

# Results

## 2Q24

### Earnings Conference Call August 09, 2024 (Friday)

11am BRT

Portuguese with simultaneous translation  
into English

[Webcast](#)



# Results

## 2Q24

**Cravinhos,  
August 08, 2024**

Ourofino S.A. ("Company" or "Ourofino") (B3: OFSA3), a company engaged in research, development, production and sales of veterinary drugs, vaccines and other veterinary products for production and companion animals, announces today its financial results for the period ended June 30, 2024 (2Q24).

Financial and operating information, except where otherwise indicated, is presented in millions of Brazilian reais.

### **Investor Relations Department**

ri@ourofino.com  
(16) 3518-2000  
ri.ourofino.com

Marcelo Silva  
Alan Silva  
Camila Lopes



## HIGHLIGHTS

- Revenue ex-Food-and-Mouth grows 7.3% in 2Q24 and 7.0% in the six-month period.
- **Growth in Production Animals**, representing 10.7% compared to 2Q23 (ex-Food-and-Mouth).
- **Strong growth in Companion Animals**, representing 16.3% compared to the previous year.
- **Growth in profitability indicators:** Gross margin +2.3 p.p., EBITDA margin +5.0 p.p. and Net margin +5.0 p.p. in the six-month period.
- **Leverage decline from 0.9x to 0.4x EBITDA**, with 76.5% of debt in the long term, and an average annual cost of debt of 7.9% p.a. at the end of the period.
- **Robust operating cash generation**, reaching R\$ 100 million in 6M24.

## Launches



## MESSAGE FROM EXECUTIVE BOARD

---

We wish to express our solidarity with Rio Grande do Sul and the victims of the floods occurred in the State between May and June 2024. We extend our thanks to our team, which has been working both to help our brothers in Rio Grande do Sul and to develop the business. We continue to believe in the reconstruction of this State, which is so important for Brazil and Brazilian agribusiness, and, to date, our businesses in the region have not suffered significant economic damage as a result of this climate event.

Regarding results, we announced growth ex-Foot-and-Mouth of 7.3% in the quarter and 7.0% in 6M24 as well as significant improvements in profitability and liquidity indicators. It is important to highlight that the initiatives adopted throughout 2023 and early 2024 resulted in an increase in the Company's profitability, with an expansion in gross margin, EBITDA margin and net margin, showing that the efficiency gains planned by Management are translating into better results.

In production animals, we have a revenue decrease of -0.2% in 2Q24 and -8.7% in 6M24 compared to the same periods of the previous year. This result is mainly due to the abolition of vaccination against foot-and-mouth disease, which was banned by MAPA in April. Excluding this effect, we have growth in the product line for Cattle, Horses, Poultry and Swines, totaling 10.7% in 2Q24 and 8.7% in 6M24.

In companion animals, we continue to grow strongly by 16.3%, supported by our work to generate demand, our proximity to our distribution network and big retail players, as well as our constant quest to meet the demands of owners and veterinarians.

In international operations, we decreased -21.4%, mainly reflecting the discontinuation of sales of the Foot and Mouth disease vaccine and unfavorable market conditions in Mexico.

We maintained the soundness of our financial health, evidenced by another period of robust cash generation and a low level of indebtedness with a long profile. Our costs are aligned with business needs, allowing us to sustain a strategic investment agenda in research, development and innovation, while maintaining healthy levels of liquidity.

Building for the future, we keep investing continuously in Research and Development (R&D), through an open innovation model, allocating a significant part of our revenues to the search for new solutions for the animal protein chain and the well-being of companion animals.

As a result, we launched Ferappease for pigs and cattle, an unprecedented product in Brazil, based on a synthetic pheromone analogous to the maternal calming substance, capable of reducing the animal's stress, providing well-being to the animals and economic return to the producers. The product can be used in different situations that cause stress to animals; such as management, environmental and physiological changes. Stress leads to high concentrations of cortisol and adrenaline that increase aggression, decrease weight gain and reduce feeding efficiency.

In the second half of the year we will see the commercial launch of two innovative vaccines dedicated to the swine market. These products, which will be available in August and October, will complement

our vaccine portfolio, enabling us to offer broad and complete solutions to producers, thereby promoting protection, productivity, and animal well-being.

We reaffirm our confidence in the actions and investments made with the aim of resuming annual growth with consistency and improving profitability and liquidity. These results will be drivers of our future growth, allowing us to go ahead on our expansion strategy.

**Kleber Gomes**  
Chief Executive Officer

**Marcelo da Silva**  
Chief Financial and  
Investor Relations Officer



# FINANCIAL PERFORMANCE

| In R\$ million                            | 2Q23  | 2Q24  | Change % | 6M23  | 6M24  | Change %  |
|---|-------|-------|----------|-------|-------|-----------|
| Total Net Revenues                        | 231.8 | 217.2 | -6.3%    | 399.0 | 395.6 | -0.9%     |
| Gross profit                              | 107.8 | 104.6 | -2.9%    | 182.8 | 190.2 | 4.0%      |
| <i>Gross margin</i>                       | 46.5% | 48.2% | 1.7 p.p. | 45.8% | 48.1% | 2.3 p.p.  |
| Adjusted Ebitda                           | 34.7  | 32.8  | -5.4%    | 37.7  | 57.0  | 51.3%     |
| <i>Adjusted Ebitda margin</i>             | 15.0% | 15.1% | 0.1 p.p. | 9.4%  | 14.4% | 5.0 p.p.  |
| Adjusted net income                       | 7.7   | 15.3  | 97.8%    | 4.3   | 24.1  | 454.7%    |
| <i>Adjusted net margin</i>                | 3.3%  | 7.1%  | 3.8 p.p. | 1.1%  | 6.1%  | 5.0 p.p.  |
| In R\$ million - EX Foot-and-Mouth Vccine | 2Q23  | 2Q24  | Change % | 6M23  | 6M24  | Change %  |
| Net revenue                               | 202,1 | 216,9 | 7,3%     | 362,4 | 387,8 | 7,0%      |
| Gross profit                              | 97    | 112,7 | 16,2%    | 167,3 | 198,5 | 18,6%     |
| <i>Gross margin</i>                       | 48,0% | 52,0% | 4,0 p.p. | 46,0% | 51,0% | 5,0 p.p.  |
| Adjusted Ebitda                           | 23,9  | 41,0  | 71,1%    | 22,1  | 65,3  | 194,7%    |
| <i>Adjusted Ebitda margin</i>             | 11,8% | 18,9% | 7,1 p.p. | 6,1%  | 16,8% | 10,7 p.p. |

