste per ton produced) increased 11.9%. Despite the increase in total generation, the amount of waste sent for disposal showed a significant reduction of 26%.

In total, the Company sent only 2.92% of the waste generated to landfill (5.13% in 2023), and seven units have already achieved Zero Landfill status, meaning no waste is sent to landfills, adopting more sustainable disposal methods such as recycling, composting, and others.

The company also has a robust process for qualifying waste disposal and transportation companies, avoiding negative impacts in the process. In addition, it takes actions to ensure that activities are performed in a way that minimizes the level of impact from waste generation and disposal.

CLIMATE CHANGE

M. Dias Branco considers climate change strategically, which is why it develops risk and opportunity management with a focus on the topic, using the 1.5°C scenario and greenhouse gas inventories as the basis for its studies. In this sense, the Company has assumed the goal of reducing absolute greenhouse gas emissions in scopes 1 and 2 by 20% by 2030.

The Descarbonize Program – Towards a low-carbon future reflects the strategy to achieve the goal of reducing greenhouse gases (GHG). The program aims to concentrate all the projects and actions necessary to build a low-carbon future.

Additionally, in 2024, the first line of carbon-neutral products was launched with the Jasmine brand granolas, using Carbon Offset technology to reduce greenhouse gas emissions during the production process. By 2030, the Company will have two product lines with this feature.

ENERGY

The adoption of a clean and sustainable energy matrix is key to achieve significant results related to action against climate change. The company's initiatives are expressed by the public commitment of having 90% of all the electric energy consumed in the units coming from renewable sources by 2030.

2024 marked a milestone in the Company's progress towards diversifying its energy matrix based on renewable sources. A corporate partnership was signed involving two small hydro power plants (SHPPs), located in the municipality of Cassilândia (MS), with an installed capacity to generate 32.5 megawatts.

The energy self-production by equalization project - part of the energy transition plan under development - is expected to supply more than 70% of the volume of consumption, in addition to speeding up the production process and increasing competitiveness, considering the benefits related to generating energy for self-consumption.

In addition, since 2022, the Company has had a partnership for energy generation from three wind farms owned by Serena Geração S.A., installed in Paulino Neves/MA, with an installed capacity of 97.2 MW, of which 18 average MW are sold to the Company.

SUSTAINABLE PLASTIC PACKAGING AND MATERIALS

Plastic packaging guarantees product protection. In view of this, the Company is responsible for addressing the need to reduce the environmental impact of packaging throughout its life cycle and to incorporate recycled components, when applicable, to reduce the demand for virgin plastic and cellulose components.

In this sense, M. Dias Branco defined as a public commitment having 100% of plastic packaging recyclable and/or compostable and/or biodegradable by 2030. In 2024, 95.0% of the Company's packaging met the recyclability requirement, including the plastic structures from the Campina Grande do Sul/PR unit, which covers the brands Latinex, Fit Food, Smart, Fronteira, and Jasmine.

Among the actions carried out, the Company develops consultations and meetings with research centers and packaging suppliers, trains the technical team, and participates in specialized forums on the topic to seek technologies that help achieve this goal.

COMBATING INPUT LOSS AND FOOD WASTE

The growing demand for food associated with social inequalities, hunger and low-income scenarios make the management of inputs and finished products mandatory to reduce food waste. Acting proactively on the topic reduces the impact of food production and increases the positive social effects surrounding the company's operations.

For this topic, the Company adopted two goals by 2030: reducing waste of finished products by 50% in relation to the base year (2021) and reducing losses of inputs in the production process by 25%.

2024 was a challenging year for the indicator for reducing waste of finished products, as the systemic and procedural improvements were outweighed by the challenges arising from the ERP (Enterprise Resource Planning) change, resulting in an increase of 27%. However, from the second half of the year, the challenges related to the system were overcome, and the waste rate returned to its planned reduction curve.

As for the second indicator, there was a 12% reduction in input losses in the production process, reflecting the modernization of processes and the manufacturing plant.

Despite the difficulties, the commitment to reducing waste remains, with continuous improvement of processes and strategies to achieve sustainable results throughout the supply chain.

SOCIAL RESPONSIBILITY

HUMAN CAPITAL

The thriving and sustainability of the business depends on the satisfaction of our professionals, which is reflected in a good working environment, a connection with the Company's purpose and values, the pleasure of nurturing simple and true relationships, and the pride in developing, finding space to contribute, innovate and strengthen a legacy of dreams, achievements and growth.

Building an excellent work environment brings direct benefits to organizations. The Company's goal, by 2030, is to achieve an employee satisfaction index above 80 in a survey measured by an external entity. The methodology chosen was that of the Great Place to Work (GPTW) consultancy and, in 2024, M. Dias Branco conducted its second organizational climate survey, achieving a final score of 74 and maintaining its classification as an excellent company to work for.

At the end of 2024, the Company had **16,277** employees, a reduction of 2.41% compared to the previous year. In general, the profile of the workforce remained flat in terms of gender and age. Practically all employees work full-time – in 2024, only 98 people worked part-time (56 men and 42 women).

Male **11,473**

Female **4,804**

Region	2024
Northeast	10,844
Southeast	3,887
South	1,441
North	53
Midwest	52
Total	**16,277**

Age	2024
Under 30 years	3,137
From 30 to 50 years	10,653
Over 50 years	2,487
Total	**16,277**

Career level	2024
Specialists (professionals and analysts)	1,049
Management	1,453
Operational Level	13,062
Sales and Promotion	713
Total	**16,277**

As for recruitment and selection, 2,040 new hires were made in the year, lower than 2,399 hired in 2023. Turnover rate was around 12.2% (12.5% in 2023).

Every year, the Corporate Education team structures training and development actions (T&D) in line with the Company's strategic guidelines. It defines customized training trails and programs to be carried out during the year, as well as the schedule of mandatory trails for all employees, in various formats, covering topics that are essential to the connection with our culture and strategy. In 2024, the average number of training hours per employee per year was 20.89 hours/employee/year.

As for performance management, in 2024 performance assessments were carried out with formal feedback for 98.1% of employees including specialists and analysts (94.2% in 2023), and 75.6% of management professionals (73.5% in 2023). It is important to highlight that, in addition to assessments and feedback, managers and employees are encouraged to build development plans, record planned actions and monitor their execution throughout the year.

In the Health area, Viver Bem (Living Well) program stands out. It promotes quality of life, and its actions are accessible to all employees, working on the following fronts: prevention of chronic diseases; physical well-being; mental well-being; healthy eating; monitoring of pregnant women; and prevention of noise-induced hearing loss (PAIR).

DIVERSITY, EQUITY AND INCLUSION

The Company's operations in all Brazilian regions cover different customs, origins and cultures. M. Dias Branco's Human Rights, Diversity and Inclusion Policy, which establishes guidelines to ensure compliance with these pillars, ensures adherence to existing rules and laws in all operations and value chain. It applies to all employees, service providers and other stakeholders.

Organizational Culture and Climate area is responsible for implementing the corporate Diversity, Equity and Inclusion program. There are indicators, targets and action plans monitored on a monthly basis. The principles that guide the policy are aligned with the Global Compact and the UN Guiding Principles on Business and Human Rights.

The Company defined as a public commitment reaching 40% women in leadership by 2030. In 2024, the Company reached 26.7%, advancing 2% compared to the previous year. Among the initiatives to strengthen the theme, training is conducted with leaders, open lectures for all employees, training of the recruitment and selection team, mentoring to develop middle female leaders who can be future managers, among other initiatives.

In relation to female representation, the Board of Directors made up of more than 40% female directors. Furthermore, since 2022, the Company has been part of the Teva Women in Leadership Index portfolio.

Regarding the diversity of its professional staff, M. Dias Branco was among the 20 companies that most value diversity, according to IDIVERSA B3, a pioneering index in Latin America, created by B3 itself, which calculates how close companies are to diversity of the Brazilian population.

COMMUNITY RELATIONS

The Company's initiatives follow strategic guidelines that stimulate and reinforce its role as an agent of transformation in society, contributing to its development. At all industrial units, the Company supports or develops activities in partnership with the surrounding community, especially through charitable institutions.

The Social Responsibility Policy guides the development and management of relationships and private social investment in an ethical and transparent manner. The Donations and Sponsorship Policy establishes the conditions for supporting projects and organizations that share our values. The Sustainability Policy integrates sustainable practices into our operations and relationships. Among the various initiatives in 2024, the main pillars of action on the social responsibility front stand out:

- Feeding dreams: Entrepreneurship and Professionalization Promotion Program in the Food Sector, with the goal of reaching 150,000 people by 2030. The Company establish partnerships with institutions, aiming at the execution of training courses that promote social and economic inclusion, qualifying professionals for the gastronomy market or for entrepreneurship. Since the program's inception in 2022, 31,300 people have been trained across eight states in Brazil through partnerships with 21 institutions. In 2024 alone, 15,465 people were trained.

- Volunteer Factory: Corporate volunteer program of M. Dias Branco, whose purpose is to inspire people, foster a culture of solidarity, and transform lives. Employees participate in three main activities: participation in donation delivery events, beach and mangrove cleaning actions; and volunteer work at partner institutions (during office hours). In 2024, a total of 1,899 hours of volunteer work were performed (1,680 hours in 2023), with the participation of 384 employees (509 in 2023).

- Nurturing tomorrow: Food donation and hunger relief program, with a direct impact on more than 120 institutions in all Brazilian regions. Among them, food banks stand out, playing a key role in the distribution of products, ensuring that donations reach people in situations of extreme social vulnerability, regardless of age group. In 2024, 3,639 tons of food were donated (3,363 tons in 2023), totaling R$ 31.1 million, with distribution carried out through 29 donor units.

- A future that tastes good: Developed in 2024 to promote the social and professional inclusion of young people aged between 15 and 18 in orphanages, through contracts as young apprentices. The initiative is the result of a partnership between M. Dias Branco, which offers job opportunities, Instituto de Educação Portal (IEP), responsible for professional training, and the orphanages, which appoint the participants. Its purpose is to contribute to the personal and professional development of these young people, creating prospects for a dignified and independent life.

In 2024, two important training and qualification programs were also carried out at the Salvador/BA manufacturing unit. The Vocational Course trained 30 members of the Alto do Tororó quilombola community, which is located around the Company, in the areas of logistics and industrial production. The initiative, aligned with the Sustainable Development Goals (SDGs), promoted sustainable economic growth and inclusion, resulting in the hiring of participants at the end of the course.

The Fundraising Training offered a short course for 23 association representatives, with the aim of improving the raising of financial and human resources. The training provided direct benefits to the participating institutions, strengthening their self-financing ability. Both programs had a positive impact, creating jobs, income and improvements in the services provided by organizations.

HEALTHY AND NUTRITIOUS FOODS

The search for balanced eating habits requires businesses in the food sector to take action on the nutritional value of their products, involving the offer of healthier and more nutritious foods with lower content of ingredients that have the potential to harm consumers' health. Two public targets were defined by 2030: 10 million people impacted by the food education program for the general population; and market share leadership in four categories with health and nutrition appeal.

In 2024, Alimentação Transforma (Food Transforms) food education program, a platform that integrates the Company's nutritional education and well-being program, developed especially for the end consumer, achieved 4 million prints and more than 30,000 clicks, reaching around 2 million users. For the second goal, with Jasmine, the Company is the leader in the healthy cookies and doughnuts segment and in the granola category, according to Nielsen Scantrack FY 2024.

In this sense, a highlight in 2024 was the innovative launch of a version of instant noodles with no frying during the manufacturing process, as well as a 25% reduction in the sodium content of the seasoning packets.

M. Dias Branco continues to focus on researching new ingredients and optimizing formulations, mainly with projects aimed at reducing sodium, sugar and saturated fats, maintaining product quality and the performance of production processes.

GOVERNANCE, RISKS AND COMPLIANCE

CORPORATE GOVERNANCE

The Company has been listed on the B3 Novo Mercado segment since 2006. We have only common shares providing tag-along rights, with a National Long-Term Rating of AAA (bra) and a stable outlook. The Company adopts an indicator called iMDB – M. Dias Branco Corporate Governance Index, which helps the company to direct efforts to improve and measure progress in the area. The index includes four indicators:

- Brazilian Institute of Corporate Governance (IBGC);
- Dow Jones Sustainability Index (IDJS);
- Corporate Sustainability Index (ISE);
- Disclosure Insight Action.

Corporate Governance structure comprises a Board of Directors, elected by the Shareholders' Meeting and which currently has three independent members, corresponding to more than 40% of the total; three advisory committees to the Board of Directors – ESG, People and Management and Audit Committees; a Statutory Executive Office, elected by the Board of Directors for a three-year term; and the Governance Area.

Corporate Governance area plays an important role in disseminating best practices and improving the organization's own governance system, also contributing to the training of governance agents. To this end, it monitors compliance with corporate and regulatory laws, with a view to constantly adapting to the best corporate governance practices.

INVESTOR RELATIONS

In 2024, M. Dias Branco's Investor Relations Program was recognized by *Institutional Investor* as the best in the Food & Beverage segment in the Latin America Midcap ranking, reflecting the opinions of investors and market analysts from Brazil and other countries. In addition to being awarded Best Investor Relations Program, the company's executives and governing bodies were also recognized in the following categories: Best CEO, Best CFO, Best IR Professional, Best Board of Directors, Best ESG Program, Best Investor Relations Team, and Best Meeting with Financial Analysts.

In addition, over 500 interactions were held with more than 150 market entities, including funds, banks and equity research companies in Brazil and abroad. Participation in conferences and non-deal road shows (NDRS) in the United States, Europe and Asia, in addition to individual and group meetings, teleconference calls and visits to facilities, contributed to strengthening the relationship with the market. This work resulted in the addition of new investors to the shareholder base, as well as an increase in the number of foreign investors, who at the end of the year held 58.3% of the outstanding shares (47.3% at the end of 2023).

Another highlight to strengthen the relationship with market agents, was the live broadcast of the presentation of quarterly results on the Investor Relations YouTube channel, which reached 9.5

thousand views in the year, 17% more than the previous year, as well as the participation in lives and interviews with the main media outlets in Brazil.

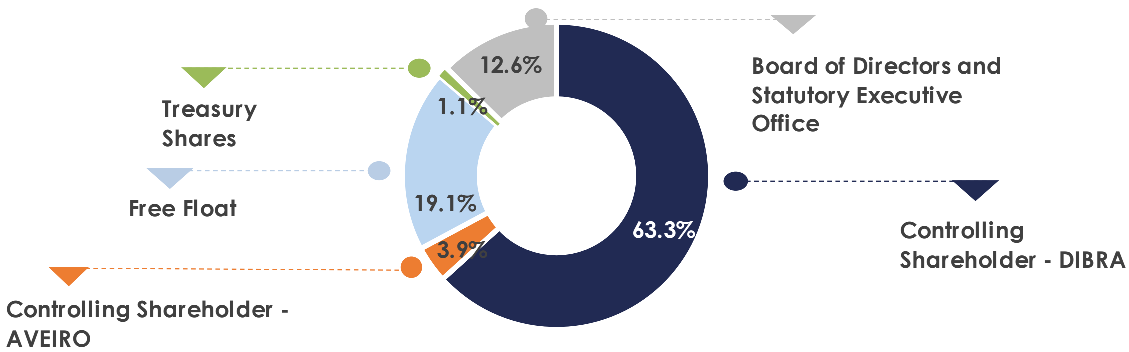
The Company revisited its results disclosure model, presenting net revenue in three category groups (core products, wheat milling and refined oils and adjacencies), among other changes, aiming to maintain strategic confidentiality and ensure objective and precise communication aligned with the Company's goals.

The focus on ESG issues was maintained, with the Company being included in important local and international indices, such as the Corporate Sustainability Index (ISE B3), Efficient Carbon Index (ICO2 B3), Diversity Index (IDIVERSA B3), among others. The ESG rating of AA was also maintained for the third consecutive year in the MSCI (Morgan Stanley Capital International) evaluation, which is internationally recognized for publishing performance indices of the world's leading stocks and stock exchanges.

Finally, the Company underwent an evaluation process with the credit rating agency Fitch Ratings, achieving, for the seventh consecutive year, a National Long-Term Rating of AAA (BRA) with a stable outlook.

SHAREHOLDING CONTROL

On December 31, 2024, M. Dias Branco's capital totaled **R$ 2,597.7 million**, fully subscribed and paid-in and divided into 339,000,000 common nominative shares, with no par value. The Company's shares are distributed as follows:



RISK MANAGEMENT AND INTERNAL CONTROLS

M. Dias Branco adopts a formal risk management policy, reinforced in 2024 by the Audit Committee and approved by the Board of Directors, with the aim of supporting the achievement of strategic goals, in addition to guiding the identification, assessment and mitigation of critical risks, promoting operational efficiency, loss reduction and business continuity, even in adverse scenarios. Additionally, the Company has an internal control map, systematically reviewed by internal and external audits and by the Audit Committee.

The Company adopts as a benchmark the guidelines of the main entities in these areas, such as COSO (Committee of Sponsoring Organizations of the Treadway Commission), IIA (Institute of Internal

Auditors) and IBGC (Brazilian Corporate Governance Institute). In addition to these entities, we assess the laws, rules and regulations in force in the country.

The risk management policy classifies the main risks as: strategic, operational, reporting, compliance, cyber, data protection, market, and social and environmental risks. In this sense, based on the quantitative and qualitative risk assessment and measurement, protection is sought for those representing a potential to adversely affect the business results. The main risks identified are detailed in the Reference Form, filed with CVM, available on our website.

The Company received the Quality Assessment (QA) certification, valid until 2027, granted by the Brazilian Institute of Internal Auditors (IIA Brasil), certifying that it complies with the highest international standards in internal auditing, acting in accordance with the standards defined in the International Framework of Professional Practices (IPPF).

COMPLIANCE, ETHICS AND INTEGRITY

M. Dias Branco seeks to contribute to the promotion of a more competitive, sustainable and fair market. We are signatories of the UN Global Compact and the Business Pact for Integrity and Against Corruption, in which, since its adherence, there has been continuous progress in the commitment evaluation scores, as reported by the Ethos Institute.

In 2024, the Company reaffirmed its commitment to ethics and transparency by joining the 100% Transparency Movement, an initiative allowed to signatories of the UN Global Compact Brazil Network, which strengthens efforts to combat all forms of corruption and contributes directly to advancing Sustainable Development Goal 16 - Peace, Justice and Strong Institutions.

Another milestone in M. Dias Branco's ethics and governance journey this year was the achievement of ISO 37001 Certification – Anti-Bribery Management System. This certification, issued by *QMS Certification*, validates the Company's journey in adopting best practices in governance and integrity, and consolidates it as part of a select group of food industries in the world that demonstrate a firm and continuous commitment to preventing illicit practices.

Concerning internal integrity policies, we have adopted, among others, the following regulations: Anti-Corruption Policy; Gifts, Amenities, Entertainment and Hospitality Policy; Policy on Related-Party Transactions and Other Situations Involving Conflict of Interest; Donations and Sponsorship Policy; Internal Investigation Protocol and Ethical Channel Operation; Consequences Policy; Purchasing and Supplies Policy and Risk Management Policy; Good Practices and Competition Policy; Supplier's Code of Conduct; Sustainability Policy; Human Rights, Diversity and Inclusion Policy; and Business Continuity Policy. These policies are available for consultation on our internal communication platform and the investor relations website.

The Code of Ethics translates M. Dias Branco's values into ethical principles, guides the conduct of all employees, administrators, legal representatives and third parties for the expected behavior in the relationship with stakeholders.

Communications on the Code of Ethics and compliance policies were carried out on a regular basis throughout 2024, in the internal communication vehicles. Highlight that 93% of employees in the administrative area and 84% of employees of operational area were trained. In all, 10,143 employees were trained, covering all functional categories and business units in Brazil. Additionally, 6,530 business partners were informed about the Company's anti-corruption policies and procedures.

The Ethics Channel is a tool for reporting conducts in violation of our Code of Ethics and other internal policies. This is an independent, specialized and secure channel, accessible by phone, email or internet, and ensures anonymity and protection for those who make reports in good faith.

In 2024, a total of 1,619 reports were registered in the Ethics Channel. Of these, 400 were classified as critical concerns, and 381 were deemed substantiated, either fully or partially. The critical concerns involved: moral and sexual harassment (189), non-compliance with labor and social security legislation (40), embezzlement, theft, and robbery (36), conflicts of interest (33), unsafe work practices (23), fraud (20), non-compliance with other applicable regulations (17), use of violence (16), prejudice and discrimination (15), bribery against the Company (7), and working under the influence of alcohol and drugs (4).

ADDITIONAL INFORMATION

ARBITRATION COMMITMENT CLAUSE

In accordance with the Novo Mercado Regulations and the Company's bylaws, the Company, its shareholders, management and the B3 agree to resolve, by means of arbitration, all and any dispute or controversy that could arise between them, related to the statutory norms, market regulation and pertinent legislation.

RELATIONSHIP WITH THE INDEPENDENT AUDITORS

KPMG Auditores Independentes Ltda. (KPMG) has been engaged to audit the individual and consolidated financial statements and review the interim (quarterly) financial information for the year ended December 31, 2024. The firm provides no conflicting services as required by CVM Instruction 308. The non-financial information of the Company as well as Management's expectations of the future performance of the Company and its subsidiaries were not audited by KPMG.

In compliance with the ruling in CVM Instruction 381/2003, the Company confirms that during 2024, other services were contracted from KPMG, for the total amount of R$ 85.7 thousand, which corresponds to approximately 12.7% of the audit fees. The services were an audit of the integrated annual report.

Management recognizes that these services did not compromise the independence of our auditors. As part of Company policy, any services rendered by independent auditors require the Audit Committee's prior approval to avoid any conflicts of interests.

MANAGEMENT STATEMENT

In accordance with the rulings stated in CVM Instruction 480/2009, management declares that it has discussed and reviewed the opinions expressed in the independent auditors' report with which it fully agrees and it approves the financial statements for the year ended December 31, 2024.

1. Operations

M. Dias Branco S. A. Indústria e Comércio de Alimentos ("Company") is a publicly traded corporation listed on B3 S.A. - Brasil, Bolsa, Balcão in the *Novo Mercado* segment (MDIA3), and is included in Corporate Sustainability Index (ISE), Carbon Efficient Index (ICO2), and other indexes. The Company started to operate in 1951 and its head office is based at Rodovia BR 116, KM 18, s/n, in Eusébio, State of Ceará. Its corporate activities mainly comprise the industrialization, sale and distribution of food products derived from wheat, mainly cookies and crackers, pastas and wheat flour/bran and the manufacture, sale and distribution of vegetable shortenings and margarines, cakes, cake mixes, packaged toast and snacks. The Company operates through an integrated and vertical production process, producing the majority of the two main raw materials used to produce cookies, crackers and pastas: wheat flour and vegetable shortening. Five of its wheat mills are physically integrated within the cookies and crackers and pasta plants, thus eliminating the costs of transporting the flour used in the production of these two main items.

The Company has 14 production sites, eight of which are based in the Northeast (Bahia, Ceará, Paraíba, Pernambuco and Rio Grande do Norte), four in the Southeast (São Paulo and Rio de Janeiro) and two in the South (Rio Grande do Sul and Paraná). These units operate seven wheat mills, nine pasta plants, eight cookies and crackers plants, two vegetable shortening and margarine plants, one plant of snacks and cakes, one cake mix plant and one packaged toasts plant. The Company has thirty-four distribution centers, integrated with this production structure, for storage, sales and/or distribution of its products, based in the following states: Alagoas, Bahia, Ceará, Espírito Santo, Maranhão, Minas Gerais, Paraíba, Paraná, Pernambuco, Piauí, Rio de Janeiro, Rio Grande do Norte, Rio Grande do Sul, São Paulo and Sergipe.

The Company's nationwide activities are also driven by means of integrated operations with production, sale and distribution structures of its subsidiaries Jasmine Indústria e Comércio de Alimentos Ltda ("Jasmine"), acquired by Latinex Importação e Exportação de Alimentos Ltda ("Latinex") on August 31, 2022. Latinex, in turn, as highlighted in Note 3, was merged on August 1, 2023, by Jasmine under a reverse transaction, which resulted in the transfer of its industrial park to Jasmine.

Jasmine, after the merger event, now has one plant of cookies and crackers, breads, cereals, granolas, snacks and seasonings, integrated with a storage and distribution facility based in the state of Paraná, in Campina Grande do Sul, and a distribution facility located in São José dos Pinhais. In this context, the Company reinforces its presence in the healthy food segments with organic, zero-sugar, whole grain, cereals, snacks, granolas, gluten-free products, seasonings, sauces and condiments.

The Company also operates through its wholly-owned subsidiaries Darcel S.A. and Cacama S.A. based in Montevideo, Uruguay, which were acquired by Latinex on October 31, 2022, and which have one pasta plant integrated with a storage and distribution facility, and also has in this portfolio items in the categories of wheat flour, cake mix, sauces, among others.

The Company has the following brands in the domestic market: Adria, Aldente, Basilar, Bonsabor, Estrela, Fortaleza, Finna, Fit Food, Frontera, Isabela, Jasmine, Pelágio, Pilar, Piraquê, Predilleto, Richester, Salsito, Smart, Taste&Co, Treloso, Vitarella, and Zabet; and in the foreign market: Las Acacias.

2. Basis of preparation of the financial statements

The individual and consolidated financial statements have been prepared according the accounting practices adopted in Brazil, consisting of the standards issued by the Brazilian Securities Commission (CVM) and pronouncements issued by the Accounting Pronouncements Committee (CPC), which are in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and evidence all the material information proper of the financial statements, and only them, which are consistent with those used by the Company's management in the management process.

