

Results Presentation 4Q24



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Therefore, it is important to note that the forward-looking statements made by the company's management reflect only their expectations as of the date they were made and are subject to change. Factors such as changes in legislation, tax policy changes, economic fluctuations, technological advancements, increased competition, and unpredictable events, such as pandemics or international conflicts, can significantly impact actual results.

This presentation should not be construed as an offer to sell securities, nor as a solicitation or invitation to purchase any securities."



Agenda

- 1 Market Overview
- 2 Operational and Financial Performance 4Q24
- 3 Strategic Projects Update
- 4 Outlook 2025
- 5 Q&A

A modern interior space featuring a large window on the left that looks out onto a blue sky and a distant building. The floor is covered in large, light-colored hexagonal tiles. A wooden armchair with a cane backrest is positioned against a light gray wall. Next to it is a low, round wooden table holding a small white vase with dried flowers and a glass. A potted plant with large green leaves is visible on the right side of the frame.

Market Overview

Brazilian Market vs. PBG

PBG demonstrated strong sales volume growth, reaching high levels and closing out 2024 with performance that surpassed the overall market.

Market¹

+0.6%

4Q24 vs. 4Q23

PBG²

+12.4%

4Q24 vs. 4Q23

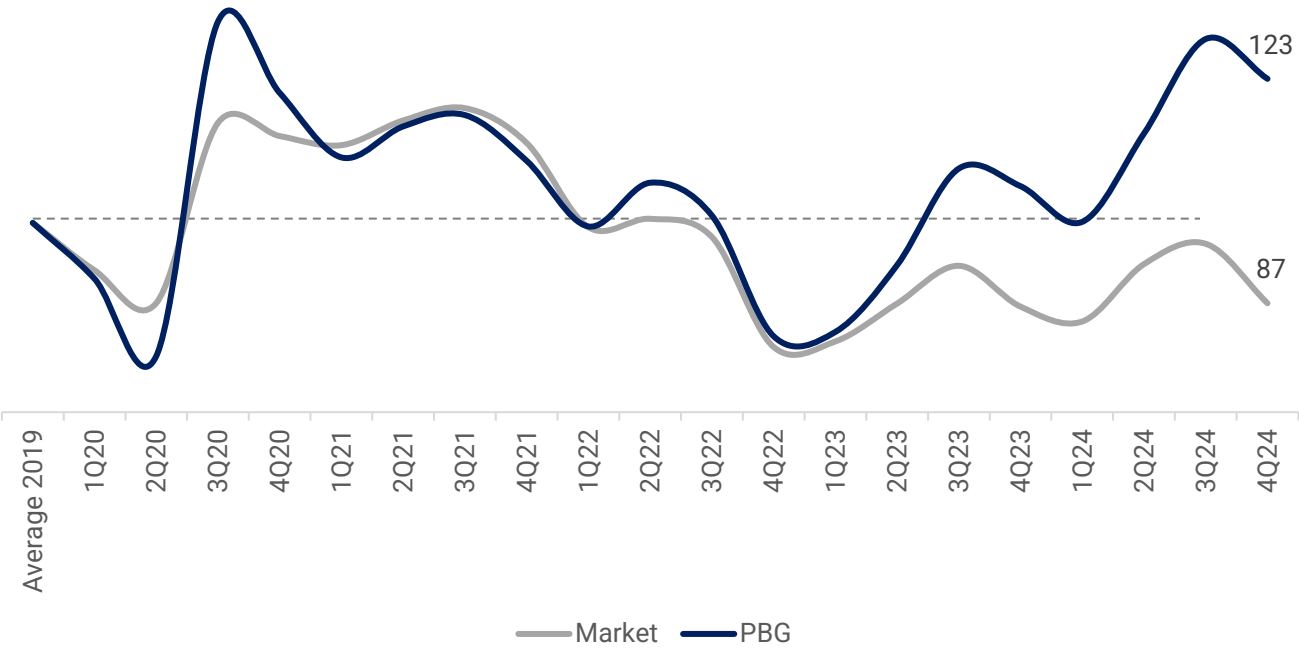
+3.9%

2024 vs. 2023

+17.6%

2024 vs. 2023

Base 100 evolution of market and PBG volume



¹ Market volume: dry process and wet process, source: Anfacer. ² PBG Brazil sales volume.

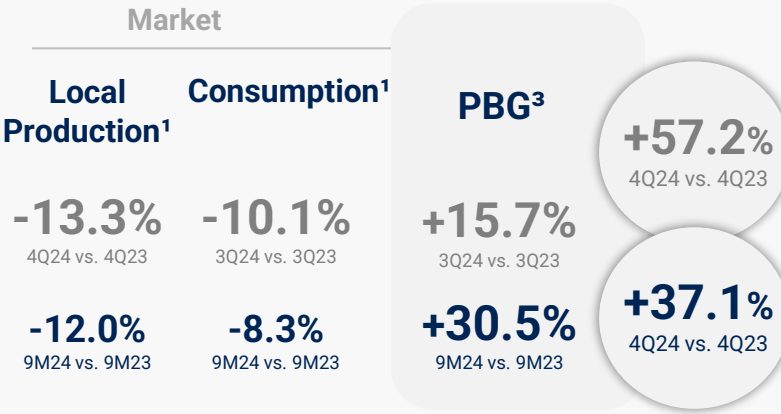
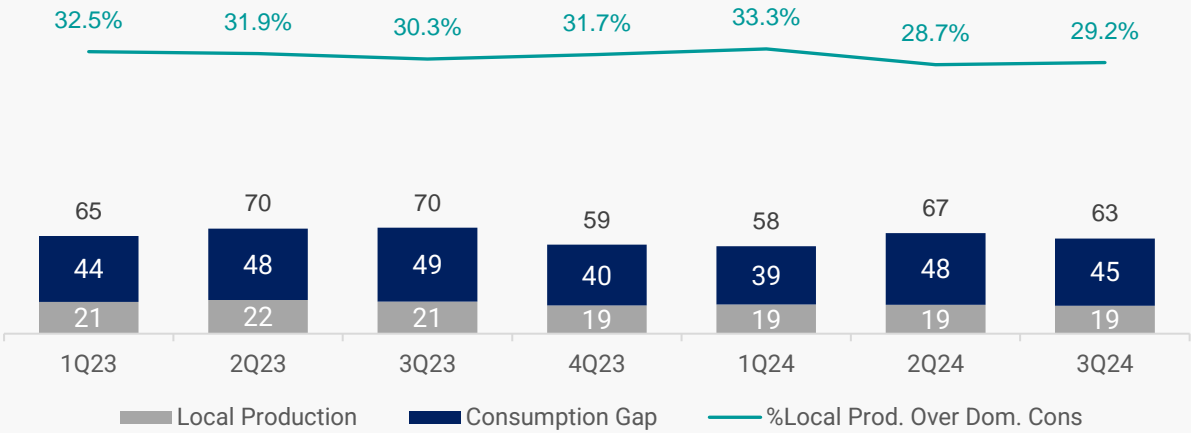


North American Market (Ceramic Tiles)

The North American market remains challenging, but local producers maintain stability throughout 2024, while signs of recovery emerge with the resumption of housing starts in December.

