

# **STANDARD FINANCIAL STATEMENTS 2025**

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



# LUPATECH

## Financial & Economic Performance 4Q25



## Message from the Administration

The Company began 2024 with a favorable liquidity position, driven by the funds received from the San Antonio lawsuit. Over the course of the year, revenue rose substantially, growing 43% compared to the previous year. The increased liquidity enabled the Company to accelerate order deliveries and expand underfunded business lines. Adjusted EBITDA for 2024 reached a balanced level for the first time in many years, demonstrating the potential for operational leverage through adequate liquidity.

At the time, it was anticipated that sustaining—and even increasing—sales levels would depend on the ability to inject working capital into the business. This injection would depend primarily on the company's ability to: (i) raise capital, (ii) obtain liquidity through the sale of assets or the recovery of receivables, (iii) expand credit lines, or (iv) reduce debt service.

As a result of the sudden monetary tightening that began in late 2024, the company began to face financing constraints, particularly for orders with longer delivery times. The continuation of this situation throughout 2025 materially limited the company's ability to maintain the working capital necessary to sustain operations. This was followed by a sudden contraction in operating revenues, with a corresponding drop in profitability.

Net revenue fell from R\$ 123 million in 2024 to R\$ 51 million in 2025. Gross profit dropped from R\$ 26 million to R\$ 8 million. Adjusted EBITDA, which had finally broken even in 2024, turned negative again in 2025, closing at R\$ -19 million.

Faced with this scenario, the Company began negotiations to restructure its debt, initially to pursue a structural adjustment regarding the remaining liabilities from the 2015 Judicial Reorganization, as well as to organize subsequent debt in light of the crisis that had taken hold.

The prolonged crisis in the oil sector and structural changes in the offshore construction market significantly reduced demand for the company's products. The 2015 Judicial Reorganization left liabilities disproportionate to the revenue the Company was effectively able to generate. Hence the need for a definitive structural adjustment, taking into account above all the high interest rates that have once again prevailed in the country, which are incompatible with the health of manufacturing companies.

In March 2026, the Company filed a motion for a preliminary injunction in advance of a request for out-of-court or judicial reorganization. It then announced an out-of-court reorganization plan offered to its creditors, covering both labor and unsecured claims. In summary, the company proposes to labor creditors the payment in installments and to unsecured creditors the settlement of liabilities through the payment of 10% of the balance in cash and 90% in equity via the issuance of subscription warrants. The funds will be generated from liquidity events within one year of the judicial approval of the agreement.

In parallel with the effort to reduce debt, the company is also pursuing a balanced budget and working capital financing. With this dual purpose in mind, the divestiture of the mooring ropes business was arranged, with the sale of its assets in February 2026 for \$9.5 million, payable in installments. The proceeds will contribute to the Company's cash flow, covering working capital and other obligations.

Amid the restructuring, the Company's order backlog and contracts with purchase obligations in Brazil totaled R\$ 49.7 million, remaining at the same level as the previous quarter. Additionally, in March 2026, a contract for valve repair services with Petrobras in the amount of R\$ 68 million was added to the backlog.

Rafael Gorenstein  
CEO and Investor Relations Officer

## Economic and Financial Performance

The Lupatech Group operates in the manufacturing sector (Products segment), primarily producing industrial valves; oil and gas valves; synthetic fiber ropes for mooring oil platforms and various other applications; and composite products, mainly utility poles and casing for oil pipelines.

The Company previously operated in the oil services business (Services segment), from which various assets remain in the process of being divested, along with the associated legacy.

### Net Revenue

Net Revenue (R\$ thd)	1Q25	2Q25	3Q25	4Q25	2025	2024
<b>Products</b>	<b>18,351</b>	<b>13,639</b>	<b>13,359</b>	<b>6,591</b>	<b>51,940</b>	<b>122,835</b>
Valves	15,810	10,666	10,713	5,500	42,689	112,550
Ropes and Composites	2,541	2,973	2,646	1,091	9,251	10,285
<b>Services</b>	<b>68</b>	<b>-</b>	<b>21</b>	<b>25</b>	<b>114</b>	<b>292</b>
Oilfield Services	68	-	21	25	114	292
<b>Total</b>	<b>18,419</b>	<b>13,639</b>	<b>13,380</b>	<b>6,616</b>	<b>52,054</b>	<b>123,127</b>

In Q4 2025, total consolidated net revenue reached R\$ 6.6 million. The decline observed compared to Q3 2025 is due to the postponement of raw material purchases in light of the challenging macroeconomic environment. The same trend is observed when comparing 2025 to 2024.

### Services

The transactions in this segment result from the liquidation of inventory balances and other activities related to plants that have been decommissioned; they do not pertain to ordinary operations.

### Order Backlog

As of December 31, 2025, the Company's order backlog in Brazil totaled R\$ 49.7 million. As of the same date, the Company had a balance of supply contracts without purchase obligations of R\$ 25 million. (Note: The figures do not include won bids for which the respective orders or contracts have not yet been issued).

### Gross Profit and Gross Margin

Gross Profit (R\$ thd)	1Q25	2Q25	3Q25	4Q25	2025	2024
<b>Products</b>	<b>2,831</b>	<b>1,223</b>	<b>2,686</b>	<b>1,394</b>	<b>8,134</b>	<b>26,330</b>
<i>Gross Margin - Products</i>	<i>15.4%</i>	<i>9.0%</i>	<i>20.1%</i>	<i>21.2%</i>	<i>15.7%</i>	<i>21.4%</i>
<b>Services</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>(32)</b>	<b>(15)</b>	<b>49</b>
<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>
<b>Total</b>	<b>2,848</b>	<b>1,223</b>	<b>2,686</b>	<b>1,362</b>	<b>8,119</b>	<b>26,379</b>
<i>Gross Margin - Total</i>	<i>15.5%</i>	<i>9.0%</i>	<i>20.1%</i>	<i>20.6%</i>	<i>15.6%</i>	<i>21.4%</i>
<b>Depreciation</b>	<b>455</b>	<b>456</b>	<b>440</b>	<b>400</b>	<b>1,751</b>	<b>2,712</b>
Depreciation Products	455	456	440	400	1,751	2,712
<b>Gross Profit without depreciation</b>	<b>3,303</b>	<b>1,679</b>	<b>3,126</b>	<b>1,762</b>	<b>9,870</b>	<b>29,091</b>
<b>Gross Profit without depreciation Products</b>	<b>3,286</b>	<b>1,679</b>	<b>3,126</b>	<b>1,794</b>	<b>9,886</b>	<b>29,042</b>

\*n/a - not applied

### Products

Gross profit for Q4 2025 reached R\$ 1.4 million. Compared to Q3 2025, despite the decline in sales, transactions were conducted with slightly higher margins, a result of ongoing efforts to improve profitability.

The year-over-year decline in margins is primarily due to lower revenue, which directly results in a lower dilution of fixed costs.

#### Services

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

#### **Expenses**

Expenses (R\$ thd)	1Q25	2Q25	3Q25	4Q25	2025	2024
<b>Total Sales Expenses</b>	<b>2,733</b>	<b>4,022</b>	<b>3,888</b>	<b>5,058</b>	<b>15,701</b>	<b>12,796</b>
Sales Expenses - Products	2,733	4,022	3,888	5,058	15,701	12,796
<b>Total Administrative Expenses</b>	<b>5,331</b>	<b>5,279</b>	<b>5,092</b>	<b>5,275</b>	<b>20,977</b>	<b>20,740</b>
Administrative Expenses - Products	4,445	4,723	4,504	5,123	18,795	11,171
Administrative Expenses - Services	886	556	588	152	2,182	9,569
<b>Management Fees</b>	<b>1,501</b>	<b>1,061</b>	<b>2,352</b>	<b>1,550</b>	<b>6,464</b>	<b>3,255</b>
<b>Total Expenses</b>	<b>9,565</b>	<b>10,362</b>	<b>11,332</b>	<b>11,883</b>	<b>43,142</b>	<b>36,791</b>

#### Selling and administrative expenses

In Q4 2025, the Company recognized R\$ 5.1 million in selling expenses, and for the full year 2025, the figure was R\$ 15.7 million. The increase compared to the prior-year periods is primarily due to penalties imposed on customers. Administrative expenses, however, remained similar.

#### Management Compensation

The amount shown consists of fixed and variable compensation. The change from previous periods relates to variable compensation amounts from the prior fiscal year, which were approved only during 2025.

#### **Other Revenues and Operational (Expenses)**

Other Operating (Expenses) (R\$ thd)	1Q25	2Q25	3Q25	4Q25	2025	2024
Products	(242)	(132)	(93)	5,112	4,645	49,614
Expenses with Idleness - Products	(1,597)	(4,677)	(4,375)	(5,484)	(16,133)	(8,348)
Services	(961)	1,449	(1,731)	(14,124)	(15,367)	(4,335)
<b>Total</b>	<b>(2,800)</b>	<b>(3,360)</b>	<b>(6,199)</b>	<b>(14,496)</b>	<b>(26,855)</b>	<b>36,931</b>

In Q4 2025, “Other Operating Revenue” of R\$ 7.3 million was recorded, compared with “Other Operating Expenses” of R\$ 21.8 million, resulting in a net negative impact of R\$ 14.5 million. The following factors are worth noting:

- I. R\$ 5.5 million in costs related to production downtime;
- II. R\$ 12.1 million, reflecting the net negative impact of adjustments to contingent liabilities based on the analysis by legal counsel and success fees;
- III. R\$ 3.1 million net gain on the sale of fixed assets.

#### **Financial Result**

Financial Results (R\$ thd)	1Q25	2Q25	3Q25	4Q25	2025	2024
Financial Revenue*	809	3,196	28,193	460	32,658	3,996
Financial Expense*	(13,915)	(11,161)	(15,603)	(12,363)	(53,042)	(45,732)
<b>Net Financial Results*</b>	<b>(13,106)</b>	<b>(7,965)</b>	<b>12,590</b>	<b>(11,903)</b>	<b>(20,384)</b>	<b>(41,736)</b>
Net Exchange Variance	12,476	8,087	6,517	(4,855)	22,225	(27,690)
<b>Net Financial Results - Total</b>	<b>(630)</b>	<b>122</b>	<b>19,107</b>	<b>(16,758)</b>	<b>1,841</b>	<b>(69,426)</b>

\* Excluding Exchange Variance

The net financial result for Q4 2025 was a loss of R\$ 11.9 million, primarily due to the revaluation of interest on the bankruptcy debt. The total net financial result, on the other hand, was influenced by exchange rate fluctuations.

It is important to note that exchange rate fluctuations are primarily the result of their impact on intercompany loan balances within the group's overseas subsidiaries. Exchange rate fluctuations have an offsetting effect on the translation of these entities' equity into Brazilian reais; consequently, the effects of exchange rate fluctuations are recognized directly in the company's equity, without passing through income statement accounts.

See the following pro forma statement showing the net economic effect of exchange rate fluctuations on intercompany loans:

	1Q25	2Q25	3Q25	4Q25	2025
<b>Total Exchange Variation Revenue</b>	<b>13,374</b>	<b>9,562</b>	<b>10,720</b>	<b>1,378</b>	<b>35,034</b>
Realized on exchange closing	199	148	159	(38)	468
Provision for outstanding securities	30	62	-	-	92
Provision for intercompany loans	12,349	8,785	7,508	1,388	30,030
Provision for unsecured suppliers	796	567	3,053	28	4,444
<b>Total Exchange Variation Expense</b>	<b>(898)</b>	<b>(1,475)</b>	<b>(4,203)</b>	<b>(6,233)</b>	<b>(12,809)</b>
Realized on exchange closing	(256)	(44)	(41)	65	(276)
Provision on outstanding securities	-	-	(31)	(39)	(70)
Provision on intercompany loan	(604)	(1,342)	(3,889)	(6,192)	(12,027)
Provision for unsecured suppliers	(38)	(89)	(242)	(67)	(436)
<b>Net Exchange Variance</b>	<b>12,476</b>	<b>8,087</b>	<b>6,517</b>	<b>(4,855)</b>	<b>22,225</b>
Counterpart in Shareholders' Equity	(11,745)	(7,443)	(3,619)	4,804	(18,003)
<b>Net Economic Effect of Exchange Variation</b>	<b>731</b>	<b>644</b>	<b>2,898</b>	<b>(51)</b>	<b>4,222</b>

### Adjusted EBITDA from Operations

EBITDA Adjusted (R\$ thd)	1Q25	2Q25	3Q25	4Q25	2025	2024
<b>Products</b>	<b>(3,168)</b>	<b>(5,470)</b>	<b>(4,166)</b>	<b>(5,294)</b>	<b>(18,098)</b>	<b>9,806</b>
Margin	-17.3%	-40.1%	-31.2%	-80.3%	-34.8%	8.0%
<b>Services</b>	<b>(672)</b>	<b>99</b>	<b>1,267</b>	<b>(1,412)</b>	<b>(718)</b>	<b>(9,416)</b>
Margin	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total</b>	<b>(3,840)</b>	<b>(5,371)</b>	<b>(2,899)</b>	<b>(6,706)</b>	<b>(18,816)</b>	<b>390</b>
<b>Margin</b>	<b>-20.8%</b>	<b>-39.4%</b>	<b>-21.7%</b>	<b>-101.4%</b>	<b>-36.1%</b>	<b>0.3%</b>

The negative Adjusted EBITDA for Products in 4Q25 compared to the prior-year periods is primarily due to a decline in revenue.

Adjusted EBITDA for Services consists of costs related to legacy management.

Adjusted Ebitda Reconciliation (R\$ thd)	1Q25	2Q25	3Q25	4Q25	2025	2024
Gross Profit	2,848	1,223	2,686	1,362	8,119	26,379
SG&A	(8,064)	(9,301)	(8,980)	(10,333)	(36,678)	(33,536)
Management Compensation	(1,501)	(1,061)	(2,352)	(1,550)	(6,464)	(3,255)
Depreciation and Amortization	618	618	600	557	2,393	3,379
Other Operating Expenses	(2,800)	(3,360)	(6,199)	(14,496)	(26,855)	36,931
<b>EBITDA from Activities</b>	<b>(8,899)</b>	<b>(11,881)</b>	<b>(14,245)</b>	<b>(24,460)</b>	<b>(59,485)</b>	<b>29,898</b>
Result of disposal or write-off of assets	(170)	(250)	(303)	(4,597)	(5,320)	(54,102)
Provisions for Legal Proceedings	707	(11)	894	12,135	13,725	(601)
Idle expenses	1,597	4,677	4,375	5,484	16,133	8,348
Extraordinary Expenses	2,925	2,094	6,380	4,732	16,131	16,847
<b>Adjusted EBITDA</b>	<b>(3,840)</b>	<b>(5,371)</b>	<b>(2,899)</b>	<b>(6,706)</b>	<b>(18,816)</b>	<b>390</b>

Reconciliation of Adjusted Ebitda (R\$ thd)	4Q25		
	Products	Services	Total
Gross Profit	1,394	(32)	1,362
SG&A	(10,181)	(152)	(10,333)
Management Compensation	(1,098)	(452)	(1,550)
Depreciation and Amortization	450	107	557
Other Operating Expenses	(372)	(14,124)	(14,496)
<b>EBITDA from Activities</b>	<b>(9,808)</b>	<b>(14,653)</b>	<b>(24,460)</b>
Result of disposal or write-off of assets	(4,797)	200	(4,597)
Provisions for Legal Proceedings	30	12,105	12,135
Idle expenses	5,484	-	5,484
Extraordinary Expenses	3,796	936	4,732
<b>Adjusted EBITDA</b>	<b>(5,294)</b>	<b>(1,412)</b>	<b>(6,706)</b>

### Net Result

Net Result (R\$ thd)	1Q25	2Q25	3Q25	4Q25	2025	2024
Result Before Income Tax and Social Contribution	(10,147)	(12,377)	4,262	(41,775)	(60,037)	(42,907)
Income Tax and Social Contribution - Current	(1)	(5)	(22)	9	(19)	(11)
Income Tax and Social Contribution - Deferred	(1,236)	(263)	880	499	(120)	11,146
<b>Net Profit for the Period</b>	<b>(11,384)</b>	<b>(12,645)</b>	<b>5,120</b>	<b>(41,267)</b>	<b>(60,176)</b>	<b>(31,772)</b>
Profit (Loss) per Share	(0.27)	(0.29)	0.11	(0.88)	(1.29)	(0.75)

The net loss reported in Q4 2025 is influenced not only by current revenues and expenses, but also by interest accruals on bankruptcy-related debt, interest accruals on loans, and the net effect of other operating revenues and expenses.

### Working Capital

Working Capital (R\$ thd)	2025	2024
Accounts Receivable	13,950	35,427
Inventories	20,620	26,930
Advances of suppliers	504	964
Recoverable taxes	22,627	31,017
Other Accounts Receivable	23,452	4,675
<b>Total Asset</b>	<b>81,153</b>	<b>99,013</b>
Suppliers	26,242	17,734
Advances from Customers	690	6,773
Taxes payable	72,157	22,096
Other Accounts Payable/Other Obligations	15,317	2,921
Payroll and charges	7,857	3,582
<b>Total Liabilities</b>	<b>122,263</b>	<b>53,106</b>
<b>Working Capital Employed</b>	<b>(41,110)</b>	<b>45,907</b>
Working Capital Variation	(87,017)	

When comparing the balances as of December 31, 2025, to those as of December 31, 2024, there is a decrease in working capital. Assets decreased mainly due to: (i) the use of tax credits and (ii) accounts receivable from customers due to the decline in sales; they increased due to the settlement of short-term receivables from CSL. Liabilities, in turn, increased due to: (i) non-payment of judicial reorganization installments, (ii) tax liabilities that are in the process of being included in new amnesty plans, and (iii) recognition of success fees.

### Financial Indebtedness

Debts (R\$ thd)	2025	2024
<b>Short Term</b>	<b>61,703</b>	<b>56,264</b>
Loans and financing - bankruptcy claims	17,014	7,983

Loans and Financing	44,689	48,281
<b>Long Term</b>	<b>116,445</b>	<b>123,437</b>
Loans and financing - bankruptcy claims	113,875	116,897
Loans and Financing	2,570	6,540
<b>Total Debts</b>	<b>178,148</b>	<b>179,701</b>
Cash and Cash Equivalents	384	3,515
<b>Net Debt</b>	<b>177,764</b>	<b>176,186</b>

The reduction in financial debt, as reflected in the comparison of balances as of December 31, 2025, with those as of December 31, 2024, is primarily attributable to the repayment of loans from financial institutions.

Short-term debt is detailed in the following tables, which show its breakdown by type and, subsequently, the collateral coverage.

<b>Short-term debt</b>	<b>2025</b>
BNDES - Fiduciary Sale of Machinery	11,167
Co-obligation on discounted securities	2,622
Working Capital (various types)	30,900
<b>Total</b>	<b>44,689</b>

<b>Guarantee Coverage - Working Capital (various types)</b>	<b>2025</b>
CDB and performing credits	357
Other*	30,543
<b>Total</b>	<b>30,900</b>

\*Performing receivables, FGI, Intra-group guarantee.

Note that short-term debt consists of: (i) co-obligations on discounted securities (R\$ 2.6 million), (ii) amounts to be settled automatically by receivables already settled or CDBs (R\$ 0.4 thousand), and (iii) amounts covered by surety bonds or contingent on the future performance of receivables (R\$ 30.5 million).

