



FINANCIAL STATEMENTS

December 31, 2025



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TERMS	GLOSSARY
EGM	Extraordinary General Meeting
AGM	Annual General Meeting
AEGM	Annual and Extraordinary General Meeting
B3	B3 S.A. – Brasil, Bolsa, Balcão
CADE	Administrative Council for Economic Defense
CDB	Bank Deposit Certificate
CDI	Interbank Deposit Certificate
CLP	Chilean pesos – Official currency in Chile
COFINS	Contribution for Social Security Financing
Company or Smartfit	Smartfit Escola de Ginástica e Dança S.A.
Covenants	Contractual Commitment Clauses
COP	Colombian pesos – Official currency in Colombia
CPC	Brazilian Accounting Pronouncements Committee
CRI	Certificates of Real Estate Receivables
CSLL	Social Contribution on Net Income
CVM	Securities and Exchange Commission of Brazil
Dec/24 or 12/31/2024	Financial Information as of and for the year ended December 31, 2024
Dec/25 or 12/31/2025	Financial Information as of and for the year ended December 31, 2025
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
Group	Smartfit and its subsidiaries
HVLP	High Value / Low Price
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IBR	Banking Reference Indicator
IFRS	International Financial Reporting Standards
IGV	General Sales Tax
INSS	Contributions to the National Institute of Social Security
IPCA	Amplified Consumer Price Index
IPO	Initial Public Offering
IRPJ	Corporate Income Tax
IRRF	Withholding Income Tax
ITR	Quarterly Information
JCP	Interest on Capital
Joint Venture	A joint arrangement whereby the parties have joint control of the arrangement
LALUR	Taxable Income Control Register
LF	Financial Bills
LFT	Financial Treasury Bills
MXN	Mexican pesos – Official currency in Mexico
MOU	Memorandum of Understanding
Note	Note to the Financial Statements
MPMs	Management Performance Measures
PEN	Peruvian Nuevo Sol – Official currency in Peru
PIS	Social Integration Program
PPA	Purchase Price Allocation
RSU	Restricted Shares
R\$/BRL	Reais – Official currency in Brazil
SPE	Special Purpose Company
STF	Federal Supreme Court
TIIE	<i>“Tasa de Interés Interbancaria de Equilibrio” in Mexico</i>
CGU	Cash-generating Unit
UTPR	Undertaxed Profits Rule
VP	Vice President

BALANCE SHEETS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

		Parent		Consolidated	
	Notes	12/31/2025	12/31/2024	12/31/2025	12/31/2024
ASSETS					
Current assets					
Cash and cash equivalents	4	43,688	93,571	1,330,801	1,490,624
Investments in financial assets	5	2,709,726	2,273,649	2,095,336	1,456,751
Trade receivables	6	195,681	197,364	684,855	554,053
Related parties	7	222,480	105,335	65,251	45,625
Taxes recoverable	8	140,609	136,575	347,559	338,554
Derivative financial instruments	9	8,903	7,000	8,903	7,203
Other receivables	10	58,443	50,061	265,295	219,485
Total current assets		3,379,530	2,863,555	4,798,000	4,112,295
Noncurrent assets					
Investments in financial assets	5	4,367	5,502	175,885	128,608
Related parties	7	127,126	125,069	8,115	22,467
Taxes recoverable	8	-	-	7,551	6,076
Derivative financial instruments	9	17,531	12,075	17,531	12,075
Other receivables	10	86,514	128,584	171,388	233,190
Deferred income tax and social contribution	20	603,344	517,656	1,069,414	913,498
Investments in subsidiaries and joint ventures	11	4,497,716	4,206,174	714	55,411
Right-of-use assets	14	1,734,730	1,476,956	5,712,744	4,934,160
Property and equipment	12	2,267,291	1,484,325	6,985,242	5,537,449
Intangible assets	13	230,861	152,367	2,551,064	2,395,072
Total noncurrent assets		9,569,480	8,108,708	16,699,648	14,238,006
TOTAL ASSETS		12,949,010	10,972,263	21,497,648	18,350,301
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables	15	216,912	167,992	626,006	441,914
Related parties	7	16,507	54,926	128	333
Taxes and contributions payable	16	53,674	72,853	331,426	289,611
Other liabilities	17	598,731	317,774	716,651	405,341
Borrowings	18	158,918	92,798	939,130	759,724
Lease liabilities	14	263,135	215,732	789,420	649,765
Deferred revenue	22	20,061	23,641	243,267	216,295
Derivative financial instruments	9	-	28,670	-	28,670
Total current liabilities		1,327,938	974,386	3,646,028	2,791,653
Noncurrent liabilities					
Trade payables	15	7,215	4,575	7,215	4,575
Related parties	7	291	291	-	-
Other liabilities	17	9,899	12,964	26,800	94,183
Borrowings	18	4,361,422	3,184,246	6,538,069	5,154,890
Lease liabilities	14	1,561,402	1,321,001	5,484,886	4,750,847
Deferred revenue	22	3,104	4,345	3,104	4,345
Deferred income tax and social contribution	20	3,054	-	70,913	37,023
Derivative financial instruments	9	1,339	4,293	1,339	4,293
Provisions for judicial liabilities	19	11,803	10,266	55,888	36,714
Total noncurrent liabilities		5,959,529	4,541,981	12,188,214	10,086,870
TOTAL LIABILITIES		7,287,467	5,516,367	15,834,242	12,878,523
EQUITY					
Share capital	21	3,147,668	2,970,443	3,147,668	2,970,443
Capital reserves		831,384	847,550	831,384	847,550
Legal reserve		105,584	73,650	105,584	73,650
Earnings reserve		808,874	824,844	808,874	824,844
Other comprehensive income		768,033	739,409	768,033	739,409
Equity attributable to the owners of the Company		5,661,543	5,455,896	5,661,543	5,455,896
Noncontrolling interests		-	-	1,863	15,882
TOTAL EQUITY		5,661,543	5,455,896	5,663,406	5,471,778
TOTAL LIABILITIES AND EQUITY					
		12,949,010	10,972,263	21,497,648	18,350,301

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

Year ended December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

		Parent		Consolidated	
	Notes	12/31/2025	12/31/2024	12/31/2025	12/31/2024
PROFIT (LOSS)					
Operating revenue	22	2,394,153	1,854,031	7,241,694	5,580,304
Costs	23	(1,371,817)	(1,102,617)	(4,164,733)	(3,267,414)
Gross profit		1,022,336	751,414	3,076,961	2,312,890
Selling expenses	23	(210,629)	(179,967)	(586,446)	(450,965)
General and administrative expenses	23	(348,311)	(276,242)	(781,581)	(575,312)
Other operating income (expenses), net	23	13,719	(23,041)	(16,110)	(23,852)
Share of profit (loss) of investees	11	438,317	361,339	5,021	846
Operating profit before finance income (costs)		915,432	633,503	1,697,845	1,263,607
Finance income		356,449	234,339	441,580	332,168
Finance costs		(716,143)	(516,045)	(1,394,994)	(1,099,441)
Finance income (costs), net	24	(359,694)	(281,706)	(953,414)	(767,273)
Profit before income tax and social contribution		555,738	351,797	744,431	496,334
Current		-	(2,898)	(236,408)	(165,009)
Deferred		82,950	87,541	132,511	109,251
Income tax and social contribution	20	82,950	84,643	(103,897)	(55,758)
PROFIT FOR THE YEAR		638,688	436,440	640,534	440,576
Attributable to:					
Owners of the Company				638,688	436,440
Noncontrolling interests				1,846	4,136
Earnings per share:					
Basic	25	1.0731	0.7445	1.0731	0.7445
Diluted	25	1.0375	0.7195	1.0375	0.7195
OTHER COMPREHENSIVE INCOME					
Items that may be subsequently reclassified to profit or loss					
Foreign exchange effect on translation of financial statements of foreign subsidiaries	11	(8,388)	347,348	(8,424)	347,738
Other comprehensive income not reclassified to profit or loss in subsequent years					
Effect of investments on equity instruments measured at fair value through other comprehensive income		41,672	25,937	41,672	25,937
Deferred income tax and social contribution on effect of investments on equity instruments measured at fair value	20	(4,660)	(7,720)	(4,660)	(7,720)
TOTAL OTHER COMPREHENSIVE INCOME		28,624	365,565	28,588	365,955
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		667,312	802,005	669,122	806,531
Attributable to:					
Owners of the Company				667,312	802,005
Noncontrolling interests				1,810	4,526

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

CHANGES IN EQUITY	December 31, 2024									
	Capital reserves				Legal reserve	Earnings reserve	Other comprehensive income	Equity attributable to		
	Share capital	Capital reserve	Equity instruments	Transaction with shareholders				Owners of the Company	Noncontrolling interests	Total equity
At December 31, 2023	2,970,443	893,430	99,841	(39,850)	51,828	718,726	373,844	5,068,262	27,372	5,095,634
Profit for the year	-	-	-	-	-	436,440	-	436,440	4,136	440,576
Other comprehensive income	-	-	-	-	-	-	365,565	365,565	390	365,955
Total comprehensive income for the year	-	-	-	-		436,440	365,565	802,005	4,526	806,531
Share-based payments	-	20,811	-	-	-	-	-	20,811	-	20,811
Increase in equity interests in subsidiaries	-	-	-	(126,682)	-	-	-	(126,682)	(12,801)	(139,483)
Legal reserve	-	-	-	-	21,822	(21,822)	-	-	-	-
Distribution of dividends and interest on equity in subsidiaries	-	-	-	-	-	(308,500)	-	(308,500)	(3,215)	(311,715)
Transactions with shareholders recognized directly in equity	-	20,811	-	(126,682)	21,822	(330,322)	-	(414,371)	(16,016)	(430,387)
At December 31, 2024	2,970,443	914,241	99,841	(166,532)	73,650	824,844	739,409	5,455,896	15,882	5,471,778
	12/31/2025									
	Capital reserves				Legal reserve	Earnings reserve	Other comprehensive income	Equity attributable to		
	Share capital	Capital reserve	Equity instruments	Transactions with shareholders				Owners of the Company	Noncontrolling interests	Total equity
At December 31, 2024	2,970,443	914,241	99,841	(166,532)	73,650	824,844	739,409	5,455,896	15,882	5,471,778
Profit for the year	-	-	-	-	-	638,688	-	638,688	1,846	640,534
Other comprehensive income	-	-	-	-	-	-	28,624	28,624	(36)	28,588
Total comprehensive income for the year	-	-	-	-		638,688	28,624	667,312	1,810	669,122
Capital increase ⁽¹⁾	177,225	-	-	-	-	-	-	177,225	-	177,225
Share-based payments ⁽²⁾	-	7,619	-	-	-	-	-	7,619	-	7,619
Acquisition of treasury shares	-	(759)	-	-	-	-	-	(759)	-	(759)
Increase in equity interests in subsidiaries	-	-	-	(23,026)	-	-	-	(23,026)	(14,574)	(37,600)
Legal reserve	-	-	-	-	31,934	(31,934)	-	-	-	-
Distribution of dividends and interest on equity to subsidiaries ⁽¹⁾	-	-	-	-	-	(622,724)	-	(622,724)	(1,255)	(623,979)
Transactions with shareholders recognized directly in equity	177,225	6,860	-	(23,026)	31,934	(654,658)	-	(461,665)	(15,829)	(477,494)
At December 31, 2025	3,147,668	921,101	99,841	(189,558)	105,584	808,874	768,033	5,661,543	1,863	5,663,406

(1) See note 3.

(2) See note 28.

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

Year ended December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

		Parent		Consolidated	
	Notes	12/31/2025	12/31/2024	12/31/2025	12/31/2024
CASH FLOW FROM OPERATING ACTIVITIES					
Profit for the year		638,688	436,440	640,534	440,576
Adjustments to reconcile profit for the year to net cash from operating activities:					
Current and deferred income tax and social contribution	20	(82,950)	(84,643)	103,897	55,758
Depreciation and amortization	12,13,14	566,073	446,736	1,757,201	1,412,269
Allowance for expected credit losses	6	666	(2)	4,991	2,902
Share of profit (loss) of investees	11	(438,317)	(361,339)	(5,021)	(846)
Remeasurement of interest previously held in subsidiary	3	(10,664)	-	(10,664)	-
Write-off of intangible assets, property and equipment, and leases		26,368	37,274	56,848	43,990
Interest on borrowings	24	518,473	367,075	781,195	599,911
Interest on leases	24	165,123	119,522	540,133	428,133
Discounts obtained on leases	24	-	(2,033)	(2,059)	(6,727)
Income from financial investments	24	(297,909)	(202,148)	(342,410)	(262,420)
Gain (loss) on derivative financial instruments	24	(10,807)	2,574	(10,807)	1,933
Share-based payment plan	28	7,397	21,880	8,147	22,373
Provisions for judicial liabilities	19	1,537	564	(2,207)	5,450
Deferred revenue		(5,368)	258	22,525	14,425
Others		(24,629)	(14,765)	(31,059)	(11,655)
Changes in operating assets and liabilities:					
Trade receivables		9,086	(48,544)	(131,485)	(203,135)
Related parties		(99,643)	(44,230)	(19,791)	(23,875)
Taxes recoverable		15,073	(59,629)	(14,489)	(112,533)
Other receivables		(6,050)	(21,866)	(56,262)	(101,522)
Trade payables		48,180	4,991	182,123	43,516
Taxes and contributions payable		(21,810)	(2,628)	(25,038)	44,904
Salaries, accruals and social contributions		29,048	13,462	60,444	39,516
Other liabilities		12,016	(372)	(24,405)	(10,528)
Cash generated by operations		1,039,581	608,577	3,482,341	2,422,415
Interest paid on borrowings	18	(450,549)	(280,705)	(720,327)	(517,247)
Interest paid on leases	14	(165,123)	(118,761)	(539,221)	(425,358)
Income tax and social contribution paid		-	(463)	(130,113)	(104,268)
Net cash generated by operating activities		423,909	208,648	2,092,680	1,375,542
CASH FLOW FROM INVESTING ACTIVITIES					
Additions to property and equipment	12	(1,054,687)	(562,366)	(2,322,912)	(1,819,168)
Additions to intangible assets	13	(9,868)	(9,495)	(16,208)	(60,916)
Direct initial costs of right-of-use assets	14	(31,292)	(57,191)	(41,307)	(65,125)
Dividends received from subsidiaries		159,704	155,515	-	-
Loans granted		-	(384)	15,851	(24,540)
Financial investments		(90,299)	(19,353)	(296,162)	287,075
Restricted cash		-	-	6,237	(3,749)
Acquisition of subsidiaries, net of cash received		(55,273)	(198,259)	(115,889)	(368,151)
Capital increase in subsidiaries and joint venture	11	(101,859)	(159,094)	(714)	(453)
Net cash from merger of companies	11	15,464	-	-	-
Net cash used in investing activities		(1,168,110)	(850,627)	(2,771,104)	(2,055,027)
CASH FLOW FROM FINANCING ACTIVITIES					
Capital increase		6,558	-	6,558	-
Proceeds from borrowings	18	1,519,093	2,185,556	2,761,364	3,803,545
Repayments of borrowings	18	(360,484)	(1,248,897)	(1,314,782)	(2,070,899)
Payment of lease	14	(238,696)	(198,519)	(677,625)	(605,873)
Interest on capital paid to investors	21	(187,234)	(47,455)	(187,234)	(47,455)
Acquisition of noncontrolling interests		(41,786)	-	(27,570)	(73,170)
Dividends paid to noncontrolling interests		-	-	(1,255)	(3,407)
Payment (receipt) of transactions with financial derivatives		(2,374)	(1,640)	(2,177)	3,645
Acquisition of treasury shares		(759)	-	(759)	-
Net cash generated by financing activities		694,318	689,045	556,520	1,006,386
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
		(49,883)	47,066	(121,904)	326,901
CHANGES IN CASH AND CASH EQUIVALENTS					
Opening balance		93,571	46,505	1,490,624	1,103,433
Exchange differences on cash and cash equivalents		-	-	(37,919)	60,290
Closing balance		43,688	93,571	1,330,801	1,490,624
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(49,883)	47,066	(121,904)	326,901

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF VALUE ADDED

Year ended December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

		Parent		Consolidated	
	Notes	12/31/2025	12/31/2024	12/31/2025	12/31/2024
WEALTH CREATED					
REVENUES					
Service revenue	22	2,712,514	2,112,035	7,689,521	5,946,138
Allowance for expected credit losses	6	(666)	2	(4,991)	(2,902)
Other operating income (expenses), net		13,719	(23,041)	(16,110)	(23,852)
INPUTS PURCHASED FROM THIRD PARTIES					
Cost of sales and services		(475,581)	(379,152)	(1,412,915)	(1,048,713)
Materials, electric power, outside services and others		(117,191)	(110,254)	(258,908)	(199,442)
Advertising materials, marketing, promotion funds and others related to sales		(204,099)	(174,862)	(548,231)	(419,875)
GROSS VALUE ADDED		1,928,696	1,424,728	5,448,366	4,251,354
RETENTIONS					
Depreciation and amortization	12,13,14	(566,073)	(446,736)	(1,757,201)	(1,412,269)
WEALTH CREATED BY THE COMPANY		1,362,623	977,992	3,691,165	2,839,085
WEALTH RECEIVED IN TRANSFER					
Share of profit (loss) of investees	11	438,317	361,339	5,021	846
Finance income	24	356,449	234,339	441,580	332,168
TOTAL WEALTH FOR DISTRIBUTION		2,157,389	1,573,670	4,137,766	3,172,099
WEALTH DISTRIBUTED					
PERSONNEL					
Salaries and wages		400,865	302,515	1,034,638	799,733
Benefits		60,745	41,937	130,901	89,495
Government Severance Indemnity Fund for Employees (FGTS)		26,999	20,722	45,061	34,874
TAXES, FEES AND CONTRIBUTIONS					
Federal		99,162	90,529	451,302	367,034
State		326	341	11,762	6,703
Municipal		95,186	75,378	134,012	107,648
LENDERS AND LESSORS					
Interest	24	716,143	516,045	1,394,994	1,099,441
Leases		119,275	89,763	294,562	226,595
SHAREHOLDERS:					
Owners' share of profits		638,688	436,440	638,688	436,440
Noncontrolling interests' share of profits		-	-	1,846	4,136
WEALTH DISTRIBUTED		2,157,389	1,573,670	4,137,766	3,172,099

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

1. GENERAL INFORMATION

Smartfit ("Company") is a company incorporated and based in Brazil, with its registered office at Avenida Paulista 1.294, 2º andar, Bela Vista, São Paulo/SP. The Company is registered with the Securities and Exchange Commission of Brazil (CVM) and its shares were listed for trading on B3 on July 14, 2021 under ticker symbol "SMFT3".

