



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))**

June 30, 2026

Company information

Capital composition	1
---------------------	---

Parent company financial statements

Statement of financial position– Assets	2
Statement of financial position – Liabilities	3
Statement of profit or loss	4
Statement of comprehensive income	5
Statement of cash flows	6

Statement of changes in equity

Statement of changes in equity - 01/01/2026–06/30/2026	7
Statement of changes in equity - 01/01/2025–06/30/2025	8
Statement of value added	9

Consolidated financial statements

Statement of financial position – Assets	10
Statement of financial position – Liabilities	11
Statement of profit or loss	12
Statement of comprehensive income	13
Statement of cash flows	14

Statement of changes in equity

Statement of changes in equity - 01/01/2026–06/30/2026	15
Statement of changes in equity - 01/01/2025–06/30/2025	16
Statement of value added	17

Management report	18
-------------------	----

Notes to the financial statements	25
-----------------------------------	----

Opinions and statements

Independent Auditors' Report on Review of Quarterly Information	96
Directors' Statement on Quarterly Financial Reports	99
Statement of the Executive Officers on Auditors' Report on Review of Quarterly Information	100

Company information/Capital composition

Number of shares (Units)	Current quarter 06/30/2026
Paid-in capital	
Common	297,198,233
Preferred	0
Total	297,198,233
Treasury shares	
Common	1,441
Preferred	0
Total	1,441

Assessment date	06/30/2026
Consolidated Gross Revenue	389,751,303.62
Assessment date (comparative)	06/30/2025
Consolidated Gross Revenue (comparative)	174,670,343.31

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

Code of account	Account description	Current quarter 06/30/2026	Prior year 12/31/2025
1	Total assets	1,307,240	1,242,168
1.01	Total current assets	279,209	214,030
1.01.01	Cash and cash equivalents	1,266	362
1.01.02	Restricted cash	41,782	39,287
1.01.03	Accounts receivable	58,196	26,832
1.01.04	Inventory	117,570	89,905
1.01.06	Taxes recoverable	13,643	11,165
1.01.07	Prepaid expenses	21,273	16,748
1.01.08	Other current assets	25,479	29,731
1.01.08.03	Others	25,479	29,731
1.01.08.03.02	Other current assets	25,479	29,731
1.02.01	Long term assets	391,760	359,436
1.02.01.04	Accounts receivable	2,850	1,171
1.02.01.07	Taxes	34,721	34,652
1.02.01.07.02	Taxes recoverable	34,721	34,652
1.02.01.08	Prepaid expenses	35,847	38,407
1.02.01.10	Other non-current assets	318,342	285,206
1.02.01.10.04	Legal deposits	208,504	206,556
1.02.01.10.05	Other non-current assets	109,838	78,650
1.02.02	Investments	43,877	46,240
1.02.02.01	Equity interest	21,237	20,777
1.02.02.01.02	Investments	21,237	20,777
1.02.02.02	Investment Property	22,640	25,463
1.02.02.02.01	Other investments	22,640	25,463
1.02.03	Property, plant and equipment	589,542	619,773
1.02.03.01	Fixed assets in operation	504,399	486,950
1.02.03.02	Prepaid expenses	7,338	4,331
1.02.03.03	Property, plant and equipment in progress	77,805	128,492
1.02.04	Intangible assets	2,852	2,689

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

Code of account	Account description	Current quarter 06/30/2026	Prior year 12/31/2025
2	Total liabilities	1,307,240	1,242,168
2.01	Total current liabilities	7,884,863	7,403,105
2.01.01	Payroll and related charges	290,128	242,810
2.01.02	Suppliers	625,772	651,356
2.01.02.01	Domestic suppliers	312,256	335,757
2.01.02.02	Foreign suppliers	313,516	315,599
2.01.03	Taxes payable	782,943	718,905
2.01.03.01	Federal tax liabilities	704,408	632,744
2.01.03.01.01	Income tax and social contribution	530	0
2.01.03.01.02	Excise tax	16,999	9,231
2.01.03.01.03	Withholding income tax-IRRF	1,143	2,128
2.01.03.01.04	PIS and COFINS	13,641	6,226
2.01.03.01.05	Withholding social contribution tax	47,331	33,692
2.01.03.01.07	Others	299	2,453
2.01.03.01.08	Withholding tax - installments	1,887	6,933
2.01.03.01.09	Provision Drawback Tax- suspension	622,578	572,081
2.01.03.02	State tax liabilities	28,815	43,284
2.01.03.02.01	Value-Added Tax on Sales and Services	28,815	43,284
2.01.03.03	Municipal tax liabilities	49,720	42,877
2.01.03.03.01	Service tax	49,720	42,877
2.01.04	Loans and financing	6,078,198	5,672,497
2.01.05	Other liabilities	107,822	117,537
2.01.05.02	Others	107,822	117,537
2.01.05.02.05	Advances from clients	67,301	74,733
2.01.05.02.06	Other current liabilities	27,313	31,170
2.01.05.02.07	Forfeiting and letter of credit operations	10,116	9,021
2.01.05.02.08	Leasing	3,092	2,613
2.02	Total non-current liabilities	1,233,621	1,383,149
2.02.01	Loans and financing	31,605	44,203
2.02.02	Other liabilities	218,387	267,765
2.02.02.02	Other non - current liabilities	218,387	267,765
2.02.02.02.02	Other non - current liabilities	28,408	34,883
2.02.02.02.03	Taxes payable	12,018	14,281
2.02.02.02.05	Value-added tax on sales and services-ICMS	42,074	21,493
2.02.02.02.06	Suppliers	124,005	181,142
2.02.02.02.07	Payroll and related charges	9,239	10,182
2.02.02.02.09	Forfeiting and letter of credit operations	2,643	5,784
2.02.03	Deferred Taxes	53,369	54,119
2.02.03.01	Deferred income tax and social contribution	53,369	54,119
2.02.04	Provisions	930,260	1,017,062
2.02.04.01	Legal deposits	926,015	1,015,344
2.02.04.01.01	Tax Provision	625,105	608,961
2.02.04.01.02	Social security and labor provisions	176,967	158,580
2.02.04.01.03	Labor	87,464	99,357
2.02.04.01.04	Civil provisions	21,620	134,095
2.02.04.01.06	Civil	14,859	14,351
2.02.04.02	Others provisions	4,245	1,718
2.02.04.02.05	Leasing	4,245	1,718
2.03	Equity	-7,811,244	-7,544,086
2.03.01	Paid-in capital	2,346,480	2,240,263
2.03.01.01	Paid-in capital	2,353,505	2,245,638
2.03.01.03	Capitalization costs	-7,025	-5,375
2.03.02	Capital Reserve	-741	-741
2.03.02.05	Treasury shares	-741	-741
2.03.05	Retained earnings	-10,260,580	-9,888,662
2.03.06	Equity valuation adjustments	103,597	105,054

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

Code of account	Account description	2nd Quarter 2026	1st Half Year of 2026	2nd Quarter 2025	1st Half Year of 2025
3.01	Net sales	169,195	311,558	142,677	276,801
3.02	Cost of goods sold	-171,797	-321,032	-177,677	-350,572
3.03	Gross Loss	-2,602	-9,474	-35,000	-73,771
3.04	Operating expenses	50,060	3,910	-69,917	-99,239
3.04.01	Sales expenses	-2,119	-4,089	-2,284	-4,565
3.04.02	General and administrative expenses	-23,719	-47,467	-22,626	-41,780
3.04.02.01	General and administrative	-23,719	-47,467	-22,626	-41,780
3.04.04	Other income	112,427	112,639	4,068	4,807
3.04.05	Other expenses	-36,766	-57,633	-49,220	-58,009
3.04.06	Equity income (loss)	237	460	145	308
3.05	(Loss) operating profit before financial results	47,458	-5,564	-104,917	-173,010
3.06	Financial income (loss)	-332,968	-368,560	-153,035	-217,361
3.06.01	Financial income	39,987	316,967	145,828	371,167
3.06.02	Financial expenses	-372,955	-685,527	-298,863	-588,528
3.07	Net Income(Loss) before income and social contribution taxes	-285,510	-374,124	-257,952	-390,371
3.08	Income and social contribution tax	370	749	465	967
3.08.02	Deferred income and social contribution taxes	370	749	465	967
3.09	Net income (loss) from continuing operations	-285,140	-373,375	-257,487	-389,404
3.11	Net income for the period	-285,140	-373,375	-257,487	-389,404
3.99	Earning per share - (Reais / Share)	-	-	-	-
3.99.01	Basic earnings per share	-	-	-	-
3.99.01.01	ON	-1.41511	-1.85301	-3.65778	-5.53176
3.99.02	Diluted earnings per share	-	-	-	-
3.99.02.01	ON	-1.41511	-1.85301	-3.65778	-5.53176

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

Code of account	Account description	2nd Quarter 2026	1st Half Year of 2026	2nd Quarter 2025	1st Half Year of 2025
4.01	Net income for the period	-285,140	-373,375	-257,487	-389,404
4.03	Comprehensive income(loss) for the period	-285,140	-373,375	-257,487	-389,404

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

Code of account	Account description	1st Half Year of 2026	1st Half Year of 2025
6.01	Net cash used in (provided by) operating activities	-38,321	39,443
6.01.01	Cash generated from operations	-69,361	-138,430
6.01.01.01	Income (loss) before income and social contribution taxes	-374,124	-390,371
6.01.01.02	Residual value of written-off fixed assets	158	0
6.01.01.03	Depreciation and amortization	41,596	44,043
6.01.01.04	Equity in results of investees	-460	-308
6.01.01.05	Provision for losses on lawsuits	-76,670	21,120
6.01.01.06	Amortization of right-to-use assets	2,312	3,575
6.01.01.07	Provision for other	3,614	29,440
6.01.01.08	Financial charges	426,222	147,064
6.01.01.09	Present value adjustment	-87,298	326
6.01.01.12	Provision (reversal) for recoverable value of estimated losses	-7,080	138
6.01.01.14	Provision	2,369	6,543
6.01.02	Changes in assets and liabilities	31,040	177,873
6.01.02.02	Accounts receivable	-29,211	-6,380
6.01.02.04	Inventory	-31,275	29,064
6.01.02.05	Taxes recoverable	-2,547	18,317
6.01.02.06	Prepaid expenses	-1,965	-28,342
6.01.02.07	Legal deposits	-1,948	-7,394
6.01.02.08	Derivative financial instruments	0	177
6.01.02.09	Assets held for sale	0	544
6.01.02.10	Other current and non-current liabilities	-28,697	4,779
6.01.02.11	Suppliers	56,752	86,516
6.01.02.12	Forfeiting and letter of credit operations	-2,046	4,327
6.01.02.14	Taxes payable	31,853	49,149
6.01.02.15	Legal deposits	-14,244	-1,393
6.01.02.16	Payroll and related charges	69,175	3,275
6.01.02.18	Advances from clients	-4,476	3,988
6.01.02.20	Other current and non-current liabilities	-10,331	21,246
6.02	Net cash used in investment activities	-6,130	-7,904
6.02.04	Other investments	2,823	238
6.02.07	Fixed assets and intangible additions	-8,953	-8,142
6.03	Net cash generated by (used in) financing activities	45,355	-37,634
6.03.01	Loans and financing	548,208	221,373
6.03.02	Amortization of loans and financing	-464,545	-224,130
6.03.04	Interest payments on loans	-33,566	-32,280
6.03.06	Net cost of funding	235	3,171
6.03.05	Leasing	-2,483	-3,900
6.03.07	Release linked bank account	-2,494	-1,868
6.05	Increase (decrease) in cash and cash equivalents	904	-6,095
6.05.01	Cash and cash equivalents at the beginning for the period	362	6,384
6.05.02	Cash and cash equivalents at the end for the period	1,266	289

Parent Company financial statements / Statement of changes in equity – 01/01/2026 - 06/30/2026
(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	2,245,638	-6,116	0	-9,888,662	105,054	-7,544,086
5.03	Adjusted opening balances	2,245,638	-6,116	0	-9,888,662	105,054	-7,544,086
5.04	Capital transactions with partners	107,867	-1,650	0	0	0	106,217
5.04.01	Capital increase	107,867	0	0	0	0	106,217
5.04.08	Convertible debentures	0	0	0	0	0	0
5.04.09	Capitalization costs	0	-1,650	0	0	0	-1,650
5.05	Total comprehensive income	0	0	0	-373,375	0	-373,375
5.05.01	Net income(loss) for the period	0	0	0	-373,375	0	-373,375
5.05.02	Other comprehensive income	0	0	0	0	0	0
5.05.02.01	Financial instruments - adjustments	0	0	0	0	0	0
5.05.02.06	Earnings and losses from foreign exchange variations-foreign investment	0	0	0	0	0	0
5.06	Internal changes in equity	0	0	0	1,457	-1,457	0
5.06.02	Realization of revaluation reserve	0	0	0	2,207	-2,207	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-750	750	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	2,353,505	-7,766	0	-10,260,580	103,597	-7,811,244

Parent Company financial statements / Statement of changes in equity – 01/01/2025 - 06/30/2025
(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Equity
5.01	Opening balances	2,172,388	-6,116	0	-8,560,807	108,689	-6,285,846
5.03	Adjusted opening balances	2,172,388	-6,116	0	-8,560,807	108,689	-6,285,846
5.04	Capital transactions with partners	17,111	0	0	0	0	17,111
5.04.01	Capital increase	17,111	0	0	0	0	17,111
5.04.08	Convertible debentures	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	-389,404	0	-389,404
5.05.01	Net income(loss) for the period	0	0	0	-389,404	0	-389,404
5.05.02	Other comprehensive income	0	0	0	0	0	0
5.05.02.01	Financial instruments - adjustments	0	0	0	0	0	0
5.05.02.06	Earnings and losses from foreign exchange variations-foreign investment	0	0	0	0	0	0
5.06	Internal changes in equity	0	0	0	1,877	-1,877	0
5.06.02	Realization of revaluation reserve	0	0	0	2,844	-2,844	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-967	967	0
5.06.04	Realization of revaluation reserve	0	0	0	0	0	0
5.06.05	Taxes on the realization of the revaluation reserve	0	0	0	0	0	0
5.07	Closing balances	2,189,499	-6,116	0	-8,948,334	106,812	-6,658,139

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

Code of account	Account description	1st Half Year 2026	1st Half Year 2025
7.01	Income	393,199	340,961
7.01.01	Sales of goods and services	378,567	339,424
7.01.02	Other income	12,024	1,676
7.01.04	Provision for doubtful accounts	2,608	-139
7.02	Inputs acquired from third parties	-291,551	-383,737
7.02.01	Cost of goods and services sold	-225,752	-179,351
7.02.02	Materials, energy, third party services and other	-65,799	-204,386
7.03	Gross added value	101,648	-42,776
7.04	Retentions	-43,908	-47,618
7.04.01	Depreciation and amortization	-41,596	-44,043
7.04.02	Others	-2,312	-3,575
7.05	Net added value	57,740	-90,394
7.06	Added value received through transfers	317,427	371,475
7.06.01	Equity in results of investees	460	308
7.06.02	Financial income	316,967	371,167
7.07	Total net added value payable	375,167	281,081
7.08	Net added value payable	375,167	281,081
7.08.01	Personnel and charges	72,118	94,988
7.08.02	Taxes, duties and contributions	-10,077	-15,472
7.08.03	Third-party capital remuneration	686,501	590,969
7.08.04	Remuneration of own capital	-373,375	-389,404
7.08.04.03	Net income for the period	-373,375	-389,404

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

Code of account	Account description	Current quarter 06/30/2026	Prior year 12/31/2025
1	Total assets	1,289,546	1,224,890
1.01	Total current assets	285,186	217,766
1.01.01	Cash and cash equivalents	5,402	2,166
1.01.02	Restricted cash	41,782	39,287
1.01.03	Accounts receivable	58,196	26,832
1.01.04	Inventory	117,570	89,905
1.01.06	Taxes recoverable	15,484	13,098
1.01.07	Prepaid expenses	21,273	16,748
1.01.08	Other current assets	25,479	29,730
1.01.08.03	Others	25,479	29,730
1.01.08.03.02	Other current assets	25,479	29,730
1.02	Total non-current assets	1,004,360	1,007,124
1.02.01	Long term assets	389,327	359,199
1.02.01.04	Accounts receivable	2,850	1,171
1.02.01.07	Taxes	34,999	34,930
1.02.01.07.01	Deferred income tax and social contribution	278	278
1.02.01.07.02	Taxes recoverable	34,721	34,652
1.02.01.08	Prepaid expenses	35,847	38,407
1.02.01.10	Other non-current assets	315,631	284,691
1.02.01.10.04	Legal deposits	208,504	206,556
1.02.01.10.05	Other non-current assets	107,127	78,135
1.02.02	Investments	22,640	25,463
1.02.02.02	Investment Property	22,640	25,463
1.02.02.02.01	Other investments	22,640	25,463
1.02.03	Property, plant and equipment	589,541	619,773
1.02.03.01	Fixed assets in operation	504,399	486,950
1.02.03.02	Prepaid expenses	7,337	4,331
1.02.03.03	Property, plant and equipment in progress	77,805	128,492
1.02.04	Intangible assets	2,852	2,689

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

Code of account	Account description	Current quarter 06/30/2026	Prior year 12/31/2025
2	Total liabilities	1,289,546	1,224,890
2.01	Total current liabilities	7,886,857	7,405,301
2.01.01	Payroll and related charges	290,128	242,810
2.01.02	Suppliers	625,779	651,363
2.01.02.01	Domestic suppliers	312,263	335,764
2.01.02.02	Foreign suppliers	313,516	315,599
2.01.03	Taxes payable	784,761	720,930
2.01.03.01	Federal tax liabilities	706,226	634,769
2.01.03.01.01	Income tax and social contribution	2,343	1,982
2.01.03.01.02	Excise tax	16,999	9,231
2.01.03.01.03	Withholding income tax-IRRF	1,143	2,128
2.01.03.01.04	PIS and COFINS	13,646	6,229
2.01.03.01.05	Withholding social contribution tax	47,331	33,692
2.01.03.01.07	Others	299	2,450
2.01.03.01.08	Withheld taxes - installment plan	1,887	6,976
2.01.03.01.09	Provision for Drawback tax suspension	622,578	572,081
2.01.03.02	State tax liabilities	28,815	43,284
2.01.03.02.01	Value-Added Tax on Sales and Services	28,815	43,284
2.01.03.03	Municipal tax liabilities	49,720	42,877
2.01.03.03.01	Service tax	49,720	42,877
2.01.04	Loans and financing	6,078,198	5,672,497
2.01.05	Other liabilities	107,991	117,701
2.01.05.02	Others	107,991	117,701
2.01.05.02.05	Advances from clients	67,301	74,733
2.01.05.02.06	Other current liabilities	27,482	31,334
2.01.05.02.07	Forfeiting and letter of credit operations	10,116	9,021
2.01.05.02.08	Leasing	3,092	2,613
2.02	Total non-current liabilities	1,213,933	1,363,675
2.02.01	Loans and financing	31,605	44,203
2.02.02	Other liabilities	198,699	248,291
2.02.02.02	Other non-current liabilities	198,699	248,291
2.02.02.02.02	Other non-current liabilities	8,689	15,409
2.02.02.02.03	Taxes payable	12,050	14,281
2.02.02.02.04	Value-added tax on sales and services-ICMS	42,073	21,493
2.02.02.02.06	Suppliers	124,005	181,142
2.02.02.02.07	Payroll and related charges	9,239	10,182
2.02.02.02.09	Forfeiting and letter of credit operations	2,643	5,784
2.02.03	Deferred Taxes	53,369	54,119
2.02.03.01	Deferred income tax and social contribution	53,369	54,119
2.02.04	Provisions	930,260	1,017,062
2.02.04.01	Legal deposits	926,015	1,015,344
2.02.04.01.01	Tax Provision	625,106	608,961
2.02.04.01.02	Social security and labor provisions	176,966	158,580
2.02.04.01.03	Labor	87,464	99,357
2.02.04.01.04	Civil provisions	21,620	134,095
2.02.04.01.06	Civil	14,859	14,351
2.02.04.02	Others provisions	4,245	1,718
2.02.04.02.05	Leasing	4,245	1,718
2.03	Equity	-7,811,244	-7,544,086
2.03.01	Paid-in capital	2,346,480	2,240,263
2.03.01.01	Paid-in capital	2,353,505	2,245,638
2.03.01.03	Capitalization costs	-7,025	-5,375
2.03.02	Capital Reserve	-741	-741
2.03.05	Retained earnings	-10,260,580	-9,888,662
2.03.06	Equity valuation adjustments	103,597	105,054

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

Code of account	Account description	2nd Quarter 2026	1st Half Year of 2026	2nd Quarter 2025	1st Half Year of 2025
3.01	Net sales	169,195	311,558	142,677	276,801
3.02	Cost of goods sold	-171,797	-321,032	-177,677	-350,572
3.03	Gross Loss	-2,602	-9,474	-35,000	-73,771
3.04	Operating expenses	49,764	3,335	-70,055	-99,593
3.04.01	Sales expenses	-2,123	-4,095	-2,286	-4,569
3.04.02	General and administrative expenses	-23,773	-47,575	-22,680	-41,884
3.04.02.01	General and administrative	-23,773	-47,575	-22,680	-41,884
3.04.04	Other income	112,427	112,639	4,130	4,869
3.04.05	Other expenses	-36,767	-57,634	-49,219	-58,009
3.05	(Loss) operating profit before financial results	47,162	-6,139	-105,055	-173,364
3.06	Financial income (loss)	-332,623	-367,893	-152,860	-216,925
3.06.01	Financial income	40,344	317,656	146,008	371,612
3.06.02	Financial expenses	-372,967	-685,549	-298,868	-588,537
3.07	Net Income(Loss) before income and social contribution taxes	-285,461	-374,032	-257,915	-390,289
3.08	Income and social contribution tax	321	657	428	885
3.08.01	Income and social contribution tax for the current year	-49	-92	-1,629	-1,672
3.08.02	Deferred income and social contribution taxes	370	749	2,057	2,557
3.09	Net income (loss) from continuing operations	-285,140	-373,375	-257,487	-389,404
3.11	Net income for the period	-285,140	-373,375	-257,487	-389,404
3.11.01	Attributed to Parent Company Share Holders	-285,140	-373,375	-257,487	-389,404
3.99	Earning per share - (Reais / Share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	-1.41511	-1.85301	-3.65778	-5.53176
3.99.02	Diluted earnings per share				
3.99.02.01	ON	-1.41511	-1.85301	-3.65778	-5.53176

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

Code of account	Account description	2nd Quarter 2026	1st Half Year of 2026	2nd Quarter 2025	1st Half Year of 2025
4.01	Net income for the period	-285,140	-373,375	-257,487	-389,404
4.03	Comprehensive income(loss) for the period	-285,140	-373,375	-257,487	-389,404
4.03.01	Atributed to Parent Company Share Holders	-285,140	-373,375	-257,487	-389,404