## Annexes

### Annex I - Income Statements (R\$ Thousand)

	2025	2024
Net Revenue From Sales	52,054	123,127
Cost of Goods and Services Sold	(43,935)	(96,748)
<b>Gross Profit</b>	<b>8,119</b>	<b>26,379</b>
<b>Operating Income/Expenses</b>	<b>(69,997)</b>	<b>140</b>
Selling	(15,701)	(12,796)
General and Administrative	(20,977)	(20,740)
Management Fees	(6,464)	(3,255)
Other Operation Income (Expenses)	(26,855)	36,931
<b>Net Financial Result</b>	<b>1,841</b>	<b>(69,426)</b>
Financial Income	32,658	3,996
Financial Expenses	(53,042)	(45,732)
Net Exchange Variance	22,225	(27,690)
<b>Results Before Income Tax and Social Contribution</b>	<b>(60,037)</b>	<b>(42,907)</b>
Provision Income Tax and Social Contribution - Current	(19)	(11)
Provision Income Tax and Social Contribution - Deferred	(120)	11,146
<b>Net Profit (Loss) for the year</b>	<b>(60,176)</b>	<b>(31,772)</b>

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

	<b>2025</b>	<b>2024</b>
Adjusted EBITDA from Operations	(18,816)	390
Idleness Expenses	(16,133)	8,348
Extraordinary expenses	(16,131)	(16,847)
Provisions for Losses, Impairment and Net Result on Disposal of Assets	(8,405)	54,703
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EBITDA from Operations	(59,485)	29,898
Depreciation and amortization	(2,393)	(3,379)
Net Financial Result	1,841	(69,426)
Income Tax and Social Contribution - Current and Deferred	(139)	11,135
<hr/>		
Net Profit (Loss)	(60,176)	(31,772)

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

	<b>2025</b>	<b>2024</b>
<b>Total Asset</b>	<b>480,101</b>	<b>508,795</b>
<b>Current Assets</b>	<b>236,427</b>	<b>156,539</b>
Cash and Cash Equivalents	384	3,515
Accounts Receivable	13,950	35,427
Inventories	20,620	26,930
Recoverable Taxes	22,627	31,017
Other Accounts Receivable	23,452	4,675
Prepaid Expenses	187	569
Advances to Suppliers	504	964
Assets Classified as Held for Sale	154,703	53,442
<b>Non-Current Assets</b>	<b>243,674</b>	<b>352,256</b>
Financial applications	234	-
Securities-restricted	-	44
Judicial Deposits	4,013	4,299
Recoverable Taxes	13,236	3,482
Deferred Income Tax and Social Contribution	68,212	68,253
Other Accounts Receivable	18,559	33,464
Investments	19,685	19,685
Fixed Assets	36,627	139,831
Intangible Assets	83,108	83,198
<b>Total Liabilities and Shareholders Equity</b>	<b>480,101</b>	<b>508,795</b>
<b>Current Liabilities</b>	<b>189,547</b>	<b>112,399</b>
Suppliers	22,109	11,818
Suppliers - bankruptcy claims	4,133	5,916
Loans and Financing	44,689	48,281
Loans and Financing - bankruptcy claims	17,014	7,983
Provisions Payroll and Payroll Payable	7,857	3,582
Taxes Payable	72,157	22,096
Obligations and Provisions for Labor Risks - bankruptcy claims	93	106
Advances from Customers	690	6,773
Other Accounts Payable	15,317	2,921
Other obligations - bankruptcy claims	5,488	2,923
<b>Non-Current Liabilities</b>	<b>216,084</b>	<b>258,016</b>
Suppliers - bankruptcy claims	20,923	28,924
Loans and Financing	2,570	6,540
Loans and Financing - bankruptcy claims	113,875	116,897
Taxes Payable	6,608	38,469
Provision for Contingencies	25,175	25,280
Obligations and Provisions Labor Risks - bankruptcy claims	1,854	1,914
Other Accounts Payable	1,821	1,624
Other obligations - bankruptcy claims	43,258	38,368
<b>Shareholders' Equity</b>	<b>74,470</b>	<b>138,380</b>
Capital Stock	1,927,668	1,922,339
Reserves and capital transactions	144,754	144,754
Accumulated conversion adjustments	74,686	83,749
Accumulated Losses	(2,072,638)	(2,012,462)

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

	2025	2024
<b>Cash Flow from Operating Activities</b>		
Profit (Loss) for the year	(60,176)	(31,772)
Adjustments:		
Depreciation and Amortization	3,769	5,498
Income from sale of property, plant and equipment	(4,299)	(56,723)
Financial charges and exchange variation on financing	11,706	47,939
Reversal (Provision) for loss due to non-recoverability of assets	777	(12,171)
Deferred Income Tax and Social Contribution	41	(12,073)
Inventory obsolescence	4,370	2,445
(Reversal) Estimated losses for doubtful accounts	202	(283)
Actual losses with doubtful accounts	1	33
Adjust to present value	19,518	13,721
Exchange variation on investments abroad	(9,063)	8,430
Changes in Assets & Liabilities		
(Increase) Decrease in Accounts Receivable	21,274	(17,037)
(Increase) Decrease in Inventories	1,940	3,303
(Increase) Decrease in Recoverable Taxes	(1,364)	13,155
(Increase) Decrease in Other Assets	(3,125)	9,611
(Increase) Decrease in Suppliers	(9,436)	(1,964)
(Increase) Decrease in Taxes Payable	16,322	(4,432)
(Increase) Decrease in Others Accounts Payable	19,092	(2,148)
<b>Net Cash Flow from Operating Activities</b>	<b>11,549</b>	<b>(34,468)</b>
<b>Cash Flow from Investment Activities</b>		
Bonds and securities - restricted account	151	470
Resources from the sale of fixed assets	5,941	81,018
Acquisition of fixed assets	(4,940)	(56,985)
Aquisition of Intangible Assets	(101)	(233)
<b>Net cash provided by (used in) investing activities</b>	<b>1,051</b>	<b>24,270</b>
<b>Cash Flow from Financing Activities</b>		
Borrowing and financing	75,493	135,478
Capital increase	5,329	1,519
Payment of loans and financing	(96,553)	(143,191)
<b>Net cash provided by (used in) financing activities</b>	<b>(15,731)</b>	<b>(6,194)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(3,131)</b>	<b>(16,392)</b>
At the Beginning of the Period	3,515	19,907
At the End of the Period	384	3,515

## 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.INDIVIDUAL AND CONSOLIDATED BALANCE SHEETS  
AS OF DECEMBER 31, 2025, AND DECEMBER 31, 2024  
(In thousands of Brazilian reais)

ASSETS	Explanatory note	Company		Consolidated	
		12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	249	1,829	384	3,515
Accounts receivable from customers	6	12,008	31,531	13,950	35,427
Inventories	7	19,567	25,055	20,620	26,930
Taxes recoverable	8	5,382	20,324	22,627	31,017
Advances to suppliers		335	797	504	964
Other accounts receivable	9	21,436	892	23,452	4,675
Prepaid expenses		183	435	187	569
Affiliated companies	16.1	176	213	-	-
Assets classified as held for sale	10	300	1,057	154,703	53,442
<b>Total current assets</b>		<b>59,636</b>	<b>82,133</b>	<b>236,427</b>	<b>156,539</b>
<b>NON-CURRENT</b>					
Financial investments	5	234	-	234	-
Judicial deposits	20.1	2,121	1,420	4,013	4,299
Securities	5	-	44	-	44
Taxes recoverable	8	3,845	3,482	13,236	3,482
Deferred income tax and social contribution	18	62,424	64,526	68,212	68,253
Affiliated companies	16.1	1,319	1,479	-	-
Other accounts receivable	9	15,881	33,341	18,559	33,464
<b>Investments</b>					
Investments in subsidiaries and affiliates	11.1	305,602	314,683	-	-
Investment property	11.2	-	-	19,685	19,685
Fixed assets	12	15,861	17,293	36,627	139,831
<b>Intangible assets</b>					
Goodwill on the acquisition of investments	13	61,479	61,479	82,166	82,166
Other intangible assets	13	698	761	942	1,032
<b>Total non-current assets</b>		<b>469,464</b>	<b>498,508</b>	<b>243,674</b>	<b>352,256</b>
<b>TOTAL ASSETS</b>		<b>529,100</b>	<b>580,641</b>	<b>480,101</b>	<b>508,795</b>

The notes to the financial statements are an integral part of the interim individual and consolidated financial statements.

LUPATECH S.A.INDIVIDUAL AND CONSOLIDATED BALANCE SHEETS  
AS OF DECEMBER 31, 2025, AND DECEMBER 31, 2024  
(In thousands of Brazilian reais)

LIABILITIES AND NET EQUITY	Explanatory note	Company		Consolidated	
		12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>CURRENT ASSETS</b>					
Accounts payable	14	15,496	10,246	22,109	11,818
Accounts payable	14	4,133	5,916	4,133	5,916
Accounts payable - bankruptcy claims	15	38,932	43,333	44,689	48,281
Loans and financing	15	12,357	5,943	17,014	7,983
Loans and financing - bankruptcy claims		7,000	3,173	7,857	3,582
Wages, provisions, and social security contributions	21	46,919	14,028	72,157	22,096
Taxes payable		93	106	93	106
Labor obligations and provisions - bankruptcy claims		644	6,639	690	6,773
Advances from customers	19	14,728	2,385	15,317	2,921
Other accounts payable	19	5,488	2,923	5,488	2,923
Other liabilities - bankruptcy claims	16.1	12,529	13,116	-	-
<b>Total current liabilities</b>		<b>158,319</b>	<b>107,808</b>	<b>189,547</b>	<b>112,399</b>
<b>NON-CURRENT</b>					
Suppliers - bankruptcy claims	14	20,923	28,924	20,923	28,924
Loans and financing	15	2,570	6,540	2,570	6,540
Loans and financing - bankruptcy claims	15	62,804	61,169	113,875	116,897
Taxes payable	21	5,787	22,468	6,608	38,469
Provision for tax, labor, and civil risks	20.2	13,949	12,013	25,175	25,280
Labor liabilities and provisions - bankruptcy claims		1,854	1,914	1,854	1,914
Other accounts payable	19	-	-	1,821	1,624
Other liabilities - bankruptcy claims	19	43,258	38,368	43,258	38,368
Affiliated companies	16.1	145,166	163,057	-	-
<b>Total non-current liabilities</b>		<b>296,311</b>	<b>334,453</b>	<b>216,084</b>	<b>258,016</b>
<b>Share capital</b>		<b>1,927,668</b>	<b>1,922,339</b>	<b>1,927,668</b>	<b>1,922,339</b>
<b>Capital reserves and transactions</b>		<b>144,754</b>	<b>144,754</b>	<b>144,754</b>	<b>144,754</b>
<b>Accumulated translation adjustments</b>		<b>74,686</b>	<b>83,749</b>	<b>74,686</b>	<b>83,749</b>
<b>Accumulated losses</b>		<b>(2,072,638)</b>	<b>(2,012,462)</b>	<b>(2,072,638)</b>	<b>(2,012,462)</b>
<b>Total equity</b>	22	<b>74,470</b>	<b>138,380</b>	<b>74,470</b>	<b>138,380</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>529,100</b>	<b>580,641</b>	<b>480,101</b>	<b>508,795</b>

The notes to the financial statements are an integral part of the interim individual and consolidated financial statements.

LUPATECH S.A.

INDIVIDUAL AND CONSOLIDATED STATEMENTS OF INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais, except for loss per share, or as otherwise indicated)

	Explanatory note	Company		Consolidated	
		12/31/2025	12/31/2024	12/31/2025	12/31/2024
NET OPERATING REVENUE	16 / 26	48,205	119,243	52,054	123,127
COST OF GOODS SOLD	30	(40,065)	(90,362)	(43,935)	(96,748)
Gross profit		8,140	28,881	8,119	26,379
OPERATING EXPENSES					
Sales-related	30	(14,812)	(12,636)	(15,701)	(12,796)
General and administrative	30	(16,670)	(16,249)	(20,977)	(20,740)
Management compensation	17 / 30	(6,464)	(3,255)	(6,464)	(3,255)
Equity in earnings of affiliates	11.1	(21,729)	(14,949)	-	-
Other operating income (expenses), net	28	(16,215)	47,604	(26,855)	36,931
OPERATING INCOME (LOSS) BEFORE FINANCIAL RESULT		(67,750)	29,396	(61,878)	26,519
FINANCIAL RESULT					
Financial income	16 / 29	31,579	2,838	32,658	3,996
Financial expenses	16 / 29	(43,805)	(37,625)	(53,042)	(45,732)
Net foreign exchange variation	16 / 29	21,901	(35,751)	22,225	(27,690)
LOSS BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		(58,075)	(41,142)	(60,037)	(42,907)
INCOME TAX AND SOCIAL CONTRIBUTION					
Current	18	-	-	(19)	(11)
Deferred	18	(2,101)	9,370	(120)	11,146
NET LOSS FOR THE PERIOD		(60,176)	(31,772)	(60,176)	(31,772)
NET LOSS ATTRIBUTABLE TO:					
Equity of the Company's shareholders		(60,176)	(31,772)	(60,176)	(31,772)
NET LOSS PER SHARE					
Basic per share	27	(1.28890)	(0.75413)	(1.28890)	(0.75413)
Diluted per share	27	(1.28890)	(0.75413)	(1.28890)	(0.75413)

The notes to the financial statements are an integral part of the interim individual and consolidated financial statements.

LUPATECH S.A.

INDIVIDUAL AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In thousands of Brazilian reais)

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	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
NET LOSS FOR THE PERIOD	(60,176)	(31,772)	(60,176)	(31,772)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD				
Foreign exchange gains and losses on foreign investments	(9,063)	9,070	(9,063)	9,070
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(69,239)</u>	<u>(22,702)</u>	<u>(69,239)</u>	<u>(22,702)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
The Company's shareholders	(69,239)	(22,702)	(69,239)	(22,702)

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The notes to the financial statements are an integral part of the interim individual and consolidated financial statements.

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LUPATECH S.A.

## STATEMENTS OF CHANGES IN NET ASSETS (INDIVIDUAL AND CONSOLIDATED)

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais)

	<u>Stock capital</u>	<u>Capital reserves, options granted</u>	<u>Accumulated losses</u>	<u>Accumulated translation adjustments</u>	<u>Total equity attributable to the Company's shareholders</u>	<u>Total equity</u>
<b>BALANCES AS OF DECEMBER 31, 2023</b>	<b>1,920,820</b>	<b>144,754</b>	<b>(1,980,690)</b>	<b>74,679</b>	<b>159,563</b>	<b>159,563</b>
Capital increase	1,519	-	-	-	1,519	1,519
Net loss for the period	-	-	(31,772)	-	(31,772)	(31,772)
Foreign exchange gains/losses on foreign investments	-	-	-	9,070	9,070	9,070
<b>BALANCES AS OF DECEMBER 31, 2024</b>	<b>1,922,339</b>	<b>144,754</b>	<b>(2,012,462)</b>	<b>83,749</b>	<b>138,380</b>	<b>138,380</b>
<b>BALANCES AS OF DECEMBER 31, 2024</b>	<b>1,922,339</b>	<b>144,754</b>	<b>(2,012,462)</b>	<b>83,749</b>	<b>138,380</b>	<b>138,380</b>
Capital increase	5,329	-	-	-	5,329	5,329
Net loss for the period	-	-	(60,176)	-	(60,176)	(60,176)
Foreign exchange variation on foreign investments	-	-	-	(9,063)	(9,063)	(9,063)
<b>BALANCES AS OF DECEMBER 31, 2025</b>	<b>1,927,668</b>	<b>144,754</b>	<b>(2,072,638)</b>	<b>74,686</b>	<b>74,470</b>	<b>74,470</b>

The notes to the financial statements are an integral part of the interim individual and consolidated financial statements.

LUPATECH S.A.

INDIVIDUAL AND CONSOLIDATED CASH FLOW STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais)

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net loss for the period	(60,176)	(31,772)	(60,176)	(31,772)
Depreciation and amortization	1,521	2,575	3,769	5,498
(Reversal of) Provision for impairment of assets	581	(2,340)	777	(12,171)
Equity in earnings of affiliates	21,729	14,949	-	-
Gain on disposal of fixed assets	(4,784)	(49,728)	(4,299)	(56,723)
Interest expense and foreign exchange gains/losses on borrowings	4,096	62,324	11,706	47,939
Deferred income tax and social contribution	2,102	(9,370)	41	(12,073)
Obsolescence of inventories	511	844	4,370	2,445
(Reversal) Estimated losses on doubtful accounts	188	(20)	202	(283)
Actual losses on doubtful accounts	1	33	1	33
Present value adjustment	11,194	7,541	19,518	13,721
Foreign exchange variation on foreign investments	161	1,037	(9,063)	8,430
(Increase) decrease in operating assets				
Accounts receivable from customers	19,334	(18,204)	21,274	(17,037)
Inventories	4,977	1,032	1,940	3,303
Taxes recoverable	14,579	8,911	(1,364)	13,155
Other assets	(3,305)	7,810	(3,125)	9,611
Increase (decrease) in operating liabilities:				
Accounts payable	(14,481)	(618)	(9,436)	(1,964)
Taxes payable	15,045	(156)	16,322	(4,432)
Other liabilities and accounts payable	19,493	(2,492)	19,092	(2,148)
<b>Net cash (used in) from operating activities</b>	<b>32,766</b>	<b>(7,644)</b>	<b>11,549</b>	<b>(34,468)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Capital contribution to a subsidiary	(21,873)	(65,041)	-	-
Securities - restricted account	112	130	151	470
Proceeds from loans received - related parties	37	10,249	-	-
Proceeds from the sale of fixed assets	5,221	55,677	5,941	81,018
Acquisition of fixed assets	(187)	(3,328)	(4,940)	(56,985)
Additions to intangible assets	(100)	(232)	(101)	(233)
<b>Net cash from (used in) investing activities</b>	<b>(16,790)</b>	<b>(2,545)</b>	<b>1,051</b>	<b>24,270</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from loans and financing	66,808	115,696	75,493	135,478
Proceeds from (Repayment of) loans - related parties	(886)	4,744	-	-
Capital increase	5,329	1,519	5,329	1,519
Repayment of loans and financing	(88,807)	(111,381)	(96,553)	(143,191)
Convertible debentures	-	-	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>(17,556)</b>	<b>10,578</b>	<b>(15,731)</b>	<b>(6,194)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,580)</b>	<b>389</b>	<b>(3,131)</b>	<b>(16,392)</b>
Cash and cash equivalents at the beginning of the period	1,829	1,440	3,515	19,907
Cash and cash equivalents at the end of the period	249	1,829	384	3,515

The notes to the financial statements are an integral part of the interim individual and consolidated financial statements.

LUPATECH S.A.

INDIVIDUAL AND CONSOLIDATED STATEMENTS OF VALUE ADDED  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In thousands of Brazilian reais)

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>REVENUE</b>				
Sales of goods, products, and services (includes IPI)	59,025	145,072	63,546	149,715
Revenue from the sale of fixed assets	4,783	55,677	4,532	81,018
Reversal of estimated losses due to the unrecoverability of assets	-	2,341	-	11,200
Other revenue	4,778	7,113	9,445	6,335
Reversal (estimate) of losses on doubtful accounts	(188)	20	(202)	283
Actual losses on doubtful accounts	(1)	(33)	(1)	(33)
	<b>68,397</b>	<b>210,190</b>	<b>77,320</b>	<b>248,518</b>
<b>INPUTS PURCHASED FROM THIRD PARTIES</b>				
Cost of products, goods, and services sold	(11,190)	(60,601)	(5,129)	(55,124)
Materials, energy, third-party services, and others	(27,252)	(19,135)	(33,902)	(25,237)
Loss on sale of fixed assets	-	(5,950)	-	(38,112)
Other expenses	(25,776)	(11,577)	(40,832)	(23,510)
	<b>(64,218)</b>	<b>(97,263)</b>	<b>(79,863)</b>	<b>(141,983)</b>
<b>GROSS VALUE ADDED</b>	<b>4,179</b>	<b>112,927</b>	<b>(2,543)</b>	<b>106,535</b>
<b>DEPRECIATION AND AMORTIZATION</b>	<b>(1,521)</b>	<b>(2,575)</b>	<b>(3,769)</b>	<b>(5,498)</b>
<b>NET VALUE ADDED PRODUCED BY THE COMPANY</b>	<b>2,658</b>	<b>110,352</b>	<b>(6,312)</b>	<b>101,037</b>
<b>VALUE ADDED RECEIVED FROM TRANSFERS</b>				
Equity in earnings of affiliates	(21,729)	(14,949)	-	-
Financial income	66,270	14,206	67,693	23,463
	<b>44,541</b>	<b>(743)</b>	<b>67,693</b>	<b>23,463</b>
<b>TOTAL VALUE ADDED TO BE DISTRIBUTED</b>	<b>47,199</b>	<b>109,609</b>	<b>61,381</b>	<b>124,500</b>
<b>DISTRIBUTION OF VALUE ADDED</b>				
	<b>47,199</b>	<b>109,609</b>	<b>61,381</b>	<b>124,500</b>
<b>Personnel:</b>	<b>32,943</b>	<b>34,591</b>	<b>38,180</b>	<b>41,275</b>
Direct compensation	24,145	24,752	27,781	29,408
Benefits	7,077	7,980	8,379	9,509
FGTS	1,721	1,859	2,020	2,358
<b>Taxes, fees, and contributions:</b>	<b>17,564</b>	<b>21,733</b>	<b>17,127</b>	<b>21,637</b>
Federal and State	11,007	6,982	10,191	6,353
State	6,134	14,350	6,432	14,805
Municipal	423	401	504	479
<b>Remuneration of third-party capital:</b>	<b>56,868</b>	<b>85,057</b>	<b>66,250</b>	<b>93,360</b>
Interest and other financial expenses	56,595	84,744	65,852	92,889
Rent	273	313	398	471
<b>Remuneration (losses) of equity:</b>	<b>(60,176)</b>	<b>(31,772)</b>	<b>(60,176)</b>	<b>(31,772)</b>
<b>Profit (Loss) for the period</b>	<b>(60,176)</b>	<b>(31,772)</b>	<b>(60,176)</b>	<b>(31,772)</b>

The notes to the financial statements are an integral part of the individual and consolidated interim financial information.

