

QUARTERLY INFORMATION 1Q2025

LUPATECH S.A.
CNPJ/MF nº 89.463.822/0001-12
NIRE 35.3.0045756-1
Publicly-Held Company with Authorized Capital –
New Market

Management Report

THIS IS A FREE TRANSLATION OF THE ORIGINAL TEXT IN PORTUGUESE IN CASE OF DIVERGENCE OF INTERPRETATION, THE PORTUGUESE TEXT WILL PREVAIL

Message from the Administration

At the end of 2024, the Brazilian economy suffered a significant blow as a result of what became known as the “pix crisis”. In that context, the exchange rate suddenly devalued to 6.30, which led to a severe reaction by the Central Bank, raising interest rates to the level of 15% per year.

This scenario had an impact on the company. In December, we had a significant volume of imported inputs awaiting shipment from abroad - the immediate purchase of which would translate into significant losses at the prevailing exchange rates. There was also the risk that the exchange rate would rise to even higher levels in the 60 days of international transportation, generating unpredictable disbursements. Therefore, shipments had to be postponed until the situation normalized.

In view of the circumstances, many activities and sales planned for the first quarter were not carried out, and we had a reduction in revenue compared to the previous quarter and the same period last year. Gross Profit and other profitability indicators were naturally affected by the lesser dilution of fixed costs.

As a result of the monetary tightening, industrial demand was shy. For this reason, the order book remained stable. However, the outlook for the Oil & Gas sector is positive, with several major refining projects and FPSOs currently being tendered for execution over the next few years.

Rafael Gorenstein
CEO and Investor Relations Officer

Economic and Financial Performance

Lupatech operates in manufacturing (Products segment), producing mainly industrial valves; valves for oil and gas; mooring ropes for deepwater oil rigs, for naval use and for lifting loads; composite material artifacts, mainly power poles and tubes for lining oil pipelines.

The company operated in the oil services business (Services segment), from which some assets remain in the process of being demobilized, as well as the associated legacy.

Net Revenue

Net Revenue (R\$ thd)	1Q24	1Q25	4Q24	1Q25
Products	34,866	18,351	23,496	18,351
Valves	31,260	15,810	20,003	15,810
Ropes and Composites	3,606	2,541	3,493	2,541
Services	139	68	-	68
Oilfield Services	139	68	-	68
Total	35,005	18,419	23,496	18,419

In 1Q25, total consolidated net revenue reached R\$ 18.4 million. The decrease in 1Q25 compared to the previous periods is due to the postponement of input purchases due to the macroeconomic context.

Services

The transactions carried out in this segment arise from the liquidation of inventory balances and other activities related to plants that have been demobilized, and do not refer to ordinary operations.

Order Backlog

On March 31, 2025, the Company's order backlog in Brazil totaled R\$ 49 million. On the same date, the Company had a balance of supply contracts without purchase obligation of R\$ 117 million (Note: the figures do not include expired tenders for which the respective orders or contracts have not yet been issued).

Gross Profit and Gross Margin

Gross Profit (R\$ thd)	1Q24	1Q25	4Q24	1Q25
Products	7,980	2,831	4,851	2,831
<i>Gross Margin - Products</i>	<i>22.9%</i>	<i>15.4%</i>	<i>20.6%</i>	<i>15.4%</i>
Services	49	17	-	17
<i>Gross Margin - Services</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Total	8,029	2,848	4,851	2,848
<i>Gross Margin - Total</i>	<i>22.9%</i>	<i>15.5%</i>	<i>20.6%</i>	<i>15.5%</i>
Depreciation	755	455	599	455
Depreciation Products	755	455	599	455
Gross Profit without depreciation	8,784	3,303	5,450	3,303
Gross Profit without depreciation Products	8,735	3,286	5,450	3,286

*n/a - not applied

Products

Gross profit for 1Q25 reached R\$ 2.8 million, with a margin of 15.4%. The drop in margin for both periods is mainly associated with lower revenue, which is directly reflected in the lower dilution of fixed costs.

Services

The results of the services segment do not come from productive activities, only from the sale of remaining inventories.

Expenses

Expenses (R\$ thd)	1Q24	1Q25	4Q24	1Q25
Total Sales Expenses	1,972	2,733	4,399	2,733
Sales Expenses - Products	1,972	2,733	4,399	2,733
Sales Expenses - Services	-	-	-	-
Total Administrative Expenses	5,112	5,331	4,849	5,331
Administrative Expenses - Products	1,918	4,445	3,376	4,445
Administrative Expenses - Services	3,194	886	1,473	886
Management Fees	750	1,501	718	1,501
Total Expenses	7,834	9,565	9,966	9,565

Selling and administrative expenses

In 1Q25, the company recognized R\$ 2.7 million in sales expenses and R\$ 5.3 million in administrative expenses. The fluctuations are substantially due to the non-recurring expenses included in the result for the periods compared.

Management Compensation

The amount shown is made up of fixed and variable remuneration. The variation in relation to previous periods refers to the variable remuneration amounts for the previous year, which were only approved during the quarter.

Other Revenues and Operational (Expenses)

Other Operating (Expenses) (R\$ thd)	1Q24	1Q25	4Q24	1Q25
Products	471	(242)	52,416	(242)
Expenses with Idleness - Products	(317)	(1,597)	(2,273)	(1,597)
Services	597	(961)	(2,716)	(961)
Expenses with Idleness - Services	-	-	-	-
Total	751	(2,800)	47,427	(2,800)

In 1Q25, R\$ 0.4 thousand was recorded in “Other Operating Income” against R\$ 3.2 million in “Other Operating Expenses”, totaling a net negative effect of R\$ 2.8 million. The following factors stand out:

- I. R\$ 1.6 million of expenses with idle production;
- II. R\$ 0.7 thousand referring to the net negative effect of updating contingent liabilities according to the analysis of the legal advisors;
- III. R\$ 0.4 thousand recognition of depreciation of real estate as investment property in compliance with accounting standards;
- IV. R\$ 0.1 thousand from estimates of inventory obsolescence.

Financial Result

Financial Results (R\$ thd)	1Q24	1Q25	4Q24	1Q25
Financial Revenue*	1,133	809	495	809
Financial Expense*	(6,426)	(13,915)	(21,330)	(13,915)
Net Financial Results*	(5,293)	(13,106)	(20,835)	(13,106)
Net Exchange Variance	(4,053)	12,476	(20,124)	12,476
Net Financial Results - Total	(9,346)	(630)	(40,959)	(630)

* Excluding Exchange Variance

The net financial result for 1Q25 was negative by R\$ 13.1 million, and has as its main effect the restatement of interest and charges on taxes, suppliers and loans and the calculation of the present value adjustment of the debt. The total net financial result is influenced by the exchange rate variation.

It is important to remember that exchange rate variations are predominantly the result of their impact on loan balances between group companies abroad. Exchange rate fluctuations affect the translation of the equity of these entities into Reais in the opposite direction, so there are postings opposed to the exchange rate variations accounted for directly in the company's equity, without reporting through the profit and loss accounts.

See the following proforma statement of the net economic effect of exchange rate variations on intercompany loans:

	1Q25
Total Exchange Variation Revenue	13,374
Realized on exchange closing	199
Provision for outstanding securities	30
Provision for intercompany loans	12,349
Provision for unsecured suppliers	796
Total Exchange Variation Expense	(898)
Realized on exchange closing	(256)
Provision on intercompany loan	(604)

Provision for unsecured suppliers	(38)
Net Exchange Variance	12,476
Counterpart in Shareholders' Equity	11,745
Net Economic Effect of Exchange Variation	731

Adjusted EBITDA from Operations

EBITDA Ajustado (R\$ mil)	1T24	1T25	4T24	1T25
Produtos	3.526	(3.168)	721	(3.168)
Margem	10,1%	-17,3%	3,1%	-17,3%
Serviços	(2.220)	(672)	(2.150)	(672)
Margem	n/a	n/a	n/a	n/a
Total	1.306	(3.840)	(1.429)	(3.840)
Margem	3,7%	-20,8%	-6,1%	-20,8%

The reduction in Adjusted EBITDA for Products in 4Q24 compared to the previous periods is mainly due to the decrease in revenue.

Services Adjusted EBITDA is made up of legacy management costs.

Adjusted Ebitda Reconciliation (R\$ thd)	1Q24	1Q25	4Q24	1Q25
Gross Profit	8,028	2,848	4,851	2,848
SG&A	(7,084)	(8,064)	(9,248)	(8,064)
Management Compensation	(750)	(1,501)	(718)	(1,501)
Depreciation and Amortization	924	618	764	618
Other Operating Expenses	751	(2,800)	47,427	(2,800)
EBITDA from Activities	1,869	(8,899)	43,076	(8,899)
Result of disposal or write-off of assets	4	(170)	(51,845)	(170)
Provisions for Legal Proceedings	(1,434)	707	1,208	707
Idle expenses	317	1,597	2,273	1,597
Extraordinary Expenses	550	2,925	3,859	2,925
Adjusted EBITDA	1,306	(3,840)	(1,429)	(3,840)

	1Q25		
Reconciliation of Adjusted Ebitda (R\$ thd)	Products	Services	Total
Gross Profit	2,831	17	2,848
SG&A	(7,178)	(886)	(8,064)
Management Compensation	-	(1,501)	(1,501)
Depreciation and Amortization	504	114	618
Other Operating Expenses	(1,839)	(961)	(2,800)
EBITDA from Activities	(5,682)	(3,217)	(8,899)
Result of disposal or write-off of assets	(13)	(157)	(170)
Provisions for Legal Proceedings	(57)	764	707
Idle expenses	1,597	-	1,597
Extraordinary Expenses	987	1,938	2,925
Adjusted EBITDA	(3,168)	(672)	(3,840)

Net Result

Net Result (R\$ thd)	1Q24	1Q25	4Q24	1Q25
Result Before Income Tax and Social Contribution	(8,401)	(10,147)	1,350	(10,147)
Income Tax and Social Contribution - Current	-	(1)	(7)	(1)
Income Tax and Social Contribution - Deferred	1,002	(1,236)	7,364	(1,236)
Net Profit for the Period	(7,399)	(11,384)	8,707	(11,384)
Profit (Loss) per Share	(0.18)	(0.27)	(0.75)	(0.27)

The negative net result obtained in 1Q25 is influenced, in addition to current income and expenses, by the adjustment to present value of debt, restatement of interest on loans and the net effect of other operating income and expenses.

Working Capital

Working Capital (R\$ thd)	03/31/2025	12/31/2024
Accounts Receivable	34,339	35,427
Inventories	26,546	26,930
Advances of suppliers	439	964
Recoverable taxes	24,773	31,017
Other Accounts Receivable	2,366	4,675
Total Asset	88,463	99,013
Suppliers	20,944	17,734
Advances from Customers	7,042	6,773
Taxes payable	28,435	22,096
Other Accounts Payable/Other Obligations	3,771	2,921
Payroll and charges	5,509	3,582
Total Liabilities	65,701	53,106
Working Capital Employed	22,762	45,907
Working Capital Variation	(23,145)	

When comparing the balances at March 31, 2025 versus December 31, 2024, there is a reduction in working capital employed. Assets decreased mainly due to: (i) consumption of tax credits and long-term accounting reclassification of taxes recoverable, and (ii) long-term accounting reclassification of other receivables referring to tax reclaims adjudicated in court. Liabilities, in turn, increased due to: (i) non-payment of the judicial recovery installment, (ii) tax debts that will be included in new installments, and (iii) recognition of variable remuneration (which has not been disbursed).

Indebtedness

Debts (R\$ thd)	03/31/2025	12/31/2024
Short Term	58,997	56,264
Credits subject to Judicial Recovery	8,390	7,983
Credits not subject to Judicial Recovery	50,607	48,281
Long Term	121,816	123,437
Credits subject to Judicial Recovery	116,326	116,897
Credits not subject to Judicial Recovery	5,490	6,540
Total Debts	180,813	179,701
Cash and Cash Equivalents	2,356	3,515
Net Debt	178,457	176,186

The increase in financial indebtedness when comparing the balances as at March 31, 2025 with the balances as at December 31, 2024 is mainly associated with taking out new loans.

Short-term indebtedness not subject to Judicial Reorganization is detailed in the following tables, which show the composition by type and guarantee coverage.

Short-term debt - Credits not subject to Judicial Reorganization	03/31/2025
BNDES - Fiduciary Sale of Machinery	11,167
Co-obligation on discounted securities	11,881
Working Capital (various types)	27,559
Total	50,607

Guarantee Coverage - Working Capital (various types)	03/31/2025
CDB and performing credits	7,427
Other*	20,132
Total	27,559

*Performing receivables, FGI, Intra-group guarantee.

Note that short-term debt corresponds to: (i) co-obligations on discounted securities (R\$ 11.9 million), (ii) amounts to be self-settled by receivables already performed or CDBs (R\$ 7.4 million), and (iii) amounts covered by fiduciary guarantees or pending future performance of receivables (R\$ 20.1 million).

