



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))

September 30, 2024

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Company information/Capital composition

Number of shares (Units)	Current quarter 09/30/2024
Paid-in capital	
Common	62,257,319
Preferred	0
Total	62,257,319
Treasury shares	
Common	1,441
Preferred	0
Total	1,441

Parent Company financial statements/ Financial position – Assets
(In thousands of Reais)

Code of account	Account description	Current quarter 09/30/2024	Prior year 12/31/2023
1	Total assets	1,720,346	1,797,851
1.01	Total current assets	416,064	387,043
1.01.01	Cash and cash equivalents	3,690	80
1.01.02	Financial investments	33,077	24,367
1.01.03	Accounts receivable	5,563	1,746
1.01.04	Inventory	309,762	298,085
1.01.06	Taxes recoverable	35,379	40,186
1.01.07	Prepaid expenses	17,531	13,451
1.01.08	Other current assets	11,062	9,128
1.01.08.03	Others	11,062	9,128
1.01.08.03.01	Derivative financial instruments	172	1,340
1.01.08.03.02	Other current assets	10,890	7,777
1.01.08.03.03	Linked account deposits/guarantees	0	11
1.02	Total non-current assets	1,304,282	1,410,808
1.02.01	Long term assets	321,019	360,024
1.02.01.04	Accounts receivable	428	0
1.02.01.07	Taxes	52,015	243,221
1.02.01.07.02	Taxes recoverable	52,015	243,221
1.02.01.08	Prepaid expenses	6,439	7,559
1.02.01.10	Other non-current assets	262,137	109,244
1.02.01.10.03	Assets held for sale	22,636	22,636
1.02.01.10.04	Legal deposits	188,494	34,521
1.02.01.10.05	Other non-current assets	51,007	52,087
1.02.02	Investments	31,842	30,702
1.02.02.01	Equity interest	28,777	27,887
1.02.02.01.02	Investments	28,777	27,887
1.02.02.02	Investment Property	3,065	2,815
1.02.02.02.01	Other investments	3,065	2,815
1.02.03	Property, plant and equipment	947,814	1,015,517
1.02.03.01	Fixed assets in operation	762,075	810,627
1.02.03.02	Prepaid expenses	8,884	12,577
1.02.03.03	Property, plant and equipment in progress	176,855	192,313
1.02.04	Intangible assets	3,607	4,565

Parent Company financial statements / Financial position – Liabilities
(In thousands of Reais)

Code of account	Account description	Current quarter 09/30/2024	Prior year 12/31/2023
2	Total liabilities	1,720,346	1,797,851
2.01	Total current liabilities	4,967,549	3,866,993
2.01.01	Payroll and related charges	75,424	63,510
2.01.02	Suppliers	491,846	407,763
2.01.02.01	Domestic suppliers	243,026	213,446
2.01.02.02	Foreign suppliers	248,820	194,317
2.01.03	Taxes payable	64,294	47,366
2.01.03.01	Federal tax liabilities	22,558	15,388
2.01.03.01.02	Excise tax	3,981	1,503
2.01.03.01.03	Withholding income tax-IRRF	1,191	2,177
2.01.03.01.05	Withholding social contribution tax	4,891	6,856
2.01.03.01.07	Others	80	187
2.01.03.01.08	Withholding tax - installments	12,415	4,665
2.01.03.02	State tax liabilities	15,059	16,972
2.01.03.02.01	Value-Added Tax on Sales and Services	15,059	16,972
2.01.03.03	Municipal tax liabilities	26,677	15,006
2.01.03.03.01	Service tax	26,677	15,006
2.01.04	Loans and financing	4,228,594	3,245,158
2.01.05	Other liabilities	107,391	103,196
2.01.05.02	Others	107,391	103,196
2.01.05.02.05	Advances from clients	64,457	64,226
2.01.05.02.06	Other current liabilities	37,330	29,925
2.01.05.02.07	Forfeiting and letter of credit operations	45	229
2.01.05.02.08	Leasing	5,559	8,816
2.02	Total non-current liabilities	2,246,086	2,154,368
2.02.01	Loans and financing	386,831	466,305
2.02.02	Other liabilities	869,903	768,360
2.02.02.02	Other non - current liabilities	869,903	768,360
2.02.02.02.02	Other non - current liabilities	43,698	15,437
2.02.02.02.03	Taxes payable	527,910	434,605
2.02.02.02.05	Value-added tax on sales and services-ICMS	19,553	8,582
2.02.02.02.06	Suppliers	255,947	291,399
2.02.02.02.07	Payroll and related charges	12,474	8,031
2.02.02.02.09	Forfeiting and letter of credit operations	10,321	10,306
2.02.03	Deferred Taxes	56,492	58,265
2.02.03.01	Deferred income tax and social contribution	56,492	58,265
2.02.04	Provisions	932,860	861,438
2.02.04.01	Provision for losses on lawsuits	929,538	857,677
2.02.04.01.01	Tax Provision	593,940	564,973
2.02.04.01.02	Social security and labor provisions	122,293	75,974
2.02.04.01.03	Labor	107,801	186,706
2.02.04.01.04	Civil provisions	94,207	19,132
2.02.04.01.06	Civil	11,297	10,892
2.02.04.02	Others provisions	3,322	3,761
2.02.04.02.05	Leasing	3,322	3,761
2.03	Equity	-5,493,289	-4,223,510
2.03.01	Paid-in capital	2,149,116	2,089,978
2.03.01.01	Paid-in capital	2,154,491	2,069,566
2.03.01.02	Debentures convertible into shares	0	25,787
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	-7,752,269	-6,426,611
2.03.06	Equity valuation adjustments	110,605	113,864

Parent Company financial statements / Statement of profit or loss
(In thousands of Reais)

Code of account	Account description	3Q2024	9M2024	3Q2023	9M2023
3.01	Net sales	133,498	329,846	193,673	899,136
3.02	Cost of goods sold	-155,247	-422,105	-297,649	-1,100,889
3.03	Gross Loss	-21,749	-92,259	-103,976	-201,753
3.04	Operating expenses	-93,746	-230,671	-32,784	-431,630
3.04.01	Sales expenses	-2,268	-7,049	-2,514	-7,551
3.04.02	General and administrative expenses	-17,358	-53,905	-19,083	-59,320
3.04.02.01	General and administrative	-17,358	-53,905	-19,083	-59,320
3.04.04	Other income	3,929	7,930	1,147	5,942
3.04.05	Other expenses	-78,310	-178,355	-12,536	-371,390
3.04.06	Equity income (loss)	261	708	202	689
3.05	(Loss) operating profit before financial results	-115,495	-322,930	-136,760	-633,383
3.06	Financial income (loss)	-220,169	-1,020,303	-251,728	-528,060
3.06.01	Financial income	6,992	46,116	-76,239	197,343
3.06.02	Financial expenses	-227,161	-1,066,419	-175,489	-725,403
3.07	Net Income(Loss) before income and social contribution taxes	-335,664	-1,343,233	-388,488	-1,161,443
3.08	Income and social contribution tax	499	14,134	6,238	-12,963
3.08.02	Deferred income and social contribution taxes	499	14,134	6,238	-12,963
3.09	Net income (loss) from continuing operations	-335,165	-1,329,099	-382,250	-1,174,406
3.11	Net income for the period	-335,165	-1,329,099	-382,250	-1,174,406
3.99	Earning per share - (Reais / Share)	-	-	-	-
3.99.01	Basic earnings per share	-	-	-	-
3.99.01.01	ON	-6.81719	-27.03362	-8.80712	-27.05854
3.99.02	Diluted earnings per share	-	-	-	-
3.99.02.01	ON	-6.81719	-27.03362	-8.80712	-27.05854

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

Code of account	Account description	3Q2024	9M2024	3Q2023	9M2023
4.01	Net income for the period	-335,165	-1,329,099	-382,250	-1,174,406
4.02	Other comprehensive Income	-34	182	57	-66
4.02.07	Earnings from Foreign exchange variations	-34	182	57	-66
4.03	Comprehensive income(loss) for the period	-335,199	-1,328,917	-382,193	-1,174,472

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

Code of account	Account description	9M2024	9M2023
6.01	Net cash provided by (used in) operating activities	42,595	-130,666
6.01.01	Cash generated from operations	-131,082	-256,436
6.01.01.01	(Loss) before income and social contribution taxes	-1,343,233	-1,161,443
6.01.01.02	Residual value of written-off fixed assets	2,062	4
6.01.01.03	Depreciation and amortization	65,977	74,944
6.01.01.04	Equity in results of investees	-708	-689
6.01.01.05	Provision for losses on lawsuits	90,695	17,440
6.01.01.06	Amortization of right-to-use assets	5,285	9,400
6.01.01.07	Provision for other estimated losses	1,566	20,916
6.01.01.08	Financial charges	1,050,033	779,685
6.01.01.09	Present value adjustment	503	-476
6.01.01.12	Provision (reversal) for recoverable value of estimated losses	-3,262	3,783
6.01.02	Changes in assets and liabilities	173,677	125,770
6.01.02.02	Accounts receivable	559	18,871
6.01.02.04	Inventory	-4,679	201
6.01.02.05	Taxes recoverable	192,240	-6,926
6.01.02.06	Prepaid expenses	-2,960	-11,819
6.01.02.07	Legal deposits	-153,973	4,582
6.01.02.08	Derivative financial instruments	1,213	3,185
6.01.02.10	Other current and non-current liabilities	-1,823	-4,147
6.01.02.11	Suppliers	53,107	35,247
6.01.02.12	Forfeiting and letter of credit operations	-169	2,326
6.01.02.14	Taxes payable	67,428	75,689
6.01.02.15	Provision for losses on lawsuits	638	-306
6.01.02.16	Payroll and related charges	17,671	24,973
6.01.02.18	Advances from clients	-4,496	11,633
6.01.02.19	Derivative financial instruments	0	-1,053
6.01.02.20	Other current and non-current liabilities	8,921	-26,686
6.02	Net cash used in investment activities	-8,017	-8,245
6.02.04	Other investments	-250	-207
6.02.07	Fixed assets and intangible additions	-7,767	-12,949
6.02.08	Financial investments made	-1,009	-5,829
6.02.09	Redemption of financial investments	1,009	10,740
6.03	Net cash generated by (used in) financing activities	-30,968	136,878
6.03.01	Loans and financing	353,128	743,244
6.03.02	Amortization of loans and financing	-330,921	-528,925
6.03.04	Interest payments on loans	-39,865	-61,241
6.03.06	Net cost of funding	1,180	0
6.03.05	Leasing	-5,791	-9,001
6.03.10	Release linked bank account	-8,699	-7,199
6.05	Increase (decrease) in cash and cash equivalents	3,610	-2,033
6.05.01	Cash and cash equivalents at the beginning for the period	80	2,447
6.05.02	Cash and cash equivalents at the end for the period	3,690	414

Parent Company financial statements / Statement of changes in equity – 01/01/2024 - 09/30/2024
(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	84,925	-25,787	0	0	0	59,138
5.04.01	Capital increase	84,925	0	0	0	0	84,925
5.04.08	Convertible debentures in action	0	-25,787	0	0	0	-25,787
5.04.09	Capitalization costs	0	0	0	0	0	0
5.05	Total comprehensive income	0	0	0	-1,329,099	182	-1,328,917
5.05.01	Net income(loss) for the period	0	0	0	-1,329,099	0	-1,329,099
5.05.02	Other comprehensive income	0	0	0	0	182	182
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	182	182
5.06	Internal changes in equity	0	0	0	3,441	-3,441	0
5.06.02	Realization of revaluation reserve	0	0	0	5,214	-5,214	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-1,773	1,773	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	2,154,491	-6,116	0	-7,752,269	110,605	-5,493,289

Parent Company financial statements / Statement of changes in equity – 01/01/2023 - 09/30/2023
(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	-5,042,338	135,535	-2,817,566
5.03	Adjusted opening balances	2,069,566	19,671	0	-5,042,338	135,535	-2,817,566
5.04	Capital transactions with partners	0	0	0	0	0	0
5.04.01	Capital increase	0	0	0	0	0	0
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	-1,174,406	-66	-1,174,472
5.05.01	Net income(loss) for the period	0	0	0	-1,174,406	0	-1,174,406
5.05.02	Other comprehensive income	0	0	0	0	-66	-66
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	-66	-66
5.06	Internal changes in equity	0	0	0	4,562	-20,456	-15,894
5.06.02	Realization of revaluation reserve	0	0	0	6,511	-6,511	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-1,949	-13,945	-15,894
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	2,069,566	19,671	0	-6,212,182	115,013	-4,007,932

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

Code of account	Account description	9M2024	9M2023
7.01	Income	417,059	1,006,690
7.01.01	Sales of goods and services	409,618	1,004,678
7.01.02	Other income	5,867	5,795
7.01.04	Provision for doubtful accounts	1,574	-3,783
7.02	Inputs acquired from third parties	-540,370	-1,396,685
7.02.01	Cost of goods and services sold	-191,415	-990,697
7.02.02	Materials, energy, third party services and other	-348,955	-405,988
7.03	Gross added value	-123,311	-389,995
7.04	Retentions	-71,262	-84,344
7.04.01	Depreciation and amortization	-65,977	-74,944
7.04.02	Others	-5,285	-9,400
7.05	Net added value	-194,573	-474,339
7.06	Added value received through transfers	46,824	198,032
7.06.01	Equity in results of investees	708	689
7.06.02	Financial income	46,116	197,343
7.07	Total net added value payable	-147,749	-276,307
7.08	Net added value payable	-147,749	-276,307
7.08.01	Personnel and charges	114,475	139,444
7.08.02	Taxes, duties and contributions	-2,934	28,593
7.08.03	Third-party capital remuneration	1,069,809	730,062
7.08.04	Remuneration of own capital	-1,329,099	-1,174,406
7.08.04.03	Net income for the period	-1,329,099	-1,174,406

Consolidated financial statements / Financial position – Assets
(In thousands of Reais)

Code of account	Account description	Current quarter 09/30/2024	Prior year 12/31/2023
1	Total assets	1,705,206	1,784,257
1.01	Total current assets	416,825	388,298
1.01.01	Cash and cash equivalents	3,693	85
1.01.02	Financial investments	33,077	24,367
1.01.03	Accounts receivable	5,331	1,746
1.01.04	Inventory	309,762	298,085
1.01.06	Taxes recoverable	36,365	41,399
1.01.07	Prepaid expenses	17,535	13,451
1.01.08	Other current assets	11,062	9,165
1.01.08.03	Others	11,062	9,165
1.01.08.03.01	Derivative financial instruments	172	1,340
1.01.08.03.02	Other current assets	10,890	7,814
1.01.08.03.03	Linked account deposits/guarantees	0	11
1.02	Total non-current assets	1,288,381	1,395,959
1.02.01	Long term assets	333,895	373,062
1.02.01.04	Accounts receivable	428	0
1.02.01.07	Taxes	64,607	255,813
1.02.01.07.02	Taxes recoverable	64,607	255,813
1.02.01.08	Prepaid expenses	6,439	7,559
1.02.01.10	Other non-current assets	262,421	109,690
1.02.01.10.03	Assets held for sale	22,636	22,636
1.02.01.10.04	Legal deposits	188,494	34,521
1.02.01.10.05	Other non-current assets	51,291	52,533
1.02.02	Investments	3,065	2,815
1.02.02.02	Investment Property	3,065	2,815
1.02.02.02.01	Other investments	3,065	2,815
1.02.03	Property, plant and equipment	947,814	1,015,517
1.02.03.01	Fixed assets in operation	762,075	810,627
1.02.03.02	Prepaid expenses	8,884	12,577
1.02.03.03	Property, plant and equipment in progress	176,855	192,313
1.02.04	Intangible assets	3,607	4,565

Consolidated financial statements / Financial Position – Liabilities
(In thousands of Reais)