## Lupatech S.A

Notes to the individual and consolidated financial statements contained in the Standardized Financial Statements Form (DFP) for the years ended December 31, 2025, and December 31, 2024.

*(In thousands of Brazilian reais, unless otherwise indicated)*

### 1. General Information

Lupatech S.A. (“the Company”) and its subsidiaries and affiliates (collectively, the “Group”) is a corporation headquartered in Nova Odessa, in the state of São Paulo, whose shares are traded on the São Paulo Stock Exchange (“B3” LUPA3).

The Group operates in the manufacturing sector (Products segment), primarily producing: industrial valves; oil and gas valves; synthetic fiber ropes for anchoring oil platforms and various other applications; and composite products, such as utility poles and tubular casings for oil pipelines.

Until 2017, the Company operated in the oil services business (Services segment), from which various assets remain in the process of being divested, along with the associated legacy. These assets are classified as assets held for sale.

#### 1.1 Business continuity

As of December 31, 2025, the Company reported a loss before income tax and social contribution of R\$ 58,075 at the parent company and R\$ 60,037 on a consolidated basis (loss before income tax and social contribution of R\$ 41,142 at the parent company and R\$ 42,907 on a consolidated basis in the same period of 2024). On the same date, the Company’s total current liabilities exceeded current assets by R\$ 98,683 at the parent company (in the same period of 2024, total current liabilities exceeded total current assets by R\$ 25,675 at the parent company).

Management constantly monitors the Company’s resource needs in order to assess risks to the normal continuity of business operations and determine the actions to be taken in this context. To this end, Management prepares financial and operational projections to guide appropriate and feasible actions. Given the Company’s current situation, Management has considered the following actions within its scope: (i) sale and recovery of assets; (ii) debt restructuring; (iii) reorganization of the industrial complex; (iv) execution of tax transactions; (v) capital increase.

In the scenarios developed by Management, estimates indicate the need for one or more of the measures listed, as well as others that may arise, with a view to raising funds to secure the necessary levels of working capital to adequately support operations, as well as to restructure debt. Management has been conducting negotiations with various counterparties with a view to implementing the respective measures.

The Company is currently undergoing an economic and financial restructuring process with the aim of preserving its business operations, maintaining jobs, and continuing to meet its obligations; to this end, it intends to renegotiate its debt through an out-of-court reorganization plan, as set forth in the Draft Out-of-Court Reorganization Plan filed with the CVM on April 2, 2026: <https://www.rad.cvm.gov.br/ENET/fmExibirArquivoIPEExterno.aspx?NumeroProtocoloEntrega=1500337>

## 2. Preparation base

### 2.1 Declaration of Conformity

The individual and consolidated financial statements have been prepared in accordance with 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 states that all relevant financial information—and only such information—is being 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 April 29, 2026.

### 2.2 Functional currency and presentation currency

These financial statements, both individual and consolidated, are presented in Brazilian reais (R\$), which is the Company's functional currency. All balances have been rounded to the nearest thousand, unless otherwise indicated.

### 2.3 Measurement basis

The individual and consolidated financial statements were prepared on a historical cost basis, except for certain financial instruments measured at fair value.

### 2.4 Scope of consolidation and investments in subsidiaries

#### *Subsidiaries*

The financial information of subsidiaries is accounted for using the equity method and is included in the consolidated financial statements from the date the Group obtains control until the date control ceases to exist.

The consolidated financial statements include the financial information of Lupatech S.A. and its direct and indirect subsidiaries, as shown below:

<b>Directly and indirectly controlled companies</b>	<b>Direct and indirect control (%)</b>	
	<b>12/31/2025</b>	<b>12/31/2024</b>
<b><u>Direct interest</u></b>		
Mípel Comércio e Indústria de Peças Técnicas Ltda. - (Brazil)	100.00	100.00
UEP Equipamentos e Serviços para Petróleo S.A. - (Brazil)	100.00	100.00
Lupatech Finance Limited - (Ilhas Cayman)	100.00	100.00
Recu S.A. - (Argentina)	95.00	95.00
Lochness Participações S.A. - (Brazil)	100.00	100.00
Ilnu Administradora de Bens e Direitos Ltda - (Brazil)	100.00	100.00
LPT Ropes Ltda - (Brazil)	100.00	100.00
MNA Valves Ltda - (Brazil) *	100.00	-
<b><u>Indirect interest</u></b>		
Recu S.A. - (Argentina)	5.00	5.00
UPC Perfuração e Completação S.A. - (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 incorporated on February 28, 2025.

### 3. Accounting practices for inventory

The summary of the Group's significant accounting policies is as follows:

#### 3.1 Financial Instruments

The classification depends on the purpose for which the financial assets and liabilities were acquired or entered into and is determined upon the initial recognition of the financial instruments.

The Company classifies non-derivative financial assets and liabilities into the following categories: financial assets measured at fair value through profit or loss, at fair value through other comprehensive income, and at amortized cost.

##### 3.1.1 *Non-derivative financial assets and liabilities – recognition and derecognition*

The Company recognizes loans, receivables, and debt instruments initially on the date they were originated. All other financial assets and liabilities are recognized on the trade date, when the entity becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when the Company transfers the rights to receive the contractual cash flows on a financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest that is created or retained by the Company in such transferred financial assets is recognized as a separate asset or liability.

The Company derecognizes a financial liability when its contractual obligation is withdrawn, canceled, or expires.

Financial assets or liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends to settle them on a net basis or to realize the asset and settle the liability simultaneously.

##### 3.1.2 *Non-derivative financial assets and liabilities – measurement*

###### ***Financial assets measured at fair value through profit or loss***

A financial asset is classified as measured at fair value through profit or loss if it is classified as held for trading or designated as such upon initial recognition. Transaction costs are recognized in profit or loss as incurred; the asset is measured at fair value, and changes in fair value—including interest and dividend income—are recognized in profit or loss for the period.

###### ***Financial assets held to maturity***

These assets are initially recognized at their fair value plus any directly attributable transaction costs. After initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method.

###### ***Cash and cash equivalents***

Cash and cash equivalents include cash, bank deposits, and marketable securities that are readily convertible to cash. Marketable securities are recorded at their face value plus accrued interest through the balance sheet date, in accordance with the rates agreed upon with the financial institutions.

###### ***Accounts receivable***

They are stated at the nominal value of the securities, plus exchange rate fluctuations and adjusted to present value as of the balance sheet date, when applicable. An allowance for doubtful accounts is recognized, when

necessary, based on an analysis of the customer portfolio, in an amount deemed sufficient by management to cover any estimated losses on the realization of the receivables.

### *3.1.3 Non-derivative financial liabilities – measurement*

A financial liability is classified as measured at fair value through profit or loss if it is classified as held for trading or designated as such upon initial recognition. Transaction costs are recognized in profit or loss as incurred. Financial liabilities are measured at fair value through profit or loss, and changes in the fair value of these liabilities, including interest and dividend income, are recognized in profit or loss for the period.

Other non-derivative financial liabilities are initially measured at fair value less any attributable transaction costs. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

### ***Loans and financing***

Loans and financing (the portion related to debt instruments) are stated at amortized cost. They are recognized at the amount borrowed, net of transaction costs incurred, and are subsequently measured at amortized cost using the effective interest method.

## **3.2 Present value adjustment**

For transactions that give rise to an asset, liability, revenue, or expense, or another change in equity, where the offsetting entry is a noncurrent asset or liability, a receivable or payable, or a short-term item when there is a material effect, a present value adjustment is recognized based on discount rates that reflect the best market assessments of the time value of money and the specific risks of the asset and liability on their original dates.

The present value adjustment is presented as an adjusting account for receivables and payables and is recognized in income as financial income or expense on an accrual basis, using the effective interest rate method.

## **3.3 Fair value adjustment**

The fair value adjustment is recorded in a separate account designated as a fair value adjustment, and changes in this account are recognized in income as financial income or expenses on an accrual basis.

## **3.4 Inventory**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted-average cost of purchases or production, taking into account the full absorption method for manufacturing costs, which is lower than the realizable values.

For finished goods and work in progress, the cost includes a portion of manufacturing overhead based on normal operating capacity.

## **3.5 Fixed Assets**

### *Recognition and measurement*

Fixed assets are measured at historical cost of acquisition or construction, less accumulated depreciation and impairment losses.

The cost includes expenses that are directly attributable to the acquisition of an asset. The cost of assets constructed by the Company itself includes:

- The cost of materials and direct labor;

- Any other costs incurred to bring the asset to the location and condition necessary for it to operate as intended by management;
- The costs of dismantling and restoring the site where these assets are located;
- Costs of loans secured by eligible assets.

When parts of a fixed asset have different useful lives, they are recorded as separate fixed assets (major components). Any gains or losses on the disposal of a fixed asset are recognized in income.

#### *Subsequent costs*

Subsequent expenditures are capitalized to the extent that it is probable that future benefits associated with the expenditures will be realized by the Company. Recurring maintenance and repair expenses are recognized in income.

#### *Depreciation*

Fixed assets are depreciated using the straight-line method in the income statement for the fiscal year based on the estimated economic useful life of each component. Leased assets are depreciated over the shorter of the asset's estimated useful life and the lease term, unless it is reasonably certain that the Company will obtain ownership of the asset at the end of the lease term. Land is not depreciated. Fixed assets are depreciated from the date they are installed and available for use, or in the case of internally constructed assets, from the date construction is completed and the asset is available for use.

The estimated rates are as follows:

	<b>Weighted average depreciation rates (%) per year</b>	
	<b>12/31/2025</b>	<b>12/31/2024</b>
Land	-	-
Buildings and structures	2%	9%
Machinery and equipment	12%	13%
Molds and dies	21%	18%
Industrial facilities	6%	6%
Furniture and fixtures	13%	12%
Data processing equipment	17%	18%
Improvements	10%	10%
Vehicles	25%	9%

### **3.6 Intangible Assets**

#### ***Goodwill***

Goodwill arising from a business combination is recognized at cost as of the date of the business combination, net of any accumulated impairment loss, if any.

Goodwill is tested annually, or more frequently if there are indications of impairment, to identify potential losses (impairment).

Goodwill is allocated to cash-generating units (CGUs) for impairment testing purposes. The allocation is made to the cash-generating units or groups of cash-generating units that are expected to benefit from the business combination from which the goodwill arose, appropriately segregated according to the operating segment.

### **3.7 Estimation of asset impairment**

#### ***a. Non-derivative financial assets (including receivables)***

Financial assets not classified as financial assets at fair value through profit or loss, including investments accounted for using the equity method, are assessed at each balance sheet date to determine whether there is objective evidence of an impairment loss.

#### ***b. Financial assets measured at amortized cost***

The Company considers evidence of impairment of assets measured at amortized cost at both the individual and collective levels. All individually significant assets are assessed for impairment. Those that have not been individually impaired are assessed collectively for any impairment that may have occurred but has not yet been identified. Assets that are not individually significant are assessed collectively for impairment based on the grouping of assets with similar risk characteristics.

An impairment loss is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. Impairment losses are recognized in income and reflected in a contra account to the respective asset. When the Company determines that there is no reasonable expectation of recovery, the amounts are written off. When a subsequent event indicates a reduction in the impairment loss, the impairment loss is reversed through income.

***c. Assets classified as at fair value through profit or loss***

Impairment losses on available-for-sale financial assets are recognized by reclassifying the cumulative loss previously recognized in equity adjustments to net equity to income. The reclassified loss is the difference between the acquisition cost, net of any principal repayments and amortization, and the current fair value, less any impairment loss previously recognized in income. If the fair value of a debt security, for which an impairment loss has been recognized, increases and that increase can be objectively related to an event occurring after the impairment loss was recognized, then the loss is reversed and the amount of the reversal is recognized in profit or loss. Otherwise, the reversal is recognized in other comprehensive income.

***d. Investments accounted for using the equity method***

An impairment loss on an investee accounted for using the equity method is measured by comparing the investment's recoverable amount with its carrying amount. An impairment loss is recognized in profit or loss and is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

***e. Non-financial assets***

The carrying amounts of the Company's non-financial assets, other than inventory and deferred income tax and social contribution assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. In the case of goodwill and intangible assets with indefinite useful lives, recoverable amount is tested annually.

Impairment losses are recognized in income. Impairment losses recognized for cash-generating units (CGUs) are initially allocated to reduce any goodwill allocated to that CGU (or group of CGUs), and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss related to goodwill is not reversed. For other assets, impairment losses are reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had the impairment loss not been recognized.

### **3.8 Income Tax and Social Security Contributions**

Current and deferred income tax and social contribution are calculated based on the rates in effect, as detailed in Note 18.

Income tax and social contribution expenses include current and deferred income taxes. Current and deferred income taxes are recognized in net income unless they relate to a business combination or to items recognized directly in equity or in other comprehensive income.

***a. Current income tax and social security contribution expenses***

Current tax expense is the tax payable on the profit for the fiscal year and any adjustments to taxes payable relating to prior fiscal years. The amount of current taxes payable is recognized on the balance sheet as a tax liability based on the best estimate of the expected amount of taxes to be paid, reflecting any uncertainties related to their calculation, if any. It is measured based on the tax rates in effect as of the balance sheet date.

### ***b. Deferred income tax and social contribution expenses***

Deferred tax assets and liabilities are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial statement purposes and those used for tax purposes. Changes in deferred tax assets and liabilities during the year are recognized as deferred income tax and social contribution expense. Deferred tax is not recognized for:

- temporary differences arising from the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither taxable income nor accounting profit;
- temporary differences related to investments in subsidiaries, associates, and joint ventures, to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future; and
- taxable temporary differences arising from the initial recognition of goodwill.

A deferred tax asset is recognized in respect of unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that their realization is no longer probable.

Deferred tax assets and liabilities are measured based on the tax rates expected to apply to temporary differences when they reverse, using the tax rates in effect as of the balance sheet date.

The measurement of deferred tax assets and liabilities reflects the tax consequences arising from the manner in which the Company expects to recover or settle its assets and liabilities.

## **3.9 Provisions**

A provision is recognized in response to a past event if the Company has a legal or constructive obligation that can be reliably estimated, and it is probable that an outflow of economic resources will be required to settle the obligation. The financial costs incurred are recognized in income.

Provisions for tax, labor, and civil liabilities are recorded based on the best estimates of the risk involved (Note 20). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, an asset is recognized if, and only if, the reimbursement is virtually certain and the amount can be measured reliably.

## **3.10 Other rights and obligations**

They are presented as realizable values (assets) and recognized or estimable values, plus, where applicable, the corresponding charges and monetary adjustments incurred (liabilities).

## **3.11 Conversion of foreign currency balances**

### ***a. Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rate in effect on the transaction date. Gains and losses resulting from the difference between the translation of foreign currency assets and liabilities at the end of the fiscal year and the translation of those amounts on the transaction dates are recognized in the income statement.

The functional currency of each entity is listed below:

<u>Direct and indirect subsidiaries</u>	<u>Functional Currency</u>	<u>Country</u>
<b><u>Direct participation</u></b>		
Mipel Comércio e Indústria de Peças Técnicas Ltda.	Real	Brazil
UEP Equipamentos e Serviços para Petróleo Ltda.	Real	Brazil
Lupatech Finance Limited.	American dollar	Cayman Islands

Recu S.A.	Argentinian peso	Argentina
Lochness Participações S.A.	American dollar	Netherlands
Ilnu Administradora de Bens e Direitos Ltda.	Real	Brazil
LPT Ropes Ltda	Real	Brazil
MNA Valves Ltda	Real	Brazil

#### **Indirect participation**

Recu S.A.	Argentinian peso	Argentina
UPC Perfuração e Completação Ltda.	Real	Brazil
Sotep Sociedade Técnica de Perfuração S.A.	Real	Brazil
Prest Perfurações Ltda.	Real	Brazil
Ciaval II Administração de Bens e Direitos SPE S.A.	Real	Brazil

#### ***b. Group Companies***

The results and financial position of all Group companies used as the basis for evaluating investments accounted for using the equity method, whose functional currency differs from the presentation currency, are converted into the presentation currency as follows:

- Assets and liabilities are translated at the exchange rate in effect on the balance sheet date;
- Income statements are converted using the monthly average exchange rate;
- All differences resulting from foreign exchange rate conversions are recognized in equity, in the Statement of Comprehensive Income, under the line item “Accumulated Translation Adjustments,” a subaccount of the “Valuation Adjustments” group.

### **3.12 Net income (loss) per share**

Basic earnings (loss) per share are calculated by dividing the net income (loss) attributable to the Company’s shareholders by the weighted-average number of common shares outstanding during the fiscal year.

Diluted net income (loss) per share is calculated by adjusting the weighted-average number of common shares outstanding to assume the conversion of all potential common shares that would result in dilution.

### **3.13 Investments in subsidiaries (Parent Company)**

In the parent company’s financial statements, investments in subsidiaries are accounted for using the equity method, and the result of this valuation is recorded in an operating income account, with the exception of foreign exchange gains and losses on foreign investments, which are recorded in a specific equity account and recognized as revenue or expense upon the sale or disposal of the investment.

### **3.14 Revenue Recognition**

Revenue is recognized when the performance obligation is satisfied, taking into account the following indicators of a transfer of control of the asset: (i) the entity has a right to payment; (ii) the customer has title; (iii) the entity has transferred physical possession; (iv) the customer bears the significant risks and rewards; and (v) the customer has accepted the asset.

### **3.15 Report by segment**

The report by operating segment is presented in a manner consistent with the internal report provided for operational decision-making. The primary operational decision-maker, responsible for resource allocation and the evaluation of operating segment performance, is the Executive Board. The Group’s strategic decisions are the responsibility of the Board of Directors.

### 3.16 Statement of Value Added (“SVA”)

The Company has prepared separate and consolidated statements of value added (SVA) in accordance with Technical Pronouncement CPC 09 – Statement of Value Added, which are presented as an integral part of the financial statements in accordance with Brazilian GAAP applicable to publicly traded companies, while under IFRS they constitute supplementary financial information.

### 3.17 Consumption Tax Reform

On December 20, 2023, Constitutional Amendment (“EC”) No. 132 was enacted, establishing the Tax Reform (“Reform”) on consumption. The Reform model is based on a split VAT (“dual VAT”) divided into two jurisdictions: a federal tax (Contribution on Goods and Services—CBS), which will replace PIS and COFINS, and a subnational tax (Tax on Goods and Services—IBS), which will replace ICMS and ISS.

A Selective Tax (“IS”)—under federal jurisdiction—was also established, which will be levied on the production, extraction, sale, or importation of goods and services that are harmful to health and the environment, pursuant to a complementary law.

On December 17, 2024, the National Congress completed the approval of the first Complementary Bill (PLP) 68/2024, which regulated part of the Reform. PLP 68/2024 was signed into law with vetoes by the President of the Republic on January 16, 2025, becoming Complementary Law No. 214/2025.

