



WDC
NETWORKS



EARNINGS
RELEASE
4Q24

LVTC
B3 LISTED NM

Conference Call
March 20, 2025 - Thursday
10:00 a.m. (Brasília time) | 9:00 a.m. (EST)

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IGC-NM B3

IGC B3

ITAG B3



Earnings Release 4Q24 | 2024

WDC reports adjusted Net Income of R\$36.4 million in 2024, reversing the net loss of R\$11.9 million reported in 2023, ending 2024 with Adjusted EBITDA of R\$271.4 million (+17.2% vs. 2023).

Ilhéus, March 19, 2025 - Livetech da Bahia Indústria e Comércio S.A. (B3: LVTC3) ("Company" or "WDC Networks"), a technology company in the Telecommunications, Solar Power and Enterprise segments founded in 2003 and a pioneer in marketing Technology as a Service (TaaS), today reports its results for the fourth quarter of 2024 (4Q24). The Company's interim financial information for the period ended December 31, 2024 comprises individual and consolidated interim accounting information prepared in accordance with NBC TG 21 - Interim Statement, approved by the Federal Accounting Council and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the Quarterly Information (ITR).

HIGHLIGHTS | 4Q24 (consolidated)

- **Adjusted Net Income in 4Q24 reached R\$17.5 million** (vs. Net Loss of R\$9.9 million in 4Q23). In 2024, the Company recorded **Adjusted Net Income of R\$36.4 million**, reversing the Adjusted Net Loss of R\$11.9 million of 2023.
- **WDC maintains consistency in its Adjusted EBITDA, which came to R\$63.3 million in 4Q24** (+39.9% vs 4Q23). In 2024, the Company registered R\$271.4 million (+17.2% vs. 2023).
- **Adjusted EBITDA Margin reached 28.4% in 4Q24, improving 7.7 p.p. from 4Q23.** In 2024, Adjusted EBITDA Margin was 32.4%, advancing 6.7 p.p. in relation to 2023.
- **Adjust. Gross Margin came to 27.8% in 4Q24 (+10.2 p.p vs. 4Q23)** and 27.1% in 2024 (+6.2 p.p vs. 2023).
- **Backlog Revenue totaled R\$745.1 million in 4Q24** (-14.8% vs. 4Q23), with the variation explained in the TaaS section of this document.
- The **Net debt / Adjusted EBITDA LTM** ratio improved in relation to the previous quarter, moving from 2.21x in 3Q24 to 1.80x in 4Q24, which the management considers as a healthy level.
- **Net Revenue (ex-Solar Power) increased 10.9% in 4Q24 vs. 4Q23**, reaching R\$207.1 million. In 2024, net revenue increased 5.2% from 2023, to R\$772.4 million.

**R\$17.5
million**

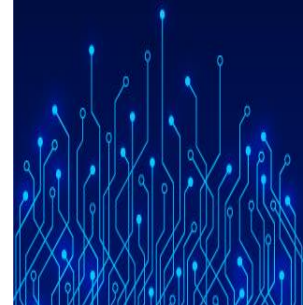
Adjusted Net Income

**R\$63.3
million**

Consolidated Adjusted
EBITDA

28.4%

Consolidated Adjusted
EBITDA margin





Summary of Consolidated Results and Financial Indicators

Highlights (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Consolidated Financial Income								
Total Sales	268.4	270.1	-0.6%	252.3	6.4%	965.4	1,152.0	-16.2%
Net Revenue	222.9	218.9	1.8%	212.3	5.0%	837.9	900.7	-7.0%
Gross Income	51.6	38.7	33.4%	55.0	-6.3%	216.2	188.3	14.8%
Gross Margin (% Net Revenue)	23.1%	17.7%	5.5 p.p.	25.9%	-2.8 p.p.	25.8%	20.9%	4.9 p.p.
Adjusted EBITDA	63.3	45.2	39.9%	65.3	-3.1%	271.4	231.6	17.2%
Adjusted EBITDA Margin (% Net Revenue)	28.4%	20.7%	7.7 p.p.	30.8%	-2.4 p.p.	32.4%	25.7%	6.7 p.p.
Adjusted Net Income	17.5	(9.9)	-277.6%	5.8	200.4%	36.4	(11.9)	-406.3%
Adjusted Net Margin (% Net Revenue)	7.8%	-4.5%	12.3 p.p.	2.7%	5.1 p.p.	4.3%	-1.3%	5.7 p.p.
Main Financial Indicators								
Deferred Revenue Backlog	745.1	874.8	-14.8%	839.0	-11.2%	745.1	874.8	-14.8%
Investment in Property, Plant and Equipment for Lease (CAPEX TaaS)	45.1	42.7	5.6%	46.8	-3.8%	167.2	192.1	-13.0%
Net Debt / Adjusted LTM EBITDA (x)	1.8	2.1	-14.8%	2.2	-18.8%	1.80	2.11	-14.8%
Main Operating Indicators								
% Produced Internally (% Total Sales)	46%	47%	-0.7 p.p.	45%	0.6 p.p.	45%	49%	-4.5 p.p.
% TaaS (% Total Sales)	36%	33%	3.4 p.p.	37%	-0.8 p.p.	36%	36%	-0.1 p.p.
% TaaS (% Gross Revenue)	35%	32%	2.6 p.p.	36%	-1.6 p.p.	37%	31%	5.4 p.p.
New TaaS Agreements' (sic) Term (average in months)	43	48	-10.3%	48	-10.5%	53	51	3.0%
Quantity of New TaaS Agreements	373	331	12.7%	388	-3.9%	1,094	995	9.9%
New TaaS Agreements' Value (average R\$ thousand/agreement)	262	269	-2.7%	242	8.2%	236	312	-24.4%

Message from Management

2024 was a landmark year in WDC's history, owing to **the Company's return to profitability. We achieved significant improvements in terms of Gross Margin, EBITDA Margin and Net Margin.** Our consolidated Gross Margin reached 25.8% in 2024, an improvement of 4.9 p.p. compared to 2023. Adjusted EBITDA margin came to 31.3% in 2024, advancing 5.6 p.p from 2023. Adjusted Net Margin improved moved from -1.3% in 2023 to 4.8% in 2024 (+6.2 p.p).

We must also mention our repositioning, which is reflected in the **maturation of our sales strategy, targeting new verticals and making significant progress in service provision,** which, in turn, accounted for 17% of the Company's gross revenue in 2024, as against 11% in 2023, marking an increase of 6 p.p.

We will adopt the same strategy for 2025, which means focusing on maintaining or even improving our margins, being selective in our sales of products, projects and services, while also seeking opportunities in new markets.

Nevertheless, in 2024, TaaS contracts amounted to **R\$745.1 million of backlog revenue.** This **huge asset** does not appear in the balance sheet as a receivable, according to the IFRS15/CPC47 standards, but it ensures predictability and gross revenue recurrence, as it refers to commitments undertaken by our clients to pay monthly lease fees to WDC. Note that (i) WDC incurs the entire Capex at the time of sale, (ii) the "churn" of these contracts is low and (iii) these monthly fees, in turn, are converted into EBITDA, by deducting only PIS/COFINS and depreciation of leased equipment. In 4Q24, TaaS accounted for 35% of gross revenue. This revenue backlog places us in a comfortable position vis-à-vis our loan payment commitments and financial expenses, corresponding to 1.5 times our Net Debt. At the end of 4Q24, our financial leverage was **1.86 times our Net Debt/Adjusted EBITDA LTM** (vs. 2.11 times in 4Q23 and 2.21 times in 3Q24), a level we consider healthy for the Company.