Annexes

Annex I - Income Statements (R\$ Thousand)

	1Q24	1Q25
Net Revenue From Sales	35,005	18,419
Cost of Goods and Services Sold	(26,977)	(15,571)
Gross Profit	8,028	2,848
Operating Income/Expenses	(7,083)	(12,365)
Selling	(1,972)	(2,733)
General and Administrative	(5,112)	(5,331)
Management Fees	(750)	(1,501)
Other Operation Income (Expenses)	751	(2,800)
Net Financial Result	(9,346)	(630)
Financial Income	1,134	809
Financial Expenses	(6,427)	(13,915)
Net Exchange Variance	(4,053)	12,476
Results Before Income Tax and Social Contribution	(8,401)	(10,147)
Provision Income Tax and Social Contribution - Current	-	(1)
Provision Income Tax and Social Contribution - Deferred	1,002	(1,236)
Net Profit (Loss) for the year	(7,399)	(11,384)

Annex II – Reconciliation of EBITDA Adjusted (R\$ Thousand)

	1Q24	1Q25
Adjusted EBITDA from Operations	1,306	(3,840)
Idleness Expenses	(317)	(1,597)
Extraordinary expenses	(550)	(2,925)
Provisions for Losses, Impairment and Net Result on Disposal of Assets	1,430	(537)
EBITDA from Operations	1,869	(8,899)
Depreciation and amortization	(924)	(618)
Net Financial Result	(9,346)	(630)
Income Tax and Social Contribution - Current and Deferred	1,002	(1,237)
Net Loss	(7,399)	(11,384)

Annex III – Consolidated Balance Sheets (R\$ Thousand)

	03/31/2025	12/31/2024
Total Asset	503,978	508,795
Current Assets	144,657	156,539
Cash and Cash Equivalents	2,356	3,515
Accounts Receivable	34,339	35,427
Inventories	26,546	26,930
Recoverable Taxes	24,773	31,017
Other Accounts Receivable	2,366	4,675
Prepaid Expenses	1,024	569
Advances to Suppliers	439	964
Assets Classified as Held for Sale	52,814	53,442
Non-Current Assets	359,321	352,256
Financial applications	1,442	-
Securities-restricted	44	44
Judicial Deposits	3,406	4,299
Recoverable Taxes	8,936	3,482
Deferred Income Tax and Social Contribution	67,017	68,253
Other Accounts Receivable	36,558	33,464
Investments	19,685	19,685
Fixed Assets	139,097	139,831
Intangible Assets	83,136	83,198
Total Liabilities and Shareholders Equity	503,978	508,795
Current Liabilities	128,506	112,399
Suppliers - not subject to Judicial Recovery	14,503	11,818
Suppliers - subject to Judicial Recovery	6,441	5,916
Loans and Financing - not subject to Judicial Recovery	50,607	48,281
Loans and Financing - subject to Judicial Recovery	8,390	7,983
Provisions Payroll and Payroll Payable	5,509	3,582
Taxes Payable	28,435	22,096
Obligations and Provisions for Labor Risks - subject to Judicial Recovery	106	106
Advances from Customers	7,042	6,773
Other Accounts Payable	3,771	2,921
Other obligations - subject to Judicial Recovery	3,702	2,923
Non-Current Liabilities	254,230	258,016
Suppliers - subject to Judicial Recovery	28,826	28,924
Loans and Financing - not Subject to Judicial Recovery	5,490	6,540
Loans and Financing - subject to Judicial Recovery	116,326	116,897
Taxes Payable	35,612	38,469
Provision for Contingencies	25,374	25,280
Obligations and Provisions Labor Risks - subject to Judicial Recovery	1,914	1,914
Other Accounts Payable	1,754	1,624
Other obligations - subject to judicial recovery	38,934	38,368
Shareholders' Equity	121,242	138,380
Capital Stock	1,922,342	1,922,339
Reserves and capital transactions	144,754	144,754
Accumulated conversion adjustments	77,992	83,748
Accumulated Losses	(2,023,846)	(2,012,461)

Annex IV – Statements of the Consolidated Cash Flow (R\$ Thousand)

	1Q24	1Q25
Cash Flow from Operating Activities		
Profit (Loss) for the year	(7,399)	(11,384)
Adjustments:		
Depreciation and Amortization	1,455	993
Income from sale of property, plant and equipment	(1)	24
Financial charges and exchange variation on financing	8,061	(343)
Reversal (Provision) for loss due to non-recoverability of assets	-	(196)
Deferred Income Tax and Social Contribution	(1,002)	1,236
Inventory obsolescence	938	(110)
(Reversal) Estimated losses for doubtful accounts	(97)	6
Adjust to present value	184	6,988
Exchange variation on investments abroad	2,115	(5,756)
Changes in Assets & Liabilities		
(Increase) Decrease in Accounts Receivable	(14,398)	1,082
(Increase) Decrease in Inventories	(1,735)	494
(Increase) Decrease in Recoverable Taxes	2,908	790
(Increase) Decrease in Other Assets	(186)	(1,360)
(Increase) Decrease in Suppliers	12	580
(Increase) Decrease in Taxes Payable	(3,158)	2,355
(Increase) Decrease in Others Accounts Payable	414	5,284
Net Cash Flow from Operating Activities	(11,889)	683
Cash Flow from Investment Activities		
Bonds and securities - restricted account	150	51
Resources from the sale of fixed assets	-	176
Acquisition of fixed assets	(263)	(146)
Net cash provided by (used in) investing activities	(113)	81
Cash Flow from Financing Activities		
Borrowing and financing	37,105	25,065
Capital increase	68	3
Payment of loans and financing	(29,480)	(26,991)
Net cash provided by (used in) financing activities	7,693	(1,923)
Net Increase (Decrease) in Cash and Cash Equivalents	(4,309)	(1,159)
At the Beginning of the Period	19,907	3,515
At the End of the Period	15,598	2,356

About Lupatech

Lupatech S.A. is a Brazilian high value-added products company focused on the oil and gas sector. It operates in manufacturing (Products segment), producing mainly industrial valves; valves for oil and gas; mooring ropes oil rigs; composite material artifacts, mainly power poles and tubes for lining oil pipes.

LUPATECH S.A.

STATEMENT OF FINANCIAL POSITION

(In thousands of Brazilian reais)

ASSETS	Note #	Company		Consolidated		LIABILITIES AND EQUITY	Note #	Company		Consolidated	
		31/03/2025	31/12/2024	31/03/2025	31/12/2024			31/03/2025	31/12/2024	31/03/2025	31/12/2024
CURRENT ASSETS						CURRENT LIABILITIES					
Cash and cash equivalents	3	2.246	1.829	2.356	3.515	Trade accounts payable - not included in the court-supervised reorganization	12	12.622	10.246	14.503	11.818
Trade accounts receivable	4	29.815	31.531	34.339	35.427	Trade accounts payable included in the reorganization plan	12	6.441	5.916	6.441	5.916
Inventories	5	24.553	25.055	26.546	26.930	Loans and financing not included in the reorganization plan	13	43.427	43.333	50.607	48.281
Recoverable taxes	6	7.484	20.324	24.773	31.017	Loans and financing included in the reorganization plan	13	5.806	5.943	8.390	7.983
Advances to suppliers		398	797	439	964	Employees' pay, provisions and related charges		4.860	3.173	5.509	3.582
Other receivables	7	890	892	2.366	4.675	Taxes payable	19	18.531	14.028	28.435	22.096
Prepaid expenses		889	435	1.024	569	Employees' pay and related charges included in the reorganization plan		106	106	106	106
Related party transactions	14.1	462	213	-	-	Advances from customers		6.906	6.639	7.042	6.773
Assets classified as held for sale	8	1.057	1.057	52.814	53.442	Other payables	17	3.096	2.385	3.771	2.921
						Other payables included in the reorganization plan	17	3.702	2.923	3.702	2.923
						Related party transactions	14.1	14.268	13.116	-	-
Total current assets		67.794	82.133	144.657	156.539	Total current liabilities		119.765	107.808	128.506	112.399
NONCURRENT ASSETS						NONCURRENT LIABILITIES					
Financial applications	3	601	-	1.442	-	Trade accounts payable included in the reorganization plan	12	28.826	28.924	28.826	28.924
Deposits into court	18.1	1.572	1.420	3.406	4.299	Loans and financing not included in the reorganization plan	13	5.490	6.540	5.490	6.540
Securities	3	44	44	44	44	Loans and financing included in the reorganization plan	13	63.445	61.169	116.326	116.897
Recoverable taxes	6	4.312	3.482	8.936	3.482	Taxes payable	19	21.138	22.468	35.612	38.469
Deferred income and social contribution taxes	16	62.313	64.526	67.017	68.253	Provision for tax, labor and civil contingencies	18.2	11.985	12.013	25.374	25.280
Related party transactions	14.1	1.373	1.479	-	-	Employees' pay and related charges included in the reorganization plan		1.914	1.914	1.914	1.914
Other receivables	7	33.341	33.341	36.558	33.464	Other payables	17	-	-	1.754	1.624
Long-term investment						Other payables included in the reorganization plan	17	38.934	38.368	38.934	38.368
Investment in controlled and affiliated companies	9.1	313.425	314.683	-	-	Related party transactions	14.1	151.258	163.057	-	-
Properties held for investment	9.2	-	-	19.685	19.685						
Property, plant and equipment	10	17.038	17.293	139.097	139.831						
Intangible assets											
Goodwill determined in the acquisition of investme	11	61.479	61.479	82.166	82.166						
Other intangible assets	11	705	761	970	1.032						
Total noncurrent assets		496.203	498.508	359.321	352.256	Total noncurrent liabilities		322.990	334.453	254.230	258.016
						EQUITY	20				
						Capital		1.922.342	1.922.339	1.922.342	1.922.339
						Capital reserves and change in capital		144.754	144.754	144.754	144.754
						Accumulated Conversion Adjustments		77.992	83.748	77.992	83.748
						Accumulated losses		(2.023.846)	(2.012.461)	(2.023.846)	(2.012.461)
						Attributed to the Company's shareholders		121.242	138.380	121.242	138.380
						Total equity		121.242	138.380	121.242	138.380
TOTAL ASSETS						TOTAL LIABILITIES AND EQUITY					
		563.997	580.641	503.978	508.795			563.997	580.641	503.978	508.795

The accompanying notes are an integral part of these financial statements.

LUPATECH S.A.

STATEMENT OF INCOME

FOR THE PERIODS ENDED MARCH 31, 2025 AND 2024

(In thousands of Brazilian Reais, except for loss per share, or where otherwise indicated)

	Note #	Company		Consolidated	
		31/03/2025	31/03/2024	31/03/2025	31/03/2024
NET OPERATING REVENUE	24	17.570	33.897	18.419	35.005
COST OF PRODUCTS SOLD	28	(14.130)	(24.953)	(15.571)	(26.977)
Gross income		<u>3.440</u>	<u>8.944</u>	<u>2.848</u>	<u>8.028</u>
OPERATING EXPENSES					
Selling expenses	28	(2.623)	(1.924)	(2.733)	(1.972)
General and administrative expenses	28	(4.216)	(3.669)	(5.331)	(5.112)
Management compensation	15 / 28	(1.501)	(750)	(1.501)	(750)
Equity method adjustment of interest held in investees	9.1	(6.118)	(2.452)	-	-
Other operating revenue (expenses), net	26	(1.960)	1.754	(2.800)	751
OPERATING LOSS BEFORE FINANCIAL REVENUE (EXPENSES)		<u>(12.978)</u>	<u>1.903</u>	<u>(9.517)</u>	<u>945</u>
FINANCIAL REVENUE (EXPENSES)					
Financial revenue	27	624	644	809	1.134
Financial expenses	27	(9.181)	(7.422)	(13.915)	(6.427)
Foreign currency exchange rate gains (losses), net	27	12.363	(3.984)	12.476	(4.053)
INCOME (LOSS) BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES		<u>(9.172)</u>	<u>(8.859)</u>	<u>(10.147)</u>	<u>(8.401)</u>
INCOME AND SOCIAL CONTRIBUTION TAXES					
Current taxation	16	-	-	(1)	-
Deferred one	16	(2.212)	1.460	(1.236)	1.002
NET INCOME (LOSS)		<u>(11.384)</u>	<u>(7.399)</u>	<u>(11.384)</u>	<u>(7.399)</u>
INCOME (LOSS) ATTRIBUTED TO:					
The Company's shareholders		(11.384)	(7.399)	(11.384)	(7.399)
EARNINGS (LOSS) PER SHARE					
Basic earnings (loss) per share	25	(0,27015)	(0,17998)	(0,27015)	(0,17998)
Diluted earnings (loss) per share	25	(0,27015)	(0,17998)	(0,27015)	(0,17998)

The accompanying notes are an integral part of these financial statements.

LUPATECH S.A.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED MARCH 31, 2025 AND 2024
(In thousands of Brazilian reais)

	Company		Consolidated	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
NET INCOME (LOSS)	(11.384)	(7.399)	(11.384)	(7.399)
OTHER COMPREHENSIVE INCOME				
Foreign currency exchange gains (losses) of investment overseas	(5.919)	2.113	(5.919)	2.113
TOTAL COMPREHENSIVE INCOME OF THE YEAR	<u>(17.303)</u>	<u>(5.286)</u>	<u>(17.303)</u>	<u>(5.286)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO:				
The Company's shareholders	(17.303)	(5.286)	(17.303)	(5.286)

The accompanying notes are an integral part of these financial statements.

LUPATECH S.A.

STATEMENT OF CASH FLOWS – INDIRECT METHOD
FOR THE PERIODS ENDED MARCH 31, 2025 AND 2024
(In thousands of Brazilian reais)

	Company		Consolidated	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income (loss)	(11.384)	(7.399)	(11.384)	(7.399)
Depreciation and amortization	400	722	993	1.455
(Reversal) set up of provision for impaired assets	-	1	(196)	-
Equity method adjustment of interest held in investees	6.118	2.452	-	-
Result from the write-off of property, plant and equipment	(18)	-	24	(1)
Financial charges paid and financing foreign currency exchange rate gains (losses)	(6.089)	8.884	(343)	8.061
Deferred income and social contribution taxes	2.212	(1.460)	1.236	(1.002)
Obsolescence of inventories	(261)	925	(110)	938
(Reversal) set up of an allowance for doubtful accounts	4	(97)	6	(97)
Discount to present value	2.887	2.105	6.988	184
Foreign currency exchange gains (losses) of investment overseas	162	2	(5.756)	2.115
(Increase) decrease in operating assets:				
Trade accounts receivable	1.712	(14.401)	1.082	(14.398)
Inventories	763	(2.565)	494	(1.735)
Recoverable taxes	12.010	3.218	790	2.908
Other assets	(806)	(340)	(1.360)	(186)
Increase (decrease) in operating liabilities:				
Trade accounts payable	272	156	580	12
Taxes payable	2.493	(1.611)	2.355	(3.158)
Other payables	3.982	1.330	5.284	414
Net funds provided by (used in) operating activities	14.457	(8.078)	683	(11.889)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payment of capital of controlled companies	(10.779)	(4.068)	-	-
Securities - restricted account	25	47	51	150
Funds from loans received of related parties	(249)	-	-	-
Revenue from the sale of property, plant and equipment	25	-	176	-
Acquisition of fixed assets	(96)	(202)	(146)	(263)
Net cash provided by (used in) investing activities	(11.074)	(4.223)	81	(113)
CASH FLOWS OF FINANCING ACTIVITIES				
New loans and financing	21.999	31.922	25.065	37.105
New related-party loans (repayment)	1.056	338	-	-
Increase in capital	3	68	3	68
Repayment of loans and financing	(26.024)	(18.893)	(26.991)	(29.480)
Net cash provided by (used in) financing activities	(2.966)	13.435	(1.923)	7.693
INCREASE (DECREASE) IN NET CASH AND CASH EQUIVALENTS	417	1.134	(1.159)	(4.309)
Cash and cash equivalents at beginning of year	1.829	1.440	3.515	19.907
Cash and cash equivalents at end of year	2.246	2.574	2.356	15.598

The accompanying notes are an integral part of these financial statements.