Code of account	Account description	Current quarter 09/30/2024	Prior year 12/31/2023
2	Total liabilities	1,705,206	1,784,257
2.01	Total current liabilities	4,968,046	3,867,545
2.01.01	Payroll and related charges	75,424	63,510
2.01.02	Suppliers	491,853	407,770
2.01.02.01	Domestic suppliers	243,033	213,453
2.01.02.02	Foreign suppliers	248,820	194,317
2.01.03	Taxes payable	64,483	47,613
2.01.03.01	Federal tax liabilities	22,747	15,635
2.01.03.01.01	Income tax and social contribution	163	222
2.01.03.01.02	Excise tax	3,981	1,503
2.01.03.01.03	Withholding income tax-IRRF	1,191	2,177
2.01.03.01.04	PIS and COFINS	7	7
2.01.03.01.05	Withholding social contribution tax	4,891	6,856
2.01.03.01.07	Others	100	205
2.01.03.01.08	Withholding tax - installments	12,414	4,665
2.01.03.02	State tax liabilities	15,059	16,972
2.01.03.02.01	Value-Added Tax on Sales and Services	15,059	16,972
2.01.03.03	Municipal tax liabilities	26,677	15,006
2.01.03.03.01	Service tax	26,677	15,006
2.01.04	Loans and financing	4,228,594	3,245,159
2.01.05	Other liabilities	107,692	103,493
2.01.05.02	Others	107,692	103,493
2.01.05.02.05	Advances from clients	64,573	64,341
2.01.05.02.06	Other current liabilities	37,515	30,107
2.01.05.02.07	Forfeiting and letter of credit operations	45	229
2.01.05.02.08	Leasing	5,559	8,816
2.02	Total non-current liabilities	2,230,449	2,140,222
2.02.01	Loans and financing	386,831	466,305
2.02.02	Other liabilities	852,951	752,923
2.02.02.02	Other non-current liabilities	852,951	752,923
2.02.02.02.02	Other non - current liabilities	26,746	0
2.02.02.02.03	Taxes payable	527,910	434,605
2.02.02.02.04	Value-added tax on sales and services-ICMS	19,553	8,582
2.02.02.02.06	Suppliers	255,947	291,399
2.02.02.02.07	Payroll and related charges	12,474	8,031
2.02.02.02.09	Forfeiting and letter of credit operations	10,321	10,306
2.02.03	Deferred Taxes	57,807	59,556
2.02.03.01	Deferred income tax and social contribution	57,807	59,556
2.02.04	Provisions	932,860	861,438
2.02.04.01	Provision for losses on lawsuits	929,538	857,677
2.02.04.01.01	Tax Provision	593,941	564,974
2.02.04.01.02	Social security and labor provisions	122,292	75,973
2.02.04.01.03	Labor	107,801	186,706
2.02.04.01.04	Civil provisions	94,207	19,132
2.02.04.01.06	Civil	11,297	10,892
2.02.04.02	Others provisions	3,322	3,761
2.02.04.02.05	Leasing	3,322	3,761
2.03	Equity	-5,493,289	-4,223,510
2.03.01	Paid-in capital	2,149,116	2,089,978
2.03.01.01	Paid-in capital	2,154,491	2,069,566
2.03.01.02	Debentures convertible into shares	0	25,787
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	-7,752,269	-6,426,611
2.03.06	Equity valuation adjustments	110,605	113,864

Consolidated financial statements / Statement of profit or loss
(In thousands of Reais)

Code of account	Account description	3Q2024	9M2024	3Q2023	9M2023
3.01	Net sales	133,498	329,846	193,673	899,136
3.02	Cost of goods sold	-155,247	-422,105	-297,649	-1,100,889
3.03	Gross Loss	-21,749	-92,259	-103,976	-201,753
3.04	Operating expenses	-94,110	-231,687	-33,249	-432,774
3.04.01	Sales expenses	-2,268	-7,054	-2,514	-7,554
3.04.02	General and administrative expenses	-17,444	-54,144	-19,221	-59,648
3.04.02.01	General and administrative	-17,444	-54,144	-19,221	-59,648
3.04.04	Other income	3,929	7,931	1,147	5,945
3.04.05	Other expenses	-78,327	-178,420	-12,661	-371,517
3.05	(Loss) operating profit before financial results	-115,859	-323,946	-137,225	-634,527
3.06	Financial income (loss)	-219,746	-1,019,122	-251,262	-526,755
3.06.01	Financial income	7,441	47,366	-75,737	198,747
3.06.02	Financial expenses	-227,187	-1,066,488	-175,525	-725,502
3.07	Net Income(Loss) before income and social contribution taxes	-335,605	-1,343,068	-388,487	-1,161,282
3.08	Income and social contribution tax	440	13,969	6,237	-13,124
3.08.01	Income and social contribution tax for the current year	-35	-143	-1	-161
3.08.02	Deferred income and social contribution taxes	475	14,112	6,238	-12,963
3.09	Net income (loss) from continuing operations	-335,165	-1,329,099	-382,250	-1,174,406
3.11	Net income for the period	-335,165	-1,329,099	-382,250	-1,174,406
3.11.01	Attributed to Parent Company Share Holders	-335,165	-1,329,099	-382,250	-1,174,406
3.99	Earning per share - (Reais / Share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	-6.81719	-27.03362	-8.80712	-27.05854
3.99.02	Diluted earnings per share				
3.99.02.01	ON	-6.81719	-27.03362	-8.80712	-27.05854

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

Code of account	Account description	3Q2024	9M2024	3Q2023	9M2023
4.01	Net income for the period	-335,165	-1,329,099	-382,250	-1,174,406
4.02	Other comprehensive Income	-34	182	57	-66
4.02.07	Earnings from Foreign exchange variations	-34	182	57	-66
4.03	Comprehensive income(loss) for the period	-335,199	-1,328,917	-382,193	-1,174,472
4.03.01	Atributed to Parent Company Share Holders	-335,199	-1,328,917	-382,193	-1,174,472

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

Code of account	Account description	9M2024	9M2023
6.01	Net cash provided by (used in) operating activities	42,593	-130,714
6.01.01	Cash generated from operations	-130,129	-255,652
6.01.01.01	(Loss) before income and social contribution taxes	-1,343,068	-1,161,282
6.01.01.02	Residual value of written-off fixed assets	2,062	4
6.01.01.03	Depreciation and amortization	65,977	74,944
6.01.01.05	Provision for losses on lawsuits	90,695	17,440
6.01.01.06	Amortization of right-to-use assets	5,285	9,400
6.01.01.07	Provision for other estimated losses	1,566	20,916
6.01.01.08	Financial charges	1,050,217	779,619
6.01.01.09	Present value adjustment	503	-476
6.01.01.12	Provision for negative equity of investees	-3,366	3,783
6.01.02	Changes in assets and liabilities	172,701	124,938
6.01.02.02	Accounts receivable	895	19,124
6.01.02.04	Inventory	-4,679	201
6.01.02.05	Taxes recoverable	192,245	-6,862
6.01.02.06	Prepaid expenses	-2,964	-11,819
6.01.02.07	Legal deposits	-153,973	4,582
6.01.02.08	Derivative financial instruments	1,213	3,185
6.01.02.10	Other current and non-current liabilities	-1,626	-4,044
6.01.02.11	Suppliers	53,107	35,247
6.01.02.12	Forfeiting and letter of credit operations	-169	2,326
6.01.02.14	Taxes payable	67,429	75,698
6.01.02.15	Provision for losses on lawsuits	638	-306
6.01.02.16	Payroll and related charges	17,671	24,973
6.01.02.18	Advances from clients	-4,495	11,634
6.01.02.19	Derivative financial instruments	0	-1,052
6.01.02.20	Other current and non-current liabilities	7,409	-27,949
6.01.03	Other	21	0
6.01.03.01	Income and social contribution taxes paid	21	0
6.02	Net cash used in investment activities	-8,017	-8,245
6.02.04	Other investments	-250	-207
6.02.07	Fixed assets and intangible additions	-7,767	-12,949
6.02.08	Financial investments made	-1,009	-5,829
6.02.09	Redemption of financial investments	1,009	10,740
6.03	Net cash generated by (used in) financing activities	-30,968	136,878
6.03.01	Loans and financing	353,128	743,244
6.03.02	Amortization of loans and financing	-330,921	-528,925
6.03.04	Interest payments on loans	-39,865	-61,241
6.03.05	Leasing	-5,791	-9,001
6.03.06	Net cost of funding	1,180	0
6.03.07	Release linked bank account	-8,699	-7,199
6.05	Increase (decrease) in cash and cash equivalents	3,608	-2,081
6.05.01	Cash and cash equivalents at the beginning for the period	85	2,500
6.05.02	Cash and cash equivalents at the end for the period	3,693	419

Consolidated financial statements / Statement of changes in equity – 01/01/2024 - 09/30/2024
(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	84,925	-25,787	0	0	0	59,138	59,138
5.04.01	Capital increase	84,925	0	0	0	0	84,925	84,925
5.04.08	Convertible debentures in action	0	-25,787	0	0	0	-25,787	-25,787
5.04.09	Capitalization costs	0	0	0	0	0	0	0
5.05	Total comprehensive income	0	0	0	-1,329,099	182	-1,328,917	-1,328,917
5.05.01	Net income (loss) for the period	0	0	0	-1,329,099	0	-1,329,099	-1,329,099
5.05.02	Other comprehensive income	0	0	0	0	182	182	182
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	182	182	182
5.06	Internal changes in equity	0	0	0	3,441	-3,441	0	0
5.06.02	Realization of revaluation reserve	0	0	0	5,214	-5,214	0	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-1,773	1,773	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	2,154,491	-6,116	0	-7,752,269	110,605	-5,493,289	-5,493,289

Consolidated financial statements / Statement of changes in equity – 01/01/2023 - 09/30/2023
(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	-5,042,338	135,535	-2,817,566	-2,817,566
5.03	Adjusted opening balances	2,069,566	19,671	0	-5,042,338	135,535	-2,817,566	-2,817,566
5.04	Capital transactions with partners	0	0	0	0	0	0	0
5.04.01	Capital increase	0	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	-1,174,406	-66	-1,174,472	-1,174,472
5.05.01	Net income (loss) for the period	0	0	0	-1,174,406	0	-1,174,406	-1,174,406
5.05.02	Other comprehensive income	0	0	0	0	-66	-66	-66
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	-66	-66	-66
5.06	Internal changes in equity	0	0	0	4,562	-20,456	-15,894	-15,894
5.06.02	Realization of revaluation reserve	0	0	0	6,511	-6,511	0	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-1,949	-13,945	-15,894	-15,894
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	2,069,566	19,671	0	-6,212,182	115,013	-4,007,932	-4,007,932

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

Code of account	Account description	9M2024	9M2023
7.01	Income	417,060	1,006,693
7.01.01	Sales of goods and services	409,618	1,004,678
7.01.02	Other income	5,868	5,798
7.01.04	Provision for doubtful accounts	1,574	-3,783
7.02	Inputs acquired from third parties	-540,509	-1,379,198
7.02.01	Cost of goods and services sold	-191,415	-984,071
7.02.02	Materials, energy, third party services and other	-349,094	-395,127
7.03	Gross added value	-123,449	-372,505
7.04	Retentions	-71,262	-84,344
7.04.01	Depreciation and amortization	-65,977	-74,944
7.04.02	Others	-5,285	-9,400
7.05	Net added value	-194,711	-456,849
7.06	Added value received through transfers	47,366	198,747
7.06.02	Financial income	47,366	198,747
7.07	Total net added value payable	-147,345	-258,102
7.08	Net added value payable	-147,345	-258,102
7.08.01	Personnel and charges	114,642	139,595
7.08.02	Taxes, duties and contributions	-2,766	46,548
7.08.03	Third-party capital remuneration	1,069,878	730,161
7.08.04	Remuneration of own capital	-1,329,099	-1,174,406
7.08.04.03	Net income for the period	-1,329,099	-1,174,406

MESSAGE FROM THE BOARD

In 2023, the company filed its Court-Ordered Reorganization Plan (PRJ), which was approved by the General Meeting of Creditors, in accordance with article 45 of Law No. 11,101/05. Thereafter, there was a ratifying decision by the D. Court of the 1st Regional Court of Business Jurisdiction and Conflicts Related to Arbitration of the 1st RAJ of the capital of the State of São Paulo.

In 2024, the Company remains consistent in advancing its strategy of ensuring the continuity of operations, amid difficulties in obtaining credit for working capital, and advancing the stages of the Judicial Recovery process, through meetings with creditors and interested parties.

In the first quarter, the 1st window of the Conversion Request took place, where it was converted into new shares of the Company issued for the purposes of the aforementioned capital increase, enabling the reduction of the Company's debt by R\$ 61,943,122.73 (sixty-one million, nine hundred and forty-three thousand, one hundred and twenty-two reais and sixty-three centavos). In the second semester, the 2nd window of the Conversion Request took place, where the Company's Board of Directors approved the approval of the Company's Capital Increase in the amount of R\$ 26,063,162.34 (twenty-six million, sixty-three thousand, one hundred and sixty-two reais and thirty-four centavos).

In this third quarter, the Board of Directors approved the increase in the Company's share capital, through private subscription of shares and within the authorized capital limit, in accordance with article 5, paragraph 4 of its Bylaws and article 168, paragraph 1st, item 'b' of Law No. 6,404/76, with a view to implementing the 3rd Capital Increase and Conversion Process, as provided for in Clause 11.1 of the Court-Ordered Reorganization Plan (PRJ).

On September 26, 2024, it was filed with the court of the 1st Regional Court of Business Jurisdiction and Conflicts Related to Arbitration of the 1st RAJ of the city of São Paulo - SP, in the case file no. 1001409-24.2022.8.26.0260, new version of the Addendum to the Company's Court-Ordered Reorganization Plan (PRJ), which was submitted for deliberation at the General Meeting of Creditors, on second call, on September 30, 2024.

It is important to highlight that our Eluma Unit, in São Paulo, has been operating in a consistent and balanced manner within the available resources, with a sales volume above 2,300 t on the monthly average. In the consolidation with the unit in Bahia, which partially resumed its activities, we reached a total of 10,555 tons. Volume 38% higher when compared to the same period of the previous year.

In relation to our costs, the Company has been working on operational efficiency gains, in addition to the Lay off process at the Dias d'Ávila unit. This quarter, we reduced fixed costs including idleness by 20% compared to the same period of the previous year, bringing savings of approximately R\$21 million.

Although still negative, we have evolved towards better results. We had a third quarter with good sales levels in Eluma and the return of copper sales in Caraíba. Which gave us an EBITDA of negative R\$93 million, better than the negative R\$110 million obtained in 3Q23.

In relation to the Global Agreement debt, the Company continues to negotiate with Creditors with the aim of obtaining new, more favorable conditions for resolving its liabilities.

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

Finally, we would like to thank our entire group of employees, customers, suppliers, shareholders and other partners for their trust and support.

ECONOMIC PERFORMANCE

Net revenue

In R\$ thd, except otherwise stated	3Q23	3Q24	Δ %
Primary Copper	78.800	151	-100%
% of Revenue	40,7%	0,1%	-40,6 p.p.
Copper Products	73.971	130.571	77%
% of Revenue	38,2%	97,8%	59,6 p.p.
Rods, Wires and Others	10.113	11.603	15%
Bars/Profiles/Rolled/Tubes/Fittings	63.858	118.968	86%
Byproducts	40.904	2.776	-93%
% of Revenue	21,1%	2,1%	-19,0 p.p.
Total Net Revenue	193.675	133.498	-31%
Domestic Market [%]	20,7%	56,1%	35,4 p.p.
Export Market [%]	62,0%	5,0%	-57,0 p.p.
Toll [%]	17,3%	38,9%	21,5 p.p.

Net Revenue in 3Q24 was R\$133 million, 31% lower compared to the same period of the previous year. Result impacted by cash restrictions and also by the temporary suspension of part of the activities at the Bahia unit.

Gross income

In R\$ thd, except otherwise stated	3Q23	3Q24	Δ %
Net Revenue	193,673	133,498	-31%
Total COGS	(297,649)	(155,247)	-48%
(-) Metal Cost	(165,989)	(57,998)	-65%
(-) Transformation Cost	(131,660)	(97,249)	-26%
COGS Total/tonnes sold	38.9	14.7	-62%
Metal Cost/tonnes sold	21.7	5.5	-75%
Transformation Cost/tonnes sold	17.2	9.2	-46%
Gross Profit	(103,976)	(21,749)	-79%
% of Revenue	-53.7%	-16.3%	37.4 p.p.
Adjusted Gross Profit (LME and USD Dollar changes on inventories)	(31,539)	29,093	-192%
% of Revenue	-16.3%	21.8%	38.1 p.p.
Premiums	27,684	75,500	173%
Premium/Net Revenue [%]	14.3%	56.6%	42.3 p.p.
Premium/tonnes sold	3.6	7.2	98%

Adjusted Gross Profit in 3Q24 of R\$29 million was higher than the negative R\$32 million achieved in the same period of the previous year, the result of a better sales mix at the Eluma unit and the partial recovery of the Caraíba unit. In addition to operational efficiency in industrial expenses.

Adjusted Gross Profit eliminates the effects of idleness and the effects of hedge accounting used to update the value of inventories to the present value of LME and Dollar and which, as a result of non-absorption by inventory, impact the result.

Fixed Costs (including Idleness)

In R\$ thd, except otherwise stated	3Q23	3Q24	Δ %
Fixed Costs including idleness	(105,095)	(84,018)	-20%

The Company incurred R\$84 million in fixed costs including idleness in 3Q24, achieving a reduction of approximately R\$21 million compared to 3Q23. Result resulting from contract renegotiations and the Lay-off process at the Dias d'Ávila plant in Bahia.

Operating expenses

In R\$ thd, except otherwise stated	3Q23	3Q24	Δ %
Total Operating Expenses	(33,249)	(94,110)	183%
Sales Expenses	(2,514)	(2,268)	-10%
G&A Expenses and Management Compensation	(19,221)	(17,444)	-9%
Other Operating, net	(11,514)	(74,398)	546%

In 3Q24, Operating Expenses were R\$94 million, mainly due to Provisions for Labor and Tax Contingencies in the amount of R\$69 million and Exclusion of ICMS in the PIS/COFINS Calculation Base in the amount of R\$2 million. Sales and General and Administrative Expenses were lower by 10% and 9% respectively.