### CONSOLIDATED NET REVENUE AND GROSS PROFIT

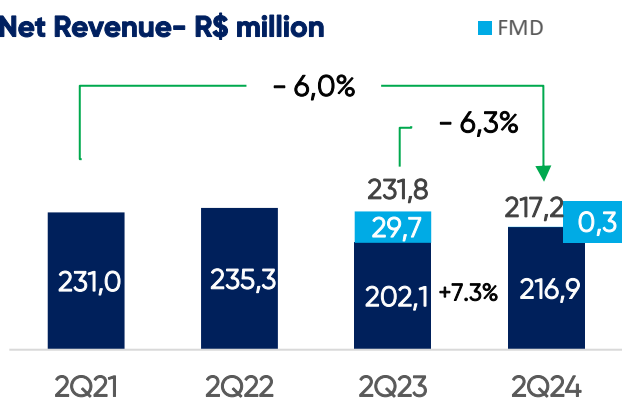
The Company's consolidated net revenue in 2Q24 amounted to R\$ 217.2 million, down -6.3% as compared to the same period of the previous year. For 6M24, the decrease was -0.9% versus 6M23, reaching R\$ 395.6 million. The main impact on sales when comparing the periods is due to the low sales of foot-and-mouth disease vaccine, which was brought forward by MAPA for the second campaign and was followed by a ban on sales from April 30 (Circular Letter 28/2024 and MAPA Ordinance No. 678). Excluding this effect on sales in both the domestic and foreign markets, the rest of the line grew 7.3% in 2Q24 and 7.0% in 6M24.

In the production animal segment, both ruminants and poultry and pigs showed growth compared to 2Q23, excluding foot-and-mouth. The companion animal segment, in turn, grew for the third consecutive quarter, by a percentage above double digit. In International Operations, the lower sales volume in 2Q24 is impacted by spot sales done in 2Q23 and unfavorable market conditions in Mexico, mainly due to weather issues.

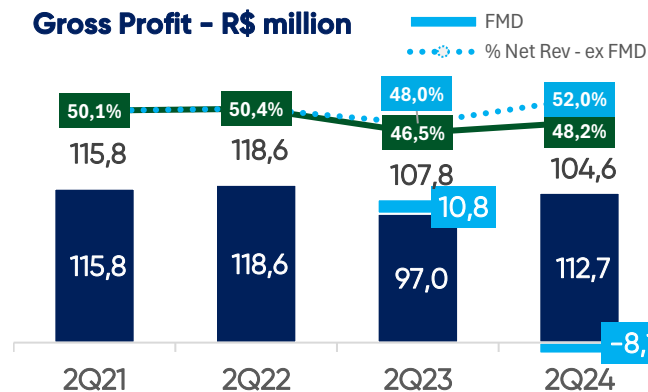
Gross profit in 2Q24 amounted to R\$ 104.6 million, with a margin of 48.2%, 1.7 p.p. higher than 2Q23. In the half-year consolidated figures, we also saw an increase of 2.3 p.p., with a total of R\$ 190.2 million.

Excluding the impact of FMD, the gross margin for the second quarter stands at 52% compared to 48% in 2024, and reaches 51.2% in 6M24 versus 46.2% in the same period of the previous year.

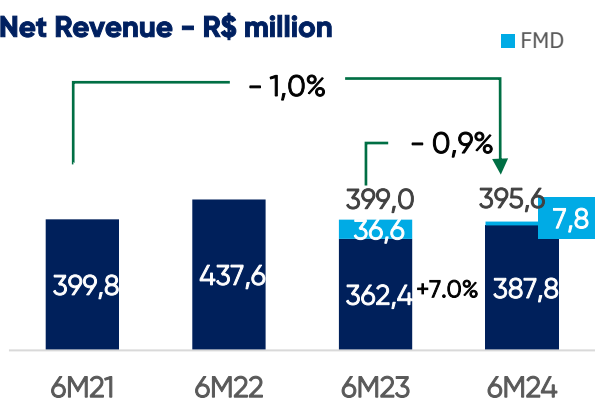
**Net Revenue- R\$ million**



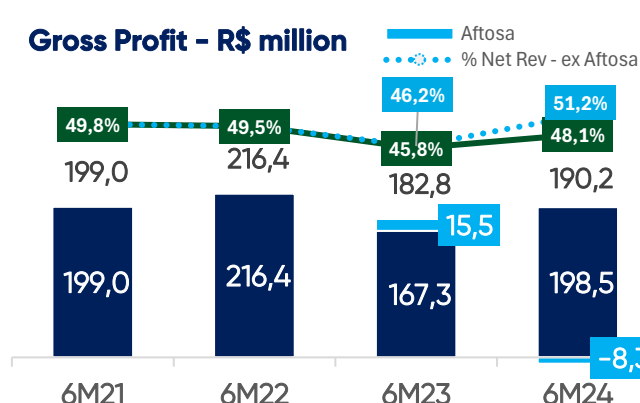
**Gross Profit - R\$ million**



**Net Revenue - R\$ million**



**Gross Profit - R\$ million**



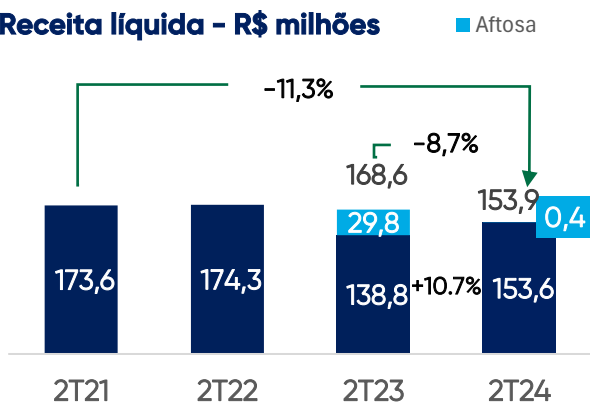
### PRODUCTION ANIMALS

The business unit recorded net revenue of R\$ 153.9 million in 2Q24 and R\$ 279.5 million in the year, down 8.7% and 0.2% as compared to the same periods of the previous year. Gross margin in the quarter was 41.4% and 42.3% in 2Q24, with 0.5 p.p. and 3.1 p.p. increase, respectively, versus 2Q23 and 6M23.

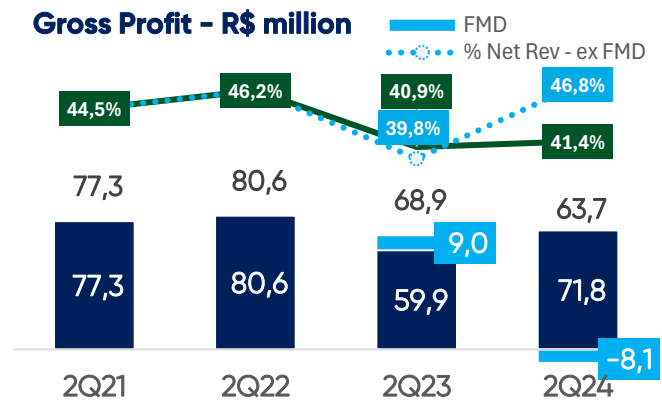
The business unit recorded lower sales compared to the previous year of -8.7% in 2Q24 and -0.2% in 6M24, although this result is mainly impacted by sales of foot-and-mouth disease vaccine, which in 6M23 totaled R\$ 30.0 million and in the same period of 2024 totaled R\$ 7.8 million. Excluding this effect, the business unit recorded 10.7% growth in 2Q24 and 8.7% in 6M24, with a positive performance in both products for ruminants and products for pigs and poultry.