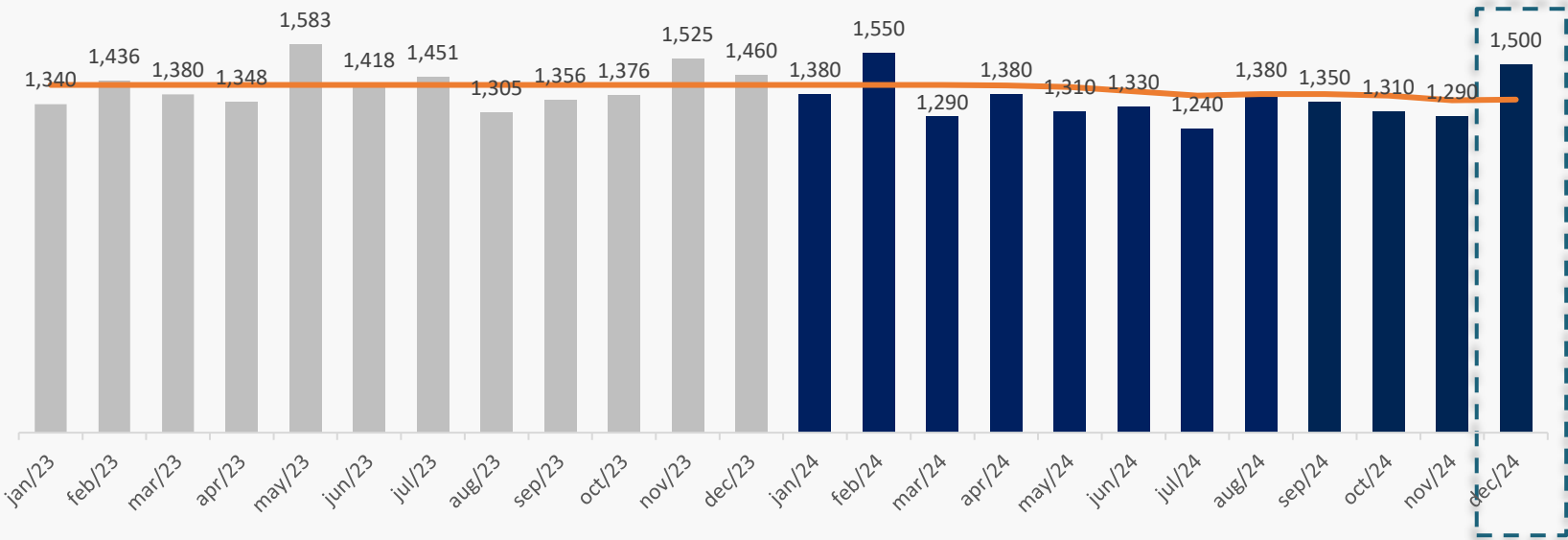
Consumption of Ceramic Tiles (TCNA)¹

Volume in million m²



Housing Starts²

Annualized and seasonally adjusted volume



¹Source: Tile Council of North America; ²Source: U.S. Census Bureau. Values in thousands. ³Consolidated Net Revenue Growth of PBA in USD.



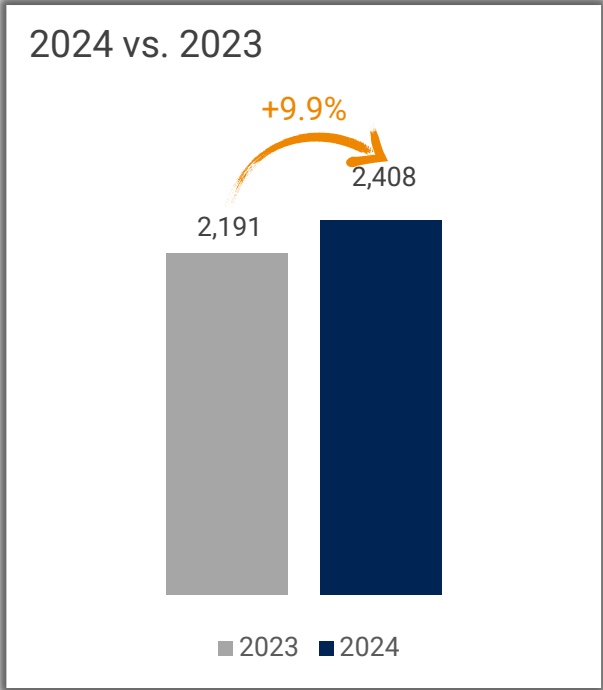
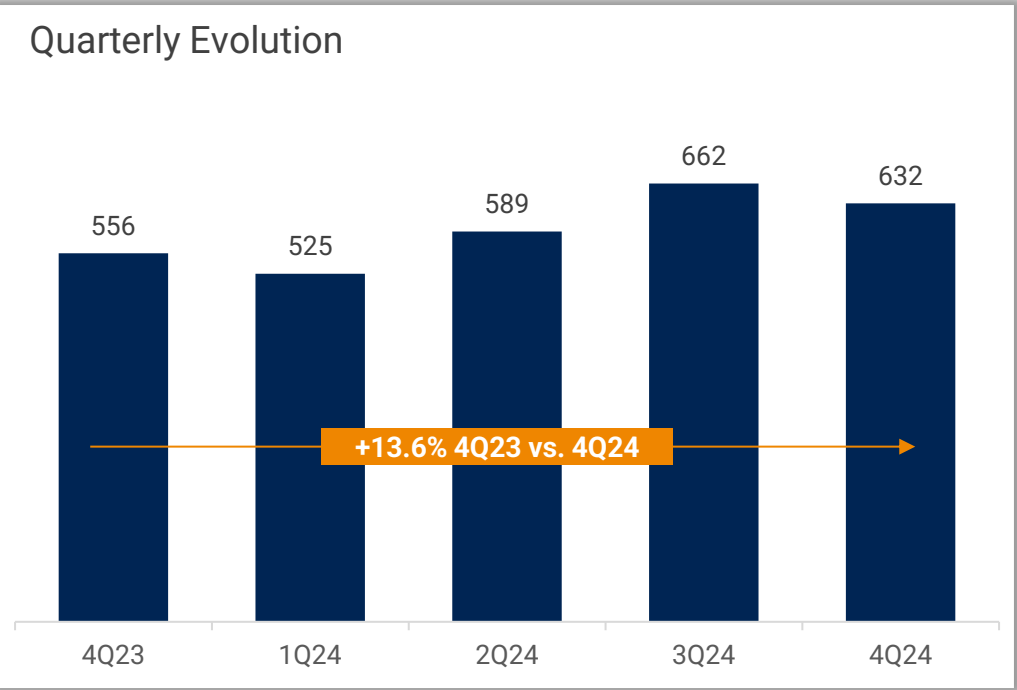
Operational and Financial Performance

4Q24 and 2024

Consolidated Net Revenue¹

With growth above the market, PBG increases by 13.6% in 4Q24 vs. 4Q23 and 9.9% for the year-to-date, driven by expansion in Brazil and the United States.

