Listed Company
National Register of Corporate Taxpayers - (CNPJ)
No. 97.837.181/0001-47
NIRE -35300154410

Financial Statements at

December 31, 2024

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MINUTES OF THE MEETING OF THE BOARD OF OFFICERS
HELD ON MARCH 12, 2025

1. DATE, TIME AND PLACE: on March 12, 2025, at 8:30 a.m., held at the Company's headquarters, at Avenida Paulista, 1938, 5th floor, São Paulo (SP), participation by videoconference was allowed, pursuant to article 5 of the Internal Regulations of the Board of Officers of Dexco S.A. ("Company").

2. CALL AND ATTENDANCE: the call formalities were waived pursuant to article 24.4 of the Company's Bylaws and article 5 of the Internal Regulations of the Company's Board of Officers, in view of the presence of all the members of the Board of Officers, namely: Antonio Joaquim Oliveira, Carlos Henrique Pinto Haddad, Raul Guimarães Guaragna, Francisco Augusto Semeraro Neto, Glizia Maria do Prado, Daniel Lopes Franco and Marina Crocomo.

3. BOARD: Antonio Joaquim de Oliveira (Chairman) and Guilherme Setubal Souza e Silva (Secretary).

4. AGENDA: To resolve on the analysis of the financial statements for the fiscal year ending December 31, 2024.

5. RESOLUTION TAKEN: After examining the financial statements for the fiscal year ended December 31, 2024, as well as the report of Ernst & Young Auditores Independentes, the Board of Directors unanimously decided, in compliance with the provisions of items V and VI of §1 of Article 27 of CVM Resolution 80/22, as amended, to declare that: a) it has reviewed, discussed and agrees with the opinions expressed in the report issued by Ernst & Young Independentes; and b) it has reviewed, discussed and agrees with the financial statements for the fiscal year ended December 31, 2024.

6. APPROVAL AND SIGNING OF THE MINUTES: There being no further business to discuss, the work was suspended for the drafting of these minutes. Once the work was reopened, these minutes were read and approved, and signed by all, namely: Antonio Joaquim de Oliveira – Chief Executive Officer; Carlos Henrique Pinto Haddad, Raul Guimarães Guaragna – Vice- Presidents; Daniel Lopes Franco, Glizia Maria do Prado, Francisco Augusto Semeraro Neto and Marina Crocomo - Officers.

São Paulo (SP), March 12, 2025.

Guilherme Setubal Souza e Silva
IR, ESG and RIG Officer

CNPJ No. 97.837.181/0001-47
A Publicly Held Corporation

ANNUAL REPORT OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

Introduction

The Audit and Risk Management Committee ("Committee") of Dexco S.A. ("Dexco" or "Company") was formed in November 2009 and became statutory with the amendment to the Bylaws approved at the Shareholders Meeting held April 28, 2022.

The Committee reports directly to the Board of Directors and operates autonomously and independently in pursuit of its purpose as an auxiliary, consultative and advisory body, with no decision-making powers or executive duties. The Committee carries out its functions and duties in compliance with the requirements set forth in Brazilian Securities & Exchange Commission ("CVM") Resolution No. 23, in the Novo Mercado Rules, in the recommendations provided in the Best Corporate Governance Practices Code of the Brazilian Corporate Governance Institute ("IBGC"), in the Bylaws of Dexco, and its own Charter, and other applicable legal and regulatory provisions.

The Committee's main responsibilities include: (i) supervising the activities of the Internal Audit, Risk Management and Compliance Area, which is responsible for internal controls, legal, regulatory and statutory compliance, and management of the risks inherent to the activities of the Company and its subsidiaries, as well as for the work conducted by Internal Audit; Risk Management, Internal Controls, Compliance, and Whistleblower Channel; (ii) supervising the work conducted by the Independent Auditors (as defined below); and (iii) assessing the quality and integrity of the quarterly financial information and annual financial statements.

Membership

The Committee is made up of a minimum three (3) members, at least one (1) of which must be an independent Director and at least one (1) of which must be certifiably knowledgeable in corporate accounting matters, pursuant to the contents of the regulations passed by the CVM ("Expert Member"), and the two roles may concentrate in a single Committee member.

The members of the Committee are currently as follows: **Marcos Bicudo** – Chair; **Adjarbas Guerra Neto** – Expert Member, and **José Maria Rabelo** – Member, all elected by the Board of Directors on May 8, 20242 to serve one-year terms.

Duties

The Management of Dexco ("Management") is responsible for the accurate drafting of the financial statements of Dexco, and of its subsidiaries and affiliates, as well as for the implementation and maintenance of internal control and risk management systems appropriate to the Company's size and structure. Management shall also put into place procedures to ensure the quality of the processes that generate financial information.

The Internal Audit, Risk Management and Compliance Area's duties include evaluating the risks inherent to the Company's main processes and the controls used to mitigate those risks, as well as to check for compliance with Management's policies and procedures, including those associated with the preparation of financial statements.

PricewaterhouseCoopers Auditores Independentes ("PwC") was responsible for auditing the financial statements for the fiscal year ended December 31, 2023, and was replaced by Ernst & Young Auditores Independentes S/S Ltda ("EY" or "Independent Auditors"), which was responsible in 2024 for making sure that the financial statements, prepared in accordance with the accounting statements in force in Brazil as provided by the CVM, accurately represented, in all material aspects, the equity and financial standing of Dexco S.A. and its subsidiaries.

In pursuit of these duties, the analyses and evaluations carried out by the Committee are based on information received from Management, from the Internal Audit, Risk Management and Compliance Area, from the Independent Auditors, and from the executives in charge of risk management and internal controls at the Company's various segments.

Activities of the Committee

Over the course of 2024, the Committee met eight (8) times, with the following purposes:

- Discussion and analysis of the work of independent auditors PwC as concerns the financial statements for fiscal year 2023;
- Taking cognizance of the Internal Controls Report prepared by PwC for the as-of date of December 31, 2023, as well as monitoring the implementation of internal controls intended to mitigate the weaknesses found;
- Discussion and approval of the Working Plans of independent auditors EY, for fiscal year 2024;
- Discussion, analysis and approval of the Annual Report of the Audit and Risk Management Committee's Annual Report for fiscal year 2023, which recommended to the Board of Directors approving the Company's Individual and Consolidated Financial Statements for the fiscal year ending December 31, 2023;
- Monitoring, discussion and analysis of the results of Internal Audit's work, in line with the working plan approved by the Board of Directors for fiscal year 2024;
- Tracking the implementation status of the action plans arising from Internal Audit's work, by means of meetings with the Company's officers and the monitoring efforts of Internal Audit;
- Monitoring, discussion and analysis of the fruits of Risk Management and Internal Controls work done, under way and planned for fiscal year 2024;
- Monitoring, discussion and analysis of the fruits of the Compliance work done, under way and planned for fiscal year 2024;
- Monitoring, discussion and analysis of the fruits of the Whistleblower Channel work done, under way and planned for 2024;
- Approval and monitoring of 2024 targets for the Internal Audit, Risk Management, and Compliance | Whistleblower Channel areas;
- Analysis of aspects of the Reference Form, in particular those concerned with risks, before submission to the CVM;
- Taking cognizance of and discussing the information included in the Brazilian Corporate Governance Code Report before submission to the CVM;

- Monitoring percentage rates and evolution of the Company's adherence to the practices recommended in the Governance Report;
- Discussion, analysis and approval of the 2024 budget for the Internal Audit, Risk Management, Compliance and Whistleblower Channel areas, including budgeting for performance of the activities associated with the integrity program and the Committee's own expenditures;
- Analysis of the results of the assessments of Internal Audit, compliance with standards, procedures and policies set forth by Dexco, and the main legal requirements associated with Environmental and Occupational Health and Safety Management at the Agudos and Itapetininga panels units; Castelatto tiles unit; and Jacareí metals unit;
- Meetings with managers, experts and officers of the Financial Management, Investor Relations, Information Technology, Legal, People, Communication, Marketing, Sustainability, Wood, Deca, and Ceramic Tiles areas, reporting on financial, operational, technology, and weather and environmental risks and on the main internal controls for business risk mitigation;
- Monitoring of compliance with the Policies governing: (i) Internal Audit; (ii) Internal Controls and Risk Management System; (iii) Compliance; (iv) Whistleblower Channel, and (v) Anti-Corruption;
- Review and approval of updates to the Code of Conduct and Anti-Corruption Policy;
- Assessment and monitoring of the Company's policies by means of the fruits of the work of the Internal Audit, Risk Management, Internal Controls and Compliance areas, as of discussions with the managers of the Company's main areas;
- Monitoring/oversight of the implementation and application of the Company's Integrity Program by means of periodical reports, taking account of qualitative and quantitative aspects and ensuring the allocation of appropriate resources to actions under the Program;
- Monitoring of indicators and training programs associated with the Company's Code of Conduct and Integrity Program, and other cultural actions associated with ethics and integrity, including awareness-building and training programs for the upper Management and other risk-prone publics;
- Taking cognizance of actions carried out in the Integrity Month, including lectures intended for various audiences;
- Taking cognizance of the results of the Integrity Program's assessment carried out in fiscal year 2024, by an independent and specialized firm, which measured the evolution and maturity level of the Program's pillars, of compliance actions, and of the plans drawn and implemented;
- Monitoring the performance in each period as concerns the targets set forth in the fiscal year for Integrity Program indicators;
- Review, analysis and approval recommendation to the Board of Directors of the ESG – Environmental, Social and Governance Policies;
- Monitoring indicators covering reports and statements received by the Whistleblower Channel in 2024, including finalized and ongoing cases, as well as the outcome of internal investigations conducted and disciplinary measures adopted by the Ethics Work Group and Ethics Commission;
- Monitoring the project concerned with the development of the Itapetininga factory and forestry continuity plan;
- Taking cognizance of information security awareness-building actions for employees;

- Discussion and analysis of the main accounting practices used to prepare and draft the quarterly financial information and annual financial statements;
- Monitoring, discussion and analysis of the Company's asset- and liability-side civil, fiscal, labor and tax contingencies, with and with provisions, with particular emphasis on the main causes of variations between 2023 and 2024;
- Taking cognizance of the Cybersecurity and Information Security work that assessed Dexco's current maturity level, and monitoring of action plans to remedy weaknesses found;
- Taking cognizance of the criteria used to define the key variables used for the purposes of discount rates as concerns: (i) Biological assets; (ii) Leases; (iii) business acquisition premiums; (iv) Post-employment benefits – healthcare; and (v) Supplementary pension – Fundação Itaúsa;
- Analysis and approval of the proposed items for the Committee's agenda for fiscal year 2025;
- Monitoring, discussion and analysis of the status of activities concerned with the General Data Protection Law (LGPD);
- Quarterly monitoring of the mapping of medium-level risks action plans on Dexco's Risk Map, as well as definition of *Risk Owners* and maintenance of high-level and critical risks; and
- Analysis, suggested updates, and validation of the Risk Map as reviewed by the Risk Management area and validated in advance by the Executive Committee, made up of the statutory officers, for subsequent submission to the Board of Directors for approval.

Conclusions

The Audit and Risk Management Committee recognizes and supports the Company's initiatives to continuously review and implement improvements at the Internal Audit, Risk Management, Internal Controls and Compliance areas, as well as at the Whistleblower Channel. In particular, it supports the Company's endeavors as concerns the technology, innovation and information security processes by monitoring action plans, with particular emphasis on cybersecurity, intended to continuously evolve its maturity level and its executive and employees as concerns these topics.

The Committee, based on the information received and activities carried out in the period, and given its duties and limitations arising from its purview, met on March 11, 2025, to discuss and analyze the quality and integrity of the individual and consolidated financial statements as of December 31, 2024, and found that they were prepared in compliance with the accounting practices in force in Brazil and the International Financial Reporting Standards (IFRS) as provided by the International Accounting Standards Board (IASB), and therefore recommends submission to the Board of Directors for subsequent resolution at the Annual General Meeting.

São Paulo, March 11, 2025.

The Audit and Risk Management Committee: Marcos Bicudo – Chair; Adjarbas Guerra Neto – Expert Member, and José Maria Rabelo – Member.

Marcos Bicudo
Chair

Adjarbas Guerra Neto
Expert Member

José Maria Rabelo
Member

OPINION OF THE FISCAL COUNCIL

The members of Dexco S.A.'s Fiscal Council examined the Management Report and the Financial Statements for the fiscal year ended December 31, 2024, and (i) the Financial Statements were recommended for approval by the Audit and Risk Management Committee; and (ii) both documents above were reviewed by Ernst & Young Auditores Independentes, as independent auditors.

The Fiscal Councilors have verified the accuracy of all the elements examined and, considering the unqualified report issued by Ernst & Young Auditores Independentes, believe that these documents adequately reflect the Company's equity situation, financial position and activities in the period and are in a position to be submitted to the Shareholders at the 2025 Annual General Meeting.

In addition, the Fiscal Council has examined the proposal for the allocation of net income for the 2024 financial year and has given its opinion that it is in a position to be considered by the Annual General Meeting of shareholders.

São Paulo (SP), March 12, 2025 (aa) Guilherme Tadeu Pereira Júnior - Chairman and Effective Member; Felicio Cintra do Prado Junior - Effective Member, and Renato Damaso Maruichi – Secretary.

Guilherme Setubal Souza e Silva

RI, ESG and RIG Officer

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A free translation from Portuguese into English of Independent Auditor's Report on individual and consolidated financial statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)

Independent auditors' report on individual and consolidated financial statements

To the Directors and Shareholders of
Dexco S.A.

Opinion

We have audited the individual and consolidated financial statements of Dexco S.A. (Company), identified as individual and consolidated, respectively, which comprise the statement of financial position as at December 31, 2024, and the statements of profit or loss, of comprehensive income, of changes in equity, and of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of the Company as at December 31, 2024, and its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) (currently referred to by the IFRS Foundation as "IFRS Accounting Standards").

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by Brazil's National Association of State Board of Accountancy, 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 the audit of the financial statements of the current year. These matters were addressed in the context of the 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. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements of the Company.

Fair value measurement of biological assets (Note 16)

The Company records its forests, called biological assets, in noncurrent assets, which are measured at fair value by applying the discounted cash flow method. This method uses significant assumptions that involve the executive board judgment, including forest growth index, productivity estimates, the price of standing timber in different regions, and the discount rates used for the discounted cash flow model.

As at December 31, 2024, the fair value of these assets recognized in the Company's consolidated statement of financial position was R$2,790,049 thousand.

This matter was considered a key audit matter due to the significance of the asset amounts recorded by the Company, as well as the uncertainties inherent in this type of estimate, and the judgment required from the executive board to determine the assumptions for calculating the fair value of such assets and the possible impact that any changes in the assumptions associated with these judgments could have on the individual and consolidated financial statements.

How our audit addressed this matter:

Our audit procedures included, among others, (i) understanding and assessing the internal control process established by the executive board to measure and recognize the fair value of biological assets; (ii) checking the consistency and integrity of the bases used to prepare the estimates; (iii) involving specialists to assist us in assessing the assumptions and methodology used by the Company, particularly those related to the forest growth rates estimates, discount rates used in the DCF model, productivity estimates and the price of standing timber, and; (iv) assessing the adequacy of the disclosures made by the Company on the most sensitive key assumptions used to measure the fair value of biological assets included in Note 16 to the individual and consolidated financial statements.

Based on the outcome of the audit procedures performed on the fair value measurement of biological assets, which is consistent with the executive board's assessment, we concluded that the criteria and assumptions adopted by the executive board to measure the fair value of biological assets, as well as the respective disclosures in Note 16, are acceptable in the context of the financial statements as a whole.

Intangible assets with indefinite useful lives – impairment (Notes 17 and 18)

The Company and its subsidiaries recorded significant balances in intangible assets with indefinite useful lives, primarily consisting of goodwill and trademarks arising from acquisition of subsidiaries.

The accounting practices adopted in Brazil and the international financial reporting standards require impairment testing of indefinite-lived assets at least once a year.

As at December 31, 2024, intangible assets subject impairment assessment totaled R$726,735 thousand in the individual financial statements and R$833,963 thousand in the consolidated statements.

This matter was considered a key audit matter due to the significance of the amounts involved, the complexity of those intangible assets' impairment testing, which involves a high degree of subjectivity, based on various assumptions such as: determination of cash-generating units, discount rates, growth percentages, and profitability of the Company and its subsidiaries in future years. Such assumptions could be significantly affected by future market conditions or economic scenarios in Brazil, which cannot yet be estimated accurately.

How our audit addressed this matter:

Our audit procedures included, among others: (i) understanding and assessing the internal control process established by the executive board to prepare the projections that support the impairment of indefinite-lived intangible assets; (ii) assessing the assumptions used by the Company to determine the existence of impairment of intangible assets with indefinite useful lives, and assessing the internal controls related to identifying and measuring the recoverable amount of the Company's cash-generating units; (iii) involving specialists to evaluate the key assumptions used in future cash flow projections, including: discount rates, expected growth of the Brazilian and international markets across various industries, particularly construction; checking the balances for the reporting year used in the projection against historical financial information and other macroeconomic conditions; (iv) assessing the sensitivity of results considering reasonably possible changes in key assumptions; and (v) assessing the adequacy of the disclosures in Notes 17 and 18 to the individual and consolidated financial statements as of December 31, 2024.

Based on the outcome of the audit procedures performed on the impairment testing of intangible assets, which is consistent with the executive board's assessment, we considered the impairment criteria and assumptions adopted by the executive board, as well as the respective disclosures in Notes 17 and 18, acceptable in the context of the financial statements as a whole.

Expected realization of deferred income and social contribution tax assets (Note 10)

As at December 31, 2024, the balances of deferred income and social contribution tax assets recorded in the individual and consolidated financial statements totaled R$564,138 thousand and R$496,513 thousand, respectively. The recognition of deferred income and social contribution tax assets requires critical accounting judgment regarding their future realization, based on projections of future taxable income.

This matter was considered a key audit matter, as the use of different assumptions in these projections, including of subjective information established by the executive board, could significantly modify the expected time for realization of these tax credits and impact the assertion that their recovery is probable, especially as their recovery timeline extends. Therefore, any changes in these assumptions could significantly affect the results projected by the executive board.

How our audit addressed this matter:

Our procedures included, among others: (i) understanding and assessing the internal control process established by the executive board to measure and recognize deferred tax assets; (ii) analyzing the tax base that gives rise to deferred income and social contribution taxes; (iii) comparing the accuracy of projections made in prior periods against the performance achieved by the Company in the year; (iv) involving specialists in financial projections and income taxes to assist us in assessing the assumptions and methodology used by the Company, particularly those related to projections of future taxable profit, including the estimated timing for realization, revenue growth rate, and annual margin; (v) conducting a mathematical consistency analysis and recalculating the projections, and comparing the projection data with available data from external sources; (vi) assessing the adequacy of the disclosures related to this matter in Note 10 to the individual and consolidated financial statements as of December 31, 2024.

Based on the outcome of the audit procedures performed on the recoverability of deferred income and social contribution tax assets, which is consistent with the executive board’s assessment, we considered the criteria and assumptions adopted by the executive board, as well as the respective disclosures in Note 10, acceptable in the context of the financial statements as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (SVA) for the year ended December 31, 2024, prepared under the responsibility of the Company's executive board, and presented as supplementary information for IFRS purposes, were submitted to audit procedures performed together with the audit of the Company's individual and consolidated financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by the accounting pronouncement *CPC 09 – Demonstração do Valor Adicionado*. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the abovementioned accounting pronouncement, and are consistent in relation to the individual and consolidated financial statements as a whole.

Audit of corresponding figures

The Company's financial statements for the year ended December 31, 2023 were audited by another independent auditor who issued an auditor's report on March 6, 2024 containing an unmodified opinion.

Other information accompanying the individual and consolidated financial statements and the auditor's report

Management is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report 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 Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive board and those charged with governance for the individual and consolidated financial statements

The executive board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), currently referred to by the IFRS Foundation as IFRS Accounting Standards, and for such internal control as the executive board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the executive board 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 the executive board 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 and its subsidiaries' financial reporting process.

Auditor's 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 auditor's 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 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:

- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.

- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluded on the appropriateness of the executive board'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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the 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.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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, including applicable independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s 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.

São Paulo, March 12, 2025.

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC SP-034519/O

Vanessa Pereira Lima
Accountant CRC SP-282743/O

Financial Statements of Dexco S.A. and its subsidiaries on December 31, 2024 and 2023

MANAGEMENT REPORT 4Q24 | 2024

Message from the CEO

We have reached a milestone in Dexco's journey. This is the last earnings report I present as CEO. Over the years, our company has undergone a profound transformation, establishing itself as a benchmark in the industry. Looking back at everything we have built together fills me with pride: we tackled challenges head-on, innovated, grew, and, above all, remained committed to delivering the best solutions to the market.

Dexco's evolution in recent years has been driven by structural shifts that redefined the way we operate. We have expanded our portfolio, incorporated new technologies, reinforced sustainability as a core pillar, and strengthened our connection with consumers. Every step of this journey has been guided by a long-term vision and the dedication of an exceptional team that works tirelessly to make this company stronger and better prepared for the future.

The legacy I leave behind goes beyond numbers and investments — it is reflected in the culture we have built, the resilience with which we have overcome challenges, and the adaptability that has brought us this far. Dexco is now much more than a collection of brands and products; it is an agile, innovative ecosystem, fully attuned to the demands of an ever-changing world.

I am deeply grateful to everyone who has been part of this journey, especially our shareholders, for their trust since 2013, and our employees, who have believed in Dexco's potential and, with dedication and talent, have helped shape what we are today. I leave with the certainty that we are on the right path, with a solid foundation for even greater growth and success. We will continue to evolve, staying committed to innovation, sustainability, and excellence, always guided by our purpose of transforming lives and delivering Solutions for Better Living.

Market Scenario

The end of 2024 saw a challenging economic scenario, characterized by moderate growth and uncertainties with respect to 2025. The Institute of Applied Economic Research (Ipea) made an upward revision to its GDP projection for the year, but the combination of official inflation at 4.83% – above the target set by the Central Bank – and the rise in the dollar, which reached its highest level on record, increased pressures on both consumption and the costs of production. For the construction sector, which reported growth of 4.1% for 2024, the effect of a more restrictive monetary policy and a rise in the cost of materials (with inflation in the sector ending the year at 3.98%, according to IBGE) brought additional challenges, which impacted both the wider economy and Dexco's results.

The panels sector ended the year positively, with strong demand throughout the period. According to data from the IBÁ (the Brazilian Tree Industry), sales were 10.2% higher for 4Q24 than for the same period the previous year. For the full year, sector growth hit 18.5%. This strong performance was reflected in the results of Dexco's Wood Division, which closed out 4Q24 with an Adjusted and Recurring EBITDA of R$349.7 million, giving a full year total of R$1,514.4 million, with margins of 26.4% and 28.3%, respectively.

Highlighting its operating efficiency and diligent cost management, LD Celulose ended 2024 reporting record results. Adjusted and Recurring EBITDA hit R$1.616,2 million for the full year, with a margin of 54.8%, and R$565.9 million for the quarter, with a margin of 59.5%, considering 100% of the operation.

Industry groups that monitor the performance of the construction industry pointed to positive signs of a recovery in 2024, despite a drop off in the last quarter. ABRAMAT (the Brazilian Association for the Construction Materials Industry), for example, reported full year growth in deflated revenue in both the basic segment (4.0%) and finished segment (8.6%). ANFACER (National Association of Ceramic Coating Manufacturers) reported sales volumes 4.0% up on 2023.

For Dexco, the Finishes segment cemented its positive performance versus 2023, driven by improvements in operational efficiency. However, in addition to the usual seasonality seen during the period, which impacts volumes, the Company traditionally carries out scheduled maintenance shutdowns at the end of the year, to fit in with the industry's collective vacation period, with a consequent impact on Q4 results.

Thus, for the Metals and Sanitary Ware Division, **Adjusted and Recurring EBITDA for the year was R$131.9 million, with a margin of 6.6%**. For 4Q24, **the result was R$28.9 million, with a margin of 5.6%.** The rise in the value of the dollar impacted the cost of imported inputs and materials, which put pressure on the numbers for the period. Excluding this factor, the division maintained a performance similar to that seen for the other quarters of the year, confirming its trajectory of recovery. The Tiles Division closed out 2024 with an Adjusted and Recurring EBITDA of R$4.0 million and margins of 0.5%, with negative results and margins for the quarter. This performance was influenced both by the factors previously mentioned and by a drop-off in demand for the wet process segment during the period, which ended the year with a fall of 0.4% versus 2023.

After a year full of both challenges and opportunities, Dexco remains attentive to market movements and the factors that influence the sector. Although the outlook for 2025 continues to present uncertainties, the Company remains committed to operational efficiency and the strategic management of its business. Also, the conclusion of the 2021-2025 Investment Cycle has consolidated an important foundation for maintaining competitiveness and mitigating economic and market pressures. Thus, aligned to the dynamics of the sector while taking proactive steps, Dexco remains focused on generating value and sustainable results in 2025.

Consolidated Financial Results

In BRL '000	4Q24	4Q23	%	3Q24	%	2024	2023	%
Highlights								
Volume shipped Deca ('000 items)	5,001	4,607	8.6%	5,474	-8.6%	20,778	19,258	7.9%
Volume shipped Ceramic tiles (m²)	4,238,520	3,842,447	10.3%	4,877,587	-13.1%	17,376,593	15,622,065	11.2%
Volume shipped Wood (m³)	731,748	722,421	1.3%	833,299	-12.2%	3,074,064	2,706,074	13.6%
Consolidated Net Revenue	**2,064,171**	**1,948,683**	**5.9%**	2,239,091	**-7.8%**	8,234,647	**7,383,409**	**11.5%**
Consolidated Net Revenue - Pro Forma	**2,064,171**	**1,948,683**	**5.9%**	2,239,091	**-7.8%**	8,234,647	**7,383,409**	**11.5%**
Gross profit	509,059	505,117	0.8%	667,257	-23.7%	2,451,900	2,375,867	3.2%
Gross profit - Pro Forma (1)	546,511	506,692	7.9%	730,512	-25.2%	2,570,767	2,476,696	3.8%
Gross margin	24.7%	25.9%		29.8%		29.8%	32.2%	
Gross margin - Pro Forma (1)	26.5%	26.0%		32.6%		31.2%	33.5%	
EBITDA according to CVM No. 527/12 (2)	475,144	609,774	-22.1%	597,829	-20.5%	2,157,802	2,435,222	-11.4%
EBITDA Mg CVM No. 527/12	23.0%	31.3%		26.7%		26.2%	33.0%	
Adjustments for non-cash events	(10,490)	(73,316)	-85.7%	(153,623)	-93.2%	(498,535)	(766,411)	-35.0%
Non-recurring events (3)	(172,473)	(42,017)	310.5%	73,744	-	(83,055)	1,738	-4878.8%
Dissolving Wood Pulp	79,556	(89,973)	-188.4%	(58,094)	-236.9%	73,598	(277,320)	-126.5%
Adjusted and Recurring EBITDA (4)	**371,737**	**404,468**	**-8.1%**	459,856	**-19.2%**	1,649,810	**1,393,229**	**18.4%**
Adjusted and Recurring EBITDA margin (4)	**18.0%**	**20.8%**		20.5%		20.0%	**18.9%**	
Net Income	**22,365**	**195,433**	**-88.6%**	92,620	**-75.9%**	174,375	**811,270**	**-78.5%**
Adjusted and Recurring Pro Forma EBITDA (including Dexco's share of LD Celulose) (5)	**648,784**	**561,193**	**15.6%**	676,734	**-4.1%**	2,440,621	**2,006,610**	**21.6%**
Recurring Net Income (1)(3)	(4,338)	77,494	-105.6%	125,147	-103.5%	274,062	370,938	-26.1%
Recurring Net Margin (1)(3)	**-0.2%**	**4.0%**		5.6%		3.3%	**5.0%**	
INDICATORS								
Current ratio (5)	1.39	1.60	-13.1%	1.49	-6.7%	1.39	1.60	-13.1%
Net debt (6)	4,972,878	4,336,351	14.7%	5,214,738	-4.6%	4,972,878	4,336,351	14.7%
Net debt / EBITDA LTM(7)	3.01	3.11	-3.2%	3.10	-2.9%	3.01	3.11	-3.2%
Average Shareholders' equity	6,727,083	6,232,271	7.9%	6,711,343	0.2%	6,727,083	6,232,271	7.9%
ROE (8)	1.3%	12.5%		5.5%		2.6%	13.0%	
Recurring ROE	-0.3%	5.0%		7.5%		4.1%	6.0%	
SHARES								
Earnings per share (BRL) (9)	0.0278	0.2314	-88.0%	0.1143	-75.7%	0.2133	0.9772	-78.2%
Closing share price (BRL)	5.96	8.07	-26.1%	8.55	-30.3%	5.96	8.07	-26.1%
Net equity per share (BRL)	8.63	7.92	8.9%	8.17	5.6%	8.63	7.92	8.9%
Treasury Shares	12,201,649	12,424,043	-1.8%	12,201,649	0.0%	12,201,649	12,424,043	-1.8%
Market Cap (BRL1.000)	4,817,853	6,521,708	-26.1%	6,911,517	-30.3%	4,817,853	6,521,708	-26.1%

(1) Cost of Goods Sold: 4Q24: Inventory impairment arising from the exit from Electric Showers and Faucets (+) R$11,129k, Operational Restructuring (+) R$26,323k; 3Q24: Inventory impairment arising from the exit from Electric Showers and Faucets (+) R$48,922k, Operational Restructuring (+) R$14,333k; 2Q24: Operational Restructuring (+) R$10,302k, Other (+) R$2,601k; 1Q24: Operational Restructuring (+) R$5,257k; 2Q23: Operational Restructuring: (+) R$28,150k. 3Q23: Tiles Restructuring: (+) R$22,849k; Deca Restructuring: (+) R$24,111k; Closure Manizales (+) R$2,180k; DNA Restructuring (+) R$21,964k

(2) EBITDA (*Earnings Before Interest, Taxes, Depreciation and Amortization*): measure of operating performance in accordance with CVM instruction 156/22.

(3) Events of an extraordinary nature detailed in the attachment to this material.

(4) Pro Forma Adjusted and Recurring EBITDA also includes Dexco's portion of the Recurring EBITDA arising from LD Celulose;

(5) Current liquidity: Current assets divided by current liabilities. Indicates the amount available in R$ to cover each R$ of short-term obligations.

(6) Net Corporate Debt: Total Financial Debt (–) Cash.

(7) Financial leverage calculated on the rolling EBITDA over the last 12 months, adjusted for events of a purely accounting and non-cash nature.

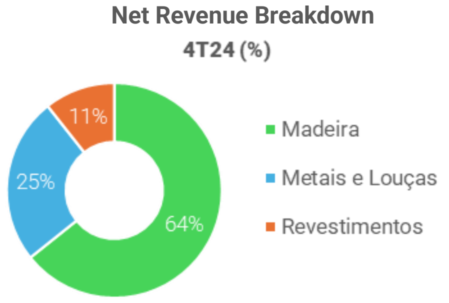
(8) ROE (Return on Equity): measure of performance obtained by taking the annualized Net Earnings over the period, annualized, and dividing by Average Net Equity.

(9) Net earnings per share is calculated by dividing the earnings attributable to the company's shareholders by the average weighted number of ordinary shares issued during the period, excluding the ordinary shares held by the Treasury.

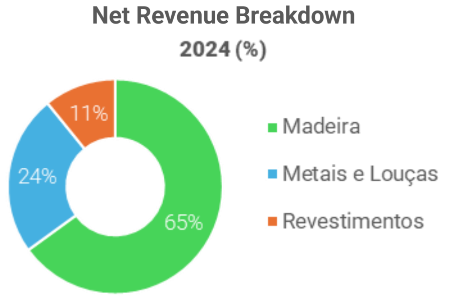
Financial Headlines

Net Revenue

Consolidated Net Revenue for 4Q24 was R$2,064.2 million, an increase of 5.9% over 4Q23. This growth was mainly driven by the performance of the Metals and Sanitary Ware Division, which benefited from a richer product mix, and from operational gains during the year. In addition, demand for panels in the Wood Division remained strong, contributing positively to the result.



Versus 3Q24, Net Revenue saw a drop-off of 7.8%, reflecting the retraction in sales volumes across all Divisions. This dip reflects the seasonal nature of the period, coming as it does with collective vacations in the industry, scheduled maintenance shutdowns, and a reduced number of business days given the end-of-year festivities.



In addition, the macroeconomic scenario at the end of the year brought additional challenges, with a worsening of indicators such as inflation and the exchange rate. This impacted market expectations with respect to the sustainability of demand, while the increase in international freight costs hit revenues arising from the overseas market.

For the full year 2024, Net Revenue was R$8.234.6 million, an increase of 11.5% versus 2023. This increase was mainly driven by operational improvements in the Metals and Sanitary Ware Division and a richer product mix. In addition, the Wood Division's results were boosted by forestry transactions carried out in 1Q24 and 3Q24 and a solid performance in panels sales.

BRL '000 - consolidated	4Q24	4Q23	%	3Q24	%	2024	2023	%
Net Revenue	**2.064.171**	**1.948.683**	**5,9%**	**2.239.091**	**-7,8%**	**8.234.647**	**7.383.409**	**11,5%**
Domestic market	**1.725.720**	1.636.794	5,4%	**1.879.363**	-8,2%	**6.827.653**	6.121.951	11,5%
Foreign Market	**338.451**	311.889	8,5%	**359.728**	-5,9%	**1.406.994**	1.261.458	11,5%

Effect of Change to the Fair Value of Biological Assets and Depletion

With the ongoing increase in the price of timber over recent years, Dexco periodically adjusts the value of its biological assets to capture this market dynamic. Such adjustments reflect the high levels of demand for timber, the high volume of existing projects, and the increase in the prices of inputs and raw materials.

For 4Q24, the Change to the Fair Value of Biological Assets remained positive, but was down 65.3% on 4Q23, and 83.7% versus 3Q24. This change reflects the consolidation of higher timber prices, which has led to a smaller impact on the revaluation of forestry assets. The depletion of biological assets, which represents the utilization of the asset arising from its use, decreased by 43.4% versus 4Q23 and by 23.4% versus 3Q24, reflecting the Company's operating dynamics.

It should be noted that the price of sales transactions in the market is included in the calculation of the value of biological assets, as is the productivity of the Company's forests. The variation in the value of biological assets and exhaustion has no cash effect on Dexco's results.

Cost of Goods Sold

The Cost of Goods Sold, net of depreciation, amortization, depletion, and the net change in biological assets, totaled R$1,261.8 million for 4Q24, an increase of 7.3% compared to 4Q23. This growth reflects the increase in volumes across all divisions, which impacts variable costs, and the increase in dollarized inputs, arising from the elevated exchange rate at the end of the year. For the full year, COGS came in at R$5,023.8 million, an increase of 8.7% versus 2023, impacted by the factors cited above.

As a proportion of Net Revenue, the Cost of Goods Sold was flat, on an annual and quarterly comparison, reflecting improvements to the mix in the Metals and Sanitary Ware Division; the consistent performance of the panels segment in the Wood Division; and greater dilution of fixed costs arising from the increase in factory utilization. Thus, the Company recorded Pro Forma Gross Income of R$546.5 million for the quarter, an increase of 7.9% versus 4Q23, with a Pro Forma Gross Margin of 26.5%. Versus 2023, the increase in Pro Forma Gross Income was 3.8%, while the Pro Forma Gross Margin decreased by -2.3 p.p.

In addition, the increase in the share of Biological Asset Depletion, as well as in Depreciation, Amortization and Depletion during 2024, impacted Gross Income, which reflects the greater volume of forest harvested to meet demand for panels, and losses related to forestry trades carried out during the year.

BRL´000 - Consolidated	4Q24	4Q23	%	3Q24	%	2024	2023	%
Cash COGS	**(1,299,241)**	**(1,178,027)**	**10.3%**	**(1,435,717)**	**-9.5%**	**(5,142,639)**	**(4,722,035)**	**8.9%**
Non Recurring Event [1]	**37,452**	1,575	2277.9%	**63,255**	-40.8%	**118,867**	100,829	17.9%
Cash COGS Pro Forma	**(1,261,789)**	**(1,176,452)**	**7.3%**	**(1,372,462)**	**-8.1%**	**(5,023,772)**	**(4,621,206)**	**8.7%**
Variation in fair value of biological assets	**25,209**	72,560	-65.3%	**154,636**	-83.7%	**520,383**	768,592	-32.3%
Depletion of biological assets	**(80,536)**	(142,340)	-43.4%	**(105,165)**	-23.4%	**(377,240)**	(383,413)	-1.6%
Depreciation, amortization and depletion	**(200,544)**	(195,759)	2.4%	**(185,588)**	8.1%	**(783,251)**	(670,686)	16.8%
Gross Profit	**509,059**	**505,117**	**0.8%**	**667,257**	**-23.7%**	**2,451,900**	**2,375,867**	**3.2%**
Recurring Gross Profit [1]	**546,511**	**506,692**	**7.9%**	**730,512**	**-25.2%**	**2,570,767**	**2,476,696**	**3.8%**
Gross Margin	**24.7%**	25.9%		**29.8%**		**29.8%**	32.2%	
Recurring Gross Margin [1][2]	**26.5%**	26.0%		**32.6%**		**31.2%**	33.5%	

Extraordinary events: (1) Cost of Goods Sold: 4Q24: Inventory impairment arising from the exit from Electric Showers and Faucets (+) R$11,129k, Operational Restructuring (+) R$26,323k; 3Q24: Inventory impairment arising from the exit from Electric Showers and Faucets (+) R$48,922k, Operational Restructuring (+) R$14,333k; 2Q24: Operational Restructuring (+) R$10,302k, Other (+) R$2,601k; 1Q24: Operational Restructuring (+) R$5,257k; 2Q23: Operational Restructuring: (+) R$28,150k.
(2) Pro Forma Gross Income / Pro Forma consolidated Net Revenue.