In R\$ thd, except otherwise stated	3Q23	3Q24	Δ %
*Main items - Other Operating, Net:			
Provisions for labor and tax contingencies	(6,532)	(69,353)	-962%
Other provisions	(505)	(2,611)	-417%
Provision assets held for sale*	0	0	n.a
Provisão penalidades contratos onerosos*	0	0	n.a
Santander/BTG Arbitrage	0	0	n.a
Tax amnesty/refinancing	0	0	n.a
Court ordered bonds Sale Result	0	0	n.a
Exclusion of ICMS from the COFINS and PIS assessment base	(7,040)	1,637	123%
Provisão de Multa sobre o Drawback (Suspensão) (175.885)	0	0	n.a
Provisão de II sobre o Drawback suspensão (118.747)	0	0	n.a
Total Non-recurring Items:	(14,077)	(70,327)	-400%
Total Recurring Items:	2,563	(4,071)	42%

EBITDA

	3Q23	3Q24	Δ %
Net Income	(382.250)	(335.165)	12%
(+) Taxes	(6.237)	(440)	93%
(+) Net Financial Result	251.262	219.746	-13%
EBIT	(137.225)	(115.859)	16%
(+) Depreciation and Amortization	27.187	22.917	-16%
EBITDA	(110.038)	(92.942)	16%
% of Revenue	-56,8%	-69,6%	-12,8 p.p.
 ADJUSTED EBITDA	 (110.208)	 (22.615)	 79%
% of Revenue	-56,9%	-16,9%	40,0 p.p.

Adjusted EBITDA, which excludes the effects of LME and Dollar on inventory, contingencies and other non-recurring effects, closed 3Q24 negative at R\$23 million, 79% better than the same period of the previous year. This result was also impacted by cash constraints and the temporary suspension of part of the activities at the Bahia unit but reflecting the positive progress at the Eluma Unit.

Net Income and Adjusted Net Income

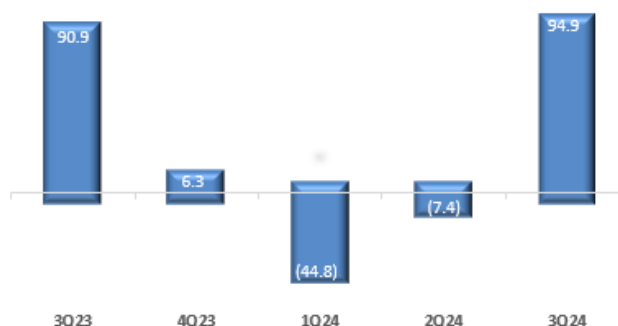
The Net Loss in 3Q24 was R\$ 335 million, mainly impacted by the financial charges of loans and financing of R\$ 220 million, by Idleness amounts of R\$ 51 million, in addition to Contingency Provisions and fines for Infraction Notice of R \$69 million. When excluding the effects of financial charges and other non-recurring effects, there is an Adjusted Net Loss of R\$28 million.

Through its Court-Ordered Reorganization Plan (PRJ), the company expects to obtain greater access to financing lines for working capital and increase its production and sales volume, bringing balance to its results.

Operational Cash Generation

The Company achieved a positive Operating Cash Flow of R\$95 million, with clear growth compared to recent quarters. This is due to the higher sales volume, better optimization of costs and the conversion of debts into shares by Judicial Recovery creditors. Compared to 3Q23, Operating Cash Flow is lower due to the temporary shutdown of part of the activities at the Caraíba Unit.

Operating Cash Generation (R\$ million)



Indebtedness

In R\$ thd, except otherwise stated	3Q23	4Q23	1Q24	2Q24	3Q24
Loans and Financing Short Term	3,185,653	3,275,304	3,480,933	4,031,995	4,251,434
Loans and Financing Long Term	484,664	466,305	442,268	417,192	386,831
Total Bank Loans	3,670,317	3,741,609	3,923,201	4,449,187	4,638,265
Transaction Costs - reprofilin	(35,055)	(30,145)	(27,710)	(25,275)	(22,840)
Total Loans	3,635,262	3,711,464	3,895,491	4,423,912	4,615,425
Forfeiting and letter of credit operations	13,478	10,535	10,517	10,626	10,366
Derivatives financial instruments	1	0	0	0	0
Derivatives	(82,674)	(1,340)	(158)	(176)	(172)
Gross Debt	3,566,067	3,720,659	3,905,850	4,434,362	4,625,619
Cash and Cash Equivalents	419	85	1,251	3,109	3,693
Financial Investments	23,724	24,367	23,609	25,917	33,077
Linked bank account	11	11	1	2	0
Net Debt	3,541,913	3,696,196	3,880,989	4,405,334	4,588,849
Short Term (%)	87%	87%	89%	91%	92%
Long Term (%)	13%	13%	11%	9%	8%

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 3Q24 balance sheet position, the reclassified amount is R\$ 1,836.8 million, which maintains the debt profile with 92% 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	3Q23	4Q23	1Q24	2Q24	3Q24
In Foreign Currency	65%	62%	60%	57%	53%
In Local Currency	35%	38%	40%	43%	47%

Debt in local currency represented 47% of debts in 3Q24, due to the increase in contributions from local financial partners to enable operations.

Court-Ordered Reorganization

General Recovery Items contained in the Plan:

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

Summary of the list of Creditors: As per accounting registers and official report as of September 30th, 2024.

Classe de credores	Valor	Qtde
Classe I - Créditos Trabalhista	122.244	709
Classe II - Créditos com garantia real	10.164	1
Classe III - Créditos Quirografário	244.470	981
Classe IV - ME e EPP	4.779	121
Total	381.657	

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

Balance Sheets

Parent Company financial statements/ Financial Position

September 30, 2024 and December 31, 2023

(In thousands of Reais)

ASSETS	Notes	Parent company		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Cash and cash equivalents	05	3,690	80	3,693	85
Financial investments	05	33,077	24,367	33,077	24,367
Linked account deposits/guarantees	05	-	11	-	11
Accounts receivable	06	5,563	1,746	5,331	1,746
Inventory	07	309,762	298,085	309,762	298,085
Taxes recoverable	08	35,379	40,186	36,365	41,399
Other current assets	09	10,890	7,777	10,890	7,814
Derivative financial instruments	28	172	1,340	172	1,340
Prepaid expenses		17,531	13,451	17,535	13,451
Total current assets		416,064	387,043	416,825	388,298
Assets held for sale	10	22,636	22,636	22,636	22,636
		22,636	22,636	22,636	22,636
Accounts receivable	06	428	-	428	-
Taxes recoverable	08	52,015	243,221	64,607	255,813
Legal deposits	09.a	188,494	34,521	188,494	34,521
Other non-current assets	09	51,007	52,087	51,291	52,533
Prepaid expenses		6,439	7,559	6,439	7,559
Total Long-term		298,383	337,388	311,259	350,426
Prepaid expenses	15	8,884	12,577	8,884	12,577
Investments	11	28,777	27,887	-	-
Other investments		3,065	2,815	3,065	2,815
Property, plant and equipment	12	938,930	1,002,940	938,930	1,002,940
Intangible assets	12	3,607	4,565	3,607	4,565
		983,263	1,050,784	954,486	1,022,897
Total non-current assets		1,304,282	1,410,808	1,288,381	1,395,959
Total assets		1,720,346	1,797,851	1,705,206	1,784,257

See the accompanying notes to the Quarterly Information.

Parent Company financial statements/ Financial Position

September 30, 2024 and December 31, 2023

(In thousands of Reais)

LIABILITIES	Notes	Parent company		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Suppliers	13	491,846	407,763	491,853	407,770
Forfeiting and letter of credit operations	14	45	229	45	229
Leasing	15	5,559	8,816	5,559	8,816
Loans and financing	16	4,228,594	3,245,158	4,228,594	3,245,159
Payroll and related charges	17	75,424	63,510	75,424	63,510
Taxes payable	18	64,294	47,366	64,483	47,613
Advances from clients	20	64,457	64,226	64,573	64,341
Other current liabilities	20	37,330	29,925	37,515	30,107
Total current liabilities		4,967,549	3,866,993	4,968,046	3,867,545
Suppliers	13	255,947	291,399	255,947	291,399
Forfeiting and letter of credit operations	14	10,321	10,306	10,321	10,306
Leasing	15	3,322	3,761	3,322	3,761
Loans and financing	16	386,831	466,305	386,831	466,305
Payroll and related charges	17	12,474	8,031	12,474	8,031
Taxes payable	18	547,463	443,187	547,463	443,187
Provision for losses on lawsuits	19	929,538	857,677	929,538	857,677
Deferred income tax and social contribution	26	56,492	58,265	57,807	59,556
Other non - current liabilities	20	43,698	15,437	26,746	-
Total non-current liabilities		2,246,086	2,154,368	2,230,449	2,140,222
Total liabilities		7,213,635	6,021,361	7,198,495	6,007,767
Paid-in capital	21.a	2,154,491	2,069,566	2,154,491	2,069,566
Debentures convertible into shares	21.b	-	25,787	-	25,787
Capitalization costs		(5,375)	(5,375)	(5,375)	(5,375)
Equity valuation adjustments	21.h	110,605	113,864	110,605	113,864
Treasury shares		(741)	(741)	(741)	(741)
Retained earnings		(7,752,269)	(6,426,611)	(7,752,269)	(6,426,611)
Equity	21	(5,493,289)	(4,223,510)	(5,493,289)	(4,223,510)
Total shareholders' equity		(5,493,289)	(4,223,510)	(5,493,289)	(4,223,510)
Total liabilities and equity		1,720,346	1,797,851	1,705,206	1,784,257

See the accompanying notes to the Quarterly Information.

Financial statements / Statement of profit or loss

Three and nine-month periods ended September 30

(In thousands of reais, except loss per share)

		Parent company			
	Notes	3Q2024	9M2024	3Q2023	9M2023
Net sales	22	133,498	329,846	193,673	899,136
Cost of goods sold	23	(155,247)	(422,105)	(297,649)	(1,100,889)
Gross Loss		(21,749)	(92,259)	(103,976)	(201,753)
Commercial	23	(2,268)	(7,049)	(2,514)	(7,551)
General and administrative	23	(17,358)	(53,905)	(19,083)	(59,320)
Equity in results of investees	11	261	708	202	689
Other expenses	24	(78,310)	(178,355)	(12,536)	(371,390)
Other income	24	3,929	7,930	1,147	5,942
Operating expenses		(93,746)	(230,671)	(32,784)	(431,630)
(Loss) operating profit before financial results		(115,495)	(322,930)	(136,760)	(633,383)
Financial expenses	25	(227,161)	(1,066,419)	(175,489)	(725,403)
Financial income	25	6,992	46,116	(76,239)	197,343
Net Income(Loss) before income and social contribution taxes		(335,664)	(1,343,233)	(388,488)	(1,161,443)
Deferred income and social contribution taxes	26	499	14,134	6,238	(12,963)
Income and social contribution tax		499	14,134	6,238	(12,963)
Net income for the period		(335,165)	(1,329,099)	(382,250)	(1,174,406)

		Consolidated			
	Notes	3Q2024	9M2024	3Q2023	9M2023
Net sales	22	133,498	329,846	193,673	899,136
Cost of goods sold	23	(155,247)	(422,105)	(297,649)	(1,100,889)
Gross Loss		(21,749)	(92,259)	(103,976)	(201,753)
Commercial	23	(2,268)	(7,054)	(2,514)	(7,554)
General and administrative	23	(17,444)	(54,144)	(19,221)	(59,648)
Other expenses	24	(78,327)	(178,420)	(12,661)	(371,517)
Other income	24	3,929	7,931	1,147	5,945
Operating expenses		(94,110)	(231,687)	(33,249)	(432,774)
(Loss) operating profit before financial results		(115,859)	(323,946)	(137,225)	(634,527)
Financial expenses	25	(227,187)	(1,066,488)	(175,525)	(725,502)
Financial income	25	7,441	47,366	(75,737)	198,747
Net Income(Loss) before income and social contribution taxes		(335,605)	(1,343,068)	(388,487)	(1,161,282)
Income and social contribution tax for the current year	26	(35)	(143)	(1)	(161)
Deferred income and social contribution taxes	26	475	14,112	6,238	(12,963)
Income and social contribution tax		440	13,969	6,237	(13,124)
Net income for the period		(335,165)	(1,329,099)	(382,250)	(1,174,406)
Earning (Loss) per common share		(6.81719)	(27.03362)	(8.80712)	(27.05854)
Earning (Loss) per diluted common share		(6.81719)	(27.03362)	(8.80712)	(27.05854)

See the accompanying notes to the Quarterly Information.

Financial statements / Statement of comprehensive income (loss)

Three and nine-month periods ended September 30

(In thousands of reais)

	Parent company/Consolidated			
	3Q2024	9M2024	3Q2023	9M2023
Net income for the period	(335,165)	(1,329,099)	(382,250)	(1,174,406)
Other income components, net of tax effects				
Items to be subsequently reclassified to the result	(34)	182	57	(66)
Earnings from Foreign exchange variations	(34)	182	57	(66)
Comprehensive income(loss) for the period	(335,199)	(1,328,917)	(382,193)	(1,174,472)
Allocated to:				
Controlling Shareholders	(335,199)	(1,328,917)	(382,193)	(1,174,472)

See the accompanying notes to the Quarterly Information.

Financial statements / Statement of changes in equity

Nine-month period ended September 30

(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, 2022		2,069,566	25,787	(5,375)	(741)	(5,042,338)	135,535	(2,817,566)
Earnings and losses from foreign exchange variations-foreign investment	21.h	-	-	-	-	-	(66)	(66)
Equity evaluation adjustment	21.h	-	-	-	-	6,511	(6,511)	-
Tax on realization of equity evaluation adjustment	21.h	-	-	-	-	(1,949)	(13,945)	(15,894)
Other comprehensive income		-	-	-	-	4,562	(20,522)	(15,960)
Net income (Loss) for the period		-	-	-	-	(1,174,406)	-	(1,174,406)
Balance as at september 30, 2023		2,069,566	25,787	(5,375)	(741)	(6,212,182)	115,013	(4,007,932)
Balance as at december 31, 2023		2,069,566	25,787	(5,375)	(741)	(6,426,611)	113,864	(4,223,510)
Capital increase	01	84,925	-	-	-	-	-	84,925
Convertible debentures in action	21.b	-	(25,787)	-	-	-	-	(25,787)
Capital transactions with partners		84,925	(25,787)	-	-	-	-	59,138
Earnings and losses from foreign exchange variations-foreign investment	21.h	-	-	-	-	-	182	182
Equity evaluation adjustment	21.h	-	-	-	-	5,214	(5,214)	-
Tax on realization of equity evaluation adjustment	21.h	-	-	-	-	(1,773)	1,773	-
Other comprehensive income		-	-	-	-	3,441	(3,259)	182
Net income (Loss) for the period		-	-	-	-	(1,329,099)	-	(1,329,099)
Balance as at september 30, 2024		2,154,491	-	(5,375)	(741)	(7,752,269)	110,605	(5,493,289)

See the accompanying notes to the quarterly information.

Financial statements / Statements of cash flows – Indirect method

Nine-month period ended September 30

(In thousands of Reais)

		Parent company		Consolidated	
		9M2024	9M2023	9M2024	9M2023
(Loss) before income and social contribution taxes		(1,343,233)	(1,161,443)	(1,343,068)	(1,161,282)
Adjustments to reconcile net (loss) with resources provided by (used in) operating activities					
Residual value of written-off fixed assets	12	2,062	4	2,062	4
Depreciation and amortization	12	65,977	74,944	65,977	74,944
Amortization of right-to-use assets	15	5,285	9,400	5,285	9,400
Equity in results of investees	11	(708)	(689)	-	-
Provision (reversal) for recoverable value of estimated losses		(3,262)	3,783	(3,366)	3,783
Provision for other estimated losses		1,566	20,916	1,566	20,916
Provision for losses on lawsuits	19	90,695	17,440	90,695	17,440
Present value adjustment		503	(476)	503	(476)
Financial charges	32	1,050,033	779,685	1,050,217	779,619
(Loss) before income and social contribution taxes		(131,082)	(256,436)	(130,129)	(255,652)
(Increase) decrease in assets					
Accounts receivable	06	559	18,871	895	19,124
Inventory	07	(4,679)	201	(4,679)	201
Taxes recoverable	08	192,240	(6,926)	192,245	(6,862)
Prepaid expenses		(2,960)	(11,819)	(2,964)	(11,819)
Legal deposits	09.a	(153,973)	4,582	(153,973)	4,582
Derivative financial instruments	28	1,213	3,185	1,213	3,185
Other current and non-current liabilities	09	(1,823)	(4,147)	(1,626)	(4,044)
Increase (decrease) in liabilities					
Suppliers	13	53,107	35,247	53,107	35,247
Forfeiting and letter of credit operations	14	(169)	2,326	(169)	2,326
Taxes payable	18	67,428	75,689	67,429	75,698
Provision for losses on lawsuits	19	638	(306)	638	(306)
Payroll and related charges	17	17,671	24,973	17,671	24,973
Derivative financial instruments	28	-	(1,053)	-	(1,052)
Advances from clients	20	(4,496)	11,633	(4,495)	11,634
Other current and non-current liabilities	20	8,921	(26,686)	7,409	(27,949)
Cash flow generated from operations		42,595	(130,666)	42,572	(130,714)
Income and social contribution taxes paid		-	-	21	-
Net cash provided by (used in) operating activities		42,595	(130,666)	42,593	(130,714)
Investing activities					
Financial investments made	05	(1,009)	(5,829)	(1,009)	(5,829)
Redemption of financial investments	05	1,009	10,740	1,009	10,740
Other investments		(250)	(207)	(250)	(207)
Fixed assets and intangible additions	12	(7,767)	(12,949)	(7,767)	(12,949)
Net cash used in investing activities		(8,017)	(8,245)	(8,017)	(8,245)
Financing activities					
Net cost of funding		1,180	-	1,180	-
Loans and financing	16	353,128	743,244	353,128	743,244
Amortization of loans and financing	16	(330,921)	(528,925)	(330,921)	(528,925)
Interest payments on loans	16	(39,865)	(61,241)	(39,865)	(61,241)
Leasing	15	(5,791)	(9,001)	(5,791)	(9,001)
Release linked bank account	05	(8,699)	(7,199)	(8,699)	(7,199)
Net cash used in (provided by) financing activities		(30,968)	136,878	(30,968)	136,878
Increase (decrease) in cash and cash equivalents		3,610	(2,033)	3,608	(2,081)
Cash and cash equivalents at the beginning for the period	05	80	2,447	85	2,500
Cash and cash equivalents at the end for the period	05	3,690	414	3,693	419
Increase (decrease) in cash and cash equivalents		3,610	(2,033)	3,608	(2,081)

See the accompanying notes to the Quarterly Information.