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

Code of account	Account description	1st Half Year 2026	1st Half Year 2025
6.01	Net cash used in (provided by) operating activities	-35,989	38,465
6.01.01	Cash generated from operations	-68,809	-138,038
6.01.01.01	Income (loss) before income and social contribution taxes	-374,032	-390,289
6.01.01.02	Residual value of written-off fixed assets	158	0
6.01.01.03	Depreciation and amortization	41,596	44,043
6.01.01.05	Provision for losses on lawsuits	-76,670	21,120
6.01.01.06	Amortization of right-to-use assets	2,312	3,575
6.01.01.07	Provision for other	3,614	29,440
6.01.01.08	Financial charges	426,222	147,066
6.01.01.09	Present value adjustment	-87,298	326
6.01.01.12	Provision for negative equity of investees	-7,080	138
6.01.01.14	Provisões e benefícios a Empregados	2,369	6,543
6.01.02	Changes in assets and liabilities	32,743	176,447
6.01.02.02	Accounts receivable	-29,211	-6,332
6.01.02.04	Inventory	-31,275	29,064
6.01.02.05	Taxes recoverable	-2,455	31,514
6.01.02.06	Prepaid expenses	-1,965	-28,342
6.01.02.07	Legal deposits	-1,948	-7,394
6.01.02.08	Derivative financial instruments	0	177
6.01.02.09	Assets held for sale	0	544
6.01.02.10	Other current and non-current liabilities	-26,503	3,103
6.01.02.11	Suppliers	56,752	86,516
6.01.02.12	Forfeiting and letter of credit operations	-2,046	4,327
6.01.02.14	Taxes payable	31,514	49,148
6.01.02.15	Legal deposits	-14,244	-1,393
6.01.02.16	Payroll and related charges	69,175	3,275
6.01.02.18	Advances from clients	-4,476	3,988
6.01.02.20	Other current and non-current liabilities	-10,575	8,252
6.01.03	Other	77	56
6.01.03.01	Income and social contribution taxes paid	77	56
6.02	Net cash used in investment activities	-6,130	-7,904
6.02.04	Other investments	2,823	238
6.02.07	Fixed assets and intangible additions	-8,953	-8,142
6.03	Net cash generated by (used in) financing activities	45,355	-37,634
6.03.01	Loans and financing	548,208	221,373
6.03.02	Amortization of loans and financing	-464,545	-224,130
6.03.04	Interest payments on loans	-33,566	-32,280
6.03.05	Leasing	-2,483	-3,900
6.03.06	Capital increase	235	3,171
6.03.07	Release linked bank account	-2,494	-1,868
6.05	Increase (decrease) in cash and cash equivalents	3,236	-7,073
6.05.01	Cash and cash equivalents at the beginning for the period	2,166	8,524
6.05.02	Cash and cash equivalents at the end for the period	5,402	1,451

Consolidated financial statements / Statement of changes in equity – 01/01/2026 - 06/30/2026
(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	2,245,638	-6,116	0	-9,888,662	105,054	-7,544,086	-7,544,086
5.03	Adjusted opening balances	2,245,638	-6,116	0	-9,888,662	105,054	-7,544,086	-7,544,086
5.04	Capital transactions with partners	107,867	-1,650	0	0	0	106,217	106,217
5.04.01	Capital increase	107,867	0	0	0	0	107,867	107,867
5.04.08	Convertible debentures	0	0	0	0	0	0	0
5.04.09	Capitalization costs	0	-1,650	0	0	0	-1,650	-1,650
5.05	Total comprehensive income	0	0	0	-373,375	0	-373,375	-373,375
5.05.01	Net income (loss) for the period	0	0	0	-373,375	0	-373,375	-373,375
5.05.02	Other comprehensive income	0	0	0	0	0	0	0
5.05.02.01	Financial instruments - adjustments	0	0	0	0	0	0	0
5.05.02.06	Earnings and losses from foreign exchange variations-foreign investment	0	0	0	0	0	0	0
5.06	Internal changes in equity	0	0	0	1,457	-1,457	0	0
5.06.02	Realization of revaluation reserve	0	0	0	2,207	-2,207	0	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-750	750	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	2,353,505	-7,766	0	-10,260,580	103,597	-7,811,244	-7,811,244

Consolidated financial statements / Statement of changes in equity – 01/01/2025 - 06/30/2025
(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Equity	Consolidated Equity
5.01	Opening balances	2,172,388	-6,116	0	-8,560,807	108,689	-6,285,846	-6,285,846
5.03	Adjusted opening balances	2,172,388	-6,116	0	-8,560,807	108,689	-6,285,846	-6,285,846
5.04	Capital transactions with partners	17,111	0	0	0	0	17,111	17,111
5.04.01	Capital increase	17,111	0	0	0	0	17,111	17,111
5.04.08	Convertible debentures	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	-389,404	0	-389,404	-389,404
5.05.01	Net income (loss) for the period	0	0	0	-389,404	0	-389,404	-389,404
5.05.02	Other comprehensive income	0	0	0	0	0	0	0
5.05.02.01	Financial instruments - adjustments	0	0	0	0	0	0	0
5.05.02.06	Earnings and losses from foreign exchange variations-foreign investment	0	0	0	0	0	0	0
5.06	Internal changes in equity	0	0	0	1,877	-1,877	0	0
5.06.02	Realization of revaluation reserve	0	0	0	2,844	-2,844	0	0
5.06.03	Taxes on the realization of the revaluation reserve	0	0	0	-967	967	0	0
5.06.04	Realization of revaluation reserve	0	0	0	0	0	0	0
5.06.05	Taxes on the realization of the revaluation reserve	0	0	0	0	0	0	0
5.07	Opening balances	2,189,499	-6,116	0	-8,948,334	106,812	-6,658,139	-6,658,139

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

Code of account	Account description	1st Half Year of 2026	1st Half Year of 2025
7.01	Income	393,199	341,024
7.01.01	Sales of goods and services	378,567	339,424
7.01.02	Other income	12,024	1,739
7.01.04	Provision for doubtful accounts	2,608	-139
7.02	Inputs acquired from third parties	-291,557	-383,735
7.02.01	Cost of goods and services sold	-225,752	-179,351
7.02.02	Materials, energy, third party services and other	-65,805	-204,384
7.03	Gross added value	101,642	-42,711
7.04	Retentions	-43,908	-47,618
7.04.01	Depreciation and amortization	-41,596	-44,043
7.04.02	Others	-2,312	-3,575
7.05	Net added value	57,734	-90,329
7.06	Added value received through transfers	317,656	371,612
7.06.02	Financial income	317,656	371,612
7.07	Total net added value payable	375,390	281,283
7.08	Net added value payable	375,390	281,283
7.08.01	Personnel and charges	72,226	95,099
7.08.02	Taxes, duties and contributions	-9,984	-15,390
7.08.03	Third-party capital remuneration	686,523	590,978
7.08.04	Remuneration of own capital	-373,375	-389,404
7.08.04.03	Net income for the period	-373,375	-389,404

MESSAGE FROM THE MANAGEMENT

In the second quarter of 2026, the Company continued to implement measures aimed at better revenue generation, operational efficiency, and cash flow management, in line with the guidelines set by Management. We have made progress in negotiations with creditors outside the court-ordered reorganization process by executing amendments for the settlement of our main debts.

In the scope of the Court-Ordered Reorganization, windows were opened for the conversion of debentures, in accordance with the terms and conditions set forth in the issuance instruments and with the applicable market communications. The conversion remains part of the set of capital restructuring measures adopted by the Company, with the potential to contribute to the adequacy of its financial structure and to the rebalancing of its obligations profile.

Our Santo André, São Paulo facility recorded a 31% increase in net revenue in the second quarter of 2026 compared to the corresponding prior-year period, driven by higher full-price sales, mainly reflecting the recovery in sales volumes and the prioritization of transactions with stronger economic returns. The performance during the period highlights the continuation of operational efforts, even in an environment that remains challenging for the Company.

The Company maintained the progress in reducing fixed costs after the hibernation of one of its plants. This measure was implemented with the aim of adjusting the spending structure to the current level of activity. The initiative is aligned with actions to streamline and enforce operational discipline in resource allocation, with positive impacts on cash preservation.

As a result of the combination of revenue growth, reduction in fixed costs, and the reversal of provisions for significant legal proceedings due to successful outcomes or a change in the legal outlook to favorable, EBITDA improved by 187% in the second quarter of 2026 compared to the same period of the previous year. The evolution of the indicator reflects the effects of the measures implemented by Management for the gradual recovery of profitability.

It is worth mentioning that the disclosure of material facts, such as the completion of the 11th Issue of Convertible Debentures into shares, within the authorized capital limit; the execution, together with the Fundo de Investimento em Direitos Creditórios Não Padronizados Multissetorial BS PN ("BS Fund"), of an amendment for the full settlement of financing agreements with an aggregate amount of R\$ 849.7 million, through the transfer in payment of 4,500,000 (four million five hundred thousand) tons of the iron silicate by-product located at the industrial facility in Dias D'Ávila/BA, valued at a book value of R\$ 36 million; the receipt of a binding proposal for a USD 40 million investment to acquire the debentures issued by the company from HW Holding Ltd.; and the execution of a second amendment to extend the term for fulfilling the conditions for the partial settlement of the Global Agreement.

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

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

ECONOMIC PERFORMANCE

Net Revenue

In R\$ thd, except otherwise stated	2Q25	2Q26	Δ %
Primary Copper	1,240	0	n.a
% of Revenue	0.9%	0.0%	-0.9 p.p.
Copper Products	134,372	150,349	12%
% of Revenue	94.2%	88.9%	-5.3 p.p.
Rods, Wires and Others	19,561	0	n.a
Bars/Profiles/Rolled/Tubes/Fittings	114,811	150,349	31%
Byproducts	7,065	18,846	167%
% of Revenue	5.0%	11.1%	6.2 p.p.
Total Net Revenue	142,677	169,195	19%
Domestic Market [%]	49.1%	69.5%	20.4 p.p.
Export Market [%]	15.6%	9.7%	-5.9 p.p.
Toll [%]	35.3%	20.9%	-14.5 p.p.

Net Revenue for 2Q26 reached R\$ 169 million, a 19% increase compared to 2Q25, mainly reflecting the expansion of sales in the Integral modality (an 18% rise during the period) and the greater participation of this modality in the revenue mix, with emphasis on the Santo André (SP) unit.

Gross Income

In R\$ thd, except otherwise stated	2Q25	2Q26	Δ %
Net Revenue	142,677	169,195	19%
Total COGS	(177,677)	(171,797)	-3%
(-) Metal Cost	(77,424)	(96,697)	25%
(-) Transformation Cost	(100,253)	(75,100)	-25%
COGS Total/tonnes sold	17.0	29.8	75%
Metal Cost/tonnes sold	7.4	16.7	126%
Transformation Cost/tonnes sold	9.6	13.0	36%
Gross Profit	(35,000)	(2,602)	-93%
% of Revenue	-24.5%	-1.5%	23.0 p.p.
Adjusted Gross Profit (LME and USD Dollar changes on inventories)	15,352	30,038	96%
% of Revenue	10.8%	17.8%	7.0 p.p.
Premiums	65,253	72,498	11%
Premium/Net Revenue [%]	45.7%	42.8%	-2.9 p.p.
Premium/tonnes sold	6.2	12.6	101%

The Adjusted Gross Income in 2Q26 was R\$ 30 million, resulting from better generation of revenues in full sales and the reduction of transformation costs due to the hibernation of the Dias d'Ávila - BA plant.

Adjusted Gross Income eliminates the effects of idleness that impacted the income (loss).

Fixed Costs (including Idleness)

In R\$ thd, except otherwise stated	2Q25	2Q26	Δ %
Fixed Costs including idleness	(83,069)	(66,410)	-20%

The Company realized R\$ 66 million in fixed costs including idleness in 2Q26, accounting for a decrease of 20% compared to the same period of last year. Reduction due to cost adjustments to the hibernation of the Caraíba unit.

Operating Expenses

In R\$ thd, except otherwise stated	2Q25	2Q26	Δ %
Total Operating Expenses	(70,055)	49,764	-171%
Sales Expenses	(2,286)	(2,123)	-7%
G&A Expenses and Management Compensation	(22,680)	(23,773)	5%
Other Operating, net	(45,089)	75,660	-268%

In 2Q26, Operating Expenses totaled R\$ 50 million (positive). Sales, General, and Administrative Expenses were 4% higher, driven by expenses with outsourced services related to the court-ordered reorganization process. However, we had a strong impact from the reversal of provision for legal proceedings.

In R\$ thd, except otherwise stated	2Q25	2Q26	Δ %
*Main items - Other Operating, Net:			
Provisions for labor and tax contingencies	(15,358)	(22,312)	-45%
Other provisions	(390)	(1,934)	-396%
Exclusion of ICMS from the COFINS and PIS assessment base	0	0	n.a
Total Non-recurring Items:	(15,748)	(24,246)	-54%
Total Recurring Items:	(29,341)	99,906	42%

EBITDA

	2Q25	2Q26	Δ %
Net Income	(257,487)	(285,140)	-11%
(+) Taxes	(428)	(321)	25%
(+) Net Financial Result	152,860	332,623	118%
EBIT	(105,055)	47,162	145%
(+) Depreciation and Amortization	25,505	21,764	-15%
EBITDA	(79,550)	68,926	187%
% of Revenue	-55.8%	40.7%	96.5 p.p.
ADJUSTED EBITDA	(63,802)	93,172	246%
% of Revenue	-44.7%	55.1%	99.8 p.p.

Adjusted EBITDA, which excludes the effects of the LME and Dollar on inventory, contingencies, and other non-recurring effects, ended 2Q26 positive at R\$ 93 million, being 246% better than the same period of the previous year. This scenario is the result of the best sales mix and reductions in fixed costs due to the hibernation of our unit in Dias d'Ávila- BA and impacts of reversals of provision for lawsuits.

Net Income and Adjusted Net Income

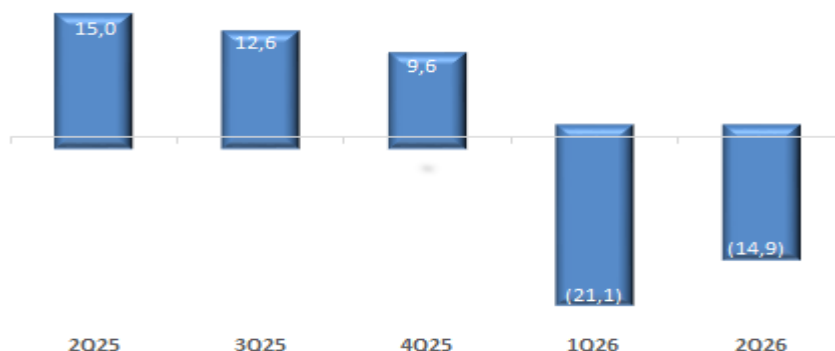
The Net Loss in 2Q26 was R\$ 285 million, mainly impacted by the update of interest on indebtedness, with no immediate impact on cash. When the effects of financial charges and other non-recurring effects are excluded, there is an Adjusted Net Loss of R\$ 64 million.

Through its Court-Ordered Reorganization Plan ("CORP"), the company hopes to gain greater access to financing facilities for working capital and to increase its production and sales volume, balancing its results.

Operating Cash Generation

The Company recorded a negative operating cash flow of R\$ 15 million in 2Q26. Result of the largest acquisition of raw material to meet sales in the integral modality and the fulfillment of commitments with suppliers.

Operating Cash Generation (R\$ million)



Indebtedness

In R\$ thd, except otherwise stated	2Q25	3Q25	4Q25	1Q26	2Q26
Loans and Financing - Short Term	4,843,750	4,786,123	5,670,892	5,793,894	6,091,633
Loans and Financing Long Term	455,182	536,321	44,203	37,715	31,605
Total Bank Loans	5,298,932	5,322,444	5,715,095	5,831,609	6,123,238
Transaction Costs - reprofilin	(18,809)	(17,466)	(16,123)	(14,779)	(13,435)
Total Loans	5,280,123	5,304,978	5,698,972	5,816,830	6,109,803
Forfaiting and letter of credit operations	25,492	14,875	14,805	4,085	12,759
Derivatives financial instruments	0	0	0	0	0
Derivatives	0	0	0	0	0
Gross Debt	5,305,615	5,319,853	5,713,777	5,820,915	6,122,562
Cash and Cash Equivalents	1,451	2,140	2,166	11,620	5,402
Financial Investments	35,788	37,983	39,287	40,563	41,782
Linked bank account	0	0	0	0	0
Net Debt	5,268,376	5,279,730	5,672,324	5,768,732	6,075,378
Short Term (%)	91%	90%	99%	99%	99%
Long Term (%)	9%	10%	1%	1%	1%

Due to the non-payment of the debt portion of the Global Agreement, the debts under renegotiation in 4Q22 were reclassified to short-term liabilities, pursuant to CPC 26. In the 2Q26 balance sheet position, the reclassified amount is R\$ 1,361.0 million, which maintains the debt profile with 99% maturing in the short term.

The Company continues negotiating with the creditors to obtain new conditions for the settlement of its liabilities.

In R\$ tnd, except otherwise stated	2Q25	3Q25	4Q25	1Q26	2Q26
<i>In Foreign Currency</i>	52%	53%	52%	51%	49%
<i>In Local Currency</i>	48%	47%	48%	49%	51%

Indebtedness in local currency represented 49% of debt in 2Q26, due to the increase in contributions from local financial partners to make operations viable.

Court-Ordered Reorganization

General Recovery Measures included in the Plan:

- Resumption of Operations
- Granting of special terms and conditions for the payment of Credits
- Partial sale of the assets of the Paranapanema Group
- Obtaining new financing

Summary of the list of Creditors according to the accounting position as of June 30, 2026 and the report of the Judicial Administrator (JA):

Class of Creditors	Value	Amount
Class I - Labor Credits	94,349	559
Class II - Credits with real guarantee	5,406	1
Class III - Unsecured Credits	177,950	975
Class IV - Me e EPP	4,332	61
Total	282,037	1,596

The detailed plan is available on Paranapanema's Investor Relations website.

Balance sheet

June 30, 2026 and December 31, 2025

(In thousands of Reais)

ASSETS	Notes	Parent company		Consolidated	
		06/30/2026	12/31/2025 Reclassified	06/30/2026	12/31/2025 Reclassified
Cash and cash equivalents	05	1,266	362	5,402	2,166
Restricted cash	05	41,782	39,287	41,782	39,287
Accounts receivable	06	58,196	26,832	58,196	26,832
Inventory	07	117,570	89,905	117,570	89,905
Taxes recoverable	08	13,643	11,165	15,484	13,098
Other current assets	09.1	25,479	29,731	25,479	29,730
Prepaid expenses		21,273	16,748	21,273	16,748
Total current assets		279,209	214,030	285,186	217,766
Accounts receivable	06	2,850	1,171	2,850	1,171
Taxes recoverable	08	34,721	34,652	34,721	34,652
Deferred income tax and social contribution	26	-	-	278	278
Legal deposits	09.2	208,504	206,556	208,504	206,556
Other non-current assets	09.1	109,838	78,650	107,127	78,135
Prepaid expenses		35,847	38,407	35,847	38,407
Total Long-term		391,760	359,436	389,327	359,199
Prepaid expenses	15	7,338	4,331	7,337	4,331
Investments	10	21,237	20,777	-	-
Other investments	11	22,640	25,463	22,640	25,463
Property, plant and equipment	12	582,204	615,442	582,204	615,442
Intangible assets	12	2,852	2,689	2,852	2,689
		636,271	668,702	615,033	647,925
Total non-current assets		1,028,031	1,028,138	1,004,360	1,007,124
Total assets		1,307,240	1,242,168	1,289,546	1,224,890

See the accompanying notes to the Quarterly Information.

Balance sheet

June 30, 2026 and December 31, 2025

(In thousands of Reais)

LIABILITIES	Notes	Parent company		Consolidated	
		06/30/2026	12/31/2025 Reclassified	06/30/2026	12/31/2025 Reclassified
Suppliers	13	625,772	651,356	625,779	651,363
Forfeiting and letter of credit operations	14	10,116	9,021	10,116	9,021
Leasing	15	3,092	2,613	3,092	2,613
Loans and financing	16	6,078,198	5,672,497	6,078,198	5,672,497
Payroll and related charges	17	290,128	242,810	290,128	242,810
Taxes payable	18	782,943	718,905	784,761	720,930
Advances from clients	20	67,301	74,733	67,301	74,733
Other current liabilities	20	27,313	31,170	27,482	31,334
Total current liabilities		7,884,863	7,403,105	7,886,857	7,405,301
Suppliers	13	124,005	181,142	124,005	181,142
Forfeiting and letter of credit operations	14	2,643	5,784	2,643	5,784
Leasing	15	4,245	1,718	4,245	1,718
Loans and financing	16	31,605	44,203	31,605	44,203
Payroll and related charges	17	9,239	10,182	9,239	10,182
Taxes payable	18	54,092	35,774	54,123	35,774
Legal deposits	19	926,015	1,015,344	926,015	1,015,344
Deferred income tax and social contribution	26	53,369	54,119	53,369	54,119
Other non - current liabilities	20	28,408	34,883	8,689	15,409
Total non-current liabilities		1,233,621	1,383,149	1,213,933	1,363,675
Total liabilities		9,118,484	8,786,254	9,100,790	8,768,976
Paid-in capital	21.a	2,353,505	2,245,638	2,353,505	2,245,638
Capitalization costs		(7,025)	(5,375)	(7,025)	(5,375)
Equity valuation adjustments	21.g	103,597	105,054	103,597	105,054
Treasury shares		(741)	(741)	(741)	(741)
Retained earnings		(10,260,580)	(9,888,662)	(10,260,580)	(9,888,662)
Equity	21	(7,811,244)	(7,544,086)	(7,811,244)	(7,544,086)
Total shareholders' equity		(7,811,244)	(7,544,086)	(7,811,244)	(7,544,086)
Total liabilities and equity		1,307,240	1,242,168	1,289,546	1,224,890
Shareholders' deficit					

See the accompanying notes to the Quarterly Information.

Income Statement

Three- and six-month periods ended June 30

(In thousands of reais, except loss per share)

				Parent company	
	Notes	2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Net sales	22	169,195	311,558	142,677	276,801
Cost of goods sold	23	(171,797)	(321,032)	(177,677)	(350,572)
Gross Loss		(2,602)	(9,474)	(35,000)	(73,771)
Commercial	23	(2,119)	(4,089)	(2,284)	(4,565)
General and administrative	23	(23,719)	(47,467)	(22,626)	(41,780)
Equity in results of investees	10	237	460	145	308
Other expenses	24	(36,766)	(57,633)	(49,220)	(58,009)
Other income	24	112,427	112,639	4,068	4,807
Operating expenses		50,060	3,910	(69,917)	(99,239)
(Loss) operating profit before financial results		47,458	(5,564)	(104,917)	(173,010)
Financial expenses	25	(372,955)	(685,527)	(298,863)	(588,528)
Financial income	25	39,987	316,967	145,828	371,167
Net Income(Loss) before income and social contribution taxes		(285,510)	(374,124)	(257,952)	(390,371)
Deferred income and social contribution taxes	26	370	749	465	967
Income and social contribution tax		370	749	465	967
Net income for the period		(285,140)	(373,375)	(257,487)	(389,404)

				Consolidated	
	Notes	2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Net sales	22	169,195	311,558	142,677	276,801
Cost of goods sold	23	(171,797)	(321,032)	(177,677)	(350,572)
Gross Loss		(2,602)	(9,474)	(35,000)	(73,771)
Commercial	23	(2,123)	(4,095)	(2,286)	(4,569)
General and administrative	23	(23,773)	(47,575)	(22,680)	(41,884)
Other expenses	24	(36,767)	(57,634)	(49,219)	(58,009)
Other income	24	112,427	112,639	4,130	4,869
Operating expenses		49,764	3,335	(70,055)	(99,593)
(Loss) operating profit before financial results		47,162	(6,139)	(105,055)	(173,364)
Financial expenses	25	(372,967)	(685,549)	(298,868)	(588,537)
Financial income	25	40,344	317,656	146,008	371,612
Net Income(Loss) before income and social contribution taxes		(285,461)	(374,032)	(257,915)	(390,289)
Income and social contribution tax for the current year	26	(49)	(92)	(1,629)	(1,672)
Deferred income and social contribution taxes	26	370	749	2,057	2,557
Income and social contribution tax		321	657	428	885
Net income for the period		(285,140)	(373,375)	(257,487)	(389,404)
Earning (Loss) per common share		(1.41511)	(1.85301)	(3.65778)	(5.53176)
Earning (Loss) per diluted common share		(1.41511)	(1.85301)	(3.65778)	(5.53176)

See the accompanying notes to the Quarterly Information.