Sales Expenses

Sales Expenses totaled R$314.3 million for 4Q24, an increase of 8.9% versus 4Q23, reflecting payments attributed to commission and expenses related to the expansion of points of sale, on the back of higher volumes sold and an increase in Net Revenue across all Divisions. Nevertheless, the ratio between Sales Expenses and Net Revenue remained stable, at 15.2% for the quarter.

For the full year, Sales Expenses totaled R$1,225.2 million, an increase of 17.5% versus 2023. This increase was driven by sales and marketing activities and investment in Advertising and Publicity, especially for the Metals, Sanitary Ware and Tiles divisions. In addition, maintenance and expansion of the point of sale (POS) network, together with new showrooms and the higher prices of freights contributed to the increase in expenses during the year, as part of the Company's strategy to expand operations and enhance its presence in the market.

BRL´000 - Consolidated	4Q24	4Q23	%	3Q24	%	2024	2023	%
Sales Expenses	**(314,258)**	(288,475)	**8.9%**	**(330,419)**	**-4.9%**	**(1,225,151)**	(1,042,414)	**17.5%**
% of Net Revenue	**15.2%**	14.8%	0.0 p.p.	**14.8%**	0.0 p.p.	**14.9%**	14.1%	0.0 p.p.

General and Administrative Expenses

General and Administrative Expenses totaled R$82.8 million for 4Q24, a reduction of 11.4% versus 4Q23. For the full year, General and Administrative Expenses totaled R$303.6 million, a fall of 17.4% versus 2023. These gains come on the back of a diligent reassessment of the Company's expenses, coupled with efforts to optimize the organizational structure following a period of more robust investment the previous year. There was also a stronger base of comparison, impacted by investment in SAP S/4HANA. As a result, these expenses fell to 3.7% of Net Revenue in 2024, compared to 5.0% in 2023, emphasizing the gains in operational efficiency.

BRL'000 – consolidated	4Q24	4Q23	%	3Q24	%	2024	2023	%
General and Administrative Expenses	**(82,797)**	(93,408)	-11.4%	**(75,451)**	9.7%	**(303,617)**	(367,490)	-17.4%
% of Net Revenue	**4.0%**	4.8%		**3.4%**		**3.7%**	5.0%	

EBITDA

Dexco's Consolidated Adjusted and Recurring EBITDA in 4Q24 reached R$ 371.8 million, with a margin of 18.0%, an 8.1% decrease compared to 4Q23. The reduction is mainly due to lower fixed cost dilution resulting from the industry-wide collective vacation period and scheduled maintenance shutdowns across all divisions, as well as the absence of forestry business transactions that took place at the end of 2023, impacting the comparative base.

For the full year, Adjusted EBITDA totaled R$ 1,649.8 million, with a margin of 20.0%, an 18.4% increase over 2023. Growth was driven by higher demand for wood panels and forestry business transactions in 1Q24 and 3Q24, in addition to the recovery of the Metals and Ceramics Division, supported by a premium product mix, including the discontinuation of the electric shower and faucet operations.

LD Celulose delivered a total Adjusted and Recurring EBITDA of R$565.9 million for 4Q24, a record for the operation, of which R$277.0 million pertains to Dexco's 49.0% stake. Including the percentage arising from LD Celulose, Dexco's Adjusted and Recurring EBITDA for the quarter was R$648.8 million. For the full year, 2024, LD's Adjusted and Recurring EBITDA was R$1,616.2 million, of which R$790.8 million pertains to Dexco.

The table below shows the reconciliation of EBITDA, in accordance with CVM Instruction 156/22. From this result, and in order to better convey the Company's potential operating cash generation, two adjustments have been made: the exclusion from EBITDA of events of an accounting and non-cash nature, and the disregard of events of an extraordinary nature. Thus, in line with best practices, we present below the calculation of the indicator that best reflects the Company's cash generation potential.

EBITDA reconciliation in BRL'000 – consolidated	4Q24	4Q23	%	3Q24	%	2024	2023	%
Net income	**22,365**	**195,433**	**-88.6%**	**92,620**	**-75.9%**	**174,375**	**811,270**	**-78.5%**
Income tax and social contribution	**3,931**	(106,686)	-103.7%	**74,607**	-94.7%	**170,099**	(60,023)	-383.4%
Net financial result	**156,322**	150,487	3.9%	**124,702**	25.4%	**592,060**	518,407	14.2%
EBIT	**182,618**	239,234	-23.7%	**291,929**	-37.4%	**936,534**	1,269,654	-26.2%
Depreciation, amortization and depletion	**211,990**	228,200	-7.1%	**200,735**	5.6%	**844,028**	782,155	7.9%
Depletion of biological assets	**80,536**	142,340	-43.4%	**105,165**	-23.4%	**377,240**	383,413	-1.6%
EBITDA according to CVM No. 527/12	**475,144**	**609,774**	**-22.1%**	**597,829**	**-20.5%**	**2,157,802**	**2,435,222**	**-11.4%**
EBITDA margin CVM No. 527/12	**23.0%**	31.3%	-	**26.7%**		**26.2%**	33.0%	-
Change in fair value of biological assets	**(25,209)**	(72,560)	-65.3%	**(154,636)**	-83.7%	**(520,383)**	(768,592)	-32.3%
Employee benefits	**14,719**	(756)	-2047.0%	**1,013**	1353.0%	**21,848**	2,181	901.7%
Non-Recurring events (1)	**(172,473)**	(42,017)	310.5%	**73,744**	-333.9%	**(83,055)**	1,738	-4878.8%
Dissolving Wood Pulp	**79,556**	(89,973)	-188.4%	**(58,094)**	-236.9%	**73,598**	(277,320)	-126.5%
Adjusted and Recurring EBITDA (1)	**371,737**	**404,468**	**-8.1%**	**459,856**	**-19.2%**	**1,649,810**	**1,393,229**	**18.4%**
Adjusted and Recurring EBITDA margin (1)	**18.0%**	**20.8%**	**-**	**20.5%**	**-**	**20.0%**	**18.9%**	**-**
Adjusted and Recurring EBITDA - Pro Forma (including Dexco's part in LD Celulose) (2)	**648,784**	561,193	15.6%	**676,734**		**2,440,621**	2,006,610	21.6%

(1) Extraordinary events detailed in the attachment to this report; (2) Pro Forma Adjusted and Recurring EBITDA also includes Dexco's portion of the Recurring EBITDA arising from LD Celulose.

Financial Results

In 2024, the Financial Result was negative at R$ 592 million, a deterioration of R$ 74 million compared to the previous year, mainly driven by higher interest rates and an increase in net debt.

To mitigate these impacts, Dexco maintained a strong focus on Liability Management, leading to an extension of the average debt maturity and a reduction in the average cost of debt, supporting financial performance.

BRL'000 – consolidated	4Q24	4Q23	%	3Q24	%	2024	2023	%
Financial Revenues	104,366	113,037	-7.7%	93,635	11.5%	424,959	543,003	-21.7%
Financial Expenses	(260,688)	(263,524)	-1.1%	(218,337)	19.4%	(1,017,019)	(1,061,410)	-4.2%
Financial Result	**(156,322)**	**(150,487)**	**3.9%**	**(124,702)**	**25.4%**	**(592,060)**	**(518,407)**	**14.2%**
Non-recurring events [1]	(8,701)	-	0.0%	(7,360)	0.0%	(16,455)	(179,274)	0.0%
Recurring Financial Revenues[1]	95,665	113,037	-15.4%	86,275	10.9%	408,504	363,729	12.3%
Recurring Expenses Revenues[1]	(260,688)	(263,524)	-1.1%	(218,337)	19.4%	(1,017,019)	(1,061,410)	-4.2%
Recurring Financial Result[1]	**(165,023)**	**(150,487)**	**9.7%**	**(132,062)**	**25.0%**	**(608,515)**	**(697,681)**	**-12.8%**

(1) Extraordinary events impacting the Financial Revenue: 4Q24: Interest on extemporaneous credit: (-) R$8,701k 3Q24: Interest on INSS of 1/3 of vacations: (-) R$7,360k; 1Q24: Interest on INSS on the PIS COFINS base without IR CS (-) R$3.997k, Interest on ICMS on the PIS COFINS base (+) R$3,603k; 3Q23: Update of ICMS on the PIS COFINS base (-) R$183,712k; PIS and COFINS on SELIC ICMS interest on the base (+) R$4,438k

Net Income

Dexco's Recurring Net Income for 4Q24 was R$ -4.3 million, with a recurring ROE of -0.3%, a result that represents a drop-off versus the same period of the previous year, arising mainly from costs incurred during the ramp up of the new Tiles plant at Botucatu (SP). For the full year 2024, the Company's Recurring Net Income was R$274.1 million, a fall of 26.1% versus 2023, with a Recurring ROE of 4.1%, driven by higher interest rates, which impacted financial expenses, and a lower variation in biological assets.

The results for both the quarter and year were also impacted by the sum recorded via the equity equivalence method from the LD Celulose operation – which has an accounting rather than cash effect – of negative R$79.3 million for the quarter. As announced in October 2024, LD Celulose refinanced its financing structure, replacing Project Finance with Corporate Finance, which incurred one-off charges impacting the results for the period. Thus, Pro Forma Recurring Net Income was R$83.7 million for 4Q24 and R$201.4 million for the full year.

BRL'000 – consolidated	4Q24	4Q23	%	3Q24	%	2024	2023	%
Net Income	**22,365**	**195,433**	**-88.6%**	**92,620**	**-75.9%**	**174,375**	**811,270**	**-78.5%**
Non recurring event [1]	(106,019)	(27,731)	282.3%	90,892	-216.6%	27,055	(162,321)	-116.7%
Dissolving Wood Pulp	79,316	(90,208)	-187.9%	(58,365)	-235.9%	72,632	(278,011)	-126.1%
Recurring Net Income [1]	**(4,338)**	**77,494**	**-105.6%**	**125,147**	**-103.5%**	**274,062**	**370,938**	**-26.1%**
Recurring Net Income - Pro Forma (including Dexco's part in LD Celulose) [2]	(83,654)	167,702	-149.9%	183,512	-145.6%	201,430	648,950	-69.0%
ROE	1.3%	12.5%		5.5%		2.6%	13.0%	
Recurring ROE [1]	-0.3%	5.0%		7.5%		4.1%	6.0%	

(1) Extraordinary events detailed in the Attachment to this material; (2) Pro Forma Recurring Net Income also includes Dexco's portion of the Recurring EBITDA arising from LD Celulose.

Cash Flow

Dexco closed out 4Q24 with Sustaining Free Cash Flow generation of R$244.8 million, with total cash generation for the quarter of R$142.1 million, including the projects of the investment cycle. In this period, working capital management was boosted by a extension of supplier payment terms, which contributed to a need for less operational financing. Despite the increase in inventory, the Company reported a reduction in Working Capital, reflecting greater efficiency in the allocation of operational resources. As a result, the Working Capital/Net Revenue ratio was 11.3% for 4Q24, a reduction of 0.8 p.p. versus 4Q23 and 3.6% in comparison to 3Q24.

On an annual comparison, sustaining cash generation reduced consumption of working capital, leading the Company to close out the period with a positive cash balance of R$390.8 million. However, including expenditure on strategic projects, Dexco saw net cash consumption of R$314.2 million for the year, which reflects investments made as part of the 2021-2025 Cycle. These include productivity improvements for wood panels; the modernization and automation of Metals and Sanitary Ware operations; and the construction of a new Tiles factory, which is currently in the ramp-up phase.

With respect to projects in the period, 4Q24, the Company invested R$85.2 million in executing the Investment Cycle announced in 2021, especially in the new Tiles factory at Botucatu (SP), with another R$17.5 million on other projects. For the full year 2024, investment as part of the 2021-2025 Cycle totaled R$388.6 million, with another R$113.9 million invested in additional one-off projects.

BRL millions	4Q24	4Q23	%	3Q24	%	12M24	12M23	%
Adjusted and Recurring EBITDA	371.7	404.7	-8.1%	460.2	-19.2%	1,650.3	1,393.2	18.5%
CAPEX Sustaining	(271.5)	(246.7)	10.1%	(175.6)	54.6%	(872.6)	(711.5)	22.7%
Financial Flow	(228.3)	(296.3)	-22.9%	(56.5)	303.8%	(476.7)	(686.9)	-30.6%
Income tax and social contribuition paid	(11.0)	(26.2)	-57.9%	(14.8)	-25.2%	(107.4)	(79.1)	35.8%
Working Capital	218.6	421.3	-48.1%	13.1	1565.6%	31.9	446.9	-92.9%
Others (1)	165.3	(0.0)	-	(0.0)	N/A	165.4	0.3	0.0%
Free Cash Flow Sustaining	**244.8**	**256.8**	**-4.7%**	**226.4**	**N/A**	**390.8**	**362.9**	**7.7%**
Projects (2)	(102.7)	(188.6)	-45.5%	(138.6)	-25.9%	(705.0)	(692.9)	1.7%
Free Cash Flow Total	**142.1**	**68.2**	**108.2%**	**87.8**	**N/A**	**(314.2)**	**(329.9)**	**-4.8%**
Cash Convertion Ratio(3)	65.9%	63.5%		0.0%		23.7%	26.1%	

(1)4Q24/2024: Effect of taxes on non-recurring items in the quarter.(2) Projects: **2024**: Forestry Expansion (-) R$39.5 million, Productivity Projects, Improvement to the Mix and Deca automation (-) R$107.5 million, New Tiles factory (-) R$230.9 million, DX Ventures and Casa Dexco (-) R$23.7 million, LD Celulose (-) R$189.2 million, Other Projects (-) R$113.9 million; **2023**: Factory debottlenecking and Forestry Expansion (-) R$53.2 million, Productivity Projects, Improvement to the Mix and Deca automation (-) R$184.8 million, New Tiles factory (-) R$299.6 million, DX Ventures (-) R$93.7 million, Other Projects (-) R$61.5 million. (3) Cash Conversion Ratio: Sustaining Free Cash Flow / Adjusted and Recurring EBITDA.

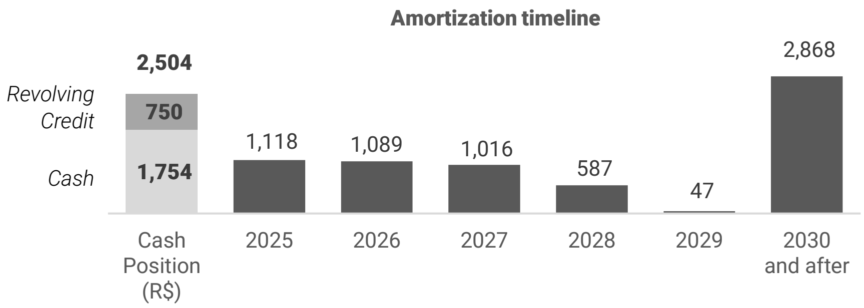
Corporate Debt

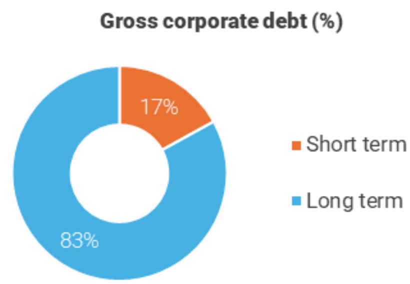
The Company ended 4Q24 with consolidated gross debt of R$6,726.6 million, a 5.5% fall versus 4Q23. Net debt, for its part, came in at R$4,972.9 million, a rise of 14.7% versus the same period the prior year.

On a quarterly comparison, the Company's net debt position improved by 4.9%, a drop of R$241.8 million, arising from efforts to generate cash in 4Q24. As disclosed via a Material Fact, at the end of 2024 the Company concluded a transaction involving its forestry assets, with the objective of optimizing the capital structure and increasing liquidity. This transaction highlights Dexco's commitment to maintaining a solid financial position, as well as the strategic position the Wood Division holds in the Company's business model. As a result, leverage ended the quarter at 3.01x Net Debt/Adjusted and Recurring EBITDA, an improvement of 0.10x versus the same period the prior year.

The average cost of financing closed out the period at 103.3% of CDI, a decrease of 1.0 p.p. versus the prior quarter, and of 5.6 p.p on an annual comparison, with an average term of 4.4 years.

BRL'000	12/31/2024	12/31/2023	Var R$	09/30/2024	Var R$
Short-Term debt	**1,263,794**	**1,091,758**	**172,036**	**1,052,257**	**211,537**
Long-Term debt	5,215,800	5,872,773	(656,973)	6,064,052	(848,252)
Financial instruments	247,004	157,274	89,730	251,111	(4,107)
Total debt	6,726,598	7,121,805	(395,207)	7,367,420	(640,822)
Cash and equivalent	**1,753,720**	**2,785,454**	**(1,031,734)**	**2,152,682**	**(398,962)**
Net debt	4,972,878	4,336,351	636,527	5,214,738	(241,860)
Net debt/Adjusted and Recurring EBITDA	**3.01 x**	**3.11 x**		**3.10 x**	
Net debt/Equity (in %)	**69.1%**	**66.5%**		**77.5%**	





Strategic Management and Investment

In 4Q24, Dexco continued to invest in reforestation and the maintenance of operations, at levels higher than during the same period of the prior year. Even with a diligent approach to investing in maintenance, the increase in factory utilization requires a focus on operations. The Company thus ended 4Q24 with a Sustaining Capex of R$295.0 million, 19.6% higher than for 4Q23.

For the full year 2024, the increase in investment in forestry replenishment at the beginning of the year contributed to the total investment figure of R$569.4 million, which was an increase of 54.6% over 2023. This measure helps to ensure a healthy supply for operations, given a general squeeze on the availability of inputs and raw materials.

With respect to the Investment Cycle 2021-2025, during 2024 the following cash disbursements were made:

i. R$231 million: New Tiles unit in São Paulo;
ii. R$108 million: Productivity projects, mix enhancement and sanitary ware automation;
iii. R$40 million: Expansion of the forestry base in the North-East;
iv. R$28 million: DX Ventures and Casa Dexco

(BRL '000)	4Q24	4Q23	%	3Q24	%	2024	2023	%
Forestry OPEX	**137.9**	112.4	22.7%	**209.2**	29.1%	**569.4**	368.2	54.6%
Maintenance	**157.1**	134.3	17.0%	**56.7**	128.5%	**303.3**	343.3	-11.7%
CAPEX Sustaining	**295.0**	246.7	19.6%	**265.9**	68.0%	**872.6**	711.5	22.7%
Projects(1)	**102.7**	188.6	-45.5%	**139.0**	-25.9%	**515.8**	692.9	-25.6%
Total CAPEX	**397.7**	435.3	-8.6%	**404.9**	26.6%	**1,388.4**	1,404.3	-1.1%

(1) Including Investment Cycle 2021-2025 projects and other strategic projects.

Finally, the Company has restated its commitment to maximizing the profitability of projects and boosting the value creation potential of operations, through the completion of the 2021-2025 Investment Cycle.

Exit from the Electric Showers and Faucets Business

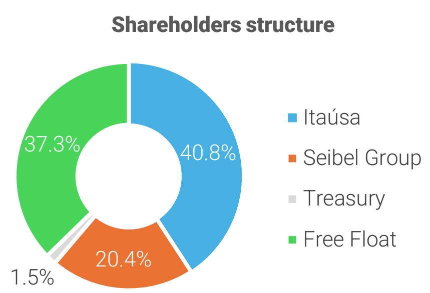
Following the Material Facts disclosed on August 29, 2024 and October 2, 2024, in which the Company announced its exit from the Electric Showers and Faucets Sector and the sale of its operations to an established market player, in December the Company issued a Notice to the Market, announcing the conclusion of the transaction, following compliance with applicable precedent conditions, including unrestricted approval from the Administrative Council for Economic Defense – CADE.

With the conclusion of the transaction on December 13, 2024, the financial information related to this portion of the business was included in Dexco's results up to this date.

Capital Markets

The Company closed out the end of the fourth quarter of 2024 with a market value of R$4,817.9 million, with a closing share price of R$5.96 on 30/12/2024.

Dexco's share price ended 4Q24 30.3% lower than at the end of 3Q24, while the Ibovespa index saw a fall of 8.7%. In 2024, the Company's shares fell 26.1% versus 2023, tracking the movement of the Index, which saw a fall of 10.4%. This result reflects an increase in uncertainty regarding the macroeconomic and fiscal scenarios, which impacted the markets in the final quarter.



464,242 trades were carried out on the B3 spot market in 4Q24, which represents turnover of approximately R$1.7 billion, that is, a daily average trade value of R$25.9 million. For the full year, on the other hand, there were 1.9 million trades, with turnover of R$6.5 billion, that is, a daily average trade value of R$24.8 million.

OPERATIONS

Wood Panels

Duratex Durafloor

HIGHTLIGHTS	4Q24	4Q23	%	3Q24	%	2024	2023	%
SHIPMENTS (in m³)								
STANDARD	382,432	393,399	-2.79%	427,117	-10.5%	1,590,842	1,454,476	9.4%
COATED	349,315	329,022	6.17%	406,181	-14.0%	1,483,223	1,251,598	18.5%
TOTAL	**731,748**	**722,421**	**1.3%**	**833,299**	**-12.2%**	**3,074,064**	**2,706,074**	**13.6%**
FINANCIAL HIGHLIGHTS (BRL`000)								
NET REVENUE	**1,326,257**	**1,298,254**	**2.2%**	**1,458,447**	**-9.1%**	**5,350,908**	**4,831,341**	**10.8%**
NET REVENUE - Pro Forma	**1,326,257**	**1,298,254**	**2.2%**	**1,458,447**	**-9.1%**	**5,350,908**	**4,831,341**	**10.8%**
DOMESTIC MARKET	1,027,146	1,025,063	0.2%	1,142,967	-10.1%	4,103,609	3,727,828	10.1%
FOREIGN MARKET	299,111	273,191	9.5%	315,480	-5.2%	1,247,299	1,103,513	13.0%
Net revenue per unit (BRL/m³ shipped)	**1,812**	**1,797**	**0.9%**	**1,750**	**3.6%**	**1,741**	**1,785**	**-2.5%**
Net revenue per unit - Pro Forma	**1,812**	**1,797**	**0.9%**	**1,750.2**	**3.6%**	**1,740.7**	**1,785**	**-2.5%**
Cash cost per unit (BRL/m³ shipped)	**(1,032)**	**(936)**	**10.3%**	**(992)**	**4.0%**	**(971)**	**(1,027)**	**-5.5%**
Cash cost per unit (BRL/m³ shipped) Pro Forma[1]	**(1,032)**	**(936)**	**10.3%**	**(992)**	**4.0%**	**(971)**	**(1,018)**	**-4.6%**
Gross profit	**353,056**	**394,297**	**-10.5%**	**533,417**	**-33.8%**	**1,878,777**	**1,918,719**	**-2.1%**
Gross profit Pro Forma[1]	**353,056**	**394,297**	**-10.5%**	**533,417**	**-33.8%**	**1,879,858**	**1,942,863**	**-3.2%**
Gross margin	26.6%	30.4%		36.6%		35.1%	39.7%	
Selling expenses	(173,047)	(157,416)	9.9%	(185,733)	-6.8%	(696,517)	(550,747)	26.5%
General and administrative expenses	(41,725)	(34,482)	21.0%	(33,517)	24.5%	(139,770)	(140,861)	-0.8%
Operating profit before financial results	**266,854**	232,932	14.6%	**307,422**	-13.2%	**1,139,738**	1,276,970	-10.7%
Depreciation, amortization and depletion	167,023	170,966	-2.3%	155,631	7.3%	662,543	566,926	16.9%
Depletion tranche of biological assets	80,536	142,340	-43.4%	105,165	-23.4%	377,240	383,413	-1.6%
EBITDA according to CVM No. 527/12 [3]	514,413	546,238	-5.8%	568,218	-9.5%	2,179,521	2,227,309	-2.1%
EBITDA margin according to CVM No. 527/12	38.8%	0		39.0%		40.7%	46.1%	
Variation in fair value of biological assets	(25,209)	(72,560)	-65.3%	(154,636)	-83.7%	(520,383)	(768,592)	-32.3%
Effect of the variation in fair value of biological assets	-	-	0.0%	-	0.0%	-	-	0.0%
Employee benefits	7,771	(2,629)	0.0%	56	13776.8%	10,424	(4,637)	0.0%
Non-recurring events [3]	(147,221)	(32,232)	356.8%	(6,979)	2009.5%	(155,165)	(53,591)	189.5%
Adjusted and Recurring EBITDA	**349,754**	**438,817**	**-20.3%**	**406,659**	**-14.0%**	**1,514,397**	**1,400,489**	**8.1%**
Adjusted and Recurring EBITDA margin	**26.4%**	**33.8%**		**27.9%**		**28.3%**	**29.0%**	

(1) Cost of Goods Sold: **3Q23:** Closure Manizales operation (+) R$2,180k; Inventory Impairment DNA (+) R$21,964k.
(2) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM instruction 156/22;
(3) Extraordinary events: detailed in the Attachment to this material.

Viver ambientes.

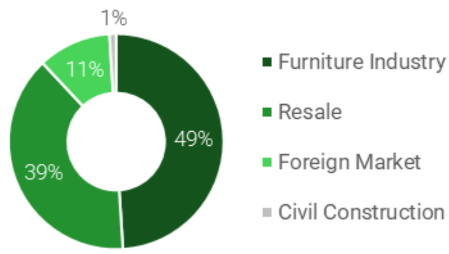
WOOD

vAccording to data from the IBÁ – the Brazilian Tree Industry, the wood panels market grew by 10.2% in 4Q24 versus the same period the prior year, despite a drop-off in the foreign market arising from elevated international freight costs. For the full year, the increase was 18.5%, highlighting growth in demand, which remained strong, driven by the mass-produced furniture segment.

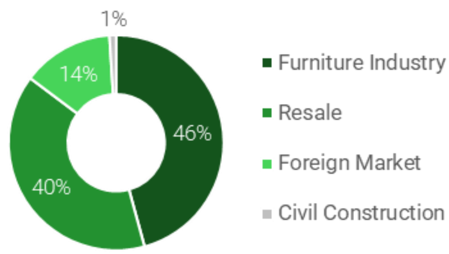
In the Wood Division the volume sold for the quarter was 731.7k m³, in line with the same period of the previous year (+1.3% vs. 4Q23), but with an improvement to the product mix, given a greater proportion of coated products. For the full year 2024, the volume was 3,074.1k m³, 13.6% higher than 2023, an increase arising mainly from the strong demand for wood panels in the furniture industry and retail segment, which kept factory utilization at high levels.

As with volumes, the results for Net Revenue in 4Q24 were similar to those of 4Q23 (+2.2%), closing out the period at R$1,326.3 million. On a quarterly comparison, there was a 9.1% decrease due to the seasonality typical of the period, coupled with the industry's collective vacations and scheduled maintenance shutdowns. For the full year 2024, total Net Revenue was R$5,350.9 million, an increase of 10.8% versus the same period of the prior year. This result stemmed from a richer product mix and price transfers implemented in the second half of the year, and from the forestry trading carried out in 1Q24 and 3Q24, which also boosted the results.

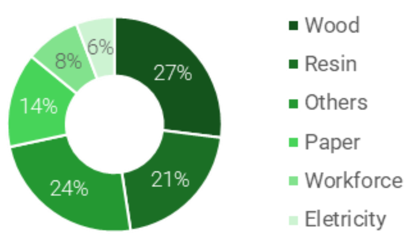
Sales Segmentation | 4T24 (%)



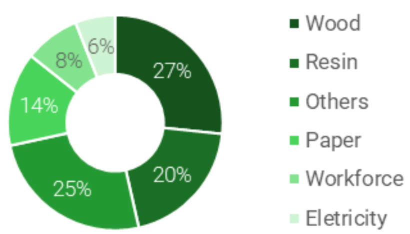
Sales Segmentation | 2024 (%)



Cost of products sold | 4T24 (%)



Cost of products sold | 2024 (%)



The Unit Cash Cost increased by 10.3% over 4Q23, and by 4.0% versus 3Q24, impacted not only by the lower dilution of fixed costs attributable to maintenance shutdowns, but also by the increase in the dollarized cost of consumables in the quarter. On an annual comparison, the Unit Cash Cost fell 5.5%, on the back of high levels of factory utilization and cost diligence on the part of the Company.

For 4Q24, Sales Expenses increased by 9.9% versus 4Q23. For the full year, the increase was 26.5%, reflecting investment the Company has made to sustain its brand positioning and market presence and the higher freight costs. General and Admin Expenses increased by 21.1% but remained stable versus the prior year, driven by cost allocations related to strategic technology projects completed during the period. Despite this, on an annual basis, this expense remained stable (-0.8%).

Showing resilience during 2024, the Wood Division closed out the year with an Adjusted and Recurring EBITDA of R$1.514.4 million, a new nominal record for the Division, boosted mainly by the strong demand for wood panels, with a margin of 28.3%, an increase of 8.1% vs. 2023. For 4Q24, Adjusted and Recurring EBITDA was R$349.8 million, with a margin of 26.4%, a fall of 20.3% versus 4Q23, Considering higher cost levels, in addition to the effect of forest asset sales in the last quarter of 2023, which impacted the comparative base..

1 – Colombia and Brazil operations

Dissolving Wood Pulp

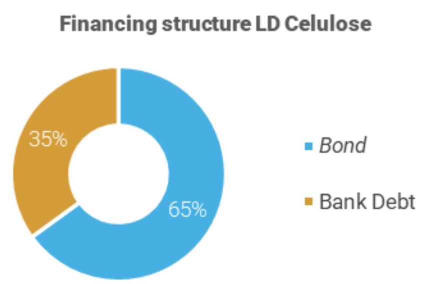
LD Celulose

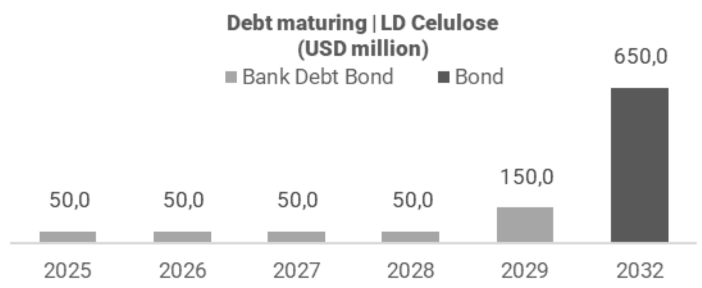
HIGHTLIGHTS	4Q24	4Q23	%	3Q24	%	2024	2023	%
FINANCIAL HIGHLIGHTS (BRL`000)								
NET REVENUE	**975,102**	**598,027**	**63.1%**	**732,157**	**33.2%**	**2,975,784**	**2,425,481**	**22.7%**
Adjusted and Recurring EBITDA	**565,879**	**320,552**	**77%**	**443,017**	**27.7%**	**1,616,205**	**1,253,924**	**29%**
Adjusted and Recurring EBITDA margin	**58%**	**53.6%**	**0.0%**	**61%**	**0.0%**	**54%**	**51.7%**	**0.0%**
Net Income	**(162,571)**	**183,721**	**-188.5%**	**118,873**	**-236.8%**	**(148,594)**	**567,431**	**-126.2%**
Net Income - Dexco Share	**(80,060)**	**90,208**	**-188.8%**	**58,152**	**-237.7%**	**(73,853)**	**278,012**	**-126.6%**
Financial Result	(228,775)	(87,014)	162.9%	(89,975)	154.3%	(514,675)	(353,497)	45.6%
Cash position (USD '000)	65,565	76,360	-14.1%	89,882	-27.1%	65,565	76,360	-14.1%
Gross Debt (USD '000)	963,419	1,136,705	-15.2%	1,031,490	-6.6%	963,419	1,136,705	-15.2%

2024 saw record results for LD Celulose, both in terms of production – which remains at high levels, having already achieved the expected debottlenecking capacity – and of financial results. The figures reflect the competitive advantages of dissolving wood pulp in relation to other fibers, as well as the positive impact arising from an increase in the value of the Dollar, which boosts the dollarized operation. For 4Q24, Adjusted and Recurring EBITDA reached R$565.9 million, with a margin of 58%, while for the full year, it totaled R$1,616.2 million, with a margin of 54%.

In addition, the company maintains strict cost control and efficiency in the use of inputs and raw materials, which helps to maximize results.

For Net Income, the 4Q24 figures were impacted by expenses related to debt refinancing, carried out in October 2024. This factor significantly impacted the results for the quarter and, consequently, for the full year, which totaled, respectively, R$ -162.6 million and R$148.6 million. In addition, the annual results were impacted by maintenance shutdowns and the accounting effects arising from deferred taxes recorded in the first half of the year.





FINISHES

Metals & **San Ware**

Deca Hydra

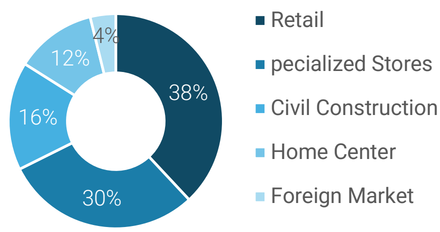
HIGHTLIGHTS	4Q24	4Q23	%	3Q24	%	2024	2023	%
SHIPMENTS (in '000 items)								
BASIC GOODS	1,901	2,043	-7.0%	2,073	-8.3%	7,934	8,005	-0.9%
FINISHING GOODS	3,100	2,564	20.9%	3,401	-8.9%	12,844	11,253	14.1%
TOTAL	**5,001**	**4,607**	**8.6%**	**5,474**	**-8.6%**	**20,778**	**19,258**	**7.9%**
FINANCIAL HIGHLIGHTS (BRL1,000)								
NET REVENUE (sales in items)	**518,383**	**444,227**	**16.7%**	**543,740**	**-4.7%**	**1,990,756**	**1,682,756**	**18.3%**
NET REVENUE (sales in items) Pro Forma	**518,383**	**444,227**	**16.7%**	**543,740**	**-4.7%**	**1,990,756**	**1,682,756**	**18.3%**
DOMESTIC MARKET	501,399	423,676	18.3%	521,647	-3.9%	1,918,166	1,608,708	19.2%
FOREIGN MARKET	16,984	20,551	-17.4%	22,093	-23.1%	72,590	74,048	-2.0%
Net revenue per unit (BRL/ per item shipped)	**104**	96	7.5%	**99**	4.4%	**96**	87	9.6%
Cash cost per unit (BRL/ per item shipped)	**(72)**	(75)	-4.0%	**(77)**	-6.0%	**(70)**	(67)	4.0%
Cash cost per unit Pro Forma (BRL/per item shipped) (1)	**(70)**	(75)	-6.9%	**(68)**	3.2%	**(67)**	(64)	3.9%
Gross profit	**134,501**	75,110	79.1%	**100,431**	33.9%	**446,042**	294,099	51.7%
Gross profit - Pro Forma (1)	**145,630**	75,110	93.9%	**149,353**	-2.5%	**506,093**	346,360	46.1%
Gross margin	25.9%	16.9%		18.5%		22.4%	17.5%	
Gross margin - Pro Forma (1)	28.1%	16.9%		27.5%		25.4%	20.6%	
Selling expenses	(83,916)	(82,634)	1.6%	(93,052)	-9.8%	(329,914)	(311,543)	5.9%
Selling expenses - Pro Forma (2)	(83,916)	(82,634)	1.6%	(93,052)	-9.8%	(329,914)	(311,543)	5.9%
General and administrative expenses	(29,175)	(40,052)	-27.2%	(27,873)	4.7%	(115,424)	(156,818)	-26.4%
General and administrative expenses - Pro Forma (3)	(29,175)	(40,052)	-27.2%	(27,873)	4.7%	(115,424)	(156,818)	-26.4%
Operating profit before financial results	**11,221**	**(51,576)**	**-121.8%**	**(43,342)**	**-125.9%**	**(40,569)**	**(180,728)**	**-77.6%**
Depreciation and amortization	27,395	33,057	-17.1%	28,100	-2.5%	111,058	128,291	-13.4%
EBITDA according to CVM No. 527/12 (4)	38,616	(18,519)	-308.5%	(15,242)	-353.4%	70,489	(52,437)	-234.4%
EBITDA margin according to CVM No. 527/12	7.4%	-4.2%		-2.8%		3.5%	-3.1%	
Employee benefits	6,419	1,045	514.3%	1,232	421.0%	10,682	5,896	81.2%
Non-recurring events (5)	(16,650)	(8,660)	92.3%	66,848	-124.9%	50,198	30,905	62.4%
Adjusted and Recurring EBITDA	**28,385**	**(26,134)**	**-208.6%**	**52,838**	**-46.3%**	**131,369**	**(15,636)**	**-940.2%**
Adjusted and Recurring EBITDA margin	**5.5%**	**-5.9%**		**9.7%**		**6.6%**	**-0.9%**	

(1) Cost of Goods Sold: 4Q24: Inventory impairment arising from the exit from Electric Showers and Faucets: (+) R$11.129k; 3Q24: Inventory impairment arising from the exit from Electric Showers and Faucets: (+) 48.922k 3Q23: Deca Restructuring: (+) R$24.111k, 2Q23: Deca Restructuring: (+) R$28,150k;
(2) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM instruction 156/22;
(3) Extraordinary events: detailed in the Attachment to this material.

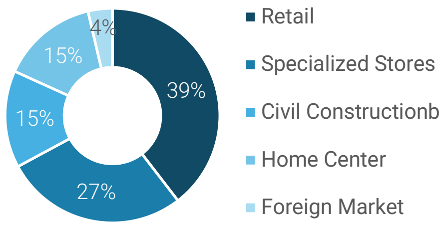
METALS & SAN WARE

The performance in the Metals and Sanitary Ware sector continues, reflecting a more positive market scenario for finishes, according to ABRAMAT (Brazilian Association of the Construction Materials Industry). For 4Q24, the category reported an 8.6% increase in average deflated revenue, while the sector as a whole, which includes the basic and finished product categories, reported an increase of 9.9% over the period. This recovery can also be seen on an annual comparison, with a y-o-y increase of 8.6% for finished products and of 5.8% for the sector as a whole in 2024.