Financial statements/ Statement of value added

Nine-month period ended September 30

(In thousands of reais)

	Parent company		Consolidated	
	9M2024	9M2023	9M2024	9M2023
Income				
Sales of goods and services	409,618	1,004,678	409,618	1,004,678
Provision for doubtful accounts	1,574	(3,783)	1,574	(3,783)
Other income	5,867	5,795	5,868	5,798
Inputs acquired from third parties (Including taxes)				
Cost of goods and services sold	(191,415)	(990,697)	(191,415)	(984,071)
Materials, energy, third party services and other	(348,955)	(405,988)	(349,094)	(395,127)
Gross added value	(123,311)	(389,995)	(123,449)	(372,505)
Retentions				
Depreciation and amortization	(65,977)	(74,944)	(65,977)	(74,944)
Amortization of right-to-use assets	(5,285)	(9,400)	(5,285)	(9,400)
Net added value	(194,573)	(474,339)	(194,711)	(456,849)
Received from third parties				
Equity in results of investees	708	689	-	-
Financial income	46,116	197,343	47,366	198,747
Total net added value payable	(147,749)	(276,307)	(147,345)	(258,102)
Net added value payable	(147,749)	(276,307)	(147,345)	(258,102)
Personnel and charges	114,475	139,444	114,642	139,595
Taxes and contributions	(2,934)	28,593	(2,766)	46,548
Interest and rent	1,069,809	730,062	1,069,878	730,161
Net income for the period	(1,329,099)	(1,174,406)	(1,329,099)	(1,174,406)

See the accompanying notes to the quarterly information.

01. Operations

Paranapanema S.A. - Under Court-Ordered Reorganization (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 has not made the semiannual payments under 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\$ 1,836,789, due to non-compliance with the covenants clauses. With said reclassification, the Company has a net working capital in the amount of R\$ 4,551,221 in the Consolidated as at September 30, 2024.

The Company incurred losses for the period in the amount of R\$ 1,329,099, mainly impacted by exchange rate change and charges on debt, pursuant to Note 16.a, due to idleness and significant reduction in sales volume, accumulating losses of R\$ 7,752,269, thereby leaving the Company's shareholders' equity negative at a total of R\$ 5,493,289.

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 September 30, 2024 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 court-ordered reorganization plan.

Court-Ordered Reorganization

Paranapanema S.A. – Under Court-Ordered Reorganization, released a material fact on November 30, 2022, informing that it filed, along with CDPC – Centro de Distribuição de Produtos de Cobre Ltda., under court-ordered reorganization, and Paraibuna Agropecuária Ltda., also under Court-Ordered Reorganization, all of which are subsidiaries of the Company (“Companies Under Reorganization” or “Paranapanema Group”), a request for court-ordered reorganization 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 Court-ordered reorganization.

On February 16, 2023, the Company filed its Court-ordered Reorganization 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 Court-Ordered Reorganization 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 Court-Ordered Reorganization Plan of the Company and its subsidiaries (i) CDPC - Centro de Distribuição de Produtos de Cobre Ltda. – in Court-Ordered Reorganization, and (ii) Paraibuna Agropecuária Ltda. – in Court-Ordered Reorganization, according to Article 45 of Law 11101/05.

Thus, the Court-Ordered Reorganization 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 1st RAJ of the capital of the State of São Paulo and published on November 22, 2023.

The Company recognized the accounting effects of the Court-Ordered Reorganization 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 Reorganization 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 Court-Ordered Reorganization, including through the conversion of credits into capital.

On September 30, 2024, the Company's creditors, assembled in a duly convened General Creditors' Meeting on second call, in accordance with Article 45 of Law No. 11,101/05, approved the First Amendment to the Judicial Reorganization Plan, filed on September 26, 2024 ("Amendment to the Judicial Reorganization Plan") of the Company and its subsidiaries, whereby item 6.1.(A) of the Plan is now amended as follows:

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

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

On October 18, 2024, a proposal for a second amendment to the Company’s current Judicial Reorganization Plan was filed with the 1st Regional Court of Business Jurisdiction and Arbitration-Related Disputes of the 1st RAJ in the city of São Paulo, State of São Paulo, in the proceedings under case no. 1001409-24.2022.8.26.0260. The Company notes that the proposed amendment to the Judicial Reorganization Plan will be subject to further deliberation at a General Creditors’ Meeting, in accordance with applicable legislation.

The table below shows the balance sheet positions that were affected by the court-ordered reorganization.

LIABILITIES	09/30/2024	Bankruptcy credit	Bankruptcy credit
Suppliers	491,853	31,261	460,592
Forfeiting and letter of credit operations	45	45	-
Leasing	5,559	-	5,559
Loans and financing	4,228,594	59	4,228,535
Payroll and related charges	75,424	8,662	66,762
Taxes payable	64,483	-	64,483
Advances from clients	64,573	-	64,573
Other current liabilities	37,515	-	37,515
Total current liabilities	4,968,046	40,027	4,928,019
Suppliers	255,947	185,028	70,919
Forfeiting and letter of credit operations	10,321	10,321	-
Leasing	3,322	-	3,322
Loans and financing	386,831	1,156	385,675
Payroll and related charges	12,474	240	12,234
Taxes payable	547,463	-	547,463
Legal deposits	929,538	119,098	810,440
Deferred income tax and social contribution	57,807	-	57,807
Other non - current liabilities	26,746	26,746	-
Total non-current liabilities	2,230,449	342,589	1,887,860
Total liabilities	7,198,495	382,616	6,815,879
Paid-in capital	2,154,491	-	2,154,491
Capitalization costs	(5,375)	-	(5,375)
Equity valuation adjustments	110,605	-	110,605
Treasury shares	(741)	-	(741)
Retained earnings	(7,752,269)	-	(7,752,269)
Equity	(5,493,289)	-	(5,493,289)
Total shareholders' equity	(5,493,289)	-	(5,493,289)
Total liabilities and equity	1,705,206	382,616	1,322,590

The Company’s liabilities negotiated within the scope of the court-ordered reorganization were segregated into four classes.

Class of Creditors - Initial	Balance approved in the Judicial Recovery plan
Class I - Labor credits	122,244
Class II - Credits with real guarantee	10,164
Class III - Unsecured Credits	245,429
Class IV - ME and EPP	4,779
Total	382,616

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 Court-Ordered Reorganization Plan approval or on the date on which they become Uncontroverted 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 amount of the respective unsecured credit, within 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 25th 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 November 22, 2023, the 1st Conversion Request Window started, during which the Company's creditors were able to express any interest in converting their credits into shares issued by the Company, under the terms of Clause 11 of the Court-Ordered Reorganization Plan. This Conversion Request Window remained open until December 22, 2023, inclusive. As of this date, the Company's shareholders were granted a period of thirty (30) days to exercise their respective preemptive rights to subscribe new shares. After the expiry of the period, an additional period of five (5) business days was granted for the subscription of remaining shares by shareholders. On September 23, 2024, the Company's Board of Directors approved the restatement of the homologation of the Company's capital increase to correct a material error regarding the total number of shares issued and homologated by the Company. This included the cancellation of 785,749 (seven hundred eighty-five thousand, seven hundred forty-nine) common shares issued as part of the capital increase approved as per the Minutes of the Board of Directors' Meeting for the 1st Capital Increase, totaling R\$ 3,724,450.26 (three million, seven hundred twenty-four thousand, four hundred fifty reais and twenty-six centavos).

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The Company's share capital now amounts to R\$ 2,128,427,787.27 (two billion, one hundred twenty-eight million, four hundred twenty-seven thousand, seven hundred eighty-seven reais and twenty-seven centavos), divided into 55,821,950 (fifty-five million, eight hundred twenty-one thousand, nine hundred fifty) common, book-entry shares 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 March 22, 2024, the 1st Conversion Request Window started, during which the Company's creditors were able to express any interest in converting their credits into shares issued by the Company, under the terms of Clause 11 of the Court-Ordered Reorganization Plan. This Conversion Request Window remained open until April 20, 2024, inclusive. As of this date, the Company's shareholders were granted a period of thirty (30) days to exercise their respective preemptive rights to subscribe new shares. After the expiry of the period, an additional period of five (5) business days was granted for the subscription of remaining shares by shareholders.

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.

With the restatement of the homologation of the Company's capital increase related to the 1st window and following the increase in the Company's share capital for the 2nd window, the share capital now amounts to R\$ 2,154,490,949.61 (two billion, one hundred fifty-four million, four hundred ninety thousand, nine hundred forty-nine reais and sixty-one centavos), divided into 62,257,319 (sixty-two million, two hundred fifty-seven thousand, three hundred nineteen) common, book-entry shares 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

The 3rd Conversion Window will be opened on August 19, 2024.

As per the material fact disclosed on September 23, 2024, the Board of Directors approved an increase in the Company's share capital, through a private subscription of shares and within the capital limit, related to the 3rd conversion window that began on August 19, 2024, with the corresponding conversion scheduled to occur on November 22, 2024.

The full text of the approved Court-Ordered Reorganization Plan, the minutes of the Annual Creditors' Meeting, as well as all information regarding the Company's court-ordered reorganization 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 Court-Ordered Reorganization 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	09/30/2024	12/31/2023
CDPC-Centro de Distribuição de Produtos de Cobre Ltda. – Under Court-Ordered Reorganization 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 Court-Ordered Reorganization Company headquartered in the city of Santo André, state of São Paulo, Brazil, engaged in the exploration of agricultural, pastoral and reforestation activities.	99.98%	99.98%
Caraíba Incorporated Ltd. (*) Company headquartered in Cayman Islands, established on July 08, 2005.	100.00%	100.00%
Paranapanema Netherland B.V. (*) Company headquartered in the city of Amsterdam, Netherlands, incorporated on April 9, 2014	100.00%	100.00%

(*) Companies are not operational

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 November 7, 2024.

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 on a historical costs' basis, except for the following material items recognized in the balance sheets

- Derivative financial instruments measured at fair value;
- Non-derivative financial instruments designated and measured at fair value through profit or loss;
- Hedged metals inventory measured at fair value in Brazilian Reais (R\$) through profit or loss;

C) Functional and presentation currency

This individual and consolidated quarterly information is being presented in Brazilian Reals (R\$), the functional currency of the Company. All balances have been rounded to the nearest value, except 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 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;
- Note 28 – Financial instruments: fair value of derivatives.

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 28.4).

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, 2023.

05. Cash and cash equivalents, interest earning bank deposits

	Notes	Parent company		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Cash and banks		606	80	608	85
Interest-earning bank deposits	(a)	3,084	-	3,085	-
Cash and cash equivalents		3,690	80	3,693	85
Interest-earning bank deposits- Escrow	(b)	33,077	24,367	33,077	24,367
Interest-earning bank deposits		33,077	24,367	33,077	24,367
Current assets		33,077	24,367	33,077	24,367
Bank linked account	(c)	-	11	-	11
		-	11	-	11

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 as at the financial statement closing dates.

The amount of R\$ 33,077 on September 30, 2024 (R\$ 24,367 as at December 31, 2023), 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.

On September 30, 2024, the average return on investments was 95.5% of the CDI (95.5% on December 31, 2023), measured at amortized cost.

c) Bank restricted account

This is the secured account opened with Banco Itaú S.A., exclusively linked to the Global Agreement, with the sole purpose of ensuring that the buyers of the Company's non-operating assets deposit the value of the sale and purchase transaction, thus making such funds unavailable for the Company, as they will be fully allocated to the payment or prepayment of the installments defined in the debt amortization schedule.

06. Trade accounts receivable

	Notes	Parent company		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Domestic clients:					
Third parties		88,036	74,558	89,042	75,669
Related parties	11.2	213	-	-	-
Estimated loss on recoverable value		(52,457)	(54,448)	(53,464)	(55,559)
		35,792	20,110	35,578	20,110
Foreign clients:					
Third parties		4,366	13,451	4,366	13,451
Related parties	11.2	18	-	-	-
Price adjustment		-	(708)	-	(708)
Estimated loss on recoverable value		(144)	(1,415)	(144)	(1,415)
		4,240	11,328	4,222	11,328
Anticipation of Assignment of Credit		(34,041)	(29,692)	(34,041)	(29,692)
		5,991	1,746	5,759	1,746
Current assets		5,563	1,746	5,331	1,746
Non-current assets		428	-	428	-

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

		Parent company		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Due in more than 120 days		623	57	623	57
Due in 91 to 120 days		228	378	228	378
Due in 61 to 90 days		772	37	772	37
Due in 31 to 60 days		11,544	2,612	11,544	2,612
Due in 30 days		26,109	27,367	25,961	27,367
Total Due		39,276	30,451	39,128	30,451
Overdue up to 30 days		398	855	359	855
Overdue from 31 to 60 days		31	3	5	3
Overdue from 61 to 90 days		19	582	-	582
Overdue for more than 90 days		308	255	308	255
Total due		756	1,695	672	1,695
		40,032	32,146	39,800	32,146
Price adjustment	(a)	-	(708)	-	(708)
Anticipation of Assignment of Credit	(b)	(34,041)	(29,692)	(34,041)	(29,692)
		5,991	1,746	5,759	1,746

- The Price adjustment refers to embedded derivative financial instruments contracted in the sale of anodic and reversal sludge (material recovered in the metallurgical process that are reprocessed), to protect its exposures to the risks of changes in foreign currency and commodity prices.
- 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.

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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 as at September 30, 2024 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	
	9M2024	9M2023	9M2024	9M2023
Opening balance	(55,863)	(53,101)	(56,974)	(54,212)
Reversals for the year	1,574	272	1,574	272
Write off	1,688	-	1,792	-
Final balance	(52,601)	(52,829)	(53,608)	(53,940)

07. Inventory

	Parent company	
	09/30/2024	12/31/2023
Raw materials	116,889	154,255
Work in progress	73,351	56,267
Finished products	51,786	20,934
Imports in transit	35	1
Advances to suppliers for purchases of raw materials	2,557	72
Maintenance materials and others	68,849	70,271
Resale materials	132	135
Estimated loss on recoverable value	(3,837)	(3,850)
Current assets	309,762	298,085

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

The balance of estimated losses in the amount of R\$ 3,837 as at September 30, 2024 (R\$ 3,850 as at December 31, 2023) was established based on the assessment of materials and products with no turnover for more than two years on the base date. The change was recognized in "Other operating expenses" line under "Other estimated losses" caption.

The Company offered the equivalent of R\$ 309,762 (R\$ 298,085 as at December 31, 2023) as collateral for the credit assignment of accounts receivable and lawsuits, which R\$ 204,351 were from the rotating stock of Utinga and Bahia plant (R\$ 189,816 as at December 31, 2023), R\$ 30,948 from byproducts (R\$ 41,775 as at December 31, 2023) and R\$ 74,464 from warehouse items (R\$ 66,494 as at December 31, 2023). In the case of an unfavorable decision, the full amount will be paid in cash.

08. Recoverable taxes and contributions

	Notes	Parent company			
		09/30/2024		12/31/2023	
		Current assets	Non-current	Current assets	Non-current
Exclusion of ICMS from the COFINS assessment base	(a)	-	377,263	-	497,847
Exclusion of ICMS from the PIS assessment base	(a)	-	81,906	-	108,085
Estimated loss on recoverable value	(a)	-	(427,364)	-	(423,592)
Value-added tax on sales and services-ICMS	(b)	28,680	-	35,955	40,000
Estimated loss on recoverable value	(b)	-	-	(2,450)	-
Taxes on fixed assets recoverable		1,854	1,194	2,897	1,964
Income and social contribution taxes to be refunded	(c)	173	10,277	-	10,277
Estimated loss on recoverable value	(c)	-	(10,277)	-	(10,277)
Special Tax Reintegration Regime for Exporting Companies (Reintegra)	(d)	1,098	19,016	1,518	18,917
Contribution for social security funding-COFINS	(e)	706	-	126	-
Social integration program - PIS	(e)	159	-	50	-
Withholding income tax-IRRF		609	-	160	-
Excise tax-IPI		418	-	346	-
Other		1,682	-	1,584	-
		<u>35,379</u>	<u>52,015</u>	<u>40,186</u>	<u>243,221</u>

	Notes	Consolidated			
		09/30/2024		12/31/2023	
		Current assets	Non-current	Current assets	Non-current
Exclusion of ICMS from the COFINS assessment base	(a)	-	423,609	-	544,193
Exclusion of ICMS from the PIS assessment base	(a)	-	91,968	-	118,147
Estimated loss on recoverable value	(a)	-	(471,180)	-	(467,408)
Value-added tax on sales and services-ICMS	(b)	28,680	-	35,955	40,000
Estimated loss on recoverable value	(b)	-	-	(2,450)	-
Taxes on fixed assets recoverable		1,854	1,195	2,897	1,964
Income and social contribution taxes to be refunded	(c)	965	10,277	948	10,277
Estimated loss on recoverable value	(c)	-	(10,277)	-	(10,277)
Special Tax Reintegration Regime for Exporting Companies (Reintegra)	(d)	1,098	19,015	1,518	18,917
Contribution for social security funding-COFINS	(e)	706	-	126	-
Social integration program - PIS	(e)	159	-	50	-
Withholding income tax-IRRF		610	-	160	-
Excise tax-IPI		418	-	346	-
Prepaid income and social contribution taxes		129	-	200	-
Other		1,746	-	1,649	-
		<u>36,365</u>	<u>64,607</u>	<u>41,399</u>	<u>255,813</u>

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 is awaiting the final and unappealable decision of the lawsuit and, according to its assessment, there is an expectation of realization without the need for impairment.