LUPATECH S.A.STATEMENT OF CHANGE IN EQUITY
FOR THE PERIODS ENDED MARCH 31, 2025 AND 2024
(In thousands of Brazilian reais)

	Capital	Capital reserves and options granted	Accumulated losses	Asset and liability valuation adjustment	Attributed to the Company's shareholders	Total equity
BALANCES AS AT DECEMBER 31, 2023	1.920.820	144.754	(1.980.690)	74.679	159.563	159.563
Increase in capital	68	-	-	-	68	68
Loss for the period	-	-	(7.399)	-	(7.399)	(7.399)
Foreign currency exchange gains (losses) of investment overseas	-	-	-	2.113	2.113	2.113
BALANCES AS AT MARCH 31, 2024	1.920.888	144.754	(1.988.089)	76.792	154.345	154.345
BALANCES AS AT DECEMBER 31, 2024	1.922.339	144.754	(2.012.462)	83.749	138.380	138.380
Increase in capital	3	-	-	-	3	3
Loss for the period	-	-	(11.384)	-	(11.384)	(11.384)
Foreign currency exchange gains (losses) of investment overseas	-	-	-	(5.919)	(5.919)	(5.919)
Realization of the Asset Valuation Adjustment				162	162	162
BALANCES AS AT MARCH 31, 2025	1.922.342	144.754	(2.023.846)	77.992	121.242	121.242

The accompanying notes are an integral part of these financial statements.

LUPATECH S.A.

STATEMENT OF VALUE ADDED
FOR THE PERIODS ENDED MARCH 31, 2025 AND 2024
(In thousands of Brazilian reais)

	Company		Consolidated	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
REVENUE				
Sales of goods, products and services (included Federal VAT - IPI)	21.555	40.901	22.465	42.252
Revenue from the sale of property, plant and equipment	25	55.677	-	81.018
Other revenue	46	(54.266)	631	(79.064)
Reversal (set up) of an allowance for doubtful accounts	(4)	97	(6)	97
	21.622	42.409	23.090	44.303
INPUTS ACQUIRED FROM THIRD PARTIES				
Cost of products sold and services provided	(6.336)	(17.055)	(3.452)	(15.268)
Materials, electric power, third party services and other	(6.372)	(3.365)	(9.643)	(5.774)
Losses incurred in the sale of property, plant and equipment	(8)	-	(1)	-
Other expenses	(2.024)	343	(3.431)	(1.203)
	(14.740)	(20.077)	(16.527)	(22.245)
GROSS VALUE ADDED	6.882	22.332	6.563	22.058
DEPRECIATION AND AMORTIZATION	(399)	(722)	(993)	(1.455)
NET VALUE PRODUCED BY THE COMPANY	6.483	21.610	5.570	20.603
ADDED VALUE RECEIVED THROUGH TRANSFERENCE				
Equity method adjustment to the equity of investees	(6.118)	(2.452)	-	-
Financial revenue	13.873	6.547	14.183	15.072
	7.755	4.095	14.183	15.072
TOTAL VALUE ADDED TO BE DISTRIBUTED	14.238	25.705	19.753	35.675
DISTRIBUTION OF VALUE ADDED	14.238	25.705	19.753	35.675
Personnel:	8.194	8.632	9.567	10.469
Direct compensation	5.892	5.986	6.861	7.266
Benefits	1.901	2.191	2.226	2.599
Severance Pay Fund (FGTS)	401	455	480	604
Taxation:	7.278	7.080	6.641	8.067
Federal taxes	4.927	3.106	4.295	3.918
State taxes	2.246	3.874	2.220	4.026
Local taxes	105	100	126	123
Compensation of third party capital:	10.150	17.392	14.929	24.538
Interest and other financial expenses	10.067	17.309	14.813	24.418
Leases	83	83	116	120
Increase (decrease) in own capital:	(11.384)	(7.399)	(11.384)	(7.399)
Net income (loss)	(11.384)	(7.399)	(11.384)	(7.399)

The accompanying notes are an integral part of these financial statements.

Lupatech S.A

Notes to individual and consolidated interim accounting information for the quarter ended March 31, 2025.

(In thousands of Brazilian reais, except where otherwise indicated)

1. General information

Lupatech S.A. (“Company”) and its subsidiaries and associates (together the “Group”) is a public limited company headquartered in Nova Odessa, São Paulo State, with shares traded on the São Paulo stock exchange (“B3” LUPA3).

The Group operates in manufacturing (**Products segment**), producing mainly: industrial valves; valves for oil and gas; synthetic fiber cables for anchoring oil platforms and various other applications; and composite material artifacts, such as posts and tubular liners for lining oil pipelines.

Until 2017, the company operated in the oil services business (**Services segment**), of which there are still various assets in the process of being demobilized, as well as the associated legacy. These assets are classified as assets held for sale.

1.1 Going concern

The individual and consolidated interim accounting information has been prepared on the assumption that the Company will continue as a going concern.

The Lupatech Group is seeking to regain its prominent position as one of Brazil's most important industrial groups in the oil and gas sector, as well as to maintain its position as a source of wealth, taxes and jobs.

The company has been progressively improving its operating results, and continuity depends not only on improved performance, but also on success in obtaining the additional resources needed to supply working capital and service debt. The volume of resources needed to finance the recovery depends on the speed of the recovery itself, and these resources could come from, for example, but not limited to, new credit lines, capital increases with or without debt conversion, the sale of assets or shareholdings, the refund of tax credits and the reprofiling of liabilities. Management is pursuing all of these options.

2. Preparation basis

2.1 Declaration of compliance

The individual and consolidated interim financial information has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and in accordance with accounting practices adopted in Brazil (BR GAAP).

The company's management affirms that all relevant information specific to financial information, and only this information, has been disclosed, and that it corresponds to the information used by the company in its management.

The issuance of the individual and consolidated financial statements was authorized by the Board of Directors on May 14, 2025.

The accounting practices used in the preparation of this individual and consolidated interim financial information are the same as those adopted in the preparation of the annual audited individual and consolidated

financial statements of the Company and its subsidiaries for the year ended December 31, 2024. Therefore, the individual and consolidated interim accounting information should be read in conjunction with the annual individual and consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2024, issued on March 21, 2025, which include the complete set of explanatory notes.

2.2 Functional and reporting currency

This individual and consolidated interim accounting information is presented in Brazilian Real, which is the Company's functional currency. All balances have been rounded to the nearest thousand, unless otherwise stated.

2.3 Measurement basis

The interim accounting information has been prepared on a historical cost basis, except for certain financial instruments measured at fair value.

2.4 Consolidation basis and investment in controlled companies

The consolidated financial information includes the financial information of Lupatech S.A. and its subsidiaries.

Controlled companies

The financial information of subsidiaries is recognized using the equity method, and is included in the consolidated financial information from the date on which the Group obtains control until the date on which control ceases to exist.

The consolidated interim financial information includes the accounting information of Lupatech S.A. and its direct and indirect subsidiaries, as follows:

Directly and indirectly controlled companies	Direct and indirect control (%)	
	03/31/2025	12/31/2024
<u>Direct interest</u>		
Mípel Comércio e Indústria de Peças Técnicas Ltda. - (Brazil)	100.00	100.00
UEP Equipamentos e Serviços para Petróleo Ltda. - (Brazil)	100.00	100.00
Lupatech Finance Limited - (Cayman Islands)	100.00	100.00
Recu S.A. - (Argentina)	95.00	95.00
Lochness Participações S.A. - (Brazil)	100.00	100.00
Ilnó Administradora de Bens e Direitos Ltda. - (Brazil)	100.00	100.00
LPT Ropes Ltda - (Brazil)*	100.00	100.00
		-
<u>Indirect interest</u>		
Recu S.A. - (Argentina)	5.00	5.00
UPC Perfuração e Completação Ltda. - (Brazil)	100.00	100.00
Sotep Sociedade Técnica de Perfuração S.A. - (Brazil)	100.00	100.00
Prest Perfurações Ltda. - (Brazil)	100.00	100.00
Ciaval II Administração de Bens e Direitos SPE S.A. - (Brazil)	100.00	100.00

* Company created on December 18, 2024.

3. Cash, cash equivalents, long-term Investments and securities

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Current				
<u>Petty cash and cash at banks</u>				
In Brazil	2,056	1,058	2,060	1,073
Overseas	-	-	10	6
Short-term certificates of deposit	190	771	286	2,436
Total	2,246	1,829	2,356	3,515
Non-current				
Long-term certificates of deposit	601	-	1,442	-
Securities	44	44	44	44
Total	645	44	1,486	44

Cash equivalents refer to fixed-income investments and bank deposit certificates, with immediate liquidity except when they are collateral for obligations contracted by the Company. On March 31, the consolidated balance linked to guarantees is R\$ 1,442.

4. Trade accounts receivable

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Receivable in the domestic market	30,466	32,203	35,086	36,127
Receivable in the foreign market	29	4	29	70
	30,495	32,207	35,115	36,197
Allowance for doubtful accounts	(680)	(676)	(776)	(770)
	29,815	31,531	34,339	35,427
Current assets	29,815	31,531	34,339	35,427

The amount of the risk of possible losses is shown as Estimated Loss on Doubtful Accounts (PECLD). These estimates are made taking into account the Company's credit policy, the time elapsed since default and the specific situation of the credit or the client.

The credit risk of accounts receivable arises from the possibility of the Company not receiving amounts arising from sales transactions. In order to mitigate this risk, the Company adopts the practice of a detailed analysis of its clients' financial and asset situation, establishing a credit limit and permanently monitoring their outstanding balance. The provision for credit risks was calculated based on the risk analysis of the credits, which includes the history of losses, the individual situation of the clients, the situation of the economic group to which they belong, the real guarantees for the debts and the assessment of the legal advisors, and is considered sufficient by management to cover possible losses on the amounts receivable.

The write-off for losses complies with the parameters of the tax legislation and the recovery refers to the revenue corresponding to the recovery of the credit previously estimated as a loss, arising from the actual receipt.

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Amounts to be billed	13,589	16,794	13,589	16,794
Not yet due	14,458	11,765	16,696	13,652
Due up to 30 days	1,235	1,238	1,492	1,182
Overdue from 31 to 90 days	194	1,362	814	1,988

Overdue from 91 to 180 days	313	69	879	479
Overdue from 181 to 360 days	5	287	945	444
Overdue for more than 360 days	701	692	700	1,658
	<u>30,495</u>	<u>32,207</u>	<u>35,115</u>	<u>36,197</u>

The amount “To be invoiced” represents projects in progress, recognized according to the fulfillment of each performance obligation agreed between the parties.

As part of its means of financing, the company advances credit rights with or without co-obligation. When the co-obligation remains, a corresponding obligation remains in liabilities, as presented in Note 13 under the heading “Discounted securities with co-obligation”.

5. Inventories

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Finished products	10,601	11,272	10,945	11,593
Merchandise for resale	557	612	557	612
Work in process	13,807	11,511	14,809	12,429
Raw materials and subsidiary materials	7,296	9,107	13,501	15,420
Stocks of service units	-	-	9,714	9,746
Losses to be incurred with inventory	(7,708)	(7,447)	(22,980)	(22,870)
Total	<u>24,553</u>	<u>25,055</u>	<u>26,546</u>	<u>26,930</u>

Inventory obsolescence losses consist of management estimates based on inventory turnover, the order backlog and the prospect of future demand for inventory items. The loss is normally accrued gradually from the first year of disuse. Items assessed as obsolete can have their status changed if the outlook for their use changes.

The inventories of the service units, which have not been in operation since 2017, have been provisioned as inventory obsolescence losses due to their disuse.

Changes in inventory losses:

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Balance at beginning of period	(7,447)	(8,291)	(22,870)	(25,315)
Loss estimate	(277)	(61)	(316)	(733)
Reversal	16	905	206	3,178
Ending balance	<u>(7,708)</u>	<u>(7,447)</u>	<u>(22,980)</u>	<u>(22,870)</u>

6. Recoverable taxes

Recoverable taxes	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
State VAT (ICMS)	4,432	4,998	4,620	5,169
State VAT (ICMS) excluded from the Contribution for the Social Integration Program (PIS) and Contribution for Social Security Funding (COFINS)	3,138	14,750	22,185	18,447
Federal VAT (IPI)	1,271	1,291	1,435	1,461
Contribution for the Social Integration Program (PIS)	229	237	324	316
Contribution for Social Security Funding (COFINS)	1,007	1,042	1,220	1,182

Withholding Income Tax (IRRF)	19	15	80	72
Corporate Income Tax (IRPJ)	916	790	2,035	6,430
Social Contribution Tax (CSLL)	718	619	1,462	1,330
Other	66	64	348	92
Total	11,796	23,806	33,709	34,499
Current assets	7,484	20,324	24,773	31,017
Noncurrent assets	4,312	3,482	8,936	3,482

The origin of the credits listed above is as follows:

- **State VAT (ICMS)** - credit from the purchase of inputs used in the manufacturing of products whose sale is subject to a reduced ICMS tax base, as well as credit on purchase of inputs used in the manufacturing of products intended for export.
- **State VAT (ICMS) excluded from the Contribution for the Social Integration Program (PIS) and Contribution for Social Security Funding (COFINS)** - refers to the amount determined at the Company as a result of a favorable final and non-appealable decision to exclude ICMS from the PIS and COFINS tax base.

Actions have been taken to use these accumulated tax credit, either by using them in operations, offsetting them against current tax debt or obtaining their refund. As at June 19, 2023, a request was made for partial refund of the amounts, which is under analysis by the Brazilian Internal Revenue Service. Such refund or offset is supported by article 92, paragraph 6 of Standard RFB 2.055/2021.

- **IPI, PIS and COFINS** - credit obtained in the purchase of raw materials. Such credit has been realized by offsetting them against other federal taxes.
- **Income and social contribution taxes** - withholding taxes paid on the yield from financial operations and services provided to third parties. These taxes have been offset against taxes payable of the same nature or their refund requested, where applicable.

7. Other receivables

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Other receivables - current				
Bonds convertible into shares	750	749	1,142	1,142
Other receivables	140	143	1,224	3,533
Total	890	892	2,366	4,675
Other receivables - noncurrent				
Arbitration procedure - CSL	33,341	33,341	33,341	33,341
Other receivables	-	-	3,217	123
Total	33,341	33,341	36,558	33,464

The “Debentures convertible into shares” consist of rights transferable into shares of Ciaval Administradora de Bens e Direitos SPE S.A., a special purpose company set up under the terms of item XVI of Article 50 of Law 11.101/2005, to make the payment in kind of goods and rights to the creditors of Class I of the judicial reorganization of the Lupatech group.

The “Arbitration Procedure - CSL” represents the execution of a judicial title that the Company is promoting against Cordoaria São Leopoldo Ltda. and its successor Cordoaria São Leopoldo Original Ltda.

“Other accounts receivable” are mainly composed of credits assigned for payment arising from forward loans made to the company Luxxon Participações Ltda., in which the Company ceased to participate in January 2021, and amounts collected in court from customers.