The Group is the leader in the gym market in Latin America, with the mission of democratizing the access to high quality fitness. Through company owned operations and franchised units, the Company is present in sixteen countries, namely Brazil, Mexico, Colombia, Chile, Peru, Argentina, Paraguay, Uruguay, Panama, Costa Rica, Dominican Republic, Ecuador, Guatemala, El Salvador, Honduras and Morocco, operating in the HVLP segment with the brand "Smartfit", in the Premium segment with the brands "Bio Ritmo" and "Nation," in the studios segment with various brands (Race Bootcamp, Tonus Gym, Vidya, Aera Pilates, Jab House, Velocity, and Kore), in the gym aggregator segment with the brand TotalPass, and in the digital fitness segment with the brand "Queima Diária" brand, among other digital services..

The business segments are defined in note 26 and the main subsidiaries and joint ventures are disclosed in note 11.

The Group continues the expansion plan, with the opening of new gyms and maintenance of the gyms in operation. As at December 31, 2025, the Group has a total of 2,084 units in operation (1,743 as at December 31, 2024), with a solid cash position.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

STATEMENT OF COMPLIANCE

The individual and consolidated financial statements for the year ended December 31, 2025 are presented in accordance with the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), and the accounting practices adopted in Brazil.

The accounting practices adopted in Brazil comprise those prescribed by the Brazilian corporate law and the technical pronouncements, guidance and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Securities and Exchange Commission of Brazil (CVM). All significant information in the financial statements, and only this information, is being disclosed and corresponds to the information used in managing the Group's activities.

The financial statements for the year ended December 31, 2025 were concluded and authorized for issue by the Company's Board of Directors on March 10, 2026.

BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis, except for financial instruments measured at fair value, as described in the accounting policies below.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and its direct and indirect subsidiaries. Control is achieved when the Company has the power to govern the financial and operating policies of an entity to benefit from its activities.

Noncontrolling interests are presented as an integral part of equity, and the profit attributable to Owners of the Company is presented in a separate line item in the statement of profit and loss.

In the Company's financial statements, the financial statements of subsidiaries and joint ventures are accounted for under the equity method, adjusted to conform their accounting practices to those established by the Group.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

DIRECT SUBSIDIARIES

	Country of incorporation	Equity interest held by the Company		Equity interest held by noncontrolling shareholders	
		12/31/2025	12/31/2024	12/31/2025	12/31/2024
Subsidiaries					
Domestic					
Academia Cohama Ltda. ⁽¹⁾	Brazil	-	100,00%	-	-
Academia de Ginástica Tietê Plaza Ltda. ⁽¹⁾	Brazil	-	100,00%	-	-
Academia Smart Holandeses Ltda. ⁽¹⁾	Brazil	-	100,00%	-	-
ACL Academia de Ginástica Ltda. ⁽¹⁾	Brazil	-	100,00%	-	-
ADV Esporte e Saúde Ltda.	Brazil	100,00%	100,00%	-	-
Biopauli Compra, Venda e Adm. de Bens Ltda.	Brazil	100,00%	100,00%	-	-
Biosanta Academia Ltda.	Brazil	100,00%	100,00%	-	-
Centrale Compra, Venda e Loc. de Imob. Ltda.	Brazil	100,00%	100,00%	-	-
Escola de Nataação e Ginástica Biomorum Ltda.	Brazil	100,00%	100,00%	-	-
Escola de Nataação e Ginástica Bioswim Ltda.	Brazil	100,00%	100,00%	-	-
Just Fit Empreendimentos e Participações S.A.	Brazil	100,00%	100,00%	-	-
Lake Academia de Ginástica Ltda. ⁽¹⁾	Brazil	-	100,00%	-	-
M2 - Academia de Ginástica Ltda.	Brazil	50,00%	50,00%	50,00%	50,00%
MB Negócios Digitais S.A.	Brazil	100,00%	70,00%	-	30,00%
N2B Nutrição Empresarial Ltda.	Brazil	100,00%	-	-	-
Nation CT Academia de Musculação S.A.	Brazil	100,00%	100,00%	-	-
Racebootcamp Academia de Ginástica Ltda.	Brazil	100,00%	100,00%	-	-
S2RJ Academia de Ginástica Ltda.	Brazil	100,00%	-	-	-
Smartfin Cobranças Ltda.	Brazil	100,00%	100,00%	-	-
SmartMNG Academia de Ginástica Ltda. ⁽¹⁾	Brazil	-	100,00%	-	-
SmartRFE Academia de Ginástica Ltda. ⁽¹⁾	Brazil	-	100,00%	-	-
Totalpass Participações Ltda.	Brazil	100,00%	100,00%	-	-
Foreign					
FitMaster LLC	United States	100,00%	-	-	-
Gimnasia Smart, S.A. de C.V.	Mexico	100,00%	100,00%	-	-
Latamfit Chile SPA	Chile	100,00%	100,00%	-	-
Latamfit S.L.U	Spain	100,00%	100,00%	-	-
Latamgym S.A.P.I. de C.V.	México	100,00%	100,00%	-	-
Servicios Deportivos para Latinoamerica S.A.	México	100,00%	100,00%	-	-
Smartfit Maroc	Marocco	100,00%	100,00%	-	-
Smartfit Paraguay S.A.	Paraguay	100,00%	100,00%	-	-
Smartfit Peru S.A.C ⁽²⁾	Peru	100,00%	100,00%	-	-
Smartfit S.A.U.	Argentina	100,00%	100,00%	-	-
Smartfit Uruguay S.A.	Uruguay	100,00%	100,00%	-	-
SMTF - Escola de Ginastica e Dança S.A.	Portugal	100,00%	100,00%	-	-
Sporty City S.A.S.	Colombia	100,00%	100,00%	-	-
Sportv Panama S.A. ⁽²⁾	Panamá	100,00%	100,00%	-	-

(1) Companies merged into the Company in January 2025 reflect an effort to streamline and rationalize the Group's corporate structure, with the main purpose of generating administrative, financial and operating gains, and avoiding unnecessary expenses.

(2) The Company holds 90% of Smartfit Peru, while the subsidiary Sporty Panamá indirectly holds the remaining 10%.

The Group does not have investments in subsidiaries with non-significant interest.

JOINT VENTURES

JOINT VENTURES		Equity interest held by the Group	
	Country of incorporation	12/31/2025	12/31/2024
Joint ventures			
FitMaster LLC ⁽¹⁾	United States	-	55.00%
Total Pass SA de CV ⁽²⁾	Mexico	33.33%	33.33%

(1) Acquisition of a 45% interest in FitMaster. See note 3.

(2) Indirect joint venture through subsidiary Latamgym SAPI de CV.

The balances and transactions with related parties, and any unrealized revenues and expenses from transactions with related parties are eliminated. Unrealized gains on transactions with subsidiaries accounted for under the equity method are eliminated against the investment in proportion to the Company's interest in the subsidiaries. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

In addition, the Company consolidates the exclusive investment funds, as mentioned in note 5.

MATERIAL ACCOUNTING POLICIES

The significant accounting policies adopted in preparing these financial statements are presented and summarized in the respective notes and were consistently applied in the years presented.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in thousands of Brazilian reais (R\$), which is the Company's functional and presentation currency.

The functional currency of foreign subsidiaries is the local currency of each jurisdiction in which they operate, the currency in Mexico is the Mexican pesos (MXN); in Colombia the Colombian pesos (COP); in Peru the Peruvian sol (PEN); in Chile the Chilean pesos (CLP); in Argentina the Argentine pesos (ARS); in Paraguay the Guarani (PYG); in Uruguay the Uruguayan peso (UYU); in Panama the US Dollar (USD), in Costa Rica the US Dollar (USD) and in the United States (for FitMaster LLC) the US Dollar (USD), in Europe the EURO (EUR), and in Morocco the Dirham (MAD).

For purposes of presenting these financial statements, the assets and liabilities of the Group's foreign operations are translated using the exchange rates prevailing at the end of the year. The results are translated at the monthly average exchange rates for the period, unless the rates fluctuate significantly during the period, in which case the exchange rates at the date of the transaction will be used. The exchange variations arising from these transactions are recognized in other comprehensive income and accumulated in a separate component in equity.

FOREIGN CURRENCY-DENOMINATED TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency of the Company and each of its subsidiaries and joint ventures using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency are translated into reais using the exchange rates prevailing at the end of the reporting period.

Foreign exchange gains and losses resulting from the settlement of these transactions and the translation of monetary assets and liabilities denominated in foreign currency are recognized in Group's statement of profit and loss.

HYPERINFLATIONARY ECONOMY

In accordance with CPC 42 / IAS 29 – Financial Reporting in Hyperinflationary Economies, non-monetary assets and liabilities, equity and the statement of profit and loss of subsidiaries operating in hyperinflationary economies are adjusted for the change in the general purchasing power of the currency, applying a general price index.

The financial statements of an entity whose functional currency is the currency of a hyperinflationary economy must be expressed in terms of the current unit measurement unit at the balance sheet date and translated to reais at the closing exchange rate for the year.

The Group used the accounting of hyperinflationary economies for its subsidiary Smartfit SAS in Argentina, applying the rules set out in CPC 42/IAS 29. The effects arising from the translation of the functional currency (Argentine pesos) into the presentation currency (Brazilian real) are recorded in the statement of comprehensive income and only impact the profit or loss for the year upon disposal or dissolution of the company.

STATEMENT OF CASH FLOWS

The information about the cash flows provides users of financial statements with a basis to assess the ability of the entity to generate cash and cash equivalents and the needs of the entity to utilize those cash flows, the model used is the indirect method.

The CPC 03 (R2) - Statement of Cash Flows defines the requirements for the presentation of the statement of cash flows and the related disclosures CPC 26 (R1).

The following main topics must be presented in all cash flows:

- Operating activities: are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities;
- Investing activities: are the acquisition and disposal of long-term assets and other investments not included in cash equivalents; and
- Financing activities: are activities that result in changes in the size and composition of the cost of equity and cost of debt of the entity.

STATEMENT OF VALUE ADDED

The Group prepared the statement of value added in conformity with technical pronouncement CPC 09 - Statement of Value Added, the purpose of which is to disclose the wealth created by the Company and its distribution during a certain period, and is presented as required by the Brazilian corporate law and as additional information to the accounting information. This statement was prepared using information obtained from the accounting records used to prepare the accounting information, supplementary records and pursuant to the provisions of technical pronouncement CPC 09.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires the use of estimates and the exercise of judgment by Management in the process of applying the Group's accounting policies.

These estimates are based on Management's experience and knowledge, information available at the reporting date and other factors, including expectations of future events that are believed to be reasonable under normal circumstances. Changes in facts and circumstances may lead to the revision of these estimates. Actual future results may differ from the estimates.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

The areas that require a larger number of critical accounting estimates and judgments in the preparation of the financial information are the following:

	Note
Critical accounting estimates and judgments	
Impairment testing of intangible assets with finite and indefinite useful lives	13
Impairment testing of property and equipment and right-of-use assets	12 and 14
Provision for judicial liabilities	19
Measurement of deferred taxes	20
Measurement of fair value of derivative financial instruments	9
Determination of deferred revenue	20
Measurement of fair value of stock options	28

NEW AND REVISED STANDARDS AND INTERPRETATIONS ISSUED AND EFFECTIVE

The new standards and interpretations that became effective on January 1, 2025 were assessed by Management and did not have a material impact on the Group's financial statements for the year ended December 31, 2025.

Standard	Description
Amendments to CPC 02 (R2) / IAS 21	The Effects of Changes in Foreign Exchange Rates
Amendments to CPC 18 (R3) / IAS 28	Investments in Associates and Joint Ventures
Amendments to ICPC 09 (R3)	Individual, Separate and Consolidated Financial Statements and Application of the Equity Method
OCPC 10	Carbon Credits (tCO ₂ e), Emission Allowances, and Decarbonization Credits (CBIO)

NEW AND REVISED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The Group has not early adopted the following revised IFRS, already issued but not yet effective:

Standard	Description	Effective for annual reporting periods beginning on or after
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	No definition
IFRS S1 and S2	General requirements for disclosure of sustainability-related financial information and climate-related disclosures	01/01/2026
Amendments to IFRS 7 and IFRS 9	Classification and Measurement of Financial Instruments	01/01/2026
IFRS 18	Presentation and Disclosure in Financial Statements	01/01/2027
Amendments to IFRS 19	Subsidiaries without Public Accountability	01/01/2027

The Group intends to adopt these new standards, amendments, and interpretations, if applicable, when they become effective and does not expect to have a material impact from their application on its individual and consolidated financial statements.

Except for CPC 51 – Presentation and Disclosure in Financial Statements (IFRS 18), whose adoption should result in significant changes in the presentation format of the statement of profit or loss, since it requires the consistent segregation of revenues and expenses between operating, investing, and financing activities, and introduces the mandatory disclosure of management-defined performance measures (MPMs), accompanied by reconciliations to the most comparable IFRS subtotal, a description of the calculation methodology, and justification of relevance.

3. SIGNIFICANT TRANSACTIONS IN THE YEAR

PRIVATE CAPITAL INCREASE

On March 10, 2025, the Company informed the market, through a Notice to Shareholders, that the period for subscription of unsubscribed shares, issued under the Company's private capital increase ("Unsubscribed Shares"), as approved by the Board of Directors at the meeting held on December 10, 2024, ended on February 26, 2025.

During the Period for Subscription of Unsubscribed Shares, 407,299 registered, book-entry common shares without par value, to be issued by the Company at the price of R\$16.10 per share, were subscribed and paid in, totaling R\$6,558.

The Company also informed that there were no remaining Unsubscribed Shares, and therefore no auction of Unsubscribed Shares was held.

Considering both the period of exercise of the preemptive right and the Period for Subscription of Unsubscribed Shares and revocations, 11,007,764 registered, book-entry common shares without par value issued by the Company ("Shares") were subscribed and paid in, with a total subscription of R\$177,225.

With the end of the Period for Subscription of Unsubscribed Shares, considering that the subscription exceeded the minimum number of shares established for the Capital Increase, the Company's Board of Directors fully approved the Capital Increase, within the limit of its authorized capital, in the amount of the shares actually subscribed and paid in.

As a result of the approval of the Capital Increase, the Company's share capital, fully subscribed and paid in, increased from R\$2,970,443, comprising 586,242,289 shares, to R\$3,147,668, comprising 597,250,053 shares. The new shares issued will have the same rights of the existing shares, and will be entitled to full receipt of dividends and/or interest on equity, as well as to any other rights.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

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SALE OF EQUITY INTEREST

In 2025, the Fundos Pátria, which acted as controlling shareholders of the Company jointly with the Corona Family, carried out the disposal of shares issued by the Company held by them through organized auction procedures (block trades) conducted on B3, as follows:

- (i) on May 9, 2025, as disclosed through a Notice to the Market, Patria Private Equity Co-Investimento Smartfit – Fundo de Investimento em Participações Multiestratégia (“Patria Smartfit Fund”) disposed of 98,530,020 common shares issued by the Company that were held by it;
- (ii) on November 19, 2025, as disclosed through a Notice to the Market, Patria Private Equity Co-Investimento Smartfit – Fundo de Investimento em Participações Multiestratégia disposed of 34,901,911 common shares issued by the Company that were held by it, and Patria Private Equity Co-Investimento Smartfit Partners Fund – Fundo de Investimento em Participações Multiestratégia Pátria (“Patria Partners Fund”) disposed of 1,098,089 common shares issued by the Company that were held by it.