Statement of other comprehensive income
Three- and six-month periods ended June 30
(In thousands of Reais)

	Parent company/Consolidated			
	2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Net income for the period	(285,140)	(373,375)	(257,487)	(389,404)
Other income components, net of tax effects	-	-	-	-
Comprehensive income(loss) for the period	(285,140)	(373,375)	(257,487)	(389,404)
Allocated to:				
Controlling Shareholders	(285,140)	(373,375)	(257,487)	(389,404)

See the accompanying notes to the Quarterly Information.

Statements of changes in equity

Six-month period ended June 30

(In thousands of Reais)

	Notes	Paid-in capital	Capitalization costs	Treasury shares	Accumulated deficit	Equity valuation adjustment	Consolidated shareholders' equity
Balance as at december 31,2024		2,172,388	(5,375)	(741)	(8,560,807)	108,689	(6,285,846)
Capital increase	21.a	17,111	-	-	-	-	17,111
Capital transactions with partners		17,111	-	-	-	-	17,111
Equity evaluation adjustment	21.g	-	-	-	2,844	(2,844)	-
Tax on realization of equity evaluation adjustment	21.g	-	-	-	(967)	967	-
Other comprehensive income		-	-	-	1,877	(1,877)	-
Net income (Loss) for the period		-	-	-	(389,404)	-	(389,404)
Balance as at june 30,2025		2,189,499	(5,375)	(741)	(8,948,334)	106,812	(6,658,139)
Balance as at december 31,2025		2,245,638	(5,375)	(741)	(9,888,662)	105,054	(7,544,086)
Capital increase	21.a	107,867	-	-	-	-	107,867
Capitalization costs	01a e 21a	-	(1,650)	-	-	-	(1,650)
Capital transactions with partners		107,867	(1,650)	-	-	-	106,217
Equity evaluation adjustment	21.g	-	-	-	2,207	(2,207)	-
Tax on realization of equity evaluation adjustment	21.g	-	-	-	(750)	750	-
Equity valuation adjustment		-	-	-	1,457	(1,457)	-
Net income (Loss) for the period		-	-	-	(373,375)	-	(373,375)
Balance as at june 30,2026		2,353,505	(7,025)	(741)	(10,260,580)	103,597	(7,811,244)

See the accompanying notes to the Quarterly Information.

Statements of cash flows – indirect method

Six-month period ended June 30

(In thousands of Reais)

		Parent company		Consolidated	
		1st Half Year 2026	1st Half Year 2025	1st Half Year 2026	1st Half Year 2025
Income (loss) before income and social contribution taxes		(374,124)	(390,371)	(374,032)	(390,289)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities"					
Residual value of written-off fixed assets	12	158	-	158	-
Depreciation and amortization	12	41,596	44,043	41,596	44,043
Amortization of right-to-use assets	15	2,312	3,575	2,312	3,575
Equity in results of investees	10	(460)	(308)	-	-
Provision (reversal) for recoverable value of estimated losses	06	(7,080)	138	(7,080)	138
Provision for other		3,614	29,440	3,614	29,440
Provision for losses on lawsuits	19	(76,670)	21,120	(76,670)	21,120
Present value adjustment		(87,298)	326	(87,298)	326
Provision	17	2,369	6,543	2,369	6,543
Financial charges		426,222	147,064	426,222	147,066
(Loss) before income and social contribution taxes		(69,361)	(138,430)	(68,809)	(138,038)
(Increase) decrease in assets					
Accounts receivable	06	(29,211)	(6,380)	(29,211)	(6,332)
Inventory	07	(31,275)	29,064	(31,275)	29,064
Taxes recoverable	08	(2,547)	18,317	(2,455)	31,514
Prepaid expenses		(1,965)	(28,342)	(1,965)	(28,342)
Legal deposits	09.2	(1,948)	(7,394)	(1,948)	(7,394)
Derivative financial instruments	28	-	177	-	177
Assets held for sale		-	544	-	544
Other current and non-current liabilities	09.1	(28,697)	4,779	(26,503)	3,103
Increase (decrease) in liabilities					
Suppliers	13	56,752	86,516	56,752	86,516
Forfeiting and letter of credit operations	14	(2,046)	4,327	(2,046)	4,327
Taxes payable	18	31,853	49,149	31,514	49,148
Legal deposits	19	(14,244)	(1,393)	(14,244)	(1,393)
Payroll and related charges	17	69,175	3,275	69,175	3,275
Advances from clients	20	(4,476)	3,988	(4,476)	3,988
Other current and non-current liabilities	20	(10,331)	21,246	(10,575)	8,252
Cash flow generated from operations		(38,321)	39,443	(36,066)	38,409
Income and social contribution taxes paid		-	-	77	56
Net cash used in (provided by) operating activities		(38,321)	39,443	(35,989)	38,465
Investing activities					
Other investments	11	2,823	238	2,823	238
Fixed assets and intangible additions	12	(8,953)	(8,142)	(8,953)	(8,142)
Net cash used in investing activities		(6,130)	(7,904)	(6,130)	(7,904)
Financing activities					
Net cost of funding		235	3,171	235	3,171
Loans and financing	16	548,208	221,373	548,208	221,373
Amortization of loans and financing	16	(464,545)	(224,130)	(464,545)	(224,130)
Interest payments on loans	16	(33,566)	(32,280)	(33,566)	(32,280)
Leasing	15	(2,483)	(3,900)	(2,483)	(3,900)
Release linked bank account	05	(2,494)	(1,868)	(2,494)	(1,868)
Net cash provided by (used in) financing activities		45,355	(37,634)	45,355	(37,634)
Increase (decrease) in cash and cash equivalents		904	(6,095)	3,236	(7,073)
Cash and cash equivalents at the beginning for the period	05	362	6,384	2,166	8,524
Cash and cash equivalents at the end for the period	05	1,266	289	5,402	1,451
Increase (decrease) in cash and cash equivalents		904	(6,095)	3,236	(7,073)

See the accompanying notes to the Quarterly Information.

Statement of value added
Six-month period ended June 30
(In thousands of Reais)

	Parent company		Consolidated	
	1st Half Year 2026	1st Half Year 2025	1st Half Year 2026	1st Half Year 2025
Income				
Sales of goods and services	378,567	339,424	378,567	339,424
Provision for doubtful accounts	2,608	(139)	2,608	(139)
Other income	12,024	1,676	12,024	1,739
Inputs acquired from third parties (Including taxes)				
Cost of goods and services sold	(225,752)	(179,351)	(225,752)	(179,351)
Materials, energy, third party services and other	(65,799)	(204,386)	(65,805)	(204,384)
Gross added value	101,648	(42,776)	101,642	(42,711)
Retentions				
Depreciation and amortization	(41,596)	(44,043)	(41,596)	(44,043)
Amortization of right-to-use assets	(2,312)	(3,575)	(2,312)	(3,575)
Net added value	57,740	(90,394)	57,734	(90,329)
Received from third parties				
Equity in results of investees	460	308	-	-
Financial income	316,967	371,167	317,656	371,612
Total net added value payable	375,167	281,081	375,390	281,283
Net added value payable	375,167	281,081	375,390	281,283
Personnel and charges	72,118	94,988	72,226	95,099
Taxes and contributions	(10,077)	(15,472)	(9,984)	(15,390)
Interest and rent	686,501	590,969	686,523	590,978
Net income for the period	(373,375)	(389,404)	(373,375)	(389,404)

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 – COPEC.

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 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.

On the one hand, the negotiation generated the potential and desired readjustment of the Company’s cash flows. To remain healthy, it depended on maintaining credit with trading suppliers and the sale of non-operational assets and credit receivables within a certain timeframe. However, these 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 ongoing political and economic instability, the Company was unable to secure satisfactory credit facilities that had been under negotiation. This situation indicates the existence of a material uncertainty that raises significant doubt as to the Company’s ability to continue as a going concern and which makes Management express its concern in view of the facts presented.

In light of the difficulties in financing its working capital, the Company did not pay the twice-yearly installments of the Global Agreement since December 2022 and did not meet the covenant indicators described in Note 16. Since then, the Company has remained in negotiations with the creditors of the global agreement.

In light of this scenario, the Company, together with the creditors, advanced in the negotiations for the execution of the Partial Settlement Agreement. The terms of the Partial Settlement Agreement would be promptly disclosed to the market as soon as the instrument is duly signed by all parties involved. The signing and implementation of the Partial Settlement Agreement were part of the context of addressing the Company's financial liabilities, without, however, eliminating the uncertainties inherent to the implementation and the expected results.

On May 12, 2026, the Company disclosed a material fact reporting that it entered into the Partial Settlement Agreement of the Global Agreement ("Partial Settlement Agreement"), with the purpose of terminating the Private Global Agreement ("Global Agreement"). The agreement includes the partial settlement of the overdue debt, then estimated at approximately R\$ 4.2 billion, through a negotiated solution based on reciprocal concessions between the parties.

Under the terms of the Partial Settlement Agreement, the following must occur as conditions precedent for its implementation: (i) the payment of R\$ 100 million to the creditors; (ii) the transfer of the full amount already deposited in the escrow account, estimated at approximately R\$ 41 million, as well as the amounts deposited in the judicial account, estimated at approximately R\$ 185 million, plus the respective monetary adjustments; and (iii) the assignment of all economic benefits arising from nine judicial credit receivables of the Company, subject to monetization over a period of up to 36 months.

Subsequently, the parties entered into the First Amendment to the Partial Settlement Agreement, through which, by mutual agreement, they extended the deadline for compliance with the aforementioned conditions precedent, originally scheduled for July 1, 2026. On July 31, 2026, the Second Amendment to the Partial Settlement Agreement of the Global Agreement was executed, through which the parties, by mutual agreement, established new deadlines for compliance with the conditions precedent, until September 30, 2026, while the remaining conditions and obligations established in the Partial Settlement Agreement remain unchanged.

Management understands that the potential settlement of approximately R\$ 4.2 billion of the Company's main financial liability constitutes a material event for its capital structure, which may significantly contribute to strengthening its financial position and reducing uncertainties related to its operational continuity. However, the definitive effects of the agreement remain conditional on the full compliance with its terms and the effective implementation of the measures provided.

Additionally, as mentioned in Note 16, the Company failed to settle the initial installments of the commitment made with F.I.D.C. Multissetorial Fundo BS NP, and as a result of this default, the outstanding balance of the renegotiated debt became immediately and prematurely due from the maturity date, as provided in the contractual clauses.

Consequently, in compliance with CPC 26 – Presentation of Financial Statements, the Company has reclassified debts from noncurrent liabilities to current liabilities, in the restated amount of R\$ 1,361,049 (R\$ 2,168,430 as at December 31, 2025), due to non-compliance with the covenants clauses. With this reclassification, as at June 30, 2026, the Company presents an individual negative net working capital of R\$ 7,605,654 (R\$ 7,189,075 as at December 31, 2025) and a consolidated negative net working capital of R\$ 7,601,671 (R\$ 7,187,535 as at December 31, 2025).

In addition to the measures previously described, the Company has been adopting additional actions aimed at restructuring its tax liabilities and strengthening its financial structure. In this context, as at February 20, 2026, the Company filed an individual tax transaction proposal with the Attorney General of the National Treasury (PGFN), aiming to negotiate debts registered in the Federal Government's Active Debt, in accordance with the applicable legislation. As of the date of issuance of these Financial Statements, the proposal was under review by the PGFN and had not yet been approved.

The Company incurred losses in the six-month period ended June 30, 2026, in the amount of R\$ 373,375, accumulating individual and consolidated losses of R\$ 10,260,580, thereby leaving the Company's individual and consolidated shareholders' equity negative at a total of R\$ 7,811,244.

Since September 2022, the Company has been maintaining partial operation of the Eluma plant, a manufacturing unit located in Santo André - SP, with substantial sales under the "Tolling" modality.

In addition to the aforementioned facts, in September 2025, the Company's Management decided to halt ("hibernate") the operations of the Caraíba plant, a manufacturing unit located in Dias D'Ávila-BA, as detailed in Note 12.2, with the consequent dismissal of approximately 300 employees from this unit in the first quarter of 2026. This decision reflects the assessment that the operation of the aforementioned unit has not generated positive cash flows, indicating that the Company has not reached the financial breakeven point. Such measure aims to mitigate the negative financial impacts and allow for a strategic reassessment of the Company's industrial activities in that location.

These events and conditions indicate the existence of a relevant uncertainty that may raise significant doubt about the Company's 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 three-month period ended June 30, 2026 was prepared on a going concern basis, which assumes that the Company will be able to fulfill its obligations upon the recovery of financial health in accordance with 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 Court-Ordered 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 No. 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.

As at 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 ("Judges of Court-Ordered Reorganization"), in the records of proceeding 1001409- 24.2022.8.26.0260, approved the processing of the Court-Ordered Reorganization.

On February 16, 2023, the Company filed its Court-Ordered Reorganization Plan (“Court-Ordered Reorganization 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 No. 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 Paranapanema Group, according to Article 45 of Law No. 11101/05.

Thus, the Court-Ordered Reorganization Plan went on to be approved by the Court-Ordered Reorganization Court, in accordance with the law, with the approval decision being issued on November 16, 2023, by the Honorable Judges of the Court-Ordered Reorganization, as 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 Recovery and establishing feasible forms to pay their creditors.
- b) Resumption of Operations through the signing of new contracts with its suppliers for the development of its core activities. For this reason, it is necessary to grant beneficial treatment to suppliers who, in return, provide and maintain the business bases previously existing with the Paranapanema Group, under the terms of this Plan, in addition to any other measures provided for in Art. 50 of the Business Recovery Law that may be approved by the Creditors’ Meeting.
- c) Granting of special terms and conditions for the payment of Credits Subject to the Plan.
- d) Partial Sale of the Company’s assets under the terms of the Plan.
- e) Raise funds from third parties by obtaining New Financing, provided that the Company will make its best efforts to obtain more favorable business conditions for strengthening its equity, with respect 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 stock of Debtors under Court-Ordered Reorganization, including through the conversion of credits into capital.

On September 30, 2024, the Company's creditors, meeting at a Creditors' General Meeting duly convened on second call, pursuant to Article 45 of Law No. 11101/05, approved the 1st amendment to the Court-Ordered Reorganization Plan of Paranapanema Group, filed on September 26, 2024, ("First Amendment to the Court-Ordered Reorganization Plan"), where item 6.1.(A) of the Plan is currently valid with the following wording:

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

On December 10, 2024, a new version (initial version registered on October 18, 2024) of the proposal of the Court-Ordered Reorganization Plan was registered by the Judges of the Court-Ordered Reorganization, in the records of proceeding 1001409-24.2022.8.26.0260.

On March 17, 2025, the Company's creditors, meeting at a Creditors' General Meeting duly convened pursuant to Article 45 of Law No. 11101/05, approved the 2nd amendment to the Court-Ordered Reorganization Plan filed on March 17, 2025, ("2nd Amendment to the Court-Ordered Reorganization Plan").

On April 23, 2025, the 2nd Addendum to the Court-Ordered Reorganization Plan ("2nd Addendum to the Court-Ordered Reorganization Plan") was approved by the Judges of Court-Ordered Reorganization, that changes the conditions of Undisputed Labor Credits up to 150 Minimum Wages, with the payment period being up to three years from the Court-Ordered Reorganization Plan approval or on the date on which they become Undisputed Labor Credits, and an advance payment of the amounts that make up the Minimum Wage Guarantee, up to the limit of one hundred and fifty (150) minimum wages, according to the following schedule, observing the limit of each credit.

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

The Company complied with the schedule and made the payment of the installments for the months from March to December 2025 and expects the payment of the balance of the remaining installment by the third quarter of 2026. The settlement of the obligation is conditioned upon the release of the escrowed appeal deposits.

On October 23, 2025, a new version (initial version filed on July 14, 2025) of the proposed 3rd amendment to the Company's Court-Ordered Reorganization Plan ("3rd Amendment to the Court-Ordered Reorganization Plan") was filed with the 1st Regional Court of Corporate Jurisdiction and Arbitration-Related Disputes of the 1st RAJ in the city of São Paulo, state of São Paulo, in the case file 1001409-24.2022.8.26.0260, a new version (the initial version having been filed on July 14, 2025) of the proposal for the 3rd amendment to the Company's Court-Ordered Reorganization Plan ("3rd Amendment to the Court-Ordered Reorganization Plan"), which was submitted to and approved by the General Creditors' Meeting held on October 24, 2025, and on December 4, 2025, ratified by the Court-Ordered Reorganization Court.

The third amendment provides for the payment of up to R\$ 15 in full to each unsecured creditor, limited to the amount of the respective unsecured claim unsecured creditor, in a single installment, to be paid within 45 (forty-five) months from the Judicial Approval of the Court-Ordered Reorganization Plan, and the remaining balance will be subject to a 50% discount and paid in 48 monthly installments starting from the 49th (forty-ninth) month following the judicial approval of the Court-Ordered Reorganization Plan; and for secured creditors, payment of their claims will be made in 72 (seventy-two) monthly installments beginning in the 49th (forty-ninth) month following the judicial approval of the Plan.

The table below shows the positions of statement of financial position that were affected by the Court-Ordered Reorganization.

Consolidated

LIABILITIES	06/30/2026	Bankruptcy credit	Not Bankruptcy credit
Suppliers	625.779	3.582	622.197
Forfeiting and letter of credit operations	10.116	-	10.116
Leasing	3.092	-	3.092
Loans and financing	6.078.198	-	6.078.198
Payroll and related charges	290.128	-	290.128
Taxes payable	784.761	-	784.761
Advances from clients	67.301	-	67.301
Other current liabilities	27.482	-	27.482
Total current liabilities	7.886.857	3.582	7.883.275
Suppliers	124.005	84.752	39.253
Forfeiting and letter of credit operations	2.643	2.643	-
Leasing	4.245	-	4.245
Loans and financing	31.605	358	31.247
Payroll and related charges	9.239	119	9.120
Taxes payable	54.123	-	54.123
Legal deposits	926.015	106.212	819.803
Deferred income tax and social contribution	53.369	-	53.369
Other non - current liabilities	8.689	8.689	-
Total non-current liabilities	1.213.933	202.773	1.011.160
Total liabilities	9.100.790	206.355	8.894.435
Paid-in capital	2.353.505	-	2.353.505
Capitalization costs	(7.025)	-	(7.025)
Equity valuation adjustments	103.597	-	103.597
Treasury shares	(741)	-	(741)
Retained earnings	(10.260.580)	-	(10.260.580)
Equity	(7.811.244)	-	(7.811.244)
Total shareholders' equity	(7.811.244)	-	(7.811.244)
Total liabilities and equity	1.289.546	206.355	1.083.191
Shareholders' deficit			

The table below presents the changes in the credits subject to the court-ordered reorganization process during the period, including the opening balance, monetary adjustments and other recognized effects, settlements made, and the balance at the end of the fiscal year.

Description	
Debt originally subject to Judicial Reorganization (RJ)	464.514
Approved discount	(65.848)
Controlled	(7.126)
Payments made through 06/30/2026	(28.221)
Converted into Shares	(128.157)
Interest and monetary adjustment	46.875
Consolidated nominal balance as of 06/30/2026	282.037
Present Value Adjustment (PVA)	(75.682)
Consolidated balance as of 06/30/2026	206.355

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

Class of Creditors - Initial	Balance approved in the Judicial Recovery plan
Class I - Labor credits	94.349
Class II - Credits with real guarantee	5.406
Class III - Unsecured Credits	177.950
Class IV - ME and EPP	4.332
Total	282.037

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 strict 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 Uncontroversial Labor Credits.
- For Undisputed Labor Credits exceeding 150 Minimum Wages, the difference between the total value of the Undisputed Labor Credit and the limit of 150 Minimum Wages will be paid, without the application of a discount, in 48 (forty-eight) monthly installments starting from the 49th (forty-ninth) 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 5	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 6	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 7	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 8	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 - Secured claims

This class includes the creditor with secured 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 secured claims 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 49th 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 claims

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

Payment of up to R\$15 in full to each unsecured creditor, limited to the value of the respective unsecured claim, up to 45 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 49th 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 5	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 6	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 7	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 8	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 37th month, counting from the judicial approval of the Plan.

After judicial approval of the Plan, the value of the credits will be subject to interest and inflation adjustment at the total rate of 100% of the IPCA, with monthly payments starting from the 13th month. Interest and inflation adjustment will be capitalized annually and paid in 12 equal and successive installments starting as of the 37th 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 creditor who chooses to convert their respective credits will not suffer a discount. Credit-to-capital conversions will occur in 10 (ten) opportunities, following each of the conversion windows

described in the plan and in the 3rd amendment.

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.

Capital Increase and Conversion Processes

1st Conversion Window

On February 22, 2024, the Company's Board of Directors approved the Company's 1st Capital Increase in the amount of R\$62,585,989.97 (sixty-two million, five hundred and eighty-five thousand, nine hundred and eighty-nine reais and ninety-seven centavos), through the issuance of 13,203,850 (thirteen million, two hundred and three thousand, eight hundred and fifty) new common shares. On September 23, 2024, the Company's Board of Directors approved the re-ratification of the approval of the Company's capital increase to correct a material error regarding the total number of shares issued and ratified by the Company, where there was the cancellation of seven hundred and eighty-five thousand, seven hundred and forty-nine (785,749) common shares, issued on the occasion of the capital increase ratified in accordance with the Minutes of RECA of the 1st Capital Increase, in the total amount of three million, seven hundred and twenty-four thousand, four hundred and fifty reais and twenty-six cents (R\$3,724,450.26). Therefore, the Company's Capital Increase was concluded with the amount of fifty-eight million, eight hundred and sixty-one thousand, five hundred and thirty-nine reais and seventy-one cents (R\$58,861,539.71), through the issue of twelve million, four hundred and eighteen thousand, one hundred and one (12,418,101) new common, 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 Conversion Window

On June 21, 2024, the Company's Board of Directors approved the ratification of the Company's 2nd Capital Increase totaling R\$ 26,063,162.34 (twenty-six million, sixty-three thousand, one hundred and sixty-two reais and thirty-four centavos), through the issuance of 6,435,369 (six million, four hundred thirty-five thousand, three hundred sixty-nine) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before the 2nd 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 2nd Conversion Window	62,257,319	2,154,490,949.61

3rd Conversion Window

On September 23, 2024, the Company's Board of Directors approved the homologation of 3rd Capital Increase totaling R\$17,897,570.56 (seventeen million, eight hundred ninety-seven thousand, five hundred seventy reais and fifty-six centavos) through the issuance of 7,305,153 (seven million, three hundred and five thousand, one hundred and fifty-three) new common, book-entry shares with no par value.

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

4th Conversion Window

On March 20, 2025, the Company's Board of Directors approved the ratification of the Company's 4th Capital Increase totaling six million, five hundred sixty-five thousand, two hundred eighty-three reais and sixty cents (R\$6,565,283.60), through the issuance of five million, eight hundred sixty-one thousand, eight hundred sixty-one (5,861,861) new common, book-entry shares with no par value.

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

5th Conversion Window

On June 23, 2025, the Company's Board of Directors approved the ratification of the 5th Capital Increase of the Company, totaling ten million, five hundred forty-five thousand, nine hundred twenty-eight reais and twenty-three centavos (R\$ 10,545,928.23), through the issuance of four million, nine hundred five thousand, eighty-nine (4,905,089) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before the 5th Conversion Window	75,424,333	2,178,953,803.77
Subscription by Creditors	4,621,330	9,935,846.38
Subscription by Shareholders	283,759	610,081.85
After the 5th Conversion Window	80,329,422	2,189,499,732.00

6th Conversion Window

On August 18, 2025, the Company's Board of Directors approved the ratification of the 6th Capital Increase of the Company, totaling two million, five hundred sixty thousand, four hundred seventeen reais and forty-five centavos (R\$ 2,560,417.45), through the issuance of one million, one hundred three thousand, six hundred thirty-one (1,103,631) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before the 6th Conversion Window	80,329,422	2,189,499,732.00
Subscription by Creditors	1,055,114	2,447,858.01
Subscription by Shareholders	48,517	112,559.44
After the 6th Conversion Window	81,433,053	2,192,060,149.45

Capital stock increase by private subscription of shares

As disclosed in the material fact on September 17, 2025, the Company made available to

creditors the option to capitalize credits of an extrajudicial nature ("Credits Not Subject to Court-Ordered Reorganization"), whose triggering event occurred after November 30, 2022, the date of the court-ordered reorganization request.