Net Revenue R\$ million



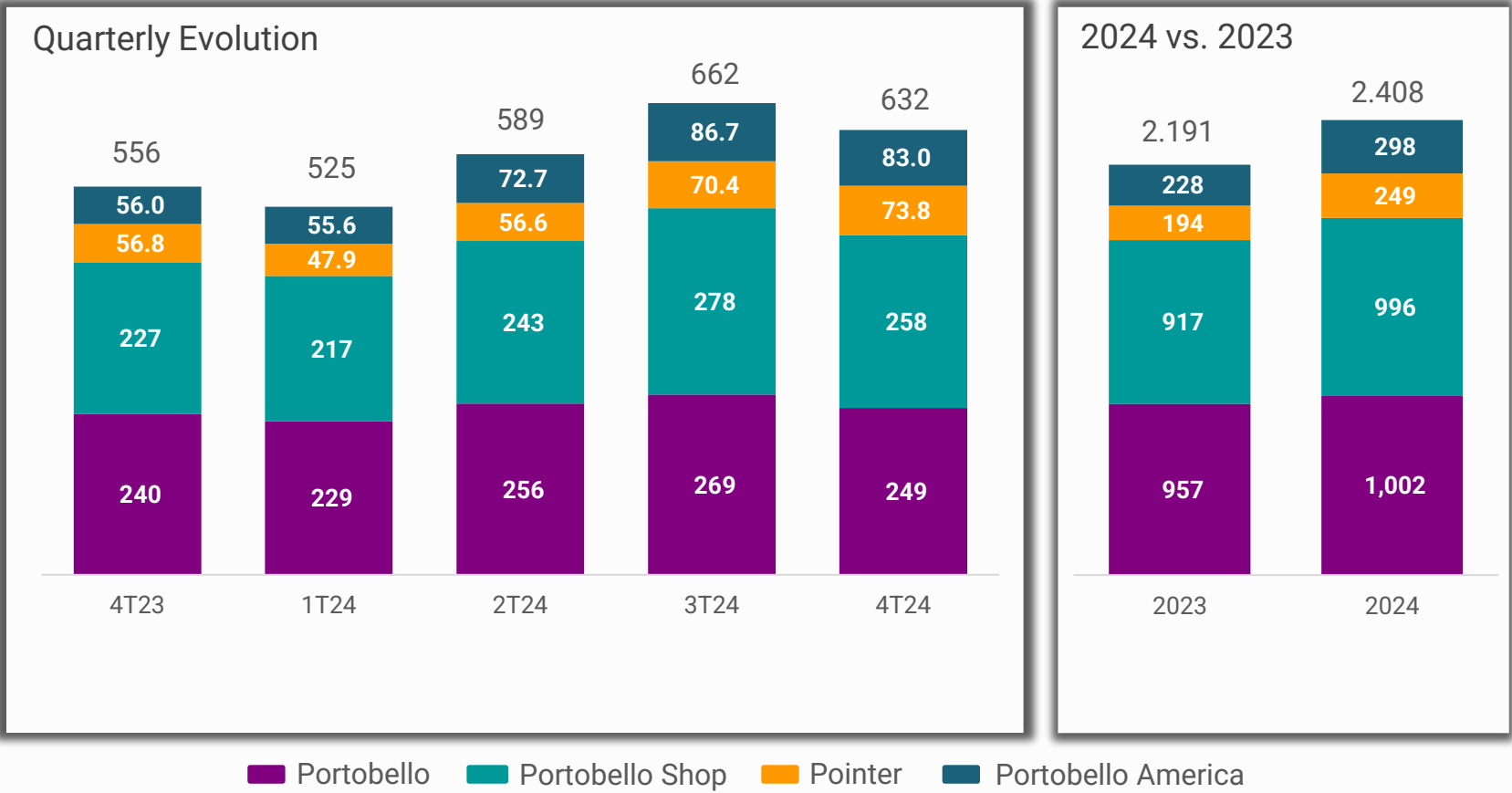
- PBG continues to outperform the market, growing in both the wet and dry segments while expanding its market share in Brazil.
- This progress also reflects the strong performance of Portobello America, which recorded a 30% year-over-year revenue growth.
- Growth across all business units in 4Q24 vs. 4Q23, consolidating the company's position in Brazil and the United States.



Net Revenue by Business Unit

Growth across all business units in 4Q24 vs. 4Q23, consolidating the company's position in Brazil and the United States.

Net Revenue by segment
R\$ million



Highlights 4Q24 vs. 4Q23 and 2024 vs. 2023.

- UN Portobello America +48.3% and 30.8%
- UN Pointer +29.9% and 28.5%
- UN Portobello Shop +13.8% and 8.6%
- UN Portobello +3.8% and 4.8%

Consolidated Net Revenue reflects the net value of eliminations, the breakdown by business unit contains eliminations



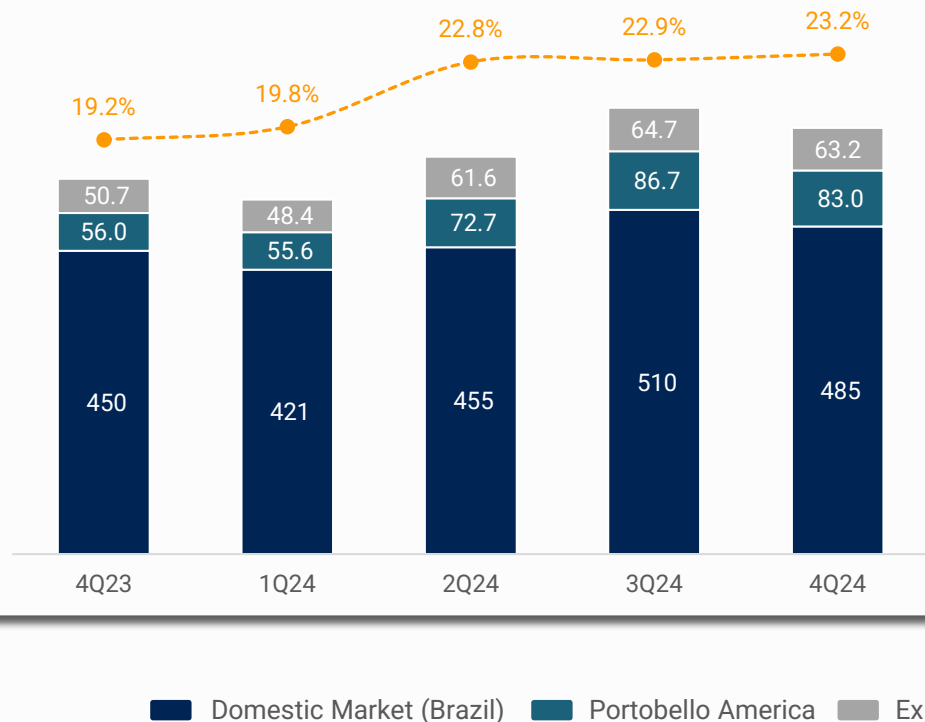
Net Revenue by Geographic Area

Positive evolution of the revenue mix: growth in the domestic market, expansion of exports, and a greater share of hard currency

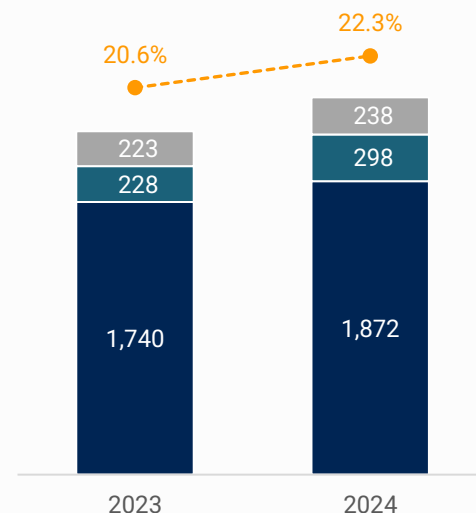
Share of Net Revenue

R\$ million | % of Net Revenue

Quarterly Evolution



2024 vs. 2023



- **Domestic Market (BR)** +8.0% in 4Q24 vs. 4Q23
- **Portobello America** grew robustly by +48.3% in 4Q24 vs. 4Q23 (+57.2% in USD)¹.
- **Exports:** increased by +6.7%, from 223 to 238.
- **The share of revenues in hard currency** rose from 20.6% to 22.3% in 2024 (year-to-date), reinforcing the company’s internationalization.