Sales in the **Enterprise** segment amounted to R\$112.1 million in 4Q24, increasing 16.6% from 4Q23 and 4.5% from 3Q24. **2024 was the year of consolidation of the segment, which has been demonstrating consistent growth:** Enterprise accounts for 42% of the Company's total sales, compared to 32% in 2023.

Telecom is experiencing a slight recovery in sales, which reached R\$138.2 million in 4Q24, a 2.4% increase in relation to 4Q23. Compared to 3Q24, the segment's sales grew 4.0%. Note that **this segment is still the most representative in WDC; in 2024, it represented 50% of total sales.**

In the **Solar Power** segment, as mentioned in past quarters, WDC remains committed to achieving more profitable sales. The drop in sales volume was expected, but the strategy adopted for 2024 was effective and the segment recorded gross income of R\$7.3 million, **almost four times higher than in 2023.**

We have many reasons to celebrate our performance in 2024. The Company returned to profitability, and some events that marked 2024 are a source of great pride for us. We have relocated our São Paulo office to a larger and more modern space, where we have also inaugurated our showroom, which has been increasingly captivating our business partners and clients. For the fifth consecutive year, we earned the GPTW seal, positioning us as one of the best companies to work for in Brazil. Finally, we hosted our first Investor Day, an event targeted at the financial market, aiming to provide more insight into our strategy and our vision for the future.

As from 1Q25, we will no longer report information of our traditional business units Telecom, Enterprise and Solar Power and managerial sales volume. In our new reporting format, we will provide more detailed breakdowns of Gross Revenue, concentrating on our repositioning. This includes breakdowns of revenue from services, products and lease, along with insights by vertical and product group. Based on these breakdowns, the result will be published in its consolidated form.

As events after the reporting period, reported via Material Fact notices, we announced on February 3, 2025 the cancellation of 1,201,600 treasury shares and, on February 26, 2025, the conclusion of the acquisition of Infinite Consulting, marking another important step in our advancement in providing managed services.

We believe that we are on the right track and that our growth drivers reported throughout 2024 will clearly make us achieve our goals and ambitions set for the future.

We appreciate the trust of everyone who is with us on this journey and we believe that together we will be able to reach greater heights!

WDC Networks

Financial Information

CONSOLIDATED

CONSOLIDATED (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Backlog	745.1	874.8	-14.8%	839.0	-11.2%	745.1	874.8	-14.8%
Sales of Products and Services	170.8	181.0	-5.7%	158.4	7.8%	619.0	737.6	-16.1%
TaaS (VGV Leases)	97.7	89.1	9.6%	93.9	4.0%	346.3	414.4	-16.4%
Total Sales	268.4	270.1	-0.6%	252.3	6.4%	965.4	1,152.0	-16.2%
Net Revenue by Products and Services	140.0	140.9	-0.6%	129.7	7.9%	512.5	596.5	-14.1%
Net Revenue by TaaS	82.9	78.0	6.3%	82.6	0.4%	325.4	304.3	7.0%
Net Revenue	222.9	218.9	1.8%	212.3	5.0%	837.9	900.7	-7.0%
Adj Gross Income	62,1	38,7	60,6%	55,0	12,8%	226,7	188,3	14,8%
<i>Gross Margin (% Net Revenue)</i>	<i>27,8%</i>	<i>17,7%</i>	<i>10,2pp</i>	<i>25,9%</i>	<i>1,9 p.p.</i>	<i>27,1%</i>	<i>20,9%</i>	<i>6,2 pp.</i>
Adj EBITDA	63,3	45,2	39,9%	65,3	-3,1%	271,4	231,6	17,2%
<i>EBITDA Margin (% Net revenue)</i>	<i>28,4%</i>	<i>20,7%</i>	<i>7,7 p.p.</i>	<i>30,7%</i>	<i>-2,4pp</i>	<i>32,4%</i>	<i>25,7%</i>	<i>6,7 p.p.</i>

TELECOM

TELECOM (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Backlog	489.1	659.9	-25.9%	597.1	-18.1%	489.1	659.9	-25.9%
Sales of Products and Services	83.9	71.3	17.7%	79.5	5.5%	280.6	287.6	-2.4%
TaaS (VGV Leases)	54.4	63.7	-14.7%	53.4	1.8%	206.4	290.1	-28.9%
Total Sales	138.2	135.0	2.4%	132.9	4.0%	487.0	577.8	-15.7%
Net Revenue by Products and Services	69.0	57.8	19.4%	65.2	5.8%	232.4	232.7	-0.2%
Net Revenue by TaaS	60.4	60.9	-0.9%	62.6	-3.6%	246.3	243.2	1.3%
Net Revenue	129.4	118.7	9.0%	127.8	1.2%	478.7	475.9	0.6%
Gross Income	35.9	24.4	47.3%	27.4	31.0%	120.5	108.4	11.2%
<i>Gross Margin (% Net Revenue)</i>	<i>27.7%</i>	<i>20.5%</i>	<i>7.2 p.p.</i>	<i>21.4%</i>	<i>6.3 p.p.</i>	<i>25.2%</i>	<i>22.8%</i>	<i>2.4 p.p.</i>
Main Operating Indicators								
% TaaS (% Total Sales)	39.3%	47.2%	-7.9 p.p.	40.2%	-0.8 p.p.	42.4%	50.2%	-7.8 p.p.
% TaaS (% Gross Revenue)	46.7%	51.3%	-4.7 p.p.	49.0%	-2.3 p.p.	51.5%	51.1%	0.4 p.p.
New TaaS Agreements' (sic) Term (average in months)	45.7	45.6	5.7%	45.5	-7.3%	44.3	49.5	-1.5%
Quantity of New TaaS Agreements	229	234	-5.0%	290	-4.8%	962	976	-0.2%
New TaaS Agreements' Value (average R\$ thousand/agreement)	233.1	185.4	249.8%	207.0	-22.9%	214.6	297.3	-18.3%

In 4Q24, total sales in the Telecom segment came to R\$138.2 million, increasing 2.4% from 4Q23 and 4.0% from 3Q24.

Despite the improvement recorded in 4Q24, 2024's performance was not enough to reverse the year's decline in sales, which amounted to R\$487.0 million, a decrease of 15.7% compared to 2023, when the segment reached R\$577.8 million.

In 4Q24, net revenue totaled R\$129.4 million, up 9.0% from 4Q23 and 1.2% from 3Q24. In 2024, net revenue reached R\$478.7 million, stable in relation to 2023. We emphasize that, even though the segment is experiencing a decline in sales, revenue remains resilient due to the recurring revenue from lease contracts (TaaS).

Gross income totaled R\$35.9 million, with gross margin of 27.7% in 4Q24, compared to gross income of R\$24.4 million and gross margin of 20.5% in 4Q23 and gross income of R\$27.4 million and gross margin of 21.4% in 3Q24. Note that, in 4Q24, the increase in rebates, combined with sales campaigns of obsolete inventory products, contributed 5.0 p.p. to the gross margin.