On October 28, 2025, the Company's Board of Directors partially ratified the capital increase, through a private subscription of shares, totaling fifty-three million, five hundred seventy-eight thousand, five hundred thirty-one reais and eighty-one centavos (R\$ 53,578,531.81), through the issuance of thirty-nine million, one hundred eight thousand, five hundred forty-three (39,108,543) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before the Capitalization of Claims Not Subject to Judicial Reorganization	81,433,053	2,192,060,149.45
Subscription by Creditors	38,864,742	53,244,524.44
Subscription by Shareholders	243,801	334,007.37
After the Capitalization of Claims Not Subject to Judicial Reorganization	120,541,596	2,245,638,681.26

7th Conversion Window

On December 10, 2025, the 7th Conversion Request Window was opened, during which the Company's creditors could express interest in converting their credits into shares issued by the Company, at a price of seventy-eight centavos (R\$ 0.78) per share, under the terms of Clause 11 of the Court-Ordered Reorganization Plan. The aforementioned window, provided for in the 3rd amendment to the Court-Ordered Reorganization Plan approved on December 5, 2025, remained open for the submission of expressions of interest until December 19, 2025.

However, there was not enough adherence from the creditors, since the total amount of eligible credits for conversion, considered individually or collectively, did not reach the minimum limit of R\$ 1,000,000.00 (one million reais), as established in item 11.1.2 of the Plan. Thus, the conversion event was not implemented within the scope of the 7th window.

Capital stock increase by conversion of debentures

The Board of Directors approved increases in the Company's capital stock as a result of the conversion of an additional portion of the debentures issued by the Company under the Private Instrument of Issue Deed of the 8th Issuance of Debentures into Shares, unsecured, in a single series, for private placement, of Paranapanema S.A. – in Court-Ordered Reorganization, executed on November 11, 2025.

The conversions took place on January 14, 2026, totaling one million, six hundred and fifty thousand reais (R\$ 1,650,000.00), upon the issuance of three million, five hundred eighty-six thousand, nine hundred fifty-seven (3,586,957) new common book-entry shares with no par value, and on February 6, 2026, amounting to seven million, fifty thousand reais (R\$ 7,050,000.00), upon the issuance of fifteen million, three hundred twenty-six thousand, eighty-nine (15,326,089) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before the Debentures Conversion	120,541,596	2,245,638,681.26
Debentures Issuance - 01/14/26	3,586,957	1,650,000.00
Debentures Issuance - 02/06/26	15,326,089	7,050,000.00
After the Capitalization of Claims Not Subject to Judicial Reorganization	139,454,642	2,254,338,681.26

8th Conversion Window

On April 08, 2026, the Company's Board of Directors approved the ratification of the Company's 8th Capital Increase in the amount of R\$ 10,686,119.13 (ten million, six hundred and eighty-six thousand, one hundred and nineteen reais and thirteen cents), through the issuance of 11,368,218 (eleven million, three hundred and sixty-eight thousand, two hundred and eighteen) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before the 8th Conversion Window	139,454,642	2,254,338,681.26
Subscription by Creditors	11,267,942	10,591,859.69
Subscription by Shareholders	100,276	94,259.44
After the 8th Conversion Window	150,822,860	2,265,024,800.39

9th Conversion Window

On May 25, 2026, the Company's Board of Directors approved the ratification of the Company's 9th Capital Increase in the amount of R\$ 85,180,722.37 (eighty-five million, one hundred and eighty thousand, seven hundred and twenty-two reais and thirty-seven cents), through the issuance of 139,640,679 (one hundred and thirty-nine million, six hundred and forty thousand, six hundred and seventy-nine) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before the 9th Conversion Window	150,822,860	2,265,024,800.39
Subscription by Creditors	139,410,687	85,040,427.33
Subscription by Shareholders	229,992	140,295.12
After the 9th Conversion Window	290,463,539	2,350,205,522.84

Capital increase through debenture conversion

The Board of Directors ratified the increase in the Company's capital stock as a result of the conversion of an additional portion of the debentures issued by the Company under the Private Indenture of the 8th Issuance of Convertible, Unsecured, Single-Series Debentures for Private Placement of Paranapanema S.A. – In Judicial Reorganization, entered into on November 11, 2025.

The conversion occurred on June 08, 2026, in the amount of R\$ 3,300,000.00 (three million, three hundred thousand reais), through the issuance of 6,734,694 (six million, seven hundred and thirty-four thousand, six hundred and ninety-four) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before Debenture Conversion	290,463,539	2,350,205,522.84
Debenture Issuance - 06/08/26	6,734,694	3,300,000.00
After Capitalization of Credits Not Subject to Judicial Reorganization	297,198,233	2,353,505,522.84

The Company's capital stock became R\$ 2,353,505,522.84 (two billion, three hundred and fifty-three million, five hundred and five thousand, five hundred and twenty-two reais and eighty-four cents), divided into 297,198,233 (two hundred and ninety-seven million, one hundred and ninety-eight thousand, two hundred and thirty-three) common, book-entry shares with no par value.

10th Conversion Window

On August 03, 2026, the Board of Directors ratified the increase in the Company's capital stock in the amount of R\$ 5,853,996.81 (five million, eight hundred and fifty-three thousand, nine hundred and ninety-six reais and eighty-one cents), through the issuance of 9,596,720 (nine million, five hundred and ninety-six thousand, seven hundred and twenty) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Before the 10th Conversion Window	297,198,233	2,353,505,522.84
Subscription by Creditors	9,596,720	5,814,798.82
Subscription by Shareholders	64,692	39,197.99
After the 10th Conversion Window	306,859,645	2,359,359,519.65

The full text of the approved Court-Ordered Reorganization Plan, the minutes of the Annual Creditors' Meeting, subsequent amendments, 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 had the following equity in its direct subsidiaries on the respective dates:

Subsidiaries	06/30/26	12/31/25
CDPC-Centro de Distribuição de Produtos de Cobre Ltda. – Under Court-Ordered Reorganization Company headquartered in the city of Santo André, SP, Brazil, with the main corporate purpose of trading and distributing copper, its scraps, and other minerals, their alloys, and the products and byproducts resulting from them.	100.00%	100.00%
Paraibuna Agropecuária Ltda. – Under Court-Ordered Reorganization: Inactive company Corporate purpose: Agricultural, pastoral and reforestation activities.	99.98%	99.98%

02. Preparation basis

A) Declaration of compliance

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 Value Added 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 August 31, 2026.

All relevant information in the Individual and Consolidated Quarterly Information, and only such information, has been disclosed and is consistent with the information used by Management in the performance of its duties.

B) Measurement basis

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

C) Functional and presentation currency

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

D) Use of estimates and judgments

The preparation of individual and consolidated quarterly information, according to IFRS and CPC standards, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported values of assets, liabilities, revenues and expenses. The 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 assumptions are reviewed continuously. Reviews of estimates are recognized on a prospective basis.

E) Uncertainty regarding accounting and critical assumptions and estimates

Information on uncertainties arising from the use of assumptions and accounting estimates that carry a significant risk of material adjustments to the critical accounts for the period ended March 31, 2026 are included in the following notes:

- Note 8 - Recoverable taxes and contributions: actions taken by the Company to realize 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 useful life;
- Note 18 - Taxes and contributions payable: Drawback authorization acts;
- Note 19 - Provision for lawsuits: main assumptions regarding the probability and amounts of cash disbursements;

03. Measuring the fair value

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

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

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

Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value upon initial recognition and at each annual reporting date for disclosure purposes. The fair value is calculated based on the present value of the principal and future cash flow, discounted using the market interest rate 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 accounting principles, methods and policies, except where indicated, regarding those presented in the last fiscal year as at December 31, 2025.

a) Correction of error from previous periods – assignment of receivables with recourse

Management identified that the assignment of receivables transactions with a recourse clause had been presented as a deduction from the "Trade receivables" line item. Considering that the Company remains substantially exposed to the risks and rewards of the assigned credits, it concluded that such transactions do not meet the criteria for derecognition of financial assets provided for in CPC 48 – Financial Instruments. Thus, the amounts began to be presented as financial liabilities, maintaining the receivables recorded in assets. Comparative information has been retrospectively restated under the terms of CPC 23 – Accounting Policies, Changes in Accounting Estimates and Correction of Errors.

Line Item		As previously reported	Reclassification	Consolidated 12/31/2025 Reclassified
Current assets	Accounts receivable	9,104	17,728	26,832
Current liabilities	Loans and financing	5,654,769	17,728	5,672,497

There is no material impact on the balance sheet, on the Group's basic or diluted net earnings (loss) per share, on the statement of changes in equity, and no impact on the operational, investing, and financing activities in the cash flows.

b) Review of the accounting understanding regarding the present value adjustment of obligations subject to the Court-Ordered Reorganization Plan

As at March 31, 2026, the Company's Management reviewed the technical understanding applicable to the measurement of obligations subject to the Court-Ordered Reorganization Plan, in light of the provisions of CPC 12 – Present Value Adjustment.

In previous years, such obligations were maintained at the amounts provided in the Court-Ordered Reorganization Plan, based on the technical understanding in force at the time, considering, among other aspects, the existence of credit conversion windows into shares provided for in the Plan, a circumstance that could significantly alter the composition and amount of the Company's financial obligations.

With the closing of the windows for converting credits into equity interest provided for in the Court-Ordered Reorganization Plan, the Management concluded that the main uncertainty related to the settlement of these obligations has ceased, making it possible to determine, with greater reliability, the remaining cash flows and their respective settlement terms.

In this context, the Company concluded that it was only at that point that the conditions for recognizing the present value adjustment of the remaining obligations had been met, as the related cash flows had then come to reflect, on a more definitive basis, the economic substance of the financial commitments undertaken.

For the measurement of the present value adjustment, Management adopted the CDI rate plus 2% per annum as the discount rate, understanding that this rate adequately represents the opportunity cost and the risk inherent to the obligations renegotiated within the scope of the Court-Ordered Reorganization Plan, being compatible with the Company's economic and financial conditions at the measurement date. The definition of this rate considered the characteristics of the liabilities, the settlement terms provided in the Plan, and the applicable market assumptions, in accordance

with the criteria established by CPC 12.

Thus, the Company recognized the present value adjustment, in March 2026, of the a forementioned obligations, in accordance with the principles established in CPC 12, reflecting the technical understanding currently adopted by Management.

Line Item		Present Value Amount
Current assets	Accounts receivable	(3,062)
Current liabilities	Suppliers	2,486
Non-current liabilities	Suppliers	80,355
Non-current liabilities	Forfeiting and letter of credit operations	2,812
Non-current liabilities	Other non - current liabilities	7,587
Total		90,178
Financial result	Financial expenses	3,062
Financial result	Financial income	(93,240)
Total		(90,178)

Thus, at the end of the quarter ended March 31, 2026, the present value adjustment ("PVA") in the amount of R\$ 93,241 thousand was recognized, reducing the PRJ liabilities against the profit or loss for the period. In the same quarter, no provision was recognized for the stock conversion options granted to PRJ creditors, as they were considered immaterial for provisioning purposes. Until November 2025, the Company recognized the provisions related to conversion options at face value, in accordance with the terms of the approved PRJ, without considering any discount or PVA adjustment. Additionally, the derecognition of this liability was recorded as the respective conversion events occurred, and not based on the exercise of the options themselves — given that a substantial portion of these conversions had already occurred in prior fiscal years.

05. Cash and cash equivalents, financial investments and restricted cash

	Notes	Parent company		Consolidated	
		06/30/2026	12/31/2025	06/30/2026	12/31/2025
Cash and banks		1,266	362	1,267	364
Interest-earning bank deposits	(a)	-	-	4,135	1,802
Cash and cash equivalents		1,266	362	5,402	2,166
Interest-earning bank deposits- Escrow	(b)	41,782	39,287	41,782	39,287
Restricted cash		41,782	39,287	41,782	39,287
Current assets		41,782	39,287	41,782	39,287

In line with its cash investment policies, the Company has maintained its financial investments in low-risk instruments with top-tier financial institutions, rated as such by the major credit rating agencies.

a) Financial investments 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 dates of statements of financial position. They are highly liquid and have low interest fluctuation risk.

b) Restricted cash

As at June 30, 2026, the Company had financial resources classified as restricted cash totaling R\$ 41,782 (R\$ 39,287 as at December 31, 2025), which were not available for free use by Management as of the reporting date.

These funds are held in an escrow account and have a specific purpose, being fully allocated to fulfilling the obligations established under the Global Agreement entered into between the Company and its creditors. Thus, such amounts may only be used for the settlement or prepayment of the installments scheduled in the respective debt amortization schedule.

The average return on investments is 95.8% of the CDI rate as at June 30, 2026 and 95.5% as at December 31, 2025, measured at amortized cost.

6. Trade accounts receivable

Notes	Parent company		Consolidated	
	06/30/2026	12/31/2025 Reclassified	06/30/2026	12/31/2025 Reclassified
Domestic clients:				
Third parties	95,672	66,176	96,679	67,183
AVP Terceiros	(3,052)	-	(3,052)	-
Estimated loss on recoverable value	(33,425)	(40,464)	(34,432)	(41,471)
	<u>59,195</u>	<u>25,712</u>	<u>59,195</u>	<u>25,712</u>
Foreign clients:				
Third parties	1,854	2,335	1,854	2,335
Estimated loss on recoverable value	(3)	(44)	(3)	(44)
	<u>1,851</u>	<u>2,291</u>	<u>1,851</u>	<u>2,291</u>
	<u>61,046</u>	<u>28,003</u>	<u>61,046</u>	<u>28,003</u>
Current assets	58,196	26,832	58,196	26,832
Non-current assets	2,850	1,171	2,850	1,171

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

	Parent company		Consolidated	
	06/30/2026	12/31/2025	06/30/2026	12/31/2025
Due in more than 120 days	4,088	1,658	4,088	1,658
Due in 91 to 120 days	988	137	988	137
Due in 61 to 90 days	3,186	2,304	3,186	2,304
Due in 31 to 60 days	13,665	7,029	13,665	7,029
Due in 30 days	34,043	14,476	34,043	14,476
Total Due	<u>55,970</u>	<u>25,604</u>	<u>55,970</u>	<u>25,604</u>
Overdue up to 30 days	7,812	10	7,812	10
Overdue for more than 90 days	316	2,389	316	2,389
Total due	<u>8,128</u>	<u>2,399</u>	<u>8,128</u>	<u>2,399</u>
	<u>64,098</u>	<u>28,003</u>	<u>64,098</u>	<u>28,003</u>
	<u>64,098</u>	<u>28,003</u>	<u>64,098</u>	<u>28,003</u>

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

In accordance with CPC 48/IFRS 9, the expected losses on financial assets form the basis for determining the losses to be recognized in income (loss) as a result of the impairment of financial assets.

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

Changes in the estimated doubtful accounts provision are shown below:

	Parent company		Consolidated	
	1st Half Year 2026	1st Half Year 2025	1st Half Year 2026	1st Half Year 2025
Opening balance	(40,508)	(52,605)	(41,515)	(53,612)
Reversals for the year	2,609	(139)	2,609	(139)
Write off	4,471	-	4,471	-
Final balance	(33,428)	(52,744)	(34,435)	(53,751)

07. Inventory

	Parent company	
	06/30/2026	12/31/2025
Raw materials	135,214	120,056
Work in progress	51,926	46,283
Finished products	27,626	16,561
Imports in transit	46	28
Advances to suppliers for purchases of raw materials	656	173
Maintenance materials and others	65,752	66,847
Resale materials	139	132
Estimated loss on recoverable value	(163,789)	(160,175)
Current assets	117,570	89,905

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

The balance of estimated losses for the reduction to the recoverable value of inventory refers substantially to the Dias D'Ávila unit, totaling R\$ 124,230, corresponding to raw materials encrusted in the furnaces, without immediate liquidity. Additionally, as at June 30, 2026, the amount of R\$ 39,559 (R\$ 35,945 as at December 31, 2025) refers to materials and products with no turnover for more than two years on the base date or classified as low turnover.

The Company offered all its inventory as collateral for the assignment of accounts receivable credit and tax lawsuits. In the case of an unfavorable decision, the full amount will be paid in cash.

08. Recoverable taxes and contributions

					Parent company	
					06/30/2026	12/31/2025
	Notes	Current assets	Non-current assets		Current assets	Non-current assets
Exclusion of ICMS from the COFINS assessment base		-	-		553	-
Value-added tax on sales and services-ICMS	(a)	774	-		1,904	-
Taxes on fixed assets recoverable		2,297	990		1,755	1,141
Income and social contribution taxes to be refunded	(b)	255	10,277		736	10,277
Estimated loss on recoverable value	(b)	-	(10,277)		-	(10,277)
Special Tax Reintegration Regime for Exporting Companies (Reintegra)	(c)	1,226	33,731		1,189	33,511
PAT - Worker Feeding Program	(e)	6,386	-		-	-
Social Security Financing Contribution - COFINS		180	-		1,948	-
Social integration program - PIS	(d)	39	-		450	-
Withholding income tax-IRRF		101	-		234	-
Excise tax-IPI		559	-		567	-
Other		1,826	-		1,829	-
		13,643	34,721		11,165	34,652

					Consolidated	
					06/30/2026	12/31/2025
	Notes	Current assets	Non-current		Current assets	Non-current
Exclusion of ICMS from the COFINS assessment base		-	-		553	-
Value-added tax on sales and services-ICMS	(a)	774	-		1,904	-
Taxes on fixed assets recoverable		2,297	990		1,755	1,141
Income and social contribution taxes to be refunded	(b)	1,880	10,277		894	10,277
Estimated loss on recoverable value	(b)	-	(10,277)		-	(10,277)
Special Tax Reintegration Regime for Exporting Companies (Reintegra)	(c)	1,226	33,731		1,189	33,511
PAT - Worker Feeding Program	(e)	6,386	-		-	-
Social Security Financing Contribution - COFINS		180	-		1,948	-
Social integration program - PIS	(d)	39	-		450	-
Withholding income tax-IRRF		174	-		263	-
Excise tax-IPI		559	-		567	-
Prepaid income and social contribution taxes		78	-		1,680	-
Other		1,891	-		1,895	-
		15,484	34,721		13,098	34,652

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 statements.

- Refers substantially to the credit balance of state value-added tax (ICMS) generated from its operations, stated at its net realizable value.
- Refers to income tax (IT) and social contribution (CSLL credits to be recovered from previous fiscal years. For the amounts classified as noncurrent 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 noncurrent 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.

- c) Special Tax Reintegration Regime for Exporting Companies. The amounts were calculated in accordance with the parameters defined in Law No. 12546/2011, with amendments to Law No. 13043/2014, regulated by the Decree No. 8415/2015, amended by Decree No. 9393/2018.

The balance is substantially represented by amounts related to the active lawsuits MS 0001029-93.2015.4.03.6126, MS 006848-11.2015.4.03.6126, and MS 5001929-83.2018.4.03.6126, which address the Reintegra rates for the periods from March 2015 to August 2018, for which the legal advisors assessed as “virtually certain,” according to the definitions of CPC 25 Provisions, Contingent Liabilities, and Contingent Assets.

- d) Refers mainly to federal tax credits based on Law No. 10637/02 (PIS) and 10866/03 (COFINS) related to the non-cumulative calculation regime.
- e) As a result of the definitive and favorable closure of Ordinary Action No. 0005481-54.2012.4.03.6126, the Company recognized credits arising from the right to the refund of overpaid Corporate Income Tax (IRPJ) for the periods from 2007 to 2010, related to the tax incentive of the Worker's Food Program (“PAT”).

With the final unappealable decision (*trânsito em julgado*) and the definitive closure of the lawsuit, the recoverable amounts were verified, including the respective monetary adjustments provided for under applicable legislation. Management assessed the recoverability of these credits and based on the available elements and the final judicial decision, recognized the corresponding asset in the accounts. The recognized amounts will be subject to refund and/or offsetting against federal taxes, in accordance with applicable procedures and current legislation.

09. Other current and noncurrent assets

09.1 - Other current and noncurrent assets

	Note	Parent company			
		06/30/2026		12/31/2025	
		Current assets	Non-current	Current assets	Non-current assets
Municipal writs of payment	(a)	-	70,837	-	43,872
Federal writs of payment	(a)	-	26,123	-	16,271
Debentures	(c)	15,450	7,500	16,650	15,000
Advances to suppliers	(b)	7,640	-	11,471	-
Accounts receivable – related parties	10.2	-	3,309	-	1,113
Advances to employees		1,602	-	1,269	-
Amount receivable - Disposal of Cibrafertil		-	1,001	-	1,001
Amounts receivable from suppliers		-	-	-	1,243
Other		787	1,068	341	150
		25,479	109,838	29,731	78,650

	Note	06/30/2026		Consolidated 12/31/2025	
		Current assets	Non- current	Current assets	Non-current assets
Municipal writs of payment	(a)	-	70,837	-	43,872
Federal writs of payment	(a)	-	26,123	-	16,271
Debentures	(c)	15,450	7,500	16,650	15,000
Advances to suppliers	(b)	7,640	-	11,471	-
Advances to employees		1,602	-	1,269	-
Amount receivable - Disposal of Cibrafertil		-	1,001	-	1,001
Amounts receivable from suppliers		-	-	-	1,243
Other		787	1,666	340	748
		25,479	107,127	29,730	78,135

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

The Company offered a guarantee on a tax lawsuit, court-ordered debt payments which, as at June30, 2026 totaled R\$ 70,499 (R\$ 43,666 as at December 31, 2025). In the case of an unfavorable decision, the full amount will be required in cash.

- b) Refers to advances to sundry suppliers to be used to settle invoices.
- c) Regarding the issuance of 437 unsecured convertible debentures into shares, for private placement and in a single series, at a unit price of R\$ 75, totaling R\$ 32,775, fully subscribed. In the first half of 2026, the Company received the amount of R\$ 8,700, generating a balance of R\$ 22,950 receivable. Note 19.d.

09.2 Deposits for lawsuits

	Parent company/Consolidated	
	06/30/2026	12/31/2025
Labor	5,196	5,401
Tax	14,172	17,772
Social Security	870	848
Civil	827	827
Other	187,439	181,708
Non-current assets	208,504	206,556

Court 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 said values can be obtained before the end of the lawsuits. The court deposits related to probable risks are reported as reductions in the contingencies provisioned (Note 19.1).

The “other court deposits” line is related to the judicial deposit made on April 2, 2024, by FIDIC Assets III is related to the purchase of part of the credit rights arising from legal proceedings related to the right to exclude ICMS from the PIS and COFINS calculation basis, and is awaiting the final outcome in the Court-Ordered Reorganization Records, fully allocated to the payment of Global Agreement.