8. Assets classified as held for sale

The Company has assets classified as held for sale, which comprise: (i) special equipment, dedicated to certain specialized interventions in oil wells, used mainly offshore. The nature of these assets means that the sale will take more than a year, the specialty and the geographical difficulty result in a factor that reduces the liquidity of the assets, and which are not controllable by the entity and (ii) real estate in Caxias do Sul/RS and land in Nova Odessa/SP.

Lupatech remains committed to its plan to sell the assets, with negotiations underway that demonstrate efforts to sell the assets.

The book value of the assets recorded in the company's balance sheet is consistent with the independent appraisers' reports. The balance of assets held for sale is as follows:

Assets classified as held for sale	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Plots of land	-	-	28,893	28,893
Buildings and facilities	-	-	13,416	13,416
Machinery and equipment	1,057	1,057	9,139	9,737
Industrial tools	-	-	1,366	1,396
Total	1,057	1,057	52,814	53,442

Summary of changes in the period in assets held for sale:

	Company				
	Plots of land	Buildings and facilities	Machinery and equipment	Industrial tools	Total
Costs of assets - net of impairment					
Balance as at December 31, 2024	-	-	1,057	-	1,057
Additions	-	-	-	-	-
Write-offs	-	-	-	-	-
Reversal/set up of provision for non-recoverable assets	-	-	-	-	-
Balance as at March 31, 2025	-	-	1,057	-	1,057
Cost of Assets – Net of Impairment					
Balance as at December 31, 2024	28,893	13,416	9,737	1,396	53,442
Write-offs	-	-	(109)	(68)	(177)
Reversal/set up of provision for non-recoverable assets	-	-	84	38	122
Effect of conversion of amounts of investees abroad	-	-	(573)	-	(573)
Balance as at March 31, 2025	28,893	13,416	9,139	1,366	52,814

9. Long-term investment

9.1 Investment in controlled and affiliated companies

	Mipel	Recu	UEP	Finance	LO&G	Lochness	Ilno	LPT	Company	
									03/31/2025	12/31/2024
Investment data										
Number of shares hold										
Ordinary shares ('000)	-	3,000	-	-	734,613	-	-	-		
Interest held in the capital ('000)	54,260	-	395,119	50	-	97,765	54,107	10,779		
Percentage of ownership interest held	100%	95%	100%	100%	100%	100%	100%	100%		
Equity	4,975	-	26,486	75,407	32,261	97,602	54,105	10,779		
Income (loss) in the period	(1,482)	-	(477)	(71)	(613)	-	(2)	-		
Unrealized income	(441)	-	-	-	-	-	-	-		
Change in long-term investment										
Balance at beginning of period	5,988	-	26,963	105,435	32,874	89,316	54,107	-	314,683	256,555
Increase in capital	-	-	-	-	-	-	-	10,779	10,779	65,041
Equity method adjustment to the equity of investees	(1,454)	-	(477)	(3,196)	(613)	(376)	(2)	-	(6,118)	(14,949)
Asset and liability valuation adjustment	-	-	-	(5,919)	-	-	-	-	(5,919)	8,036
Balance at end of period	4,534	-	26,486	96,320	32,261	88,940	54,105	10,779	313,425	314,683

The corporate names of the subsidiaries and affiliates are as follows: Mipel Comércio e Indústria de Peças Técnicas Ltda; Recu - S.A; UEP Equipamentos e Serviços para Petróleo Ltda; Lupatech Finance Limited; Lochness Participações S.A; Ilno Administradora de Bens e Direitos Ltda; LPT Ropes Ltda and MNA Valves Ltda.

9.2 Properties held for investment

It currently consists of land and a built-up area, located in Macaé in Rio de Janeiro, where there are no operational activities. The property is owned by the company Ciaval II Administração de Bens e Direitos SPE S.A., which was set up to give the property in payment to the creditors of Class I of the judicial reorganization of the Lupatech group, under the terms of item XVI of Article 50 of Law 11.101/2005, in accordance with the judicial authorization granted within the scope of the judicial reorganization process. Investment property is measured at fair value. According to a technical report by an independent company, the fair value of the investment property is R\$ 19,685.

10. Property, plant and equipment

	Weighted average depreciation rates per year (%)	Company		Consolidated	
		03/31/2025	12/31/2024	03/31/2025	12/31/2024
		Property, plant and equipment, net	Property, plant and equipment, net	Property, plant and equipment, net	Property, plant and equipment, net
Plots of land	-	3,751	3,751	19,777	19,777
Buildings and construction	9%	5,276	5,320	46,271	46,722
Machinery and equipment	13%	5,445	5,610	63,044	63,199
Molds and matrixes	18%	695	684	739	727
Industrial facilities	6%	80	73	1,304	1,310
Furniture and fixtures	12%	549	559	615	629
Data processing equipment	18%	155	163	226	244
Improvements	10%	427	432	987	998
Vehicles	9%	57	58	60	61
Advance for purchase of property, plant and equipment	-	100	100	5,419	5,419
Assets in construction	-	503	543	655	745
Total		17,038	17,293	139,097	139,831

Summary of changes in property, plant and equipment in the period:

	Company								
		Buildings and construction	Machinery, equipment and facilities	Facilities and improvements made	Furniture and fixtures	Data processing equipment	Assets in construction	Other	Total
Gross cost	Plots of land								
Balance as at December 31, 2024	3,751	8,269	61,941	2,316	3,944	3,982	543	577	85,323
Additions	-	-	18	1	-	5	73	-	97
Write-offs	-	-	(267)	(8)	-	(3)	-	-	(278)
Transference	-	-	72	41	-	-	(113)	-	-
Balance as at March 31, 2025	3,751	8,269	61,764	2,350	3,944	3,984	503	577	85,142
Accumulated depreciation									
Balance as at December 31, 2024	-	(2,949)	(55,647)	(1,811)	(3,385)	(3,819)	-	(419)	(68,030)
Additions	-	(44)	(243)	(33)	(10)	(13)	-	(1)	(344)
Disposal	-	-	266	1	-	3	-	-	270
Balance as at March 31, 2025	-	(2,993)	(55,624)	(1,843)	(3,395)	(3,829)	-	(420)	(68,104)
Property, plant and equipment, net									
Balance as at December 31, 2024	3,751	5,320	6,294	505	559	163	543	158	17,293
Balance as at March 31, 2025	3,751	5,276	6,140	507	549	155	503	157	17,038

Consolidated

	Plots of land	Buildings and construction	Machinery, equipment and facilities	Facilities and improvements made	Furniture and fixtures	Data processing equipment	Assets in construction	Other	Total
Gross cost									
Balance as at December 31, 2024	19,777	62,991	159,263	5,839	5,331	6,634	745	13,108	273,688
Additions	-	-	27	2	-	4	111	2	146
Write-offs	-	-	(377)	(8)	(8)	(5)	(15)	(5)	(418)
Transference	-	-	145	41	-	-	(186)	-	-
Reversal/set up of provision for non recoverable assets	-	73	-	-	-	-	-	-	73
Balance as at March 31, 2025	19,777	63,064	159,058	5,874	5,322	6,633	655	13,105	273,489
Accumulated depreciation									
Balance as at December 31, 2024	-	(16,269)	(95,337)	(3,531)	(4,702)	(6,390)	-	(7,628)	(133,857)
Additions	-	(524)	(315)	(53)	(14)	(22)	-	(3)	(931)
Write-offs	-	-	377	1	8	5	-	5	396
Balance as at March 31, 2025	-	(16,793)	(95,275)	(3,583)	(4,708)	(6,407)	-	(7,626)	(134,392)
Property, plant and equipment, net									
Balance as at December 31, 2024	19,777	46,722	63,926	2,308	629	244	745	5,480	139,831
Balance as at March 31, 2025	19,777	46,271	63,783	2,291	615	226	655	5,479	139,097

Certain fixed assets are encumbered by mortgages, which guarantee loans, or pledged in certain tax contingencies. The following table shows the amounts of encumbered assets, according to their current carrying amounts:

Assets encumbered by	Company	Consolidated
Taxation (tax actions in progress)	8,849	9,801
Loans and financing	4,627	96,790
Total	13,476	106,591

11. Intangible assets

	Weighted amortization rate	Company		Consolidated	
		03/31/2025	12/31/2024	03/31/2025	12/31/2024
		Intangible assets, net		Intangible assets, net	
Goodwill determined in the acquisition of long-term investment (*)	-	61,479	61,479	82,166	82,166
Software and other licenses	13% p.a.	6	8	113	122
Development of new products	13% p.a.	699	753	857	910
Total		62,184	62,240	83,136	83,198

(*) At the Company, it represents the balance of goodwill of merged subsidiaries.

Summary of change in intangible assets in the period:

	Company			
	Goodwill determined in the acquisition of longterm investment	Software and other licenses	Development of new products	Total
Gross intangible asset costs				
Balance as at December 31, 2024	61,479	13,270	10,262	85,011
Additions	-	-	-	-
Write-off	-	-	-	-
Balance as at March 31, 2025	61,479	13,270	10,262	85,011
Accumulated amortization				
Balance as at December 31, 2024	-	(13,262)	(9,509)	(22,771)
Additions	-	(2)	(54)	(56)
Write-off	-	-	-	-
Balance as at March 31, 2025	-	(13,264)	(9,563)	(22,827)
Intangible assets, net				
Balance as at December 31, 2024	61,479	8	753	62,240
Balance as at March 31, 2025	61,479	6	699	62,184

	Consolidated			
	Goodwill determined in the acquisition of longterm investment	Software and other licenses	Development of new products	Total
Gross intangible asset costs				
Balance as at December 31, 2024	82,166	16,411	11,509	110,086
Additions	-	-	-	-
Write-off	-	-	-	-
Balance as at March 31, 2025	82,166	16,411	11,509	110,086
Accumulated amortization				
Balance as at December 31, 2024	-	(16,289)	(10,599)	(26,888)
Additions	-	(9)	(53)	(62)
Balance as at March 31, 2025	-	(16,298)	(10,652)	(26,950)
Intangible assets, net				
Balance as at December 31, 2024	82,166	122	910	83,198
Balance as at March 31, 2025	82,166	113	857	83,136

The following table summarizes the allocation of the goodwill balance by Cash Generating Unit level:

CGUs	Goodwill determined in the acquisition of long-term investment			
	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Line of products				
Industrial Valves	6,065	6,065	6,065	6,065
Ropes	55,414	55,414	55,414	55,414
Composite items (Fiberware)	-	-	20,687	20,687
Total	61,479	61,479	82,166	82,166

CGUs	Goodwill from the acquisition of investment	Impairment	Net impairment
Line of products			
Industrial Valves	6,065	-	6,065
Ropes	125,414	(70,000)	55,414
Composite items (Fiberware)	20,687	-	20,687
Total	152,166	(70,000)	82,166

During the three-month period ended March 31, 2025, no reversal or estimate of losses due to the non-recoverability of goodwill was recognized.

12. Trade accounts payable

	03/31/2025						12/31/2024					
	Company			Consolidated			Company			Consolidated		
	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total
Payables included in the reorganization plan												
Domestic trade accounts payable	6,441	38,787	45,228	6,441	38,787	45,228	5,916	39,038	44,954	5,916	39,038	44,954
Foreign trade accounts payable	-	9,740	9,740	-	9,740	9,740	-	10,515	10,515	-	10,515	10,515
Discount to present value	-	(19,701)	(19,701)	-	(19,701)	(19,701)	-	(20,629)	(20,629)	-	(20,629)	(20,629)
	6,441	28,826	35,267	6,441	28,826	35,267	5,916	28,924	34,840	5,916	28,924	34,840
Payables not included in the reorganization plan												
Domestic trade accounts payable	10,766	-	10,766	12,647	-	12,647	9,723	-	9,723	11,295	-	11,295
Foreign trade accounts payable	1,856	-	1,856	1,856	-	1,856	523	-	523	523	-	523
	12,622	-	12,622	14,503	-	14,503	10,246	-	10,246	11,818	-	11,818
Total	19,063	28,826	47,889	20,944	28,826	49,770	16,162	28,924	45,086	17,734	28,924	46,658

The maturities of non-current amounts payable to suppliers are as follows:

Company and Consolidated		
Maturity	03/31/2025	12/31/2024
2026	2,363	1,966
2027	2,382	2,380
2028	3,175	3,173
2029	3,866	3,862
After 2030	17,040	17,543
	<u>28,826</u>	<u>28,924</u>

The table below shows the change in payables included in the reorganization plan in 2025:

Company and Consolidated	
Current and Noncurrent Amounts	
Payables included in the reorganization plan	Total domestic and foreign payables
Balance as at December 31, 2024	34,840
Recognition of interest	258
Foreign currency exchange rate adjustment	(758)
Repayment	-
Discount to present value	927
Balance as at March 31, 2025	35,267

13. Loans and financing

Description	Index	Weighted interest rate	03/31/2025						12/31/2024					
			Company			Consolidated			Company			Consolidated		
			Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total
Portion included in the reorganization plan														
In domestic currency														
Secured credit (Class II)	Fixed rate	3.00% p.a. + TR	2,242	38,366	40,608	2,242	38,366	40,608	2,990	37,314	40,304	2,990	37,314	40,304
(-) Discount to present value			-	(14,796)	(14,796)	-	(14,796)	(14,796)	-	(15,301)	(15,301)	-	(15,301)	(15,301)
Unsecured credit (Class III)	Fixed rate	3.3% p.a. + TR	3,564	72,207	75,771	3,564	72,207	75,771	2,953	72,213	75,166	2,953	72,213	75,166
(-) Discount to present value			-	(32,332)	(32,332)	-	(32,332)	(32,332)	-	(33,057)	(33,057)	-	(33,057)	(33,057)
In foreign currency														
Unsecured credit (Class III)	Fixed rate	0.4% p.a	-	-	-	2,584	80,328	82,912	-	-	-	2,040	87,276	89,316
(-) Discount to present value			-	-	-	-	(27,447)	(27,447)	-	-	-	-	(31,548)	(31,548)
			5,806	63,445	69,251	8,390	116,326	124,716	5,943	61,169	67,112	7,983	116,897	124,880

The change in loans included in the reorganization plan in 2025 is shown below:

Current and Noncurrent Amounts		
Loans and financing Portion included in the reorganization plan	Total domestic and foreign payables	
	Parent	Consolidated
Balance as at December 31, 2024	67,112	124,880
Recognition of interest payable	909	1,000
Repayment	-	-
Asset and liability valuation adjustment*	-	(6,495)
(-) Discount to present value	1,230	5,331
Balance as at March 31, 2025	69,251	124,716

*Value of balances in foreign currency that have been converted.

