



Quarterly Financial Report Individual and Consolidated

(A free translation of the original financial statements in Portuguese, prepared in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB))

March 31, 2025

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Company information/Capital composition

Number of shares (Units)	Current quarter 03/31/2024
Paid-in capital	
Common	75,422,892
Preferred	0
Total	75,422,892
Treasury shares	
Common	1,441
Preferred	0
Total	1,441

Parent company financial statements - Balance Sheet – Assets
(In thousands of Reais)

Code of account	Account description	Current quarter 03/31/2025	Prior year 12/31/2024
1	Total assets	1.607.501	1.637.580
1.01	Total current assets	367.267	395.172
1.01.01	Cash and cash equivalents	478	6.384
1.01.02	Financial investments	34.886	33.920
1.01.03	Accounts receivable	5.966	2.023
1.01.04	Inventory	255.527	271.750
1.01.06	Taxes recoverable	41.053	58.362
1.01.07	Prepaid expenses	17.377	10.308
1.01.08	Other current assets	11.980	12.425
1.01.08.03	Others	11.980	12.425
1.01.08.03.01	Derivative financial instruments	0	196
1.01.08.03.02	Other current assets	11.980	12.229
1.01.08.03.03	Linked account deposits/guarantees	0	0
1.02	Total non-current assets	1.240.234	1.242.408
1.02.01	Long term assets	273.948	256.988
1.02.01.04	Accounts receivable	357	393
1.02.01.07	Taxes	20.013	7.604
1.02.01.07.02	Taxes recoverable	20.013	7.604
1.02.01.08	Prepaid expenses	8.308	5.454
1.02.01.10	Other non-current assets	245.270	243.537
1.02.01.10.04	Legal deposits	194.264	190.762
1.02.01.10.05	Other non-current assets	51.006	52.775
1.02.02	Investments	50.518	50.355
1.02.02.01	Equity interest	24.817	24.654
1.02.02.01.02	Investments	24.817	24.654
1.02.02.02	Investment Property	25.701	25.701
1.02.02.02.01	Other investments	25.701	25.701
1.02.03	Property, plant and equipment	912.554	931.674
1.02.03.01	Fixed assets in operation	719.109	738.952
1.02.03.02	Prepaid expenses	4.852	6.656
1.02.03.03	Property, plant and equipment in progress	188.593	186.066
1.02.04	Intangible assets	3.214	3.391

Parent company financial statements - Balance Sheet – Liabilities
(In thousands of Reais)

Code of account	Account description	Current quarter 03/31/2025	Prior year 12/31/2024
2	Total liabilities	1.607.501	1.637.580
2.01	Total current liabilities	6.208.769	6.260.889
2.01.01	Payroll and related charges	80.965	77.132
2.01.02	Suppliers	679.475	639.105
2.01.02.01	Domestic suppliers	382.189	346.552
2.01.02.02	Foreign suppliers	297.286	292.553
2.01.03	Taxes payable	575.015	537.797
2.01.03.01	Federal tax liabilities	516.027	492.478
2.01.03.01.02	Excise tax	857	508
2.01.03.01.03	Withholding income tax-IRRF	1.137	2.067
2.01.03.01.04	PIS and COFINS	1.270	905
2.01.03.01.05	Withholding social contribution tax	1.506	1.380
2.01.03.01.07	Others	131	160
2.01.03.01.08	Withholding tax - installments	15.726	13.977
2.01.03.01.09	Provision Drawback Tax- suspension	495.400	473.481
2.01.03.02	State tax liabilities	17.955	15.078
2.01.03.02.01	Value-Added Tax on Sales and Services	17.955	15.078
2.01.03.03	Municipal tax liabilities	41.033	30.241
2.01.03.03.01	Service tax	41.033	30.241
2.01.04	Loans and financing	4.714.367	4.862.767
2.01.05	Other liabilities	158.947	144.088
2.01.05.02	Others	158.947	144.088
2.01.05.02.05	Advances from clients	73.414	72.724
2.01.05.02.06	Other current liabilities	57.252	51.817
2.01.05.02.07	Forfeiting and letter of credit operations	24.010	15.777
2.01.05.02.08	Leasing	4.271	3.770
2.02	Total non-current liabilities	1.809.930	1.662.537
2.02.01	Loans and financing	487.963	354.311
2.02.02	Other liabilities	298.819	303.695
2.02.02.02	Other non - current liabilities	298.819	303.695
2.02.02.02.02	Other non - current liabilities	39.597	26.217
2.02.02.02.03	Taxes payable	92.245	82.713
2.02.02.02.05	Value-added tax on sales and services-ICMS	19.733	21.036
2.02.02.02.06	Suppliers	129.575	156.327
2.02.02.02.07	Payroll and related charges	11.570	12.014
2.02.02.02.09	Forfeiting and letter of credit operations	6.099	5.388
2.02.03	Deferred Taxes	55.489	55.991
2.02.03.01	Deferred income tax and social contribution	55.489	55.991
2.02.04	Provisions	967.659	948.540
2.02.04.01	Legal deposits	967.078	945.654
2.02.04.01.01	Tax Provision	606.311	600.135
2.02.04.01.02	Social security and labor provisions	131.545	128.258
2.02.04.01.03	Labor	105.969	103.236
2.02.04.01.04	Civil provisions	111.569	102.570
2.02.04.01.06	Civil	11.684	11.455
2.02.04.02	Others provisions	581	2.886
2.02.04.02.05	Leasing	581	2.886
2.03	Equity	-6.411.198	-6.285.846
2.03.01	Paid-in capital	2.173.578	2.167.013
2.03.01.01	Paid-in capital	2.178.953	2.172.388
2.03.01.03	Capitalization costs	-5.375	-5.375
2.03.02	Capital Reserve	-741	-741
2.03.02.05	Treasury shares	-741	-741
2.03.05	Retained earnings	-8.691.749	-8.560.807
2.03.06	Equity valuation adjustments	107.714	108.689

Parent Company financial statements - Income Statement
(In thousands of Reais)

Code of account	Account description	1 st Quarter 2025	1 st Quarter 2024
3.01	Net sales	134.124	76.985
3.02	Cost of goods sold	-172.895	-117.177
3.03	Gross Loss	-38.771	-40.192
3.04	Operating expenses	-29.322	-48.806
3.04.01	Sales expenses	-2.281	-2.456
3.04.02	General and administrative expenses	-19.154	-18.109
3.04.02.01	General and administrative	-19.154	-18.109
3.04.04	Other income	739	1.020
3.04.05	Other expenses	-8.789	-29.506
3.04.06	Equity income (loss)	163	245
3.05	(Loss) operating profit before financial results	-68.093	-88.998
3.06	Financial income (loss)	-64.326	-234.933
3.06.01	Financial income	237.365	30.351
3.06.02	Financial expenses	-301.691	-265.284
3.07	Net Income(Loss) before income and social contribution taxes	-132.419	-323.931
3.08	Income and social contribution tax	502	759
3.08.02	Deferred income and social contribution taxes	502	759
3.09	Net income (loss) from continuing operations	-131.917	-323.172
3.11	Net income for the period	-131.917	-323.172
3.99	Earning per share - (Reais / Share)	-	-
3.99.01	Basic earnings per share		
3.99.01.01	ON	-1,88407	-7,44595
3.99.02	Diluted earnings per share		
3.99.02.01	ON	-1,88407	-7,44595

Parent Company financial statements- Statement of other comprehensive income (loss)
(In thousands of Reais)

Code of account	Account description	1 st Quarter 2025	1 st Quarter 2024
4.01	Net income for the period	-131.917	-323.172
4.02	Other comprehensive Income	0	47
4.02.07	Earnings from Foreign exchange variations	0	47
4.03	Comprehensive income(loss) for the period	-131.917	-323.125

Parent Company financial statements / Statements of cash flows - Indirect method
(In thousands of Reais)

Code of account	Account description	1 st Quarter 2025	1 st Quarter 2024
6.01	Net cash provided by (used in) operating activities	24,720	-44,933
6.01.01	Cash generated from operations	-77,358	-40,959
6.01.01.01	Income (loss) before income and social contribution taxes	-132,419	-323,931
6.01.01.02	Residual value of written-off fixed assets	0	2,062
6.01.01.03	Depreciation and amortization	20,315	22,788
6.01.01.04	Equity in results of investees	-163	-245
6.01.01.05	Provision for losses on lawsuits	5,762	14,308
6.01.01.06	Amortization of right-to-use assets	1,798	2,000
6.01.01.07	Provision for other estimated losses	-563	3,214
6.01.01.08	Financial charges	27,748	238,439
6.01.01.09	Present value adjustment	156	183
6.01.01.12	Provision (reversal) for recoverable value of estimated losses	8	223
6.01.02	Changes in assets and liabilities	102,078	-3,974
6.01.02.02	Accounts receivable	-4,114	130
6.01.02.04	Inventory	18,273	2,139
6.01.02.05	Taxes recoverable	4,900	8,122
6.01.02.06	Prepaid expenses	-9,923	-7,364
6.01.02.07	Legal deposits	-3,502	-127
6.01.02.08	Derivative financial instruments	177	1,213
6.01.02.09	Assets held for sale	544	0
6.01.02.10	Other current and non-current liabilities	1,864	-1,749
6.01.02.11	Suppliers	38,041	5,098
6.01.02.12	Forfeiting and letter of credit operations	8,944	-18
6.01.02.14	Taxes payable	23,528	24,754
6.01.02.15	Legal deposits	-634	-43,839
6.01.02.16	Payroll and related charges	3,389	8,284
6.01.02.18	Advances from clients	1,774	-1,177
6.01.02.20	Other current and non-current liabilities	18,817	560
6.02	Net cash used in investment activities	-4,994	-2,682
6.02.04	Other investments	0	-250
6.02.07	Fixed assets and intangible additions	-4,994	-2,432
6.03	Net cash generated by (used in) financing activities	-25,632	48,690
6.03.01	Loans and financing	102,731	88,484
6.03.02	Amortization of loans and financing	-109,786	-89,599
6.03.04	Interest payments on loans	-18,218	-11,362
6.03.06	Net cost of funding	2,561	62,586
6.03.05	Leasing	-1,954	-2,187
6.03.07	Release linked bank account	-966	768
6.05	(Reduction) increase in cash and cash equivalents	-5,906	1,075
6.05.01	Cash and cash equivalents at the beginning for the period	6,384	80
6.05.02	Cash and cash equivalents at the end for the period	478	1,155

Parent Company financial statements / Statement of changes in equity – 01/01/2025 - 03/31/2025
(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Equity
5.01	Opening balances	2,172,388	-6,116	0	-8,560,807	108,689	-6,285,846
5.03	Adjusted opening balances	2,172,388	-6,116	0	-8,560,807	108,689	-6,285,846
5.04	Capital transactions with partners	6,565	0	0	0	0	6,565
5.04.01	Capital increase	6,565	0	0	0	0	6,565
5.04.08	Convertible debentures in action	0	0	0	0	0	0
5.04.09	Capitalization costs	0	0	0	0	0	0
5.05	Total comprehensive income	0	0	0	-131,917	0	-131,917
5.05.01	Net income(loss) for the period	0	0	0	-131,917	0	-131,917
5.05.02	Other comprehensive income	0	0	0	0	0	0
5.05.02.01	Financial instruments - adjustments	0	0	0	0	0	0
5.05.02.06	Earnings and losses from foreign exchange variations-foreign investment	0	0	0	0	0	0
5.06	Internal changes in equity	0	0	0	975	-975	0
5.06.02	Realization of revaluation reserve	0	0	0	1,477	-1,477	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-502	502	0
5.06.04	Taxe incentive reserve	0	0	0	0	0	0
5.06.05	Legal reserve	0	0	0	0	0	0
5.07	Closing balances	2,178,953	-6,116	0	-8,691,749	107,714	-6,411,198

Parent Company financial statements / Statement of changes in equity – 01/01/2024 - 03/31/2024
(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Equity
5.01	Opening balances	2,069,566	19,671	0	-6,426,611	113,864	-4,223,510
5.03	Adjusted opening balances	2,069,566	19,671	0	-6,426,611	113,864	-4,223,510
5.04	Capital transactions with partners	62,586	0	0	0	0	62,586
5.04.01	Capital increase	62,586	0	0	0	0	62,586
5.04.08	Convertible debentures in action	0	0	0	0	0	0
5.04.09	Capitalization costs	0	0	0	0	0	0
5.05	Total comprehensive income	0	0	0	-323,172	47	-323,125
5.05.01	Net income(loss) for the period	0	0	0	-323,172	0	-323,172
5.05.02	Other comprehensive income	0	0	0	0	47	47
5.05.02.01	Financial instruments - adjustments	0	0	0	0	0	0
5.05.02.06	Earnings and losses from foreign exchange variations-foreign investment	0	0	0	0	47	47
5.06	Internal changes in equity	0	0	0	1,474	-1,474	0
5.06.02	Realization of revaluation reserve	0	0	0	2,234	-2,234	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-760	760	0
5.06.04	Realization of revaluation reserve	0	0	0	0	0	0
5.06.05	Taxes on the realization of the revaluation reserve	0	0	0	0	0	0
5.07	Closing balances	2,132,152	19,671	0	-6,748,309	112,437	-4,484,049

**Parent Company financial statements or Statement of value added
(In thousands of Reais)**

Code of account	Account description	1 st Quarter 2025	1 st Quarter 2024
7.01	Income	165,963	95,505
7.01.01	Sales of goods and services	165,265	96,770
7.01.02	Other income	706	-1,042
7.01.04	Provision for doubtful accounts	-8	-223
7.02	Inputs acquired from third parties	-172,153	-116,852
7.02.01	Cost of goods and services sold	-81,835	-38,961
7.02.02	Materials, energy, third party services and other	-90,318	-77,891
7.03	Gross added value	-6,190	-21,347
7.04	Retentions	-22,113	-24,788
7.04.01	Depreciation and amortization	-20,315	-22,788
7.04.02	Others	-1,798	-2,000
7.05	Net added value	-28,303	-46,135
7.06	Added value received through transfers	237,528	30,596
7.06.01	Equity in results of investees	163	245
7.06.02	Financial income	237,365	30,351
7.07	Total net added value payable	209,225	-15,539
7.08	Net added value payable	209,225	-15,539
7.08.01	Personnel and charges	46,285	35,672
7.08.02	Taxes, duties and contributions	-8,153	5,623
7.08.03	Third-party capital remuneration	303,010	266,338
7.08.04	Remuneration of own capital	-131,917	-323,172
7.08.04.03	Net income for the period	-131,917	-323,172

Consolidated financial statements / Balance Sheet – Assets
(In thousands of Reais)

Code of account	Account description	Current quarter 03/31/2025	Prior year 12/31/2024
1	Total assets	1.584.101	1.627.102
1.01	Total current assets	368.087	397.927
1.01.01	Cash and cash equivalents	1.408	8.524
1.01.02	Financial investments	34.886	33.920
1.01.03	Accounts receivable	5.623	1.736
1.01.04	Inventory	255.527	271.750
1.01.06	Taxes recoverable	41.287	59.264
1.01.07	Prepaid expenses	17.377	10.308
1.01.08	Other current assets	11.979	12.425
1.01.08.03	Others	11.979	12.425
1.01.08.03.01	Derivative financial instruments	0	196
1.01.08.03.02	Other current assets	11.979	12.229
1.02	Total non-current assets	1.216.014	1.229.175
1.02.01	Long term assets	274.545	268.409
1.02.01.04	Accounts receivable	357	393
1.02.01.07	Taxes	20.013	20.196
1.02.01.07.02	Taxes recoverable	20.013	20.196
1.02.01.08	Prepaid expenses	8.308	5.454
1.02.01.10	Other non-current assets	245.867	242.366
1.02.01.10.04	Legal deposits	194.264	190.762
1.02.01.10.05	Other non-current assets	51.603	51.604
1.02.02	Investments	25.701	25.701
1.02.02.02	Investment Property	25.701	25.701
1.02.02.02.01	Other investments	25.701	25.701
1.02.03	Property, plant and equipment	912.554	931.674
1.02.03.01	Fixed assets in operation	719.109	738.952
1.02.03.02	Prepaid expenses	4.852	6.656
1.02.03.03	Property, plant and equipment in progress	188.593	186.066
1.02.04	Intangible assets	3.214	3.391

Consolidated financial statements / Balance Sheet – Liabilities
(In thousands of Reais)

Code of account	Account description	Current quarter 03/31/2025	Prior year 12/31/2024
2	Total liabilities	1.584.101	1.627.102
2.01	Total current liabilities	6.209.124	6.261.203
2.01.01	Payroll and related charges	80.965	77.132
2.01.02	Suppliers	679.482	639.112
2.01.02.01	Domestic suppliers	382.196	346.559
2.01.02.02	Foreign suppliers	297.286	292.553
2.01.03	Taxes payable	575.061	537.798
2.01.03.01	Federal tax liabilities	516.073	492.479
2.01.03.01.01	Income tax and social contribution	45	0
2.01.03.01.02	Excise tax	857	508
2.01.03.01.03	Withholding income tax-IRRF	1.137	2.067
2.01.03.01.04	PIS and COFINS	1.271	906
2.01.03.01.05	Withholding social contribution tax	1.506	1.380
2.01.03.01.07	Others	131	160
2.01.03.01.08	Impostos retidos - parcelados	15.726	13.977
2.01.03.01.09	Provisão de Impostos Drawback suspensão	495.400	473.481
2.01.03.02	State tax liabilities	17.955	15.078
2.01.03.02.01	Value-Added Tax on Sales and Services	17.955	15.078
2.01.03.03	Municipal tax liabilities	41.033	30.241
2.01.03.03.01	Service tax	41.033	30.241
2.01.04	Loans and financing	4.714.367	4.862.767
2.01.05	Other liabilities	159.249	144.394
2.01.05.02	Others	159.249	144.394
2.01.05.02.05	Advances from clients	73.530	72.840
2.01.05.02.06	Other current liabilities	57.438	52.007
2.01.05.02.07	Forfeiting and letter of credit operations	24.010	15.777
2.01.05.02.08	Leasing	4.271	3.770
2.02	Total non-current liabilities	1.786.175	1.651.745
2.02.01	Loans and financing	487.963	354.311
2.02.02	Other liabilities	273.749	291.589
2.02.02.02	Other non-current liabilities	273.749	291.589
2.02.02.02.02	Other non-current liabilities	14.527	14.111
2.02.02.02.03	Taxes payable	92.245	82.713
2.02.02.02.04	Value-added tax on sales and services-ICMS	19.733	21.036
2.02.02.02.06	Suppliers	129.575	156.327
2.02.02.02.07	Payroll and related charges	11.570	12.014
2.02.02.02.09	Forfeiting and letter of credit operations	6.099	5.388
2.02.03	Deferred Taxes	56.804	57.305
2.02.03.01	Deferred income tax and social contribution	56.804	57.305
2.02.04	Provisions	967.659	948.540
2.02.04.01	Legal deposits	967.078	945.654
2.02.04.01.01	Tax Provision	606.312	600.135
2.02.04.01.02	Social security and labor provisions	131.544	128.258
2.02.04.01.03	Labor	105.969	103.236
2.02.04.01.04	Civil provisions	111.569	102.570
2.02.04.01.06	Civil	11.684	11.455
2.02.04.02	Others provisions	581	2.886
2.02.04.02.05	Leasing	581	2.886
2.03	Equity	-6.411.198	-6.285.846
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2.03.01.03	Capitalization costs	-5.375	-5.375
2.03.02	Capital Reserve	-741	-741
2.03.02.05	Treasury shares	-741	-741
2.03.05	Retained earnings	-8.691.749	-8.560.807
2.03.06	Equity valuation adjustments	107.714	108.689

Consolidated financial statements / Income Statement
(In thousands of Reais)

Code of account	Account description	1 st Quarter 2025	1 st Quarter 2024
3.01	Net sales	134.124	76.985
3.02	Cost of goods sold	-172.895	-117.177
3.03	Gross Loss	-38.771	-40.192
3.04	Operating expenses	-29.538	-49.136
3.04.01	Sales expenses	-2.283	-2.460
3.04.02	General and administrative expenses	-19.204	-18.183
3.04.02.01	General and administrative	-19.204	-18.183
3.04.04	Other income	739	1.021
3.04.05	Other expenses	-8.790	-29.514
3.05	(Loss) operating profit before financial results	-68.309	-89.328
3.06	Financial income (loss)	-64.065	-234.545
3.06.01	Financial income	237.630	30.761
3.06.02	Financial expenses	-301.695	-265.306
3.07	Net Income(Loss) before income and social contribution taxes	-132.374	-323.873
3.08	Income and social contribution tax	457	701
3.08.01	Income and social contribution tax for the current year	-43	-60
3.08.02	Deferred income and social contribution taxes	500	761
3.09	Net income (loss) from continuing operations	-131.917	-323.172
3.11	Net income for the period	-131.917	-323.172
3.11.01	Atributed to Parent Company Share Holders	-131.917	-323.172
3.99	Earning per share - (Reais / Share)		
3.99.01	Basic earnings per share		
3.99.01.01	ON	-1,88407	-7,44595
3.99.02	Diluted earnings per share		
3.99.02.01	ON	-1,88407	-7,44595

Consolidated financial statements / Statement of other comprehensive income (loss)
(In thousands of Reais)

Code of account	Account description	1 st Quarter 2025	1 st Quarter 2024
4.01	Net income for the period	-131.917	-323.172
4.02	Other comprehensive Income	0	47
4.02.07	Earnings from Foreign exchange variations	0	47
4.03	Comprehensive income(loss) for the period	-131.917	-323.125
4.03.01	Atributed to Parent Company Share Holders	-131.917	-323.125

Consolidated financial statements / Statements of cash flows - Indirect method
(In thousands of Reais)