10. Investments, related parties and others

10.1 Summary information and investment movements on June 30, 2026.

	CDPC - Centro de Distrib.Prods. Cobre Ltda.	Paraibuna Agropecu. Ltda.	Total
Summarized financial information of subsidiaries			
Current assets	5,977	-	5,977
Non-current assets	19,997	598	20,595
Total assets	25,974	598	26,572
Current liabilities	1,994	-	1,994
Non-current liabilities	3,341	-	3,341
Equity	20,639	598	21,237
Total liabilities and equity	25,974	598	26,572
Operating expenses or income	(114)	-	(114)
Loss before financial income (loss) and taxes	(114)	-	(114)
Financial income (loss)	666	-	666
Loss before income tax	552	-	552
Income and social contribution taxes	(92)	-	(92)
Net Income (loss) for the period	460	-	460
Summarized financial information of subsidiaries			
Balance as at december 31,2024	24,056	598	24,654
Non-current assets	24,056	598	24,654
Equity in net income of subsidiaries	308	-	308
Balance as at june 30,2025	24,364	598	24,962
Non-current assets	24,364	598	24,962
Balance as at december 31,2025	20,179	598	20,777
Non-current assets	20,179	598	20,777
Equity in net income of subsidiaries	460	-	460
Balance as at june 30,2026	20,639	598	21,237
Non-current assets	20,639	598	21,237

10.2 Business with subsidiaries, related parties and others

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

a) Caixa Econômica Federal

As at June 30, 2026, the Company had loans related to the anticipation of foreign currency contracts (ACC), with Caixa Econômica Federal totaling R\$ 66,423 (US\$ 12,426 thousand at the rate of 5.5024), R\$ 61,049 as at December 31, 2025 (US\$ 12,832 thousand at the rate of 5.5024) and has R\$484,405 related to nationalized debts (R\$ 331,862 as at December 31, 2025).

Caixa Econômica Federal holds 2.36% of the Company's total shares.

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

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

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

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

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

	Notes	06/30/2026	12/31/2025
CDPC - Centro de Distrib.Prods. Cobre Ltda.			
Non-Current Assets - Current Account	09.1	3,309	1,113
Non-Current Liabilities - Current Account	20	19,718	19,474

11. Other investments

This group of assets includes properties that are no longer used in the Company's operations and properties acquired through judicial rulings due to financial liabilities of its customers, totaling R\$ 22,636, valued at acquisition cost, net of accumulated depreciation and provision for losses, of which R\$ 22,100 were offered as guarantees. Additionally, the Company holds equity interests in other companies valued at R\$ 4.

As of December 31, 2025, the Company held investments in Cetrel S.A., in the amount of R\$ 2,823, recorded under non-current assets. In April 2026, the Company fully divested its equity interest for an amount corresponding to the book value, with no recognition of gain or loss on the transaction, and the proceeds were allocated to the payment of Class I creditors, within the scope of the Company's Judicial Reorganization process.

Non-operational properties offered as guarantees

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

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

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

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

12. Property, plant and equipment and intangible assets

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

Parent company/Consolidated							
	Average depreciation rate	12/31/2025	Additions	Write-offs	Transfers	Depreciation Amortization	06/30/2026
PROPERTY, PLANT AND EQUIPMENT							
Land		119,685	-	-	-	-	119,685
Improvements	5%	696	-	-	-	(41)	655
Buildings	3%	170,248	-	-	19,838	(6,612)	183,474
Installations	16%	17,264	-	-	2,075	(1,560)	17,779
Machines and Equipment	9%	339,307	2,651	(158)	33,241	(36,106)	338,935
Furniture and fixtures	8%	29,748	-	-	1,106	(3,513)	27,341
Property, plant and equipment in progress		128,492	6,028	-	(56,715)	-	77,805
Provision for impairment losses		(197,874)	-	-	-	6,621	(191,253)
Spare parts		7,876	-	-	(93)	-	7,783
Total assets		615,442	8,679	(158)	(548)	(41,211)	582,204
INTANGIBLES							
ERP/Software	20%	2,689	-	-	548	(385)	2,852
Intangible assests		2,689	-	-	548	(385)	2,852

The amount of R\$ 41,211 in property, plant and equipment related to depreciation and R\$385 in intangible assets related to amortization, totaling R\$ 41,596, refers to:

Parent company/Consolidated		
	1st Half Year 2026	1st Half Year 2025
Cost of goods sold	40,975	43,404
Commercial expenses	62	71
General and administrative expenses	559	568
Total depreciation and amortization expenses	41,596	44,043

12.1. Property, plant and equipment in progress

As at June 30, 2026, the balance of the account construction presented in progress in the Consolidated was R\$ 77,805 (R\$128,492 as at December 31, 2025), substantially represented by: expenditures in projects under execution.

The reduction observed during the period was mainly due to the completion of certain project stages and the consequent transfer of the respective amounts to the final property, plant and equipment accounts, after the start of their operation and compliance with the applicable capitalization criteria.

Management evaluated the assets classified as construction in progress as at June 30, 2026, and concluded that there were no additional facts or circumstances during the quarter indicating the need to review the recoverability tests previously performed.

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

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

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

The Company periodically assesses the recoverability of its long-term assets, or whenever there are indications of impairment, in accordance with CPC 01 (R1) – Impairment of Assets.

In the third quarter of 2025, the Company's Management decided to halt ("hibernate") the operations of the Caraíba plant, a manufacturing unit located in Dias D'Ávila-BA. In light of the challenging scenario and recent events, the Company conducted the recoverability test of the Cash Generating Units (CGUs) at the units in Dias d'Ávila – BA and Santo André - SP, using discounted cash flow projections based on the business plan approved by Management. Based on the analyses conducted, the Company identified that there is a need to recognize an impairment loss, since the estimated recoverable amount of the CGU was below the carrying amount of its net assets.

As determined by CPC 01 / IAS 36 Impairment of Assets, the Company, through specialized consulting firm, prepared a report on the fair value less costs to sell of individual assets, which confirmed the need to recognize an impairment loss on certain assets, resulting in the recognition of an impairment loss. The amount of impairment as at December 31, 2025 and June 30, 2026 is R\$ 188,310.

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

Additionally, the Company reports that, in the prior fiscal year, it performed an asset recoverability analysis and recognized a provision for reduction to realizable value in the amount of R\$ 52,050, related to items of property, plant, and equipment in progress that became obsolete. The loss is related to the discontinuation of projects, arising from cash constraints and the hibernation of the plant located in Dias D'Ávila — (BA). No additional provision of this nature was recognized in the current fiscal year.

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

Management will continue monitoring indicators of impairment of assets and review the assumptions used whenever there are relevant changes in operating or economic conditions.

12.3. Fixed assets in guarantee

The Company offered the amount of R\$ 7,783 in spare parts (R\$ 7,876 as at December 31, 2025) 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 property, plant and equipment as guarantees for tax lawsuits, the financing of expansion projects and production line technological updates, and loans under the debt re-profiling process. As at June 30, 2026, their carrying amount was R\$ 485,978.

Guarantees for lawsuits		Book Value
Judicial Lien and Fiduciary Alienation under Suspensive Condition - Labor Process		163
Judicial Lien and Fiduciary Alienation under Suspensive Condition - Tax Process		471
Judicial Lien and Fiduciary Alienation under Suspensive Condition - CSLL Process		18,683
Fiduciary Alienation		233
Total Process Guarantees		19,550
Loan Guarantees		Book Value
Fiduciary Alienation under Suspensive Condition - BNB		178,716
Sub-total (previous to restructuring)		178,716
Fiduciary Alienation and Judicial Lien		104,335
Fiduciary Alienation - Dias D'ávila		66,023
Fiduciary Alienation - Utinga		79,406
Fiduciary Alienation - Serra		13,836
Fiduciary Alienation - ING		24,112
Subtotal (Mortgaged/Pledged refinancing)		287,712
Total Loan Guarantees		466,428
Total Guarantees		485,978

13. Suppliers

	Parent company		Consolidated	
	06/30/2026	12/31/2025	06/30/2026	12/31/2025
Goods	211,181	180,052	211,181	180,052
Freight and transportation	10,939	12,200	10,939	12,200
Services	143,443	153,729	143,450	153,736
Electric power/Water and sewage/Gas	2,721	2,553	2,721	2,553
Insurance	3,325	874	3,325	874
Others	753	7,276	753	7,276
AVP	(24,435)	-	(24,435)	-
Domestic	347,927	356,684	347,934	356,691
Goods	313,516	315,599	313,516	315,599
Foreign	313,516	315,599	313,516	315,599
Judicial Recovery Suppliers	154,038	160,215	154,038	160,215
Present Value Adjustment	(65,704)	-	(65,704)	-
Foreign	749,777	832,498	749,784	832,505
Current liabilities	625,772	651,356	625,779	651,363
Non-current liabilities	124,005	181,142	124,005	181,142

As at June 30, 2026, the balance payable to suppliers on the list of creditors of the court-ordered reorganization plan totals R\$ 154,038, of which R\$ 3,905 is classified as current liabilities and R\$ 150,133 as noncurrent liabilities, distributed among the classes as follows:

Class of Creditors - Initial	06/30/2026	12/31/2025
Class I - Labor credits	2,878	7,683
Class II - Credits with real guarantee	5,406	10,494
Class III - Unsecured Credits	141,422	137,723
Class IV - ME and EPP	4,332	4,315
Total	154,038	160,215

14. Forfeiting and letter of credit operations

These operations relate to signed copper concentrate purchase contracts with suppliers that use banking operations called “forfeiting” and letters of credit. In such transactions, suppliers transfer their securities receiving rights to the banks which, in turn, become the creditors of the operations. 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 payment terms to customers and, at the same time, anticipate the receipt of payment for forward sales, contributing to the improvement of operating cash flow.

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

The amount of “Forfeiting - Domestic suppliers – RJ” is part of the list of creditors in the court-ordered reorganization, included in Class III - Unsecured Claims.

	Deadline	Parent company/Consolidated			
		06/30/2026		12/31/2025	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Forfeiting - Domestic suppliers	up to 90 days	10,116	-	9,021	-
Forfeiting - Domestic suppliers - Judicial Recovery		-	4,983	-	5,784
Present Value Adjustment - Forfeiting - Domestic Suppliers - RJ		-	(2,340)	-	-
		10,116	2,643	9,021	5,784

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 financial expenses. Financial expenses are recognized in income (loss) 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.

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

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

Contract	Months should be capitalized	Interest rate	Non-current assets				Liabilities			
			12/31/2025	Additions	Amortization	06/30/2026	12/31/2025	Additions	Payments	06/30/2026
Print Outsourcing Leasing - Corp	2027/05	1.03%	23	55	(28)	50	24	59	(29)	54
Rental of Forklifts-ES	2027/07	1.03%	56	-	(18)	38	64	(3)	(17)	44
Rent of equipment monitoring - BA	2028/09	1.03%	2,364	837	(437)	2,764	2844	912	(431)	3,325
Rent of equipment monitoring - SP	2029/06	1.03%	235	3,397	(413)	3,219	275	4,125	(491)	3,909
Rental of Forklifts	2026/07	1.03%	921	-	(790)	131	985	-	(844)	141
Rental of Professional Uniforms	2027/01	1.03%	406	55	(207)	254	478	19	(227)	270
Equipment rental scrap Handling	2026/12	1.03%	61	725	(361)	425	62	772	(383)	451
Rental of Laptops	2029/02	1.03%	89	249	(24)	314	105	291	(19)	377
Rent of equipment monitoring - ES	2028/07	1.03%	176	-	(34)	142	212	-	(42)	170
			4,331	5,318	(2,312)	7,337	5,049	6,175	(2,483)	8,741
					Adjustment to present value	(718)	(718)	(686)	-	(1,404)
					Lease Balance	4,331	4,331	5,489	(2,483)	7,337
					Current liabilities		2,613			3,092
					Non-current liabilities		1,718			4,245

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
	06/30/2026
2026.....	1,792
2027.....	2,355
2028.....	2,199
2029.....	990
	7,337

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	2026	2027	2028
Lease Liabilities	6,606	3,800	1,180
Inflation Projected Flow	6,956	3,959	1,224
Right of Use	5,481	3,145	976
Inflation Projected Flow	5,771	3,276	1,012
Financial Expense	469	452	204
Inflation Projected Flow	494	471	212
Depreciation Expense	2,336	2,169	976
Inflation Projected Flow	2,460	2,260	1,012
Future IPCA	5.30%	4.18%	3.70%

(*) <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\$ 973 in the consolidated during the six-month period ended June30, 2026 (R\$ 2,442 in the same period of 2025), classified as rents as per Note 23.

16. Loans and financing

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

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

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

The Company, following the guidelines established in IFRS 9 (CPC 48) "Financial Instruments" to determine whether there were substantial changes in the debt renegotiation, analyzed the qualitative and quantitative testing and identified that there was no change in the contracted instruments and currencies. Moreover, the net present value of cash flows under the new terms was within the parameters established by the standard; consequently, there was no exchange of the debt instrument but an adjustment of the carrying amount 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 carrying amount, and the difference is recognized in the financial income (loss). Adjustment amount as at December 31, 2021 was R\$ 96,574 (US\$ 17,307 at the rate of R\$ 5.5805). As at June 30, 2026, the adjustment balance is R\$ 22,922 (US\$ 4,428 at a rate of 5.1766). As at December 31, 2025, the balance was R\$ 31,148 (USD 5,661 at a rate of 5.5024).

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 disclosed in the material fact on May 12, 2026, the Company entered into the Partial Settlement Agreement of the Global Agreement ("Partial Settlement Agreement"), which aims to terminate the Private Global Agreement ("Global Agreement"). The parties entered into the first amendment to the Partial Settlement Agreement, through which, by mutual agreement, they extended the deadline for compliance with the aforementioned conditions precedent, originally scheduled for July 1, 2026, and subsequently extended to July 31, 2026. As of the issuance date of these financial statements, the parties have already executed a new amendment, providing for the extension of the said deadline to September 30, 2026.

The Partial Settlement Agreement includes: (i) payment of R\$ 100 million; (ii) transfer to the creditors of the total amount already deposited in the escrow account, currently estimated at approximately R\$ 41 million, as well as approximately R\$ 185 million deposited in a judicial account, plus any applicable adjustments; and (iii) grants the creditors all the economic benefits arising from 9 (nine) judicial credit receivables of the Company, which must be monetized over a period of up to 36 months.

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.

Below is the balance of loans net of transaction costs at the end of each period:

	06/30/2026		12/31/2025	
	Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
				Reclassified
Contracted in USD				
Foreign Trade Financing - ACC/ACE	398,412	-	396,443	-
Export Prepayment - PPE	2,441,421	-	2,417,055	-
Bank Credit Note	194,505	-	191,871	-
	<u>3,034,338</u>	<u>-</u>	<u>3,005,369</u>	<u>-</u>
Contracted in BRL				
Credit Assignment Anticipation	(a) 215,051	-	155,095	-
Credit Assignment Anticipation - Judicial Recovery	(b) -	359	-	707
Credit Assignment with Recourse	(c) 48,218	-	17,728	-
DIP Financing	(d) 330,918	-	312,701	-
Debt Acknowledgment	(e) 2,449,833	23,746	2,179,952	28,496
Debentures	(f) 13,275	7,500	17,775	15,000
	<u>3,057,295</u>	<u>31,605</u>	<u>2,683,251</u>	<u>44,203</u>
Transaction Costs - reprofiling	<u>(13,435)</u>	<u>-</u>	<u>(16,123)</u>	<u>-</u>
	<u>6,078,198</u>	<u>31,605</u>	<u>5,672,497</u>	<u>44,203</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.
- c) Amount referring to the credit assignment of accounts receivable with right of recourse (the credit risk of the accounts receivable remains with the Company), which the Company carried out with Credit Rights Investment Funds.
- d) The Company entered into the Assignment, Promise of Transfer and Acquisition of Credit Rights Agreement and Other Covenants, in the DIP modality, as allowed by Articles 66, 67, and 69-A of the Bankruptcy and Court-Ordered Reorganization Plan Law and as previously authorized in Clauses 2.5, 13.1, and 13.2 of the Court-Ordered Reorganization Plan.

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

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

In August 2025, the Company signed a renegotiation agreement with the F.I.D.C. Multissetorial Fundo BS NP, a renegotiation with additional collateral for the private debt acknowledgment agreement and the establishment of a fiduciary sale of the brand as collateral, along with other covenants, in which it requested an extension of the outstanding installment payments; the original final maturity date was January 2028 and was extended to January 2030, without any adjustments or other penalties regarding interest or late fees, which was accepted by the creditor on the condition of additional collateral for said debt.

The contract entered into with the F.I.D.C. Multissetorial Fundo BS NP states that the non-payment of any installment will result in the immediate and early maturity of the outstanding balance, which will then be adjusted for inflation according to the index of the São Paulo State Court of Justice, and a late payment penalty of 2% (two percent), interest of 1%, and attorney's fees of 10% (ten percent) on the debt will be applied in the case of amicable or judicial collection. The agreement further provides that, in the event of non-payment of three installments or if the aforementioned Debt Restructuring is terminated early, the creditor may take appropriate extrajudicial and/or judicial measures, and shall serve the Company with a summons, through the officer of the Registry of Deeds and Documents, to pay the outstanding debt plus interest and other legal and contractual charges, within fifteen (15) days. If the debt remains unpaid after this period, the Creditor may proceed with the extrajudicial sale of the Eluma Brand.

- f) The Board of Directors approved on November 6, 2025, as well as the terms and conditions, of the 8th Issuance of Unsecured Convertible Debentures into Shares, for Private Placement and in a Single Series, pursuant to its deed of issuance ("Deed of Issuance"), article 59 of the Brazilian Corporate Law, article 19, item "xv," of the Company's Bylaws, and other applicable legal and regulatory provisions.

The Debentures were offered through a private placement, without the intermediation of institutions that are part of the securities distribution system or any placement effort before unspecified investors, and therefore are not subject to the issuance registration with the CVM as provided in Article 19 of Law No. 6385/1976, nor before Brazilian Financial and Capital Markets Association – ANBIMA.

The Debentures were subscribed at an issuance price corresponding to their unit nominal value of R\$ 75, and are not subject to levy of interest or monetary restatement. The total amount of the issuance was up to 800 debentures totaling R\$ 60,000 on the issuance date, with the possibility of partial placement and a minimum amount of R\$ 30,000. The Debentures must be mandatorily convertible into the Company's common shares.

The Current Shareholders could exercise their preemptive right to subscribe to the Debentures in proportion to the number of shares issued by the Company that they hold, as provided in article 57, §1, and article 171, §3, of the Brazilian Public Corporate Law, and in the Bylaws. The preemptive right could be exercised within a period of thirty (30) days, as indicated in the notice to shareholders informing them of the exercise period of this right, without prejudice to the applicable regulations of B3 and the Brazilian Securities Exchange Commission (CVM).

At the end of the preemptive rights exercise period, the amount of remaining debentures was determined and apportioned proportionally among the Debenture subscribers who expressed interest in subscribing to them. For this purpose, the Company published a new notice to shareholders, providing notice of: (i) the total number of Debentures subscribed during the preemptive rights exercise period; (ii) the commencement of the 5 (five) business days period for the subscription of the remaining debentures; and (iii) the subscription percentage applicable to the exercise of the remaining debentures.

The Company's 8th Issue of Debentures reached the total amount of R\$ 32,775, with 437 (four hundred thirty-seven) Debentures issued, within the authorized capital limit of the Company. As at December 23, 2025, the Board of Directors approved and ratified the partial placement of the Company's 8th Issuance of Debentures.

The maturity period of the Debentures was established to twenty-four (24) months from the issuance date, and estimated maturity date on November 11, 2027.

Long-term installments have the following maturities:

	Parent company/Consolidated	
	06/30/2026	12/31/2025
2027.....	11,877	24,490
2028.....	9,498	9,498
2029.....	10,230	10,215
	<u>31,605</u>	<u>44,203</u>

Summary of changes in loans during the period

		Parent company/Consolidated							
	12/31/2025	Additions	Convertible debentures	Principal Payment	Interest Payment	Fair value adjustment	Interest / Fines	FX / Monetary variation	03/31/2026
	Reclassified								
Loans in foreign currency	2,417,055	-	-	-	-	-	141,791	(117,425)	2,441,421
Foreign trade loans	396,443	-	-	-	-	-	19,701	(17,732)	398,412
Credit Assignment Anticipation	155,095	297,219	-	(238,120)	(23,071)	-	23,928	-	215,051
Credit Assignment Anticipation - Judicial Recovery	707	-	-	-	-	(374)	26	-	359
Credit Assignment with Recourse	17,728	250,989	-	(220,499)	-	-	-	-	48,218
DIP Financing	312,701	-	-	(530)	-	-	18,747	-	330,918
Bank Credit Note	191,871	-	-	-	-	-	12,088	(9,454)	194,505
Debentures	32,775	-	(12,000)	-	-	-	-	-	20,775
Debt Acknowledgment	2,208,448	-	-	(5,396)	(10,495)	-	274,228	6,794	2,473,579
Transaction costs - reprofiling	(16,123)	-	-	-	-	-	2,688	-	(13,435)
Loans and financing	5,716,700	548,208	(12,000)	(464,545)	(33,566)	(374)	493,197	(137,817)	6,109,803

Debt breakdown by financial institution.

						06/30/2026 - BRL		06/30/2026 - USD	
Modality	Bank	Payment	Maturity	Interest Rate	Current Liabilities		Non-Current Liabilities	Current Liabilities	
					Principal	Interest	Principal/Interest	Principal	Interest
Contracted in BRL									
Anticipation credit assignment	F.I.D.C. Multissetorial Fundo BS NP	Monthly	2026	2.6% p.m.	202,336	11,145	-	-	-
Anticipation credit assignment	Credit Partners F.I.D.C. não Padronizados	Monthly	2026	2.6% p.m.	1,070	-	-	-	-
Anticipation credit assignment	Libra FIDC Multissetorial - Banpar	Monthly	2026	2.7% p.m.	500	-	-	-	-
Anticipation credit assignment - Judicial Recovery	Fundo Inv. Direitos Cred. Sifra	Monthly	2027 to 2031	IPCA	-	-	359	-	-
Credit assignment with recourse	F.I.D.C. Multissetorial Fundo BS NP	Monthly	2026	2.6% p.m.	48,218	-	-	-	-
Debentures			2027		13,275	-	7,500	-	-
Debt confession	Banco do Est do Rio Grance do Sul - Banrisul	Monthly	2024 to 2029	1% p.m. + TR	12,633	11,637	23,746	-	-
Debt confession	F.I.D.C. Multissetorial Fundo BS NP	Monthly	2024 to 2030	2.13% p.m.	387,577	125,361	-	-	-
DIP Financing	F.I.D.C. Multissetorial Fundo BS NP	Monthly	2025 to 2040	CDI + 4.92% p.a.	276,035	54,883	-	-	-
Debt confession	Banco Bradesco S.A.	Half-Yearly	2022 to 2028	CDI + 2.0% p.a.	373,543	560,987	-	-	-
Debt confession	Caixa Economica Federal	Half-Yearly	2022 to 2028	CDI + 2.0% p.a.	263,694	221,111	-	-	-
Debt confession	Scotiabank Brasil S.A.	Half-Yearly	2022 to 2028	CDI + 2.0% p.a.	150,141	129,816	-	-	-
Debt confession	Banco BNP Panbas Brasil S.A.	Half-Yearly	2022 to 2028	CDI + 2.0% p.a.	122,186	91,147	-	-	-
Total contracted in BRL					1,851,208	1,206,087	31,605	-	-
Contracted in USD									
ACC	Banco BNP Panbas Brasil S.A.	Half-Yearly	2022 to 2025	SOFR 06M + 1.0% p.a.	20,292	11,614	-	3,920	2,244
ACC	Banco do Brasil S.A.	Half-Yearly	2022 to 2025	SOFR 06M + 1.0% p.a.	142,674	86,854	-	27,561	16,778
ACC	Caixa Economica Federal	Half-Yearly	2022 to 2025	SOFR 06M + 1.0% p.a.	42,244	24,179	-	8,161	4,671
ACC	China Construction Bank	Half-Yearly	2022 to 2025	SOFR 06M + 1.0% p.a.	43,793	26,762	-	8,460	5,170
PPE	Banco Sumitomo Mitsui BR. S.A.	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	197,367	144,233	-	38,127	27,862
PPE	Scotiabank	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	19,998	14,614	-	3,863	2,823
PPE	Ing Bank N.V.	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	48,578	35,500	-	9,384	6,858
PPE	Ing Bank N.V.	Half-Yearly	2022 to 2025	SOFR 06M + 1.0% p.a.	84,482	62,792	-	16,320	12,130
PPE	China Construction Bank	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	64,024	46,788	-	12,368	9,038
PPE	Cargill Incorporated	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	773,553	565,302	-	149,433	109,203
PPE	Banco do Brasil S.A.	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	68,328	49,933	-	13,200	9,646
PPE	Zion Capital S/A	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	10,353	7,566	-	2,000	1,462
PPE	BPS Capital	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	130,050	95,038	-	25,122	18,359
CCB	Wilbury NPL Fundo de Invest.	Half-Yearly	2022 to 2028	SOFR 06M + 4.0% p.a.	112,380	82,125	-	21,709	15,865
Present Value of Contractual Cash Flows					-	22,922	-	-	4,428
Total Contracted in USD					1,758,116	1,276,222	-	339,628	246,537
					(13,435)	-	-	-	-
Transaction Costs - Reprofiling									
Total					3,595,889	2,482,309	31,605	339,628	246,537

As at June 30, 2026, the total balance of renegotiated debts was all classified in current liabilities, due to non-compliance with covenants under the global agreement. The Company is also overdue on installments of the contracts with the F.I.D.C. Multissetorial Fundo BS NP and due to this default, the outstanding debt balance has become immediately and prematurely payable from the due date, as provided in the contractual clauses. Consequently, the amount reclassified to current liabilities totaled R\$ 1,361,049.