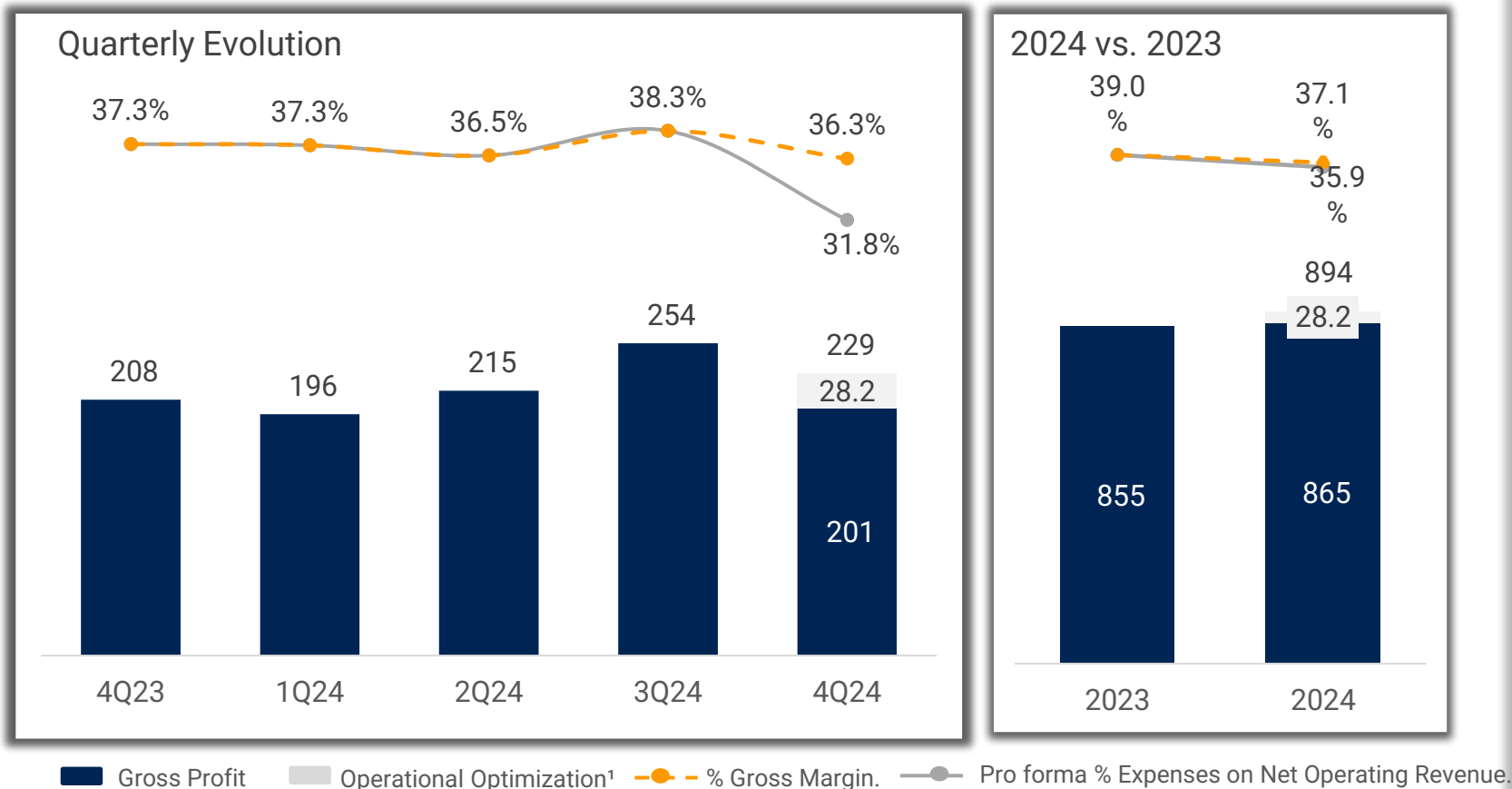
¹ PBA’s net revenue in dollars, excluding hedge effects.

Consolidated Gross Profit and Gross Margin

A 10.3% increase in Pro forma Gross Profit in 4Q24 vs. 4Q23. Year-to-date, it grew 4.5% in 2024 vs. 2023.

Gross Profit and Gross Margin

R\$ million and % margin



- Operations in Brazil sustained the consolidated gross margin, reinforcing the resilience of the business.
- In 4Q24, the Company carried out an operational optimization focused on operational efficiency and consolidating the Group's production structure and its units, ensuring a stronger foundation for future growth.
- The optimization had an impact on Gross Profit, Expenses, EBITDA, Net Income, Debt, and Leverage.
- Gross Profit was impacted by R\$ 28.2 million due to inventory adjustments arising from production costs during the ramp-up phase of the U.S. factory.

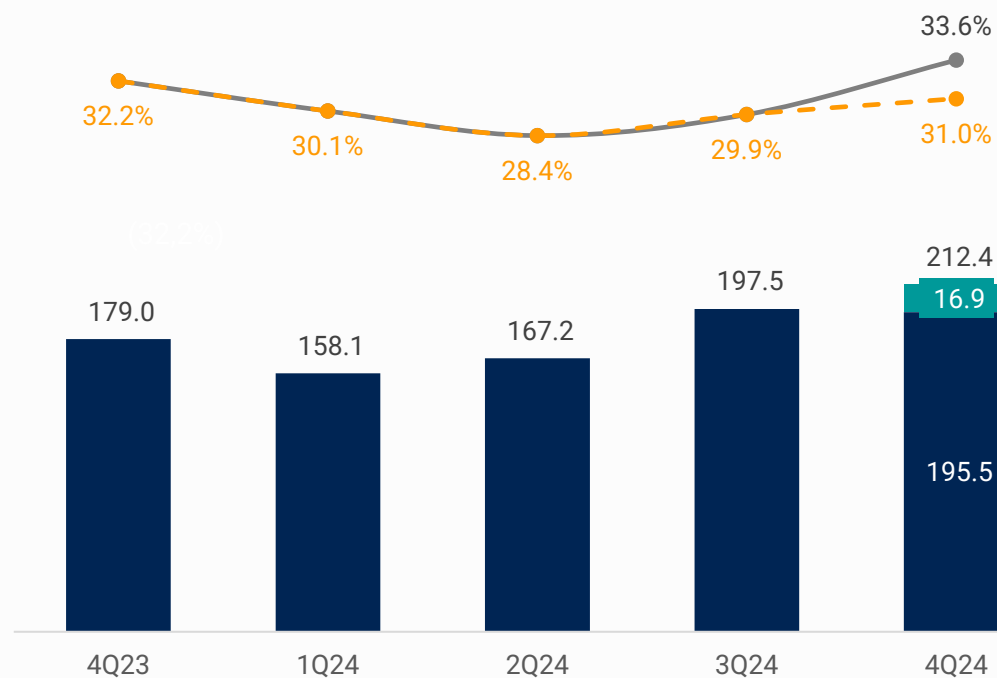
Pro forma: Refers to the operational optimization carried out by PBG in 4Q24, which impacted costs, severance expenses, and inventory provisions, contributing to improved productivity and efficiency in 2025.

