



**Financial &
Economic
Performance
3Q25**



Message from the Administration

With the settlement of the San Antonio case, the Company started 2024 with a favorable liquidity situation. Over the course of the year, revenues rose substantially, expanding 43% compared to the previous year. Greater liquidity allowed for faster order deliveries and growth in underfunded business lines. Adjusted EBITDA for 2024 reached a balanced level for the first time in many years, highlighting the potential for operational leverage through adequate liquidity availability.

At the time, it was predicted that sustaining and even increasing sales would depend on the ability to inject working capital into the business. This injection would depend mainly on the company's ability to: (i) obtain capital, (ii) obtain liquidity by divesting assets or recovering credits, (iii) expand credit lines, or (iv) reduce its debt service.

In this regard, continuing and increasing the efforts that had already been made throughout the restructuring process, during 2024 the company hired agents and advisors to facilitate (a) the sale of non-operating properties, (b) the sale-leaseback of operating properties, (c) capital contributions, and (d) structured debt. The country's high interest rate environment has been a major detractor from these efforts to divest assets and raise capital, which have been undertaken in parallel with negotiations to reorganize the debt.

As a result of the sudden monetary tightening that began at the end of 2024, the company began to face financing restrictions, especially for orders with longer delivery times. The prolongation of this context required the search for new financing mechanisms, which have partially made up for the lack of lines that have dried up. Some business lines with lower margins and more intensive working capital consumption have seen their activity reduced, with priority given to more profitable and relevant businesses.

Consequently, the company's net revenue in Q3 2025 declined significantly compared to Q3 2024 levels, but remained at the same level as in Q2 2025. In this scenario, sales profitability was affected compared to the previous year, but was better than in Q2 2025.

The firm order backlog remained at the same level as in the previous quarter. The backlog of contracts without purchase obligations decreased significantly due to the expiration of supply contracts that began in 2020, after a maximum term of five years.

Over the coming years, there are major upcoming projects in the oil and gas sector, which may result in significant demand. In the current scenario, the company's efforts are focused on obtaining sources of liquidity, mainly through divestments or structured operations backed by its assets, as well as seeking a sustainable debt settlement with its creditors, so that it is ready for the new business cycle that is approaching.

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), of which a few assets remain in the process of demobilization, as well as the associated legacy.

Net Revenue

Net Revenue (R\$ thd)	3Q24	3Q25	2Q25	3Q25	9M25	9M24
Products	30,690	13,359	13,639	13,359	45,349	99,339
Valves	29,321	10,713	10,666	10,713	37,189	92,547
Ropes and Composites	1,369	2,646	2,973	2,646	8,160	6,792
Services	-	21	-	21	89	292
Oilfield Services	-	21	-	21	89	292
Total	30,690	13,380	13,639	13,380	45,438	99,631

In Q3 2025, total consolidated net revenue reached R\$ 13.4 million, similar to Q2 2025. The decline observed in comparison to the same period last year is due to the postponement of the acquisition of raw materials due to the challenging macroeconomic scenario.

Services

Transactions carried out in this segment result from the liquidation of inventory balances and other activities related to plants that have been decommissioned, and do not refer to ordinary operations.

Order Backlog

On September 30, 2025, the Company's order backlog and contracts with purchase obligations in Brazil totaled R\$ 50.3 million. On the same date, the Company had a balance of supply contracts without purchase obligations of R\$ 20 million. (Note: the figures do not include expired bids for which the respective orders or contracts have not yet been issued).

Gross Profit and Gross Margin

Gross Profit (R\$ thd)	3Q24	3Q25	2Q25	3Q25	9M25	9M24
Products	6,492	2,686	1,223	2,686	6,740	21,480
<i>Gross Margin - Products</i>	<i>21.1%</i>	<i>20.1%</i>	<i>9.0%</i>	<i>20.1%</i>	<i>14.9%</i>	<i>21.6%</i>
Services	-	-	-	-	17	48
<i>Gross Margin - Services</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Total	6,492	2,686	1,223	2,686	6,757	21,528
<i>Gross Margin - Total</i>	<i>21.1%</i>	<i>20.1%</i>	<i>9.0%</i>	<i>20.1%</i>	<i>14.9%</i>	<i>21.6%</i>
Depreciation	679	785	239	785	1,479	2,113
Depreciation Products	679	785	239	785	1,479	2,113
Gross Profit without depreciation	7,171	3,471	1,462	3,471	8,236	23,641
Gross Profit without depreciation Products	7,171	3,471	1,462	3,471	8,219	23,593

*n/a - not applied

Products

Gross profit for Q3 2025 reached R\$ 2.7 million. Although sales were similar, they were achieved with higher margins, the result of progressive efforts to improve profitability.