Although the regulation and establishment of the IBS Management Committee were initially addressed in PLP No. 108/2024, the second draft regulation of the Reform, which is still pending consideration by the Federal Senate, part of the provisions has already been incorporated into PLP No. 68/2024, approved as mentioned above, which, among other provisions, established, by December 31, 2025, of the aforementioned Committee, responsible for the administration of the aforementioned tax, with which the Company is in compliance regarding the procedures for issuing invoices.

There will be a transition period from 2026 to 2032, during which the two tax systems—the old and the new—will coexist. The impacts of the Reform on the calculation of the aforementioned taxes, starting at the beginning of the transition period, will only be fully known upon completion of the process of regulating pending issues through complementary law. Consequently, the Reform has no effect on the Financial Statements as of December 31, 2025.

### 3.18 New standards, amendments, and interpretations

The amendments to standards and new standards that have become effective are not applicable or have not had a material impact on these individual and consolidated financial statements, as listed below:

Statements and Revisions	Change / Improvement	Term
CPC 02 (R2) The Effects of Changes in Foreign Exchange Rates / IAS 21	Effects of changes in exchange rates and the translation of financial statements, which will require companies to apply a consistent approach when assessing whether one currency can be exchanged for another.	January 1, 2025
CPC 48 - Financial Instruments/IFRS 9 and CPC 40 (R1) - Instruments Financial: Disclosure/IFRS 7	The IASB provides guidance on the classification of financial assets related to ESG and the derecognition of financial assets and liabilities upon settlement and introduces additional disclosure requirements regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingencies.	January 1, 2026
IFRS S1 - Disclosure of Sustainability-Related Financial Information:	Establishes general requirements for the disclosure of sustainability-related information, including principles for reporting risks and opportunities that are useful to users in making decisions.	January 1, 2026

IFRS S2 - Disclosure of Climate-Related Information	Establishes general requirements for the disclosure of climate-related information, as well as specific disclosures regarding physical risks, transition risks, and climate-related opportunities.	January 1, 2026
IFRS 18 – Presentation and Disclosure of Financial Statements	The adoption is expected to result in significant changes to the presentation of the income statement, as it requires the consistent segregation of revenues and expenses between operating, investing, and financing activities.	January 1, 2027

With the exception of CPC 51 – Presentation and Disclosure in Financial Statements (IFRS 18), the adoption of which is expected to result in significant changes to the presentation of the income statement, as it requires the consistent segregation of revenues and expenses between operating, investing, and financing activities, in addition to introducing the requirement to disclose performance measures defined by management, accompanied by reconciliations to the most comparable IFRS subtotal, a description of the calculation methodology, and a justification of relevance, the Company does not expect significant impacts resulting from the adoption of the other standards in its Financial Statements.

#### 4. Critical accounting estimates and judgments

In preparing these individual and consolidated financial statements, management has made judgments, estimates, and assumptions that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information regarding judgments made in applying accounting policies and uncertainties regarding assumptions and estimates that have a significant risk of resulting in a material adjustment within the next fiscal year is included in the following notes:

- Note 10 – Assets held for sale.
- Note 12 – Fixed Assets;
- Note 13 – Intangible Assets;
- Note 18 – Income taxes and social security contributions;
- Note 20 – Contingent proceedings and court deposits;

To provide an understanding of how the Company forms its judgments regarding future events, including the variables and assumptions used in its estimates, we have included comments regarding each critical accounting practice described below:

##### *a. Deferred income tax*

The amount of deferred tax assets is reviewed at each reporting date and reduced by any amount that is no longer expected to be realized through future taxable income. It is calculated using the tax rates applicable to taxable income in the years in which these temporary differences are expected to be realized. Future taxable income may be higher or lower than the estimates considered when determining the need to recognize, and the amount to be recognized, of the tax asset.

Tax credits recognized for tax losses and negative social contribution bases are supported by projections of taxable income, based on technical feasibility studies submitted annually to the Group’s management. These studies consider the profitability history of the Company and its subsidiaries and the outlook for continued profitability, enabling an estimate of the recovery of these credits in future years. Other credits, which are based on temporary differences, primarily provisions for tax liabilities as well as provisions for losses were recognized in accordance with the expectation of their realization, also taking into account projections of future taxable income.

**b. Useful life of long-lived assets**

The Company recognizes depreciation and/or amortization of its long-lived assets based on their estimated useful lives, which generally reflect the economic lives of such assets. However, actual useful lives may vary depending on technological updates at each unit. The useful lives of long-lived assets also affect impairment tests for long-lived assets, when necessary.

**c. Impairment testing of long-lived assets**

There are specific rules for assessing the recoverability of long-lived assets, particularly property, plant, and equipment, goodwill, and other intangible assets. At the date of each financial statement, the Company performs an analysis to determine whether there is evidence that the carrying amount of long-lived assets is not recoverable. If such evidence is identified, the Company estimates the recoverable amount of the assets. The recoverable amount of an asset is determined as the higher of: (a) its fair value less estimated costs to sell and (b) its value in use. Value in use is measured based on discounted cash flows (before taxes) derived from the continued use of an asset until the end of its useful life.

Regardless of whether there is any indication that the value of an asset may not be recoverable, goodwill arising from business combinations and intangible assets with indefinite useful lives are tested for recoverability at least once a year, or more frequently if circumstances require analysis at intervals shorter than annually. When the residual value of an asset exceeds its recoverable amount, the Company recognizes a reduction in the carrying amount of these assets.

If the recoverable amount of the asset cannot be determined individually, the recoverable amount of the business segments to which the asset belongs is analyzed.

Except for an impairment loss on goodwill, a reversal of an impairment loss on an asset is permitted. The reversal in these circumstances is limited to the amount of the provision for impairment of the corresponding asset.

The recoverability of goodwill is assessed based on the analysis and identification of facts and circumstances that may necessitate bringing forward the annual impairment test. If any fact or circumstance indicates that the recoverability of goodwill is impaired, then the test is brought forward. The Company performed new goodwill impairment tests for all of its cash-generating units, which represent the lowest level at which goodwill is monitored by Management and are based on projections of discounted cash flow expectations that take into account the following assumptions: cost of capital, growth rate, and adjustments used for cash flow perpetuity purposes, methodology for determining working capital, and long-term economic and financial forecasts.

The process of assessing recoverability is subjective and requires significant judgment based on analysis. The valuation of the Company's cash-generating units, based on projected cash flows, could be negatively impacted if the economic recovery and growth rates occur at a slower pace than anticipated, as well as if management's plans for the Company's businesses do not materialize as expected in the future.

The impairment tests and assessments of cash-generating units are based on the assumption that the Company and its subsidiaries will continue as going concerns.

## 5. Cash, cash equivalents, long-term investments, and marketable securities

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Cash and cash equivalents</b>				
<b>Current</b>				
<u>Petty cash and cash at banks</u>				
In Brazil	249	1,058	370	1,073
Overseas	-	-	14	6

Short-term certificates of deposit	-	771	-	2,436
Total	<u>249</u>	<u>1,829</u>	<u>384</u>	<u>3,515</u>
<b>Non-current</b>				
Long-term certificates of deposit	234	-	234	-
Securities	-	44	-	44
Total	<u>234</u>	<u>44</u>	<u>234</u>	<u>44</u>

Cash equivalent consists of fixed-income investments and bank certificates of deposit, which are immediately liquid except when they are used as collateral for obligations entered into by the Company.

For the current period, the consolidated balance related to guarantees is R\$ 234.

## 6. Accounts receivable from customers

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Receivable in the domestic market	12,820	32,203	14,869	36,127
Receivable in the foreign market	53	4	53	70
	<u>12,873</u>	<u>32,207</u>	<u>14,922</u>	<u>36,197</u>
Allowance for doubtful accounts	(865)	(676)	(972)	(770)
	<u>12,008</u>	<u>31,531</u>	<u>13,950</u>	<u>35,427</u>

The amount of the risk of potential losses is presented as Estimated Loss on Doubtful Accounts (“PECLD”). These estimates are prepared taking into account the Company’s credit policy, the length of time since default, and the specific circumstances of the account or customer.

The credit risk associated with accounts receivable stems from the possibility that the Company may not receive payments arising from sales transactions. To mitigate this risk, the Company routinely conducts a detailed analysis of its customers’ financial and creditworthiness, establishes credit limits, and continuously monitors outstanding balances. The allowance for credit risks was calculated based on a credit risk analysis, which considers loss history, the individual situation of customers, the situation of the economic group to which they belong, collateral for the debts, and the assessment of legal counsel, and is considered sufficient by management to cover any losses on accounts receivable.

The write-off for loss complies with the provisions of tax law, and the recovery refers to the revenue resulting from the recovery of the credit previously estimated as a loss, arising from the actual receipt of funds.

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Amounts to be billed	8,791	16,794	8,791	16,794
Not yet due	1,791	11,765	2,282	13,652
Due up to 30 days	410	1,238	619	1,182
Overdue from 31 to 90 days	102	1,362	222	1,988
Overdue from 91 to 180 days	1,054	69	1,167	479
Overdue from 181 to 360 days	29	287	29	444
Overdue for more than 360 days	696	692	1,812	1,658
	<u>12,873</u>	<u>32,207</u>	<u>14,922</u>	<u>36,197</u>

The “To be billed” amount represents projects currently in progress, recognized as each performance obligation agreed upon by the parties is fulfilled.

As part of its financing arrangements, the Company discounts receivables with or without joint liability. When joint liability remains, a corresponding liability is recorded on the liability side, as presented in Note 15 under the heading “Discounted securities with joint liability.”

## 7. Inventory

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Finished products	3,419	11,272	3,645	11,593
Merchandise for resale	481	612	481	612
Work in process	12,855	11,511	13,491	12,429
Raw materials and subsidiary materials *	9,748	9,107	13,011	15,420
Stocks of service units	-	-	8,492	9,746
Losses to be incurred with inventory	(6,936)	(7,447)	(18,500)	(22,870)
<b>Total</b>	<b>19,567</b>	<b>25,055</b>	<b>20,620</b>	<b>26,930</b>

\* For the current period, the consolidated balance of inventory pledged as collateral for bank guarantees is R\$ 2,138.

Inventory obsolescence losses consist of management estimates based on inventory turnover, the order backlog, and the outlook for future demand for inventory items. Typically, the loss is provisioned gradually starting in the first year of disuse. Items classified as obsolete may have their status changed if the outlook for their utilization changes.

Inventory at service facilities that have been inactive since 2017 is provisioned for as inventory obsolescence losses due to their disuse.

Changes in inventory losses:

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Balance at beginning of period	(7,447)	(8,291)	(22,870)	(25,315)
Loss estimate	(13)	(61)	(13)	(733)
Reversal	524	905	4,383	3,178
<b>Ending balance</b>	<b>(6,936)</b>	<b>(7,447)</b>	<b>(18,500)</b>	<b>(22,870)</b>

## 8. Taxes to be recovered

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Recoverable taxes</b>				
Refundable ICMS	3,385	4,998	3,833	5,169
Import ICMS	-	-	4,557	-
ICMS (excluding PIS and COFINS)	3,138	14,750	17,552	18,447
Refundable IPI	1,162	1,291	1,324	1,461
Refundable PIS	175	237	186	316
Refundable COFINS	758	1,042	809	1,182
Refundable IRRF	21	15	36	72
Refundable IRPJ	321	790	6,413	6,430
Refundable CSLL	217	619	1,026	1,330
Other	50	64	127	92
<b>Total</b>	<b>9,227</b>	<b>23,806</b>	<b>35,863</b>	<b>34,499</b>
Current assets	5,382	20,324	22,627	31,017
Noncurrent assets	3,845	3,482	13,236	3,482

The source of the credits listed above is as follows:

- **ICMS** - credits for purchases of inputs used in the manufacture of products whose sale is subject to the reduced ICMS tax base, as well as credits for purchases of inputs used in the manufacture of products intended for export.
- **ICMS (excluding PIS and COFINS)** – refers to the amount determined by the Company as a result of a final and unappealable decision ruling in favor of excluding ICMS from the PIS and COFINS tax base.

The Company has filed a request for a partial refund of the amounts which are currently under review by the Federal Revenue Service pending completion of the refund procedure and any offsetting in accordance with Article 92, paragraph 6, of Federal Revenue Service Instruction No. 2,055/2021.

- **Refundable IPI, PIS, and COFINS** – tax credits on purchases of raw materials. These credits have been realized through offsetting against other federal taxes.
- **Refundable income tax and social security contributions** – withholding taxes on income from financial transactions and services provided to third parties. These taxes have been offset against taxes payable of the same nature or have been the subject of a refund request, where applicable.

## 9. Other accounts receivable

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Other receivables - current</b>				
Debentures convertible into shares	177	749	177	1,142
Receipt Agreement - CSL	21,240	-	21,240	-
Other receivables	19	143	2,035	3,533
<b>Total</b>	<b>21,436</b>	<b>892</b>	<b>23,452</b>	<b>4,675</b>
<b>Other receivables - noncurrent</b>				
Receipt Agreement - CSL	15,743	33,341	15,743	33,341
Other receivables	138	-	2,816	123
<b>Total</b>	<b>15,881</b>	<b>33,341</b>	<b>18,559</b>	<b>33,464</b>

“Share-convertible debentures” consist of rights convertible into shares of Ciaval Administradora de Bens e Direitos SPE S.A., a special purpose entity incorporated pursuant to subparagraph XVI of Article 50 of Law No. 11,101/2005, to effect the transfer of assets and rights in lieu of payment to Class I creditors in the judicial reorganization of the Lupatech group.

The “Receivables Agreement – CSL” represents amounts owed to the Company by Cordoaria São Leopoldo Ltda (CSL) and its successor, Cordoaria São Leopoldo Original Ltda (CSLO). The agreement provides for full payment to Lupatech of the updated amount of the judgment, which will be made in installments, with a final maturity date of December 31, 2028, and includes cash payments and the transfer of receivables from the State of Rio Grande do Sul in lieu of payment.

“Other accounts receivable” consist of receivables assigned for payment arising from the maturity of loans made to Luxxon Participações Ltda., a company in which the Company ceased to hold an interest in January 2021, as well as other receivables that are currently subject to legal collection proceedings.

## 10. Assets classified as held for sale

The Company has assets classified as held for sale, which include: (i) specialized equipment used for specific operations in oil wells, primarily for offshore use, the nature of which means that the sale process extends beyond one year. The specialized nature and geographical challenges result in a factor that reduces the liquidity of the assets, which are beyond the entity's control; (ii) industrial assets dedicated to the manufacture of synthetic fiber cables and ropes, consisting of machinery and other equipment; (iii) real estate in Caxias do Sul, Rio Grande do Sul; (iv) real estate in Nova Odessa, São Paulo.

The carrying value of the assets recorded on the Company's balance sheet is consistent with the reports of independent appraisers. The balance of assets held for sale is presented as follows:

Assets classified as held for sale	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Plots of land	-	-	44,786	28,893
Buildings and facilities	-	-	43,349	13,416
Machinery and equipment	300	1,057	65,059	9,737
Industrial tools	-	-	1,130	1,396
Furniture and utensils	-	-	139	-
Vehicles	-	-	240	-
<b>Total</b>	<b>300</b>	<b>1,057</b>	<b>154,703</b>	<b>53,442</b>

Summary of Changes in Fixed Assets Held for Sale:

	Company				
	Plots of land	Buildings and facilities	Machinery and equipment	Others	Total
<b>Costs of assets - net of impairment</b>					
<b>Balance as at December 31, 2024</b>	-	-	1,057	-	1,057
Write-offs	-	-	(176)	-	(176)
Reversal/set up of provision for non-recoverable assets	-	-	(581)	-	(581)
<b>Balance as at December 31, 2025</b>	-	-	300	-	300
<b>Cost of Assets – Net of Impairment</b>					
<b>Balance as at December 31, 2024</b>	28,893	13,416	9,737	1,396	53,442
Additions	15,893	29,933	58,322	410	104,559
Write-offs	-	-	(879)	(436)	(1,315)
Reversal/set up of provision for non-recoverable assets	-	-	(1,234)	138	(1,096)
Effect of conversion of amounts of investees abroad	-	-	(887)	-	(887)
<b>Balance as at December 31, 2025</b>	<b>44,786</b>	<b>43,349</b>	<b>65,059</b>	<b>1,509</b>	<b>154,703</b>

## 11. Investments

### 11.1 Investments in subsidiaries and affiliates

	Mipel	Recu	UEP	Finance	Lochness	Ilo	LPT	MNA Valves	Company	
									12/31/2025	12/31/2024
<b>Investment data</b>										
<b>Number of shares hold</b>										
Ordinary shares ('000)	-	3,000	-	-	734,613	-	-	-		
Interest held in the capital ('000)	54,260	-	395,119	50	-	97,765	54,107	17,214		
Percentage of ownership interest held	100%	95%	100%	100%	100%	100%	100%	100%		
<b>Equity</b>										
	<b>504</b>	-	<b>25,014</b>	<b>71,969</b>	<b>26,870</b>	<b>97,602</b>	<b>58,760</b>	<b>17,133</b>		
Income (loss) in the period	(5,953)	-	(1,949)	(357)	(5,850)	-	(6)	(81)		
Unrealized income	(283)	-	-	-	-	-	-	-		
<b>Change in long-term investment</b>										
Beginning balance for the period	5,988	-	26,963	105,435	32,874	89,316	54,107	-	314,683	256,555
Capital increase	-	-	-	-	-	-	4,659	17,214	21,873	65,041
Equity in earnings of affiliates	(5,767)	-	(1,949)	(6,699)	(5,850)	(1,377)	(6)	(81)	(21,729)	(14,949)
Valuation adjustment	-	-	-	(9,071)	(154)	-	-	-	(9,225)	8,036
<b>Balance at end of period</b>	<b>221</b>	-	<b>25,014</b>	<b>89,665</b>	<b>26,870</b>	<b>87,939</b>	<b>58,760</b>	<b>17,133</b>	<b>305,602</b>	<b>314,683</b>

The 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 S.A.; Lupatech Finance Limited; Lochness Participações S.A.; Ilo Administradora de Bens e Direitos Ltda.; LPT Ropes Ltda.; and MNA Valves Ltda.

### 11.2 Investment Property

It currently consists of land and a building located in Macaé, Rio de Janeiro, where there are no operational activities. The property is owned by of the company Ciaval II Administração de Bens e Direitos SPE S.A., incorporated to carry out the transfer of the property in lieu of payment to the Class I creditors in the group's judicial reorganization Lupatech, pursuant to subparagraph XVI of Article 50 of Law No. 11,101 of 2005, as authorized by the court in the context of the judicial reorganization proceedings. Investment property is measured at fair value. According to a technical report by an independent firm, the fair value determined for the investment properties is R\$ 19,685.