In 2024, gross income reached R\$120.6 million, improving 11.2% from 2023. Gross margin was 25.2% in 2024, advancing 2.4 p.p. from 2023. The reasons mentioned above contributed 2.4 p.p. to the annual gross margin.

ENTERPRISE

ENTERPRISE (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Backlog	235.0	187.5	25.4%	219.1	7.3%	235.0	187.5	25.4%
Sales of Products and Services	68.8	70.7	-2.8%	66.8	3.0%	268.4	261.7	2.5%
TaaS (VGV Leases)	43.3	25.4	70.6%	40.5	6.9%	139.2	108.2	28.7%
Total Sales	112.1	96.1	16.6%	107.3	4.5%	407.7	369.9	10.2%
Net Revenue by Products and Services	56.7	52.6	7.7%	53.8	5.4%	221.0	202.6	9.1%
Net Revenue by TaaS	21.0	15.5	35.7%	18.4	14.3%	72.7	55.7	30.6%
Net Revenue	77.7	68.1	14.1%	72.2	7.6%	293.7	258.2	13.8%
Adj Gross Income	27.0	19.0	-13.3%	25.0	-34.0%	88.2	77.9	13.2%
<i>Adj Gross Margin (% Net Revenue)</i>	<i>34.8%</i>	<i>27.9%</i>	<i>6,8 p.p</i>	<i>34.7%</i>	<i>0,1 pp</i>	<i>33,7%</i>	<i>30,2%</i>	<i>3,5 p.p.</i>

Main Operating Indicators								
% TaaS (% Total Sales)	38.6%	26.4%	12.2 p.p.	37.7%	0.9 p.p.	34.2%	29.2%	4.9 p.p.
% TaaS (% Gross Revenue)	27.0%	22.7%	4.3 p.p.	25.5%	1.6 p.p.	24.7%	21.6%	3.2 p.p.
New TaaS Agreements' (sic) Term (average in months)	52.4	52.7	-0.5%	49.8	5.3%	50.6	53.7	-5.8%
Quantity of New TaaS Agreements	182	128	42.2%	134	35.8%	487	384	26.8%
New TaaS Agreements' Value (average R\$ thousand/agreement)	222.5	325.2	-31.6%	185.5	20.0%	285.9	281.7	1.5%

The Enterprise segment continues to grow, reporting total sales of R\$112.1 million in 4Q24, an increase of 16.6% from 4Q23, explained by the good performance of Out-Of-Home (OOH) media and Cybersecurity, in addition to the ramp-up of our Colombia branch.

In 2024, total sales reached R\$407.7 million, an improvement of 10.2% from 2023, due to the same factors affecting the quarter.

In the year, TaaS increased its share of Enterprise sales, which was 34.2% in 2024 vs. 29.2% in 2023.

In 4Q24, net revenue from the Enterprise segment totaled R\$77.7 million, 14.1% higher than in 4Q23 and 7.6% higher than in 3Q24. The increase is explained by the same reasons affecting total sales, in addition to the positive effect of the revenue from lease contracts. In 2024, net revenue came to R\$293.7 million vs. R\$258.2 million in 2023 (+13.7%), demonstrating the growth trajectory of this segment.

Adj. Gross Profit reached R\$35.9 million and gross margin reached 27.7% in 4Q24, versus gross profit of R\$24.4 million and gross margin of 20.5% in 4Q23 and gross profit of R\$27.4 million and gross margin of 21.4% in 3Q24. It is important to mention that in 4Q24, the increase in rebates, combined with sales campaigns for obsolete inventory products, contributed 5.0 p.p. to the gross margin.

In 2024, gross profit reached R\$120.5 million, an improvement of 11.2% compared to 2023. Regarding the margin, WDC recorded 25.2% in 2024, an improvement of 2.4 p.p. in the annual comparison. The reasons mentioned above contributed 2.4 p.p. to the annual gross margin.

SOLAR POWER

SOLAR (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Backlog	20.9	27.4	-23.8%	22.8	-8.2%	20.9	27.4	-23.8%
Sales of Products and Services	18.1	39.0	-53.5%	12.2	48.9%	70.0	188.3	-62.8%
TaaS (VGV Leases)	0.0	0.0	414.7%	0.0	n.a.	0.7	16.0	-95.7%
Total Sales	18.1	39.0	-53.5%	12.2	48.8%	70.7	204.3	-65.4%
Net Revenue by Products and Services	14.3	30.5	-53.0%	10.7	34.0%	59.0	161.1	-63.4%
Net Revenue by TaaS	1.5	1.6	-6.3%	1.6	-2.8%	6.4	5.4	18.0%
Net Revenue	15.9	32.1	-50.6%	12.3	29.3%	65.4	166.5	-60.7%
Gross Income	- 0.8	- 4.7	-83.2%	2.6	-130.1%	7.3	1.9	282.0%
<i>Gross Margin (% Net Revenue)</i>	<i>-5.0%</i>	<i>-14.7%</i>	<i>9.7 p.p.</i>	<i>21.5%</i>	<i>-26.5pp</i>	<i>11.2%</i>	<i>1.2%</i>	<i>10.1 p.p.</i>
Main Operating Indicators								
% TaaS (% Total Sales)	0.2%	0.0%	0.1 p.p.	0.2%	-0.1 p.p.	1.0%	7.9%	-6.9p.p.
% TaaS (% Gross Revenue)	9.7%	5.1%	4.6 p.p.	12.8%	-3.2p.p.	9.7%	3.2%	6.5 p.p.
New TaaS Agreements' (sic) Term (average in months)	24.0	71.8	-66.6%	104.4	n.a.	94.6	74.6	26.8%
Quantity of New TaaS Agreements	1	3	-66.7%	5	n.a.	7	21	-66.7%
New TaaS Agreements' Value (average R\$ thousand/agreement)	27.9	4,010.0	-99.3%	126.7	n.a.	98.6	763.8	-87.1%

In the Solar segment, as reported in other quarters and following the slowdown trend, total sales amounted to R\$18.1 million in 4Q24, down 53.5% from 4Q23, and to R\$70.7 million in 2024, down 65.4% from 2023.

In 2024, net revenue from the Solar Power segment came to R\$15.9 million, down 50.6% from 4Q23.

In 2024, net revenue declined 60.7% compared to 2023. Note that this drop was anticipated by the

Company's management and is part of its strategy to focus on segments that contribute higher margins.

In 4Q24, Solar Power recorded gross income of -R\$0.8 million vs. -R\$4.7 million in 4Q23. Gross margin went from -14.7% in 4Q23 to -5.0% in 4Q24, an improvement of 9.7 p.p. In 3Q24, gross income was R\$2.6 million, while gross margin was 21.5%.