Code of account	Account description	1 st Quarter 2025	1 st Quarter 2024
6.01	Net cash provided by (used in) operating activities	23,510	-44,842
6.01.01	Cash generated from operations	-77,148	-40,608
6.01.01.01	Income (loss) before income and social contribution taxes	-132,374	-323,873
6.01.01.02	Residual value of written-off fixed assets	0	2,062
6.01.01.03	Depreciation and amortization	20,315	22,788
6.01.01.05	Provision for losses on lawsuits	5,762	14,308
6.01.01.06	Amortization of right-to-use assets	1,798	2,000
6.01.01.07	Provision for other estimated losses	-563	3,214
6.01.01.08	Financial charges	27,750	238,487
6.01.01.09	Present value adjustment	156	183
6.01.01.12	Provision for negative equity of investees	8	223
6.01.02	Changes in assets and liabilities	100,658	-4,251
6.01.02.02	Accounts receivable	-4,058	203
6.01.02.04	Inventory	18,273	2,138
6.01.02.05	Taxes recoverable	18,160	8,106
6.01.02.06	Prepaid expenses	-9,923	-7,365
6.01.02.07	Legal deposits	-3,502	-127
6.01.02.08	Derivative financial instruments	177	1,213
6.01.02.09	Assets held for sale	544	0
6.01.02.10	Other current and non-current liabilities	95	-1,599
6.01.02.11	Suppliers	38,042	5,098
6.01.02.12	Forfeiting and letter of credit operations	8,944	-18
6.01.02.14	Taxes payable	23,528	24,753
6.01.02.15	Legal deposits	-634	-43,839
6.01.02.16	Payroll and related charges	3,389	8,284
6.01.02.18	Advances from clients	1,774	-1,177
6.01.02.20	Other current and non-current liabilities	5,849	79
6.01.03	Other	0	17
6.01.03.01	Income and social contribution taxes paid	0	17
6.02	Net cash used in investment activities	-4,994	-2,682
6.02.04	Other investments	0	-250
6.02.07	Fixed assets and intangible additions	-4,994	-2,432
6.03	Net cash generated by (used in) financing activities	-25,632	48,690
6.03.01	Loans and financing	102,731	88,484
6.03.02	Amortization of loans and financing	-109,786	-89,599
6.03.04	Interest payments on loans	-18,218	-11,362
6.03.05	Leasing	-1,954	-2,187
6.03.06	Net cost of funding	2,561	62,586
6.03.07	Aplicações Conta Escrow	-966	768
6.05	(Reduction) increase in cash and cash equivalents	-7,116	1,166
6.05.01	Cash and cash equivalents at the beginning for the period	8,524	85
6.05.02	Cash and cash equivalents at the end for the period	1,408	1,251

Consolidated financial statements / Statement of changes in equity – 01/01/2025 - 03/31/2025
(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Equity	Consolidated Equity
5.01	Opening balances	2,172,388	-6,116	0	-8,560,807	108,689	-6,285,846	-6,285,846
5.03	Adjusted opening balances	2,172,388	-6,116	0	-8,560,807	108,689	-6,285,846	-6,285,846
5.04	Capital transactions with partners	6,565	0	0	0	0	6,565	6,565
5.04.01	Capital increase	6,565	0	0	0	0	6,565	6,565
5.04.08	Convertible debentures in action	0	0	0	0	0	0	0
5.04.09	Capitalization costs	0	0	0	0	0	0	0
5.05	Total comprehensive income	0	0	0	-131,917	0	-131,917	-131,917
5.05.01	Net income (loss) for the period	0	0	0	-131,917	0	-131,917	-131,917
5.05.02	Other comprehensive income	0	0	0	0	0	0	0
5.05.02.01	Financial instruments - adjustments	0	0	0	0	0	0	0
5.05.02.06	Earnings and losses from foreign exchange variations-foreign investment	0	0	0	0	0	0	0
5.06	Internal changes in equity	0	0	0	975	-975	0	0
5.06.02	Realization of revaluation reserve	0	0	0	1,477	-1,477	0	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-502	502	0	0
5.06.04	Tax incentive reserve	0	0	0	0	0	0	0
5.06.05	Legal reserve	0	0	0	0	0	0	0
5.07	Closing balances	2,178,953	-6,116	0	-8,691,749	107,714	-6,411,198	-6,411,198

Consolidated financial statements / Statement of changes in equity – 01/01/2024 - 03/31/2024
(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Equity	Consolidated Equity
5.01	Opening balances	2,069,566	19,671	0	-6,426,611	113,864	-4,223,510	-4,223,510
5.03	Adjusted opening balances	2,069,566	19,671	0	-6,426,611	113,864	-4,223,510	-4,223,510
5.04	Capital transactions with partners	62,586	0	0	0	0	0	0
5.04.01	Capital increase	62,586	0	0	0	0	0	0
5.04.08	Convertible debentures in action	0	0	0	0	0	0	0
5.04.09	Capitalization costs	0	0	0	0	0	0	0
5.05	Total comprehensive income	0	0	0	-323,172	47	-323,125	-323,125
5.05.01	Net income (loss) for the period	0	0	0	-323,172	0	-323,172	-323,172
5.05.02	Other comprehensive income	0	0	0	0	47	47	47
5.05.02.01	Financial instruments - adjustments	0	0	0	0	0	0	0
5.05.02.06	Earnings and losses from foreign exchange variations-foreign investment	0	0	0	0	47	47	47
5.06	Internal changes in equity	0	0	0	1,474	-1,474	0	0
5.06.02	Realization of revaluation reserve	0	0	0	2,234	-2,234	0	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-760	760	0	0
5.06.04	Realization of revaluation reserve	0	0	0	0	0	0	0
5.06.05	Taxes on the realization of the revaluation reserve	0	0	0	0	0	0	0
5.07	Opening balances	2,132,152	19,671	0	-6,748,309	112,437	-4,546,635	-4,546,635

Consolidated financial statements or Statement of value added
(In thousands of Reais)

Code of account	Account description	1 st Quarter 2025	1 st Quarter 2024
7.01	Income	165,963	95,506
7.01.01	Sales of goods and services	165,265	96,770
7.01.02	Other income	706	-1,041
7.01.04	Provision for doubtful accounts	-8	-223
7.02	Inputs acquired from third parties	-172,148	-116,880
7.02.01	Cost of goods and services sold	-81,835	-38,961
7.02.02	Materials, energy, third party services and other	-90,313	-77,919
7.03	Gross added value	-6,185	-21,374
7.04	Retentions	-22,113	-24,788
7.04.01	Depreciation and amortization	-20,315	-22,788
7.04.02	Others	-1,798	-2,000
7.05	Net added value	-28,298	-46,162
7.06	Added value received through transfers	237,630	30,761
7.06.02	Financial income	237,630	30,761
7.07	Total net added value payable	209,332	-15,401
7.08	Net added value payable	209,332	-15,401
7.08.01	Personnel and charges	46,342	35,728
7.08.02	Taxes, duties and contributions	-8,107	5,683
7.08.03	Third-party capital remuneration	303,014	266,360
7.08.04	Remuneration of own capital	-131,917	-323,172
7.08.04.03	Net income for the period	-131,917	-323,172

MESSAGE FROM THE BOARD

This quarter, the Company maintained its strategy aimed at ensuring the continuity of operations, amid challenges in obtaining credit for working capital and the stages of the Judicial Recovery process, through meetings with creditors and stakeholders.

The result of this progress was the approval of the 2nd amendment to the Judicial Recovery Plan, which was submitted for ratification by the court overseeing the Judicial Recovery Plan, in accordance with the applicable legislation. Furthermore, in compliance with the provisions of our Judicial Recovery Plan, we made payments in this quarter to both creditors classified as microenterprises or small-sized companies, as well as labor creditors with resources from appeal deposits.

The Board of Directors partially approved an increase in the Company's capital through a private subscription of shares, within the limit of authorized capital, pursuant to Article 5, Paragraph 4 of the Bylaws and Article 166, item II of Law 6404/76. This approval follows a previous resolution approved at the Board meeting held on January 16, 2025, aiming to capitalize credits held by certain Company's creditors as part of the 4th Capital Increase and Conversion Process, as provided for in Clause 11.1 of the Judicial Recovery Plan ("Plan").

Our unit in São Paulo has maintained a consistent volume of sales, which reached 6,423 tons in the quarter. In consolidation with the unit in Bahia, which has partially resumed its activities, we reached a total of 10,299 tons. The volume is 75% higher than in the same period of last year. The Caraíba unit was waiting for maintenance to begin.

As a result of our volume growth, better sales mix and effective management of our costs, we achieved a 28% better EBITDA compared to the same period in 2024. The Company recorded a negative EBITDA of R\$ 46 million due to the partial idleness of the Caraíba unit, tax and labor contingencies and the required maintenance of its Administrative and Commercial staff.

For the third quarter in a row, we generated positive operating cash flow of R\$ 24 million. This shows that the commercial, operational and financial strategies have brought good results.

Regarding the debt of the Global Agreement, the Company continues negotiating with the creditors to obtain new conditions, more favorable for the settlement of its liabilities.

We continue making efforts to bring a better operational balance to our units, seeking to maintain our commitments to current partners and looking for new sources of financing that will allow us to increase our sales volumes.

Finally, we would like to thank all our employees, clients, suppliers, shareholders and other partners for their trust and support.

ECONOMIC PERFORMANCE

Net revenue

In R\$ thd, except otherwise stated	1Q24	1Q25	Δ %
Primary Copper	63	274	335%
% of Revenue	0.1%	0.2%	0.1 p.p.
Copper Products	76,946	131,613	71%
% of Revenue	99.9%	98.1%	-1.8 p.p.
Rods, Wires and Others	0	14,307	n.a
Bars/Profiles/Rolled/Tubes/Fittings	76,946	117,306	52%
Byproducts	(24)	2,237	9421%
% of Revenue	0.0%	1.7%	1.7 p.p.
Total Net Revenue	76,985	134,124	74%
Domestic Market [%]	51.0%	50.6%	-0.4 p.p.
Export Market [%]	4.1%	10.2%	6.0 p.p.
Toll [%]	44.9%	39.2%	-5.7 p.p.

Net Revenue for 1Q25 totaled R\$ 134 million, accounting for an increase of 74% compared to the same period of the previous year. This is the result of an increase in sales volume at the São Paulo unit and the partial resumption of activities at the Bahia unit.

Gross income

In R\$ thd, except otherwise stated	1Q24	1Q25	Δ %
Net Revenue	76,985	134,124	74%
Total COGS	(117,177)	(172,895)	48%
(-) Metal Cost	(31,804)	(66,232)	108%
(-) Transformation Cost	(85,373)	(106,663)	25%
COGS Total/tonnes sold	19.9	16.8	-16%
Metal Cost/tonnes sold	5.4	6.4	19%
Transformation Cost/tonnes sold	14.5	10.4	-29%
Gross Profit	(40,192)	(38,771)	-4%
% of Revenue	-52.2%	-28.9%	23.3 p.p.
Adjusted Gross Profit (LME and USD Dollar changes on inventories)	6,461	13,084	103%
% of Revenue	8.4%	9.8%	1.4 p.p.
Premiums	45,181	67,892	50%
Premium/Net Revenue [%]	58.7%	50.6%	-8.1 p.p.
Premium/tonnes sold	7.7	6.6	-14%

Adjusted Gross Income in 1Q25 of R\$ 13 million was better than the R\$ 6 million achieved in the same period of last year. This is the result of a better sales mix at the Eluma unit and the partial resumption of the Caraíba unit, in addition to operational efficiency in industrial spending.

Adjusted Gross Income eliminates the effects of idleness and the effects of hedge accounting used to update the inventories amount to the present value of LME and Dollar and which, as a result of not being absorbed by the inventory, impact the income (loss).

Fixed Costs (including Idleness)

In R\$ thd, except otherwise stated	1Q24	1Q25	Δ %
Fixed Costs including idleness	(76,607)	(88,581)	16%

The Company recorded R\$ 89 million in fixed costs in 1Q25, spending more than the R\$ 77 million in 1Q24. This is due to the partial return of employees who were on lay-off at the Bahia unit and the need for maintenance to meet new production volumes.

Operating expenses

In R\$ thd, except otherwise stated	1Q24	1Q25	Δ %
Total Operating Expenses	(49,136)	(29,538)	-40%
Sales Expenses	(2,460)	(2,283)	-7%
G&A Expenses and Management Compensation	(18,183)	(19,204)	6%
Other Operating, net	(28,493)	(8,051)	-72%

In 1Q25, Operating Expenses totaled R\$ 8 million, mainly due to Provisions for Labor and Tax Contingencies of R\$ 6 million. On the other hand, Selling, General and Administrative Expenses recorded a slight increase of 4%, represented by the inflation adjustment of some services.

In R\$ thd, except otherwise stated	1Q24	1Q25	Δ %
*Main items - Other Operating, Net:			
Provisions for labor and tax contingencies	(14,308)	(5,762)	60%
Other provisions	(1,224)	(1,310)	-7%
Exclusion of ICMS from the COFINS and PIS asses	(5,410)	0	n.a
Total Non-recurring Items:	(20,942)	(7,072)	66%
Total Recurring Items:	(7,551)	(979)	42%

EBITDA

In R\$ thd, except otherwise stated	1Q24	1Q25	Δ %
Net Income	(323,172)	(131,917)	59%
(+) Taxes	(701)	(457)	35%
(+) Net Financial Result	234,545	64,065	-73%
EBIT	(89,328)	(68,309)	24%
(+) Depreciation and Amortization	24,788	22,113	-11%
EBITDA	(64,540)	(46,196)	28%
% of Revenue	-83.8%	-34.4%	49.4 p.p.
 ADJUSTED EBITDA	 (43,598)	 (39,124)	 10%
% of Revenue	-56.6%	-29.2%	27.5 p.p.

Adjusted EBITDA, which excludes the effects of the LME and Dollar on inventory, contingencies, and other non-recurring effects, ended 1Q25 negative at R\$ 39 million, being 10% better than the same period of the previous year. This is the result of higher sales volume and product mix at the Eluma unit and the partial resumption of operations at the Caraíba unit.

Net Income and Adjusted Net Income

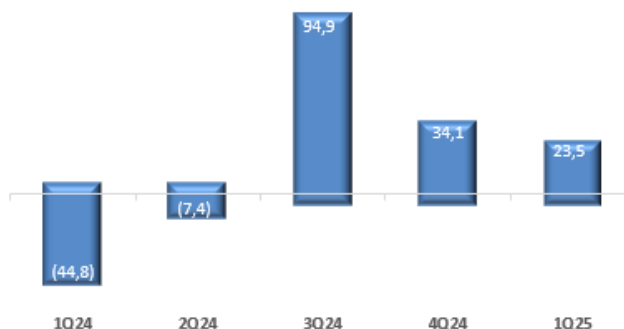
The Net Loss in 1Q25 was R\$ 132 million, mainly driven by the financial charges on loans and financing of R\$ 74 million, by the Idleness amounts of R\$ 52 million, as well as Provisions for Procedural Contingencies of R\$ 6 million. When the effects of financial charges and other non-recurring effects are excluded, there is an Adjusted Net Loss of R\$ 77 million.

Through its Judicial Recovery Plan (PRJ), the company hopes to gain greater access to financing facilities for working capital and to increase its production and sales volume, balancing its results.

Operational Cash Generation

The Company achieved a positive Operating Cash Flow in 1Q25 of R\$ 24 million, impacted by the growth of our revenues as well as the recoveries of accumulated tax credits.

Operating Cash Generation (R\$ million)



Indebtedness

In R\$ thd, except otherwise stated	1Q24	2Q24	3Q24	4Q24	1Q25
Loans and Financing Short Term	3,480,933	4,031,995	4,251,434	4,884,263	4,734,521
Loans and Financing Long Term	442,268	417,192	386,831	354,311	487,963
Total Bank Loans	3,923,201	4,449,187	4,638,265	5,238,574	5,222,484
Transaction Costs - reprofilin	(27,710)	(25,275)	(22,840)	(21,496)	(20,154)
Total Loans	3,895,491	4,423,912	4,615,425	5,217,078	5,202,330
Forfaiting and letter of credit operations	10,517	10,626	10,366	21,165	30,109
Derivatives financial instruments	0	0	0	0	0
Derivatives	(158)	(176)	(172)	(196)	0
Gross Debt	3,905,850	4,434,362	4,625,619	5,238,047	5,232,439
Cash and Cash Equivalents	1,251	3,109	3,693	8,524	1,408
Financial Investments	23,609	25,917	33,077	33,920	34,886
Linked bank account	1	2	0	0	0
Net Debt	3,880,989	4,405,334	4,588,849	5,195,603	5,196,145
Short Term (%)	89%	91%	92%	93%	91%
Long Term (%)	11%	9%	8%	7%	9%

Due to the non-payment of the debt portion of the Global Agreement, in 4Q22 the debts under renegotiation were reclassified to short-term liabilities in accordance with CPC 26. In the 1Q25 balance sheet position, the reclassified amount is R\$ 1,850.5 million, which maintains the debt profile with 91% due in the short term.

The Company continues to negotiate with the Creditors in order to obtain new conditions for the settlement of its liabilities.

In R\$ thd, except otherwise stated	1Q24	2Q24	3Q24	4Q24	1Q25
In Foreign Currency	60%	57%	53%	55%	54%
In Local Currency	40%	43%	47%	45%	46%

Debt in local currency represented 46% of debts in 1Q25, due to the increase in contributions from local financial partners to enable operations.

Judicial Recovery

General Recovery Items contained in the Plan:

- Increase in operations
- Granting special terms and conditions for the payment of Credits
- Partial sales of the assets of Paranapanema
- Obtaining new financing.

Summary of the list of Creditors: As per accounting registers and official report as of March 31st, 2025.

Class of creditors	Value	Amount
Class I - Labor Credits	120,322	707
Class II - Credits with real guarantee	10,348	1
Class III - Unsecured Credits	238,459	979
Class IV - ME e EPP	4,196	124
Total	373,325	1,811

The detailed plan can be found on Paranapanema's Investor Relations website.

Balance sheet

March 31, 2025 and December 31, 2024

(In thousands of Reais)

ASSETS	Notes	Parent company		Consolidated	
		03/31/2025	12/31/2024	03/31/2025	12/31/2024
Cash and cash equivalents	05	478	6,384	1,408	8,524
Financial investments	05	34,886	33,920	34,886	33,920
Accounts receivable	06	5,966	2,023	5,623	1,736
Inventory	07	255,527	271,750	255,527	271,750
Taxes recoverable	08	41,053	58,362	41,287	59,264
Other current assets	09.1	11,980	12,229	11,979	12,229
Derivative financial instruments	28	-	196	-	196
Prepaid expenses		17,377	10,308	17,377	10,308
Total current assets		367,267	395,172	368,087	397,927
Accounts receivable	06	357	393	357	393
Taxes recoverable	08	20,013	7,604	20,013	20,196
Legal deposits	09.2	194,264	190,762	194,264	190,762
Other non-current assets	09.1	51,006	52,775	51,603	51,604
Prepaid expenses		8,308	5,454	8,308	5,454
Total Long-term		273,948	256,988	274,545	268,409
Prepaid expenses	15	4,852	6,656	4,852	6,656
Investments	10	24,817	24,654	-	-
Other investments	11	25,701	25,701	25,701	25,701
Property, plant and equipment	12	907,702	925,018	907,702	925,018
Intangible assets	12	3,214	3,391	3,214	3,391
		966,286	985,420	941,469	960,766
Total non-current assets		1,240,234	1,242,408	1,216,014	1,229,175
Total assets		1,607,501	1,637,580	1,584,101	1,627,102

See the accompanying notes to the Quarterly Information.

Balance sheet

March 31, 2025 and December 31, 2024

(In thousands of Reais)

LIABILITIES	Notes	Parent company		Consolidated	
		03/31/2025	12/31/2024	03/31/2025	12/31/2024
Suppliers	13	679,475	639,105	679,482	639,112
Forfeiting and letter of credit operations	14	24,010	15,777	24,010	15,777
Leasing	15	4,271	3,770	4,271	3,770
Loans and financing	16	4,714,367	4,862,767	4,714,367	4,862,767
Payroll and related charges	17	80,965	77,132	80,965	77,132
Taxes payable	18	575,015	537,797	575,061	537,798
Advances from clients	20	73,414	72,724	73,530	72,840
Other current liabilities	20	57,252	51,817	57,438	52,007
Total current liabilities		6,208,769	6,260,889	6,209,124	6,261,203
Suppliers	13	129,575	156,327	129,575	156,327
Forfeiting and letter of credit operations	14	6,099	5,388	6,099	5,388
Leasing	15	581	2,886	581	2,886
Loans and financing	16	487,963	354,311	487,963	354,311
Payroll and related charges	17	11,570	12,014	11,570	12,014
Taxes payable	18	111,978	103,749	111,978	103,749
Legal deposits	19	967,078	945,654	967,078	945,654
Deferred income tax and social contribution	26	55,489	55,991	56,804	57,305
Other non - current liabilities	20	39,597	26,217	14,527	14,111
Total non-current liabilities		1,809,930	1,662,537	1,786,175	1,651,745
Total liabilities		8,018,699	7,923,426	7,995,299	7,912,948
Paid-in capital	21.a	2,178,953	2,172,388	2,178,953	2,172,388
Capitalization costs		(5,375)	(5,375)	(5,375)	(5,375)
Equity valuation adjustments	21.h	107,714	108,689	107,714	108,689
Treasury shares		(741)	(741)	(741)	(741)
Retained earnings		(8,691,749)	(8,560,807)	(8,691,749)	(8,560,807)
Equity	21	(6,411,198)	(6,285,846)	(6,411,198)	(6,285,846)
Total shareholders' equity		(6,411,198)	(6,285,846)	(6,411,198)	(6,285,846)
Total liabilities and equity		1,607,501	1,637,580	1,584,101	1,627,102

See the accompanying notes to the Quarterly Information.