Sales Segmentation | 4Q24 (%)



Sales Segmentation | 2024 (%)



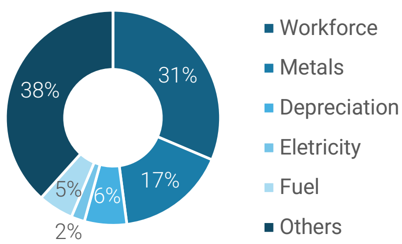
It should be noted that the basket of products considered by ABRAMAT encompasses a wide variety of items, including, but not limited to, those sold by Dexco.

The more favorable sector environment, combined with strategies aimed at recovering market share, resulted in an 8.6% growth in sales volumes for 4Q24. This performance was boosted by a greater proportion of higher value-added products, especially in the Metals category, which showed a strong take-up of products with a D-Coat finish, an exclusive Dexco innovation launched in 2023. As a result, Net Revenue for the quarter grew 16.7% versus 4Q23, totaling R$518.4 million. For the full year 2024, Net Revenue hit R$1,990.8 million, an increase of 18.3% versus 2023.

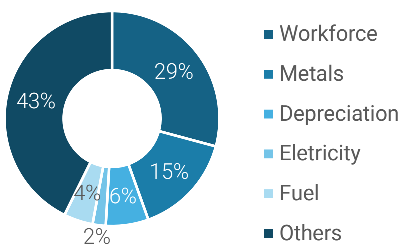
In keeping with the Material Fact issued in 3Q24, the discontinuation of the electric showers and faucets operation has impacted volumes on a quarter-on-quarter basis, but with only a limited impact on Net Revenue, given these products represented a small share of the mix. The increase in factory utilization and initiatives aimed at boosting operating efficiency led to a better dilution of fixed costs, mitigating the impact of a more noble product mix. As a result, the Pro Forma Unit Cash Cost decreased 6.9% versus 4Q23, but increased 3.9% versus the prior year.

During 2024, the intensification of sales and marketing activities aimed at brand-building, especially in the Retail segment, was accompanied by a review of expenses. As a result, Sales Expenses remained in line with 4Q23 but saw a reduction of 2.4 p.p. as a proportion of Net Revenue. Similarly, General and Administrative Expenses, despite an increase in nominal values, fell 3.4 p.p. against this same metric.

Cost of products sold | 4Q24 (%)



Cost of products sold | 2024 (%)



Investment in strategic events, such as Expo Revestir and Casacor, centered on 1H24, drove a 5.9% increase in Sales Expenses year-on-year. However, there was a fall of 1.9 p.p. as a proportion of Net Revenue versus 2023. General and Administrative Expenses fell by 26.4% in nominal terms and by 3.5 p.p. as a percentage of Net Revenue.

For 4Q24, Adjusted and Recurring EBITDA totaled R$28.4 million, with a margin of 5.5%, while for the full year the figure was R$131.4 million, with a margin of 6.6%. This performance highlights the recovery of the Metals and Sanitary Ware Division, reversing the loss of R$26.1 million reported in 4Q23 and of R$15.6 million for the full year 2023. The improvement was driven by a more vibrant market for finishes and by an increase in sales of higher value-added products.

Tiles

portinari castelatto ceusa

HIGHTLIGHTS	4Q24	4Q23	%	3Q24	%	2024	2023	%
SHIPMENTS (in 'm²)								
FINISHING GOODS	4,238,520	3,842,447	10.3%	4,877,587	-13.1%	17,376,593	15,622,065	11.2%
TOTAL	**4,238,520**	**3,842,447**	**10.3%**	**4,877,587**	**-13.1%**	**17,376,593**	**15,622,065**	**11.2%**
FINANCIAL HIGHLIGHTS (BRL1,000)								
NET REVENUE	**219,531**	**206,202**	**6.5%**	**236,904**	**-7.3%**	**892,983**	**869,312**	**2.7%**
Net Revenue - Pro Forma	**219,531**	**206,202**	**6.5%**	**236,904**	**-7.3%**	**892,983**	**869,312**	**2.7%**
DOMESTIC MARKET	197,175	188,055	4.8%	214,749	-8.2%	805,878	785,415	2.6%
FOREIGNT MARKET	22,356	18,147	23.2%	22,155	0.9%	87,105	83,897	3.8%
Net revenue per unit (BRL per m² shipped)	**52**	**54**	**-3.5%**	**49**	**6.6%**	**51**	**56**	**-7.6%**
Cash cost per unit (BRL per m² shipped)	**(43)**	**(41)**	**6.7%**	**(39)**	**11.4%**	**(41)**	**(42)**	**-2.2%**
Cash cost per unit Pro Forma (BRL per m² shipped) (1)	**(37)**	**(40)**	**-7.7%**	**(36)**	**3.2%**	**(37)**	**(40)**	**-6.7%**
Gross profit	**21,502**	**35,710**	**-39.8%**	**33,409**	**-35.6%**	**127,081**	**163,049**	**-22.1%**
Gross profit - Pro Forma (1)	**47,825**	**37,285**	**28.3%**	**47,742**	**0.2%**	**184,816**	**187,473**	**-1.4%**
Gross margin	9.8%	17.3%		14.1%		14.2%	18.8%	
Gross margin - Pro Forma (1)	21.8%	18.1%		20.2%		20.7%	21.6%	
Selling expenses	(57,295)	(48,425)	18.3%	(51,634)	11.0%	(198,720)	(180,124)	10.3%
Selling expenses - Pro Forma (1)	(57,295)	(48,425)	18.3%	(51,634)	11.0%	(198,720)	(180,124)	10.3%
General and administrative expenses	(11,192)	(18,184)	-38.5%	(13,264)	-15.6%	(45,580)	(67,779)	-32.8%
General and administrative expenses - Pro Forma (2)	(11,192)	(18,184)	-38.5%	(13,264)	-15.6%	(45,580)	(67,779)	-32.8%
Operating profit before financial results	**(15,902)**	**(32,095)**	**-50.5%**	**(30,245)**	**-47.4%**	**(89,037)**	**(103,908)**	**-14.3%**
Depreciation and amortization	17,572	24,177	-27.3%	17,004	3.3%	70,427	86,938	-19.0%
EBITDA according to CVM No. 527/12 (3)	1,670	(7,918)	-121.1%	(13,241)	-112.6%	(18,610)	(16,970)	9.7%
EBITDA margin according to CVM No. 527/12	0.8%	-3.8%		-5.6%		-2.1%	-2.0%	
Employee benefits	529	828	-36.1%	(275)	-292.4%	742	922	-19.5%
Non-recurring events (4)	(8,602)	(1,125)	664.6%	13,875	-162.0%	21,912	24,424	-10.3%
Adjusted and Recurring EBITDA	**(6,403)**	**(8,215)**	**-22.1%**	**359**	**-1883.6%**	**4,044**	**8,376**	**-51.7%**
Adjusted and Recurring EBITDA margin	**-2.9%**	**-4.0%**		**0.2%**		**0.5%**	**1.0%**	

(1) Cost of Goods Sold: 4Q24: Tiles Restructuring (+) R$26,323k; 3Q24: Tiles Restructuring (+) R$14,333k; 2Q24: Tiles Restructuring (+) R$10,302k, Donations (+) R$1,520k; 1Q24: Tiles Restructuring (+) R$5,257k; 3Q23: Tiles Restructuring (+) R$22,849k;

(2) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization): measure of operating performance in accordance with CVM instruction 156/22;

(3) Extraordinary events: detailed in the Attachment to this material.

Viver ambientes.

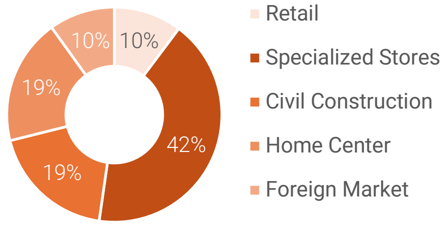
TILES

The Tiles market shows signs of stabilizing, following a long period of contraction, according to data from ANFACER (National Association of Ceramic Coating Manufacturers). For 4Q24, the wet-process tiles segment, in which Dexco operates, reported growth of 4.0% versus 4Q23, albeit the sector also reported a 15.0% increase in inventory levels versus 3Q24. For the full year, the wet-process segment shrank -1.0%.

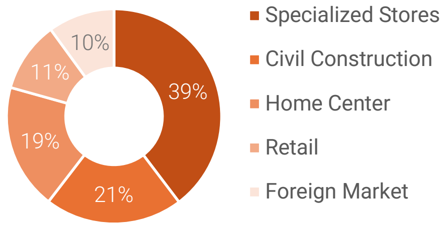
For 4Q24, sales volumes totaled 4,238.5k m², an increase of 10.3% versus 4Q23 but a drop-off of 13.1% versus 3Q24. This result reflects initiatives aimed at recovering market share and optimizing the product mix, thus increasing competitiveness in the face of industry challenges. Full year sales volumes totaled 17,376.6k m², an increase of 11.2% versus 2023.

Despite the upturn in sales volumes, the Company continues to review its product portfolio and deploy more ambitious sales and marketing actions, given the competitive nature of the industry. This more proactive stance is reflected in the Unit Net Revenue, which ended 4Q24 3.5% down on 4Q23, but with an increase of 6.6% versus 3Q24. Thus, for 4Q24, Net Revenue totaled R$219.5 million, an increase of 6.5% over 3Q24, while the full year total was R$893.0 million, 2.7% higher than for 2023, boosted by a more strategic product mix and a new volume levels.

Sales Segmentation | 4Q24 (%)

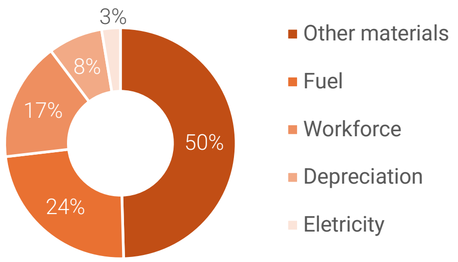


Sales Segmentation | 2024 (%)

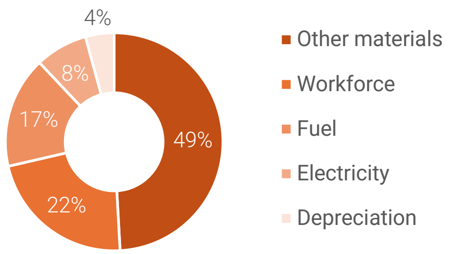


Regarding costs, initiatives boosting operational efficiency, together with high sales volumes, contributed to a reduction in the Pro Forma Unit Cash Cost, which fell 7.7% versus 4Q23. Versus 3Q24, however, there was an increase of 3.2%, reflecting the impact of lower dilution of fixed costs arising from the scheduled maintenance shutdowns over the period. For the full year, Pro Forma Cash Cost was 6.7% lower than for 2023.

Cost of products sold | 4T24 (%)



Cost of products sold | 2024 (%)



As a result of the sales and marketing activities cited above, Sales Expenses increased by 18.3% versus 4Q23, due to the strengthening of strategic sales channels for the Tiles Division. In addition, from the beginning of the year, Dexco invested in expanding its presence with the end consumer, as well as in events such as Expo Revestir and Casacor. This contributed to a 10.3% increase in Sales Expenses in 2024 over 2023. However, following more rigorous control of expenses, the Company saw a 38.5% drop in General and Admin Expenses for the quarter, 32.8% for the full year.

Finally, the Tiles Division ended 4Q24 with an Adjusted and Recurring EBITDA of negative R$6.4 million, with a margin of -2.9%, reflecting the pressure the sector is still facing, while an uptick in volumes and improved Revenue was insufficient to offset the challenging market scenario resulting from the ramp-up of the new Coatings plant in Botucatu (São Paulo). For the full year, the Adjusted and Recurring EBITDA was R$4.0 million, with a margin of 0.5%.

1 – Ceusa and Portinari Brands

Extraordinary events (Adjusted and Recurring EBITDA)

R$ 000 - Consolidated	4Q24	4Q23	3Q24	2024	2023
EBITDA in accordance with CVM 156/22	**475.144**	**609.774**	**597.829**	**2.157.802**	**2.435.222**
Restructuring and Discontinuation of Operations	10.913	(38.117)	80.723	110.291	120.371
Sale of 50% of subsidiary SPE I	(106.129)	-	-	(106.129)	-
Non-Recurring Tax Credits and Tax Contingencies	(10.410)	-	(6.979)	(19.435)	(2.816)
Negotiation of Eletrobrás Credits	(60.440)	-	-	(60.440)	-
Gain on Property Sale	(6.407)	-	-	(6.407)	-
Exclusion of ICMS from the PIS and COFINS Tax Base	-	(3.900)	-	(3.536)	(115.817)
Others	-	-	-	2.601	-
Dissolving Wood Pulp	79.556	(89.973)	(58.094)	73.598	(277.320)
Fair Value Variation of Biological Assets	(25.209)	(72.560)	(154.636)	(520.383)	(768.592)
Employee Benefits	14.719	(756)	1.013	21.848	2.181
Adjusted and Recurring EBITDA	**371.737**	**404.468**	**459.856**	**1.649.810**	**1.393.229**

R$ 000 - Wood	4Q24	4Q23	3Q24	2024	2023
EBITDA in accordance with CVM 156/22	**514.413**	**546.238**	**568.218**	**2.179.521**	**2.227.309**
Sale of 50% of subsidiary SPE I	(106.129)	-	-	(106.129)	-
Non-Recurring Tax Credits and Tax Contingencies	(10.872)	-	(6.979)	(19.897)	(1.534)
Negotiation of Eletrobrás Credits	(30.220)	-	-	(30.220)	-
Restructuring and Discontinuation of Operations	-	(31.032)	-	-	23.346
Exclusion of ICMS from the PIS and COFINS Tax Base	-	(1.200)	-	-	(75.403)
Donations	-			1.081	-
Fair Value Variation of Biological Assets	(25.209)	(72.560)	(154.636)	(520.383)	(768.592)
Employee Benefits	7.771	(2.629)	56	10.424	(4.637)
Adjusted and Recurring EBITDA	**349.754**	**438.817**	**406.659**	**1.514.397**	**1.400.489**

R$ 000 - Metals and Sanitary Ware	4Q24	4Q23	3Q24	2024	2023
EBITDA in accordance with CVM 156/22	**38.616**	**(18.519)**	**(15.242)**	**70.489**	**(52.437)**
Non-Recurring Tax Credits	462	-	-	462	(1.282)
Negotiation of Eletrobrás Credits	(30.220)			(30.220)	
Discontinuation of Operations	13.108	(8.660)	66.848	79.956	72.601
Exclusion of ICMS from the PIS and COFINS Tax Base	-	-	-	-	(40.414)
Employee Benefits	6.419	1.045	1.232	10.682	5.896
Adjusted and Recurring EBITDA	**28.385**	**(26.134)**	**52.838**	**131.369**	**(15.636)**

R$ 000 - Tiles	4Q24	4Q23	3Q24	2024	2023
EBITDA in accordance with CVM 156/22	**1.670**	**(7.918)**	**(13.241)**	**(18.610)**	**(16.970)**
Restructuring of Operations	(2.195)	-	13.875	30.335	-
Gain on Property Sale	(6.407)	-	-	(6.407)	-
Exclusion of ICMS from the PIS and COFINS Tax Base	-	(2.700)	-	(3.536)	-
Others				1.520	
Discontinuation of Operations	-	1.575	-	-	24.424
Employee Benefits	529	828	(275)	742	922
Adjusted and Recurring EBITDA	**(6.403)**	**(8.215)**	**359**	**4.044**	**8.376**

Extraordinary events (Recurring Net Income)

R$ 000 - Consolidated	4Q24	4Q23	3Q24	2024	2023
Net Income	**22.365**	**195.433**	**92.620**	**174.375**	**811.270**
Sale of 50% of subsidiary SPE I	(70.045)	-	-	(70.045)	-
Restructuring and Discontinuation of Operations	11.659	(25.157)	102.181	159.610	96.759
Negotiation of Eletrobrás Credits	(39.890)	-	-	(39.890)	-
Resultado na venda de imóvel	(4.229)	-	-	(4.229)	-
Others	-	-	669	(1.567)	-
Non-Recurring Tax Credits and Tax Contingencies	(16.014)	-	(11.958)	(29.324)	(1.858)
Exclusion of ICMS from the PIS and COFINS Tax Base	-	(2.574)	-	-	(257.222)
Fair Value Variation of Pension Plan	12.500	-	-	12.500	-
Dissolving Wood Pulp	79.316	(90.208)	(58.365)	72.632	(278.011)
Adjusted and Recurring EBITDA	**(4.338)**	**77.494**	**125.147**	**274.062**	**370.938**

dexco

Dexco S.A.
National Register of Corporate Taxpayers - (CNPJ) No. 97.837.181/0001-47

BALANCE SHEET
(In thousands of Reais)

(A free translation of the original in Portuguese)

ASSETS	Note	PARENT COMPANY 12/31/2024	PARENT COMPANY 12/31/2023	CONSOLIDATED 12/31/2024	CONSOLIDATED 12/31/2023
CURRENT ASSETS		**3.622.799**	**3.286.497**	**5.066.196**	**5.899.747**
Cash and cash equivalents	5	182.687	1.289.996	1.231.419	2.785.454
Financial assets	5	778.593	-	522.301	-
Trade accounts receivable	6	1.010.388	738.407	1.183.448	1.085.931
Related parties accounts receivable	11	39.152	105.990	36.710	74.461
Inventories	7	1.236.563	929.360	1.642.016	1.541.778
Other receivables	8	21.764	19.697	61.879	62.884
Related parties - other receivables	11	43.763	10.500	-	-
Recoverable taxes and contributions	9	196.409	155.774	265.240	251.508
Other credits		28.040	31.265	37.084	41.361
Assets held for sale		32.880	5.508	33.539	56.370
Debt derivative financial instruments	4	52.560	-	52.560	-
NON-CURRENT ASSETS		**11.438.874**	**11.090.082**	**13.077.914**	**12.071.140**
Restricted deposits		143.590	127.237	165.854	165.263
Other receivables	8	104.508	102.623	121.980	132.082
Credits with pension plan	33	81.512	99.579	89.981	112.104
Recoverable taxes and contributions	9	545.849	609.837	552.315	738.542
I. deferred income and social contribution	10	564.138	517.144	496.513	594.133
Marketable securities	12	7.358	6.877	161.462	137.282
Debt derivative financial instruments	4	153.182	63.211	153.182	106.018
Investments in subsidiaries and affiliates	13	5.388.608	6.997.535	2.394.299	1.858.473
Other investments		2.736	1.639	2.736	2.588
Property, plant and equipment	14	3.680.216	2.248.912	4.621.742	4.307.168
Right-of-use assets	15	40.442	44.011	693.838	688.902
Biological assets	16	-	-	2.790.049	2.365.047
Intangible assets	17	726.735	271.477	833.963	863.538
TOTAL ASSETS		**15.061.673**	**14.376.579**	**18.144.110**	**17.970.887**

LIABILITIES AND STOCKHOLDERS' EQUITY	Note	PARENT COMPANY 12/31/2024	PARENT COMPANY 12/31/2023	CONSOLIDATED 12/31/2024	CONSOLIDATED 12/31/2023
CURRENT LIABILITIES		**3.112.273**	**2.883.680**	**3.641.566**	**3.608.696**
Loans and financing	19	1.125.452	464.252	1.256.108	475.162
Debentures	19	7.686	616.596	7.686	616.596
Suppliers	20	842.672	709.546	985.031	954.534
Related party suppliers	20	95.590	67.807	3.757	32.420
Suppliers at risk	20	259.136	164.153	273.347	187.818
Lease liabilities	15	23.724	16.082	52.001	49.346
Related party lease liabilities	11	-	-	2.191	1.975
Personnel obligations		173.525	156.057	210.052	208.816
Accounts payable	21	269.531	226.020	485.185	562.107
Accounts payable to related parties	11	11.787	67.294	4.200	4.458
Taxes and contributions	22	143.977	60.208	198.837	166.043
Dividends and JCP	24	38.631	207.529	41.684	213.146
Debt derivative financial instruments	4	120.562	128.136	121.487	136.275
NON-CURRENT LIABILITIES		**4.972.500**	**5.089.288**	**7.307.449**	**7.840.113**
Loans and financing	19	3.540.183	4.060.415	4.616.020	5.273.331
Debentures	19	599.780	599.442	599.780	599.442
Lease liabilities	15	21.455	30.656	669.383	646.102
Related parties lease liabilities	11	**-**	**-**	**49.825**	52.016
Contingencies	23	287.774	146.274	326.939	386.488
Deferred income tax and social contribution	10	-	-	356.671	424.204
Accounts payable	21	294.681	119.123	319.836	277.356
Related parties	11	4.034	6.437	4.900	9.100
Taxes and contributions	22	32.836	-	32.836	45.057
Derivative financial instruments	4	191.757	126.941	331.259	127.017
STOCKHOLDERS' EQUITY	24	**6.976.900**	**6.403.611**	**7.195.095**	**6.522.078**
Capital		3.370.189	3.370.189	3.370.189	3.370.189
Shares issuance expenses		(7.823)	(7.823)	(7.823)	(7.823)
Capital reserves		395.798	385.097	395.798	385.097
Capital transactions with partners		(18.731)	(18.731)	(18.731)	(18.731)
Revaluation reserves		32.833	33.227	32.833	33.227
Revenue reserves		2.370.478	2.265.719	2.370.478	2.265.719
Treasury shares		(136.322)	(140.457)	(136.322)	(140.457)
Carrying value adjustments		970.478	516.390	970.478	516.390
Equity attributable to equity holders of the parent company		**6.976.900**	**6.403.611**	**6.976.900**	**6.403.611**
Noncontrolling interests		**-**	**-**	**218.195**	**118.467**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		**15.061.673**	**14.376.579**	**18.144.110**	**17.970.887**

Dexco S.A. - Listed company
National Register of Corporate Taxpayers - (CNPJ) No. 97.837.181/0001-47
STATEMENT OF INCOME
(In thousands of Reais)

(A free translation of the original in Portuguese)

		PARENT COMPANY		CONSOLIDATED	
	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
NET SALES REVENUE	26	**6.772.757**	**5.232.771**	**8.234.647**	**7.383.409**
Changes in the fair value of biological assets	16	-	-	520.383	768.592
Cost of products sold	27	(5.299.473)	(4.214.233)	(6.303.130)	(5.776.134)
GROSS PROFIT		**1.473.284**	**1.018.538**	**2.451.900**	**2.375.867**
Selling expenses	27	(1.054.167)	(806.884)	(1.225.151)	(1.042.414)
General and administrative expenses	27	(236.033)	(241.468)	(303.617)	(367.491)
Management fees		(16.716)	(17.956)	(16.716)	(18.278)
Other operating income (expenses), net	29	152.168	13.137	103.021	42.188
Equity in the results of investees	13	339.761	1.009.156	(72.903)	279.782
OPERATING PROFIT BEFORE FINANCIAL RESULT AND TAXES		**658.297**	**974.523**	**936.534**	**1.269.654**
Financial income	28	275.514	397.329	424.959	543.003
Financial expenses	28	(813.996)	(892.434)	(1.017.019)	(1.061.410)
PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		**119.815**	**479.418**	**344.474**	**751.247**
Income tax and social contribution - current	30	2.545	29.586	(118.832)	(40.469)
Income tax and social contribution - deferred	30	50.054	280.597	(51.267)	100.492
NET INCOME FOR THE YEAR		**172.414**	**789.601**	**174.375**	**811.270**
Net income attributable to:					
Owners of the company		172.414	789.601	172.414	789.601
Noncontrolling interests		-	-	1.961	21.669
Net income per share (R$):					
Basic:	35	0,2133	0,9772	0,2133	0,9772
Diluted:	35	0,2126	0,9742	0,2126	0,9742

STATEMENT OF COMPREHENSIVE INCOME

(A free translation of the original in Portuguese)

For the years ended on December 31
(In thousands of Reais)

	PARENT COMPANY		CONSOLIDATED	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
NET INCOME FOR THE YEAR	**172.414**	**789.601**	**174.375**	**811.270**
Other components of comprehensive income				
Items that will not be reclassified for the result:				
Equiv. Equity w/o scope of subsidiaries	(87.525)	10.892	(87.525)	10.892
Items that will be reclassified for the result:				
Financial Instruments	(33.353)	68.015	(33.353)	68.015
Tax effect on financial instruments	11.340	(24.393)	11.340	(24.393)
Actuarial gain (loss)	6.185	357	6.185	357
Tax effect on actuarial gains and (losses)	(2.103)	(121)	(2.103)	(121)
Equiv. Equity of subsidiaries in other comprehensive income on actuarial gains and (losses)	-	2.181	-	2.181
Accumulated conversion adjustments	559.544	(72.646)	559.218	(72.448)
COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**626.502**	**773.886**	**628.137**	**795.753**
Attributable to:				
Owners of the company	626.502	773.886	626.502	773.886
Noncontrolling interests	-	-	1.635	21.867

Dexco S.A. - Listed company
National Register of Corporate Taxpayers - (CNPJ) No. 97.837.181/0001-47

dexco

STATEMENT OF CASH FLOWS

(A free translation of the original in Portuguese)

	PARENT COMPANY		CONSOLIDATED	
For the years ended on December 30	12/31/2024	12/31/2023	12/31/2024	12/31/2023
OPERATING ACTIVITIES:				
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**119.815**	**479.418**	**344.474**	**751.247**
ADJUSTMENTS:				
Depreciation, amortization and depletion	359.755	359.819	1.221.269	1.165.568
Changes in the fair value of biological assets	-	-	(520.383)	(768.592)
Interest/indexation accruals and foreign exchange gains/losses, net	675.198	767.852	886.352	823.941
Interest accrued on leases	5.700	5.844	8.486	10.560
Equity in the results of investees	(339.761)	(1.009.156)	72.903	(279.782)
Impairment of accounts receivable	10.278	6.508	13.605	12.016
Provisions, asset write offs	80.249	176.310	157.323	277.653
Gains (or Losses) on the sale of investments	(106.129)	-	(121.129)	-
Exclusion of ICMS based on PIS and COFINS	-	(99.471)	-	(115.817)
(Increase)/Decrease in Assets				
Trade accounts receivable	(54.360)	176.740	(146.741)	259.331
Inventories	(115.004)	51.058	(73.885)	112.257
Taxes and contributions to be recovered	176.483	51.265	177.646	32.829
Judicial deposits	(16.353)	(7.642)	(591)	35.205
Other assets	6.625	(25.460)	37.220	(52.921)
Increase (Decrease) in Liabilities				
Suppliers	102.435	(70.360)	71.461	(63.726)
Personnel liabilities	(45.380)	18.440	368	16.789
Accounts payable	75.838	118.918	(93.626)	39.767
Taxes and contributions	(37.235)	14.196	8.713	995
Statutory holdings	(23.051)	(10.230)	(23.051)	(6.982)
Provisions for contingencies	(23.153)	(22.265)	(29.193)	(81.018)
Cash provided by operations	**489.440**	**502.219**	**1.308.078**	**1.239.811**
Income tax and social contribution paid	-	-	(110.123)	(83.650)
Interest paid	(520.034)	(726.329)	(597.174)	(739.687)
CASH PROVIDED BY OPERATING ACTIVITIES	**331.916**	**255.455**	**1.283.924**	**1.345.983**
INVESTING ACTIVITIES:				
Investments in fixed assets	(565.953)	(382.843)	(737.908)	(807.064)
Investments in intangible assets	(18.448)	(66.416)	(18.789)	(79.642)
Investments in biological assets	-	-	(590.891)	(361.660)
Receipt from the sale of fixed assets	38.584	8.671	50.023	29.759
Receipt from the sale of subsidiaries	-	-	10.000	-
Financial applications/withdrawal	(735.652)	-	(496.877)	-
Dividends received from subsidiaries	782.599	502.000	-	-
Capital increase in subsidiaries and associated companies	(200.292)	(93.762)	(189.189)	-
Capital reduction of controlled company	100.000	-	-	
Marketable Securities	-	(2.551)	(7.096)	(84.376)
Advance for future capital increase in subsidiary	(33.133)	(390.345)	-	-
Net cash received from Dexco Revestimentos merge	5.464	-	-	-
CASH (USED IN) INVESTING ACTIVITIES	**(626.831)**	**(425.246)**	**(1.980.727)**	**(1.302.983)**
FINANCING ACTIVITIES:				
New financings	363.171	1.484.006	413.295	2.455.295
Amortization of the principal value of financing	(390.005)	(940.298)	(393.363)	(942.361)
Amortization of the principal value of debentures	(600.000)	-	(600.000)	-
Debt Derivative Payments	(127.383)	(166.777)	(127.548)	(182.072)
Amortization of lease liabilities	(26.943)	(20.432)	(141.075)	(127.822)
Interest on equity and dividends	(231.234)	(248.774)	(233.864)	(248.774)
Proceeds from the partial sale of a subsidiary to non-controlling interests	200.000	-	200.000	-
Capital increase from non-controlling shareholders	-	-	-	6.192
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	**(812.394)**	**107.725**	**(882.555)**	**960.458**
Effects of exchange rate changes on cash and cash equivalents	-	-	25.323	10.266
INCREASE (DECREASE) IN CASH FOR THE YEAR	**(1.107.309)**	**(62.066)**	**(1.554.035)**	**1.013.724**
OPENING BALANCE	**1.289.996**	**1.352.062**	**2.785.454**	**1.771.730**
CLOSING BALANCE	**182.687**	**1.289.996**	**1.231.419**	**2.785.454**

Dexco S.A. - Listed company

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STATEMENT OF VALUE ADDED

(Required by accounting practices adopted in Brazil and supplementary information under IFRS)

(A free translation of the original in Portuguese)

(In thousands of Reais)

	PARENT COMPANY		CONSOLIDATED	
For the years ended on December 31	**12/31/2024**	**12/31/2023**	**12/31/2024**	**12/31/2023**
REVENUE	**8.593.569**	**6.605.116**	**10.818.395**	**9.995.945**
Gross sales revenue	8.378.469	6.519.344	10.134.061	9.081.734
Change in fair value of biological assets	-	-	520.383	768.592
Other revenue	225.378	92.280	177.556	157.635
Impairment of accounts receivable	(10.278)	(6.508)	(13.605)	(12.016)
Inputs acquired from third parties	**(5.633.252)**	**(4.845.182)**	**(5.691.421)**	**(5.924.977)**
Cost of sales	(4.693.957)	(4.127.328)	(4.574.520)	(4.926.979)
Materials, energy, outsourced services and others	(939.295)	(717.854)	(1.116.901)	(997.998)
Impairment of intangible assets				
Gross value added	**2.960.317**	**1.759.934**	**5.126.974**	**4.070.968**
Depreciation, amortization and depletion	(359.755)	(359.819)	(1.221.269)	(1.165.568)
Net value added	**2.600.562**	**1.400.115**	**3.905.705**	**2.905.400**
Value added received through transfer	**615.275**	**1.406.485**	**352.056**	**822.785**
Financial income	275.514	397.329	424.959	543.003
Equity in the results of investees	339.761	1.009.156	(72.903)	279.782
Value added to be distributed	**3.215.837**	**2.806.600**	**4.257.761**	**3.728.185**
DISTRIBUTION OF VALUE ADDED				
Personnel costs	**942.898**	**795.805**	**1.251.653**	**1.166.894**
Direct compensation	739.633	622.880	951.711	898.850
Benefits	152.389	128.246	219.483	198.344
Severance indemnity fund (FGTS)	48.764	42.663	60.784	58.046
Other	2.112	2.016	19.675	11.654
Government taxes	**~~1.287.264~~**	**328.848**	**1.815.458**	**688.726**
Federal	673.178	296.183	1.146.352	515.477
State	603.734	19.029	653.885	145.525
Municipal	10.352	13.636	15.221	27.724
Financing remuneration (interest)	**813.261**	**892.346**	**1.016.275**	**1.061.295**
Stockholder remuneration	**172.414**	**789.601**	**174.375**	**811.270**
Interest on capital				
Interest on equity	43.421	231.692	43.421	231.692
Period Loss/ Retained earnings	128.993	557.909	128.993	557.909
Noncontrolling interests	-	-	1.961	21.669
Total value added distributed	**3.215.837**	**2.806.600**	**4.257.761**	**3.728.185**

Dexco

Dexco S.A - Listed company

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

National Register of Corporate Taxpayers - (CNPJ) No. 97.837.181/0001-47

(In thousands of Reais)

(A free translation of the original in Portuguese)

	Capital	Shares issuance expenses	Capital reserves	Transactions with owners	Revaluation reserves	Revenue reserves: Legal reserves	Revenue reserves: Statutory reserves	Revenue reserves: Tax incentives	Revenue reserves: Asset valuation adjustments	Treasury shares	Retained earnings	Total	Non-controlling interests	Total Stockholders equity
BALANCES AS AT DECEMBER 31, 2022	**3.370.189**	**(7.823)**	**376.695**	**(18.731)**	**34.274**	**372.740**	**1.333.759**	**257.151**	**532.105**	**(378.017)**	**-**	**5.872.342**	**89.222**	**5.961.564**
COMPREHENSIVE INCOME FOR THE YEAR														
Net Income for the year	-	-	-	-	-	-	-	-	-	-	789.601	**789.601**	21.669	**811.270**
Cummulative translation adjustments	-	-	-	-	-	-	-	-	(72.646)	-	-	**(72.646)**	198	**(72.448)**
Financial instruments	-	-	-	-	-	-	-	-	43.622	-	-	**43.622**	-	**43.622**
Gain (loss) actuarial	-	-	-	-	-	-	-	-	236	-	-	**236**	-	**236**
Reflex equity equivalence	-	-	-	-	-	-	-	-	10.892	-	-	**10.892**	-	**10.892**
Reflex equity equivalence - gain (loss) actuarial	-	-	-	-	-	-	-	-	2.181	-	-	**2.181**	-	**2.181**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR									**(15.715)**			**773.886**	**21.867**	**795.753**
Realization of revaluation reserve	-	-	-	-	(1.047)	-	-	-	-	-	1.047	-	-	-
Payment of capital in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	12.466	**12.466**
Cancellation of treasury shares	-	-	-	-	-	-	(235.363)	-	-	235.363	-	-	-	-
Long-Term Incentive Settlement	-	-	-	-	-	-	(2.197)	-	-	2.197	-	-	-	-
Long-term incentive plan	-	-	8.402	-	-	-	-	-	-	-	-	**8.402**	-	**8.402**
Additional proposed dividend for 2022	-	-	-	-	-	-	(45.427)	-	-	-	-	**(45.427)**	-	**(45.427)**
Tax incentives art 195-A law 6,404/76 - previous years	-	-	-	-	-	-	(58.678)	58.678	-	-	-	-	-	-
APPROPRIATION OF NET INCOME FOR THE YEAR														
Constitution of legal reserve	-	-	-	-	-	39.480	-	-			(39.480)	-	-	-
Allocation of tax incentives art 195-A Law 6,404/76	-	-	-	-	-	-	-	65.863	-	-	(65.863)	-	-	-
Interest on equity - RCA 12/13/2023	-	-	-	-	-	-	-	-	-	-	(174.000)	**(174.000)**	-	**(174.000)**
Dividends	-	-	-	-	-	-	-	-	-	-	(31.592)	**(31.592)**	(5.088)	**(36.680)**
Additional proposed dividend	-	-	-	-	-	-	26.100	-	-	-	(26.100)	-		-
Allocation of reservations	-	-	-	-	-	-	453.613	-	-	-	(453.613)	-	-	-
BALANCES AS AT DECEMBER 31, 2023	**3.370.189**	**(7.823)**	**385.097**	**(18.731)**	**33.227**	**412.220**	**1.471.807**	**381.692**	**516.390**	**(140.457)**	**-**	**6.403.611**	**118.467**	**6.522.078**
COMPREHENSIVE RESULT OF THE PERIOD														
Net profit for the period	-	-	-	-	-	-	-	-	-	-	172.414	**172.414**	1.961	**174.375**
Cumulative Conversion Adjustments	-	-	-	-	-	-	-	-	559.544	-	-	**559.544**	(326)	**559.218**
Financial instruments	-	-	-	-	-	-	-	-	(22.013)	-	-	**(22.013)**	-	**(22.013)**
Actuarial gain	-	-	-	-	-	-	-	-	4.082	-	-	**4.082**	-	**4.082**
Reflex equity equivalence	-	-	-	-	-	-	-	-	(87.525)	-	-	**(87.525)**	-	**(87.525)**
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**454.088**	**-**	**172.414**	**626.502**	**1.635**	**628.137**
Realization of revaluation reserve	-	-	-	-	(394)	-	-	-	-	-	394	-	-	-
Payment of capital in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	5.668	**5.668**
Sale of interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	93.871	**93.871**
Long-Term Incentive Settlement	-	-	-	-	-	-	(4.135)	-	-	4.135	-	-	-	-
Long-term incentive plan	-	-	10.701	-	-	-	-	-	-	-	-	**10.701**	-	**10.701**
Additional proposed dividend for 2023	-	-	-	-	-	-	(26.100)	-	-	-	-	**(26.100)**	-	**(26.100)**
DESTINATION OF LOSS FOR THE PERIOD														
Constitution of legal reserve	-	-	-	-	-	8.620	-	-	-	-	(8.620)	-	-	-
Allocation of tax incentives art 195-A Law 6,404/76	-	-	-	-	-	-	-	38.144	-	-	(38.144)	-	-	-
Interest on equity - RCA 12/13/2023	-	-	-	-	-	-	-	-	-	-	(37.377)	**(37.377)**	-	**(37.377)**
Dividends	-	-	-	-	-	-	-	-	-	-	(437)	**(437)**	(1.446)	**(1.883)**
Proposed additional dividend	-	-	-	-	-	-	5.607	-	-	-	(5.607)	-		-
Allocation of reserves	-	-	-	-	-	-	82.623	-	-	-	(82.623)	-	-	-
BALANCES AS AT December 31, 2024	**3.370.189**	**(7.823)**	**395.798**	**(18.731)**	**32.833**	**420.840**	**1.529.802**	**419.836**	**970.478**	**(136.322)**	**-**	**6.976.900**	**218.195**	**7.195.095**

(A free translation of the original in Portuguese)

NOTES TO THE FINANCIAL INFORMATION

(All amounts in thousands of Brazilian Reais, unless otherwise indicated)

1. OPERATIONAL CONTEXT

Dexco S.A. ("Company"), is a publicly held corporation, with shares listed on the Novo Mercado, traded under the ticker DXCO3 on B3 S.A. - Brasil, Bolsa, Balcão; it began operating in 1951, headquartered in São Paulo - SP, and is controlled by Itaúsa S.A. which operates in the financial and industrial sectors. It has an equity interest in Seibels businesses, which operates in the retail market and distribution of inputs for civil construction and carpentry, also serving the construction and leasing of real estate projects.