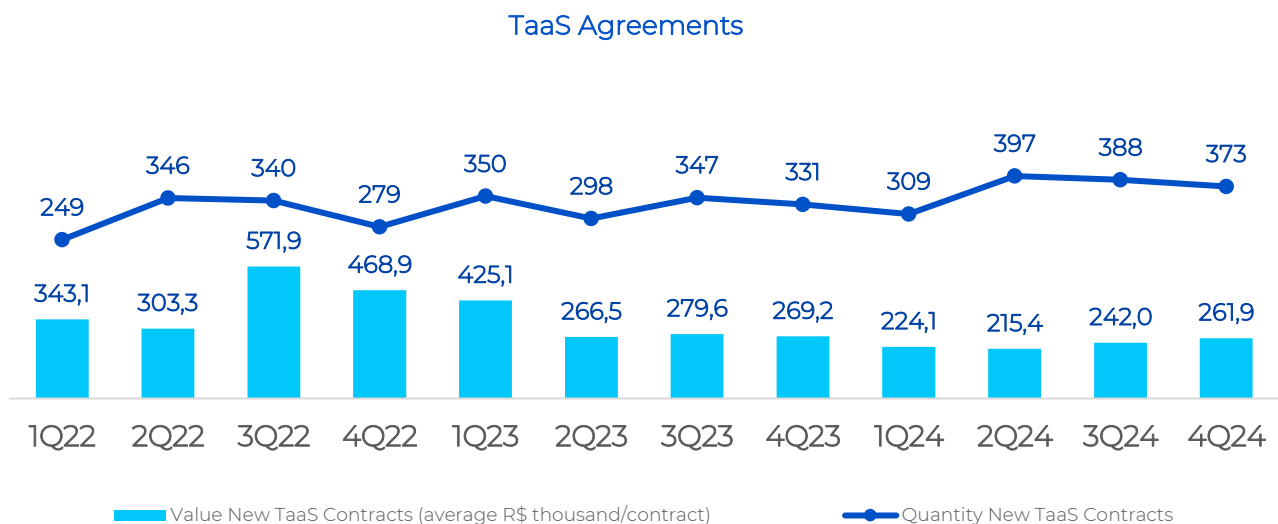
In 2024, gross income came to R\$7.3 million (R\$1.9 million in 2023), with gross margin of 11.2% (1.2% in 2023). The improvement is explained by the Company's decision to be more selective in sales of this segment, prioritizing higher margins.

Technology as a Service (TaaS) and Future Revenues (Revenue Backlog)

This WDC business model is based on equipment lease contracts. The Company buys, sets up and activates these assets, leasing them to its clients for terms of up to 60 months.

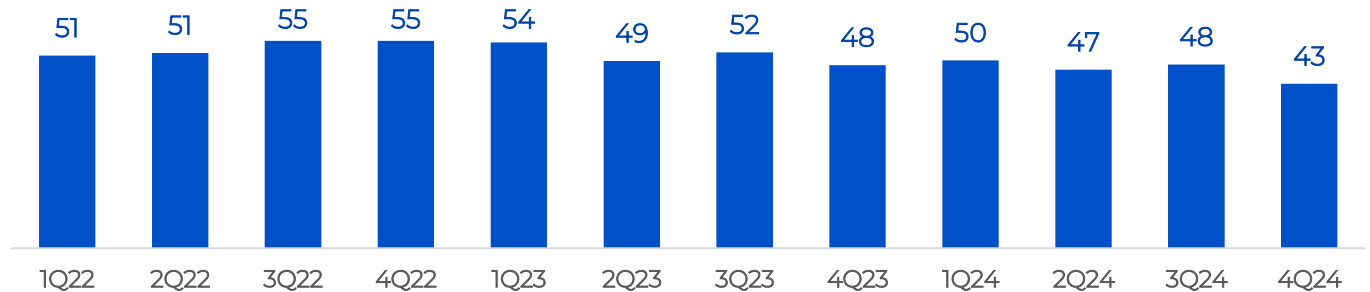
Revenue Backlog is the sum of monthly fees under lease contracts that will be recognized as gross revenue month by month, with no need for fresh investments, given that the Capex was already incurred at the time of execution of the lease contract, subtracting only PIS/COFINS and depreciation of the assets leased. Therefore, from a cash perspective, the backlog represents a predictable cash flow to be received in the future without any new disbursements by WDC.

In 4Q24, we executed 373 new TaaS contracts totaling R\$97,7 million, at an average ticket of R\$0.262 million.



Term New TaaS Agreements (average in months)

The average term of new TaaS contracts was 43 months in 4Q24, compared to 48 months in 3Q24.

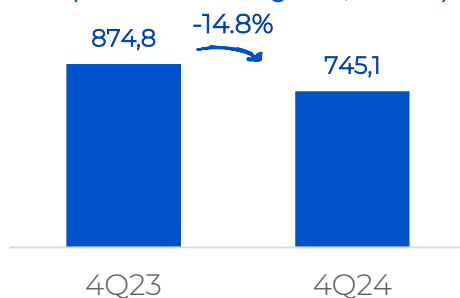


Note that our strategy of focusing on increasingly longer agreements (close to 60 months) is a positive factor in the long run, as it matches the monthly revenues with depreciation of equipment.

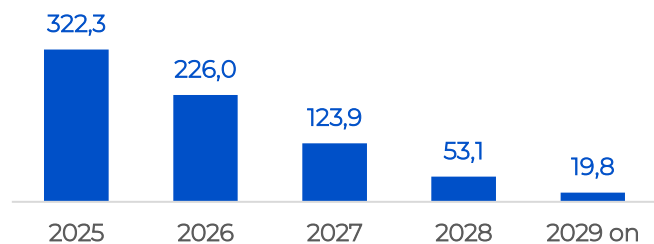
TaaS represents the ability to predict future revenues, demonstrates the Company's resilience and places it in a comfortable position to cover its expenses and debts.

Despite some returns in TaaS in 2024, with these products going back into stock and potentially being traded again, we attribute the decreased backlog also to a strong year in recognized monthly fees, combined with a non-recourse assignment operation that utilized R\$46.6 million from the backlog, demonstrating an additional liquidity option for the Company.

Revenue Backlog (Revenue Backlog in R\$ million)

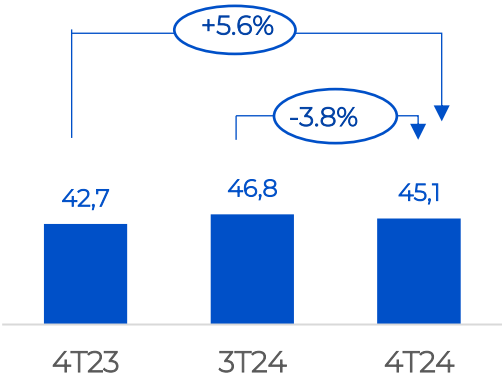


Receivables Timeframe TaaS (R\$ million)



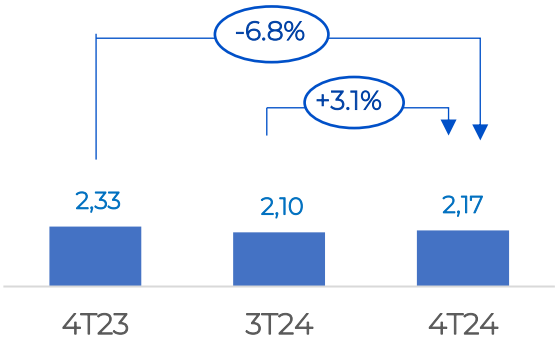
The receivables timeframe indicates the amount of Future Revenue to be recognized by the Company as from January 2025. In compliance with accounting standards, these amounts do not appear as "receivables" in the Company's balance sheet when the lease agreement is executed, but will translate as monthly revenues and, therefore, be registered as trade receivables according to the term of the contracts by the accrual method.