INCREASE IN EQUITY INTEREST IN FITMASTER LLC

On April 1, 2025, the Company entered into an agreement for acquisition of a 45% interest in FitMaster LLC (“FitMaster”) held by Chromo Ventures Fund LLC (“Chromo Invest”), which represent 4,500,000 common share units. FitMaster is a company based in the United States of America. As the Company already held a 55% interest, it now holds the entire equity interest in FitMaster. The total amount of the transaction was USD6,545 million, equivalent to approximately R\$37,295, paid in cash.

Since the start of the transaction, although the Company held an interest of more than 50% in Fitmaster, it did not exercise control over the investee. Consequently, its financial statements were not consolidated and the results were recognized in proportion to the equity interest, using the equity

The balance sheet of the acquired company on the acquisition date does not present balances that cannot be measured reliably, and Fitmaster’s trial balance referring to March 31, 2025 is represented by the following group of assets or liabilities:

	FitMaster
Acquisition of controlling interest	
Assets	
Cash and cash equivalents	19,250
Other receivables	208
Other receivables - noncurrent	173
Property and equipment	46
Intangible assets	263
Intangible assets - software	15,522
Intangible assets – customer list	6,405
Liabilities	(252)
Trade payables	(29)
Other liabilities	(15,637)
Current taxes payable	(466)
Total identifiable assets acquired and liabilities assumed at fair value	25,483
Consideration	37,295
Remeasurement of previously held interest	45,580
Goodwill arising on transaction	57,392

Goodwill arising on the transaction is attributable to the future profitability of the acquired business. The Company recognized an income of R\$10,664 corresponding to the remeasurement of the previously held interest.

In the year ended December 31, 2025, the acquired business contributed with a profit of R\$3,871. Had the business combination taken place at the beginning of the year, operating revenue and profit for the year would have been R\$134,982 and R\$9,306, respectively.

ACQUISITION OF BRASFIT ACADEMIA DE GINÁSTICA LTDA.

On May 1, 2025, the Company’s wholly-owned operating subsidiary Escola de Natação e Ginástica Bioswim Ltda (“Bioswim”) signed a share purchase agreement and other covenants in which it acquired 100% of the share capital of Brasfit Academia de Ginástica Ltda. (“Edge”). The total purchase price is R\$22,115 in nominal values, which will be paid according to the following conditions: 1 down payment of R\$11,057 and 5 monthly installments of R\$2,212.

The balance sheet of the acquired company on the acquisition date does not present balances that cannot be measured reliably, and Edge’s trial balance referring to April 30, 2025 is represented by the following group of assets or liabilities:

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

	Edge
Business combination	
Assets	
Cash and cash equivalents	112
Other receivables	165
Property and equipment	878
Property and equipment - surplus value	326
Intangible assets – customer list	3,712
Liabilities	
Trade payables	(224)
Other liabilities	(207)
Current taxes payable	(257)
Other liabilities - noncurrent	(2,195)
Provisions - noncurrent	(11,224)
Total identifiable assets acquired and liabilities assumed at fair value	(8,914)
Consideration	22,115
Goodwill arising on transaction	31,029

Goodwill arising on the transaction is attributable to the future profitability of the acquired business.

In the year ended December 31, 2025, the acquired business contributed with a loss of R\$840. Had the business combination taken place at the beginning of the year, operating revenue and loss for the year would have been R\$9,291 and R\$301, respectively.

ACQUISITION OF N2B BUSINESS NUTRITION LTDA.

On July 1, 2025, the Company signed the contract closeout agreement to formalize the completion of the acquisition of 100% of the share capital of N2B Nutrição Empresarial Ltda (“N2B Nutrição”). The nominal values of the acquisition totaled R\$23,778, under the following conditions:

Description	Date	Amount - R\$ thousand
Convertible loan / Share purchase option agreement	2020 - 2024	17,381
Final price for the remaining equity interest	07/02/2025	5,834
Final price for the remaining equity interest – retained portion ⁽¹⁾	07/01/2030	563

(1) Portion retained for potential contingencies.

The balance sheet of the acquired company on the acquisition date does not present balances that cannot be measured reliably, and N2B's trial balance referring to June 30, 2025 is represented by the following group of assets or liabilities:

	N2B
Business combination	
Assets	
Cash and cash equivalents	2,020
Trade receivables	5,144
Other receivables	2,150
Deferred taxes	616
Property and equipment	14,000
Property and equipment - surplus value	311
Intangible assets	4,155
Intangible assets - software	2,142
Intangible assets – customer list	4,189
Liabilities	
Trade payables	(2,132)
Current taxes payable	(596)
Deferred revenue	(3,206)
Provisions - noncurrent	(10,119)
Other liabilities - noncurrent	(19,099)
Total identifiable assets acquired and liabilities assumed at fair value	(425)
Consideration	23,778
Goodwill arising on transaction	24,203

The goodwill generated in the transaction is attributable to the future profitability of the acquired business.

In the year ended December 31, 2025, the acquired business contributed with a profit of R\$6,827. Had the business combination taken place at the beginning of the year, operating revenue and loss for the year would have been R\$26,019 and R\$4,104, respectively.

S2RJ ACADEMIA DE GINÁSTICA LTDA.

On August 1, 2025, the Company signed a Share Purchase Agreement and Other Covenants in which it acquired 100% of the share capital of S2RJ Academia de Ginástica Ltda. (“S2RJ Academia”). The total purchase price was R\$15,130 in nominal values and will be paid according to the following conditions: 1 down payment of R\$6,809, 4 quarterly installments of R\$1,853, and 1 last installment of R\$908.

The balance sheet of the acquired company on the acquisition date does not present balances that cannot be measured reliably, and S2RJ's trial balance referring to July 31, 2025 is represented by the following group of assets or liabilities:

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

	S2RJ
Business combination	
Assets	
Cash and cash equivalents	847
Other receivables	35
Property and equipment	2,541
Property and equipment - surplus value	730
Intangible assets – customer list	3,100
Liabilities	
Trade payables	(24)
Other liabilities	(397)
Total identifiable assets acquired and liabilities assumed at fair value	6,832
Consideration	15,130
Goodwill arising on transaction	8,298

Goodwill arising on the transaction is attributable to the future profitability of the acquired business.

In the year ended December 31, 2025, the acquired business contributed with a profit of R\$777. Had the business combination taken place at the beginning of the year, operating revenue and profit for the year would have been R\$8,186 and R\$2,058, respectively.

ACQUISITION OF NONCONTROLLING INTERESTS

- (a) On August 1, 2025, the Company completed the acquisition of the remaining interest of noncontrolling shareholders in subsidiary MB Negócios Digitais S.A. (“Queima Diária”). The transaction was carried out through the exercise of the put option by the noncontrolling shareholders, as provided for in the shareholders’ agreement entered into on July 14, 2020.

The non-controlling shareholder held 330,330 registered common shares without par value, corresponding to 30% of the share capital of Queima Diária, all fully subscribed and paid in.

The total purchase price was R\$57,110, consisting of a cash payment on the acquisition date of R\$41,786 and a remaining balance of R\$15,324. The outstanding balance is distributed in two installments in the amounts of R\$12,259 and R\$3,065, maturing on August 3, 2026, and August 3, 2027, respectively.

After this transaction, the Company now holds 100% of the share capital of Queima Diária.

- (b) On September 1, 2025, the subsidiary ADV Esporte e Saúde Ltda. (“ADV”) acquired the interest of the noncontrolling shareholders of the subsidiary ASNSMART Academia de Ginástica Ltda. (“ASN”), thus exercising the call option provided for in the shareholders’ agreement entered into between the parties on January 24, 2023.

The noncontrolling shareholders held 15% of the shares of the capital of ASN. The total purchase price was R\$ 6,294, of which R\$ 2,313 paid in cash on the agreement signing date and two installments of R\$ 1,991 each, to fall due 30 and 60 days from that date. After this transaction, ADV now holds 100% of the share capital of ASN.

ACQUISITION OF CONTROL OF EVOLVE

On December 2, 2025, the Company entered into an agreement for the subscription of new shares representing at least 60% of the share capital of Evolve Participações em Sociedades S.A. (“Evolve”). Evolve has a strong presence in Brazil’s Central-West region, mainly in the Federal District, operating, on the date of the announcement, 28 company-owned gyms 7 units under construction.

The total value of the new shares to be subscribed by the Company will be up to R\$100,000, of which R\$40,000 will be contributed on the Transaction closing date and the remaining balance will be contributed upon fulfillment of the conditions set forth in the Agreement, within two (2) years, adjusted for inflation (IPCA) from the closing date to the actual contribution date. The Transaction’s Enterprise Value is R\$199,700, and the Company’s final equity interest is subject to the determination of the final net debt on the Transaction closing date.

The acquisition of Evolve is in line with the Company’s expansion strategy and strengthens its presence in the Central-West region by adding gyms in strategic commercial locations.

The closing of the Transaction is subject to the fulfillment of customary conditions precedent for this type of transaction in the market, including approval by the Brazilian antitrust authority (CADE).

The Company further clarifies that the Transaction does not require approval at a general meeting as it does not fall within the parameters of Article 256 of Law No. 6,404/76 and that it will keep the market informed of any developments or resolutions regarding the information provided, in accordance with the rules issued by the CVM and applicable legislation.

INTEREST ON EQUITY

In 2025, at extraordinary meetings of the Board of Directors the following distributions of interest on equity were approved:

At the Board of Directors’ meeting held on March 19, 2025, the payment of interest on equity from the retained earnings account from prior years was approved, as reported in the Company’s financial statements as at December 31, 2024, in the amount of R\$40,000, corresponding to R\$0.06697362319/share, subject to withholding income tax (IRRF) of 15%, except for immune and/or exempt shareholders, in accordance with

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

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current tax legislation. The Company clarifies that, as approved on the same date, the payment of interest on equity declared was made on April 30, 2025 and the shares have been traded "ex-Interest on Equity" since March 25, 2025.

At the Board of Directors' meeting held on June 9, 2025, the payment of interest on equity from the retained earnings account from prior years was approved, as reported in the Company's financial information as at March 31, 2025, in the amount of R\$40,000, corresponding to R\$0.06697362319/share, subject to withholding income tax (IRRF) of 15%, except for immune and/or exempt shareholders, in accordance with current tax legislation. The Company clarifies that, as approved on the same date, the payment of interest on equity declared was made on July 31, 2025 and the shares have been traded "ex-Interest on Equity" since June 16, 2025.

At the Board of Directors' meeting held on September 8, 2025, the payment of interest on equity from the retained earnings account from prior years was approved, as reported in the Company's financial information as at June 30, 2025, in the amount of R\$40,000, corresponding to R\$0.06697393583/share, subject to withholding income tax (IRRF) of 15%, except for immune and/or exempt shareholders, in accordance with current tax legislation. The Company clarifies that, as approved on the same date, the payment of interest on equity declared was made on October 31, 2025 and the shares have been traded "ex-Interest on Equity" since September 15, 2025.

At the Board of Directors' meeting held on December 1, 2025, the payment of interest on equity from the retained earnings account was approved, as reported in the Company's financial statements as at September 30, 2025, in the total gross amount of R\$502,724, corresponding to R\$0.8417349145/share, subject to withholding income tax (IRRF) of 15%, except for immune and/or exempt shareholders, in accordance with current tax legislation. The Company clarifies that, as approved on the same date, the payment of interest on equity declared was made on January 13, 2026 and the shares have been traded "ex-Interest on Equity" since December 8, 2025.

4. CASH AND CASH EQUIVALENTS

BREAKDOWN OF BALANCES

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Cash and cash equivalents				
Cash and banks	20,333	2,811	330,449	303,276
CDB ⁽¹⁾⁽⁴⁾	15,680	78,111	550,011	503,130
Non-exclusive investment funds ⁽²⁾	7,675	11,746	160,265	98,096
Repurchase agreements ⁽³⁾	-	903	290,076	586,122
Total	43,688	93,571	1,330,801	1,490,624

(1) These are remunerated at a weighted average rate of 101.53% of the CDI (102.5% in Dec/24) and managed by independent financial institutions. The maturities are variable; however, they are highly liquid, with no loss of remuneration upon redemption.

(2) These are mainly distributed into subsidiaries Latamgym Mexico with an average annual rate of 8.16% (9.39% in Dec/24) and Latamfit Chile with an average annual rate of 4.94% (6.94% in Dec/24).

(3) These refer to transactions involving the purchase of securities with repurchase commitment by issuers of the securities, which are mainly remunerated at 100.00% of the CDI (100.00% in Dec/24).

(4) This includes the balance of the CDBs that compose the portfolio of the Santo Amaro exclusive investment fund remunerated at a weighted average rate of 101.83% of the CDI (102.69% in Dec/24), and Atila fund remunerated at a weighted average rate of 101.41% of the CDI (102.80% in Dec/24). The maturities are variable; however, they are highly liquid, with no loss of remuneration upon redemption.

Accounting Policy

These comprise cash on hand and in banks and financial investments. Under CPC 03 (R2) / IAS 7 – Statement of Cash Flows, in order to be classified as cash equivalent, an asset must have a short term (a maturity of up to three months or less from the acquisition date, be highly liquid, be readily convertible to known amounts of cash, and be subject to insignificant risk of change in value.

5. INVESTMENTS IN FINANCIAL ASSETS

BREAKDOWN OF BALANCES

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Investments in financial assets				
Exclusive investment funds ⁽¹⁾	2,709,726	2,273,649	-	-
Government securities ⁽²⁾	-	-	1,226,241	654,135
Financial bills ⁽³⁾	-	-	868,460	801,917
Interests in publicly-held company ⁽⁴⁾	-	-	144,480	89,832
Restricted cash ⁽⁵⁾	-	-	27,038	33,275
Other financial investments	4,367	5,502	5,002	6,200
Total	2,714,093	2,279,151	2,271,221	1,585,359
Current	2,709,726	2,273,649	2,095,336	1,456,751
Noncurrent	4,367	5,502	175,885	128,608

(1) Refer to the private credit exclusive fixed income investment funds Átila RF CP FI remunerated at a weighted average rate of 101.03% of the CDI (106.56% in Dec/24) and Santo Amaro RF CP remunerated at a weighted average rate of 101.98% of the CDI (106.80% in Dec/24). In the Parent, the amounts of share units held by the Company are presented under Investments in financial assets in the line "Exclusive investment funds". In the consolidated, the financial investment of the funds was fully consolidated into these financial statements, in accordance with CVM Instruction 408/04, and their balances were presented by each financial component.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

- (2) Represented by government securities (LFT) remunerated at a weighted average rate of 100.62% of the CDI (101.75% of the CDI in Dec/24) for the securities of Santo Amaro and Atila funds remunerated at a weighted average rate of 100.48% of the CDI (100.58% in Dec/24).
- (3) Refer to private credit securities by financial institutions of Atila fund remunerated at a weighted average rate of 105.55% of the CDI (122.64% of the CDI in Dec/24) and Santo Amaro fund remunerated at a weighted average rate of 104.01% of the CDI (111.81% of the CDI in Dec/24).
- (4) Refers to the investment in shares of Sports World.
- (5) Cash used as collateral for a bank loan, which is released after the debt amortization, that is, upon final payment of the debt balance.

Accounting Policy

The Group classifies its investments in financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets measured at fair value through profit or loss are recognized as finance costs.

6. TRADE RECEIVABLES**BREAKDOWN OF BALANCES**

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Trade receivables				
Trade receivables arising from contracts with customers ⁽¹⁾	196,497	197,514	695,789	559,996
Allowance for expected credit losses	(816)	(150)	(10,934)	(5,943)
Total	195,681	197,364	684,855	554,053

(1) Trade receivables mainly refer to recurring amounts from sales of gym plans and TotalPass plans, which are substantially distributed by the main card operators in Brazil and abroad.

As at December 31, 2025, the average collection period for trade receivables is approximately 32 days (32 days as at December 31, 2024).

Due to the Group's business model, the recorded amounts of allowance for expected credit losses are not significant, considering that in the event of non-payment by members, the member access to the unit is blocked and is only enabled upon settlement of the pending amounts. Accordingly, the Group does not record the amounts of trade receivables and revenue until the respective payment is made.

As a large portion of sales is made on debit and credit cards, which are received by means of payment processing company, the Group assesses that the credit risk is low (note 27).

Accounting Policy

Under CPC 47 / IFRS 15 – Revenue from Contracts with Customers, trade receivables are initially recognized at fair value and subsequently measured at amortized cost by applying the effective interest method, less expected credit losses.

7. RELATED PARTIES**NATURE OF THE RELATED PARTIES**

The Company, its subsidiaries and related parties carry out certain transactions among them, related to the Group's financial, commercial and operating aspects. The main transactions are:

- **Trading transactions.** Represented by the amount resulting from the apportionment of administrative expenses centralized in the Company and passed on to the other Group companies, in addition to transactions with joint ventures.
- **Loan agreements.** Remunerated at rates based on the Group's cost of debt at the time of contracting. The contracts have indefinite maturities.
- **Dividends receivable.** These refer to minimum mandatory dividends receivable by the Company from its subsidiaries.