The authorization to issue these financial statements was given by Board of Directors at its meeting held on February 21, 2025.

a) Basis for measurement

The individual and consolidated financial statements were prepared based on historic cost, except when stated otherwise.

b) Functional currency

The individual and consolidated financial statements are presented in Brazilian reais, which is the Company's functional currency. All the amounts reported in Reais in the financial information have been rounded to the nearest thousands, except when stated otherwise.

c) Material accounting judgments, estimates and assumptions

The preparation of individual and consolidated financial statements in accordance with CPCs and IFRS requires Company management to make judgments, estimates and assumptions that affect the enforcement of accounting policies. The actual results could differ from these estimates. Estimates and assumptions are continually reviewed. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Assets and liabilities subject to estimates and assumptions include:

- Trade accounts receivable (Note 5): criteria for measuring expected credit losses and assumptions used to determine the weighted average rate of the loss;
- Inventories (Note 6): criteria used to measure estimated losses to estimate inventory impairment;
- Property, plant and equipment (Note 10): main assumptions regarding residual credits and amounts, and property, plant and equipment useful life and impairment test;
- Intangible assets with undefined useful life (Note 11): criteria and main assumptions used to calculate the useful life and recoverable value of these assets;
- Leases (Note 12): recognition and measurement of leases and the incremental rate used;
- Financial instruments and risk management (Note 16): determination of the fair value of derivative and non-derivative financial instruments;
- Provisions for civil, labor and tax risks (Note 21): assumptions on the likelihood and magnitude of disbursements related to provision for lawsuits and civil, labor, and tax judicial demands;
- Deferred income and social contribution taxes (Note 22): criteria applied to asset recoverability if it is likely that the asset will not be realized;
- Share-based compensation plan (Note 25): main assumptions regarding stock granting.

(All amounts in thousands of Reais, except if stated otherwise)

3. Material accounting policies

The material accounting policies adopted by the Company, its subsidiaries and associated companies are described in specific notes. Those which apply, in general, to different aspects of the financial statements are described in detail below.

a) Consolidation

The following accounting policies are applied in the preparation of the consolidated financial statements.

i. Subsidiaries

For the purposes of preparing the individual and consolidated financial statements, the financial statements of subsidiaries ended on the same reporting date was used, with accounting policies consistent with those of the Company.

Equity interest in subsidiaries

Description	Investment interest (%)			
	2024		2023	
	Direct	Indirect	Direct	Indirect
M.Dias Branco International Trading LLC [1]	**100.00**	**-**	100.00	-
M.Dias Branco International Trading Uruguay S.A. [1]	**-**	**100.00**	-	100.00
M.Dias Branco Argentina S.A. [1]	**100.00**	**-**	100.00	-
Jasmine Indústria e Comércio de Alimentos Ltda. [2]	**100.00**	**-**	100.00	-
Darcel S.A. e Cacama S.A. [1]	-	**100.00**	-	100.00

[1] Foreign Investments. [2] Direct shareholding of the companies Darcel S.A. and Cacama S.A.

Characteristics of the main subsidiaries

M. Dias Branco International Trading LLC

This direct subsidiary is based in the United States of America and it is not operational, therefore, the Company is starting the procedure of closing down the subsidiary. The main activity was intermediating in the purchase of raw materials, mainly wheat, for milling and vegetable oil that the Company uses in its production process.

M. Dias Branco International Trading Uruguay S.A.

This indirect subsidiary is based in Uruguay and it is not operational, therefore, the Company is concluding the procedures to close the subsidiary. The main activity was intermediating in the purchase of raw materials, mainly wheat, for milling that the Company uses in its production process.

M. Dias Branco Argentina S.A.

The Company incorporated a publicly traded corporation, with its head office in Buenos Aires, to purchase, import and export wheat grain, wheat flour and derivatives. However, this company did not undertake any activities and the Company decided to discontinue the process, initiating the procedures to close the entity.

Jasmine Indústria e Comércio de Alimentos Ltda.

This indirect subsidiary started its activities in 1990 and is based in the city of Campina Grande do Sul, in the state of Paraná. Its main activity is the manufacture, sale, and distribution of healthy food with organic, zero-sugar, whole grain, cereals, snacks, granolas and gluten-free products.

Darcel S.A. and Cacama S.A.

These indirect subsidiaries started its activities in 1952 and are based in Montevideo, Uruguay. Their main activity is the manufacture, sale, and distribution of pasta, and also has in their portfolios items in the categories of wheat flour, cake mix, sauces, among others.

ii. Joint Ventures and associated companies

Joint ventures are those in which the Company has contractually agreed joint control, and which require the unanimous consent of the parties sharing control for strategic and operating decisions.

Joint Operation

Terminal de Grãos de Fortaleza Ltda. ("Tergran")

The Company shares control of Tergran with Moinho Cearense S.A. and J. Macêdo S.A., in which each party has an interest of 33.33% in the capital and jointly appoint the managing director of Tergran. The Company considers that its investment in Tergran should be classified as a joint operation, or joint arrangement, and the assets, liabilities, income and expenses are recognized in relation to its investment only in the consolidated statements, considering that Tergran was incorporated as a separate legal entity. Consequently, the investment is recognized in the individual financial statements using the equity method.

Tergran operates port facilities and provides wheat unloading and storage services at the port in Fortaleza, with the primary objective of increasing productivity and reducing the costs of unloading ships carrying wheat for its three partners.

Joint Venture

Terminal de Trigo do Rio de Janeiro - Logística S.A.

The Company has an interest in a joint venture with Companhia Bunge Alimentos S.A. (Bunge), in which each party has an interest of 50% in the capital. Terminal de Trigo do Rio de Janeiro - Logística S.A. is the lessee in the agreement entered on September 21, 2017 with the government, through the Ministry of Transportation, Ports and Civil Aviation, which addresses the leasing of public infrastructure and land to handle and store solid vegetable bulk, especially wheat, located in the port of Rio de Janeiro/RJ, starting operations on January 8, 2020.

The Company recognizes its investment related to the interest in the operation under the equity method, both in the individual and consolidated financial statements.

b) Translation of foreign currency balances

i. Foreign currency transactions and balances

Foreign currency transactions are initially recorded at the exchange rates of the functional currency prevailing at the respective transaction dates. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted into the functional currency at the exchange rate at that date.

All currency changes are recorded in the income statement, except those arising from foreign currency transactions designated to hedge against exchange rate variations, which are recorded in equity.

ii. Foreign operations

The values of assets and liabilities of the foreign subsidiaries are translated to Brazilian Reais using the exchange rate at the reporting date, and the related statements of income are translated at the exchange rates on the dates of the transactions. Exchange differences resulting from the translations are recognized separately in shareholders' equity. In the event of a foreign subsidiary being sold, the accumulated deferred amount recognized in shareholders' equity relating to this subsidiary is recognized in the statement of income.

c) Impairment of non-financial assets

Assets that have undefined useful lives, such as goodwill and brands, are not amortized, and are tested for impairment. Impairment tests of goodwill and brands are carried out at least annually, or more frequently if events or changes in circumstances indicate possible impairment.

At each reporting date, management revises the net carrying values of its assets and other non-financial assets, subject to depreciation and amortization to assess any events or changes in economic, operational or technological circumstances that could indicate deterioration or impairment. When such evidence is identified, and the net carrying value exceeds the recoverable value, a loss for impairment is recorded, and the net carrying value is adjusted to the recoverable value.

d) Employee benefits

The Company and its subsidiaries provide short-term benefits to its employees, which are measured on a non-discounted basis and incurred as expenses as the related service is provided. The liability is recognized for the amount expected to be paid in respect of short-term cash bonus or profit-sharing plans. Profit sharing is recognized in profit or loss as operational costs and expenses.

For the non-statutory board and management-level executives there is also a share-based compensation plan, as explained in Note 25, to which statutory officers under CLT regime are also entitled.

e) Revenue recognition

The Company and its subsidiaries recognize revenue from the sale of goods in the course of ordinary activities at the moment when the control over the products is transferred and at the fair value of the recognized consideration received or receivable, when: (i) there was convincing evidence that the control of a product or service has been transferred to the customer, which generally occurs upon delivery; (ii) at the amount the entity expects to be entitled to in exchange for transferring the product or service and (iii) the associated costs and possible return of goods could be reliably estimated. If it was probable that discounts would be granted and the amount can be measured reliably, then the discount was recognized as a reduction against revenue over the period the sales were recognized.

Note that delivery occurs when the products have been sent to the specified location, the customer has accepted the products pursuant to the sale agreement and the acceptance terms have been agreed, or the Company has objective evidence that all acceptance criteria have been met.

f) Segment reporting

The Company and its subsidiaries Jasmine and Las Acacias operate in the food segment with the following product lines: cookies and crackers, pasta, flour, margarine and vegetable shortening, cakes, cake mix, packaged toasts, snacks, healthy food with organic, zero-sugar, whole grain, cereals, snacks, gluten-free products and in the seasonings, sauces and condiments segments. The production and sale of food products by the Company and its subsidiaries do not involve measuring operational profits or losses on an individual basis that is regularly reviewed by management, either to support investment decisions or to assess performance separately.

Consequently, considering that all decisions are made based on consolidated reports and that decisions related to strategic planning, financing, purchases, investments and the application of funds are made on a consolidated basis, the Company concluded that it has only one segment to report.

g) Hedge accounting

The Company adopts hedge accounting under CPC 40 (R1) – Financial Instruments: Disclosure (IFRS 7) and CPC 48 (IFRS 9) – Financial Instruments, for transactions of derivative financial instruments for the purpose of hedging against the risk of fluctuation in commodities prices, foreign-exchange rates and inflation. The hedging relationship is a cash flow hedge, which consists of hedging against variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability, or a highly probable forecast transaction, and which could affect profit or loss. When classified as a fair value hedge, it consists of protecting exposure to changes in the fair value of financial liabilities susceptible to inflation variations.

In cash flow hedge category, the effective portion of the gain or loss on the hedging instrument is recognized in equity as other comprehensive income, under "Gains (losses) on cash-flow hedges", and the ineffective portion, where applicable, is recognized in financial revenue (expense). Accumulated gains and losses are reclassified to profit or loss or to the statement of financial position when the hedged item is recognized, with a corresponding adjustment to the item in which the relevant hedged item was recorded.

It is important to note that deferred tax effects on gains and losses recognized in equity are also recognized in other comprehensive income under "tax effects on gains (losses) on cash-flow hedges".

Hedge accounting is discontinued prospectively from the date on which the hedging relationship ceases to meet the qualifying criteria, whether in its entirety or in part. The conditions for discontinuing hedge accounting are satisfied when: i) in a cash flow hedge, the hedged item is recognized in the Company's statement of financial position. In this case, the amount recognized in equity is included in the same period and component in which the hedged item is recognized (statement of financial position or statement of income); ii) the hedging instrument is terminated. In this case, the amount recognized in equity is recognized on the accrual date on which the hedged item is recognized; iii) there is no longer a hedging relationship as the risk management purpose has changed; and iv) there is no longer an economic relationship between the hedged item and the hedging instrument or the effect of credit risk starts to prevail on the hedging relationship.

(All amounts in thousands of Reais, except if stated otherwise)

If hedge accounting is discontinued as described in iii and iv above, all gains and losses that have been accrued in similar hedging relationships and recognized in equity are immediately transferred to profit or loss.

The Company assesses the effectiveness of its derivative financial instruments at each annual reporting date or upon a significant change in the circumstances affecting the hedge effectiveness requirements, whichever comes first.

In the fair value hedge category, changes in the fair value of derivatives are recorded in the financial result, and the financing subject to protection is also adjusted to fair value, whose changes are equally reflected in the financial result. The effects of hedge accounting are described in Note 16.

h) New standards, interpretations and amendments effective after January 1, 2025

IFRS 18 - Presentation and Disclosure of Financial Statements

The pronouncement will come into force for fiscal years beginning on or after January 1, 2027 and will replace CPC 26/IAS 1 - Presentation of Financial Statements. The accounting standard introduces new requirements for classifying categories in the income statement, assessing performance measures (MPMs) and their disclosure, guidance on grouping information in the financial statements, among other information.

As the accounting standard will be effective as of January 1, 2027, management is in the process of assessing the impacts of the new standard on the Company's operations.

Other accounting standards that have not yet come into force are not expected to have a significant impact on the Company's financial statements.

4. Cash and cash equivalents

Description	Parent		Consolidated	
	2024	2023	2024	2023
Cash and banks	**14,178**	57,659	**21,871**	60,636
Fixed-income marketable securities [1]	**2,127,958**	2,206,622	**2,130,716**	2,207,201
Total	**2,142,136**	2,264,281	**2,152,587**	2,267,837

[1] *See Note 16, item e: capital management that details the use of the cash resource.*

The balance of fixed-income marketable securities, as of December 31, 2024, consists substantially to post-fixed Bank Deposit Certificates (CDB) and repurchase agreements and Financial Bills (LF), remunerated by the variation in CDI - Interbank Deposit Rate at the average rate of 102.15% of the CDI (102.76% as of December 31, 2023). These marketable securities are held for immediate trading and used in Company operations.

5. Trade accounts receivable

Trade accounts receivables are amounts due for the sale of products in the ordinary course of the Company's business and are recognized at the original selling price less discounts granted, customer credits and expected credit losses. The balances of trade accounts receivable are presented as follows:

(All amounts in thousands of Reais, except if stated otherwise)

Breakdown of balances	Parent		Consolidated	
	2024	2023	2024	2023
Domestic	**1,611,493**	1,781,830	**1,614,704**	1,785,668
Foreign	**95,726**	86,223	**111,763**	104,054
(-) Expected credit losses	**(53,265)**	(41,715)	**(56,422)**	(44,959)
Total	**1,653,954**	1,826,338	**1,670,045**	1,844,763
Current	**1,651,775**	1,821,231	**1,667,866**	1,839,656
Non-current	**2,179**	5,107	**2,179**	5,107

Aging - Parent

Description	2024		2023	
	Trade accounts receivable	Expected credit losses	Trade accounts receivable	Expected credit losses
Not yet due	**1,591,569**	**6,613**	1,729,030	10,346
Overdue	**115,650**	**46,652**	139,023	31,369
1 to 30 days	**24,301**	**523**	73,523	632
31 to 60 days	**11,171**	**531**	8,159	525
61 to 90 days	**5,009**	**840**	3,369	744
91 to 180 days	**10,032**	**2,699**	6,192	1,971
181 to 360 days	**23,960**	**15,962**	19,687	11,920
Over 360 days	**41,177**	**26,097**	28,093	15,577
Subtotal	**1,707,219**	**53,265**	1,868,053	41,715

Aging - Consolidated

Description	2024		2023	
	Trade accounts receivable	Expected credit losses	Trade accounts receivable	Expected credit losses
Not yet due	**1,607,384**	**6,613**	1,747,201	10,346
Overdue	**119,083**	**49,809**	142,521	34,613
1 to 30 days	**24,301**	**523**	73,626	632
31 to 60 days	**11,329**	**531**	8,159	525
61 to 90 days	**5,016**	**840**	3,369	744
91 to 180 days	**10,099**	**2,708**	6,325	2,007
181 to 360 days	**23,993**	**15,994**	20,024	12,219
Over 360 days	**44,345**	**29,213**	31,018	18,486
Subtotal	**1,726,467**	**56,422**	1,889,722	44,959

The Company adopts a hybrid expected and incurred loss model, recording expected losses throughout the life cycle of trade accounts receivable. The model assesses sales made in a 12-month period and the amount considered uncollectible during this period. From the results calculated, historical default rates by receivables "range" are calculated, and applied to the balance of trade accounts receivable, excluding that portion that may have a real guarantee of payment.

The changes in expected credit losses were as follows:

(All amounts in thousands of Reais, except if stated otherwise)

Change details	Parent	Consolidated
Balance as of December 31, 2022	**44,554**	**47,627**
Provision for expected credit losses	16,455	16,626
Write-off	(19,294)	(19,294)
Balance as of December 31, 2023	**41,715**	**44,959**
Provision for expected credit losses	**23,936**	**23,849**
Write-off	**(12,386)**	**(12,386)**
Balance as of December 31, 2024	**53,265**	**56,422**

Trade accounts receivable are written off when there is no realistic expectation of recovery. Expected credit losses are booked in the Company's operating results.

6. Inventories

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale, in the form of materials or supplies to be consumed in the production process, or in the rendering of services.

The cost of inventories is based on average weighted cost and includes all expenses incurred for transportation, storage, non-recoverable taxes and other costs incurred to bring the inventories to their existing locations and conditions. In the case of manufactured, in progress and finished products, costs include the general plant overhead expenses based on normal operating capacity.

The balances of inventories are presented as follows:

Description	Parent		Consolidated	
	2024	2023	2024	2023
Finished products	**349,338**	345,283	**346,846**	343,631
Work in progress	**51,964**	73,091	**52,604**	73,384
Raw materials [(1)]	**819,722**	562,375	**833,115**	572,057
Warehouse and packaging materials	**418,919**	336,577	**429,089**	345,419
Others	**23,379**	1,723	**25,983**	3,859
Total	**1,663,322**	1,319,049	**1,687,637**	1,338,350

[(1)] Increase mainly influenced by the rise in the average cost of commodities and the depreciation of the real against the dollar.

Finished products inventories are measured at cost value or net realizable value, whichever is lower.

As of December 31, 2024, the Company and its subsidiaries recorded an impairment loss for inventories of R$ 23,736 (R$ 18,737 as of December 31, 2023).

Changes in inventory impairment loss were as follows:

(All amounts in thousands of Reais, except if stated otherwise)

Change details	Parent	Consolidated
Balance as of December 31, 2022	**19,817**	**20,365**
Provision for estimated losses	9,949	15,447
Write-off	(12,961)	(17,075)
Balance as of December 31, 2023	**16,805**	**18,737**
Provision for estimated losses	**10,622**	**11,439**
Write-off	**(4,316)**	**(6,440)**
Balance as of December 31, 2024	**23,111**	**23,736**

7. Taxes recoverable

The Company recognizes tax credits at the time it deems it has a legal and technical basis on which to recognize the right and reliably measure the amount to be offset or refunded.

The Company's recoverable tax balances are as follows:

Description	Parent		Consolidated	
	2024	2023	2024	2023
ICMS (i)	**195,789**	121,982	**200,240**	123,304
Income tax and social contribution (ii)	**108,502**	72,484	**110,536**	73,308
PIS and COFINS	**3,136**	20,298	**6,018**	21,930
Withholding income tax on financial investments	**69,073**	40,682	**69,104**	40,772
Tax credit on government subsidies (iii)	**60,175**	-	**60,175**	-
IRPJ - PAT credit	**6,723**	5,860	**6,723**	5,860
Others	**20,050**	20,153	**32,172**	27,607
Total	**463,448**	281,459	**484,968**	292,781
Current	**268,518**	146,120	**289,536**	156,940
Non-current	**194,930**	135,339	**195,432**	135,841

The main origins of recoverable taxes are highlighted:

(i) ICMS: these are substantially credits from the acquisition of property, plant and equipment and ICMS reimbursement paid as tax replacement of operations with wheat, wheat flour and wheat flour derivatives net of estimated impairment losses, the latter in the amount of R$ 32,852 (R$ 38,227 as of December 31, 2023);

(ii) Income Tax (IRPJ) and Social Contribution on Net Income (CSLL), resulting from the negative balance of IRPJ 2024 and the lawsuit regarding to STF's position RE 1063187 - Unconstitutionality of amounts related to the Selic rate granted as a result of the repetition of undue tax payment, the latter in the amount of R$ 49,227 (R$ 45,881 as of December 31, 2023);

(iii) Tax credit of 25% on investment subsidies income, as mentioned in Note 20.1.

The tax assets recoverability, recorded in non-current assets, is anticipated as follows:

(All amounts in thousands of Reais, except if stated otherwise)

Maturity	Parent		Consolidated	
	2024	2023	2024	2023
2026	**18,341**	13,890	**18,741**	14,392
2027	**64,145**	53,278	**64,247**	53,278
2028	**10,437**	8,551	**10,437**	8,551
2029	**9,382**	2,071	**9,382**	2,071
2030 on	**92,625**	57,549	**92,625**	57,549
Total	**194,930**	135,339	**195,432**	135,841

8. Investments

In the parent company's financial statements, the investments in subsidiaries and jointly controlled are valued using the equity method.

Other permanent investments are valued at acquisition cost less any impairment losses, when applicable.

a) Breakdown of balances

Description	Parent		Consolidated	
	2024	2023	2024	2023
Investments in subsidiaries and jointly controlled entities	**494,582**	500,465	**30,171**	61,365
Advance for capital subscription	**34,471**	26,628	**-**	1
Goodwill	**96,516**	96,516	**-**	-
Fair value of assets acquired and liabilities assumed	**102,874**	110,941	**-**	-
Unrealized profits on operations with subsidiaries	**(8,418)**	(6,443)	**-**	-
Others	**888**	888	**888**	888
Total	**720,913**	728,995	**31,059**	62,254

(All amounts in thousands of Reais, except if stated otherwise)

b) Changes in investments in direct subsidiaries

Change details	Parent									Consolidated			
	Tergran	MDB Argentina	MDB International Trading	TTRJ	Delta 7&8 Holding S/A	Latinex	Jasmine	Others	Total	TTRJ	Delta 7&8 Holding S/A	Others	Total
Balances as of December 31, 2022	**7,330**	**1**	**170**	**36,513**	**25,061**	**622,928**	**-**	**888**	**692,891**	**36,513**	**25,061**	**888**	**62,462**
Equity income	**(596)**	**-**	**-**	**(3,094)**	**2,885**	**(12,342)**	**(2,114)**	**-**	**(15,261)**	**(3,094)**	**2,885**	**-**	**(209)**
Equity income	(596)	-	-	(3,094)	2,885	(6,027)	13	-	(6,819)	(3,094)	2,885	-	(209)
(-) Depreciation, amortization and surplus value disposals	-	-	-	-	-	(9,548)	-	-	(9,548)	-	-	-	-
Unrealized profits on operations with subsidiaries	-	-	-	-	-	3,233	(2,127)	-	1,106	-	-	-	-
Subtotal	**6,734**	**1**	**170**	**33,419**	**27,946**	**610,586**	**(2,114)**	**888**	**677,630**	**33,419**	**27,946**	**888**	**62,253**
Foreign exchange variations	-	(1)	(12)	-	-	(68)	(291)	-	(372)		-	-	-
Assets incorporated	-	-	-	-	-	(432,487)	432,487	-	-	-	-	-	-
Capital increase	-	-	-	-	-	107,180	-	-	107,180	-	-	-	-
Advance for capital subscription	4,177	-	-	-	-	(82,070)	22,450	-	(55,443)	-	1	-	1
Reclassification	-	-	-	-	-	(203,141)	203,141	-	-	-	-	-	-
Balances as of December 31, 2023	**10,911**	**-**	**158**	**33,419**	**27,946**	**-**	**655,673**	**888**	**728,995**	**33,419**	**27,947**	**888**	**62,254**
Equity income	**85**	**-**	**-**	**(3,248)**	**(1,742)**	**-**	**7,542**	**-**	**2,637**	**(3,248)**	**(1,743)**	**-**	**(4,991)**
Equity income	85	-	-	(3,248)	(1,742)	-	17,584	-	12,679	(3,248)	(1,743)	-	(4,991)
(-) Depreciation, amortization and surplus value disposals	-	-	-	-	-	-	(8,067)	-	(8,067)	-	-	-	-
Unrealized profits on operations with subsidiaries	-	-	-	-	-	-	(1,975)	-	(1,975)	-	-	-	-
Subtotal	**10,996**	**-**	**158**	**30,171**	**26,204**	**-**	**663,215**	**888**	**731,632**	**30,171**	**26,204**	**888**	**57,263**
Foreign exchange variations	-	1	44	-	-	-	4,607	-	4,652	-	-	-	-
Advance for capital subscription	12,021	-	-	-	-	-	-	-	12,021	-	-	-	-
Reduction of share capital	(1,188)	-	-	-	-	-	-	-	(1,188)	-	-	-	-
Reversal of gain on acquisition of equity interest	-	-	-	-	(16,774)	-	-	-	(16,774)	-	(16,774)	-	(16,774)
Transfer of investment to other non-current assets	-	-	-	-	(9,430)	-	-	-	(9,430)	-	(9,430)	-	(9,430)
Balances as of December 31, 2024	**21,829**	**1**	**202**	**30,171**	**-**	**-**	**667,822**	**888**	**720,913**	**30,171**	**-**	**888**	**31,059**

(All amounts in thousands of Reais, except if stated otherwise)

The Company has a corporate partnership with Serena Geração S.A. in the enterprise Delta 7&8 Holding Energia S.A. since 2022. The purpose of this operation is the power generation for consumption by the Company in its production units as strategy for diversifying its energy matrix based on renewable sources, accessing inputs that are part of its production process and increasing competitiveness by being able to enjoy the benefits related to power self-generation through equalization.

Initially, the transaction was recognized as investments in affiliates. However, over the course of 2024, after a new review of the characteristics of the transaction and a reassessment of the existence of significant influence by the Company in the venture, it was concluded that the participation in an affiliated company was no longer characterized. Therefore, the investment was transferred to "other non-current assets" in the Balance Sheet and is now measured at fair value. This review process resulted in a negative effect on net income for 2024 of R$ 11,794.

c) Information of subsidiaries and jointly controlled entities

Equity Position	Tergran		Jasmine		MDB Argentina		MDB International Trading	
	2024	2023	2024	2023	2024	2023	2024	2023
Assets	**26,311**	11,659	**555,395**	532,360	**1**	1	**286**	223
Liabilities	**16,502**	4,925	**100,995**	100,152	**-**	-	**84**	66
Shareholders' equity	**9,809**	6,734	**454,400**	432,208	**1**	1	**202**	157
Net profit (loss) for the year	**85**	(597)	**17,585**	6,030	**-**	-	**-**	-

9. Investment properties

Investment properties are measured at their historical acquisition costs, less accumulated depreciation and impairment, when applicable. Depreciation is calculated on the depreciable amount of an asset using the straight-line method at established rates and takes account of the estimated useful life of the assets, thus reflecting the expected pattern of consumption of the future economic benefits embodied in the assets.

The weighted depreciation rate expressing the useful life of assets classified as investment property was 4.71% as of December 31, 2024 (4.69% as of December 31, 2023).

a) Changes in investment properties

Change details	Parent and Consolidated		
	Buildings	Land	Total
Balance as of December 31, 2022	**16,231**	**39,406**	**55,637**
Additions	-	279	279
Reclassification [(1)]	217	1,431	1,648
Depreciation	(485)	-	(485)
Provision for impairment losses on assets [(2)]	-	(688)	(688)
Balance as of December 31, 2023	**15,963**	**40,428**	**56,391**
Depreciation	**(503)**	**-**	**(503)**
Balance as of December 31, 2024	**15,460**	**40,428**	**55,888**

[(1)] Reclassification from property, plant and equipment to investments properties. [(2)] Refers to the property located in Bahia.

The investment properties comprise thirteen properties in Bahia, Ceará, Pernambuco, Piauí, Minas Gerais and São Paulo. As of December 31, 2024, and 2023, the fair value of these properties is R$ 142,854.