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 Court-Ordered Reorganization Court and the approval by the creditors holding the fiduciary assignment of such credits.

On March 12, 2024, the Court-Ordered Reorganization 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, pursuant to the decision and awaits the final outcome in the Court-Ordered Reorganization 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 September 30, 2024 is R\$ 427,364 in the parent company and R\$ 471,180 in the consolidated.

The remaining balance outstanding as of September 30, 2024, refers to open credits that have already been approved but not negotiated, and are 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 decrease substantially in credit and the credit balance on September 30, 2024 totaled R\$ 22,654. (R\$ 48,747 as at December 31, 2023).

At the Dias D'Ávila - BA unit, the credit balance at September 30, 2024 was R\$3,893 (R\$25,665 on December 31, 2023). The reduction is due to the sale in October 2023 of R\$30,000 of its credit, which was transferred to the buyer in 10 fixed monthly installments of R\$3,000.

- 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\$ 19,016 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	
		09/30/2024		12/31/2023	
	Note	Current assets	Non-current	Current assets	Non-current assets
Municipal writs of payment	(a)	-	43,872	-	44,026
Federal writs of payment	(a)	-	4,741	-	5,829
Collective Plan Brasilprev Recovery	(b)	-	-	1,228	-
Advances to suppliers	(c)	8,641	-	5,829	-
Accounts receivable – related parties	11.2	-	314	-	151
Advances to employees		2,069	-	583	-
Amount receivable - Disposal of Cibrafertil		-	1,001	-	1,001
Amounts receivable from suppliers		-	931	-	931
Other		180	148	137	149
		10,890	51,007	7,777	52,087

				Consolidated	
		09/30/2024		12/31/2023	
	Note	Current assets	Non-current	Current assets	Non-current assets
Municipal writs of payment	(a)	-	43,872	-	44,026
Federal writs of payment	(a)	-	4,741	-	5,829
Collective Plan Brasilprev Recovery	(b)	-	-	1,265	-
Advances to suppliers	(c)	8,641	-	5,829	-
Advances to employees		2,069	-	583	-
Amount receivable - Disposal of Cibrafertil		-	1,001	-	1,001
Amounts receivable from suppliers		-	931	-	931
Other		180	746	137	746
		10,890	51,291	7,814	52,533

- 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, on September 30, 2024 and December 31, 2023 totaled R\$ 43,666. If there is an unfavorable decision, the amount will be paid in cash.

- b) Refers to the collective account of the private pension plan managed by BrasilPrev, the sum total of which was made up of the amounts not released by the Company according to the criteria described in Note 30. With the end of the contract, the amount accrued in the collective reserve was used to improve the benefits.

c) Refers to advances to sundry suppliers to be used to settle invoices.

09.2 Deposits for judicial claims

	Parent company/Consolidated	
	09/30/2024	12/31/2023
Labor	4,869	7,487
Tax	16,863	24,735
Social Security	820	861
Civil	827	827
Other	165,115	611
Non-current assets	188,494	34,521

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 significant increase in “other judicial deposits” line is related to the judicial deposit made on April 02, 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 Court-Ordered Reorganization Records, so that the sale transaction is concluded with the signing of the Assignment Term, as described in Note 08.a.

10. Assets held-for-sale

These are represented by properties available for sale in the amount of R\$ 22,636 as at September 30, 2024 and December 31, 2023, measured at the acquisition cost less accumulated depreciation and provision for losses, which is lower than the expected realization value.

This group of assets includes real estate no longer used in the Company's operations, and real estate legally confiscated from clients who defaulted against the Company and which is available for immediate sale under the current conditions.

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.

Guarantees:

The Company offered non-operating properties as guarantee for lawsuits with financial institutions and judicial pledges, as shown in the table below:

Guarantees	Property	Book Value	Fair value
CSLL	Guarujá real estate	9,860	135,054
CSLL	Camaçari real estate	7,460	29,760
Global Agreement	Serra da Cantareira real estate	266	1,541
Global Agreement	Sanra Cruz de Cabralia real estate	1,617	1,617
Global Agreement	Camaçari real estate	2,897	11,557
Total Guarantees		22,100	179,529

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.

11. Investments, related parties and others

11.1 Summary information and investment movements as at September 30,2024

	CDPC - Centro de Distrib.Prods. Cobre Ltda.	Paranapanema Netherland B.V.	CINC - Caraiba International	Paraibuna Agropec. Ltda.	Total
Summarized financial information of subsidiaries					
Current assets	994	-	-	-	994
Non-current assets	27,709	640	1,194	598	30,141
Total assets	28,703	640	1,194	598	31,135
Current liabilities	712	4	14	-	730
Non-current liabilities	1,449	155	24	-	1,628
Equity	26,542	481	1,156	598	28,777
Total liabilities and equity	28,703	640	1,194	598	31,135
Operating expenses or income	(287)	(4)	(14)	-	(305)
Loss before financial income (loss) and taxes	(287)	(4)	(14)	-	(305)
Financial income (loss)	1,160	2	17	-	1,179
Loss before income tax	873	(2)	3	-	874
Income and social contribution taxes	(166)	-	-	-	(166)
Net Income (loss) for the period	707	(2)	3	-	708
Summarized financial information of subsidiaries					
Balance as at december 31, 2022	24,797	597	1,088	598	27,082
Non-current assets	24,797	597	1,088	598	27,080
Foreign exchange variations on foreign investment	-	(22)	(44)	-	(66)
Equity in net income of subsidiaries	792	(112)	9	-	689
Balance as at september 30,2023	25,589	463	1,053	598	27,703
Non-current assets	25,589	463	1,053	598	27,703
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	-	53	129	-	182
Equity in net income of subsidiaries	707	(2)	3	-	708
Balance as at september 30,2024	26,542	481	1,156	598	28,777
Non-current assets	26,542	481	1,156	598	28,777

11.2 Transactions with subsidiaries, related parties and other

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 September 30, 2024, the Company had loans related to the anticipation of foreign currency contracts (ACC), with Caixa Econômica Federal totaling R\$ 54,337 (US\$ 9,974 thousand at the rate of 5.54481), R\$ 241,656 as at December 31, 2023 (US\$ 49,916 thousand at the rate of 4.8413) and has R\$ 312,968 related to nationalized debts.

Caixa Econômica Federal holds 11.28% 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 Company signed a cost sharing agreement on January 2, 2015 with its subsidiary CDPC, 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.

c) Paranapanema Netherland B.V. and Caraíba Incorporated Ltda.

The Parent company and the subsidiaries have agreements to manage cash resources.

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

	Notes	09/30/2024	12/31/2023
CDPC - Centro de Distrib.Prods. Cobre Ltda.		213	-
Paranapanema Netherland B.V.		4	-
Caraíba Incorporated Ltd.		14	-
Current assets	06	231	-
CDPC - Centro de Distrib.Prods. Cobre Ltda.		134	-
Paranapanema Netherland B.V.		156	130
Caraíba Incorporated Ltd.		24	21
Non-current assets	09	314	151
CDPC - Centro de Distrib.Prods. Cobre Ltda.		15,118	13,832
Paranapanema Netherland B.V.		640	560
Caraíba Incorporated Ltd.		1,194	1,045
Non-current liabilities	20	16,952	15,437

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	12/31/2023	Additions	Write-offs	Transfers	Provision for losses	Depreciation Amortization	09/30/2024
PROPERTY, PLANT AND EQUIPMENT								
Land		119,685	-	-	-	-	-	119,685
Improvements	5%	1,005	-	-	-	-	(116)	889
Buildings	3%	176,551	-	(484)	16,601	-	(8,255)	184,413
Installations	16%	24,128	-	(793)	-	-	(2,361)	20,974
Machines and Equipment	9%	441,943	-	(783)	6,860	-	(55,711)	392,309
Furniture and fixtures	8%	43,966	-	(2)	48	-	(5,550)	38,462
Vehicles	20%	8	-	-	-	-	(7)	1
Property, plant and equipment in progress		192,313	7,858	-	(23,316)	-	-	176,855
Provision for impairment losses		(5,129)	-	-	-	2,186	-	(2,943)
Spare parts		8,470	-	-	(193)	8	-	8,285
Total assets		<u>1,002,940</u>	<u>7,858</u>	<u>(2,062)</u>	<u>-</u>	<u>2,194</u>	<u>(72,000)</u>	<u>938,930</u>
INTANGIBLES								
ERP/Software	20%	4,565	-	-	-	-	(958)	3,607
Intangible assets		<u>4,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(958)</u>	<u>3,607</u>

The amount of R\$ 72,000 in property, plant and equipment related to depreciation and R\$ 958 in intangible assets related to amortization, totaling R\$ 72,958, refers to:

Parent company/Consolidated		
	9M2024	9M2023
Cost of goods sold	71,361	81,446
Commercial expenses	603	1,068
General and administrative expenses	994	1,165
Total depreciation and amortization expenses	72,958	83,679

12.1. Property, plant and equipment in progress

As of September 30, 2024, the balance of the account Property, plant and equipment in progress presented in the Consolidated was R\$ 176,855 (R\$ 192,213 as of December 31, 2023) 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.

Items in progress are expected to be completed in the last quarter of 2024 and 2025, with deadlines impacted mainly by the difficulty in generating cash and the lay-off applied at the Dias Dávila plant.

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

In compliance with the requirements set out in IAS 36/CPC 01 (R1) – “Impairment of Assets”, the Company carried out the physical inventory and evaluation of fixed assets in the second semester of 2023 and after the conclusion of work, it was evidenced that the estimated market value is in excess of the net book value as at the assessment date.

	Book Value	Appraisal Report		Sufficiency
		Fair Value	Net Amount	
Operational Properties	321,369	769,796	(46,188)	(402,240)
Machinery and Equipment	441,943	635,685	(124,225)	(69,518)
	763,312	1,405,481	(170,413)	(471,758)

The evaluation calculations to determine the fair value and liquidation value were prepared based on cost quantification methods, which consist of obtaining the value of a new machine and/or equipment, the same or similar one, through research with manufacturers and suppliers, plus, when applicable, assembly and disassembly and transportation expenses and based on the historical cost, which consists of the monetary update of the acquisition cost.

Fair value is determined based on the value of new equipment, taking into account the operational age, estimated useful life and residual value, indexed to a curve or mathematical function, which has the useful life of the asset as its limit.

The Company constituted a provision for losses of R\$ 2,943 to adjust the inventory of items not located.

12.3. Property, plant and equipment in guarantee

The Company offered the amount of R\$ 8,389 in spare parts (R\$ 8,285 as of December 31, 2023) 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 September 30, 2024, its book values were R\$ 718,478.

Guarantees for lawsuits	Book Value
Judicial Lien and Fiduciary Alienation under Suspensive Condition - Labor Process	5,661
Judicial Lien and Fiduciary Alienation under Suspensive Condition - Tax Process	17,132
Judicial Lien and Fiduciary Alienation under Suspensive Condition - CSLL Process	37,769
Fiduciary Alienation	429
Total Process Guarantees	60,991
Loan Guarantees	Book Value
Fiduciary Alienation under Suspensive Condition - BNB	189,496
Sub-total (previous to restructuring)	189,496
Fiduciary Alienation and Judicial Lien	120,355
Fiduciary Alienation - Dias D'ávila	124,800
Fiduciary Alienation - Utinga	82,545
Fiduciary Alienation - Serra	18,143
Fiduciary Alienation - ING	122,148
Subtotal (Mortgaged/Pledged refinancing)	467,991
Total Loan Guarantees	657,487
Total Guarantees	718,478

13. Suppliers

	Parent company		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Goods	152,398	145,208	152,398	145,208
Freight and transportation	9,483	7,895	9,483	7,895
Services	115,432	115,636	115,439	115,643
Electric power/Water and sewage/Gas	4,306	5,332	4,306	5,332
Insurance	930	2,014	930	2,014
Others	135	189	135	189
Domestic	282,684	276,274	282,691	276,281
Goods	248,820	194,317	248,820	194,317
Foreign	248,820	194,317	248,820	194,317
Judicial Recovery Suppliers	216,289	228,571	216,289	228,571
Foreign	747,793	699,162	747,800	699,169
Current liabilities	491,846	407,763	491,853	407,770
Non-current liabilities	255,947	291,399	255,947	291,399

As at September 30, 2024, the balance payable to suppliers on the list of creditors of the court-ordered reorganization plan totals R\$ 216,289, of which R\$ 31,261 is classified as current liabilities and R\$ 185,029 as non-current liabilities, distributed among the classes as follows:

Class of Creditors - Initial	09/30/2024	12/31/2023
Class I - Labor credits	7,653	6,875
Class II - Credits with real guarantee	10,164	9,953
Class III - Unsecured Credits	193,694	206,894
Class IV - ME and EPP	4,778	4,849
Total	216,289	228,571

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.

As at September 30, 2024, the outstanding amount of forfaiting was R\$ 10,366 (R\$ 10,306 as of December 31, 2023), and this amount is part of the list of creditors of the court-ordered reorganization, included in Class III - Unsecured Credits.

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				Consolidated Liabilities			
			12/31/2023	Additions	Amortization	09/30/2024	12/31/2023	Additions	Payments	09/30/2024
Print Outsourcing Leasing - Corp	2025/05	1.03%	31	74	(56)	49	33	79	(59)	53
Equipment Rental for Internal Handling	2024/1	1.03%	5,044	(310)	(3,358)	1,376	5,388	(361)	(3,559)	1,468
Rental of Forklifts-ES	2025/08	0.47%	54	-	(24)	30	62	-	(28)	34
Operating Vehicle Rental - BA	2025/04	0.65%	61	(13)	(29)	19	64	(11)	(33)	20
Rental communication radio - BA	2025/01	0.47%	311	-	-	311	332	-	-	332
Rental compressed Air Dryer	2025/01	1.03%	172	-	(66)	106	206	-	(79)	127
Plotter Rental	2024/07	1.03%	19	(19)	-	-	20	(20)	-	-
Rental of cranes	2027/04	1.03%	2,691	-	-	2,691	3379	-	-	3,379
Rent of equipment monitoring - BA	2025/08	1.03%	1,483	-	(668)	815	1724	-	(776)	948
Plotter Rental	2026/03	1.03%	2,109	-	(703)	1,406	2,476	-	(825)	1,651
Rental Truck	2025/02	1.03%	190	-	-	190	216	-	-	216
Equipment rental scrap Handling	2024/05	1.03%	149	-	(149)	-	159	-	(159)	-
Rental of Professional Uniforms	2027/01	1.03%	-	998	(124)	874	-	1,178	(147)	1,031
Equipment rental scrap Handling	2027/01	1.03%	-	862	(108)	754	-	1,016	(127)	889
Rental of Electronic Security Equipment - BA	2025/07	0.94%	263	-	-	263	329	-	-	329
			12,577	1,592	(5,285)	8,884	14,388	1,881	(5,792)	10,477
Adjustment to present value							(1,811)	215	-	(1,596)
Lease Balance							12,577	2,096	(5,792)	8,881
Current liabilities							8,816	-	-	5,559
Non-current liabilities							3,761	-	-	3,322

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 09/30/2024
2024.....	2,748
2025.....	4,478
2026.....	2,204
2027.....	1,047
	10,477

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	2024	2025	2026	2027
Lease Liabilities	10,477	7,729	3,251	1,047
Inflation Projected Flow	10,935	8,036	3,368	1,084
Right of Use	8,884	6,425	2,649	837
Inflation Projected Flow	9,272	6,680	2,744	866
Financial Expense	280	573	356	210
Inflation Projected Flow	292	596	369	217
Depreciation Expense	2,459	3,776	1,812	837
Inflation Projected Flow	2,566	3,926	1,877	866
Future IPCA	4.37%	3.97%	3.60%	3.50%

(*) <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\$ 3,389 in the consolidated during the period (R\$ 4,660 in the same period of 2023), 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% pa to Libor 06M + 1% pa, 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 will replace Libor in the event of 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 September 30, 2024, the adjustment balance is R\$ 48,951 (USD 8,985 at a rate of 5.4481).

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.