OTHER RELATED-PARTY TRANSACTIONS

The Group carries out related-party transactions related to the lease of properties with subsidiaries and/or associates of the group's shareholders, in the normal course of its operations. The main amounts with related parties include:

	12/31/2025	12/31/2024
BALANCE SHEETS		
Lease liabilities - current	446	47
Lease liabilities - noncurrent	3,938	465
STATEMENTS OF PROFIT AND LOSS		
Finance costs	643	617

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

Conditions of the transactions

The transactions were carried out under conditions similar to those in the market and according to the Company's related-party transactions policy, and the balances of trade receivables and trade payables related to these transactions are reflected in the financial statements.

In addition, the Group made financial investments in investment funds where it has exclusive participation (100% of the quotas), which are detailed in note 5.

Commitments and balances

Until the date of issue of these financial statements, there are not additional commitments or guarantees related to transactions with related parties, except for the aforementioned balances.

COMPENSATION OF KEY MANAGEMENT PERSONNEL

On April 25, 2025, at the AEGM held on April 25, 2025, the increase in the limit of annual global compensation of the Group's Officers for the year 2025 in the amount of R\$55,020 was approved, (R\$49,520 as of December 31, 2024).

The table below shows the management compensation:

	12/31/2025	12/31/2024
Management compensation		
Fees	13,295	11,289
Benefits and payroll charges	4,104	3,728
Bonuses	14,049	12,740
Stock option plan	8,928	18,767
Total compensation	40,376	46,524

Accounting Policy

The compensation of the Statutory Officers comprises monthly fees, short- and long-term incentives, benefits (life insurance, health care), seeking an alignment with the selected market median, as well as with the practices adopted in the benefits package of these companies.

The members of the Board of Directors receive monthly fixed fees.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

RELATED-PARTY BALANCES

	12/31/2025				12/31/2024			
	Other receivables		Other liabilities		Other receivables		Other liabilities	
	Trading transactions	Loans, interest on equity and dividends	Trading transactions	Loans, interest on equity and dividends	Trading transactions	Loans, interest on equity and dividends	Trading transactions	Loans, interest on equity and dividends
PARENT								
Subsidiaries								
ADV Esportes	9	425	-	-	3	-	47	28,500
Smartfin	12.247	-	252	-	8,761	-	134	-
Smartdom	65	12.865	-	-	28	10,807	26	-
Bio Plaza	-	-	-	-	477	-	1	-
Asnsmart	-	-	-	-	92	-	46	-
Bioswim	1.198	127.436	9.471 ⁽¹⁾	-	3,604	114,261	5,753	-
Biosanta	-	-	-	-	38	-	131	-
Nation	169	-	-	-	-	-	1	-
Smartife ⁽³⁾	-	-	-	-	34	-	16	3,779
M2	315	127	291	748 ⁽²⁾	104	-	307	200
SmartMNG ⁽³⁾	-	-	-	-	46	-	21	9,039
Biomorum	1	-	3.679	-	208	-	3,871	-
Racebootcamp	1.144	-	-	-	1,349	-	87	-
TotalPass	145.434	-	2.268	-	73,188	-	2,977	-
Just Fit	2	2.295	23	-	228	-	219	-
Bio Pauli	-	-	66	-	-	-	62	-
Bio Franqueadora	-	-	-	-	12	-	-	-
Velocity	150	-	-	-	-	-	-	-
MG-PT	-	-	-	-	-	4,191	-	-
Smartfit Marrocos	-	3.435	-	-	-	3,115	-	-
Smartfit Peru S.A.C	6.049	-	-	-	1,772	-	-	-
Latamgym SAPI de CV	-	-	-	-	6,014	-	-	-
Latamfit Chile SPA	7.623	-	-	-	2,072	-	-	-
Sporty City	13.633	-	-	-	-	-	-	-
FitMaster LLC	14.984	-	-	-	-	-	-	-
Total balances with related parties	203.023	146.583	16.050	748	98,030	132,374	13,699	41,518
Current	203.023	19.457	15.759	748	98,030	7,305	13,408	41,518
Noncurrent	-	127.126	291	-	-	125,069	291	-
CONSOLIDATED								
Joint ventures								
TotalPass Mexico	64,503	8,035	-	-	45,425	22,467	333	-
Noncontrolling interests	-	828	-	128	-	200	-	-
Total balances with related parties	64,503	8,863	-	128	45,425	22,667	333	-
Current	64,503	748	-	128	45,425	200	333	-
Noncurrent	-	8,115	-	-	-	22,467	-	-

(1) The liabilities balance refers to transactions resulting from the apportionment of administrative expenses and sale of property and equipment.

(2) Prepaid dividends.

(3) Companies merged in January 2025.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

RELATED-PARTY TRANSACTIONS

	12/31/2025				12/31/2024			
	Operating revenues	Costs	Expenses	Finance income (costs)	Operating revenues	Costs	Expenses	Finance income (costs)
PARENT								
Subsidiaries								
Smartfin	-	-	(1,296)	-	-	-	(1,688)	-
Smartdom	398	-	-	1,962	387	-	-	1,368
Bio Plaza	-	-	-	-	345	-	-	380
Asnsmart	596	-	-	-	1,177	-	-	6
Bioswim	-	(127)	-	-	-	(4,423)	-	-
Biosanta	-	-	-	-	-	-	-	105
Nation	-	(70)	-	-	-	-	-	-
M2	377	-	-	-	363	-	-	-
Biomorum	-	(39,228)	-	-	-	(24,045)	-	-
Totalpass	-	-	-	-	-	(12,104)	-	-
Bio Pauli	-	(773)	-	-	-	(735)	-	-
Smartfit Peru S.A.C ⁽¹⁾	23,077	-	-	-	19,850	-	-	-
Latamgym SAPI de CV ⁽¹⁾	77,698	-	-	-	70,476	-	-	-
Sporty City ⁽¹⁾	52,721	-	-	-	-	-	-	-
Latamfit Chile SPA ⁽¹⁾	28,058	-	-	-	21,213	-	-	-
Total balances with related parties	182,925	(40,198)	(1,296)	1,962	113,811	(41,307)	(1,688)	1,859
CONSOLIDATED								
Joint ventures								
TotalPass México ⁽²⁾	74,889	-	-	-	52,820	(5,297)	-	-
FitMaster ⁽³⁾	-	-	-	-	666	(15)	-	-
Total balances with related parties	74,889	-	-	-	53,486	(5,312)	-	-

(1) Refers to royalties revenue.

(2) Revenue of Latamgym SAPI de CV with Totalpass Mexico.

(3) Comparative balances related to the period of assessment of FitMastera as a joint venture, see note 3.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

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8. TAXES RECOVERABLE

BREAKDOWN OF BALANCES

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Taxes recoverable				
PIS/ COFINS	10,454	5,928	12,161	8,827
IRPJ/CSLL	69,462	50,305	192,844	109,779
IRRF on financial investments	54,927	79,201	60,423	82,694
IGV/IVA	-	-	50,525	111,153
Others	5,766	1,141	39,157	32,177
Total	140,609	136,575	355,110	344,630
Current	140,609	136,575	347,559	338,554
Noncurrent	-	-	7,551	6,076

Accounting Policy

Taxes recoverable are recorded when there is a legal right for the Company.

The balances are presented net of estimated losses on tax credits and the recoverability of balances is reviewed annually by the Group.

Recoverable taxes represent the rights that will be realized through offset against future obligations arising from the Group's operations. The Company continually reviews the realization capacity of these assets and, when necessary, provisions are recognized to ensure that these assets are recorded based on their realizable value.

9. DERIVATIVE FINANCIAL INSTRUMENTS

Gains or losses on derivative instruments (swap and options) are determined by their mark-to-market, corresponding to their fair value. As at December 31, 2025, the balance of derivative financial instruments marked-to-market corresponded to a gain of R\$ 25,095 in parent and consolidated (loss of R\$ 13,888 in parent and R\$ 13,685 in consolidated as at December 31, 2024). The amounts recorded in the statement of profit and loss for the year then ended, under "finance income (costs)" correspond to a finance income of R\$ 10,807 in parent and consolidated (finance cost of R\$ 2,574 in parent and R\$ 1,933 in consolidated in the year ended December 31, 2024).

BREAKDOWN OF BALANCES

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Derivative financial investments				
Assets				
Smartfit call option - M2	5,877	5,947	5,877	5,947
Smartfit call option – ASN ⁽¹⁾	-	7	-	7
Smartfit call option - End Fit	17,531	12,075	17,531	12,075
Interest rate swap – Smartfit Mexico	-	-	-	203
Interest rate swap – 7 th issue of debentures	3,026	1,046	3,026	1,046
Total	26,434	19,075	26,434	19,278
Current	8,903	7,000	8,903	7,203
Noncurrent	17,531	12,075	17,531	12,075
Liabilities				
Put option of the noncontrolling shareholder – MB Negócios Digitais ⁽¹⁾	-	26,274	-	26,274
Put option of the noncontrolling shareholder – ASN Smart ⁽¹⁾	-	2,368	-	2,368
Put option of the noncontrolling shareholder – M2	-	24	-	24
Put option of the franchisee – End Fit	1,339	4,293	1,339	4,293
Put option of the noncontrolling shareholder – Fit Master	-	4	-	4
Total	1,339	32,963	1,339	32,963
Current	-	28,670	-	28,670
Noncurrent	1,339	4,293	1,339	4,293

(1) Exercise of call/put option over noncontrolling interests. See note 3.

Accounting Policy

Financial instruments are initially recognized at fair value at the date the derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are recognized as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. All changes related to these financial instruments are recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

10. OTHER RECEIVABLES

BREAKDOWN OF BALANCES

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Other receivables				
Security deposits ⁽¹⁾	12	-	51,151	45,610
Loans to third parties ⁽²⁾	5,712	30,481	22,953	66,873
Escrow deposits ⁽³⁾	68,230	59,609	92,979	81,730
Prepaid expenses	37,795	61,576	99,215	120,218
Advances to suppliers	20,122	15,971	100,218	94,668
Others	13,086	11,008	70,167	43,576
Total	144,957	178,645	436,683	452,675
Current	58,443	50,061	265,295	219,485
Noncurrent	86,514	128,584	171,388	233,190

(1) In Consolidated, refers substantially to security deposits for lease contracts in Mexico.

(2) On July 1, 2025, the Company formalized the acquisition of 100% of the share capital of N2B Nutrição Empresarial Ltda. ("N2B"), a startup that operates in the nutrition segment. Until June 30, 2025, the Company held an intercompany loan balance with N2B in the amount of R\$28,295 (R\$27,261 in December 2024). See note 3.

(3) These are related to administrative and judicial proceedings, mainly in the tax (IRRF withholdings) and social security areas (INSS contributions).

Accounting Policy

Financial credits

These are recognized in the balance sheet when the Group is a party to the contractual provisions, initially measured at fair value and subsequently measured at amortized cost by applying the effective interest rate method.

Non-financial credits

These are initially measured at fair value and carried in the balance sheet at the known or estimated amounts, updated through the end of the reporting periods, when applicable.

NOTES TO THE FINANCIAL STATEMENTS

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11. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

BREAKDOWN OF BALANCES	2025			2024		
	12/31/2025	Jan to Dec		12/31/2024	Jan to Dec	
	Investment balance	Share of profit (loss) of investees	Other comprehensive income	Investment balance	Share of profit (loss) of investees	Other comprehensive income
PARENT						
Domestic Subsidiaries						
Academia Cohama Ltda. ⁽¹⁾	-	-	-	11,194	1,451	-
Academia de Ginástica Tietê Plaza Ltda. ⁽¹⁾	-	-	-	17,220	2,395	-
Academia Smart Holandeses Ltda. ⁽¹⁾	-	-	-	10,043	1,995	-
ACL Academia de Ginástica Ltda. ⁽¹⁾	-	-	-	8,142	1,020	-
ADV Esporte e Saúde Ltda.	13,276	3,656	-	38,904	5,500	-
Biopauli Compra, Venda e Adm. de Bens Ltda.	17,238	2,061	-	15,176	1,393	-
Biosanta Academia Ltda.	-	-	-	-	87	-
Centrale Compra, Venda e Loc. de Imob. Ltda.	2,107	15	-	2,092	(12,918)	-
Escola de Natação e Ginástica Biomorum Ltda.	19,432	3,424	-	16,008	1,931	-
Escola de Natação e Ginástica Bioswim Ltda.	320,029	113,942	-	230,987	109,905	-
Just Fit Empreendimentos e Participações S.A.	170,772	34,386	-	143,836	26,803	-
Lake Academia de Ginástica Ltda. ⁽¹⁾	-	-	-	11,076	1,398	-
M2 - Academia de Ginástica Ltda.	2,203	468	-	1,885	399	-
MB Negócios Digitais S.A.	95,936	(1,045)	(159)	111,522	5,743	251
N2B Nutrição Empresarial Ltda. ⁽⁴⁾	45,210	6,254	-	-	-	-
Nation CT Academia de Musculação S.A.	26,546	(1,939)	-	25,101	(3,863)	-
Racebootcamp Academia de Ginástica Ltda.	123,656	(5,142)	-	108,597	(885)	-
S2RJ Academia de Ginástica Ltda. ⁽⁴⁾	15,524	778	-	-	-	-
Smartfin Cobranças Ltda.	381	2,459	-	(2,077)	2,725	-
SmartMNG Academia de Ginástica Ltda. ⁽¹⁾	-	-	-	54,327	14,218	-
SmartRFE Academia de Ginástica Ltda. ⁽¹⁾	-	-	-	34,388	5,310	-
Totalpass Participações Ltda.	16,927	16,517	-	410	(1,879)	-
Foreign Subsidiaries						
FitMaster LLC ⁽³⁾	82,717	(2,840)	2,715	-	-	-
Gimnasia Smart, S.A. de C.V.	120,664	(1,997)	26,177	115,055	6,240	7,119
Latamfit Chile SPA	337,045	41,971	(5,082)	300,158	5,794	36,633
Latamfit S.L.U	1,439	(1,563)	28,124	49,134	(1,355)	219
Latamgym S.A.P.I. de C.V.	1,529,481	(12,606)	51,069	1,472,448	36,638	79,040
Servicios Deportivos para Latinoamerica S.A.	2,078	(160)	51	2,183	-	89
Smartfit Maroc	46,920	(6,798)	(734)	9,735	(1,994)	385
Smartfit Paraguay S.A.	88,715	13,747	5,835	52,776	5,078	8,193
Smartfit Peru S.A.C	95,230	14,621	173	80,437	923	17,838
Smartfit S.A.U.	64,354	3,674	3,168	22,201	3,043	(2,100)
Smartfit Uruguay S.A.	48,301	10,036	771	37,494	(3,620)	4,602
SMTF - Escola de Ginastica e Dança S.A.	1,080	(2,011)	(1,709)	(282)	(1,177)	(73)
Sporty City S.A.S.	663,266	156,070	(13,984)	609,857	121,657	74,673
Sporty Panama S.A.	546,475	47,201	(59,101)	558,376	22,595	129,456
Joint ventures						
FitMaster LLC ⁽³⁾	-	3,138	(8,690)	55,411	4,789	9,240
Others	714	-	-	-	-	-
Total	4,497,716	438,317	28,624	4,203,814	361,339	365,565
Balance in assets	4,497,716			4,206,174		
Balance in liabilities ⁽²⁾	-			(2,360)		
CONSOLIDATED						
Joint ventures						
FitMaster LLC ⁽³⁾	-	3,138	(8,690)	55,411	4,789	9,240
Total Pass SA de C.V.	-	1,883	2,014	-	(3,943)	(641)
Others	714	-	-	-	-	-
Total	714	5,021	(6,676)	55,411	846	8,599

(1) Companies merged into the Company in January 2025 reflect an effort to streamline and rationalize the Group's corporate structure, with the main purpose of generating administrative, financial and operating efficiency gains, and avoiding unnecessary expenses.

(2) Share of equity deficiency of a subsidiary. See note 17.

(3) The remaining balance in joint ventures refers to the interest previously held by the Company, accounted for using the equity method until the date of acquisition of control (100%). With the acquisition of the remaining interest, the assets and liabilities of the investee are now fully consolidated, see note 3.

(4) See note 3.