(All amounts in thousands of Reais, except if stated otherwise)

10. Property, plant and equipment

Items of property, plant and equipment are measured at historic purchase or construction cost, less accumulated depreciation and impairment losses, when applicable. Depreciation is calculated on the depreciable values, using the straight-line method at the rates stated which take into consideration the estimated useful lives of the assets, since this method best reflects the standard usage of the future economic benefits of the asset.

The depreciation methods, useful lives and residual values are revised at the end of each financial period, and any adjustments are recognized prospectively.

The weighted depreciation and amortization rates that express the useful lives of property, plant and equipment and the right-of-use assets, respectively, are presented below:

Description	Parent		Consolidated	
	2024	2023	2024	2023
Buildings	**1.76**	1.76	**1.76**	1.76
Machinery and equipment	**6.16**	6.15	**6.17**	6.18
Fixtures and fittings	**9.76**	9.72	**9.75**	9.70
Vehicles	**6.46**	6.61	**6.47**	6.63
Facilities	**5.37**	5.36	**5.33**	5.33
Right-of-use [(1)]	**13.72**	13.64	**13.72**	13.66
Others	**4.96**	4.93	**4.99**	5.91

[(1)] See Note 12.

a) Changes in property, plant and equipment

Parent

Cost	Buildings	Machinery and equipment	Fixtures and fittings	Vehicles	Facilities	Assets in progress	Others	Total
Balances as of December 31, 2022	**1,589,174**	**3,236,478**	**121,859**	**203,578**	**471,946**	**240,886**	**322,853**	**6,186,774**
Additions	266	12,895	4,815	-	944	233,081	1,055	253,056
Recognition of tax credits [(1)]	(1,568)	(6,678)	-	-	(2,424)	(12,671)	-	(23,341)
Right-of-use [(2)]	43,220	23,253	-	49,705	-	-	9	116,187
Disposals	(1,346)	(2,469)	(888)	(10,299)	(94)	(189)	(2,394)	(17,679)
Lease disposals	(27,172)	(2,026)	-	(16,385)	-	-	-	(45,583)
Transfers	23,961	88,725	4,868	-	35,412	(159,927)	6,961	-
Provision for impairment losses on assets	-	-	-	-	-	(265)	-	(265)
Reclassification	(1,334)	(34)	10	-	2,440	(686)	(1,432)	(1,036)
Balances as of December 31, 2023	**1,625,201**	**3,350,144**	**130,664**	**226,599**	**508,224**	**300,229**	**327,052**	**6,468,113**
Additions	**7,183**	**15,646**	**5,690**	**-**	**612**	**178,052**	**578**	**207,761**
Recognition of tax credits	**(129)**	**(110)**	**(12)**	**-**	**(739)**	**-**	**(4)**	**(994)**
Right-of-use [(2)]	**9,866**	**37,545**	**-**	**58,287**	**-**	**-**	**23,446**	**129,144**
Disposals	**(104)**	**(1,008)**	**(663)**	**(1,517)**	**(14)**	**(591)**	**(889)**	**(4,786)**
Lease disposals	**(18,418)**	**(16,298)**	**-**	**(43,617)**	**-**	**-**	**-**	**(78,333)**
Transfers	**8,129**	**75,549**	**1,094**	**-**	**13,917**	**(102,817)**	**4,128**	-
Reclassification	**(7,153)**	**(5,470)**	**(129)**	**-**	**2,891**	**115**	**9,923**	**177**
Balances as of December 31, 2024	**1,624,575**	**3,455,998**	**136,644**	**239,752**	**524,891**	**374,988**	**364,234**	**6,721,082**

[(1)] Refers to the PIS/COFINS credit on the residual balance of assets from prior periods, which the Company decided to appropriate per acquisition date, considering the capitalization of said assets; [(2)] See Note 12.

(All amounts in thousands of Reais, except if stated otherwise)

Depreciation	Buildings	Machinery and equipment	Fixtures and fittings	Vehicles	Facilities	Assets in progress	Others	Total
Balances as of December 31, 2022	**(384,059)**	**(1,868,051)**	**(79,952)**	**(72,077)**	**(225,553)**	**-**	**(125,151)**	**(2,754,843)**
Depreciation	(25,235)	(158,349)	(7,718)	(1,813)	(24,177)	-	(9,000)	(226,292)
Amortization of the right-of-use [1]	(37,208)	(12,090)	-	(30,593)	-	-	(944)	(80,835)
Disposals	37	2,195	480	9,813	18	-	2,077	14,620
Lease disposals	18,451	2,026	-	16,385	-	-	-	36,862
Transfers	454	(19)	(70)	-	206	-	(571)	-
Reclassification	2	12	(12)	-	3	-	460	465
Balances as of December 31, 2023	**(427,558)**	**(2,034,276)**	**(87,272)**	**(78,285)**	**(249,503)**	**-**	**(133,129)**	**(3,010,023)**
Depreciation	**(25,266)**	**(154,762)**	**(7,646)**	**(1,462)**	**(25,018)**	**-**	**(9,782)**	**(223,936)**
Recognition of tax credits	**-**	**1**	**-**	**-**	**3**	**-**	**-**	**4**
Amortization of the right-of-use [1]	**(33,480)**	**(13,454)**	**-**	**(35,052)**	**-**	**-**	**(6,368)**	**(88,354)**
Disposals	**29**	**622**	**622**	**1,399**	**14**	**-**	**889**	**3,575**
Lease disposals	**14,656**	**8,853**	**-**	**22,521**	**-**	**-**	**-**	**46,030**
Reclassification	**-**	**941**	**(10)**	**316**	**(707)**	**-**	**(538)**	**2**
Balances as of December 31, 2024	**(471,619)**	**(2,192,075)**	**(94,306)**	**(90,563)**	**(275,211)**	**-**	**(148,928)**	**(3,272,702)**
Net balances								
Balances as of December 31, 2023	1,197,643	1,315,868	43,392	148,314	258,721	300,229	193,923	3,458,090
Balances as of December 31, 2024	**1,152,956**	**1,263,923**	**42,338**	**149,189**	**249,680**	**374,988**	**215,306**	**3,448,380**

[1] See Note 12.

As of December 31, 2024, the balance of R$ 215,306 recorded in "others" refers mainly to land of R$ 152,356 (R$ 145,203 as of December 31, 2023), improvements of R$ 25,011 (R$ 28,347 as of December 31, 2023), computers and peripheral equipment of R$ 30,998 (R$ 14,843 as of December 31, 2023) and other fixed assets of R$ 6,941 (R$ 5,530 as of December 31, 2023).

Consolidated

Cost	Buildings	Machinery and equipment	Fixtures and fittings	Vehicles	Facilities	Assets in progress	Others	Total
Balances as of December 31, 2022	**1,655,290**	**3,317,674**	**124,264**	**208,008**	**482,235**	**248,240**	**338,405**	**6,374,116**
Business Combination- Las Acacias	-	10,951	-	-	-	-	-	10,951
Additions	266	13,113	4,845	-	944	255,628	1,080	275,876
Recognition of tax credits [1]	(1,568)	(6,740)	-	-	(2,424)	(13,522)	-	(24,254)
Right-of-use [2]	43,220	23,253	-	50,007	-	-	9	116,489
Disposals	(6,348)	(12,068)	(1,285)	(10,490)	(763)	(1,611)	(7,039)	(39,604)
Lease disposals	(28,301)	(2,026)	-	(16,498)	-	-	-	(46,825)
Transfers	28,526	95,335	5,153	65	38,081	(174,797)	7,637	-
Provision for impairment losses on assets	-	-	-	-	(7)	(265)	(1,215)	(1,487)
Reclassification	(784)	(1,025)	10	-	1,864	(1,052)	(1,419)	(2,406)
Balances as of December 31, 2023	**1,690,301**	**3,438,467**	**132,987**	**231,092**	**519,930**	**312,621**	**337,458**	**6,662,856**
Additions	**10,923**	**26,743**	**5,801**	**478**	**1,351**	**200,792**	**584**	**246,672**
Recognition of tax credits	**(129)**	**(110)**	**(12)**	**-**	**(739)**	**(1,675)**	**(4)**	**(2,669)**
Right-of-use [2]	**9,866**	**37,545**	**-**	**58,287**	**-**	**-**	**23,446**	**129,144**
Disposals	**(104)**	**(3,313)**	**(667)**	**(1,517)**	**(14)**	**(591)**	**(934)**	**(7,140)**
Lease disposals	**(18,418)**	**(16,298)**	**-**	**(43,617)**	**-**	**-**	**-**	**(78,333)**
Transfers	**8,887**	**78,183**	**1,368**	**-**	**16,145**	**(108,841)**	**4,258**	**-**
Reclassification	**(7,154)**	**(5,470)**	**(129)**	**-**	**2,891**	**112**	**9,923**	**173**
Balances as of December 31, 2024	**1,694,172**	**3,555,747**	**139,348**	**244,723**	**539,564**	**402,418**	**374,731**	**6,950,703**

[1] Refers to the PIS/COFINS credit on the residual balance of assets from prior periods, which the Company decided to appropriate per acquisition date, considering the capitalization of said assets; [2] See Note 12.

(All amounts in thousands of Reais, except if stated otherwise)

Depreciation	Buildings	Machinery and equipment	Fixtures and fittings	Vehicles	Facilities	Assets in progress	Others	Total
Balances as of December 31, 2022	**(401,424)**	**(1,910,807)**	**(81,560)**	**(74,869)**	**(229,225)**	**(409)**	**(128,062)**	**(2,826,356)**
Depreciation	(25,597)	(160,876)	(7,794)	(1,858)	(24,386)	(481)	(10,737)	(231,729)
Depreciation of surplus value	10	(1,489)	36	-	200	-	177	(1,066)
Amortization of the right-of-use [(1)]	(37,641)	(12,090)	-	(31,029)	-	-	(945)	(81,705)
Disposals	1,343	3,633	546	9,861	(21)	-	2,299	17,661
Lease disposals	19,246	2,026	-	16,385	-	-	-	37,657
Transfers	454	(19)	(70)	-	206	-	(571)	-
Reclassification	(139)	1,003	(12)	-	140	-	466	1,458
Balances as of December 31, 2023	**(443,748)**	**(2,078,619)**	**(88,854)**	**(81,510)**	**(253,086)**	**(890)**	**(137,373)**	**(3,084,080)**
Depreciation	**(28,162)**	**(161,358)**	**(7,886)**	**(1,914)**	**(25,833)**	**(690)**	**(10,034)**	**(235,877)**
Recognition of tax credits	**-**	**1**	**-**	**-**	**3**	**-**	**-**	**4**
Depreciation of surplus value	**(143)**	**(954)**	**(8)**	**-**	**(22)**	**-**	**(16)**	**(1,143)**
Amortization of the right-of-use [(1)]	**(33,480)**	**(13,455)**	**-**	**(35,462)**	**-**	**-**	**(6,368)**	**(88,765)**
Disposals	**29**	**775**	**626**	**1,399**	**14**	**-**	**896**	**3,739**
Lease disposals	**14,656**	**8,853**	**-**	**22,521**	**-**	**-**	**-**	**46,030**
Reclassification	**-**	**944**	**21**	**316**	**(707)**	**-**	**(510)**	**64**
Balances as of December 31, 2024	**(490,848)**	**(2,243,813)**	**(96,101)**	**(94,650)**	**(279,631)**	**(1,580)**	**(153,405)**	**(3,360,028)**
Net balances								
Balances as of December 31, 2023	1,246,553	1,359,848	44,133	149,582	266,844	311,731	200,085	3,578,776
Balances as of December 31, 2024	**1,203,324**	**1,311,934**	**43,247**	**150,073**	**259,933**	**400,838**	**221,326**	**3,590,675**

[(1)] See Note 12.

As of December 31, 2024 the balance of R$ 221,326 recorded in "others" refers mainly to land of R$ 157,846 (R$ 150,693 as of December 31, 2023), improvements of R$ 25,011 (R$ 28,347 as of December 31, 2023), computers and peripheral equipment of R$ 31,500 (R$ 15,480 as of December 31, 2023) and other fixed assets of R$ 6,969 (R$ 5,565 as of December 31, 2023).

Depreciation recognized in the consolidated statement of income for the year ended December 31, 2024 amounted to R$ 317,510 (R$ 318,274 as of December 31, 2023).

b) Improvements to leased properties

The Company has lease agreements for port areas where three manufacturing plants are installed, based in the cities of Cabedelo (PB), Fortaleza (CE) and Natal (RN), where most of these investments are concentrated. Improvements are made to the real estate, and the costs are amortized over the shorter of the lease agreement period and the useful life of the asset. The balance as of December 31, 2024 totaled R$ 25,011 (R$ 28,347 as of December 31, 2023).

A detailed description of assets classified as improvements to third-party property is provided below:

Description	Parent and Consolidated	
	2024	2023
Improvements to buildings	**78,735**	78,696
Accumulated depreciation	**(53,724)**	(50,349)
Total	**25,011**	28,347

c) Guarantees

As of December 31, 2024, the value of assets securing various operations amounted to R$ 145,325 (R$ 417,066 as of December 31, 2023), excluding accumulated depreciation.

(All amounts in thousands of Reais, except if stated otherwise)

d) Impairment testing of assets

The Company's property, plant and equipment are subject to impairment tests to ensure that the carrying amounts do not exceed the recoverable values. Based on an analysis of external and internal information, it was concluded that the assets do not present any indications of impairment, devaluation or physical damage that could affect the Company's future cash flows.

11. Intangible assets

Intangible assets are valued at acquisition cost, less accumulated amortization and impairment losses, when applicable. If the intangible assets are acquired in a business combination, they are measured at fair value on the acquisition date.

The Company's intangible assets comprise:

Description	Parent		Consolidated	
	2024	2023	2024	2023
Assets with defined useful life				
Software	**341,025**	192,781	**342,989**	194,959
(-) Accumulated amortization	**(141,455)**	(117,913)	**(143,050)**	(119,350)
	199,570	74,868	**199,939**	75,609
Software in progress	**52,060**	134,976	**52,370**	134,976
	251,630	209,844	**252,309**	210,585
Other Intangible assets				
Non-contractual relationship with customers and suppliers	**185,921**	185,921	**218,453**	223,851
Non-competition agreements	**1,035**	1,035	**1,800**	1,909
(-) Accumulated amortization	**(80,104)**	(68,232)	**(92,379)**	(77,733)
	106,852	118,724	**127,874**	148,027
Assets with undefined useful life				
Brands				
Vitarella	**107,011**	107,011	**107,011**	107,011
Pilar	**33,815**	33,815	**33,815**	33,815
Estrela, Pelágio and Salsito	**75,559**	75,559	**75,559**	75,559
Predilleto and Bonsabor	**11,530**	11,530	**11,530**	11,530
Piraquê and Aldente	**318,510**	318,510	**318,510**	318,510
Fit Food, Frontera, Smart and Taste&Co	**-**	-	**98,826**	98,826
Jasmine	**-**	-	**110,437**	110,437
Las Acacias	**-**	-	**28,128**	28,267
Others	**6,249**	6,138	**6,566**	6,197
	552,674	552,563	**790,382**	790,152
Goodwill				
Adria	**34,037**	34,037	**34,037**	34,037
Vitarella	**400,710**	400,710	**400,710**	400,710
Pilar	**27,941**	27,941	**27,941**	27,941
Pelágio and J. Brandão	**67,661**	67,661	**67,661**	67,661
Moinho Santa Lúcia	**42,363**	42,363	**42,363**	42,363
Piraquê	**362,316**	362,316	**362,316**	362,316
Latinex	**-**	-	**96,516**	96,516
Jasmine	**-**	-	**156,126**	156,126
Las Acacias	**-**	-	**46,861**	46,861
Others [(1)]	**9,384**	9,384	**9,384**	9,384
	944,412	944,412	**1,243,915**	1,243,915
	1,855,568	1,825,543	**2,414,480**	2,392,679

[(1)] Goodwill arising from the net worth of the company Craiova Participações Ltda., incorporated in Adria Alimentos do Brasil Ltda. on August 27, 2002.

(All amounts in thousands of Reais, except if stated otherwise)

Software is amortized over a period of five years, except for the ERP system, which is amortized over fifteen years, which is the period defined as the estimated useful life of the asset and which reflects the economic benefit of the intangible asset. The non-contractual relationship with customers and non-competition agreements, assets identified in the process of allocating the acquisition price of Piraquê, have a defined useful life of 15.6 years and 5 years, respectively. Regarding Jasmine, the non-contractual relationship with the customer is 29.3 years. For Las Acacias, the useful life of the non-contractual relationship with the customer is 14.2 years.

The goodwill paid for future profitability is not amortized and its recoverable value, at minimum, is tested annually.

a) Changes in intangible assets

Parent

Change details	Software	Brands	Non-contractual customers relationship	Non-competition agreement	Goodwill	Total
Balances as of December 31, 2022	**142,076**	**552,439**	**130,596**	**69**	**944,412**	**1,769,592**
Additions	100,364	124	-	-	-	100,488
Reclassification	(2,924)	-	-	-	-	(2,924)
Amortizations	(24,737)	-	(11,872)	(69)	-	(36,678)
Provision for impairment losses on assets	(4,935)	-	-	-	-	(4,935)
Balances as of December 31, 2023	**209,844**	**552,563**	**118,724**	**-**	**944,412**	**1,825,543**
Additions [1]	**72,984**	**111**	**-**	**-**	**-**	**73,095**
Reclassification	**(51)**	**-**	**-**	**-**	**-**	**(51)**
Amortizations	**(31,147)**	**-**	**(11,872)**	**-**	**-**	**(43,019)**
Balances as of December 31, 2024	**251,630**	**552,674**	**106,852**	**-**	**944,412**	**1,855,568**

[1] *Refers mainly to ERP modernization.*

Consolidated

Change details	Software	Brands	Non-contractual customers relationship	Non-competition agreement	Goodwill	Total
Balances as of December 31, 2022	**142,433**	**790,034**	**166,485**	**943**	**1,256,841**	**2,356,736**
Business Combination- Las Acacias	-	-	2,449	-	(13,053)	(10,604)
Additions	100,494	118	-	-	-	100,612
Reclassification	(2,559)	-	-	-	127	(2,432)
Amortizations	(24,848)	-	(21,635)	(215)	-	(46,698)
Provision for impairment losses on assets	(4,935)	-	-	-	-	(4,935)
Balances as of December 31, 2023	**210,585**	**790,152**	**147,299**	**728**	**1,243,915**	**2,392,679**
Additions [1]	**73,081**	**230**	**-**	**-**	**-**	**73,311**
Reclassification	**(51)**	**-**	**-**	**-**	**-**	**(51)**
Amortizations	**(31,306)**	**-**	**(20,007)**	**(146)**	**-**	**(51,459)**
Balances as of December 31, 2024	**252,309**	**790,382**	**127,292**	**582**	**1,243,915**	**2,414,480**

[1] *Refers mainly to ERP modernization.*

The Company recorded research and development costs of R$ 16,549 for the year ended December 31, 2024 (R$ 17,368 as of December 31, 2023).

b) Impairment testing of goodwill and brands

As of December 31, 2024, the Company performed impairment testing of the carrying values of goodwill and brands recorded as intangible assets, based on value-in-use, using the discounted cash flow model.

It is important to highlight that the process to estimate the value-in-use involves assumptions, judgments and forecasts of future cash flows, growth rates and discount rates. Therefore, the assumptions for the model are based on expected growth presented in the Company's annual budgets, historic performance, and also market data, and therefore represent management's best estimates regarding the economic conditions that could prevail during the economic useful lives of the assets that are responsible for generating the cash flows.

According to the Company's valuation techniques, the assessment of value-in-use was made for a period of 5 years to perpetuity, and the model was based on the following fundamental assumptions:

- net revenue was forecast considering average annual growth of 6.7% (volume 1.5% and price 5.1%), based on historic performance and expected future performance;

- operational costs and expenses were forecast based on the Company's historic performance and expectations regarding the rising costs of supplies within the context of the forecast increase in sales;

- the investments in capital assets were estimated based on the infrastructure required to support forecast sales volumes;

- the estimated future cash flows were discounted using a single discount rate of 11.64% (11.80% in 2023). The growth rate used to extrapolate the forecasts beyond a period of 5 years was 3.9% (3.9% as of December 31, 2023).

In this assessment process, the Company value obtained from testing the recoverable values of its intangible assets did not result in the need to recognize impairment, because the carrying value of these assets did not exceed their estimated value-in-use.

The Company believes there are no signs of asset impairment for the year ended December 31, 2024.

12. Leases

The Company and its subsidiaries recognize the right of use of the leased asset and the liability for future payments for lease agreements and for agreements of a leasing nature, i.e. those that convey the right to control the use of an identified asset and obtain the benefits for a period of time in exchange for consideration.

The recognized assets and liabilities are initially measured at present value. Lease liabilities are measured at the net present value of the remaining payments, discounted at the incremental rate on loans, grouped by general nature of asset and contractual term. Right-of-use assets are measured at cost according to the value of the initial measurement of the lease liability and amortized over the lease term by the straight-line method.

The Company and its subsidiaries maintain assets and liabilities arising from lease agreements for port areas where three plants are installed, as specified in Note 10, letter b, property rental agreements, printers, vehicle rental and forklifts.

See below the changes in the year ended December 31, 2024 and December 31, 2023:

(All amounts in thousands of Reais, except if stated otherwise)

a) Right-of-use

Parent

Cost	Properties	Machinery and equipment	Vehicles	Computers and Peripherals	Total
Balances as of December 31, 2022	**201,414**	**83,913**	**150,780**	**5,028**	**441,135**
Additions	43,220	23,253	49,705	9	116,187
Disposals	(27,172)	(2,026)	(16,385)	-	(45,583)
Balances as of December 31, 2023	**217,462**	**105,140**	**184,100**	**5,037**	**511,739**
Additions	**9,866**	**37,545**	**58,287**	**23,446**	**129,144**
Disposals	**(18,418)**	**(16,298)**	**(43,617)**	**-**	**(78,333)**
Balances as of December 31, 2024	**208,910**	**126,387**	**198,770**	**28,483**	**562,550**

Amortization	Properties	Machinery and equipment	Vehicles	Computers and Peripherals	Total
Balances as of December 31, 2022	**(71,187)**	**(23,371)**	**(30,425)**	**(3,048)**	**(128,031)**
Amortization	(37,208)	(12,090)	(30,593)	(944)	(80,835)
Disposals	18,451	2,026	16,385	-	36,862
Balances as of December 31, 2023	**(89,944)**	**(33,435)**	**(44,633)**	**(3,992)**	**(172,004)**
Amortization	**(33,480)**	**(13,454)**	**(35,052)**	**(6,368)**	**(88,354)**
Reclassification	**-**	**(315)**	**315**	**-**	**-**
Disposals	**14,656**	**8,853**	**22,521**	**-**	**46,030**
Balances as of December 31, 2024	**(108,768)**	**(38,351)**	**(56,849)**	**(10,360)**	**(214,328)**
Net balances					
Balances as of December 31, 2023	127,518	71,705	139,467	1,045	339,735
Balances as of December 31, 2024	**100,142**	**88,036**	**141,921**	**18,123**	**348,222**

Consolidated

Cost	Properties	Machinery and equipment	Vehicles	Computers and Peripherals	Total
Balances as of December 31, 2022	**202,555**	**83,913**	**151,767**	**5,029**	**443,264**
Additions	43,220	23,253	50,007	9	116,489
Reclassification	(13)	-	-	-	(13)
Disposals	(28,301)	(2,026)	(16,498)	-	(46,825)
Balances as of December 31, 2023	**217,461**	**105,140**	**185,276**	**5,038**	**512,915**
Additions	**9,866**	**37,545**	**58,287**	**23,446**	**129,144**
Disposals	**(18,418)**	**(16,298)**	**(43,617)**	**-**	**(78,333)**
Balances as of December 31, 2024	**208,909**	**126,387**	**199,946**	**28,484**	**563,726**

Amortization	Properties	Machinery and equipment	Vehicles	Computers and Peripherals	Total
Balances as of December 31, 2022	**(71,549)**	**(23,371)**	**(30,343)**	**(3,048)**	**(128,311)**
Amortization	(37,641)	(12,090)	(31,029)	(945)	(81,705)
Disposals	19,246	2,026	16,385	-	37,657
Balances as of December 31, 2023	**(89,944)**	**(33,435)**	**(44,987)**	**(3,993)**	**(172,359)**
Amortization	**(33,480)**	**(13,455)**	**(35,462)**	**(6,368)**	**(88,765)**
Reclassification	-	**(315)**	**315**	**-**	**-**
Disposals	**14,656**	**8,853**	**22,521**	**-**	**46,030**
Balances as of December 31, 2024	**(108,768)**	**(38,352)**	**(57,613)**	**(10,361)**	**(215,094)**
Net balances					
Balances as of December 31, 2023	127,517	71,705	140,289	1,045	340,556
Balances as of December 31, 2024	**100,141**	**88,035**	**142,333**	**18,123**	**348,632**

The average discount rates used in initial measurement, based on quotations provided by financial institutions, the agreement expiration dates and the relevant weighted amortization rates expressing the timing of the realization of rights-of-use, are as follows:

(All amounts in thousands of Reais, except if stated otherwise)

Nature of the agreement	Parent and Consolidated				
	Maturity [1]	Average discount rate		Amortization rate	
		2024	2023	2024	2023
Port properties	Jul/43	**15.26%**	12.20%	**7.71%**	7.71%
Properties	Aug/29	**9.65%**	9.06%	**14.38%**	15.14%
Machinery and equipment	Mar/30	**12.41%**	12.54%	**11.27%**	11.26%
Vehicles	Aug/31	**12.41%**	11.07%	**17.39%**	16.87%
Computers and Peripherals	May/29	**11.31%**	7.57%	**24.00%**	20.00%

[1] *Considered the last maturity of the group of agreements.*

b) Lease liability

Change details	Parent	Consolidated
Balances as of December 31, 2022	**330,068**	**331,917**
Additions	116,187	116,489
Disposals	(8,722)	(9,160)
Interest	36,088	36,241
Payments	(78,363)	(79,506)
Interest payments	(37,824)	(37,874)
Balances as of December 31, 2023	**357,434**	**358,107**
Additions	**129,144**	**129,144**
Disposals	**(32,303)**	**(32,303)**
Interest	**38,894**	**38,961**
Payments	**(98,646)**	**(99,152)**
Interest payments	**(39,292)**	**(39,292)**
Balances as of December 31, 2024	**355,231**	**355,465**
Current	**98,550**	**98,768**
Non-current	**256,681**	**256,697**

The amounts recorded as non-current liabilities as of December 31, 2024 mature as follows:

Maturity	Parent	Consolidated
2026	95,396	95,412
2027	69,953	69,953
2028	35,541	35,541
2029	27,467	27,467
2030 to 2043	28,324	28,324
Total	**256,681**	**256,697**

c) Amounts recognized in profit or loss

Change details	Parent		Consolidated	
	2024	2023	2024	2023
Amortization of rights-of-use	**88,354**	80,835	**88,765**	81,705
Interest on lease liabilities	**38,894**	36,088	**38,961**	36,241
Payments not included in the measurement of lease liabilities	**2,428**	2,240	**2,428**	2,240

12.1 CVM/SNC/SEP/Official Circular Letter No. 02/2019

In compliance with the Circular Letter issued by the Brazilian Securities Commission (CVM), the Company is presenting comparative balances of lease liabilities, rights-of-use, finance expense and depreciation expense considering the effect of projected future inflation on cash flows under the lease agreements, discounted at the nominal rate:

(All amounts in thousands of Reais, except if stated otherwise)

	December 31, 2024 Consolidated										
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034 to 2043 (1)
Liability											
IFRS 16	355,465	255,287	161,277	91,294	55,753	28,286	14,516	4,145	2,095	2,017	11,167
CVM Official	473,114	353,060	229,752	133,050	84,428	45,042	23,971	7,285	3,586	3,551	21,754
	33.1%	38.3%	42.5%	45.7%	51.4%	59.2%	65.1%	75.7%	71.2%	76.1%	94.8%
Right-of-use											
IFRS 16	348,632	249,652	162,264	97,542	61,452	33,822	15,703	2,778	1,353	1,165	5,015
CVM Official	434,848	315,779	207,447	125,681	80,326	44,915	20,941	3,728	1,732	1,482	6,377
	24.7%	26.5%	27.8%	28.8%	30.7%	32.8%	33.4%	34.2%	28.0%	27.2%	27.2%
Financial expense											
IFRS 16	38,961	35,095	24,405	15,173	9,013	4,845	2,593	1,130	420	350	2,078
CVM Official	50,487	46,433	33,337	21,322	13,244	7,374	4,139	1,904	718	606	4,011
	29.6%	32.3%	36.6%	40.5%	45.0%	52.2%	59.6%	68.5%	70.9%	73.3%	93.0%
Amortization											
IFRS 16	88,765	96,808	87,388	64,722	36,090	27,630	18,119	12,925	1,425	188	1,165
CVM Official	111,106	119,041	108,361	81,766	45,354	35,411	23,974	17,213	1,997	250	1,482
	25.3%	23.0%	24.8%	26.3%	25.7%	28.2%	32.3%	33.2%	40.1%	32.8%	27.2%

(1) *Refers to the port lease contract at the Natal (RN) unit.*

A statement of potentially recoverable PIS/COFINS tax credits embedded in the lease consideration over the relevant payment periods is presented below:

Cash flow	Parent				Consolidated			
	2024		2023		2024		2023	
	Par value	Adjusted to present value	Par value	Adjusted to present value	Par value	Adjusted to present value	Par value	Adjusted to present value
Consideration for the lease	**457,267**	**355,231**	463,134	357,434	**454,814**	**355,465**	461,187	358,107
Potential PIS/COFINS (9.25%)	**42,297**	**32,859**	42,840	33,063	**42,070**	**32,880**	42,660	33,125

13. Related-party transactions

Related-party transactions arise mainly from transactions between the Company and its subsidiaries, key management professionals and other parties related directly or indirectly to the controlling shareholder. These transactions were carried out under market conditions that were satisfactory for the Company's interests considering management's analysis of each transaction. The Company's controlling shareholder is DIBRA Fundo de Investimentos em Participações.