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

	09/30/2024		Consolidated 12/31/2023	
	Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Contracted in USD				
Foreign Trade Financing - ACC/ACE	341,838	-	644,471	-
Export Prepayment - PPE	1,972,012	-	1,561,113	-
Bank Credit Note	154,615	-	121,227	-
	<u>2,468,465</u>	<u>-</u>	<u>2,326,811</u>	<u>-</u>
Contracted in BRL				
Credit Assignment Anticipation	(a) 275,756	-	227,682	-
Credit Assignment Anticipation - Judicial Recovery	(b) 59	1,156	5	1,166
Debt Acknowledgment	1,507,154	385,675	720,806	465,139
	<u>1,782,969</u>	<u>386,831</u>	<u>948,493</u>	<u>466,305</u>
Transaction Costs - reprofiling	<u>(22,840)</u>	<u>-</u>	<u>(30,145)</u>	<u>-</u>
	<u>4,228,594</u>	<u>386,831</u>	<u>3,245,159</u>	<u>466,305</u>

- a) 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.
- b) The amount is part of the list of creditors in the court-ordered reorganization, included in Class III - Unsecured Credits.

Long-term installments have the following maturities:

	Parent company/Consolidated	
	09/30/2024	12/31/2023
2025.....	31,997	111,461
2026.....	169,881	169,881
2027.....	153,167	153,167
2028.....	21,131	21,131
2029.....	10,655	10,665
	<u>386,831</u>	<u>466,305</u>

Summary of changes in loans in the year

	Parent company/Consolidated							
	12/31/2023	Entry	Nacionalization of ACCs	Entry	Payment Principal	Payment Interest	Payment Interest	Exchange rate variation
Loans in foreign currency	1,561,113	-	-	-	-	-	216,336	194,563
Foreign trade loans	644,471	-	(419,099)	-	-	-	72,142	44,324
Credit Assignment Anticipation	227,682	353,128	-	-	(327,580)	(23,996)	46,522	-
Credit Assignment Anticipation - Judicial Recovery	1,171	-	-	-	1	-	43	-
Bank Credit Note	121,227	-	-	-	-	-	20,216	13,172
Debt Acknowledgment	1,185,945	-	419,099	21,178	(3,342)	(15,869)	285,818	-
Transaction costs - reprofiling	(30,145)	-	-	-	-	-	7,305	-
Loans and financing	<u>3,711,464</u>	<u>353,128</u>	<u>-</u>	<u>21,178</u>	<u>(330,921)</u>	<u>(39,865)</u>	<u>648,382</u>	<u>252,059</u>
								<u>4,615,425</u>

Amount referring 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 are amounts will be updated by the CDI rate plus 2% p.a.

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Debt breakdown by financial institution.

					09/30/2024 - BRL		09/30/2024 - USD		
Modality	Bank	Payment	Maturities	Tax	Current liabilities		Non-Current liabilities	Current liabilities	
					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.	205,251	63,413	-	-	-
Anticipation credit assignment	Credit Partners F.I.D.C. não Padroniza	Monthly	2024	2,5% p.m.	6,380	210	-	-	-
Anticipation credit assignment	Libra FIDC Multissetorial - Banpar	Monthly	2024	2,5% p.m.	500	2	-	-	-
Anticipation credit assignment	Fundo Inv. Direitos Cred. Sifra	Monthly	2024 to 2029	IPCA	15	44	1,156	-	-
Debt confession	Banco Bradesco S.A.	Half-Yearly	2022 to 2028	CDI+4,92%a.a.	401,281	192,630	-	-	-
Debt confession	Caixa Economica Federal	Half-Yearly	2022 to 2028	CDI+2%a.a.	263,694	49,274	-	-	-
Debt confession	Scotiabank Brasil S.A.	Half-Yearly	2022 to 2028	CDI+2%a.a.	134,276	30,537	-	-	-
Debt confession	Banco BNP Paribas Brasil S.A.	Half-Yearly	2022 to 2028	CDI+2%a.a.	122,186	15,003	-	-	-
Debt confession	F.I.D.C. Multissetorial Fundo BS NP	Monthly	2024 to 2028	2,13% p.m.	135,966	152,239	346,480	-	-
Debt confession	Banco do Est do Rio Grance do Sul - E	Monthly	2024 to 2029	1% p.m. + TR	4,534	5,534	39,195	-	-
Total contracted in Currency BRL					1,274,083	508,886	386,831	-	-
Contracted in USD									
ACC	Banco BNP Paribas Brasil S.A.	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	21,357	4,744	-	3,920	871
ACC	Banco do Brasil S.A.	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	150,156	38,731	-	27,561	7,109
ACC	Caixa Economica Federal	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	44,460	9,877	-	8,161	1,813
ACC	China Construction Bank	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	46,089	11,994	-	8,460	2,202
ACC	Scotiabank	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	11,830	2,600	-	2,171	477
PPE	Banco Sumitomo Mitsui BR. S.A.	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	207,718	63,824	-	38,127	11,715
PPE	Scotiabank	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	21,047	6,467	-	3,863	1,187
PPE	Ing Bank N.V.	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	51,126	15,709	-	9,384	2,883
PPE	Ing Bank N.V.	Half-Yearly	2022 to 2025	Sofr 06M + 1%a.a.	88,913	28,717	-	16,320	5,271
PPE	China Construction Bank	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	67,382	20,704	-	12,368	3,800
PPE	Cargill Incorporated	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	814,124	250,152	-	149,433	45,915
PPE	Banco do Brasil S.A.	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	71,912	22,096	-	13,200	4,056
PPE	Zion Capital S/A	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	10,896	3,348	-	2,000	615
PPE	BPS Capital	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	136,871	42,055	-	25,122	7,719
CCB	Wilbury NPL Fundo de Invest.	Half-Yearly	2022 to 2028	Sofr 06M + 4%a.a.	118,274	36,341	-	21,710	6,670
Present value of contractual cash flows					-	48,951	-	-	8,985
Total contracted in Currency US\$					1,862,155	606,310	-	341,800	111,288
Transaction Costs - reprofiling					(22,840)	-	-	-	-
Total					3,113,398	1,115,196	386,831	341,800	111,288

As at September 30,2024, 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\$1,836,789.

Guarantees:

As of September 30,2024, loans and financing were guaranteed by property, plant and equipment items with a book value of R\$657,487 (R\$696,713 as of December 31, 2023), 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:

- ≤ 26× on December 31, 2021;
- ≤ 12.3× on December 31, 2022;
- ≤ 9.1× on December 31, 2023;
- ≤ 6.9× on December 31, 2024;
- ≤ 5.8× on December 31, 2025;
- ≤ 5.5× on December 31, 2026;
- ≤ 5.2× on December 31, 2027; and
- ≤ 4.9× on 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			
		09/30/2024		12/31/2023	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Provision for vacations		21,262	-	20,568	-
Profit sharing and Results		26,000	-	21,772	-
Provision for 13th month's salary		6,641	-	-	-
Social security and Contributions		(b) 3,402	3,343	4,617	1,811
Contribution to the Severance Indemnity Fund		(a) 7,102	9,131	6,720	6,220
Private Pension		77	-	352	-
Judicial Recovery		8,902	-	7,339	-
Other		2,038	-	2,142	-
		75,424	12,474	63,510	8,031

- 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 to September 2023 to February 2024 and is in installment payment process for the period from March to September 2024. The installment period for companies undergoing court-ordered reorganization 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

					Parent company	
					09/30/2024	12/31/2023
	Notes	Current liabilities	Non-current liabilities		Current liabilities	Non-current liabilities
Value-added tax on sales and services-ICMS	(a)	15,059	19,553		16,972	8,582
Municipal Real Estate Tax-IPTU		22,465	-		12,806	-
Excise Tax-IPI		3,981	-		1,503	-
Withholding income tax-IRRF		1,191	-		2,177	-
Withheld PIS, COFINS, income tax and social contribution		4,891	-		6,856	-
Service Tax - ISS		4,212	-		2,200	-
Withholding tax - installments	(b)	12,414	73,581		4,665	38,097
Provision Drawback Tax- suspension	(c)	-	454,329		-	396,508
Other		81	-		187	-
		<u>64,294</u>	<u>547,463</u>		<u>47,366</u>	<u>443,187</u>

					Consolidated	
					09/30/2024	12/31/2023
	Notes	Current liabilities	Non-current liabilities		Current liabilities	Non-current liabilities
Contribution for social security funding-COFINS		6	-		6	-
Employees' Profit Participation Program-PIS		1	-		1	-
Value-added tax on sales and services-ICMS	(a)	15,059	19,553		16,972	8,582
Municipal Real Estate Tax-IPTU		22,465	-		12,806	-
Excise Tax-IPI		3,981	-		1,503	-
Withholding income tax-IRRF		1,191	-		2,177	-
Income tax and social contribution	26.2	163	-		222	-
Withheld PIS, COFINS, income tax and social contribution		4,891	-		6,856	-
Service Tax - ISS		4,212	-		2,200	-
Withholding tax - installments	(b)	12,414	73,581		4,665	38,097
Provision Drawback Tax- suspension	(c)	-	454,329		-	396,508
Other		100	-		205	-
		<u>64,483</u>	<u>547,463</u>		<u>47,613</u>	<u>443,187</u>

- The Company requested the State Treasury Secretariats of São Paulo and Bahia to make installment payments of debts referring to Sales Tax (ICMS), with a period from 24 to 60 months.
- The Company requested the Brazilian Federal Revenue Service to pay its tax debts in installments in the simplified and companies under court-ordered reorganization modalities, as well as to pay its tax debts in installments to the Attorney General's Office of the National Treasury - PGFN.
- The Company has concession acts of the Drawback regime maturing by December 2024, which includes the suspension of Import Tax, PIS (Social Inclusion Program) and COFINS (Social Security Financing). In view of the current scenario, the Company projects non-fulfillment of exports and the nationalization of goods and payment of all suspended taxes in the future, with the due legal additions of fines and interest. The total amount of liabilities recognized in the balance sheet is R\$ 454,329 (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\$ 264,061.

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		
				09/30/2024	12/31/2023	
		Provision	Judicial Claims	Provision	Provision	Judicial Claims
Labor	(a)	85,484	616	86,100	41,526	(378)
Labor- Judicial Recovery	(a)	114,936	(7,135)	107,801	192,887	(6,181)
Civil	(b)	94,207	-	94,207	19,132	-
Civil - Judicial Recovery	(b)	11,297	-	11,297	10,892	-
Tax	(c)	595,560	(1,620)	593,940	566,771	(1,798)
Social Security		36,193	-	36,193	34,826	-
		<u>937,677</u>	<u>(8,139)</u>	<u>929,538</u>	<u>866,034</u>	<u>(8,357)</u>
						<u>857,677</u>

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\$ 107,801 is part of the list of creditors for court-ordered reorganization, included in Class I - Labor Credits.

b) The provision for civil lawsuits consists mainly of indemnity suits related to contractual disputes. Of the total value of civil contingencies, R\$ 11,297 is part of the list of creditors for court-ordered reorganization, 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, 2022	182,245	535,509	16,019	32,613	766,386	
Provision (Reversal)	27,268	316	11,899	-	39,483	
Interest Accruals	17,195	29,277	2,128	2,213	50,813	
Deposits in court	459	(129)	-	-	330	
Write-offs	687	-	(22)	-	665	
Balance as at december 31, 2023	227,854	564,973	30,024	34,826	857,677	
Provision (Reversal)	14,858	10,481	65,356	-	90,695	
Interest Accruals	11,963	18,428	10,514	1,367	42,272	
Deposits in court	40	177	-	-	217	
Write-offs	(60,814)	(119)	(390)	-	(61,323)	
Balance as at september 30, 2024	193,901	593,940	105,504	36,193	929,538	

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	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Labor	5,184	9,834	5,184	9,834
Tax	725,721	715,272	726,429	716,090
Social security	10,704	10,637	10,704	10,637
Civil	624,717	647,022	624,717	647,022
	<u>1,366,326</u>	<u>1,382,765</u>	<u>1,367,034</u>	<u>1,383,583</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 Internal 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.

On September 30, 2024, the Company estimates an adjusted amount of R\$ 132,196 (R\$ 127,908 as at December 31, 2023), 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.

On September 30, 2024, the Company estimates an adjusted amount of R\$ 117,385 (R\$ 110,346 as at December 31, 2023), which was considered possible by the legal counsel, hence, no provision was set up.

Indemnity Lawsuit - Bafertil - Bahia Fertilizers 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. Currently, the lawsuit is ready for judgment.

On September 30, 2024, the Company estimates an adjusted amount of R\$ 257,910 (R\$ 242,664 as at December 31, 2023), which was considered possible by the legal counsel, hence, no provision was set up.

20. Other current liabilities

	Notes	Parent company		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Provision for environmental expenses	(a)	218	239	218	239
Customer credits	(b)	369	3,441	395	3,468
Advances from clients	(c)	64,457	64,226	64,573	64,341
Attorneys' fees and services	(d)	12,185	7,601	12,185	7,601
Related Parties	11.2	16,952	15,437	-	-
Various provisions	(e)	16,520	10,567	16,526	10,572
Sales commission		6,503	6,203	6,657	6,353
Cargil	(f)	26,746	-	26,746	-
Others		1,535	1,874	1,534	1,874
Current liabilities		145,485	109,588	128,834	94,448
Advances from clients		64,457	64,226	64,573	64,341
Other current liabilities		37,330	29,925	37,515	30,107
Other current liabilities		43,698	15,437	26,746	-
		145,485	109,588	128,834	94,448

- 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 the debentures of the 2nd series, as detailed in explanatory note 21.b, which were originally due on September 1, 2023. However, due to the Company's entry into Judicial Reorganization on November 30, 2022, the 2nd series debentures were subject to accelerated maturity. As a result, they were included in the list of Class III claims under the Creditors' Framework of the Judicial Reorganization and are now subject to the payment terms and conditions to be approved in the Judicial Reorganization Plan, being reclassified as other current liabilities.

21. Shareholders' equity

a) Capital

The subscribed and paid-up capital as at September 30, 2024 corresponds to R\$ 2,158,215,399.87 divided into 63,043,068 common, registered, book-entry shares and with no par value and as at December 31, 2023 was R\$ 2,069,566,247.56 divided into 43,403,849 common, registered, book-entry shares, and with no par value.

The capital increase took place on two dates when the Company's Board of Directors approved the Company's Capital Increase.

On February 22, 2024, following the conclusion of the first share conversion period, and with the correction on September 23, 2024, to amend an error regarding the total number of shares issued and homologated by the Company, an amount of R\$58,861,539.71 (fifty-eight million, eight hundred sixty-one thousand, five hundred thirty-nine reais and seventy-one cents) was subscribed through the issuance of 12,418,101 (twelve million, four hundred eighteen thousand, one hundred and one) 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.

Total	Quantity	Share Capital
Balance as at december 31, 2023	43,403,849	2,069,566,247.56
Before the 1st Conversion Window		
Subscription by Creditors	12,282,475	58,218,672.47
Subscription by Shareholders	135,626	642,867.24
Before the 2st Conversion Window		
Subscription by Creditors	6,302,717	25,525,921.74
Subscription by Shareholders	132,652	537,240.60
Balance as at september 30, 2024	62,257,319	2,154,490,949.61

The ownership structure of the Company is as follows:

	%	09/30/2024		%	12/31/2023
Neofase Investimentos Ltda	19.922	12,403,214	Caixa Econômica Federal	16.179	7,022,106
Caixa Econômica Federal	11.279	7,022,106	Mineração Buritama S.A.	8.637	3,749,000
Serenity BR B Fudos de Investimentos	6.882	4,284,300	Cargill Financial Services I	7.923	3,438,867
Mineração Buritama S.A.	6.022	3,749,000	EWZ Investments LLC - S	6.497	2,820,000
Cargill Financial Services Internat, Inc	4.890	3,044,367	Glencore International Inve	5.734	2,488,687
Silvio Tini de Araujo	4.016	2,500,000	Bonsucex Holding S.A.	5.707	2,477,074
Glencore International Investments Ltd	3.997	2,488,687	Luiz Barsi Filho	5.373	2,332,000
Luiz Barsi Filho	3.746	2,332,000	Treasury shares	0.003	1,441
Treasury shares	0.002	1,441	Market	43.947	19,074,674
Market	39.244	24,432,204	Total shares outstanding		43,403,849
Total shares outstanding		62,257,319			

According to a material fact disclosed to the market on December 23, 2023, the Board of Directors approved the increase in the Company's capital, by private subscription of shares and within the limit of the authorized capital, in accordance with Article 5, paragraph 4 of its Bylaws, and Article 168 of Law 6404/76.

The Capital Increase will be up to R\$ 1,000,000,000.00 (one billion reais) ("Maximum Amount"), making the Company's capital R\$ 3,069,566,247.56 (three billion, sixty-nine million, five hundred and sixty-six thousand, two hundred and forty-seven reais and fifty-six cents) if approved at its Maximum Amount. Partial approval of the capital increase will be permitted if the subscribed amount is equal to or greater than R\$ 1,000,000.00 (one million reais) ("Minimum Amount"), so that, at the end of the process, if there is partial approval of the Capital Increase, the Company's capital will necessarily be equal to or greater than R\$ 2,070,566,247.56 (two billion, seventy million, five hundred and sixty-six thousand, two hundred and forty-seven reais and fifty-six cents).