NOTES TO THE FINANCIAL STATEMENTS

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CHANGES FOR THE YEAR

Investments in subsidiaries and joint ventures

	Parent	Consolidated
At December 31, 2023	3,655,043	40,940
Capital increases	159,094	453
Acquisition of subsidiary - Tietê Plaza	14,825	-
Acquisition of subsidiary - ACL	7,121	-
Price adjustment	(231)	-
Transfer of noncontrolling interests between Group subsidiaries	(372)	-
Dividends and interest on equity	(231,090)	-
Offset against intercompany loan agreement	-	4,573
Transactions with noncontrolling shareholders	(127,480)	-
Share of profit (loss) of investees	361,339	846
Other comprehensive income in subsidiaries	18,217	-
Foreign exchange effects	347,348	8,599
At December 31, 2024	4,203,814	55,411
Capital increases ⁽¹⁾	101,859	714
Acquisition of control in subsidiary - Fitmaster ⁽³⁾	37,295	37,295
Acquisition of control - Fitmaster ⁽³⁾	-	(72,211)
Acquisition of subsidiary - N2B ⁽³⁾	23,778	-
Acquisition of subsidiary - S2RJ ⁽³⁾	15,130	-
Dividends and interest on equity	(208,674)	-
Offset against intercompany loan agreement	-	(3,856)
Transactions with noncontrolling shareholders ⁽⁴⁾	8,280	-
Gain (loss) on remeasurement of previously held interest ⁽³⁾	10,664	-
Share of profit (loss) of investees	438,317	5,021
Mergers ⁽²⁾	(146,387)	-
Other comprehensive income in subsidiaries	37,012	-
Foreign exchange effects	(8,388)	(6,676)
Other transactions	(14,984)	(14,984)
At December 31, 2025	4,497,716	714

(1) As at December 31, 25, in parent, this refers to the capital increase in subsidiaries, namely Smartfit SAS R\$35,325, Smartfit Paraguay SA R\$16,360, N2B R\$15,178, Racebootcamp R\$20,200, ADV R\$6,000, SMTF R\$5,083, Nation R\$3,000, and others R\$714.

(2) As at December 31, 2025, in parent, this refers to the merger operations in January 2025, of which SmartMNG R\$54,331, SmartRFE R\$34,388, Holandeses R\$10,043, Lake R\$11,076, Cohama R\$11,193, Tiete Plaza R\$17,221 and ACL Rio R\$8,142.

(3) See note 3.

(4) As at December 31, 2025, in parent, the amount refers to transactions with noncontrolling shareholders, of which MB R\$14,262 and ADV R\$(5,983). See note 3.

SUMMARIZED AGGREGATE FINANCIAL INFORMATION ON JOINT VENTURES

	12/31/2025	12/31/2024
BALANCE SHEET ⁽¹⁾		
Current assets	76,688	106,246
Noncurrent assets	46,633	129,748
Total assets	123,321	235,994
Current liabilities	151,066	169,132
Total liabilities	151,066	169,132
Total equity	(27,745)	66,862
Total liabilities and equity	123,321	235,994

	12/31/2025	12/31/2024
STATEMENT OF PROFIT AND LOSS ⁽²⁾		
Operating revenue	401,345	333,668
Costs and expenses	(381,228)	(329,328)
Operating profit (loss)	20,117	4,340
Finance income (costs)	(8,768)	(6,241)
Profit (loss) for the year	11,349	(1,901)

(1) Considers the balances of Totalpass México until 12/31/2025.

(2) Considers the balances of the joint ventures Fitmaster until 03/31/2025 and Totalpass México until 12/31/2025

Accounting Policy

Investments

A subsidiary is a company over which the Company holds rights that ensure, on a permanent basis, preponderance in corporate decisions and the power to elect the majority of officers. The investment in subsidiary is accounted for under the equity method of accounting.

A joint venture is a joint arrangement whereby the Company and other parties undertake an economic activity that is subject to joint control (i.e. when the strategic financial and operating policy decisions relating to the activities of the joint venture require the approval of all parties that share the control). The Group recognizes its interest in joint ventures using the equity method.

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

Gains and losses from translation of accounting information of foreign operations are classified in line item "Other comprehensive income", directly in equity.

Business combination and goodwill

At the acquisition date, the acquisition cost is considered by the purchase price, which includes the fair value of the assets and liabilities assumed or incurred, and including any cost related to additional contingent or deferred payment. Transaction costs are recognized in profit or loss, when incurred. The acquisition cost is allocated to the assets acquired, liabilities and contingent liabilities assumed based on their fair values, including assets and liabilities that were not previously recognized in the balance sheet of the acquired entity, for example, intangible assets such as trademarks and bargain purchase agreements.

Goodwill is generated when the acquisition cost is higher than the value of the identifiable net assets measured at fair value. Goodwill on acquisitions is included in Intangible assets (note 13) and is tested for impairment annually.

On the other hand, the surplus value is the positive difference between the fair value of the identifiable net assets and their respective carrying amount. The final amounts of the business combination are measured within one year from the acquisition date.

The Group recognizes the fair value of certain assets acquired supported by reports prepared by independent appraisers. Based on its experience in acquisition transactions, Management assesses the appropriateness of the determined amounts. However, these assessments take into consideration a certain level of judgment.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration agreement, the contingent consideration is measured at its acquisition-date fair value and included in the consideration transferred in a business combination. Changes in the fair value of the contingent consideration classified as measurement period adjustments are adjusted retrospectively, with corresponding adjustments to goodwill. However, changes arising from events occurred after the acquisition date, such as meeting profit targets, reaching the specified price per share, or achieving a certain stage of a research and development project, are not measurement period adjustments. In these cases, changes in fair value should be recognized in profit or loss for the year.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value (i.e., the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss.

Changes in equity interests in subsidiaries that did not result in loss of control are recorded as equity transactions and, therefore, have no impact on goodwill. The difference between the consideration and noncontrolling interests in net assets acquired is recognized in equity.

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

12. PROPERTY AND EQUIPMENT

BREAKDOWN OF AND VARIATIONS IN THE BALANCES

	Facilities and leasehold improvements	Machinery and equipment	Furniture and fixtures	IT equipment	Property and equipment in progress	Other property and equipment	Total
PARENT							
At December 31, 2023							
Cost	1,149,983	606,202	155,712	53,514	124,806	128,117	2,218,334
Accumulated depreciation	(619,880)	(254,855)	(69,238)	(33,208)	-	(77,909)	(1,055,090)
Net value	530,103	351,347	86,474	20,306	124,806	50,208	1,163,244
Additions	91,500	83,084	15,254	10,469	350,399	16,771	567,477
Write-offs	(4,282)	(14,939)	(408)	(105)	(3,708)	(149)	(23,591)
Depreciation	(106,373)	(68,905)	(16,088)	(8,856)	-	(18,061)	(218,283)
Transfers and reclassifications	127,243	101,975	16,675	6,741	(273,142)	15,986	(4,522)
At December 31, 2024							
Cost	1,354,799	743,657	188,325	71,547	198,355	156,072	2,712,755
Accumulated depreciation	(716,608)	(291,095)	(86,418)	(42,992)	-	(91,317)	(1,228,430)
Net value	638,191	452,562	101,907	28,555	198,355	64,755	1,484,325
Additions ⁽²⁾	123,371	95,105	21,820	19,386	781,659	26,189	1,067,530
Write-offs	(4,923)	(4,334)	(555)	(1,233)	(4,083)	(3,058)	(18,186)
Merger/Spin-off ⁽³⁾	16,772	13,464	1,661	273	826	774	33,770
Depreciation ⁽³⁾	(131,913)	(83,118)	(17,902)	(12,666)	-	(26,439)	(272,038)
Transfers and reclassifications ⁽¹⁾	216,389	110,613	30,842	7,377	(411,718)	18,387	(28,110)
At December 31, 2025							
Cost	1,727,205	944,477	242,241	90,143	565,039	194,394	3,763,499
Accumulated depreciation	(869,318)	(360,185)	(104,468)	(48,451)	-	(113,786)	(1,496,208)
Net value	857,887	584,292	137,773	41,692	565,039	80,608	2,267,291
CONSOLIDATED							
At December 31, 2023							
Cost	3,781,399	1,389,082	422,380	173,896	546,583	325,666	6,639,006
Accumulated depreciation	(1,512,674)	(607,965)	(169,933)	(105,130)	-	(198,750)	(2,594,452)
Net value	2,268,725	781,117	252,447	68,766	546,583	126,916	4,044,554
Additions	196,725	134,496	40,564	24,477	1,402,798	34,428	1,833,488
Write-offs	(11,955)	(18,398)	(1,877)	(322)	(9,972)	(691)	(43,215)
Acquisition of subsidiaries	6,499	4,653	531	234	55	177	12,149
Depreciation	(393,320)	(173,885)	(50,761)	(31,028)	-	(54,102)	(703,096)
FX effects	208,508	69,909	20,443	4,775	34,832	9,294	347,761
Transfers and reclassifications	800,087	347,532	105,566	25,160	(1,292,691)	60,154	45,808
At December 31, 2024							
Cost	5,052,605	2,047,053	602,018	235,747	681,605	444,147	9,063,175
Accumulated depreciation	(1,977,336)	(901,629)	(235,105)	(143,685)	-	(267,971)	(3,525,726)
Net value	3,075,269	1,145,424	366,913	92,062	681,605	176,176	5,537,449
Additions ⁽²⁾	217,992	165,680	60,099	31,374	1,816,178	48,499	2,339,822
Write-offs	(16,975)	(11,327)	(1,710)	(1,928)	(11,138)	(4,000)	(47,078)
Acquisition of subsidiaries	-	2,234	11,970	2,242	941	1,445	18,832
Merger/Spin-off ⁽³⁾	(1,029)	(1,454)	2,712	(24)	(188)	(17)	-
Depreciation	(482,775)	(218,591)	(66,117)	(40,729)	-	(80,886)	(889,098)
FX effects	51,705	36,242	8,524	968	(28,912)	(13,761)	54,766
Transfers and reclassifications ⁽¹⁾	703,704	248,751	109,908	31,214	(1,247,614)	124,586	(29,451)
At December 31, 2025							
Cost	5,992,066	2,469,513	797,445	288,616	1,210,872	602,550	11,361,062
Accumulated depreciation	(2,444,175)	(1,102,554)	(305,146)	(173,437)	-	(350,508)	(4,375,820)
Net value	3,547,891	1,366,959	492,299	115,179	1,210,872	252,042	6,985,242

(1) In Parent, the remaining balance in the Transfers and reclassifications line refers to reclassifications to Intangible assets (note 13). In Consolidated, the remaining balance in the Transfers and reclassifications line refers to reclassifications from Property and equipment to Intangible assets in the amount of R\$41,702 (note 13) and reclassifications from Right-of-use assets to Property and equipment in the amount of R\$12,296 (note 14).

(2) As at December 31, 2025, this includes capitalized finance costs of R\$12,843 (R\$5,111 in Dec/24) in parent and R\$16,910 (R\$14,320 in Dec/24) in consolidated.

(3) This refers to merger operations of SmartMNG, SmartRFE, Holandeses, Lake, Cohama, Tiete Plaza and ACL Rio.

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

ANALYSIS OF IMPAIRMENT INDICATORS

The Group continuously monitors conditions that may indicate any risk of impairment of the balances of property and equipment, intangible assets with finite useful lives and right-of-use assets.

In order to identify any risk, the Group followed the procedure described in note 13, and Management monitors operations by country.

Accordingly, the specified assets were grouped into CGUs Brazil, Mexico, Colombia, Chile, Peru, Argentina, Paraguay, Uruguay, Panama and Costa Rica. For this purpose, the Group made an estimate of the recoverable amount of each CGU based on the calculation of the value in use, determined at the discounted present value of the future cash flows of each CGU.

Based on the analyses performed at December 31, 2025, there was no indication of impairment of property and equipment items, intangible assets with finite useful lives and right-of-use assets.

Accounting Policy

Under CPC 27 / IAS 16 – Property, Plant and Equipment, property, plant and equipment are stated at acquisition cost, including eligible borrowing costs, less any accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis at rates that consider the economic useful lives of the assets. Facilities and improvements in the Group's leased units are depreciated over the lease term or the economic useful lives of the assets. The estimated useful life is reviewed at the end of each reporting period and adjusted as appropriate. The estimated average annual depreciation rates by main class of assets are as follows:

- Facilities and leasehold improvements: 10% - Machinery and equipment: 10%
- Furniture and fixtures: 10% - IT equipment: 20%

Property and equipment in progress refers to construction of gyms and is not depreciated until the asset is available for use.

Property and equipment items are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable (note 13).

13. INTANGIBLE ASSETS

BREAKDOWN OF AND VARIATIONS IN THE BALANCES

	Goodwill	Assignment of right of use	Software	Customer list	Trademarks and patents	Other intangible assets	Total
PARENT							
At December 31, 2023							
Cost	82,320	42,422	79,317	-	8,478	-	212,537
Accumulated amortization	-	(38,136)	(22,192)	-	-	-	(60,328)
Net value	82,320	4,286	57,125	-	8,478	-	152,209
Additions	-	-	1,313	-	-	8,182	9,495
Write-offs	-	(11)	(7)	-	-	-	(18)
Amortization	-	(1,593)	(12,248)	-	-	-	(13,841)
Transfers and reclassifications ⁽¹⁾	-	-	4,522	-	-	-	4,522
At December 31, 2024							
Cost	82,320	40,339	84,500	-	8,478	8,182	223,819
Accumulated amortization	-	(37,657)	(33,795)	-	-	-	(71,452)
Net value	82,320	2,682	50,705	-	8,478	8,182	152,367
Additions	-	-	4,400	4,468	-	1,000	9,868
Write-offs	-	-	-	-	-	(8,182)	(8,182)
Amortization	-	(1,309)	(18,381)	(1,664)	-	(8,702)	(30,056)
Transfers and reclassifications ⁽¹⁾	34,279	-	31,554	-	15	41,016	106,864
At December 31, 2025							
Cost	116,599	40,188	120,307	6,656	8,493	42,016	334,259
Accumulated amortization	-	(38,815)	(52,029)	(3,852)	-	(8,702)	(103,398)
Net value	116,599	1,373	68,278	2,804	8,493	33,314	230,861

NOTES TO THE FINANCIAL STATEMENTS

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	Goodwill	Assignment of right of use	Software	Customer list	Trademarks and patents	Other intangible assets	Total
CONSOLIDATED							
At December 31, 2023							
Cost	1,767,880	76,916	147,519	82,948	29,869	11,885	2,117,017
Accumulated amortization	-	(57,400)	(59,295)	(65,035)	(19,926)	(2,377)	(204,033)
Net value	1,767,880	19,516	88,224	17,913	9,943	9,508	1,912,984
Additions	-	22,132	10,003	8,586	5	20,190	60,916
Acquisitions of subsidiaries	127,900	-	311	71,082	41,234	726	241,253
Write-offs	(231)	(9)	(534)	-	-	(1)	(775)
Amortization	-	(4,979)	(18,882)	(18,930)	(571)	(5,468)	(48,830)
FX effects	203,613	3,443	1,918	6,125	20	4,695	219,814
Transfers and reclassifications	1,769	987	8,912	(2,443)	485	-	9,710
At December 31, 2024							
Cost	2,100,931	101,891	167,773	166,400	70,942	37,641	2,645,578
Accumulated amortization	-	(60,801)	(77,821)	(84,067)	(19,826)	(7,991)	(250,506)
Net value	2,100,931	41,090	89,952	82,333	51,116	29,650	2,395,072
Additions	-	5,658	9,389	-	161	1,000	16,208
Acquisitions of subsidiaries	120,922	-	22,082	17,406	-	-	160,410
Write-offs	(846)	-	(268)	(40)	-	(8,616)	(9,770)
Merger/Spin-off	-	-	40	-	(40)	-	-
Amortization	-	(6,616)	(29,758)	(19,893)	(646)	(17,636)	(74,549)
FX effects	(22,285)	1,332	(293)	(258)	-	(1,924)	(23,428)
Transfers and reclassifications ⁽¹⁾	1,513	-	38,574	(1,552)	588	47,998	87,121
At December 31, 2025							
Cost	2,200,235	109,359	240,266	180,632	71,594	76,323	2,878,409
Accumulated amortization	-	(67,895)	(110,548)	(102,636)	(20,415)	(25,851)	(327,345)
Net value	2,200,235	41,464	129,718	77,996	51,179	50,472	2,551,064

(1) In parent, the remaining balance in the "Transfers and reclassifications" line refers to reclassifications to Property and equipment in the amount of R\$28,113 (note 12) and the amount of R\$78,754 related to mergers (note 11) and non-compete agreements. In Consolidated, the remaining balance in the Transfers and reclassifications line refers to reclassification from Property and equipment to Intangible assets in the amount of R\$41,702 (note 12) e reclassifications of R\$45,375 relating to non-compete agreements.

IMPAIRMENT TESTING – GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

The Group conducts impairment tests of goodwill and intangible assets with indefinite useful lives annually, every December 31, or whenever Management identifies conditions that may indicate any impairment risk.

For impairment testing purposes, goodwill is allocated to the CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. This analysis initially considers each gym as a CGU. However, due to the predominance of students who use free network access plans (such as the Black Plan), the cash inflows of certain gyms are not generated independently from other gyms in the surrounding geographical area. Additionally, the CGUs or groups of CGUs are identified at the lowest level at which goodwill is monitored for internal management purposes. Management monitors each goodwill generated in business combination separately, by country. Accordingly, goodwill was allocated and tested in the CGUs Brazil, Mexico, Colombia, Chile, Peru, Panama and Uruguay and Queima Diária.

For this purpose, an estimate of the recoverable amount of each CGU is made, as required by CPC 01 / IAS 36. If the carrying amount is lower than the recoverable amount, an impairment loss is immediately recognized in profit or loss.