Presented below is a list of related companies with which the Company carries out transactions:

Related parties	Nature of the transactions
Subsidiaries (1)	
M. Dias Branco International Trading LLC	Not operating and under liquidation process
M. Dias Branco International Trading Uruguay S. A.	Not operating and under liquidation process
M. Dias Branco Argentina S. A.	Not operating and under liquidation process
Jasmine Indústria e Comércio de Alimentos Ltda.	Purchase and sale of industrialized products and products for resale
Darcel S.A. and Cacama S.A	Purchase and sale of industrialized products and products for resale
Joint ventures (1)	
Tergran – Terminal de Grãos de Fortaleza Ltda.	Services related to unloading wheat
Terminal de Trigo do Rio de Janeiro - Logística S.A.	Provision of raw material unloading services and other services

Related parties	Nature of the transactions
Companies whose controller is the Company's chairperson of the board of directors	
Dias Branco Administração e Participação Ltda.	Property lending agreement
Idibra Participações S. A.	Civil constructions and equipment leasing
Praia Centro Hotel Viagens e Turismo Ltda.	Services related to hosting employees and service providers
Terminal Portuário Cotegipe S. A.	Services related to unloading wheat and other services
Companhia Industrial de Cimento Apodi	Purchase of materials used in civil works
Riviera Lazer S.A.	Sale of industrialized products
Companies in which the Company's president or vice president are registered as the partners	
LDB Transporte de Cargas Ltda.	Cargo transport
LDB Logística e Transporte Ltda.	Cargo transport
AET - Engenharia e Soluções Tecnológicas Avançadas Ltda.	Equipment installation and maintenance services rendered
Buhler & Scherler S.A.	Equipment installation and maintenance services rendered
WEF Engenharia e Automação Ltda.	Equipment installation and maintenance services rendered
Support Administração e Serviços S/S Ltda.	Services related to hosting employees and service providers

[(1)] *The percentage equity interest and its characteristics are disclosed in Note 3.*

The following companies are related to the controlling shareholder or to the vice president and meet the criteria of CPC 05 (IAS 24) and are also considered related parties. However, the Company does not carry out any transactions with them: Apodi Distribuição e Logística Ltda., Hotel Praia Mar Ltda., Aquiraz Investimentos Turísticos S.A., CDB Participações Ltda-EPP, CDB Securitizadora S.A., Praia do Futuro Empreendimentos Imobiliários Ltda., Equatorial Participações e Negócios S.A., Dias Branco Incorporadora SPE 001 Ltda., Dias Branco Incorporadora SPE 002 Ltda., Dias Branco Incorporadora SPE 003 Ltda, Dias Branco Incorporadora SPE 004 Ltda, Dias Branco Incorporadora SPE 005 Ltda., Dias Branco Incorporadora SPE 006 Ltda., Dias Branco Incorporadora SPE 007 Ltda., Dias Branco Incorporadora SPE 008 Ltda., Dias Branco Incorporadora SPE 009 Ltda., Dias Branco Incorporadora SPE 010 Ltda., Dias Branco Incorporadora SPE 011 Ltda., Ponta da Praia Empreendimentos Imobiliários SPE 001 Ltda., Aquiraz Golf Clubs Administração e Comércio Ltda., Lago das Praias Belas Empreendimentos Imobiliários Ltda, Aveiro Multimercado FD Invest Crédito Privado Investimento Exterior, Águas Claras Participações Ltda., Apodi Concreto Ltda, IDB Condominium Incorporações SPE Ltda., 3L Administração e Participações Ltda., Lavanda Brasil Indústria e Comércio de Cosméticos Ltda., 4D Participação e Investimentos Ltda., Matrix Núcleo de Histeroscopia do Ceará Ltda., Natasha Mihaliuc Dias Branco - ME, Tusker Comércio e Confecção de Roupas Ltda., AFBR Investimentos e Participações S.A., Dias Branco Securitizadora S.A., Fertsan Soluções Inteligentes em Agronegócio S.A., Idibra & Diagonal Incorporadora SPE Ltda., Idibra KRM Incorporadora SPE Ltda., PDB Indústria e Comércio de Alimentos Ltda., Clam Empreendimentos Imobiliários Ltda., Dibra Comercial de Combustíveis de Aviação Ltda., IDBN Ltda., RAMG Administração e Participações Ltda., EFF Holding Ltda., Mota Gutierrez - Participações e Administração de Ativos Ltda., Messs Studios Ltda., Messs Agencia de Comunicação Ltda., 2I Securitizadora S.A., 4D Flex Empreendimentos Imobiliários SPE Ltda., Aldeota CSC Empreendimento Imobiliário SPE Ltda., Alphaville Ceará Empreendimentos Imobiliários SPE 011 S.A., Duplo Participação Ltda., Skydune Empreendimento Imobiliário SPE Ltda., WRF3L 001 Empreendimento Imobiliário SPE Ltda., WRF3L 001 Empreendimento Imobiliário SPE Ltda.

a) Terms of the transactions with the main related parties

Related-party transactions are carried out under conditions satisfactory for the Company, and the prices charged vary depending on the type of service provided and the products sold. In general, payments are made against Invoices.

(All amounts in thousands of Reais, except if stated otherwise)

b) Assets and liabilities with the related parties are presented below:

Description	Parent		Consolidated	
	2024	2023	2024	2023
Assets				
Current				
Accounts receivable				
LDB Transporte de Cargas Ltda.	**89**	28	**89**	28
Idibra Participações S.A.	**5**	5	**5**	5
Praia Centro Hotéis, Viagens e Turismo Ltda.	**-**	4	**-**	4
Jasmine Indústria e Comércio de Alimentos Ltda.	**173**	423	**-**	-
Darcel S.A. e Cacama S.A.	**4,622**	899	**-**	-
	4,889	1,359	**94**	37
Non-current				
Other credits				
M.Dias Branco Trading LLC	**195**	195	**-**	-
	195	195	**-**	-
Advance for capital subscription				
Tergran - Terminal de Grãos de Fortaleza Ltda.	**12,021**	4,177	**-**	-
Jasmine Indústria e Comércio de Alimentos Ltda.	**22,450**	22,450	**-**	-
Delta 7&8 Holding Energia S.A. [(1)]	**-**	1	**-**	1
	34,471	26,628	**-**	1
Liabilities				
Current				
Suppliers				
LDB Transporte de Cargas Ltda.	**3,559**	4,700	**3,559**	4,700
LDB Logística e Transporte Ltda.	**256**	467	**256**	467
AET - Engenharia e Soluções Tecnológicas Avançadas Ltda.	**2**	2	**2**	2
Idibra Participações S.A.	**3**	1	**3**	1
Tergran - Terminal de Grãos de Fortaleza Ltda.	**-**	657	**-**	-
Terminal de Trigo do Rio de Janeiro - Logística S.A.	**-**	601	**-**	601
WEF Engenharia e Automação Ltda.	**243**	508	**243**	508
Everest Comércio de Produtos Médicos e Odontológicos	**-**	2	**-**	2
Jasmine Indústria e Comércio de Alimentos Ltda.	**8,005**	14,620	**-**	-
Delta 7&8 Holding Energia S.A. [(1)]	**-**	3,393	**-**	3,393
	12,068	24,951	**4,063**	9,674
Other accounts payable				
Tergran – Terminal de Grãos de Fortaleza Ltda.	**-**	1,188	**-**	-
	-	1,188	**-**	-
Non-current				
Accounts payable				
M.Dias Branco Trading LLC	**3**	3	**-**	-
Terminal Portuário Cotegipe S.A.	**1,238**	1,238	**1,238**	1,238
	1,241	1,241	**1,238**	1,238

[(1)] See Note 8.

(All amounts in thousands of Reais, except if stated otherwise)

c) Transactions carried out with related parties are presented below:

Description	Parent		Consolidated	
	2024	2023	2024	2023
Sale of products				
Terminal Portuário Cotegipe S.A.	**22**	5	**22**	5
Idibra Participações S.A.	**5**	5	**5**	5
Praia Centro Hotéis, Viagens e Turismo Ltda.	**11**	26	**11**	26
Riviera Lazer S.A.	**2**	-	**2**	-
Jasmine Indústria e Comércio de Alimentos Ltda.	**881**	70	**-**	-
Darcel S.A. e Cacama S.A.	**1,069**	1,181	**-**	-
	1,990	1,287	**40**	36
Sale of fixed assets / other				
Terminal Portuário Cotegipe S.A.	**-**	16	**-**	16
LDB Transporte de Cargas Ltda.	**38**	120	**38**	120
Latinex Importação e Exportação de Alimentos Ltda. (1)	**-**	82	**-**	-
Jasmine Indústria e Comércio de Alimentos Ltda.	**264**	509	**-**	-
Darcel S.A. e Cacama S.A.	**4,064**	-	**-**	-
	4,366	727	**38**	136
Purchase of products				
Jasmine Indústria e Comércio de Alimentos Ltda.	**213,128**	153,159	**-**	-
Latinex Importação e Exportação de Alimentos Ltda. (1)	**-**	47,241	**-**	-
Darcel S.A. e Cacama S.A.	**2,432**	435	**-**	-
	215,560	200,835	**-**	-
Purchase of fixed assets / others				
Buhler & Scherler S.A.	**400**	810	**400**	810
WEF Engenharia e Automação Ltda.	**-**	149	**-**	149
Latinex Importação e Exportação de Alimentos Ltda. (1)	**-**	5,481	**-**	-
Jasmine Indústria e Comércio de Alimentos Ltda.	**517**	154	**-**	-
	917	6,594	**400**	959
Hiring of services				
LDB Transporte de Cargas Ltda.	**17,346**	17,482	**17,346**	17,482
LDB Logística e Transporte Ltda.	**1,639**	1,734	**1,639**	1,734
Terminal Portuário Cotegipe S.A.	**9,596**	6,158	**9,596**	6,158
Tergran – Terminal de Grãos de Fortaleza Ltda.	**9,911**	9,161	**-**	-
Praia Centro Hotéis, Viagens e Turismo Ltda.	**293**	926	**293**	926
Idibra Participações S.A.	**8**	7	**8**	7
Companhia Industrial de Cimento Apodi	**66**	-	**66**	-
Jasmine Indústria e Comércio de Alimentos Ltda.	**11**	-	**-**	-
Buhler & Scherler S.A.	**90**	-	**90**	-
THB CE Consultoria, Gerência de Riscos e Corretagem de Seguros Ltda.(2)	**-**	740	**-**	740
WEF Engenharia e Automação Ltda.	**714**	869	**714**	869
Everest Comércio de Produtos Médicos e Odontológicos	**13**	15	**13**	15
Delta 7&8 Holding Energia S.A. (3)	**-**	37,573	**-**	37,573
Support Administração e Serviços S/S Ltda.	**1,186**	1,584	**1,186**	1,584
	40,873	76,249	**30,951**	67,088

(1) Company incorporated on August 1, 2023 by Jasmine Indústria e Comércio de Alimentos Ltda. (2) Company ceased to be a related party in the second quarter of 2023. (3) See Note 8.

Compensation paid to key management personnel

Key management personnel are members of the statutory executive office and the members of the Company's Board of Directors.

As of December 31, 2024, the Company and its subsidiaries recognized R$ 40,841 (R$ 39,505 as of December 31, 2023) as compensation for key management personnel, including salaries, management fees, bonuses, short-term benefits, especially profit-sharing, and long-term benefits for employees subject to CLT designated as statutory officers, as described in Note 25.

(All amounts in thousands of Reais, except if stated otherwise)

The Company's bylaws do not provide for Management to receive profit shares, and no amount has therefore been recorded for profit sharing for the years ended December 31, 2024 and 2023.

14. Suppliers and "Drawee's Risk" Transactions

Description	Parent		Consolidated	
	2024	2023	2024	2023
Domestic suppliers	**832,364**	907,683	**843,752**	909,230
Foreign suppliers	**2,565**	-	**8,725**	5,022
Subtotal	**834,929**	907,683	**852,477**	914,252
Forfaiting transactions	**242,587**	322,646	**242,587**	322,824
Total	**1,077,516**	1,230,329	**1,095,064**	1,237,076

The Company has forfaiting transactions with suppliers to allow them to transfer their rights under receivables to a financial institution and receive an advance of those receivables for goods and services purchased by the Company. The decision to opt into these transactions remains exclusively with the supplier.

In these transactions the financial institution agrees to pay an advance to the Company's suppliers in exchange for a discount on the receivables. The supplier transfers its rights in these receivables to the bank. The Company pays the full amount of the original price to the financial institution on the original due date.

These transactions have no effect on the prices, terms or other conditions initially agreed and therefore on the amount, nature or timing of the original liability, and the Company does not incur any financial charges from the financial institution. In addition, no guarantees are provided by the Company. The Company therefore continues to recognize these liabilities as "Trade payables" and the effects from these transactions are recognized under operating activities in the statement of cash flows.

15. Financing and borrowings

Financing and borrowings Company are recognized as financial liabilities carried at amortized cost, except debentures, and are inflation adjusted, when applicable, for the related contractual charges, and any financing subject to foreign exchange variation is restated using the respective selling exchange rate in force on the last business day of the period.

General and specific loan costs that are directly attributed to the acquisition, construction or production of a qualifying asset, i.e. an asset that requires a long time to be concluded for the purpose of use or sale, are capitalized as part of the asset's cost when it is probable that they will result in future economic benefits for the entity and that such costs can be reliably measured. Other loan costs are recorded as an expense in the period they are incurred in.

Financing and borrowings of the Company and its subsidiaries recorded as of December 31, 2024 in the amount of R$ 2,389,689 (R$ 2,171,056 as of December 31, 2023) are distributed between four categories, as follows: financing and borrowings with financial institutions, tax financing, direct financing and debentures.

(All amounts in thousands of Reais, except if stated otherwise)

15.1 Financing and borrowings with financial institutions

Description	Index	Interest (% p.a.)	Parent			Interest (% p.a.)	Consolidated		
			Maturity [1]	2024	2023		Maturity [1]	2024	2023
Domestic currency									
BNDES-FINAME	TJLP	2.17	08/15/2024	-	2,124	2.17	08/15/2024	-	2,124
BNDES-PSI [2]	-	3.50	01/15/2024	-	277	3.50	01/15/2024	-	277
BNDES-FINEM	IPCA	9.84	08/15/2024	-	10,880	9.84	08/15/2024	-	10,880
FINEP [2]	TR	3.30	07/15/2036	**68,626**	25,810	3.30	07/15/2036	**68,626**	25,810
Working Capital	IPCA	6.93	02/15/2024	-	128,494	6.93	02/15/2024	-	128,494
				68,626	167,585			**68,626**	167,585
Foreign currency									
Working Capital (Law No. 4,131) and export	USD	3.24	12/22/2025	**1,002,279**	784,832	3.24	12/22/2025	**1,002,279**	784,832
FINIMP	USD	5.56	06/16/2025	**52,444**	-	5.56	06/16/2025	**52,444**	-
Working capital	UYU	-	-	-	-	9.57	02/23/2026	**7,847**	5,152
				1,054,723	784,832			**1,062,570**	789,984
Total				**1,123,349**	952,417			**1,131,196**	957,569
Current liabilities				**1,055,313**	442,536			**1,063,160**	444,334
Non-current liabilities				**68,036**	509,881			**68,036**	513,235

[1] Final maturity for the group of agreements; [2] Agreements signed for the purchase of fixed assets.

The vesting period for the agreements signed involving funds from the National Bank for Economic and Social Development (BNDES) is between 12 and 36 months. In most of the agreements, the interest is paid quarterly during the vesting period and after this period has elapsed, the payments are made monthly, except in some direct transactions with BNDES in which the principal sum and interest are paid annually. Working capital loans have a vesting period of 6 months; interest payments are made every six months and the principal is paid on maturity. The export financing will be settled in full at the end of the agreement.

The agreement signed with the Studies and Projects Financier, FINEP, has a grace period of 24 months. Interest is paid monthly during the grace period. After this period, interest and amortization installments will be monthly over 96 months.

See below the changes in loans and financing:

Change details	Parent	Consolidated
Balance as of December 31, 2022	**1,002,549**	**1,024,591**
Release	329,346	331,715
Provision for interest, commission and tax	45,508	47,161
Exchange variation and inflation adjustment	(57,408)	(57,484)
Fair value variation	2,891	2,891
Amortizations	(319,336)	(338,595)
Payment of interest and exchange variation	(50,764)	(52,341)
(-) Amortization of transaction costs	(369)	(369)
Balance as of December 31, 2023	**952,417**	**957,569**
Release	**1,165,706**	**1,172,112**
Provision for interest, commission and tax	**40,697**	**41,025**
Exchange variation and inflation adjustment	**226,070**	**226,070**
Fair value variation [1]	**(4,277)**	**(4,277)**
Amortizations	**(1,174,484)**	**(1,178,182)**
Payment of interest and exchange variation	**(82,428)**	**(82,769)**
(-) Amortization of transaction costs	**(352)**	**(352)**
Balance as of December 31, 2024	**1,123,349**	**1,131,196**

[1] Refers to working capital financing completed in February 2024.

(All amounts in thousands of Reais, except if stated otherwise)

The amounts recorded in non-current liabilities as of December 31, 2024 mature as follows:

Maturity	Parent	Consolidated
2026	**3,192**	**3,192**
2027	**7,655**	**7,655**
2028	**7,655**	**7,655**
2029	**7,655**	**7,655**
2030 to 2036	**41,879**	**41,879**
Total	**68,036**	**68,036**

As of December 31, 2024, some consolidated financing and borrowings are secured by bank guarantee, promissory notes and guarantee insurance. These financing and borrowings totaled R$ 1,124,072 (R$ 798,190 as of December 31, 2023).

Agreements for external financing and financing through BNDES and FINEP credit facilities are subject to covenants, common for these types of operations. Non-compliance with these covenants could result in the early maturity of these transactions.

These covenants, amongst other conditions, restrict the Company's autonomy in the case of any alterations to its corporate structure. It is not possible to alter the capital structure or implement the takeover, spin-off or merger of the Company, directly or indirectly transfer or assign its controlling interest, without the prior express consent of the creditor financial institutions. The agreements determine that the Company does not have: (i) legal protests, (ii) pending actions, demands or processes, or any that are in the process of being filed, which, if decided against the Company, would have an adverse effect on its financial position, or which could affect its ability to fulfill the contractual terms; and also require that any transfer or assignment of rights or obligations arising from the agreement be approved by the financial institution and by the Government Agency for Machinery and Equipment Financing (FINAME); (iii) does not have any early maturity, declared by third parties, of any monetary obligations or financing operations involving a significant amount; (iv) has not been the subject of an adverse judgment of the Company or its respective officers, acting as legal representatives of the Issuer, for any judicial or administrative decision due to acts involving racial or gender discrimination, promotion of prostitution and/or child labor, slave labor; violations of Anti-Corruption Laws; violations of Social and Environmental Legislation; (v) avoids the non-obtainment, non-renewal, cancellation, revocation, extinction, or suspension of authorizations, concessions, permits, subsidies, or licenses, including environmental ones and/or those required by the competent regulatory authorities for the proper conduct of the activities carried out by the company, which result in (a) suspension or total interruption of the company's or its subsidiaries' activities, which represent, jointly or individually, a significant reduction in the company's gross revenue; (b) significant reputational impacts for the company, resulting from the public and notorious disclosure of any of the aforementioned facts. In addition to the above-mentioned clauses (i) certain ratio percentages should be preserved during the effectiveness of the agreement: Net Indebtedness / Ebitda and Shareholders' Equity / Total Liabilities and (ii) maintaining the workforce presented in the financing release request and the company committing (i) not to use funds secured in financial transactions that could be used in terrorist activities or result in breaches of any applicable anticorruption or antiterrorism legislation as far as it is aware; and (ii) ensure that each of its associated companies, subsidiaries and all individuals acting on its behalf or under the management of the Company or any of its subsidiaries behavior in accordance with the anticorruption legislation applicable in jurisdictions where the company or any of its associated companies or subsidiaries do business. As of December 31, 2024, the Company was in compliance with all covenants in its agreements.

(All amounts in thousands of Reais, except if stated otherwise)

15.2 Tax financing - Provin and Fundopem

The Company is the beneficiary of investment subsidies from the government, as explained in Note 20. The financing classified here denotes the non-incentive portion of the taxes and is based on monthly ICMS due.

The balance of state tax financing broke down as follows:

Description	Index	Parent and Consolidated		
		Maturity [1]	2024	2023
Domestic currency				
Provin	TJLP	12/30/2027	**40,717**	34,127
Fundopem	IPCA/IBGE	06/30/2037	**17,806**	13,107
			58,523	47,234
Current			**10,546**	7,937
Non-current			**47,977**	39,297

[1] *Final maturity for the group of agreements.*

Financing for taxes related to Provin incentives are adjusted monthly using the TJLP and may mature every 2 or 3 years. Fundopem incentive is adjusted monthly using the IBGE/IPCA and matures in 60 months.

The changes in the tax financing were as follows:

Change details	Parent and Consolidated
Balance as of December 31, 2022	**26,769**
Release	23,786
Provision for interest	1,861
Amortization	(4,381)
Interest payment	(801)
Balance as of December 31, 2023	**47,234**
Release	**16,943**
Provision for interest	**2,702**
Amortization	**(6,918)**
Interest payment	**(1,438)**
Balance as of December 31, 2024	**58,523**

The amounts recorded as non-current liabilities as of December 31, 2024 mature as follows:

Maturity	Parent and Consolidated
2026	**18,454**
2027	**11,717**
2028 to 2040	**17,806**
Total	**47,977**

(All amounts in thousands of Reais, except if stated otherwise)

15.3 Direct financing - acquisition of companies

Description	Parent		Consolidated	
	2024	2023	2024	2023
Current liabilities				
Acquisition of Pelágio Shares	**4,660**	4,099	**4,660**	4,099
Acquisition of Pilar Shares	**2,833**	4,819	**2,833**	4,819
Acquisition of Piraquê Shares	**-**	37,541	**-**	37,541
Acquisition of Latinex Shares	**2,258**	2,064	**2,258**	2,064
Acquisition of Las Acacias Shares	**-**	-	**8,359**	10,797
	9,751	48,523	**18,110**	59,320
Non-current liabilities				
Acquisition of Pelágio Shares	**3,364**	3,364	**3,364**	3,364
Acquisition of Piraquê Shares	**115,024**	102,257	**115,024**	102,257
Acquisition of Latinex Shares	**93,356**	86,338	**93,356**	86,338
Acquisition of Las Acacias Shares	**-**	-	**10,698**	10,697
	211,744	191,959	**222,442**	202,656
Total	**221,495**	240,482	**240,552**	261,976
Current	**9,751**	48,523	**18,110**	59,320
Non-current	**211,744**	191,959	**222,442**	202,656

Direct financing is composed of retained portions of the acquisition price to guarantee any contingencies that may arise, at the rate equivalent to 100% of the CDI variation, and for the quota of the contingent price in the acquisition of Piraquê.