The Capital Increase was approved to comply with the provisions of clause 11 of the Court-Ordered Reorganization Plan, in order to enable Creditors to convert the Credits into equity interest in the Company, following, in any case, the shareholders' right of preference in subscription of new shares, in accordance with Article 171 of the Brazilian Corporation Law. The Capital Increase, in this way, will enable compliance with the Plan and will have the effect of reducing debt and reinforcing the Company's capital structure, strengthening its economic and financial situation with a view to overcoming the current moment of crisis.

b) Debentures into shares

On August 29, 2017, the Board of Directors approved the launch of the public offering of debentures, mandatorily convertible into the Company's shares. With the release of a debenture public offering with restricted placement efforts, these debentures are mandatorily convertible into shares in the Company, and are issued in two series, unsecured, without any additional guarantees, for public distribution and with restricted placement efforts under the terms of CVM Instruction 476. Banco Modal S.A. is the fiduciary agent, together with Pentágono S.A. Distribuidora de Títulos e Valores Mobiliários and Banco Bradesco S.A. is the underwriter agent. Unit value is R\$ 1.00.

The subscription amounted to R\$360,004 in convertible debentures into 207,694,550 shares. On September 22, 2017, investors converted debts into debentures. A total of 334,216,991 debentures of the 1st Series and 25,786,827 debentures of the 2nd Series were issued. The 1st Series debentures matured on September 1, 2019. The 2nd Series debentures, which were originally set to mature on September 1, 2021, had their maturity date extended on August 20, 2021, to September 1, 2023.

The 1st Series debentures were fully converted into shares upon maturity, totaling R\$249,402 in 2017, R\$5,956 in 2018, and R\$78,858 in 2019. Due to the Company entering Judicial Reorganization on November 30, 2022, the 2nd Series debentures underwent accelerated maturity. As a result, they were included in the list of Class III claims under the Creditors' Framework of the Judicial Reorganization and are now subject to the payment terms and conditions to be approved in the Judicial Reorganization Plan, being reclassified as other current liabilities.

c) 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.

d) 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 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%).

e) 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.

f) Treasury shares

As at September 30, 2024 and December 31, 2023, 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\$ 6, respectively.

g) 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.

h) Equity valuation adjustments

The reserve for equity valuation adjustments includes:

- Accumulated translation adjustments, including all foreign currency differences deriving from the translation of the financial statements of subsidiaries with foreign operations.
- The balance of the deemed cost reserve 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.

Changes in equity valuation adjustments were as follows:

	Revaluation reserve	Exchange variations on	Total
Balance as at december 31, 2022	134,658	877	135,535
Other comprehensive income	(21,555)	(116)	(21,671)
Balance as at december 31, 2023	113,103	761	113,864
Other comprehensive income	(3,441)	182	(3,259)
Balance as at september 30, 2024	109,662	943	110,605

i) 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 September 30, 2024 to R\$ 102,725 (R\$ 190,977 as at December 31, 2023). As at September 30, 2024, the Company had a negative shareholders' equity of R\$ 5,128,579 (R\$ 4,223,510 negatives as at December 31, 2023), and the shares' book value was R\$ -88.24 (R\$ -97.31 as at December 31, 2023).

j) 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:

	9M2024	9M2023
Profit (Loss) per common share		
Income (Loss) for the period	(1,329,099)	(1,174,406)
Weighted average of shares outstanding(*)	49,164,668	43,402,408
Profit (Loss) per common share	(27.03362)	(27.05854)
Profit (Loss) per diluted common share		
Income (Loss) for the period	(1,329,099)	(1,174,406)
Weighted average of shares outstanding(*)	49,164,668	43,402,408
Profit (Loss) per diluted common share	(27.03362)	(27.05854)

(*) 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.

k) 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			
	3Q2024	9M2024	3Q2023	9M2023
Gross revenue	162,581	413,695	221,783	1,140,543
Domestic market	156,311	394,601	94,766	602,138
Foreign market	6,270	19,094	127,017	538,405
Taxes and sales deductions	(29,083)	(83,849)	(28,110)	(241,407)
Excise Tax - IPI	(2,578)	(6,802)	(909)	(2,267)
Value-added tax on revenue and services - ICMS	(15,574)	(39,416)	(8,628)	(50,065)
Social Integration Program-PIS	(2,119)	(5,480)	(1,313)	(6,839)
Contribution for social security funding-COFINS	(9,759)	(25,241)	(6,047)	(31,502)
Other taxes and revenue deductions	947	(6,910)	(11,213)	(150,734)
Net revenue from sales	133,498	329,846	193,673	899,136
Net revenue DM	126,828	314,734	73,648	487,996
Net revenue FM	6,670	15,112	120,025	411,140
	133,498	329,846	193,673	899,136

b) Geographical information – gross revenue from clients abroad

	Parent company			
	3Q2024	9M2024	3Q2023	9M2023
America	5,482	15,737	7,801	18,388
Europe	86	2,655	119,216	507,909
Asia	702	702	-	12,108
	6,270	19,094	127,017	538,405

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

23. Expenses per type

		Parent company			
		3Q2024	9M2024	3Q2023	9M2023
Metal cost		(57,997)	(147,409)	(165,988)	(699,312)
Personnel and benefits		(44,931)	(119,898)	(50,264)	(151,100)
Depreciation		(21,041)	(65,977)	(24,221)	(74,944)
Amortization of asset usage rights		(1,876)	(5,285)	(2,966)	(9,400)
Electricity/water/gas/fuel and lube oil		(11,665)	(35,846)	(31,347)	(95,472)
Services rendered by third parties and others		(8,638)	(43,150)	(19,814)	(68,021)
Maintenance		(5,658)	(14,702)	(6,099)	(19,326)
Petrochemicals stock used/absorbed		(8,906)	(4,203)	(84)	814
Rent		(1,263)	(3,389)	(1,666)	(4,660)
Institutional and legal issues		(6,734)	(19,574)	(6,370)	(16,175)
Informatics/telecommunications		(1,528)	(4,475)	(1,357)	(4,185)
Other expenses		(2,261)	(6,765)	(2,145)	(7,399)
Travel expenses		(201)	(311)	(217)	(330)
Sales and marketing		(52)	(274)	(31)	(326)
Participação nos resultados		(269)	(6,382)	(4,945)	(12,917)
Administrative remuneration	(a)	(1,853)	(5,419)	(1,732)	(5,007)
		<u>(174,873)</u>	<u>(483,059)</u>	<u>(319,246)</u>	<u>(1,167,760)</u>
Cost of products sold		(155,247)	(422,105)	(297,649)	(1,100,889)
Sales expenses		(2,268)	(7,049)	(2,514)	(7,551)
General and Administrative expenses		(17,358)	(53,905)	(19,083)	(59,320)
		<u>(174,873)</u>	<u>(483,059)</u>	<u>(319,246)</u>	<u>(1,167,760)</u>

		Consolidated			
		3Q2024	9M2024	3Q2023	9M2023
Metal cost		(57,997)	(147,409)	(165,988)	(699,312)
Personnel and benefits		(44,988)	(120,066)	(50,316)	(151,251)
Depreciation		(21,041)	(65,977)	(24,221)	(74,944)
Amortization of asset usage rights		(1,876)	(5,285)	(2,966)	(9,400)
Electricity/water/gas/fuel and lube oil		(11,665)	(35,846)	(31,347)	(95,472)
Services rendered by third parties and others		(8,670)	(43,217)	(19,898)	(68,186)
Maintenance		(5,658)	(14,702)	(6,099)	(19,326)
Petrochemicals stock used/absorbed		(8,906)	(4,203)	(84)	814
Rent		(1,263)	(3,389)	(1,666)	(4,660)
Institutional and legal issues		(6,732)	(19,580)	(6,372)	(16,185)
Informatics/telecommunications		(1,528)	(4,475)	(1,357)	(4,185)
Other expenses		(2,259)	(6,763)	(2,145)	(7,399)
Travel expenses		(201)	(311)	(217)	(330)
Sales and marketing		(53)	(279)	(31)	(331)
Participação nos resultados		(269)	(6,382)	(4,945)	(12,917)
Administrative remuneration	(a)	(1,853)	(5,419)	(1,732)	(5,007)
		<u>(174,959)</u>	<u>(483,303)</u>	<u>(319,384)</u>	<u>(1,168,091)</u>
Cost of products sold		(155,247)	(422,105)	(297,649)	(1,100,889)
Sales expenses		(2,268)	(7,054)	(2,514)	(7,554)
Administrative and general expenses		(17,444)	(54,144)	(19,221)	(59,648)
		<u>(174,959)</u>	<u>(483,303)</u>	<u>(319,384)</u>	<u>(1,168,091)</u>

The Company recorded idleness in the amount of R\$ 50,842 in the 3rd quarter of 2024 and of R\$ 146,615 accrued in the first nine months of 2024 (R\$ 72,436 and R\$ 221,204, respectively, in the same periods of 2023) and is classified in the caption Cost of products sold.

Brazilian corporate law requires the presentation of the statement of operations 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.

Note	9M2024				9M2023			
	Statutory Board	Administrative Council	Supervisory Board	Total	Statutory Board	Administrative Council	Supervisory Board	Total
Remuneration of Executives from Management	1,794	2,227	358	4,379	1,691	2,018	327	4,036
Labor benefits	163	-	-	163	164	-	-	164
Social burden	359	446	72	877	338	404	65	807
Fixed remuneration	2,316	2,673	430	5,419	2,193	2,422	392	5,007
Others	-	-	-	-	-	-	-	-
Other remuneration	-	-	-	-	-	-	-	-
	2,316	2,673	430	5,419	2,193	2,422	392	5,007
Bonus (ICP)	32 2,784	-	-	2,784	1,834	-	-	1,834
Social Burdens	557	-	-	557	367	-	-	367
Variable remuneration	32 3,341	-	-	3,341	2,201	-	-	2,201
Total remuneration	5,657	2,673	430	8,760	4,394	2,422	392	7,208

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			
	3Q2024	9M2024	3Q2023	9M2023
Tax recoveries	3,268	5,417	(203)	1,346
Energy sales revenue	40	191	449	983
Sundry recoveries	-	18	10	814
Sundry sales	43	121	272	1,183
	346	838	-	-
Leasing of property and equipment	41	124	52	149
Profits and dividends	-	83	-	-
Sales of scrap	-	250	(46)	161
Other income	191	888	613	1,306
Total of other income	3,929	7,930	1,147	5,942
Provision for judicial claims	19 (69,353)	(90,695)	(6,533)	(17,442)
Severance pay	(499)	(1,162)	(941)	(3,660)
PIS and COFINS on other income	(58)	(209)	(181)	(963)
Energy sales revenue	(777)	(2,499)	(1,192)	(5,521)
Provision for judicial claims	(2,611)	(5,160)	(505)	(1,571)
Write-off of property, plant and equipment	-	(2,062)	-	(4)
Fines from infraction notices	(2,910)	(9,876)	(8,824)	(11,116)
Fines from debt arrears	(3,400)	(61,652)	(1,628)	(11,239)
Fines Drawback suspension	18.c -	-	13,763	(162,122)
Import Tax Drawback Suspension	18.c -	-	13,456	(105,291)
Sundry sales costs	-	-	(24)	(142)
Provision for losses Property, plant and equipment	12 18	2,206	-	-
Other estimated losses	-	-	(9,047)	(27,423)
Other estimated losses	-	(46)	-	-
Exclusion of ICMS from the PIS/COFINS assessment base	08.a 1,637	(3,773)	(7,040)	(20,711)
Exclusion of ICMS	08.b -	-	(3,822)	(3,822)
	09.1.b -	(1,352)	-	-
Other expenses	(357)	(2,075)	(18)	(363)
Total other expenses	(78,310)	(178,355)	(12,536)	(371,390)
Total other income (expenses), net	(74,381)	(170,425)	(11,389)	(365,448)

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Consolidated				
	Notes	3Q2024	9M2024	3Q2023 9M2023
Tax recoveries		3,268	5,417	(203) 1,346
Energy sales revenue		40	191	449 983
Sundry recoveries		-	18	10 814
Sundry sales		43	121	272 1,183
		346	838	- -
Leasing of property and equipment		41	124	52 149
Profits and dividends		-	83	- -
Sales of scrap		-	250	(46) 161
Other income		191	889	613 1,309
Total of other income		3,929	7,931	1,147 5,945
Provision for judicial claims	19	(69,353)	(90,695)	(6,533) (17,442)
Severance pay		(499)	(1,162)	(941) (3,660)
PIS and COFINS on other income		(57)	(209)	(181) (963)
Energy sales revenue		(777)	(2,499)	(1,192) (5,521)
Provision for judicial claims		(2,611)	(5,160)	(505) (1,571)
Write-off of property, plant and equipment		-	(2,062)	- (4)
Fines from infraction notices		(2,927)	(9,901)	(8,868) (11,162)
Fines from debt arrears		(3,400)	(61,652)	(1,628) (11,239)
Fines Drawback suspension	18.c	-	-	13,763 (162,122)
Import Tax Drawback Suspension	18.c	-	-	13,456 (105,291)
Sundry sales costs		-	-	(24) (142)
Provision for losses Property, plant and equipment	12	18	2,206	- -
Other estimated losses		-	-	(9,047) (27,423)
Other estimated losses		-	(46)	- -
Exclusion of ICMS from the PIS/COFINS assessment base	08.a	1,637	(3,773)	(7,040) (20,711)
Exclusion of ICMS	08.b	-	-	(3,822) (3,822)
	09.1.b	-	(1,352)	- -
Other expenses		(358)	(2,115)	(99) (444)
Total other expenses		(78,327)	(178,420)	(12,661) (371,517)
Total other income (expenses), net		(74,398)	(170,489)	(11,514) (365,572)

25. Financial revenues (expenses)

Parent company				
	Note	3Q2024	9M2024	3Q2023 9M2023
Liability foreign exchange fluctuations	a)	58,855	(302,838)	(5,716) (68,575)
Derivative financial instruments		-	-	(3,028) (8,134)
Interest expenses		(257,761)	(692,363)	(150,229) (590,864)
Adjustment to present value		(174)	(505)	(131) (758)
Bank expenses/IOF		(643)	(3,896)	(819) (3,388)
Liability monetary variation	b)	(24,067)	(55,028)	(13,457) (38,320)
Other financial expenses		(3,371)	(11,789)	(2,109) (15,364)
Total financial expenses		(227,161)	(1,066,419)	(175,489) (725,403)
Asset foreign exchange fluctuations	a)	1,498	19,988	(86,402) 162,540
Interest income		1,579	17,555	10,212 31,992
Monetary variation – assets	b)	3,805	8,321	(102) 2,728
Other financial income		110	252	53 83
Total financial income		6,992	46,116	(76,239) 197,343
Total financial result		(220,169)	(1,020,303)	(251,728) (528,060)

					Consolidated	
	Note	3Q2024	9M2024		3Q2023	9M2023
Liability foreign exchange fluctuations	a)	58,855	(302,838)		(5,716)	(68,575)
Derivative financial instruments		-	-		(3,028)	(8,134)
Interest expenses		(257,764)	(692,369)		(150,242)	(590,883)
Adjustment to present value		(174)	(505)		(131)	(758)
Bank expenses/IOF		(646)	(3,903)		(816)	(3,397)
Liability monetary variation	b)	(24,067)	(55,028)		(13,457)	(38,321)
Other financial expenses		(3,391)	(11,845)		(2,135)	(15,434)
Total financial expenses		(227,187)	(1,066,488)		(175,525)	(725,502)
Asset foreign exchange fluctuations	a)	1,498	19,988		(86,402)	162,540
Interest income		2,028	18,805		10,710	33,390
Monetary variation – assets	b)	3,805	8,321		(102)	2,728
Other financial income		110	252		57	89
Total financial income		7,441	47,366		(75,737)	198,747
Total financial result		(219,746)	(1,019,122)		(251,262)	(526,755)

- 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.
- b) Refers to the monetary updating of suppliers contracted in the domestic market, indexed by changes in the US Dollar rate.