In the year-on-year comparison, the decline in sales resulted in lower fixed cost dilution, which consequently reflected on margins.

Services

The results for the services segment come from the sale of remaining inventory.

Expenses

Expenses (R\$ thd)	3Q24	3Q25	2Q25	3Q25	9M25	9M24
Total Sales Expenses	2,910	3,888	4,022	3,888	10,643	8,396
Sales Expenses - Products	2,910	3,888	4,022	3,888	10,643	8,396
Total Administrative Expenses	5,335	5,092	5,279	5,092	15,702	15,892
Administrative Expenses - Products	3,247	4,504	4,723	4,504	13,672	7,795
Administrative Expenses - Services	2,088	588	556	588	2,030	8,097
Management Fees	1,037	2,352	1,061	2,352	4,914	2,537
Total Expenses	9,282	11,332	10,362	11,332	31,259	26,825

Selling and administrative expenses

In Q3 2025, the Company recognized R\$ 3.9 million in sales expenses. The increase in proportion to revenue is due to the effect of the specific characteristics of the predominant contracts. Administrative expenses remained similar to the first quarter.

Management Compensation

The amount shown consists of fixed and variable remuneration. The variation in relation to previous periods refers to variable remuneration amounts from the previous fiscal year, which were only approved during 2025.

Other Revenues and Operational (Expenses)

Other Operating (Expenses) (R\$ thd)	3Q24	3Q25	2Q25	3Q25	9M25	9M24
Products	(133)	(93)	(132)	(93)	(467)	(2,802)
Expenses with Idleness - Products	(2,956)	(4,375)	(4,677)	(4,375)	(10,649)	(6,075)
Services	1,959	(1,731)	1,449	(1,731)	(1,243)	(1,619)
Expenses with Idleness - Services	-	-	-	-	-	-
Total	(1,130)	(6,199)	(3,360)	(6,199)	(12,359)	(10,496)

In Q3 2025, R\$ 0.3 thousand in “Other Operating Income” was booked against R\$ 6.5 million in “Other Operating Expenses,” totaling a negative net effect of R\$ 6.2 million. The following factors stand out:

- I. R\$ 4.4 million in production downtime expenses;
- II. R\$ 0.9 million related to the net negative effect of updates to contingent proceedings according to the analysis of legal advisors;
- III. R\$ 0.9 million from the recognition of taxes, contributions, and depreciation of real estate as investment property.

Financial Result

Financial Results (R\$ thd)	3Q24	3Q25	2Q25	3Q25	9M25	9M24
Financial Revenue*	(610)	28,193	3,196	28,193	32,198	5,215
Financial Expense*	(8,711)	(15,603)	(11,161)	(15,603)	(40,679)	(26,113)
Net Financial Results*	(9,321)	12,590	(7,965)	12,590	(8,481)	(20,898)
Net Exchange Variance	3,093	6,517	8,087	6,517	27,080	(7,566)
Net Financial Results - Total	(6,228)	19,107	122	19,107	18,599	(28,464)

* Excluding Exchange Variance

The net financial result for Q3 2025 was positive at R\$ 12.6 million, mainly due to the adjustment of the amount of receivables from Cordoaria São Leopoldo, as a result of the agreement signed on August 18, 2025. The total net financial result is influenced by exchange rate variations.

It is important to note that exchange rate variations are predominantly the result of their impact on loan balances between group companies abroad. Exchange rate fluctuations have an opposite effect on the translation of these entities' equity into Brazilian reais, which means that exchange rate variations are booked directly in the company's shareholders' equity, without passing through income statement accounts.