Income Statement

Three-month period ended March 31

(In thousands of reais, except loss per share)

	Notes	Parent company		Consolidated	
		1 st Quarter 2025	1 st Quarter 2024	1 st Quarter 2025	1 st Quarter 2024
Net sales	22	134,124	76,985	134,124	76,985
Cost of goods sold	23	(172,895)	(117,177)	(172,895)	(117,177)
Gross Loss		(38,771)	(40,192)	(38,771)	(40,192)
Commercial	23	(2,281)	(2,456)	(2,283)	(2,460)
General and administrative	23	(19,154)	(18,109)	(19,204)	(18,183)
Equity in results of investees	10	163	245	-	-
Other expenses	24	(8,789)	(29,506)	(8,790)	(29,514)
Other income	24	739	1,020	739	1,021
Operating expenses		(29,322)	(48,806)	(29,538)	(49,136)
(Loss) operating profit before financial results		(68,093)	(88,998)	(68,309)	(89,328)
Financial expenses	25	(301,691)	(265,284)	(301,695)	(265,306)
Financial income	25	237,365	30,351	237,630	30,761
Net Income(Loss) before income and social contribution taxes		(132,419)	(323,931)	(132,374)	(323,873)
Income and social contribution tax for the current year	26	-	-	(43)	(60)
Deferred income and social contribution taxes	26	502	759	500	761
Income and social contribution tax		502	759	457	701
Net income for the period		(131,917)	(323,172)	(131,917)	(323,172)
Earning (Loss) per common share				(1.88407)	(7.44595)
Earning (Loss) per diluted common share				(1.88407)	(7.44595)

See the accompanying notes to the Quarterly Information.

Statement of other comprehensive income

Three-month period ended March 31

(In thousands of Reais)

	Parent company/Consolidated	
	1 st Quarter 2025	1 st Quarter 2024
Net income for the period	(131,917)	(323,172)
Other income components, net of tax effects		
Items to be subsequently reclassified to the result	-	47
Earnings from Foreign exchange variations	-	47
Comprehensive income(loss) for the period	(131,917)	(323,125)
Allocated to:		
Controlling Shareholders	(131,917)	(323,125)

See the accompanying notes to the Quarterly Information.

Statements of changes in equity

Three-month period ended March 31

(In thousands of Reais)

	Notes	Paid-in capital	Convertible debentures	Capitalization costs	Treasury shares	Accumulated deficit	Equity valuation adjustment	Consolidated shareholder s' equity
Balance as at december 31, 2023		2,069,566	25,787	(5,375)	(741)	(6,426,611)	113,864	(4,223,510)
Capital increase	21.b	62,586	-	-	-	-	-	62,586
Capital transactions with partners		62,586	-	-	-	-	-	62,586
Earnings and losses from foreign exchange variations-foreign investment	21.h	-	-	-	-	-	47	47
Equity evaluation adjustment	21.h	-	-	-	-	2,234	(2,234)	-
Tax on realization of equity evaluation adjustment	21.h	-	-	-	-	(760)	760	-
Other comprehensive income		-	-	-	-	1,474	(1,427)	47
Net income (Loss) for the period		-	-	-	-	(323,172)	-	(323,172)
Balance as at march 31,2024		2,132,152	25,787	(5,375)	(741)	(6,748,309)	112,437	(4,484,049)
Balance as at december 31,2024		2,172,388	-	(5,375)	(741)	(8,560,807)	108,689	(6,285,846)
Capital increase	01	6,565	-	-	-	-	-	6,565
Capital transactions with partners		6,565	-	-	-	-	-	6,565
Equity evaluation adjustment	21.h	-	-	-	-	1,477	(1,477)	-
Tax on realization of equity evaluation adjustment	21.h	-	-	-	-	(502)	502	-
Other comprehensive income		-	-	-	-	975	(975)	-
Net income (Loss) for the period		-	-	-	-	(131,917)	-	(131,917)
Balance as at march 31,2025		2,178,953	-	(5,375)	(741)	(8,691,749)	107,714	(6,411,198)

See the accompanying notes to the Quarterly Information.

Cash Flow Statements

Three-month period ended March 31

(In thousands of Reais)

		Parent company		Consolidated	
		1 st Quarter 2025	1 st Quarter 2024	1 st Quarter 2025	1 st Quarter 2024
Income (loss) before income and social contribution taxes		(132,419)	(323,931)	(132,374)	(323,873)
Adjustments to reconcile net (loss) with resources provided by (used in) operating activities					
Residual value of written-off fixed assets	12	-	2,062	-	2,062
Depreciation and amortization	12	20,315	22,788	20,315	22,788
Amortization of right-to-use assets	15	1,798	2,000	1,798	2,000
Equity in results of investees	10	(163)	(245)	-	-
Provision (reversal) for recoverable value of estimated losses		8	223	8	223
Provision for other estimated losses		(563)	3,214	(563)	3,214
Provision for losses on lawsuits	19	5,762	14,308	5,762	14,308
Present value adjustment		156	183	156	183
Financial charges	32	27,748	238,439	27,750	238,487
(Loss) income before income and social contribution taxes		(77,358)	(40,959)	(77,148)	(40,608)
(Increase) decrease in assets					
Accounts receivable	06	(4,114)	130	(4,058)	203
Inventory	07	18,273	2,139	18,273	2,138
Taxes recoverable	08	4,900	8,122	18,160	8,106
Prepaid expenses		(9,923)	(7,364)	(9,923)	(7,365)
Legal deposits	09.2	(3,502)	(127)	(3,502)	(127)
Derivative financial instruments	28	177	1,213	177	1,213
Assets held for sale		544	-	544	-
Other current and non-current liabilities	09.1	1,864	(1,749)	95	(1,599)
Increase (decrease) in liabilities					
Suppliers	13	38,041	5,098	38,042	5,098
Forfeiting and letter of credit operations	14	8,944	(18)	8,944	(18)
Taxes payable	18	23,528	24,754	23,528	24,753
Legal deposits	19	(634)	(43,839)	(634)	(43,839)
Payroll and related charges	17	3,389	8,284	3,389	8,284
Advances from clients	20	1,774	(1,177)	1,774	(1,177)
Other current and non-current liabilities	20	18,817	560	5,849	79
Cash flow generated from operations		24,720	(44,933)	23,510	(44,859)
Income and social contribution taxes paid		-	-	-	17
Net cash provided by (used in) operating activities		24,720	(44,933)	23,510	(44,842)
Investing activities					
Other investments		-	(250)	-	(250)
Fixed assets and intangible additions	12	(4,994)	(2,432)	(4,994)	(2,432)
Net cash used in investing activities		(4,994)	(2,682)	(4,994)	(2,682)
Financing activities					
Net cost of funding		2,561	62,586	2,561	62,586
Loans and financing	16	102,731	88,484	102,731	88,484
Amortization of loans and financing	16	(109,786)	(89,599)	(109,786)	(89,599)
Interest payments on loans	16	(18,218)	(11,362)	(18,218)	(11,362)
Leasing	15	(1,954)	(2,187)	(1,954)	(2,187)
Release linked bank account	05	(966)	768	(966)	768
Net cash used in (provided by) financing activities		(25,632)	48,690	(25,632)	48,690
(Reduction) increase in cash and cash equivalents		(5,906)	1,075	(7,116)	1,166
Cash and cash equivalents at the beginning for the period	05	6,384	80	8,524	85
Cash and cash equivalents at the end for the period	05	478	1,155	1,408	1,251
(Reduction) increase in cash and cash equivalents		(5,906)	1,075	(7,116)	1,166

See the accompanying notes to the Quarterly Information.

Value added statement

Three-month period ended March 31

(In thousands of Reais)

	Parent company		Consolidated	
	1 st Quarter 2025	1 st Quarter 2024	1 st Quarter 2025	1 st Quarter 2024
Income				
Sales of goods and services	165,265	96,770	165,265	96,770
Provision for doubtful accounts	(8)	(223)	(8)	(223)
Other income	706	(1,042)	706	(1,041)
Inputs acquired from third parties (Including taxes)				
Cost of goods and services sold	(81,835)	(38,961)	(81,835)	(38,961)
Materials, energy, third party services and other	(90,318)	(77,891)	(90,313)	(77,919)
Gross added value	(6,190)	(21,347)	(6,185)	(21,374)
Retentions				
Depreciation and amortization	(20,315)	(22,788)	(20,315)	(22,788)
Amortization of right-to-use assets	(1,798)	(2,000)	(1,798)	(2,000)
Net added value	(28,303)	(46,135)	(28,298)	(46,162)
Received from third parties				
Equity in results of investees	163	245	-	-
Financial income	237,365	30,351	237,630	30,761
Total net added value payable	209,225	(15,539)	209,332	(15,401)
Net added value payable	209,225	(15,539)	209,332	(15,401)
Personnel and charges	46,285	35,672	46,342	35,728
Taxes and contributions	(8,153)	5,623	(8,107)	5,683
Interest and rent	303,010	266,338	303,014	266,360
Net income for the period	(131,917)	(323,172)	(131,917)	(323,172)

See the accompanying notes to the Quarterly Information.

01. Operations

Paranapanema S.A. - Under Judicial Recovery (Paranapanema, the “Parent Company” or the “Company”) is a publicly-held corporation headquartered in the city of Dias d’Ávila, in the State of Bahia, at Via do Cobre, nº 3,700, West Industrial Area, Complexo Petroquímico de Camaçari.

Paranapanema’s shares have been listed and traded on B3 S.A. (Brasil, Bolsa, Balcão), the highest level of corporate governance since 1971, and in the “New Market” segment since 2012 under the ticker code PMAM3.

The Company is engaged in industrial activities related to the transformation and processing of ores and their byproducts, and in metallurgical activities related to ferrous and non-ferrous products such as laminates, bars and profiles, tubes, rods, casts, manufactured and semi-manufactured industrial parts and components intended for the domestic and export markets.

Paranapanema’s business model depends substantially on investments and financing, obtained through funding of bank credit facilities, prepayment of receivables, payment terms with its raw material suppliers and financing in general.

In 2021, the Company concluded the negotiations that were being carried out since the first quarter of 2020 with its main financial creditors (essentially the same ones that participated in the renegotiation process in 2017) and entered into the Fourth Addendum to the Global Restructuring Agreement Private Instrument and Other Covenants (“Global Agreement”), renegotiating the payment schedule of financial debts until the end of 2028, according to the payment schedule disclosed in Note 16.

In addition to the guarantees provided by the Company in the debt restructuring carried out in 2017, already established in the Global Agreement, the Company provided other guarantees involving operating and non-operating assets, and has committed to endeavor its best efforts to carry out the sale of non-operating assets, with the purpose of accelerating the amortization of the amounts subject to the new negotiation. Thus, the sale of assets is subject to a governance process defined with the creditors.

If, on the one hand, the negotiation generated the potential and desired readjustment of the Company’s cash, so as to remain healthy, it depended on maintaining credit with trading-company suppliers, and on the sale of non-operating assets and receivables within a certain period of time. However, such assumptions did not materialize. Suppliers reduced the volume of operations with the Company, and the sale of assets did not occur on the expected schedule.

With the scenario of recent political and economic instability, the Company has not yet been able to access satisfactory credit lines that were being negotiated. This situation may indicate the existence of a material uncertainty that raises significant doubt as to the Company’s ability to continue as a going concern and which makes Management express its concern in view of the facts presented.

In light of the difficulties in financing its working capital, the Company did not pay the twice-yearly installments of the Global Agreement since December 2022 and did not meet the covenant indicators described in Note 16. The Company is negotiating with the creditors of the global agreement to obtain new conditions, more favorable for the settlement of its liabilities.

Consequently, in compliance with CPC 26 – Presentation of Financial Statements, the Company has reclassified debts under renegotiation from non-current liabilities to current liabilities, with accrued charges, of R\$1,850,496, due to non-compliance with the covenants clauses. As at March 31, 2025, this reclassification contributed to the individual negative net working capital of R\$5,841,502 and R\$5,841,037 negative net working capital in the consolidated.

The Company incurred losses for the period in the amount of R\$131,917, mainly impacted by exchange rate change and charges on debt, pursuant to Note 16 and due to idleness, accumulating losses of R\$8,691,749, thereby leaving the Company's shareholders' equity negative at a total of R\$6,411,198.

These events and conditions indicate that a significant uncertainty exists and may raise doubts on the Company's ability as a going concern. If the Company is unable to continue as a going concern, then there might be impacts i) on the realization of its assets, and ii) on the fulfillment of certain obligations for the amounts recognized in its financial statements.

The Individual and Consolidated Quarterly Information for the period ended March 31, 2025 was prepared on a going concern basis, thus assuming that the Company will be able to fulfill its obligations upon the recovery of financial health according to the judicial recovery plan.

Judicial Recovery

Paranapanema S.A. – Under Judicial Recovery, released a material fact on November 30, 2022, informing that it filed, along with CDPC – Centro de Distribuição de Produtos de Cobre Ltda., under judicial recovery, and Paraibuna Agropecuária Ltda., also under Judicial Recovery, all of which are subsidiaries of the Company (“Companies Under Recovery” or “Paranapanema Group”), a request for judicial recovery filed with the 1st RAJ of the city of São Paulo, state of São Paulo, pursuant to Law 11101/05, on an urgent basis, as approved by its Board of Directors on the present date and submitted for referendum at the Extraordinary General Meeting of Shareholders.

On December 13, 2022, the request was granted by the Judges of the 1st Regional Court of Business Competence and Conflicts Related to Arbitration of the 1st RAJ of the city of São Paulo, state of São Paulo, in the records of proceeding 1001409- 24.2022.8.26.0260 (“Proceeding”), approved the processing of the Judicial Recovery.

On February 16, 2023, the Company filed its Judicial Recovery Plan (“Plan”) for discussion with creditors, in which the terms and conditions for restructuring the Company's debt were established, as well as the main measures that may be adopted and the General Creditors' Meeting was assigned to be held on May 19, 2023, in a 1st Summon, and May 26, 2023, 2nd Summon under the terms of art. 56 of Law 11101/05.

On May 26, 2023, creation of the Creditors' Committee was approved, as well as the adjournment of the deliberation of “approval, rejection, or modification of the Judicial Recovery Plan presented by Paranapanema Group,” to be continued on July 10, 2023.

On July 10, 2023, at the resumption of the General Meeting of Creditors, and by resolution of the creditors present, it was decided to adjourn the meeting until August 24, 2023.

On August 24, 2023, the Annual Creditors' Meeting was resumed, where they approved the Judicial Recovery Plan of the Company and its subsidiaries (i) CDPC - Centro de Distribuição de Produtos de Cobre Ltda. – in Judicial Recovery, and (ii) Paraibuna Agropecuária Ltda. – in Judicial Recovery, according to Article 45 of Law 11101/05.

Thus, the Judicial Recovery Plan went on to be approved by the Judicial Recovery Court, in accordance with the law, with the approval decision being issued on November 16, 2023, by the Honorable Judges of the 1st Regional Court of Business Jurisdiction and Conflicts Related to Arbitration of the 1stRAJ of the capital of the State of São Paulo and published on November 22, 2023.

The Company recognized the accounting effects of the Judicial Recovery Plan on the date on which the decision approving said Plan was published.

To recover the Company's financial health, the plan provides for the following:

- a) Restructuring its liabilities, deleveraging its debt, resuming its growth in a sustained manner, preserving the maintenance of direct and indirect jobs, and meeting the interests of Creditors, thus resuming the operations and sources of funds of Debtors under Recovery and establishing feasible forms to pay their creditors.
- b) Resumption of Operations through the signing of new contracts with its suppliers for the development of its core activities. For this reason, it is necessary to grant beneficial treatment to suppliers who, in return, provide and maintain the business bases previously existing with the Paranapanema Group, under the terms of this Plan, in addition to any other measures provided for in Art. 50 of the Business Recovery Law that may be approved by the Creditors' Meeting.
- c) Granting of special terms and conditions for the payment of Credits Subject to the Plan.
- d) Partial Sale of the Company's assets under the terms of the Plan.
- e) Raise funds from third parties by obtaining New Financing, provided that the Company will make its best efforts to obtain more favorable business conditions to increase its net assets in relation to rates, terms and other contractual obligations, following the restrictions provided for in the Plan for the concession of guarantees for such New Financing.
- f) Take measures to reorganize the corporate structure aiming to enable the adequate implementation of operational and financial provisions provided for in the Plan, among which the following are authorized:
 - (i) capitalization of loans made between Debtors (intercompany);
 - (ii) carrying out corporate reorganization operations, including spin-off, acquisition, merger, incorporation of wholly-owned subsidiaries of Debtors and, subsequently, drop down of assets or any other corporate reorganization operation involving Debtors, provided that
 - (a) in compliance with all applicable legal provisions;
 - (b) such operations do not imply any violations of rights and prerogatives, either contractual or legal, for the Creditors, including the guarantees established on behalf of the Creditors; and
 - (iii) increase the capital of Debtors under Judicial Recovery, including through the conversion of credits into capital.

On September 30, 2024, the Company's creditors, meeting at a Creditors' General Meeting duly convened on second call, pursuant to Article 45 of Law 11101/05, approved the 1st amendment to the Judicial Recovery Plan, filed on September 26, 2024, ("Amendment to the Judicial Recovery Plan"), of the Company and its subsidiaries, where item 6.1.(A) of the Plan is currently valid with the following wording:

“(A) Initial payment. Payment of up to fifteen thousand reais (R\$15,000.00) in full to each Unsecured Creditor, limited to the amount of the respective Unsecured Credit, in one (1) installment, made within twenty-one (21) months from the Judicial Approval of the Plan.

On December 10, 2024, a new version (initial version registered on October 18, 2024) of the proposal of the Second Addendum to the Company’s Judicial Recovery Plan currently effective was registered by the Judges of the 1st Regional Court of Business Competence and Conflicts Related to Arbitration of the 1st RAJ of the city of São Paulo, state of São Paulo, in the records of proceeding 1001409-24.2022.8.26.0260.

The proposal changes the conditions of Undisputed Labor Credits up to 150 Minimum Wages, with the payment period being up to three years from the Judicial Recovery Plan approval or on the date on which they become Undisputed Labor Credits, and an advance payment of the amounts that make up the Minimum Wage Guarantee, up to the limit of one hundred and fifty (150) minimum wages, according to the following schedule, observing the limit of each credit.

	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
2025	1,000.00	1,000.00	2,000.00	3,500.00	4,500.00	6,500.00	10,500.00	13,500.00	18,500.00	Residual balance

The second amendment to the judicial recovery plan was approved at the General Creditors’ Meeting held on March 17, 2025, and was ratified by the judicial recovery Court according to the decision published on April 23, 2025.

The table below shows the balance sheet positions that were affected by the judicial recovery.

LIABILITIES	03/31/2025	Bankruptcy credit	Not Bankruptcy credit
Suppliers	679,482	100,772	578,710
Forfeiting and letter of credit operations	24,010	4,520	19,490
Leasing	4,271	-	4,271
Loans and financing	4,714,367	644	4,713,723
Payroll and related charges	80,965	8,712	72,253
Taxes payable	575,061	-	575,061
Advances from clients	73,530	-	73,530
Other current liabilities	57,438	14,019	43,419
Total current liabilities	6,209,124	128,667	6,080,457
Suppliers	129,575	106,747	22,828
Forfeiting and letter of credit operations	6,099	5,742	357
Leasing	581	-	581
Loans and financing	487,963	613	487,350
Payroll and related charges	11,570	260	11,310
Taxes payable	111,978	-	111,978
Legal deposits	967,078	117,653	849,425
Deferred income tax and social contribution	56,804	-	56,804
Other non - current liabilities	14,527	13,643	884
Total non-current liabilities	1,786,175	244,658	1,541,517
Total liabilities	7,995,299	373,325	7,621,974
Paid-in capital	2,178,953	-	2,178,953
Capitalization costs	(5,375)	-	(5,375)
Equity valuation adjustments	107,714	-	107,714
Treasury shares	(741)	-	(741)
Retained earnings	(8,691,749)	-	(8,691,749)
Equity	(6,411,198)	-	(6,411,198)
Total shareholders' equity	(6,411,198)	-	(6,411,198)
Total liabilities and equity	1,584,101	373,325	1,210,776

The Company's liabilities negotiated within the scope of the judicial recovery are segregated into four classes.

Class of Creditors - Initial	Balance approved in the Judicial Recovery plan
Class I - Labor credits	120,322
Class II - Credits with real guarantee	10,348
Class III - Unsecured Credits	238,459
Class IV - ME and EPP	4,196
Total	373,325

Class I – Labor credits

Includes labor creditors whose amount of each credit will be monetarily adjusted by the IPCA and will pass to incur interest at a total rate of 0.5% pa. Payments will occur as follows:

- Undisputed labor credits of a strictly salary nature up to a limit of 5 minimum wages with a payment period of 30 days after the plan approval.
- Undisputed Labor Credits up to 150 Minimum Wages will be paid within a period of up to one year from the Judicial Recovery Plan approval or on the date on which they become Uncontroversial Labor Credits.
- The difference between the total value of the undisputed labor credit and the limit of 150 Minimum Wages will suffer a 50% discount and will be paid in 48 monthly installments starting from the 25th month counting as of the judicial approval of the Plan, in accordance with the amortization percentages below:

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Year 3	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
Year 4	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
Year 5	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%
Year 6	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%

Class II - Credits with real guarantee

This class includes the creditor with real guarantee. In this class, creditors will be remunerated by the equivalent of 100% of the IPCA (Broad National Consumer Price Index) for credits with a real guarantee in reais and 100% of the rate equivalent to the CPI (Consumer Price Index) for credits with real guarantees in foreign currency.

Interest and inflation adjustment will be capitalized annually as of the judicial approval of the Plan and will be paid monthly from the 25th month counting as of the judicial approval of the Plan, according to the amortization percentages below:

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Year 3	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%
Year 4	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%
Year 5	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.67%	1.67%	1.67%	1.67%	1.67%	1.67%
Year 6	1.67%	1.67%	1.67%	1.67%	1.67%	1.67%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%
Year 7	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%
Year 8	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%	2.08%

Class III – Unsecured Credits

This Class is made up of unsecured creditors who will be paid as follows:

Payment of up to R\$15 in full to each unsecured creditor, limited to the value of the respective unsecured revenue, up to 21 months from the judicial approval of the Plan.