The margin gain reflects a favorable timing regarding the cost of inputs and the average price of our inventories, in addition to the dilution of fixed costs due to the recovery of volumes sold.

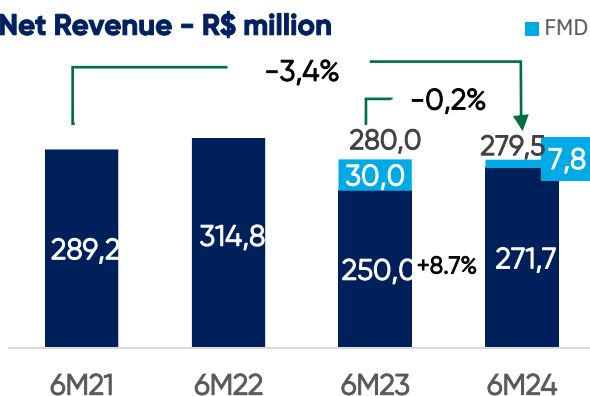
Receita líquida - R\$ milhões



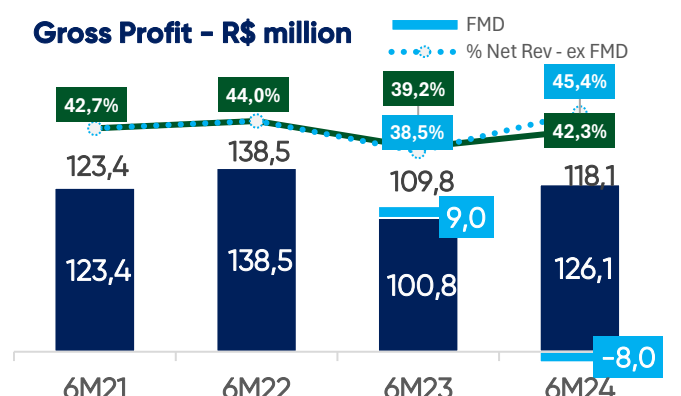
Gross Profit - R\$ million



Net Revenue - R\$ million



Gross Profit - R\$ million





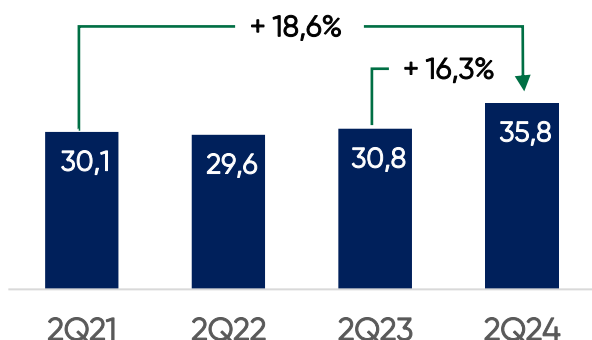
## COMPANION ANIMALS

The business unit reached a net revenue of R\$ 35.8 million in 2Q24, up 16.3% as compared to 2Q23. In 6M24, we reached the amount of R\$ 69.6 million, up 16.3% compared to the same period of the previous year. Continued growth in 2Q24 is the result of intensified demand actions to increase sell-out, the price repositioning of specific lines and incremental revenue from the product Enziclim.

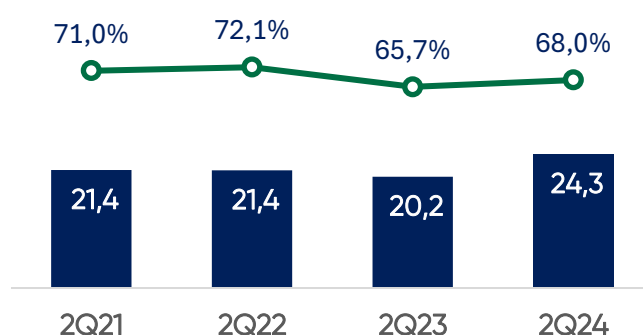
Gross profit in 2Q24 totaled R\$ 24.3 million with a gross margin of 68%, representing 2.3 p.p. growth versus 2Q23. In 6M24, we had a gross profit of R\$ 45.5 million with gross margin reaching 65.3%, down -0.3 p.p.

Our actions are aimed at access and distribution strategies, improving our closeness to veterinarians and owners so that they have the most appropriate solutions for their pets. Furthermore, we have expanded our operations with major retailers in the sector, which expand the reach of our products to owners.

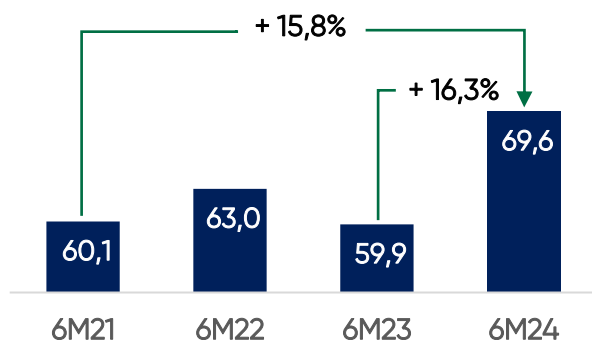
**Net Revenue - R\$ Million**



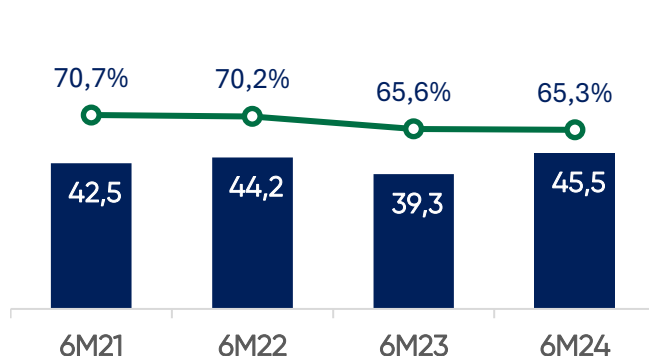
**Gross Profit - R\$ Million**



**Net Revenue - R\$ Million**



**Gross Profit - R\$ Million**



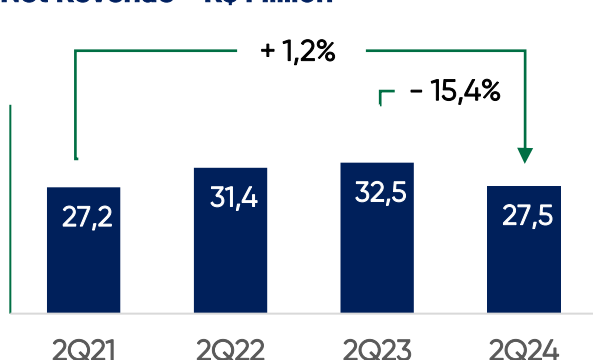
## INTERNATIONAL OPERATIONS

The business unit recorded net revenue of R\$ 27.5 million in 2Q24, -15.4% lower as compared to 2Q23 and R\$ 46.5 million revenues in 6M24, down -21.4%. Gross profit in 2Q24 amounted to R\$ 16.6 million with 60.4% margin, while 6M24 totaled R\$ 26.6 million with 57.3% gross margin.