The amount of R$ 115,025 related to the acquisition of Piraquê is comprises retained quota of the price, discounted from the paid contingencies and amount under discussion of the sellers responsibility.

The amount of R$ 95,613 refers to Latinex acquisition and is comprised of the withheld portion of the price of R$ 10,718, to be amortized in five annual installments, less the contingencies paid that were the responsibility of the sellers, R$ 32,500 to be paid on the completion of the brand ownership registration process, and R$ 37,792 resulting from the contingent installment of the purchase price (R$ 36,238 as of December 31, 2023), plus CDI on the order of R$ 17,934 (R$ 12,371, as of December 31, 2023).

The amount of R$ 19,057 related to Las Acacias acquisition comprises the portion withheld from the price of R$ 6,365 to be amortized in five annual installments, deducted from contingencies paid for the sellers' liabilities, and R$ 12,635, in addition to update in the order of R$ 57.

The changes in the direct financing were as follows:

Change details	Parent	Consolidated
Balance as of December 31, 2022	**277,373**	**326,906**
Provision for interest and exchange variation	19,296	20,391
Amortizations	(52,308)	(81,245)
Reversal of contingent portion of the price	(5,515)	(5,515)
Transfer of tax credit	1,152	1,152
Others	484	287
Balance as of December 31, 2023	**240,482**	**261,976**

(All amounts in thousands of Reais, except if stated otherwise)

Change details	Parent	Consolidated
Provision for interest and exchange variation	**18,500**	**18,500**
Amortizations	**(46,732)**	**(49,169)**
Reversal of contingent portion of the price	**1,554**	**1,554**
Transfer of tax credit	**7,861**	**7,861**
Others	**(170)**	**(170)**
Balance as of December 31, 2024	**221,495**	**240,552**

15.4 Debentures

On January 22, 2021 the Board of Directors approved the 3rd issue of single, nonconvertible, unsecured debentures in two series maturing on March 13, 2028 and March 13, 2031, respectively.

The debentures were issued on March 15, 2021, underlying the issuance of Agribusiness Receivables Certificates (CRAs) totaling R$ 811,644. Interest rates were set for each series in a book building procedure on March 3, 2021. The first and second series of debentures carry six-monthly interest of respectively 3.7992% p.a. and 4.1369% p.a. on the basis of 252 business days, plus indexation by IPCA index (adjustment only together with amortization).

The funds are intended to promote and encourage sustainable agriculture by the Company's suppliers, ensuring the continuous improvement of food and nutritional security of the products offered to consumers. This initiative is part of the strategy to encourage the supply of raw materials in the long term, committing suppliers and the Company to the sustainable development goals of the United Nations (UN), and reinforces M. Dias Branco's position as a reference in sustainability in Brazil.

As of December 31, 2024, the value of the debentures was represented by an amount of R$ 959,418 (R$ 904,277 as of December 31, 2023), net of the unamortized balance of transaction costs totaling R$ 26,144 (R$ 31,177 as of December 31, 2023).

Changes in debentures are as follows:

Change details	Parent and Consolidated
Balance as of December 31, 2022	**848,281**
Inflation adjustment	44,724
Conventional interest	37,779
Fair value variation[1]	6,298
Interest payment	(37,900)
(-) Amortization of transaction costs	5,095
Balance as of December 31, 2023	**904,277**
Inflation adjustment	**45,693**
Conventional interest	**40,058**
Fair value variation[1]	**3,967**
Interest payment	**(39,610)**
(-) Amortization of transaction costs	**5,033**
Balance as of December 31, 2024	**959,418**
Current	**11,724**
Non-current	**947,694**

[1] This is an effect resulting from hedging transactions fair value. See Note 16.

(All amounts in thousands of Reais, except if stated otherwise)

The transaction costs recorded in liabilities as December 31, 2024 mature as follows:

Maturity	Parent and Consolidated
2025	**5,186**
2026	**5,186**
2027	**5,186**
2028	**3,619**
2029 to 2031	**6,967**
Total	**26,144**

16. Financial instruments and risk management

The Company classifies its financial assets in the following categories, depending on the purpose for which they were acquired or contracted: (i) amortized cost, (ii) fair value through profit or loss, and (iii) fair value through other comprehensive income. Financial assets are not reclassified following initial recognition. Non-derivative financial liabilities are measured at (i) amortized cost using the effective interest rate method, when applicable or (ii) at fair value through profit or loss when subject to fair value hedging.

(i) Financial assets at amortized cost

These assets are measured subsequently to the amortized cost using the effective interest rate method. The amortized cost is reduced for impairment. Revenue from interest, exchange variance gains and losses and impairment are recognized directly in profit or loss.

The Company should look for any objective evidence that a financial asset or group of financial assets has been subject to impairment and consequently record the estimated asset impairment. To record the estimated allowance for doubtful accounts, the Company adopted a hybrid expected and incurred impairment model with a simplified approach, recording expected losses throughout the life cycle of trade accounts receivable.

(ii) Financial assets measured at fair value through profit or loss

These assets are subsequently measured at fair value. The net income including interest is recognized directly in profit or loss.

(iii) Financial assets measured at fair value through other comprehensive income

These assets are subsequently measured at fair value. Net income, including interest, is recognized in other comprehensive income under equity and upon derecognition. The accumulated change in fair value through other comprehensive income is adjusted under hedge object and affect results at the time of realization of the hedged item.

At each reporting period the Company assesses expected losses on instruments measured at amortized cost and debt instruments measured through other comprehensive income. Losses and/or reversals of losses are recognized in profit or loss.

The Company has swap derivative financial instruments to hedge its exposure to price index and foreign currency variation risk. It also started NDF - Non-Deliverable Forwards, currency and commodity options and futures agreements, for the sole purpose of hedging the exchange variance risk posed by its consumable acquisitions.

Derivative financial instruments are measured at fair value and are presented as financial assets when the instrument's fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives during the year are recorded directly in profit or loss, except when qualified as cash-flow hedges, in which case they are recognized in equity as other comprehensive income and, upon settlement, accumulated gains and losses are adjusted in the hedged item, affecting profit or loss at the time the hedged item is realized. Any portion of the hedge relationship which is deemed ineffective is transferred/reclassified to finance revenue (expense).

All financial instruments are recognized in the accounting records and are restricted to cash and cash equivalents, short-term investments, trade accounts receivable, other receivables, borrowings, financing, debentures, trade payables, accounts payable and derivative agreements.

These instruments are managed by means of operational strategies, aimed at ensuring liquidity, profitability and security. The control policy consists of permanently monitoring the rates contracted compared to the market rates.

(All amounts in thousands of Reais, except if stated otherwise)

16.1 Non-derivative financial assets and liabilities

Description	Index	Parent				Consolidated			
		Carrying amount 2024	Fair value 2024	Carrying amount 2023	Fair value 2023	Carrying amount 2024	Fair value 2024	Carrying amount 2023	Fair value 2023
Non-derivative financial assets									
Measured at amortized cost									
Cash and cash equivalents		**2,142,136**	**2,142,136**	2,264,281	2,264,281	**2,152,587**	**2,152,587**	2,267,837	2,267,837
Restricted deposits		**6,405**	**6,405**	2,823	2,823	**6,405**	**6,405**	2,823	2,823
Trade accounts receivable		**1,653,954**	**1,653,954**	1,826,338	1,826,338	**1,670,045**	**1,670,045**	1,844,763	1,844,763
Financial investments		**18,353**	**18,353**	17,276	17,276	**18,353**	**18,353**	17,276	17,276
Other assets		**51,521**	**51,521**	45,211	45,211	**70,790**	**70,790**	55,779	55,779
Current		**3,847,445**	**3,847,445**	4,143,944	4,143,944	**3,879,805**	**3,879,805**	4,172,304	4,172,304
Non-current		**24,924**	**24,924**	11,985	11,985	**38,375**	**38,375**	16,174	16,174
Non-derivative financial liabilities									
Measured at amortized cost									
Suppliers		**1,077,516**	**1,077,516**	1,230,329	1,230,329	**1,095,064**	**1,095,064**	1,237,076	1,237,076
Financing with financial institutions		**1,123,349**	**1,103,202**	952,417	928,195	**1,131,196**	**1,111,049**	957,569	933,347
BNDES - Transfer operations	TJLP	**-**	**-**	2,124	2,124	**-**	**-**	2,124	2,124
BNDES PSI-Pré	Fixed	**-**	**-**	277	277	**-**	**-**	277	277
BNDES – FINEM (Working capital)	IPCA	**-**	**-**	10,880	10,935	**-**	**-**	10,880	10,935
FINEP	TR	**68,626**	**68,626**	25,810	25,810	**68,626**	**68,626**	25,810	25,810
External financing (Working capital and export)	USD	**1,002,279**	**982,132**	784,832	760,555	**1,002,279**	**982,132**	784,832	760,555
FINIMP	USD	**52,444**	**52,444**	-	-	**52,444**	**52,444**	-	-
Working capital	UYU	**-**	**-**	-	-	**7,847**	**7,847**	5,152	5,152
Working capital	IPCA	**-**	**-**	128,494	128,494	**-**	**-**	128,494	128,494
Direct financing	CDI	**183,703**	**183,703**	204,244	204,244	**202,760**	**202,760**	225,738	225,738
Other liabilities		**110,170**	**110,170**	154,853	154,853	**125,631**	**125,631**	166,787	166,787
Measured at fair value through profit or loss									
Contingent consideration in the acquisition of a company	CDI	**37,792**	**37,792**	36,238	36,238	**37,792**	**37,792**	36,238	36,238
Debentures [1]	IPCA	**959,418**	**959,418**	904,277	904,277	**959,418**	**959,418**	904,277	904,277
Current		**2,252,761**	**2,233,834**	1,879,192	1,867,938	**2,299,324**	**2,280,389**	1,909,011	1,897,771
Non-current		**1,239,187**	**1,237,967**	1,603,166	1,590,198	**1,252,537**	**1,251,325**	1,618,674	1,605,692

[1] *See Note 15.4.*

(All amounts in thousands of Reais, except if stated otherwise)

16.2 Derivative financial assets and liabilities

Description	Parent		Consolidated	
	Carrying amount		Carrying amount	
	2024	2023	2024	2023
Derivate financial assets				
Measured at fair value through other comprehensive income				
Swap contracts	**95,299**	-	**95,299**	-
Non-Deliverable Forwards (NDFs)	**5,525**	132	**5,525**	132
Option contracts	**1,669**	460	**1,669**	460
Future contracts	**5,601**	9,846	**5,601**	9,846
Measured at fair value through profit or loss				
Swap contracts	**91,297**	47,950	**91,297**	47,950
Option contracts / Non-Deliverable Forwards (NDFs)	**10,304**	-	**10,474**	-
Current	**118,398**	10,438	**118,568**	10,438
Non-current	**91,297**	47,950	**91,297**	47,950
Derivate financial liabilities				
Measured at fair value through other comprehensive income				
Swap contracts	**-**	91,376	**-**	91,376
Non-Deliverable Forwards (NDFs)	**-**	4,748	**-**	4,748
Option contracts	**1,873**	326	**1,873**	326
Future contracts	**5,746**	5,194	**5,746**	5,194
Measured at fair value through profit or loss				
Option contracts	**14,572**	-	**14,572**	-
Current	**22,191**	34,594	**22,191**	34,594
Non-current	**-**	67,050	**-**	67,050

a) Measuring fair value

The estimated fair values of the Company's assets and liabilities were determined based on information available in the market and appropriate valuation methodologies. However, considerable judgment was required to interpret the market data to determine the most appropriate estimated realizable values. Consequently, the above estimates do not necessarily indicate the amounts that could be realized in a current active market. The use of different market methodologies could have a material effect on the estimated realizable values.

The Company has financing classified in Level 2 as well as derivatives of swap contracts, Non-Deliverable Forwards (NDFs), options and future contracts in which the measurement process used is classified as Level 2, as established in CPC 40 (IFRS 7) - Financial Instruments: Disclosure.

b) Criteria, assumptions and limitations used in the calculation of market values

i. Marketable securities (cash equivalents)

The values of the marketable securities recorded in the individual and consolidated financial statements as cash equivalents approximate their realizable values, considering that the transactions are based on floating interest rates and are immediately available for realization.

ii. Short-term investments (amortized cost)

These investments are immediately liquid, but right now are subject to judicial blocks and used as financial guarantees, and for this reason were considered not cash-equivalent and are recorded in the financial statements at the same book value as there is no financial loss for early withdrawal.

iii. Financing and borrowings

For working capital loans based on the US Dollar exchange rate, fair value was determined based on the projected future DI and spot rates on December 31, 2024 and 2023, discounted to present value using the clean coupon on the date the individual and consolidated financial statements were submitted.

The fair value of the debts in respect of the acquisition of Pilar, Pelágio, Piraquê and Latinex, which, according to the agreement, are adjusted by CDI, was determined considering the same percentage of CDI, in order to reflect market conditions.

The fair value of debenture issues was determined based on the projected IPCA on the base-date of December 31, 2024, discounted to present value using the DI rate on the date the individual and consolidated financial statements were submitted.

iv. Derivative contracts

Forward exchange contracts

The fair value of derivative financial instrument is determined based on the difference on the term and future exchange rates, and the resulting amount is discounted to present value using the DI rate.

Forward commodity contracts

The fair value of forward commodity derivative financial instruments is determined based on the difference between the term price of the commodity and the market price at maturity on December 31, 2024, and the resulting amount is discounted to present value at the DI rate, adjusted using the ptax for the same date.

Future contracts

The fair value of future derivative financial instruments is determined based on the difference between the strike price of the commodities and the market price on December 31, 2024, adjusted using the ptax for the same date.

Option contracts

The fair value of option derivative financial instruments is determined based on the market price on December 31, 2024, adjusted using the ptax for the same date.

Swap contracts

The fair value of swap derivative financial instruments in US Dollars is the difference between the long and short positions of the contracts, where the value of the long position is determined by discounting the future value of the exchange coupon curve using the DI projection. For the short position, future positions indexed to the contracted rate and the DI rate are discounted using the DI rate.

For IPCA swap derivative financial instruments, the fair value is the difference between the long and short positions of the contracts, where the value of the long position is determined by discounting the future value based on the IPCA projection using the DI projection, and the value of the short position by discounting future projections indexed to the contracted rate and the DI rate using the DI.

All fair value information for derivatives is compared to the fair values posted by the financial institutions.

v. Accounts receivable, other receivables, trade payables and short-term accounts payable

It is estimated that the carrying amounts reasonably approximate their fair values, considering the short-term nature of the transactions performed.

c) Financial risk management

The Company analyzes its major financial risks, defines risk mitigation actions, and monitors any economic impact on its performance. The Company's approach to these risks is discussed and defined at the Board of Directors' meetings.

During the normal course of business, the Company is exposed to the following financial risks: credit risk, liquidity risk and market risk (including commodities price risks, currency, inflation and interest rate). In this context, in order to optimize and hedge the Company's results of operations against the risk of variability in foreign exchange rates and commodities prices, the Board of Directors approved a hedging policy designed to ensure that strategic business goals are met. It outlines guidelines and roles and responsibilities for the process of pricing and monitoring commodities and foreign exchange rates and managing foreign-exchange effects on the Company's operations.

i. Credit risk

Credit risk arises from the possibility of the Company not recovering amounts from sales or credits held with institutions, such as deposits and marketable securities. To minimize this risk, the sales policies adopted by the Company are subordinated to the credit policies determined by Management and seek to minimize any problems arising from customer default. Management achieves this purpose through the careful selection of the customer portfolio, which considers the ability to make payments (credit analysis) and the diversity of sales (risk spread). In addition, the Company has credit insurance to protect against defaults by specific customers, which ensures an indemnity of 90% of any net losses on receivables due from these customers. The maximum compensation is R$ 70,000, effective for the period from October 01, 2023 to September 30, 2025. Currently, credit insurance coverage is provided against approximately 153 clients, totaling R$ 308,961 (R$ 312,321 as of December 31, 2023). In addition, there is approximately R$ 62,814 (R$ 63,274 as of December 31, 2023) in guarantees contracted through mortgages.

Furthermore, the Company recorded provision for expected credit losses in the consolidated amount of R$ 56,422 (R$ 44,959 as of December 31, 2023) representing 3.27% (2.38% as of December 31, 2023) of the balance of trade accounts receivable to cover the credit risk, as presented in Note 5.

With respect to marketable securities, the Company only invests in financial institutions that have been classified by rating agencies as representing a low credit risk, ranging from AA to AAA. In addition, there is a maximum limit for the investments at each institution.

ii. Liquidity risk

The main sources of financial resources used by the Company are its own funds derived from selling its products - characterized as a strong source for generating cash and low defaults - in addition to the amounts received as State and Federal subsidies for investments (related to the implantation/expansion of manufacturing plants). In addition to these amounts, the Company earns income from investing its available cash.

(All amounts in thousands of Reais, except if stated otherwise)

The Company's funds are required for investments to expand and modernize its production and logistics facilities, to acquire other companies and to amortize its indebtedness, pay taxes, distribute dividends and for other operational expenditure.

The Company does not normally need additional working capital, but in view of the uncertainties surrounding 2025 and merger and acquisition (M&A) strategies, the Company may raise funds to strengthen its cash position. Therefore, management believes that the Company presents the solid financial and equity conditions required to implement its business plan and to fulfill its short-, medium- and long-term obligations.

The schedule for settling the long-term installments on borrowings and financing is presented in Note 15.

It should be noted that the Company has credit facilities approved by tier-one banks. However, these approved credit facilities are not used to cover the Company's liquidity shortfall, since they are not suitable for this purpose.

Below are the contractual maturity dates of the financial liabilities on December 31, 2024 and 2023. The amounts are gross and not discounted considering future rates, and include the payment of contractual interest up to the date of their extinction:

Consolidated (in Reais)	Carrying amount	Total	Less than a year	Between one and three years	Between three and five years	More than five years
On December 31, 2024	**3,984,232**	**(4,399,931)**	**(2,476,130)**	**(348,839)**	**(904,323)**	**(670,639)**
Financing and borrowings	**2,389,689**	**(2,710,169)**	**(1,103,228)**	**(143,859)**	**(827,336)**	**(635,746)**
Lease liability	**355,465**	**(450,684)**	**(133,824)**	**(204,980)**	**(76,987)**	**(34,893)**
Suppliers and other accounts payable	**1,239,078**	**(1,239,078)**	**(1,239,078)**	**-**	**-**	**-**
On December 31, 2023	**3,946,762**	**(4,342,234)**	**(2,045,177)**	**(937,745)**	**(748,118)**	**(611,194)**
Financing and borrowings	2,171,056	(2,466,824)	(506,757)	(667,214)	(699,664)	(593,189)
Lease liability	358,107	(457,811)	(120,821)	(270,531)	(48,454)	(18,005)
Suppliers and other accounts payable	1,417,599	(1,417,599)	(1,417,599)	-	-	-

iii. Market risk

Commodities prices

The prices of raw materials and supplies used in the production process are volatile. If there are significant changes in the prices, the Company may not be able to fully pass through these increases to the prices of its products, which could affect its profit margin. Furthermore, the Company's practice is to maintain stocks of wheat (including agreements negotiated for future delivery), its main raw material, which can fluctuate between 2 and 4 months of usage, depending on the period of the year and the seasonal nature of the crop. This procedure could result in differences between the average price of inventory and the market value on a specific date.

In addition, the Company monitors the international commodities market, monitoring the factors that have an impact on prices, such as harvest periods, climatic events, and political decisions regarding the economy, among others, with support from specialized consultants and on-line information systems with the main international commodities exchanges. Based on these factors, the Company assesses the most opportune moment to purchase these commodities and may enter into purchase agreements for the future delivery of raw materials, with fixed or variable commodity prices, but subject to the risk of commodity and/or exchange variations.

(All amounts in thousands of Reais, except if stated otherwise)

As of December 31, 2024, the Company had contracts for the purchase of wheat and oil for future payment and delivery, for a volume of 213,500 tons (230,620 tons as of December 31, 2023), an amount equivalent to US$ 42,225 of wheat and US$ 33,474 of oil (US$ 50,700 of wheat and US$ 18,824 of oil as of December 31, 2023).

In line with the hedging policy, the Company, as of December 31, 2024 and 2023, has derivative instruments contracted to hedge the prices of palm oil, soy oil, wheat, sugar and natural gas with fair values receivable and payable, as follows:

Description	Index	Maturity (1)	UM	2024		2023	
				Amount	Fair value	Amount	Fair value
Future contracts	Palm Oil – Bursa stock exchange	Apr/25	Ton	**7,000**	**(790)**	28,100	2,443
Forward + Options contracts	CBOT soy oil	Nov/26	Pounds	**68,958,972**	**(1,478)**	23,034,600	(3,793)
Forward contracts	CBOT wheat	Apr/25	Bushel	**6,645,000**	**(946)**	595,000	1,368
Forward + Options contracts	NYBOT sugar	Nov/26	Pounds	**132,496,000**	**(3,900)**	8,176,000	1,821
Forward contracts	NYBOT brent crude oil	Jun/26	Barrel	**395,000**	**2,497**	324,000	2,947
Fair value receivable (payable)					**(4,617)**		4,786

(1) Final maturity for the group of agreements.

In the course of commodity derivatives transactions agreed on the Commodity Exchange, the Company reserves restricted deposits to the margin guarantee of the transaction and margin changes, with the amount subject to the volume and market price of the item traded. As of December 31, 2024, the amount of R$ 6,405 in restricted deposits was recorded (R$ 2,823 as of December 31, 2023).

These financial instruments, except for certain option transactions, have been designated as cash-flow hedges, and their effects are described in item "d" of this note on hedge accounting.

iv. Exchange rate risk

The results reported by the Company are susceptible to significant variations due to the volatility of foreign exchange rates, especially on liabilities tied to foreign currency, US dollars, arising mainly from the import of wheat grain and soy and palm vegetable oils, its main raw materials, in addition to working capital.

As a strategy to prevent and reduce the effects on results of variations in exchange rates, the Company seeks to avoid or minimize mismatches between assets and liabilities indexed in foreign currencies, by assessing the contracting of hedge operations, normally swap operations.

Accordingly, as of December 31, 2024, the Company had two contracts in force for swap transaction related to working capital financing in foreign currency maturing between June and December 2025, for which the asset position receives, on average, the Dollar plus interest rate of 3.42% p.a. and the liability position pays, on average, the CDI plus interest rate of 0.84% p.a. with the reference value (notional) in reais of R$ 836,700 and fair value receivable of R$ 119,143.

(All amounts in thousands of Reais, except if stated otherwise)

Swap contracts	Reference value		Curve value		Fair value	
	2024	2023	2024	2023	2024	2023
Asset position						
Foreign currency (USD)	**836,700**	813,303	**1,002,279**	784,951	**982,132**	760,555
Liability position						
CDI	**836,700**	813,303	**856,016**	837,959	**862,989**	851,931
Swap result	**-**	-	**146,263**	(53,008)	**119,143**	(91,376)

Accordingly, as of December 31, 2024, the Company did not present significant mismatches in the position of assets and liabilities sensitive to exchange variation, as shown below:

Description	Parent		Consolidated	
	2024	2023	2024	2023
Foreign currency loans/financing (a)	**1,054,723**	784,910	**1,054,723**	784,910
Swap contracts (b)	**(1,002,279)**	(784,951)	**(1,002,279)**	(784,951)
Foreign-currency assets (b) [1]	**(102,131)**	(89,046)	**(109,565)**	(91,528)
(Surplus) deficit (a-b)	**(49,687)**	(89,087)	**(57,121)**	(91,569)

[1] Refers to cash and cash equivalents, restricted deposits from derivative operations and receivables in foreign currency.

The swap contract has been designated as cash-flow hedges, and their effects are described in item “d” of this note on hedge accounting.

As a strategy to prevent and reduce the effects on results from the variation in exchange rates, the Company began contracting Non-Deliverable Forwards – NDFs based on future cash flow projections compiled from budgetary and interim forecasts.

As of December 31, 2024, the Company had Non-Deliverable Forward contracts maturing up to April 2025, with the notional amounts and fair values specified below:

Description	Hedged item	Reference currency (notional)	2024		2023	
			Reference value	Fair value	Reference value	Fair value
Forward contract (NDF)	Currency	U.S. Dollar	19,400	**5,525**	73,166	**(4,616)**
				5,525		**(4,616)**

These financial instruments have been designated as cash-flow hedges, and their effects are described in item “d” of this note on hedge accounting.

As described in "Market risk: Commodities prices", the Company signed contracts for the purchase of wheat and oil for future payment and delivery in the estimated amount for wheat of US$ 42,225 and for oil of US$ 33,474, subject to foreign exchange risk (for wheat of US$ 50,700 and for oil of US$ 18,824 as of December 31, 2023).

Sensitivity analysis of the variation in the US dollar for contracts to purchase wheat for future delivery

The sensitivity analysis considered the possibility of three U.S. dollar exchange scenarios and the future results of wheat and oil that would be generated. The probable scenario considered the dollar rate of R$ 6.2841, a projection of the future exchange rate for 90 days, according to the quote obtained at B3 on December 30, 2024. The remaining scenarios, possible and remote, consider increases in the dollar exchange rate of 25% (R$ 7.8552) and 50% (R$ 9.4262), respectively.

(All amounts in thousands of Reais, except if stated otherwise)

Description	Exposure (USD)	Risk	Scenario		
			Probable	Possible	Remote
Purchase of wheat	42,225	Rise in USD	(3,878)	**(66,337)**	**(132,674)**
Purchase of oil	33,474	Rise in USD	(3,075)	**(52,589)**	**(105,179)**

v. Inflation risk

As a result of the debentures issuance in March 2021 with charges based on the Broad Consumer Prices Index (IPCA) and maturing in the long-term (7 years and 10 years), the Company's results are more susceptible to significant rises in inflation.

As a strategy to prevent and reduce the effects of changes in this index, the Company took out swaps, swapping the risk of IPCA variation for CDI interest plus the interest rate, as it believes the risk of changes in the CDI rate is low, and it is used to index its short-term investments.

As of December 31, 2024, the Company had 42 swap contracts to protect the debenture issues, which maturing by March 17, 2031, in which the asset position receives, on average, the IPCA plus interest rate of 4.02% p.a. and the liability position pays, on average, CDI rate plus interest rate of 0.28% p.a. The reference values (notional) totaled R$ 811,644 for contracts already in force and the gross fair value receivable for these derivative instruments was R$ 117,298 on December 31, 2024.