Investment in TaaS Assets - Capex
(R\$ million)



In 4Q24, total investment in TaaS assets came to R\$45.1 million, up 5.6% from 4Q23 and down 3.8% from 3Q24.

Managerial TaaS Mark-up
(# Total TaaS Sales / Investments in TaaS Assets - Capex)



TaaS Mark-up is the ratio of the potential sales value (PSV) of contracts to the Capex amount, i.e. the mark-up of these contracts indicates how much revenue will be generated by the investment made.

Note: The Company has been transferring old inventory balances to property, plant and equipment. This volume was subject to managerial adjustment to ensure mark-up comparability in the periods.

Consolidated Financial Information

Adjusted EBITDA and EBITDA Margin (Consolidated)

Adjusted EBITDA Reconciliation (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Gross Income	51.6	38.7	33.4%	55.0	-6.3%	216.2	188.3	14.8%
<i>Gross Margin (% Net Revenue)</i>	<i>23.1%</i>	<i>17.7%</i>	<i>5.5 p.p.</i>	<i>25.9%</i>	<i>-2.8 p.p.</i>	<i>25.8%</i>	<i>20.9%</i>	<i>4.9 p.p.</i>
(-) Operating Expenses	(47.1)	(43.4)	8.6%	(41.9)	12.3%	(156.9)	(151.9)	3.3%
EBIT	4.4	(4.7)	-193.6%	13.1	-66.1%	59.3	36.4	63.1%
<i>EBIT Margin (% Net Revenue)</i>	<i>2.0%</i>	<i>-2.2%</i>	<i>4.2 p.p.</i>	<i>6.2%</i>	<i>-4.2 p.p.</i>	<i>7.1%</i>	<i>4.0%</i>	<i>3.0 p.p.</i>
(+) Depreciation and Amortization	48.3	50.0	-3.3%	51.1	-5.5%	200.4	195.2	2.6%
Consolidated EBITDA	52.7	45.2	16.6%	64.2	-17.9%	259.7	231.6	12.1%
<i>EBITDA Margin (% Net Revenue)</i>	<i>23.7%</i>	<i>20.7%</i>	<i>3.0 p.p.</i>	<i>30.2%</i>	<i>-6.6 p.p.</i>	<i>31.0%</i>	<i>25.7%</i>	<i>5.3 p.p.</i>
(+) Non-recurring Expenses and Revenues	10.5	-	n.a.	1.09	n.a.	11.69	-	n.a.
Consolidated Adjusted EBITDA	63.3	45.2	39.9%	65.3	-3.1%	271.4	231.6	17.2%
<i>Adjusted EBITDA Margin (% Net Revenue)</i>	<i>28.4%</i>	<i>20.7%</i>	<i>7.7 p.p.</i>	<i>30.8%</i>	<i>-2.4 p.p.</i>	<i>32.4%</i>	<i>25.7%</i>	<i>6.7 p.p.</i>

Consolidated adjusted EBITDA totaled R\$63.3 million in 4Q24 versus R\$45.2 million in 4Q23. It is worth remembering that the annual comparison is influenced by the high recognition of Allowance for Doubtful Accounts in 4Q23, at which time the Company fully provisioned the receipts from a client that filed for judicial recovery. Comparing 4Q24 versus 4Q23, Adjusted EBITDA increased 39.9% and it is important to note that the non-recurring event of R\$10.5 million presented in the table above refers to costs not captured from previous years, as already reported in previous assignments.

In 2024, consolidated adjusted EBITDA was R\$271.7 million, increasing 17.2% from 2023, thanks to the Company's strategy of pursuing higher margins in all segments, combined with stringent control of operating expenses, which in 2024 increased by only 2.1%, a percentage significantly below inflation.

Consolidated adjusted EBITDA margin totaled 28.4% in 4Q24, advancing 7.7 p.p. from 4Q23 and contracting 2.4 p.p. from 3Q24.

In 2024, consolidated adjusted EBITDA margin was 32.4% vs. 25.7% in 2023, a gain of 6.7 p.p. The variations are explained by the same reasons presented previously.

The management highlights that the strategy of prioritizing higher margins and the slowdown in the Solar Power segment were key points for strengthening the Company's EBITDA in 2024.

Financial Result

Financial Income (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Net Exchange Variation & Adjustment to fair value Der. Inst.	(3.5)	0.3	-1195.1%	(1.1)	209.0%	(12.1)	(4.6)	163.7%
Financial Revenues	58.5	15.6	274.6%	12.6	363.3%	99.7	58.4	70.7%
Financial Expenses	(40.2)	(23.1)	74.1%	(18.0)	124.0%	(104.9)	(106.3)	-1.3%
(+/-) Financial Income	14.8	(7.2)	-305.8%	(6.5)	-328.3%	(17.4)	(52.5)	-66.9%

Net financial result in 2024 improved R\$35.1 million from 2023, explained by the following factors:

- Financial revenues in 2024 totaled R\$99.7 million, an increase of R\$41.3 million compared to 2023, reflecting the recognition of charges related to the renegotiation of client contracts in 2024 and recognized in 4Q24.
- Financial Expenses in 2024 totaled R\$104.9 million, an improvement of R\$1.4 million compared to 2023. It is worth mentioning that events such as exchange rate variations and an increase in the AVP base, due to the renegotiations mentioned above, were offset by the reduction in interest payments on loans..
- The Net Exchange Variation and Fair Value Adjustment of derivatives reflect the Company's exchange exposure on its assets and liabilities in foreign currencies. In 2024, a foreign exchange loss was recorded against other currencies, in the total amount of -R\$12.1 million.

Source: <https://www.bcb.gov.br/estabilidadefinanceira/historicocotacoes>

Net Income/Loss and Net Margin

Net Income (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Net Revenue	222.9	218.9	1.8%	212.3	5.0%	837.9	900.7	-7.0%
EBIT	4.4	(4.7)	-193.6%	13.1	-66.1%	59.3	36.4	63.1%
EBIT Margin (% Net Revenue)	2.0%	-2.2%	4.2 p.p.	6.2%	-4.2 p.p.	7.1%	4.0%	3.0 p.p.
(+/-) Financial Income	14.8	(7.2)	-305.8%	(6.5)	-328.3%	(17.4)	(52.5)	-66.9%
(-) Provision for IR and CSLL	(8.7)	2.1	-519.2%	(1.5)	469.7%	(13.3)	4.2	-414.2%
Net Income	10.6	(9.9)	-207.1%	5.1	106.6%	28.7	(11.9)	n.a.
Net Margin (% Net Revenue)	4.7%	-4.5%	9.2 p.p.	2.4%	2.3 p.p.	3.4%	-1.3%	4.7 p.p.
(+) Non-recurring Expenses and Revenues and IR and CSLL	6.94	-	n.a.	0.7	868.6%	7.7	0.0	n.a.
Adjusted Net Income	17.5	(9.9)	-277.6%	5.8	200.4%	36.4	(11.9)	n.a.
Adjusted Net Income Margin (% Net Revenue)	7.8%	-4.5%	12.3 p.p.	2.7%	5.1 p.p.	4.3%	-1.3%	5.7 p.p.