The main activities of Dexco S.A and its subsidiaries (together, the "Group") are the production of wooden panels (Wood Division), vitreous chinaware and metal bathroom fittings (Division Deca) and ceramic and cement floors (Coatings Division). It currently has fifteen industrial units in Brazil and two industrial units in Colombia, through its subsidiary Dexco Colombia S.A., maintaining branches in the main Brazilian cities.

The Wood Division operates four industrial units in Brazil and two in Colombia producing MDP panels (particulate medium density panels), MDF and HDF panels (medium and high fiber density panels), under the Duratex brand, the Durafloor brand for laminates and semi-finished components for furniture.

The Deca Division operates six industrial units in Brazil, producing vitreous chinaware and metal fittings under the brands Deca, Hydra, Belize and Elizabeth.

The Coatings Division operates five industrial units in Brazil, producing coatings, under the brands Ceusa, Portinari and Castelatto.

1.1 Main events occurred during the exercise

1.1.1 Incorporation of Dexco Revestimentos Cerâmicos S.A by Dexco S.A.

At the Extraordinary Meeting held on April 1, 2024, the incorporation of the subsidiary Dexco Revestimentos Cerâmicos S.A. by the Company was approved. See objective and impacts in note 13.

1.1.2 Calamity in the state of Rio Grande do Sul

Due to the extreme volumes of rainfall in the months of April and May 2024, which led to the declaration of a state of calamity in the State of Rio Grande do Sul, the Company temporarily suspended the activities of its panel and forestry operations at the Taquari (RS) from May 4, 2024, resuming on May 9, 2024, taking all necessary security measures. None of the Company's industrial or forestry assets were affected by the rains, however, the supply of inputs and the transport of products were impacted by the situation of the roads.

The unit in question represents around 20% of the Company's total panel production capacity in Brazil, however, considering the short period of suspension of activities, there were no relevant impacts on the Company's results. The Company continues to contribute to the community of Taquari (RS), especially its employees.

1.1.3 Company's exit from the electric shower and faucet business.

On August 28, 2024, Dexco's Board of Directors approved the Company's exit from the electric showers and taps business, an initiative part of the process of continuous strategic evaluation of the business portfolio, which seeks to prioritize operating segments that present greater synergies in its sales channels and market positioning.

On October 2, 2024, the Company entered into a Share Purchase and Sale Agreement between its subsidiary Dexco Hydra Corona Sistemas de Aquecimento de Água Ltda. and Zagonel S.A. The agreement involved the sale of all shares of Duratex SPE II, a company incorporated to receive the assets and liabilities related to the operation of electric showers and faucets. The transaction included manufacturing units and distribution centers located in Aracaju (SE) and Tubarão (SC), as well as the brands Corona and Thermosystem. The Hydra brand was not included in the sale and remains in use by the Company.

The accounting effects resulting from this transaction are detailed in the specific explanatory notes of the Company’s financial statements, providing information on the recognition of assets and liabilities, as well as the impacts on the operational and financial results.

1.1.4 Partial spin-off of the subsidiary Duratex Florestal Ltda. and incorporation of the spin-off assets by Dexco S.A.

On November 29, 2024, the Company, in a General Meeting, approved the partial spin-off of Duratex Florestal Ltda. and the incorporation of the spun-off assets by the Company. The objective of this transaction was to transfer forestry assets to increase administrative efficiency and attract investments.

1.1.5 Formation of the subsidiary Duratex SPE I S.A. and subsequent sale of 50% of preferred shares

On December 20, 2024, the Company entered into a share purchase and sale agreement with an investor, aiming to sell 50% of the shares of Duratex SPE I S.A. for R$ 200,000 received during the fiscal year, resulting in a net gain of R$ 106,129. The agreement included governance rules and restrictions on the transfer of shares.

1.1.6 Approval of the financial statements

The issuance of the financial statements of Dexco S.A. and its subsidiaries was approved by the Board of Directors on March 12, 2025.

2. BASIS OF PREPARATION AND PRESENTATION

2.1 Statement of compliance

The individual and consolidated financial statements were prepared and are being presented in accordance with the accounting practices adopted in Brazil, which include the rules of the Brazilian Securities and Exchange Commission (CVM) and pronouncements issued by the Brazilian Accounting Pronouncements Committee (CPCs), in compliance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The presentation of the Statement of Value Added (DVA), both individual and consolidated, is required by Brazilian corporate law and the accounting practices adopted in Brazil applicable to publicly traded companies. IFRS do not require the presentation of this statement. Consequently, under IFRS, this statement is presented as supplementary information, without prejudice to the set of financial statements. It was prepared in accordance with CPC 09 - Statement of Value Added. Its purpose is to highlight the wealth created by the Company during the period, as well as demonstrate its distribution among the various stakeholders.

2.2 Basis of preparation

The individual and consolidated financial statements were prepared based on historical cost, except for derivative financial instruments related to debt or equity instruments and contingent considerations, which were measured at fair value. The carrying amounts of assets and liabilities recognized that represent hedged items at fair value, which would otherwise be accounted for at amortized cost, are adjusted to reflect changes in fair values attributable to the risks being hedged.

The preparation of financial statements requires the use of certain critical accounting estimates, as well as analysis and judgment by the Company's Management in applying the Group's accounting policies. Those areas that require a higher level of judgment and involve greater complexity, as well as areas where assumptions and estimates are significant to the financial statements, are disclosed in explanatory note No. 2.4.

The non-financial data included in these financial statements, such as planted area and number of units, among others, were not subject to audit or review by our independent auditors.

2.3 Functional currency, conversion of balances, and foreign currency transactions

2.3.1 Functional currency and presentation currency

The items included in the financial statements of each of the companies are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The individual and consolidated financial statements are presented in Brazilian Reais, which is the functional currency of the Company and also the presentation currency of the financial statements.

2.3.2 Transactions, balances, and group companies with a different functional currency

Foreign currency transactions are converted into the functional currency using the exchange rates in effect on the dates of the transactions or at the measurement date of the items. Foreign exchange gains and losses arising from the settlement of these transactions and from the conversion using the exchange rates at the end of the period for monetary assets and liabilities in foreign currencies are recognized in the income statement as financial income or expenses, except when these variations are used as hedge transactions for net investments.

These differences are recognized directly in other comprehensive income until the disposal of the net investment, at which point they are recognized in the income statement. Charges and tax effects attributed to exchange rate variations on these monetary items are also recognized in other comprehensive income.

The results and financial position of foreign subsidiaries, whose functional currencies are different from the presentation currency (Brazilian Reais), are converted into the presentation currency according to the applicable accounting standards. The subsidiaries involved in this process include Dexco Colombia, Duratex Zona Franca, and Forestal Rio Grande, located in Colombia, whose functional currency is the Colombian Peso; Duratex North America, located in the United States of America, whose functional currency is the US Dollar; Duratex Europe, based in Belgium, whose functional currency is the Euro; and the associate LD Celulose, located in Brazil, whose functional currency is the Dollar. It is important to note that none of these companies operate in an economy considered hyperinflationary. The conversion is carried out according to the applicable exchange rates and the accounting procedures established for such transactions.

2.4 Adoption of new and revised accounting standards

2.4.1 New and revised standards and interpretations adopted by the company and its subsidiaries from January 1, 2024

Pronouncement	Change
CPC 03 (R2) / IAS 7 – Statement of Cash Flows and CPC 40 (R1) / IFRS 7 – Financial Instruments	The changes introduce new disclosures related to supplier financing arrangements ("Draft Risk"), which help users of the financial statements assess the effects of these agreements on the liabilities and cash flows of a company and the company's exposure to liquidity risk. The changes apply to annual periods beginning on or after January 1, 2024.
CPC 06 (R2) / IFRS 16 – Leases	The change specifies the requirements for a seller-lessee to use when measuring the lease liability arising from a sale and leaseback transaction, in order to ensure that the seller-lessee does not recognize any portion of the gain or loss related to the right-of-use asset it retains.
CPC 26 (R1) / IAS 1 – Presentation of Financial Statements	In order for an entity to classify liabilities as non-current in its financial statements, it must have the right to defer settlement of the liabilities for at least twelve months from the balance sheet date.

2.4.2 Changes to be adopted after the 2024 fiscal year:

Pronouncement	Change
IFRS 18: Presentation and Disclosure of Financial Statements	On April 9, 2024, the IASB announced the publication of the new IFRS 18 standard, aimed at improving the disclosure of financial performance and providing investors with a better foundation to analyze and compare companies, including: • Improved comparability in the income statement by introducing three defined categories for revenues and expenses – operational, investments, and financing, improving structure and requiring the provision of new defined subtotals, including operating profit; • Enhanced transparency of performance measures defined by management, requiring the disclosure of explanations about indicators related to the income statement, referred to as management-defined performance measures; and • More useful grouping of information in the financial statements, providing enhanced guidelines for the

	organization of information and whether it should be provided in the primary financial statements or in the notes.
CPC 32 (R1) / IAS 12 - Income Taxes	Pillar Two is an initiative by the Organization for Economic Cooperation and Development (OECD) aimed at creating global tax coordination to ensure that large multinational groups, with annual revenues exceeding €750 million, pay a minimum level of tax on their income in each jurisdiction in which they operate. Under these new rules, multinational groups must collect information on their subsidiaries or controlled entities to assess the need for additional tax payments (Top-Up Tax) in countries adhering to the Pillar Two guidelines if these entities have an effective tax rate below 15% on their income. The nominal corporate tax rate on income in all relevant jurisdictions where the Company operates is above 15%, including in Brazil, with no expectation of legislative changes or extraordinary transactions that could alter this situation. Thus, for the year ending December 31, 2024, the Company does not expect any significant impact in the jurisdictions in which it operates.

The Company is in the process of understanding the implementation of these new standards in order to align the current Integrated Report with the requirements of the standards and the expectations of investors and financial markets.

2.4.3. Sustainability standards and information not yet adopted:

Pronouncement	Change
IFRS S1 and IFRS S2	In June 2024, the International Sustainability Standards Board ("ISSB") issued its first two sustainability reporting standards, which were adopted in Brazil by the CVM, with mandatory application starting from fiscal years beginning on or after January 1, 2026. These standards contain requirements for the disclosure of sustainability information and aim to promote the consistency, comparability, and quality of such information, designed to meet the needs of investors and financial markets. The Company is in the process of understanding the implementation of these new standards to align the current Integrated Report with the requirements of the standards and the expectations of investors and financial markets.

2.5 Going concern

Management assessed the Company's and its subsidiaries' ability to continue operating as a going concern and is confident that they have the resources required to sustain the business into the future. Therefore, these interim financial statements were prepared based on the assumption of continuity.

Management is not aware of any material uncertainty that could raise significant doubts about its ability to continue operating as a going concern.

2.6 Reclassifications for better comparability

For the purpose of comparability, in the balance sheet as of December 31, 2023, the Company made the following reclassifications: i) reclassification of the balance of judicial deposits that were originally presented as a reduction of the contingencies liability in the amount of R$ 35,428 for the parent company and R$ 50,296 for the consolidated; ii) reclassification of the balance of harvested wood in the amount of R$ 138,391 related to the subsidiary Duratex Florestal Ltda, which was previously recorded in non-current assets under biological assets, to current assets under inventory; and iii) reclassification of the balance of deferred income tax and social contribution in the amount of R$ 93,881, which was previously recorded in non-current assets under deferred income tax and social contribution, to non-current assets under taxes and contributions to be recovered, as shown below:

	Parent company 12/31/2023 (original)	Reclassification	Parent company 12/31/2023 (reclassified)
Non-current assets			
Judicial deposits	91,809	35,428	127,237
Recoverable taxes and contributions	515,956	93,881	609,837
Deferred income tax and social contribution	611,025	(93,881)	517,144
Total non-current assets	**11,054,654**	**35,428**	**11,090,082**
Total assets	**14,341,151**	**35,428**	**14,376,579**
Non-current liabilities			
Provision for contingencies	110,846	35,428	146,274
Total non-current liabilities	**5,053,860**	**35,428**	**5,089,288**
Total liabilities	**14,341,151**	**35,428**	**14,376,579**

	Consolidated 12/31/2023 (original)	Reclassification	Consolidated 12/31/2023 (reclassified)
Current assets			
Inventory	1,403,387	138,391	1,541,778
Total Current assets	**5,761,356**	**138,391**	**5,899,747**
Total non-current assets			
Biological asset	2,503,438	(138,391)	2,365,047
Judicial deposits	114,967	50,296	165,263
Recoverable taxes and contributions	644,661	93,881	738,542
Deferred income tax and social contribution	688,014	(93,881)	594,133
Total non-current assets	**12,159,235**	**(88,095)**	**12,071,140**
Total assets	**17,920,591**	**50,296**	**17,970,887**
Non-current liabilities			
Provision for contingencies	336,192	50,296	386,488
Total non-current liabilities	**7,789,817**	**50,296**	**7,840,113**
Total liabilities	**17,920,591**	**50,296**	**17,970,887**

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The main accounting policies that the Company has consistently adopted in the periods are presented in summary in the respective explanatory notes, except for the policies below, which relate to more than one explanatory note.

3.1 Consolidation of Financial Statements

Subsidiaries included in the consolidated financial statements and other investments accounted for using the equity method:

Direct subsidiaries	Headquarters Country	Main Activities	12/31/2024	12/31/2023
Duratex Florestal Ltda.	Brazil	Silviculture, agriculture, and the sale of products related to these activities	100%	100%
Dexco Revestimentos Cerâmicos S.A. (incorporated by the parent company)	Brazil	Manufacturing, trading, exporting, and importing of floors and other ceramic products	-	100%
Hydra Corona Sistemas de Aquecimento de Água Ltda	Brazil	Production and sale of electric showers, showerheads, and faucets	100%	100%
Dexco Colômbia S.A.	Colombia	Production and sale of wood panels	100%	100%
Dexco Comércio de Produtos para Construção S.A.	Brazil	Trade of wood, metals, ceramic materials, and participation in other companies	100%	100%
DX Store S.A (Current name of the Trento Administração e Participações S.A.)	Brazil	Participation in other companies	100%	100%
Dexco Empreendimentos Ltda	Brazil	Participation in other companies	100%	100%
Duratex North America Inc	USA	Import and sale of goods	100%	100%
Duratex Europe N.V	Belgium	Participation in other companies	100%	100%
Estrela do Sul Participações Ltda	Brazil	Participation in other companies	100%	100%
DX Ventures Fundo de Investimento em Participações Multiestratégia Investimento	Brazil	Investment fund	100%	100%
Castelatto Ltda	Brazil	Manufacture of artifacts and products made of concrete, cement, fiber cement, plaster and similar materials.	100%	-
Griferia Sur	Brazil	On sale	100%	100%
Dexco Lorena Fundo de Investimento Renda Fixa	Brazil	Investment fund	100%	-
Indirect Subsidiaries	**Headquarters Country**	**Main Activities**	**12/31/2024**	**12/31/2023**
Caetex Florestal S.A.	Brazil	Silviculture, agriculture, and the sale of products related to these activities	60%	60%
Dexco PDX Soluções Digitais Ltda.	Brazil	Intermediation and agency of services and business in general	100%	-
Duratex SPE I S.A.	Brazil	Forestry, agriculture and the marketing of products related to these activities	50%	0%
Castelatto Ltda	Brazil	Manufacturing of concrete, cement, fiber-cement, gypsum, and similar materials	-	100%
Dexco Zona Franca S.A.S	Colombia	Production and sale of wood panels	100%	100%
Forestal Rio Grande S.A.S	Colombia	Silviculture, agriculture, and the sale of products related to these activities	100%	100%
Investments accounted for using the equity method not consolidated	**Headquarters Country**	**Main Activities**	**12/31/2024**	**12/31/2023**
LD Celulose S.A - Affiliate	Brazil	Production and sale of Soluble Cellulose	49%	49%
LD Florestal S.A. - Joint control	Brazil	Silviculture, agriculture, and the sale of products related to these activities	50%	50%
Mysa S.A. (Current name of ABC Atacado Brasileiro da Construção S.A.) - Significant Influence	Brazil	Trade of construction materials	10%	10%

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

3.1.1 Subsidiaries

The consolidated financial statements include the financial statements of the Company and its subsidiaries as of December 31, 2024, and 2023. Control is obtained when the Company is exposed, or has rights, to variable returns based on its involvement with the investee and has the ability to affect those returns through power over the investee.

Specifically, the Company controls an investee if, and only if, it has: i) power over the investee (i.e., existing rights that give it the ability to direct the relevant activities of the investee); ii) exposure, or rights, to variable returns from its involvement with the investee; and iii) the ability to use its power over the investee to affect the returns.

Generally, there is an assumption that a majority of voting rights results in control. To support this assumption, and when the Company has less than a majority of voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including: i) the contractual arrangement with other voting rights holders of the investee; ii) rights from contractual agreements; and iii) the voting rights and potential voting rights of the Company.

3.1.2 Business combinations

The Group uses the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred, and equity instruments issued by the Group. The transferred consideration includes the fair value of assets and liabilities arising from a contingent consideration arrangement, if applicable. Acquisition-related costs are expensed in the period incurred. The identifiable assets acquired and the contingent liabilities assumed in a business combination are initially measured at their fair values as of the acquisition date. The Group recognizes the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets at fair value. The measurement of the non-controlling interest is determined on a transaction-by-transaction basis.

The excess of the transferred consideration and the fair value of any previously held equity interest in the acquiree over the fair value of the Group's interest in the identifiable net assets acquired is recognized as goodwill. When the transferred consideration is less than the fair value of the acquired subsidiary's net assets, the difference is recognized as a gain directly in the income statement.

Intercompany transactions, as well as balances, unrealized gains, and losses on such transactions, are eliminated. When necessary, the accounting policies of the subsidiaries are adjusted to ensure consistency with the accounting policies adopted by the Company.

3.1.3 Transactions and non-controlling interests

Transactions with non-controlling shareholders are recorded in the same way as transactions with the Group's shareholders. For purchases of non-controlling interests, the difference between any consideration paid and the acquired share of the subsidiary's net assets is recorded in equity (in transactions with shareholders), as well as gains or losses on disposals to non-controlling interests.

3.2 Presentation of segmented information

Information by business segments is presented consistently with the decision-making process of the main operational decision-maker. The main operational decision maker, responsible for resource allocation and performance evaluation of the operating segments is the Company's Executive Board, responsible for making decisions Group's strategic goals, supported by the Board of Directors.

3.3 Private pension and health plans

The Company and some of its subsidiaries offer a defined contribution pension plan to all employees, managed by the Itaúsa Industrial Foundation. The regulations provide for the sponsors' contribution to be between 50% and 100% of the amount contributed by the employees. The Company previously offered a Defined Benefit Plan to its employees, but this plan is being phased out, and no new participants are allowed to join.

Regarding the Defined Contribution Pension Plan, the Company and its subsidiaries have no additional payment obligations after the contribution is made. Contributions are recognized as employee benefit expenses when due. Contributions made in advance are recognized as an asset to the extent that these contributions result in a reduction of future payments.

The Company offers health care plans that are contributory, currently with co-participation for its employees and their dependents. The nine health operators covered a total of 26,680 lives as of December 31, 2024 (28,350 lives as of December 31, 2023), including active employees, terminated employees, retirees, and dependents, thereby fulfilling the obligation to extend coverage to terminated employees and retirees in accordance with Law 9.656/98.

The Company offers a private pension plan to all eligible employees, with 4,294 participants as of December 31, 2024 (4,389 participants as of December 31, 2023).

3.4 Use of significant accounting judgments, estimates, and assumptions

In the preparation of the individual and consolidated financial statements, judgments, accounting estimates, and assumptions were used for the recognition of certain assets and liabilities and other transactions. The determination of accounting estimates and judgments adopted by Management was based on the information available at the date, involving past experience and forecasts of future events.

The main estimates, judgments, and assumptions that may involve risk, with the potential to cause adjustments to the carrying amounts of assets and liabilities, are outlined below:

Judgments, estimates, and assumptions	Note
Fair value of biological assets	16
Impairment test of goodwill	19
Private pension and healthcare plan benefits	34 e 35
Provisions for tax, labor, social security, and civil risks	24
Fair value of financial instruments	4
Deferred income tax and social security contributions	11

4. FINANCIAL RISK MANAGEMENT

4.1 Financial assets

4.1.1 Classification

The Company classifies its financial instruments based on the purpose, intent, and characteristics for which they were acquired, initially measuring them at fair value.

Subsequent to initial recognition, financial assets are classified as either amortized cost, fair value through other comprehensive income (debt instruments), or fair value through profit or loss.

4.1.2 Recognition, measurement, and derecognition

A financial asset is recognized when the Company becomes a party to the contractual provisions of the instrument, i.e., on the date of the instrument's acquisition.

Investments are initially recognized at fair value, plus transaction costs directly attributable to the transaction, in the case of a financial asset not measured at fair value through profit or loss, except for trade receivables that do not contain a significant financing component.
Financial assets measured at fair value through profit or loss are subsequently accounted for at fair value. Financial assets measured at amortized cost are subsequently measured using the effective interest method and are subject to impairment. For financial assets measured at fair value through other comprehensive income, interest income, exchange rate revaluation, and impairment losses or reversals are recognized in the income statement and calculated in the same way as financial assets measured at amortized cost. The remaining changes in fair value are recognized in other comprehensive income.

Financial assets are derecognized when the rights to receive cash flows from the investments have been realized or transferred; in the latter case, if the Company has transferred substantially all the risks and rewards of the asset.

4.1.2.1 Impairment of financial assets

Provisions for losses on financial assets are based on assumptions about the risk of default and expected loss rates. The Company applies judgment to establish these assumptions and to select the data for calculating impairment, based on its historical experience, current market conditions, and future estimates at the end of each period.

The criteria the Company and its subsidiaries use to determine whether there is objective evidence of impairment include:

• Significant financial difficulty of the issuer or debtor;

• A breach of contract, such as default or overdue interest or principal payments;

• The disappearance of an active market for that financial asset due to financial difficulties; or

• Observable data indicating a measurable reduction in estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, even though the reduction cannot yet be identified with the individual financial assets in the portfolio, including:

a) Adverse changes in the payment status of borrowers in the portfolio;
b) National or local economic conditions correlating with adverse changes in the payment status of borrowers in the portfolio;
c) National or local economic conditions correlating with defaults on assets in the portfolio.

The Company and its subsidiaries first evaluate whether there is objective evidence of impairment.

The amount of impairment loss is measured as the difference between the carrying amount of the assets and the present value of estimated future cash flows (excluding future credit losses not yet incurred), discounted at the original interest rate of the financial assets. The carrying amount of the asset is reduced, and the impairment loss is recognized in the income statement. If a loan or investment held to maturity has a variable interest rate, the discount rate for measuring impairment is the current effective interest rate determined according to the contract. As a practical expedient, the Company and its subsidiaries may measure impairment based on the fair value of an instrument using an observable market price.

If, in a subsequent period, the impairment loss decreases and the decrease can be objectively related to an event that occurred after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized loss will be recognized in the income statement.

4.2 Financial liabilities

Financial liabilities can be classified into two main categories: fair value through profit or loss and amortized cost. Financial liabilities at fair value are recognized at initial recognition, particularly when they are held for trading or designated for that purpose. Financial liabilities at amortized cost, such as loans and borrowings, are measured using the effective interest method after initial recognition.

Financial liabilities at amortized cost, which are predominant for the Group, are measured based on the effective interest rate, taking into account premiums, discounts, and associated costs. Gains and losses are recognized in the income statement both in the amortization process and at the time of derecognition of the liability. This category primarily applies to loans and borrowings, with amortization being recorded as financial expense in the income statement.

A financial liability is derecognized when the obligation is extinguished, either by settlement, cancellation, or expiration of the contract. If a liability is replaced or modified substantially, the process is treated as derecognition of the original liability and the recognition of a new liability, with the difference between the carrying amounts being recognized in the income statement.

4.3 Fair value of financial instruments

The fair values of assets and liabilities with quoted prices in active markets are based on the quoted prices at the closing date. If a financial asset does not have an active market, the Company establishes the fair value using valuation techniques. These techniques include using recent transactions with third parties, referring to other instruments that are substantially similar, analyzing discounted cash flows, and pricing models that make the maximum possible use of market-generated information and rely minimally on information generated by the Company's management.

When the fair value of assets and liabilities presented in the balance sheet cannot be obtained from active markets, it is determined using valuation techniques, including the discounted cash flow method. The data for these methods are based on those practiced in the market, when possible. However, when this is not feasible, a certain level of judgment is required to establish the fair value. Judgment includes considerations of the data used, such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the fair value presented for financial instruments.

4.3.1 Offsetting of financial instruments

Financial assets and liabilities are offset and presented at the net amount in the individual and consolidated balance sheets only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle them on a net basis, or realize the asset and settle the liability simultaneously.

4.4 Derivative financial instruments and hedging activities

The Company and its subsidiaries use derivative financial instruments to hedge their exposure to interest rate and exchange rate risks, using hedge accounting. The fair value changes of the hedging instrument are recorded in counterpart to the financial income or expense account in the income statement and/or in specific equity accounts. For hedge accounting purposes, the hedging instruments are classified as:

- Fair value hedges, when intended to hedge exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.

The change in the fair value of a hedging instrument is recognized in the income statement as a financial result. The change in the fair value of the hedged item attributable to the hedged risk is recorded as part of the carrying amount of the hedged item and is also recognized in the income statement as a financial result. If the hedged item is derecognized, the unamortized fair value is recognized immediately in the income statement.

- Cash flow hedges, when intended to hedge exposure to variability in cash flows attributable to a specific risk associated with a recognized asset or liability or a highly probable forecast transaction, or foreign currency risk on an unrecognized firm commitment.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized and accumulated in other comprehensive income, limited to the cumulative change in the fair value of the hedged item, determined based on the present value from the designation of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the income statement. If the hedge no longer meets the hedge accounting criteria or if the hedge instrument is sold, terminated, exercised, or expires, hedge accounting is discontinued prospectively.

4.5 Financial risk factors

The Company and its subsidiaries are exposed to market risks related to fluctuations in interest rates, currency exchange rates, liquidity risks, and credit risks.

Thus, risk management follows policies approved by the Board of Directors, including monitoring by the Executive Committee, Finance Committee, Audit and Risk Management Committee, and Risk Committee. The Company and its subsidiaries have procedures in place to manage these situations and may use hedging instruments to reduce or eliminate the impacts of these risks. These procedures include monitoring exposure levels to each market risk, as well as establishing limits for the respective decision-making. All hedging transactions made by the Group aim to protect its future cash flows related to its debt and investments, and it does not engage in speculative or leveraged derivative financial transactions.

Market risk

(I) Currency risk: The currency risk refers to the reduction in the value of assets or the increase of liabilities due to a change in the exchange rate. The Company and its subsidiaries have a Financial Policy, approved by the Board of Directors, which establishes the maximum amount denominated in foreign currency that can be exposed to exchange rate fluctuations.

Due to their risk management procedures, which aim to minimize currency exposure, hedging mechanisms are maintained to protect most of their currency exposure.

(II) Interest rate risk or cash flow or fair value risk
Interest rate risk is the risk of the Company incurring economic losses due to adverse changes in these rates. This risk is continuously monitored to assess the need for derivative transactions to protect against interest rate volatility.

Credit Risk

The Company's sales policy is directly associated with the level of credit risk it is willing to assume in the course of its business. Diversification of its receivables portfolio, selectivity of its clients, as well as monitoring the sales financing terms and individual limits are procedures adopted to minimize defaults or losses in the realization of accounts receivable.

Regarding financial investments and other investments, the Group's policy is to work with first-tier financial institutions and not have investments concentrated in a single economic group.

a) Customer risk classification

The Company and its subsidiaries have a Credit Policy, which aims to establish procedures for granting credit for the sale of products and services, both in the domestic and foreign markets.

The determination of the limit occurs through a credit risk analysis, considering the history of a company, its ability as a borrower, market information, and credit bureau reports.

The risk classification occurs based on models from external bureaus, both for the domestic and foreign markets, and is reflected in the rating scale from "A" to "D," where "A" indicates the lowest risk clients, and "D" indicates the highest risk clients.

The portion of customers with impairment is classified separately.

Classification	12/31/2024	12/31/2023
A	37%	40%
B	27%	19%
C	28%	35%
D	5%	2%
Impairment in accounts receivable	3%	4%

As of the date of the report, the maximum exposure to credit risk is the carrying amount of each class of accounts receivable mentioned above.

b) Cash, cash equivalents, and financial investments

The Company has a policy that establishes the financial institutions for investment operations, following eligibility criteria, and must ensure the efficient allocation of financial resources.

The Company understands that the financial investment operations contracted do not expose Dexco and its subsidiaries to significant credit risks that could lead to material future losses. The credit risk of the financial institutions is evaluated based on the ratings provided by international agencies and is presented as follows:

	Parent company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
AAA (bra)	868,096	988,444	1,290,279	2,206,590
AAA (1)	-	-	1,176	60,040
AA (bra)	55,160	160,998	205,289	224,852
Total	**923,256**	**1,149,442**	**1,496,744**	**2,491,482**

(1) Financial investments abroad

Liquidity Risk

The Company has an internal financial policy that sets forth the guidelines, limits, and parameters to be followed in the management of its activities in order to ensure stability and mitigate liquidity risk. Therefore, the Company aims to maintain its available cash always above the Minimum Cash Limit, which is determined by the sum of certain obligations due within the next three months.

Additionally, to mitigate liquidity risk and potential market fluctuations, the Company has a revolving credit facility with Banco do Brasil S.A. for up to R$ 750,000,000.00 (seven hundred and fifty million reais), with the possibility of immediate withdrawal in the event of liquidity constraints, available until September 2025.

The table below shows the maturity of certain financial liabilities and the obligations with suppliers contracted by the Company and its subsidiaries.

	Parent company					Consolidated				
12/31/2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Loans and financing	1,456,015	2,923,129	2,837,550	788,629	8,005,322	1,601,111	3,131,691	5,797,600	1,635,031	12,165,433
Suppliers	7,686	-	-	-	7,686	7,686	-	-	-	7,686
Related party suppliers	842,672	-	-	-	842,672	985,031	-	-	-	985,031
Drawn risk suppliers	95,590	-	-	-	95,590	3,757	-	-	-	3,757
Lease liabilities	259,136	-	-	-	259,136	273,347	-	-	-	273,347
Lease liabilities related parties	23,724	20,842	99	514	45,179	52,001	80,407	54,392	534,584	721,384
Accounts payable	-	-	-	-	-	2,191	5,127	9,990	34,708	52,016
Payables to related parties	269,531	265,997	-	28,684	564,212	485,185	287,917	-	31,919	805,021
Payables to related parties	11,787	-	-	-	11,787	4,200	-	-	-	4,200
Total	**2,966,141**	**3,209,968**	**2,837,649**	**817,827**	**9,831,584**	**3,414,509**	**3,505,142**	**5,861,982**	**2,236,242**	**15,017,875**

	Parent company					Consolidated				
12/31/2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Loans and financing	1,462,131	2,502,016	2,891,892	959,722	7,815,761	1,540,808	2,675,094	3,979,989	2,058,571	10,254,462
Suppliers	709,546	-	-	-	709,546	954,534	-	-	-	954,534
Related party suppliers	67,807	-	-	-	67,807	32,420	-	-	-	32,420
Drawn risk suppliers	164,153	-	-	-	164,153	187,818	-	-	-	187,818
Lease liabilities	16,082	26,507	4,149	-	46,738	49,346	82,699	54,493	508,910	695,448
Lease liabilities related parties	-	-	-	-	-	1,975	4,622	9,006	38,388	53,991
Accounts payable	226,020	86,919	-	32,204	345,143	562,107	222,310	18,421	36,625	839,463
Payables to related parties	67,294	-	-	-	67,294	4,458	-	-	-	4,458
Total	**2,713,033**	**2,615,442**	**2,896,041**	**991,926**	**9,216,442**	**3,333,466**	**2,984,725**	**4,061,909**	**2,642,494**	**13,022,594**

The budget projection for the fiscal year, approved by the Board of Directors, demonstrates the Company's capacity and cash generation ability to meet its obligations.

(III) Derivative Transactions:

In derivative transactions, there are no margin calls, and the contract is settled upon maturity, being recorded at fair value.

The open contracts as of December 31, 2024, are as follows:

a) Cash flow hedge

The Company has debt contracts with derivatives designated as cash flow hedges, with maturities up to May 2027.

As of December 31, 2024, the Company had 1 debt contract with a derivative of a notional value of US$ 75,000, where the derivatives are designated as cash flow hedges with an active position in US dollars + fixed rate and a passive position in Brazilian reais at CDI + 1.7% per year. In addition, the Company had 4 debt contracts with derivatives of a notional value of US$ 175,000, designated as cash flow hedges with an active position in US dollars + fixed rate and a passive position in Brazilian reais at an average of 112.2% of CDI.

b) Fair value hedge

As of December 31, 2024, the Company had 6 debt contracts with derivatives, as follows:

1 debt contract with derivatives of an aggregated notional value of R$ 697,000, where the derivatives are designated as fair value hedges, swapping IPCA + fixed rate (active leg) for a passive position of an average of 96.3% of CDI.

2 debt contracts with derivatives of an aggregated notional value of R$ 941,964, where the derivatives are designated as fair value hedges, swapping a fixed rate + IPCA monetary update (active leg) for a passive position of an average of 104.1% of CDI.

1 debt contract with derivatives of a notional value of R$ 375,000, where the derivative is designated as a fair value hedge, swapping a fixed rate for a passive position of 108.5% of CDI.

At the end of the fiscal year, the subsidiary Duratex Florestal had 2 debt contracts with derivatives, designated as fair value hedges, with an aggregated notional value of R$ 1,217,753, swapping the fixed rate + IPCA monetary update (active leg) for a passive position of 106.7% of CDI.

c) Calculation of fair value of hedge positions

The fair value of financial instruments was calculated using present value pricing, both for the passive and active legs, where the difference between the two positions generates the market value.

The derivatives aim to mitigate exposure to interest rate indices and/or foreign exchange exposure. The use of derivatives is strictly for hedging purposes, and speculative transactions are prohibited. The management of financial and derivative risks is carried out according to the strategy and guidelines established in the Company's and its subsidiaries' financial policy.

							Parent company							
							12/31/2024				12/31/2023			
			Fees				Fair value		Profit (Loss)		Fair value		Profit (Loss)	
Derivative instrument	Object of protection	Risk	Active tip	Passive tip	Maturity	Benchmark (Notional)	Assets	Liability	Result	Equity	Assets	Liability	Result	Equity
Fair value hedge														
Swap	Loan	Interest	IPCA+ 3.8% a 6.4%	95.0% a 108.6% CDI	out/35	1,638,964	1,458	142,762	(2,921)	-	-	-	-	-
Swap	Loan	Interest	Pré 11.0%	108.5% CDI	dez/33	375,000	-	80,303	(179)	-	-	-	-	-
							1,458	223,065	(3,100)	-	-	-	-	-
Cash flow hedge														
Swap	Loan	Interest	IPCA+ 3.8% a 6.4%	95.0% a 108.6% CDI	out/35	1,597,000	-	-	-	-	62,768	39,619	8,888	14,260
Swap ME	Loan	Interest	USD+ 2.3% a 6.0%	CDI+ 1.7% e 110.9% a 115.0% CDI	mai/27	1,336,349	204,285	89,254	189,236	(74,205)	443	215,458	(157,497)	(57,518)
Total							**205,743**	**312,319**	**186,136**	**(74,205)**	**63,211**	**255,077**	**(148,609)**	**(43,258)**
						Current	52,560	120,562	-	-	63,211	128,136	-	-
						Non-current	153,182	191,757	-	-	-	126,941	-	-

							Consolidated							
							12/31/2024				12/31/2023			
			Fees				Fair value		Profit (Loss)		Fair value		Profit (Loss)	
Derivative instrument	Object of protection	Risk	Active tip	Passive tip	Maturity	Benchmark (Notional)	Assets	Liability	Result	Equity	Assets	Liability	Result	Equity
Fair value hedge														
Swap	Loan	Interest	IPCA+ 3.8% a 6.4%	95.0% a 108.6% CDI	out/35	2,856,717	1,458	283,189	(7,148)	-	-	-	-	-
Swap	Loan	Interest	Pré 11.0%	108.5% CDI	dez/33	375,000	-	80,303	(179)	-	-	-	-	-
							1,458	363,492	(7,327)	-	-	-	-	-
Cash flow hedge														
Swap	Loan	Interest	IPCA+ 3.8% a 6.4%	95.0% a 108.6% CDI	out/35	2,856,717	-	-	-	-	105,575	47,834	14,685	43,056
Swap ME	Loan	Interest	USD+ 2.3% a 6.0%	CDI+ 1.7% e 110.9% a 115.0% CDI	mai/27	1,336,349	204,284	89,254	189,236	74,205	443	215,458	(157,497)	(57,518)
Total							**205,742**	**452,746**	**181,909**	**74,205**	**443**	**215,458**	**(157,497)**	**(14,462)**
						Current	52,560	121,487	-	-	-	136,275	-	-
						Non-current	153,182	331,259	-	-	106,018	127,017	-	-

	Consolidated	
	12/31/2024	12/31/2023
Debt derivative instruments		
Current assets	52,560	-
Non-current assets	153,182	106,018
Current liabilities	(121,487)	(136,275)
Non-current liabilities	(331,259)	(127,017)
Total	**(247,004)**	**(157,274)**

d) Hedge accounting effectiveness test

For the year ended December 31, 2024, and December 31, 2023, effectiveness tests were conducted, demonstrating that the implemented hedge accounting program is effective, considering the economic relationship based on the hedge ratio analysis, the effect of the credit risk involved in the instrument and hedged item, and the evaluation of the critical terms.

e) Sensitivity analysis

Considering the existing investments, loans, financings, and derivative instruments of the Company, the following is the sensitivity analysis of exchange rate and interest rate fluctuations.