The remaining balance will suffer a 50% discount and will be paid in 48 monthly installments starting as of the 25th month from the judicial approval of the Plan, according to the amortization percentages below:

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Year 3	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
Year 4	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
Year 5	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%
Year 6	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%

Class IV - ME and EPP

Class IV is made up of microenterprise (ME) and small business (EPP) creditors who will be paid as follows:

Payment of up to R\$11 in full to each ME and EPP Creditor, limited to the value of the respective ME and EPP Credit, within 12 months from the Approval Date. The remaining balance will be paid in 12 equal and successive installments starting as of the 25th month, counting from the judicial approval of the Plan.

After judicial approval of the Plan, the value of the credits will be subject to interest and inflation adjustment at the total rate of 100% of the IPCA, with monthly payments starting from the 13th month. Interest and inflation adjustment will be capitalized annually and paid in 12 equal and successive installments starting as of the 25th month, counting from the judicial approval of the Plan.

Conversion of Credit into Capital

Any creditors who have credits subject to the plan may choose to convert their credit into capital. The Creditors who choose to convert their respective credits will not suffer a discount. Credit-to-capital conversions will occur in six (6) opportunities, following each of the option windows described in the plan.

The reference price for converting credit into capital for each of the conversion events will be equivalent to the weighted average of the average value of the share for the volume of shares traded in the respective trading session, considering all sessions held at B3 in which PMAM3 shares are traded (VWAP) verified in the 30 days prior to the date of definition of the conversion price of the respective conversion event, divided by 0.9.

Subscription of shares during the preemptive period

1st Window

On February 22, 2024, the Company's Board of Directors approved the Company's Capital Increase in the amount of R\$62,585,989.97 (sixty-two million, five hundred and eighty-five thousand, nine hundred and eighty-nine reais and ninety-seven centavos), through the issuance of 13,203,850 (thirteen million, two hundred and three thousand, eight hundred and fifty) new common shares. On September 23, 2024, the Company's Board of Directors approved the re-ratification of the approval of the Company's capital increase to correct a material error regarding the total number of shares issued and ratified by the Company, where there was the cancellation of seven hundred and eighty-five thousand, seven hundred and forty-nine (785,749) common shares, issued on the occasion of the capital increase ratified in accordance with the Minutes of RECA of the 1st Capital Increase, in the total amount of three million, seven hundred and twenty-four thousand, four hundred and fifty reais and twenty-six cents (R\$3,724,450.26). Therefore, the Company's Capital Increase was concluded with the amount of fifty-eight million, eight hundred and sixty-one thousand, five hundred and thirty-nine reais and seventy-one cents (R\$58,861,539.71), through the issue of twelve million, four hundred and eighteen thousand,

one hundred and one (12,418,101) new common shares, book-entry and with no par value.

Total	Quantity	Share Capital
Before the 1st Conversion Window	43,403,849	2,069,566,247.56
Subscription by Creditors	12,282,475	58,218,672.47
Subscription by Shareholders	135,626	642,867.24
After the 1st Conversion Window	55,821,950	2,128,427,787.27

2nd Window

On June 21, 2024, the Company's Board of Directors approved the ratification of Company's Capital Increase totaling R\$26,063,162.34 (twenty-six million, sixty-three thousand, one hundred and thirty-four centavos), through the issuance of 6,435,369 (six million, four hundred thirty-five and three hundred sixty-nine) new common shares, book-entry and with no par value.

Total	Quantity	Share Capital
Before the 2st Conversion Window	55,821,950	2,128,427,787.27
Subscription by Creditors	6,302,717	25,525,921.74
Subscription by Shareholders	132,652	537,240.60
After the 2st Conversion Window	62,257,319	2,154,490,949.61

3rd Window

On September 23, 2024, the Company's Board of Directors approved the homologation of Capital Increase totaling R\$17,897,570.56 (seventeen million, eight hundred ninety-seven thousand, five hundred seventy reais and fifty-six centavos) through the issuance of 7,305,153 (seven million, three hundred and five thousand, one hundred and fifty-three) new common shares, book-entry and with no par value.

Total	Quantity	Share Capital
Before the 3st Conversion Window	62,257,319	2,154,490,949.61
Subscription by Creditors	7,248,115	17,757,827.51
Subscription by Shareholders	57,038	139,743.05
After the 2st Conversion Window	69,562,472	2,172,388,520.17

4th Window

On March 20, 2025, the Company's Board of Directors approved the ratification of the Company's Capital Increase totaling six million, five hundred sixty-five thousand, two hundred eighty-three reais and sixty cents (R\$6,565,283.60), through the issuance of five million, eight hundred sixty-one thousand, eight hundred sixty-one (5,861,861) new nominative common shares with no par value.

Total	Quantity	Share Capital
Before the 4st Conversion Window	69,562,472	2,172,388,520.17
Subscription by Creditors	3,575,256	4,004,286.00
Subscription by Shareholders	2,286,605	2,560,997.60
After the 4st Conversion Window	75,424,333	2,178,953,803.77

The Company's capital is currently two billion, one hundred and seventy-eight million, nine hundred and fifty-three thousand, eight hundred and three reais and seventy-seven cents (R\$2,178,953,803.77), divided into seventy-five million, four hundred and twenty-four thousand, three hundred and thirty-three (75,424,333) nominative common shares with no par value.

The full text of the approved Judicial Recovery Plan, the minutes of the Annual Creditors' Meeting, as well as all information regarding the Company's judicial recovery process are available on the Company's website at www.paranapanema.com.br/ri and of the Brazilian Securities and Exchange Commission – CVM at www.cvm.gov.br. The information summarized above must be read in conjunction with the Judicial Recovery Plans themselves and according to the conceptualization of the defined terms.

Group entities – “Subsidiaries”

The Company held the following equity in its direct subsidiaries as at the respective dates:

Subsidiaries	03/31/2025	12/31/2024
CDPC-Centro de Distribuição de Produtos de Cobre Ltda. – Under Judicial Recovery Company headquartered in the city of Santo André, state of São Paulo, Brazil, mainly engaged in the trading and distribution of copper, its leftovers and other ores, its alloys and the products and by-products resulting therefrom.	100.00%	100.00%
Paraibuna Agropecuária Ltda. – Under Judicial Recovery: Inactive company Business purpose: Agricultural, pastoral and reforestation activities.	99.98%	99.98%

02. Preparation basis

A) Statement of conformity

The individual and consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), IAS 34 – “Interim Financial Reporting” and CPC 21 (R1) – “Interim Statements” and include all information relevant to the quarterly information, and only such information, which is consistent with that used by management in the course of its duties.

The presentation of the individual and consolidated Statement of Value Added (DVA) is required by the Brazilian Corporate Law, and by the accounting practices adopted in Brazil applicable to publicly-held companies. The Statement of Added Value was prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 - “Statement of Value Added”. IFRS does not require the presentation of this statement. Thus, for IFRS purposes, this statement is presented as supplementary information, and not as part of the required set of quarterly information.

The issuance of the individual and consolidated quarterly information was authorized by the Company's Board of Directors at a meeting held on May 9, 2025.

All relevant information in Individual and Consolidated Quarterly Information, and only them, are being evidenced and correspond to that used by Management.

B) Measurement basis

The individual and consolidated quarterly information was prepared based on the historical cost, except for derivative financial instruments measured at fair value;

C) Functional and presentation currency

This individual and consolidated quarterly information is being presented in Brazilian Reais (R\$), the functional currency of the Company. All financial information presented in Brazilian Reais has been rounded to the nearest thousand, except where otherwise indicated.

D) Use of estimates and judgments

The preparation of individual and consolidated quarterly information, according to IFRS and CPC standards, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported values of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

- Note 1 - Going concern: whether there are material uncertainties that may raise significant doubts about the Entity's ability to continue as a going concern.

Estimates and underlying assumptions are reviewed on an ongoing basis. Reviews of estimates are recognized on a prospective basis.

E) Uncertainty regarding accounting and critical assumptions and estimates

Information on uncertainties arising from the use of assumptions and accounting estimates that carry a significant risk of material adjustments to the critical accounts for the period ended March 31, 2025 are included in the following notes:

- Note 8 - Recoverable taxes and contributions: actions taken by the Company to realize ICMS credits and approval of part of PIS and COFINS credits;
- Note 12 - Property, plant and equipment and intangible assets: key assumptions regarding the recoverable values of assets and an analysis of their useful lives;
- Note 19 - Provision for lawsuits: main assumptions regarding the probability and amounts of cash disbursements;

03. Fair value measurement

A number of the Company's accounting policies and disclosures require the determination of the fair value, for financial assets and liabilities. The fair values have been determined for measurement and/or disclosure purposes based on the methods outlined below.

Where applicable, additional information regarding the assumptions made to determine the fair value is disclosed in the notes specific to that asset or liability.

Financial assets and liabilities recorded at fair value are classified and disclosed according to the fair value hierarchy (Note 28.3).

Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value upon initial recognition, and at each annual reporting date for disclosure purposes. The fair value is calculated based on the present value of the principal and future cash flow, discounted using the market interest rate as at the measurement date. For convertible debt securities, the market interest rate is determined with reference to similar liabilities that do not have a conversion option. For financial leases, the interest rate is calculated with reference to similar lease agreements.

04. Material accounting policies

The interim financial information was prepared following the same accounting principles, methods and policies, except where indicated, as those presented in the last fiscal year prior to December 31, 2024.

05. Cash and cash equivalents, interest earning bank deposits

	Notes	Parent company		Consolidated	
		03/31/2025	12/31/2024	03/31/2025	12/31/2024
Cash and banks		478	6,384	1,408	6,386
Interest-earning bank deposits	(a)	-	-	-	2,138
Cash and cash equivalents		478	6,384	1,408	8,524
Interest-earning bank deposits- Escrow	(b)	34,886	33,920	34,886	33,920
Interest-earning bank deposits		34,886	33,920	34,886	33,920
Current assets		34,886	33,920	34,886	33,920

The Company, in line with its investment policies, keeps its investments in cash surplus in low-risk savings accounts held by first-line financial institutions (based on ratings from the main credit agencies).

a) Interest-earning bank deposits classified as cash and cash equivalents

Refer to fixed income bank deposit certificates and repurchase and resale agreements backed by debentures and reflecting normal market conditions as at the balance sheet dates. They are highly liquid and have low interest fluctuation risk.

b) Interest earning bank deposits

Refer to bank deposit certificates and repurchase and resale agreements backed by debentures and reflecting normal market conditions on the balance sheet dates.

The amount of R\$34,886 on March 31, 2025 (R\$33,920 as at December 31, 2024), refers to the values invested with Banco Itaú S.A., exclusively linked to the Global Agreement and will be fully allocated to the payment or advance of the installments defined in the debt amortization schedule.

The average return on investments is 95.5% of the CDI rate as of March 31, 2025 and December 31, 2024, measured at amortized cost.

06. Trade accounts receivable

		Parent company		Consolidated	
	Notes	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Domestic clients:					
Third parties		94,877	84,705	95,885	85,712
Related parties	10.2	344	287	-	-
Estimated loss on recoverable value		(52,448)	(52,449)	(53,455)	(53,456)
		42,773	32,543	42,430	32,256
Foreign clients:					
Third parties		4,305	2,392	4,305	2,392
Estimated loss on recoverable value		(166)	(156)	(166)	(156)
		4,139	2,236	4,139	2,236
Anticipation of Assignment of Credit		(40,589)	(32,363)	(40,589)	(32,363)
		6,323	2,416	5,980	2,129

The aging of accounts receivable, net of any impairment losses, was as follows:

		Parent company		Consolidated	
		03/31/2025	12/31/2024	03/31/2025	12/31/2024
Due in more than 120 days		1,024	505	1,024	505
Due in 91 to 120 days		245	11	245	11
Due in 61 to 90 days		629	451	629	451
Due in 31 to 60 days		11,685	10,136	11,685	10,136
Due in 30 days		32,908	20,801	32,565	20,514
Total Due		46,491	31,904	46,148	31,617
Overdue up to 30 days		174	2,766	174	2,766
Overdue from 31 to 60 days		-	33	-	33
Overdue for more than 90 days		247	76	247	76
Total due		421	2,875	421	2,875
		46,912	34,779	46,569	34,492
Anticipation of Assignment of Credit	(a)	(40,589)	(32,363)	(40,589)	(32,363)
		6,323	2,416	5,980	2,129

- a) Amount referring to the credit assignment of accounts receivable with right of return, which the Company carried out with a Credit Rights Investment Fund.

The Company is exposed to credit risk due to defaults on sales of products (accounts receivable). The Company mitigates this risk by applying policies and standards for credit monitoring and the collection of trade notes.

In accordance with IFRS 9, the expected losses on financial assets form the basis for determining the losses to be recognized in profit or loss as a result of the impairment of financial assets.

The recording of the PECLD balance considers the sum of the expected loss, and applied a loss percentage according to the customer's score (punctuality x restrictions), plus all notes overdue for more than 90 days.

Changes in the provision for estimated doubtful accounts are shown below:

	Parent company		Consolidated	
	1 st Quarter 2025	1 st Quarter 2024	1 st Quarter 2025	1 st Quarter 2024
Opening balance	(52,605)	(55,863)	(53,612)	(56,974)
Reversals for the year	(9)	(223)	(9)	(223)
Final balance	<u>(52,614)</u>	<u>(56,086)</u>	<u>(53,621)</u>	<u>(57,197)</u>

07. Inventory

	Parent company	
	03/31/2025	12/31/2024
Raw materials	58,883	110,963
Work in progress	113,124	71,366
Finished products	50,695	55,726
Imports in transit	30	847
Advances to suppliers for purchases of raw materials	173	267
Maintenance materials and others	68,544	68,522
Resale materials	132	132
Estimated loss on recoverable value	<u>(36,054)</u>	<u>(36,073)</u>
Current assets	<u>255,527</u>	<u>271,750</u>

Inventories are measured based on lower value between cost and net realizable value.

The balance of estimated losses in the amount of R\$36,054 as at March 31, 2025 (R\$36,073 as at December 31, 2024) was established based on the assessment of materials and products with no turnover for more than two years on the base date or low turnover.

The Company offered the equivalent of R\$255,527 (R\$271,750 as at December 31, 2024) as collateral for the credit assignment of accounts receivable and lawsuits, which R\$178,313 were from the rotating stock of Utinga and Bahia plant (R\$159,534 as at December 31, 2024), R\$5,085 from byproducts (R\$38,558 as at December 31, 2024) and R\$72,128 from warehouse items (R\$73,658 as at December 31, 2024). In the case of an unfavorable decision, the full amount will be paid in cash.

08. Recoverable taxes and contributions

	Notes	Parent company	
		03/31/2025	12/31/2024
		Current assets	Non- current
		assets	current
Exclusion of ICMS from the COFINS assessment base	(a)	21,202	351,132
Exclusion of ICMS from the PIS assessment base	(a)	-	76,233
Estimated loss on recoverable value	(a)	-	(427,365)
Value-added tax on sales and services-ICMS	(b)	13,183	-
Taxes on fixed assets recoverable		2,082	1,068
Income and social contribution taxes to be refunded	(c)	850	10,277
Estimated loss on recoverable value	(c)	-	(10,277)
Special Tax Reintegration Regime for Exporting Companies (Reintegra)	(d)	1,117	18,945
Contribution for social security funding-COFINS	(e)	231	-
Social integration program - PIS	(e)	50	-
Withholding income tax-IRRF		3	649
Excise tax-IPI		545	428
Other		1,790	-
		<u>41,053</u>	<u>20,013</u>
		<u>58,362</u>	<u>7,604</u>

	Notes	03/31/2025		Consolidated 12/31/2024	
		Current assets	Non- current	Current assets	Non- current
Exclusion of ICMS from the COFINS assessment base	(a)	21,202	387,132	31,545	387,132
Exclusion of ICMS from the PIS assessment base	(a)	-	84,048	-	84,048
Estimated loss on recoverable value	(a)	-	(471,180)	-	(471,180)
Value-added tax on sales and services-ICMS	(b)	13,183	-	20,350	-
Taxes on fixed assets recoverable		2,082	1,068	1,937	1,180
Income and social contribution taxes to be refunded	(c)	1,003	10,277	866	10,277
Estimated loss on recoverable value	(c)	-	(10,277)	-	(10,277)
Special Tax Reintegration Regime for Exporting Companies (Reintegra)	(d)	1,117	18,945	1,101	19,016
Contribution for social security funding-COFINS	(e)	231	-	-	-
Social integration program - PIS	(e)	50	-	-	-
Withholding income tax-IRRF		9	-	655	-
Excise tax-IPI		545	-	428	-
Prepaid income and social contribution taxes		10	-	143	-
Other		1,855	-	2,239	-
		41,287	20,013	59,264	20,196

Management projects that the future taxable income of the Company and its subsidiaries will be adequate to realize the tax credits.

These estimates are reviewed annually to ensure that any eventual change in the collection prospects is reflected in the Company's financial information.

- a) This arises from amounts from favorable decisions obtained in favor of the merged company and the Company in lawsuits challenging the exclusion of ICMS in the PIS and COFINS calculation basis, and final and unappealable decisions in these lawsuits occurred on February 28, 2019, April 25, 2019 and December 17, 2019.

In accordance with CPC 00 (R1), which addresses the "Conceptual Framework for Financial Reporting" (recognition of the elements of the financial statements), an item must be recognized if it is probable that any future economic benefits will occur, which must have a value that can be reliably measured, i.e., in a complete, neutral and error-free manner.

In 2019, the Company engaged a specialized consulting firm to help analyze and quantify the amounts involved. This analysis led the Company to determine a total amount of R\$ 724,493.

On May 13, 2021, the Brazilian Federal Supreme Court (STF) decided on the exclusion of the State VAT (ICMS) indicated in the invoice from the Social Integration Program (PIS) and Contribution to Social Security Financing (COFINS) calculation basis and modulated the effects from March 15, 2017, the date on which the general repercussion thesis was established in the judgment of Extraordinary Appeal (EA) 574706, subject to judicial and administrative claims filed until the date of the session in which the judgment was rendered. With this decision, subsidiary CDPC – Centro de Distribuição de Produtos de Cobre Ltda recognized the amount of R\$56,408 in the second quarter of 2021.

The Company's Board of Directors approved the sale of part of the credit rights arising from the lawsuits relating to the right to exclude ICMS from the PIS and COFINS calculation base to Fundo de Investimento em Direitos Creditórios Não-Padronizados Alternative Assets III ("FIDC Assets III") represented as its regulations by its administrator BTG Pactual Serviços Financeiros S.A Distribuidora de Títulos e Valores Mobiliários, subject to compliance with certain conditions precedent, including (among others) the authorization of the Judicial Recovery Court and the approval by the creditors holding the fiduciary assignment of such credits.

On March 12, 2024, the Judicial Recovery Court issued a decision approving the sale of credit rights. Therefore, FIDIC Assets III made the judicial deposit on April 2, 2024 of the amount agreed for the purchase of the credit right totaling R\$158,434 (presented in Note 9.2), pursuant to the decision and awaits the final outcome in the Judicial Recovery Records, so that the sale operation can be concluded upon signing of the Assignment Term.

The balance of the provision for loss on the sale of credit with discount on March 31, 2025 is R\$427,365 in the parent company and R\$471,180 in the consolidated.

The remaining outstanding balance on March 31, 2025 of R\$21,202 refers to outstanding credits, already approved and not negotiated, available for use.

- b) Refers substantially to the credit balance of ICMS tax arising from its operations, shown at realizable value.

In the unit of Santo André – SP, the Company's operations lead to a substantial decrease in credit and the credit balance on March 31, 2025 totaled R\$4,388. (R\$13,431 as at December 31, 2024).

In the unit of Dias D'Ávila – BA, as at March 31, 2025, the credit balance was R\$7,207 (R\$5,383 as at December 31, 2024).

- c) Refers to income tax (IT) and social contribution (CSLL) credits to be recovered from previous fiscal years. For the amounts classified as non-current assets, the Company has already applied for a refund through judicial proceedings and is awaiting a decision to compensate or receive the amount. The amount of R\$10,277, classified in non-current assets, is subject to provision as a loss since realization is not certain. The Company's legal advisors classified the possibility of loss as remote for the purposes of obtaining a favorable outcome in the lawsuits.
- d) Special Tax Reintegration Regime for Exporting Companies. The amounts were calculated in accordance with the parameters defined in Law 12546/2011, with amendments to Law 13043/2014, regulated by the Decree 8415/2015, amended by Decree 9393/2018. The balance of R\$18,945 in the long term refers to the reopening of credits from the calculation period of the 2nd and 3rd quarter of 2018.
- e) Refers mainly to federal tax credits based on Law 10637/02 (PIS) and 10866/03 (COFINS) related to the non-cumulative calculation regime.

09. Other current and non-current assets

09.1 - Other current and non-current assets

		Parent company	
		03/31/2025	12/31/2024
	Note	Current assets	Non-current assets
Municipal writs of payment	(a)	-	43,872
Federal writs of payment	(a)	-	4,741
Advances to suppliers	(b)	10,308	-
Accounts receivable – related parties	11.2	-	1,769
Advances to employees		1,422	-
Amount receivable - Disposal of Cibrafertil		-	1,001
Amounts receivable from suppliers		-	931
Other		250	461
		11,980	51,006

		Consolidated	
		03/31/2025	12/31/2024
	Note	Current assets	Non-current assets
Municipal writs of payment	(a)	-	43,872
Federal writs of payment	(a)	-	4,741
Advances to suppliers	(b)	10,308	-
Advances to employees		1,422	-
Amount receivable - Disposal of Cibrafertil		-	1,001
Amounts receivable from suppliers		-	931
Other		249	1,059
		11,979	51,604

- a) Refers to court-ordered debt payment from the Cities of Santo André, as well as the court-ordered debt payment of the Federal Government.

The Company offered a guarantee on a tax lawsuit, court-ordered debt payments which, as at March 31, 2025 and December 31, 2024 totaled R\$43,666. If there is an unfavorable decision, the amount will be paid in cash.

- b) Refers to advances to sundry suppliers to be used to settle invoices.