Pro Forma Operating Expenses

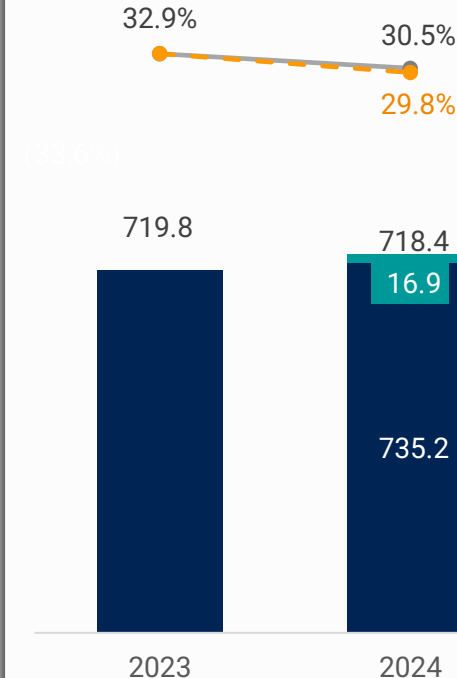
Greater efficiency and control drive a reduction in operating expenses by 3.1 p.p. in 2024 vs. 2023.

Pro Forma Operating Expenses. R\$ millions and % of Net Revenue.

Quarterly Evolution



2024 vs. 2023



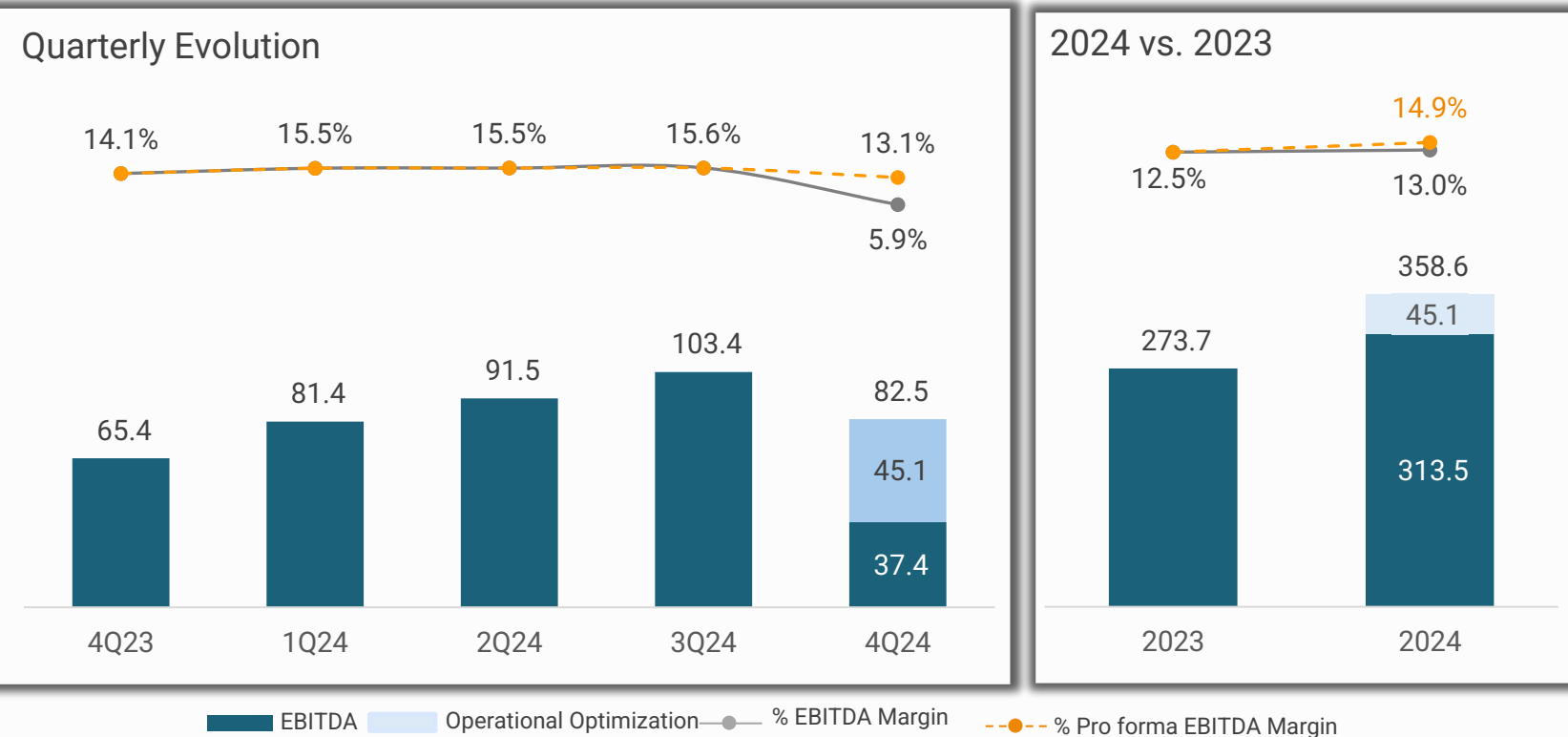
- The impact of the operational optimization in 4Q24 on operating expenses was R\$ 16.9 million, mainly attributable to severance expenses within the Group.
- Pro forma Operating Expenses totaled R\$195.5 million in 4Q24, representing 31.0% of net revenue, a reduction of 1.2 p.p. vs. 4Q23.

EBITDA

Pro forma EBITDA for 4Q24 was R\$82.5, an increase of 26.2% vs. 4Q23, with an EBITDA margin of 13.1%.

Pro forma EBITDA.

R\$ millions and % of Net Revenue



- The pro forma EBITDA totaled R\$ 358.6 million in 2024, with a growth of 31.0% compared to 2023.
- Operational optimization in EBITDA had an impact of R\$45.1 million, resulting mainly from:
 - a) R\$28.2 million related to inventory adjustments in the PBA unit;
 - b) R\$16.9 million related to workforce adjustments.
- These actions aim to optimize the organizational structure and improve operational efficiency, with a focus on preparing for 2025.

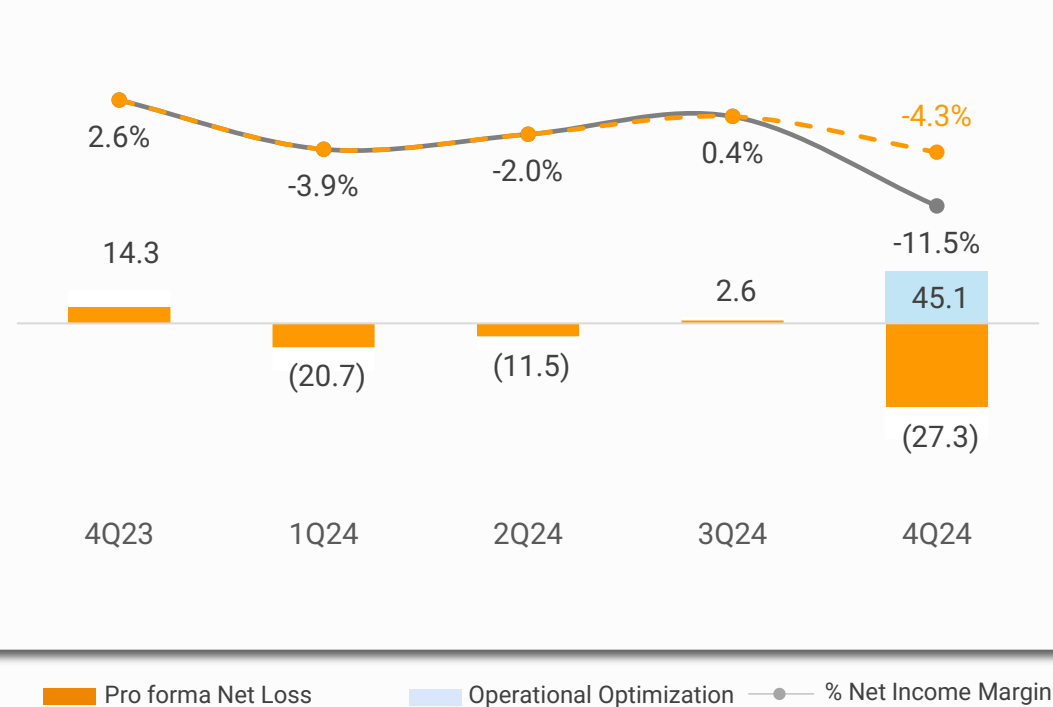
Net Income

The Company recorded a pro forma net loss of R\$56.9 million in 2024, a result impacted by high interest rates and exchange rate fluctuations that affected financial expenses.