Swap contracts	Reference value		Curve value		Fair value	
	2024	2023	2024	2023	2024	2023
Asset position						
IPCA	**811,644**	931,644	**1,010,663**	1,089,764	**962,602**	1,042,013
Liability position						
CDI	**811,644**	931,644	**837,326**	964,849	**845,304**	975,134
Swap Result	**-**	-	**173,337**	124,915	**117,298**	66,879

These financial instruments have been designated as fair value hedge, and their effects are described in statement of financial income (see Note 17).

vi. Interest rate risk

The Company is exposed mainly to variations in CDI interest rates on its financial investments and borrowings and financings.

Description	Parent		Consolidated	
	2024	2023	2024	2023
Financial assets				
Financial investments indexed to the CDI	**2,146,311**	2,223,898	**2,149,069**	2,224,477
Financial liabilities				
Foreign currency derivative operations tied to CDI [(1)]	**(856,016)**	(837,959)	**(856,016)**	(837,959)
Foreign debentures derivative operations and working capital tied to CDI [(1)]	**(837,326)**	(964,849)	**(837,326)**	(964,849)
Financing indexed to the CDI	**(221,495)**	(240,482)	**(240,552)**	(261,977)
Assets (Liabilities)	**231,474**	180,608	**215,175**	159,692

[(1)] See item iv- Exchange rate risk and v - Inflation risk.

(All amounts in thousands of Reais, except if stated otherwise)

Analysis of sensitivity to variations in CDI

The following table demonstrates the projected gain and loss that would be recognized for the next 12 months, if the Company were to maintain the same position for assets indexed to the CDI, net of liabilities linked to CDI, of R$ 215,175.

Description	Risk position	Risk	Probable scenario	Possible scenario	Remote scenario
Net Assets	215,175	CDI decrease	**6,972**	**(8,279)**	**(16,558)**

The probable scenario considered the dollar rate of DI for 360 days, according to the quote obtained at B3 on December 30, 2024, of 15.39% p.a. The other scenarios, possible and remote, considered a decrease in this quotation of 25% (11.54% p.a.) and 50% (7.70% p.a.), respectively.

Even with the forecast of CDI rate hike and estimated decrease for 2025, the Company's Management does not see any risks to this indicator, due to its current economic and financial situation.

d) Hedge accounting

The Company has implemented hedge accounting in non-deliverable forward (NDF), options, future transactions and swap to the extent that they qualify as a cash-flow hedging relationship. All hedging instruments used for hedge accounting purposes are fully consistent with the Company's risk management objectives and strategy.

At the inception of the hedging relationship, the Company provides a formal designation and documentation of the hedging relationship, including: identification of the hedging instrument, identification of the hedged item, the nature of the hedged risk, the hedging relationship, and an assessment of hedge effectiveness, demonstration of an economic relationship between the hedged item and the hedge instrument, the hedge ratio and how effectiveness will be assessed.

Overall, the hedged item is future cash flow from purchases of commodities subject to foreign exchange risk (wheat, oil, sugar and cocoa), based on budgetary projections and interim forecasts. The hedged item (future purchases of imported commodities) is therefore deemed a highly probable transaction and qualifies as a hedged item, since these commodities are essential for the Company's production process. Furthermore, the hedged item is related to foreign-currency loans, to hedge the Company's cash flow against the risk of exchange variation in the amortization and payment of interest.

The derivative instruments used to hedge against foreign exchange risk have a direct economic relationship with the hedged item, as they are transactions in the same currencies in which commodities imports and borrowings contracts are denominated.

In determining the hedge ratio, the number of hedge instruments designated as hedge accounting instruments does not exceed the number of items which the Company effectively wishes to hedge based on the hedging strategy approved by the hedging committee, and there is no imbalance between hedging instruments and hedged items. When the Company's hedging relationship no longer satisfies the hedge ratio criterion, but its risk management objective remains the same for that hedging relationship, the Company may "rebalance" the hedge ratio so that it meets the hedging criteria.

In assessing hedge effectiveness, the Company uses the dollar offset method (ratio analysis), which involves comparing the ratio of changes in the fair value of the hedging instrument with the changes in the fair value of the hedged item. This is done prospectively at the inception of the hedge relationship. Subsequent effectiveness testing is conducted at each annual reporting date or upon a significant change in the circumstances affecting the hedge effectiveness requirements, whichever comes first.

(All amounts in thousands of Reais, except if stated otherwise)

The primary sources of hedge ineffectiveness are potential mismatches between instrument maturities and the dates on which purchases occur. However, those mismatches are limited to the month of inception and will not affect the hedging relationship. The Company therefore believes there are no material sources of hedge ineffectiveness which could affect the hedging relationship.

The effects of formally designated hedging relationships are shown below:

Description	Parent and Consolidated
	Cash-flow hedge
Balances as of December 31, 2022	**(123,425)**
Gains (losses) in derivative instruments	(85,008)
Adjustment to hedged raw materials costs	58,938
Changes in the fair value of derivative contracts	100,293
Reclassification for financial results	26,070
Balances as of December 31, 2023	**(23,132)**
Gains (losses) in derivative instruments	**45,941**
Adjustment to hedged raw materials costs	**(52,562)**
Changes in the fair value of derivative contracts	**4,519**
Reclassification for financial results	**6,621**
Balances as of December 31, 2024	**(18,613)**

A breakdown of the cash-flow hedge reserve balance recorded under other comprehensive income is provided below:

Description	Parent and Consolidated
Cash-flow hedge balance as of December 31, 2022	**(81,461)**
Changes in the fair value of derivative contracts	100,293
Tax effects on the fair value of the hedging instrument	(34,100)
Cash-flow hedge balance as of December 31, 2023	**(15,268)**
Changes in the fair value of derivative contracts	**4,519**
Tax effects on the fair value of the hedging instrument	**(1,533)**
Cash-flow hedge balance as of December 31, 2024	**(12,282)**

e) Capital management

The Company's objectives for managing its capital are to safeguard its future as a going concern, in order to offer a return to its shareholders and benefits to other stakeholders, and to maintain an optimal capital structure to reduce this cost.

The Company monitors its capital by analyzing its financial and indebtedness position, based on a financial leverage index (net debt / total capital), since it understands that this index most adequately reflects its indebtedness and ability to pay. Net debt consists of financing and borrowings, less the balances of cash and cash equivalents and long-term marketable securities and derivative financial instruments.

The indexes for financial leverage as of December 31, 2024, and 2023 were as follows:

(All amounts in thousands of Reais, except if stated otherwise)

Consolidated	2024	2023
Debt from financing and borrowings	**1,430,271**	1,266,779
Debentures	**959,418**	904,277
(-) Cash and cash equivalents	**(2,152,587)**	(2,267,837)
(-) Restricted deposits	**(6,405)**	(2,823)
(-) Short-term financial investments	**(17,147)**	(15,204)
(-) Long-term financial investments	**(1,206)**	(2,072)
(-) Derivative financial instruments	**(187,674)**	43,256
Net debt (Net cash) (A)	**24,670**	(73,624)
Shareholders' equity	**7,997,943**	7,604,694
Total capital (B)	**8,022,613**	7,531,070
Financial leverage index (C = A / B x 100)	**0.31%**	(0.98%)

The change in the Company's financial leverage ratio is represented by the ratio of net debt to total capital. The indicator in the year ended December 31, 2024, was 0.31% (-0.98% on December 31, 2023). Despite the increase in cash resources from operating activities, in the order of R$ 591,669, there was an increase in net debt, a change caused mainly by the increase in the cost of debt, payment of interest on equity and acquisition of shares issued by the Company.

17. Net financial results

Description	Parent		Consolidated	
	2024	2023	2024	2023
Financial income				
Income from marketable securities	**252,059**	178,932	**252,075**	179,259
SELIC interest on tax credits	**22,740**	42,210	**22,982**	42,232
Restatement of judicial deposits	**8,806**	15,179	**8,806**	15,179
Foreign exchange variations - assets	**127,053**	167,759	**127,137**	168,860
Others	**10,449**	11,154	**10,703**	11,494
	421,107	415,234	**421,703**	417,024
Financial expenses				
Interest on financing	**(40,764)**	(45,496)	**(40,764)**	(45,549)
Interest on debt from equity investments	**(18,500)**	(19,296)	**(18,500)**	(19,296)
Interest on leases	**(38,894)**	(36,088)	**(38,961)**	(36,088)
Interest and inflation adjustment on debentures	**(85,751)**	(83,446)	**(85,751)**	(83,446)
Foreign exchange variations - liabilities	**(328,087)**	(111,528)	**(328,566)**	(114,085)
Inflation adjustment - liabilities	**(325)**	(7,044)	**(325)**	(7,044)
Gains (loss) from derivative transactions	**141,173**	(179,682)	**141,947**	(179,682)
Spread in non-deliverable forward (NDF)	**(6,621)**	(26,048)	**(6,621)**	(26,202)
Positive (negative) variation of fair value hedge with derivative contracts	**1,997**	9,091	**1,997**	9,091
Positive (negative) change in fair value of debentures and financing	**310**	(9,189)	**310**	(9,189)
Commissions and banking fees	**(8,921)**	(10,916)	**(9,323)**	(13,173)
Financial discounts granted	**(16,737)**	(10,653)	**(16,738)**	(10,659)
Others	**(26,509)**	(14,019)	**(26,572)**	(14,285)
	(427,629)	(544,314)	**(427,867)**	(549,607)
Net financial results	**(6,522)**	(129,080)	**(6,164)**	(132,583)

(All amounts in thousands of Reais, except if stated otherwise)

Financial revenues comprise income from marketable securities, inflation adjustment on tax credits and judicial deposits, and fair value gains on financial assets and liabilities measured at fair value through profit or loss. Interest income is recognized in profit or loss, using the effective interest rate method.

Financial expenses comprise interest expenses on borrowings, net of the discounting to present value of provisions, interest on leasing, and fair value losses on financial assets and liabilities measured at fair value through profit or loss, impairment losses recognized on financial assets, other than losses from credit risks which are recognized as selling expenses and adjustment on tax, civil and labor contingencies.

Borrowing costs are recognized as expenses when incurred, except for costs capitalized as part of the cost of the asset. Borrowing costs include interest expenses and other borrowing costs incurred.

18. Social security and labor liabilities

The balances comprise the following provisions and charges:

Description	Parent		Consolidated	
	2024	2023	2024	2023
Labor provisions				
Provision for profit sharing	**-**	76,599	**-**	77,642
Provision for vacation pay	**78,150**	84,379	**79,822**	86,206
Others	**9,400**	4,064	**10,143**	5,049
	87,550	165,042	**89,965**	168,897
Social and labor charges				
INSS	**56,723**	59,226	**57,990**	60,378
FGTS	**12,675**	16,529	**13,095**	17,024
Others	**45**	2,016	**49**	2,054
	69,443	77,771	**71,134**	79,456
Total	**156,993**	242,813	**161,099**	248,353

As a result of the failure to meet the targets of the corporate performance indicators established in the Profit-Sharing Program 2024, on December 31, 2024, the Company reversed the provision for the calendar year 2024 for the payment of this benefit.

19. Tax liabilities

The balances comprise the following tax obligations:

Description	Parent		Consolidated	
	2024	2023	2024	2023
PIS/COFINS	**16,998**	6,504	**17,435**	7,628
Withholding income tax	**14,104**	18,328	**14,253**	18,517
Income tax and social contribution	**9,220**	1,778	**9,457**	1,779
Other federal tax liabilities	**1,588**	705	**10,370**	6,194
ICMS	**56,654**	80,993	**57,067**	82,870
ISS	**2,590**	2,480	**2,690**	2,540
Total	**101,154**	110,788	**111,272**	119,528

20. Government subsidies

Government subsidies received by the Company are for investments, divided between state and federal, and all are monetary subsidies, recorded at their nominal values.

The funds received are for the purpose of replacing the capital invested in the economic enterprises resulting from the investment projects implemented by the Company which qualify for the respective public programs to encourage development. All subsidies for investments are onerous (due to certain conditions) and granted for a specific period.

To determine the value of subsidies for investments that should be recorded in profit or loss, the Company adopts the accrual basis, recognizing the subsidies irrespective of when they are realized in financial terms, considering the following factors: (i) the history of complying with the legal and contractual requirements in order to receive these subsidies; and (ii) its ability to guarantee compliance with the requirements necessary to receive the subsidies from the respective public entities.

At the closing of the fiscal year, the portion of the net profit resulting from investment subsidies is allocated to create the tax incentive reserve, included in shareholders' equity, and is excluded from the dividend calculation base.

20.1 Taxation on subsidies

As of January 2024, as a result of Law No. 14,789/2023, investment subsidies started to be taxed by PIS, COFINS, social contribution and income tax. In contrast, the Law established the possibility of calculating tax credits, corresponding to the rate of twenty-five percent (25%) applied to investment subsidy revenues, establishing some conditions that limit the value of the credit.

It is important to highlight that the Company has a final and unappealable decision, which eliminates the taxation of income tax and social contribution on tax benefits granted as presumed/granted credit.

20.2 State tax incentives

The value of the subsidies for investments received from the States is determined based on the ICMS due and charged on the commercial activities performed by the manufacturing plants receiving the incentives. The units are those that have been constructed and implanted according to the terms of the investment projects for new economic enterprises presented to and approved by the respective States, within the scope of their public policies to foster industrial development.

In most cases, state government subsidies are calculated based on the ICMS value attributed to the cost of production, and are allocated to profit or loss, in a line in the statement of income immediately below the cost of goods sold.

As of December 31, 2024, the Company acquired the right to R$ 339,897, net of PIS and COFINS taxation in the amount of R$ 38,072 and CSLL of R$ 33,616 (R$ 502,848 as of December 31, 2023), arising from the state tax incentives in force.

Regarding FUNDOPEM, the Company acquired the right to R$ 3,172, net of PIS and COFINS taxation in the amount of R$ 355 and CSLL of R$ 314 (R$ 4,669 as of December 31, 2023) allocated to other operating revenue in the Statement of Profit or Loss for the year (see Note 28).

(All amounts in thousands of Reais, except if stated otherwise)

Furthermore, the Company recognized tax credit on subsidies in the amount of R$ 60,175 (see Note 7).

A detailed description of the state tax incentives is provided below:

State tax incentives / Unit receiving the incentive	Percentage reduction of ICMS	Valid until
DESENVOLVE - State of Bahia: Discount on part of the ICMS payment due on the purchase of wheat grain for the wheat mill.		
Wheat mill and cookies and crackers and pasta plant (Salvador-BA)	81%	May/26
PROVIN - State of Ceará: deferment of part of the ICMS payment due on the purchase of wheat for the wheat mill and the ICMS due on the operations involving special shortening and margarines, settled using funds from FDI - Industrial Development Fund for both units		
Wheat mill (Fortaleza-CE)	74.25%	Dec/32
Wheat mill integrated with the cookies and crackers and pasta plant (Eusébio-CE)	74.25%	Dec/32
Vegetable shortening and margarines industrial plant (Fortaleza-CE)	56.25%	Dec/32
PROEDI – Rio Grande do Norte: presumed credit on monthly ICMS debit balance		
Wheat mill and pasta plant (Natal-RN)	75% to 80%	Jun/32
FAIN - State of Paraíba: discount of part of the ICMS on purchases of wheat grain		
Wheat mill and pasta plant (Cabedelo-PB)	81%	Dec/32
PRODEPE - State of Pernambuco: calculated at the rate of 75% of the ICMS charged on wheat grain consumed in the equivalent of flour, in addition to 5% of the freight due on sales outside of the Northeastern Region, provided that the total value of the subsidy does not exceed the equivalent of 85% of the ICMS on the wheat grain included in the wheat flour consumed.		
Cookies and crackers and pasta plant (Jaboatão dos Guararapes-PE)	75% or 85%	Dec/32
Special Tax Treatment – Rio de Janeiro (Piraquê Unit) – Reduction of tax so that the tax burden results in a percentage equal to 3% of the value of own production dispatches in internal and interstate operations, by sale and transfer.		
Cookies and crackers and pasta plant (Queimados-RJ)	75% or 85%	Dec/32
Special Tax Treatment – Bento Gonçalves (Moinho Isabela plant) – Rebate of ICMS owed by its industrial operation, settled using funds from FUNDOPEM – "Fundo Operação Empresa do Estado do Rio Grande do Sul".		
Wheat mill and pasta and cookies and crackers plant (Moinho Isabela- RS)	32.10% to 39.60%	Jul/27

The Company obtained the renewal of the tax incentive for its industrial unit in the state of Bahia.

Treatment of presumed credit as investment subsidies

Based on Supplementary Law No. 160 (August 7, 2017), in 2019 the Company began treating as investment subsidies the tax incentives granted as presumed/granted tax credits under the ICMS Regulations of the states of Rio de Janeiro, Paraná, São Paulo and Rio Grande do Sul, on the transactions of industrial and commercial operations involving food products.

As of December 31, 2024, the Company was entitled to recognize R$ 99,458, net of PIS and COFINS taxation in the amount of R$ 10,138 (R$ 120,734 as of December 31, 2023) in presumed tax credits.

State Fund for Tax Equalization

ICMS Arrangement 42/2016 was published on May 6, 2016, which authorizes the states and the Federal District to grant tax incentives conditional on the deposit of at least 10%, calculated on the value of the respective tax incentives received by taxpayers, into a tax balance fund. This arrangement applies to all taxpayers that have qualified for financial tax incentives and benefits, including those arising from special arrangements.

(All amounts in thousands of Reais, except if stated otherwise)

This arrangement normally requires that at least 10% of granted incentives be deposited in a tax balance fund. However, certain states, such as Pernambuco and Paraíba, established rules waiving this deposit when tax revenue during the month increased in comparison with the same period of the previous year, as well as allowing taxpayers to only make a deposit to supplement the minimum limit when the increase in tax revenue is lower than 10%. Based on the specific rules of each state during the term of the Funds, the Company could therefore be released from the deposit or be allowed to make deposits of less than percentage of 10% and 7% of the incentives.

Currently, the Company's operations in the states of Pernambuco, Paraíba, Bahia and Rio de Janeiro are currently subject to this rule.

The states of Pernambuco and Paraíba have extended the effective term of the fund until September 2028 and December 2026, respectively. The rule that regulates the obligation in these states provide that the percentage of the fund will be reduced by 2 (two) percentage points each year.

State	Validity		Extension	
	Beginning	End	Beginning	End
Pernambuco	Aug/16	Dec/24	Jan/25	Dec/28
Paraíba	Oct/16	Mar/24	Mar/24	Sep/26
Bahia	Sep/16	Dec/18	Jan/19	Dec/26
Rio de Janeiro	Dec/16	Dec/26	-	-

As of December 31, 2024, the expenses incurred by the Company related to this obligation amounted to R$ 17,447 (R$ 16,200 as of December 31, 2023).

20.3 Federal tax incentive

The Company benefits from federal subsidies received as a result of making investments for the new manufacturing plants based in the area where SUDENE - Northeast Development Agency - operates.

The tax incentive is granted for a period of 10 (ten) years, for the industrial enterprises that provide evidence to SUDENE of having made investments in the Northeast of Brazil, through the installation, modernization, extension or diversification of manufacturing plants in this region, provided that they comply with all of the conditions and requirements determined in the legislation pertinent to the obtaining of the incentive from the Federal Government, within the public policies for the utilization of federal funds to encourage the development of the Northeast of Brazil.

The amount received from government, over the concession period, consists of an amount equivalent to the results from investing up to 75% of the calculation base legally denominated as exploitation profit. The amount is settled by deducting the benefit from the income tax due, based on the taxable income calculated.

The federal grant is presented in the income statement as a deduction from corporate income tax. As of December 31, 2024, the Company acquired the right to R$ 31,856. As of December 31, 2023, the Company did not use the respective incentive, as there was no income tax due.

The periods for receiving the federal subsidies granted are detailed below:

(All amounts in thousands of Reais, except if stated otherwise)

Manufacturing plants	Percentage reduction of IRPJ (%)	Valid period
Wheat mill, cookies and crackers and pasta plant (Eusébio - CE)	75	Jan 2023 to Dec 2032
Toast plant (Eusébio - CE)	75	Jan 2023 to Dec 2032
Wheat mill (Fortaleza - CE)	75	Jan 2023 to Dec 2032
Special margarines and shortening plant (Fortaleza - CE)	75	Jan 2023 to Dec 2032
Wheat mill (Natal - RN)	75	Jan 2023 to Dec 2032
Pasta plant (Natal - RN)	75	Jan 2023 to Dec 2032
Wheat mill and pasta plant (Cabedelo - PB)	75	Jan 2023 to Dec 2032
Cookies and crackers and pasta plant (Salvador - BA)	75	Jan 2023 to Dec 2032
Wheat and ready cake mix mill (Salvador - BA)	75	Jan 2023 to Dec 2032
Cookies and crackers and pasta plant (Jaboatão dos Guararapes - PE)	75	Jan 2023 to Dec 2032
Cookies and crackers, cakes and snacks plant (Maracanaú - CE)	75	Jan 2023 to Dec 2032

The Company obtained the renewal of the tax incentives of its industrial units in the States of Ceará and Paraíba, having their validity extended until December 2032.

The Company's Management complies with all requirements to obtain these subsidies, particularly in relation to providing supporting evidence for the investments, the creation of jobs, production volumes and did not distribute subsidy funds in the form of dividends either.

Up to date, the Company has not defaulted on any of the conditions which would prevent it from continuing to be entitled to the benefits from the government subsidies awarded.

21. Provisions for civil, labor and tax risks

The Company is a party to judicial and administrative proceedings in courts and government agencies involving tax, civil, labor and other issues arising in the normal course of business.

Periodically, Management assesses the civil, labor and tax risks, based on legal, economic and tax bases, with the purpose of classifying them as probable, possible or remote chances of defeat. The analysis is done in conjunction with the law firms handling the Company's lawsuits.

There are ongoing disputes in the administrative and judicial courts. As of December 31, 2024, 1.44% (2.20% as of December 31, 2023) of the total labor and civil proceedings under discussion at the administrative level and 98.56% (97.80% as of December 31, 2023) at the judicial level. In relation to tax proceedings, 45.24% (44.79% as of December 31, 2023) of tax processes are under discussion at the administrative level and 54.76% (55.21% as of December 31, 2023) are being discussed in court.

As regards these proceedings, provisions were recorded only for the risks rated as probable losses, at amounts considered sufficient to cover estimated losses. However, as a result of the business combination (acquisition of Piraquê), provisions were also recognized for proceedings rated as a possible and remote loss existing at the acquisition date. In these cases, if the losses materialize, the relevant amounts are reimbursed by the former shareholders and therefore are classified as an indemnifiable contingency.

The provisions for civil, labor and tax risks recorded represent Management's best estimates of the probable losses involved.

(All amounts in thousands of Reais, except if stated otherwise)

There are circumstances in which the Company is questioning the legitimacy of certain liabilities or claims filed against it. As a result of these challenges, due to a judicial order or based on the strategy adopted by management, the related amounts can be deposited in court, without this being characterized as settlement of the liability.

As of December 31, 2024 and 2023, the Company reported the following provisions and judicial deposits, related to civil, labor and tax risks:

Description	Provision				Judicial deposits [1]			
	Parent		Consolidated		Parent		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023
Civil and labor	**81,407**	97,910	**81,704**	98,948	**83,408**	88,227	**83,677**	88,730
Tax	**110,043**	96,858	**110,043**	96,858	**167,708**	169,809	**167,708**	169,809
Total	**191,450**	194,768	**191,747**	195,806	**251,116**	258,036	**251,385**	258,539

[1] *Civil and labor deposits are adjusted monthly using the TR, and tax deposits are adjusted monthly using the Selic rate.*

As of December 31, 2024, the judicial deposits for cases rated as a probable loss amounted to R$ 102,763 (R$ 94,556 as of December 31, 2023).

a) Changes in the processes during the year

Parent	Civil and labor	Tax	Total
Balances as of December 31, 2022	**127,423**	**97,183**	**224,606**
Additions	42,009	4,295	46,304
Restatements/reversals	(1,062)	955	(107)
Write-off [1]	(70,460)	(5,575)	(76,035)
Balances as of December 31, 2023	**97,910**	**96,858**	**194,768**
Additions	**34,344**	**9,262**	**43,606**
Restatements/reversals	**9,576**	**13,485**	**23,061**
Write-off [1]	**(60,423)**	**(9,562)**	**(69,985)**
Balances as of December 31, 2024	**81,407**	**110,043**	**191,450**

[1] *Mainly consists of the write-off of the provision against the appeal judicial deposit.*

Consolidated	Civil and labor	Tax	Total
Balances as of December 31, 2022	**128,129**	**97,183**	**225,312**
Additions	42,349	4,295	46,644
Restatements/reversals	(1,062)	955	(107)
Write-off [1]	(70,468)	(5,575)	(76,043)
Balances as of December 31, 2023	**98,948**	**96,858**	**195,806**
Additions	**34,358**	**9,262**	**43,620**
Restatements/reversals	**9,506**	**13,485**	**22,991**
Write-off [1]	**(61,108)**	**(9,562)**	**(70,670)**
Balances as of December 31, 2024	**81,704**	**110,043**	**191,747**

[1] *Mainly consists of the write-off of the provision against the appeal judicial deposit.*

(All amounts in thousands of Reais, except if stated otherwise)

b) Changes in judicial deposits during the year

Parent	Civil and labor	Tax	Total
Balances as of December 31, 2022	**105,715**	**157,486**	**263,201**
Additions	52,236	681	52,917
Restatements	3,083	12,097	15,180
Write-off	(72,807)	(455)	(73,262)
Balances as of December 31, 2023	**88,227**	**169,809**	**258,036**
Additions	**73,491**	**935**	**74,426**
Restatements	**2,236**	**8,023**	**10,259**
Write-off	**(80,546)**	**(11,059)**	**(91,605)**
Balances as of December 31, 2024	**83,408**	**167,708**	**251,116**

Consolidated	Civil and labor	Tax	Total
Balances as of December 31, 2022	**106,165**	**157,486**	**263,651**
Additions	52,328	681	53,009
Restatements	3,083	12,097	15,180
Write-off	(72,846)	(455)	(73,301)
Balances as of December 31, 2023	**88,730**	**169,809**	**258,539**
Additions	**74,237**	**935**	**75,172**
Restatements	**2,236**	**8,023**	**10,259**
Write-off	**(81,526)**	**(11,059)**	**(92,585)**
Balances as of December 31, 2024	**83,677**	**167,708**	**251,385**

The expected realization timing as of December 31, 2024 is as follows:

Maturity	Parent and Consolidated
	2024
2025	**5,840**
2026	**54,839**
2027	**11,763**
2028	**26,764**
2029 on	**10,837**
Total	**110,043**

c) Nature of proceedings

Civil and labor

The Company is the defendant in approximately 653 cases (852 as of December 31, 2023) involving labor and civil matters, for which the likelihood of loss has been rated as probable, in the amounts of R$ 70,097 and R$ 11,606, respectively (R$ 82,112 and R$ 15,797 as of December 31, 2023). The labor claims to which the Company is party mainly are related to: recognition of employment relationships, overtime and related charges, occupational injury compensation, joint liability, pain and suffering and property damages. Most civil actions involve problems that are normal and specific to business, consisting of claims for indemnity due to incorrect referral to the credit protection agencies, actions for rescission of clauses in distribution contracts, actions for compensation for damages.