Description	Index	Weighted interest rate	03/31/2025						12/31/2024					
			Company			Consolidated			Company			Consolidated		
			Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total
Portion not included in the reorganization plan														
In domestic currency														
Working Capital / expansion - Joint-liability, receivables given as guarantee and secured receivables	(TJLP*)	7.97% p.a.	5,034	-	5,034	8,648	-	8,648	5,034	-	5,034	8,648	-	8,648
	Fixed rate	1.94% a.m.	31,142	215	31,357	33,303	215	33,518	27,080	666	27,746	27,109	666	27,775
Working Capital and GIF	Fixed rate	1.91% a.m.	6,037	5,275	11,312	6,137	5,275	11,412	10,005	5,874	15,879	10,005	5,874	15,879
In foreign currency														
Working capital / expansion -	US dollar	6.06% p.a.	1,214	-	1,214	2,519	-	2,519	1,214	-	1,214	2,519	-	2,519
			43,427	5,490	48,917	50,607	5,490	56,097	43,333	6,540	49,873	48,281	6,540	54,821

* The credits for “Working Capital/Expansion” granted by the BNDES are the subject of litigation (Note 18) which involves, among other things, the classification of the credits. The amounts indicated in the table correspond to the total amount under discussion, and are subdivided into a part subject to Judicial Recovery and a part not subject. The non-subject part is limited to the value of the assets subject to fiduciary sale, which could only be assessed at a public auction according to a decision by the São Paulo Court of Justice - according to appraisal reports contracted by the company, the assets have a value of R\$ 5,005.

The maturities of the non-current installments of financing subject and not subject to Judicial Reorganization are detailed below:

Maturity	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
2026	5,494	3,432	7,843	7,935
2027	5,944	5,864	9,743	9,850
2028	5,065	5,315	12,296	12,451
2029	7,766	7,670	13,932	14,140
After 2030	44,666	45,428	78,002	79,061
	68,935	67,709	121,816	123,437

The guarantees contracted on loans and financing are detailed below:

Portion not included in the reorganization plan		03/31/2025		12/31/2024	
		Guarantee value		Guarantee value	
		Company	Consolidated	Company	Consolidated
In domestic currency	Garantee	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount
	Mortgage / buildings	2,634	92,112	2,634	92,112
Working capital / expansion	Machinery and equipment	551	3,236	597	3,236
	IGF (Investment guarantee fund)	1,442	1,442	3,386	3,386
		4,627	96,790	6,617	98,734

14. Related party transactions

14.1 Company

The balances and transactions between the Company and its subsidiaries, which are its related parties, were eliminated on consolidation. Details of the transactions between the parent company and its subsidiaries are as follows:

	Controlled Company				03/31/2025	12/31/2024
	Lochness	Mipel	Lupatech Finance	UEP Equipamentos		
Current assets						
Accounts receivable	-	298	-	-	298	-
Other receivables	164	-	-	-	164	213
Noncurrent assets						
Loans	-	-	1,373	-	1,373	1,479
	164	298	1,373	-	1,835	1,692
Current liabilities						
Payables	-	-	-	-	-	425
Other payables	8,024	2,266	1,251	2,727	14,268	12,691
Noncurrent liabilities						
Loans	-	-	151,258	-	151,258	163,057
	8,024	2,266	152,509	2,727	165,526	176,173
Income (loss) of the year						
Sale of products	-	1,366	-	-	1,366	9,519
Financial revenue	-	-	1	-	1	-
Financial expenses	-	-	149	-	149	-
Exchange rate gains (losses)	-	-	11,745	-	11,745	(32,134)
	-	1,366	11,895	-	13,261	(22,615)

Company

Transaction date	Maturity	Interest rate	Value (R\$)	Existing balance (US\$)	03/31/2025	12/31/2024
Loans receivable						
In foreign currency						
Contract 1	Jul-14	Undetermined	105% do DI-Cetip	19,820	239	1,373
				19,820	239	1,479

Loans payable

In foreign currency

Contract 2	Jan-18	Undetermined	0,4% p.a.	<u>225,416</u>	<u>26,341</u>	<u>151,258</u>	<u>163,057</u>
				<u>225,416</u>	<u>26,341</u>	<u>151,258</u>	<u>163,057</u>

Transactions are carried out in accordance with the conditions agreed between the parties.

Guarantees

Transactions with related parties do not have guarantees attached to the operation, and are summarized as ordinary commercial transactions (purchase and sale of inputs), which are not backed by guarantees, as well as loan operations with Group companies, which also do not have guarantees in their composition.

15. Key management personnel

Management compensation

Every year, the shareholders at the Annual General Meeting determine the remuneration limits for the management bodies. Management remuneration is made up of a fixed part and, in the case of the Executive Board, also includes a variable part.

The following table details the remuneration of the Administration bodies:

Management compensation	Company and Consolidated			Company and Consolidated		
	Fixed compensation	Variable Compensation	03/31/2025	Fixed compensation	Variable Compensation	03/31/2024
Executive Board	(470)	(802)	(1,270)	(470)	-	(470)
Board of Directors	(231)	-	(231)	(280)	-	(280)
Total	(701)	(802)	(1,501)	(750)	-	(750)

The company does not remunerate its managers with shares. Furthermore, it offers key personnel the possibility of participating in plans to grant options to purchase shares issued by the company. These plans give the beneficiaries the right, but not the obligation, to acquire shares at a previously agreed price within defined periods, upon payment of the price. It is therefore a commercial transaction between the parties.

16. Income and social contribution taxes

Lupatech S.A. and its subsidiaries and affiliates have balances of R\$ 827,474 and R\$ 1,073,692 respectively, of accumulated tax losses totaling R\$ 1,901,166 until December 2024.

a) Deferred income and social contribution tax assets

The Company has tax losses that can be offset against future taxable profits, and deferred tax credits have been set up. According to the technical analyses prepared, the Company estimates the realization of tax credits as follows:

Income and social contribution tax assets	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Estimated realization - 2026	3,980	3,980	4,528	4,528
Estimated realization - 2027	5,685	5,685	6,467	6,467
Estimated realization - 2028	8,955	8,955	10,186	10,186
Estimated realization - 2029	10,658	10,658	12,123	12,123
After 2030	61,272	61,272	69,696	69,696
Total	<u>90,550</u>	<u>90,550</u>	<u>103,000</u>	<u>103,000</u>

The Company recognizes deferred income and social contribution taxes on temporary differences arising from adjustments to accounting profit, as follows:

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Income and social contribution taxes on temporary differences				
Discount to present value of trade accounts payable, fines and loans	(23,391)	(24,078)	(29,924)	(31,587)
Deemed cost	-	-	(1,213)	(1,214)
Other	(4,846)	(1,946)	(4,846)	(1,946)
	(28,237)	(26,024)	(35,983)	(34,747)

The above amounts are presented net in the statement of financial position, as follows:

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Noncurrent income and social contribution tax assets				
Tax credit	90,550	90,550	103,000	103,000
Temporary differences	(28,237)	(26,024)	(35,983)	(34,747)
	62,313	64,526	67,017	68,253

b) Reconciliation of income tax and social contribution expense

	Company		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Income (loss) before taxes	(9,172)	(8,859)	(10,147)	(8,401)
Additions and exclusions				
Equity method adjustment of interest held in investees	(6,118)	(2,452)	-	-
Losses from abroad	-	(4,255)	-	-
Obsolescence of inventories	261	(925)	(2,445)	938
(Reversal) set up of provision for impaired assets	-	(3)	195	(3)
(Reversal) set up of an allowance for doubtful accounts	4	(97)	6	(97)
Provision for lawsuits	(74)	1,318	(707)	1,434
Non-deductible expenses	36	(14)	(420)	(14)
Discount to present value	2,888	(2,105)	(6,988)	(2,105)
Provision for interest on suppliers	(3)	57	1	98
Provision for foreign currency exchange rate variation	(12,362)	3,984	(12,477)	4,053
Other	12,913	7,245	18,705	(3,687)
Tax base	(11,627)	(6,106)	(14,277)	(7,784)
Current income and social contribution taxes	-	-	(1)	-
Deferred income and social contribution taxes	(2,212)	1,460	(1,236)	1,002

17. Other payables

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Other current payables				
Provision for legal costs	677	448	677	448
Claims payable	369	383	647	579
Other liabilities (*)	3,702	2,923	3,702	2,923
Contract violation fines	749	928	751	928
Other payables	1,301	626	1,696	966
Total	6,798	5,308	7,473	5,844

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Other noncurrent payables				
Claims payable	-	-	1,754	1,624
Other liabilities (*)	38,934	38,368	38,934	38,368
Total	38,934	38,368	40,688	39,992

(*) Debt included in the reorganization plan.

The maturities of the installments of other obligations - subject to Judicial Reorganization allocated to non-current are as follows:

Company and Consolidated	
Maturity	3/31/2025
2026	2,980
2027	2,902
2028	3,869
2029	4,710
After 2030	24,472
	38,933

The table below shows the change in other payables included in the reorganization plan in 2025:

Current and Noncurrent Amounts	
Other payables included in the reorganization plan	Company and Consolidated
Balance as at December 31, 2024	41,291
Recognition of interest payable	615
(-) Discount to present value	730
Balance as at March 31, 2025	42,636

18. Contingent liabilities and deposit into court

18.1 Deposits into court

The following table breaks down the balances of deposits made into court that are recorded as contingent liabilities:

	Deposits into court	
	Company	Consolidated
Tax contingencies	287	443
Labor contingencies	1,266	2,923
Civil contingencies	19	40
Total as at March 31, 2025	1,572	3,406
Total as at December 31, 2024	1,420	4,299

18.2 Provision for tax, labor and civil contingencies

The Company is discussing tax, labor and civil issues in court. The provision for tax, labor and civil risks was calculated by management based on available information and supported by the opinion of its lawyers as to the expected outcome, in an amount considered sufficient to cover losses considered probable that may occur as a result of unfavorable court decisions.

		Company		Consolidated	
		Loss rating		Loss rating	
		Possible	Probable	Possible	Probable
Tax-related actions (i)					
ICMS	(i.1)	84,876	-	85,302	-
CSLL		2,414	-	7,314	-
IRPJ	(i.2)	22,262	-	61,402	-
IRRF	(i.3)	63,946	-	63,946	-
IPI		1,024	-	1,024	-
PIS/COFINS		-	-	293	-
ISS	(i.4)	-	-	7,918	-
CIDE		-	-	1,804	-
Importing taxes	(i.5)	-	-	26,927	-
Other	(i.6)	1,398	-	10,889	-
		175,920	-	266,819	-
Labor complaints (ii)		5,184	11,629	11,531	16,437
Civil action (iii)		7,922	356	17,068	8,937
Total as at March 31, 2025		189,026	11,985	295,418	25,374
Total as at December 31, 2024		185,974	12,013	290,385	25,280

These amounts cover all of the Group's companies and include amounts under judicial and administrative discussion, as well as situations incurred where, even without the existence of entries or formal questioning by the authorities, they may give rise to risks of future losses.

The provision for resources involved in the lawsuits in the amounts set out above and referring to the spheres listed below, takes into account the probability of probable loss, which is configured when an outflow of economic benefits is presumed in view of the matter discussed, the judgments in each lawsuit and the jurisprudential understanding of each case. Claims with a probability of possible loss are excluded from the provision.

The movement in the balance of the provision is as follows:

	Company				Consolidated			
	Tax	Labor	Civil	Total	Tax	Labor	Civil	Total
Total as at 12/31/2024	-	11,657	356	12,013	-	16,380	8,900	25,280
Additions during the year	-	60	-	60	-	502	37	539
Write-offs during the year	-	(88)	-	(88)	-	(445)	-	(445)
Total as at 03/31/2025	-	11,629	356	11,985	-	16,437	8,937	25,374

Legal claims are divided into three categories, namely:

(i) Tax contingencies

Discussions involving state and federal taxes, including Income tax (IRPJ), Contribution for the Social Integration Program (PIS), Contribution for Social Security Funding (COFINS), Contribution for the Brazilian Social Security Institute (INSS), State VAT (ICMS) and Federal VAT (IPI). There are cases at all court levels, from trial court to higher courts, (STJ and STF). The main cases and amounts are as follows:

Main contingent liabilities in the controlling company classified as possible losses on March 31, 2025:

(i.1) Annulment action brought by the state of Rio Grande do Sul seeking to set aside an ICMS tax credit, due to the company's failure to pay the tax on the fictitious export of goods under REPETRO, given that this operation is exempt from its levy. Case distributed on April 28, 2017, subject to a possible loss of R\$ 84,876.

(i.2) Manifestation of non-conformity presented to have the negative IRPJ balance recognized. Lawsuit filed on May 30, 2014, subject to a possible loss of R\$ 9,251.

Annulment action seeking to have the tax credit (IRPJ and CSLL for the 2009 and 2010 calendar years) canceled. Lawsuit filed on April 15, 2020, subject to a possible loss of R\$ 6,960.

Notice of infraction from the Brazilian Federal Revenue Service, issued as a result of the Manifestation of Non-Compliance presented against the decision order. Process distributed on July 23, 2014, subject to a possible loss of R\$ 6,051.

(i.3) Tax enforcement by the National Treasury, relating to the collection of IRRF debts. The discussion on the merits is being held in the writ of mandamus, in which a sentence was handed down recognizing that a substantial portion of the tax credits arising from the administrative process are unfounded. Case distributed on January 21, 2016, subject to a possible loss of R\$ 63,946.

Main contingent liabilities in the controlled companies classified as possible losses on March 31, 2025:

(i.2) Notice of infraction issued by the Brazilian Federal Revenue Service, due to alleged irregularities in the calculation of IRPJ, CSLL, PIS and COFINS in 2013. Process distributed on October 6, 2016, subject to a possible loss of R\$ 13,702.

Notice of infraction from the Brazilian Federal Revenue Service, issued as a result of the arbitration of profit in calendar year 2010. Process distributed on November 10, 2014, subject to a possible loss of R\$ 16,768.

Administrative proceeding seeking to offset debts against a tax credit corresponding to a negative IRPJ balance for the 2010 calendar year. Lawsuit filed on April 30, 2013, subject to a possible loss of R\$ 6,374.

(i.4) Tax enforcement by the Municipality of Três Rios - RJ, for collection of ISS for the periods 2013 and 2014. Lawsuit filed on December 10, 2015, subject to a possible loss of R\$ 3,848.

(i.5) Infraction notices issued by the Brazilian Federal Revenue Service, to collect fines due to alleged non-compliance with the special customs regime for temporary admission. Proceedings subject to a possible loss of R\$ 17,023.

Infraction notices issued by the Brazilian Federal Revenue Service to collect the remaining balance of II, IPI, PIS and COFINS levied on declared imports. Proceedings subject to a possible loss of R\$ 3,964.