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

	1Q25	2Q25	3Q25	9M25
Total Exchange Variation Revenue	13,374	9,562	10,720	33,656
Realized on exchange closing	199	148	159	506
Provision for outstanding securities	30	62	-	92
Provision for intercompany loans	12,349	8,785	7,508	28,642
Provision for unsecured suppliers	796	567	3,053	4,416
Total Exchange Variation Expense	(898)	(1,475)	(4,203)	(6,576)
Realized on exchange closing	(256)	(44)	(41)	(341)
Provision on outstanding securities	-	-	(31)	(31)
Provision on intercompany loan	(604)	(1,342)	(3,889)	(5,835)
Provision for unsecured suppliers	(38)	(89)	(242)	(369)
Net Exchange Variance	12,476	8,087	6,517	27,080
Counterpart in Shareholders' Equity	(11,745)	(7,443)	(3,619)	(22,807)
Net Economic Effect of Exchange Variation	731	644	2,898	4,273

Adjusted EBITDA from Operations

EBITDA Adjusted (R\$ thd)	3Q24	3Q25	2Q25	3Q25	9M25	9M24
Products	2,845	(4,166)	(5,470)	(4,166)	(12,804)	9,085
Margin	9.3%	-31.2%	-40.1%	-31.2%	-28.2%	9.1%
Services	(2,672)	1,267	99	1,267	694	(7,266)
Margin	n/a	n/a	n/a	n/a	n/a	n/a
Total	173	(2,899)	(5,371)	(2,899)	(12,110)	1,819
Margin	0.6%	-21.7%	-39.4%	-21.7%	-26.7%	1.8%

The negative Adjusted EBITDA from Products in Q3 2025 compared to the comparative periods is mainly due to the decrease in revenue.

Adjusted EBITDA from Services consists of legacy management costs.

Adjusted Ebitda Reconciliation (R\$ thd)	3Q24	3Q25	2Q25	3Q25	9M25	9M24
Gross Profit	6,492	2,686	1,223	2,686	6,757	21,528
SG&A	(8,245)	(8,980)	(9,301)	(8,980)	(26,345)	(24,288)
Management Compensation	(1,037)	(2,352)	(1,061)	(2,352)	(4,914)	(2,537)
Depreciation and Amortization	841	600	618	600	1,836	2,615
Other Operating Expenses	(1,130)	(6,199)	(3,360)	(6,199)	(12,359)	(10,496)
EBITDA from Activities	(3,079)	(14,245)	(11,881)	(14,245)	(35,025)	(13,178)
Result of disposal or write-off of assets	(4,239)	(303)	(250)	(303)	(723)	(2,257)
Provisions for Legal Proceedings	(138)	894	(11)	894	1,590	(1,810)
Idle expenses	2,956	4,375	4,677	4,375	10,649	6,075
Extraordinary Expenses	4,673	6,380	2,094	6,380	11,399	12,989
Adjusted EBITDA	173	(2,899)	(5,371)	(2,899)	(12,110)	1,819

	3Q25		
Reconciliation of Adjusted Ebitda (R\$ thd)	Products	Services	Total
Gross Profit	2,686	-	2,686
SG&A	(8,392)	(588)	(8,980)
Management Compensation	(1,834)	(518)	(2,352)
Depreciation and Amortization	489	111	600
Other Operating Expenses	(4,468)	(1,731)	(6,199)
EBITDA from Activities	(11,519)	(2,726)	(14,245)
Result of disposal or write-off of assets	(24)	(279)	(303)
Provisions for Legal Proceedings	62	832	894
Idle expenses	4,375	-	4,375
Extraordinary Expenses	2,940	3,440	6,380
Adjusted EBITDA	(4,166)	1,267	(2,899)

Net Result

Net Result (R\$ thd)	3Q24	3Q25	2Q25	3Q25	9M25	9M24
Result Before Income Tax and Social Contribution	(10,148)	4,262	(12,377)	4,262	(18,262)	(44,257)
Income Tax and Social Contribution - Current	(2)	(22)	(5)	(22)	(28)	(4)
Income Tax and Social Contribution - Deferred	329	880	(263)	880	(619)	3,782
Net Profit for the Period	(9,821)	5,120	(12,645)	5,120	(18,909)	(40,479)
Profit (Loss) per Share	(0.23)	0.11	(0.29)	0.11	(0.45)	(0.96)

The positive net result obtained in Q3 2025 is influenced not only by current revenues and expenses, but also by the adjustment to present value relating to bankruptcy debt and the update of the amount receivable from Cordoaria São Leopoldo, due to the receipt agreement signed on August 18, 2025.