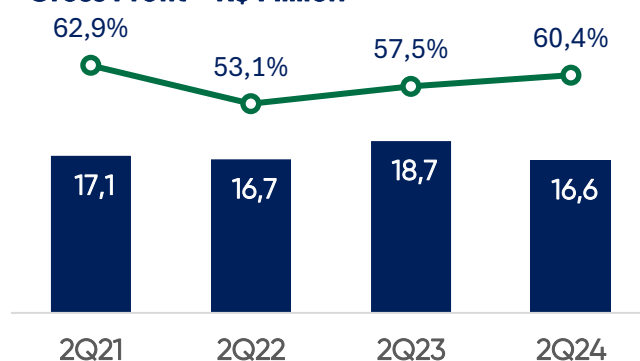
In the subsidiaries, we reported 4.8% growth in 2Q24 in Colombia and a lower than planned performance in Mexico, where losses were reduced by a positive exchange rate impact. For the other countries, the main effect in the quarter is a reduction due to spot sales made in 2Q23. In 6M24, the biggest impact is the lower volumes of foot-and-mouth disease vaccine which, in 1Q23, were sold to Uruguay and Bolivia and totaled R\$ 6.7 million.

Gross margin recovered due to the favorable exchange rate, but the lower sales volume and consequent lower dilution of fixed costs added to a less favorable mix negatively impacted the gross margin in 6M24. The company has been continuously investing in launching products from our portfolio in Latin American countries, seeking wider coverage in the markets in which we already operate so as to reverse sales performance.

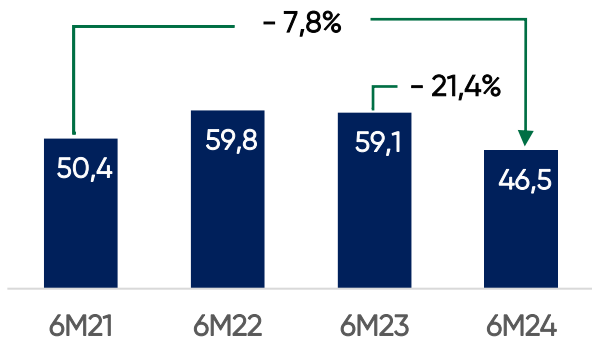
**Net Revenue - R\$ Million**



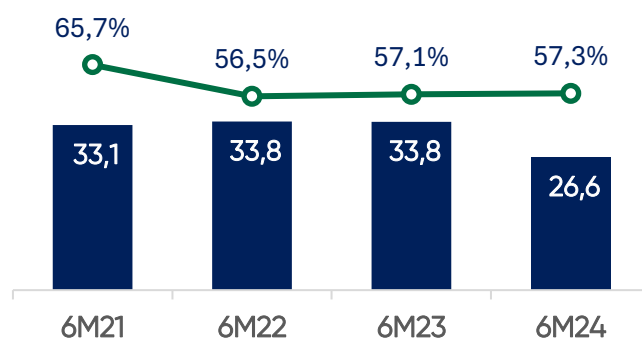
**Gross Profit - R\$ Million**



**Net Revenue - R\$ Million**



**Gross Profit - R\$ Million**



## SELLING, GENERAL AND ADMINISTRATIVE AND OTHER EXPENSES

| R\$ Million                                   | 2Q23   | 2Q24   | Change %  | 6M23    | 6M24    | Change %  |
|---|--------|--------|-----------|---------|---------|-----------|
| Despesas com vendas, gerais e administrativas | (68,6) | (67,6) | -1,0%     | (133,3) | (127,6) | -5,7%     |
| Percentuais sobre receita líquida             | -29,6% | -31,1% | -1,5 p.p. | -33,4%  | -32,3%  | 1,1 p.p.  |
| Outras líquidas                               | (0,0)  | (2,0)  | n.a.      | (0,0)   | (2,0)   | n.a.      |
| Percentuais sobre receita líquida             | 0,0%   | -1,9%  | -1,9 p.p. | 0,0%    | -1,4%   | -1,4 p.p. |

Selling, general and administrative expenses showed -1.0% drop in 2Q24 and -5.7% decrease in 6M24. The lower expenses substantially reflect the actions taken in 2023 and early 2024 with the reduction or discontinuation of structures with less impact on core business, in addition to projects with lower rates of return. We will continue to work internally to leverage efficiency gains across the entire operation to ensure the company's sustainable growth in the coming periods.

## RESEARCH AND DEVELOPMENT EXPENSES

| R\$ Million  | 2Q23   | 2Q24   | Change % | 6M23   | 6M24   | Change % |
|--|--------|--------|----------|--------|--------|----------|
| Expenses on research and innovation and portfolio management | (13.6) | (11.2) | -18.0%   | (29.4) | (22.1) | -25.0%   |
| Percentages on net revenue                                   | -5.9%  | -5.1%  | 0.8 p.p. | -7.4%  | -5.6%  | 1.8 p.p. |

We invested R\$ 34.2 million in research and development in 6M24 (chart on page 17), of which R\$ 22.1 million is allocated to expenses and reflects the stage of development of the projects as well as the associated level of innovation. It should be noted that we have an agenda of continuous investment in research, development and innovation and that the level of quarterly investment may change depending on the stages and cycle of the research. The launches of the Orovac Glasser One and LeanVac vaccines are the result of our long-term strategy, investment in a technological base and in a highly qualified team to seek solutions for the productivity of the animal protein production chain associated with animal welfare.