In the consolidated result, adjusted net income was R\$17.5 million in 4Q24, as against adjusted net loss of R\$9.9 million in 4Q23 and adjusted net income of R\$5.8 million in 3Q24.

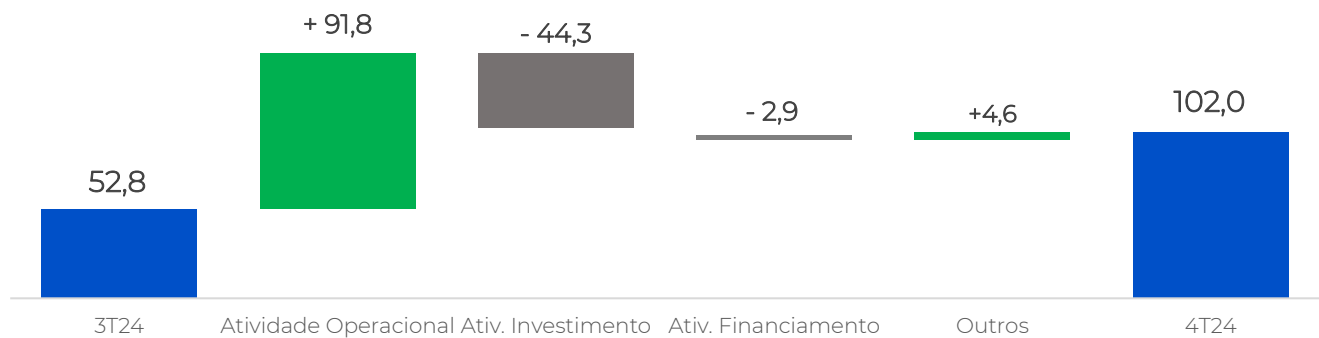
In 2024, adjusted net income came to R\$36.4 million vs. adjusted net loss of R\$11.9 million in 2023. The variation is explained by a more profitable operational activity in general, added to the improvement in financial results.

Note that, in 2024, the Company did not report net loss in any quarter.

Cash Flow

Quarter¹

(R\$ million)

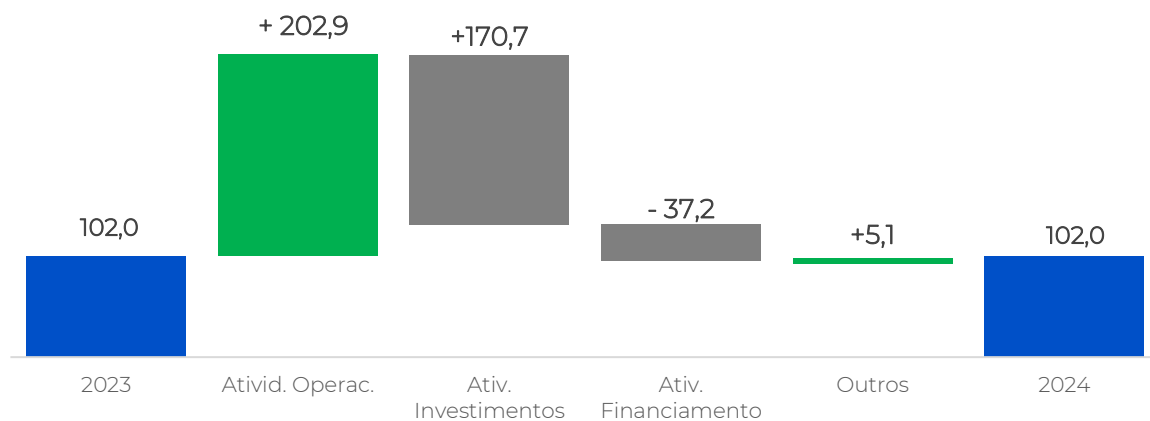


In 4Q24, operating cash flow amounted to +R\$91.8 million. Investment activities, mainly related to the Technology as a Service (TaaS) model, consumed -R\$44.3 million, while financing activities, considering loan repayments and other factors, totaled +R\$1.7 million. Cash balance at the end of 3Q24 was R\$52.8 million.

¹ In this document, the interest paid on Loans/Debentures, in the amount of -R\$34.9 million in 4Q24, was allocated to financing activities for managerial purposes.

Year to date¹

(R\$ million)



In 2024, the Company generated operating cash flow of +R\$202.9 million. Investment activities, mainly related to the Technology as a Service (TaaS) model, consumed -R\$170.7 million, while financing activities, considering loan repayments and other factors, totaled -R\$32.1 million. Cash balance at the end of the period was R\$52.8 million.

1 In this document, the interest paid on Loans/Debentures, in the amount of -R\$70.7 million in 2024, was allocated to financing activities for managerial purposes.

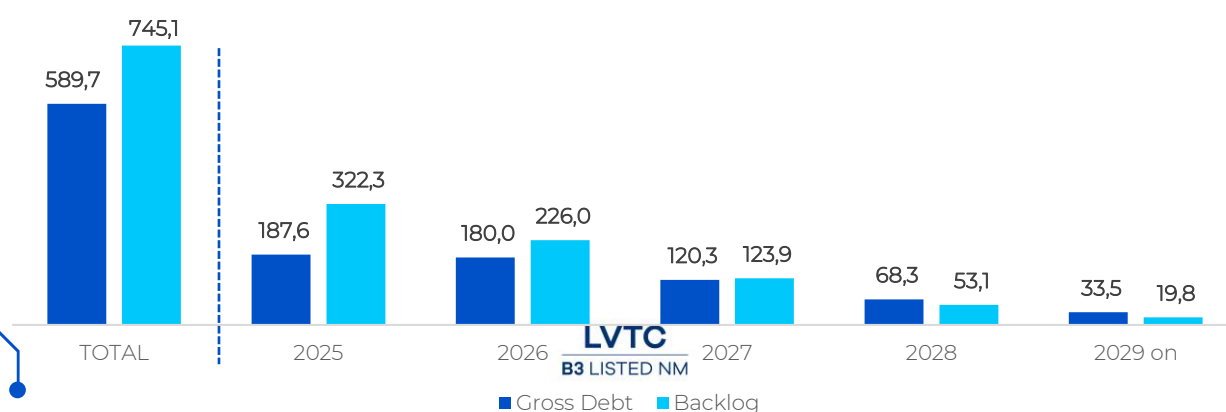
Debt

Indebtedness (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %
(+) Loans, financing and debentures	580.0	573.5	1.1%	601.7	-3.6%
Current	185.2	63.6	191.1%	126.0	47.0%
Non-Current	394.8	509.9	-22.6%	475.7	-17.0%
(+) Commercial leases	10.4	11.5	-10.0%	11.6	-10.2%
Current	3.1	2.7	17.4%	3.5	-11.5%
Non-Current	7.3	8.9	-18.2%	8.0	-9.6%
(+/-) Net derivative financial instruments	(0.7)	5.3	-114.2%	0.3	-352.2%
Assets	- 0.7	0.0		(0.0)	2040.0%
Liabilities	0.0	5.3	-100.0%	0.3	-100.0%
Gross Debt	589.7	590.4	-0.1%	613.6	-3.9%
(-) Disp. (Cash and Equiv.) and Invest. of CP	(102.0)	(102.0)	0.1%	(52.8)	93.4%
Net Debt	487.6	488.4	-0.2%	560.8	-13.0%
Adjusted LTM EBITDA	271.4	231.6	17.2%	253.4	7.1%
Net Debt / Adjusted LTM EBITDA	1.80	2.11	-14.8%	2.21	-18.8%

In 4Q24, the Net Debt to Adjusted EBITDA (LTM) ratio was 1.80x (vs 2.21x in 3Q24), a healthy level in the management's view, due to the Company's capacity to settle its financial obligations towards debentureholders and other creditors.