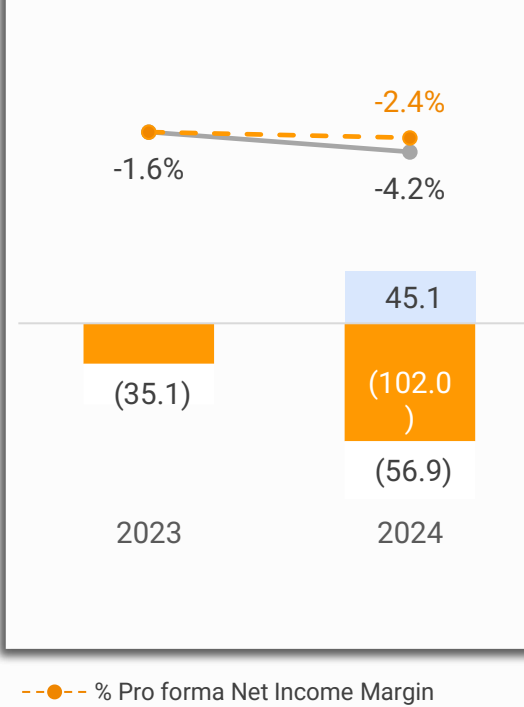
Pro forma Net Income

R\$ millions and % of Net Revenue

Quarterly Evolution



2024 vs. 2023

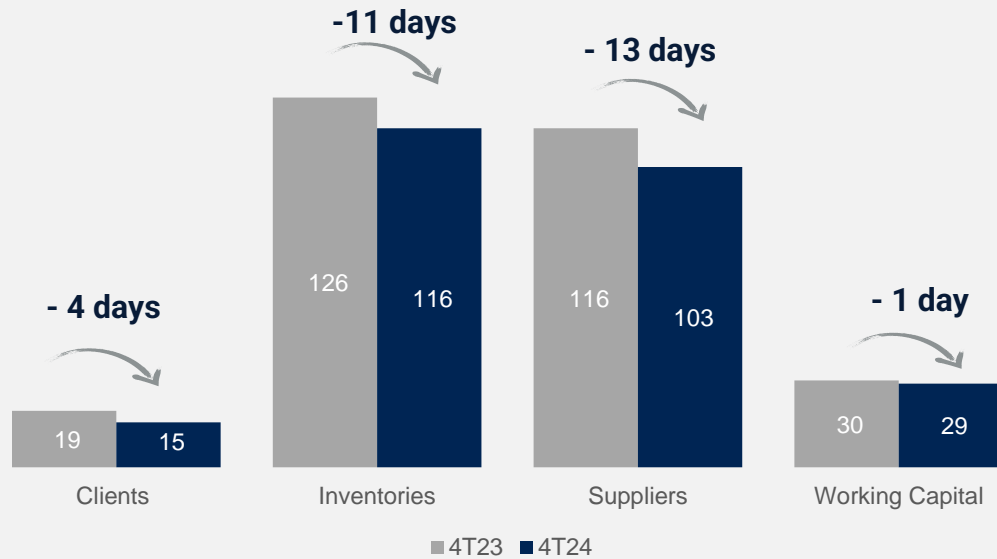


- The operational optimization in Net Income amounted to R\$45.1 million.

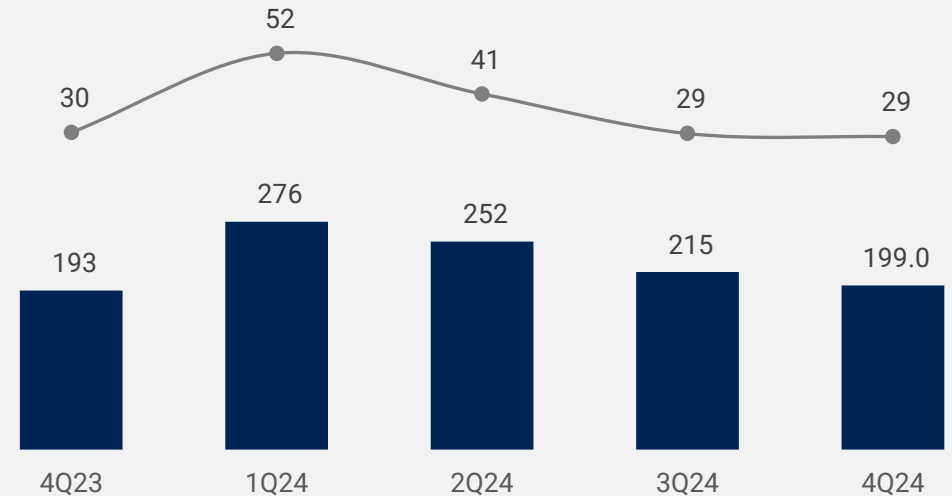
Working Capital

Financial Efficiency: Continuous reduction of working capital drives liquidity and operational optimization, with a shorter cash conversion cycle, inventory optimization, adjustments in supplier terms, and strengthened liquidity through an investment fund.