Notice of infraction drawn up by the Brazilian Federal Revenue Service regarding the collection of fines levied as a result of alleged non-compliance with the special customs regime for temporary admission. Case distributed on January 22, 2010. Process subject to possible loss of R\$ 3,111.

(ii) Labor contingencies

The Company and its controlled companies are parties to labor complaints, mainly involving claims for overtime, pain and suffering damages and extra payment for unhealthy and hazardous working conditions, among others.

The following table details the Company's labor liabilities and contingencies, as well as associated assets:

Labor liabilities	Statement of financial position	Portion included in the reorganization plan	Portion not included in the reorganization plan	Total as at 03/31/2025
Employees' pay and related charges	Current liabilities	106	-	106
Employees' pay and related charges	Noncurrent liabilities	1,914	-	1,914
Provision for labor contingencies	Noncurrent liabilities	11,476	2,078	13,554
Labor contingencies rated as possible	Not included in the statement of financial position	1,023	2,192	3,215

Assets tied to labor contingencies	Statement of financial position	Total as at 03/31/2025
Other accounts receivable/bonds convertible into shares (note 7)	Current assets	1,142
Deposits into court – labor contingencies (note 18.1)	Noncurrent assets	2,923
Properties held for investment (note 9.2)	Noncurrent assets	19,685

During the judicial reorganization, the company took steps to pay all contingent labor credits subject to judicial reorganization. These measures include: (i) the payment in kind of shares in a Special Purpose Company to which assets and rights were contributed for sale and subsequent distribution of capital to former creditor shareholders; (ii) the issue of Subscription Bonuses for the payment of credits exceeding the amount of 150 minimum wages in force on the date of the request for judicial reorganization; and (iii) the necessary measures for the contribution of supplementary assets to the SPE.

(iii) Civil contingencies

The main discussions in this area, classified as possible losses of the Company on March 31, 2025, relate to:

(iii.1) Search and seizure lawsuit filed on October 20, 2015 by Banco Nacional do Desenvolvimento Econômico (“BNDES”) against Lupatech S.A. and UEP - Equipamentos e Serviços para Petróleo Ltda, aiming to promote the search and seizure of machinery and equipment offered in fiduciary alienation on the occasion of financing granted by BNDES to these Group companies. Due to the judicial reorganization of the Lupatech Group, on February 1, 2017 the court of the 5th Federal Court of São Paulo, where the lawsuit is being processed, ordered the suspension of all expropriatory acts and submitted to the judicial reorganization court the analysis of the essentiality of said machinery and equipment for the operations of the Lupatech Group.

In the judicial reorganization proceedings, with the exception of the assets belonging to the Macaé unit, the others were declared by the court to be essential to the Lupatech Group's operations, preventing their search and seizure. Later, after the appeal deadlines had expired, the BNDES again demanded that the search and seizure of the assets in the Judicial Recovery be resumed. The new request, although accepted in the first and second instances, was blocked by the Superior Court of Justice, which determined that other means than seizure of the assets should be used to satisfy the BNDES' claim.

The BNDES filed an appeal against the decision handed down by the STJ Minister, which is awaiting judgment. On July 12, 2023, the BNDES submitted a statement informing the court of the decision to close the judicial reorganization and reiterating its request for the granting of its interlocutory appeal. The appeals are awaiting consideration by the STJ.

In December 2021, the São Paulo Court of Justice ruled that the value of the BNDES' out-of-court credit, that arising from the assets that make up the fiduciary alienation guarantee - the object of the search and seizure, is limited to its effective liquidation value at auction. According to the asset appraisal report dated 2018, the value of the assets is R\$ 5,005. The debt recorded in liabilities (note 15) on the date where the reorganization request

was filed was R\$ 11,167, which is subdivided, a portion was included in the reorganization plan (class II) and the other portion not included in the plan (actual value of the assets).

The main discussions in this area, classified as possible losses of the controlled companies on March 31, 2025 relate to:

(iii.1) Ordinary lawsuit filed by Weatherford Indústria e Comércio Ltda. and Weus Holding INC on July 14, 2008 against UEP, involving industrial and intellectual property disputes. The lawsuit has a risk of loss rating of approximately R\$ 5,691 as probable, R\$ 471 as possible and R\$ 18,970 as remote.

(iii.2) Lawsuit brought by Petrobras against Sotep Sociedade Técnica de Perfuração S.A. for the recognition and collection of contractual penalties. The dispute involves the illegality of the penalty applied by the contractor. Collection is subject to Sotep's Judicial Recovery. A court decision is awaited. Process subject to possible loss of R\$ 4,448.

18.3 Contingent assets

The statement below contains information on unrecorded contingent assets, according to the opinion of legal advisors, including their rating:

	Company		Consolidated	
	Rated as		Rated as	
	Possible	Probable	Possible	Probable
Tax-related actions	390	-	1,250	11,126
Civil actions	7,730	8,953	15,538	8,953
Total as at March 31, 2025	8,120	8,953	16,788	20,079
Total as at December 31, 2024	12,891	8,953	17,915	21,472

(i) Contingent tax assets

Lupatech Group is a party to lawsuits claiming refund of the State VAT (ICMS) on imports levied in operations covered by a special temporary admission regime, in which there was no transfer of ownership of the goods. As the matter is still in dispute, the accounting treatment give in keeping part of assets recorded as contingent until the necessary elements to recognize the tax credit are achieved.

(ii) Contingent civil assets

Arbitration procedure started against CIM Componentes:

This is an arbitration proceeding brought by UEP Equipamentos e Serviços para Petróleo Ltda. against CIM Componentes, currently known as Quantum Indústria Metalúrgica Ltda., due to the breach of the Contract for the Purchase and Sale of Cargo Containers for Transport, signed on February 25, 2012, and the arbitrary withholding by the latter of the amount advanced by Lupatech throughout the execution of the contract in question, in the historical amount of R\$ 5,563 represented by the amount advanced by Lupatech, less the amount of containers delivered by CIM Componentes. On June 8, 2022, an arbitration award was issued confirming the existence of a credit in favor of Lupatech in the aforementioned historical amount, whose criteria for monetary correction and default interest would still be defined in a later settlement phase.

An Arbitration Award was issued setting the initial terms and settling the financial indices and default interest of the claim brought by Lupatech. The decision became final, without CIM having voluntarily paid the debt. Therefore, judicial measures will be taken to recover the amount owed.

19. Taxes payable

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Taxes payable - current				
State VAT (ICMS)	845	724	1,513	1,339
Contributions for the Brazilian Social Security Institute (INSS) to be paid in installments	40	40	60	58
Contributions for the Severance Pay Fund (FGTS) to be paid in installments	1,478	1,700	1,668	1,894
Ordinary installment plan	7,981	6,234	13,174	10,320
PGFN installment plan	-	-	245	221
Reorganization plan to be paid in installments	582	530	1,488	1,351
Local taxes to be paid in installments	345	151	554	337
State VAT (ICMS)	576	69	885	205
Contributions for The Brazilian Social Security Institute (INSS)	3,618	1,897	4,187	2,266
Withholding Income Tax (IRRF)	692	709	811	790
Social Contribution Tax (CSLL)	38	60	45	69
Contribution for Social Security Funding (COFINS)	337	295	763	659
Contribution for the Social Integration Program (PIS)	71	64	174	164
Severance Pay Fund (FGTS)	1,859	1,488	2,157	1,747
Other	69	67	711	676
Total	18,531	14,028	28,435	22,096

	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Taxes payable - noncurrent				
State VAT (ICMS)	5,879	6,060	9,286	9,644
Contributions for the Brazilian Social Security Institute (INSS) to be paid in installments	-	-	12	17
Contributions for the Severance Pay Fund (FGTS) to be paid in installments	2,738	2,646	2,986	2,929
Ordinary installment plan	12,115	13,369	20,570	22,914
PGFN installment plan	-	-	816	826
Reorganization plan to be paid in installments	220	299	935	1,130
Local taxes to be paid in installments	106	1	643	584
Other	80	93	364	425
Total	21,138	22,468	35,612	38,469

20. Equity

	03/31/2025	12/31/2024
Capital	1,922,342	1,922,339
Capital reserves and change in capital	144,754	144,754
Accumulated Conversion Adjustments	77,992	83,748
Accumulated losses	(2,023,846)	(2,012,461)
Total equity	121,242	138,380

a) Capital

Current paid capital consists only of ordinary shares, with 100% tag along rights:

	Company and Consolidated	
	Number of shares held	Capital
	'000	R\$
Total as at December 31, 2024	42,131	1,922,339
Minutes 002/2025 as at January 18, 2025	9	3

New issuance of shares – exercise of subscription bonus	9	3
Total as at March 31, 2025	42,140	1,922,342

b) Capital reserve to be realized

	03/31/2025	12/31/2024
Issuance of subscription bonus (*)	(297,319)	(297,319)
Adjustment to the fair value of the subscription bonus	294,352	294,352
Subscription bonus – 4th issuance	(1,165)	(1,165)
Capital reserve	(4,132)	(4,132)

(*) For compliance with the reorganization plan

c) Subscription bonus

Third issuance of subscription warrants - (Additional advantage of the 4th issuance of bonds)

At a meeting held on March 24, 2023, the Board of Directors approved the Company's 4th issuance of bonds convertible into shares. 250 bonds were issued in a single series, for a nominal value of R\$ 100,000, in the amount of up to R\$25 million, with subscription warrants as an additional benefit. 101 bonds were subscribed, amounting to R\$ 10.1 billion, and the remaining 149 that were not subscribed were canceled.

For each bond subscribed and paid up in the issuance, 175,600 subscription warrants were delivered free of charge as an additional benefit, which conferred on their holders the right to subscribe and pay shares, in the proportion of one share for each warrant exercised, under the terms and conditions of the respective issuance of warrants, carried out in combination with the 4th bond issuance. In the final approval, 17,735,600 subscription warrants were issued.

The warrants are exercisable until March 24, 2026.

d) Asset and liability valuation adjustment

The Company recognizes under this heading the effect of exchange rate variations on investments in subsidiaries abroad and on goodwill arising from acquisitions of investments abroad, whose functional currency follows that to which the operation abroad is subject. The accumulated effect can only be reversed to the income statement as a gain or loss if the investment is sold or written off.

e) Dividends

Shareholders are entitled to an annual minimum mandatory dividend corresponding to 25% of adjusted net income, in accordance with corporate legislation and the bylaws. Due to accumulated losses, realized results and its financial situation, the company has not calculated any dividends payable.

21. Financial instruments

21.1 Financial risk management

Financial risk factors

The Company's activities expose it to various financial risks which are grouped into three main segments, without prejudice to other supervening risks:

- Market risk: arise from the possibility of losses that may be caused by changes in prices, such as, but not limited to: interest rates, exchange rates, inflation, shares and commodities;
- Credit risk: are characterized by the possibility of loss resulting from uncertainty as to the fulfillment of obligations by counterparties, especially the receipt of amounts or the delivery of goods purchased, whether due to their economic and financial incapacity or mere contract violation;
- Liquidity risk: consist of the possibility of the Company not being able to effectively honor its obligations on the due date, or only doing so with high losses.

Market risk

Foreign exchange risk arises from commercial and financial operations, recognized assets and liabilities and net investment in foreign operations. Due to its international operations, the Company is exposed to the exchange rate risk of some currencies, mainly the US dollar.

The Company and its controlled companies have assets and liabilities denominated in US dollars, as shown in the table below:

Item	In thousands of US\$			
	Company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Cash and cash equivalents	-	-	-	3
Other assets	-	3	1,455	1,455
Related party transactions - assets	239	239	239	239
Loans	(212)	(196)	(14,878)	(14,830)
Related parties transactions - liabilities	(26,341)	(26,332)	-	-
Other liabilities	-	-	(343)	(81)
Net exposure in US dollars	<u>(26,314)</u>	<u>(26,286)</u>	<u>(13,527)</u>	<u>(13,214)</u>

Fluctuations in interest rates also impose risks on the Company, directly due to fluctuations in the value of assets or liabilities, especially debt subject to variable rates, such as TR, TJLP and CDI.

Sensitivity analysis of changes in foreign currency and changes in interest rates:

The analysis takes into account 3 scenarios of fluctuation in the variables and their respective probability assessments. These assumptions are judgment exercises made by management for the purposes of this simulation, and may vary significantly from actual results.

Scenario 1 - US dollar (US\$) to Brazilian real (R\$) rate estimated by Management:

Interest at rate for 2025: 15%

US\$: 5.77

Scenario 2 - US dollar (US\$) to Brazilian real (R\$) rate with a possible deterioration of 25% (twenty-five percent) in the risk variable considered probable:

Interest at rate for 2025: an increase to 18.8%

US\$: 7.21

Scenario 3 - US dollar (US\$) to Brazilian real (R\$) rate with a remote deterioration of 50% (fifty percent) in the risk variable considered probable:

Interest at rate for 2025: an increase to 22.5%

US\$: 8.66

The impact shown in the table below refers to a 1-year projection period:

Operation	Risk	Scenarios according to the definitions above					
		Company			Consolidated		
		Probable	Possible	Remote	Probable	Possible	Remote
Loans and financing	Increase in U.S. dollar rate	(7)	335	662	(14)	694	1,375
Loans and financing	Increase in interest rates	(341)	75	90	40	51	61
Loan agreements	Increase in U.S. dollar rate	(779)	38,940	77,100	-	-	-
Total (gains) losses		<u>(1,127)</u>	<u>39,350</u>	<u>77,852</u>	<u>26</u>	<u>745</u>	<u>1,436</u>

The credit and cash constraints faced by the Company limit the possibilities for managing market risk.

Credit risk

The following are typically exposed to credit risk: cash and cash equivalents, derivative financial instruments, deposits with banks and financial institutions and loans granted to customers for payment and to suppliers for advances.

Credit limits are monitored regularly when they are granted. When there is a default, the applicability of a provision for doubtful accounts is assessed.

Our revenues include amounts involving the client Petrobrás, directly and indirectly, which accounted for around 48% (71% in the same period of 2024) of the company's total revenues on March 31, 2025.

Liquidity risk

Management monitors the Company's liquidity level through projections and by raising funds through committed credit lines, when feasible, and liquidity limitations are a reality imposed by the Company's situation.

21.2 Fair value estimation

The fair value of financial assets and liabilities, which have standard terms and conditions and are traded on active markets, is determined based on the prices observed on those markets.

The fair value of other financial assets and liabilities (with the exception of derivative instruments) is determined in accordance with pricing models based on discounted estimated cash flows and prices of similar instruments practiced in transactions carried out in an observable current market.

The fair value of derivative instruments is calculated using quoted prices. When prices are not available, the value of derivatives without options is determined through discounted cash flow analysis using a yield curve, applicable according to the duration of the instruments. Option pricing models are used for derivatives containing options.