The recoverable amount was established based on the calculation of the value in use, determined at the discounted present value of the future cash flows of each CGU. Cash flow projections for a five-year period (such as sales growth, costs, expenses, fixed investments and working capital investments) are based on the annual budget approved by Management and are made for each CGU. The main assumptions used were:

Assumptions	Description
EBITDA Margin	Projected based on the Group's expectation for the recovery of the business and inflation adjustment after the complete normalization of activities.
Fixed investments	Projected to cover the depreciation of the operating fixed assets base and required maintenances.
Working capital investments	Projected based on past performance and revenue growth.
Discount rate	Reflects risks specific to the industry and countries in which the Group operates.
Perpetuity	Projected following the Gordon-Shapiro model, based on management's expectations regarding market development and on industry expectations.

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The discount rates used for each CGU are as follows:

CGU	Discount rate
Brazil	11.31%
Mexico	12.10%
Colombia	12.48%
Chile	10.60%
Argentina	48.12%
Paraguay	12.38%
Peru	8.96%
Panama	10.24%
Uruguay	10.45%

Based on the analysis performed in the year ended December 31, 2025, no impairment loss was recognized.

ANALYSIS OF IMPAIRMENT INDICATORS

The Group continuously monitors conditions that may indicate any risk of impairment of intangible assets with finite useful lives, see note 12.

Accounting Policy**Goodwill**

Goodwill is initially recognized based on the accounting policy for business combination (note 3). Goodwill is subsequently measured at cost less any impairment losses.

Goodwill acquired in a business combination is assessed to determine whether new CGUs are created and, if not, it is allocated to each CGU of the Group, or groups of CGUs, which are expected to benefit from the synergies of the combination. These may not be equal to the CGUs that include assets and liabilities of the acquired business. Each CGU or group of CGUs to which goodwill is allocated represents the lowest level within the Group at which goodwill is monitored for internal management purposes, and it is not greater than an operating segment.

Intangible assets

Intangible assets acquired separately are initially measured at cost, and the purchase price is determined on the acquisition date.

In a business combination, the Group recognizes specifically identifiable intangible assets separately from goodwill, which are initially measured at fair value at the acquisition date.

Costs for supporting the development of internally generated intangible assets are recognized in profit or loss as incurred.

Intangible assets with indefinite useful lives comprise mainly trademarks, for which there is no predictable limit for the period during which net cash inflows are expected to be generated. These assets are not amortized, but are tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. Any impairment loss is recognized in profit or loss.

Intangible assets with finite useful lives comprise mainly software, assignment of right of use, and customer list. These assets are amortized on a straight-line basis over their expected useful lives or over the period of the legal rights, if shorter. The estimated annual amortization rates by main class of assets are as follows:

- Assignment of right of use: 10%
- Software: 20%
- Customer list: 33%

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14. LEASES

BREAKDOWN OF AND VARIATIONS IN THE BALANCES OF RIGHT-OF-USE ASSETS

	Parent			Consolidated		
	Machinery and equipment	Properties ⁽³⁾	Total	Machinery and equipment	Properties ⁽³⁾	Total
Right-of-use assets						
At December 31, 2023	-	1,193,246	1,193,246	109,290	3,645,729	3,755,019
Additions and remeasurements	-	545,092	545,092	-	1,645,218	1,645,218
Acquisitions of subsidiaries	-	-	-	-	2,158	2,158
Write-offs	-	(5,198)	(5,198)	(41)	(18,676)	(18,717)
Depreciation	-	(214,612)	(214,612)	(26,250)	(634,093)	(660,343)
Tax credits on depreciation	-	(18,580)	(18,580)	-	(22,394)	(22,394)
Assignment of right of use	-	(22,992)	(22,992)	-	-	-
FX effects	-	-	-	4,519	282,225	286,744
Transfers and reclassifications	-	-	-	(52,538)	(987)	(53,525)
At December 31, 2024	-	1,476,956	1,476,956	34,980	4,899,180	4,934,160
Additions and remeasurements ⁽²⁾	-	536,306	536,306	16,873	1,614,648	1,631,521
Merger/Spin-off ⁽⁴⁾	-	34,049	34,049	-	-	-
Write-offs	-	(25,867)	(25,867)	-	(61,100)	(61,100)
Depreciation	-	(263,979)	(263,979)	(7,818)	(785,736)	(793,554)
Tax credits on depreciation	-	(22,735)	(22,735)	-	(26,670)	(26,670)
FX effects	-	-	-	496	40,187	40,683
Transfers and reclassifications ⁽¹⁾	-	-	-	(12,296)	-	(12,296)
At December 31, 2025	-	1,734,730	1,734,730	32,235	5,680,509	5,712,744

(1) Refer to reclassifications of terminated lease agreements to Property and equipment (note 12).

(2) Includes in parent R\$31,292 (R\$57,191 in Dec/24) and in consolidated R\$41,307 (R\$65,125 in Dec/24) of initial direct costs.

(3) The main terms of real estate contracts are Brazil and Mexico with an average term of 10 years.

(4) In parent, this refers to merger operations of SmartMNG, SmartRFE, Holandeses, Lake, Cohama, Tiete Plaza and ACL Rio.

BREAKDOWN OF AND VARIATIONS IN THE BALANCES OF LEASE LIABILITIES

	Parent			Consolidated		
	Machinery and equipment	Properties	Total	Machinery and equipment	Properties	Total
Lease liabilities						
At December 31, 2023	-	1,256,803	1,256,803	97,175	4,010,239	4,107,414
Additions and remeasurements	-	487,901	487,901	-	1,580,093	1,580,093
Acquisitions of subsidiaries	-	-	-	-	2,570	2,570
Write-offs	-	(6,412)	(6,412)	27	(23,175)	(23,148)
Interest incurred	-	119,522	119,522	9,129	419,004	428,133
Considerations	-	(319,313)	(319,313)	(80,528)	(957,430)	(1,037,958)
Tax credits on interest	-	7,559	7,559	-	8,943	8,943
Assignment of right of use	-	(9,327)	(9,327)	-	-	-
FX effects	-	-	-	4,465	330,100	334,565
At December 31, 2024	-	1,536,733	1,536,733	30,268	5,370,344	5,400,612
Additions and remeasurements	-	505,014	505,014	16,873	1,573,341	1,590,214
Merger/Spin-off	-	39,484	39,484	-	-	-
Write-offs	-	(28,456)	(28,456)	-	(69,657)	(69,657)
Interest incurred	-	165,123	165,123	2,298	537,835	540,133
Considerations ⁽¹⁾	-	(403,819)	(403,819)	(22,722)	(1,196,183)	(1,218,905)
Tax credits on interest	-	10,458	10,458	-	11,722	11,722
FX effects	-	-	-	431	19,756	20,187
At December 31, 2025	-	1,824,537	1,824,537	27,148	6,247,158	6,274,306
Current	-	263,135	263,135	11,106	778,314	789,420
Noncurrent	-	1,561,402	1,561,402	16,042	5,468,844	5,484,886

(1) Due to one-off discounts obtained with the owners of the properties, the Group recognized R\$2,059 in consolidated as discounts obtained with leases as at December 31, 2025 (R\$6,727 in consolidated as at December 31, 2024), which do not change the contract conditions (note 24).

ANALYSIS OF IMPAIRMENT INDICATORS FOR RIGHT-OF-USE ASSETS

The Group continuously monitors conditions that may indicate any risk of impairment of right-of-use assets. See note 12.

DISCOUNT RATES

Lease liabilities are discounted at average rates between 7.08% and 16.94% in parent and between 2.25% and 19.41% in consolidated.

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FLOW OF LEASE MATURITIES

	Consolidated		
	Machinery and equipment	Properties	Total
2026	11,105	778,315	789,420
2027	12,787	810,415	823,202
2028	3,200	757,408	760,608
2029 onwards	56	3,901,020	3,901,076
Total	27,148	6,247,158	6,274,306

The following table presents the potential right of PIS and COFINS recoverable embedded in the lease consideration of properties, according to the periods foreseen for payment and presents the following nominal values and adjusted to present value:

	Consolidated	
	Nominal value (interest-free)	Adjusted to present value
Lease consideration of properties	9,327,877	6,247,158
PIS/COFINS – 9.25% ⁽¹⁾	279,379	180,446

(1) Levied on property lease contracts signed with legal entities, only in Brazil.

SHORT-TERM LEASES, LEASES OF LOW-VALUE ASSETS AND VARIABLE LEASES

As at December 31, 2025, the Company incurred R\$781 in variable lease expense in parent and R\$30,878 in consolidated (as at December 31, 2024, it incurred R\$632 in variable lease expense in parent and R\$23,651 in consolidated).

In accordance with CPC 06 / IFRS 16 - Leases, in measuring and remeasuring its lease liabilities and right-of-use assets, the Group used the discounted cash flow method without considering projected future inflation in the flows to be discounted (real flow and nominal discount rate). Although the accounting methodology used by the Group is in line with the rule set out in CPC 06 / IFRS 16, it generates distortions in the information to be provided, given the current reality of the long-term interest rates in the Brazilian economic environment.

Pursuant to Official Letter/CVM/SNC/SEP/No.02/2019, the Company presents below the comparative balances of lease liabilities, right-of-use assets, finance cost, and depreciation expense, considering the effect of the future inflation projected for five years using as assumption the inflation rates disclosed by the central banks of the countries where the Group has its own operations (Brazil, Chile, Colombia, Mexico, Peru, Paraguay, Uruguay, Argentina, Panama, Costa Rica and Morocco), and discounted at the applicable average rates:

	Consolidated	
	Real flow	Inflated flow
Right-of-use assets	5,680,509	6,721,234
Lease liabilities	3,447,475	3,683,813
Finance charges	2,799,683	3,622,487
Total lease liabilities	6,247,158	7,306,300
Finance costs	2,799,683	3,622,487
Depreciation expense	5,673,044	6,636,088
Total expense ⁽¹⁾	8,472,727	10,258,575

(1) Total accumulated expense since the beginning of the term of effectiveness of CPC 06 / IFRS 16.

Accounting Policy

In accordance with CPC 06 (R2)/IFRS 16 – Leases, at the inception of a contract the Group assesses whether a contract is, or contains, a lease. The Group recognizes a right-of-use asset and a corresponding lease liability for all lease agreements in which it is the lessee, except for short-term leases (leases with term of 12 months or less) and leases of low-value assets (such as computers and office furniture). For these leases, the Group recognizes lease payments as operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the pattern of time over which economic benefits from the leased assets are consumed. Grace periods (that is, rent-free periods) are recognized as part of the measurement of right-of-use assets and lease liabilities. With the beginning of use, depreciation is recognized, and in the course of the obligations, the interest incurred is recognized in profit or loss.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets refer to leases of properties and machinery and equipment, and are depreciated on a straight-line basis over the lease term.

Right-of-use assets are submitted to impairment testing. See note 13.

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Lease liabilities

The lease liability is initially measured at the present value of future lease payments, discounted at the implicit lease rate. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability (applying the effective interest rate method) and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- Lease payments change due to changes in an index or rate, in which cases the lease liability is remeasured by discounting the revised lease payments at an unaltered discount rate (unless the change of lease payments is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease agreement is modified and this modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the modified lease term, discounting the revised lease payments using a revised discount rate on the modification date.

15. TRADE PAYABLES**BREAKDOWN OF BALANCES**

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Trade payables				
Local currency	224,063	172,522	580,591	412,300
Foreign currency	64	45	52,630	34,189
Total	224,127	172,567	633,221	446,489
Current	216,912	167,992	626,006	441,914
Noncurrent	7,215	4,575	7,215	4,575

In general, the Group operates with an average payment term of 29 days (26 days as at December 31, 2024) for its operating suppliers. In the case of fixed assets suppliers, the terms follow the commercial negotiation of each operation.

Accounting Policy

The balance of trade payables comprises obligations payable for goods or services acquired in the ordinary course of business, as well as investments in the Company's projects. These obligations are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, where applicable, pursuant to CPC 40 (R1) / IFRS 7 – Financial Instruments - Disclosures).

16. TAXES AND CONTRIBUTIONS PAYABLE**BREAKDOWN OF BALANCES**

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Taxes and contributions payable				
PIS/ COFINS	18,429	51,188	23,478	58,426
ISS	16,681	11,588	20,089	15,536
INSS	10,253	4,815	12,599	5,917
Income tax and social contribution	1,872	669	193,368	122,649
Tax on industry and trade - ICA	-	-	7,915	6,270
IVA	-	-	28,052	39,718
ISR to foreigners	-	-	7,349	12,230
IR/CS withheld at source	6,223	4,546	8,962	8,444
Others	216	47	29,614	20,421
Total	53,674	72,853	331,426	289,611

Accounting Policy

The Group calculates its taxes on the taxable profit, pursuant to legislation and the rates in effect at the end of the reporting period. The income tax and social contribution expenses for the year are recognized in profit or loss, unless they are related to items recognized directly in equity, comprising current and deferred taxes.

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17. OTHER LIABILITIES

BREAKDOWN OF BALANCES

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Other liabilities				
Salaries, accruals and social contributions	92,091	63,043	195,986	135,542
Dividends and/or interest on equity payable	475,503	244,761	475,503	244,761
Investments in subsidiaries and joint ventures with negative equity ⁽¹⁾	-	2,360	-	-
Contingent consideration - MB Negócios Digitais ⁽²⁾	20,403	4,444	20,403	4,444
Contingent consideration – Latamfit Chile	5,066	5,173	5,066	5,173
Contingent consideration – Just Fit	2,767	2,767	2,767	2,767
Consideration for acquisition – Latam Gym	-	-	-	58,250
Consideration for acquisition – Bienstar	-	-	-	1,875
Consideration for acquisition – Velocity	-	-	9,273	16,945
Consideration for acquisition – N2B ⁽³⁾	563	-	563	-
Consideration for acquisition – S2RJ ⁽³⁾	6,468	-	6,468	-
Others	5,769	8,190	27,422	29,767
Total	608,630	330,738	743,451	499,524
Current	598,731	317,774	716,651	405,341
Noncurrent	9,899	12,964	26,800	94,183

(1) See note 11.

(2) The balance of R\$20,403 consists of: (i) R\$5,079 related to the retained portion of the initial 70% acquisition; and (ii) R\$15,324 resulting from the acquisition of the 30% non-controlling interest. See Note 3.

(3) See note 3.

Accounting Policy

Financial liabilities

Financial liabilities are recognized in the balance sheet when the Group is a party to the contractual provisions, initially measured at fair value and subsequently measured at amortized cost by applying the effective interest method or at fair value through profit or loss.

The contingent consideration recognized in a business combination is subsequently measured at fair value through profit or loss.

Non-financial liabilities

Non-financial liabilities are initially measured at fair value and carried in the balance sheet at the known or estimated amounts, updated through the end of the reporting period, where applicable.

All obligations are derecognized only when they are discharged or canceled or when they expire.

18. BORROWINGS

BREAKDOWN OF BALANCES

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Borrowings				
Debentures	4,391,106	3,144,702	4,391,106	3,144,702
Commercial note	129,234	127,978	129,234	127,978
Working capital	-	4,364	2,956,859	2,641,934
Total	4,520,340	3,277,044	7,477,199	5,914,614
Current	158,918	92,798	939,130	759,724
Noncurrent	4,361,422	3,184,246	6,538,069	5,154,890
Local currency	4,520,340	3,277,044	4,520,340	3,292,724
Functional currency countries ⁽¹⁾	-	-	2,956,859	2,621,890

(1) Loans disbursed in the countries in their respective local currencies.