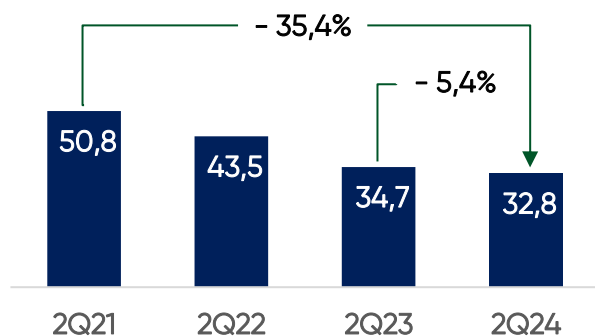
## EBITDA AND EBITDA MARGIN

| R\$ Million                             | 2Q23        | 2Q24        | Change %     | 6M23        | 6M24        | Change %     |
|---|-------------|-------------|--------------|-------------|-------------|--------------|
| Adjusted net income *                   | 7.7         | 15.3        | 97.8%        | 4.3         | 24.1        | 454.7%       |
| (+) Non-recurring results               | (78.1)      | 1.6         | -102.0%      | (78.1)      | 5.7         | -107.2%      |
| Net income (loss) for the quarter       | (70.4)      | 16.9        | -124.0%      | (73.8)      | 29.7        | -140.3%      |
| (+) Net financial result                | 16.0        | 1.3         | -92.0%       | 20.0        | 2.5         | -87.4%       |
| (+) Income tax and social contribution* | 79.8        | 8.1         | -89.9%       | 73.7        | 14.9        | -79.8%       |
| (+) Depreciation and amortization       | 9.1         | 8.9         | -2.0%        | 17.6        | 18.5        | 4.9%         |
| <b>EBITDA</b>                           | <b>34.5</b> | <b>35.2</b> | <b>2.1%</b>  | <b>37.5</b> | <b>65.6</b> | <b>75.1%</b> |
| (+) Non-recurring effects (*)           | 0.2         | (2.4)       | -1195.9%     | 0.2         | (8.6)       | -4046.5%     |
| <b>Adjusted EBITDA*</b>                 | <b>34.7</b> | <b>32.8</b> | <b>-5.4%</b> | <b>37.7</b> | <b>57.0</b> | <b>51.3%</b> |
| Net sales revenue                       | 231.8       | 217.2       | -6.3%        | 399.0       | 395.6       | -0.9%        |
| EBITDA margin                           | 14.9%       | 16.2%       | 1.3 p.p.     | 9.4%        | 16.6%       | 7.2 p.p.     |
| Adjusted EBITDA margin                  | 15.0%       | 15.1%       | 0.1 p.p.     | 9.4%        | 14.4%       | 5.0 p.p.     |

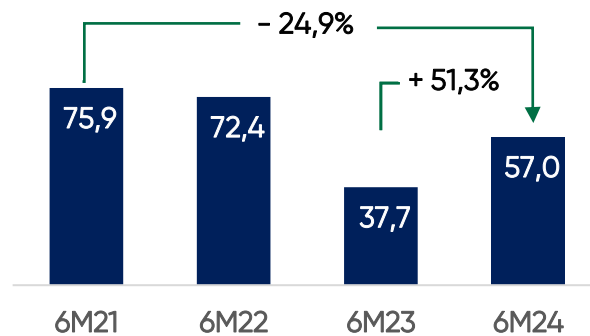
\* In 1Q24, extemporaneous PIS/COFINS credits from previous periods were excluded. Includes respective tax effects in the period reported.

Adjusted EBITDA in 2Q24 amounted to R\$ 32.8 million, with -5.4% drop versus 2Q23. In the first half of the year, we recorded 51.3% increase compared to 6M23, totaling R\$ 57 million. Adjusted EBITDA margin expanded 0.1 p.p. and it is worth highlighting the gain in operational efficiency with the improvement in gross margin and the reduction and dilution of SG&A.

**Adjusted EBITDA- R\$ Million**



**Adjusted EBITDA- R\$ Million**



## FINANCIAL RESULTS

| R\$ Million          | 2Q23  | 2Q24  | Change % | 6M23  | 6M24  | Change % |
|----------------------|-------|-------|----------|-------|-------|----------|
| Net financial result | (3.4) | (1.3) | -62.9%   | (7.5) | (2.5) | -66.3%   |

Net financial result in 2Q24 was R\$ 2.1 million better than that recorded in 2Q23, totaling R\$ -1.3 million. The improvement is due to the cash generation during the period, which resulted in increased liquidity for the Company and the capture of higher financial income.

## INCOME TAX AND SOCIAL CONTRIBUTION

| R\$ Million                           | 2Q23   | 2Q24   | Change %  | 6M23   | 6M24   | Change %  |
|---------------------------------------|--------|--------|-----------|--------|--------|-----------|
| Income tax and social contribution    | (14.4) | (7.3)  | -49.4%    | (8.3)  | (11.9) | 44.5%     |
| Percentage on Profit before IT and SC | -65.0% | -32.2% | 32.8 p.p. | -65.5% | -33.1% | 32.4 p.p. |

Income tax and social contribution in 6M24 amounted to R\$ 11.9 million, 44.5% higher compared to R\$ 8.3 million in 6M23. This change is explained by the higher EBT this year. It should be noted that the calculation of income tax and social contribution is performed on tax bases that temporarily differ from the accounting result.

## ADJUSTED NET INCOME

| R\$ Million         | 2Q23 | 2Q24 | Change % | 6M23 | 6M24 | Change % |
|---------------------|------|------|----------|------|------|----------|
| Adjusted net income | 7.7  | 15.3 | 97.8%    | 4.3  | 24.1 | 454.7%   |
| Margin              | 3.3% | 7.1% | 3.8 p.p. | 1.1% | 6.1% | 5.0 p.p. |

Adjusted net income amounted to R\$ 15.3 million in 2Q24, representing 97.8% growth compared to 2Q23. The increase in net profit reflects the resumption of revenue growth in line products and the gain in profitability reflected in gross profit, in addition to the reductions in general and administrative expenses mentioned above.

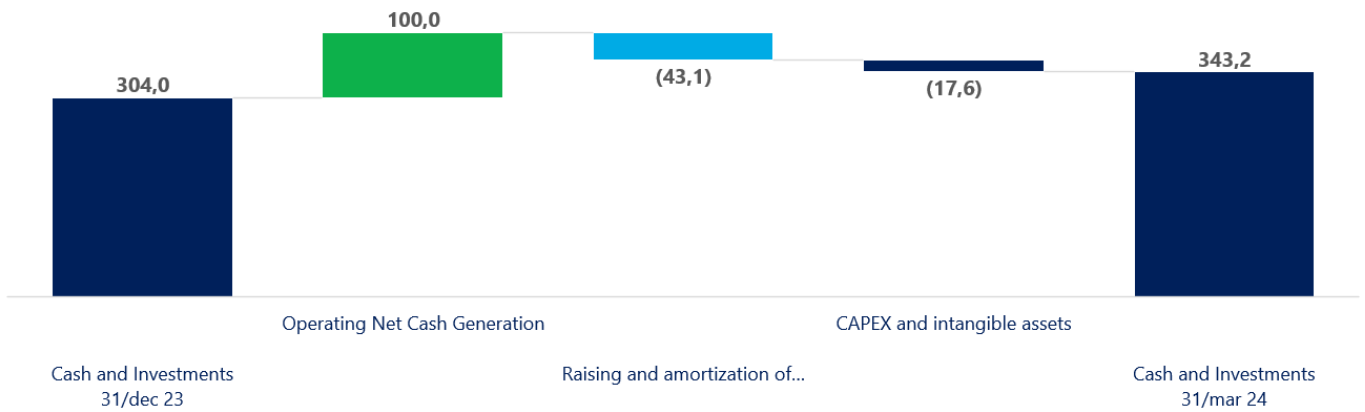


## CASH POSITION

In 2Q24, we had robust operating cash generation, totaling R\$ 100 million, maintaining the high levels of cash generation from last year. We reaffirm the strong ability to generate and convert cash through the operation, the Executive Board's financial management ability, which maintains a solid financial structure, suitable for Ourofino's strategic needs and prepared to resume the historic business growth.