The Company's main financial assets and liabilities are described below, as well as the criteria for their valuation/assessment:

a) Restricted cash and cash equivalents and securities

The cash and cash equivalents and securities balances are similar in value to the accounting balances, considering their turnover and liquidity. The table below shows this comparison:

Item	Company		Consolidated	
	Carrying Amount	Market value	Carrying Amount	Market value
Cash and cash equivalents	2,246	2,246	2,356	2,356
Securities	44	44	44	44

b) Loans and financing

The market value was estimated based on the present value of future cash disbursements, using interest rates that are available to the Company, as follows:

Items	Company		Consolidated	
	Carrying Amount	Market value	Carrying Amount	Market value
Loans and financing not included in the reorganization plan	6,248	6,212	11,167	41,728
Receivables negotiation with joint-liability, receivables given as guarantee and secured receivables	31,357	29,066	33,518	31,218
Working Capital and IGF (Investment guarantee fund)	11,312	11,276	11,412	11,375
Loans and financing included in the reorganization plan	69,251	69,251	124,716	124,717
Total	118,168	115,805	180,813	209,038

21.3 Financial instruments per type

	Company					
	03/31/2025			12/31/2024		
	Amortized cost	Measured at fair value through profit or loss	Total financial assets	Amortized cost	Measured at fair value through profit or loss	Total financial assets
Financial assets						
Securities	-	44	44	-	44	44
Trade accounts receivable	29,815	-	29,815	31,531	-	31,531
Cash and cash equivalents	2,246	-	2,246	1,829	-	1,829
Related-party transactions	1,835	-	1,835	1,692	-	1,692
Total	33,896	44	33,940	35,052	44	35,096
Financial liabilities						
Loans	-	118,168	118,168	-	116,985	116,985
Trade accounts payable	47,889	-	47,889	45,085	-	45,085
Related-party transactions	165,526	-	165,526	176,173	-	176,173
Total	213,415	118,168	331,583	221,258	116,985	338,243

	Consolidated					
	03/31/2025			12/31/2024		
	Amortized cost	Measured at fair value through profit or loss	Total financial assets	Amortized cost	Measured at fair value through profit or loss	Total financial assets
Financial assets						
Securities	-	44	44	-	44	44
Trade accounts receivable	34,339	-	34,339	35,427	-	35,427
Cash and cash equivalents	2,356	-	2,356	3,515	-	3,515
Total	36,695	44	36,739	38,942	44	38,986
Financial liabilities						
Loans	-	180,814	180,814	-	179,701	179,701
Trade accounts payable	49,770	-	49,770	46,658	-	46,658
Total	49,770	180,814	230,584	46,658	179,701	226,359

22. Insurance coverage

It is the company's principle to maintain insurance cover for fixed assets and inventories subject to risk, in the "Comprehensive Business" form. It also has general liability and life insurance cover, as shown below:

Insurance type	Amount insured	
	03/31/2025	
- Comprehensive business insurance	\$	50,600
- Life insurance	\$	49,960
- General civil liability insurance	\$	10,029
- International transportation insurance (*)	US\$	350

(*) Value in US\$'000

The scope of our auditors' work does not include issuing an opinion on the sufficiency of the insurance coverage, which was contracted by the Company's management within the prevailing market conditions and the restrictions imposed on the Company, with the aim of ensuring that it is sufficient to cover any claims.

23. Stock options

The Company has stock option plans whose main objectives are to stimulate the Company's performance and retain its key professionals. There are four stock option plans in force:

- (i) Incentive Plan 2017, approved by a meeting on April 12, 2017: All the grants under this plan have already been made, but there are still exercises pending.
- (ii) Incentive Plan 2020, approved by a meeting on August 18, 2020: All the grants under this plan have already been made, but there are still exercises pending.
- (iii) Incentive Plan 2023, approved by a meeting on May 18, 2023: All the grants under this plan have already been made, but there are still exercises pending.
- (iv) Incentive Plan 2024, approved by a meeting on May 16, 2024: No grant has yet been made and so there are no pending exercises.

The options granted and not exercised are shown in the following table:

Amount to be granted	Plan 2017			Plan 2020			Plan 2023		
	Quantity	Exercise Price	Maximum period for exercise	Quantity	Exercise Price	Maximum period for exercise	Quantity	Exercise Price	Maximum period for exercise
Management members	201,022	1.18	10/28/2025	197,548	1.78	9/2/2025	1,117,121	2.57	2/9/2027
	649,895	1.35	6/24/2027	348,250	2.57	6/9/2025	449,629	2.57	6/9/2025
				135,000	2.74	11/30/2026	1,171,801	1.20	5/10/2027
							45,000	1.29	7/16/2027
Other Beneficiaries	60,308	1.18	10/28/2025	292,500	2.19	11/30/2025	227,500	2.57	11/30/2026
				406,250	2.74	11/30/2026	128,949	1.20	11/30/2027
Total	911,225			1,424,548			3,140,000		
- To be exercised	509,177			1,248,923			963,998		
- Non-exercisable	-			175,625			2,176,002		
- Conditional ones	402,048								

Obtaining the right to exercise the Options is regulated in the respective Plans and Board Meetings that authorized the grants. The Options indicated as “not yet exercisable” correspond to those whose contractual deadline for vesting has not yet been exceeded. Those indicated as “conditional”, in turn, are subject to the occurrence of certain corporate events which increase the share capital and/or ratify a certain grant.

24. Net revenue

	Company		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Gross revenue from sales and/or services				
In Brazil	21,132	39,875	22,042	41,021
Overseas	423	1,026	423	1,231
	21,555	40,901	22,465	42,252
Deductions from gross revenue				
Taxes on sales	(3,985)	(7,004)	(4,046)	(7,247)
Net sales and/or services	17,570	33,897	18,419	35,005

25. Earnings (loss) per share

Basic

Basic (loss) per share is calculated by dividing the loss attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding during the period.

Item	Company and Consolidated	
	03/31/2025	03/31/2024
Net income (loss)	(11,384)	(7,399)
Earnings (loss) attributed to shareholders	(11,384)	(7,399)
Weighted average number of outstanding ordinary shares ('000)	42,140	41,110
Basic earnings (loss) per share - R\$	(0.27)	(0.18)

26. Other operating revenue (expenses), per type

Item	Company		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Other operating revenue				
Reversal of provision for lawsuits	-	1,318	-	1,434
Revenue from the sale of property, plant and equipment	25	-	176	-
Reversal of provision for impaired assets	-	-	195	-
Reversal of estimated losses from inventory obsolescence	-	925	-	938
Recovery of taxes and contributions	-	-	-	223
Other	-	-	-	10
Total other operating revenue	25	2,243	371	2,605
Other operating expenses				
Provision for lawsuits	(74)	-	(707)	-
Cost incurred in the disposal of assets	(8)	(1)	(201)	(1)
Provision for impaired assets	-	(3)	-	(3)
Provision for inventory losses	(261)	-	(250)	-
Production idleness cost	(1,597)	(317)	(1,597)	(317)
Other	(45)	(168)	(416)	(1,533)
Total other operating expenses	(1,985)	(489)	(3,171)	(1,854)
Other operating expenses, net	(1,960)	1,754	(2,800)	751

27. Financial Results

Item	Company		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Financial revenue				
Yield from short-term financial investment	25	47	51	150
Income from loan contracts	-	23	-	-
Adjustment for inflation	508	444	627	839
Other	91	130	131	145
Total financial revenue	624	644	809	1,134
Financial expenses				
Interest paid on loans and financing	(3,068)	(2,029)	(3,202)	(2,035)
Interest paid on loans and financing*	(910)	(892)	(910)	(892)
Interest on Bonds*	-	-	(90)	(83)
Discount to present value	(2,888)	(2,105)	(6,988)	(185)
Interest payable on loan contracts	(149)	(153)	-	-
Interest to be paid on trade accounts payable and other liabilities*	(873)	(896)	(873)	(896)
Fines, interest and adjustment for inflation	(680)	(1,122)	(1,127)	(1,956)
Other	(613)	(225)	(725)	(380)
Total financial expenses	(9,181)	(7,422)	(13,915)	(6,427)
Foreign currency exchange rate variation gains	13,249	467	13,374	402
Foreign currency exchange rate variation losses	(886)	(4,451)	(898)	(4,455)
Foreign currency exchange rate gains (losses), net	12,363	(3,984)	12,476	(4,053)

(*) Debt included in the court-supervised reorganization plan

28. Expenses per type

Item	Company		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Cost of products sold	(14,130)	(24,953)	(15,571)	(26,977)
Raw materials, materials for use and consumption, labor and third-party services	(13,888)	(24,400)	(15,107)	(26,223)
Depreciation and amortization	(348)	(673)	(455)	(755)
Other	106	120	(9)	1
Selling expenses	(2,623)	(1,924)	(2,733)	(1,972)
Labor and third-party services	(1,284)	(1,316)	(989)	(906)
Depreciation and amortization	(2)	(3)	(2)	(3)
Other selling expenses	(1,337)	(605)	(1,742)	(1,063)
General and administrative expenses	(4,216)	(3,669)	(5,331)	(5,112)
Labor and third-party services	(2,962)	(2,745)	(3,358)	(3,764)
Depreciation and amortization	(50)	(47)	(161)	(167)
Other administrative expenses	(1,204)	(877)	(1,812)	(1,181)
Management compensation	(1,501)	(750)	(1,501)	(750)

29. Information per business segment and geographical region

The Company has defined the Group's operating segments as follows:

- Products:** mainly producing industrial valves; valves for oil and gas; synthetic fiber cables for anchoring oil platforms and various other applications; and composite material artifacts, such as poles and tubular liners for lining oil pipelines.
- Services:** The company is continuing with the demobilization of activities through the sale of equipment, as well as the associated legacy. The revenues that make up this segment arise from the liquidation of inventory balances, and do not refer to regular operations.

Geographically, Management considers the performance of the market in Brazil and export markets.

Sales between segments were made as sales between independent parties. The amounts relating to total assets and liabilities are consistent with the balances recorded in the financial statements. These assets or liabilities are allocated based on the segment's operations and the physical location of the asset.

The information per segment is shown below:

	Products		Services		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Net revenue from sales	18,351	34,866	68	139	18,419	86,269
Cost of products sold	(15,520)	(26,886)	(51)	(91)	(15,571)	(66,092)
Gross income (loss)	2,831	7,980	17	48	2,848	20,177
Selling expenses	(2,733)	(1,972)	-	-	(2,733)	(12,678)
Administrative expenses	(4,445)	(4,183)	(886)	(929)	(5,331)	(21,227)
Management compensation	-	-	(1,501)	(750)	(1,501)	(4,563)
Reversal of provision for impaired assets	-	-	195	-	195	-
Provision for impaired assets	-	-	-	(3)	-	-
Other revenue (expenses), net	(1,839)	154	(1,156)	600	(2,995)	(12,063)
Operating income (loss) before financial income (expenses)	(6,186)	1,979	(3,331)	(1,034)	(9,517)	(30,354)

	Products		Services		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Identifiable assets	216,322	206,077	152,393	166,262	368,715	372,339
Identifiable liabilities	21,113	17,365	203,029	203,078	224,142	220,443

	Products		Services		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Depreciation and amortization	504	(804)	478	(1,007)	3,379	(4,378)
Purchase of property, plant and equipment	144	227	49	8,628	56,986	9,431

The information by geographical region is shown below:

	Brazil		Other		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Net revenue from sales	18,419	86,269	-	-	18,419	86,269
Cost of products sold	(15,571)	(66,092)	-	-	(15,571)	(66,092)
Gross income (loss)	2,848	20,177	-	-	2,848	20,177
Selling expenses	(2,733)	(12,678)	-	-	(2,733)	(12,678)
Administrative expenses	(5,331)	(21,227)	-	-	(5,331)	(21,227)
Management compensation	(1,501)	(4,563)	-	-	(1,501)	(4,563)
Reversal of estimated losses due to the non-recoverability of assets	195	-	-	-	195	-
Other revenue (expenses), net	(2,995)	(12,063)	-	-	(2,995)	(12,063)
Operating income (loss) before financial income (expenses)	(9,517)	(30,354)	-	-	(9,517)	(30,354)

	Brazil		Other		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Identifiable assets	368,715	332,685	-	-	368,715	372,338
Identifiable liabilities	188,098	184,741	36,044	35,702	224,142	220,443

	Brazil		Other		Consolidated	
	03/31/2025	03/31/2024	03/31/2025	03/31/2024	03/31/2025	03/31/2024
Depreciation and amortization	3,379	(4,378)	-	-	3,379	(4,378)
Purchase of property, plant and equipment	56,986	9,431	-	-	56,986	9,431

30. Court-supervised reorganization terminated on March 14, 2023

In order to deal with the effects of a prolonged financial crisis, Lupatech S.A and its direct and indirect subsidiaries (the "Group") filed for court-supervised reorganization on May 25, 2015, which was processed by the 1st Bankruptcy and Reorganization Court of the District of São Paulo and granted on June 22, 2015.

The reorganization plan (the "Plan") was approved by a general meeting of creditors on November 8, 2016 and subsequently approved by the 1st Court of Bankruptcy, Reorganization and Arbitration of the Capital of São Paulo on February 19, 2017.

The Plan was subject to two amendments, approved and ratified by the court on November 30, 2018 and November 26, 2020, respectively.

On March 14, 2023, a decision was rendered determining the termination of the reorganization plan, which became final on June 21, 2023, and its certificate issued by the São Paulo Registry of Commerce on August 4, 2023.

One of the main objectives of the reorganization was to settle the credit included in the Plan, which was part paid in kind with subscription warrants and partly paid or rescheduled, as detailed in the following table:

Creditor type	Payment conditions	Interest rate*	Schedule
I - Labor credit	Cash or shares of a Special Purpose Company (SPE) up to the limit of 150 minimum wages in force in May 2015; the remainder in Subscription Warrants	Not applicable	12 months from approval
II - Secured credit	35% in subscription bonus, 65% in cash	TR + 3% p.a.	January 2032
III - Unsecured credit	In domestic currency: 50% in subscription bonus, 50% in cash In foreign currency: 70% in subscription bonus, 30% in cash	In domestic currency: TR + 3.3% p.a. In foreign currency: Exchange Var. + 0.4% p.a. for credit in foreign currency	January 2033**
IV - Small enterprises	50% in subscription bonus, 50% in cash	TR + 3% p.a.	January 2032

*TR=Reference Rate

**Credit that became eligible for payment at a later date is subject to a payment schedule of 180 months from the date they become eligible. Depending on their fluctuation, the payment of exchange rate and interest on credits in foreign currency may exceed the period indicated.