The Company is exposed to exchange rate risk related to the dollar, as well as CDI-based rates. For the sensitivity scenario, we adopted projections for the next 12 months of results and used the future curves from B3 as a reference.

Parent company

				Profit (Loss)	
	Index	Projected Rate	Balance at 12/31/2024	Base scenario	Possible scenario
Financial investments	CDI	15.02%	923,256	105,276	133,476
Loans and financing					
National currency	CDI	15.6%	1,330,395	75,587	90,726
National currency with swap	IPCA	15.9%	1,489,407	193,530	243,301
National currency with swap	PRÉ	17.4%	284,899	48,083	60,513
Foreign currency with swap	USD	16.8%	1,560,934	180,425	223,240
Debentures	CDI	16.9%	607,466	76,277	95,835
Total			**6,196,357**	**679,178**	**847,090**
Effect on Results			2,861,117	257,140	320,037
Effect on Equity			1,489,407	193,530	243,301

Consolidated					
				Profit (Loss)	
	Index	Projected Rate	Balance at 12/31/2024	Base scenario	Possible scenario
Financial investments	CDI	14.66%	1,495,568	168,612	213,226
Loans and financing					
National currency	CDI	16.0%	1,414,196	154,039	188,952
National currency with swap	IPCA	16.2%	2,612,099	347,506	436,368
National currency with swap	PRÉ	17.4%	284,899	48,083	60,513
Foreign currency with swap	USD	16.8%	1,560,934	180,425	223,240
Debentures	CDI	16.9%	607,466	76,277	95,835
Total			**7,975,162**	**974,942**	**1,218,135**
Effect on Results			3,517,230	398,928	498,013
Effect on Equity			2,612,099	347,506	436,368

4.6 Capital management

The Company and its subsidiaries manage capital in a way that ensures the continuity of their operations, as well as providing returns to their shareholders, including through the optimization of capital costs and control of debt levels by monitoring the financial leverage ratio. This ratio corresponds to the value of net debt divided by shareholders' equity.

		Parent company		Consolidated	
	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
A - Short - term		1,201,140	1,208,984	1,332,721	1,228,033
Loans, financing and debentures	19	1,133,138	1,080,848	1,263,794	1,091,758
Debt derivative financial instruments	19.9	68,002	128,136	68,927	136,275
A.1 - Long - term		4,178,538	4,723,587	5,393,877	5,893,772
Loans, financing and debentures	19	4,139,963	4,659,857	5,215,800	5,872,773
Debt derivative financial instruments	19.9	38,575	63,730	178,077	20,999
B-(-) Cash and cash equivalents		961,280	1,289,996	1,753,720	2,785,454
C=(A-B) Net debt		**4,418,398**	**4,642,575**	**4,972,878**	**4,336,351**
D- Stockholders' equity		6,979,868	6,403,611	7,198,063	6,522,078
C/D=Financial leverage index		63%	72%	69%	66%

4.7 Fair value estimate

Financial assets and liabilities, measured at amortized cost, have a carrying amount equivalent to their fair value due to the fact that these financial instruments have characteristics substantially similar to those that would be obtained if they were traded in the market.

To determine fair value, valuation techniques provided in CPC 46 / IFRS 13 – Fair Value Measurement are used, which may result in a carrying amount different from the fair value, mainly due to the instruments having long settlement periods and differentiated costs compared to the interest rates currently applied to similar contracts, as well as the daily change in future interest rates.

Below, we present the consolidated financial instruments by category:

		Parent Company							
		Amortized cost		FV		FVOCI		Total	
	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
ASSETS									
Cash and banks	5.1	72,440	140,554	-	-	-	-	72,440	140,554
Cash equivalents	5.1	110,247	1,149,442	-	-	-	-	110,247	1,149,442
Financial assets	5.2	778,593	-	-	-	-	-	778,593	-
Trade accounts receivable	6	1,010,388	738,407	-	-	-	-	1,010,388	738,407
Related party accounts receivable	11	39,152	105,990	-	-	-	-	39,152	105,990
Debt derivative financial instruments	19.9	-	-	205,742	63,211	-	-	205,742	63,211
Judicial deposits	23.2	143,590	127,237	-	-	-	-	143,590	127,237
Marketable securities	12	-	-	7,358	6,877	-	-	7,358	6,877
Total		**2,154,410**	**2,261,630**	**213,100**	**70,088**	**-**	**-**	**2,367,510**	**2,331,718**
LIABILITIES									
Loans/ debentures	19	3,498,796	5,740,705	1,774,305	-	-	-	5,273,101	5,740,705
Suppliers	20	842,672	709,546	-	-	-	-	842,672	709,546
Related party suppliers	11	95,590	67,807	-	-	-	-	95,590	67,807
Suppliers finance arrangements	20	259,136	164,153	-	-	-	-	259,136	164,153
Lease liabilities	15	45,179	46,738	-	-	-	-	45,179	46,738
Personnel obligations		173,525	156,057	-	-	-	-	173,525	156,057
Accounts payable	21	564,212	345,143	-	-	-	-	564,212	345,143
Related party accounts payable	11	15,821	73,731	-	-	-	-	15,821	73,731
Dividends/ interests on capital	24.6	38,631	207,529	-	-	-	-	38,631	207,529
Debt derivative financial instruments	19.9	-	-	238,114	211,819	74,205	43,258	312,319	255,077
Other financial instruments	19.9	-	-	4,244	2,514	-	-	4,244	2,514
Total		**5,533,562**	**7,511,409**	**2,016,663**	**214,333**	**74,205**	**43,258**	**7,624,430**	**7,769,000**

		Consolidated							
		Amortized cost		FV		FVOCI		Total	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
ASSETS									
Cash and banks	5.1	291,425	293,972	-	-	-	-	291,425	293,972
Cash equivalents	5.1	939,994	2,491,482	-	-	-	-	939,994	2,491,482
Financial assets	5.2	522,301	-	-	-	-	-	522,301	-
Trade accounts receivable	6	1,183,448	1,085,931	-	-	-	-	1,183,448	1,085,931
Related party accounts receivable	11	36,710	74,461	-	-	-	-	36,710	74,461
Debt derivative financial instruments	19.9	-	-	205,742	106,018	-	-	205,742	106,018
Judicial deposits	23.2	165,854	165,263	-	-	-	-	165,854	165,263
Marketable securities	12	-	-	161,462	137,282	-	-	161,462	137,282
Total		**3,139,732**	**4,111,109**	**367,204**	**243,300**	**-**	**-**	**3,506,936**	**4,354,409**
LIABILITIES									
Loans/ debentures	19	3,582,595	6,964,531	2,896,999	-	-	-	6,479,594	6,964,531
Suppliers	20	985,031	954,534	-	-	-	-	985,031	954,534
Related party suppliers	11	3,757	32,420	-	-	-	-	3,757	32,420
Suppliers finance arrangements	20	273,347	187,818	-	-	-	-	273,347	187,818
Lease liabilities	15	721,384	695,448	-	-	-	-	721,384	695,448
Related party lease liabilities	11	52,016	53,991	-	-	-	-	52,016	53,991
Personnel obligations		210,052	208,816	-	-	-	-	210,052	208,816
Accounts payable	21	805,021	839,463	-	-	-	-	805,021	839,463
Related party accounts payable	11	9,100	13,558	-	-	-	-	9,100	13,558
Dividends/ interests on capital	24.6	41,684	213,146	-	-	-	-	41,684	213,146
Debt derivative financial instruments	19.9	-	-	378,541	220,034	74,205	43,258	452,746	263,292
Other financial instruments	19.9	-	-	4,244	2,514	-	-	4,244	2,514
Total		**6,683,987**	**10,163,725**	**3,279,784**	**222,548**	**74,205**	**43,258**	**10,037,976**	**10,429,531**

(a) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy described below, based on the lowest level of information that is significant to the overall fair value measurement:

• Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 – valuation techniques for which the lowest level of information significant for the fair value measurement is observable, either directly or indirectly;

• Level 3 – valuation techniques for which the lowest level of information significant for the fair value measurement is unobservable.

The following tables demonstrate the fair value measurement hierarchy of the parent company and consolidated assets and liabilities:

		Parent company	
		12/31/2024	12/31/2023
	Note	Level 2	Level 2
ASSETS			
Cash and banks	5.1	72,440	140,554
Cash equivalents	5.1	110,247	1,149,442
Financial assets	5.2	778,593	-
Trade accounts receivable	6	1,010,388	738,407
Accounts receivable from related parties	11	39,152	105,990
Debt derivative financial instruments	19.9	205,742	63,211
Judicial deposits	23.2	143,590	127,237
Securities	12	7,358	6,877
Total		**2,367,510**	**2,331,718**
LIABILITIES			
Loans/ debentures	19	5,273,101	5,740,705
Suppliers	20	842,672	709,546
Related party suppliers	11	95,590	67,807
Drawn risk suppliers	20	259,136	164,153
Lease liabilities	15	45,179	46,738
Personnel obligations		173,525	156,057
Accounts payable	21	564,212	345,143
Accounts payable to related parties	11	15,821	73,731
Dividends/JCP	24.6	38,631	207,529
Debt derivative financial instruments	19.9	386,524	298,335
Other financial instruments	19.9	4,244	2,514
Total		**7,698,635**	**7,812,258**

		Consolidated			
		12/31/2024		12/31/2023	
	Note	Level 2	Level 3	Level 2	Level 3
ASSETS					
Cash and banks	5.1	291,425	-	293,972	-
Cash equivalents	5.1	939,994	-	2,491,482	-
Financial assets	5.2	522,301	-	-	-
Trade accounts receivable	6	1,183,448	-	1,085,931	-
Accounts receivable from related parties	11	36,710	-	74,461	-
Debt derivative financial instruments	19.9	205,742	-	106,018	-
Legal deposits	23.2	165,854	-	165,263	-
Securities	12	7,358	154,104	6,877	130,406
Total		**3,352,832**	**154,104**	**4,224,004**	**130,406**
LIABILITIES					
Loans/ debentures	19	6,479,594	-	6,964,531	-
Suppliers	20	985,031	-	954,534	-
Related party suppliers	11	3,757	-	32,420	-
Suppliers risk drawn	20	273,347	-	187,818	-
Lease liabilities	15	721,384	-	695,448	-
Related party lease liabilities	11	52,016	-	53,991	-
Personnel obligations		210,052	-	208,816	-
Accounts payable	21	805,021	-	839,463	-
Related party accounts payable	11	9,100	-	13,558	-
Dividends/ interests on capital	24.6	41,684	-	213,146	-
Debt derivative financial instruments	19.9	452,746	-	263,292	-
Other financial instruments	19.9	4,244	-	2,514	-
Total		**10,037,976**	**-**	**10,429,531**	**-**

Securities and financial instruments (Level 3): The investment in the "DX Ventures Multi-Strategy Investment Fund in Foreign Investments" consists of ideal fractions of its net equity, which is assessed based on the economic-financial analysis carried out by the fund's managers, according to its regulations. The valuation of investments in companies, acquired through shares or convertible loans into shares, follows the established rules. Shares of private companies (not listed on the stock exchange or over-the-counter market) are initially recorded at acquisition cost and adjusted to fair value in the financial statements. The gains or losses from the revaluation, even if unrealized financially, are recognized in the income statement. Convertible loans are recorded at acquisition cost, typically reflecting their fair value at the time, with the addition of contractual income and subsequent adjustments as needed.

4.8 Climate risk management

Climate risks are global, affecting all businesses, and are at the center of discussions regarding the socio-environmental impacts of economic activities. The Company has a robust forestry operation, which provides raw materials for the production of wood panels and flooring, and operates industrial units in various geographic locations in Brazil and Colombia. These operations are exposed to climate risks at different scales, which could affect their productivity.The Company's management of climate change has evolved continuously through studies and partnerships that help identify risks and opportunities within the business. The Company also seeks to align itself with the recommendations of the TCFD - Task Force on Climate-related Financial Disclosures, regarding climate-related financial disclosures.

Additionally, the Company has been assessing and managing climate-related risks and exploring opportunities in product and service strategy, in the supply chain, and in investments made in Research and Development (R&D).

This is to understand the impacts of natural resource usage, the influence of climate seasonality, and the sustainability of planted forests.

Furthermore, the Company has used these scenario analyses to make investment and divestment decisions, and considers environmental factors in all of its studies for mergers and acquisitions, as well as strengthening its Socio-Environmental Program. This initiative focuses on the standardization and dissemination of socio-environmental policies, practices, and systems for businesses acquired over a two-year period, mapping environmental risks and impacts, including issues related to greenhouse gas emissions.

The Company manages risks continuously and ensures compliance with its Risk Management Policy through a structure that includes a dedicated Internal Audit, Risk Management, and Internal Controls area, as well as an Audit and Risk Management Committee. The Company monitors all of its risks on an ongoing basis, frequently updating its risk map. This includes climate change risk, which is monitored by the risk management area based on action plans defined and reviewed by the business areas.

The Company’s complete view of climate risks and opportunities is updated in its Integrated Report and its Climate Risks and Opportunities Report, which are published annually. For the periods ended December 31, 2024, and December 31, 2023, the Company did not experience significant financial impacts from events arising from climate change.

5. CASH AND CASH EQUIVALENTS AND FINANCIAL ASSETS

Accounting Policy

Cash and cash equivalents include cash, bank deposits, and other short-term investments with high liquidity, with original maturities of three months or less, and that are subject to an insignificant risk of change in value.

5.1 Cash and cash equivalents

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cash and banks	**72,440**	**140,554**	**291,425**	**293,972**
Cash and banks	72,440	140,554	77,756	153,443
Remunerated bank accounts of foreign subsidiaries	-	-	213,669	140,529
Cash Equivalents (1)	**110,247**	**1,149,442**	**939,994**	**2,491,482**
Bank Certificates of Deposit - CDBs	**110,247**	**1,149,442**	**929,155**	**2,427,918**
Committed	-	-	9,663	3,524
Foreign investments	-	-	1,176	60,040
Total	**182,687**	**1,289,996**	**1,231,419**	**2,785,454**

(1) As of December 31, 2024, the average annual return on financial investments is equivalent to 101.79% of the Interbank Deposit Certificate (CDI) for the Parent Company (103.13% as of December 31, 2023) and 101.78% in the Consolidated (102.04% as of December 31, 2023).

5.2 Financial assets

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Exclusive investment fund	778,593	-	-	-
Investment in financial notes	-	-	129,939	-
Investment in treasury financial notes	-	-	392,362	-
Total	**778,593**	**-**	**522,301**	**-**

The Company concentrates part of its investments in an exclusive investment fund, which holds shares in the Dexco Lorena investment fund. The value of the shares held by the Company is presented under the "investment fund" item in the parent company. The financial statements of the exclusive investment fund, in which the Company holds a 100% interest, have been consolidated. For consolidation purposes, the balance of the investment fund is presented according to the financial component.

As of December 31, 2024, the financial investments in Financial Letters and Treasury Financial Letters were remunerated at an average rate of 107.96% and 100.41%, respectively.

6. ACCOUNTS RECEIVABLE FROM CLIENTS

Accounting Policy

These correspond to amounts to be received in the normal course of the Group's activities. They are initially recorded at the fair value of the consideration to be received, plus, when applicable, foreign exchange variations.

Subsequently, they are measured at amortized cost and reduced by any impairment of accounts receivable from customers.

6.1 Composition

	Parent company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Domestic customers	885,925	667,619	1,016,899	947,872
Foreign customers	160,062	103,026	204,262	183,148
Impairment in accounts receivable	(35,599)	(32,238)	(37,713)	(45,089)
Total customers - third parties	1,010,388	738,407	1,183,448	1,085,931
Total customers - related parties	39,152	105,990	36,710	74,461
Total accounts receivable	**1,049,540**	**844,397**	**1,220,158**	**1,160,392**

The following shows the accounts receivable balances by aging of due dates:

	Parent company							
	12/31/2024							
		Past due						
	Not yet due	**Up to 30 days**	**From 31 up to 60 days**	**From 61 up to 90 days**	**From 91 up to 180 days**	**More than 180 days**	**Impairment in accounts receivable**	**Total**
Domestic customers	833,059	16,111	5,953	2,602	8,205	19,995	(30,901)	**855,024**
Foreign customers	136,599	14,097	4,624	153	598	3,991	(4,698)	**155,364**
Related parties	37,319	1,493	149	157	26	8	-	**39,152**
Total	**1,006,977**	**31,701**	**10,726**	**2,912**	**8,829**	**23,994**	**(35,599)**	**1,049,540**

	12/31/2023							
		Past due						
	Not yet due	**Up to 30 days**	**From 31 up to 60 days**	**From 61 up to 90 days**	**From 91 up to 180 days**	**More than 180 days**	**Impairment in accounts receivable**	**Total**
Domestic customers	624,822	16,901	4,983	1,829	2,532	16,552	(29,274)	**638,345**
Foreign customers	66,440	10,003	4,948	1,443	1,094	19,098	(2,964)	**100,062**
Related parties	74,224	1,742	70	1,249	2,422	26,283	-	**105,990**
Total	**765,486**	**28,646**	**10,001**	**4,521**	**6,048**	**61,933**	**(32,238)**	**844,397**

	Consolidated							
	12/31/2024							
		Past due						
	Not yet due	Up to 30 days	From 31 up to 60 days	From 61 up to 90 days	From 91 up to 180 days	More than 180 days	Impairment in accounts receivable	Total
Domestic customers	960,008	17,205	6,061	2,701	9,022	21,902	(32,652)	**984,247**
Foreign customers	180,398	14,569	4,623	153	583	3,936	(5,061)	**199,201**
Related parties	34,878	1,493	149	157	25	8	-	**36,710**
Total	**1,175,284**	**33,267**	**10,833**	**3,011**	**9,630**	**25,846**	**(37,713)**	**1,220,158**

	12/31/2023							
		Past due						
	Not yet due	Up to 30 days	From 31 up to 60 days	From 61 up to 90 days	From 91 up to 180 days	More than 180 days	Impairment in accounts receivable	Total
Domestic customers	879,342	22,912	7,464	4,117	6,145	27,892	(40,438)	**907,434**
Foreign customers	150,918	16,292	7,983	2,424	1,915	3,616	(4,651)	**178,497**
Related parties	73,674	516	159	112	-	-	-	**74,461**
Total	**1,103,934**	**39,720**	**15,606**	**6,653**	**8,060**	**31,508**	**(45,089)**	**1,160,392**

The balance of accounts receivable refers entirely to short-term transactions and, therefore, is not adjusted to present value as it does not represent significant adjustments in the Financial Statements. It is estimated that the fair value of these accounts receivable is substantially similar to their carrying amount.

The exposure of Dexco S.A. and its subsidiaries to credit risks related to accounts receivable from customers is disclosed in explanatory note No. 4.3.

6.2 Impairment of accounts receivable from customers

Accounting Policy

The impairment of accounts receivable from customers is determined based on an individual analysis of the amounts to be received, primarily considering: (i) significant financial difficulty of the issuer or debtor; and (ii) a breach of contract, such as default or overdue payments of interest or principal.

Since the receivables do not have a significant financing component, based on a simplified approach, impairment is recognized over the life of the receivable by applying a percentage calculated from a historical default study, segregated by the following parameters: (i) segment; (ii) billing date; and (iii) maturity date.

The risk matrix is reviewed annually but may be re-evaluated if the receivables exhibit behavior different from the expected outcome. Factors that could lead to this re-evaluation include significant increases or decreases in defaults, changes in customer credit profiles, changes in economic conditions, as well as alterations in the Company's credit, collection, or risk policies.

The impairment of accounts receivable from customers is established based on an analysis of the risks of collecting the amounts considered sufficient by the Management to cover any potential losses in the realization of these assets. Subsequent recoveries of previously written-off amounts are credited to the "Other Revenues and Expenses" line in the Income Statement.

6.2.1 Movement

Below is the movement of the impairment on accounts receivable from customers, in accordance with IFRS 9 guidelines, for the year ended December 31, 2024:

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	(32,238)	(39,511)	(45,089)	(52,828)
(Constitution) reversion	(10,278)	(6,508)	(13,605)	(12,016)
Write-offs	17,481	13,781	20,981	19,755
Incorporation(1)	(10,564)	-	-	-
Closing Balance	**(35,599)**	**(32,238)**	**(37,713)**	**(45,089)**

(1) Incorporation of the wholly owned subsidiary Dexco Revestimentos Cerâmicos S.A.

7. INVENTORIES

Accounting Policy

Inventories are presented at the average cost of purchases or production, whichever is lower than the replacement cost or the net realizable value. In-progress imports are shown at the cost of each import.

The cost of finished goods and work in progress includes the costs of raw materials, direct labor, other direct costs, and the related direct production expenses (based on normal capacity). The net realizable value is the estimated selling price in the normal course of business, less the estimated costs to complete production and the estimated costs necessary to effect the sale.

7.1. Composition

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Finished goods	523,795	403,224	748,558	688,022
Raw materials	433,097	287,911	564,999	543,825
Work in progress	196,256	185,780	247,468	243,291
General warehouse	116,632	89,417	131,801	122,018
Advances to suppliers	8,513	1,075	8,929	2,439
Estimated loss on inventory realization (-)	(41,730)	(38,047)	(59,739)	(57,817)
Total	**1,236,563**	**929,360**	**1,642,016**	**1,541,778**

The movements of the estimated losses on inventory realization are presented below:

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	**(38,047)**	**(49,616)**	**(57,817)**	**(76,594)**
Constitutions	(39,215)	(48,685)	(111,545)	(72,616)
Reversals	8,772	7,132	61,325	11,874
Write-offs	36,999	53,122	48,816	80,288
Exchange variation	-	-	(518)	(769)
Incorporation (1)	(10,239)	-	-	-
Closing Balance	**(41,730)**	**(38,047)**	**(59,739)**	**(57,817)**

(1) Incorporation of the wholly-owned subsidiary Dexco Revestimentos Cerâmicos S.A.

8. OTHER RECEIVABLES

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Fundação Itaúsa Industrial (pension plan) (1)	-	2,032	-	2,032
Sale of farms/ properties and other assets (2)	11,793	12,803	33,476	39,841
Sale of electric showers and taps business (5)	-	-	16,121	-
Retention values from business acquisitions	1,600	2,380	1,600	2,380
Claims to receive	664	505	673	541
Electricity sales	135	1,903	135	10,860
Others	7,572	74	9,874	7,230
Total Current	**21,764**	**19,697**	**61,879**	**62,884**
Fundação Itaúsa Industrial (pension plan) (1)	-	188	-	188
Sale of subsidiary	-	13,271	-	13,271
Sale of farms/ properties (2)	11,209	17,284	14,321	30,315
Forest incentives (3)	-	-	8,000	6,851
Indemnifiable assets (4)	18,052	18,052	18,052	18,052
Retention values from business acquisitions (4)	53,842	53,005	53,842	53,224
Others	21,405	823	27,765	10,181
Total Non-Current	**104,508**	**102,623**	**121,980**	**132,082**

(1) Credit from the review of the defined benefit plan of the Itaúsa Industrial Foundation;
(2) Balances related to the sale of fixed assets, primarily farms;
(3) Forest planting modality in which the company provides inputs and technical assistance to the grower, as well as maintenance, as established in the contract;
(4) Amounts accounted for in the acquisition of subsidiaries Ceusa, Massima, Dexco Hydra Corona related to receivables from former owners in case Dexco incurs future disbursements arising from the mentioned acquisition;
(5) Balance related to the sale of the business of electric showers and faucets (see explanatory note 1.2.3).

9. RECOVERABLE TAXES AND CONTRIBUTIONS

The Company and its subsidiaries have recoverable federal and state tax credits as follows:

	Parent company		Consolidated	
	12/31/2024	12/31/2023	31/12/2024	12/31/2023
Income tax and social contribution to be offset	51,482	84,745	81,835	131,353
ICMS, PIS and COFINS on the acquisition of property, plant and equipment (1)	59,362	11,095	64,425	25,061
PIS and COFINS to be offset	211	571	1,864	1,707
ICMS and IPI recoverable	81,142	56,042	112,002	88,246
Others	4,212	3,321	5,114	5,141
Total current	**196,409**	**155,774**	**265,240**	**251,508**
Income tax and social contribution to be offset	140,737	93,881	140,737	93,881
ICMS, PIS and COFINS on the acquisition of property, plant and equipment (1)	37,919	34,441	44,385	46,211
PIS and COFINS to be offset (2)	367,193	481,515	367,193	598,450
Total non current	**545,849**	**609,837**	**552,315**	**738,542**

(1) The ICMS and PIS/COFINS to be offset were mainly generated in the acquisition of assets intended for fixed assets for the industrial plants. According to current legislation, the offsets will occur within periods of 12 and 24 months for PIS and COFINS, and 48 months for ICMS.
(2) Balance predominantly represented by the late credits made in 2021 and 2023, related to the exclusion of ICMS from the PIS and Cofins base.

10. DEFERRED INCOME TAXES AND SOCIAL CONTRIBUTIONS

Accounting Policy

Deferred income tax and social contribution are recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

These taxes are recognized in the income statement, except to the extent they are related to items recognized directly in equity. In such cases, the tax is also recognized in equity.

Deferred tax assets and liabilities are presented net if there is a legal or contractual right to offset the tax asset against the tax liability, and the deferred taxes relate to the same taxable entity and are subject to the same tax authority.

Deferred income tax and social contribution are calculated on tax losses for income tax purposes and negative bases for social contribution, temporary differences between the calculation bases of taxes on assets and liabilities, and the application of CPCs/IFRS. The current tax rates for determining deferred taxes are 25% for income tax and 9% for social contribution.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available to offset the temporary differences, based on projections of future results that are prepared and supported by internal assumptions and future economic scenarios, which may therefore change.

The Group recognizes deferred income tax and social contribution assets on tax losses and negative social contribution bases, and temporary differences. The recognition of these assets takes into account the expectation of generating future taxable profits. The estimates of future results that will allow for the offset of these assets are based on management's projections, which are reviewed and approved by the Board of Directors, considering economic scenarios, discount rates, and other variables that may not materialize.

As of December 31, 2024, the Group had unrecognized tax credits on tax losses and negative social contribution bases amounting to R$ 74,993 (R$ 35,178 as of December 31, 2023) related to credits held by the subsidiary Dexco Hydra Corona Sistemas de Aquecimento de Água Ltda. The variation of R$ 39,815 refers to an impairment of R$ 23,892 and R$ 15,923 for the non-recognition of credits related to tax losses from the exit of the shower business (see explanatory note 30).

10.1 Composition

	Parent company									
	Balance as at 12/31/2022	**Result for the year**	**Comprehensive Income**	**Others**	**Balance as at 12/31/2023**	**Result for the year**	**Merger (1) / Demerger**	**Comprehensive Income**	**Others**	**Balance as at 12/31/2024**
Deferred tax assets										
Tax losses and negative CSLL basis	**127,856**	212,682	-	-	**340,538**	1,604	-	-	-	**342,142**
Provisions for miscellaneous labor charges	**40,060**	4,928	-	-	**44,988**	(4,650)	14,578	-	-	**54,916**
Provisions for inventory losses	**16,869**	(3,933)	-	-	**12,936**	(2,229)	3,481	-	-	**14,188**
Provision for commissions payable	**1,083**	(373)	-	-	**710**	(103)	726	-	-	**1,333**
Provision for promotional bonuses	**5,708**	11,949	-	-	**17,657**	(574)	7,046	-	-	**24,129**
Tax provisions	**20,179**	5,057	-	-	**25,236**	(4,141)	1,751	-	-	**22,846**
Civil provisions	**748**	(256)	-	-	**492**	4,443	15,108	-	-	**20,043**
Impairment of fixed assets	**32,880**	6,040	-	-	**38,920**	(18,993)	20,300	-	-	**40,227**
Provision for impairment of trade receivables	**8,176**	(3,633)	-	-	**4,543**	(1,198)	1,387	-	-	**4,732**
Provision for losses on investments	**2,890**	(204)	-	-	**2,686**	(2,194)	-	-	-	**492**
Provision for post-employment benefits	**9,943**	1,127	(121)	-	**10,949**	108	798	(2,103)	-	**9,752**
Income tax on foreign profits	**-**	9,956	-	-	**9,956**	51,674	-	-	-	**61,630**
Amortization of capital gains on assets	**17,423**	10,635	-	-	**28,058**	1,131	6,497	-	-	**35,686**
Miscellaneous provisions	**26,021**	7,446	-	-	**33,467**	(9,507)	6,309	-	-	**30,269**
Cash flow hedge	**39,951**	-	(24,819)	-	**15,132**	-	-	11,340	-	**26,472**
Total assets	**349,787**	**261,421**	**(24,940)**	**-**	**586,268**	**15,371**	**77,981**	**9,237**	**-**	**688,857**
Total net assets	**326,152**				**517,144**					**564,138**
Deferred tax liabilities										
Revaluation reserve	**(17,287)**	637	-	-	**(16,650)**	5,730	(19,435)	-	-	**(30,355)**
SWAP result (cash vs. accrual)	**(522)**	522	-	-	**-**	-	-	-	-	**-**
Income tax - accelerated depreciation	**-**	-	-	-	**-**	-	-	-	-	**-**
Sale of property	**-**	-	-	-	**-**	-	-	-	-	**-**
Biological assets (2)	**-**	-	-	-	**-**	20,911	(41,822)	-	-	**(20,911)**
Customer portfolio - Satipel	**(12,429)**	7,457	-	-	**(4,972)**	4,972	-	-	-	**-**
Customer portfolio Dexco Colombia	**-**	-	-	-	**-**	-	-	-	-	**-**
Fair value of supplementary pension plans	**(33,584)**	(273)	-	-	**(33,857)**	7,121	(978)	-	-	**(27,714)**
Capital gains on assets	**(3,805)**	374	-	-	**(3,431)**	266	-	-	-	**(3,165)**
Updates to judicial deposits	**(9,571)**	9,571	-	-	**-**	-	(9,789)	-	-	**(9,789)**
ICMS in the PIS and COFINS base	**-**	-	-	-	**-**	-	-	-	-	**-**
Cash flow hedge	**(426)**	-	426	-	**-**	-	-	-	-	**-**
Goodwill Profitability - merged companies	**(5,621)**	-	-	-	**(5,621)**	(4,711)	(17,860)	-	-	**(28,192)**
Other	**(4,685)**	888	-	(796)	**(4,593)**	394	-	-	(395)	**(4,594)**
Total liabilities	**(87,930)**	**19,176**	**426**	**(796)**	**(69,124)**	**34,683**	**(89,884)**	**-**	**(395)**	**(124,720)**
Total net liabilities	**-**				**-**					**-**
Net total	**261,857**	**280,597**	**(24,514)**	**(796)**	**517,144**	**50,054**	**(11,903)**	**9,237**	**(395)**	**564,137**

(1) Incorporation of the wholly-owned subsidiary Dexco Revestimentos Cerâmicos S.A.

(2) Biological assets received through the partial spin-off of Duratex Florestal - see explanatory note 1.1.4

	Consolidated								
	Balance as at 12/31/2022	**Result for the year**	**Comprehensive Income**	**Others**	**Balance as at 12/31/2023**	**Result for the year**	**Comprehensive Income**	**Others**	**Balance as at 12/31/2024**
Deferred tax assets									
Tax losses and negative CSLL basis	**235,053**	165,126	-	-	**400,179**	(49,582)	-	-	**350,597**
Provisions for miscellaneous labor charges	**59,968**	9,333	-	-	**69,301**	(6,956)	-	-	**62,345**
Provisions for inventory losses	**24,359**	(5,917)	-	-	**18,442**	3,436	-	-	**21,878**
Provision for commissions payable	**2,358**	(1,017)	-	-	**1,341**	8	-	-	**1,349**
Provision for promotional bonuses	**12,069**	13,782	-	-	**25,851**	(515)	-	-	**25,336**
Tax provisions	**29,931**	5,933	-	-	**35,864**	(4,461)	-	-	**31,403**
Civil provisions	**31,427**	(14,394)	-	-	**17,033**	4,994	-	-	**22,027**
Impairment of fixed assets	**62,371**	(2,811)	-	-	**59,560**	(19,142)	-	-	**40,418**
Provision for impairment of trade receivables	**11,107**	(5,168)	-	-	**5,939**	(895)	-	-	**5,044**
Provision for losses on investments	**2,890**	(204)	-	-	**2,686**	(2,194)	-	-	**492**
Provision for post-employment benefits	**12,334**	1,364	(1,245)	-	**12,453**	(93)	(1,508)	-	**10,852**
Income tax on foreign profits	**-**	9,956	-	-	**9,956**	51,675	-	-	**61,631**
Amortization of capital gains on assets	**17,423**	16,838	-	-	**34,261**	1,425	-	-	**35,686**
Miscellaneous provisions	**46,601**	6,393	-	-	**52,994**	(15,777)	-	-	**37,217**
Cash flow hedge	**42,592**	-	(27,461)	-	**15,131**	-	11,340	-	**26,471**
Total assets	**590,483**	**199,214**	**(28,706)**	**-**	**760,991**	**(38,077)**	**9,832**	**-**	**732,746**
Total net assets	**242,846**				**594,133**				**496,513**
Deferred tax liabilities									
Revaluation reserve	**(51,924)**	2,665	-	-	**(49,259)**	6,102	-	-	**(43,157)**
SWAP result (cash vs. accrual)	**(617)**	617	-	-	**-**		-	-	**-**
Income tax - accelerated depreciation	**(42,102)**	15,808	-	-	**(26,294)**	249	-	-	**(26,045)**
Sale of property	**(34)**	(8,436)	-	-	**(8,470)**	2,939	-	-	**(5,531)**
Biological assets	**(258,263)**	(131,516)	-	-	**(389,779)**	(24,508)	-	-	**(414,287)**
Customer portfolio - Satipel	**(12,429)**	7,457	-	-	**(4,972)**	4,972	-	-	**-**
Customer portfolio Dexco Colombia	**(2,236)**	64	-	-	**(2,172)**	200	-	-	**(1,972)**
Fair value of supplementary pension plan	**(37,493)**	(622)	-	-	**(38,115)**	7,521	-	-	**(30,594)**
Capital gains on assets	**(23,363)**	481	-	-	**(22,882)**	(270)	-	-	**(23,152)**
Updates to judicial deposits	**(21,016)**	11,229	-	-	**(9,787)**	(2)	-	-	**(9,789)**
ICMS in the PIS and COFINS base	**-**	-	-	-	**-**	(5,774)	-	-	**(5,774)**
Cash flow hedge	**(426)**	-	(9,364)	-	**(9,790)**	-	9,790	-	**-**
Goodwill Profitability - merged companies	**(15,737)**	(6,196)	-	-	**(21,933)**	(6,259)	-	-	**(28,192)**
Other	**(13,145)**	9,727	(3,742)	(449)	**(7,609)**	1,640	1,601	(44)	**(4,412)**
Total liabilities	**(478,785)**	**(98,722)**	**(13,106)**	**(449)**	**(591,062)**	**(13,190)**	**11,391**	**(44)**	**(592,905)**
Total net liabilities	**(205,976)**				**(424,204)**				**(356,671)**
Total net	**111,698**	**100,492**	**(41,812)**	**(449)**	**169,929**	**(51,267)**	**21,223**	**(44)**	**139,841**

10.2 Estimated realization schedule of deferred tax assets:

Year	Parent company	Consolidated
2025	84,618	106,756
2026	64,845	71,102
2027	97,995	100,073
2028	127,221	131,541
2029	154,341	158,801
2030	159,837	164,473
Total	**688,857**	**732,746**

The estimated realization of deferred tax assets is based on studies conducted by the Group's management, which demonstrate the ability of each entity holding the respective tax credits to generate future taxable profits.