## 12. Fixed assets

	Weighted average depreciation rates per year (%)	Company		Consolidated	
		12/31/2025	12/31/2024	12/31/2025	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	3,884	19,777
Buildings and construction	2%	5,144	5,320	15,140	46,722
Machinery and equipment	12%	4,737	5,610	8,012	63,199
Molds and matrixes	21%	580	684	625	727
Industrial facilities	6%	69	73	1,252	1,310
Furniture and fixtures	13%	539	559	588	629
Data processing equipment	17%	119	163	169	244
Improvements	10%	343	432	884	998
Vehicles	25%	53	58	56	61
Advance for purchase of property, plant and equipment	-	100	100	5,419	5,419
Assets in construction	-	426	543	598	745
<b>Total</b>		<b>15,861</b>	<b>17,293</b>	<b>36,627</b>	<b>139,831</b>

Summary of changes in fixed assets:

	Company								Total
	Plots of land	Buildings and construction	Machinery, equipment and facilities	Facilities and improvements made	Furniture and fixtures	Data processing equipment	Assets in construction	Others	
<b>Gross cost</b>									
<b>Balance as at December 31, 2024</b>	<b>3,751</b>	<b>8,269</b>	<b>61,941</b>	<b>2,316</b>	<b>3,944</b>	<b>3,982</b>	<b>543</b>	<b>577</b>	<b>85,323</b>
Additions	-	-	33	2	21	8	122	-	186
Write-offs	-	(39)	(1,170)	(147)	(58)	(5)	(101)	(165)	(1,685)
Transference	-	-	97	41	-	-	(138)	-	-
<b>Balance as at December 31, 2025</b>	<b>3,751</b>	<b>8,230</b>	<b>60,901</b>	<b>2,212</b>	<b>3,907</b>	<b>3,985</b>	<b>426</b>	<b>412</b>	<b>83,824</b>
<b>Accumulated depreciation</b>									
<b>Balance as at December 31, 2024</b>	-	(2,949)	(55,647)	(1,811)	(3,385)	(3,819)	-	(419)	(68,030)
Additions	-	(176)	(956)	(127)	(41)	(52)	-	(5)	(1,357)
Disposal	-	39	1,019	138	58	5	-	165	1,424
<b>Balance as at December 31, 2025</b>	-	<b>(3,086)</b>	<b>(55,584)</b>	<b>(1,800)</b>	<b>(3,368)</b>	<b>(3,866)</b>	-	<b>(259)</b>	<b>(67,963)</b>
<b>Property, plant and equipment, net</b>									
<b>Balance as at December 31, 2024</b>	<b>3,751</b>	<b>5,320</b>	<b>6,294</b>	<b>505</b>	<b>559</b>	<b>163</b>	<b>543</b>	<b>158</b>	<b>17,293</b>
<b>Balance as at December 31, 2025</b>	<b>3,751</b>	<b>5,144</b>	<b>5,317</b>	<b>412</b>	<b>539</b>	<b>119</b>	<b>426</b>	<b>153</b>	<b>15,861</b>

Consolidated

	Plots of land	Buildings and construction	Machinery, equipment and facilities	Facilities and improvements made	Furniture and fixtures	Data processing equipment	Assets in construction	Others	Total
<b>Gross cost</b>									
<b>Balance as at December 31, 2024</b>	<b>19,777</b>	<b>62,991</b>	<b>159,263</b>	<b>5,839</b>	<b>5,331</b>	<b>6,634</b>	<b>745</b>	<b>13,108</b>	<b>273,688</b>
Additions	-	33	4,311	3	155	8	181	247	4,938
Write-offs	-	(39)	(3,158)	(147)	(98)	(41)	(117)	(895)	(4,496)
Transference	-	-	169	42	-	-	(211)	-	-
Reversal/set up of provision for non-recoverable assets	-	289	31	-	-	-	-	-	320
Assets held for sale	(15,893)	(29,933)	(58,353)	-	(139)	-	-	(240)	(104,558)
<b>Balance as at December 31, 2025</b>	<b>3,884</b>	<b>33,341</b>	<b>102,262</b>	<b>5,737</b>	<b>5,249</b>	<b>6,601</b>	<b>598</b>	<b>12,220</b>	<b>169,892</b>
<b>Accumulated depreciation</b>									
<b>Balance as at December 31, 2024</b>	-	(16,269)	(95,337)	(3,531)	(4,702)	(6,390)	-	(7,628)	(133,857)
Additions	-	(1,971)	(1,248)	(208)	(56)	(83)	-	(12)	(3,578)
Write-offs	-	39	2,960	138	97	41	-	895	4,170
<b>Balance as at December 31, 2025</b>	-	<b>(18,201)</b>	<b>(93,625)</b>	<b>(3,601)</b>	<b>(4,661)</b>	<b>(6,432)</b>	-	<b>(6,745)</b>	<b>(133,265)</b>
<b>Property, plant and equipment, net</b>									
<b>Balance as at December 31, 2024</b>	<b>19,777</b>	<b>46,722</b>	<b>63,926</b>	<b>2,308</b>	<b>629</b>	<b>244</b>	<b>745</b>	<b>5,480</b>	<b>139,831</b>
<b>Balance as at December 31, 2025</b>	<b>3,884</b>	<b>15,140</b>	<b>8,637</b>	<b>2,136</b>	<b>588</b>	<b>169</b>	<b>598</b>	<b>5,475</b>	<b>36,627</b>

Certain fixed assets (machinery, equipment, and land) are encumbered by mortgages, which secure loans, or by liens in connection with certain tax contingencies. The following table shows the amounts of encumbered assets, based on their current book value:

Assets encumbered by	Company	Consolidated
Taxation (tax actions in progress)	8,625	9,429
Loans and financing	3,329	94,257
<b>Total</b>	<b>11,954</b>	<b>103,686</b>

### 13. Intangibles

	Weighted amortization rate	Company		Consolidated	
		12/31/2025	12/31/2024	12/31/2025	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.	2	8	88	122
Development of new products	24% p.a.	696	753	854	910
<b>Total</b>		<b>62,177</b>	<b>62,240</b>	<b>83,108</b>	<b>83,198</b>

\* Goodwill arising from the acquisition of companies by the Parent Company and its subsidiaries.

Summary of Intangible Asset Transactions:

	Company			
	Goodwill determined in the acquisition of longterm investment	Software and other licenses	Development of new products	Total
<b>Gross intangible asset costs</b>				
Balance as at December 31, 2024	61,479	13,270	10,262	85,011
Additions	-	-	100	100
<b>Balance as at December 31, 2025</b>	<b>61,479</b>	<b>13,270</b>	<b>10,362</b>	<b>85,111</b>
<b>Accumulated amortization</b>				
Balance as at December 31, 2024	-	(13,262)	(9,509)	(22,771)
Additions	-	(6)	(157)	(163)
<b>Balance as at December 31, 2025</b>	<b>-</b>	<b>(13,268)</b>	<b>(9,666)</b>	<b>(22,934)</b>
<b>Intangible assets, net</b>				
Balance as at December 31, 2024	61,479	8	753	62,240
<b>Balance as at December 31, 2025</b>	<b>61,479</b>	<b>2</b>	<b>696</b>	<b>62,177</b>
	Consolidated			
	Goodwill determined in the acquisition of longterm investment	Software and other licenses	Development of new products	Total
<b>Gross intangible asset costs</b>				
Balance as at December 31, 2024	82,166	16,411	11,509	110,086
Additions	-	-	101	101
<b>Balance as at December 31, 2025</b>	<b>82,166</b>	<b>16,411</b>	<b>11,610</b>	<b>110,187</b>
<b>Accumulated amortization</b>				
Balance as at December 31, 2024	-	(16,289)	(10,599)	(26,888)
Additions	-	(34)	(157)	(191)
<b>Balance as at December 31, 2025</b>	<b>-</b>	<b>(16,323)</b>	<b>(10,756)</b>	<b>(27,079)</b>
<b>Intangible assets, net</b>				
Balance as at December 31, 2024	82,166	122	910	83,198
<b>Balance as at December 31, 2025</b>	<b>82,166</b>	<b>88</b>	<b>854</b>	<b>83,108</b>

#### a. New product development

This refers to costs incurred in the development of new products, processes, and equipment. The amortization of these projects, which have a term not exceeding 5 years, is charged to income for the fiscal year.

#### b. Software and other licenses

This includes all data processing systems and software licenses, which are recorded at acquisition cost and amortized on a straight-line basis. Software amortization is charged to income over a period of 5 years.

#### c. Goodwill on the acquisition of investments

Goodwill is allocated to the cash-generating units to which it can be identified in the cash flows of the cash-generating units ("CGUs"). The balance of goodwill is not amortized and is subject to annual impairment tests or whenever there are indications of a potential loss in value. In 2025, no indications of impairment were identified regarding the recoverability of goodwill.

The assumptions used to determine fair value using the discounted cash flow method for impairment testing include: cash flow projections based on management's estimates of business performance over a 10-year horizon. The projections are made in nominal currency, taking into account assumptions regarding exchange rates and inflation. Discounted cash flows are calculated for 5- and 10-year horizons and also considering the perpetuity of the businesses, with these values compared to the carrying amounts of the assets in use to assess the need to recognize any impairment loss. Whenever applicable, management compares the values in use with the estimated sales values of the CGUs to identify any distortions in the calculations.

The discount rates used were determined based on market information available as of the test date. The discount rate used was 10.2% per annum, based on the weighted average cost of capital calculated using the CAPM methodology.

Management's estimates assume a gradual recovery of business operations; therefore, significant events or changes in the business environment could lead to the recognition of significant impairment losses on goodwill.

The following table provides a summary of the allocation of the goodwill balance by Cash-Generating Unit:

CGUs	Goodwill determined in the acquisition of long-term investment			
	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	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 fiscal year ended December 31, 2025, no reversal or provision for losses due to the non-recoverability of goodwill was recognized.

## 14. Suppliers

Suppliers - trade payables	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Domestic	36,659	44,954	36,659	44,954

Foreign	2,903	10,515	2,903	10,515
(-) Present value adjustment	<u>(14,506)</u>	<u>(20,629)</u>	<u>(14,506)</u>	<u>(20,629)</u>
<b>Total</b>	<b><u>25,056</u></b>	<b><u>34,840</u></b>	<b><u>25,056</u></b>	<b><u>34,840</u></b>
Current	4,133	5,916	4,133	5,916
Non-current	20,923	28,924	20,923	28,924

	<b>Company</b>		<b>Consolidated</b>	
<b>Suppliers</b>	<b><u>12/31/2025</u></b>	<b><u>12/31/2024</u></b>	<b><u>12/31/2025</u></b>	<b><u>12/31/2024</u></b>
Domestic	13,477	9,723	20,090	11,295
Foreign	2,019	523	2,019	523
<b>Total</b>	<b><u>15,496</u></b>	<b><u>10,246</u></b>	<b><u>22,109</u></b>	<b><u>11,818</u></b>
Current	15,496	10,246	22,109	11,818
Non-current	-	-	-	-

The due dates for non-current accounts payable are as follows:

<b><u>Maturity</u></b>	<b><u>12/31/2025</u></b>
2027	1,674
2028	2,276
2029	2,770
2030	3,512
After 2031	<u>10,691</u>
	<b><u>20,923</u></b>

## 15. Loans and financing

Bankruptcy Claims	Indexer	Weighted average interest rates	12/31/2025						12/31/2024					
			Company			Consolidated			Company			Consolidated		
			Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
<b>Domestic currency</b>														
Secured creditors (Class II)	FIXED	3,0% p.a. + TR	5,980	33,937	<b>39,917</b>	5,980	33,937	<b>39,917</b>	2,990	37,314	<b>40,304</b>	2,990	37,314	<b>40,304</b>
(-) Present value adjustment			-	(12,574)	<b>(12,574)</b>	-	(12,574)	<b>(12,574)</b>	-	(15,301)	<b>(15,301)</b>	-	(15,301)	<b>(15,301)</b>
Unsecured creditors (Class III)	FIXED	3,3% p.a. + TR	6,377	72,816	<b>79,193</b>	6,377	72,816	<b>79,193</b>	2,953	72,213	<b>75,166</b>	2,953	72,213	<b>75,166</b>
(-) Present value adjustment			-	(31,375)	<b>(31,375)</b>	-	(31,375)	<b>(31,375)</b>	-	(33,057)	<b>(33,057)</b>	-	(33,057)	<b>(33,057)</b>
<b>Foreign currency</b>														
Unsecured creditors (Class III)	FIXED	0,4% p.a.	-	-	-	4,657	74,294	<b>78,951</b>	-	-	-	2,040	87,276	<b>89,316</b>
(-) Present value adjustment			-	-	-	-	(23,223)	<b>(23,223)</b>	-	-	-	-	(31,548)	<b>(31,548)</b>
<b>Total</b>			<b>12,357</b>	<b>62,804</b>	<b>75,161</b>	<b>17,014</b>	<b>113,875</b>	<b>130,889</b>	<b>5,943</b>	<b>61,169</b>	<b>67,112</b>	<b>7,983</b>	<b>116,897</b>	<b>124,880</b>

  

	Indexer	Weighted average interest rates	12/31/2025						12/31/2024					
			Company			Consolidated			Company			Consolidated		
			Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
<b>Domestic currency</b>														
Working capital / expansion - BNDES*	TJLP	9,07% p.a.	5,034	-	<b>5,034</b>	8,648	-	<b>8,648</b>	5,034	-	<b>5,034</b>	8,648	-	<b>8,648</b>
Discounted securities with joint liability, fiduciary assignment of receivables, and fiduciary-secured loans	FIXED	2,34% p.m.	26,308	-	<b>26,308</b>	27,033	-	<b>27,033</b>	27,080	666	<b>27,746</b>	27,109	666	<b>27,775</b>
Working capital and FGI	FIXED	1,91% p.m.	6,376	2,570	<b>8,946</b>	6,489	2,570	<b>9,059</b>	10,005	5,874	<b>15,879</b>	10,005	5,874	<b>15,879</b>
<b>Foreign currency</b>														
Working capital / expansion - BNDES*	DOLLAR	6,06% p.a.	1,214	-	<b>1,214</b>	2,519	-	<b>2,519</b>	1,214	-	<b>1,214</b>	2,519	-	<b>2,519</b>
<b>Total</b>			<b>38,932</b>	<b>2,570</b>	<b>41,502</b>	<b>44,689</b>	<b>2,570</b>	<b>47,259</b>	<b>43,333</b>	<b>6,540</b>	<b>49,873</b>	<b>48,281</b>	<b>6,540</b>	<b>54,821</b>

\* The loans granted by BNDES are the subject of litigation (Note 20) involving, among other matters, the classification of the loans. The amounts shown in the table correspond to the total amount in dispute and are subdivided into a portion subject to judicial reorganization and a portion not subject to it. The portion not subject to the proceedings is limited to the value of the assets subject to fiduciary sale, a value that could only be determined at a public auction pursuant to a decision by the São Paulo Court of Appeals (TJ-SP)—according to appraisal reports commissioned by the Company, the assets are valued at R\$ 5,005.

The due dates for the non-current portions of the loans are detailed below:

Maturity	Company	Consolidated
	12/31/2025	12/31/2025
2027	2,576	8,427
2028	8,053	10,490
2029	8,600	13,180
2030	9,420	14,841
After 2031	36,725	69,507
	<u>65,374</u>	<u>116,445</u>

The collateral pledged for the loans and financing is detailed below:

Portion not included in the reorganization plan	In domestic currency	Garantee	12/31/2025		12/31/2024	
			Guarantee value		Guarantee value	
			Company	Consolidated	Company	Consolidated
			Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount
		Mortgage / buildings	2,634	90,736	2,634	92,112
	Working capital / expansion	Machinery and equipment	461	3,287	597	3,236
		Investment guarantee fund	234	234	3,386	3,386
			<u>3,329</u>	<u>94,257</u>	<u>6,617</u>	<u>98,734</u>

## 16. Affiliated Companies

### 16.1 Parent Company

Balances and transactions between the Company and its subsidiaries, which are its related parties, have been eliminated on consolidation. Details regarding transactions between the parent company and its subsidiaries are presented below:

	Company						12/31/2025	12/31/2024
	Lochness	MNA Valves	LPT Ropes	Mipel	Lupatech Finance	UEP Equipamentos		
<b>Current assets</b>								
Accounts receivable	-	-	-	1	-	-	1	-
Other receivables	163	10	2	-	-	-	175	213
<b>Noncurrent assets</b>								
Loans	-	-	-	-	1,319	-	1,319	1,479
	<u>163</u>	<u>10</u>	<u>2</u>	<u>1</u>	<u>1,319</u>	<u>-</u>	<u>1,495</u>	<u>1,692</u>
<b>Current liabilities</b>								
Payables	-	-	-	954	-	-	954	425
Other payables	7,356	-	-	284	1,251	2,684	11,575	12,691
<b>Noncurrent liabilities</b>								
Loans	-	-	-	-	145,166	-	145,166	163,057
	<u>7,356</u>	<u>-</u>	<u>-</u>	<u>1,238</u>	<u>146,417</u>	<u>2,684</u>	<u>157,695</u>	<u>176,173</u>
<b>Income (loss) of the year</b>								
Sale of products	-	-	-	3,470	-	-	3,470	9,519
Financial revenue	-	-	-	-	5	-	5	-
Financial expenses	-	-	-	-	576	-	576	-
Exchange rate gains (losses)	-	-	-	-	18,002	-	18,002	(32,134)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,470</u>	<u>18,583</u>	<u>-</u>	<u>22,053</u>	<u>(22,615)</u>

**Company**

	Transaction date	Maturity	Interest rate	Value (R\$)	Existing balance (US\$)		
					12/31/2025	12/31/2024	
<b>Loans receivable</b>							
<b>In foreign currency</b>							
Contract 1	Jul-14	Undetermined	105% do DI-Cetip	19,820	240	1,319	1,479
				<u>19,820</u>	<u>240</u>	<u>1,319</u>	<u>1,479</u>
<b>Loans payable</b>							
<b>In foreign currency</b>							
Contract 2	Jan-18	Undetermined	0,4% p.a.	225,416	26,382	145,166	163,057
				<u>225,416</u>	<u>26,382</u>	<u>145,166</u>	<u>163,057</u>

Transactions are conducted in accordance with the terms agreed upon by the parties.

***Guarantees granted***

Transactions with related parties do not involve any collateral; they consist solely of ordinary commercial transactions (purchase and sale of supplies), which are not secured by collateral, as well as loan transactions with Group companies, which also do not involve any collateral.

## 17. Key members of management

***Management Compensation***

Each year, the shareholders, meeting at the Annual General Meeting, set compensation limits for the management bodies. Management compensation consists of a fixed portion and, in the case of the Executive Board, also includes a variable portion.

The following table details the compensation of the management bodies:

Management compensation	Company and Consolidated			Company and Consolidated		
	Fixed compensation	Variable Compensation	12/31/2025	Fixed compensation	Variable Compensation	12/31/2024
Executive Board	(1,879)	(3,342)	(5,221)	(1,878)	(288)	(2,166)
Board of Directors	(1,243)	-	(1,243)	(1,089)	-	(1,089)
Total	<u>(3,122)</u>	<u>(3,342)</u>	<u>(6,464)</u>	<u>(2,967)</u>	<u>(288)</u>	<u>(3,255)</u>

The Company does not compensate its executives with stock. Furthermore, it offers key personnel the opportunity to participate in stock option plans for shares issued by the Company. Such plans grant beneficiaries the right, but not the obligation, to purchase shares at a previously agreed-upon price within defined time frames, upon payment of the price. It is, therefore, a commercial transaction between the parties.

The amount of the executive team's variable compensation, approved by the Board of Directors in April 2025, is based on the results achieved in 2024.

## 18. Income tax and social security contributions

Lupatech S.A. and its subsidiaries and affiliates have accumulated tax loss carryforwards of R\$ 871,831 and R\$ 1,095,256, respectively, for a total of R\$ 1,967,087 through December 2025.