The flow of financing showed a R\$ -43.1 million change due to the amortization of loans, while the flow of investments had an impact of R\$ -17.6 million due to the acquisition of maintenance CAPEX and R&D intangible assets.

Cash Position - R\$ Million



## INDEBTEDNESS

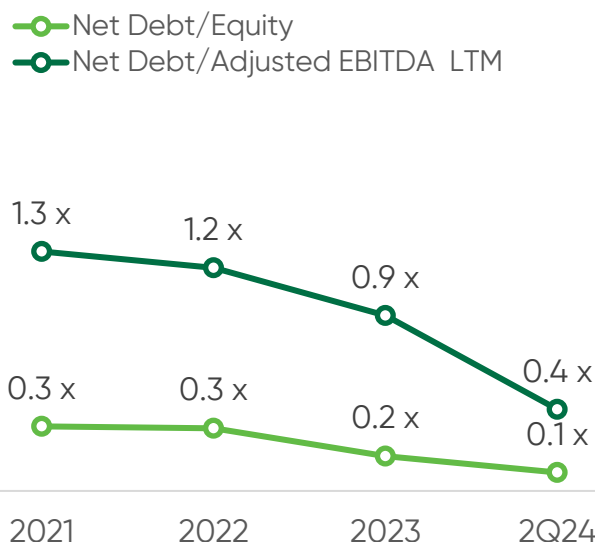
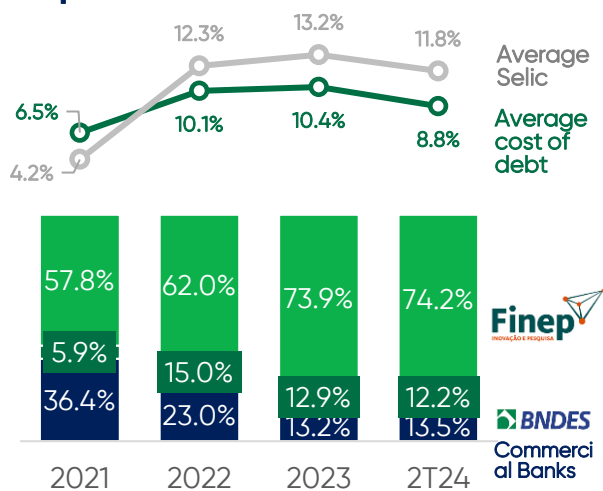
| In R\$ million   | 2023  | 2024  |
|--|-------|-------|
| Current  | 98.9  | 96.5  |
| Non-current  | 333.1 | 314.3 |
| Gross Debt   | 432.0 | 410.8 |
| Related derivative financial instruments                 | 0.2   |       |
| Gross Debt considering related derivatives               | 432.2 | 410.8 |
| (-) Cash and cash equivalents and short-term investments | 304.0 | 343.2 |
| Net Debt   | 128.1 | 67.5  |
| Average cost of debt (end of period) <sup>1</sup>        | 10.9% | 7.9%  |
| Average cost of debt (YTD) <sup>1</sup>                  | 10.9% | 9.9%  |
| Average cost of debt (LTM) <sup>1</sup>                  | 10.6% | 8.8%  |
| LTM net debt/adjusted annual EBITDA                      | 0.9 x | 0.4 x |

<sup>1</sup> Net debt with banks considering bank-issued guarantee costs.

We ended 2Q24 with a -47.3% reduction in net debt, mainly due to cash generation between periods. The level of financial leverage was 0.4x Adjusted EBITDA, versus 0.9x in 2Q23.

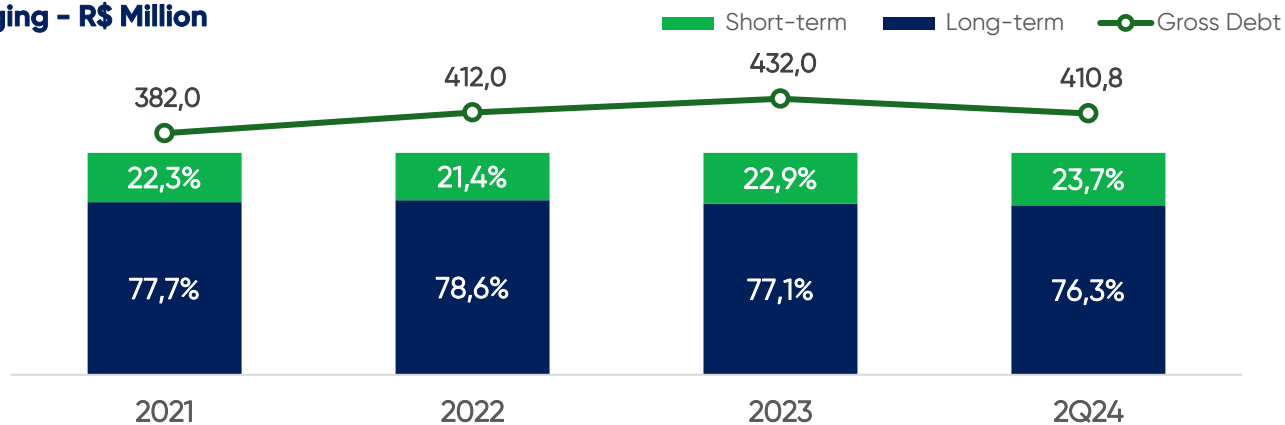
2Q24 presented gross debt 5% lower than 2Q23, but with 12.8% higher cash availability, which reflects a decrease in net debt. The debt profile remains well-suited to the Company's long-term investment characteristics, with 76.5% of the debt in the long term and 37.8% of gross debt with maturities above 5 years.

### Composition

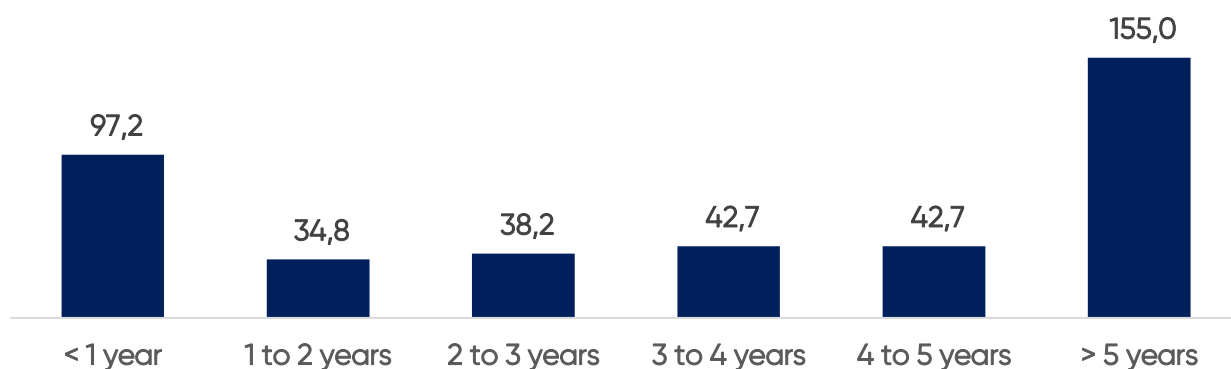


The cost of debt as of June 30, 2024 was 7.9% p.a. and represents -2.6 p.p. lower than SELIC at the end of the quarter. We reduced our exposure to SELIC with the new FINEP project signed in 4Q23, and currently we have 86.4% of our debt not indexed to CDI.