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:

	Note	09/30/2024			12/31/2023		
		Parent company	Parent company	Consolidated	Parent company	Parent company	Consolidated
Rate		34%	34%		34%	34%	
Credits on tax losses		6,383,362	31,628	6,414,990	5,416,766	31,840	5,448,606
Income tax on fiscal loss		2,170,343	10,754	2,181,097	1,841,700	10,826	1,852,526
Provision for write-off of credits on tax losses		(2,170,343)	(10,754)	(2,181,097)	(1,841,700)	(10,273)	(1,851,973)
Income tax on fiscal loss	a)	-	-	-	-	553	553
Net exchange variations		152,754	-	152,754	(88,734)	-	(88,734)
Estimated losses (reversals) on allowance for doubtful assets		52,601	1,007	53,608	55,863	1,111	56,974
Provision for lawsuits		1,392,006	(50,506)	1,341,500	1,262,541	(50,506)	1,212,035
Estimated loss (reversal) on recoverable inventory sums		4,148	-	4,148	5,391	-	5,391
Estimated loss Taxes to Recover		437,641	43,816	481,457	436,318	43,816	480,134
Estimated sundry losses (reversals)		544	-	544	544	-	544
Provision (Reversals) for financial instruments and others		46,154	160	46,314	35,902	156	36,058
Management profit sharing and others		-	-	-	-	-	-
Provision for adjustment to present value		(1,597)	-	(1,597)	(1,811)	-	(1,811)
Total temporary differences		2,084,251	(5,523)	2,078,728	1,706,014	(5,423)	1,700,591
Income tax on temporary differences		708,645	(1,878)	706,767	580,045	(1,844)	578,201
Credits on tax losses	b)	(708,645)	563	(708,082)	(580,045)	553	(580,045)
Income tax on temporary differences	b)	-	(1,315)	(1,315)	-	(1,291)	(1,844)
Deferred income tax and social contribution		-	(1,315)	(1,315)	-	(1,291)	(1,291)
Tax on revaluation reserve	c)	(56,492)	-	(56,492)	(58,265)	-	(58,265)
		(56,492)	(1,315)	(57,807)	(58,265)	(1,291)	(59,556)
Non-current liabilities		56,492	1,315	57,807	58,265	1,291	59,556

- a) The Company has, in consolidated, tax losses generated in Brazil, in the amount of R\$ 6,414,990 (R\$ 5,448,606 as at December 31, 2023), which generates an amount of R\$ 2,181,097 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 September 30, 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\$ 708,082 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	
	9M2024	9M2023	9M2024	9M2023
Net Income(Loss) before income and social contribution taxes	(1,343,233)	(1,161,443)	(1,343,068)	(1,161,282)
Nominal combined statutory rates	34%	34%	34%	34%
Income tax	(456,699)	(394,891)	(456,643)	(394,836)
Permanent additions	(3,349)	(9,467)	(3,382)	(9,535)
Realization of revaluation reserve (depreciation/write-off)	2,479	2,984	2,479	2,984
Provisions for doubtful credit	(1,109)	1,286	(1,144)	1,286
Provisions for litigation	44,018	178,033	44,018	178,033
Estimated Losses Recoverable Taxes	450	8,341	450	8,341
Other deductible provision	3,136	1,540	3,137	1,540
Net exchange variation (cash basis)	82,106	(36,063)	82,106	(36,063)
Tax Loss Carryforward of previous years	-	-	69	77
Deferred income tax and social contribution on tax losses				
Tax loss and negative basis of social contribution	12,361	-	12,361	-
Deferred income tax on revaluation reserve	1,773	1,949	1,773	1,949
Provision for credit write-offs with temporary differences	328,968	233,325	328,745	233,100
Other				
Current Income tax credits	14,134	(12,963)	13,969	(13,124)
Income tax for the current year	-	-	(100)	(114)
Social contribution for the current year	-	-	(43)	(47)
Current taxes	-	-	(143)	(161)
Deferred income tax and social contribution	12,361	(14,912)	12,339	(14,912)
Deferred income tax on revaluation reserve	1,773	1,949	1,773	1,949
Deferred taxes	14,134	(12,963)	14,112	(12,963)
Credit from income and social contribution taxes	14,134	(12,963)	13,969	(13,124)
Total effective rate	-1.05%	1.12%	-1.04%	1.13%
Current effective rate	0.00%	0.00%	0.01%	0.01%

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 Embedded derivatives

Purchase contracts with price adjustment clauses for raw materials such as copper, which are based on market prices at a date subsequent to the shipment or delivery date, are considered as embedded derivatives, and require segregation and separate accounting. According to CPC 48, the cash flow adjustment of payments indexed to raw materials prices (such as copper, for example) embedded in financial liabilities are not closely related to the principal instrument because the risks inherent in the principal contract and the embedded derivative are not similar. An embedded derivative that is separated from its host contract and is accounted for separately at fair value through profit or loss, like any other derivative instrument, can be designated as a hedge instrument and subject to hedge accounting, such as a fair value hedge of copper inventory.

Purchase contracts for copper concentrate for copper products normally include a provisional price as at the shipment date, with a final price based on the monthly average copper price according to the LME for a certain future period. This period normally varies from 30 to 120 days after the shipment or billing date. This purchase of concentrate at a provisional price contains an embedded derivative that must be separate from the main contract and calculated as a separate derivative in the statement of income (loss).

28.4 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 september 30,2024				Consolidated		
				Book value	Fair value	
	Notes	At fair value through profit or loss	Amortized cost method	Total	Level 2	Total
Financial assets						
Cash and cash equivalents	05	-	3,693	3,693	-	-
Interest-earning bank deposits	05	-	33,077	33,077	-	-
Linked bank account unless	05	-	-	-	-	-
Trade accounts receivable	06	-	5,759	5,759	-	-
Derivative financial instruments	28	172	-	172	172	172
Total assets		172	42,529	42,701	172	172
Financial liabilities						
Suppliers	13	-	747,800	747,800	-	-
Securitization of accounts payable	14	-	10,366	10,366	-	-
Advances from clients	20	-	64,573	64,573	-	-
Customer credit	20	-	395	395	-	-
Loans and financing	16	-	4,615,425	4,615,425	-	-
Derivative financial instruments	28	-	-	-	-	-
Total liabilities		-	5,438,559	5,438,559	-	-

Balance as at december 31,2023					Consolidated	
			Book value		Fair value	
	Notes	At fair value through profit or loss	Amortized cost method	Total	Level 2	Total
Financial assets						
Cash and cash equivalents	05	-	85	85	-	-
Interest-earning bank deposits	05	-	24,367	24,367	-	-
Linked bank account unless	05	-	11	11	-	-
Trade accounts receivable	06	-	1,746	1,746	-	-
Derivative financial instruments	28	1,340	-	1,340	1,340	1,340
Total assets		1,340	26,209	27,549	1,340	1,340
Financial liabilities						
Suppliers	13	-	699,169	699,169	-	-
Securitization of accounts payable	14	-	10,535	10,535	-	-
Advances from clients	20	-	64,341	64,341	-	-
Customer credit	20	-	3,468	3,468	-	-
Loans and financing	16	-	3,711,464	3,711,464	-	-
Derivative financial instruments	28	-	-	-	-	-
Total liabilities		-	4,501,554	4,501,554	-	-

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.

Summary of consolidated derivative financial instruments

						Consolidated		
Instrument	Position	Index	Reference Value		Fair value			
			09/30/2024	12/31/2023	09/30/2024	12/31/2023		
<u>Not designated for hedge accounting</u>								
Risk of commodity prices								
Embedded derivative	Purchased	Copper/Gold/Silver	-	tonnes	-	tonnes	172	1,340
Total other derivatives							172	1,340
Total							172	1,340
Current Assets							172	1,340

28.5 Market risks

28.5.1 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	
		09/30/2024	12/31/2023
Cash and cash equivalents	US\$	157	159
Accounts receivable	US\$	819	2,795
Suppliers	US\$	(54,257)	(51,003)
Loans and financing	US\$	(453,088)	(480,617)
Derivative financial instruments	US\$	32	277
Advances from clients	US\$	(1,559)	(3,610)
Total net exposure	US\$	(507,896)	(531,999)

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.

28.5.2 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.

Exposure to interest rates is shown in the table below:

		Parent company/Consolidated	
		09/30/2024	12/31/2023
Investments	CDI	36,162	24,367
Loans and financing	Sofr 6M	(2,419,514)	(2,273,005)
Loans and financing	TR	(49,263)	(48,608)
Loans and financing	CDI	(593,911)	(505,845)
Total net exposure		(3,026,526)	(2,803,091)

28.5.3 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.

28.5.4 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 September 30, 2024. 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	157	US\$	5.4481	855	(213)	(427)	214	428
Accounts receivable	819	US\$	5.4481	4,462	(1,116)	(2,231)	1,115	2,231
Suppliers	(54,257)	US\$	5.4481	(295,598)	73,900	147,799	(73,899)	(147,798)
Loans and financing	(453,088)	US\$	5.4481	(2,468,469)	617,117	1,234,235	(617,117)	(1,234,234)
Derivative financial instruments	32	US\$	5.4481	174	(43)	(87)	44	88
Advances from clients	(1,559)	US\$	5.4481	(8,494)	2,124	4,247	(2,123)	(4,246)
Total	(507,896)			(2,767,070)	691,769	1,383,536	(691,765)	(1,383,532)
Interest rate risk								
Investments	36,162	CDI	10.65%	3,851	(963)	(1,926)	963	1,926
Loans and financing	(2,419,514)	Sofr 6M	5.39%	(130,412)	32,603	65,206	(32,603)	(65,206)
Loans and financing	(593,911)	CDI	10.65%	(63,252)	15,813	31,626	(15,813)	(31,626)
Total	(3,013,425)			(193,663)	48,416	96,832	(48,416)	(96,832)

28.6 Hedge accounting

Paranapanema adopted the following hedge accounting program:

Inventory Fair Value Hedge

The purpose of the inventory fair value hedge is to hedge the Company's highest cost item, which is the metal portion (copper, zinc, lead, tin, gold and silver) of inventory, maintaining them at market prices (the price of the metal in Reais) up to the effective sale date. The costs of transformation of metals (labor and inputs) are not material compared to the total inventory cost, and are denominated in Reais, and therefore are not subject to metal price hedges or exchange hedges.

Instruments hedging the metals' price include embedded derivatives of copper concentrate supply contracts, which were separated from the contracts.

The marking-to-market adjustments to derivatives contracts are recognized within inventory, as well as the hedged item, which is the metals portion of inventory. The derivative financial instruments account within assets is debited against the operating profit or loss when adjustments are positive, and credited within liabilities against the operational loss when adjustments are negative.

28.7 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.

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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	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Assets					
Cash and cash equivalents	05	3,690	80	3,693	85
Interest-earning bank deposits	05	33,077	24,367	33,077	24,367
Linked bank account	05	-	11	-	11
Trade accounts receivable	06	5,991	1,746	5,759	1,746
Other assets	09	61,897	59,864	62,181	60,347
Derivative financial instruments	28	172	1,340	172	1,340
		104,827	87,408	104,882	87,896

28.8 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. The Company's investments have immediate liquidity, at amounts sufficient to cover the possible liability to settle with restructured suppliers, loans or financing.
- Liquidity risk represents a shortage of funds intended to pay debts and interest (see Note 1).

The amounts presented include the estimated principal amounts and interest calculated at the interest rates of current contracts.

						Consolidated
	Notes	Amount	Up to 1 year	1 – 2 years	2 – 4 years	Over 4 years
Liabilities						
Loans and financing	16	(4,615,425)	(4,228,594)	(293,453)	(209,603)	(15,712)
Advances from clients	20	(64,573)	(64,573)	-	-	-
Leasing	15	8,881	8,881			
Customer credit	20	(395)	(395)	-	-	-
Suppliers	13	(747,800)	(491,853)	(255,947)	-	-
Forfait and credit card operations	14	(10,366)	(45)	(633)	(2,648)	(2,323)
		(5,429,678)	(4,776,579)	(550,033)	(212,251)	(18,035)

28.9 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.

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	Notes	Parent company		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Loans and financing	16	4,615,425	3,711,463	4,615,425	3,711,464
Forfeiting and letter of credit operations	14	10,366	10,535	10,366	10,535
Derivatives financial instruments payable	28	(172)	(1,340)	(172)	(1,340)
(-) Cash and cash equivalents	05	(3,690)	(80)	(3,693)	(85)
(-) Interest-earning bank deposits	05	(33,077)	(24,367)	(33,077)	(24,367)
(-) Linked bank account	05	-	(11)	-	(11)
(=) Net debt on embedded derivative		4,588,852	3,696,200	4,588,849	3,696,196
Equity	21	(5,493,289)	(4,223,510)	(5,493,289)	(4,223,510)
Equity valuation adjustments	21.h	110,605	113,864	110,605	113,864
Total equity		(5,603,894)	(4,337,374)	(5,603,894)	(4,337,374)
Leverage ratio		-452.08%	-576.47%	-452.08%	-576.47%

29. Assumed commitments

The Company had 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, maturing in December 2023. 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	
	09/30/2024	12/31/2023
Up to one year	11,621	11,201
From two to four years	25,015	24,111
Over four years	34,905	44,630
	71,541	79,942

30. Private pension

The private pension plans offered by the Company and its subsidiaries include a pension plan deductible for income tax purposes (PGBL) and a private pension plan non-deductible for income tax purposes (VGBL) respectively, both of which are administered by BrasilPrev based on joint contributions made by the Company, its subsidiaries and the employees.

PGBL/VGBL: After meeting the cumulative requirement to make contributions for 120 months, and after reaching 60 years of age, the beneficiaries will be entitled to redeem 100% of the savings accumulated from them, the Company and its subsidiaries, provided that they are not employed by the Company at the redemption date. In the case of termination by the Company before becoming eligible, the beneficiary shall be entitled to withdraw up to 80% of the amount deposited by the Company, respecting a policy which provides for a rate of 1% per month of contributions.

Therefore, plans exclude the risk benefits, and thus do not generate actuarial liabilities. If the participant opts for a life income benefit, BrasilPrev is responsible for maintaining reserves under the contract.

The value of the contributions made to the plans by the Company and subsidiaries in the period was R\$ 191 (R\$ 398 in the same period of 2023).

As of March 2024, contributions are suspended due to the termination of the plan's current contract with the operator BrasilPrev. The Company is searching for and competing in the market for new operators.

31. Variable remuneration plan

31.1 - 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.

32. Additional information regarding cash flow

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

	9M2024	9M2023
Adjustments to reconcile net income(loss)		
Operational activities	213,300	527,348
Withdrawal Inventory Depreciation	(6,981)	(8,735)
Provision (reversal) estimated loss of recoverable value	(3,366)	3,783
Estimated loss provision - Stock	(13)	165
Estimated loss provision - Taxes recoverable	3,773	20,711
Provision for legal claims losses	90,695	17,440
Adjustment to present value - customers and suppliers	503	(476)
Financial charges - Clients	(1,542)	414
Financial charges - Inventory	(4)	(11)
Financial charges - Other Assets	(207)	23
Financial charges - Financial Instruments	(45)	1,981
Financial charges - Other Taxes and Contributions Payable	57,821	-
Financial charges - Suppliers	24,526	(9,691)
Financial charges - Income Tax Payable	-	468,581
Financial charges - Advances from customers	4,727	(4,100)
Financial charges - Contingency	42,272	37,329
Financial charges -Other accounts payable	960	-
Financial charges -Investment in Net Equity	181	(66)
Investing activities	72,735	83,775
Residual value of written-off fixed assets	2,062	4
Depreciation and amortization	65,977	74,944
Withdrawal Inventory Depreciation	6,981	8,735
Financial charges	(91)	52
Provision for impairment losses	(2,194)	40
Financing activities	926,904	294,507
Amortization of right-to-use assets	5,285	9,400
Financial charges	921,619	285,107

33. Subsequent Events

Judicial Reorganization Plan - Second Amendment

As disclosed in a material fact on October 18, 2024, a proposal for a second amendment to the Company's current Judicial Reorganization Plan was filed with the 1st Regional Court of Business Competence and Arbitration-Related Disputes of the 1st RAJ in São Paulo, State of São Paulo, under case number 1001409-24.2022.8.26.0260. The Company notes that the proposed amendment to the Judicial Reorganization Plan will be subject to further approval by the Creditors' General Meeting, in accordance with applicable legislation.

Changes to the Executive Board

As disclosed in a material fact on November 1, 2024, the Board of Directors, in an extraordinary meeting, received and accepted the resignation of Mr. Marcelo José Milliet from the positions of Chief Executive Officer and Investor Relations Officer of the Company. Subsequently, the Board of Directors appointed Mr. João Pinheiro Nogueira Batista to assume the roles of Chief Executive Officer and Investor Relations Officer of the Company.

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

To the board of Directors and counselors of

Paranapanema S.A. – Under court-ordered reorganization

Dias D'Ávila - BA

Introduction

We were engaged to review the parent Company's and consolidated interim financial information of Paranapanema S.A. - Under court-ordered reorganization ("Company"), contained in the Quarterly Information Form – ITR for the quarter ended September 30, 2024, which comprises the statement of financial position as of September 30, 2024 and the respective statements of profit or loss and other comprehensive income for the three- and nine-month periods ended on that date and the changes in equity and cash flows for the nine-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, approved by the judicial recovery judge on November 16, 2023 and amended on September 30, 2024. During the period of nine months ending on September 30, 2024, the Company and its subsidiaries incurred consolidated losses of BRL 1.329.099 thousand and, on that date, consolidated current liabilities exceeded consolidated current assets by BRL 4.551.221 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 matters - Statements of value added

The aforementioned quarterly information includes the parent company and consolidated statements of value added (DVA), referring to the nine-month period ended September 30, 2024, 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, November 7, 2024

KPMG Auditores Independentes Ltda.

CRC 2SP-014428/O-6

Original report in Portuguese signed by

Hildebrando Oliveira de Abreu Filho

Contador CRC 1BA029520/O-7

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

PARANAPANEMA S.A.

EIN 60.398.369/0004-79 – NIRE 29.300.030.155

PUBLICLY 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 September 30, 2024.

Dias D'Ávila, August 09, 2024.

President and Director of Investor Relations
João Pinheiro Nogueira Batista

Chief Financial Officer
Marcelo Vaz Bonini

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

PARANAPANEMA S.A.

EIN 60.398.369/0004-79 – NIRE 29.300.030.155
PUBLICLY 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 August 8, 2023 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 September 30, 2024.

Dias D'Ávila, August 9, 2023.

President and Director of Investor Relations
João Pinheiro Nogueira Batista

Chief Financial Officer
Marcelo Vaz Bonini