11. RELATED PARTIES

11.1 Balances and transactions with subsidiaries

	Direct subsidiaries															
	Duratex Florestal		Dexco Hydra Corona		Dexco Revestimento Cerâmicos (*)		Dexco Colômbia		Duratex North America		Duratex Europe		Griferia		Duratex SPE I	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Assets																
Clients (1)	157	268	-	198	-	-	3,334	-	-	40,191	-	-	-	-	-	-
Other receivables (2)	14,401	914	189	522	-	4,003	20,396	-	-	-	6,186	5,061	1,868	-	723	-
Subsidiaries (3)	-	134	-	309	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities									-	-					-	-
Suppliers (4)	85,892	57,832	9,698	9,167	-	532	-	-	-	-	-	-	-	-	-	-
Accounts payable	8,329	-	-	-	-	-	-	60,862	-	-	-	-	-	-	-	-
Results	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Sales (5)	1,846	7,494	-	804	-	-	154,914	62,200	-	6,884	-	-	-	-	-	-
Purchases (6)	(750,143)	(605,558)	(115,794)	(128,517)	(121)	(646)	-	-	-	-	-	-	-	-	-	-
Financial	-	-	-	-	-	-	(608)	(1,500)	10,241	(4,097)	-	-	-	-	-	-

(1) Amounts receivable from customers for sales mentioned in item (5);
(2) In the subsidiary Duratex Europe, R$ 6,186 refers to the sale of shares of the subsidiary Duratex Belgium;
(3) Loan transactions carried out under terms agreed between the parties, aimed at cash centralization;
(4) Amounts payable, mainly for the purchase of raw materials or products mentioned in item (6);
(5) Supply of products in the domestic market, in the United States, Canada, and Colombia;
(6) Regular purchase of cut Eucalyptus wood for the production of wood panels (Duratex Florestal), purchase of Hydra line products for resale, and purchase of products from the Revestimentos line for consumption.

Description	Associates (1)			
	LD Celulose		Mysa S.A (3)	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Assets				
Trade accounts receivable	1,038	-	26,284	21,922
Biological assets	16,963	22,939	-	-
Liabilities				
Suppliers (2)	3,757	32,144	-	-
Results	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Sales	11,122	9,199	101,774	65,318
Purchases (4)	(76,074)	(50,584)	-	-

(1) Non-consolidated company;
(2) Contract related to the sale of wood from LD Celulose to Duratex Florestal Ltda;
(3) Current name of ABC da Construção;
(4) Contract related to the sale of surplus electricity from LD Celulose to Dexco S.A., in the total amount of R$ 97,620.

11.2 Balances and transactions with the parent company

Results	Itaúsa S.A.	
	12/31/2024	12/31/2023
Rent expenses (1)	(3,626)	(4,774)

(*) Room rentals in the Company's headquarters building.

11.3 Operations with associates - provided guarantees

As of December 31, 2024, there was no balance of guarantees for loans from the associate LD Celulose S.A., as the debt was settled, and there was no need for the Company's guarantee for the new fundraising. As of December 31, 2023, the balance was R$ 2,561,534 with several banks for financing.

11.4 Transactions with other related parties

Description	Leo Madeiras Máquinas & Ferramentas Ltda.		Ligna Florestal Ltda.	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Assets				
Clients (1)	9,388	52,539	-	-
Liabilities				
Related party liabilities of leases	-	-	52,016	52,016
Results	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Sales (2)	269,362	202,555	-	-
Lease costs (3)	-	-	(7,574)	(6,300)

(1) Accounts receivable from customers for sales in the domestic market;
(2) Sales in the domestic market;
(3) Refers to costs associated with rural lease agreements signed by the subsidiary Duratex Florestal Ltda. with Ligna Florestal Ltda. (controlled by the Company Ligna de Investimentos) regarding the land used for reforestation. The monthly charges related to these leases total R$ 761, of which R$ 691 is net of PIS/COFINS as of December 31, 2024 (R$ 320, of which R$ 290 is net of PIS/COFINS as of December 31, 2023), values that are adjusted annually as per the contract. These contracts have a maturity date in July 2036 and may be automatically renewed for another 15 years, with annual adjustments based on the INPC/IBGE variation.

	Itaú Unibanco		Itaú Corretora de Valores		Copa Energia Distribuidora de Gás S.A.		XP Investimentos (5)	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Assets								
Financial investments (1)	1,886	3,300	-	-	-	-	-	-
Liabilities								
Suppliers	-	-	-	-	-	276	-	-
Others liabilities (2)	9,100	13,300	-	-	-	-	-	-
Results	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Purchase (3)	-	-	-	-	(1,682)	(2,990)	-	-
Remuneration on financial investments (4)	171	421	-	-	-	-	-	1,906
Shares bookkeeping expenses	-	-	(156)	(518)	-	-	-	-

(1) Financial investments in Itaú Unibanco made under the terms agreed upon between the parties and within the limits established by the Company's management;
(2) Provision of services and payments;
(3) Purchase of gas for use in the production process;
(4) Income from financial investments on the investments mentioned in item (1);
(5) After changes in the shareholding of Itaúsa, XP Investimentos is no longer a related party of Dexco.

The transactions with related parties are realized in the course of the Company's business, under agreement between the parties.

The transactions between related parties are assessed by the Audit Committee which is composed of independent members.

On December 31, 2024, no allowance for losses from expected credits was required for transactions with related parties.

11.5 Remuneration and benefits of key management personnel

The remuneration paid or payable to the Company's and its subsidiaries' management for the fiscal years ended December 31, 2024, and December 31, 2023, was as follows:

	12/31/2024	12/31/2023
Fees	16,716	18,278
Provision for participations	15,098	10,770
Social charges on participations	3,020	2,154
Total Provision for participations	**18,118**	**12,924**
Long Term Incentive	11,358	8,934
Social charges on Long Term Incentive	2,750	2,442
Total Long Term Incentive	**14,108**	**11,376**

12. MARKETABLE SECURITIES

The Company holds a Corporate Venture Capital (“CVC”) fund, called DX Ventures Multistrategy Private Equity Fund (“DX Ventures”), for investments in start-ups and scale-ups at various investment stages.

The Company is the sole shareholder of this fund and is assisted by Valetec, a venture capital manager specializing in this area. Through this fund, the Company monitors macro trends and transformation and innovation in the construction, renovation, and decoration sector by developing relevant long-term businesses. Moreover, this new front aims to identify potential disruptions in business and products and serves as an appropriate vehicle for addressing opportunities identified in its core business.

By the end of the 2024 fiscal year, disbursements for this fund amounted to R$ 156,611 (R$ 138,999 as of December 31, 2023). As of December 31, 2024, the balance of this investment, measured at fair value, is R$ 154,104 and R$ 7,358 in other investments (R$ 130,406 and R$ 6,876 as of December 31, 2023).

13. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

13.1 Movements in investment balances

Description	Direct subsidiaries															Associate	Shared Control	
	Duratex Florestal	**Estrela do Sul**	**Dexco Empreend.**	**Dexco Com. Prod.**	**DX Store**	**Duratex Europe**	**Griferia Sur**	**North America**	**Dexco Colombia**	**Dexco Hydra Corona**	**Duratex Andina**	**Duratex SPE I**	**Dexco Revest. Ceram.**	**DX Ventures**	**Viva Decora**	**Castelatto**	**LD Celulose**	**LD Florestal**	**Total**
Number of shares/quotas held (Thousand)	529	12	374	1,023	1	47	3,112	500	29,599,138	259,650	-	-	-	139,000	-	-	1,018,295	68,193	
Interest %	**100**	**100**	**100**	**100**	**100**	**100**	**62**	**100**	**88**	**100**	**100**	**50**	**100**	**100**	**100**	**100**	**49**	**50**	
Capital	1,457,005	12	374	102,260	1	181	1,111	47,364	54,332	159,650	-	187,742	-	152,716	-	27,800	2,182,217	177,452	
Stockholders' Equity	1,794,233	681	970	100,787	10	89,962	239	1,364	663,373	108,871	-	188,232	-	158,095	-	30,472	4,187,041	168,824	
Net income (loss) in the year	337,224	198	22	(2,557)	-	20,574	(246)	(9,955)	172,112	(71,501)	-	3,380	(34,069)	15,342	-	(2,873)	(136,925)	(7,322)	
Changes in investments:																			
As at December 31, 2022	**1,808,918**	**299**	**888**	**102,211**	**1**	**60,926**	**309**	**14,487**	**472,176**	**288,730**	**1,757**	**-**	**1,630,585**	**45,654**	**74**	**-**	**1,562,336**	**82,592**	**6,071,943**
Equivalence result	691,422	184	59	432	-	12,398	(228)	(38,240)	95,292	17,051	324	-	(39,686)	(7,055)	(386)	-	264,703	14,647	1,010,917
Variation in unrealized profit	-	-	-	-	-	-	-	-	-	(1,761)	-	-	-	-	-	-	-	-	(1,761)
Advance for future capital increase	120,000	-	-	-	-	-	-	-	-	-	-	-	270,006	-	339	-	-	-	390,345
Capital Increase / Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	93,762	-	-	-	-	93,762
Exchange variation on equity (reflex)	-	-	-	-	-	10,418	-	(3,758)	76,139	-	(508)	-	-	-	-	-	(155,198)	-	(72,907)
Reflex equity equivalence	24,133	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,241)	-	10,892
Dividends and interest on capital	(502,000)	-	-	-	-	-	-	-	-	-	-	-	(977)	-	-	-	-	-	(502,977)
Total write-off of investment	-	-	-	-	-	-	-	-	-	-	(1,573)	-	-	-	(27)	-	-	-	(1,600)
Amortization of capital gains on assets	-	-	-	-	-	-	-	-	-	(1,841)	-	-	(4,468)	-	-	-	-	-	(6,309)
Amortization due to write-off of capital gains on assets	-	-	-	-	-	-	-	-	-	(24,462)	-	-	-	-	-	-	-	-	(24,462)
Provision for uncovered liabilities	-	-	-	-	-	-	-	27,511	-	-	-	-	-	-	-	-	-	-	27,511
Actuarial gain - PL movement	264	-	-	-	-	-	-	-	-	56	-	-	1,861	-	-	-	-	-	2,181
As at December 31, 2023	**2,142,737**	**483**	**947**	**102,643**	**1**	**83,742**	**81**	**-**	**643,607**	**277,773**	**-**	**-**	**1,857,321**	**132,361**	**-**	**-**	**1,658,600**	**97,239**	**6,997,535**
Equivalence result	337,224	198	22	(2,557)	(1)	20,575	12	(9,955)	151,191	(71,501)	-	1,690	(34,069)	15,342	-	(1,754)	(67,093)	(3,661)	335,663
Change in unrealized result	(17)	-	-	-	-	-	-	-	-	4,115	-	-	-	-	-	-	-	-	4,098
Advance for future capital increase	-	-	-	-	-	-	123	-	-	-	-	-	33,010	-	-	-	-	-	33,133
Disproportionate dividends	-	-	-	-	-	-	-	-	-	-	-	(723)	-	-	-	-	-	-	(723)
Capital Increase / Contribution	-	-	-	701	10	-	-	46,478	-	-	-	187,742	-	10,392	-	-	189,189	-	434,512
Capital Reduction / Demerger	(145,910)	-	-	-	-	-	-	-	-	(100,000)	-	-	-	-	-	-	-	-	(245,910)
Exchange variation on equity (reflex)	-	-	-	-	-	9,782	-	(7,648)	70,754	-	-	-	-	-	-	-	486,656	-	559,544
Dividends and interest on capital	(522,000)	-	-	-	-	(24,138)	-	-	(236,461)	-	-	(722)	-	-	-	-	-	-	(783,321)
Amortization of capital gains on assets	-	-	-	-	-	-	-	-	-	(1,657)	-	-	(89)	-	-	(502)	-	-	(2,248)
Merger of wholly-owned subsidiary Dexco Revestimentos Cerâmicos S.A.	-	-	-	-	-	-	-	-	-	-	-	-	(1,689,644)	-	-	-	-	-	(1,689,644)
Capital gains on fixed assets allocated to original items	-	-	-	-	-	-	-	-	-	-	-	-	(19,874)	-	-	-	-	-	(19,874)
Capital gains on brands transferred to intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	(47,601)	-	-	-	-	-	(47,601)
Goodwill - expectation of future profitability transferred to intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	(99,054)	-	-	-	-	-	(99,054)
Investment received on incorporation of wholly-owned subsidiary Dexco Revestimentos Cerâmicos S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121,405	-	-	121,405
As at December 31, 2024	**1,791,626**	**681**	**969**	**100,787**	**10**	**89,961**	**216**	**1,364**	**629,091**	**108,730**	**-**	**94,116**	**-**	**158,095**	**-**	**119,149**	**2,200,235**	**93,578**	**5,388,608**

Description	Indirect subsidiaries					Associate
	Dexco Colombia	PDX Soluções Digitais	Castelatto Ltda.	Caetex Florestal	Duratex SPE II	ABC da Construção
Number of shares/quotas held (Thousand)	4,023,226	10	-	146,911	-	10
Interest %	**12**	**100**	**100**	**60**	**-**	**10.00**
Capital	54,332	12	27,800	232,112	-	-
Stockholders' equity	663,373	681	30,472	306,623	-	191,711
Net income in the period	172,112	(408)	(2,873)	(274)	-	(21,486)
Changes in investments	-	-	-	-		
As at December 31, 2022	**57,821**	**-**	**36,539**	**132,202**	**-**	**102,202**
Acquisition of 100% of the shares	12,953	-	(3,159)	32,137	-	432
Capital contribution	-	-	-	18,699	-	-
Dividends	-	-	-	(7,632)	-	-
Exchange variations on shareholders' equity	-	-	5,787	-	-	-
Change on % participation	-	-	(5,787)	-	-	-
Goodwill for expectation of future profitability transferred to intangibles	10,352	-	-	-	-	-
As at December 31, 2023	**81,126**	**-**	**33,380**	**175,406**	**-**	**102,634**
Equivalence result	20,550	(408)	(1,119)	(164)	-	(2,149)
Transferred on incorporation of Dexco Revestimentos Cerâmicos S.A.	-	-	(32,261)	-	-	-
Amortization of capital gains	-	-	-	-	-	-
Advance for future capital increase	-	710	-	8,733	-	-
Dividends	(31,844)	-	-	-	-	-
Exchange variation on shareholders' equity	9,376	-	-	-	-	-
Incorporation of subsidiary	-	-	-	-	10	-
Capital contribution with assets	-	-	-	-	76,539	-
Sale of 100% stake	-	-	-	-	(76,549)	-
As at December 31, 2024	**79,208**	**302**	**-**	**183,975**	**-**	**100,485**

(*) Mysa S.A., current name of the ABC da Construção.

13.2 Incorporation of the wholly owned subsidiary Dexco Revestimentos Cerâmicos S.A.

On April 1, 2024, the Company's extraordinary General Meeting approved the merger of its wholly owned subsidiary, Dexco Revestimentos Cerâmicos S.A. The objective of the merger was to achieve an improvement in performance resulting from the concentration of assets, efforts and capital, simultaneously to a simplification of the corporate and administrative structure, in order to reduce operational costs. This merger did not imply any change in the Company's share capital, issue of new shares, nor did there be any dilution of the Company's shareholders. The criterion for evaluating the net equity of the merged company was the accounting value of its assets and liabilities based on the balance sheet on April 1, 2024, as shown below:

ASSETS	04/01/2024	LIABILITIES	04/01/2024
CURRENT	**547,428**	**CURRENT**	**249,933**
Cash and cash equivalents	5,464	Suppliers	110,305
Accounts receivable from customers	227,899	Suppliers at risk	15,369
Inventory	222,642	Lease liabilities	6,156
Amounts receivable and other credits	6,238	Personnel obligations	17,627
Taxes and contributions to be recovered	34,912	Accounts payable	62,848
Non-current asset available for sale	50,273	Taxes and contributions	37,628
NON-CURRENT	**1,793,639**	**NON-CURRENT**	**401,490**
Amounts receivable and linked deposits	23,534	Lease liabilities	5,519
Taxes and contributions to be recovered	118,218	Accounts payable	153,691
Deferred income and social contribution taxes	29,919	Tax, labor and civil provisions	200,736
Investments in subsidiaries and others	122,354	Taxes and contributions	41,544
Fixed assets	1,151,235		
Right-of-use assets	10,556		
Intangible	337,823	**TOTAL LIABILITIES**	**651,423**
TOTAL ASSETS	**2,341,067**	**INCORPORATED NET COLLECTION**	**1,689,644**

14. PROPERTY, PLANT, AND EQUIPMENT

Accounting Policy

Items of property, plant, and equipment are presented at their acquisition cost, including costs related to the financing of assets that require significant time to become operational, less accumulated depreciation, which is calculated using the straight-line method, taking into account the estimated useful life of the respective items, which is reviewed at the end of each fiscal year.

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow and that the cost of the item can be measured reliably. The carrying amount of items or components that are replaced is written off. All other repairs and maintenance are charged directly to the income statement in the period in which they occur.

The carrying amount of property, plant, and equipment is reduced to its recoverable amount if the carrying value exceeds its estimated recoverable value.

Gains and losses on disposals are determined by comparing the proceeds from the sale with the carrying amount of the asset, and are recognized under "Other operating income, net."

14.1 Movement of property, plant, and equipment

Parent company	Land	Structures and improvements	Machinery, equipment and facilities	Furniture and fixtures	Assets in progress	Vehicles	Other assets	Total
Opening balance at 01/01/2023	**162,401**	**383,303**	**1,234,915**	**9,600**	**353,232**	**577**	**46,497**	**2,190,525**
Acquisitions	-	2,961	34,002	932	340,762	-	4,186	382,843
Write-offs	(15,346)	(2,363)	(15,071)	(587)	(527)	-	(53)	(33,947)
Impairment (*)	-	-	(22,487)	-	-	-	-	(22,487)
Depreciation	-	(29,307)	(221,220)	(2,209)	-	(235)	(15,051)	(268,022)
Transfers	-	15,607	101,378	1,458	(121,318)	76	2,799	-
Net book value as at 12/31/2023	**147,055**	**370,201**	**1,111,517**	**9,194**	**572,149**	**418**	**38,378**	**2,248,912**
Cost	147,055	858,162	4,083,538	49,139	572,149	7,483	205,115	5,922,641
Accumulated depreciation	-	(487,961)	(2,972,021)	(39,945)	-	(7,065)	(166,737)	(3,673,729)
Depreciation rate (% p.a.)	**-**	**4.00%**	**6.49%**	**10.00%**	**-**	**From 20.00% to 25.00%**	**From 10.00% to 20.00%**	**-**
Opening balance at 01/01/2024	**147,055**	**370,201**	**1,111,517**	**9,194**	**572,149**	**418**	**38,378**	**2,248,912**
Acquisitions	-	5,453	78,234	1,906	443,076	84	37,200	565,953
Write-offs	-	-	(16,117)	(65)	-	-	(956)	(17,138)
Reclassified from intangible	-	-	-	-	6,258	-	-	6,258
Impairment Reversal (1)	-	-	4,682	93	-	-	304	5,079
Impairment	-	-	(14)	(43)	-	-	(422)	(479)
Depreciation	-	(36,633)	(234,406)	(2,571)	-	(196)	(20,080)	(293,886)
Transfers	-	188,163	617,466	3,633	(844,433)	-	35,171	-
Transfer to current assets (2)	(625)	(3,763)	(1,192)	(12)	-	-	-	(5,592)
Incorporation (3)	15,075	185,100	336,565	4,155	581,083	50	29,207	1,151,235
More Value Incorporation	6,572	11,693	1,576	-	-	-	33	19,874
Net book value as at 12/31/2024	**168,077**	**720,214**	**1,898,311**	**16,290**	**758,133**	**356**	**118,835**	**3,680,216**
Cost	168,077	1,279,207	5,414,423	60,074	758,133	8,136	318,301	8,006,351
Accumulated depreciation	-	(558,993)	(3,516,112)	(43,784)	-	(7,780)	(199,466)	(4,326,135)
Depreciation rate (% p.a.)	**-**	**2.83%**	**4.15%**	**4.12%**	**-**	**2.42%**	**From 10.00% to 20.00%**	

(1) Partial reversal of impairment recognized in 2023, related to the closure of the Sanitaryware unit in Queimados - RJ.
(2) Transfers related to the exit from the electric shower and faucet business to assets held for resale.
(3) Merger of the wholly-owned subsidiary Dexco Revestimentos Cerâmicos S.A.

Consolidated	Land	Structures and improvements	Machinery, equipment and facilities	Furniture and fixtures	Assets in progress	Vehicles	Other assets	Total
Opening balance at 01/01/2023	**700,852**	**653,148**	**1,833,096**	**20,503**	**652,020**	**11,920**	**79,798**	**3,951,337**
Acquisitions	15,828	4,928	57,325	1,314	719,315	1,675	6,679	807,064
Write-offs	(16,878)	(4,198)	(15,415)	(548)	(561)	-	(127)	(37,727)
Impairment	-	(16,026)	(32,479)	-	-	-	-	(48,505)
Depreciations	-	(38,468)	(310,827)	(4,007)	-	(4,769)	(25,747)	(383,818)
Transfers	-	17,669	188,676	2,110	(253,175)	10,904	33,816	-
Goodwill Amortization	-	(656)	(7,258)	(61)	-	(146)	(542)	(8,663)
Goodwill Write-off Amortization	(17,909)	(6,553)	-	-	-	-	-	(24,462)
Goodwill - Transferred from Intangible	-	-	13,974	-	-	-	-	13,974
Exchange Variation	3,428	8,451	20,435	129	4,768	66	691	37,968
Net book value as at 12/31/2023	**685,321**	**618,295**	**1,747,527**	**19,440**	**1,122,367**	**19,650**	**94,568**	**4,307,168**
Cost	685,321	1,184,738	5,417,567	69,065	1,122,367	53,264	324,606	8,856,928
Accumulated depreciation	-	(566,443)	(3,670,040)	(49,625)	-	(33,614)	(230,038)	(4,549,760)
Depreciation rate (% p.a.)	**-**	**4.00%**	**7.00%**	**10.00%**	**-**	**From 20.00% to 25.00%**	**From 10.00% to 20.00%**	
Opening balance at 01/01/2024	**685,321**	**618,295**	**1,747,527**	**19,440**	**1,122,367**	**19,650**	**94,568**	**4,307,168**
Acquisitions	1,076	21,673	87,558	2,047	583,452	881	41,221	737,908
Write-offs	(1,076)	-	(24,832)	(75)	(466)	(233)	(13,786)	(40,468)
Reclassified from intangible	-	-	-	-	6,258	-	-	6,258
Impairment Reversal (1)	-	-	28,522	93	-	-	304	28,919
Impairment (2)	-	-	(23,854)	(43)	-	-	(422)	(24,319)
Depreciation	-	(41,294)	(304,568)	(3,630)	-	(4,651)	(26,929)	(381,072)
Transfers	-	176,737	689,783	3,920	(923,097)	3,445	49,212	-
Goodwill Amortization	-	-	(1,753)	-	-	-	-	(1,753)
Exchange Variation	4,211	5,473	18,943	94	2,932	44	138	31,835
Transfer to current assets (3)	(625)	(4,259)	(31,213)	(2,921)	-	-	(3,716)	(42,734)
Net book value as at 12/31/2024	**688,907**	**776,625**	**2,186,113**	**18,925**	**791,446**	**19,136**	**140,590**	**4,621,742**
Cost	688,907	1,365,084	6,065,454	66,942	791,446	55,278	376,554	9,409,665
Accumulated depreciation	-	(588,459)	(3,879,341)	(48,017)	-	(36,142)	(235,964)	(4,787,923)
Depreciation rate (% p.a.)	**-**	**2.84%**	**4.16%**	**4.39%**	**-**	**8.93%**	**From 10.00% to 20.00%**	

(1) Partial reversal of impairment recognized in 2023, related to the closure of the Sanitaryware unit in Queimados – RJ, and reversal of impairment recognized in 2024 related to the electric shower and faucet business.
(2) Impairment related to the exit from the electric shower and faucet business.
(3) Transfers related to the exit from the electric shower and faucet business.

14.2 Assets in progress

Work in progress refers to investments in the following units: (i) in the Wood Division, plants in Agudos-SP, Itapetininga-SP, Uberaba-MG, and Taquari-RS for the production of wood panels; (ii) in the Deca Division, plants in Jundiaí-SP, Recife-PE, and Paraíba-PB for the production of sanitary ware, and plants in São Paulo-SP, Jundiaí-SP, and Jacareí-SP for the production of metals; (iii) in the Coatings Division, plants in Urussanga-SC, Criciúma-SC, and the future unit in Botucatu-SP for the production of ceramic tiles; and (iv) in the Forestry Division, at the plants in Agudos-SP, Itapetininga-SP, Lençóis Paulista-SP, and Uberaba-MG. As of December 31, 2024, the signed contracts for expansion totaled approximately R$ 315,056 (compared to R$ 455,870 as of December 31, 2023).

In 2024, there was no capitalization of interest on property, plant, and equipment, mainly due to the absence of qualifying assets.

14.3 Assets offered as guarantees

As of December 31, 2024, the Group had, in its property, plant, and equipment, land given as collateral for legal proceedings totaling R$ 1,747 (R$ 1,747 as of December 31, 2023).

The information on property, plant, and equipment given as collateral for financing transactions entered into by the Company is provided in explanatory note No. 19.

14.4 Tests for impairment of fixed assets

The Company does not believe there are any indicators of a material change in the estimates and assumptions used in the calculation of impairment losses for the year ended December 31, 2024. Therefore, there was no need to perform a new impairment test for the other items of property, plant, and equipment.

15. RIGHT-OF-USE AND LEASES

Accounting Policy

In accordance with CPC 06 (R2) – IFRS 16, a lessee recognizes a right-of-use asset that represents its right to use the leased asset and a lease liability that represents its obligation to make lease payments.

Right-of-use Assets

Right-of-use assets are recognized at the commencement date of the lease, when the underlying asset is available for use. They are measured at cost, less accumulated depreciation and impairment losses, and adjusted for remeasurement of lease liabilities. Depreciation is calculated on a straight-line basis, using the shorter of the lease term and the useful life of the asset.

Lease liabilities

At the commencement date of the lease, lease liabilities are recognized at the present value of future payments to be made over the lease term.

Lease payments include fixed payments (including, substantially, fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments not dependent on an index are recognized as expenses in the period in which they occur, unless they are related to the production of inventories.

15.1 Right-of-use assets

	Parent company				Consolidated				
	Buildings	Vehicles	Others	Total	Lands	Buildings	Vehicles	Others	Total
Balance as at 12/31/2022	**2,134**	**517**	**36,301**	**38,952**	**496,599**	**7,142**	**6,298**	**50,463**	**560,502**
New contracts	11,449	4,602	1,873	17,924	131,711	31,297	7,128	6,071	176,207
Updates	56	10	3,506	3,572	77,995	1,418	54	4,737	84,204
Depreciation in the period (result)	(2,455)	(1,956)	(11,735)	(16,146)	-	(6,806)	(7,242)	(17,377)	(31,425)
Depreciation in the period (1)	-	-	-	-	(37,246)	-	-	-	(37,246)
Exchange variation	-	-	-	-	780	-	-	442	1,222
Write-off contracts	-	(38)	(253)	(291)	(63,724)	-	(38)	(800)	(64,562)
Balance as at 12/31/2023	**11,184**	**3,135**	**29,692**	**44,011**	**606,115**	**33,051**	**6,200**	**43,536**	**688,902**
New contracts	4,936	346	1,713	6,995	51,737	4,936	5,637	1,757	64,067
Updates	767	59	2,454	3,280	14,456	3,303	91	2,959	20,809
Depreciation in the period (result)	(6,345)	(2,157)	(13,710)	(22,212)	-	(9,479)	(5,625)	(15,883)	(30,987)
Depreciation in the period (1)	-	-	-	-	(45,313)	-	-	-	(45,313)
Exchange variation	-	-	-	-	645	-	-	328	973
Write-off contracts	(2,188)	-	-	(2,188)	(534)	(4,079)	-	-	(4,613)
Incorporation Dexco Revestimentos Cerâmicos S.A.	1,139	55	9,362	10,556	-	-	-	-	-
Balance as at 12/31/2024	**9,493**	**1,438**	**29,511**	**40,442**	**627,106**	**27,732**	**6,303**	**32,697**	**693,838**

(1) Formation cost from forest reserves in the biological asset account.

15.2 Lease liabilities

	Parent company				Consolidated				
	Buildings	Vehicles	Others	Total	Lands	Buildings	Vehicles	Others	Total
Balance as at 12/31/2022	**2,259**	**455**	**37,409**	**40,123**	**535,352**	**8,414**	**6,189**	**52,478**	**602,433**
New contracts	11,449	4,602	1,873	17,924	131,711	31,297	7,128	6,071	176,207
Updates	56	10	3,506	3,572	77,995	1,418	54	4,737	84,204
Interest appropriated in the period (result)	568	361	4,915	5,844	-	2,621	1,013	6,926	10,560
Interest appropriated in the period (1)	-	-	-	-	68,992	-	-	-	68,992
Decrease by payment	(3,368)	(2,112)	(14,952)	(20,432)	(88,568)	(9,538)	(7,732)	(21,984)	(127,822)
Write-off contracts	-	(41)	(252)	(293)	(65,494)	-	(41)	(885)	(66,420)
Exchange variation	-	-	-	-	782	-	-	503	1,285
Balance as at 12/31/2023	**10,964**	**3,275**	**32,499**	**46,738**	**660,770**	**34,212**	**6,611**	**47,846**	**749,439**
New contracts	4,936	346	1,713	6,995	51,737	4,936	5,637	1,757	64,067
Updates	767	59	2,454	3,280	14,456	3,303	91	2,959	20,809
Interest appropriated in the period (result)	1,025	297	4,378	5,700	-	2,799	678	5,009	8,486
Interest appropriated in the period (1)	-	-	-	-	75,455	-	-	-	75,455
Decrease by payment	(6,983)	(2,453)	(17,507)	(26,943)	(102,280)	(12,108)	(6,418)	(20,269)	(141,075)
Write-off contracts	(2,266)	-	-	(2,266)	(787)	(4,157)	-	-	(4,944)
Exchange variation	-	-	-	-	769	-	-	394	1,163
Incorporation Dexco Revestimentos Cerâmicos S.A.	1,319	12	10,344	11,675	-	-	-	-	-
Balance as at 12/31/2024	**9,762**	**1,536**	**33,881**	**45,179**	**700,120**	**28,985**	**6,599**	**37,696**	**773,400**

(1) Formation cost of forest reserves in the biological asset account.

The Company incurred expenses of R$ 13,413 as of December 31, 2024 (R$ 15,691 as of December 31, 2023) related to leases with contract terms of less than 12 months.

The discount rates used are presented below:

	Parent company & Consolidated	
	12/31/2024	**12/31/2023**
Agreement terms	Rate % p.a.	Rate % p.a.
Up to 5 years	11.50%	14.77%
6 to 10 years	11.67%	14.53%
Over 10 years	11.88%	14.15%

The maturities of the non-current lease liabilities consider the following future payment schedule:

	Parent company	Consolidated
	12/31/2024	**12/31/2024**
2025	23,724	54,192
Total current	**23,724**	**54,192**
2025	-	-
2026	16,152	48,050
2027	4,690	37,484
2028	47	32,772
2029	52	31,610
2030 a 2050 +	514	569,292
Total non-current	**21,455**	**719,208**

	Parent company	Consolidated
	12/31/2023	**12/31/2023**
2024	16,082	51,321
Total current	**16,082**	**51,321**
2025	15,624	47,265
2026	10,883	40,056
2027	4,149	33,651
2028	-	29,848
2029	-	28,765
2030 a 2050 +	-	518,533
Total non-current	**30,656**	**698,118**

15.3 Effects of inflation

In accordance with the guidance provided by the technical areas of the CVM, as outlined in Circular Letter CVM SNC/SEP 02/2019, the Group presents below the impacts on the measurement and remeasurement of the right-of-use asset and lease liability, considering the projected future inflation in the discounted cash flows. The average inflation rate considered for this estimate is 1.3091% per annum.

Below are the effects of inflation on the balances, when compared to the balances presented in the Financial Statements:

	Parent company			
	12/31/2024		12/31/2023	
	Accounting scenario	Inflation scenario	Accounting scenario	Inflation scenario
Right-of-use assets	108,853	111,292	83,495	90,975
Depreciation	(68,411)	(68,726)	(39,484)	(44,419)
Total	**40,442**	**42,566**	**44,011**	**46,556**
Lease liabilities	50,686	53,429	55,534	58,800
Interest to be appropriated	(5,507)	(5,715)	(8,796)	(9,181)
Total	**45,179**	**47,714**	**46,738**	**49,619**

	Consolidated			
	12/31/2024		12/31/2023	
	Accounting scenario	Inflation scenario	Accounting scenario	Inflation scenario
Right-of-use assets	933,825	1,552,331	865,656	1,668,338
Depreciation	(239,987)	(256,213)	(176,754)	(258,565)
Total	**693,838**	**1,296,118**	**688,902**	**1,409,773**
Lease liabilities	1,826,351	3,611,626	1,800,311	3,927,021
Interest to be appropriated	(1,052,951)	(1,881,452)	(1,050,872)	(2,213,615)
Total	**773,400**	**1,730,174**	**749,439**	**1,713,406**

15.4 Potential right to recover PIS/COFINS:

The table below demonstrates the potential right to recover PIS/COFINS embedded in the lease consideration, according to the periods scheduled for payments:

	Parent company		Consolidated	
	12/31/2024		12/31/2024	
Cash flows	**Nominal**	**Adjusted to present value**	**Nominal**	**Adjusted to present value**
Lease consideration	48,312	42,994	1,372,511	517,204
PIS/COFINS (9.25%) (1)	4,469	3,977	126,957	47,841

(1) Incident on contracts established with legal entities

	Parent company		Consolidated	
	12/31/2023		12/31/2023	
Cash flows	**Nominal**	**Adjusted to present value**	**Nominal**	**Adjusted to present value**
Lease consideration	50,915	42,603	1,372,881	509,691
PIS/COFINS (9.25%) (1)	4,710	3,941	126,991	47,146

(1) Incident on contracts established with legal entities

16. BIOLOGICAL ASSETS

Accounting Policy

Forest reserves are recognized at their fair value, less estimated costs of sale at the time of harvest. For immature plantations (up to one year old), it is considered that their cost approximates their fair value. Gains or losses arising from the recognition of a biological asset at fair value, less the costs of sale, are recognized in the income statement. The depletion recognized in the income statement consists of the portion of the formation cost and the portion related to the fair value difference.

The effects of changes in the fair value of the biological asset are presented in a separate line item in the income statement.

The Company holds eucalyptus forest reserves through its subsidiaries Duratex Florestal Ltda., Dexco Colombia S.A., Caetex Florestal S.A., and Duratex SPE I S.A., which are primarily used as raw material in the production of wood panels, flooring, and secondarily for sale to third parties.

The forest reserves serve as a guarantee for the supply of the factories and as protection against risks associated with future increases in the price of wood. This is a sustainable operation integrated into its industrial complexes, which, along with its supply network, ensures a high degree of self-sufficiency in wood supply.

As of December 31, 2024, the Group owned approximately 112.9 thousand hectares of active planting areas (109.1 thousand hectares as of December 31, 2023), cultivated in the states of São Paulo, Minas Gerais, Rio Grande do Sul, Alagoas, and Colombia.

The forests are free of any encumbrances or guarantees to third parties, including financial institutions. Furthermore, there are no forests where legal ownership is restricted.

16.1 Composition of balances

The balance of biological assets is composed of the formation cost of the forests and the fair value difference over the formation cost, as demonstrated below:

	Consolidated	
	12/31/2024	**12/31/2023**
Formation cost of biological assets	1,504,098	1,222,239
Difference between cost and fair value	1,285,951	1,142,808
Fair value of the biological assets	**2,790,049**	**2,365,047**

16.2 Movement

The movement of the accounting balances at the beginning and end of the fiscal year is as follows:

	Consolidated	
	12/31/2024	**12/31/2023**
Opening balance	**2,365,047**	**1,916,633**
Variation in fair value		
Volume/price	520,383	768,592
Depletion	(377,240)	(383,413)
Variation in book value		
Formation	724,293	478,711
Depletion	(387,496)	(277,085)
Transfer to stocks (see explanatory note 2.6)	(54,938)	(138,391)
Total balance	**2,790,049**	**2,365,047**

16.3 Effect on profit or loss of the fair value of biological assets

	Consolidated	
	12/31/2024	**12/31/2023**
Variation in fair value	520,383	768,592
Depletion at fair value	(377,240)	(383,413)
Total effect on the result	**143,143**	**385,179**

The amount of depletion for the period is presented under the "Cost of Goods Sold" line item in the income statement.

16.4 Risk of fair value fluctuations of biological assets

The Group has adopted various estimates to assess its forest reserves in accordance with the methodology established by CPC 29 / IAS 41 – "Biological Asset and Agricultural Product." These estimates are based on market references, which are subject to changes in circumstances that could impact the financial statements.

16.4.1 Fair value estimation

Fair value is determined based on the estimated volume of timber at the point of harvest, using current standing timber prices, except for forests that are up to one year old, which are held at cost, based on the judgment that these values approximate their fair value.

Biological assets are measured at fair value, less estimated costs of sale at the time of harvest.

The fair value was determined by valuing the expected volumes at the point of harvest based on current market prices. The assumptions used were:

i. Discounted Cash Flow – Expected timber volume at the point of harvest, considering current market prices, less planting costs and land capital costs (discounted to present value) using a discount rate of 8.5% per year as of December 31, 2024, and December 31, 2023. The discount rate applied to the cash flows corresponds to the Company's weighted average cost of capital, which is reviewed annually by management.

ii. Prices – Prices in BRL per cubic meter are obtained through market price surveys published by specialized companies for regions and products similar to those of the Group, as well as prices practiced in transactions with third parties in active markets.

iii. Differentiation – Harvest volumes were segregated and valued by species (a) pine and eucalyptus, (b) region, and (c) intended use: sawmill and processing.

iv. Volumes – Estimated volumes to be harvested (6th year for eucalyptus and 12th year for pine), based on projected average productivity for each region and species. Average productivity may vary depending on age, rotation, climatic conditions, quality of seedlings, fires, and other natural risks. For established forests, current timber volumes are used. Volume estimates are supported by rotating inventories conducted by technical specialists from the second year of forest life, with the effects incorporated into the financial statements.

v. Frequency – Expectations regarding future timber prices and volumes are reviewed at least quarterly, or as rotating inventories are completed.