09.2 Deposits for judicial claims

		Parent company/Consolidated	
		03/31/2025	12/31/2024
Labor		5,004	4,877
Tax		17,068	17,085
Social Security		838	828
Civil		827	827
Other		170,527	167,145
Non-current assets		194,264	190,762

Judicial deposits made for judicial guarantees in labor, tax, social security and civil proceedings, which will remain in the account at the disposal of the court. If there is any decision to withdraw the deposits, for example due to the replacement of the guarantee, the values can be obtained before the end of the lawsuits. The judicial deposits related to probable risks are reported as reductions in the contingencies provisioned according to Note 19.1.

The “other judicial deposits” line is related to the judicial deposit made on April 2, 2024 by FIDIC Assets III is related to the purchase of part of the credit rights arising from legal proceedings related to the right to exclude ICMS from the PIS and COFINS calculation basis, and is awaiting the final outcome in the Judicial Recovery Records, so that the sale transaction is concluded with the signing of the Assignment Term, as described in Note 08.a.

10. Investments, related parties and others

10.1 Summary information and investment movements as at March 31, 2025.

	CDPC - Centro de Distrib.Prods. Cobre Ltda.	Paranapanema Nederland B.V.	CINC - Caraiba International	Paraibuna Agropec. Ltda.	Total
Summarized financial information of subsidiaries					
Current assets	1,163	-	-	-	1,163
Non-current assets	25,069	-	-	598	25,667
Total assets	26,232	-	-	598	26,830
Current liabilities	698	-	-	-	698
Non-current liabilities	1,315	-	-	-	1,315
Equity	24,219	-	-	598	24,817
Total liabilities and equity	26,232	-	-	598	26,830
Operating expenses or income	(53)	-	-	-	(53)
Loss before financial income (loss) and taxes	(53)	-	-	-	(53)
Financial income (loss)	261	-	-	-	261
Loss before income tax	208	-	-	-	208
Income and social contribution taxes	(45)	-	-	-	(45)
Net Income (loss) for the period	163	-	-	-	163
Summarized financial information of subsidiaries					
Balance as at december 31, 2023	25,835	430	1,024	598	27,887
Non-current assets	25,835	430	1,024	598	27,887
Foreign exchange variations on foreign investment	-	14	33	-	47
Equity in net income of subsidiaries	241	(1)	5	-	245
Balance as at march 31,2024	26,076	443	1,062	598	28,179
Non-current assets	26,076	443	1,062	598	28,179
Balance as at december 31,2024	24,056	-	-	598	24,654
Non-current assets	24,056	-	-	598	24,654
Equity in net income of subsidiaries	163	-	-	-	163
Balance as at march 31,2025	24,219	-	-	598	24,817
Non-current assets	24,219	-	-	598	24,817

10.2 Business with subsidiaries, related parties and others

The Executive Board or the Board of Directors, within the scope of the respective authority levels, in compliance with the Company's Policy for Related Party Transactions and Conflicts of Interest, authorized transactions that are agreed at arm's length market conditions, based on the amounts, terms and the usual fees applied to transactions with non-related parties.

a) Caixa Econômica Federal

As at March 31, 2025, the Company had loans related to the anticipation of foreign currency contracts (ACC), with Caixa Econômica Federal totaling R\$61,988 (US\$10,796 thousand at the rate of 5.742), R\$64,301 as at December 31, 2024 (US\$10,384 thousand at the rate of 6.192) and has R\$352,679 related to nationalized debts (R\$331,967 as at December 31, 2024).

Caixa Econômica Federal holds 9.31% of the Company's total shares.

b) CDPC – Centro de Distribuição de Produtos de Cobre Ltda.

CDPC operations have been suspended since the second semester of 2020 as part of the business strategy, but the Parent Company keeps the Company and its infrastructure active.

The Parent Company and the subsidiary CDPC have a cost sharing agreement which provides for the charging of expenses, costs, related labor contributions and taxes related to shared resources. Given the not-for-profit nature of this contract, neither party will charge any premium for shared services and costs.

The Parent Company and the subsidiary have agreements to manage cash resources.

Below is a statement of the balances of the parent company with the subsidiary

	Notes	03/31/2025	12/31/2024
CDPC - Centro de Distrib.Prods. Cobre Ltda.			
Current Assets - Accounts Receivable	06	344	287
Non-Current Assets - Current Account	09.1	-	1,769
Non-Current Liabilities - Current Account	20	25,068	12,106

11. Other investments

This group of assets includes properties that are no longer used in the Company's operations and properties acquired through judicial rulings due to financial liabilities of its clients, totaling R\$22,636, valued at acquisition cost, net of accumulated depreciation and provision for losses, which are lower than the expected realization values. Of this amount, R\$22,100 were offered as guarantees, as well as equity interests in other companies totaling R\$3,065.

Non-operational properties offered as guarantees

As described in the Note 1, the Company provided guarantees involving non-operating assets, and has committed to endeavor its best efforts to carry out the sale of non-operating assets, with the purpose of accelerating the amortization of the amounts subject to the new negotiation. Thus, the sale of assets is subject to a governance process defined with the creditors of Global Agreement.

Although the Company is making its best efforts to sell these assets, there are conditions, mainly related to the guarantees offered, which mean that these assets are not available for immediate sale and/or depend on creditor approvals to be traded.

Guarantees	Property	Book Value
CSLL	Guarujá real estate	9,860
CSLL	Camaçari real estate	7,460
Global Agreement	Serra da Cantareira real estate	266
Global Agreement	Sanra Cruz de Cabralia real estate	1,617
Global Agreement	Camaçari real estate	2,897
Total Guarantees		22,100

If the real estate is sold, the Company will replace the assets pledged as collateral, and in the event of an unfavorable decision on the operations, the amounts will be paid in domestic currency.

12. Property, plant and equipment and intangible assets

Changes in property, plant and equipment for the period are as follows:

Parent company/Consolidated						
	Average depreciation rate	12/31/2024	Additions	Transfers	Depreciation Amortization	03/31/2025
PROPERTY, PLANT AND EQUIPMENT						
Land		119,685	-	-	-	119,685
Improvements	5%	851	-	-	(39)	812
Buildings	3%	181,467	-	302	(2,959)	178,810
Installations	16%	20,217	-	-	(756)	19,461
Machines and Equipment	9%	374,948	-	1,999	(16,637)	360,310
Furniture and fixtures	8%	36,661	-	33	(1,802)	34,892
Vehicles	20%	1	-	-	(1)	-
Property, plant and equipment in progress		186,066	4,878	(2,351)	-	188,593
Provision for impairment losses		(2,944)	-	-	-	(2,944)
Spare parts		8,066	-	17	-	8,083
Total assets		925,018	4,878	-	(22,194)	907,702
INTANGIBLES						
ERP/Software	20%	3,391	-	-	(177)	3,214
Intangible assests		3,391	-	-	(177)	3,214

The amount of R\$22,194 in property, plant and equipment related to depreciation and R\$177 in intangible assets related to amortization, totaling R\$22,371, refers to:

Parent company/Consolidated		
	Quarter 2025	Quarter 2024
Cost of goods sold	22,024	24,613
Commercial expenses	46	286
General and administrative expenses	301	356
Total depreciation and amortization expenses	22,371	25,255

12.1. Construction in progress

As at March 31, 2025, the balance of the account Property, plant and equipment in progress presented in the Consolidated was R\$188,593 (R\$186,066 as at December 31, 2024), and was substantially represented by: expenditures in projects under execution.

The main projects are aimed at the scheduled shutdown program for maintaining and improving operational activities, technological updating and corporate safety.

The deadlines for completing ongoing projects are mainly impacted by the difficulty of generating cash, since they depend directly on investments for their completion, and by the lay-off applied at the Dias D'ávila plant. As they are fundamental for the resumption of operations, the Company expects them to be completed in the medium and long term.

12.2. Losses from the impairment of property, plant and equipment and intangible assets

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In compliance with the requirements of IAS 36/CPC 1 (R1) - Impairment of Assets, the Company tested the recoverable value of its property, plant and equipment at the end of 2023 and 2024 and did not detect the need to recognize a provision for impairment.

The Company constituted a provision for losses of R\$2,944 to adjust the inventory of items not located.

12.3. Property, plant and equipment in guarantee

The Company offered the amount of R\$8,083 in spare parts (R\$8,066 as of December 31, 2024) as a guarantee for the assignment of accounts receivable credit. In the case of an unfavorable decision, the full amount will be paid in cash.

The Company also offered its assets as guarantees for fiscal lawsuits, the financing of expansion projects and production line technological updates, and loans under the debt re-profiling process. As at March 31, 2025, its book values were R\$679,114.

Guarantees for lawsuits	Book Value
Judicial Lien and Fiduciary Alienation under Suspensive Condition - Labor Process	4,956
Judicial Lien and Fiduciary Alienation under Suspensive Condition - Tax Process	15,689
Judicial Lien and Fiduciary Alienation under Suspensive Condition - CSLL Process	36,827
Fiduciary Alienation	361
Total Process Guarantees	57,833

Loan Guarantees	Book Value
Fiduciary Alienation under Suspensive Condition - BNB	187,422
Sub-total (previous to restructuring)	187,422
Fiduciary Alienation and Judicial Lien	115,876
Fiduciary Alienation - Dias D'ávila	113,630
Fiduciary Alienation - Utinga	76,432
Fiduciary Alienation - Serra	17,250
Fiduciary Alienation - ING	110,671
Subtotal (Mortgaged/Pledged refinancing)	433,859
Total Loan Guarantees	621,281
Total Guarantees	679,114

13. Suppliers

	Parent company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Goods	165,244	157,317	165,244	157,317
Freight and transportation	11,839	12,624	11,839	12,624
Services	121,535	120,261	121,542	120,268
Electric power/Water and sewage/Gas	4,435	2,993	4,435	2,993
Insurance	972	1,043	972	1,043
Others	220	193	220	193
Domestic	304,245	294,431	304,252	294,438
Goods	297,286	292,553	297,286	292,553
Foreign	297,286	292,553	297,286	292,553
Judicial Recovery Suppliers	207,519	208,448	207,519	208,448
Foreign	809,050	795,432	809,057	795,439
Current liabilities	679,475	639,105	679,482	639,112
Non-current liabilities	129,575	156,327	129,575	156,327

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As at March 31, 2025, the balance payable to suppliers on the list of creditors of the Judicial Recovery Plan totals R\$207,519, of which R\$100,772 is classified as current liabilities and R\$106,747 as non-current liabilities, distributed among the classes as follows:

Class of Creditors - Initial	03/31/2025	12/31/2024
Class I - Labor credits	7,598	7,771
Class II - Credits with real guarantee	10,348	10,235
Class III - Unsecured Credits	185,377	185,624
Class IV - ME and EPP	4,196	4,818
Total	207,519	208,448

14. Forfaiting and letter of credit operations

These operations relate to signed copper concentrate purchase contracts with suppliers that use banking operations called “forfaiting” and letters of credit. As part of such transactions, suppliers transfer their securities receiving rights to the banks which, in turn, become the creditors under the respective transactions. This type of transaction does not significantly alter the prices and other conditions set by the Company's suppliers. However, the use of financial institutions allows suppliers to extend the payment terms to clients and, at the same time, anticipate the receipt of payments for forward sales, contributing to the improvement in operating cash flow.

Considering the characteristics of such transactions and an awareness of how the Company's suppliers are funding their operations, the amounts related to these transactions are presented within a specific line item, adjusted at present value and charges allocated in the line of financial expenses.

The amount of “Forfaiting - Domestic suppliers – RJ” is part of the list of creditors in the judicial recovery, included in Class III - Unsecured Credits.

		Controladora/Consolidado			
		31/03/2025		31/12/2024	
Prazo		Passivo circulante	Passivo não circulante	Passivo circulante	Passivo não circulante
Forfaiting - Fornecedores nacional	até 120 dias	19.847	-	10.782	0
Forfaiting - Fornecedores nacional - RJ		4.163	6.099	4.995	5.388
		24.010	6.099	15.777	5.388

15. Lease liabilities

Leases are recognized as a right of use asset and a corresponding liability on the date the leased asset becomes available for use by the Company.

Each lease payment is allocated between the liability and the financial expenses. Financial expenses are recognized in income during the period of the lease. The right to use an asset is depreciated over the useful life of the asset or lease term by the straight-line method, whichever is lower.

The table below shows the changes in lease agreements for the period:

Contract	Months should be	Interest rate	Non-current assets				Liabilities			
			12/31/2024	Additions	Amortization	03/31/2025	12/31/2024	Additions	Payments	03/31/2025
Print Outsourcing Leasing - Corp	2025/05	1.03%	31	-	(19)	12	33	-	(20)	13
Equipment Rental for Internal Handling	2025/9	1.03%	1	3,352	(1,117)	2,236	-	3,528	(1,176)	2,352
Rental of Forklifts-ES	2025/08	1.03%	24	-	(10)	14	26	-	(10)	16
Operating Vehicle Rental - BA	2025/04	0.65%	11	-	(8)	3	11	-	(9)	2
Rental communication radio - BA	2025/03	1.03%	311	(311)	-	-	332	(332)	-	-
Rental compressed Air Dryer	2025/03	1.03%	106	(93)	(13)	-	127	(127)	-	-
Rental of cranes	2025/03	1.03%	2,691	(2,691)	-	-	3379	(3,379)	-	-
Rent of equipment monitoring - BA	2025/08	1.03%	593	-	(222)	371	690	-	(259)	431
Plotter Rental	2026/03	1.03%	1,172	-	(234)	938	1,376	-	(275)	1,101
Rental of Professional Uniforms	2027/01	1.03%	780	-	(94)	686	920	-	(110)	810
Equipment rental scrap Handling	2027/01	1.03%	673	-	(81)	592	794	-	(95)	699
Rental of Electronic Security Equipment - BA	2025/03	0.94%	263	(263)	-	-	329	(329)	-	-
			6,656	(6)	(1,798)	4,852	8,017	(639)	(1,954)	5,424
							Adjustment to present value	(1,361)	789	(572)
							Lease Balance	6,656	150	(1,954)
							Current liabilities	3,770		4,271
							Non-current liabilities	2,886		581

The nominal interest rate used is the incremental loan rate calculated on the weighted average cost of capital that the Company would have to pay on a loan to get the funds needed to purchase an asset of similar amount, in a similar economic environment, and with equivalent terms and conditions.

The table below shows the maturity of installments:

	Consolidated 03/31/2025
2025.....	4,256
2026.....	1,099
2027.....	69
	5,424

In compliance with Circular Letter/CVM/SNC/SEP No. 02/2019, the Company presents the comparative balances of lease liabilities, right of use, financial expense and amortization expense, considering the effect of projected future inflation in the flows of lease agreements:

Total	2025	2026	2027
Lease Liabilities	5,424	1,168	69
Inflation Projected Flow	5,730	1,221	72
Right of Use	4,852	989	58
Inflation Projected Flow	5,126	1,034	60
Financial Expense	586	383	228
Inflation Projected Flow	619	400	237
Depreciation Expense	3,863	931	58
Inflation Projected Flow	4,081	973	60
Future IPCA	5.65%	4.50%	4.00%

(*) <https://www.bcb.gov.br/publicacoes/focus>

The exemption amount proposed by the regulation for lease agreements regulations with 12-month contract termination and lease agreements whose purpose are small amounts or which are contracted on demand was R\$1,319 in the consolidated during the period (R\$1,055 in the same period of 2024), classified as rents as per Note 23.

16. Loans and financing

Since March 2020, the Company negotiated with its principal financial creditors (primarily the participants in the Global Agreement signed in 2017) to align the profile of the Company's indebtedness with its projected cash generation. In this context, the Company engaged the specialized consulting firm Moelis & Company Assessoria Financeira Ltda. to advise it in this process.

As at December 29, 2021, the Company entered into the Fourth Amendment to the Private Instrument for the Global Restructuring Agreement and Other Covenants ("Global Agreement") with its main creditors, renegotiated for the first time in 2017, thus renegotiating the payment of financial debts until the end of 2028 in the principal amount of US\$479,151, equivalent to R\$2,673,895 as at December 31, 2021.

In this agreement, the interest rates were amended from Libor 12M + 1.75% p.a. to Libor 06M + 1% p.a., in the ACC modality, and from Libor 12M + 3.25% pa to Libor 06M + 4% pa in the PPE/CCB modality. Moreover, the Term SOFR replaced Libor upon its extinction, duly adjusted by the inflation updating index published by the Alternative Reference Rates Committee - ARRC.

The Company, following the guidelines established in IFRS 9 (CPC 48) "Financial Instruments" to determine whether there were substantial changes in the debt renegotiation, analyzed the qualitative and quantitative testing and identified that there was no change in the contracted instruments and currencies. Moreover, the net present value of cash flows under the new terms was within the parameters established by the standard; consequently, there was no exchange of the debt instrument but an adjustment of the book value was necessary.

In order to adjust the value, the Company calculated the net present value of the cash flows of the new contracts, with the new interest rates and payment dates, discounted at the effective interest rate of the debt before the renegotiation. This amount is compared to the previous remaining book value, and the difference is recognized in the financial result. Adjustment amount as at December 31, 2021 was R\$ 96,574 (US\$17,307 at the rate of R\$5.5805). As at December 31, 2025, the adjustment balance is R\$43,798 (US\$7,627 at a rate of 5.7422). As of December 31, 2024, the balance was R\$51,321 (US\$8,288 at a rate of 6.1923).

The conditions for the renegotiated debt payment terms are as follows:

	ACC	PPE/CCB
Principal payment	In 2022 25% In 2023 25% In 2024 25% In 2025 25%	In 2022 03.5% In 2023 03.0% In 2024 03.0% In 2025 03.0% In 2026 06.0% In 2027 06.6% In 2028 53.0%
Remunerative interest open on the date of signature of the agreement	In 1Q22 Payment of 100%	In 1Q22 Payment of 5% and 95% Renegotiated
Subsequent remuneration interest	Paid semiannually	Until Dec/22, 50% will be renegotiated and 50% paid semi-annually, from Jan/23 Paid semi-annually

As described in Note 1, the Company did not comply with the payment schedule set for December 2022, and did not comply with the indicators of the covenants, but it continues negotiating with its creditors for the amortization of the installment with the sale of tax credits arising from the lawsuits related to the right to exclude ICMS from the PIS and COFINS calculation base, as described in Note 08.a. The Company is also negotiating – with the creditors of the Global Agreement aiming at obtaining new conditions, more favorable for the settlement of its liabilities.

Asset Monetization Governance.

During the negotiations, creditors identified that the Company is or will be the holder of PIS, COFINS and ICMS credit rights; court-ordered debt payments issued that are free of liens and encumbrances; credits arising from lawsuits already filed that are free of liens and encumbrances; other credit rights arising from administrative, arbitration and judicial tax proceedings; non-operating equipment and non-operating properties held by the Company, including those that are subject to Collateral Agreements.

To monetize these assets, the parties decided to create an Asset Monetization Governance, which came into force with the implementation of the new restructuring and regulates the terms and conditions applicable to the disposal of assets, such as the asset valuation system, advisors who assist the sale process and the full destination of funds for the New Restructuring, carried out based on defined percentages.

Transaction costs

Transaction costs directly attributable to the process of debt re-profiling, mainly involving the contracting of legal and financial advisors, external audit services, costs for the preparation of prospectuses and reports, as well as fees, commission and registries are calculated in a reduction account of liabilities.

Loan balances, net of transaction costs, at the end of each period are also shown below:

	03/31/2025		Consolidated 12/31/2024	
	Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Contracted in USD				
Foreign Trade Financing - ACC/ACE	372,926	-	387,127	-
Export Prepayment - PPE	2,257,406	-	2,337,040	-
Bank Credit Note	177,993	-	183,782	-
	<u>2,808,325</u>	<u>-</u>	<u>2,907,949</u>	<u>-</u>
Contracted in BRL				
Credit Assignment Anticipation	(a) 116,082	-	287,447	-
Credit Assignment Anticipation - Judicial Recovery	(b) 643	613	598	633
DIP	(c) 57,176	226,960		
Debt Acknowledgment	(d) 1,752,295	260,390	1,688,269	353,678
	<u>1,926,196</u>	<u>487,963</u>	<u>1,976,314</u>	<u>354,311</u>
Transaction Costs - reprofiling	<u>(20,154)</u>	<u>-</u>	<u>(21,496)</u>	<u>-</u>
	<u>4,714,367</u>	<u>487,963</u>	<u>4,862,767</u>	<u>354,311</u>

- Amount related to advanced credit assignment received by the Company in accordance with the “agreement of commitment of transmission and acquisition of credit rights and other covenants”, whereby the Company will be required to deliver domestic market receivables in the average period of 90 days.
- The amount is part of the list of creditors in the judicial recovery, included in Class III - Unsecured Credits.
- The Company entered into the Assignment, Promise of Transfer and Acquisition of Credit Rights Agreement and Other Covenants, in the DIP modality, as allowed by Articles 66, 67, and 69-A of the Bankruptcy and Judicial Recovery Plan Law and as previously authorized in Clauses 2.5, 13.1, and 13.2 of the Judicial Recovery Plan.

In compliance with legal procedures, the DIP was authorized by the Court of the 1st Regional Court of Business Jurisdiction and Arbitration-Related Conflicts of the District of the Capital City of the State of São Paulo ("Recovery Court"), within the scope of the judicial recovery proceeding 1001409-24.2022.8.26.0260, in the decision on page 29965, duly published on January 21, 2025;

- d) Amount referring to debt confession includes amounts related to ACCs written-off by the banks since the Company did not comply with the terms and conditions of the exchange contracts, as well as the terms of the global agreement. The nationalized amounts are updated by the CDI rate plus 2% p.a., and contracts signed with the F.I.D.C. Multissetorial Fundo BS NP regarding the renegotiation of the contracts for the prepayment of credit assignment received by the Company.