### a) Deferred income tax and social contribution - Assets

The Company has tax losses that can be offset against future taxable income, and a deferred tax asset has been recognized. Based on the technical analyses performed, the Company estimates the realization of these tax assets as follows:

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Income and social contribution tax assets - Tax Credits</b>				
Estimated realization - 2026	4,317		4,911	
Estimated realization - 2027	-		-	
Estimated realization - 2028	2,254		2,563	
Estimated realization - 2029	5,680		6,461	
Estimated realization - 2030	7,431		8,453	
After 2031	70,868		80,612	
<b>Total</b>	<b>90,550</b>		<b>103,000</b>	

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

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Income and social contribution taxes on temporary differences</b>				
Discount to present value of trade accounts payable, fines and loans	(21,414)	(24,078)	(26,941)	(31,587)
Allocated Cost	-	-	(1,135)	(1,214)
Other	(6,712)	(1,946)	(6,712)	(1,946)
	<b>(28,126)</b>	<b>(26,024)</b>	<b>(34,788)</b>	<b>(34,747)</b>

The above composite amounts are presented on a net basis in the balance sheet, as follows:

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Noncurrent income and social contribution tax assets</b>				
Tax credit	90,550	90,550	103,000	103,000
Temporary differences	(28,126)	(26,024)	(34,788)	(34,747)
	<b>62,424</b>	<b>64,526</b>	<b>68,212</b>	<b>68,253</b>

### b) Reconciliation of income tax and social contribution expenses

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Income (loss) before taxes</b>	<b>(58,075)</b>	<b>(41,142)</b>	<b>(60,037)</b>	<b>(42,907)</b>
<b>Additions and exclusions</b>				
Equity method adjustment of interest held in investees	(21,729)	(14,949)	-	-
Obsolescence of inventories	511	(844)	4,370	2,445
(Reversal) set up of provision for impaired assets	(581)	2,341	(776)	11,200
(Reversal) set up of an allowance for doubtful accounts	188	(20)	202	(283)
Provision for lawsuits	(10,370)	5,644	(13,725)	601
Non-deductible expenses	(24)	-	(3,834)	(11)
Discount to present value	(11,195)	-	(19,519)	(13,721)
Provision for interest on suppliers	(351)	60	(427)	399
Provision for foreign currency exchange rate variation	(21,901)	35,751	(22,225)	27,690
Other	104,037	11,915	86,504	(3,378)
<b>Tax base</b>	<b>(19,490)</b>	<b>(1,244)</b>	<b>(29,467)</b>	<b>(17,965)</b>
<b>Current income and social contribution taxes</b>	<b>-</b>	<b>-</b>	<b>(19)</b>	<b>(11)</b>
<b>Deferred income and social contribution taxes</b>	<b>(2,101)</b>	<b>9,370</b>	<b>(120)</b>	<b>11,146</b>

## 19. Other accounts payable

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Other current payables</b>				
Provision for legal costs	773	448	773	448
Claims payable	402	383	583	579
Sundry provisions	6,683	-	6,683	-
Other liabilities (*)	5,488	2,923	5,488	2,923
Contract violation fines	5,682	928	5,948	928
Other payables	1,188	626	1,330	966
<b>Total</b>	<b>20,216</b>	<b>5,308</b>	<b>20,805</b>	<b>5,844</b>

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Other noncurrent payables</b>				
Claims payable	-	-	1,821	1,624
Other liabilities (*)	43,258	38,368	43,258	38,368
<b>Total</b>	<b>43,258</b>	<b>38,368</b>	<b>45,079</b>	<b>39,992</b>

\* Insolvency debts

The due dates for the installments of the other bankruptcy debts classified as non-current assets—are as follows:

Company and Consolidated	
Maturity	12/31/2025
2027	3,363
2028	4,485
2029	5,460
2030	6,922
After 2031	23,028
	<b>43,258</b>

## 20. Contingent proceedings and court deposits

### 20.1 Judicial Deposits

The Company reports the following balances of court-ordered deposits, which are linked to contingent liabilities:

	Judicial deposits			
	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Tax contingencies	598	287	754	443
Labor contingencies	1,514	1,114	3,231	3,397
Civil contingencies	9	19	28	459
<b>Total as at December 31, 2025</b>	<b>2,121</b>	<b>1,420</b>	<b>4,013</b>	<b>4,299</b>

### 20.2 Provision for tax, labor, and civil liabilities

The Company is involved in litigation regarding tax, labor, and civil matters. The provision for tax, labor, and civil risks was determined by management based on available information and supported by its attorneys' opinion regarding the expected outcome, in an amount deemed sufficient to cover losses considered likely to occur as a result of adverse court decisions.

		Company		Consolidated	
		Loss rating		Loss rating	
		Possible	Probable	Possible	Probable
Tax-related actions (i)					
ICMS	(i.1)	90,238	-	90,665	-
CSLL		2,526	-	7,724	-
IRPJ	(i.2)	23,220	-	61,772	-
IRRF	(i.3)	67,625	-	67,625	-
IPI		1,082	-	1,082	-
PIS/COFINS		-	-	307	-
ISS	(i.4)	-	-	10,380	-
CIDE		-	-	1,880	-
Importing taxes	(i.5)	-	-	33,666	-
Other	(i.6)	1,452	-	6,316	-
		186,143	-	281,417	-
Labor complaints (ii)		5,998	13,155	10,619	15,455
Civil action (iii)		6,812	794	15,800	9,720
Total as at December 31, 2025		198,953	13,949	307,836	25,175
Total as at December 31, 2024		185,974	12,013	290,385	25,280

These figures cover all Group companies and include amounts subject to legal and administrative proceedings, as well as situations where, even in the absence of formal assessments or challenges by the authorities, there is a risk of future losses.

The provision for assets involved in legal proceedings in the amounts set forth above and relating to the areas listed below takes into account the probability of a probable loss, which is established when an outflow of economic benefits is foreseeable given the subject matter in dispute, the judgments rendered in each case, and the legal precedent applicable to each case. Claims with a probability of a possible loss are excluded from the provision.

The changes in the provision balance are as follows:

	Company				Consolidated			
	Tax	Labor	Civil	Total	Tax	Labor	Civil	Total
<b>Total as at 12/31/2024</b>	-	<b>11,657</b>	<b>356</b>	<b>12,013</b>	-	<b>16,380</b>	<b>8,900</b>	<b>25,280</b>
Additions during the year	-	2,548	457	3,005	-	3,112	857	3,969
Write-offs during the year	-	(1,050)	(19)	(1,069)	-	(4,037)	(37)	(4,074)
<b>Total as at 12/31/2025</b>	-	<b>13,155</b>	<b>794</b>	<b>13,949</b>	-	<b>15,455</b>	<b>9,720</b>	<b>25,175</b>

Legal proceedings are divided into three levels, namely:

(i) *Tax contingencies*

Litigation involving state and federal taxes, including IRPJ, PIS, COFINS, INSS, ICMS, and IPI. There are cases at all stages of the legal process, from the lower courts to the higher courts, the Superior Court of Justice (STJ), and the Federal Supreme Court (STF). The main cases and amounts are as follows:

Major contingent liabilities of the parent company classified as possible losses as of December 31, 2025:

(i.1) Action for Annulment filed by the State of Rio Grande do Sul seeking to invalidate an ICMS tax liability, on the grounds that the company failed to pay the tax at the time of the deemed export of goods under the REPETRO program, given that such transaction is exempt from the tax. Case filed on April 28, 2017, subject to a potential loss of R\$ 90,238.

(i.2) Objection filed to seek recognition of a negative IRPJ balance. Case assigned on May 30, 2014, subject to a potential loss of R\$ 9,622.

Action for annulment seeking the cancellation of the tax liability (IRPJ and CSLL for the calendar years 2009 and 2010). Case filed on April 15, 2020, subject to a potential loss of R\$ 7,296.

Notice of Assessment issued by the Brazilian Federal Revenue Service in response to a Notice of Disagreement filed against the final decision. Case filed on July 23, 2014, subject to a potential penalty of R\$ 6,302.

(i.3) Tax Enforcement by the National Treasury regarding the collection of withholding income tax (IRRF) liabilities. The merits of the case are being debated in the Writ of Mandamus proceedings, in which a ruling was issued recognizing that a substantial portion of the tax claims arising from the administrative proceeding is unfounded. Case filed on January 21, 2016, subject to a potential loss of R\$ 67,625.

(i.6) Administrative proceedings aimed at discharging debts covered by the PER/DCOMP program. Proceedings are subject to potential losses totaling R\$ 1,452.

Major contingent liabilities at subsidiaries classified as possible losses as of December 31, 2025:

(i.2) Notice of Assessment issued by the Brazilian Federal Revenue Service regarding alleged irregularities in the calculation of IRPJ, CSLL, PIS, and COFINS for the 2013 fiscal year. Case filed on October 6, 2016, with a potential liability of R\$ 14,441.

Notice of Assessment issued by the Brazilian Federal Revenue Service, based on the assessment of taxable income for the 2010 calendar year. Case filed on November 10, 2014, subject to a potential penalty of R\$ 17,491.

Administrative proceeding seeking to offset debts with a tax credit corresponding to a negative IRPJ balance for the 2010 calendar year. Case filed on April 30, 2013, subject to a potential loss of R\$ 6,610.

(i.4) Tax Enforcement Division of the Municipality of Macaé, Rio de Janeiro, for the collection of ISS taxes for the 2012 and 2013 tax years. Case filed on December 10, 2015, with a potential claim amount of R\$ 3,848.

Tax Enforcement Division of the Municipality of Três Rios, Rio de Janeiro, for the collection of ISS taxes for the 2013 and 2014 periods. Case filed on December 2, 2016, with a potential claim amount of R\$ 3,401.

Outstanding cases related to ISS collection and subject to potential write-offs totaling R\$ 3,131.

(i.5) Notices of violation issued by the Brazilian Federal Revenue Service to collect fines for alleged noncompliance with the special customs regime for temporary admission. Cases subject to a potential loss of R\$ 17,885.

Tax assessment notices issued by the Brazilian Federal Revenue Service to collect the remaining balance of VAT, IPI, PIS, and COFINS levied on declared imports. Cases subject to a potential loss of R\$ 4,217.

Notice of Assessment issued by the Brazilian Federal Revenue Service regarding the collection of fines imposed due to alleged non-compliance with the special customs regime for temporary admission. Case filed on January 22, 2010. Case subject to a potential fine of R\$ 3,380.

Notice of assessment issued by the Brazilian Federal Revenue Service due to alleged non-compliance with the special customs regime for temporary admission. Case filed on February 21, 2020. Case subject to a potential penalty of R\$ 2,991.

Tax assessment notices issued by the Brazilian Federal Revenue Service due to alleged non-compliance with the special customs regime for temporary admission. Cases subject to potential forfeiture totaling R\$ 5,193.

(i.6) Administrative proceedings aimed at discharging debts covered by the PER/DCOMP program and canceling tax credits. Proceedings subject to potential losses totaling R\$ 6,316.

*(ii) Labor contingencies*

The Company and its subsidiaries are parties to labor-related lawsuits concerning disputes that primarily involve claims for overtime pay, compensatory and punitive damages, and hazardous working conditions, among other matters.

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

Labor liabilities	Statement of financial position	Portion included in the reorganization plan	Portion not included in the reorganization plan	Total as at 12/31/2025
Employees' pay and related charges	Current liabilities	93	-	93
Employees' pay and related charges	Noncurrent liabilities	1,854	-	1,854
Provision for labor contingencies	Noncurrent liabilities	10,535	2,061	12,596
Labor contingencies rated as possible	Not included in the statement of financial position	1,244	1,934	3,178
Assets tied to labor contingencies	Statement of financial position	Total as at 12/31/2025		
Other accounts receivable/bonds convertible into shares (note 9)	Current assets	177		
Deposits into court – labor contingencies (note 20.1)	Noncurrent assets	3,231		
Properties held for investment (note 11.2)	Noncurrent assets	19,685		

In connection with the judicial reorganization, the Company took steps to ensure full payment of the contingent labor claims subject to the judicial reorganization. These measures include: (i) the transfer in lieu of payment of shares in a Special Purpose Entity into which assets and rights were contributed for sale and subsequent distribution of proceeds to the former creditor shareholders; (ii) the issuance of Subscription Warrants to pay claims in excess of 150 times the minimum wage in effect as of the date of the request for judicial reorganization, and (iii) the necessary steps to contribute additional assets to the SPE.

*(iii) Civil liabilities*

**The main issues in this area, classified as a potential loss at the parent company as of December 31, 2025, relate to:**

(iii.1) Search and seizure action filed on October 20, 2015, by the Brazilian Development Bank ("BNDES") against Lupatech S.A. and UEP – Equipamentos e Serviços para Petróleo S.A., seeking the search and seizure of machinery and equipment offered as collateral in connection with financing granted by the BNDES to the aforementioned companies of the Group. Due to the Lupatech Group's judicial reorganization, on February 1, 2017, the 5th Federal Court of São Paulo, where the action is pending, ordered the suspension of all expropriation proceedings and referred to the judicial reorganization court the analysis regarding the essentiality of said machinery and equipment for the Lupatech Group's operations.

In the judicial reorganization proceedings, with the exception of the assets belonging to the Macaé unit, the court ruled that the remaining assets were essential to the Lupatech Group's operations, thereby preventing their search and seizure. Subsequently, after the appeal deadlines had expired, the BNDES again demanded the resumption of the search and seizure of assets in the judicial reorganization. The new request, although granted

in the lower courts, was blocked by the Superior Court of Justice, which ordered the use of alternative measures, other than the seizure of assets, to satisfy the BNDES's claim.

BNDES filed an appeal against the decision handed down by the STJ justice, which is currently pending. On July 12, 2023, BNDES submitted a brief stating that the judgment terminating the judicial reorganization had been issued and reiterating its request that its internal appeal be granted. The STJ is expected to review the appeals.

In December 2021, the São Paulo Court of Justice ruled that the value of the BNDES's extra-bankruptcy claim—arising from the assets comprising the security for the fiduciary sale, which were the subject of the search and seizure—is limited to their actual auction sale value. According to an asset appraisal report dated 2018, the value of the assets is R\$ 5,005. The debt is recorded in liabilities (Note 15) at its balance as of the date of the petition for judicial reorganization of R\$ 11,167, which is subdivided into a portion subject to Judicial Reorganization (Class II) and a portion not subject to it (the actual value of the assets).

**The main issues in this area, classified as potential losses in subsidiaries as of December 31, 2025, relate to:**

(iii.1) A civil lawsuit filed by Weatherford Indústria e Comércio Ltda. and Weus Holding Inc. on July 14, 2008, against UEP, involving a dispute in the area of industrial and intellectual property. The case is classified as having a probable loss of approximately R\$ 5,691, a possible loss of R\$ 471, and a remote loss of R\$ 18,970.

(iii.2) Lawsuit filed by Petrobras against Sotep Sociedade Técnica de Perfuração S.A. seeking recognition and collection of contractual penalties. The dispute centers on the legality of the penalties imposed by the contractor. The collection, if valid, is subject to Sotep's judicial reorganization. In October 2024, a judgment was rendered declaring the penalties charged by Petrobras unenforceable. The parties filed motions for clarification, which were denied. The parties filed an appeal. A court decision is pending. The case involves a potential loss of R\$ 4,717.

## 20.3 Contingent Assets

The statement containing information on unrecorded contingent liabilities, as advised by the company's legal counsel, is detailed below, along with the potential for a gain:

	Company		Consolidated	
	Rated as		Rated as	
	Possible	Probable	Possible	Probable
Tax-related actions	-	-	6,862	-
Civil actions	8,167	720	16,833	1,040
<b>Total as at December 31, 2025</b>	<b>8,167</b>	<b>720</b>	<b>23,695</b>	<b>1,040</b>
<b>Total as at December 31, 2024</b>	<b>12,891</b>	<b>8,953</b>	<b>17,915</b>	<b>21,472</b>

### (i) Tax Contingent Assets

The Lupatech Group is involved in legal proceedings seeking the refund of ICMS-Import tax levied on transactions covered by the special temporary admission regime, in which there was no transfer of ownership of the goods. As these matters are still under dispute, the accounting treatment of a portion of the contingent assets remains unchanged until the necessary elements are in place to recognize the corresponding tax credits.

## 21. Taxes Payable

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Taxes payable - current				
State VAT (ICMS)	860	724	5,324	1,339

Contributions for the Brazilian Social Security Institute (INSS) to be paid in installments	64	40	93	58
Contributions for the Severance Pay Fund (FGTS) to be paid in installments	3,974	1,700	4,171	1,894
Ordinary installment plan	-	6,234	-	10,320
PGFN installment plan	-	-	-	221
Reorganization plan to be paid in installments	-	530	-	1,351
Federal Taxes*	20,859	-	37,216	-
Local taxes to be paid in installments	149	151	444	337
State VAT (ICMS)	2,190	69	2,370	205
Contributions for The Brazilian Social Security Institute (INSS)	8,226	1,897	9,628	2,266
Withholding Income Tax (IRRF)	3,849	709	4,135	790
Social Contribution Tax (CSLL)	165	60	185	69
Contribution for Social Security Funding (COFINS)	2,661	295	3,225	659
Contribution for the Social Integration Program (PIS)	533	64	673	164
Severance Pay Fund (FGTS)	3,281	1,488	3,772	1,747
Other	108	67	921	676
<b>Total</b>	<b>46,919</b>	<b>14,028</b>	<b>72,157</b>	<b>22,096</b>

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Taxes payable - noncurrent</b>				
State VAT (ICMS)	5,497	6,060	5,497	9,644
Contributions for the Brazilian Social Security Institute (INSS) to be paid in installments	-	-	-	17
Contributions for the Severance Pay Fund (FGTS) to be paid in installments	241	2,646	478	2,929
Ordinary installment plan	-	13,369	-	22,914
PGFN installment plan	-	-	-	826
Reorganization plan to be paid in installments	-	299	-	1,130
Local taxes to be paid in installments	-	1	387	584
Other	49	93	246	425
<b>Total</b>	<b>5,787</b>	<b>22,468</b>	<b>6,608</b>	<b>38,469</b>

\*Valores em fase de negociação de novos parcelamentos.

## 22. Shareholders' equity

	12/31/2025	12/31/2024
Capital	1,927,668	1,922,339
Capital reserves and change in capital	144,754	144,754
Accumulated Conversion Adjustments	74,686	83,749
Accumulated losses	(2,072,638)	(2,012,462)
<b>Total equity</b>	<b>74,470</b>	<b>138,380</b>

### a) Share capital

The current paid-in capital consists solely of common stock, with a 100% tag-along right:

	Company and Consolidated	
	Number of shares held	Capital
	'000	RS
<b>Total as at December 31, 2024</b>	<b>42,131</b>	<b>1,922,339</b>
Minutes 002/2025 as at January 18, 2025	9	3
Minutes 013/2025 as at June 06, 2025	1,576	1,935

Minutes 020/2025 as at September 10, 2025	1,525	1,636
Minutes 021/2025 as at September 19, 2025	1,446	1,755
New issuance of shares – exercise of subscription bonus	4,556	5,329
<b>Total as at December 31, 2025</b>	<b>46,687</b>	<b>1,927,668</b>

## b) Subscription Bonus

### *Third Issue of Subscription Warrants – (Additional Benefit of the Fourth Debenture Issue)*

At a meeting held on March 24, 2023, the Board of Directors approved the Company's fourth issuance of Convertible Debentures. A total of 250 debentures were issued in a single series, with a par value of R\$ 100,000 each, for a total amount of up to R\$ 25 million, with subscription bonuses as an additional benefit. A total of 101 debentures were subscribed for, amounting to R\$ 10.1 million, and the remaining 149 unsubscribed debentures were canceled.

For each Debenture subscribed to and paid up in the Offering, 175,600 Subscription Warrants were delivered free of charge as an additional benefit, entitling their holders to subscribe to and pay for shares, at a ratio of one Share for each Subscription Warrant exercised, under the terms and conditions of the respective issuance of the Subscription Warrants, conducted in conjunction with the 4th Debenture Issue. Upon final approval, 17,735,600 Subscription Warrants were issued.

The Subscription Warrants are exercisable until March 24, 2026, as extended on March 20, 2025, by a meeting of the Board of Directors.

## c) Cumulative translation adjustments

The Company recognizes under this heading the effect of foreign exchange rate fluctuations on investments in foreign subsidiaries and on goodwill arising from the acquisition of foreign investments, the functional currency of which is the same as that of the foreign operation. The cumulative effect may be reversed to income for the period as a gain or loss only upon the disposal or write-off of the investment.

## d) Dividends

Shareholders are entitled to an annual distribution of mandatory minimum dividends equal to 25% of adjusted net income, in accordance with corporate law and the Company's bylaws. Due to accumulated losses, current results, and its financial condition, the Company has not declared any dividends payable.

## 23. Financial instruments

### 23.1 Financial Risk Management

#### *Financial risk factors*

The Company's activities expose it to various financial risks, which fall into three main categories, without prejudice to any other risks that may arise:

- (i) **Market Risks:** arise from the possibility of losses that may result from changes in economic price trends, such as, but not limited to: interest rates, exchange rates, inflation, stocks, and commodities;
- (ii) **Credit Risks:** These are characterized by the possibility of loss resulting from uncertainty regarding counterparties' fulfillment of their obligations, particularly the receipt of payments or the delivery of purchased goods, whether due to their financial inability or mere breaches of contract;
- (iii) **Liquidity Risks:** These refer to the possibility that the Company may be unable to effectively meet its obligations when they become due or may only be able to do so at a significant loss.

### Market risks

Foreign exchange risk arises from commercial and financial transactions, recognized assets and liabilities, and net investments in foreign operations. Due to its international operations, the Company is exposed to foreign exchange risk in certain currencies, primarily the U.S. dollar.

The Company and its subsidiaries have assets and liabilities denominated in U.S. dollars, as shown in the tables below:

Item	In thousands of US\$			
	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Cash and cash equivalents	-	-	-	3
Other assets	-	3	1,272	1,455
Related party transactions - assets	240	239	240	239
Loans	(221)	(196)	(14,806)	(14,830)
Related parties transactions - liabilities	(26,382)	(26,332)	-	-
Other liabilities	-	-	(355)	(81)
Net exposure in US dollars	<u>(26,363)</u>	<u>(26,286)</u>	<u>(13,649)</u>	<u>(13,214)</u>

Interest rate fluctuations also pose risks to the Company, primarily through changes in the value of assets or liabilities, particularly debts indexed to post-fixed rates, such as the TR, TJLP, and CDI.