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SUMMARY OF CHANGES IN BORROWINGS

	Parent	Consolidated
Borrowings		
At December 31, 2023	2,248,904	3,819,899
Proceeds from borrowings	2,185,556	3,803,545
Acquisitions of subsidiaries	-	15,902
Accrued interest and cost amortization	372,186	614,231
Principal payment	(1,248,897)	(2,070,899)
Interest payment	(280,705)	(517,247)
Exchange differences	-	249,183
At December 31, 2024	3,277,044	5,914,614
Proceeds from borrowings	1,519,093	2,761,364
Merger	3,920	-
Accrued interest and cost amortization	531,316	798,105
Principal payment	(360,484)	(1,314,782)
Interest payment	(450,549)	(720,327)
Exchange differences	-	38,225
At December 31, 2025	4,520,340	7,477,199

DESCRIPTION OF THE FINANCIAL CONTRACTS ⁽¹⁾

	Contract currency	Nominal value in contract currency (in millions)	Charges (p.a.)	Maturity	12/31/2025	12/31/2024
PARENT						
DEBENTURES						
Seventh issue - 1 st series	BRL	362	CDI+1.50%	Oct-29	367,886	363,447
Seventh issue - 2 nd series	BRL	38	IPCA+7.37%	Oct-29	44,111	42,311
Eight issue	BRL	600	CDI+1.95%	Oct-30	255,341	612,496
Ninth issue - 1 st series	BRL	720	CDI+1.32%	Apr-29	744,685	734,787
Ninth issue - 2 nd series	BRL	600	CDI+1.52%	Apr-31	620,966	616,723
Tenth issue	BRL	450	CDI+1.10%	Jul-29	480,910	470,134
Eleventh issue	BRL	300	CDI+0.89%	Oct-29	306,928	304,804
Twelfth issue	BRL	536	CDI+0.65%	Sept-30	551,574	-
Thirteenth issue - 1 st series	BRL	377	CDI + 0.58%	Oct-30	509,288	-
Thirteenth issue - 2 nd series	BRL	249	CDI + 0.68%	Oct-32	305,611	-
Thirteenth issue - 3 rd series	BRL	145	CDI + 0.95%	Oct-35	203,806	-
COMMERCIAL NOTES						
2 nd Issue of Commercial Notes	BRL	125	CDI+1.37%	Apr-29	129,234	127,978
WORKING CAPITAL						
Smartfit Brasil	BRL	10	CDI+2.45%	Oct-25	-	4,364
Total Parent					4,520,340	3,277,044

SUBSIDIARIES

WORKING CAPITAL						
Smartfit Brasil	BRL	10	CDI+2.45%	Nov-25	-	3,920
Smartfit Brasil	BRL	10	CDI+2.45%	Nov-25	-	3,920
Smartfit Brasil	BRL	10	CDI+2.45%	Nov-25	-	3,920
Smartfit Brasil	BRL	10	CDI+2.45%	Nov-25	-	3,920
Latamgym Mexico	MXN	1,800	TIIE+2.00%	Jul-28	450,196	516,369
Latamgym Mexico	MXN	1,800	TIIE+2.00%	Sept-29	546,068	202,290
Latamgym Mexico	MXN	250	TIIE+2.00%	Sept-27	38,025	55,590
Latamgym Mexico	MXN	300	TIIE+2.00%	May-27	32,295	53,643
Latamgym Mexico	MXN	290	TIIE+2.00%	Dec-27	22,631	74,843
Latamgym Mexico	MXN	131	TIIE+2.00%	Jan-28	20,074	29,346
Latamgym Mexico	MXN	1,348	TIIE+1.70%~2.00%	Feb-Mar-25	-	62,550
Sporty City Colombia	COP	23,170	IBR+2.30%	Jul-26	10,048	25,996
Sporty City Colombia	COP	30,000	IBR+2.00%	Dec-26	22,228	42,555
Sporty City Colombia	COP	30,000	IBR+2.50%	Mar-26	3,068	14,902
Sporty City Colombia	COP	14,600	IBR+2.50%	Aug-28	13,938	18,397
Sporty City Colombia	COP	10,000	IBR+2.50%	Feb-29	11,493	13,983
Sporty City Colombia	COP	27,300	IBR+2.50%	May-29	34,759	38,447
Sporty City Colombia	COP	18,000	IBR+2.95%	Apr-29	21,963	25,414
Sporty City Colombia	COP	42,000	IBR+2.95%	Feb-29	48,367	58,951
Sporty City Colombia	COP	10,000	IBR+2.95%	Feb-29	12,202	14,120
Sporty City Colombia	COP	70,000	IBR+2.20%	Mar-30	102,793	-
Sporty City Colombia	COP	10,000	IBR+2.05%	Sept-25	-	2,732
Sporty City Colombia	COP	13,333	IBR+2.90%	Apr-27	10,266	16,660
Sporty City Colombia	COP	50,361	IBR+3.00%	Sept-27	42,793	64,646
Sporty City Colombia	COP	3,595	IBR+3.00%	Sept-27	3,063	4,642
Sporty City Colombia	COP	30,000	IBR+2.00%	Dec-26	22,021	42,356
Sporty City Colombia	COP	50,000	IBR+2.15%	May-28	58,981	-

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Sporty City Colombia	COP	25,000	IBR+1.89%	Dec-28	36,762	-
Sporty City Colombia	COP	15,000	IBR+2.15%	Sept-26	5,726	12,561
Sporty City Colombia	COP	10,000	IBR+1.65%	Jun-27	7,303	11,740
Sporty City Colombia	COP	20,000	IBR+1.40%	Jul-27	15,410	24,251
Sporty City Colombia	COP	12,000	IBR+0.90%	Jul-27	13,856	-
Sporty City Colombia	COP	10,000	IBR+1.18%	Sept-28	13,369	-
Sporty City Colombia	COP	25,000	IBR+1.89%	Aug-26	14,024	31,387
Sporty City Colombia	COP	25,000	IBR+1.50%	Dec-25	-	35,472
Sporty City Colombia	COP	10,000	IBR+2.05%	Apr-28	12,232	-
Sporty City Colombia	COP	10,000	IBR+2.05%	Apr-28	12,228	-
Sporty City Colombia	COP	18,000	IBR+1.55%	Oct-27	24,073	25,342
Sporty City Colombia	COP	7,000	IBR+1.30%	Sept-28	10,208	-
Smartfit Peru	PEN	150	8.06%	Feb-28	245,675	247,480
Smartfit Peru	PEN	72	7.30%	Sept-28	117,999	118,781
Smartfit Peru	PEN	60	7.55%	Aug-28	98,373	99,078
Smartfit Peru	PEN	18	7.43%	Oct-29	29,876	30,088
Smartfit Peru	PEN	30	6.29%	Mar-29	49,138	-
Smartfit Peru	PEN	97	4.78% ~ 7.85%	Jul-25	-	47,344
Latamfit Chile SPA	CLP	86,512	ICP + 2.50%	Sept-30	518,276	-
Latamfit Chile SPA	CLP	23,000	9.48%	Sept-25	-	47,845
Latamfit Chile SPA	CLP	20,000	9.55%	Aug-28	-	124,580
Latamfit Chile SPA	CLP	12,600	8.78%	Apr-29	-	78,864
Latamfit Chile SPA	CLP	10,000	ICP+2.90%	Jun-29	-	61,620
Latamfit Chile SPA	CLP	10,000	ICP+2.90%	Jun-29	-	61,624
Sporty Panamá S.A.	PAN	4	6.00%	Sept-26	5,863	14,465
Sporty Panamá S.A.	PAN	4	5.85%	Jul-25	17,149	21,673
Sporty Panamá S.A.	PAN	17	SOFR3M+ 2.25%	May-27	63,329	105,269
Sporty Panamá S.A.	PAN	8	6.25%	Apr-26	44,767	-
Smartfit Paraguay S.A.	PYG	2,300	8.95%	Feb-25	-	305
Smartfit Paraguay S.A.	PYG	11,738	9.20%	Nov-27	7,560	9,328
Smartfit Paraguay S.A.	PYG	3,913	9.20%	Sept-27	2,304	-
Smartfit Paraguay S.A.	PYG	15,780	9.20%	Nov-27	12,814	-
Smartfit S.A.S.	ARS	100	52.57%	Jan-25	-	113
Smartfit Uruguay S.A.	UYU	235	UI + 5.35%	Dec-27	23,221	34,248
Smartfit Uruguay S.A.	UYU	212	UI + 5.35%	Sept-28	28,052	-
Total subsidiaries					2,956,859	2,637,570
Total consolidated					7,477,199	5,914,614

(1) Borrowings were presented segregated by transaction.

SYNDICATED CREDIT FACILITY

In continuation of the disbursements made under the syndicated credit facility obtained in Mexico, as approved at the Board of Directors' meeting held on March 28, 2024, in the year ended December 31, 2025, MXN1,800 million, equivalent to approximately US\$552 million, was disbursed.

BORROWING SMARTFIT PERU S.A.C

On March 7, 2025, the Group entered into a borrowing agreement in Peru amounting to PEN30 million, equivalent to approximately R\$47.5 million. The total term of the operation is 48 months, with a fixed annual effective rate of 6.29%. The proceeds from this borrowing will be used for expansion projects of new gyms.

BORROWING SPORTY CITY SAS

In the year ended December 31, 2025, the Group entered into borrowing agreements in Colombia, in the total amount of COP194,000 million, equivalent to R\$283 million. The total term of the operation is 5 years, with rates ranging from IBR+0.9% to 2.20%. The main purpose of this operation is to strengthen the Company's working capital and continue its expansion policy.

BORROWING SMARTFIT PARAGUAY S.A.

On May 28, 2025, the Group entered into a borrowing agreement in Paraguay, amounting to PY15,708 million, equivalent to approximately R\$11 million. The total term of the operation is 3 years, with a fixed effective rate of 9.20%. The proceeds from this borrowing will be used for expansion projects of new gyms.

BORROWING LATAMFIT CHILE SPA

On September 26, 2025, the Group entered into a syndicated loan agreement in Chile, amounting to CLP86,512 million, equivalent to approximately R\$479 million. The total term of the operation is 60 months, with an annual rate of ICP+ 2.50%. The proceeds from this loan will be used to renegotiate outstanding debts, for general corporate purposes, and to strengthen working capital.

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TWELFTH ISSUE OF SIMPLE DEBENTURES

On August 15, 2025, the Board of Directors approved the Company's 12th issue of simple, non-convertible, unsecured debentures, in a single series, for public distribution under automatic registration procedure, intended for professional investors in the amount of up to R\$650,000, with a final funding of R\$536,226. The net proceeds from the issue were allocated to the optional acquisition of debentures from the 8th issue of simple, non-convertible debentures, in a single series, in the amount of R\$373,946, carried out on October 5, 2023, with the remainder allocated to expansion projects of new gyms and strengthening of the working capital.

THIRTEENTH ISSUE OF DEBENTURES

On October 9, 2025, the Company issued the 13th Issue of simple, non-convertible, unsecured debentures, in three series, for public distribution, under the automatic registration procedure, in the amount of R\$1 billion, of which R\$500 million relating to the First Series Debentures, with a rate of CDI +0.58% and maturity in 5 years (October 2030), R\$300 million relating to the Second Series Debentures, with a rate of CDI +0.68% and maturity in seven years (October 2032), and R\$200 million relating to the Third Series Debentures, with a rate of CDI +0.95% and maturity in 10 years (October 2035). The payment of funds occurred on October 30, 2025. The total net proceeds from the Issue will be used for early redemption of the 1st (first) series of the 7th (seventh) issue of the Issuer, and any remaining amount will be used by the Company for general corporate purposes and strengthening of the working capital.

COVENANTS

The Group made an analysis of the operating guarantees and as at December 31, 2025 it was also compliant with the operating and financial covenants (covenants with non-financial clauses), the main ones related to compliance with the allocation of the funds raised, disclosure of information, as well as any non-compliance with pecuniary obligations of the debts issued, among others.

Accounting Policy

Borrowings are initially recognized at fair value upon receipt of the funds, net of transaction costs, in the applicable cases, and subsequently measured at amortized cost using the effective interest rate method, plus charges, inflation adjustment and exchange differences contractually established, incurred through the end of the reporting period. Before each period closing, the Group monitors the compliance with covenants in order to assess which actions are required to avoid the early maturity of the debt, when necessary.

19. PROVISION FOR JUDICIAL LIABILITIES

BREAKDOWN OF AND VARIATIONS IN THE BALANCES

The Group was party to certain labor, civil and tax lawsuits for which the likelihood of loss was considered probable by its legal counsel and a provision was recognized as follows:

	Civil	Labor	Tax	Total
PARENT				
At December 31, 2023	5,055	2,990	1,657	9,702
Additions and increases	3,177	4,001	88	7,266
Write-offs and reversals	(4,605)	(714)	(1,383)	(6,702)
At December 31, 2024	3,627	6,277	362	10,266
Additions and increases	3,410	3,922	1,584	8,916
Write-offs and reversals	(3,568)	(3,805)	(6)	(7,379)
At December 31, 2025	3,469	6,394	1,940	11,803
CONSOLIDATED				
At December 31, 2023	10,946	3,242	17,015	31,203
Additions and increases	5,475	7,129	1,119	13,723
Write-offs and reversals	(5,408)	(1,482)	(1,383)	(8,273)
Exchange differences	49	12	-	61
At December 31, 2024	11,062	8,901	16,751	36,714
Additions and increases	7,130	18,662	10,244	36,036
Write-offs and reversals	(8,208)	(5,158)	(3,534)	(16,900)
Exchange differences	2	36	-	38
At December 31, 2025	9,986	22,441	23,461	55,888

LAWSUITS CLASSIFIED AS POSSIBLE LOSS

The Group's Management did not consider necessary to recognize a provision for losses on ongoing civil, labor and tax lawsuits, for which the likelihood of loss was assessed as possible by its legal counsel, as shown in the table below

	12/31/2025	12/31/2024
Consolidated		
Civil	5,264	5,220
Labor	711	699
Tax	9,081	8,868
Total	15,056	14,787

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ESCROW DEPOSITS

As at December 31, 2025, the Company has escrow deposits of R\$68,230 (R\$59,609 in Dec/24) in parent and R\$92,979 (R\$81,730 in Dec/24) in consolidated related to administrative and judicial proceedings, mainly in the tax (IRRF withholdings) and social security (INSS contributions) areas, which are included under "Other receivables".

	12/31/2025			12/31/2024		
	Provisions	Escrow deposits	Subtotal	Provisions	Escrow deposits	Subtotal
PARENT						
Civil	(3,469)	778	(2,691)	(3,627)	678	(2,949)
Labor	(6,394)	3,708	(2,686)	(6,277)	2,562	(3,715)
Tax	(1,940)	63,383	61,443	(362)	56,008	55,646
Court-frozen deposits	-	361	361	-	361	361
Total Parent	(11,803)	68,230	56,427	(10,266)	59,609	49,343

	12/31/2025			12/31/2024		
	Provisions	Escrow deposits	Subtotal	Provisions	Escrow deposits	Subtotal
CONSOLIDATED						
Civil	(9,986)	1,809	(8,177)	(11,062)	1,791	(9,271)
Labor	(22,442)	4,525	(17,917)	(8,902)	3,019	(5,883)
Tax	(23,460)	86,276	62,816	(16,750)	76,551	59,801
Court-frozen deposits	-	369	369	-	369	369
Total Consolidated	(55,888)	92,979	37,091	(36,714)	81,730	45,016

ARBITRATION ON THE PRICE PAYABLE FOR THE ACQUISITION OF JUST FIT

On February 6, 2023, the Company was notified of the initiation of arbitration proceedings before the Arbitration and Mediation Center of the Brazil-Canada Chamber of Commerce (CAM-CCBC), filed by the sellers of Just Fit. The dispute relates to the adjustment of the purchase price under the Share Purchase Agreement entered into on March 5, 2021.

In December 2025, the court issued an arbitration award in favor of the Company, dismissing all claims made by the opposing party. Currently, the case is awaiting the court's decision on the requests for clarification submitted by the parties, with the outcome remaining favorable to date.

Accounting Policy

Under CPC 25 / IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation, taking into account the risks and uncertainties surrounding the obligation.

The provision for risks is updated through the end of the reporting period for the probable loss amount, considering their nature and based on the opinion of the Group's legal counsel.

The nature of the main lawsuits by category is detailed below:

- Labor lawsuits: consist basically of claims filed by employees related to amounts not included in the calculation and payment of severance pay.
- Civil lawsuits: these are mainly lawsuits for compensation for pain and suffering and material damages, related to challenges of contractual clauses and commercial conditions of the Group's service agreements. In addition, certain ongoing lawsuits against the Group challenge significant elements of its business model, such as the price structure of its plans and the collection predominantly through electronic means.
- Tax lawsuits: consist mainly of administrative and judicial proceedings related to taxes, mostly related to the determination of the IRPJ and CSLL tax base.

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20. CURRENT AND DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

BREAKDOWN OF PROFIT OR LOSS

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Income tax and social contribution				
Current	-	(2,898)	(236,408)	(165,009)
Deferred	82,950	87,541	132,511	109,251
Total	82,950	84,643	(103,897)	(55,758)

RECONCILIATION OF EFFECTIVE INCOME TAX AND SOCIAL CONTRIBUTION EXPENSE

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Income tax and social contribution				
Profit before income tax and social contribution	555,738	351,797	744,431	496,334
Statutory rate in Brazil	34%	34%	34%	34%
Tax expense at the statutory rate	(188,951)	(119,611)	(253,107)	(168,754)
Share of profit (loss) of investees	149,028	122,855	1,707	288
Interest on equity	211,726	104,890	223,490	112,965
Adjustment of companies taxed on the presumed profit	-	-	19,170	9,410
International taxation adjustment	(96,905)	(58,463)	(96,905)	(58,463)
Difference in rates of foreign subsidiaries	-	-	10,708	6,423
Others	8,052	34,972	(8,960)	42,373
Total	82,950	84,643	(103,897)	(55,758)
Current	-	(2,898)	(236,408)	(165,009)
Deferred	82,950	87,541	132,511	109,251
Effective rate	(15%)	(24%)	14%	11%

International taxation adjustments refer to adjustments arising from the Worldwide Taxation (TBU) rules, as provided for in Law No. 12,973/2014; from the application of the Pillar 2 rules, established by the OCDE and introduced in Brazil by Law No. 15,079/2024; and, lastly, from the transfer pricing adjustments provided for in Law No. 14,596/2023. Of the reported impact, the most significant amount is related to the TBU, due to the recognition of the profits or losses of the foreign investees.

Regarding Pillar 2, the Group substantially falls into the simplifying transition rules ("Safe Harbor"). For Paraguay, where the nominal income tax rate is 10%, a top-up tax of immaterial amount was identified, derived from the application of the UTPR rules by jurisdictions that adopted such mechanism. With respect to the transfer pricing rules, compliance tests were performed and no adjustments were identified for the period.