Long-term installments have the following maturities:

	Parent company/Consolidated	
	03/31/2025	12/31/2024
2026.....	98,766	169,881
2027.....	155,680	153,167
2028.....	35,632	21,131
2029.....	24,922	10,132
2030 em diante.....	172,963	-
	487,963	354,311

Summary of changes in loans during the period

	Parent company/Consolidated							
	12/31/2024	Entry	Nacionalization of ACCs	Payment Principal	Payment Interest	Payment Interest	Exchange rate variation	03/31/2025
Loans in foreign currency	2,337,040	-	0	-	-	73,258	(152,892)	2,257,406
Foreign trade loans	387,127	-	-	-	-	10,735	(24,936)	372,926
Credit Assignment Anticipation	287,447	102,731	0	(142,589)	0	(108,791)	(9,957)	(12,759)
Credit Assignment Anticipation - Judicial Recovery	1,231	-	0	-	0	-	25	-
DIP	-	-	-	276,608	-	-	7,528	-
Bank Credit Note	183,782	-	0	-	0	-	3,982	(9,771)
Debt Acknowledgment	2,041,947	-	-	(134,019)	(995)	(8,261)	114,013	-
Transaction costs - reprofiling	(21,496)	-	0	-	0	-	1,342	-
Loans and financing	5,217,078	102,731	-	(109,786)	(18,218)	198,124	(187,599)	5,202,330

Debt breakdown by financial institution.

					03/31/2025 - BRL		03/31/2025 - USD		
					Current liabilities		Non-Current liabilities	Current liabilities	
Modality	Bank	Payment	Maturities	Tax	Principal	Interest	Principal	Principal	Interest
Contracted in BRL									
Anticipation credit assignment	F.I.D.C. Multissetorial Fundo BS NP	Monthly	2024	2,5% p.m.	103,707	5,875	-	-	-
Anticipation credit assignment	Credit Partners F.I.D.C. não Padronizados	Monthly	2024	2,5% p.m.	6,000	-	-	-	-
Anticipation credit assignment	Libra FIDC Multissetorial - Banpar	Monthly	2024	2,5% p.m.	500	-	-	-	-
Anticipation credit assignment	Fundo Inv. Direitos Cred. Sifra	Monthly	2024 to 2029	IPCA	614	29	613	-	-
Debt confession	F.I.D.C. Multissetorial Fundo BS NP	Monthly	2025 to 2040	CDI+2%a.a.	49,649	7,527	226,960	-	-
Debt confession	Banco Bradesco S.A.	Half-Yearly	2022 to 2028	CDI+4,92%a.a.	373,542	299,568	-	-	-
Debt confession	Caixa Economica Federal	Half-Yearly	2022 to 2028	CDI+2%a.a.	263,694	88,985	-	-	-
Debt confession	Scotiabank Brasil S.A.	Half-Yearly	2022 to 2028	CDI+2%a.a.	150,141	53,761	-	-	-
Debt confession	Banco BNP Paribas Brasil S.A.	Half-Yearly	2022 to 2028	CDI+2%a.a.	122,186	32,604	-	-	-
Debt confession	F.I.D.C. Multissetorial Fundo BS NP	Monthly	2024 to 2028	2,13% p.m.	159,750	194,812	222,395	-	-
Debt confession	Banco do Est do Rio Grance do Sul - Banrisul	Monthly	2024 to 2029	1% p.m. + TR	4,422	8,830	37,995	-	-
Total contracted in Currency BRL					1,234,205	691,991	487,963	-	-
Contracted in USD									
ACC	Banco BNP Paribas Brasil S.A.	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	22,511	7,266	-	3,920	1,265
ACC	Banco do Brasil S.A.	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	158,262	56,780	-	27,561	9,888
ACC	Caixa Economica Federal	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	46,860	15,128	-	8,161	2,635
ACC	China Construction Bank	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	48,577	17,542	-	8,460	3,055
PPE	Banco Sumitomo Mitsui BR. S.A.	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	218,931	93,669	-	38,127	16,312
PPE	Scotiabank	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	22,183	9,491	-	3,863	1,653
PPE	Ing Bank N.V.	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	53,886	23,055	-	9,384	4,015
PPE	Ing Bank N.V.	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	93,713	41,481	-	16,320	7,224
PPE	China Construction Bank	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	71,019	30,385	-	12,368	5,292
PPE	Cargill Incorporated	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	858,072	367,123	-	149,433	63,934
PPE	Banco do Brasil S.A.	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	75,794	32,428	-	13,199	5,647
PPE	Zion Capital S/A	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	11,484	4,914	-	2,000	856
PPE	BPS Capital	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	144,259	61,721	-	25,123	10,749
CCB	Wilbury NPL Fundo de Invest.	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	124,658	53,335	-	21,709	9,288
Present value of contractual cash flows					-	43,798	-	-	7,627
Total contracted in Currency US\$					1,950,209	858,116	-	339,628	149,440
Transaction Costs - reprofiling					(20,154)	-	-	-	-
Total					3,164,260	1,550,107	487,963	339,628	149,440

As at March 31, 2025, the total balance of renegotiated debts was all classified in current liabilities, due to non-compliance with covenants clauses. The amount reclassified to current liabilities totaled R\$1,850,496.

Guarantees:

As at March 31, 2025, loans and financing were guaranteed by property, plant and equipment items with a book value of R\$621,281 (R\$637,990 as at December 31, 2024), as described in Note 12.3.

Covenants:

In relation to financial covenants, as the Fourth Addendum to the Debt Re-profiling Global Agreement, the Company must comply with the following ratios:

a) Indebtedness/Gross Financing / divided by Adjusted EBITDA:

- $\leq 26\times$ as of December 31, 2021;
- $\leq 12.3\times$ as of December 31, 2022;
- $\leq 9.1\times$ as of December 31, 2023;
- $\leq 6.9\times$ as of December 31, 2024;
- $\leq 5.8\times$ as of December 31, 2025;
- $\leq 5.5\times$ as of December 31, 2026;
- $\leq 5.2\times$ as of December 31, 2027; and
- $\leq 4.9\times$ as of December 31, 2028.

b) Current liquidity

The Company must also present a current liquidity ratio based on the division of current assets by current liabilities equal to or higher than 1.0x (one), as measured as of 2022, as at December 31 of

each year, in accordance with the accounting principles generally accepted in Brazil, based on the financial statements published by the Company after the first publication of financial statements reviewed after the execution hereof.

c) Minimum limits on inventory and receivables

Deliver to the creditors a detailed calculation of the Minimum Limit on Inventory and Receivables for the corresponding fiscal period, based on the financial information disclosed on a quarterly basis by the Company, under the terms of the Brazilian Securities Exchange Commission (CVM), i.e., the Quarterly Financial Information (ITR) for the quarters ended in March, June and September, and the annual financial statements for the quarter ended in December;

The Company did not comply with the Debt/Gross Financing/Adjusted EBITDA and Current Liquidity covenants in recent periods, and is negotiating with the creditors of the Global Agreement with the aim of obtaining new, more favorable conditions for resolving its liabilities.

17. Salaries and payroll charges

		Parent company			
		03/31/2025		12/31/2024	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Provision for vacations		22,232	-	23,446	-
Profit sharing and Results		26,801	-	23,315	-
Provision for 13th month's salary		2,716	-	-	-
Social security and Contributions	(b)	3,761	3,126	6,381	3,227
Contribution to the Severance Indemnity Fund	(a)	12,718	8,444	10,861	8,787
Private Pension		77	-	77	-
Judicial Recovery		8,972	-	8,978	-
Other		3,688	-	4,074	-
		<u>80,965</u>	<u>11,570</u>	<u>77,132</u>	<u>12,014</u>

- a) The Company entered into an installment plan with Caixa Econômica Federal for the payment of debts related to the federal Severance Fund (FGTS) for the months from January 2023 to February 2024 and is in installment payment process for the period from March 2024 to March 2025. The installment period for companies undergoing judicial recovery is 100 months.
- b) The Company signed a certificate of indebtedness and installment agreement with the Brazilian Service for Industrial Learning - Senai and with the Industrial Social Service - Sesi to pay the debts relating to the Cooperation Agreement, with an installment term of 60 months.

18. Taxes and contributions payable

	Notes	Parent company			
		03/31/2025		12/31/2024	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Contribution for social security funding-COFINS		1,045	-	743	-
Employees' Profit Participation Program-PIS		225	-	162	-
Value-added tax on sales and services-ICMS	(a)	17,955	19,733	15,078	21,036
Municipal Real Estate Tax-IPTU	(d)	34,840	-	26,053	-
Excise Tax-IPI		857	-	508	-
Withholding income tax-IRRF		1,137	-	2,067	-
Withheld PIS, COFINS, income tax and social		1,506	-	1,380	-
Service Tax - ISS		6,193	-	4,188	-
Withholding tax - installments	(b)	15,726	92,245	13,977	82,713
Provision Drawback Tax- suspension	(c)	495,400	-	473,481	-
Other		131	-	160	-
		575,015	111,978	537,797	103,749

	Notes	Consolidated			
		03/31/2025		12/31/2024	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Contribution for social security funding-COFINS		1,046	-	744	-
Employees' Profit Participation Program-PIS		225	-	162	-
Value-added tax on sales and services-ICMS	(a)	17,955	19,733	15,078	21,036
Municipal Real Estate Tax-IPTU	(d)	34,840	-	26,053	-
Excise Tax-IPI		857	-	508	-
Withholding income tax-IRRF		1,137	-	2,067	-
Income tax and social contribution	26.2	45	-	-	-
Withheld PIS, COFINS, income tax and social		1,506	-	1,380	-
Service Tax - ISS		6,193	-	4,188	-
Withholding tax - installments	(b)	15,726	92,245	13,977	82,713
Provision Drawback Tax- suspension	(c)	495,400	-	473,481	-
Other		131	-	160	-
		575,061	111,978	537,798	103,749

- a) The Company signed an agreement with the São Paulo State Attorney General's Office, which allowed it to pay its ICMS debts in 145 installments, with a reduction in fines and interest, and signed a REFIS agreement with the Bahia SEFAZ, which allowed it to pay its ICMS debts in 120 installments, with a reduction in fines and interest.
- b) The Company requested the Brazilian Federal Revenue Service to pay its tax debts in installments in the simplified and companies under judicial recovery modalities, as well as to pay its tax debts in installments to the Attorney General's Office of the National Treasury - PGFN.
- c) The Company has concession acts of the Drawback regime, overdue, which includes the suspension of Import Tax, PIS (Social Inclusion Program) and COFINS (Social Security Financing). In view of the current scenario, the Company did not fulfill the exports and will perform the nationalization of goods and payment of all suspended taxes in the future, with the due legal additions of fine and interest. The total amount of liabilities recognized in the balance sheet is R\$495,400 (net of PIS and COFINS tax credits in the amount of R\$707,461) comprises the following: i) fine in the total amount of R\$149,621; ii) Import tax in the amount of R\$40,647 and iii) Selic interest of R\$305,132. The Selic interest recognized for the year was R\$21,919.
- d) The Company is asking the Municipal Governments of Santo André and Dias D'Avila to open an installment payment plan.

19. Provision for judicial claims

19.1. Accrued risks

The Company makes provisions for tax, labor and civil lawsuits and administrative proceedings against the Company and its subsidiaries in cases where the likelihood of loss is deemed probable by its Legal Advisors.

The balances of the provision for contingencies, with a statement of the net balance of judicial deposits related to the respective claims, are given below. Judicial deposits are provided as guarantees and surveyed by the adverse parties upon settlement of the claim, in the event of an unfavorable final decision.

				Parent company/Consolidated		
				12/31/2024		
		Provision	Judicial Claims	Provision	Provision	Judicial Claims
Labor	(a)	95,001	(361)	94,640	90,891	724
Labor- Judicial Recovery	(a)	111,969	(6,000)	105,969	110,371	(7,135)
Civil	(b)	111,569	-	111,569	102,570	-
Civil - Judicial Recovery	(b)	11,684	-	11,684	11,455	-
Tax	(c)	606,311	-	606,311	601,784	(1,649)
Social Security		36,905	-	36,905	36,643	-
		973,439	(6,361)	967,078	953,714	(8,060)
						945,654

a) The provision for labor contingencies refers to lawsuits in progress before the Labor Court which, individually, are not material to the Company's business. Of the total value of labor contingencies, R\$105,969 is part of the list of creditors for judicial recovery, included in Class I - Labor Credits.

b) The provision for civil lawsuits consists mainly of indemnity suits related to contractual disputes. The change observed in 2024 was mainly due to the provisioning for the amount claimed in Ordinary Lawsuit 0003221-59.2000.805.0039 in progress in the 1st Court for Consumer, Civil and Commercial Relations in the District of Camaçari/BA. Of the total value of civil contingencies, R\$11,684 is part of the list of creditors for judicial recovery, included in Class III - Unsecured Credits.

c) The provision for lawsuits of a tax nature consists mainly of lawsuits dealing with the collection of Social Contribution on Net Income (CSLL), due to the position taken by Brazil's Federal Supreme Court (STF) in the context of Extraordinary Appeals 955227 and 949297, affected under the procedural rules of "general repercussion", which deal with the cessation of the effects of *res judicata* in tax matters when a subsequent decision is issued by the Supreme Court in diffuse or concentrated control.

The changes in the provisions were as shown below:

						Parent company/Consolidated
	Labor	Tax	Civil	Social Security	Total	
Balance as at december 31, 2023	227,854	564,973	30,024	34,826	857,677	
Provision (Reversal)	18,600	10,482	69,947	-	99,029	
Interest Accruals	14,425	24,650	14,694	1,817	55,586	
Deposits in court	147	149	-	-	296	
Write-offs	(66,175)	(119)	(640)	-	(66,934)	
Balance as at december 31, 2024	194,851	600,135	114,025	36,643	945,654	
Provision (Reversal)	2,918	(1,518)	4,362	-	5,762	
Interest Accruals	3,562	7,308	5,164	262	16,296	
Deposits in court	50	1,649	-	-	1,699	
Write-offs	(772)	(1,263)	(298)	-	(2,333)	
Balance as at march 31, 2025	200,609	606,311	123,253	36,905	967,078	

19.2. Risks assessed as possible

In addition to the abovementioned lawsuits, there are other lawsuits in progress with a likelihood of loss deemed possible by the Legal Advisors. Therefore, in accordance with the accounting practices of the Company, no provision was recorded.

	Parent company		Consolidated	
	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Labor	2,903	4,531	2,903	4,531
Tax	752,333	737,486	752,779	737,856
Social security	10,308	10,775	10,308	10,775
Civil	672,189	637,906	672,189	637,906
	<u>1,437,732</u>	<u>1,390,698</u>	<u>1,438,179</u>	<u>1,391,068</u>

The most relevant lawsuits of civil and tax nature, the risk of which is assessed as “possible”, is commented on below:

Isolated IPI and IRPJ fine

The Brazilian Federal Revenue Service filed an infraction notice to collect a one-off fine related to the incorrect payment of IPI and IRPJ debits between 2004 and 2006 by Caraíba Metais S.A. This payment was made by the Company before the final Court ruling confirming the validity of the use of the credits.

On August 24, 2010, the merged company Caraíba Metais S.A. was partially successful in a decision in the Appeals Court, confirming the lack of a legal basis for the enforcement of a “one-off/non-cumulative” fine before the enactment of Law 11196/2005.

The Company, supported by the opinion of its legal advisors, believes that this collection is not due, in accordance with the decision issued by the Supreme Court of Justice in special appeal 1.164.452/MG, which states that the requisite final ruling can only be applied to lawsuits filed after Complementary Law 104/2001 was published on January 11, 2001. The lawsuit which allowed the use of the credit was published on August 17, 1998.

On August 24, 2021, a favorable decision was handed down in the records of the Motions to Tax Foreclosure, recognizing the illegitimacy of the assessment under the terms mentioned above and currently, the appeal awaits a trial of the Federal Government.

As at March 31, 2025, the Company estimates an adjusted amount of R\$135,222 (R\$133,607 as at December 31, 2024), which was considered possible by the legal counsel, hence, no provision was set up.

Foreclosure Lawsuit – Banco Santos S/A

The lawsuit is being processed before the 12th Civil Court of the Central Court of the District of São Paulo/SP, recorded under number 0204579-57.2007.8.26.0100 and aims to collect a Bank Credit Certificate (CCB) issued by Mamoré, Mineração e Metalurgia Ltda. with the Company as guarantor.

On August 10, 2009, Motions to Stay Execution were filed by the defendants (case 0184280-88.2009.8.26.0100), and given the existing connection with Declaratory Action 0012921-12.2005.8.26.0100, filed by Mamoré, Mineração e Metalurgia Ltda., the Stays of Execution were suspended on December 19, 2012.

As at March 31, 2025, the Company estimates an adjusted amount of R\$124,469 (R\$120,792 as at December 31, 2024), which was considered possible by the legal counsel, hence, no provision was set up.

Indemnity Lawsuit - Bafertil - Bahia Fertilizantes Ltda.

The lawsuit is being processed before the 1st Civil Court of Camaçari/BA, recorded under number 0000900-17.2001.8.05.0039 and aims to condemn Cibrafertil – Companhia Brasileira de Fertilizantes and the Company to pay compensation to Bafertil, for material and moral damages, allegedly caused by Cibrafertil's refusal to supply raw materials to the author, despite cash and advance payments for the product.

On December 9, 2002, a conciliation hearing was held in which (i) Caraíba's preliminary ruling of passive illegitimacy was accepted; and (ii) expert evidence was granted. However, in view of the decision that accepted Caraíba's preliminary illegitimacy, an Interlocutory Appeal was filed, and its suspensive effect was granted.

On April 8, 2003, the expert presented an expert report, and on May 9, 2006, a new hearing was held. On October 10, 2024, a decision was handed down dismissing the claims and ordering the plaintiff to pay court costs and attorney's fees set at 5% of the value of the case.

As at March 31, 2025, the Company estimates an adjusted amount of R\$271,614 (R\$263,982 as at December 31, 2024), which was considered possible by the legal counsel, hence, no provision was set up.

Active cases with probable likelihood of success

The Company is party in ongoing lawsuits for which, based on the opinion of its legal advisors and in accordance with the accounting practices adopted by the Company, were considered as having a probable likelihood of a favorable outcome, in the amount of R\$ 27,936. Since these are active processes, these amounts are not recorded.

20. Other current liabilities

	Notes	Parent company		Consolidated	
		03/31/2025	12/31/2024	03/31/2025	12/31/2024
Provision for environmental expenses	(a)	171	171	171	171
Customer credits	(b)	1,341	1,032	1,367	1,059
Advances from clients	(c)	73,414	72,724	73,530	72,840
Attorneys' fees and services	(d)	14,382	13,445	14,382	13,445
Related Parties	11.2	25,069	12,106	-	-
Various provisions	(e)	20,322	16,330	20,323	16,337
Sales commission		6,695	6,511	6,854	6,668
Cargil	(f)	27,662	27,119	27,662	27,119
Others		1,207	1,320	1,206	1,319
		170,263	150,758	145,495	138,958
Advances from clients		73,414	72,724	73,530	72,840
Other current liabilities		57,252	51,817	57,438	52,007
Other current liabilities		39,597	26,217	14,527	14,111
		170,263	150,758	145,495	138,958

- a) Refers to the expenditure forecast to be required to fulfill the obligations under the conduct adjustment agreement (TAC) signed on December 4, 2015 between the Public Ministry of Bahia, Paranapanema and other companies. The objective of the agreement is to implement mitigation, reparation and compensation measures related to environmental impacts within the Ilha da Maré area.
- b) Client credits refer to adjustments between price parameters, volumes and/or metal content yields charged temporarily upon invoicing, and final transaction parameters.
- c) Amount related to advances made by clients for future material delivery.
- d) It refers to the provision for attorneys' fees on the success of lawsuits filed against the Company.
- e) Refers to provision of sundry expenses for the period, pending legal documentation to settle the obligation.
- f) Refers to Series 2 debentures, issued on September 22, 2017, that would mature on September 01, 2023. However, as a result of the Company's entry into Judicial Recovery on November 30, 2022, there was an early maturity of the 2nd Series debentures, so that they now make up the list of Class III credits of the judicial recovery Creditors List, subject to the payment terms and conditions approved in the Judicial Recovery Plan, and are now classified as other current liabilities.

21. Shareholders' equity

a) Capital

The subscribed and paid-up capital as of March 31, 2025 is two billion, one hundred and seventy-eight million, nine hundred and fifty-three thousand, eight hundred and three reais and seventy-seven cents (R\$2,178,953,803.77), divided into seventy-five million, four hundred and twenty-four thousand, three hundred and thirty-three (75,424,333) common book-entry shares with no par value, and of December 31, 2024 was two billion, one hundred and seventy-two million, three hundred and eighty-eight thousand, five hundred and twenty reais and seventeen cents (R\$2,172,388,520.17), divided by sixty-nine million, five hundred and sixty-two thousand, four hundred and seventy-two (69,562,472) common book-entry shares with no par value.

The capital increase took place in accordance with the conversion periods provided for in the judicial recovery plan when the Company's Board of Directors approved the Company's Capital Increase.

- On February 22, 2024, due to the closure of the 1st share conversion period, and with the re-ratification on September 23, 2024 to correct an error regarding the total number of shares issued and ratified by the Company, in the 1st window the amount of fifty-eight million, eight hundred and sixty-one thousand, five hundred and thirty-nine reais (R\$58,861,539.71) was subscribed through the issue of twelve million, four hundred and eighteen thousand, one hundred and one (12,418,101) new common shares.
- On June 21, 2024, due to the end of the 2nd conversion period of shares, where the amount of R\$26,063,162.34 (twenty-six million, sixty-three thousand, one hundred and sixty-two reais and thirty-four centavos) was subscribed, through the issuance of 6,435,369 (six million, four hundred and thirty-five thousand, three hundred and sixty-nine) new common shares.
- On November 18, 2024, due to the end of the 3rd conversion period of shares where the amount of R\$17,897,570.56 (seventeen million, eight hundred ninety-seven thousand, five

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hundred and seventy reais and fifty-six centavos) was subscribed, through the issuance of 7,305,153 (seven million, three hundred and five thousand, one hundred and fifty-three) new common shares.