Working Capital

Working Capital (R\$ thd)	09/30/2025	12/31/2024
Accounts Receivable	17,078	35,427
Inventories	21,464	26,930
Advances of suppliers	496	964
Recoverable taxes	23,848	31,017
Other Accounts Receivable	15,885	4,675
Total Asset	78,771	99,013
Suppliers	20,299	17,734
Advances from Customers	1,175	6,773
Taxes payable	64,195	22,096
Other Accounts Payable/Other Obligations	5,308	2,921
Payroll and charges	7,551	3,582
Total Liabilities	98,528	53,106
Working Capital Employed	(19,757)	45,907
Working Capital Variation	(65,664)	

Comparing the balances as of September 30, 2025, with the balance as of December 31, 2024, there is a reduction in working capital employed. Assets decreased mainly due to: (i) consumption of tax credits, and (ii) accounts receivable due to the decline in sales. Liabilities, in turn, increased due to: (i) non-payment of the judicial reorganization installment, and (ii) tax debt that are in the process of being included in new installment plans.

Indebtedness

Debts (R\$ thd)	09/30/2025	12/31/2024
Short Term	57,538	56,264
Credits subject to Judicial Recovery	13,872	7,983
Credits not subject to Judicial Recovery	43,666	48,281
Long Term	115,277	123,437
Credits subject to Judicial Recovery	111,843	116,897
Credits not subject to Judicial Recovery	3,434	6,540
Total Debts	172,815	179,701
Cash and Cash Equivalents	1,385	3,515
Net Debt	171,430	176,186

The reduction in financial debt when comparing balances as of September 30, 2025, with balances as of December 31, 2024, is mainly associated with the payment of loans to financial institutions.

Debt not subject to short-term judicial reorganization is detailed in the following tables, which show the composition by type and then the coverage of guarantees.

Short-term debt - Credits not subject to Judicial Reorganization	09/30/2025
BNDES - Fiduciary Sale of Machinery	11,167
Co-obligation on discounted securities	3,717
Working Capital (various types)	28,782
Total	43,666

Guarantee Coverage - Working Capital (various types)	09/30/2025
CDB and performing credits	1,408
Other*	27,374
Total	28,782

*Performing receivables, FGI, Intra-group guarantee.

Note that short-term debt corresponds to: (i) co-obligations on discounted securities (R\$ 3.7 million), (ii) amounts to be self-settled by receivables already performed or CDBs (R\$ 1.4 million), and (iii) amounts covered by surety bonds or pending future performance of receivables (R\$ 27.4 million).

Annexes

Annex I - Income Statements (R\$ Thousand)

	2Q25	3Q25
Net Revenue From Sales	13,639	13,380
Cost of Goods and Services Sold	(12,416)	(10,694)
Gross Profit	1,223	2,686
Operating Income/Expenses	(13,722)	(17,531)
Selling	(4,022)	(3,888)
General and Administrative	(5,279)	(5,092)
Management Fees	(1,061)	(2,352)
Other Operation Income (Expenses)	(3,360)	(6,199)
Net Financial Result	122	19,107
Financial Income	3,196	28,193
Financial Expenses	(11,161)	(15,603)
Net Exchange Variance	8,087	6,517
Results Before Income Tax and Social Contribution	(12,377)	4,262
Provision Income Tax and Social Contribution - Current	(5)	(22)
Provision Income Tax and Social Contribution - Deferred	(263)	880
Net Profit (Loss) for the year	(12,645)	5,120

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

	2Q25	3Q25
Adjusted EBITDA from Operations	(5,371)	(2,899)
Idleness Expenses	(4,677)	(4,375)
Extraordinary expenses	(2,094)	(6,380)
Provisions for Losses, Impairment and Net Result on Disposal of Assets	261	(591)
EBITDA from Operations	(11,881)	(14,245)
Depreciation and amortization	(618)	(600)
Net Financial Result	122	19,107
Income Tax and Social Contribution - Current and Deferred	(268)	858
Net Profit (Loss)	(12,645)	5,120