### Aging - R\$ Million



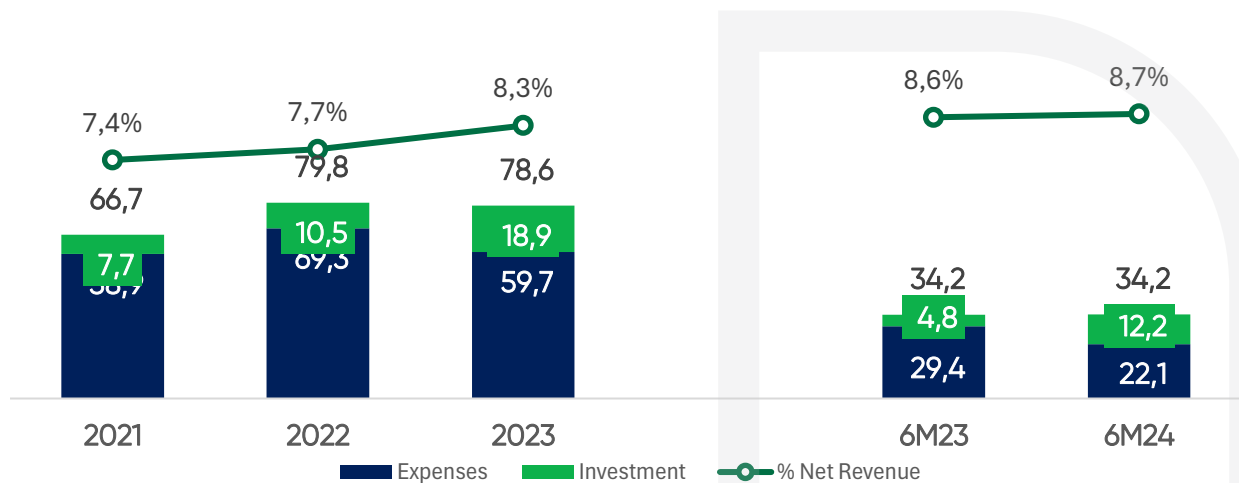
### Aging of banking indebtedness - R\$ Million



## INVESTMENTS IN RESEARCH AND DEVELOPMENT

In 6M24, 8.7% of net revenue was invested in RDI, amounting to R\$ 34.2 million. This amount is in line with the strategy of expanding the product portfolio with the aim of ensuring future revenue and generating value for the company.

### Research and Development - R\$ Million



## INCOME STATEMENT - ADJUSTED

| Income Statement (R\$ thousand)                                | 2Q23           | 2Q24           | 6M23           | 6M24           |
|--|----------------|----------------|----------------|----------------|
| Revenues   | 231,843        | 217,214        | 399,015        | 395,604        |
| Cost of sales  | (124,065)      | (112,605)      | (216,179)      | (205,401)      |
| <b>Gross profit</b>  | <b>107,778</b> | <b>104,609</b> | <b>182,836</b> | <b>190,203</b> |
| Selling expenses   | (54,480)       | (53,745)       | (104,065)      | (99,912)       |
| Expenses on research and innovation                            | (13,607)       | (11,162)       | (29,421)       | (22,065)       |
| General and administrative expenses                            | (14,156)       | (13,869)       | (29,275)       | (27,093)       |
| Other expenses, net (*)  | 34             | (1,951)        | (1)            | (2,587)        |
| <b>Operating profit (loss)</b>                                 | <b>25,569</b>  | <b>23,882</b>  | <b>20,074</b>  | <b>38,546</b>  |
| Financial income   | 7,258          | 8,108          | 13,177         | 16,285         |
| Financial expenses: (*)  | (11,367)       | (9,095)        | (22,212)       | (18,535)       |
| Derivative financial instruments, net                          | 520            | 96             | 1,617          | (328)          |
| Foreign exchange variation, net                                | 148            | (386)          | (49)           | 65             |
| <b>Finance Result</b>  | <b>(3,441)</b> | <b>(1,277)</b> | <b>(7,467)</b> | <b>(2,513)</b> |
| <b>Profit (loss) before income tax and social contribution</b> | <b>22,128</b>  | <b>22,605</b>  | <b>12,607</b>  | <b>36,033</b>  |
| Current and deferred income tax and social contribution (*)    | (14,381)       | (7,278)        | (8,264)        | (11,940)       |
| <b>Net income (loss) for the quarter</b>                       | <b>7,747</b>   | <b>15,327</b>  | <b>4,343</b>   | <b>24,093</b>  |

(\*) Excluding non-recurring revenues/expenses and their respective tax effects.



## INCOME STATEMENT - CORPORATE

| <b>Income Statement (R\$ thousand)</b>                         | <b>2Q23</b>     | <b>2Q24</b>    | <b>6M23</b>     | <b>6M24</b>    |
|--|-----------------|----------------|-----------------|----------------|
| Revenues   | 231,843         | 217,214        | 399,015         | 395,604        |
| Cost of sales  | (124,065)       | (112,605)      | (216,179)       | (205,401)      |
| <b>Gross profit</b>  | <b>107,778</b>  | <b>104,609</b> | <b>182,836</b>  | <b>190,203</b> |
| Selling expenses   | (54,480)        | (53,745)       | (104,065)       | (99,912)       |
| Expenses on research and innovation                            | (13,607)        | (11,162)       | (29,421)        | (22,065)       |
| General and administrative expenses                            | (14,373)        | (13,869)       | (29,492)        | (27,093)       |
| Other revenues (expenses), net                                 | 34              | 427            | (1)             | 5,977          |
| <b>Operating profit (loss)</b>                                 | <b>25,352</b>   | <b>26,260</b>  | <b>19,857</b>   | <b>47,110</b>  |
| Financial income   | 7,258           | 8,108          | 13,177          | 16,285         |
| Financial expenses   | (23,881)        | (9,095)        | (34,726)        | (18,535)       |
| Derivative financial instruments, net                          | 520             | 96             | 1,617           | (328)          |
| Foreign exchange variation, net                                | 148             | (386)          | (49)            | 65             |
| <b>Finance Result</b>  | <b>(15,955)</b> | <b>(1,277)</b> | <b>(19,981)</b> | <b>(2,513)</b> |
| <b>Profit (loss) before income tax and social contribution</b> | <b>9,397</b>    | <b>24,983</b>  | <b>(124)</b>    | <b>44,597</b>  |
| Current and deferred income tax and social contribution        | (79,797)        | (8,087)        | (73,680)        | (14,852)       |
| <b>Net income (loss) for the quarter</b>                       | <b>(70,400)</b> | <b>16,896</b>  | <b>(73,804)</b> | <b>29,745</b>  |