- On March 20, 2025, due to the end of the 4th conversion period of shares, where the amount of six million, five hundred sixty-five thousand, two hundred eighty-three reais and sixty cents (R\$6,565,283.60) was subscribed, through the issuance of five million, eight hundred sixty-one thousand, eight hundred sixty-one (5,861,861) new common book-entry shares with no par value.

Total	Quantity	Share Capital
Balance as at december 31,2023	43,403,849	2,069,566,247.56
1ª Janela de Conversão		
Subscription by Creditors	12,282,475	58,218,672.47
Subscription by Shareholders	135,626	642,867.24
2ª Janela de Conversão		
Subscription by Creditors	6,302,717	25,525,921.74
Subscription by Shareholders	132,652	537,240.60
3ª Janela de Conversão		
Subscription by Creditors	7,248,115	17,757,827.51
Subscription by Shareholders	57,038	139,743.05
Balance as at decemberr 31, 2024	69,562,472	2,172,388,520.17
4ª Janela de Conversão		
Subscription by Creditors	3,575,256	4,004,286.00
Subscription by Shareholders	2,286,605	2,560,997.60
Balance as at march 31, 2025	75,424,333	2,178,953,803.77

The ownership structure of the Company is as follows:

	%	03/31/2025		%	12/31/2024
YAP Investimentos Ltda	19.067	14,380,795	YAP Investimentos Ltda	17.345	12,065,486
Caixa Econômica Federal	9.310	7,022,106	Caixa Econômica Federal	10.095	7,022,106
Serenity BR B Fudos de Investimentos	5.680	4,284,300	Serenity BR B Fudos de In	6.159	4,284,300
Mineração Buritirama S.A.	4.971	3,749,000	Mineração Buritirama S.A.	5.389	3,749,000
Luiz Barsi Filho	4.868	3,671,500	Hartree Partners LP -Citib	4.519	3,143,430
Hartree Partners LP -Citibank DTVM	4.740	3,575,256	Silvio Tini de Araujo	4.427	3,079,500
Silvio Tini de Araujo	4.215	3,179,500	Luiz Barsi Filho	3.925	2,730,000
Treasury shares	0.002	1,441	Ações em Tesouraria	0.002	1,441
Market	47.147	35,560,435	Mercado	48.140	33,487,209
Total shares outstanding		75,424,333	Total shares outstanding		69,562,472

The main shareholder, YAP Investimentos Ltda, acts as the commercial commissioner within the scope of the Company's Judicial Recovery process, and represents the creditors who have converted their claims into Company shares.

b) Authorized capital

The Company's management is authorized to increase its capital without a decision of a Shareholders' Meeting, up to the limit of R\$ 3,500,000 through a resolution of the Board of Directors, which will also establish issuance and placement conditions for the said securities, among the assumptions permitted by law.

c) Rights of shares

Each year, the shareholders will receive minimum mandatory dividends of 25% of net income calculated pursuant to the terms of Brazilian Corporate Law, to be paid within 60 days after the

date on which they are declared by the General Shareholders' Meeting. The shareholders are also entitled to voting rights on all of the common shares that comprise the capital, which are fully subscribed and paid-in.

In accordance with the regulations of B3 S.A. - Brasil, Bolsa, Balcão New Market segment, owners of common shares have the right to sell their shares at the same prices as the shares negotiated through a controlling group/shareholder (tag-along rights of 100%).

d) Legal reserve

Brazilian Public Corporate Law requires corporations to allocate 5% of their net income for the year to the legal reserve, before profit sharing, limiting this reserve to 20% of the paid-in capital.

e) Treasury shares

As at March 31, 2025 and December 31, 2024, the Company had 1,441 treasury shares. The market value of total treasury shares, calculated based on latest stock exchange quotation was R\$2 and R\$1, respectively.

f) Tax incentive reserve

Paranapanema is a beneficiary of tax incentives through to 2027. It enjoys a 75% fixed reduction in the income tax rate and deductions from operating profit. This tax benefit under the Regulation of Tax Incentives of the Northeast Development Superintendence (SUDENE), was established by the Minister of National Integration (MIN) 283, on July 4, 2013 (the Regulation). This profit is calculated based on the net income for the period, excluding the tax benefits of: (i) financial result; and (ii) capital gains.

According to Article 11: "The amount of tax not paid because of tax benefits described in this Regulation may not be distributed to partners or shareholders, and constitutes the tax incentive reserve, which can only be used to offset losses or increase capital." Thus, it is an obligation of the Company to allocate to the tax incentive reserve account the amount arising from the tax benefit (the tax amount not paid) which, by definition, does not form part of the net income, because it does not arise from the delivery of goods or services by the Company.

g) Equity valuation adjustments

The reserve for equity valuation adjustments includes: the balance of the deemed cost reserve that refers to values recognized prior to the coming into effect of Law 11638/07, and will be maintained up to its effective realization. The realization of the reserve is reflected in the account retained earnings or losses. The same treatment is given with reference to the reversal of the deferred income tax that was recorded when accounting for the attributed cost and the deferred social contribution recognized in the current period, due to the position taken by Brazil's Supreme Court (STF) in the context of Extraordinary Appeals 955227 and 949297.

h) Market value of the Company's shares.

The market value of the Company's shares, in accordance with the last average quotation of shares traded on B3 S.A. - Brasil, Bolsa, Balcão, corresponded as at March 31, 2025 to R\$80,704 (R\$70,258 as at December 31, 2024). As at March 31, 2025, the Company had a negative shareholders' equity of R\$6,411,198 (R\$6,285,846 negative as at December 31, 2024), and the shares' book value was R\$-85.00 (R\$-90.36 as at December 31, 2024).

i) Earnings (loss) per share

The basic calculation of earnings (losses) per share is made by dividing the (loss) for the year attributable to the common shareholders of Paranapanema., by the weighted average number of common shares outstanding during the year.

The diluted earnings (losses) per share are calculated by dividing the profit (loss) attributable to the common shareholders of the Company by the weighted average number of common shares outstanding during the year, plus the weighted average number of common shares that would be issued in the event of the conversion of all common shares with dilutive potential into common shares.

The following table shows the results and share data used for the calculation of the basic earnings (losses) per share:

	1 st Quarter	1 st Quarter
Profit (Loss) per common share		
Income (Loss) for the period	(131,917)	(323,172)
Weighted average of shares outstanding(*)	70,016,954	48,916,104
Profit (Loss) per common share	(1.88407)	(6.60666)
Profit (Loss) per diluted common share		
Income (Loss) for the period	(131,917)	(323,172)
Weighted average of shares outstanding(*)	70,016,954	48,916,104
Profit (Loss) per diluted common share	(1.88407)	(6.60666)

(*) The weighted average quantity of shares considers the effect of changes in the weighted average quantity of shares during the year (except treasury shares).

There were other transactions involving common shares or potential common shares between the balance sheet date and the date of completion of these Financial Statements.

j) Profit allocation

The Company's bylaws provide for a mandatory minimum dividend of 25% of adjusted net income after appropriations to the legal and contingency reserve, in compliance with the corporate law.

22. Net sales

a) Breakdown of net revenue

	Parent company/Consolidated	
	1 st Quarter 2025	1 st Quarter 2024
Gross revenue	166,128	99,489
Domestic market	152,260	93,798
Foreign market	13,868	5,691
Taxes and sales deductions	(32,004)	(22,504)
Excise Tax - IPI	(2,500)	(1,519)
Value-added tax on revenue and services - ICMS	(15,327)	(9,249)
Social Integration Program-PIS	(2,083)	(1,339)
Contribution for social security funding-COFINS	(9,596)	(6,167)
Other taxes and revenue deductions	(2,498)	(4,230)
Net revenue from sales	134,124	76,985
Net revenue DM	120,484	74,529
Net revenue FM	13,640	2,456
	134,124	76,985

b) Geographical information – gross revenue from clients abroad

	Parent company/Consolidated	
	1 st Quarter 2025	1 st Quarter 2024
America	13,868	3,151
Europe	-	2,540
	13,868	5,691

Exports to Europe mainly represent sales to trading companies, with the main destination being China.

23. Expenses per type

	Parent company		Consolidated	
	1 st Quarter	1 st Quarter 2024	1 st Quarter 2025	1 st Quarter 2024
Metal cost	(66,233)	(31,805)	(66,233)	(31,805)
Personnel and benefits	(46,722)	(35,876)	(46,779)	(35,932)
Depreciation	(20,315)	(22,788)	(20,315)	(22,788)
Amortization of asset usage rights	(1,798)	(2,000)	(1,798)	(2,000)
Electricity/water/gas/fuel and lube oil	(16,542)	(12,065)	(16,542)	(12,065)
Services rendered by third parties and others	(7,409)	(26,097)	(7,409)	(26,114)
Maintenance	(5,748)	(3,827)	(5,748)	(3,827)
Petrochemicals stock used/absorbed	(10,262)	13,155	(10,262)	13,155
Rent	(1,319)	(1,055)	(1,319)	(1,055)
Institutional and legal issues	(7,057)	(6,379)	(7,049)	(6,381)
Informatics/telecommunications	(1,870)	(1,396)	(1,870)	(1,396)
Other expenses	(2,333)	(2,326)	(2,333)	(2,327)
Travel expenses	(104)	(66)	(104)	(66)
Sales and marketing	(205)	(138)	(208)	(140)
Profit Sharing	(4,893)	(3,361)	(4,893)	(3,361)
Administrative remuneration (a)	(1,520)	(1,718)	(1,520)	(1,718)
	<u>(194,330)</u>	<u>(137,742)</u>	<u>(194,382)</u>	<u>(137,820)</u>
Cost of products sold	(172,895)	(117,177)	(172,895)	(117,177)
Sales expenses	(2,281)	(2,456)	(2,283)	(2,460)
General and Administrative expenses	(19,154)	(18,109)	(19,204)	(18,183)
	<u>(194,330)</u>	<u>(137,742)</u>	<u>(194,382)</u>	<u>(137,820)</u>

The Company recorded idleness amounting to R\$51,855 in the three-month period (R\$46,653 in the same period of 2024) and is classified within the Cost of products sold line.

Brazilian corporate law requires the presentation of the statement of income by function and, therefore, must disclose expenses by nature in a note. In this case, idleness costs are not identified, as they are presented within the value of their corresponding nature.

a) Fees of Directors and Fiscal Council

The Company considered as "key management personnel", as intended by CVM Resolution 642/2010 and IAS 24/CPC 05 (R1), the members of its Executive Board, the Board of Directors and Fiscal Council. The Company has no controlling shareholder and no shareholders' agreement.

	1 st Quarter 2025				1 st Quarter 2024			
	Statutory Board	Administrative Council	Supervisory Board	Total	Statutory Board	Administrative Council	Supervisory Board	Total
Remuneration of Executives from Management	335	784	123	1,242	598	673	109	1,380
Labor benefits	31	-	-	31	62	-	-	62
Social burden	67	156	24	247	120	134	22	276
Fixed remuneration	433	940	147	1,520	780	807	131	1,718
	<u>433</u>	<u>940</u>	<u>147</u>	<u>1,520</u>	<u>780</u>	<u>807</u>	<u>131</u>	<u>1,718</u>
Bonus (ICP)	275	-	-	275	928	-	-	928
Social Burdens	55	-	-	55	186	-	-	186
Variable remuneration	330	-	-	330	1,114	-	-	1,114
	<u>330</u>	<u>-</u>	<u>-</u>	<u>330</u>	<u>1,114</u>	<u>-</u>	<u>-</u>	<u>1,114</u>
Total remuneration	763	940	147	1,850	1,894	807	131	2,832
	<u>763</u>	<u>940</u>	<u>147</u>	<u>1,850</u>	<u>1,894</u>	<u>807</u>	<u>131</u>	<u>2,832</u>

The members of the Fiscal Council and the Board of Directors are not parties to contracts for additional business benefits, such as post-employment benefits, other long-term benefits or remuneration based on shares.

24. Other revenues (expenses)

	Notes	Parent company		Consolidated	
		1 st Quarter 2025	1 st Quarter 2024	1 st Quarter 2025	1 st Quarter 2024
Energy sales revenue		8	150	8	150
Reversal of other estimated loss		19	-	19	-
Sundry recoveries		45	-	45	-
Sundry sales		160	44	160	44
Leasing of property and equipment		40	42	40	42
Sales of scrap		355	250	355	250
Other income		112	534	112	535
Total of other income		739	1,020	739	1,021
Provision for judicial claims	19	(5,763)	(14,308)	(5,763)	(14,308)
Severance pay		(555)	(235)	(555)	(235)
PIS and COFINS on other income		(70)	(90)	(70)	(90)
Energy sales revenue		(520)	(665)	(520)	(665)
Contingency Fee Provision		(1,310)	(1,224)	(1,310)	(1,224)
Write-off of property, plant and equipment		-	(2,062)	-	(2,062)
Fines from infraction notices		(534)	(1,829)	(535)	(1,836)
Fines from debt arrears		-	(4,977)	-	(4,977)
Sundry sales costs		(14)	-	(14)	-
Provision for losses Property, plant and equipment	12	-	2,194	-	2,194
Other estimated losses		-	(45)	-	(45)
Exclusion of ICMS from the PIS/COFINS assessment base	08.a	-	(5,410)	-	(5,410)
Other expenses		(23)	(855)	(23)	(856)
Total other expenses		(8,789)	(29,506)	(8,790)	(29,514)
Total other income (expenses), net		(8,050)	(28,486)	(8,051)	(28,493)

25. Financial revenues (expenses)

	Note	Parent company		Consolidated	
		1 st Quarter 2025	1 st Quarter 2024	1 st Quarter 2025	1 st Quarter 2024
Liability foreign exchange fluctuations	a)	(11,497)	(95,178)	(11,497)	(95,178)
Interest expenses		(263,537)	(144,446)	(263,538)	(144,447)
Adjustment to present value		(156)	(184)	(156)	(184)
Bank expenses/IOF		(435)	(1,737)	(437)	(1,739)
Liability monetary variation		(21,923)	(18,677)	(21,923)	(18,677)
Other financial expenses		(4,143)	(5,062)	(4,144)	(5,081)
Total financial expenses		(301,691)	(265,284)	(301,695)	(265,306)
Asset foreign exchange fluctuations	a)	217,705	16,979	217,705	16,979
Interest income		14,834	12,417	14,857	12,827
Monetary variation – assets		4,641	888	4,883	888
Other financial income		185	67	185	67
Total financial income		237,365	30,351	237,630	30,761
Total financial result		(64,326)	(234,933)	(64,065)	(234,545)

- a) Exchange-rate change: Refers to the restatement of assets and liabilities exposed in foreign currency, mainly in US\$, the appreciation of which against the R\$ during the period generated considerable Exchange-rate change, on both the asset and liability sides.

26. Current and deferred income tax and social contribution

26.1 Deferred income tax and social contribution

Deferred income tax and social contribution have the following sources:

Volta

	Note	03/31/2025			12/31/2024		
		Parent company	Parent company	Consolidated	Parent company	Parent company	Consolidated
Rate		34%	34%		34%	34%	
Credits on tax losses		7,070,194	33,672	7,103,866	7,262,990	33,735	7,296,725
Income tax on fiscal loss		2,403,866	11,448	2,415,314	2,469,417	11,470	2,480,887
Provision for write-off of credits on tax losses		(2,403,866)	(11,448)	(2,415,314)	(2,469,417)	(11,470)	(2,480,887)
Income tax on fiscal loss	a)	-	-	-	-	-	-
Net exchange variations		277,564	-	277,564	484,667	-	484,667
Estimated losses (reversals) on allowance for doubtful assets		52,614	1,007	53,621	52,605	1,007	53,612
Provision for lawsuits		973,440	(50,506)	922,934	953,713	(50,506)	903,207
Estimated loss (reversal) on recoverable inventory sums		37,527	-	37,527	36,897	-	36,897
Estimated loss Taxes to Recover		437,641	43,816	481,457	437,641	43,816	481,457
Estimated sundry losses (reversals)		-	-	-	544	-	544
Provision (Reversals) for financial instruments and others		53,703	160	53,863	49,956	165	50,121
Provision for adjustment to present value		(572)	-	(572)	(1,361)	-	(1,361)
Total temporary differences		1,834,047	(5,523)	1,828,524	2,014,662	(5,518)	2,009,144
Income tax on temporary differences		623,576	(1,878)	621,698	684,985	(1,876)	683,109
Credits on tax losses	b)	(623,576)	563	(623,013)	(684,985)	562	(684,423)
Income tax on temporary differences	b)	-	(1,315)	(1,315)	-	(1,314)	(1,314)
Deferred income tax and social contribution		-	(1,315)	(1,315)	-	(1,314)	(1,314)
Tax on revaluation reserve	c)	(55,489)	-	(55,489)	(55,991)	-	(55,991)
		(55,489)	(1,315)	(56,804)	(55,991)	(1,314)	(57,305)
Non-current liabilities		55,489	1,315	56,804	55,991	1,314	57,305

- a) The Company has, in consolidated, tax losses generated in Brazil, in the amount of R\$7,103,866 (R\$7,296,725 as at December 31, 2024), which generates an amount of R\$2,415,314 of deferred income tax and social contribution, which can be offset against future taxable income. Based on technical analyses related to future taxable income, the Company did not recognize the total amount of deferred tax assets from tax loss.

Management will maintain the timely monitoring of credits and, at any time based on estimates of realization of taxable income, the amounts provisioned for losses will be reversed in favor of the Company. In Brazil, the offsetting of tax losses has no statute of limitations, being limited to the offsetting of 30% of the annual taxable income.

- b) As at December 31, 2024, the Company had recorded under the account "Deferred income tax and social contribution" amounts calculated on temporarily non-deductible expenses arising from the calculation of the taxable income for income tax and social contribution purposes, which are available for future offsetting against the said tax. The Company considers a provision for loss of R\$623,013 on deferred tax assets of temporary differences.
- c) The realization of the deferred income tax and social contribution on equity valuation adjustments is proportional to the revaluation reserve realization.

The projected realization of deferred taxes has been prepared based on management's best estimates and on the projections of profit or loss approved by the Company's corporate governance bodies. However, since they involve several assumptions that are not under the Company's control, such as inflation rates, exchange rate volatility, international market prices and other economic uncertainties in Brazil, future results may differ materially from those considered in the preparation of the said projection.

The Company has a 75% exemption on income tax and non-refundable additional taxes on earnings from the exploration and production of copper and its byproducts, up to the base period of 2027. This exemption is applied to the balance of income tax payable after offsetting tax losses, as described in item a.

The income tax benefits enjoyed by the Company depend on the recognition of a capital reserve at an amount equivalent to the tax not paid. Recognized tax incentive reserves may only be used to increase capital or to absorb losses.

26.2 Reconciliation of income tax and social contribution expenses

The reconciliation between the tax expense calculated at the combined nominal rates and the income and social contribution tax expense in the Parent Company and income tax and social contribution in Consolidated, charged to income is presented below:

	Parent company		Consolidated	
	1 st Quarter	1 st Quarter	1 st Quarter	1 st Quarter
Net Income(Loss) before income and social contribution taxes	(132,419)	(323,931)	(132,374)	(323,873)
Nominal combined statutory rates	34%	34%	34%	34%
Income tax	(45,022)	(110,137)	(45,090)	(110,218)
Permanent additions	(404)	(2,463)	(401)	(2,471)
Realization of revaluation reserve (depreciation/write-off)	825	807	825	807
Provisions for doubtful credit	3	76	3	76
Provisions for litigation	6,707	1,809	6,707	1,809
Estimated Losses Recoverable Taxes	-	1,482	-	1,482
Other deductible provision	2,296	128	2,294	130
Net exchange variation (cash basis)	(70,417)	23,236	(70,417)	23,236
Tax Loss Carryforward of previous years	-	-	-	29
Deferred income tax and social contribution on tax losses	-	-	22	-
Tax loss and negative basis of social contribution	-	-	-	-
Deferred income tax on revaluation reserve	502	759	502	759
Provision for credit write-offs with temporary differences	106,012	85,062	106,012	85,062
Other	-	-	-	-
Current income tax credits	502	759	457	701
Income tax for the current year	-	-	(30)	(42)
Social contribution for the current year	-	-	(13)	(18)
Current taxes	-	-	(43)	(60)
Deferred income tax and social contribution	-	-	(2)	2
Deferred income tax on revaluation reserve	502	759	502	759
Deferred taxes	502	759	500	761
Credit from income and social contribution taxes	502	759	457	701
Total effective rate	-0.38%	-0.23%	-0.35%	-0.22%
Current effective rate	0.00%	0.00%	0.03%	0.02%

27. Operating segments

The Company only operates in the copper segment, which includes the production and sale of electrolytically refined copper, its byproducts and related services, as well as semi-finished copper and its alloys.

28. Financial instruments

28.1 Market Risk Management Policy

The Company recognizes that certain financial risks, such as changes in commodities prices, foreign exchange (FX) rates and interest rates, are inherent to its business. However, the Company's policy is to avoid unnecessary risks and to guarantee that the business risk exposure has been identified and measured, and can be controlled and minimized using the most effective and efficient methods to eliminate, reduce or transfer such exposure.

The Company's Risk Committee monitors market risk management policies and ensures that appropriate procedures are in place so that all risk exposures incurred by the Company are

identified and evaluated. Furthermore, said Committee monitors these exposures so that they are within the established limits. The identified business risks are as follow:

- Interest rate risk inherent in the Company's debts.
- Foreign exchange risk and commodities price risk deriving from raw materials and sold products, forecast transactions and firm commitments.
- Foreign exchange risk arising from assets and liabilities such as: investments abroad and loans, inventory linked to commodities whose prices are denominated in foreign currency, among others.
- Basis risk arising from differences in timing, volume or indexation that could occur between the contracting and settlement of hedging instruments and objects.

The Market Risk Management policy permits the Company to use approved derivative financial instruments to minimize its exposure to market risks, such as: FX, commodities and interest rates.