16.4.2 Sensitivity analysis

Among the variables affecting the calculation of the fair value of biological assets, the following are noteworthy: (i) the variation in timber prices, where increases in price result in an increase in the fair value of the forests; and (ii) the variation in the discount rate used in the cash flow, where increases in the rate lead to a decrease in the fair value of the forests. Below is the impact on biological assets when considering these potential variables:

	2024	2023
Average price (R$/m3)	127.01	116.75
Discount rate (% p.a.)	8.5%	8.5%
Impact on fair value		
Price drop (5%)	130.2	112.6
Increase discount rate (0.5%)	32.7	27.8

17. INTANGIBLE ASSETS

Accounting Policy

Goodwill

Goodwill represents the positive difference between the amount paid and/or payable for the acquisition of a business and the net amount of the fair value of the assets and liabilities of the acquired subsidiary in a business combination. This goodwill is not amortized for accounting purposes and is only written off upon disposal or impairment, through an annual test to identify the need for impairment loss recognition. Additionally, this goodwill is amortized for tax purposes, in accordance with applicable legislation, with the corresponding deferred income tax and social contribution being recognized.

Goodwill is allocated to Cash Generating Units (CGUs) for impairment testing. The allocation is made to the Cash Generating Units or groups of Cash Generating Units that are expected to benefit from the business combination that gave rise to the goodwill.

Trademarks and Patents

Trademarks and licenses acquired separately are initially recognized at historical cost. Trademarks and licenses acquired in a business combination are recognized at fair value on the acquisition date.

Customer Relationships – Customer Portfolio

Customer relationships are recognized only in a business combination, at fair value on the acquisition date. Customer relationships have a finite useful life and, therefore, are amortized. Amortization is calculated using the straight-line method over the expected life of the customer relationship.

Software

Purchased software licenses are capitalized based on the costs incurred to acquire the software and prepare it for use. These licenses are amortized over their estimated useful life.

17.1 Movement

Parent Company	Software	Ongoing Software	Goodwill	Customer portfolio	Trademarks and patents	Contract Law	Total
Opening balance at 01/01/2023	**91,364**	**88,582**	**47,905**	**46,552**	**-**	**-**	**274,403**
Additions	4,502	61,914	-	-	-	-	66,416
Transfers	114,393	(114,393)	-	-	-	-	-
Amortization	(44,635)	-	-	(24,707)	-	-	(69,342)
Net book value as at 12/31/2023	**165,624**	**36,103**	**47,905**	**21,845**	**-**	**-**	**271,477**
Cost	278,142	36,103	47,905	384,536	-	-	746,686
Accumulated amortization	(112,518)	-	-	(362,691)	-	-	(475,209)
Average amortization rate (% p.a.)	**24.58%**	**-**	**-**	**6.12%**	**-**	**-**	
Opening balance at 01/01/2024	**165,624**	**36,103**	**47,905**	**21,845**	**-**	**-**	**271,477**
Additions	1,375	17,073	-	-	-	-	18,448
Reclassified to Fixed Assets	(6,258)	-	-	-	-	-	(6,258)
Amortization	(21,650)	-	-	(17,396)	-	(2,363)	(41,409)
Transfers	41,379	(41,379)	-	-	-	-	-
Incorporation (1)	1,160	-	168,430	-	161,400	6,833	337,823
Transferred Investments (1)	-	-	99,053	-	47,601	-	146,654
Net book value Balance as at 12/31/2024	**181,630**	**11,797**	**315,388**	**4,449**	**209,001**	**4,470**	**726,735**
Cost	316,004	11,797	315,388	384,537	209,001	10,000	1,246,727
Accumulated amortization	(134,374)	-	-	(380,088)	-	(5,530)	(519,992)
Average amortization rate (% p.a.)	**6.87%**	**-**	**-**	**5.57%**	**-**	**10.00%**	

(1) Incorporation of the wholly-owned subsidiary Dexco Revestimentos Cerâmicos S.A.

Consolidated	Software	Ongoing Software	Goodwill	Trademarks and patents	Goodwill	Contract Law	Total
Opening balance at 01/01/2023	**93,551**	**90,029**	**432,124**	**53,128**	**209,003**	**-**	**877,835**
Additions	4,957	61,913	2,772	-	-	10,000	79,642
Transfer	114,393	(114,393)	-	-	-	-	-
Amortization	(45,358)	-	-	(26,501)	-	(3,518)	(75,377)
Capital gain reclassified to fixed assets	-	-	(13,974)	-	-	-	(13,974)
Transferred Investments	-	-	(5,787)	-	-	-	(5,787)
Transfer between accounts	-	-	(32,880)	975	31,851	54	-
Exchange Variation	231	-	-	968	-	-	1,199
Net book value as at 12/31/2023	**167,774**	**37,549**	**382,255**	**28,570**	**240,854**	**6,536**	**863,538**
Cost	285,311	37,549	382,255	404,544	240,854	10,054	1,360,567
Accumulated amortization	(117,537)	-	-	(375,974)	-	(3,518)	(497,029)
Average amortization rate (% p.a.)	**24.51%**	**-**	**6.12%**	**-**	**-**	**10.00%**	
Opening balance at 01/01/2024	**167,774**	**37,549**	**382,255**	**28,570**	**240,854**	**6,536**	**863,538**
Additions	2,014	17,142	-	-	-	-	19,156
Reclassified to Fixed Assets	(6,258)	-	-	-	-	-	(6,258)
Amortization	(22,347)	-	-	(18,729)	-	(2,012)	(43,088)
Transfer between accounts	42,894	(42,894)	-	-	-	-	-
Exchange Variation	237	-	-	378	-	-	615
Net book value Balance as at 12/31/2024	**184,314**	**11,797**	**382,255**	**10,219**	**240,854**	**4,524**	**833,963**
Cost	323,739	11,797	382,255	405,598	240,854	10,054	1,374,297
Accumulated amortization	(139,425)	-	-	(395,379)	-	(5,530)	(540,334)
Average amortization rate (% p.a.)	**6.84%**	**-**	**5.57%**	**-**	**-**	**10.00%**	

18. IMPAIRMENT TEST OF GOODWILL

Accounting Policy

Assets with an indefinite useful life, such as goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are tested for impairment only if there is objective evidence (events or changes in circumstances) that the carrying amount may not be recoverable. In this regard, factors such as obsolescence, demand, competition, and other economic factors are considered. For impairment testing purposes, assets are grouped at the lowest levels for which identifiable cash flows are separately available (Cash Generating Units - CGUs).

18.1 Estimated impairment loss of goodwill

The Company and its subsidiaries perform annual tests for goodwill impairment or, if there are any indicators, at any time. The result of the test may be impacted by changes in the economic or market conditions.

18.2 Goodwill paid for future profitability expectations and intangible assets with an indefinite useful life

Goodwill acquired through business combinations is allocated to the cash-generating units (CGUs) that produce Panels, Sanitaryware, Metals, Showers (in 2023), and Ceramic and Cement Coatings, which are part of the business units: Wood (Panels), Deca (Sanitaryware, Metals, and Showers), and Coatings.

	Wood		Deca					Coatings			
	Panels		Metals		Crockery		Showers	Ceramics		Cementitious	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Book value of goodwill	45,503	45,503	2,402	2,402	-	-	-	267,484	267,484	46,670	46,670
Book value of other assets	1,770,270	1,610,566	35,543	36,303	680,980	272,984	165,065	1,829,008	1,579,302	86,020	84,987
Book value of UGCs	1,815,773	1,656,069	37,945	38,705	680,980	272,984	165,065	2,096,492	1,846,786	132,691	131,657
Value of UGCs by cash flow	3,764,534	1,921,442	150,811	959,274	1,101,962	503,352	276,268	2,459,676	2,360,579	246,668	136,115

The Company conducted the recoverable value test for the years ending December 31, 2024, and 2023, and considers the relationship between the value in use and the carrying amounts of the CGUs when performing the review to identify indicators of impairment. As of December 31, 2024, and 2023, the cash flow values exceeded the carrying amounts in all business units, and therefore, no impairment was necessary.

18.3 Recoverable value test

The recoverable values were determined based on value in use, and the projections were based on the Company's strategic plan approved by the Board of Directors, which considers macroeconomic growth and inflation projections, as well as the operational conditions of the Company.

Description	12/31/2024	12/31/2023
Term for Cash Flow	5 years for all business units	5 years for all business units
Discount rate (Weighted Average Cost of Capital calculated by the method CAPM - Capital Asset Pricing Model)	All business units: 14.27% p.a. (1)	All business units: 15.44% p.a. (1)
Growth Rate (Gross Margin)	Panels: 0.5% p.a. Ceramics: 2.1% p.a. Metals: 1.5% p.a. Ceramic tiles: 0.6% p.a.	Panels: 0.5% p.a. Ceramics: 2.1% p.a. Metals: 1.5% p.a. Showers: 1.2% p.a. Ceramic tiles: 0.6% p.a.
Growth Rate (Perpetuity)	5.6% p.a.	5.6% p.a.

(1) Pre-tax rate of 19.5% for 2024 and 23.4% for 2023.

19. LOANS, FINANCING, AND DEBENTURES

Accounting Policy

Loans are initially recognized at fair value upon receipt of funds, net of transaction costs. Subsequently, loans are presented at amortized cost, meaning they are adjusted for charges and interest proportional to the incurred period ("pro rata temporis"), using the effective interest rate method, except for those with derivative hedging instruments, which are measured at fair value.

Loan costs directly attributable to the acquisition, construction, or production of a qualifying asset—defined as an asset that necessarily requires a substantial period of time to be ready for its intended use or sale—are capitalized as part of the asset's cost when it is probable that these costs will result in future economic benefits for the entity and can be reliably measured. Other loan costs are recognized as expenses in the period in which they are incurred.

19.1 Composition of loans and financing

TYPE	HIRING DATE	AMORTIZATION	RESTRICTIVE CLAUSES (1)	GUARANTEES	CHARGES	AMORTIZATION	12/31/2024 CURRENT	12/31/2024 NON-CURRENT	12/31/2023 CURRENT	12/31/2023 NON-CURRENT
Parent Company - Local currency										
FINAME DIRECT with Swap	03/30/2021	February 2038		Mortgage and Aval - 67% Itaúsa S.A. and 33% Individuals	IPCA + 3.8256% until 4.4176% p.a.	annual maturity after grace period according to each tranche	126,938	500,995	60,284	656,615
FINAME	02/21/2014	January 2024		Fiduciary Disposal	Fixed 3.5% p.a.	at maturity	-	-	18	-
Export Credit Note	10/24/2022	Until April 2025			CDI + 0.91% p.a.	at maturity	409,099	-	9,330	400,000
Commercial Note	03/31/2022	March 2028			CDI + 1.7055% a.a	at maturity	9,047	299,397	9,371	299,216
CRA Ballast Commercial Note with Swap	06/29/2022 e 10/31/2023	June 2032 and October 2033	Net debt / EBITDA (2) less than or equal to 4.0		IPCA + 6.2% until 6.44% p.a.	8th, 9th and 10th grade	52,874	807,393	2,621	895,658
CRA Ballast Commercial Note with Swap	12/14/2023	December 2033			Pré 11.0064% p.a.	8th, 9th and 10th grade	36,034	250,071	-	-
CRA Ballast Commercial Note	06/29/2022	June 2028			CDI + 0.6% p.a.	at maturity	960	200,000	835	200,000
FINEX 4131		August 2027			CDI + 0.42% until 1.14% p.a.	at maturity	13,421	398,471	114,858	398,922
GIRO Bank Credit Card		October 2024			CDI + 1.4495% p.a.	at maturity	-	-	257,050	-
Total Parent Company - Local currency							**648,373**	**2,456,327**	**454,367**	**2,850,411**
Parent Company - Foreign currency										
RESOLUTION 4131 with Swap	01/13/2022	January 2027	Net debt / EBITDA (2) less than or equal to 4.0		US$ + 2.2610% until 4.6580% p.a.	at maturity	475,318	897,883	8,607	1,065,086
Export Credit Note with Swap	05/02/2023	May 2027			US$ + 5.98% p.a.	at maturity	1,761	185,973	1,278	144,918
Total in Foreign Currency - Parent Company							**477,079**	**1,083,856**	**9,885**	**1,210,004**
TOTAL PARENT COMPANY							**1,125,452**	**3,540,183**	**464,252**	**4,060,415**
Subsidiaries - Local currency										
Nota Comercial Lastro do CRA com Swap	06/29/2022 e 10/31/2023	June 2032 and October 2033		Dexco endorsement	IPCA + 6.2% until 6.44% p.a.	8th, 9th and 10th grade	72,935	1,049,759	6,900	1,184,938
FNE - Fundo Constitucional de Financiamento do Nordeste	12/13/2022	December 2032		Guarantee - Duratex Florestal ltda, land mortgage and chattel mortgage of machines	Pre 4.71% up to 7.53% a.a	Annual	3,457	25,694	3,559	27,394
CPR - Cédula de Produto Rural Financeira	04/30/2024	April 2025			CDI + 0.80% p.a.	at maturity	53,808	-	-	-
Total Subsidiaries - Local currency							**130,200**	**1,075,453**	**10,459**	**1,212,332**
Subsidiaries - Foreign currency										
LEASING	09/16/2022	November 2027		Promissory Note	IBR + 2%		456	384	451	584
Total Subsidiaries - Foreign currency							**456**	**384**	**451**	**584**
TOTAL SUBSIDIARIES							**130,656**	**1,075,837**	**10,910**	**1,212,916**
TOTAL CONSOLIDATED							**1,256,108**	**4,616,020**	**475,162**	**5,273,331**

(1) The Company declares that as of December 31, 2024, it is in compliance with all contractual obligations.
(2) EBITDA ("Earnings Before Interest, Taxes, Depreciation, and Amortization") refers to earnings before interest, taxes, depreciation, and amortization.

19.2 New loans

In the first quarter of 2024, the Company structured its fourth issuance of commercial promissory notes, under a private placement, totaling R$ 375,000. These commercial promissory notes served as collateral for the 308th (three hundred and eighth) issuance of agribusiness receivables certificates (CRAs) by Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. The CRA issuance was made in a single series, with a maturity of up to 10 years and a remuneration rate of 11.0064% per year. The Company opted to swap the fixed rate to align the issuance with its debt profile, so the final cost will be approximately 108.5% of CDI.

In the second quarter of 2024, the subsidiary Caetex entered into a Rural Product Note (CPR) agreement for R$ 50,000, with a one-year maturity and a cost of CDI + 0.80%.

In the third and fourth quarters of 2024, there were no new borrowings.

19.3 Guarantees and sureties for loans, financing, and derivatives

The guarantees and sureties provided for the Company's loans and financing were granted by its parent company, Itaúsa S.A., amounting to R$ 420,715 (R$ 480,322 as of December 31, 2023). The loans and financing obtained by the subsidiaries, with guarantees provided by Dexco S.A., amounted to R$ 1,122,694 (R$ 1,191,838 as of December 2023). The subsidiary Duratex Florestal Ltda provided guarantees and sureties to its subsidiary Caetex Florestal S.A. in the amount of R$ 29,151 (R$ 30,953 as of December 2023). As of December 31, 2024, the guarantee provided for the swap operation by the subsidiary Duratex Florestal was R$ 171,270 (R$ 34,592 as of December 31, 2023).

19.4 Loans and financing by maturity date

Loans and financing - Maturities

	12/31/2024					
	Parent company			Consolidated		
Year	Local currency	Foreign currency	Total	Local currency	Foreign currency	Total
2025	648,373	477,079	1,125,452	778,573	477,535	1,256,108
Total current	**648,373**	**477,079**	**1,125,452**	**778,573**	**477,535**	**1,256,108**
2026	75,774	433,460	509,234	80,348	433,669	514,017
2027	474,245	650,396	1,124,641	478,996	650,571	1,129,567
2028	575,172	-	575,172	580,106	-	580,106
2029	35,815	-	35,815	40,168	-	40,168
2030	145,152	-	145,152	172,800	-	172,800
2031	399,396	-	399,396	767,053	-	767,053
2032	399,396	-	399,396	766,423	-	766,423
2033	256,780	-	256,780	551,289	-	551,289
2034	35,815	-	35,815	35,815	-	35,815
2035 on	58,782	-	58,782	58,782	-	58,782
Total non current	**2,456,327**	**1,083,856**	**3,540,183**	**3,531,780**	**1,084,240**	**4,616,020**

	12/31/2023					
	Parent company			Consolidated		
Year	Local currency	Foreign currency	Total	Local currency	Foreign currency	Total
2024	454,367	9,885	464,252	464,826	10,336	475,162
Total current	**454,367**	**9,885**	**464,252**	**464,826**	**10,336**	**475,162**
2025	468,118	363,098	831,216	471,369	363,501	834,870
2026	82,511	338,891	421,402	86,811	339,002	425,813
2027	481,432	508,015	989,447	485,898	508,085	993,983
2028	581,727	-	581,727	586,365	-	586,365
2029	42,523	-	42,523	46,606	-	46,606
2030	174,960	-	174,960	241,091	-	241,091
2031	342,505	-	342,505	741,014	-	741,014
2032	343,368	-	343,368	741,612	-	741,612
2033	204,949	-	204,949	533,658	-	533,658
Others	128,318	-	128,318	128,319	-	128,319
Total non current	**2,850,411**	**1,210,004**	**4,060,415**	**4,062,743**	**1,210,588**	**5,273,331**

19.5 Movements of loan and financing balances

	Parent Company	Consolidated
Balance as at December 31,2022	**4,153,129**	**4,380,303**
New loans	1,484,006	2,455,295
Interest and indexation accruals	383,033	422,677
Amortization	(940,298)	(942,361)
Interest payments	(558,241)	(571,599)
Transaction cost	3,038	4,178
Balance as at December 31,2023	**4,524,667**	**5,748,493**
New loans	363,171	413,295
Interest and indexation accruals	796,668	942,336
Fair value update	(218,507)	(354,708)
Principal amortization	(390,005)	(393,363)
Interest payments	(415,932)	(493,072)
Transaction cost	5,573	9,147
Balance as at March 31,2024	**4,665,635**	**5,872,128**

19.6 Simple non-convertible debentures

On May 17, 2019, the Company completed its Second Issuance of Simple Debentures, non-convertible into shares, of the unsecured type, in a single series, totaling R$ 1,200,000,000.00. A total of 120,000 debentures were issued, with a nominal unit value of R$ 10,000.00, offering remunerative interest of 108% of the CDI, with semiannual remuneration. The debentures are set to mature in two equal installments of 50% of the nominal unit value on May 17, 2024, and May 17, 2026.

											12/31/2024			12/31/2023		
Composition	**Issuer**	**Issue date**	**Type of debenture**	**Maturity date**	**Qty debentures**	**Nominal value**	**Price as of issue date**	**Restrictive clauses (1)**	**Semester finance charge**	**Amortization Form**	**Rolling**	**Non-rolling**	**Total**	**Rolling**	**Non-rolling**	**Total**
2º issue	Dexco	05/17/2019	simple non-convertible in shares	05/17/2026	120,000	10,000	1,200,000,000	Net debt / EBITDA (2) less than or equal to 4.0;	CDI +1.08	Semi-annual interest paid for the months of May and November	8,214	600,000	**608,214**	616,990	600,000	**1,216,990**
Subtotal Debentures											**8,214**	**600,000**	**608,214**	**616,990**	**600,000**	**1,216,990**
Transaction cost											(528)	(220)	**(748)**	(394)	(558)	**(952)**
Total Debentures											**7,686**	**599,780**	**607,466**	**616,596**	**599,442**	**1,216,038**

(1) The Company declares that as of December 31, 2024, it is in compliance with all contractual obligations.
(2) EBITDA ("Earnings Before Interest, Taxes, Depreciation, and Amortization") refers to earnings before interest, taxes, depreciation, and amortization.

19.7 Debentures by maturity

12/31/2024		12/31/2023	
	Parent company and Consolidated		**Parent company and Consolidated**
Year		**Year**	
2025	7,686	2024	616,596
Total current	**7,686**	**Total current**	**616,596**
2026	599,780	2025	-
Others	-	2026	599,442
Total non-current	**599,780**	**Total non-current**	**599,442**

19.8 Movements in debenture balances

	Parent Company and Consolidated
Balance as at December 31,2022	**1,219,316**
Indexation adjustment	164,505
Transaction cost	305
Interest payments	(168,088)
Balance as at December 31,2023	**1,216,038**
Indexation adjustment	95,326
Transaction cost	204
Interest Payments	(104,102)
Principal amortization	(600,000)
Balance as at December 31,2024	**607,466**

19.9 Changes in debt derivative instrument balances

	Parent Company	Consolidated
Balance as at December 31,2022	**202,070**	**210,251**
Updates	156,573	129,095
Payments/receipts	(166,777)	(182,072)
Balance as at December 31,2023	**191,866**	**157,274**
Updates	(207,193)	(196,638)
Fair value updates	249,287	413,916
Payments/receipts	(127,383)	(127,548)
Balance as at December 31,2024	**106,577**	**247,004**

	Parent Company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Current assets	(52,560)	-	(52,560)	-
Non-current assets	(153,182)	(63,211)	(153,182)	(106,018)
Current liabilities	120,562	128,136	121,487	136,275
Non-current liabilities	191,757	126,941	331,259	127,017

20. SUPPLIERS

Accounting Policy

Suppliers

Accounts payable to suppliers are obligations to pay for goods or services acquired in the normal course of business. These are classified as current liabilities if the payment is due within one year. Otherwise, the accounts payable are presented as non-current liabilities. Initially, they are recognized at nominal value, which is equivalent to fair value, and are subsequently measured at amortized cost using the effective interest rate method.

20.1 Composition of balances

	Parent company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Domestic suppliers	748,074	648,217	859,126	841,265
Foreigners suppliers	94,598	61,329	125,905	113,269
Related party suppliers	95,590	67,807	3,757	32,420
Domestic suppliers drawn risk	259,136	164,153	273,347	187,818
Total	**1,197,398**	**941,506**	**1,262,135**	**1,174,772**

20.2 Supplier finance arrangements

The Company and its subsidiaries entered into agreements with banks Santander and Itaú, with the aim of allowing suppliers in the domestic market to receive advances against the Company receivables. In these operations, suppliers transfer the right to receive securities from the sale of goods to financial institutions and, in exchange, receive these funds in advance from the financial institution, at a discount agreed with the bank at the time of assignment, which, in turn, become creditors of the operation. These financial arrangements with the banks, including the terms and conditions, require the mutual agreement of the Company and its subsidiaries and the supplier.

Based on the requirements of IFRS 9 / CPC 48 - Financial Instruments, the Company assessed these transactions and concluded that they do not substantially modify the original liabilities with suppliers and, therefore, the payments of these securities are presented as operating activities in the statement of cash flows, in accordance with IAS 7 / CPC 03 (R2), equivalent to accounts payable with suppliers. The Company also assessed that the economic substance of these transactions is of an operational nature and that the potential effects of adjusting the present value of these transactions are irrelevant for measurement and disclosure.

21. ACCOUNTS PAYABLE

21.1 Composition of balances

	Parent company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Advances from customers	30,389	21,128	76,716	114,182
Statutory participation	18,118	13,351	18,118	14,576
Freight and insurance payable	35,384	40,371	38,796	49,957
Acquisitions of companies	33,083	40,717	33,283	40,922
Profits to be distributed to SCP's participating partners (1)	-	-	-	19,156
Commissions payable	24,592	11,634	24,649	18,511
Bonus, product warranty, technical assistance and maintenance	78,855	57,821	87,545	92,805
Acquisitions of areas for reforestation	-	-	123,946	67,575
Accounts payable to the participating members of the SCP's (2)	-	-	-	84,207
Payroll loans	2,331	2,172	2,887	2,776
Sales for future delivery	31,133	12,516	31,133	16,460
Provision for restructuring	918	9,357	918	12,109
Consulting services	266	366	266	366
Provision for indemnification of representatives	10,210	10,223	10,930	10,943
Other bills payable	4,252	6,364	35,998	17,562
Total Current	**269,531**	**226,020**	**485,185**	**562,107**
Acquisitions of companies	242,135	47,298	242,135	187,855
Farm purchase	-	-	20,007	19,136
Advances from customers	-	-	1,621	13,082
Product warranty and technical assistance	5,938	4,545	5,938	4,545
Post-employment benefits (3)	28,684	32,204	31,919	36,625
Provision for uncovered liabilities (4)	-	27,511	-	-
Other bills payable	17,924	7,565	18,216	16,113
Total Non-Current	**294,681**	**119,123**	**319,836**	**277,356**

(1) SCP's: Partnerships in which some partners are obligors, settled in July 2024.
(2) Refers to the participation of third parties in reforestation projects, to which Duratex Florestal has contributed with forest assets, basically forest reserves and equity holders contributed in kind, settled in July 2024.
(3) Refers to post-employment benefits related to medical assistance.
(4) Provision made for the uncovered liability of the subsidiary Duratex North America.

22. TAXES AND CONTRIBUTIONS

The Company and its subsidiaries have provisions and tax liabilities payable to federal and state authorities, as demonstrated in the table below:

22.1 Composition of balances

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Income tax and social contribution payable	-	-	24,796	33,396
PIS and COFINS payable/provision	26,446	8,554	28,289	20,975
ICMS and IPI payable	104,186	51,654	132,407	96,223
Tax installment	13,345	-	13,345	15,449
Total current	**143,977**	**60,208**	**198,837**	**166,043**
Tax Installment	32,836	-	32,836	45,057
Total non-current	**32,836**	**-**	**32,836**	**45,057**

23. PROVISIONS FOR TAX, LABOR, SOCIAL SECURITY, AND CIVIL RISKS

Accounting Policy

The Group creates provisions for tax, labor, civil, and social security contingencies based on an assessment of the probability of loss, which is conducted by its legal advisors. The amounts recognized are updated, and the Group's Management believes that the provisions made as of the reporting date are sufficient to cover potential losses from ongoing judicial and administrative proceedings.

23.1 Provisions for probable losses

The Company and its subsidiaries are parties to judicial and administrative proceedings of a labor, civil, tax, and social security nature, arising from the normal course of their business activities.

The respective provisions for contingencies were created considering the probability of loss evaluated by the Company's legal advisors.

The Company's Management, based on the opinion of its legal advisors, believes that the provisions for contingencies are sufficient to cover potential losses from the ongoing judicial and administrative proceedings, as presented below:

	Parent company			
	Tax	Labor	Civil	Total
Balance as at December 31, 2022	**59,351**	**79,184**	**3,286**	**141,821**
Indexation charges and interest	7,874	7,703	195	15,772
Constitution	12,436	26,043	893	39,372
Reversal	(4,987)	(21,818)	(1,621)	(28,426)
Payments	(449)	(21,594)	(222)	(22,265)
Closing balance as at December 31, 2023	**74,225**	**69,518**	**2,531**	**146,274**

	Parent company			
	Tax	Labor	Civil	Total
Balance as at December 31, 2023	**74,225**	**69,518**	**2,531**	**146,274**
Indexation charges and interest	9,435	8,930	988	19,353
Constitution	16,826	22,220	13,210	52,256
Reversal	(37,658)	(13,375)	(682)	(51,715)
Payments	(786)	(22,725)	(445)	(23,956)
Business combinations - acquisition	(60,740)	346	4,417	(55,977)
Exchange variation	-	-	-	-
Incorporation (1)	85,129	43,784	72,626	201,539
Closing balance as at December 31, 2024	**86,431**	**108,698**	**92,645**	**287,774**

(1) Merger of the wholly-owned subsidiary Dexco Revestimentos Cerâmicos S.A.

	Consolidated				
	Tax	Labor	Civil	Environmental	Total
Balance as at December 31, 2022	**157,875**	**139,442**	**147,420**	**4,969**	**449,706**
Indexation charges and interest	13,640	12,778	5,771	-	32,189
Constitution	12,860	53,118	6,902	-	72,880
Reversal	(4,987)	(45,525)	(5,597)	-	(56,109)
Payments	(449)	(25,311)	(49,412)	(3,024)	(78,196)
Business combinations - acquisition	-	(7,577)	(26,366)	-	(33,943)
Exchange variation	(39)	-	-	-	(39)
Closing balance as at December 31, 2023	**178,900**	**126,925**	**78,718**	**1,945**	**386,488**

	Consolidated				
	Tax	Labor	Civil	Environmental	Total
Balance as at December 31, 2023	**178,900**	**126,925**	**78,718**	**1,945**	**386,488**
Indexation charges and interest	11,068	10,546	1,371	-	22,985
Constitution	16,826	25,209	16,659	-	58,694
Reversal	(38,284)	(19,909)	(2,752)	-	(60,945)
Payments	(786)	(25,876)	(586)	(1,945)	(29,193)
Business combinations - acquisition	(56,124)	(39)	5,073	-	(51,090)
Exchange variation	-	-	-	-	-
Closing balance as at December 31, 2024	**111,600**	**116,856**	**98,483**	**-**	**326,939**

The contingencies primarily involve discussions regarding:

	Consolidado	
	12/31/2024	12/31/2023
Tax (PIS/COFINS) - Lawsuit and administrative process aiming to annul the tax credit regarding the incidence of PIS/COFINS on the sale of forests (fixed assets), carried out in the periods from 2011 to 2017.	23,698	22,498
Tax (IR/CS) - Administrative process aiming to annul tax credit resulting from the disregard of the deductibility of IR/CS fines and charges made in the year 2017, from debts of the current Dexco Revestimentos, recognized and provisioned in the accounting year of 2016, and whose provision was reversed in 2017, when the debts were paid and the accounting provision was then deducted from Real Profit	22,321	21,309
Tax (PIS/COFINS) - Discussion through an administrative process aiming to annul the disallowance of PIS/COFINS credits taken by the Company in the period of 2015, mainly on goods and services acquired for the maintenance of fixed assets.	12,507	11,724
Tax (IR/CS) - Judicial and administrative proceedings aiming to annul the tax credit regarding the incidence of IR/CS on profits earned by foreign subsidiaries in the periods from 1996 to 2002 and 2003 regarding the right to offset IR paid abroad by such subsidiaries.	5,803	5,636
Tax (Fine) - Lawsuit to annul the collection, through tax execution, of the fine resulting from an administrative process initiated by the Union, with suspension of enforceability, but with the incidence of a fine, of the debt paid after the injunction was overturned, within the legal deadline, but with total discount in Amnesty**.**	4,034	3,640

Regarding the social security contribution on the 1/3 constitutional vacation pay, the STF, in the judgment of declaratory motions, modulated the effects of the decision that considered the constitutionality of the incidence of Social Security Contributions on vacation pay 1/3, so that the ruling would only apply from August 2020 – the date of the judgment of the merits by the STF. Considering that the remaining provision referred to periods prior to August 2020, on September 30, 2024, the provision was reversed in the amount of R$ 24,986 (R$ 24,052 as of December 31, 2023).

23.2 Judicial deposits

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Tax	126,004	119,259	145,884	154,081
Labor	16,110	7,711	17,939	9,097
Civil	1,476	267	2,031	2,085
Total	**143,590**	**127,237**	**165,854**	**165,263**

23.3 Possible losses

Dexco and its subsidiaries are involved in tax, civil, and labor disputes, which, based on the assessment of legal advisors, have been classified as having a possible risk of loss. In other words, these do not require the recognition of provisions, as demonstrated below:

	Consolidated	
	12/31/2024	12/31/2023
Tax-related contingent liabilities	675,752	674,575
Labor-related contingent liabilities	12,851	13,096
Civil-related contingent liabilities	120,029	148,658
Total	**808,632**	**836,329**

The contingent liabilities mainly involve discussions regarding:

	Consolidado	
	12/31/2024	12/31/2023
Tax (IR/CS) – On supposed capital gains (revaluation reserve), in corporate operations of partial spin-off, with incorporation of assets (land and forests), valued at book value, recorded in the years 2006 (land) and 2009 (forests) of the subsidiary Estrela do Sul Participações Ltda. Both cases are under discussion in the judiciary.	359,074	338,670
IR/CS – Objection submitted against the decision order recognizing a partial credit for the negative income tax balance for the fiscal year 2020, due to the non-recognition of supporting documentation for the amounts paid by the subsidiary abroad (Colombia).	59,201	-
Tax (IR/CS) – Manifestation of non-compliance with partial recognition of the negative income tax balance credit due to the divergence of financial income between DIRF and ECF and non-recognition of income tax credit abroad (Colombia);	29,080	22,091
Tax (ICMS) – Judicial and administrative discussions involving credit disallowance, payment and fines related to ICMS.	109,350	93,430

23.4 Contingent assets

The Company and its subsidiaries have filed legal and administrative actions for the refund of certain taxes (table below) for which Management is confident, under the advice its legal counsel, that its position will prevail. As these are contingent assets, they have not been recognized in the financial statements:

	Consolidated	
	12/31/2024	12/31/2023
IPI credit premium from 1980 to 1983 and 1985	115,419	172,795
Interest and indexation on Federal Power Company (Eletrobás) credits	9,319	134,706
Profits Abroad (deposit withdrawal)	14,328	13,278
INSS (Social Security)	33,361	17,445
CPMF - differential of percentage	-	5,027
Other	12,468	11,972
Total	**184,894**	**355,223**

24. STOCKHOLDERS' EQUITY

24.1 Share capital

Accounting Policy

Ordinary shares are classified within equity. The incremental costs directly attributable to the issuance of new shares or options are presented in equity as a deduction from the proceeds raised, net of taxes.

The amount paid for the acquisition of shares for treasury stock, including any additional costs directly attributable, is deducted from equity attributable to shareholders until the shares are canceled, sold, or used for the exercise of options (Stock Options) or LTI (Long-Term Incentive Plan).

The authorized share capital of the Company is 920,000,000 (nine hundred twenty million) shares, and the subscribed and paid-in capital amounts to R$ 3,370,189, represented by 820,566,246 ordinary, nominative, no par value shares.

The Company and its subsidiaries compensate their employees through profit-sharing based on the performance observed in the fiscal year. This compensation is recognized as a liability and an operational expense in the results when the employee meets the performance conditions established.

24.2 Treasury shares

	Nº of shares	Amount in thousand BRL
Balance as at December 31, 2023	**12,424,043**	**136,322**
Acquisitions of shares in the period	-	-
Long Term Incentive Settlement	(222,394)	-
Balance as at December 31, 2024	**12,201,649**	**136,322**

Share price	
Weighted Average	Last quotation
14.27	5.96

Based on the last market quotation on December 30, 2024, the value of the treasury shares is R$ 72,722 (R$ 100,262 on December 28, 2023).

24.3 Equity reserves

	Parent company and Consolidated	
	12/31/2024	12/31/2023
Capital reserves	**395,798**	**385,097**
Premium on the subscription of shares	218,731	218,731
Tax incentives	13,705	13,705
Prior to Law no. 6.404/76	18,426	18,426
Options granted	14,805	20,079
Granted options overdue	97,039	91,765
Long - term incentives (Note 32)	33,092	22,391
Capital transactions with partners	**(18,731)**	**(18,731)**
Other comprehensive income	**1,003,311**	**549,617**
Revaluation reserves	32,833	33,227
Carrying value adjustments (24.4)	970,478	516,390
Revenue reserves	**2,370,478**	**2,265,719**
Legal	420,840	412,220
Statutory	1,524,195	1,445,707
Proposed additional dividend	5,607	26,100
Tax incentives (Article 195 - Law no. 6.404/76)	419,836	381,692
Treasury shares	**(136,322)**	**(140,457)**

24.4 Carrying value adjustments

	Parent company and Consolidated	
	12/31/2024	12/31/2023
Post-employment benefit	(3,001)	(7,083)
Equity of investees post-employment benefit	(903)	(903)
Equity of investees (1)	28,432	115,957
Financial instruments	(51,386)	(29,373)
Conversion adjustments	576,145	16,601
Others	421,191	421,191
Total	**970,478**	**516,390**

(1) Equity equivalence reflected on Hedge operations of the affiliate LD Celulose S.A. and the subsidiary Duratex Florestal Ltda.

The capital reserves share premium arose from a surplus on a subscription of shares paid by stockholders in relation to the nominal value at the time of subscription.

The options granted in the capital reserves represent the recognition of stock options on the grant date.

As provided in the bylaws, the balance appropriated to the statutory reserve will be utilized for the:
(i) dividend equalization reserve, (ii) working capital reserve, and (iii) reserve for capital increases in investees:

Dividend equalization reserve: limited to 40% of the capital and used to pay dividends, including interest on capital (Article 29.2) or distribution advances, for stockholders from available resources:

(a) equivalent to up to 50% of net income, adjusted in accordance with Article 202 of Brazilian Corporation Law.

(b) equivalent to up to 100% of the portion of the revaluation reserves, in retained earnings.

(c) equivalent to up to 100% of prior year adjustments, in retained earnings; and

(d) resulting from prepaid dividends (Article 29.1 of the bylaws)

Working capital reserve: limited to 30% of capital to preserve funding for the Company's operations, comprising up to 20% from net income, adjusted in accordance with Article 202 of Brazilian Corporation Law.

Reserve for Capital Increase of Affiliated Companies: Will be limited to 30% (thirty percent) of the value of the share capital and will have the purpose of guaranteeing the exercise of the preferential right to subscription to capital increases of participating companies, being formed with resources equivalent to up to 50% (fifty percent) of the net profit for the year, adjusted in accordance with the Article 202 of the Corporation Law.

Tax incentive reserves: The General Assembly may, upon proposal from the administrative bodies, allocate a portion of the net profit derived from donations or government grants for investments to the tax incentive reserve. This amount may be excluded from the calculation base for mandatory dividends (Article 202, paragraph I of the Brazilian Corporations Law, as amended by Law No. 11.638 of 2007). The state tax incentives, which have the nature of presumed ICMS credit, were recognized as government grants for investment purposes in forming the tax incentive reserve until the repeal of Article 30 of Federal Law No. 12.973/14 by Federal Law No. 14.789/23. Other tax incentives continue to be recognized as government grants for investment purposes in forming the tax incentive reserve.