(All amounts in thousands of Reais, except if stated otherwise)

Tax

As of December 31, 2024 and 2023 the provision for tax risks comprised the following:

Description	Parent and Consolidated			
	2024		2023	
	Contingencies	Judicial deposits	Contingencies	Judicial deposits
IPI – judicial deposit	**7,367**	**7,367**	7,106	7,106
IRPJ – judicial deposit (a)	**40,466**	**40,466**	37,047	37,047
IPTU – judicial deposit	**2,134**	**5,326**	2,234	5,493
ICMS (b)	**7,287**	**-**	7,287	-
Legal fees (c)	**22,673**	**-**	21,345	-
Indemnifiable contingencies (d)	**14,213**	**-**	11,253	-
Others	**15,903**	**11,980**	10,586	13,495
	110,043	**65,139**	96,858	63,141

(a) In 2008, Piraquê filed an ordinary lawsuit seeking the cancellation of the administrative collection of IRPJ, due to the limitation of 30% (thirty percent) of the tax loss carryforward (article 42 of Law No. 8,981/1995). It is claimed the occurrence of a limitation, under the terms of article 156 (V) and 174 of the National Tax Code and proceeded with the court deposit in its entirety to stay the enforceability of the tax credit. The lawsuit was deemed partly to have grounds by the lower court, and 85.64% of the tax assessment notice was canceled. After filing appeals, the case is before the STJ for judgment on the motions for clarification filed by Piraquê.

In 1992, Piraquê filed writs of mandamus against having to add to net profit the portions of amortization, depletion or cost of assets written down for any reason, in order to define the IRPJ calculation base for the monthly base periods ended on 01/31/1992 and 02/28/1992, equal to the inflation adjustment difference according to the IPC and Fiscal BTN rates for 1990, pursuant to articles 39 and 41 of decree no. 332/91. Piraquê made the court deposit covering the liability's full amount. There was an unfavorable decision after the enforcement of the Federal Supreme Court ruling on Extraordinary Appeal n. 545,796 under general repercussion. However, the Company is disputing the non-application of STF's understanding to the ILL tax, by means of a motion for clarification in the interlocutory appeal, which is pending trial.

(b) Amounts demanded by the State of Ceará related to the alleged recording of a larger ICMS credit deferred by the Fiscal Management Unit for Tax Replacement and Foreign Trade (CESUT) arising from the refund of overpayment of wheat grain operations that occurred between the validity of Protocol 46/00 and the date protocol 50/06 was published.

(c) Refers to legal fees that will be due if there is a positive outcome of the claims. These fees are calculated based on the related amounts involved with risk of loss considered as possible or remote. In addition, it considers the progress of the cases.

(d) Denotes the compensatory tax proceedings of the merged companies Piraquê and Pelágio, due to the sellers' obligation to return or deduct from the retained portion of the price any contingencies that materialize. In 2024, the indemnifiable contingency was adjusted, resulting in an increase of R$ 2,960.

Contingent liabilities – probability of loss rated as possible

In addition to the provisions made, the Company has several labor, civil and tax contingencies in progress, in which it is the defendants, and the likelihood of loss, based on the opinions of the internal and external legal advisors, is considered possible. The contingencies amount to approximately R$ 2,115,040 (R$ 1,877,583 as of December 31, 2023).

The most significant tax proceedings involve the following matters: i) ICMS credits incorrectly granted, totaling R$ 446,032 (R$ 357,599 as of December 31, 2023); ii) Undue ICMS credit - Value Added Margin - ICMS Protocol 46, totaling R$ 60,451 (R$ 58,058 as of December 31, 2023); iii) IPI rate zero, in the amount of R$ 156,629 (R$ 152,043 as of December 31, 2023); (iv) PIS/COFINS import, totaling R$ 224,189 (R$ 289,181 as of December 31, 2023); and (v) PIS/COFINS in the amount of R$ 253,877 (R$ 233,728 as of December 31, 2023).

"ICMS credit incorrectly granted" refers to six tax assessments issued based on the argument that the Company was not entitled to the credit granted by the State of São Paulo, since it already benefited from other credits on receiving the products, under discussion at the administrative and judicial level.

Additionally, in December 2024, the Company received tax assessment notice no. 5.051.926-8 issued for the São Caetano do Sul branch in the amount of R$ 58,355 on the subject of “undue ICMS credit granted”.

The topic “ICMS-Added Value Margin – ICMS Protocol 46” addresses tax foreclosure by the State of Piauí in connection with ICMS tax credits covered by five deficiency notices for an alleged ICMS tax underpayment for the period from May to December 2001 and fiscal years 2002, 2003, 2004 and 2005 due to non-compliance with Value Added Margin.

The "IPI Zero Rate" disputes refer to tax foreclosures filed because the Company offset credits resulting from the lawsuit. This lawsuit challenged the use of IPI - Excise Tax credit balance prior to January 1999 on the acquisition of inputs (raw materials, intermediary goods and packaging materials) applied in processing tax-exempt goods or those taxed at a zero rate, against IPI due on other outgoing goods pursuant to Law No. 9,779/99, without the limitations found in IN/SRFB no. 33/99, as this is an effect of the Non-Cascade Principle.

Regarding PIS/COFINS imports, a decision was issued rejecting the credit recognized in a final and unappealable court decision, which acknowledged the Company's right to pay PIS/COFINS imports only on the constitutionally established calculation basis, i.e., the customs value, understood as the value of the import operation, excluding ICMS and contributions levied on the transaction.

Regarding PIS/Cofins, the Federal Revenue Service, in an inspection procedure, issued an tax assessment notice referring to the disallowance of credits without express provision in the legislation, going against the STJ judgement on the concept of essentiality and relevance of expenses for the development of economic activity.

(All amounts in thousands of Reais, except if stated otherwise)

22. Current and deferred income tax and social contribution

Current and deferred income tax and social contribution are calculated based on rates of 15%, plus a surtax of 10% on taxable profit in excess of R$ 240, for income tax and 9% on taxable profit for social contribution.

The current income tax and social contribution expense is calculated based on tax laws and rules enacted by the reporting date, in accordance with Brazilian taxation regulations. Management periodically assesses the positions assumed in the tax returns with respect to situations where the applicable tax legislation is subject to interpretation that could possibly differ and makes provisions, when appropriate, based on amounts it anticipates will have to be paid to the tax authorities.

The deferred income tax and social contribution assets are recorded to reflect the future tax effects attributable to temporary differences between the tax basis of assets and liabilities and their respective net carrying amounts.

22.1 Reconciliation of the tax and social contribution calculated by applying the combined tax rates

Description	Parent		Consolidated	
	2024	2023	2024	2023
Accounting profit before Income tax and social contribution [A]	**816,794**	932,938	**823,185**	936,027
Combined tax rate [B]	**34.00%**	34.00%	**34.00%**	34.00%
[A X B] Income tax and social contribution at the combined tax rate	**(277,710)**	(317,199)	**(279,883)**	(318,249)
Permanent additions [C]	**(29,436)**	(29,618)	**(27,796)**	(25,681)
Non-deductible expenses	**(24,379)**	(22,914)	**(24,409)**	(23,985)
Equity income from subsidiaries	**(5,057)**	(6,704)	**(3,387)**	(1,696)
Permanent exclusions [D]	**104,444**	302,533	**98,586**	296,557
Equity income from subsidiaries	**7,820**	4,761	**286**	1,509
State tax incentives [(1)]	**37,262**	213,605	**37,262**	213,616
Tax credit [(2)]	**20,459**	-	**20,459**	-
Tax benefit - interest on equity	**27,371**	72,080	**27,371**	72,080
Other items	**11,532**	12,087	**13,208**	9,352
[A X B+C-D] Income tax and social contribution recorded in profit or loss before exemption	**(202,702)**	(44,284)	**(209,093)**	(47,373)
Income exempt from income tax (government subsidy) [E]	**31,856**	-	**31,856**	-
Income tax and social contribution recorded in profit or loss after exemption [F]	**(170,846)**	(44,284)	**(177,237)**	(47,373)
Current income tax and social contribution	**(8,816)**	(1,559)	**(9,111)**	(1,559)
Deferred income tax and social contribution	**(162,030)**	(42,725)	**(168,126)**	(45,814)
[F/A] Effective rate	**20.92%**	4.75%	**21.53%**	5.06%

[(1)] Gross incentive amount of presumed credit, excluding PIS/COFINS levy. See Note 20, which details state tax incentives.
[(2)] Tax credit on income from investment subsidies, as mentioned in Note 20.2.

(All amounts in thousands of Reais, except if stated otherwise)

22.2 Breakdown of deferred income tax and social contribution assets and liabilities

Description	Parent		Consolidated	
	2024	2023	2024	2023
Deferred tax assets				
Estimated losses for doubtful accounts	**9,950**	8,619	**10,711**	9,409
Provision for litigation and lawsuits	**33,794**	37,977	**33,960**	38,395
Provision for logistics expenses and contractual costs	**13,107**	15,809	**12,877**	15,871
Estimated losses on tax credits	**11,170**	12,997	**11,170**	12,997
Provision for legal fees	**11,270**	9,537	**11,270**	9,537
Profit sharing provisions and other events	**(323)**	25,869	**(323)**	26,195
Provision for inventory impairment	**7,858**	5,714	**8,043**	6,344
Amortization of the balance sheet at fair value	**20,196**	17,898	**20,602**	18,391
Losses on derivative contracts	**10,979**	36,271	**10,979**	36,271
Tax loss [1]	**277,366**	281,766	**277,366**	281,766
Other provisions	**20,761**	28,513	**25,620**	32,089
Total	**416,128**	480,970	**422,275**	487,265
Deferred tax liabilities				
Differences in depreciation (useful lives and tax rates)	**205,519**	210,070	**210,446**	214,358
Tax amortization of goodwill paid for future profitability	**262,688**	243,041	**294,512**	269,557
Restatement of judicial deposits	**23,628**	20,809	**23,628**	20,809
Gains on derivative contracts	**104,588**	46,246	**104,588**	46,246
Other provisions (reversals)	**78,329**	54,654	**78,329**	54,654
Total	**674,752**	574,820	**711,503**	605,624
Net deferred tax liabilities	**258,624**	93,850	**289,228**	118,359

[1] Credit recognized on tax losses and negative CSLL calculation basis in the amount of R$ 819,438 and R$ 805,629, respectively.

The Company expects to recover the tax credits arising from the temporary differences within a maximum term of ten years, based on the expected realization of the provisions that generated them.

The estimates for recovering the tax credits were based mainly on the expected outcomes for the proceedings that gave rise to the provisions for contingencies and also the tax legislation criteria for the deductibility of losses on doubtful accounts.

Based on the past realization of liabilities representing tax, labor and civil risks, among others, and allowances for impairment losses, the expected realization of deferred income tax and social contribution in the financial statements is as follows:

Deferred tax asset

Maturity	Parent	Consolidated
2026	**110,806**	**110,941**
2027	**79,056**	**79,191**
2028	**78,959**	**79,094**
2029	**71,826**	**72,127**
2030 on	**75,481**	**80,922**
Total	**416,128**	**422,275**

(All amounts in thousands of Reais, except if stated otherwise)

Deferred tax liability

Maturity	Parent	Consolidated
2026	**136,967**	**137,460**
2027	**20,552**	**21,045**
2028	**41,198**	**41,691**
2029	**20,552**	**21,045**
2030 on	**455,483**	**490,262**
Total	**674,752**	**711,503**
Deferred tax liability	**258,624**	**289,228**

23. Other current and non-current liabilities

Description	Parent		Consolidated	
	2024	2023	2024	2023
Provision for operating expenses [1]	**91,650**	137,345	**104,457**	147,821
Provision for legal fees	**10,473**	6,705	**10,473**	6,705
Advances from customers [2]	**23,476**	17,794	**23,478**	17,796
Others	**2,971**	6,761	**5,625**	8,219
Total	**128,570**	168,605	**144,033**	180,541
Current	**116,857**	160,660	**129,667**	171,138
Non-current	**11,713**	7,945	**14,366**	9,403

[1] Refers to Company operational provisions resulting mainly from expenses with services, marketing, and logistics, among others; [2] Refers to early customer receivables linked to the sale of products in the country.

24. Shareholders' equity

a) Capital - Parent

On December 31, 2024 and 2023, the Company's capital was R$ 2,597,656, represented by 339,000,000 common shares.

As of December 31, 2024, the Company had a free float of 64,895,358 common shares, which represented 19.14% (19.58% as of December 31, 2023).

Authorized capital comprises 459,200,000 common, registered shares, with no par value, which can be increased, without amending the bylaws, after a decision by the Board of Directors, through the capitalization of reserves, with or without changing the number of shares.

b) Reserves

Legal reserve

In compliance with article 193 of Law No. 6,404/76, the reserve is recorded at a rate of 5% of net income for the year, less the portion relating to investment subsidies, up to a limit of 20% of the Company's share capital. As of December 31, 2024, the Company's legal reserve amounted to R$ 332,389 (R$ 321,847 as of December 31, 2023).

Tax incentive reserve

This reserve is created annually based on the portion of profit arising from the subsidies for investments received by the Company, as detailed in Note 20. As of December 31, 2024, the tax incentive reserves totaled R$ 3,932,032 (R$ 3,496,931 as of December 31, 2023).

Reserve for investment plan

This reserve is established in the Company's bylaws, and is created based on the remaining profit, i.e. profit for the year, net of the tax incentive reserve, the legal reserve and proposed dividends, except if decided otherwise at the Shareholders' Meeting. The purpose of this reserve is to bolster the Company's working capital and to reinvest funds generated internally. This reserve can, after a decision by the Board of Directors, be capitalized, used to absorb losses or distributed as dividends to shareholders. As of December 31, 2024 the investment plan reserve totaled R$ 1,116,183 (R$ 1,091,924 as of December 31, 2023). This reserve is limited to 95% of Capital.

According to the Company's bylaws, the balance of profit reserves, excluding the tax incentive reserve, may not exceed capital. If it exceeds this limit, the Shareholders' Meeting will determine how the exceeding amount should be used, either for a capital increase or a dividend distribution.

Special reserve - Law No. 8,200/1991

Prior to 1995, the Company recorded special inflation adjustment on permanent assets, in compliance with article 2 of Law No. 8,200/1991. As of December 31, 2024 and 2023, the special reserve amounted to R$ 16,529.

Treasury shares

At the meeting of the Board of Directors on December 8, 2023, it was decided, ad referendum of the Annual General Meeting, the total gross amount for credit and payment of interest on the equity of R$ 212,000 for the year 2023, of which R$ 141,379 was paid to shareholders on April 1, 2024. Share buyback transactions will be supported by the global amount of capital and profit reserves available, except the legal reserve, unearned profits reserve, special undistributed dividend reserve and the tax incentives reserve, as applicable.

The number of shares to be purchased under the share buyback program is limited to 3,580,000 common shares, over a maximum period of 18 months beginning on April 19, 2024 and ending on October 19, 2025.

During 2024, 669,878 shares were delivered according to the share-based compensation plan, as highlighted in Note 25 (198,681 in 2023).

As of December 31, 2024, the number of treasury shares acquired by the Company totaled 3,773,296 shares (2,675,111 shares as of December 31, 2023), with an average price of R$ 29.90, per share unit, with minimum and maximum prices of R$ 20.75 and R$ 42.13, respectively, totaling the amount of R$ 112,838 (R$ 79,953 as of December 31, 2023).

c) Shareholders' Remuneration

The Company's bylaws provide for the distribution of a minimum dividend of 25% of the net profit for the year, adjusted in accordance with art. 202 of Law No. 6,404/1976, and also permits payments to shareholders, as interest on equity, within the limits provided by Law. The amount calculated for interest on equity should always be considered as part of the mandatory dividend.

Furthermore, the Company approved, at a meeting of Board of Directors held on November 10, 2023 changes to its shareholder remuneration policy from said date, which provides:

(All amounts in thousands of Reais, except if stated otherwise)

(a) increase in the target percentage from 60% (sixty percent) to 80% (eighty percent) of the adjusted net profit for the reference year;

(b) increase in the fixed value from R$ 0.05 (five cents of reais) to R$ 0.06 (six cents of reais) per share for quarterly payments;

(c) In the event that the ratio between the Company's net debt and its EBITDA (leverage) reaches a level of 1.5x or more at the end of the reference year, the target percentage will be 60%.

It should be noted that the shareholder compensation policy maintains the possibility of, extraordinarily, the Board of Directors deciding distributions of dividends and/or interest on capital below the defined objective, considering the macroeconomic situation, the economic and financial conditions of the Company (current and projections), as well as the situation of the markets in which it operates, respecting the Company's other policies.

In the year ended December 31, 2024, the Company recorded a dividend distribution base of R$ 200,305.

In the year ended December 31, 2024, the Company recorded quarterly payments as interest on equity in the amount of R$ 80,502 and, in line with the aforementioned remuneration policy, allocated part of the net profit for distribution in the form of dividends, in the amount of R$ 93,948.

The proposal will be submitted for approval at the General Shareholders Meeting, to be held on March 28, 2025.

The dividend calculation is shown below:

Description	2024	2023
Net profit for the year [1]	**645,948**	888,654
(-) Legal reserve (5%)	**(10,542)**	(973)
(-) State tax incentive reserve	**(403,245)**	(628,251)
(-) State tax incentive reserve from prior periods	**-**	(240,941)
(-) Federal tax incentive reserve	**(31,856)**	-
(=) Calculation base for minimum dividends	**200,305**	18,489
Mandatory minimum dividends (25%)	**50,076**	4,622
Value exceeding the minimum mandatory dividend	**124,374**	13,867
Gross remuneration - interest on equity	**80,502**	70,621
Proposed additional dividends	**93,948**	141,379
Gross shareholders' remuneration	**174,450**	212,000
(-) Withholding income tax on interest on equity	**(3,449)**	(8,783)
Shareholders' remuneration, net of withholding tax	**171,001**	203,217
Remuneration as a percentage of the calculation base	**87%**	1,147%
Average number of shares - thousand (ex-treasury shares)	**339,000**	339,000
Dividends per share paid to corporate shareholders, exempt from withholding tax	**0.5146**	0.6254
Dividends per share paid to individual shareholders, net of withholding tax	**0.5044**	0.5995

[1] *Calculated in accordance with accounting practices adopted in Brazil.*

d) Equity valuation adjustment

This item is used to recognize the effects of positive and negative changes in gains/losses on cash-flow hedges (see Note 16).

e) Accumulated conversion adjustments

The accumulated conversion adjustments refer to exchange variations on foreign investments.

25. Share-based compensation plan

The Company has share-based compensation plan with the aim of permitting eligible participants to acquire shares to: (a) create a sense of ownership, fostering the feeling of being an "owner of the business", thereby intensifying and strengthening the bond between the Company and its executives; (b) foster the attainment of high levels of sustainable performance in the short and long term; (c) nurture the development of strategic leadership; (d) make possible the existence of a "win-win" rewards model based on the return created for shareholders; and (e) ensure the competitiveness of the total compensation package and the retention of key strategic leaders.

This is a long-term incentive policy granting restricted shares; the first plan was approved on April 13, 2017. The program was initially limited to non-statutory directors but has since been modified to include statutory directors hired under the Consolidated Labor Regulations as from 2019, under a resolution approved by the Extraordinary Shareholders' Meeting held on December 27, 2019. The second plan was approved on April 30, 2021, and again up to 20% of management-level executives are eligible.

The shares are awarded annually, for a 4-year plan term, vested annually in May, documented by the Instrument of Plan Adhesion between the Company and the beneficiaries.

Pursuant to the plan approved in April 2021, the granted shares are limited to 1.0% of the total number of Company shares during the effective period (May 2021 to April 2025).

For each annual concession there will be a three-year vesting period and at the end of this period, the shares will be transferred to the executive if performance criteria have been met. Under this model, no financial disbursements are required by the executive.

In 2022, 621,688 restricted shares were distributed among 40 executives, with the right to ownership of the shares in April 2025. On that date, the amount of 145,687 restricted shares granted in 2019 were transferred, after the performance criteria had been met.

In 2023, 710,048 restricted shares were distributed among 64 executives, with the right to ownership of the shares in April 2026. In the same year, the amount of 198,681 restricted shares granted in 2020 were transferred, after meeting the performance criteria.

In 2024, 578,217 restricted shares were distributed among 74 executives, with the right to ownership of the shares in April 2027. In the same year, the amount of 234,713 restricted shares granted in 2021 were transferred, after meeting the performance criteria.

The changes in the number of restricted shares are presented below:

(All amounts in thousands of Reais, except if stated otherwise)

Description	Number of restricted shares
Balance as of December 31, 2022	**1,263,902**
Granted shares	710,408
Transferred shares	(198,681)
Awards canceled	(4,739)
Balance as of December 31, 2023	**1,770,890**
Granted shares	578,217
Transferred shares	(669,878)
Awards canceled	(192,829)
Balance as of December 31, 2024	**1,486,400**

The restricted shares are measured at fair value at the concession date and are recognized as expenses over the period in which the right is vested and charged to shareholders' equity, as granted shares.

The expense denoting the fair value of the restricted shares, recognized in the year ended December 31, 2024 in accordance with the term lapsed for acquiring the right to the restricted shares was R$ 17,028 (R$ 13,808 as of December 31, 2023).

26. Net revenue

Description	Parent		Consolidated	
	2024	2023	2024	2023
Gross revenue	**11,849,132**	13,075,088	**12,003,014**	13,287,524
Domestic market	**11,652,990**	12,918,079	**11,652,988**	12,998,965
Foreign market	**196,142**	157,009	**350,026**	288,559
Deductions	**(2,264,431)**	(2,349,295)	**(2,340,181)**	(2,447,244)
Returns, discounts and cancellations	**(873,960)**	(870,692)	**(948,176)**	(949,642)
Taxes on sales	**(1,390,471)**	(1,478,603)	**(1,392,005)**	(1,497,602)
Net revenue	**9,584,701**	10,725,793	**9,662,833**	10,840,280

The net revenue by product line of the Company as of December 31, 2024 and 2023 is as follows:

Description	Parent		Consolidated	
	2024	2023	2024	2023
Core products	**7,465,892**	8,403,222	**7,521,929**	8,455,949
Wheat milling and refined oils	**1,659,068**	1,941,572	**1,659,068**	1,941,572
Adjacencies (1)	**459,741**	380,999	**481,836**	442,759
Net revenue	**9,584,701**	10,725,793	**9,662,833**	10,840,280

(1) Refers to the other product lines: cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

27. Results by nature

The Company opted to present the statement of income by function. The composition of the cost of goods sold and significant expenses by nature are presented below:

(All amounts in thousands of Reais, except if stated otherwise)

Description	Parent		Consolidated	
	2024	2023	2024	2023
Cost of goods sold				
Raw materials	**(4,219,281)**	(5,241,536)	**(4,314,448)**	(5,321,755)
Packaging	**(619,953)**	(648,563)	**(633,108)**	(663,107)
Labor	**(865,214)**	(831,961)	**(890,853)**	(855,374)
General plant costs (1)	**(705,142)**	(645,345)	**(706,653)**	(662,852)
Depreciation and amortization	**(206,746)**	(207,936)	**(210,721)**	(212,086)
Cost of goods resold	**(152,585)**	(152,913)	**(13,750)**	(32,585)
Total	**(6,768,921)**	(7,728,254)	**(6,769,533)**	(7,747,759)
Selling expenses				
Marketing and sales	**(757,092)**	(758,091)	**(782,269)**	(790,685)
Salaries and employee benefits	**(530,987)**	(544,508)	**(541,403)**	(558,903)
Freight	**(518,697)**	(540,348)	**(519,295)**	(551,212)
Depreciation and amortization	**(92,792)**	(90,086)	**(93,623)**	(91,054)
Total	**(1,899,568)**	(1,933,033)	**(1,936,590)**	(1,991,854)
Administrative and general expenses				
Salaries and employee benefits	**(168,171)**	(181,171)	**(175,032)**	(190,445)
Services with third parties	**(76,210)**	(69,792)	**(79,206)**	(72,109)
Technology expenses	**(33,269)**	(23,896)	**(34,462)**	(25,118)
Other administrative expenses	**(31,791)**	(30,962)	**(34,813)**	(34,663)
Donations	**(33,234)**	(34,756)	**(33,249)**	(35,079)
Depreciation and amortization	**(49,105)**	(42,539)	**(60,245)**	(56,983)
Total	**(391,780)**	(383,116)	**(417,007)**	(414,397)
Other income (expenses) net (2)				
Tax expenses	**(32,891)**	(37,718)	**(33,429)**	(38,621)
Depreciation and amortization	**(4,380)**	(4,849)	**(4,380)**	(4,849)
Other income (expenses)	**(99,229)**	(64,392)	**(100,301)**	(76,829)
Total	**(136,500)**	(106,959)	**(138,110)**	(120,299)

(1) Refers to the powerhouse, maintenance and other costs. (2) See Note 28.