Derivative instruments are only used for hedging purposes, as they limit the financial exposure associated with the risks identified for some of the Company's assets and liabilities. The use of derivatives is not automatic, nor is it necessarily the only way of managing business risk. Their use is permitted only after verifying that the chosen derivative can minimize risks to within certain tolerance levels, as established by this policy.

The Company carries out hedging transactions using derivative or non-derivative financial instruments, and makes such transactions fit the hedge accounting rules, as defined by CVM Resolution 763 (CPC 48). Not all hedge transactions with derivatives are accounted for by applying the hedge accounting rules.

28.2 Fair value methodologies

Derivative financial instruments are measured at fair value and recognized in the respective Statement of Financial Position accounts. The methodology for determining the fair value involves verifiable parameters extracted from B3 S.A. - Brasil, Bolsa, Balcão (Foreign Exchange Coupon and Fixed Coupon), LME (copper, zinc, tin and lead) and LBMA (gold and silver), British Bankers' Association (LIBOR), Reuters and Bloomberg (US\$ Spot).

The Company measures the fair value of its FX derivatives by calculating the present value of the future price discounted based on the market curve (Pre- and FX Coupon), with all values published by Bloomberg and B3 S.A. - Brasil, Bolsa, Balcão. Adjustments to embedded derivatives are carried out at average future prices, based on the curves disclosed in the LME and LBMA.

28.3 Classification of financial instruments

The following table shows the book and fair values of financial assets and liabilities, including their fair value classifications. It does not include information on the fair value of financial assets and liabilities not measured at fair value if the book value is a reasonable approximation of fair value.

Balance as at march 31,2025		Consolidated	
		Book value	
	Notes	Amortized cost method	Total
Financial assets			
Cash and cash equivalents	05	1,408	1,408
Interest-earning bank deposits	05	34,886	34,886
Trade accounts receivable	06	5,980	5,980
Total assets		42,274	42,274
Financial liabilities			
Suppliers	13	809,057	809,057
Securitization of accounts payable	14	30,109	30,109
Advances from clients	20	73,530	73,530
Customer credit	20	1,367	1,367
Loans and financing	16	5,202,330	5,202,330
Total liabilities		6,116,393	6,116,393

Balance as at december 31,2024			Consolidated		
		Book value		Fair value	
	Notes	Amortized cost method	Total	Level 2	Total
Financial assets					
Cash and cash equivalents	05	8,524	8,524	-	-
Interest-earning bank deposits	05	33,920	33,920	-	-
Linked bank account unless	05	-	-	-	-
Trade accounts receivable	06	2,129	2,129	-	-
Derivative financial instruments	28	-	196	196	196
Total assets		44,573	44,769	196	196
Financial liabilities					
Suppliers	13	795,439	795,439	-	-
Securitization of accounts payable	14	21,165	21,165	-	-
Advances from clients	20	72,840	72,840	-	-
Customer credit	20	1,059	1,059	-	-
Loans and financing	16	5,217,078	5,217,078	-	-
Derivative financial instruments	28	-	-	-	-
Total liabilities		6,107,581	6,107,581	-	-

Loans and financing are recorded at their contractual amounts adjusted by discounted cash flows. The Company considers that all financial instruments that are recognized in its financial statements are substantially similar to those that would be obtained if they were traded on the market, measured at amortized cost, and their book values approximate their fair values.

Book value / fair value

The Management considers that the fair value is equivalent to the book value in short-term transactions, since the book value is a reasonable approximation to the fair value in these transactions (CPC-40/Item 29).

Fair value hierarchy

The Company discloses its assets and liabilities at fair value, based on the relevant accounting pronouncements that define the fair value, and the structure for determining the fair value, which refers to the evaluation criteria and practices, and requires certain disclosures regarding the fair value.

Financial assets and liabilities recorded at fair value are classified and disclosed with reference to the following hierarchies:

Level 1 – prices quoted (not adjusted) in active markets for identical assets and liabilities as at the measurement date. A price that is quoted in an active market provides more reliable evidence of the fair value, and should be used whenever available.

Level 2 – quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in non-active markets (i.e., markets where few transactions occur involving those assets or liabilities), data other than observable quoted prices for an asset or liability, and data derived from or corroborated mostly by data observable in the market through correlation or other means.

Level 3 –unobservable inputs for an asset or liability. Unobservable inputs should be used to measure the fair value only when observable inputs are not available, and should reflect the business unit's expectations of what other market players would use as assumptions for pricing an asset or a liability, including risk assumptions. No financial instrument held has Level 3 category characteristics.

28.4 Market risks

28.4.1 Foreign exchange risk

The Company maintains operations denominated in foreign currencies (mainly in US\$) that are exposed to the risk of changes in the respective quotations. Any change in foreign exchange rate may increase or reduce said balances. The breakdown of this exposure is as follows:

		Parent company / Consolidated	
		03/31/2025	12/31/2024
Cash and cash equivalents	US\$	159	172
Accounts receivable	US\$	808	401
Suppliers	US\$	(58,120)	(53,640)
Loans and financing	US\$	(489,068)	(469,607)
Derivative financial instruments	US\$	-	32
Advances from clients	US\$	(1,148)	(1,242)
Total net exposure	US\$	(547,369)	(523,884)

The Policy establishes that risk management has as its objective hedging against the exchange risk of the forecast cash flow denominated in foreign currency using over-the-counter operations (NDFs), stock exchange futures, zero cost collars and non-derivative financial instruments (liabilities indexed in US Dollars). Currently, the Company does not have derivative instruments contracted to hedge foreign exchange exposure in cash flow.

28.4.2 Interest rate risk

The Company has loans indexed to the Libor and CDI change, and interest earning bank deposits indexed to the CDI change, exposing these assets and liabilities to fluctuations in interest rates. The Company has not agreed to enter into derivative contracts to form a hedge/swap against the exposure of these market risks. The Company considers that the high cost associated with contracting fixed rates signaled by the Brazilian macroeconomic scenario justifies its option for floating rates.

O cobre transforma o mundo. **A Paranapanema transforma o cobre.**

Exposure to interest rates is shown in the table below:

		Parent company/Consolidated	
		03/31/2025	12/31/2024
Investments	CDI	34,886	36,058
Loans and financing	Sofr 6M	(2,764,527)	(2,856,628)
Loans and financing	TR	(51,247)	(50,971)
Loans and financing	CDI	(1,668,617)	(1,300,819)
Total net exposure		(4,449,505)	(4,172,360)

28.4.3 Commodities risk

Paranapanema's business activities include acquiring raw materials and products for sale, both benchmarked against the amounts of metals contained therein, and the prices of these metals on the LME and LBMA international exchanges.

Commodity risk arises from mismatches between the selling and buying prices of the metals contained in the products and raw materials.

The Company's Market Risk Policy establishes that the exposure to commodities risk of each metal is derived from the mismatch between the volumes of this metal already priced for purchase and the amounts of this metal already priced for sale, and sets risk exposure limits.

To manage this exposure, the Company has a strategy of keeping all inventory metal costs in US\$ fluctuating (mark-to-market), and only fixing the metal prices when they are sold and the price can be known for certain.

Currently, the Company does not have instruments contracted to hedge commodities' risk exposure.

28.4.4 Sensitivity analysis

The Company presents below the sensitivity table for risks of exchange-rate changes and interest rates to which it is exposed considering that eventual temporary effects would affect the future results based on the exposures presented on March 31, 2025. The Company conducted a sensitivity analysis using the probable scenario, which is decrease and increase of 25% and 50%.

	Notional	Unit	Taxa	Probable scenario	Parent company/Consolidated			
					Falling scenario		Rising scenario	
					25%	50%	25%	50%
Impact on profit or loss								
Foreign exchange rate risk								
Cash and cash equivalents	159	US\$	6.1923	985	(247)	(493)	246	492
Accounts receivable	808	US\$	6.1923	5,003	(1,250)	(2,501)	1,251	2,502
Suppliers	(58,120)	US\$	6.1923	(359,896)	89,974	179,948	(89,975)	(179,949)
Loans and financing	(489,068)	US\$	6.1923	(3,028,456)	757,114	1,514,228	(757,114)	(1,514,228)
Derivative financial instruments	-	US\$	6.1923	-	-	-	-	-
Advances from clients	(1,148)	US\$	6.1923	(7,109)	1,777	3,555	(1,777)	(3,554)
Total	(547,369)			(3,389,473)	847,368	1,694,736	(847,368)	(1,694,737)
Interest rate risk								
Investments	34,886	CDI	12.15%	4,239	(1,060)	(2,119)	1,060	2,119
Loans and financing	(2,764,527)	Sofr 6M	5.09%	(140,714)	35,179	70,357	(35,179)	(70,357)
Loans and financing	(51,247)	TR	5.09%	(2,608)	652	1,304	(652)	(1,304)
Loans and financing	(2,245,574)	CDI	12.15%	(272,837)	68,209	136,419	(68,209)	(136,419)
Total	(5,026,462)			(411,921)	102,980	205,961	(102,980)	(205,961)

28.5 Credit risk

The Company's sales policy varies depending on the level of credit risk that it is willing to accept.

Credit is an important instrument for promoting business between the Company and its clients. This is due to the fact that clients leverage their purchasing power to obtain favorable credit terms.

Risk is inherent to credit transactions, and the Company must perform a careful analysis. This work involves quantitative and qualitative evaluations of the clients, as well as considering the industry in which they operate. This analysis takes into consideration the client's past performance, a forecast of its economic-financial robustness, the client's risk management policy, and its future prospects.

The diversification of the receivables portfolio, the selection of clients and the monitoring of terms and credit limits per individual client are among the procedures adopted to minimize delays and defaults on accounts receivable. In addition to performing credit limit checking procedures, individual client balances are limited to 10% of the Company's total revenues. Thus, the Company spreads the credit risk among several clients.

As regards the credit risk associated with interest-earning bank deposits, the Company always invests with low-risk institutions, as evaluated by independent ratings agencies.

		Parent company		Consolidated	
	Notes	03/31/2025	12/31/2024	03/31/2025	12/31/2024
Assets					
Cash and cash equivalents	05	478	6,384	1,408	8,524
Interest-earning bank deposits	05	34,886	33,920	34,886	33,920
Linked bank account	05	-	-	-	-
Trade accounts receivable	06	6,323	2,416	5,980	2,129
Other assets	09.1	62,986	65,004	63,582	63,833
Derivative financial instruments	28	-	196	-	196
		104,673	107,920	105,856	108,602

28.6 Liquidity risk

- The risk management policy requires the maintenance of a safe level of cash and cash equivalents and access to sufficient lines of credit.
- Liquidity risk represents a shortage in funds intended to pay debts.

The amounts presented include principal and interest calculated at the interest rates of the contracts in force.

						Consolidated
	Notes	Amount	Up to 1 year	1 – 2 years	2 – 4 years	Over 4 years
Liabilities						
Loans and financing	16	(5,202,330)	(4,714,367)	(188,392)	(384,314)	(217,625)
Advances from clients	20	(73,530)	(73,530)	-	-	-
Leasing	15	(4,852)	(4,256)	(1,099)	(69)	-
Customer credit	20	(1,367)	(1,367)	-	-	-
Suppliers	13	(809,057)	(679,482)	(129,575)	-	-
Forfait and credit card operations	14	(30,109)	(24,010)	(1,462)	(4,637)	-
		(6,121,245)	(5,497,012)	(320,528)	(389,020)	(217,625)

28.7 Capital management

The main purpose of the capital management of Paranapanema and its subsidiaries is to ensure strong credit ratings for institutions and an adequate capital ratio to support the Company's business and to maximize shareholder value.

The Company includes in its net debt structure: loans, financing, derivative financial instruments payable, net of cash, cash equivalents, interest-earning bank deposits and derivative financial instruments receivable.

	Notes	Parent company		Consolidated	
		03/31/2025	12/31/2024	03/31/2025	12/31/2024
Loans and financing	16	5,202,330	5,217,078	5,202,330	5,217,078
Forfeiting and letter of credit operations	14	30,109	21,165	30,109	21,165
Derivatives financial instruments payable	28	-	(196)	-	(196)
(-) Cash and cash equivalents	05	(478)	(6,384)	(1,408)	(8,524)
(-) Interest-earning bank deposits	05	(34,886)	(33,920)	(34,886)	(33,920)
(=) Net debt on embedded derivative		5,197,075	5,197,743	5,196,145	5,195,603
Equity	21	(6,411,198)	(6,285,846)	(6,411,198)	(6,285,846)
Equity valuation adjustments	21.h	107,714	108,689	107,714	108,689
Total equity		(6,518,912)	(6,394,535)	(6,518,912)	(6,394,535)
Leverage ratio		-393.17%	-434.31%	-392.82%	-433.35%

29. Assumed commitments

The Company has a contractual commitment with a supplier for the coming years regarding the outsourcing of the management, operations and maintenance of an oxygen gas facility located in the industrial plant of Dias D'Ávila. The commitment does not subject the Company to any restrictions.

The renewal and adjustment clauses are described in the contract and are in line with market practices.

	Parent company/Consolidated	
	03/31/2025	12/31/2024
Up to one year	11,908	11,761
From two to four years	25,632	25,316
Over four years	28,260	31,664
	65,800	68,741

30. Variable remuneration plan

30.1 - General terms and conditions

a) Beneficiaries:

Some Company executives, as hired, are eligible for the Variable Compensation Program. Consisting of short-term (ICP) and long-term (ILP) incentives. The ICP and ILP incentives are linked to specified team and individual goals, the percentage achievement of which is evaluated at the end of each year.

The Variable Remuneration Program conditions and rules can be changed at any moment by the Company, with such changes to be expressly communicated to the eligible executives.

b) Exercising conditions:

The private contract determines eligibility rights for and payments based on variable remuneration made to all employees who meet the annual goals under the terms of the contract.

An eligible employee has the right to receive the ILP only if their labor contract is active, otherwise:

- I. In the case of labor contract suspension due to disability, there will be no payments while the labor contract remains suspended.
- II. In the case of decease of an employee, their heirs and/or legal beneficiaries will receive 50% of the amount due as at the date of decease.

c) Criteria for fixing the exercise term:

Except for the ineligibility conditions mentioned above, the vesting will be deferred in two installments, with annual payments, or 50% of salary multiples per year, being the first payment due for the year following the acquisition of the ILP. The amount to be granted will be based on the salary multiple as at December 31 for the year prior to payment.

d) Settlement form:

Settlement will be through a payroll process when all of the established conditions are met.

31. Additional information regarding cash flow

- a) Transactions related to operating, investment and financing activities not involving cash were as follows:

	1 st Quarter 2025	1 st Quarter 2024
Adjustments to reconcile net income(loss)		
Operational activities	20,417	59,480
Withdrawal Inventory Depreciation	(2,056)	(2,467)
Provision (reversal) estimated loss of recoverable value	8	223
Estimated loss provision - Stock	(19)	(2)
Provisão de perdas estimadas - Ativos p/Venda	(544)	-
Estimated loss provision - Taxes recoverable	-	5,410
Provision for legal claims losses	5,762	14,308
Adjustment to present value - customers and suppliers	156	183
Financial charges - Clients	199	(1,300)
Financial charges - Inventory	25	(8)
Financial charges - Other Assets	155	(50)
Financial charges - Financial Instruments	19	(31)
Financial charges - Other Taxes and Contributions Payable	21,919	19,926
Financial charges - Suppliers	(20,419)	5,992
Financial charges - Advances from customers	(1,084)	3,415
Financial charges - Contingency	16,296	13,835
Financial charges -Investment in Net Equity	-	46
Investing activities	22,486	25,281
Residual value of written-off fixed assets	-	2,062
Depreciation and amortization	20,315	22,788
Withdrawal Inventory Depreciation	2,056	2,467
Financial charges	115	158
Provision for impairment losses	-	(2,194)
Financing activities	12,323	198,504
Amortization of right-to-use assets	1,798	2,000
Financial charges	10,525	196,504

32. Subsequent events

5th Conversion Window

According to a relevant fact disclosed on April 17, 2025, the Company announced that the 5th Conversion Request Window started on April 16, 2025, during which the Company's creditors will be able to express any interest in converting their credits into shares issued by the Company, at a price of two reais and fifteen cents (R\$2.15) per share, under the terms of Clause 11 of its Judicial Recovery Plan. The 5th Conversion Request Window will remain open for receiving creditors' statements until May 15, 2025, inclusive.

Capital increase

According to a material fact disclosed on May 06, 2025, the Board of Directors approved the increase in the Company's capital, by private subscription of shares and within the capital limit, in accordance with Article 5, Paragraph Four of its Bylaws and of Article 168, Paragraph One, item "b" of Law 6404/76, to implement the 5th Capital Increase and Conversion Process, as provided for in Clause 11.1 of the Judicial Recovery Plan ("Plan"), approved at the Annual Creditors' Meeting held on March 17, 2025 and approved on April 23, 2025 by the District of the 1st Regional Court of Business Jurisdiction and Conflicts Related to the Arbitration of the 1st RAJ of the Capital City of the State of São Paulo.

Independent Auditors' Report on Review of Interim Financial Statements - ITR

KPMG Auditores Independentes Ltda.

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Independent Auditor's Report on Review of Interim Financial Statements – ITR

To the Board of Directors and counselors of

Paranapanema S.A. – under judicial recovery

Dias D'Ávila - Bahia

Introduction

We were engaged to review the parent Company's and consolidated interim financial information of Paranapanema S.A. – under judicial recovery ("Company"), contained in the Quarterly Information Form – ITR for the quarter ended March 31, 2025, which comprises the balance sheet as of March 31, 2025, the income statement, other comprehensive income, changes in equity and cash flows for the three-month period ended on that date, including the explanatory notes.

Management is responsible for preparing this interim financial information in accordance with CPC 21(R1) and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB, as well as for presenting this information in a manner consistent with the rules issued by the Securities and Exchange Commission - CVM, applicable to the preparation of Quarterly Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

Our responsibility is to conduct a review in accordance with Brazilian and international standards for the review of interim information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The scope of a review is substantially less than an audit conducted in accordance with Brazilian and International auditing standards and, as a result, did not allow us to obtain assurance that we are aware of all significant matters that could be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the parent Company's and consolidated interim financial information

Based on our review, nothing has come to our attention that leads us to believe that the parent Company's and consolidated interim financial information included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, applicable to the preparation of Quarterly Information - ITR and presented in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Relevant uncertainty related to going concern

We draw attention to Explanatory Note 1 to the parent Company's and consolidated financial statements, which indicates that the Company filed the request on judicial recovery together with the subsidiaries CDPC – Centro de Distribuição de Produtos de Cobre Ltda. and Paraibuna Agropecuária Ltda on November 30, 2022, approved by the meeting of creditors on August 24, 2023 and approved by the judicial recovery judge on November 16, 2023 and amended on September 30, 2024. During the three-month period ended March 31, 2025, the Company and its subsidiaries incurred consolidated losses of BRL 131,917 thousand and, on that date, parent Company's current liabilities exceeded parent Company's current assets by BRL 5,841,502, while consolidated current liabilities exceeded

consolidated current assets by BRL 5,841,037 thousand. These conditions, together with the default on the Global Agreement debt and the relevant cash restriction, indicate the existence of significant uncertainties that may raise significant doubts regarding the Company's ability to going concern. The reversal of this situation depends not only on compliance with the approved judicial recovery plan, but also on the renegotiation of financial debts related to the Global agreement that are not subject to such plan, as well as cash generation strategies and obtaining resources from third parties that are not controllable by the Company's management. The Company's management plans on this matter are described in the same explanatory note. Our conclusion is not qualified in relation to this matter

Other issues - Statements of Value Added

The aforementioned quarterly information includes the parent Company's and consolidated statements of value added (DVA), referring to the three-month period ended March 31, 2025, prepared under the responsibility of the Company's management and presented as supplementary information for IAS 34 purposes. These statements have been submitted to review procedures performed in conjunction with the review of the quarterly information, with the objective of concluding whether they are reconciled with the interim financial information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in accounting standard CPC 09 – "Statement of Value Added".

Based on our review, nothing has come to our attention that lead us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria defined in this Standard and in a manner consistent with the parent company and consolidated interim financial information taken as a whole.

São Paulo, May 9, 2025

KPMG Auditores Independentes Ltda.

CRC 2SP-014428/O-6

Original report in Portuguese signed by

Hildebrando Oliveira de Abreu Filho

Accountant CRC 1BA029520/O-7

Opinions and Statements / Statement of the Directors on the Financial Statements

PARANAPANEMA S.A. – Under Judicial Recovery
CNPJ [EIN] 60.398.369/0004-79 - NIRE 29.300.030.155
PUBLICLY HELD COMPANY

Statement of the Executive Officers on the Financial Statements

In compliance with Article 27, §1, item VI of CVM Resolution 80/2022, the Statutory Board, represented by the undersigned, states that it has reviewed, discussed and agreed with the Quarterly Information of the “parent company and consolidated” referring to the quarter ended March 31, 2025.

Dias D'Ávila, May 9, 2025.

Chief Executive Officer (CEO)

Vitor Eduardo de Almeida Saback

Chief Financial Officer (CFO) and Investor Relations Officer

Marcelo Vaz Bonini

Opinions and Statements / Statement of the Executive Officers on the Auditor's Report Independent

PARANAPANEMA S.A. – Under Judicial Recovery
CNPJ [EIN] 60.398.369/0004-79
NIRE 29.300.030.155
PUBLICLY HELD COMPANY

Statement of the Executive Officers on the Independent auditors' report

In compliance with Article 27, §1, item V of CVM Resolution 80/2022, the Statutory Board, represented by the undersigned, states that it has reviewed, discussed and agreed with the opinions expressed in the report issued on May 9, 2025 by KPMG Auditores Independentes of the Company and its Subsidiaries in relation to the Company's Quarterly Information (Parent Company and Consolidated) for the quarter ended March 31, 2025.

Dias D'Ávila, May 9, 2025.

Chief Executive Officer (CEO)

Vitor Eduardo de Almeida Saback

Chief Financial Officer (CFO) and Investor Relations Officer

Marcelo Vaz Bonini