The tax incentives refer to: R$ 91,570 (R$ 91,570 as of December 31, 2023) from PRODEPE – Pernambuco Development Program, R$ 22,439 (R$ 22,439 as of December 31, 2023) from FAIN – Industrial Development Support Fund of Paraíba, R$ 16,798 (R$ 16,798 as of December 31, 2023) from SUDENE – Superintendency of Development of the Northeast, R$ 22,953 (R$ 22,953 as of 2023) from FUNDOPEM – Operations Fund for Enterprises of the State of Rio Grande do Sul, and R$ 266,074 (R$ 227,932 as of December 31, 2023) from other investment subsidies.

24.5 Allocation of net income

The net income for the period was allocated as shown below:

Destination of net income	12/31/2024	12/31/2023
Net income of the year	**172,414**	**789,601**
(-) Legal reserve	(8,620)	(39,480)
(-) Tax incentives reserve	(38,144)	(65,863)
(+) Realization of revaluation reserve	394	1,047
(-) Dividends	(37,814)	(205,592)
Statutory reserves	**88,230**	**479,713**
Equity of investees reflex	-	-
Allocation for profit reserves:		
Equalization of dividends	(33,486)	(228,577)
Working capital	(29,483)	(150,024)
Capital increase in subsidiaries	(19,654)	(75,012)
Additional dividend proposed	(5,607)	(26,100)
= Statutory reserves after allocation	**-**	**-**

24.6 Dividends and interest on shareholders' equity

Accounting Policy

The distribution of dividends or interest on shareholders' equity to the Company's shareholders is recognized as a liability in the financial statements at the end of each fiscal year or in interim periods, as determined by the Board of Directors. The balance is calculated based on the minimum dividend set forth in the Company's Articles of Association, net of amounts approved and paid during the fiscal year.

Any amount above the minimum required is only recognized as a liability once approved by the shareholders in a General Meeting.

Shareholders are statutorily guaranteed a minimum mandatory dividend corresponding to 30% of the adjusted net income. Below is the calculation of dividends, amounts paid/credited, and the payable balance:

	12/31/2024	12/31/2023
Net income for the year	**172,414**	**789,601**
(-) Legal reserve	(8,620)	(39,480)
(-) Tax incentives	(38,144)	(65,863)
(-) Realization of revaluation reserve	394	1,047
Adjusted net income	**126,044**	**685,305**
a) Minimum mandatory dividend (30%)	**37,814**	**205,592**
The Board of Directors, at a meeting held on 12/13/2023 "ad referendum" of the General Assembly, resolved to declare interest on equity in the gross amount of R$ 0.215308641665 per share, totaling R$ 174,000. If the general rule of withholding 15.0% income tax at source is considered, the net interest amount will be R$ 0.183012345415 per share, totaling R$ 147,900.	-	174,000
The Board of Directors, at a meeting held on 12/11/2024 "ad referendum" of the General Assembly, resolved to declare interest on equity in the gross amount of R$ 0.046237799305 per share, totaling R$ 37,377. If the general rule of withholding 15.0% income tax at source is considered, the net interest amount will be R$ 0.03930212941 per share, totaling R$ 31,770.	37,377	-
b) Dividends and JCP of the result of the fiscal year	**37,377**	**174,000**
IRRF on interest on equity (15%)	(5,607)	(26,100)
c) Dividends and JCP declared, net of Income Tax at source (IRRF)	**31,770**	**147,900**
d) Total dividends and JCP of the fiscal year	**43,421**	**231,692**
e) Supplementary value of the mandatory minimum dividend = (a-c)	**6,044**	**57,692**
f) Value exceeding the mandatory minimum dividend = (b + e - a)	**5,607**	**26,100**

In the meeting held on December 11, 2024, the Board of Directors declared interest on shareholders' equity in the amount of R$ 0.04623779930 per share, totaling R$ 37,377.

25. INSURANCE COVERAGE

As of December 31, 2024, the Company and its subsidiaries had insurance coverage against fire and various risks relating to property, plant and equipment, forests and inventory.

The Company also maintains civil responsibility policies for the executives and directors for appropriate amounts.

26. NET SALES REVENUE

Accounting Policy

Revenue includes the fair value of the consideration received or receivable from the sale of products in the ordinary course of the Company's and its subsidiaries' activities. Revenue is presented net of taxes, returns, discounts, and reductions granted, as well as intercompany sales eliminations. It is recognized when its value can be reliably measured, when it is probable that future economic benefits will flow to the entity, and when the specific criteria detailed below have been met for each activity.

Sales of products are recognized in the income statement when the products are delivered, as well as when the risks and benefits are transferred to the buyer.

The reconciliation of gross sales revenue to net sales revenue is represented as follows:

	Parent Company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Domestic market	7,849,990	6,244,409	8,827,602	8,002,114
Foreign market	756,050	526,430	1,590,386	1,414,605
Gross sales revenue	**8,606,040**	**6,770,839**	**10,417,988**	**9,416,719**
Returns and Rebates	(227,571)	(251,495)	(283,927)	(334,985)
	8,378,469	**6,519,344**	**10,134,061**	**9,081,734**
Taxes and contributions on sales	(1,605,712)	(1,286,573)	(1,899,414)	(1,698,325)
Net sales revenue	**6,772,757**	**5,232,771**	**8,234,647**	**7,383,409**

27. EXPENSES, BY NATURE

	Parent Company							
	Cost of products sold		**Selling expenses**		**General and administrative expenses**		**Total**	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**	**12/31/2024**	**12/31/2023**	**12/31/2024**	**12/31/2023**
Change in stocks of finished products and products under preparation	3,409,462	1,747,316	-	-	-	-	3,409,462	1,747,316
Raw materials and consumables	(7,108,900)	(4,624,297)	-	-	-	-	(7,108,900)	(4,624,297)
Salaries, charges and benefits to employees	(782,918)	(655,650)	(173,580)	(155,245)	(121,508)	(116,893)	(1,078,006)	(927,788)
Depreciation, amortization and exhaustion charges	(304,918)	(268,992)	(3,050)	(1,495)	(29,780)	(57,047)	(337,748)	(327,534)
Transportation expenses	(18,438)	(28,674)	(589,692)	(445,957)	-	-	(608,130)	(474,631)
Advertising expenses	-	-	(167,195)	(99,610)	-	-	(167,195)	(99,610)
Commission	-	-	(33,486)	(20,827)	-	-	(33,486)	(20,827)
Third party services	-	-	-	-	(48,814)	(41,840)	(48,814)	(41,840)
Other expenses	(493,761)	(383,936)	(87,164)	(83,750)	(35,931)	(25,688)	(616,856)	(493,374)
Total	**(5,299,473)**	**(4,214,233)**	**(1,054,167)**	**(806,884)**	**(236,033)**	**(241,468)**	**(6,589,673)**	**(5,262,585)**

	Consolidated							
	Cost of products sold		**Selling expenses**		**General and administrative expenses**		**Total**	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**	**12/31/2024**	**12/31/2023**	**12/31/2024**	**12/31/2023**
Change in the fair value of biological assets	520,383	768,592	-	-	-	-	520,383	768,592
Change in stocks of finished products and products under preparation	3,774,384	1,915,527	-	-	-	-	3,774,384	1,915,527
Raw materials and consumables	(6,936,239)	(4,938,620)	-	-	-	-	(6,936,239)	(4,938,620)
Salaries, charges and benefits to employees	(1,061,123)	(985,036)	(188,084)	(174,679)	(155,389)	(180,321)	(1,404,596)	(1,340,036)
Depreciation, amortization and exhaustion charges	(1,160,491)	(1,054,099)	(4,127)	(3,970)	(34,329)	(63,576)	(1,198,947)	(1,121,645)
Transportation expenses	(30,394)	(40,463)	(670,104)	(519,697)	-	-	(700,498)	(560,160)
Advertising expenses	-	-	(187,752)	(150,593)	-	-	(187,752)	(150,593)
Commission	-	-	(58,934)	(59,920)	-	-	(58,934)	(59,920)
Third party services	-	-	-	-	(60,047)	(63,469)	(60,047)	(63,469)
Other expenses	(889,267)	(673,443)	(116,150)	(133,555)	(53,852)	(60,125)	(1,059,269)	(867,123)
Total	**(5,782,747)**	**(5,007,542)**	**(1,225,151)**	**(1,042,414)**	**(303,617)**	**(367,491)**	**(7,311,515)**	**(6,417,447)**

28. FINANCIAL INCOME AND EXPENSES

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Financial income				
Remuneration on financial investments	124,018	131,221	254,204	217,092
Foreign exchange gains	89,846	8,157	95,542	10,757
Income accruals	30,988	63,081	36,183	80,112
Interest and discounts obtained	9,509	6,963	10,079	11,829
Updates on the exclusion of ICMS from the base of PIS and COFINS	21,153	187,907	28,951	223,213
Total	**275,514**	**397,329**	**424,959**	**543,003**
Financial expenses				
Charges on financing - local currency	(546,336)	(648,893)	(705,813)	(707,742)
Charges on financing - foreign currency	(62,406)	(47,390)	(62,515)	(47,564)
Foreign exchange losses	(127,264)	(143,913)	(133,312)	(158,836)
Currency updates	(25,106)	(18,108)	(51,579)	(83,653)
Derivatives	(2,549)	(209)	(2,549)	(209)
Bank charges	(2,630)	(1,941)	(6,609)	(6,278)
Tax on financial operations	(735)	(88)	(744)	(103)
Interest on lease liabilities	(5,700)	(5,844)	(8,486)	(10,560)
Pis and Cofins on financial results	(17,517)	(23,640)	(21,415)	(27,754)
Other	(23,753)	(2,408)	(23,997)	(18,711)
Total	**(813,996)**	**(892,434)**	**(1,017,019)**	**(1,061,410)**
Total financial result	**(538,482)**	**(495,105)**	**(592,060)**	**(518,407)**

29. OTHER OPERATING INCOME (EXPENSES), NET

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Amortization of customer portfolio	(18,557)	(25,723)	(18,729)	(26,501)
Amortization of appreciation of assets	(3,262)	(6,309)	(4,205)	(17,968)
Profit sharing, stock options and ILP	(32,226)	(21,158)	(32,226)	(19,136)
Updates of pension plan credits	(20,944)	802	(22,123)	1,830
Prodep-Reintegra credits	2,962	3,783	2,963	3,902
Operating credits with suppliers	7,518	9,335	7,518	9,335
Net income from partial sale of subsidiary - SPE I (1)	106,129	-	106,129	-
Net income from the sale of electric showers and taps (2)	-	-	(55,655)	-
Negotiation of Eletrobrás credits	60,439	-	60,439	-
Reversal of business acquisition provisions	28,518	-	28,518	-
Reversal INSS 1/3 Vacation	17,554	-	17,933	-
Property Sales	6,407	3,405	6,407	34,050
Exclusion of ICMS from the base of PIS and COFINS (3)	-	99,471	-	115,817
Impairment of fixed assets - Louças Queimados Unit - RJ	-	(22,487)	-	(22,487)
Impairment of assets - Unit Manezales - Colombia	-	-	-	(29,000)
Gain (loss) on disposal and other operating income and expenses	(2,370)	(27,982)	6,052	(7,654)
Total other operating income, (expenses) net	**152,168**	**13,137**	**103,021**	**42,188**

(1) Gain from the sale of 50% of the shares in Duratex SPE I S.A. to an investor, see explanatory note no. 1.1.5;
(2) Loss from the exit of the Company from the showerheads and electric faucets business, see explanatory note no. 1.1.3;
(3) Updates related to the exclusion of ICMS from the base of PIS and Cofins, see explanatory note no. 9.

30. INCOME TAX AND SOCIAL CONTRIBUTION

Accounting policy

Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) are recognized in the Income Statement under the line item "Income Tax and Social Contribution," except in the proportion that is related to items recognized directly in Shareholders' Equity or Comprehensive Income.

Current taxes are calculated in accordance with the applicable tax legislation and are presented net in the Balance Sheet, by taxpayer entity, and approximate the amounts to be paid or recovered. They are calculated based on the income for the period, before the provision for income tax and social contribution, adjusted for the inclusions and exclusions stipulated by the current tax legislation.

30.1 Reconciliation of IRPJ and CSLL in the result

The following shows the reconciliation between income tax and social contribution expense using the nominal and effective rates:

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Profit before income tax and social contribution	**119,815**	**479,418**	**344,474**	**751,247**
Income tax and Social Contribution at the rates of 25% and 9%, respectively	(40,738)	(163,002)	(117,122)	(255,424)
Income tax and Social Contribution on additions and deductions from the result	93,337	473,185	(52,977)	315,447
Interest on Equity	(17,212)	17,680	12,708	59,160
Equity in results of investees	115,758	343,113	(24,787)	95,126
Tax differences in subsidiaries	-	-	36,241	38,810
Tax incentives	-	-	3,884	172
Untaxed Government Grants	-	42,343	-	47,459
SELIC/ICMS Update on the PIS/COFINS Base	7,192	63,888	9,796	74,584
Reversal of Tax Loss (Dexco Revestimentos merger) see note 14b	-	-	(36,461)	-
Reversal of Tax Loss - shower business	-	-	(23,892)	-
Non-recognition of Deferred Charges on Impairment - shower business	-	-	(15,923)	-
Statutory participations	(5,795)	-	(5,540)	-
Non-deductible expenses	(1,939)	-	(2,775)	-
Other additions and exclusions	(4,667)	6,161	(6,228)	136
Income tax and social contribution on the result of the period	**52,599**	**310,183**	**(170,099)**	**60,023**
In the results:				
Current income tax and social contribution	2,545	29,586	(118,832)	(40,469)
Deferred income tax and social contribution	50,054	280,597	(51,267)	100,492
Effective rate %	44%	65%	-49%	8%

31. STOCK-OPTION PLAN

The Company offered its executives a compensation plan based on stock options, which was replaced in 2020 by the LTI (Long-Term Incentive) plan. Under this plan, the Company received the executives' services as consideration for the granted stock options. The fair value of the granted options was recognized as an expense with a corresponding entry in equity, during the period in which the executives' services were rendered and the right was acquired.

The fair value of the granted options was calculated at the grant date, and at each balance sheet date, the Company revised its estimates of the number of shares expected to be issued, based on the vesting conditions.

As provided for in the bylaws, the Company has a stock-option plan aligning executives' goals with the Company's medium and long-term strategy, enabling them to benefit from the results of their work through the Company's share price.

These options grant their owners the right, pursuant to the plan's conditions, to subscribe to common shares of the Company's authorized capital.

The rules and operating procedures of the plan are proposed by a People, Governance and Appointing Committee designated by the Company's Board of Directors. Periodically, this Committee submits proposals to the Board of Directors on the implementation of the plan.

Options will only be granted for years during which sufficient profits are earned to permit the mandatory minimum dividend distribution to stockholders. The total number of options to be granted during each year should not exceed 0.5% of the total number of the Company's shares owned by the controlling and non-controlling stockholders at the end balance of the same year.

The exercise price payable to the Company will be defined by the People, Governance and Appointing Committee when granting the option. In order to define the exercise price, the Committee will consider the average price of the Company's common shares in B3 trading sessions for a period of five to 90 days prior to the option issue date. This will be at the discretion of the Committee, which may make an upward or downward adjustment of up to 30%. The prices established will be readjusted, up to the prior month of exercise of the options, based on the IGP-M index, or, in its absence thereof by an index designated by the Committee.

	2018	2019
Total stock options granted	1,046,595	1,976,673
Exercise price on the grant date	9.02	9.80
Fair value on the grant date	5.19	5.17
Deadline to exercise	8.8 years	8.8 years
Vesting period	3.8 years	3.7 years

To determine this value, the following economic assumptions were used:

	2018	2019
Volatility of share price	38.09%	38.49%
Dividend yield	2.00%	2.00%
Risk-free rate of return (1)	4.67%	4.05%
Actual exercise rate	94.90%	94.90%

(1) IGP-M coupon

The Company liquidates this benefit plan by delivering shares of its own issue that are held in treasury until the effective exercise of the options by the executives.

Value and appropriation of the options granted:

Grant Date	Qty Granted	Vesting Date	Term for Maturity	Grant price	Balance to be exercised 12/31/2024	Option Price	Total Value	Overdue	Competence 2018/2019	2020 a 2022
Due by 12/31/2024					-	-	-	100,457	-	-
04/26/2018	1,046,595	12/31/2021	12/31/2026	9.02	714,970	5.19	5,381	-	2,619	2,762
05/13/2019	1,976,673	12/31/2022	12/31/2027	9.80	1,919,741	5.17	10,220	-	1,787	8,433
Total	3,023,268				2,634,711		15,601	100,457	4,406	11,195
Effective exercise rate								96.60%	94.90%	94.90%
Value established							-	97,039	4,181	10,624

On December 31, 2024, the Company held 12,201,649 shares in treasury, which may be used for the exercise of options.

32. LONG TERM INCENTIVE PLAN

Accounting Policy

The Company offers its executives a long-term incentive plan (LTI Plan). The LTI aims to: i) stimulate the commitment of the Company's executives in the long term, encouraging them to pursue success in all their activities and the achievement of the Company's goals; ii) attract and retain top professionals by offering incentives that align with the Company's continuous growth; and iii) provide the Company with a competitive edge in relation to the market concerning variable compensation. There are three types of LTIs: Performance shares, matching, and restricted stock.

Long term incentive plan criteria

32.1 Performance shares

Within the scope of the Performance Plan, shares issued by the Company will be transferred to the participants if performance targets are attained, based on the Company's strategic planning for the period of five years.

The Performance target will be defined by the Company's People, Governance and Nomination Committee annually and approved by the Board of Directors.

To receive the shares, a five-year grace period for the participant with the Company must be observed. The number of shares to be determined will be based on the average of the last 30 trading sessions as a price reference.

In the event of dismissal without just cause or not being reinstated, from the 37th month, the participant will receive, at the end of the five-year period, shares in an amount proportional to the period worked. In the event of voluntary termination, the participant will lose the right to shares regardless of the period elapsed.

The Performance Plan is applicable only to non-payrolled directors ("statutory directors").

32.2 Matching

The Company will invite the beneficiary to invest a percentage of the net ICP (short-term incentive) received, buying shares of the Company.

The matching of shares will be made as follows:

(i) after completing four years of investment, the Company will transfer 50% of the shares to the Beneficiary and only the transferred shares may be traded by the beneficiary; and

(ii) after completing five years of investment, the Company will conclude the full contribution of 100% of the matching through the transfer of remaining 50% of the shares to the beneficiary.

To be entitled to full matching, the beneficiary will not be able to sell the shares purchased at the time of the investment within a five-year grace period, that is, if the beneficiary sells the shares before the five-year term, the right to matching will be lost.

The transfer is subject to the beneficiary's continuous employment by the Company and the maintenance of the investment made with the purchase of the shares.

In the event of termination without just cause or non-renewal of office, from the 13th month of the concession, the participant will be entitled to matching pro rata temporize to be paid after five years. In the event of voluntary termination, the Beneficiary will lose the right to matching.

The Matching Plan is applicable to non-payrolled directors ("statutory directors").

32.3 Restricted shares

The Company shares will be transferred to employees, free of charge, as long as all terms and conditions set forth herein are met.

The Board of Directors will grant, in a discretionary manner, shares to participants who, within a year, have a different performance and generate high impact for the Company’s business.

This grant must be consistent with: (i) criteria for the formation of an eligible pool; (ii) talent bank; (iii) consistent performance in individual goals; and (iv) potential assessment. The shares will be transferred after the three years of the concession.

In the event of termination without just cause, from the 13th month of the concession, the participant will be entitled to an amount matching pro rata temporis to be paid at the end of the third year. In the event of voluntary termination, the participant will lose the right to shares regardless of the period elapsed.

This type of plan is applicable to employees ("employees") hired under the legal framework of the Consolidation of Labor Laws ("CLT").

32.4 Annual conditions and limit for grant of shares

Shares will only be granted in relation to the years when there are sufficient profits to allow the distribution of the mandatory dividend to the stockholders.

The total number of shares to be granted in each year will not exceed the maximum limit of 0.5% of all the Company’s shares on the prior year balance sheet date.

As follows:

	Parent company and Consolidated	
	12/31/2024	**12/31/2023**
Long-term incentive plan - Performance	4,005	2,526
Long-term incentive plan - Matching	3,489	2,389
Long-term incentive plan - Restricted shares	860	688
Total liabilities	**8,354**	**5,603**
Long-term incentive plan - Performance	14,253	8,949
Long-term incentive plan - Matching	15,676	11,383
Long-term incentive plan - Restricted shares	3,163	2,059
Total stockholders' equity	**33,092**	**22,391**

	12/31/2024	12/31/2023
Long-term incentive plan - Performance	6,758	5,547
Long-term incentive plan - Matching	5,928	5,068
Long-term incentive plan - Restricted shares	1,422	761
Total appropriated to income for the period	**14,108**	**11,376**

33. PRIVATE PENSION PLAN

The plan is offered to all eligible employees. The current value of the assets/liabilities related to private pension plans depends on a number of factors that are determined based on actuarial calculations, which use a series of assumptions. Among these assumptions used to determine the values are the discount rate and current market conditions. Any changes in these assumptions will affect the corresponding accounting values.

The Company and its subsidiaries are members of a group of sponsors of Fundação Itaúsa Industrial, a non-profit organization which manages private plans providing pensions or supplementary income benefits, like those of the National Social Security. The Fundação manages a defined contribution plan ("DC Plan") and a defined benefit plan ("DB Plan").

33.1 Defined contribution plan - Plan CD

This plan is offered to all employees eligible for the plan and had, as of December 31, 2024, 4,149 participants (4,389 participants as of December 31, 2023).

In the CD-PAI Plan (Individual Retirement Plan), there is no actuarial risk, as the investment risk is borne by the participants. The current regulations stipulate that the sponsors contribute a percentage between 50% and 100% of the amount contributed by the employees.

33.2 Pension fund for balance reversal due to regulatory requirement

It is made up of the portion of the sponsors' balance that is not subject to redemption payment or benefits to participants, the implementation of portability or other payments provided for in the plan regulations (option of redemption or early retirement by participant).

The resources allocated to this Fund are intended to cover of future contributions partially or fully from sponsors who remained in the plan.

The present value of future normal contributions, calculated by the actuaries, using the average contribution percentage of the sponsors, totaled R$ 89,981 in the consolidated balance as of December 31, 2024 (R$ 112,104 as of December 31, 2023). This amount is presented in the balance sheet under non-current assets in the line item "Credits with pension plan." The reduction of R$ 22,123 was recognized under the line item "Other operating results, net." Below is the reconciliation of the amounts recognized in the financial statements:

Assets and liabilities to be recognized in the balance sheet	**12/31/2024**	**12/31/2023**
Present value of the actuarial obligations	(1,179,552)	(1,089,260)
Fair value of assets	1,330,413	1,236,654
Asset calculated	150,861	147,394
Restriction of asset due to limit	(60,302)	(35,290)
Subtotal	90,559	112,104
Credit reversal for exiting the shower and tap operation	(578)	-
Asset to be recognized in the financial statements	**89,981**	**112,104**

33.3 Defined contribution plan - DB Plan

It is a plan whose basic purpose is to provide benefits, in the form of a lifelong monthly income, intended to complement, according to its regulations, the benefits paid by Social Security. This plan is being phased out and new participants are not allowed to join.

The plan covers the following benefits: retirement supplement for length of service, special retirement, retirement by age, disability, lifelong monthly income, retirement bonus, and death benefit.

In October 2020, according to Portaria 670 from PREVIC, the allocation of a special reserve for the Defined Benefit Plan (BD) was approved, with the reversal of amounts to the sponsors totaling R$ 6,505 (R$ 4,293 net of tax effects). This amount is being received according to CGPC Resolution No. 30 from October 2018.

These amounts were recognized in 36 installments, and there is no amount to be received as of December 31, 2024 (R$ 2,220 as of December 31, 2023), as outlined in explanatory note No. 8.

Below is the position as of December 31, 2024:

Assets and liabilities to be recognized in the balance sheet	**12/31/2024**	**12/31/2023**
Present value of the actuarial obligations	(49,705)	(53,340)
Fair value of assets	81,989	84,628
(Liabilities) / Assets calculated based of CPC 33 R1/IAS 19	32,284	31,288
Irrecoverable surplus at the end of the year	(30,624)	(31,288)
Net assets from defined benefit (Liability)	1,660	-

33.4 Actuarial assumptions

Economic assumptions	**12/31/2024**	**12/31/2023**
Discount rate	10.58%	9.29%
Inflation rate	3.50%	3.50%
Salary increase rate	3.50%	3.50%
Growth of benefits	3.50%	3.50%

Economic assumptions	**12/31/2024**	**12/31/2023**
Mortality Table	AT - 2000 - reduced by 10%	AT - 2000 - reduced by 10%
Mortality table for disabled	RRB 1983	RRB 1983
Entry into disability table	RRB 1944 - reduced by 70%	RRB 1944 - reduced by 70%
Turnover table	Null	Null
Retirement age	First age entitled to one of the benefits	First age entitled to one of the benefits

During the year ended December 31, 2024, there were no changes in the conditions and benefits of the plan, nor in the assumptions used for its evaluation.

34. POST-EMPLOYMENT MEDICAL ASSISTANCE PLAN

The current value of the assets/liabilities related to post-employment medical assistance plans depends on a number of factors that are determined based on actuarial calculations, which use a series of assumptions. Among these assumptions used in determining the values are the discount rate and current market conditions. Any changes in these assumptions will affect the corresponding accounting values.

34.1 Post-employment medical assistance plan

The company offers contributory plans, currently with co-payment, to its employees and their dependents, through 9 health operators, covering a total of 26,680 lives (active employees, dismissed employees, retirees, and dependents), establishing the obligation to extend coverage to dismissed employees and retirees in accordance with Law 9.656/98.

The company hired specialized consulting to carry out the actuarial evaluation of the liabilities as of December 31, 2024, and 2023, and to prepare the CPC 33 (R1) – CVM 695 accounting report.

The assumptions and the actuarial method used in this evaluation comply with generally accepted actuarial principles and practices, local legislation, and CPC 33 (R1).

The actuarial evaluation used the projected unit credit method to determine the liability and the normal cost. The discount rate used is based on securities available in the Brazilian market. Considering the duration of the liability of the evaluated plan, the determined discount rate was 7.44% per year for 2024 and 5.82% per year for 2023, both net of inflation. When adding the expected long-term inflation rate of 3.50% per year for 2024 and 3.50% per year for 2023, we have a nominal discount rate of 11.20% per year and 9.52% per year, respectively.

34.1.1 Financial assumptions

Item	12/31/2024	12/31/2023
Real Interest Rate	7.44% p.a.	5.82% p.a.
Inflation	3.50%	3.50%
Health care cost trend rate (HCCTR)	3.00%	Reducing 0.5% p.a. from 5.00% p.a. at 1.00% p.a.
Aging Factor	3.00% p.a. by age	3.00% p.a. by age
Evolution of Contributions	HCCTR	HCCTR

34.1.2 Biometric assumptions

Item	12/31/2024	12/31/2023
Mortality table	AT 2000 softened in 20% separete by gender	AT 2000 softened in 20% separete by gender
Turnover	Dexco experience 2021	Dexco experience 2021
Probability of retirement	100% at 55 years old	100% at 55 years old
New disable persons	RRB-1944 softened in 70% separete by gender	RRB-1944 softened in 70% separete by gender
Mortality table of disabled persons	RRB-83	RRB-83
Take Up	26%, based on Dexco experience	26%, based on Dexco experience
Family composition of components	95% married on retirement	95% married on retirement
Age difference between Holder/Spouse	Women 4 years younger than men	Women 4 years younger than men
Family composition of retirees	Real family composition	Real family composition
Renunciation rate	2.5% per year	2.5% per year

34.1.3 Reconciliation of the net liability (asset) recognized in the balance sheet

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Net actuarial liability at the beginning of the year	25,438	23,404	26,886	27,811
Effect on the net income of the year	2,465	2,391	2,569	2,737
Amount recognized on other comprehensive income	(6,185)	(357)	(4,140)	(3,662)
Transfer incorporation of Dexco Revestimentos	1,066	-	-	-
Net actuarial liability at the end of the year	**22,784**	**25,438**	**25,315**	**26,886**

34.1.4 Amounts recognized in the income statement for the year

	Parent company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Cost of current service	8	17	8	32
Interests on the obligations	2,457	2,374	2,561	2,705
Total expenses on the results	**2,465**	**2,391**	**2,569**	**2,737**

34.1.5 Sensitivity analysis of the assumptions

	Parent company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Medical inflation				
+ 1.0%	(4,804)	(3,895)	(4,804)	(3,703)
- 1.0%	3,801	4,815	3,801	4,666
Discount rate				
+ 0.25%	910	1,077	910	1,036
- 0.25%	(1,057)	(950)	(1,057)	(906)
Renunciation rate				
5.00%	8,839	8,948	8,839	9,227

34.2 Post-employment medical assistance plan for employees on leave

The company offers a health plan benefit for employees on leave. In this context, the company hired actuarial experts to review the actuarial evaluation of the liabilities in accordance with CPC 33 (R1) – CVM 695. As of December 31, 2024, the actuarial liability is R$ 5,900 (R$ 6,764 as of December 31, 2023) for the parent company and R$ 7,090 (R$ 9,740 as of December 31, 2023) in the consolidated results.

The assumptions and actuarial method used in this evaluation comply with generally accepted actuarial principles and practices, local legislation, and CPC 33 (R1).

The actuarial evaluation used the projected unit credit method to determine the liability and the normal cost. The discount rate used is based on securities available in the Brazilian market. Considering the duration of the liability of the evaluated plan, the determined discount rate was 7.70% per year for 2024 and 5.58% per year for 2023, net of inflation. When adding the expected long-term inflation rate of 3.50% per year for 2024 and 3.50% per year for 2023, we have a nominal discount rate of 11.47% per year for 2024 and 9.28% per year for 2023.

34.2.1 Financial assumptions

Item	12/31/2024	12/31/2023
Real Interest Rate	7.70% p.a.	5.58% p.a.
Inflation	3.50% p.a.	3.50% p.a.
Health care cost trend rate (HCCTR)	3.00%	Reducing 0.5% p.a. from 5.00% p.a. (2024) to stabilize at 1.00% (from 2032)
Aging Factor	3.00% p.a. by age	3.00% p.a. by age
Evolution of Contributions	HCCTR	HCCTR

34.2.2 Biometric assumptions

Item	12/31/2024	12/31/2023
Mortality table	AT 2000 softened in 10% separete by gender	AT 2000 softened in 20% separete by gender
Turnover	N/A	N/A
New retirements	Under 60 age: 100% at 60 years Age over or igual 60: (age + 2) years out	Under 60 age: 100% at 60 years Age over or igual 60: (age + 2) years out
New disable persons	N/A	N/A
Mortality table disable persons	RRB-83	RRB-83
Family composition of components	Only the holder is evaluated, dependents pay 100% of the plan when the holder leaves	Only the holder is evaluated, dependents pay 100% of the plan when the holder leaves
Probability of Return from Leave (years of leave)	Over 2 years: 0%	Over 2 years: 0%
Renunciation Fee	2,50% p.a.	2,50% p.a.

34.2.3 Reconciliation of the net liability (asset) recognized in the balance sheet

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Net actuarial liability at beginning of year	6,764	5,841	9,740	8,467
Effect on the net income of the year	(2,310)	923	(2,650)	1,273
Transfer Incorporation Revestimentos	1,446	-	-	-
Net actuarial liability at the end of the year	**5,900**	**6,764**	**7,090**	**9,740**

34.2.4 Amounts recognized in the income statement for the year

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Interests on the obligations	740	705	855	775
Gain / loss	(3,050)	218	(3,505)	498
Total expenses recognized on the results	**(2,310)**	**923**	**(2,650)**	**1,273**

34.2.5 Sensitivity analysis of the assumptions

	Parent company		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Medical inflation				
+ 1,0%	(473)	615	(475)	522
- 1,0%	424	512	426	590
Discount rate				
+ 0,25%	101	(129)	101	(112)
- 0,25%	(106)	133	(106)	113

35. EARNINGS PER SHARE

35.1 Basic

The basic earnings per share are calculated by dividing the net income attributable to the Company's stockholders by the weighted average number of common shares outstanding during the exercise, excluding common shares held in treasury.

	Parent company	
	12/31/2024	12/31/2023
Earnings attributable to the Company's stockholders	172,414	789,601
Weighted average number of common shares issued (in thousands)	820,566	826,064
Weighted average of treasury shares (in thousands)	(12,257)	(18,017)
Weighted average number of common shares outstanding (in thousands)	808,309	808,047
Basic earnings per share	**0.2133**	**0.9772**

35.2 Diluted

Diluted earnings per share are calculated by dividing the net income attributable to the Company's stockholders after adjustments of the weighted average common shares outstanding, assuming the conversion of all potentially diluted common shares adjusted by the stock-option program.

	Parent company	
	12/31/2024	12/31/2023
Earnings attributable to the Company's stockholders	172,414	789,601
Weighted average number of common shares issued (in thousands)	820,566	826,064
Call options for shares	2,634	2,466
Weighted average of treasury shares (in thousands)	(12,257)	(18,017)
Weighted average number of diluted common shares outstanding and call options for shares (in thousands)	810,943	810,513
Diluted earnings per share	**0.2126**	**0.9742**

36. BUSINESS SEGMENTS

Management defined the operating segments, based on the reports used by the chief operating decision makers for strategic reviews, namely the Executive Board.

The Executive Board analyzes the business based on the following segments: Wood Division, Deca, Ceramic Tiles and Soluble Cellulose. The segments presented in the interim financial statements are strategic business units that offer distinct products and services. There are no sales among segments.

	12/31/2024					12/31/2023				
	Wood	**Deca**	**Tiles**	**Dissolving wood pulp**	**Consolidated**	**Wood**	**Deca**	**Tiles**	**Dissolving wood pulp**	**Consolidated**
Net sales revenue	5,350,908	1,990,756	892,983	-	8,234,647	4,831,340	1,682,758	869,311	-	7,383,409
Domestic market	4,103,609	1,918,166	805,878	-	6,827,653	3,727,822	1,608,711	785,414	-	6,121,947
Foreign market	1,247,299	72,590	87,105	-	1,406,994	1,103,518	74,047	83,897	-	1,261,462
Changes in the fair value of biological assets	520,383	-	-	-	520,383	768,592	-	-	-	768,592
Cost of products sold	(2,984,049)	(1,452,284)	(706,306)	-	(5,142,639)	(2,779,040)	(1,293,926)	(649,069)	-	(4,722,035)
Depreciation, amortization and depletion	(631,225)	(92,430)	(59,596)	-	(783,251)	(518,761)	(94,731)	(57,194)	-	(670,686)
Depletion of adjustment to the biological assets	(377,240)	-	-	-	(377,240)	(383,413)	-	-	-	(383,413)
Gross profit	**1,878,777**	**446,042**	**127,081**	**-**	**2,451,900**	**1,918,718**	**294,101**	**163,048**	**-**	**2,375,867**
Selling expenses	(696,517)	(329,914)	(198,720)	-	(1,225,151)	(550,747)	(311,543)	(180,124)	-	(1,042,414)
General and administrative expenses	(139,770)	(115,424)	(45,580)	(2,843)	(303,617)	(140,861)	(156,819)	(67,779)	(2,032)	(367,491)
Management fees	(10,950)	(5,045)	(721)	-	(16,716)	(11,753)	(6,104)	(421)	-	(18,278)
Other operating income (expenses), net	108,096	(35,051)	29,976	-	103,021	61,173	(352)	(18,633)	-	42,188
Equity Income Result	102	(1,177)	(1,073)	(70,755)	(72,903)	439	(9)	-	279,352	279,782
Operating profit before financial result and taxes	**1,139,738**	**(40,569)**	**(89,037)**	**(73,598)**	**936,534**	**1,276,969**	**(180,726)**	**(103,909)**	**277,320**	**1,269,654**

These operating segments were defined based on the reports used for decision-making by the Company's Executive Board. The accounting policies for each segment are the same as those described in the respective explanatory notes.

The Company has a broad client portfolio, with no revenue concentration.

37. NON-CASH TRANSACTIONS

In accordance with CPC 03 (R2) / IAS 7 - Statement of Cash Flows, investment and financing transactions that do not involve the use of cash or cash equivalents are excluded from the statement of cash flows.

Investing and financing activities that did not involve cash movements and, therefore, not reflected in the Statement of Cash Flows, are shown below:

	Parent company		Consolidated	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
New contracts and lease updates	10,275	21,496	84,876	260,411
Write-off of lease contracts	(2,266)	(293)	(4,944)	(66,420)
JCP accrued and unpaid	37,813	205,592	37,813	205,592
Proposed 2023 additional dividend transferred to liabilities	26,100	-	26,100	-
Debt derivative Instruments	106,577	191,866	247,004	157,274
Provision for the closure of the Crockery unit in Queimados	-	22,487	-	22,487
Impairment of assets - Manezales Unit - Colombia	-	-	-	29,000
Sale of properties	-	(734)	-	(10,291)
	178,499	**440,414**	**390,849**	**598,053**

38. SUBSEQUENT EVENT

Acquisition of Guarani Florestal S.A. by Duratex Florestal LTDA.

On February 19, 2025, the subsidiary Duratex Florestal completed the transaction of purchasing shares of Guarani Florestal S.A., in accordance with the terms of a previously established purchase option agreement. The amount paid for the acquisition was R$ 86,848. This acquisition aims to meet the Company's need for panel production.

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