Guarantees:

As at June 30, 2026, loans and financing were guaranteed by property, plant and equipment items with a carrying amount of R\$ 466,428 (R\$ 446,698 as at December 31, 2025), 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× as at December 31, 2021;
- ≤ 12.3× as at December 31, 2022;
- ≤ 9.1× as at December 31, 2023;
- ≤ 6.9× as at December 31, 2024;
- ≤ 5.8× as at December 31, 2025;
- ≤ 5.5× as at December 31, 2026;
- ≤ 5.2× as at December 31, 2027; and
- ≤ 4.9× as at 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 of 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 social security charges

		Parent company			
		06/30/2026		12/31/2025	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Provision for vacations		13,067	-	20,825	-
Profit sharing and Results		25,477	-	23,109	-
Provision for 13th month's salary		4,057	-	-	-
Social security and Contributions	(b)	208,416	2,511	152,514	2,768
Contribution to the Severance Indemnity Fund	(a)	28,600	6,728	22,175	7,414
Severance pay	(c)	2,537	-	14,703	-
Private Pension		-	-	77	-
Judicial Recovery		119	-	3,269	-
Other		7,855	-	6,138	-
		290,128	9,239	242,810	10,182

- a) The Company entered into an installment plan with Caixa Econômica Federal for the settlement of debts related to the Severance Indemnity Fund for Length of Service (FGTS), referring to the period from January 2023 to February 2024. Considering the condition of a company undergoing court-ordered reorganization, the period granted for settling the installment plan is 100 months.

The debts corresponding to the period from March 2024 to January 2026 are under negotiation with Caixa Econômica Federal for the definition of the settlement form. Starting from the February 2026 period, FGTS payments began to be made regularly on their respective due dates.

- 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 and is seeking the social security debt payment with National Treasury Attorney General's Office - PGFN.

The outstanding balance also includes overdue social security contributions (INSS) relating to prior periods. The significant increase observed compared to the previous quarter results primarily from the recognition and monetary adjustment of these social security debts from prior fiscal years, as well as the increase in social security contributions calculated for the current period.

- c) The Company has signed an agreement with the Metalworkers' Union of Dias D'Ávila and Region (STIM) to cut jobs at the Dias d'Ávila plant. The agreement was preceded by discussions between the parties and their legal representatives, during which they reached a common and mutually beneficial understanding.

18. Taxes and contributions payable

	Notes	Parent company			
		06/30/2026		12/31/2025	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Contribution for social security funding – COFINS		11,408	-	5,182	-
Social Integration Program - PIS		2,233	-	1,044	-
Value-added tax on sales and services - ICMS	(a)	28,815	42,074	43,284	21,493
Municipal Real Estate Tax - IPTU	(d)	37,443	6,274	34,187	-
Excise Tax - IPI		16,999	-	9,231	-
Withholding income tax-IRRF		1,143	-	2,128	-
Income tax and social contribution	26.2	530	-	-	-
Withheld PIS, COFINS, income tax and social contribution	(e)	47,331	-	33,692	-
Service Tax - ISS		12,277	-	8,690	-
Withholding tax - installments	(b)	1,887	5,744	6,933	14,281
Provision Drawback Tax- suspension	(c)	622,578	-	572,081	-
Other		299	-	2,453	-
		782,943	54,092	718,905	35,774

	Notes	06/30/2026		Consolidated 12/31/2025	
		Current liabilities	Non-current liabilities	Current liabilities	Non-current liabilities
Contribution for social security funding – COFINS		11,412	-	5,184	-
Social Integration Program - PIS		2,234	-	1,045	-
Value-added tax on sales and services - ICMS	(a)	28,815	42,073	43,284	21,493
Municipal Real Estate Tax - IPTU	(d)	37,443	6,274	34,187	-
Excise Tax - IPI		16,999	-	9,231	-
Withholding income tax-IRRF		1,143	-	2,128	-
Income tax and social contribution	26.2	2,343	-	1,982	-
Withheld PIS, COFINS, income tax and social contribution	(e)	47,331	-	33,692	-
Service Tax - ISS		12,277	-	8,690	-
Withholding tax - installments	(b)	1,887	5,745	6,976	14,281
Provision Drawback Tax- suspension	(c)	622,578	-	572,081	-
Other		299	31	2,450	-
		784,761	54,123	720,930	35,774

- a) The Company signed an agreement with the São Paulo State Attorney General's Office, which allowed it to pay its ICMS debts in 145 installments, with a reduction in fines and interest, and signed a REFIS agreement with the Bahia SEFAZ, which allowed it to pay its ICMS debts in 120 installments, with a reduction in fines and interest.

The Company also has ICMS arrears totaling R\$ 26,322, for which installment plans will be requested in various states.

- b) 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.
- c) The Company has concession acts of the Drawback regime, overdue, which includes the suspension of Import Tax, PIS (Social Inclusion Program) and COFINS (Social Security Financing). In view of the current scenario, the Company did not fulfill the exports and will perform the nationalization of goods and payment of all suspended taxes in the future, with the due legal additions of fine and interest. The total amount of liabilities recognized in the statement of financial position is R\$ 622,578 (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\$ 432,310. The Selic interest recognized in the six-month period ended June 30, 2026, was R\$ 50,497.
- d) The Company is asking the Municipal Governments of Santo André, Guarujá to open an installment payment plan for 2023-2026. The amounts are already updated with the recognition of fines and late payment interest.

The Company joined the installment plan for the IPTU, referring to the years 2023 to 2025, with the Dias D'Avila City Hall for payment in 84 installments.

19. Provision for lawsuits

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.

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

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

				Parent company/Consolidated		
				12/31/2025		
		Provision	Judicial Claims	06/30/2026	Provision	Judicial Claims
				Provision		
Labor	(a)	137,582	(480)	137,102	120,360	(487)
Labor- Judicial Recovery	(a)	91,353	(3,889)	87,464	103,917	(4,560)
Civil	(b)	21,620	-	21,620	134,095	-
Civil - Judicial Recovery	(b)	14,859	-	14,859	14,351	-
Tax	(c)	625,105	-	625,105	608,961	-
Social Security		39,865	-	39,865	38,707	-
		<u>930,384</u>	<u>(4,369)</u>	<u>926,015</u>	<u>1,020,391</u>	<u>(5,047)</u>
						<u>1,015,344</u>

a) The provision for labor contingencies refers to lawsuits in progress in the Labor Court which, individually, are not material to the Company's business. Of the total value of labor contingencies, R\$ 91,353 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 in connection with contractual disputes. Of the total value of civil contingencies, R\$ 14,859 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) totaling R\$ 539,755 as at June 30, 2026 (R\$ 527,612 as at December 31, 2025), 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.

Changes in provisions have progressed as shown below:

						Parent company/Consolidated
		Labor	Tax	Civil	Social Security	Total
Balance as at december 31,2024		194,851	600,135	114,025	36,643	945,654
Provision (Reversal)		12,406	(22,962)	9,587	-	(969)
Interest Accruals		15,726	31,473	24,448	2,064	73,711
Deposits in court		1,365	1,648	-	-	3,013
Write-offs		(5,118)	(1,333)	386	-	(6,065)
Balance as at december 31,2025		<u>219,230</u>	<u>608,961</u>	<u>148,446</u>	<u>38,707</u>	<u>1,015,344</u>
Provision (Reversal)	(d)	8,557	946	(86,173)	-	(76,670)
Interest Accruals		8,146	15,321	8,781	1,158	33,406
Deposits in court		678	-	-	-	678
Write-offs	(e)	(12,045)	(123)	(34,575)	-	(46,743)
Balance as at june 30,2026		<u>224,566</u>	<u>625,105</u>	<u>36,479</u>	<u>39,865</u>	<u>926,015</u>

d) The reduction that occurred in civil matters in the amount of R\$ 86,173 was mainly due to the reversal of R\$ 100,454 related to the lawsuit under No. 0003221-59.2000.8.05.0039, an action for the annulment of the extraordinary general meetings held on August 11, 1997, and October 6, 1997, of Cibrafertil, which resulted in the increase of capital stock through the payment of credit by Caraíba, due to the agreement executed between Bafertil, J.D. Participações, and Cibrafertil, attached to the records of the indemnification action No.

0000900-17.2001.8.05.0039 and its enforcement of judgment No. 8000874-47.2019.8.05.0039, through which the payments relating to the indemnification and attorneys' fees were adjusted, as well as, given the absence of any condemnation or obligation imposed on Paranapanema, it is understood that the risk previously assessed as probable must be reclassified as remote. This understanding stems from the comprehensive scope of the agreement, which not only covers the aforementioned indemnification action and its enforcement of judgment, but also encompasses the annulment of meetings action No. 0003221-59.2000.8.05.0039, cited above.

e) The derecognitions recorded in the amount of R\$ 34,575 in civil matters refer substantially to the execution and settlement of judicial agreements entered into for the closure of several civil lawsuits, whose amounts were settled within the scope of the 9th window for the conversion of credits into the Company's equity interest, and the derecognition of R\$ 12,045 in labor matters refers substantially to payments made from the Class I labor creditors list.

19.2. Risks assessed as possible

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

	Parent company		Consolidated	
	06/30/2026	12/31/2025	06/30/2026	12/31/2025
Labor	1,205	1,105	1,205	1,105
Tax	734,358	774,962	734,833	775,425
Social security	9,617	10,229	9,617	10,229
Civil	1,589,798	1,889,685	1,589,798	1,889,685
	2,334,978	2,675,981	2,335,453	2,676,444

The most relevant civil and tax lawsuits as of June 30, 2026, whose risk is assessed as possible, are discussed below:

Isolated IPI and IRPJ fine

The Brazilian Federal Internal Revenue Service filed an infraction notice to collect a one-off fine related to undue compensation of IPI and IRPJ debits between 2004 and 2006, performed by Caraíba Metais S.A. (an incorporated company). This compensation was made by the Company before the final court ruling on the validity of credit use.

On August 24, 2010, Caraíba Metais S.A. had partial success in the Appeal Court, recognizing the lack of a legal basis for the enforcement of an "isolated/non-cumulative" fine before the edition on Law No. 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 credit was published on August 17, 1998.

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

As at June 30, 2026, the Company estimates an adjusted amount of R\$ 144,593 (R\$ 140,873 as at December 31, 2025), which was considered possible by the legal counsel, hence, no provision was set up.

Foreclosure Lawsuit – Banco Santos S/A

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

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

As at June 30, 2026, the Company estimates an adjusted amount of R\$ 138,605 (R\$ 131,155 as at December 31, 2025), which was considered possible by the legal counsel, hence, no provision was set up.

Indemnity Lawsuit - Bafertil - Bahia Fertilizantes Ltda.

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

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

On April 8, 2003, the expert presented an expert report, and on May 9, 2006, a new hearing was held.

On October 10, 2024, a judgment was rendered dismissing the claims and ordering the plaintiff to pay court costs and success-based attorney's fees fixed at 5% of the value of the lawsuit. Bafertil filed a Motion for Clarification alleging an omission in the sentence, to which Caraíba and Cibrafertil filed their responses to the Motion.

On July 17, 2025, the notification of both litigants was ordered for their statement, in view of the transaction executed in lawsuit No. 8000874-47.2019.8.05.0039. Cibrafertil stated on July 24, 2025, requesting the ratification of the agreement, and on August 14, 2025, Bafertil stated requesting, in addition to the ratification of the agreement, the continuation of the proceedings against Paranapanema, an objection that was countered on September 25, 2025, by Paranapanema, understanding that the agreement also has a discharging effect in favor of the Company.

On November 19, 2025, the case was redistributed due to jurisdiction.

Considering the agreement executed between Bafertil, J.D. Participações, and Cibrafertil, ratified by the court on June 12, 2025, which was attached to the indemnification action No. 0000900-17.2001.8.05.0039, as well as to its enforcement of judgment No. 8000874-47.2019.8.05.0039, which provided for the payment of amounts as indemnification and attorneys' fees, in addition to the absence of any provision for condemnation against Paranapanema, the contingencies previously classified as possible, whose updated value as of June 30, 2026, was R\$ 300,348 (R\$ 284,981 as of December 31, 2025), and probable, whose updated value as of June 30, 2026, was R\$ 97,008 (see details in explanatory note 19.1 d), were reassessed as remote by the Company and its external legal advisors.

Such conclusion stems from the comprehensive scope of the agreement, which covers the ordinary indemnification action No. 0000900-17.2001.8.05.0039, the enforcement of judgment linked to that lawsuit (case No. 8000874-47.2019.8.05.0039), the annulment of meetings action No. 0003221-59.2000.8.05.0039, as well as case No. 0003236-28.2000.8.05.0039.

Furthermore, in the records of case No. 0010568-75.2002.8.05.0039 (annulment of trade bills), the joinder of the action dealing with the annulment of meetings was ordered, it being certain that the latter was dismissed without prejudice, and the former, relating to the trade bills, was definitively closed and archived in October 2023, reinforcing the absence of probability of any burdensome impact on Paranapanema.

Cargill Incorporated

The Company clarifies that the increase observed in the 4th quarter of 2025 was mainly due to the recording of a new contingency related to Execution Action 4039242-15.2025.8.26.0100, pending before the 8th Civil Court of the District of São Paulo/SP, filed by Cargill Incorporated against Paranapanema. It is emphasized that the underlying obligation was already reflected in the Company's liabilities under the Global Agreement totaling R\$ 1,338,855 (R\$ 1,320,751 as at December 31, 2025). However, the filing of the aforementioned lawsuit led to the registration of a specific procedural contingency, classified, up to the present moment, as a contingent liability.

As at June 30, 2026, the Company estimates an adjusted amount of R\$ 1,275,381 (R\$ 1,193,832 as at December 31, 2025), which was considered possible by the legal counsel, hence, no provision was set up.

Active cases with probable likelihood of success

The Company is party in ongoing lawsuits for which, based on the opinion of its legal advisors and in accordance with the accounting practices adopted by the Company, were considered as having a probable likelihood of a favorable outcome, in the amount of R\$ 69,230. Since these are active processes, these amounts are not recorded.

20. Other current liabilities

	Notes	Parent company		Consolidated	
		06/30/2026	12/31/2025	06/30/2026	12/31/2025
Customer credits	(a)	1,301	1,710	1,301	1,710
Advances from clients	(b)	67,301	74,733	67,301	74,733
Attorneys' fees and services	(c)	11,530	13,316	11,530	13,316
Related Parties	10.2	19,719	19,474	-	-
Various provisions	(d)	6,039	7,869	6,039	7,869
Sales commission		7,126	6,886	7,295	7,049
Cargill	(e)	8,689	15,409	8,689	15,409
Others		1,317	1,389	1,317	1,390
		123,022	140,786	103,472	121,476
Advances from clients		67,301	74,733	67,301	74,733
Other current liabilities		27,313	31,170	27,482	31,334
Other non-current liabilities		28,408	34,883	8,689	15,409
		123,022	140,786	103,472	121,476

a) Customer credits refer to adjustments between price parameters, volumes and/or metal content yields charged temporarily upon invoicing, and final transaction parameters.

b) Amount related to advances made by customers for future material delivery.

- c) It refers to the provision for attorneys' fees on the success of lawsuits filed against the Company.
- d) Refers to provision of sundry expenses for the period, pending legal documentation to settle the obligation.
- e) Refers to Series 2 debentures, issued on September 22, 2017, that would mature on September 01, 2023. However, as a result of the Company's entry into Court-Ordered Reorganization on November 30, 2022, there was an early maturity of the 2nd Series debentures, so that they now make up the list of Class III credits of the Court-Ordered Reorganization Creditors List, subject to the payment terms and conditions approved in the Court-Ordered Reorganization Plan, and are now classified as other current liabilities.

21. Equity

a) Capital stock

The subscribed and paid-in capital stock as of June 30, 2026, is two billion, three hundred fifty-three million, five hundred five thousand, five hundred twenty-two reais and eighty-four centavos (R\$ 2,353,505,522.84), divided into two hundred ninety-seven million, one hundred ninety-eight thousand, two hundred thirty-three (297,198,233) common, book-entry shares with no par value, and as of December 31, 2025, it was two billion, two hundred forty-five million, six hundred thirty-eight thousand, six hundred eighty-one reais and twenty-six centavos (R\$ 2,245,638,681.26), divided into one hundred twenty million, five hundred forty-one thousand, five hundred ninety-six (120,541,596) common, registered, book-entry shares with no par value.

The capital increase took place in accordance with the conversion periods provided for in the Court-Ordered Reorganization plan and in increase in capital stock by private subscription of shares, when the Company's Board of Directors approved the Company's Capital Increase.

- On February 22, 2024, due to the closure of the 1st share conversion period, and with the re-ratification on September 23, 2024 to correct an error regarding the total number of shares issued and ratified by the Company, in the 1st window the amount of fifty-eight million, eight hundred and sixty-one thousand, five hundred and thirty-nine reais (R\$58,861,539.71) was subscribed through the issue of twelve million, four hundred and eighteen thousand, one hundred and one (12,418,101) new common shares.
- On June 21, 2024, due to the end of the 2nd conversion period of shares, where the amount of R\$ 26,063,162.34 (twenty-six million, sixty-three thousand, one hundred and sixty-two reais and thirty-four centavos) was subscribed, through the issuance of 6,435,369 (six million, four hundred and thirty-five thousand, three hundred and sixty-nine) new common shares.
- On November 18, 2024, due to the end of the 3rd conversion period of shares where the amount of R\$ 17,897,570.56 (seventeen million, eight hundred and ninety-seven thousand, five hundred and seventy reais and fifty-six centavos) was subscribed, through the issuance of 7,305,153 (seven million, three hundred and five thousand, one hundred and fifty-three) new common shares.
- On March 20, 2025, due to the end of the 4th conversion period of shares where the amount of six million, five hundred sixty-five thousand, two hundred eighty-three reais and sixty centavos (R\$6,565,283.60) was subscribed, through the issuance of five million, eight hundred sixty-one thousand, eight hundred sixty-one (5,861,861) new common book-entry shares with no par value.

- On June 23, 2025, due to the end of the 5th conversion period of shares, where the amount of ten million, five hundred forty-five thousand, nine hundred twenty-eight reais and twenty-three centavos (R\$ 10,545,928.23) was subscribed, through the issuance of four million, nine hundred five thousand eighty-nine (4,905,089) new common book-entry shares with no par value.
- On August 18, 2025, due to the end of the 6th conversion period of shares where the amount of two million, five hundred sixty thousand, four hundred seventeen reais and forty-five centavos (R\$ 2,560,417.45) was subscribed, through the issuance of one million, one hundred three thousand six hundred thirty-one (1,103,631) new common book-entry shares with no par value.
- On October 28, 2025, due to the increase of capital stock by private subscription of shares, the amount was fifty-three million, five hundred seventy-eight thousand, five hundred thirty-one reais and eighty-one centavos (R\$ 53,578,531.81), through the issuance of thirty-nine million, one hundred eight thousand, five hundred forty-three (39,108,543) new common book-entry shares with no par value.
- The conversions took place on January 14, 2026, totaling one million, six hundred and fifty thousand reais (R\$ 1,650,000.00), upon the issuance of three million, five hundred eighty-six thousand, nine hundred fifty-seven (3,586,957) new common book-entry shares with no par value, and on February 6, 2026, amounting to seven million, fifty thousand reais (R\$ 7,050,000.00), upon the issuance of fifteen million, three hundred twenty-six thousand, eighty-nine (15,326,089) new common book-entry shares with no par value due to the conversion of an additional portion of the debentures issued by the Company under the Private Instrument of Deed of the 8th Issuance of Convertible Debentures into Shares, Unsecured, in a Single Series, for Private Placement, of Paranapanema S.A. – under Court-Ordered Reorganization, executed on November 11, 2025.
- On April 08, 2026, due to the closing of the 8th share conversion period, which was subscribed in the amount of R\$ 10,686,119.13 (ten million, six hundred and eighty-six thousand, one hundred and nineteen reais and thirteen cents), through the issuance of 11,368,218 (eleven million, three hundred and sixty-eight thousand, two hundred and eighteen) new common, book-entry shares with no par value.
- On May 25, 2026, due to the closing of the 9th share conversion period, which was subscribed in the amount of R\$ 85,180,722.37 (eighty-five million, one hundred and eighty thousand, seven hundred and twenty-two reais and thirty-seven cents), through the issuance of 139,640,679 (one hundred and thirty-nine million, six hundred and forty thousand, six hundred and seventy-nine) new common, book-entry shares with no par value.
- On June 08, 2026, as a result of the conversion of an additional portion of the debentures issued by the Company under the Private Indenture of the 8th Issuance of Convertible, Unsecured, Single-Series Debentures for Private Placement of Paranapanema S.A. – In Judicial Reorganization, entered into on November 11, 2025, in the amount of R\$ 3,300,000.00 (three million, three hundred thousand reais), through the issuance of 6,734,694 (six million, seven hundred and thirty-four thousand, six hundred and ninety-four) new common, book-entry shares with no par value.