### Sensitivity analysis of changes in foreign exchange rates and interest rates:

The analysis takes into account three scenarios for fluctuations in these variables, along with their respective probability assessments. These assumptions are estimates made by management for the purposes of this simulation and may differ significantly from actual results.

### Management's estimated likely scenario for interest rates and the exchange rate of the U.S. dollar (USD) against the Brazilian real (BRL):

Interest rate for 2025: 15%

5,57 US-Dollar

### Possible scenario for interest rates and the exchange rate of the U.S. dollar (USD) against the Brazilian real (BRL), assuming a 25% (twenty-five percent) deterioration in the risk variable, which is considered likely:

Interest rate for 2025: Increase to 18.8%

6,96 US-Dollar

### Interest rate scenario and exchange rate of the U.S. dollar (USD) against the Brazilian real (BRL) are unlikely, with a 50% (fifty percent) deterioration in the risk variable considered probable:

Interest rate for 2025: Increase to 22.5%

8,35 US-Dollar

The impact shown in the table below refers to the projected 1-year 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	(16)	346	676	(127)	836	1,544
Loans and financing	Increase in interest rates	(388)	86	103	118	147	176
Loan agreements	Increase in U.S. dollar rate	(1,735)	38,606	75,476	-	-	-
Total (gains) losses		<u>(2,139)</u>	<u>39,038</u>	<u>76,255</u>	<u>(9)</u>	<u>983</u>	<u>1,720</u>

The credit and liquidity constraints faced by the Company limit its ability to manage market risk.

### ***Credit risk***

The following items are typically exposed to credit risk: cash and cash equivalents, derivative financial instruments, deposits with banks and financial institutions, and receivables from customers and payables to suppliers.

Credit limits are monitored regularly at the time of approval. In the event of default, the need for an allowance for doubtful accounts is assessed.

Our revenues include amounts related to Petrobras, both directly and indirectly, which accounted for approximately 42% (72% in the same period of 2024) of the Company's total revenues as of December 31, 2025.

### ***Liquidity risk***

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

## **23.2 Fair Value Estimate**

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

The fair value of other financial assets and liabilities (excluding derivative instruments) is determined using pricing models based on estimated discounted cash flows derived from the prices of similar instruments in active markets.

The fair value of derivative instruments is calculated using quoted prices. When such prices are not available, discounted cash flow analysis using the yield curve is applied, based on the duration of the instruments for derivatives that do not contain options. For derivatives that contain options, option pricing models are used.

The Company's principal financial assets and liabilities are described below, along with the criteria used to measure their value:

### **a) Cash, cash equivalents, and marketable securities - restricted**

The balances of cash and cash equivalents and marketable securities are similar to their book values, given their turnover and liquidity. The table below shows this comparison:

<b>Items – December 31, 2025</b>	<b>Company</b>		<b>Consolidated</b>	
	<b>Carrying Amount</b>	<b>Market value</b>	<b>Carrying Amount</b>	<b>Market value</b>
Cash and cash equivalents	249	249	384	384

  

<b>Items – December 31, 2024</b>	<b>Company</b>		<b>Consolidated</b>	
	<b>Carrying Amount</b>	<b>Market value</b>	<b>Carrying Amount</b>	<b>Market value</b>
Cash and cash equivalents	1,829	1,829	3,515	3,515
Securities	44	44	44	44

### **b) Loans and financing**

The market value was estimated based on the present value of future cash outflows, using interest rates available to the Company, as shown below:

<b>Items – December 31, 2025</b>	<b>Company</b>		<b>Consolidated</b>	
	<b>Carrying Amount</b>	<b>Market value</b>	<b>Carrying Amount</b>	<b>Market value</b>
Working Capital / Expansion - BNDES	6,248	6,658	11,167	10,530

Discounted securities with joint liability, fiduciary assignment of receivables, and receivables secured by a fiduciary guarantee	26,308	28,045	27,034	28,215
Working Capital and FGI	8,946	7,850	9,059	7,964
Loans and financing	41,502	42,553	47,260	46,709
Loans and financing - bankruptcy credits	75,161	75,162	130,889	130,890
Total	116,663	160,268	178,149	224,308

Items – December 31, 2024	Company		Consolidated	
	Carrying Amount	Market value	Carrying Amount	Market value
Working Capital / Expansion - BNDES	6,248	6,033	11,167	10,577
Discounted securities with joint liability, fiduciary assignment of receivables, and receivables secured by a fiduciary guarantee	27,746	24,900	27,775	24,929
Working Capital and FGI	15,879	15,869	15,879	15,869
Loans and financing	49,873	46,802	54,821	51,375
Loans and financing - bankruptcy credits	67,112	67,112	124,880	124,880
Total	116,985	113,914	179,701	176,255

### 23.3 Financial Instruments by Category

	Company					
	12/31/2025			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
<b>Financial assets</b>						
Securities	-	-	-	-	44	44
Trade accounts receivable	12,008	-	12,008	31,531	-	31,531
Cash and cash equivalents	249	-	249	1,829	-	1,829
Related-party transactions	1,495	-	1,495	1,692	-	1,692
Total	13,752	-	13,752	35,052	44	35,096
<b>Financial liabilities</b>						
Loans	-	116,663	116,663	-	116,985	116,985
Trade accounts payable	40,552	-	40,552	45,086	-	45,086
Related-party transactions	157,695	-	157,695	176,173	-	176,173
Total	198,247	116,663	314,910	221,259	116,985	338,244

	Consolidated					
	12/31/2025			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
<b>Financial assets</b>						
Securities	-	-	-	-	44	44
Trade accounts receivable	13,950	-	13,950	35,427	-	35,427
Cash and cash equivalents	384	-	384	3,515	-	3,515
Total	14,334	-	14,334	38,942	44	38,986
<b>Financial liabilities</b>						
Loans	-	178,147	178,147	-	179,701	179,701

Trade accounts payable	47,165	-	47,165	46,658	-	46,658
Total	<u>47,165</u>	<u>178,147</u>	<u>225,312</u>	<u>46,658</u>	<u>179,701</u>	<u>226,359</u>

## 24. Insurance coverage (unrevised)

It is the Company's policy to maintain "Comprehensive Business" insurance coverage for fixed assets and inventory subject to risk; however, the Company currently does not have an active policy. It also has general liability insurance and life insurance coverage, as shown below:

<u>Insurance type</u>	<u>Amount insured</u>	
	<u>12/31/2025</u>	
- Life insurance	\$	46,280
- General civil liability insurance	\$	8,029
- International transportation insurance (*)	US\$	400

(\*) Value in US\$'000

The scope of our auditors' work does not include expressing an opinion on the adequacy of the insurance coverage, which was purchased by the Company's management in accordance with prevailing market conditions and the restrictions imposed on the Company, with the aim of ensuring sufficient coverage for any potential claims.

## 25. Stock Option Plan – "Stock Option"

The Company has Stock Option Plans whose main objectives are to incentivize the Company's performance and retain its key employees. There are four such plans currently in effect:

- (i) 2017 Incentive Plan, approved by the Extraordinary General Meeting on April 12, 2017: All grants provided for under this plan have already been made, with certain exercises still pending.
- (ii) 2020 Incentive Plan, approved by the Extraordinary General Meeting on August 18, 2020: All grants provided for under this plan have already been made, with certain exercises still pending.
- (iii) 2023 Incentive Plan, approved by the Extraordinary General Meeting on May 18, 2023: All grants provided for under this plan have already been made, with certain exercises still pending.
- (iv) 2024 Incentive Plan, approved by the Extraordinary General Meeting on May 16, 2024: No grant has been made yet, and there are no outstanding grants.

The options granted but not exercised are listed in the table below:

<u>Amount to be granted</u>	<u>Plan 2017</u>			<u>Plan 2020</u>			<u>Plan 2023</u>		
	Quantity	Exercise Price	Maximum period for exercise	Quantity	Exercise Price	Maximum period for exercise	Quantity	Exercise Price	Maximum period for exercise
<b>Management members</b>							104,401	1.20	5/10/2027
<b>Other Beneficiaries</b>				292,500	1.23	11/30/2025	165,000	1.23	11/30/2026
				406,250	1.23	11/30/2026	128,949	1.20	11/30/2027
<b>Total</b>	<u>402,048</u>			<u>698,750</u>			<u>398,350</u>		
- To be exercised	-			698,750			398,350		
- Non-exercisable	-			-			-		
- Conditional ones	402,048			-			-		

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

As a result of the decisions made at Board of Directors meetings during the 2025 fiscal year, the key parameters of the Incentive Plans were adjusted, including a revision of the exercise price, an adjustment of the vesting periods, and changes to the number of eligible shares.

## 26. Net revenue

	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Gross revenue from sales and/or services</b>				
In Brazil	57,467	143,946	61,892	147,666
Overseas	1,558	1,126	1,654	2,049
	59,025	145,072	63,546	149,715
<b>Deductions from gross revenue</b>				
Taxes on sales	(10,820)	(25,829)	(11,492)	(26,588)
<b>Net sales and/or services</b>	<b>48,205</b>	<b>119,243</b>	<b>52,054</b>	<b>123,127</b>

## 27. (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 common shares outstanding during the period.

Item	Company and Consolidated	
	12/31/2025	12/31/2024
Net income (loss)	(60,176)	(31,772)
Earnings (loss) attributed to shareholders	(60,176)	(31,772)
Weighted average number of outstanding ordinary shares ('000)	46,688	42,131
Basic earnings (loss) per share - R\$	(1.28890)	(0.75413)

## 28. Other operating revenue and (expenses)

Item	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Other operating revenue</b>				
Reversal of provision for lawsuits	-	5,644	-	601
Revenue from the sale of property, plant and equipment	4,783	55,677	4,532	81,018
Reversal of provision for impaired assets	-	2,341	-	11,200
Credit Rights - ICMS Import	4,557	-	4,557	-
Other	549	948	1,409	230
<b>Total other operating revenue</b>	<b>9,889</b>	<b>64,610</b>	<b>10,498</b>	<b>93,049</b>
<b>Other operating expenses</b>				
Provision for lawsuits	(10,370)	-	(13,725)	-
Cost incurred in the disposal of assets	-	(5,950)	-	(38,112)
Provision for impaired assets	(581)	-	(776)	-
Production idleness cost	(13,666)	(7,162)	(16,134)	(8,347)

Taxes to be paid in installments	-	(2,901)	-	(4,218)
Other	(1,487)	(993)	(6,718)	(5,441)
Total other operating expenses	(26,104)	(17,006)	(37,353)	(56,118)
<b>Other operating expenses, net</b>	<b>(16,215)</b>	<b>47,604</b>	<b>(26,855)</b>	<b>36,931</b>

## 29. Financial Results

Item	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Financial revenue</b>				
Yield from short-term financial investment	68	130	107	470
Adjustment for inflation	530	2,234	741	2,340
Receipt Agreement - CSL	10,363	-	10,363	-
Other	20,618	474	21,447	1,186
Total financial revenue	31,579	2,838	32,658	3,996
<b>Financial expenses</b>				
Interest paid on loans and financing	(10,832)	(8,908)	(11,301)	(9,226)
Interest paid on loans and financing*	(6,436)	(4,962)	(6,034)	(2,585)
Discount to present value	(11,195)	(7,541)	(19,519)	(13,721)
Interest to be paid on trade accounts payable and other liabilities*	(9,413)	(3,363)	(9,413)	(3,363)
Fines, interest and adjustment for inflation	(1,165)	(10,030)	(1,877)	(13,475)
Other	(4,764)	(2,821)	(4,898)	(3,362)
Total financial expenses	(43,805)	(37,625)	(53,042)	(45,732)
Foreign currency exchange rate variation gains	34,691	11,368	35,035	19,467
Foreign currency exchange rate variation losses	(12,790)	(47,119)	(12,810)	(47,157)
Foreign currency exchange rate gains (losses), net	21,901	(35,751)	22,225	(27,690)

\* Bankruptcy debts

## 30. (Expenses and Costs) by nature

Item	Company		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Raw materials, materials for use and consumption, labor and third-party services	(39,102)	(88,488)	(42,114)	(93,987)
Depreciation and amortization	(1,317)	(2,370)	(1,751)	(2,712)
Other	354	496	(70)	(49)
Labor and third-party services	(4,813)	(5,956)	(4,946)	(4,036)
Depreciation and amortization	(9)	(10)	(9)	(10)
Other selling expenses	(9,990)	(6,670)	(10,746)	(8,750)
Labor and third-party services	(12,409)	(11,171)	(13,864)	(12,735)
Depreciation and amortization	(196)	(194)	(633)	(657)
Other administrative expenses	(4,065)	(4,884)	(6,480)	(7,348)
Management compensation	(6,464)	(3,255)	(6,464)	(3,255)
Total	(78,011)	(122,502)	(87,077)	(133,539)
Cost of goods sold	(40,065)	(90,362)	(43,935)	(96,748)
Selling expenses	(14,812)	(12,636)	(15,701)	(12,796)
General and administrative expenses	(16,670)	(16,249)	(20,977)	(20,740)
Management compensation	(6,464)	(3,255)	(6,464)	(3,255)
Total	(78,011)	(122,502)	(87,077)	(133,539)

## 31. Information by business segment and geographic region

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

- a) Products:** primarily manufacturing industrial valves; valves for the oil and gas industry; synthetic fiber ropes for anchoring oil platforms and various other applications; and composite products, such as utility poles and tubular casings for oil pipelines.
- b) Services:** The Company continues to wind down its operations through the sale of equipment and related assets. The revenue generated by this segment stems from the liquidation of inventory balances and does not relate to regular operations.

Geographically, management evaluates the performance of the Brazilian and export markets.

Sales between segments were treated as sales between unrelated parties. The amounts for total assets and liabilities are consistent with the balances reported in the financial statements. These assets or liabilities are allocated based on the segment's operations and the physical location of the asset.

As informações por segmento estão demonstradas abaixo:

	Products		Services		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Net revenue from sales</b>	<b>51,941</b>	<b>122,836</b>	<b>113</b>	<b>291</b>	<b>52,054</b>	<b>123,127</b>
Cost of products sold	(43,807)	(96,505)	(128)	(243)	(43,935)	(96,748)
<b>Gross income (loss)</b>	<b>8,134</b>	<b>26,331</b>	<b>(15)</b>	<b>48</b>	<b>8,119</b>	<b>26,379</b>
Selling expenses	(15,701)	(12,796)	-	-	(15,701)	(12,796)
Administrative expenses	(18,795)	(18,896)	(2,182)	(1,844)	(20,977)	(20,740)
Management compensation	(4,824)	-	(1,640)	(3,255)	(6,464)	(3,255)
Reversal of provision for impaired assets	(581)	2,341	(776)	11,200	(1,357)	13,541
Other revenue (expenses), net	(10,907)	38,925	(14,591)	(15,535)	(25,498)	23,390
<b>Operating income (loss) before financial income (expenses)</b>	<b>(42,674)</b>	<b>35,905</b>	<b>(19,204)</b>	<b>(9,386)</b>	<b>(61,878)</b>	<b>26,519</b>

  

	Products		Services		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Identifiable assets</b>	<b>197,138</b>	<b>206,077</b>	<b>147,026</b>	<b>166,262</b>	<b>344,164</b>	<b>372,339</b>
<b>Identifiable liabilities</b>	<b>17,797</b>	<b>17,365</b>	<b>207,516</b>	<b>203,078</b>	<b>225,313</b>	<b>220,443</b>

  

	Products		Services		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Depreciation and amortization</b>	<b>1,948</b>	<b>2,901</b>	<b>111</b>	<b>478</b>	<b>2,059</b>	<b>3,379</b>
<b>Purchase of property, plant and equipment</b>	<b>4,933</b>	<b>56,937</b>	<b>4</b>	<b>49</b>	<b>4,937</b>	<b>56,986</b>

As informações por região geográfica estão demonstradas abaixo:

	Brazil		Other		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Net revenue from sales</b>	<b>52,054</b>	<b>123,127</b>	-	-	<b>52,054</b>	<b>123,127</b>
Cost of products sold	(43,935)	(96,748)	-	-	(43,935)	(96,748)
<b>Gross income (loss)</b>	<b>8,119</b>	<b>26,379</b>	-	-	<b>8,119</b>	<b>26,379</b>
Selling expenses	(15,701)	(12,796)	-	-	(15,701)	(12,796)
Administrative expenses	(20,977)	(20,740)	-	-	(20,977)	(20,740)
Management compensation	(6,464)	(3,255)	-	-	(6,464)	(3,255)
Reversal of estimated losses due to the non-recoverability of assets	(1,357)	13,541	-	-	(1,357)	13,541
Other revenue (expenses), net	(25,498)	23,390	-	-	(25,498)	23,390
<b>Operating income (loss) before financial income (expenses)</b>	<b>(61,878)</b>	<b>26,519</b>	-	-	<b>(61,878)</b>	<b>26,519</b>

  

	Brazil		Other		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Identifiable assets</b>	<b>344,164</b>	<b>372,339</b>	-	-	<b>344,164</b>	<b>372,339</b>
<b>Identifiable liabilities</b>	<b>169,585</b>	<b>184,399</b>	<b>55,728</b>	<b>36,044</b>	<b>225,313</b>	<b>220,443</b>

  

	Brazil		Other		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Depreciation and amortization</b>	<b>2,059</b>	<b>3,379</b>	-	-	<b>2,059</b>	<b>3,379</b>
<b>Purchase of property, plant and equipment</b>	<b>4,937</b>	<b>56,986</b>	-	-	<b>4,937</b>	<b>56,986</b>

## 32. Judicial reorganization concluded on March 14, 2023

In order to address the effects of the prolonged financial crisis in which it found itself, Lupatech S.A. and its direct and indirect subsidiaries (“Lupatech Group”) filed for judicial reorganization on May 25, 2015, which was heard before the 1st Bankruptcy and Judicial Reorganization Court of the District of São Paulo and granted on June 22, 2015.

The Judicial Reorganization Plan (“Plan”) was approved by the General Meeting of Creditors on November 8, 2016, and subsequently confirmed by the 1st Court of Bankruptcy, Judicial Reorganization, and Arbitration-Related Disputes of the City of São Paulo on February 19, 2017.

The Plan was the subject of two amendments, which were approved and judicially ratified on November 30, 2018, and November 26, 2020, respectively.

On March 14, 2023, a ruling was issued ordering the termination of the judicial reorganization proceedings, which became final on June 21, 2023; the certificate of termination was issued by the São Paulo Board of Trade on August 4, 2023.

One of the main objectives of the judicial reorganization was to settle the claims subject to the Plan, which were partially settled through the transfer of Subscription Bonds in lieu of payment and partially paid or rescheduled, as detailed in the table below:

Class of Creditors	Payment Terms	Interest Rate*	Deadline
I - Labor	Cash or shares in a Special Purpose Entity (SPE) up to a limit of 150 times the minimum wage in effect in May 2015; any amount in excess of that limit in subscription rights	Not applicable	12 months from the date the credit was approved
II - Real Guarantee	35% in subscription bonuses, 65% in cash	TR + 3% p.a.	January 2032
III - Unsecured bonds	Local currency: 50% in subscription bonuses, 50% in cash  Foreign currency: 70% in subscription bonuses, 30% in cash	National currency: TR +3.3% p.a.  Foreign currency: Exchange rate +0.4% y/y.	January 2033**
IV - Micro and Small Businesses	50% Subscription Bonus, 50% in cash	TR + 3% a.a.	January 2032

\* TR=Reference Rate

\*\*Credits that become eligible for payment at a later date are subject to a 180-month payment schedule starting from the date they become eligible. Depending on exchange rate fluctuations, the payment of exchange rate adjustments and interest on foreign currency credits may extend beyond the specified period.

The principal is paid in fixed quarterly installments in Brazilian reais according to the growth schedule set forth in the Plan. Interest and exchange rate variations are paid: (a) Classes II and IV: in a single installment 30 days after the principal is due; or (b) Class III: in four quarterly installments after the principal is due, for credits in local currency, or in as many installments as the amount of the last installment of the corresponding principal, in the case of credits in foreign currency.