Cash Conversion Cycle (CCC)
Days

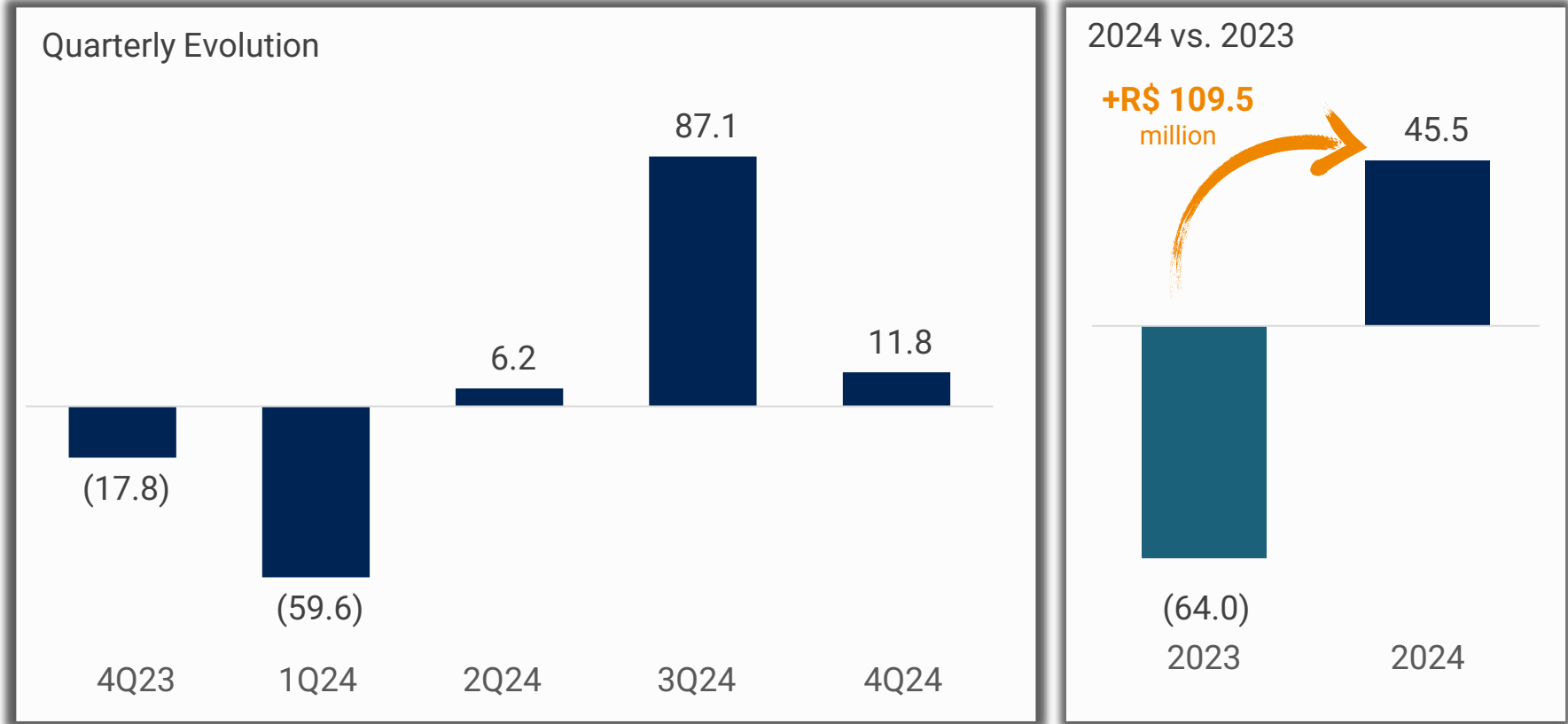


Evolution of the Cash Conversion Cycle (CCC)
R\$ million and days



Free Cash Flow

In 2024, the Group demonstrated a solid cash flow performance, reflecting its ability to generate resources even in an environment of high interest rates



- The Group recorded a **Free Cash Flow generation** of R\$ 45.5 million in 2024, an increase of approximately R\$110 million, even considering the ramp-up of Portobello America's operations
- The ability to generate free cash flow in Brazil's mature operations reinforces the operational evolution and financial discipline of the business;

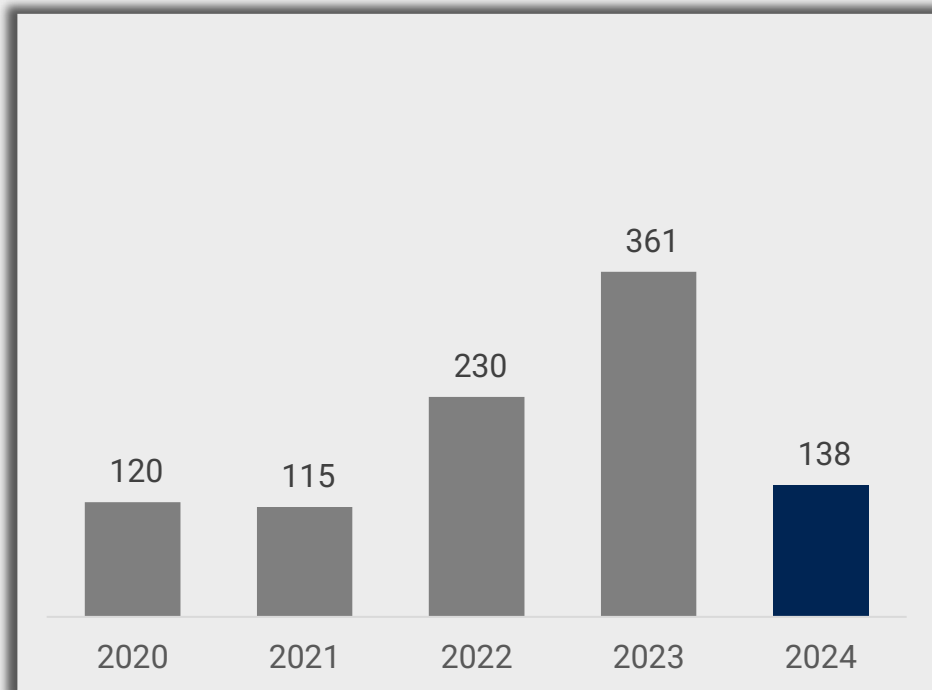


Investments

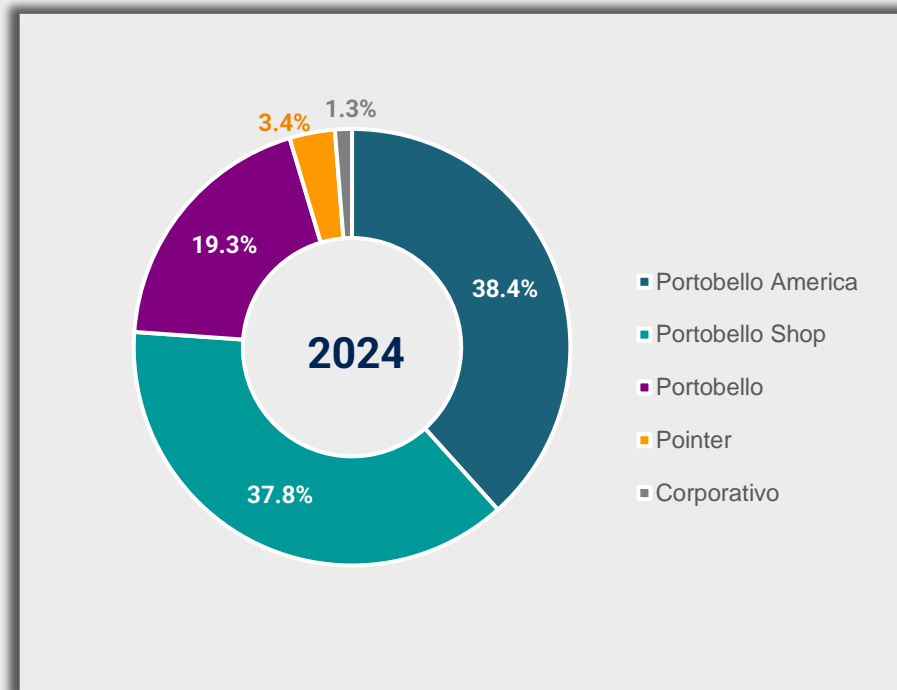
Strategic CAPEX management: significant reduction in investments, prioritizing key projects such as Portobello America and Portobello Shop, ensuring sustainable growth with financial discipline.