Total	Quantity	Share Capital
Balance as at december 31, 2023	43,403,849	2,069,566,247.56
1st Conversion Window		
Subscription by Creditors	12,282,475	58,218,672.47
Subscription by Shareholders	135,626	642,867.24
2nd Conversion Window		
Subscription by Creditors	6,302,717	25,525,921.74
Subscription by Shareholders	132,652	537,240.60
3rd Conversion Window		
Subscription by Creditors	7,248,115	17,757,827.51
Subscription by Shareholders	57,038	139,743.05
Balance as at decemberr 31, 2024	69,562,472	2,172,388,520.17
4th Conversion Window		
Subscription by Creditors	3,575,256	4,004,286.00
Subscription by Shareholders	2,286,605	2,560,997.60
5th Conversion Window		
Subscription by Creditors	4,621,330	9,935,846.38
Subscription by Shareholders	283,759	610,081.85
6th Conversion Window		
Subscription by Creditors	1,055,114	2,447,858.01
Subscription by Shareholders	48,517	112,559.44
Before the Capitalization of Claims Not Subject to Judicial Reorganization		
Subscription by Creditors	38,864,742	53,244,524.44
Subscription by Shareholders	243,801	334,007.37
Balance as at december 31, 2025	120,541,596	2,245,638,681.26
Before the Debentures Conversion		
Debentures Issuance - 01/14/26	3,586,957	1,650,000.00
Debentures Issuance - 02/06/26	15,326,089	7,050,000.00
Before the 8th Conversion Window		
Subscription by Creditors	11,267,942	10,591,859.69
Subscription by Shareholders	100,276	94,259.44
Before the 9th Conversion Window		
Subscription by Creditors	139,410,687	85,040,427.33
Subscription by Shareholders	229,992	140,295.12
Before Debenture Conversion		
Debenture Issuance - 06/08/26	6,734,694	3,300,000.00
Balance as at june 30, 2026	297,198,233	2,353,505,522.84

The ownership structure of the Company is as follows:

	%	06/30/2026		%	12/31/2025
YAP Investimentos Ltda	14.212	42,236,639	YAP Investimentos Ltda	9.373	11,298,193
LEXPAY Investimentos Ltda	12.395	36,839,038	LEXPAY Investimentos Ltda	8.477	10,218,409
EZZE Seguros S.A.	9.836	29,233,043	Caixa Econômica Federal	5.825	7,022,106
Magalhes Junior Locação e Serviços Ltda	3.696	10,983,607	Daycoval Seguros S.A.	3.633	4,379,563
Matrans Transportes de Cargas Ltda.	3.442	10,229,509	Serenity BR B Fudos de Inves	3.554	4,284,300
Caixa Econômica Federal	2.363	7,022,106	Luiz Barsi Filho	3.513	4,235,000
Cilazza Comercio e Representações Ltda	2.206	6,557,378	Mineração Buritirama S.A.	3.110	3,749,000
Treasury shares	0.000	1,441	Treasury shares	0.001	1,441
Market	51.849	154,095,472	Market	62.513	75,353,584
Total shares outstanding		297,198,233	Total shares outstanding		120,541,596

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

b) Authorized capital stock

The Company's management is authorized to increase its capital stock 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 issue and placement conditions for the said securities, among the assumptions permitted by law.

c) Rights of shares

Each year, the shareholders will receive minimum dividends of 25% of net income calculated pursuant to the terms of Brazilian Corporate Law, and they must be paid within a maximum period of 60 days after the date on which they are declared by the General Shareholders' Meeting. The shareholders are also entitled to voting rights on all of the common shares that comprise the capital stock, which are fully subscribed and paid-in.

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

d) Legal reserve

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

In the years in which the Company reports a net income or loss or has accumulated losses, no legal reserve is established, since corporate law stipulates that the allocation of income can only occur after the full absorption of accumulated losses, as provided in Article 189 of the aforementioned law.

e) Treasury shares

As at June 30, 2026 and December 31, 2025, the Company had 1,441 treasury shares. The market value of total treasury shares, calculated based on latest stock exchange quotation was R\$ 1 at the end of the periods.

f) Tax incentive reserve

Paranapanema is a beneficiary of tax incentives through to 2027. It enjoys a 75% fixed reduction in the income tax rate and deductions from operating income. 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 income is calculated based on the net income for the period, excluding the tax benefits of: (i) financial income (loss) 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 stock.” Thus, it is an obligation of the Company to allocate to the tax incentive reserve account the amount arising from the tax benefit (tax amount not paid) which, by definition, does not go into income (loss) because it does not arise from the delivery of goods or services by the Company.

g) Asset and liability valuation adjustments

The reserve for asset and liability valuation adjustments includes: the balance of the deemed cost reserve that refers to values recognized prior to the coming into effect of Law No. 11638/07, and will be maintained up to its effective realization. The realization of the reserve is reflected in the account of retained earnings or losses. The same treatment is given with reference to the reversal of the deferred income tax that was recorded when accounting for the attributed cost and the deferred social contribution recognized in the current period, due to the position taken by Brazil’s Supreme Court (STF) in the context of Extraordinary Appeals 955227 and 949297.

h) Market value of the Company’s shares.

The market value of the Company’s shares, in accordance with the latest average quotation of shares traded on B3 S.A. - Brasil, Bolsa, Balcão, in the unit value of R\$ 0.26, corresponded as at June 30, 2026, to R\$ 77,272 (unit value of R\$ 0.70, totaling R\$ 84,379 as at December 31, 2025). As at June 30, 2026, the Company had a negative shareholders’ equity of R\$ 7,798,570 (R\$ 7,544,086 negative as at December 31, 2025), and the shares’ book value was R\$-26.24 (R\$-62.58 as at December 31, 2025).

i) Earnings (loss) per share

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

The diluted earnings (losses) per share are calculated by dividing the income (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:

	2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Profit (Loss) per common share				
Income (Loss) for the period	(285,140)	(373,375)	(257,487)	(389,404)
Weighted average of shares outstanding(*)	201,496,520	201,496,520	70,394,268	70,394,268
Profit (Loss) per common share	(1.41511)	(1.85301)	(3.65778)	(5.53176)
Profit (Loss) per diluted common share				
Income (Loss) for the period	(285,140)	(373,375)	(257,487)	(389,404)
Weighted average of shares outstanding(*)	201,496,520	201,496,520	70,394,268	70,394,268
Profit (Loss) per diluted common share	(1.41511)	(1.85301)	(3.65778)	(5.53176)

(*) The weighted average number of shares considers the effect of the weighted average of changes in shares, excluding treasury shares, during the six-month period ended June 30, 2026.

j) Income 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

	2nd Quarter 2026	1st Half Year 2026	Parent company/Consolidated 2nd Quarter 2025	1st Half Year 2025
Gross revenue	208,644	389,751	174,671	340,799
Domestic market	195,624	349,808	152,086	304,346
Foreign market	13,020	39,943	22,585	36,453
Taxes and sales deductions	(39,449)	(78,193)	(31,994)	(63,998)
Excise Tax - IPI	(4,020)	(7,278)	(2,398)	(4,898)
Value-added tax on revenue and services - ICMS	(18,514)	(34,041)	(15,521)	(30,848)
Tax Incentive Fiscal ICMS - Desenvolve (I)	1,248	1,832	-	-
Social Integration Program-PIS	(2,635)	(4,822)	(2,091)	(4,174)
Contribution for social security funding-COFINS	(12,138)	(22,209)	(9,630)	(19,226)
Other taxes and revenue deductions	(3,390)	(11,675)	(2,354)	(4,852)
Net revenue from sales	169,195	311,558	142,677	276,801
Net revenue DM	156,379	272,042	120,483	240,967
Net revenue FM	12,816	39,516	22,194	35,834
	169,195	311,558	142,677	276,801

- (I). The industrial headquarters located in Dias D'Ávila, in the State of Bahia, was granted a tax incentive for ICMS, within the scope of the Industrial Development and Economic Integration Program of the State of Bahia (DESENVOLVE). In August 2016, through Decree No. 16970, Law No. 13564 the Government established that every company enjoying fiscal and financial benefits, or incentives that result in a reduction in the value of ICMS paid, shall contribute the corresponding amount of 10% of the benefit or incentive to the State Fund to Combat and Eradicate Poverty.

b) Geographical information – gross revenue from customers abroad

	Parent company/Consolidated			
	2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
America	13.020	31.541	22.486	36.354
Europe	-	8.402	99	99
	<u>13.020</u>	<u>39.943</u>	<u>22.585</u>	<u>36.453</u>

23. Expenses per type

	Parent company			
	2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Metal cost	(96,698)	(169,172)	(77,423)	(143,656)
Personnel and benefits	(34,031)	(70,097)	(47,834)	(94,556)
Depreciation	(20,624)	(41,596)	(23,728)	(44,043)
Amortization of asset usage rights	(1,140)	(2,312)	(1,777)	(3,575)
Electricity/water/gas/fuel and lube oil	(11,143)	(22,725)	(15,654)	(32,196)
Third-party services	(8,929)	(17,399)	(11,179)	(18,588)
Maintenance	(1,863)	(3,585)	(251)	(5,999)
Rent	(679)	(973)	(1,123)	(2,442)
Institutional and legal issues	(7,912)	(15,459)	(6,400)	(13,457)
Informatics/telecommunications	(1,964)	(3,679)	(1,190)	(3,060)
Other expenses	(6,469)	(11,964)	(8,041)	(20,636)
Travel expenses	(115)	(218)	(122)	(226)
Sales and marketing	(238)	(384)	(162)	(367)
Profit Sharing	(3,842)	(9,097)	(5,937)	(10,830)
Management remuneration	(a) (1,988)	(3,928)	(1,766)	(3,286)
	<u>(197,635)</u>	<u>(372,588)</u>	<u>(202,587)</u>	<u>(396,917)</u>
Cost of products sold	(171,797)	(321,032)	(177,677)	(350,572)
Sales expenses	(2,119)	(4,089)	(2,284)	(4,565)
General and Administrative expenses	(23,719)	(47,467)	(22,626)	(41,780)
	<u>(197,635)</u>	<u>(372,588)</u>	<u>(202,587)</u>	<u>(396,917)</u>

The Company recorded idleness amounting to R\$ 32,640 in the three-month period ended June 30, 2026, and R\$ 69,475 in the six-month period ended June 30, 2026 (R\$ 50,351 and R\$ 102,206, respectively, in the same periods of 2025), and it is classified within the Cost of goods sold line.

Brazilian corporate law requires the presentation of the statement of profit or loss 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.

	1st Half Year 2026				1st Half Year 2025			
	Statutory Board	Administrative Council	Supervisory Board	Total	Statutory Board	Administrative Council	Supervisory Board	Total
Remuneration of Executives from Management	1,364	1,567	245	3,176	857	1,567	252	2,676
Labor benefits	102	-	-	102	75	-	-	75
Social burden	288	313	49	650	172	313	50	535
Fixed remuneration	1,754	1,880	294	3,928	1,104	1,880	302	3,286
	1,754	1,880	294	3,928	1,104	1,880	302	3,286
Bonus (ICP/ILP)	1,945	-	-	1,945	1,219	-	-	1,219
Social Burdens	1,251	-	-	1,251	244	-	-	244
Variable remuneration	3,196	-	-	3,196	1,463	-	-	1,463
Total remuneration	4,950	1,880	294	7,124	2,567	1,880	302	4,749

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		2nd Quarter 2025	1st Half Year 2025
		2nd Quarter 2026	1st Half Year 2026		
Tax recoveries		7,296	7,370	617	617
Energy sales revenue		546	549	170	178
Reversal of other estimated loss		-	-	3,096	3,115
Sundry recoveries		3,998	4,001	-	45
Sundry sales		68	157	57	217
Leasing of property and equipment		42	85	41	81
Sales of scrap		-	-	1	356
Reversal provision for judicial claims	19	100,454	100,454	-	-
Other income		23	23	86	198
Total of other income		112,427	112,639	4,068	4,807
Provision for judicial claims	19	(22,312)	(23,784)	(15,357)	(21,120)
Severance pay		(1,431)	(17,142)	(30,485)	(31,040)
PIS and COFINS on other income		(1,203)	(1,220)	(38)	(108)
Energy sales revenue		(926)	(2,192)	(496)	(1,016)
Contingency Fee Provision		(1,935)	(246)	(390)	(1,700)
Write-off of property, plant and equipment		(158)	(158)	-	-
Fines from infraction notices		(8,566)	(11,828)	(2,225)	(2,759)
Sundry sales costs		(2)	(4)	(2)	(16)
Other estimated losses		-	(41)	(3)	(3)
Other expenses		(233)	(1,018)	(224)	(247)
Total other expenses		(36,766)	(57,633)	(49,220)	(58,009)
Total other income (expenses), net		75,661	55,006	(45,152)	(53,202)

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

	Notes	Consolidated			
		2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Tax recoveries		7,296	7,370	617	617
Energy sales revenue		546	549	170	178
Reversal of other estimated loss		-	-	3,096	3,115
Sundry recoveries		3,998	4,001	-	45
Sundry sales		68	157	57	217
Leasing of property and equipment		42	85	41	81
Sales of scrap		-	-	1	356
Reversal provision for judicial claims	19	100,454	100,454	-	-
Other income		23	23	148	260
Total of other income		112,427	112,639	4,130	4,869
Provision for judicial claims	19	(22,312)	(23,784)	(15,357)	(21,120)
Severance pay		(1,431)	(17,142)	(30,485)	(31,040)
PIS and COFINS on other income		(1,203)	(1,220)	(38)	(108)
Energy sales revenue		(926)	(2,192)	(496)	(1,016)
Contingency Fee Provision		(1,935)	(246)	(390)	(1,700)
Write-off of property, plant and equipment		(158)	(158)	-	-
Fines from infraction notices		(8,566)	(11,828)	(2,226)	(2,761)
Sundry sales costs		(2)	(4)	(2)	(16)
Other estimated losses		-	(41)	(3)	(3)
Other expenses		(234)	(1,019)	(222)	(245)
Total other expenses		(36,767)	(57,634)	(49,219)	(58,009)
Total other income (expenses), net		75,660	55,005	(45,089)	(53,140)

25. Financial revenues (expenses)

	Note	Parent company			
		2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Foreign exchange losses	(a)	(3,066)	(7,918)	(8,623)	(20,120)
Interest expenses		(329,283)	(608,098)	(259,578)	(511,089)
Adjustment to present value		(127)	(3,331)	(168)	(324)
Bank expenses/IOF		(684)	(1,351)	(517)	(952)
Monetary variations on liabilities		(34,281)	(51,626)	(25,384)	(47,307)
Other financial expenses		(5,514)	(13,203)	(4,593)	(8,736)
Total financial expenses		(372,955)	(685,527)	(298,863)	(588,528)
Asset foreign exchange fluctuations	(a)	22,840	165,128	140,614	358,319
Adjustment to present value	(b)	6,877	100,118	-	-
Interest income		1,867	4,168	1,368	4,176
Monetary variation – assets		8,427	46,571	3,728	8,369
Other financial income		(24)	982	118	303
Total financial income		39,987	316,967	145,828	371,167
Total financial result		(332,968)	(368,560)	(153,035)	(217,361)

	Note	Consolidated			
		2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Foreign exchange losses	(a)	(3.066)	(7.918)	(8.623)	(20.120)
Interest expenses		(329.284)	(608.099)	(259.577)	(511.089)
Adjustment to present value		(127)	(3.331)	(168)	(324)
Bank expenses/IOF		(685)	(1.354)	(517)	(954)
Liability monetary variation		(34.281)	(51.626)	(25.384)	(47.307)
Other financial expenses		(5.524)	(13.221)	(4.599)	(8.743)
Total financial expenses		(372.967)	(685.549)	(298.868)	(588.537)
Asset foreign exchange fluctuations	(a)	22.840	165.128	140.614	358.319
Adjustment to present value	(b)	6.877	100.118	-	-
Interest income		2.074	4.616	1.393	4.224
Monetary variation – assets		8.577	46.815	3.883	8.766
Other financial income		(24)	979	118	303
Total financial income		40.344	317.656	146.008	371.612
Total financial result		(332.623)	(367.893)	(152.860)	(216.925)

- a) Exchange rate gains (losses): 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 gains (losses), on both the asset and liability sides.
- b) The Company recognized in the quarter the effect of the Adjustment to Present Value (“APV”) on certain obligations subject to the Court-Ordered Reorganization Plan, in accordance with the criteria established in CPC 12 – Adjustment to Present Value.

Until the end of the year 2025, management believed that the necessary elements for a reliable measurement of the impairment loss were not present, given that the conditions for settling the liabilities remained subject to significant future events, including the possibility of converting credits into shares and other changes provided for in the Court-Ordered Reorganization Plan and its amendments.

With the closing of the last window for converting credits into shares and the approval of the changes made by the 3rd Amendment to the Court-Ordered Reorganization Plan, the Management concluded that the payment terms of the obligations now substantially reflect the expected future cash flows, allowing for the consistent application of the present value adjustment methodology.

26. Current and deferred income and social contribution taxes

26.1 Deferred income and social contribution taxes

Deferred income and social contribution taxes have the following sources:

	Note	06/30/2026			12/31/2025		
		Parent company	Parent company	Consolidated	Parent company	Parent company	Consolidated
Tax rate		34%	34%		34%	34%	
Deferred tax assets on tax losses		9,605,700	33,138	9,638,838	8,912,193	33,269	8,945,462
Income tax on fiscal loss		3,265,938	11,267	3,277,205	3,030,146	11,312	3,041,458
Provision for write-off of credits on tax losses		(3,265,938)	(11,267)	(3,277,205)	(3,030,146)	(11,312)	(3,041,458)
Income tax on fiscal loss	a)	-	-	-	-	-	-
Net exchange variations		7,438	-	7,438	165,059	-	165,059
Estimated losses (reversals) on allowance for doubtful assets		33,428	1,007	34,435	40,508	1,007	41,515
Shareholders' deficit		-	-	-	-	-	-
Impairment of property, plant and equipment		-	-	-	249,923	-	249,923
Provision for lawsuits		930,384	-	930,384	1,020,391	-	1,020,391
Estimated loss (reversal) on recoverable inventory sums		169,373	-	169,373	161,007	-	161,007
Estimated loss Taxes to Recover		10,277	-	10,277	10,277	-	10,277
Provision (Reversals) for financial instruments and others		34,126	165	34,291	38,330	162	38,492
Provision for adjustment to present value		(88,491)	-	(88,491)	(8,165)	-	(8,165)
Total temporary differences		1,096,535	1,172	1,097,707	1,677,330	1,169	1,678,499
Income tax on temporary differences		372,822	398	373,220	570,292	397	570,689
Credits on tax losses	b)	(372,822)	(120)	(372,942)	(570,292)	(119)	(570,411)
Income tax on temporary differences	b)	-	278	278	-	278	278
Deferred income tax and social contribution		-	278	278	-	278	278
Tax on revaluation reserve	c)	(53,369)	-	(53,369)	(54,119)	-	(54,119)
		(53,369)	278	(53,091)	(54,119)	278	(53,841)
Non-current assets		-	278	278	-	278	278
Non-current liabilities		53,369	-	53,369	54,119	-	54,119

- a) The Company has, in consolidated, tax losses generated in Brazil, in the amount of R\$ 9,655,470 (R\$ 8,945,462 as at December 31, 2025), which generates an amount of R\$ 3,282,860 of deferred income and social contribution taxes, 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 monitor these assets continually based on estimates of future taxable income. Reversals of the allowance will be made as appropriate. In Brazil, the offsetting of tax losses has no statute of limitations, being limited to 30% of the annual taxable income, except for the gain obtained from the reduction of the debt by the legal entity within the scope of a court-ordered reorganization process, which shall not be subject to the percentage limit.

- b) As at June 30, 2026, the Company had recorded under the account "Deferred income and social contribution taxes" amounts calculated on temporarily non-deductible expenses arising from the calculation of the taxable income for income and social contribution taxes' purposes, which are available for future offsetting against the said tax. The Company considers a provision for loss of R\$ 457,916 on deferred tax assets of temporary differences.
- c) The realization of the deferred income and social contribution taxes on asset and liability 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 income (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 and Social Contribution Tax 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 and Social Contribution Taxes in Consolidated, charged to statement of profit or loss is presented below:

	Parent company			
	2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Net Income(Loss) before income and social contribution taxes	(285,510)	(374,124)	(257,952)	(390,371)
Nominal combined statutory rates	34%	34%	34%	34%
Income tax	(97,073)	(127,202)	(87,704)	(132,726)
Permanent additions	(7)	363	274	(130)
Realization of revaluation reserve (depreciation/write-off)	647	1,293	763	1,588
Provisions for doubtful credit	(1,770)	(2,407)	44	47
Provisions for legal claims	(36,016)	(30,602)	12,317	19,024
Estimated Losses Recoverable Taxes	-	-	(145,304)	(145,304)
Other deductible provision	1,598	1,415	1,579	3,875
Net foreign exchange variation (cash basis)	(6,766)	(53,591)	(45,161)	(115,578)
Adjustment to present value	(2,441)	(27,311)	-	-
Tax Loss Carryforward of previous years	-	-	-	-
Deferred income tax on revaluation reserve	370	750	465	967
Allowance for temporary differences	141,828	238,041	263,192	369,204
Other	-	-	-	-
Current Income tax credits	370	749	465	967
Current taxes	-	-	-	-
Deferred income tax on revaluation reserve	370	749	465	967
Deferred taxes	370	749	465	967
Credit from income and social contribution taxes	370	749	465	967
Total effective rate	-0.13%	-0.20%	-0.18%	-0.25%
Current effective rate	0.00%	0.00%	0.00%	0.00%

	2nd Quarter 2026	1st Half Year 2026	2nd Quarter 2025	1st Half Year 2025
Net Income(Loss) before income and social contribution taxes	(285,461)	(374,032)	(257,915)	(390,289)
Nominal combined statutory rates	34%	34%	34%	34%
Income tax	(97,057)	(127,171)	(87,587)	(132,594)
Permanent additions	(27)	322	272	(129)
Realization of revaluation reserve (depreciation/write-off)	647	1,293	763	1,588
Provisions for doubtful credit	(1,770)	(2,407)	44	47
Provisions for litigation	(36,016)	(30,602)	29,489	36,196
Estimated Losses Recoverable Taxes	-	-	(160,201)	(160,201)
Other deductible provision	1,599	1,417	1,580	3,874
Net exchange variation (cash basis)	(6,766)	(53,591)	(45,161)	(115,578)
Adjustment to present value	(2,441)	(27,311)	-	-
Tax Loss Carryforward of previous years	24	45	722	722
Deferred income tax and social contribution on tax losses	-	-	(22)	-
Tax loss and negative basis of social contribution	370	750	465	967
Deferred income tax on revaluation reserve	141,758	237,912	260,064	365,993
Provision for credit write-offs with temporary differences	-	-	-	-
Other	-	-	-	-
Current Income tax credits	321	657	428	885
Income tax for the current year	(34)	(64)	(1,196)	(1,226)
Social contribution for the current year	(15)	(28)	(433)	(446)
Current taxes	(49)	(92)	-	(1,672)
Deferred income tax and social contribution	-	-	1,592	1,590
Deferred income tax on revaluation reserve	370	749	465	967
Deferred taxes	370	749	2,057	2,557
Credit from income and social contribution taxes	321	657	2,057	885
Total effective rate	-0.11%	-0.18%	-0.17%	-0.23%
Current effective rate	0.02%	0.02%	0.63%	0.43%

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 that it 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. Identified business risks are as follow:

- Interest rate risk inherent to 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 can possibly 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 in certain of the Company's assets and liabilities. The use of derivatives is not automatic, nor is it necessarily the only answer to managing business risk. Their use is permitted only after verifying that the derivative chosen may minimize risks within certain tolerance levels established by this policy.

As at June 30, 2026, and December 31, 2025, the Company did not have formally designated and documented hedge relationships for the purpose of applying hedge accounting, as provided in CPC 48 – Financial Instruments. Consequently, there was no accounting recognition of hedge transactions in the mentioned periods.

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 curves disclosed in LME and LBMA.

28.3 Classification of financial instruments

The following table presents the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include information about the fair value of financial assets and liabilities not measured at fair value, if the carrying amount is a reasonable approximation of the fair value.

Balance as at june 30,2026		Consolidated			
		Book value		Fair value	
	Notes	Amortized cost method	Total	Level 2	Total
Financial assets					
Cash and cash equivalents	05	5,402	5,402	-	-
Restricted cash	05	41,782	41,782	-	-
Trade accounts receivable	06	61,046	61,046	-	-
Total assets		108,230	108,230	-	-
Financial liabilities					
Suppliers	13	749,784	749,784	-	-
Securitization of accounts payable	14	12,759	12,759	-	-
Advances from clients	20	67,301	67,301	-	-
Customer credit	20	1,301	1,301	-	-
Loans and financing	16	6,109,803	6,109,803	-	-
Total liabilities		6,940,948	6,940,948	-	-

Balance as at december 31,2025		Consolidated			
		Book value		Fair value	
	Notes	Amortized cost method	Total	Level 2	Total
Financial assets					
Cash and cash equivalents	05	2,166	2,166	-	-
Restricted cash	05	39,287	39,287	-	-
Trade accounts receivable	06	28,003	28,003	-	-
Total assets		69,456	69,456	-	-
Financial liabilities					
Suppliers	13	832,505	832,505	-	-
Securitization of accounts payable	14	14,805	14,805	-	-
Advances from clients	20	74,733	74,733	-	-
Customer credit	20	1,710	1,710	-	-
Loans and financing	16	5,716,700	5,716,700	-	-
Total liabilities		6,640,453	6,622,725	-	-

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

Carrying amount/fair value

Management considers that the fair value is a tax incentive reserve equivalent to the carrying amount of short-term transactions, once the carrying amount of such transactions is a reasonable approximation of the fair value (CPC-40/item 29).