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

	09/30/2025	12/31/2024
Total Asset	488,897	508,795
Current Assets	133,022	156,539
Cash and Cash Equivalents	1,385	3,515
Accounts Receivable	17,078	35,427
Inventories	21,464	26,930
Recoverable Taxes	23,848	31,017
Other Accounts Receivable	15,885	4,675
Prepaid Expenses	792	569
Advances to Suppliers	496	964
Assets Classified as Held for Sale	52,074	53,442
Non-Current Assets	355,875	352,256
Financial applications	227	-
Securities-restricted	-	44
Judicial Deposits	3,464	4,299
Recoverable Taxes	13,242	3,482
Deferred Income Tax and Social Contribution	67,713	68,253
Other Accounts Receivable	31,045	33,464
Investments	19,685	19,685
Fixed Assets	137,372	139,831
Intangible Assets	83,127	83,198
Total Liabilities and Shareholders Equity	488,897	508,795
Current Liabilities	161,615	112,399
Suppliers - not subject to Judicial Recovery	16,732	11,818
Suppliers - subject to Judicial Recovery	3,567	5,916
Loans and Financing - not subject to Judicial Recovery	43,666	48,281
Loans and Financing - subject to Judicial Recovery	13,872	7,983
Provisions Payroll and Payroll Payable	7,551	3,582
Taxes Payable	64,195	22,096
Obligations and Provisions for Labor Risks - subject to Judicial Recovery	93	106
Advances from Customers	1,175	6,773
Other Accounts Payable	5,308	2,921
Other obligations - subject to Judicial Recovery	5,456	2,923
Non-Current Liabilities	213,958	258,016
Suppliers - subject to Judicial Recovery	19,907	28,924
Loans and Financing - not Subject to Judicial Recovery	3,434	6,540
Loans and Financing - subject to Judicial Recovery	111,843	116,897
Taxes Payable	10,239	38,469
Provision for Contingencies	25,112	25,280
Obligations and Provisions Labor Risks - subject to Judicial Recovery	1,854	1,914
Other Accounts Payable	1,657	1,624
Other obligations - subject to judicial recovery	39,912	38,368
Shareholders' Equity	113,324	138,380
Capital Stock	1,927,668	1,922,339
Reserves and capital transactions	144,754	144,754
Accumulated conversion adjustments	72,272	83,748
Accumulated Losses	(2,031,370)	(2,012,461)

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

	2Q25	3Q25
Cash Flow from Operating Activities		
Profit (Loss) for the year	(12,645)	5,120
Adjustments:		
Depreciation and Amortization	995	974
Income from sale of property, plant and equipment	189	(160)
Financial charges and exchange variation on financing	599	2,533
Reversal (Provision) for loss due to non-recoverability of assets	(205)	(142)
Deferred Income Tax and Social Contribution	183	(879)
Inventory obsolescence	409	2,055
(Reversal) Estimated losses for doubtful accounts	7	46
Actual losses with doubtful accounts	1	-
Adjust to present value	5,542	9,841
Exchange variation on investments abroad	(3,899)	(1,821)
Changes in Assets & Liabilities		
(Increase) Decrease in Accounts Receivable	12,875	4,332
(Increase) Decrease in Inventories	1,024	1,594
(Increase) Decrease in Recoverable Taxes	(3,470)	89
(Increase) Decrease in Other Assets	142	(6,910)
(Increase) Decrease in Suppliers	(1,061)	(17,472)
(Increase) Decrease in Taxes Payable	4,351	5,448
(Increase) Decrease in Others Accounts Payable	(1,716)	2,351
Net Cash Flow from Operating Activities	3,321	6,999
Cash Flow from Investment Activities		
Bonds and securities - restricted account	34	58
Resources from the sale of fixed assets	58	443
Acquisition of fixed assets	(75)	(40)
Aquisition of Intangible Assets	-	(102)
Net cash provided by (used in) investing activities	17	359
Cash Flow from Financing Activities		
Borrowing and financing	26,165	13,845
Capital increase	1,935	3,391
Payment of loans and financing	(31,686)	(25,317)
Net cash provided by (used in) financing activities	(3,586)	(8,081)
Net Increase (Decrease) in Cash and Cash Equivalents	(248)	(723)
At the Beginning of the Period	2,356	2,108
At the End of the Period	2,108	1,385

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.