Investments
R\$ million



**Investment
Composition**

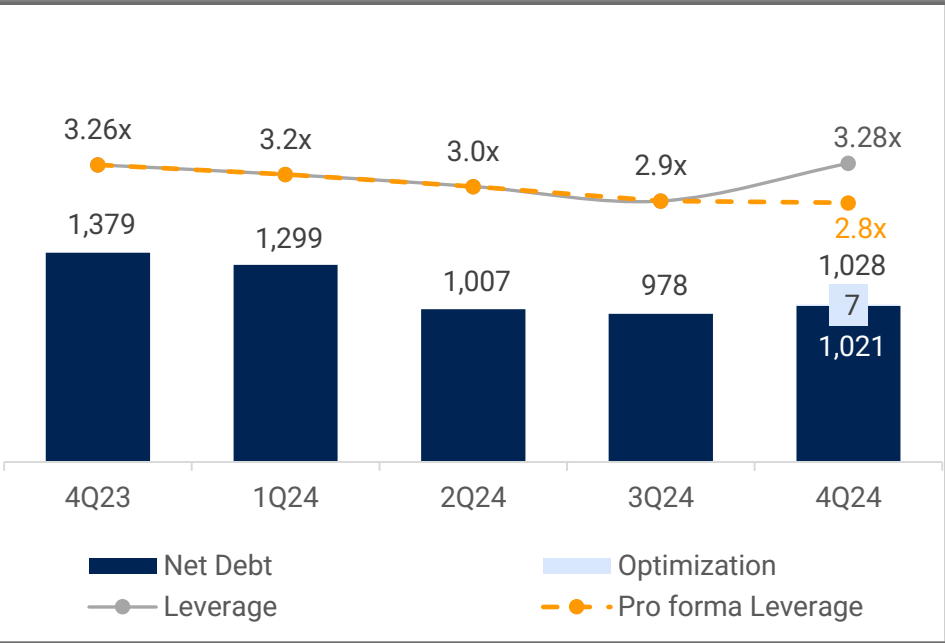


- The Company made strategic investments in 2022 and 2023, focusing on the internationalization strategy with Portobello America and the expansion of stores with Portobello Shop.
- In 2024, the Company prioritized maintenance investments, which are essential for operations, returning to the levels of 2020 and 2021.

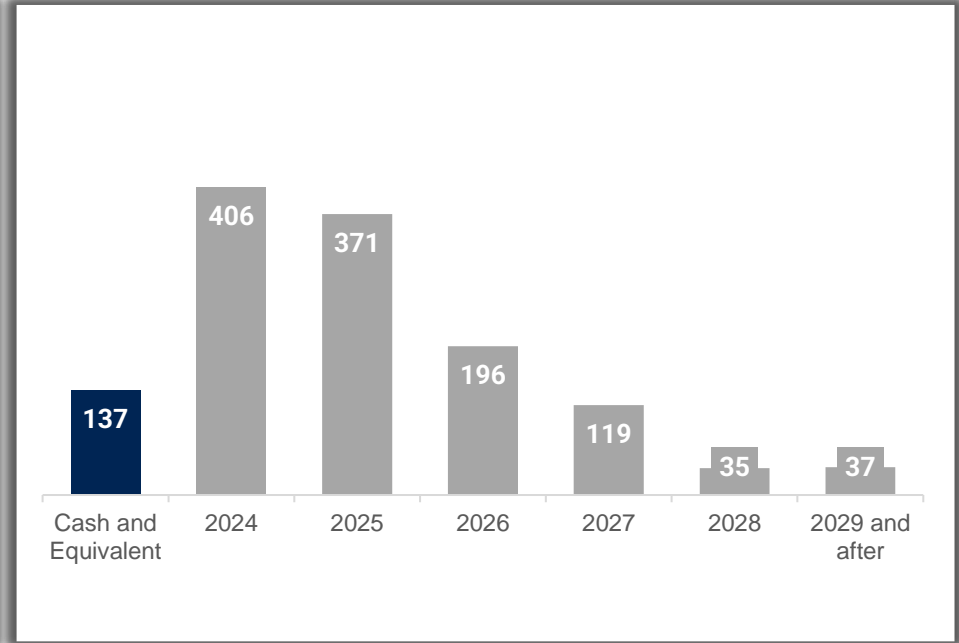
Net Debt

Disciplined debt management: controlling leverage, reducing debt costs, and focusing on optimizing the payment schedule.

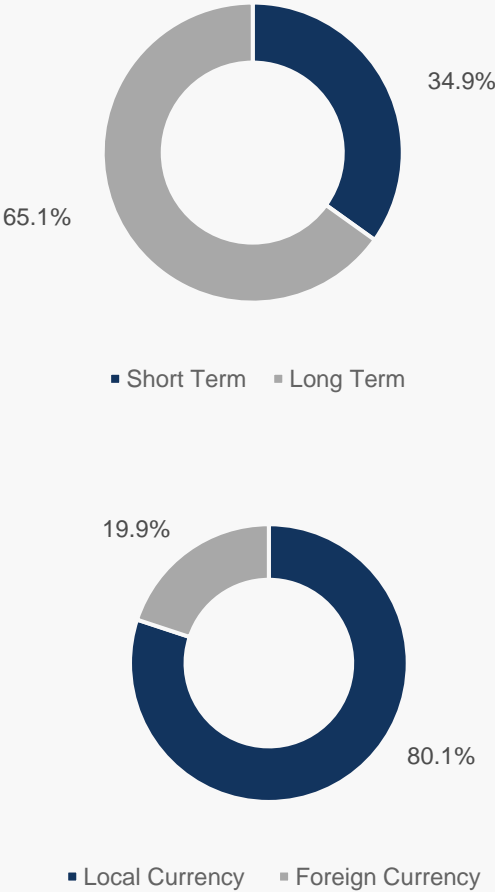
Net Debt and Net Debt/EBITDA
R\$ million



Amortization Schedule
R\$ million



Debt Composition



Average cost
13.0% p.y.

-0.3 p.p. in 4Q24 vs. 4Q23



Average Term
5.1 years

+0.1 year in 4Q24 vs. 4Q23

FitchRatings BBB(bra)

Pro forma: Refers to an operational optimization carried out by PBG in Q4 2024, which impacted costs, termination expenses, and inventory provisioning, contributing to improved productivity and efficiency in 2025.

Strategic Projects Update



Portobello America

Acceleration of growth with operational stability, efficiency gains, and progress as planned, consolidating a presence in the North American market.



Approaching the **business plan's** costs and the operation's **break-even** point by the end of the year.



+57% in sales in Q4 2024 vs. Q4 2023 in dollars, with **35%** from the Distribution channel.



Production of **3 million m²** in 2024, reaching **85%** of the utilized capacity.



8 LAUNCHES produced at the PBA factory
4 LAUNCHES from the new Special Pieces line



Stabilization of the production process
(+288 employees)



Perspectives 2025



2025 Outlook | Strategic Agenda

2025 Outlook: Accelerating Portobello America and Sustaining Growth in Brazil, with a focus on cash generation and leverage reduction.

Portobello America

Acceleration of growth with an improved mix, operational stability, and increased market share in the North American market.

Portobello shop

Expansion through company-owned stores and franchises, with the maturation of the B2B channel to strengthen growth.

Portobello

Growth across all channels, progress in internationalization, and increased market share.

POINTER

Increase in sales volumes, greater penetration through the dry route, and reinforcement of industrial competitiveness.

EBITDA



Efficiency in expense and cost management, driven by operational optimization and sales growth.

Capex



Sustaining investments, without compromising revenue generation.

Alavancagem



Commitment to reducing leverage and reprofiling debt, with extended maturities and lower debt costs.

Geração de Caixa Livre



The Company's focus on cash generation is driven by operational acceleration, working capital efficiency, and sustaining investments.

Questions and Answers



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