Fair value hierarchy

The Company discloses its assets and liabilities at fair value, based on 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 fair value.

Financial assets and liabilities recorded at fair value are classified and disclosed according to the following levels:

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 a 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 are made 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 when observable inputs are not available, and should reflect the business unit's expectations of what market players would use as assumptions for pricing an asset or a liability, including risk assumptions. No financial instrument held has Level 3 category characteristics.

28.4 Market risks

28.4.1 Foreign exchange risk

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

		Parent company / Consolidated	
		06/30/2026	12/31/2025
Cash and cash equivalents	US\$	198	16
Accounts receivable	US\$	358	426
Suppliers	US\$	(63,657)	(61,344)
Loans and financing	US\$	(586,165)	(548,065)
Advances from clients	US\$	(559)	(1,367)
Total net exposure	US\$	(649,825)	(610,334)

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

28.4.2 Interest rate risk

The Company has loans indexed to the SOFR and CDI change, and financial investments 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	
		06/30/2026	12/31/2025
Restricted cash	CDI	45,917	41,089
Loans and financing	Sofr 6M	(3,011,416)	(2,974,221)
Loans and financing	TR	(48,016)	(52,016)
Loans and financing	CDI	(2,243,543)	(2,005,159)
Total net exposure		(5,257,058)	(4,990,307)

28.4.3 Commodities risk

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

The origin of commodity risk is the mismatch 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 given by the mismatch between the volume 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.

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

28.4.4 Sensitivity analysis

The Company presents below the sensitivity table for risks of exchange rate gains (losses) and interest rates to which it is exposed considering that eventual fluctuations in these variables could affect its future income (loss) based on existing exposures as at June 30, 2026 (December 31, 2025).

For the preparation of the sensitivity analysis, the most likely scenario considered was based on the market conditions observed on the base date of the Financial Statements. Additionally, scenarios of deterioration and improvement of risk variables were simulated by applying positive and negative variations of 25% and 50% on the exchange rates and interest rates considered in the likely scenario.

Management understands that such scenarios represent reasonably possible changes in market conditions and allow for the assessment of the potential effects of these variations on the Company's results. The analysis presented is purely indicative and does not necessarily reflect the actual losses or gains incurred in future periods.

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

	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	198	US\$	5.1766	1,025	(256)	(513)	256	512
Accounts receivable	358	US\$	5.1766	1,853	(463)	(926)	464	927
Suppliers	(63,657)	US\$	5.1766	(329,526)	82,381	164,763	(82,382)	(164,764)
Loans and financing	(586,165)	US\$	5.1766	(3,034,338)	758,584	1,517,169	(758,585)	(1,517,169)
Advances from clients	(559)	US\$	5.1766	(2,894)	724	1,447	(723)	(1,447)
Total	(649,825)			(3,363,880)	840,970	1,681,940	(840,970)	(1,681,941)
Interest rate risk								
Restricted cash	45,917	CDI	14.2%	6,497	(1,624)	(3,249)	1,624	3,249
Loans and financing	(3,011,416)	SoFr 6M	3.70%	(111,422)	27,856	55,711	(27,856)	(55,711)
Loans and financing	(48,016)	TR	0.17%	(82)	20	41	(20)	(41)
Loans and financing	(2,243,543)	CDI	14.2%	(317,461)	79,365	158,731	(79,365)	(158,731)
Total	(5,257,058)			(422,468)	105,617	211,234	(105,617)	(211,234)

28.5 Credit risk

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

Credit is an important instrument for promoting business between the Company and its customers. This is due to the fact that credit leverages customers' purchasing power.

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

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

As regards the credit risk associated to financial investments, the Company always invests with low-risk institutions, as evaluated by independent ratings agencies.

		Parent company		Consolidated	
	Notes	06/30/2026	12/31/2025 Reclassificado	06/30/2026	12/31/2025 Reclassificado
Assets					
Cash and cash equivalents	05	1,266	362	5,402	2,166
Restricted cash	05	41,782	39,287	41,782	39,287
Trade accounts receivable	06	61,046	28,003	61,046	28,003
Other assets	09.1	135,317	108,381	132,606	107,864
		239,411	176,033	240,836	177,320

28.6 Liquidity risk

- The risk management policy implies maintaining a safe level of cash and cash equivalents and access to credit lines.
- Liquidity risk represents a shortage of funds intended to pay debts.

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

	Notes	Amount	Up to 1 year	1 – 2 years	Consolidated 2 – 4 years	Over 4 years
Liabilities						
Loans and financing	16	(6,109,803)	(6,078,198)	(21,375)	(10,230)	-
Advances from clients	20	(67,301)	(67,301)	-	-	-
Leasing	15	(7,337)	(1,792)	(4,554)	(990)	-
Customer credit	20	(1,301)	(1,301)	-	-	-
Suppliers	13	(749,784)	(625,779)	(124,005)	-	-
Forfait and credit card operations	14	(12,759)	(10,116)	(301)	(1,247)	(1,095)
		<u>(6,948,285)</u>	<u>(6,784,487)</u>	<u>(150,235)</u>	<u>(12,468)</u>	<u>(1,095)</u>

28.7 Capital management

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

The Company includes within its net debt structure: loans, borrowings, less cash, cash equivalents, and financial investments.

	Notes	Parent company		Consolidated	
		06/30/2026	12/31/2025	06/30/2026	12/31/2025
Loans and financing	16	6,109,803	5,716,700	6,109,803	5,716,700
Forfaiting and letter of credit operations	14	12,759	14,805	12,759	14,805
(-) Cash and cash equivalents	05	(1,266)	(362)	(5,402)	(2,166)
(-) Interest-earning bank deposits	05	(41,782)	(39,287)	(41,782)	(39,287)
(=) Net debt		<u>6,079,514</u>	<u>5,674,128</u>	<u>6,075,378</u>	<u>5,672,324</u>
Equity	21	(7,811,244)	(7,544,086)	(7,811,244)	(7,544,086)
Equity valuation adjustments	21.g	103,597	105,054	103,597	105,054
Total equity		<u>(7,914,841)</u>	<u>(7,649,140)</u>	<u>(7,914,841)</u>	<u>(7,649,140)</u>
Leverage ratio		-331.25%	-287.30%	-330.28%	-286.94%

29. Assumed commitments

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

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

	Parent company/Consolidated	
	06/30/2026	12/31/2025
Up to 1 year	12,606	12,349
From 2 to 3 years	28,135	26,581
Over 3 years	12,091	18,048
	<u>52,832</u>	<u>56,978</u>

30. Variable remuneration plan

30.1 - General terms and conditions

a) Beneficiaries:

Some Company executives, as hired, are eligible for the Variable Compensation Program. Consisting of short (ICP) and long-term (ILP) incentives. The ICP and ILP are linked to pre-determined collective and individual goals.

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.

- 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 of the year prior to payment.

d) Settlement form:

Settlement shall be made through payroll once all established conditions have been met.

31. Additional information regarding cash flow

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

	1st Half Year 2026	1st Half Year 2025
Operational activities	95,632	87,469
Suppliers	35,753	24,410
Legal deposits	31,821	61,744
Payroll and related charges	25,168	1,315
Advances from clients	2,890	-
Other current and non-current liabilities	-	-
Investing activities	-	-
Financing activities	(95,632)	(87,469)
Capital increase	(107,632)	(87,469)
Loans and financing	12,000	-

32. Subsequent events

Global Agreement

As disclosed in the Material Fact on May 12, 2026, the Company entered into the Partial Settlement Agreement of the Global Agreement ("Partial Settlement Agreement"), for the purpose of terminating the Private Global Agreement ("Global Agreement").

After years of negotiations and successive restructurings, the debt reached a structured resolution through an agreement entered into within the context of the Global Agreement. The instrument aims at the partial settlement of the currently overdue debt, in the approximate amount of R\$ 4.2 billion, through a negotiated solution based on reciprocal concessions. The Partial Settlement Agreement provided that the following should occur by July 1, 2026: (i) the payment of R\$ 100 million; (ii) the transfer to creditors of the full amount already deposited in the escrow account, currently estimated at approximately R\$ 41 million, as well as approximately R\$ 185 million deposited in the judicial account, plus any potential adjustments; and (iii) the granting to creditors of all economic benefits arising from 9 (nine) judicial credit receivables of the Company, which must be monetized over a period of up to 36 months.

Subsequently, the parties entered into the First Amendment to the Partial Settlement Agreement, through which the deadline for compliance with the conditions precedent, originally scheduled for July 1, 2026, and subsequently extended to July 31, 2026, was extended. On July 31, 2026, as disclosed in a Material Fact to the market, the Second Amendment to the Partial Settlement Agreement of the Global Agreement was executed, through which the parties, by mutual agreement, established new deadlines for compliance with the conditions precedent, being until September 30, 2026, for the release of the balance deposited in the judicial account and for the payment, in cash, of the amount of R\$ 100 million. As of the issuance date of these financial statements, the remaining conditions and obligations established in the Partial Settlement Agreement remain unchanged, and the Company continues to monitor compliance with the targeted conditions, keeping its shareholders and the market duly informed of any relevant developments related to this matter.

As part of the measures adopted to enable compliance with the suspensive condition regarding the payment of R\$ 100 million provided for in the Partial Settlement Agreement, Management approved, on July 28, 2026, after the end of the period, the execution of the 11th issuance of Debentures into Shares, primarily aimed at raising the necessary funds to fulfill this obligation. Such event is disclosed in the Subsequent Events Note and represents a relevant step for the implementation of the Partial Settlement Agreement.

The effectiveness of the said agreement remains subject to approval by the Reorganization Court, as provided for in the applicable legislation. Thus, considering that the conditions for the completion of the transaction still depend on judicial approval and also that the 11th issuance of debentures was, on the date of authorization of these financial statements, in the process of being implemented, no accounting effects related to Partial Settlement Agreement were recognized in the financial statements for the period ended June 30, 2026, with the Company continuing to monitor the conclusion of the process for the proper accounting recognition when the applicable requirements are met.

The potential settlement of approximately R\$ 4.2 billion of the Company's principal financial liability represents a transformational event for the company's capital structure and may substantially change its going concern capacity.

9th and 10th issues of debentures into shares

On May 12, 2026, the Company approved the issuance of the 9th and 10th Debentures into Shares, both unsecured, in a single series and intended for private placement, according to the resolution of the Board of Directors held on May 6, 2026.

The issuances were structured as mutually exclusive alternatives for raising funds, with the main objective of enabling the fulfillment of a precedent condition provided for in the settlement process of the Global Agreement entered into with the Company's creditor financial institutions. The funds raised could also be allocated to strengthening working capital, replenishing cash, and optimizing the capital structure.

The 9th issuance provides for the placement of up to R\$ 110,000, allowing partial approval starting from R\$ 100,000, through the issuance of up to 110 debentures with a unit nominal value of R\$ 1,000. The 10th issuance involved the issuance of a single debenture with a nominal value of R\$ 100,000.

The debentures would have a maturity term of 12 months, remuneration corresponding to the CDI plus 5% per annum, and mandatory conversion into common shares issued by the Company until maturity, with conversion possibly occurring early at the discretion of the respective holders. Shareholders were granted preemptive rights to subscribe to the debentures, according to the terms and conditions established in the respective issuance deeds and in the Notice to Shareholders published on May 12, 2026.

Subsequently, due to the progress of negotiations related to fundraising, the Company issued a Notice to Shareholders on July 28, 2026, announcing the cancellation of the 9th and 10th issuances of Debentures into Shares, both exclusively intended for the Company's shareholders, as approved by the Board of Directors on May 6, 2026, and later amended on June 22, 2026, and July 13, 2026.

Thus, the aforementioned issuances were canceled and, consequently, did not produce financial or asset effects for the Company.

11th issuance of debentures convertible into shares

On July 28, 2026, the Company's Board of Directors approved the 11th issuance of unsecured debentures convertible into shares, in a single series, for private placement, within the limits of the authorized capital, as per the Notice to the Market disclosed on the same date.

The issuance will comprise up to 11 debentures, with a nominal unit value of R\$10,000, totaling a maximum amount of R\$110,000, with partial approval allowed as long as the minimum amount of R\$100,000 is reached. The debentures will have a maturity term of 12 months, will be remunerated at a rate corresponding to the CDI plus 5% per year, and will be mandatorily convertible into common shares issued by the Company, at the option of the holders at any time or, mandatorily, on the maturity date, according to the terms of the respective issuance deed.

The net proceeds from the issuance will be primarily allocated to fulfilling part of the precedent conditions set forth in the Partial Settlement Agreement of the Global Agreement, entered into on May 12, 2026, and subsequently amended on July 2, 2026, especially for the payment of the pecuniary suspensive condition in the amount of R\$ 100,000, necessary for the implementation of the definitive settlement of the said agreement. Any surplus funds may be allocated to

strengthening working capital, replenishing cash, optimizing the capital structure, and corporate investments related to the maintenance of the Company's operating activities.

The issuance will be carried out through a private placement, without public distribution efforts and observing the shareholders' preemptive rights, in accordance with Law No. 6404/76. The period for exercising the preemptive right will begin on August 3, 2026, and end on September 1, 2026, allowing for the subscription of the remaining securities and, subsequently, the private placement of any debentures not subscribed, subject to the conditions approved by the Board of Directors.

Considering the conversion method of the debentures, based on a conversion price corresponding to 10% of the volume-weighted average price (VWAP) of the Company's shares in the 30 days prior to the issuance date, Management estimates that, if the issuance is fully subscribed and subsequently converted into shares, the potential dilution of the current shareholders' stake could reach approximately 92.73%, or 92.07% in the case of approval at the minimum issuance value.

As of the date of authorization for the issuance of these financial statements, the issuance was in the operational phase, and the debentures had not been fully subscribed, which is why no equity or financial effects were recognized in the financial statements for the period ended June 30, 2026.

Settlement agreement of loans through payment in kind

On July 3, 2026, the Company entered into, together with Fundo de Investimento em Direitos Creditórios Não Padronizados Multissetorial BS NP ("BS Fund") and other involved parties, the 2nd Addendum to the Assignment, Promise of Transfer and Acquisition of Credit Receivables Agreement and Other Covenants ("2nd Addendum to the DIP Contract").

Through this instrument, the full settlement of financing agreements was formalized, with a consolidated balance totaling R\$ 849,679, as of the base date of June 23, 2026, by means of payment in kind of 4,500,000 tons of the byproduct iron silicate, located at the industrial unit in Dias D'Ávila/BA, recorded in the accounting books for the amount of R\$ 36,000.

It is worth highlighting that the full accounting balance of this byproduct was fully provisioned for loss, due to the assessment carried out by Management regarding its recoverability.

The effectiveness of the aforementioned instrument remains subject to approval by the Bankruptcy Court, as provided for in the applicable legislation. Thus, considering that the conditions for the completion of the transaction still depend on judicial approval, no accounting effects were recognized in the financial statements for the period ended June 30, 2026, with the Company continuing to monitor the conclusion of the process for the proper accounting recognition when the applicable requirements are met, filed on July 17, 2026.

Binding investment proposal

On July 15, 2026, as disclosed in a Material Fact, the Company received a binding proposal from HW Holding Ltd., based in Dubai, United Arab Emirates, for an investment totaling US\$ 40 million, divided into two installments. The first installment, of USD 20 million, is intended for the acquisition of debentures to be issued by the Company, while the second installment, also of USD 20 million, is intended for working capital financing and the acquisition of raw materials.

As of the date of authorization for the issuance of these financial statements, the proposal was under evaluation and subject to the fulfillment of precedent conditions and the execution of definitive contractual instruments. Thus, this event did not result in adjustments to the amounts recognized in the financial statements, under CPC 24 – Subsequent Event, and is disclosed for informational purposes only.

Reframing the quotation of its shares

In addition to the Market Announcement released on January 8, 2026, the Company informs that, after a request submitted to B3 S.A. – Brasil, Bolsa, Balcão (“B3”), an additional period was granted for the reclassification of its stock price to the minimum value required by the Regulation for Listing Issuers and Admission to Trading of Securities, with the new deadline now set to end on November 3, 2026.

The extension request was based on the Management's expectation that the restructuring and recovery measures implemented by the Company, including those arising from the court-ordered reorganization process and initiatives aimed at strengthening its financial and operational structure, will produce effects that can be gradually absorbed by the market over the granted period. Management understands that such measures have the potential to contribute to the recovery of the market value of the shares, in a manner consistent with the evolution of the Company's economic and financial conditions and the restoration of investor confidence.

Capital Increase

On August 3, 2026, the Company's Board of Directors partially ratified the capital stock increase, through a private subscription of shares, within the limits of the authorized capital, as previously approved at the Board of Directors' meeting held on June 12, 2026.

The capital increase resulted from the conversion of credits held by certain creditors of the Company, in compliance with the 10th Capital Increase and Conversion Process, pursuant to Clause 11.1 of the Judicial Reorganization Plan, as well as the capitalization of credits not subject to the Plan, upon request by the respective creditors

The capital increase was ratified in the amount of R\$ 5,854, through the issuance of 9,596,720 new common, book-entry shares with no par value.

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL INFORMATION - QUALIFIED OPINION

To the
Members of the Board and Management of
Paranapanema S.A. - Under Court-ordered Reorganization
Dias d'Ávila - BA

Introduction

We have reviewed the individual and consolidated interim financial information of **Paranapanema S.A. - Under Court-ordered Reorganization ("Company")**, included in the quarterly information, for the quarter ended June 30, 2026, which comprises the individual and consolidated interim balance sheet as at June 30, 2026, and the respective individual and consolidated interim income statements and statements of other comprehensive income (loss) for the three- and six-month periods then ended, and statements of changes in equity and of cash flows for the six-month period then ended, as well as the corresponding notes.

The Management is responsible for the preparation of this individual and consolidated interim financial information in accordance with NBC TG 21 and with International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and for the presentation of this interim financial information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and international standards for reviewing interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists principally of applying analytical and other review procedures and making enquiries of and having discussions with people responsible for financial and accounting matters. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards and does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

Basis for qualified conclusion on the individual and consolidated interim financial information

Discount to present value and Provision for the Conversion Options of Liabilities subject to the Court-ordered Reorganization Plan (PRJ) not recognized in prior years.

As described in Notes 4(b) and 25(b), the Company's PRJ was originally approved on August 24, 2023, and subsequently confirmed by the judge of the court-ordered reorganization on November 16, 2023. Subsequently, amendments to the PRJ were signed on September 30, 2024, March 17, 2025, and October 24, 2025, which modified the payment terms originally approved.

At the end of the quarter ended March 31, 2026, the Company recognized a discount to present value of R\$93,241 thousand, reducing the liabilities subject to the PRJ, with an offsetting entry to profit or loss for the period. During the same quarter, no provision was recognized for the conversion of stock options granted to PRJ creditors, as such options were considered immaterial for provisioning purposes.

Until November 2025, the Company recognized provisions related to the conversion options at their par value, in accordance with the terms of the approved PRJ, without considering any discount adjustment or discount to present value. Additionally, the derecognition of this liability was recorded as the respective conversion events occurred, rather than upon the actual exercise of the options, while a substantial portion of such conversions had already taken place in prior periods.

Furthermore, the Company did not recognize the discount to present value of the liabilities subject to the PRJ upon its initial approval on August 24, 2023, nor did it recognize the effects arising from the amendments subsequently introduced to the plan on their respective execution dates.

Accordingly, profit or loss for the quarter ended March 31, 2026, and for the six-month period ended June 30, 2026 include, on a cumulative basis, the measurement effects related to the discount to present value and the conversion options attributable to prior periods, which should have been recognized to adjust the liabilities subject to the PRJ as at December 31, 2025, as well as profit or loss for the three- and six-month periods ended June 30, 2025.

Consequently, it was not possible to determine, including through alternative audit procedures, the effects of the discount to present value and the conversion options required to adjust profit or loss for the six-month period ended June 30, 2026, so as to exclude the effects attributable to prior periods.

Qualified conclusion on the individual and consolidated interim financial information

Based on our review, except for the effects and possible effects on the matters described in the section “Basis for qualified conclusion on the individual and consolidated interim financial information”, we are not aware of any fact that leads us to believe that the individual and consolidated interim financial information, included in the quarterly information referred to above, has not been prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of the Quarterly Information and presented in accordance with the standards issued by CVM.

Emphasis

Material uncertainty as to going concern

We draw attention to Note 1 to the individual and consolidated financial information, which indicates that the Company filed for court-ordered reorganization jointly with its subsidiaries CDPC - Centro de Distribuição de Produtos de Cobre Ltda. and Paraibuna Agropecuária Ltda. on November 30, 2022. The plan was approved by the creditors' meeting held on August 24, 2023, confirmed by the judge of the court-ordered reorganization on November 16, 2023, and subsequently amended on September 30, 2024, March 17, 2025, and October 24, 2025. During the six-month period ended June 30, 2026, the Company and its controlled companies incurred consolidated losses of R\$ 373,375 thousand and, as at that date, the Company's individual current liabilities exceeded its current assets by R\$ 7,605,654 thousand, while consolidated current liabilities exceeded consolidated current assets by R\$ 7,601,671 thousand. These conditions, along with the default under the Global Agreement debt and the significant cash restriction, indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The reversal of this situation depends not only on compliance with the approved court-ordered reorganization plan, but also on the renegotiation of the financial debt related to the Global Agreement that is not subject to such plan, as well as on cash generation strategies and the raising of third-party financing, which are beyond the control of the Company's Management. Management's plans regarding this matter are described in the same note. Our conclusion is not qualified in respect of this matter.

Other matters

Statements of value added

The accompanying quarterly financial information includes the individual and consolidated statements of value added for the six-month period ended June 30, 2026, prepared under the responsibility of the Company's Management and presented as supplementary information for the purposes of IAS 34. These statements were submitted to the same review procedures followed for the review of the quarterly information, for the purpose of concluding on whether they are reconciled with the interim financial information and accounting records, as applicable, and if their form and contents meet the criteria defined in NBC TG 09 - Statement of Value Added. Based on our review, we are not aware of any fact that would lead us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria established in this standard and consistently with the individual and consolidated interim financial information taken as a whole.

Interim financial information from previous quarter reviewed by other independent auditor

The audit of the individual and consolidated statements of financial position as at December 31, 2025, and the review of the individual and consolidated interim financial information for the three- and six-month periods ended June 30, 2025, presented for comparison purposes, were conducted by other independent auditors, whose audit and review reports thereon, dated March 30, 2026, and August 8, 2025, respectively, were unmodified.

The accompanying financial information has been translated into English for the convenience of readers outside Brazil.

São Paulo, August 31, 2026.



BDO RCS Auditores Independentes SS Ltda.
CRC 2 BA 007894/F

Luciano Ferreira da Cunha
Accountant CRC 1 SP 210861/O-2 - S - BA

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 June 30, 2026.

Dias D'Ávila, August 31, 2026.

CEO

Vitor Eduardo de Almeida Saback

Financial and Investor Relations Officer

Marcelo Vaz Bonini

Chief Legal Officer

Álvaro André Vieira Cunha

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

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 31, 2026 by BDO Auditores Independentes of the Company and its Subsidiaries in relation to the Company's Quarterly Information (Parent Company and Consolidated) for the quarter ended June 30, 2026.

Dias D'Ávila, August 31, 2026.

CEO

Vitor Eduardo de Almeida Saback

Financial and Investor Relations Officer

Marcelo Vaz Bonini

Chief Legal Officer

Álvaro André Vieira Cunha