## CASH FLOW STATEMENT (1/2)

| <b>Cash Flow Statement (R\$ thousands)</b>               | <b>6M23</b>    | <b>6M24</b>    |
|--|----------------|----------------|
| <b>Cash flows from operating activities</b>              |                |                |
| Earnings before Income tax and social contribution       | (124)          | 44,597         |
| <b>Adjustments for:</b>                                  |                |                |
| Expected credit losses                                   | (84)           | (32)           |
| Provision for inventory losses and write-offs            | 7,275          | 17,361         |
| Depreciation and amortization                            | 17,597         | 18,467         |
| Gain (loss) on disposal of property, plant and equipment | (938)          | (132)          |
| Gain (loss) on disposal of intangible assets             | 14             | (375)          |
| Interest and monetary/foreign exchange variations, net   | 33,815         | 16,764         |
| Derivative financial instruments                         | (1,617)        | 328            |
| Provision (reversal) for contingencies                   | (108)          | 2,274          |
| Long-term incentives                                     | 4,972          | (2,469)        |
| Fair value adjustment                                    | 771            | 2,317          |
| <b>Changes in working capital</b>                        |                |                |
| Trade accounts receivable                                | 113,589        | 67,779         |
| Inventories  | 6,912          | (58,169)       |
| Taxes recoverable  | 25,421         | (6,142)        |
| Other assets   | 10             | (1,727)        |
| Trade accounts payable                                   | (24,442)       | 26,917         |
| Taxes payable  | (1,114)        | (4,111)        |
| Other liabilities  | (17,705)       | 5,597          |
| <b>Cash from operations</b>                              | <b>164,244</b> | <b>129,244</b> |
| Interest paid on loans and financing                     | (16,344)       | (14,848)       |
| Interest paid on leases                                  | (625)          | (918)          |
| Income tax and social contribution paid                  | (9,588)        | (13,506)       |
| <b>Net cash from operating activities</b>                | <b>137,687</b> | <b>99,972</b>  |

## CASH FLOW STATEMENT (2/2)

| <b>Cash Flow Statement (R\$ thousands)</b>                    | <b>6M23</b>     | <b>6M24</b>     |
|---|-----------------|-----------------|
| <b>Cash flows from investing activities</b>                   |                 |                 |
| Investment in intangible assets                               | (6,356)         | (12,360)        |
| Purchase of property, plant and equipment                     | (11,611)        | (6,017)         |
| Proceeds from sale of property, plant and equipment           | 1,276           | 392             |
| Amount received from the sale of intangible assets            |                 | 375             |
| <b>Net cash used in investing activities</b>                  | <b>(16,691)</b> | <b>(17,610)</b> |
| <b>Cash flows from financing activities</b>                   |                 |                 |
| New loans and financing                                       | 4,681           | 11,875          |
| Repayments of loan and financing                              | (17,597)        | (34,837)        |
| Lease payments  | (1,450)         | (2,605)         |
| Payment of dividends and interest on equity                   | (10,576)        | (18,168)        |
| Realized derivative financial instruments                     | 1,044           | (94)            |
| <b>Net cash used in financing activities</b>                  | <b>(23,898)</b> | <b>(43,829)</b> |
| <b>Increase (decrease) in cash and cash equivalents, net</b>  | <b>97,098</b>   | <b>38,533</b>   |
| <b>Cash and cash equivalents at the beginning of the year</b> | <b>165,036</b>  | <b>304,029</b>  |
| <b>Foreign exchange gains on cash and cash equivalents</b>    | <b>(12)</b>     | <b>684</b>      |
| <b>Cash and cash equivalents at the end of the year</b>       | <b>262,122</b>  | <b>343,246</b>  |

## BALANCE SHEET – ASSETS

| <b>Balance Sheet (R\$ thousands)</b>          | <b>2023</b>      | <b>2024</b>      |
|---|------------------|------------------|
| <b>Assets</b>                                 |                  |                  |
| <b>Current assets</b>                         | <b>828,889</b>   | <b>837,591</b>   |
| Cash and cash equivalents                     | 304,029          | 343,246          |
| Derivative financial instruments              | 546              | 136              |
| Trade accounts receivable                     | 263,035          | 198,093          |
| Inventories                                   | 207,888          | 249,752          |
| Taxes recoverable                             | 16,306           | 22,227           |
| Income tax and social contribution to recover | 15,215           | 15,440           |
| Related parties                               | 15,120           | 313              |
| Other assets                                  | 6,750            | 8,384            |
| <b>Non-Current Assets</b>                     | <b>450,120</b>   | <b>469,090</b>   |
| <b>Long-term receivables</b>                  | <b>24,313</b>    | <b>32,644</b>    |
| Taxes recoverable                             | 462              | 339              |
| Deferred income tax and social contribution   | 21,888           | 30,138           |
| Other assets                                  | 1,963            | 2,167            |
| <b>Permanent</b>                              | <b>425,807</b>   | <b>436,446</b>   |
| Property, plant and equipment                 | 333,146          | 336,262          |
| Intangible assets                             | 92,661           | 100,184          |
| <b>Total assets</b>                           | <b>1,279,009</b> | <b>1,306,681</b> |

## BALANCE SHEET - LIABILITIES AND NET EQUITY

| <b>Balance Sheet (R\$ thousands)</b>       | <b>2023</b>      | <b>2024</b>      |
|--|------------------|------------------|
| <b>Liabilities and net equity</b>          |                  |                  |
| <b>Current Liabilities</b>                 | <b>232,656</b>   | <b>271,738</b>   |
| Trade accounts payable                     | 74,558           | 104,517          |
| Derivative financial instruments           | 181              |                  |
| Loans and financing                        | 98,852           | 96,511           |
| Salaries and payroll charges               | 30,212           | 38,749           |
| Taxes payable                              | 10,825           | 6,717            |
| Income tax and social contribution payable |                  | 7,224            |
| Related parties                            | 338              | 334              |
| Commissions on sales                       | 5,335            | 3,859            |
| Leases                                     | 2,553            | 5,355            |
| Other liabilities                          | 9,802            | 8,472            |
| <b>Non-Current Liabilities</b>             | <b>356,958</b>   | <b>345,459</b>   |
| Loans and financing                        | 333,122          | 314,281          |
| Provision for contingencies                | 5,022            | 7,389            |
| Leases                                     | 2,968            | 9,817            |
| Others                                     | 15,846           | 13,972           |
| <b>Total liabilities</b>                   | <b>589,614</b>   | <b>617,197</b>   |
| <b>Total Equity</b>                        | <b>689,374</b>   | <b>689,465</b>   |
| Non-controlling interest                   | 21               | 19               |
| <b>Total liabilities and equity</b>        | <b>1,279,009</b> | <b>1,306,681</b> |



# Reimagining animal health

We produce solutions and services to feed the world and increase the longevity of companion animals.