Note that, for 2025, we will have 1.7 times revenue backlog (TaaS) in relation to debt payments projected for the period.

**Gross Debt Payment Schedule and
Coverage of Future Revenues (Revenue Backlog)**
(R\$ million)



ROIC

ROIC (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %
Net Revenue	222,9	218,9	1,8%	212,3	5,0%
EBIT (LTM)	59,3	36,4	63,1%	50,2	18,3%
(-) Provision for IR and CSLL (LTM)	(13,3)	4,2	-414,2%	(2,6)	414,7%
Operating Income after Taxes (NOPAT) = (A)	46,0	40,6	13,3%	47,6	-3,3%
(+) Equity	665,8	635,1	4,8%	653,7	1,9%
(+) Gross Debt	589,7	590,4	-0,1%	613,6	-3,9%
(+) Cash (Cash and Equiv.) and CP Investments	(102,0)	(102,0)	0,1%	(52,8)	93,4%
Invested Capital	1.153,5	1.123,5	2,7%	1.214,5	-5,0%
Average Invested Capital of 2022 and 2021 = (B)	1.138,5	1.131,0	0,7%	1.169,0	-2,6%
ROIC = (A/B)	4,0%	3,6%	0,5 p.p.	4,1%	0,0 p.p.

Appendices

Statement of Income

Consolidated Statement (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Sales of Products and Services	170,769	181,013	-5.7%	158,447	7.8%	619,020	737,620	-16.1%
TaaS (VGV Leases)	97,680	89,103	9.6%	93,888	4.0%	346,334	414,352	-16.4%
Total Sales	268,450	270,116	-0.6%	252,335	6.4%	965,354	1,151,972	-16.2%
Sales Gross Revenue	170,769	181,013	-5.7%	158,447	7.8%	619,020	737,620	-16.1%
Lease Gross Revenue	91,380	86,003	6.3%	90,999	0.4%	358,573	335,263	7.0%
Gross Revenue	262,149	267,017	-1.8%	249,446	5.1%	977,593	1,072,883	-8.9%
(-) Tax levy on Revenues	(32,419)	(35,332)	-8.2%	(31,265)	3.7%	-117,414	-138,400	-15.2%
(-) Returns	(6,793)	(12,783)	-46.9%	(5,898)	15.2%	-22,300	-33,764	-34.0%
Net Revenue	222,937	218,902	1.8%	212,283	5.0%	837,880	900,718	-7.0%
(-) CMV	(171,372)	(180,238)	-4.9%	(157,235)	9.0%	-621,682	-712,456	-12.7%
Gross Income	51,566	38,664	33.4%	55,049	-6.3%	216,198	188,262	14.8%
<i>Gross Margin (% Net Revenue)</i>	<i>23.1%</i>	<i>17.7%</i>	<i>5.5 p.p.</i>	<i>25.9%</i>	<i>-2.8 p.p.</i>	<i>25.8%</i>	<i>20.9%</i>	<i>4.9 p.p.</i>
(-) Personnel Expenses	(17,148)	(11,136)	54.0%	(15,809)	8.5%	(61,632)	(53,922)	14.3%
(-) Commercial Expenses	(18,235)	(23,329)	-21.8%	(16,553)	10.2%	(63,176)	(67,022)	-5.7%
(-) General and Administrative Expenses	(8,173)	(2,070)	294.9%	(6,110)	33.8%	(20,130)	(10,601)	89.9%
(+/-) Other operating income/expenses	(3,572)	(6,868)	-48.0%	(3,477)	2.7%	(11,912)	(20,334)	-41.4%
(-) Operating Expenses	(47,129)	(43,402)	8.6%	(41,949)	12.3%	(156,850)	(151,878)	3.3%
EBIT	4,437	- 4,739	-193.6%	13,100	-66.1%	59,348	36,385	63.1%
<i>EBIT Margin (% Net Revenue)</i>	<i>2.0%</i>	<i>-2.2%</i>	<i>4.2 p.p.</i>	<i>6.2%</i>	<i>-4.2 p.p.</i>	<i>7.1%</i>	<i>4.0%</i>	<i>3.0 p.p.</i>
(+) Depreciation and Amortization	48,309	49,974	-3.3%	51,113	-5.5%	200,364	195,223	2.6%
EBITDA	52,746	45,235	16.6%	64,213	-17.9%	259,711	231,608	12.1%
<i>EBITDA Margin (% Net Revenue)</i>	<i>23.7%</i>	<i>20.7%</i>	<i>3.0 p.p.</i>	<i>30.2%</i>	<i>-6.6 p.p.</i>	<i>31.0%</i>	<i>25.7%</i>	<i>5.3 p.p.</i>
(+/-) Financial Income	14,774	(7,179)	-305.8%	(6,472)	-328.3%	(17,380)	(52,496)	-66.9%
(-) Provision for IR and CSLL	(8,660)	2,066	-519.2%	(1,520)	469.7%	(13,312)	4,236	-414.2%
Net Income	10,551	- 9,852	-207.1%	5,107	106.6%	28,656	(11,876)	-341.3%
<i>Net Margin (% Net Revenue)</i>	<i>4.7%</i>	<i>-4.5%</i>	<i>9.2 p.p.</i>	<i>2.4%</i>	<i>2.3 p.p.</i>	<i>3.4%</i>	<i>-1.3%</i>	<i>4.7 p.p.</i>
(+) Non-recurring Expenses and Revenues and IR and CSLL	6,943	-	n.a.	717	868.6%	7,718	0	n.a.
Adjusted Net Income	17,494	-9,852	-277.6%	5,824	200.4%	36,374	(11,876)	-406.3%
<i>Adjusted Net Margin (% Net Revenue)</i>	<i>7.8%</i>	<i>-4.5%</i>	<i>12.3 p.p.</i>	<i>2.7%</i>	<i>5.1 p.p.</i>	<i>4.3%</i>	<i>-1.3%</i>	<i>5.7 p.p.</i>