The portion to be paid in cash—which corresponds to 65% of Class II credits, 50% of domestic currency credits in Classes III and IV, and 30% of foreign currency credits listed in Class III—is subject to interest and exchange rate fluctuations at the rates indicated in the table above.

The table below details the schedule of payments due to creditors under the court-supervised reorganization:

	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	12/31/2025	31/12/2024
Carrying amount of Bankruptcy Liabilities	2,268	39,917	187,556	81,854	8,242	319,837	335,749
Discount to Present Value *	-	(12,574)	(73,820)	(24,068)	(2,737)	(113,199)	(132,718)
<b>Net carrying amount</b>	<b>2,268</b>	<b>27,343</b>	<b>113,735</b>	<b>57,786</b>	<b>5,506</b>	<b>206,638</b>	<b>203,031</b>
Carrying amount maturity							
2025	414	2,990	6,774	2,117	644	12,939	13,120
2026	-	2,990	8,572	2,696	637	14,895	15,085
2027	-	3,861	10,359	3,269	808	18,297	18,536
2028	-	4,485	13,802	4,358	936	23,581	23,905
2029	-	4,485	16,794	5,306	960	27,545	27,934
2030	-	4,485	21,290	6,727	945	33,447	33,939
2031	-	4,485	22,790	7,201	945	35,421	35,949
2032	-	12,136	29,111	9,188	2,367	52,802	58,589
2033	-	-	58,064	9,184	-	67,248	60,852
After 2034	1,854	-	-	31,808	-	33,662	47,840
<b>Total</b>	<b>2,268</b>	<b>39,917</b>	<b>187,556</b>	<b>81,854</b>	<b>8,242</b>	<b>319,837</b>	<b>335,749</b>
Litigation (dates and amounts undetermined)	10,535	-	3,251	-	520	14,305	13,263

\*The carrying amounts of receivables in Classes II, III, and IV include present value adjustments based on discount rates of 13.65% per annum for receivables denominated in local currency and 5.85% per annum for those denominated in foreign currency.

The portion paid in Subscription Bonds corresponds to 35% of Class II claims, 50% of domestic currency claims in Classes III and IV, and 70% of foreign currency claims listed in Class III. The Subscription Bonds necessary to fulfill the obligation were issued by the Company and were either registered in the creditors' names or held in treasury by court order in the case of creditors whose registration information was incomplete or irregular. The Subscription Bonds were issued in payment at the rate of 1 (one) Bond for every R\$ 100 (one hundred reais) of listed credits. Each Bond entitles the holder to, but does not oblige the holder to, subscribe to one share at a price of R\$0.88 per share, until March 24, 2026.

A total of 4,352,503 Subscription Warrants were issued, of which 2,123,370 were registered in the names of the respective 1,482 creditors. 487 are held in treasury as collateral for the Subscription Warrants issued in the U.S. by Lupatech Finance, and 746,646 are held in the Company's treasury for delivery to creditors who did not provide the registration information required for bookkeeping or are reserved to cover contingent liabilities.

Due to the adverse macroeconomic conditions that took hold beginning in December 2024, marked by significant increases in exchange rates and interest rates, the Company's liquidity was adversely affected by the resulting reduction in the availability of credit. Consequently, the Company delayed payments of the January, April, July, and October 2025 installments to creditors in Classes II, III, and IV of the Judicial Reorganization. Negotiations are currently underway to resolve the matter.

Information regarding the Judicial Reorganization is available at [www.lupatech.com.br/ri](http://www.lupatech.com.br/ri).

### 33. Subsequent events

#### Sale of Industrial Assets

On February 13, 2026, as disclosed in a Material Fact, the Company announced the sale to a multinational group of its industrial assets used for the manufacture of synthetic fiber cables and ropes, consisting of machinery and other equipment, for a price of US\$9.5 million, to be paid in local currency within two years, backed by performance bonds. Upon completion of the transaction, the Company will cease its operations in that business.

## **Filing of an urgent preliminary injunction prior to the filing of a petition for out-of-court or court-supervised reorganization**

On March 16, 2026, the Company filed a motion for preliminary injunctive relief prior to the reorganization proceedings with the Commercial Court of the 4th and 10th Regional Courts of São Paulo (“Preliminary Injunction”), pursuant to Article 20-B et seq. of Law No. 11,101/2005. In conjunction with the Injunction, the Company initiated mediation proceedings before the Specialized Chamber CMIRb (Mediation Center of the Recupera Brasil Institute).

The measures are intended to facilitate the settlement of the Company’s obligations and are a preliminary step toward a request for out-of-court or court-supervised reorganization to be filed at a later date, depending on the progress of negotiations with creditors.

## **Expiration of the Exercise Period for the Third Issue of Subscription Warrants – (Additional Benefit of the Fourth Issue of Debentures)**

At a meeting held on March 20, 2025, the Company determined that it was necessary to extend the exercise period for the Subscription Warrants of the Third Issue of Subscription Warrants – (Additional Benefit of the 4th Issue of Debentures) – to March 24, 2026. Since the exercise period has expired, Subscription Warrants not exercised in a timely manner have lost their validity.

## **Commentary on the trend in business projections**

Consolidated total net revenue in 4Q25 reached R\$ 6.6 million. The decline observed compared to 3Q25 is due to the financial crisis that unfolded throughout 2025, which resulted in severe working capital constraints.

The Company's order backlog in Brazil totaled R\$ 49.7 million, remaining at the same level as the previous quarter. Additionally, in March 2026, a contract for valve repair services with Petrobras in the amount of R\$ 68 million was added to the backlog.

There are major investment projects in the oil and gas sector that could result in significant demand in the coming years.

In the current scenario, the Company is focusing its efforts on securing sources of liquidity, primarily through divestitures or structured transactions backed by its assets, as well as seeking a sustainable debt restructuring with its creditors, so that it is ready for the upcoming business cycle.

Due to the restructuring that began in 2025, which has already included, among other measures, the divestment of one of its businesses—anchor cables—the Company no longer considers the long-term objectives it had been pursuing and reporting to be valid.

Forecasts, when disclosed, are estimates made by the Company's management and reflect its opinion, taking into account factors that may affect its performance, such as general economic conditions, as well as the dynamics of the markets in which it operates and its operations, based on information available in the market as of this 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  
Publicly Traded Company with Authorized Capital – Novo Mercado

### **AUDIT COMMITTEE REPORT – April 27, 2026**

#### **I – INTRODUCTION AND COMPOSITION OF THE COMMITTEE:**

The AUDIT COMMITTEE, as provided for in the internal regulations, Bylaws, and applicable laws, is responsible for advising the Company's Board of Directors regarding the exercise of its duties to oversee and monitor the quality of the financial statements, internal controls, compliance, and risk management of the Company, with a view to ensuring the reliability of the information reflected therein. The AUDIT COMMITTEE is composed of the following members who are currently serving their full terms, namely:

**1. Paulo Pinese**, Brazilian, married, business administrator and accountant, holder of Identity Card No. 8.138.961-9, registered with the CPF/MF under No. 921.449. 938-15 and with the São Paulo Regional Council of Accountants (CRC SP) under No. 134.267/O-6, with a business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), ZIP Code 13388-220, serving as Coordinator of the Audit Committee,

**2. Carlos Mario Calad Serrano**, a Colombian national, married, engineer, holder of RNE Identity Card No. V471179-4, registered with the CPF/MF under No. 060.144.487-64, with a business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), CEP 13388-220,

**3. Simone Anhaia Melo**, Brazilian, biologist, holder of Identity Card RG No. 4011785492, registered with the CPF/MF under No. 449.983.170-91, with a business address at Rodovia Anhanguera, km. 119, Industrial District, Nova Odessa (SP), ZIP Code 13388-220.

#### **II – RESPONSIBILITIES OF THE AUDIT COMMITTEE**

In addition to other duties assigned to it by law, regulations, or the Bylaws, the Audit Committee is responsible for:

II.1. - Providing its opinion on the hiring and dismissal of the independent auditor;

II.2 - Supervise the activities of the independent auditors, assessing their independence, the quality of the services provided, and the adequacy of such services to the Company's needs;

II.3 - Supervise the activities carried out in the areas of internal control, internal audit, and the preparation of the Company's financial statements;

II.4 - Monitor the quality and integrity of internal control mechanisms, 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 regarding: a) executive compensation; 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 appropriateness and disclosure of related-party transactions;

II.7 - prepare an annual report containing information on the Committee's activities, findings, conclusions, and recommendations, noting, if any, significant differences between management, the independent auditor, and the Audit Committee itself regarding the financial statements;

II.8 - report to the Board of Directors on the work carried out by the Committee, communicating the main facts through entries in the meeting minutes; and

II.9 - perform duties and take any other actions necessary to fulfill its responsibilities.

### **III – ACTIVITIES OF THE AUDIT COMMITTEE:**

With regard to the fiscal year ended December 31, 2025, the Committee met again on April 27, 2026, at 2:30 p.m., virtually via the Teams platform. Both members—Mr. Paulo Pinese and Ms. Simone Anhaia Mello, as listed above—were present at the meeting. Mr. Carlos Mario Calad Serrano—due to circumstances beyond his control—was not present.

Also present were the Company's President, Mr. Rafael Gorenstein, and Ms. Vanessa Melo de Souza, the Financial Statement Preparer, who provided information on the work to finalize the financial statements for the 2025 fiscal year, as well as on the audit work that had already been completed.

At this regular meeting held on April 27, 2026, this Audit Committee discussed accounting and tax matters related to the closing of the 2025 annual financial statements, corresponding to the twelve-month period beginning January 1 and ending December 31, 2025.

The Board of Directors will accept the recommendation of this Audit Committee to approve the Financial Statements for the fiscal year ended December 31, 2025, which have been discussed and reviewed by this same Committee.

Independent Accounting Audit: Assessed independence, particularly with regard to the provision of other services, and compliance with applicable legal and regulatory provisions, on an ongoing basis; Reviewed the Independent Auditor's Annual Work Plan; monitored the work of the independent accounting audit; reviewed the audit report on the financial statements for the 12-month period ended December 31, 2025.

### **IV – Topics addressed during the fiscal year ended December 31, 2025:**

- a. Financial Statements / Finance / Accounting: Monitored the Company's financial results for the first three quarters of the fiscal year—January through March 2025, April through June 2025, and July through September 2025—as well as for the 2025 year-end closing, with respect to the financial statements prepared for this period –

Balance Sheet, Income Statement for the year 2025, Statement of Comprehensive Income, Cash Flow Statement, Statement of Changes in Equity, and Statement of Value Added for the 12-month period ended December 31, 2025.

- b. Reviewed in addition to the financial statements and their accompanying notes. The accounting policies adopted were evaluated; the process for preparing and disclosing the financial statements for the period was evaluated; and the reasonableness of the criteria for recognizing revenue and expensing costs that have a material impact on the financial statements of the Company and its subsidiaries was evaluated.
- c. Internal controls and compliance: Monitoring and oversight of the tools used by the COMPANY to assess risks, protect assets, and supervise the effectiveness of compliance structures in combating fraud, corruption, and preventing money laundering; Analysis and understanding of the COMPANY's corporate policies; Monitoring of procedures related to the Prevention and Combating of Money Laundering; Monitoring of procedures related to Fraud Prevention and Combating, as well as review of investigation reports and their respective results; Monitoring the dissemination and actions related to the Anti-Corruption Law (Law 12,846/2013, Decree 8,420/2015, and CGU Ordinance 909), the Code of Ethics and Conduct, and the Compliance Program; Assessment of risks related to the information technology (IT) environment; Assessment of the process for monitoring legal proceedings, deposits, and judicial freezes, 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, identification, and mitigation of IT environment and cyber risks.
- d. Irregularities and Complaints: Monitored the development of the process for reporting and monitoring the systems and controls implemented by Management to receive and handle information regarding noncompliance with applicable laws and regulations, as well as its internal regulations and codes, ensuring that they include effective mechanisms to protect the whistleblower and the confidentiality of the information;

#### **V – HIGHLIGHTS FROM THE AUDIT COMMITTEE:**

The members of the Audit Committee, in the exercise of their legal duties and responsibilities, note that they discussed in detail the accounting procedures and the recording of the most significant transactions entered into the accounting records during the 12-month period corresponding to the 2025 fiscal year, ending on December 31, 2025, and their consistency with the procedures adopted at the close of the immediately preceding fiscal year, ending on December 31, 2024, as specifically reflected in the minutes of the Audit Committee meetings held during the quarterly sessions.

Among the topics discussed, the following stand out:

- a. Net sales revenue and revenue from Lupatech and its subsidiaries, based on the same figures as the corresponding period in 2024, including the calculation of EBITDA for the period;
- b. Operating costs; current inventory position and its probable and possible realization over time,
- c. establishment of reserves for the non-realization of assets such as inventory, accounts receivable, and other assets no longer in use—assets available for sale and their

- provisions (impairment) for potential realization losses, as well as the realization of other receivables from third parties (CSL – Cordoaria São Leopoldo),
- d. Recording of recognized deferred IRPJ and CSLL credits, their future realization, and supporting documentation, as well as the realization of goodwill on investments in subsidiaries acquired in the past;
  - e. Valuation of assets available for sale, no longer used in the operations of the Company and its subsidiaries; their valuation at fair value,
  - f. Capitalization and depreciation policies for fixed assets in use; and
  - g. Analysis of liabilities reflected in the 2025 annual financial statements.

Accordingly, this Committee believes that the reference to the DFs as the most relevant aspect in the Notes to the Financial Statements should, by 2025, be revised and perhaps adjusted in wording and/or reclassified to the notes to the financial statements as liabilities that remain pending future settlement, arising from the RJ, as was in fact the case.

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

## **VI – RECOMMENDATION REGARDING THE FINANCIAL STATEMENTS AS OF DECEMBER 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 reviewed the financial statements—both individual and consolidated—and the Management’s annual report, including the Notes to the aforementioned financial statements, prepared for the fiscal year ended December 31, 2025, and, based on the information provided by Management, this Committee expresses a favorable opinion and hereby recommends to the Board of Directors the approval of the aforementioned documents.

Nova Odessa (SP), April 27, 2026.

### **1. Paulo Pinese**

RG nº 8.138.961-9 e CPF/MF nº 921.449.938- 15  
CRC SP 134.267/O-6.

### **2. Carlos Mario Calad Serrano - ausente**

RNE nº V471179-4 e CPF/MF nº 060.144.487-64.

### **3. Simone Anhaia Melo**

RG nº 4011785492 e CPF/MF sob o nº 449.983.170-91



## **Management's declaration of the financial statements**

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The Company's directors, in accordance with the provisions of item VI of Article 27 of CVM Instruction No. 80, dated March 29, 2022, as amended, hereby declare that they have reviewed, discussed, and approved the Company's Financial Statements for the fiscal year ended December 31, 2025.

Nova Odessa, April 29, 2026.

Rafael Gorenstein – Director President and of Investor Relations Officer

Marco Antônio Miola – Director without a specific designation



## **Management's declaration of the independent auditor's report**

The Company's directors, in accordance with the provisions of item V of Article 27 of CVM Instruction No. 80, dated March 29, 2022, as amended, hereby declare that they have reviewed, discussed, and approved the independent auditors' report on the Company's Financial Statements for the fiscal year ended December 31, 2025.

Nova Odessa, April 29, 2026.

Rafael Gorenstein – Director President and of Investor Relations Officer

Marco Antônio Miola – Director without a specific designation

(Free translation from the original in Portuguese)

## **INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS**

To the  
Shareholders, Directors and Officers of  
**Lupatech S.A.**  
Nova Odessa - SP

### **Opinion**

We have audited the accompanying individual and consolidated financial statements of **Lupatech S.A.** ("Company"), identified as Parent and Consolidated, respectively, which comprise the statement of financial position as at December 31, 2025, and the statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including the material accounting policies and other explanatory information.

In our opinion, the individual and consolidated financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of **Lupatech S.A.** as at December 31, 2025, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

### **Basis for opinion**

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("CFC"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Emphasis of matter

### *Significant uncertainty related to going concern*

These individual and consolidated financial statements of **Lupatech S.A.** for the year ended December 31, 2025 have been prepared on a going concern basis and, as mentioned in Note 1.1 to the financial statements, the Company and its subsidiaries have reported recurring losses. During the year ended December 31, 2025, the loss before income tax and social contribution was R\$ 58,075 thousand in the parent and R\$ 60,037 thousand in the consolidated (R\$ 41,142 thousand and R\$ 42,907 thousand in 2024, respectively) and the Company has not generated sufficient operating cash to settle its obligations. These conditions indicate the existence of significant uncertainty that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. The reversal of this situation of recurring losses and difficulty to generate cash, as well as the capacity to realize their assets and settle their liabilities in the normal course of the Company's business, depend on the success of the plans for monetization of credits and other assets, and the actions for materialization of the projections, which include mainly the growth of revenues and the improvement of operating margins, as described in Note 1.1 to the financial statements. Notwithstanding, as mentioned in Note 33, on March 16, 2026 the Company filed for a precautionary injunction prior to the reorganization proceedings before the Business Court of the 4th and 10th Judicial Administrative Regions (RAJS) of the State of São Paulo ("Precautionary Injunction"). Concurrently with the Precautionary Injunction, the Company initiated mediation proceedings before the Specialized Chamber. These measures are intended to restructure the Company's obligations and precede any subsequent filing for out-of-court or court-supervised reorganization, depending on the progress of the negotiation with creditors. Our opinion is not qualified in respect of this matter.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, the description of how the matter was addressed in our audit, including any comments on the results of our procedures, is presented in the context of the financial statements taken as a whole

### *Assessment of impairment of goodwill, deferred income tax assets and assets classified as held for sale – Parent and Consolidated*

The Company and its subsidiaries performed procedures to assess the existence of impairment in its Cash-Generating Units ("CGUs"), to which goodwill is allocated, deferred income tax assets and assets classified as held for sale, as described in Notes 10, 13 and 18 to the financial statements. For the calculation of the recoverable amount, the discounted cash flow method was used, based on economic and financial projections and future taxable profits. The determination of future profitability estimates for purposes of assessing the recoverable amount of these assets requires the use of significant assumptions and judgments by the Company and its subsidiaries, which are subject to a high degree of uncertainty as to the realization of future business assumptions, the market indicators used to determine the discount rates, and the significant uncertainty on the Company's and its subsidiaries' ability to continue as a going concern, which may impact the amount of these assets in the individual and consolidated financial statements and the amount of

the investment accounted for under the equity method in the parent's financial statements. For this reason, we consider this to be a key audit matter.

How the matter was addressed in the audit

We evaluated the mathematical accuracy and significant assumptions used in the preparation of the projected discounted cash flows for each CGU, including also a comparison of the forecasts with past performance, the assessment of the existence of an active market for the CGUs assessed and other evidences about the determination of the fair value used in the calculation of the recoverable amount, such as market value reports prepared by experts, when applicable, and the evaluation and consistency of these assumptions with the business plans approved by the Board of Directors. Based on the results of the audit procedures described above, we consider the assumptions and methodologies used by the Company and its subsidiaries in the assessment of the recoverable amount of these assets to be reasonable, and the disclosures made to be adequate, in the context of the individual and consolidated financial statements taken as a whole.

*Going concern*

We draw attention to the matter described in the "Emphasis of matter" section in the item *Material uncertainty related to going concern*, which is considered a key audit matter, but is reported in a specific section as required by the standard on auditing "NBC TA 570 Going Concern" (equivalent to international standard on auditing ISA 570).

**Other matters**

*Statements of value added*

The individual and consolidated statements of value added for the year ended December 31, 2025, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these statements of value added have been properly prepared, in all material respects, in accordance with the criteria defined in the Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

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

The Company's management is responsible for the other information that comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with the audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the individual and consolidated financial statements**

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

In preparing the individual and consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

**Auditor's responsibilities for the audit of the individual and consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the individual and consolidated financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, April 29, 2026.

**Crowe Macro Auditores Independentes**  
CRC-2SP033508/O-1



**Diego Del Mastro Monteiro**  
Accountant – CRC-1SP302957/O-3



**Sérgio Ricardo de Oliveira**  
Accountant – CRC-1SP186070/O-8