The principal is paid in fixed quarterly installments in Brazilian reais according to the growth rate established in the Plan. Interest and exchange variation were scheduled to be paid as follows: (a) Classes II and IV in one installment 30 days after the principal is due or; (b) Class III: in 4 quarterly installments after the maturity of principal, for credits in domestic currency, or as many installments applicable to the value of the last installment of corresponding principal, in the case of credit in foreign currency.

The portion to be paid in cash, corresponding to 65% of Class II credit, 50% in domestic currency in Classes III and IV, and 30% in foreign currency listed in Class III, are subject to interest and exchange variation adjustment at the rates indicated in the table above

The table below details the flow of payments due to creditors according to the reorganization plan:

	Class I	Class II	Class III	Class III	Class IV	TOTAL	TOTAL
	Payables and labor provisions	Loans and financing in domestic currency	Payables, loans and financing in domestic currency	Payables, loans and financing in foreign currency	Payables in domestic currency	03/31/2025	31/12/2024
Carrying amount of liabilities included in the reorganization plan	2,374	40,609	181,608	92,652	13,126	330,369	335,749
Discount to Present Value *	-	(14,796)	(76,701)	(30,594)	(3,639)	(125,730)	(132,718)
Net carrying amount	2,374	25,813	104,907	62,058	9,487	204,639	203,031
Carrying amount maturity							
2025	460	2,990	6,772	2,106	644	12,972	13,120
2026	-	2,990	8,562	2,669	637	14,858	15,085
2027	-	3,861	10,353	3,231	817	18,262	18,536
2028	-	4,485	13,796	4,307	951	23,539	23,905
2029	-	4,485	16,791	5,244	970	27,490	27,934
2030	-	4,485	21,289	6,648	954	33,376	33,939
2031	-	4,485	22,784	7,117	961	35,347	35,949
2032	-	12,829	29,085	9,081	7,191	58,186	58,589
2033	-	-	52,176	9,077	-	61,253	60,852
After 2034	1,914	-	-	43,172	-	45,086	47,840
Total	2,374	40,610	181,608	92,652	13,125	330,369	335,749
Litigation (dates and amounts undetermined)	11,476	-	2,765	-	330	14,571	13,263

*The accounting balances relating to Classes II, III and IV credit include adjustments to present value considering discount rates of 13.65% per year for credit in national currency and 5.85% per year for foreign currency.

The portion paid in subscription warrants corresponds to 35% of Class II credit, 50% in credit in domestic currency in Classes III and IV, and 70% of credit in foreign currency listed in Class III. The subscription warrants required to meet the obligation were issued by the Company and booked in favor of the creditors or held in treasury by court order in the case of creditors whose registration information was incomplete or irregular. The subscription warrants were given in payment at the rate of 1 (one) Bonus for every R\$ 100 (one hundred reais) of credit listed. Each warrant gives the holder the right, but not the obligation, to subscribe for one share at a price of R\$ 0.88 per share, until October 28, 2025.

A total of 4,352,503 warrants were issued, of which 2,123,370 were registered on behalf of the respective creditors 1,482,487 are held in treasury as backing for the subscription warrants issued in the USA by Lupatech Finance and 746,646 are held in the Company's treasury for delivery to creditors who have not submitted the registration information required for bookkeeping or reserved to cover contingent credits.

As a result of the adverse macroeconomic context that began in December 2024, with a significant rise in exchange and interest rates, the company's liquidity was impaired by the consequent reduction in the supply of credit. As a result, the company has delayed payment of the January 2025 installment to creditors in classes II, III and IV of the Judicial Reorganization. Negotiations are underway to resolve the issue.

Information on the recovery plan is available for consultation at the following website www.lupatech.com.br/ri.

31.Subsequent events

In accordance with Brazilian accounting standards, management reports that there were no subsequent events to be disclosed between the closing date of the financial statements and the date of their approval.

Comment on the behavior of business projections

Faced with the economic circumstances at the end of 2024, many activities and sales planned for the first quarter were not carried out, and we had a reduction in revenues compared to the previous quarter and the same period last year.

On March 31, 2025, the portfolio of firm orders reached R\$ 49 million. The portfolio of contracts with no purchase obligation ended the quarter at R\$ 117 million.

Consolidated net revenue in 1Q25 was R\$ 18.4 million.

The long-term objectives pursued by the company are as follows:

Period	Net revenue	EBITDA margin
Between 3 and 5 years Objective	R\$ 550 million (considering the range of R\$ 450 million to R\$ 650 million)	17% to 23%
Between 5 and 10 years Objective	R\$ 1 billion to R\$ 2 billion	NA

The objectives reported are strategic targets pursued by the Company's management for horizons of 3 to 5 years and 5 to 10 years, and do not consist of projections.

Projections, when disclosed, are estimates by the Company's Management and reflect its opinion taking into account factors that may affect its performance, such as general economic conditions, in addition to the dynamics of its markets and operations, in accordance with the information available in the market to date.

Any projections are therefore subject to risks, uncertainties and changes, and do not constitute a promise of performance.



LUPATECH S.A.
CNPJ/MF nº 89.463.822/0001-12
NIRE 35.3.0045756-1
Public Company with Authorized Capital - New Market

AUDIT COMMITTEE REPORT – 05-12-2025

I – INTRODUCTION AND COMPOSITION OF THE COMMITTEE:

The AUDIT COMMITTEE, as provided for in the internal regulations, Articles of Association and Legislation, is responsible for advising the Company's Board of Directors on the exercise of its supervisory functions and monitoring the quality of the Company's financial statements, internal controls, compliance and risk management, with a view to ensuring the reliability of the information reflected therein. The AUDIT COMMITTEE is made up of the following members who are in full exercise of their mandates, namely:

1. **Paulo Pinese**, Brazilian, married, business administrator and accountant, holder of Identity Card RG No. 8.138.961-9, registered with CPF/MF No. 921.449.938- 15 and CRC SP 134.267/O-6, with business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), CEP 13388-220, as Coordinator of the Audit Committee;
2. **Carlos Mario Calad Serrano**, Colombian national, married, engineer, bearer of identity card RNE no. V471179-4, registered with the CPF/MF under no. 060.144.487-64, with business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), CEP 13388-220.
3. **Simone Anhaia Melo**, Brazilian, biologist, holder of ID card RG nº 4011785492, registered with the CPF/MF under nº 449.983.170-91, with business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), CEP 13388-220.

II – DUTIES OF THE AUDIT COMMITTEE:

The Audit Committee is responsible for, in addition to other duties assigned to it by law, regulation or the Bylaws:

- II.1 - to give an opinion on the hiring and dismissal of independent auditors;
- II.2 - supervising the activities of the independent auditors, assessing their independence, the quality of the services provided and the suitability of such services to the Company's needs;
- II.3 - supervising the activities carried out in the areas of internal control, internal auditing and the preparation of the Company's financial statements;
- II.4 - monitoring the quality and integrity of the internal control mechanisms, the financial statements and the information and measurements disclosed by the Company;
- II.5 - assess and monitor the Company's risk exposures, and may request, among other things, detailed information on policies and procedures relating to: a) management remuneration; b) use of the Company's assets; and c) expenses incurred on behalf of the Company.

II.6 - assess and monitor, in conjunction with the Company's management and the internal audit department, the adequacy and disclosure of transactions with related parties;

II.7 - prepare an annual report with information on the activities, results, conclusions and recommendations, recording any significant disagreements between management, the independent auditors and the Audit Committee in relation to the financial statements;

II.8 - to report to the Board of Directors on the work carried out by the Committee, communicating the main facts via a record in the minutes of meetings; and

II.9 - perform the duties and carry out the other acts necessary to fulfill its responsibilities.

III – AUDIT COMMITTEE ACTIVITIES:

With regard to the 2025 financial year, which is currently underway, the Committee met again on May 12, 2025, at 2 p.m., virtually, via the Teams platform, a meeting which was attended by all three of its members. The Audit Committee has also interacted with the external auditors, with the company's chairman, Mr. Rafael Gorenstein, and with Ms. Vanessa Melo, the preparer of the financial statements, at the events mentioned above.

At this ordinary meeting held on May 12, 2025, this Audit Committee discussed accounting and tax aspects related to the closing of the interim Financial Statements for the first quarter of 2025, corresponding to the three-month period beginning on January 1 and ending on March 31, 2025. The Board of Directors will accept the recommendation of this Audit Committee to approve the Financial Statements for the first quarter of 2025, which have been discussed and reviewed by this Committee.

Independent Accounting Audit: Assessed independence, especially with regard to the provision of other services, and compliance with applicable legal and regulatory provisions, on a permanent basis; Learned about the Independent Auditor's Annual Work Plan; Followed up on the work of the independent accounting audit; Learned about the audit report on the financial statements for the 3-month period ended March 31, 2025.

IV – THEMES DEVELOPED BY March 31, 2025:

- a) Financial Statements / Financial / Accounting: The Company's financial results for the 1st Quarter of 2025 were monitored, with regard to the Financial Statements prepared for this period - Balance Sheet, Income Statement for the 1st Quarter, Statement of Comprehensive Income, Cash Flow Statement, Statement of Changes in Shareholders' Equity, and Statement of Value Added, all for the 3-month period ending March 31, 2025.
- b) In addition to the financial statements, the explanatory notes were reviewed. Evaluated the accounting practices adopted; assessed the process of preparing and disclosing the financial statements for the period; assessed the reasonableness of the criteria for recognizing income and incurring expenses that have a material impact on the financial statements of the Company and its subsidiaries.
- c) Internal controls and compliance: Follow-up and monitoring of the tools used by the COMPANY to assess risks, protect assets and supervise the effectiveness of compliance structures in the fight against fraud, corruption and the prevention of money laundering; Analysis and knowledge of the COMPANY's corporate policies; Follow-up of the procedures relating to the Prevention and Combat of Money Laundering; Follow-up of the procedures relating to the Prevention and Combat of Fraud as well as

being aware of the investigation reports and respective results; Follow-up of the dissemination and actions relating to the Anti-Corruption Law (Law 12. 846/2013, Decree 8.420/2015 and CGU Ordinance 909), Code of Ethics and Conduct and Compliance Program; Assessment of risks related to the information technology (IT) environment; Assessment of the process of monitoring lawsuits, deposits and judicial blocks as well as the adequacy of the respective estimates of accounting provisions; Monitoring of controls related to the financial area; Monitoring of third-party contracting management; Monitoring of work related to the implementation of the LGPD; Monitoring and identification and mitigation of the IT environment and cyber risks.

- d) Irregularities and Whistleblowing: Followed up on the development of the process for reporting and monitoring the systems and controls implemented by Management for receiving and handling information about non-compliance with the legal and regulatory provisions applicable to it, as well as its internal regulations and codes, ensuring that they provide for effective mechanisms to protect the provider of the information and its confidentiality;

V – AUDIT COMMITTEE HIGHLIGHTS:

The members of the Audit Committee, in the exercise of their legal duties and responsibilities, point out that they discussed in detail the accounting and recording procedures of the most relevant transactions recorded in the 3 (three) month period corresponding to the 1st Quarter of the calendar year 2025, ending on 31/03/2025, and their consistency with the procedures adopted at the end of the immediately preceding fiscal year, 2024, as reflected in the minutes of the Audit Committee Meeting of the aforementioned meetings.

Among the topics discussed were:

- (a) lower than expected evolution of net sales revenues, and revenues of Lupatech and its subsidiaries, over the same values for the same period in 2024, including the calculation of EBITDA for the period;
- (b) evolution of operating costs; current Inventory position and its probable and possible realization over time,
- (c) constitution of reserves for non-realization of assets such as Inventories, Accounts Receivable, and their provisions (impairment) for possible realization losses, other credits against third parties, etc.
- (d) Registration of credits recognized on deferred IRPJ and CSLL, and their future realization, and support, as well as the realization of goodwill on investments in subsidiaries acquired in the past;
- (e) Impact of the reduction in the exchange rate of the Brazilian Real against the US Dollar (of the United States of America) between December 31, 2024 and March 31, 2025, and impact of the reversal of foreign exchange liabilities with an impact of R\$ 12 million on the result for the 1st Quarter.
- (f) Valuation of assets available for sale, no longer used in the operations of the Company and its subsidiaries; their valuation at fair value,
- (g) Capitalization and depreciation policies for fixed assets in use; and
- (h) Analysis of the liabilities reflected in the quarterly financial statements as at 03/31/2025.

We discussed, with regard to the lifting of the Judicial Recovery (RJ), which took place in the first quarter of 2023, its disclosure at the end of the Explanatory Notes presented here.

Thus, the citation is justified in order to better inform shareholders and the stock market of a situation that, although overcome, still brings, in the financial statements now presented, and in the future, information on balances payable and other pertinent adjustments, on liabilities that were re-programmed during the term of the Judicial Recovery. This information will be kept for the duration of the effects of the RJ, which ends in 2023.

In addition, the accounting procedures in use by the Company during the quarter under review remained unchanged.

VI – RECOMMENDATION ON THE FINANCIAL STATEMENTS AS AT 03/31/2025

The members of the Audit Committee of Lupatech S.A., in the exercise of their duties and responsibilities, and in accordance with the Internal Regulations of this Committee, have carried out an analysis of the individual and consolidated financial statements and the annual report of Management, including the Notes to the aforementioned financial statements, prepared for the three-month period ended March 31, 2025, and, based on the information provided by Management, this Committee expresses its favor, and thus recommends to the Board of Directors its approval of the aforementioned documents.

Nova Odessa (SP), May 12, 2025.

1. **Paulo Pinese**
RG nº 8.138.961-9/CPF/MF nº 921.449.938- 15
CRC SP 134.267/O-6.
2. **Carlos Mario Calad Serrano**
RNE nº V471179-4/CPF/MF nº 060.144.487-64.
3. **Simone Anhaia Melo**
RG nº 4011785492/CPF/MF nº 449.983.170-91.



Management's declaration of the financial statements

The directors of the Company, in compliance with the provisions of item VI of article 27 of CVM Instruction No. 80, of March 29, 2022, as amended, declare that they have reviewed, discussed and agreed with the Interim Accounting Information for the period ended March 31, 2025.

Nova Odessa, May 14, 2025.

Rafael Gorenstein – Director President and of Investor Relations Officer

Marco Antônio Miola – Director without specific designation



Management's declaration of the independent auditor's report

The directors of the Company, pursuant to the provisions of item V of article 27 of CVM Instruction No. 80, of March 29, 2022, as amended, declare that they have reviewed, discussed and agreed with the independent auditors' report on the Interim Accounting Information for the period ended March 31, 2025.

Nova Odessa, May 14, 2025.

Rafael Gorenstein – Director President and of Investor Relations Officer

Marco Antônio Miola – Director without specific designation