28. Other operating revenues (expenses), net

See below the other operating revenues (expenses):

Description	Parent		Consolidated	
	2024	2023	2024	2023
Other operating revenues				
Revenue from sale of damages, sweeps, scraps and inputs (1)	**19,019**	26,637	**19,307**	29,980
Sale of property, plant and equipment	**2,256**	8,236	**872**	15,439
Subsidies for investments – FUNDOPEM	**4,427**	4,669	**4,427**	4,669
Expense recovery	**10,972**	10,638	**10,976**	11,175
Extemporaneous credit – PIS/Cofins	**2,505**	7,763	**3,452**	9,489
Extemporaneous credit – ICMS	**29,638**	20,729	**30,328**	20,735
Extemporaneous credit – Refund of debts	**15,563**	-	**15,563**	-
Claim merchandise refund	**4,582**	5,242	**4,582**	5,242
Revenue from sale of electricity	**4,462**	10,526	**4,472**	10,535
Reversal of contingent portion of the company's acquisition price	**-**	5,515	**-**	5,515
Others	**13,936**	13,869	**14,941**	14,701
	107,360	113,824	**108,920**	127,480

(All amounts in thousands of Reais, except if stated otherwise)

Description	Parent		Consolidated	
	2024	2023	2024	2023
Other operating expenses				
Provisions for civil, labor and tax contingencies and success fees	**(48,899)**	(43,366)	**(48,277)**	(43,705)
Cost of sale of property, plant and equipment	**(1,110)**	(2,977)	**(1,289)**	(11,746)
Inmetro tax assessment notice	**(3,324)**	(4,130)	**(3,324)**	(4,130)
Provisions (reversals) estimated or realized in inventories	**(29,264)**	(22,495)	**(30,082)**	(32,173)
State fund for tax equalization	**(17,447)**	(16,200)	**(17,447)**	(16,200)
Cost to sell damages, sweeps, scraps and inputs	**(53,189)**	(45,137)	**(53,899)**	(47,651)
Cost to sell electricity	**(7,589)**	(16,485)	**(7,589)**	(16,485)
Tax assessment	**(32,891)**	(37,718)	**(33,429)**	(38,621)
Depreciation and amortization expenses	**(4,380)**	(4,849)	**(4,380)**	(4,849)
Provision for impairment of assets	**-**	(5,888)	**-**	(5,662)
Extemporaneous debit – ICMS	**(1,335)**	(9,272)	**(1,335)**	(9,272)
Reversal of gain on acquisition of equity interest	**(16,774)**	-	**(16,774)**	-
Others [2]	**(27,658)**	(12,266)	**(29,205)**	(17,285)
	(243,860)	(220,783)	**(247,030)**	(247,779)
Total	**(136,500)**	(106,959)	**(138,110)**	(120,299)

[1] It mainly refers to the sale of fatty acid; [2] Restructuring expenses in the amount of R$ 8,571 in 2024.

29. Earnings per share

Basic earnings per share are calculated based on net income attributable to shareholders and the proportional weighted average number of shares outstanding in the year.

Diluted earnings per share for share options are calculated based on net income attributable to shareholders and the adjusted weighted average number of shares that would have been outstanding assuming the conversion of all dilutive potential shares, as follows:

Description	Parent and Consolidated	
	2024	2023
Net profit for the year	**645,948**	888,654
Weighted average number of common shares (a)	**339,000**	339,000
Basic earnings per share (R$)	**1.90545**	2.62140
Adjustments for restricted shares (b)	**1,894**	1,560
Treasury shares (c)	**(3,304)**	(2,675)
Weighted average shares (thousand) (a + b + c)	**337,590**	337,885
Diluted earnings per share (R$)	**1.91341**	2.63005

30. Additional information to the cash flows

Investment and financing transactions that do not involve the use of cash or cash equivalents are shown as follows:

a) Reconciliation of changes in equity and the cash flow statements from financing activities

(All amounts in thousands of Reais, except if stated otherwise)

Parent

Change details	Liabilities					Shareholders' Equity	Total
	Financing with financial institutions	Tax financing	Debentures	Leases	Dividends	(-) Treasury shares	
Balance as of December 31, 2023	**952,417**	**47,234**	**904,277**	**357,434**	**18**	**(76,953)**	**2,184,427**
Cash flows changes							
Interest on equity paid	-	-	-	-	(221,821)	-	(221,821)
Acquisition financing	1,165,706	-	-	-	-	-	1,165,706
Acquisition of treasury shares	-	-	-	-	-	(50,533)	(50,533)
Financing payments	(1,174,986)	(6,918)	(153)	-	-	-	(1,182,057)
Lease payments	-	-	-	(98,646)	-	-	(98,646)
Total change in cash flows from financing activities	**(9,280)**	**(6,918)**	**(153)**	**(98,646)**	**(221,821)**	**(50,533)**	**(387,351)**
Interest and exchange variations paid	**(82,428)**	**(1,438)**	**(39,610)**	**(39,190)**	**-**	**-**	**(162,666)**
Non-cash changes							
Exchange variation and inflation adjustment	226,070	-	45,693	-	-	-	271,763
Change in fair value	(4,277)	-	3,967	-	-	-	(310)
New leases/disposals	-	-	-	96,739	-	-	96,739
Interest, commission and tax	40,697	2,702	40,058	38,894	(59)	-	122,292
Tax incentive	-	16,943	-	-	-	-	16,943
Interest on equity	-	-	-	-	221,881	-	221,881
Transfer of long-term incentive shares	-	-	-	-	-	14,648	14,648
Amortization of transaction costs	150	-	5,186	-	-	-	5,336
Balance as of December 31, 2024	**1,123,349**	**58,523**	**959,418**	**355,231**	**19**	**(112,838)**	**2,383,702**

Change details	Liabilities					Shareholders' Equity	Total
	Financing with financial institutions	Tax financing	Debentures	Leases	Dividends	(-) Treasury shares	
Balance as of December 31, 2022	**1,002,549**	**26,769**	**848,281**	**330,068**	**6**	**(81,096)**	**2,126,577**
Cash flows changes							
Interest on equity paid	-	-	-	-	(69,775)	-	(69,775)
Acquisition financing	329,346	-	-	-	-	-	329,346
Financing payments	(320,332)	(4,381)	(105)	-	-	-	(324,818)
Lease payments	-	-	-	(78,363)	-	-	(78,363)
Total change in cash flows from financing activities	**9,014**	**(4,381)**	**(105)**	**(78,363)**	**(69,775)**	**-**	**(143,610)**
Interest and exchange variations paid	**(50,764)**	**(801)**	**(37,900)**	**(37,824)**	**-**	**-**	**(127,289)**
Non-cash changes							
Exchange variation and inflation adjustment	(57,408)	-	44,724	-	-	-	(12,684)
Change in fair value	2,891	-	6,298	-	-	-	9,189
New leases/disposals	-	-	-	107,465	-	-	107,465
Interest, commission and tax	45,508	1,861	37,779	36,088	(834)	-	120,402
Tax incentive	-	23,786	-	-	-	-	23,786
Interest on equity	-	-	-	-	70,621	-	70,621
Transfer of long-term incentive shares	-	-	-	-	-	4,143	4,143
Amortization of transaction costs	627	-	5,200	-	-	-	5,827
Balance as of December 31, 2023	**952,417**	**47,234**	**904,277**	**357,434**	**18**	**(76,953)**	**2,184,427**

(All amounts in thousands of Reais, except if stated otherwise)

Consolidated

Change details	Liabilities					Shareholders' Equity	Total
	Financing with financial institutions	Tax financing	Debentures	Leases	Dividends	(-) Treasury shares	
Balance as of December 31, 2023	**957,569**	**47,234**	**904,277**	**358,107**	**18**	**(76,953)**	**2,190,252**
Cash flows changes							
Interest on equity paid	-	-	-	-	(221,821)	-	(221,821)
Acquisition financing	1,172,112	-	-	-	-	-	1,172,112
Acquisition of treasury shares	-	-	-	-	-	(50,533)	(50,533)
Financing payments	(1,178,684)	(6,918)	(153)	-	-	-	(1,185,755)
Lease payments	-	-	-	(99,152)	-	-	(99,152)
Total change in cash flows from financing activities	**(6,572)**	**(6,918)**	**(153)**	**(99,152)**	**(221,821)**	**(50,533)**	**(385,149)**
Interest and exchange variations paid	**(82,769)**	**(1,438)**	**(39,610)**	**(39,190)**	**-**	**-**	**(163,007)**
Non-cash changes							
Exchange variation and inflation adjustment	226,070	-	45,693	-	-	-	271,763
Change in fair value	(4,277)	-	3,967	-	-	-	(310)
New leases/disposals	-	-	-	96,739	-	-	96,739
Interest, commission and tax	41,025	2,702	40,058	38,961	(59)	-	122,687
Tax incentive	-	16,943	-	-	-	-	16,943
Interest on equity	-	-	-	-	221,881	-	221,881
Transfer of long-term incentive shares	-	-	-	-	-	14,648	14,648
Amortization of transaction costs	150	-	5,186	-	-	-	5,336
Balance as of December 31, 2024	**1,131,196**	**58,523**	**959,418**	**355,465**	**19**	**(112,838)**	**2,391,783**

Change details	Liabilities					Shareholders' Equity	Total
	Financing with financial institutions	Tax financing	Debentures	Leases	Dividends	(-) Treasury shares	
Balance as of December 31, 2022	**1,024,591**	**26,769**	**848,281**	**331,917**	**6**	**(81,096)**	**2,150,468**
Cash flows changes							
Interest on equity paid	-	-	-	-	(69,775)	-	(69,775)
Acquisition financing	331,715	-	-	-	-	-	331,715
Financing payments	(339,591)	(4,381)	(105)	-	-	-	(344,077)
Lease payments	-	-	-	(79,506)	-	-	(79,506)
Total change in cash flows from financing activities	**(7,876)**	**(4,381)**	**(105)**	**(79,506)**	**(69,775)**	**-**	**(161,643)**
Interest and exchange variations paid	**(52,341)**	**(801)**	**(37,900)**	**(37,874)**	**-**	**-**	**(128,916)**
Non-cash changes							
Exchange variation and inflation adjustment	(57,484)	-	44,724	-	-	-	(12,760)
Change in fair value	2,891	-	6,298	-	-	-	9,189
New leases/disposals	-	-	-	107,329	-	-	107,329
Interest, commission and tax	47,161	1,861	37,779	36,241	(834)	-	122,208
Tax incentive	-	23,786	-	-	-	-	23,786
Interest on equity	-	-	-	-	70,621	-	70,621
Transfer of long-term incentive shares	-	-	-	-	-	4,143	4,143
Amortization of transaction costs	627	-	5,200	-	-	-	5,827
Balance as of December 31, 2023	**957,569**	**47,234**	**904,277**	**358,107**	**18**	**(76,953)**	**2,190,252**

b) Investment activities

Regarding investment activities, the acquisition of property, plant and equipment and intangible assets by assuming the respective liability consolidated amounts to R$ 39,162 on December 31, 2024 (R$ 87,512 on December 31, 2023).

Francisco Ivens de Sá Dias Branco Júnior
President and Interim Vice-President - Sales

Maria das Graças Saraiva Leão Dias Branco
Vice-President - Finance

Maria Regina Saraiva Leão Dias Branco
Vice-President - Administration and Development

Francisco Cláudio Saraiva Leão Dias Branco
Industrial Vice-President - Milling

Gustavo Lopes Theodozio
Vice-President - Investments and Controllership

Daniel Mota Gutierrez
Vice-President - Legal, Governance, Risks, and Compliance

Sidney Leite dos Santos
Interim Vice-President - Supply Chain

Magali Carvalho Façanha
Accountant CRC - CE 12410/O-6

Other Information Deemed as Relevant by the Company

Share Ownership

Our capital stock on December 31, 2024, is R$ 2,597.7 million, fully subscribed, paid-up and divided into 339,000,000 shares, all non-par, common, recorded, book-entry shares.

The table below shows the number of shares directly or indirectly held on this date by the Controlling Shareholder and members of our Board of Directors and Board of Executive Officers:

CONSOLIDATED SHAREHOLDING OF CONTROLLING SHAREHOLDERS, MANAGERS AND OUTSTANDING SHARES Shareholding on 12/31/2023				
Shareholder	**Number of Common Shares (In units)**	**%**	**Total Number of Shares (In units)**	**%**
Controlling Shareholder	**227,840,941**	**67.21**	**227,840,941**	**67.21**
Managers	42,101,475	12.42	42,101,475	12.42
Board of Directors	21,297,264	6.28	21,297,264	6.28
Board of Executive Officers	20,804,211	6.14	20,804,211	6.14
Treasury Shares	**2,675,111**	**0.79**	**2,675,111**	**0.79**
Other Shareholders	**66,382,473**	**19.58**	**66,382,473**	**19.58**
Total	**339,000,000**	**100.00**	**339,000,000**	**100.00**
Outstanding Shares	**66,382,473**	**19.58**	**66,382,473**	**19.58**

CONSOLIDATED SHAREHOLDING OF CONTROLLING SHAREHOLDERS, MANAGERS AND OUTSTANDING SHARES Shareholding on 12/31/2024				
Shareholder	**Number of Common Shares (In units)**	**%**	**Total Number of Shares (In units)**	**%**
Controlling Shareholder	**227,840,941**	**67.21**	**227,840,941**	**67.21**
Managers	**42,490,405**	**12.53**	**42,490,405**	**12.53**
Board of Directors	21,311,284	6.29	21,311,284	6.29
Board of Executive Officers	21,179,121	6.25	21,179,121	6.25
Treasury Shares	**3,773,296**	**1.11**	**3,773,296**	**1.11**
Other Shareholders	**64,895,358**	**19.14**	**64,895,358**	**19.14**
Total	**339,000,000**	**100.00**	**339,000,000**	**100.00**
Outstanding Shares	**64,895,358**	**19.14**	**64,895,358**	**19.14**

Note: There are no Members of the Board of Directors and Board of Executive Officers holding more than 5% of the shares.

In accordance with Article 20 of our Bylaws, the Fiscal Council has not found permanent and was not installed on December 31, 2024 and 2023.

Other Information Deemed as Relevant by the Company

SHAREHOLDING OF THOSE HOLDING MORE THAN 5% OF THE SHARES OF EACH TYPE AND CLASS OF THE COMPANY'S CAPITAL STOCK				
Company: M DIAS BRANCO S.A. IND E COM DE ALIMENTOS **Shareholding on 12/31/2023 (In units of shares)**				
Shareholder	**Common Shares**		**Total**	
	Number	**%**	**Number**	**%**
DIBRA Fundo de Investimentos em Ações	214,650,000	63.32	214,650,000	63.32
AVEIRO Fundo de Investimento	13,190,941	3.89	13,190,941	3.89
Board of Directors and Executive Officers	42,101,475	12.42	42,101,475	12.42
Treasury Shares	2,675,111	0.79	2,675,111	0.79
Other Shareholders	66,382,473	19.58	66,382,473	19.58
Total	**339,000,000**	**100.00**	**339,000,000**	**100.00**

SHAREHOLDING OF THOSE HOLDING MORE THAN 5% OF THE SHARES OF EACH TYPE AND CLASS OF THE COMPANY'S CAPITAL STOCK				
Company: M DIAS BRANCO S.A. IND E COM DE ALIMENTOS **Shareholding on 12/31/2024 (In units of shares)**				
Shareholder	**Common Shares**		**Total**	
	Number	**%**	**Number**	**%**
DIBRA Fundo de Investimentos em Ações	214,650,000	63.32	214,650,000	63.32
AVEIRO Fundo de Investimento	13,190,941	3.89	13,190,941	3.89
Board of Directors and Executive Officers	42,490,405	12.53	42,490,405	12.53
Treasury Shares	3,773,296	1.11	3,773,296	1.11
Other Shareholders	64,895,358	19.14	64,895,358	19.14
Total	**339,000,000**	**100.00**	**339,000,000**	**100.00**

Other Information Deemed as Relevant by the Company

CAPITAL STOCK DISTRIBUTION OF CORPORATE ENTITY (COMPANY SHAREHOLDER), UP TO THE INDIVIDUAL LEVEL				
Company: DIBRA Fundo de Investimentos em Ações	Shareholding on 12/31/2024 (In units of quotas)			
Unitholders	Quotas		Total	
	Number	%	Number	%
Francisco Ivens de Sá Dias Branco Júnior	105,67	20.00	105,67	20.00
Maria das Graças Saraiva Leão Dias Branco	105,67	20.00	105,67	20.00
Maria Regina Saraiva Leão Dias Branco	105,67	20.00	105,67	20.00
Francisco Marcos Saraiva Leão Dias Branco	105,67	20.00	105,67	20.00
Francisco Claúdio Saraiva Leão Dias Branco	105,67	20.00	105,67	20.00
Total	**528.35**	**100.00**	**528.35**	**100.00**

CAPITAL STOCK DISTRIBUTION OF CORPORATE ENTITY (COMPANY SHAREHOLDER), UP TO THE INDIVIDUAL LEVEL				
Company: AVEIRO Multimercado Fundo de Investimento Crédito Privado Investimento no Exterior	Shareholding on 12/31/2024 (In units of quotas)			
Unitholders	Quotas		Total	
	Number	%	Number	%
Francisco Ivens de Sá Dias Branco Júnior	279,165,003	20.00	279,165,003	20.00
Maria das Graças Saraiva Leão Dias Branco	278,925,247	20.00	278,925,247	20.00
Maria Regina Saraiva Leão Dias Branco	278,925,215	20.00	278,925,215	20.00
Francisco Marcos Saraiva Leão Dias Branco	278,925,313	20.00	278,925,313	20.00
Francisco Claúdio Saraiva Leão Dias Branco	278,925,171	20.00	278,925,171	20.00
Total	**1,394,865,948**	**100.00**	**1,394,865,948**	**100.00**

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Independent Auditors' Report on individual and consolidated financial statements

To the Directors and Shareholders of

M. Dias Branco S.A Indústria e Comércio de Alimentos

Eusébio - Ceará

Opinion

We have audited the individual and consolidated financial statements of M. Dias Branco Indústria e Comércio de Alimentos S.A. ("the Company"), which comprise the individual and consolidated statement of financial position as at December 31, 2024, the individual and consolidated statements of income and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of M. Dias Branco Indústria e Comércio de Alimentos S.A. as at December 31, 2024, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance with Accounting Practices Adopted in Brazil and with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the individual and consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the individual and consolidated financial statements in the Accountant Professional Code of Ethics ("Código de ética profissional do Contador") and in the professional standards issued by the Brazilian Federal Accounting Council ("Conselho Federal de Contabilidade"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Revenue recognition

See note 26 of the individual and consolidated financial statements

Key audit matter	How our audit addressed this matter
In accordance with the accounting standard CPC 47 – Receita de Contrato com Clientes (IFRS 15 – Revenue from Contracts with Customers), the Company must recognize the revenue when its satisfies the performance obligation to transfer the promised goods to the customer. The Company´s revenue recognition involves a process of measurement of billed and not delivered sales in the period. Referred process includes an analysis of sales billed at the end of the year measured based on the on effective delivery dates to each destination with the objective to assure that the sales were recognized in the correct period. This matter was deemed significant to our audit, considering the importance of revenue as a key performance indicator to the Company and the relevance of sales amounts at the end of the period.	Our audit procedures included but were not limited to: i) To the sales recognized in December, we obtained the report with the effective delivery dates prepared by the Company and for a sample of these sales we tested the effective delivery date; ii) We recalculated the sales cut-off based on the effective delivery data presented in the aforementioned report, we compared to the cut-off adjustment recorded by the Company; (iii) We analyzed the sales returns and cancellations occurred in January of the following year; (iv) We assessed whether the individual and consolidated financial statements disclosures considered the relevant information. Based on the evidence obtained through the aforementioned procedures, we considered that the Company´s revenue recognition is acceptable as well as the related disclosures, in the context of the individual and consolidated financial statements, taken as whole, as of December 31, 2024.

Other matters – Statement of value added

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

Other information that accompanies the individual and consolidated financial statements and the auditor report

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

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

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

Responsibilities of Management and Those Charged with Governance for the individual and consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with Accounting Practices Adopted in Brazil and with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of individual and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the individual and consolidated Financial Statements

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

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the individual and consolidated financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Fortaleza, February 21, 2025

KPMG Auditores Independentes Ltda.
CRC CE-003141/F-5

Original in Portuguese signed by

Pedro Barroso Silva Junior
Contador CRC CE-021967/0-5

Reports and Statements / Audit Committee's Report

SUMMARIZED ANNUAL REPORT OF THE AUDIT COMMITTEE OF M. DIAS BRANCO S.A. INDÚSTRIA E COMÉRCIO DE ALIMENTOS

FISCAL YEAR 2024

Presentation

The members of the Audit Committee ("CoAud") of M. DIAS BRANCO S.A. INDÚSTRIA E COMÉRCIO DE ALIMENTOS, a company headquartered in the municipality of Eusébio, State of Ceará, at Rodovia BR 116, Km 18, S/N, Jabuti, CEP 61.760-000, enrolled with the CNPJ/MF under number 07.206.816/0001-15 ("Company" or "M. Dias Branco") in accordance with art. 22, paragraph 1 of B3's Novo Mercado Regulations, have prepared this report which consolidates the main activities performed by the Company's Audit Committee in 2024.

M. Dias Branco's Audit Committee is a non-statutory advisory body to the Company's Board of Directors in its mission of managing the Company and its subsidiaries, their businesses and strategies, creating and increasing value for shareholders. In this sense, the Audit Committee continuously assess the risk identification systems and the internal controls of the Company and its subsidiaries, the conditions for controlling risks to which the Company and its subsidiaries are subject as well as the quality and effectiveness of the decisions made to manage risks, and its responsibilities are in compliance with CVM Resolution No. 80/22. The Audit Committee currently comprises three (03) independent members elected by the Board of Directors, one of whom is also an independent member of the Board of Directors.

Main Activities of the Audit Committee in 2024.

In fiscal year 2024, the Audit Committee, in accordance with its meeting schedule, held a total of eight (8) meetings to monitor and discuss various issues, including matters relating to governance, risks, administrative sustainability and the continuity of the company's business, as summarized below:
(i) Analysis and recommendations regarding 2023 Financial Statements;
(ii) Planning the activities and work of the Audit Committee for 2024;
(iii) Analysis and systematic monitoring of the Annual Internal Audit Plan for 2024;
(iv) Analysis and systematic monitoring of the Annual Risk Management and Internal Controls Plan for 2024, with emphasis on the presentation of the Company's Risk Matrix;
(v) Analysis and systematic monitoring of the Annual Compliance Plan for 2024;
(vi) Recommendation regarding the Company's strategic direction (2024-2028 cycle);
(vii) Recommendation regarding the results of the Simplifique Project (change to the ERP);
(viii) Recommendation regarding the Third Party Score Project for labor outsourcing;
(ix) Recommendations regarding the Ethics and Governance Week programming led by the Governance, Risks and Compliance areas;
(x) Recommendations regarding the impacts of the Tax Reform, mainly the repercussions on tax incentives;
(xi) Analysis and recommendations regarding taxes recoverable;
(xii) Recommendations regarding the reporting of Hedge Committee activities;
(xiii) Analysis and recommendations regarding the Legal Opinions Project relating to the Risk Matrix;
(xiv) Analysis and systematic monitoring of actions related to Information Security;
(xv) Analysis and recommendations on the Quarterly Financial Information (ITRs) for the first, second and third quarters of 2024;
(xvi) Analysis and recommendations regarding the planning of the independent audit to review the 2024 Financial Statements.

On these occasions, the Audit Committee evaluated the topics, having provided, when applicable, guidelines, suggestions and recommendations to the Company's various sectors, evidenced through records in meeting minutes.

Pursuant to the provisions of paragraph 2 of article 22 of Novo Mercado's Regulations, the Audit Committee submitted its quarterly reports on its activities and recommendations on the topics of its work in 2024 and referred them to the Board of Directors for appraisal.

Analysis of 2024 Financial Statements

The Audit Committee recognizes and supports the Company's initiatives to implement constant improvements, contributing to addressing all matters brought to its attention, taking into account its responsibilities and the limitations arising from the scope of its work.

Accordingly, based on the review, information and clarifications received, the members of the Audit Committee of M. Dias Branco S.A Indústria e Comércio de Alimentos ("Company") in the exercise of their duties, as provided for in the Internal Regulations and CVM Resolution 80/22, analyzed the quality and integrity of the financial statements for the year ended December 31, 2024, accompanied by the independent auditors' report issued on that date, and considering the information provided by the Company's Management and the work performed by the internal audit and KPMG, unanimously recommended the approval of the documents by the Company's Board of Directors, pursuant to Brazilian Corporate Law.

Eusébio/CE, February 21, 2025.

Elionor Farah Jreige Weffort
(Coordinator and Independent Member)

Daniel Perecim Funis
(Independent Member of the Board)

Adrian Lima da Hora
(Independent Member)

Reports and Statements / Statement of Executive Officers on the Financial Statements

We declare, as the executive officers of M. Dias Branco S.A. Indústria e Comércio de Alimentos, a publicly traded corporation with its registered office in the Municipality of Eusébio, State of Ceará, at Rodovia BR 116 KM 18, s/n, Jabuti, CEP 61766-650, registered with CNPJ under number 07.206.816/0001-15, that we have revised, discussed and approved the financial statements for the year ended December 31, 2024.

Eusébio, February 21, 2025.

Francisco Ivens de Sá Dias Branco Júnior
President and Interim Vice-President - Sales

Maria das Graças Saraiva Leão Dias Branco
Vice-President - Finance

Maria Regina Saraiva Leão Dias Branco
Vice-President - Administration and Development

Francisco Cláudio Saraiva Leão Dias Branco
Industrial Vice-President - Milling

Gustavo Lopes Theodozio
Vice-President - Investments and Controllership

Daniel Mota Gutierrez
Vice-President - Legal, Governance, Risks, and Compliance

Sidney Leite dos Santos
Interim Vice-President - Supply Chain

Reports and Statements / Statement of Executive Officers on the Independent Auditor's Report

We declare, as the Executive Officers of M. Dias Branco S.A. Indústria e Comércio de Alimentos, a publicly traded corporation with its registered office in the Municipality of Eusébio, State of Ceará, at Rodovia BR 116 KM 18, s/n, Jabuti, CEP 61766-650, registered with CNPJ under number 07.206.816/0001-15, that we have revised, discussed and agreed with the opinions expressed in the independent auditors' report in respect of the financial statements for the year ended December 31, 2024.

Eusébio, February 21, 2025.

Francisco Ivens de Sá Dias Branco Júnior
President and Interim Vice-President - Sales

Maria das Graças Saraiva Leão Dias Branco
Vice-President - Finance

Maria Regina Saraiva Leão Dias Branco
Vice-President - Administration and Development

Francisco Cláudio Saraiva Leão Dias Branco
Industrial Vice-President - Milling

Gustavo Lopes Theodozio
Vice-President - Investments and Controllership

Daniel Mota Gutierrez
Vice-President - Legal, Governance, Risks, and Compliance

Sidney Leite dos Santos
Interim Vice-President - Supply Chain