Balance Sheet

Consolidated Balance Sheet (In R\$ million, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %
Assets					
Current Assets					
Cash and cash equivalents	102,030	101,959	0%	52,768	93%
Trade receivables, net	317,745	220,153	44%	209,429	52%
Recoverable taxes	24,918	19,763	26%	12,092	106%
Derivative financial instruments	749	0		35	2040%
Inventories	169,601	179,428	-5%	202,501	-16%
Advances to suppliers	27,941	21,410	31%	29,782	-6%
Prepaid Expenses	356	506	-30%	406	-12%
Total Current Assets	643,340	543,219	18%	507,013	27%
Non-Current Assets					
Trade receivables, net	259,559	209,818	24%	324,917	-20%
Judicial Deposits	109	109	0%	109	0%
Deferred taxes	43,012	32,861	31%	34,430	25%
Right-of-use assets	9,405	11,517	-18%	11,042	-15%
Property, plant and equipment, net	388,070	412,858	-6%	391,242	-1%
Net intangible assets	104,792	108,410	-3%	105,729	-1%
Total Non-Current Assets	812,095	809,832	0%	887,906	-9%
Total Assets	1,455,435	1,353,051	8%	1,394,919	4%
Liabilities					
Current Liabilities					
Suppliers	108,786	96,099	13%	104,420	4%
Personnel, social charges and benefits	7,895	3,734	111%	8,109	-3%
Taxes payable	30,645	5,444	463%	2,954	937%
Loans, financing, and debentures	185,219	63,633	191%	126,035	47%
Dividends Payable	3,015	0		0	
Derivative financial instruments	0	4,698	-100%	332	-100%
Lease Liabilities	3,110	2,650	17%	3,514	-11%
Related Parts	0	16	-100%	1	-100%
Other liabilities	26,838	22,153	21%	11,985	124%
Total Current Liabilities	365,508	198,427	84%	257,350	42%
Non-Current Liabilities					
Loans, financing, and debentures	394,818	509,913	-23%	475,705	-17%
Derivative Financial Instruments	0	576	-100%	0	
Provisions for lawsuits	1,924	144	1236%	152	1166%
Leases	7,266	8,880	-18%	8,037	-10%
Total Non-Current Liabilities	424,081	519,513	-18%	483,894	-12%
Equity					
Share capital	301,397	301,397	0%	301,397	0%
Treasury Stock	-8,536	-8,536	0%	-8,536	0%
Capital reserves	236,632	236,632	0%	236,632	0%
Retained earnings	130,500	116,734	12%	104,858	24%
Accumulated Loss/ Earnings	0	-11,876	-100%	18,105	-100%
Other Comprehensive Results	5,853	760	670%	1,219	380%
Total Equity	665,846	635,111	5%	653,675	2%
Total Liabilities and Equity	1,455,435	1,353,051	8%	1,394,919	4%

Statement of Cash Flow

Consolidated Statement of Cash Flows (In R\$ thousand, except when indicated)	4Q24	4Q23	Δ %	3Q24	Δ %	2024 Acum.	2023 Acum.	Δ %
Cash Flow From Operating Activities								
Net Income for the period	10.552	(9.852)	-207%	5.064	108%	28.657	(11.876)	-341%
Adjustments to reconcile Income or loss for the period to cash from operating activities	91.947	78.061	18%	77.416	19%	324.978	309.990	5%
Depreciation and amortization	48.307	49.973	-3%	51.114	-5%	200.362	195.223	3%
Expected credit losses	7.647	12.724	-40%	6.816	12%	23.523	20.457	15%
Provision for inventory obsolescence	(2.318)	(202)	1048%	1.279	-281%	(6.198)	(2.346)	164%
Provision for legal and other proceedings, net	1.772	(244)	-826%	2	88500%	1.780	(234)	-861%
Mark-to-market of derivatives	(4.332)	1.596	-371%	280	-1647%	(6.023)	9.671	-162%
Interest and foreign exchange variation expenses	13.450	18.323	-27%	19.893	-32%	77.960	90.235	-14%
Expenses for adjustment to the present value	17.941	(2.335)	-868%	(4.675)	-484%	17.756	(2.540)	-799%
Write-off of property, plant and equipment and intangible assets	820	292	181%	1.186	-31%	2.506	3.760	-33%
Income tax and social security contribution	17.253	2.000	763%	912,00	1792%	23.464	2.076	1030%
Deferred income tax and social contribution	(8.593)	(4.066)	111%	609	-1511%	(10.152)	(6.312)	61%
Assets decrease (increase)	(29.926)	32.964	-191%	(12.663)	136%	(156.725)	80.293	-295%
Trade receivables	(68.276)	(23.996)	185%	(25.845)	164%	(188.612)	(95.712)	97%
Recoverable taxes	463	4.211	-89%	17.853	-97%	21.956	10.448	110%
Inventories	34.459	49.424	-30%	2.775	1142%	16.025	133.211	-88%
Advances to suppliers and legal deposits	2.067	3.045	-32%	(7.354)	-128%	(6.246)	31.925	-120%
Prepaid expenses	1.361	280	386%	(92)	-1579%	152	421	-64%
Liabilities increase (decrease)	(15.627)	(18.158)	-14%	(30.476)	-49%	(64.788)	(174.547)	-63%
Suppliers	11.436	28.628	-60%	(9.072)	-226%	12.687	(46.237)	-127%
Taxes payable	8.238	(2.737)	-401%	(10.701)	-177%	1.737	(2.982)	-158%
Personnel, social charges and benefits	(214)	(3.269)	-93%	1.549	-114%	4.161	(1.091)	-481%
Related parties	(1)	(6)	-83%	(4)	-75%	(16)	(109)	-85%
Other liabilities	(2.446)	(890)	175%	(10.339)	-76%	(12.614)	(17.996)	-30%
Payment of interest	(34.850)	(39.884)	-13%	(1.909)	1726%	(70.743)	(70.743)	0%
Payment of income tax and social contribution	2.210,00	0	-	-	-	-	0	-
Net cash generated by (used in) operating activities	56.946	83.015	-31%	39.341	45%	132.122	203.860	-35%
Cash Flow From Investment Activities	(44.267)	(43.691)	1%	(47.946)	-8%	(170.681)	(41.177)	315%
Acquisition of property, plant and equipment and intangible assets	(44.267)	(43.691)	1%	(47.946)	-8%	(170.681)	(193.347)	-12%
Redemption of Short-term investments	-	0	-	-	-	0	152.170	-100%
Net cash generated by (used in) investment activities	(44.267)	(43.691)	1%	(47.946)	-8%	(170.681)	(41.177)	315%
Cash flow from Financing Activities	31.949	(35.947)	-189%	(12.181)	-362%	33.537	(213.879)	-116%
Entry of new loans and debentures	-	0	-	-	-	50.000	0	-
Vendor Operations	(790)	3.123,00	-125%	17,00	4547%	8.805	16.827	-48%
Payment of loans and financing (principal)	(7.155)	(36.186)	-80%	(10.320)	-31%	(58.949)	(58.949)	0%
Payment of commercial leases	(764)	(393)	94%	(1.675)	-54%	(3.691)	(2.225)	66%
Derivatives Settlement	3.286	2.491,00	-232%	(169)	-2044%	0	(11.997)	-100%
Dividends and interests on capital paid	-	-	-	0	-	0	(862)	-100%
Share Buyback	-	0	-	0	-	0	(1.492)	-100%
Net cash resulting from financing activities	31.949	(35.947)	-189%	(12.181)	-362%	33.537	(213.879)	-116%
Effect of Foreign Exchange Variation on Cash and Cash Equivalents	4.634	80	5693%	(1.767)	-362%	5.093	685	644%
Change in the Company's Net Cash	49.262	3.457	1325%	(22.553)	-318%	71	(50.511)	-100%
Cash and cash equivalents at the beginning of the period	52.768	98.502	-46%	75.321	-30%	101.959	152.470	-33%
Cash and cash equivalents at the end of the period	102.030	101.959	0%	52.768	93%	102.030	101.959	0%

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