VARIATIONS AND BREAKDOWN OF DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

	12/31/2023	Profit (loss)	Acquisition of subsidiaries	Reclassifications	Other comprehensive income	Foreign exchange effect on translation	12/31/2024
PARENT							
Deferred tax assets							
Leases	23,818	12,183	-	-	-	-	36,001
Tax losses	352,989	(1,208)	-	-	-	-	351,781
Provisions	59,278	(3,531)	-	-	-	-	55,747
Others	(5,970)	80,097	-	-	-	-	74,127
Total	430,115	87,541	-	-	-	-	517,656
Deferred tax assets	430,115	87,541	-	-	-	-	517,656
Deferred tax liabilities	-	-	-	-	-	-	-
CONSOLIDATED							
Deferred tax assets							
Property and equipment	86,317	(37,173)	-	-	-	(1,234)	47,910
Leases	124,135	35,222	-	-	-	6,867	166,224
Tax losses	480,304	46,862	-	-	-	9,015	536,181
Provisions	72,788	2,667	-	-	-	1,368	76,823
Deferred revenue	13,266	(17,095)	-	-	-	572	(3,257)
Others	13,729	78,768	(37,518)	-	(7,720)	5,335	52,594
Total	790,539	109,251	(37,518)	-	(7,720)	21,923	876,475
Deferred tax assets	798,258	179,771	-	(111,666)	(7,720)	54,855	913,498
Deferred tax liabilities	(7,719)	(70,520)	(37,518)	111,666	-	(32,932)	(37,023)

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	12/31/2024	Profit (loss)	Acquisition of subsidiaries	Reclassifications	Other comprehensive income	Foreign exchange effect on translation	12/31/2025
PARENT							
Leases	36,001	16,187	-	-	-	-	52,188
Tax losses	351,781	52,126	-	-	-	-	403,907
Provisions	55,747	6,879	-	-	-	-	62,626
Others	74,127	7,758	(316)	-	-	-	81,569
Total	517,656	82,950	(316)	-	-	-	600,290
Deferred tax assets	517,656	82,950	2,738	-	-	-	603,344
Deferred tax liabilities	-	-	(3,054)	-	-	-	(3,054)

CONSOLIDATED

Property and equipment	47,910	14,505	-	-	-	5,172	67,587
Leases	166,224	42,272	-	-	-	3,375	211,871
Tax losses	536,181	57,893	-	-	-	(18,075)	575,999
Provisions	76,823	1,016	-	-	-	(234)	77,605
Deferred revenue	(3,257)	4,027	-	-	-	(3)	767
Others	52,594	12,798	(316)	-	(4,660)	4,256	64,672
Total	876,475	132,511	(316)	-	(4,660)	(5,509)	998,501
Deferred tax assets	913,498	186,504	2,738	-	(4,660)	(28,666)	1,069,414
Deferred tax liabilities	(37,023)	(53,993)	(3,054)	-	-	23,157	(70,913)

Accounting Policy

In accordance with CPC 32 / IAS 12 – Income Taxes, the Company calculates current and deferred income tax and social contribution based on the taxable profit for the year.

Current tax liabilities (assets) are measured at the amount expected to be paid to (recovered from) the tax authorities, using tax rates (and tax laws) that have been enacted by the end of the reporting period. Income tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized directly in equity, if applicable.

Deferred tax assets and liabilities are measured at the tax rates expected to apply when the asset is realized or the liability is settled, based on tax rates (and tax laws) that are effective at the end of the reporting period.

Deferred taxes are recognized based on temporary differences or tax losses when there is reasonable certainty that they will be recoverable. The carrying amount is reviewed at each reporting date and modified to the extent that it is probable that taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

21. EQUITY**SHARE CAPITAL**

As at December 31, 2025, the subscribed and paid-in capital totals R\$3,147,668 (R\$2,970,443 as at December 31, 2024), comprising 597,250,053 (586,242,289 as at December 31, 2024) registered, book-entry common shares without par value, held as follows:

	12/31/2025		12/31/2024	
	Common shares	%	Common shares	%
Shareholder				
Corona family	88.762.909	14,86%	87,015,094	14.84%
Pátria	41.007.845	6,87%	176,621,477	30.13%
Shares held by the controlling shareholders	129.770.754	21,73%	263,636,571	44.97%
Canada Pension Plan Investment Board – CPPIB ⁽¹⁾	72.274.207	12,10%	70,851,035	12.09%
Novastar Investment Pte. Ltd – GIC ⁽¹⁾	48.695.824	8,15%	47,921,777	8.17%
Treasury shares	2.788	0,00%	-	0.00%
Other shareholders ⁽²⁾	346.506.480	58,02%	203,832,906	34.77%
Publicly traded shares	467.479.299	78,27%	322,605,718	55.03%
Total	597.250.053	100,00%	586,242,289	100.00%

(1) Shareholders abroad.

(2) Shareholders with less than 5% of the shares.

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

CAPITAL RESERVE

Capital reserves are set up with amounts received by the Company and that do not pass through profit or loss. These reserves reflect the contributions made by the shareholders that are directly related to the formation and increase of share capital and the long-term incentive plans, duly approved in General Meetings, which grant stock options (note 28).

In the year ended December 31, 2025, the capital reserve was managed in conformity with the accounting standards in effect and the Company's internal guidelines.

OTHER COMPREHENSIVE INCOME

These are the cumulative translation adjustments of financial statements of foreign operations. The amount represents an accumulated balance of gain of R\$767,380 as at December 31, 2025 (gain of R\$739,409 as at December 31, 2024).

ALLOCATION OF PROFIT FOR THE YEAR

LEGAL RESERVE

The legal reserve is set up according to the requirements of the Brazilian corporate law, with allocation of 5% of the profit for the year, limited to 20% of the share capital. This reserve aims to ensure the integrity of the share capital and can only be used to offset losses or increase capital.

PROFIT RESERVE

Pursuant to Company's Bylaws, all remaining profit for the year will be allocated to a statutory reserve, which can be used for investments and in funds for the proper development of the Group's activities. The total amount allocated to the reserve cannot exceed the Company's share capital.

If the Board of Directors considers the reserve amount sufficient to fulfill its purposes, it can propose to the Meeting the setting-up of a reserve at a percentage lower than that established and/or propose that the amounts be reversed for distribution to the Company's shareholders.

On December 31, 2025, Management proposed, for resolution at the Annual General Meeting the allocation of 100% of the remaining profits for 2025, in the amount of R\$104.030.

INTEREST ON EQUITY

The Company adopts the procedure of recording interest on equity paid to shareholders for compliance with the tax rules, the amounts of interest on equity are recognized as a balancing entry to "finance costs" and, for purposes of preparation of the financial statements, are reversed from profit or loss to retained earnings, these amounts are deducted from the minimum mandatory dividend.

Pursuant to its Bylaws, the Company distributes to shareholders minimum mandatory dividend equivalent to 25% of the profit for the year, decreased or increased by the amount allocated to the legal reserve.

During the year, the Company approved the distribution of Interest on Equity in the total gross amount of R\$622,724. Of this total amount, R\$120,000 was declared from retained earnings and R\$502,724 from the results for the year, both allocated to the mandatory minimum dividends in accordance with the respective minutes of approval.

The allocation of the net income for the year ended 2025 is presented below and will be submitted at the annual general meeting, to be held on April 24, 2026, together with the approval of the financial statements for the year.

	12/31/2025
(+) Profit for the year	638,688
(-) Recognition of legal reserve 5%	(31,934)
Basis for proposing dividends/interest on capital	606,754
Minimum mandatory dividend – 25% (Bylaws)	151,689
Interest on capital proposed/distributed in 2025	622,724
	102,6%
Earnings reserve as of December 31, 2024	824,844
(-) Interest on equity proposed/distributed in 2025 from profit reserves	(120,000)
Subtotal reserva de lucros	704,844
(+) Profit for the year 2025	638,688
(-) Recognition of legal reserve 5%	(31,934)
(-) Interest on equity proposed/distributed related to the results for 2025	(502,724)
Profit for 2025 allocated to reserve	104,030
Closing balance of earnings reserve as of December 31, 2025	808,874

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

22. OPERATING REVENUE AND DEFERRED REVENUE

BREAKDOWN OF OPERATING REVENUE

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Operating revenue by type of service				
Recurring plans	2,432,602	1,914,489	6,964,201	5,342,148
Annual fees	25,012	33,444	340,760	355,685
Membership fees	19,652	4,560	48,953	20,549
Others	235,248	159,542	335,607	227,756
Gross operating revenue	2,712,514	2,112,035	7,689,521	5,946,138
Taxes on revenue	(318,361)	(258,004)	(447,827)	(365,834)
Net operating revenue	2,394,153	1,854,031	7,241,694	5,580,304

Operating revenues by geographic region are disclosed in note 26.

Revenue from sales of gym plans is recorded under in this line item and recognized in profit or loss as the service is provided, on a accrual basis.

The Group monitors the rate of cancellation of invoiced but not rendered services and concluded that the amount of refund of monthly fees to members is irrelevant, and that annual and membership fees are not required to be refunded to members.

BREAKDOWN OF DEFERRED REVENUE

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Deferred revenue				
Recurring plans	5,871	5,500	79,465	62,269
Annual fees	8,916	12,222	152,998	141,762
Membership fees	3,931	4,499	6,890	8,584
Others	4,447	5,765	7,018	8,025
Total	23,165	27,986	246,371	220,640
Current	20,061	23,641	243,267	216,295
Noncurrent	3,104	4,345	3,104	4,345

Accounting Policy

Under CPC 47 / IFRS 15 – Revenue from Contracts with Customers, revenues from services provided are recognized on an accrual basis in accordance with the fulfillment of the contractual obligations to customers, net of taxes, discounts and rebates granted.

The deferred revenue from services provided is calculated based on the members' agreement and recognized in profit or loss at the fair value, by reference to the stage of completion of the service, and is fully recognized when the service is completed and/or the obligation to provide the service is extinguished.

The types of services offered are the following:

- Recurring plans. Agreements entered into with gym members, under plans contracted directly by the customers.
- Membership fees. Revenues from the member entry into the unit, which are deferred and recognized in profit or loss for a period of one year from the entry of the member.
- Annual fees. Revenues charged from members periodically, which are deferred and recognized in profit or loss for a period of one year from the entry of the member.
- Others. Refer mainly to royalties for the Group's franchises and amounts received for loyalty fines for the Black, Smart and Fit plans acquired in promotion period.

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23. COSTS AND EXPENSES BY NATURE

The Group presented the statement of profit and loss using a classification of costs and expenses based on their function. The information on the nature of these costs and expenses recognized in the statement of profit and loss is presented below:

	12/31/2025			12/31/2024		
	Costs	Expenses	Total	Costs	Expenses	Total
PARENT						
Personnel and related taxes	366,215	188,739	554,954	276,237	144,387	420,624
Depreciation and amortization, net of PIS and COFINS	482,824	32,788	515,612	414,534	14,404	428,938
Utilities expenses	197,446	913	198,359	170,372	640	171,012
Operational support services	130,943	98,774	229,717	98,414	77,360	175,774
Opening of new units	50,713	17,453	68,166	16,094	10,408	26,502
Variable lease of real estate, common area maintenance fees and occupancy expenses	46,403	3,557	49,960	50,537	2,792	53,329
Maintenance	68,267	2,053	70,320	56,347	1,514	57,861
Media and commercials	-	169,301	169,301	-	148,074	148,074
Credit card management fee	-	23,209	23,209	-	21,486	21,486
Allocation to stock option plans	-	7,397	7,397	-	21,880	21,880
Others	29,006	1,037	30,043	20,082	36,305	56,387
Total	1,371,817	545,221	1,917,038	1,102,617	479,250	1,581,867
CONSOLIDATED						
Personnel and related taxes	919,453	442,184	1,361,637	717,449	327,267	1,044,716
Depreciation and amortization, net of PIS and COFINS	1,645,477	56,270	1,701,747	1,361,810	30,252	1,392,062
Utilities expenses	554,939	3,447	558,386	471,681	2,598	474,279
Operational support services	403,572	213,848	617,420	271,122	148,735	419,857
Opening of new units	85,990	46,114	132,104	52,578	35,177	87,755
Variable lease of real estate, common area maintenance fees and occupancy expenses	190,295	10,607	200,902	160,419	7,730	168,149
Maintenance	206,570	3,379	209,949	166,833	2,809	169,642
Media and commercials	-	405,614	405,614	-	315,871	315,871
Credit card management fee	-	129,661	129,661	-	97,044	97,044
Allocation to stock option plans	-	8,147	8,147	-	22,373	22,373
Others	158,437	64,866	223,303	65,522	60,273	125,795
Total	4,164,733	1,384,137	5,548,870	3,267,414	1,050,129	4,317,543

Accounting Policy

Costs

It mainly includes costs for services provided at the units, primarily depreciation and amortization, salaries and charges for operation employees, and utility bills.

Expenses

Mainly comprise investment in marketing, related to creating and maintaining brand value and awareness (media, advertising and promotional materials) and overhead, related to general expenses (costs with personnel for core positions, such as finance team and human resources).

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24. FINANCE INCOME (COSTS)

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
FINANCE INCOME				
Interest income	36,924	21,173	37,624	29,432
Exchange differences	1,802	394	34,950	17,554
Income from financial investments	297,909	202,148	342,410	262,420
Gain on derivative financial instruments ⁽¹⁾	17,168	6,791	17,366	12,078
Discounts obtained on leases	-	2,033	2,059	6,727
Other finance income	2,646	1,800	7,171	3,957
Total finance income	356,449	234,339	441,580	332,168
FINANCE COSTS				
Interest on borrowings	(518,473)	(367,075)	(781,195)	(599,911)
Interest on leases	(165,123)	(119,522)	(540,133)	(428,133)
Exchange differences	(3,551)	(2,011)	(26,702)	(26,797)
Loss on derivative financial instruments ⁽¹⁾	(6,361)	(9,365)	(6,559)	(14,011)
Other finance costs	(22,635)	(18,072)	(40,405)	(30,589)
Total finance costs	(716,143)	(516,045)	(1,394,994)	(1,099,441)
Total finance income (costs), net	(359,694)	(281,706)	(953,414)	(767,273)

(1) See note 9.

Accounting Policy

Finance income includes mainly income from cash and cash equivalents and investments in financial assets. Finance costs include mainly interest expenses related to financial liabilities (borrowings and lease liabilities). Borrowing costs are recognized based on the effective interest rate method.

25. EARNINGS PER SHARE

CALCULATION OF EARNINGS PER SHARE

The Group calculates earnings per share by dividing the profit for the year by the weighted average number of shares outstanding during the year.

The equity instruments that will be or can be settled in Company shares are included in the calculation only when their settlement have a dilution impact on the earnings per share.

The table below presents the calculation of profit for the year available to shareholders and the weighted average number of shares outstanding used to calculate basic and diluted earnings per share in each period:

	Basic		Diluted	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Earnings per share				
Profit attributable to owners of the Company	638,688	436,440	638,688	436,440
Weighted average number of shares during the year (unit)	595,201,194	586,242,289	615,596,603	606,583,574
Earnings per share	1.0731	0.7445	1.0375	0.7195

Accounting Policy

Basic earnings per share are calculated based on the weighted average number of shares outstanding during the year, except shares issued for payment of dividends and treasury shares.

Diluted earnings per share take into consideration the weighted average number of shares outstanding during the year and the equity instruments issued by the Company that can possibly dilute the interest of its shareholders in future years, such as stock options which are included in the calculation only when their settlement have a diluted impact on the earnings per share.

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26. SEGMENT INFORMATION

Management analyzes its operations based on the following business segments:

Operating segments	Description
Smartfit	HVLP services, with a more restricted service offer at a lower cost.
Bio Ritmo and Nation	Premium service, which offers a greater variety and a more customized service offer.
Others	Includes other businesses related to fitness services, such as the operations of franchised units, TotalPass, Studios, FitMaster and the digital services of Queima Diária, among others.

Management also analyzes its businesses based on a geographic segmentation, considering the following main markets:

Markets	Description
Brazil	Company-owned units in Brazil.
Mexico	Company-owned units in Mexico.
Other countries	Considers company-owned units in Peru, Colombia, Chile, Argentina, Paraguay, Uruguay, Panama, Costa Rica, and Morocco.

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	December 31, 2025								
	Brazil				Mexico	Other countries			Consolidated
	Smartfit	Bio Ritmo	Others	Total	Smartfit	Smartfit	Bio Ritmo	Total	
SEGMENTS									
Operating revenue	2,390,173	186,306	601,835	3,178,314	1,554,067	2,488,164	21,149	2,509,313	7,241,694
Royalties revenue ⁽¹⁾	-	-	135,210	135,210	10,406	-	-	-	145,616
Costs	(1,456,852)	(123,795)	(219,689)	(1,800,336)	(1,002,550)	(1,341,823)	(20,024)	(1,361,847)	(4,164,733)
Gross profit	933,321	62,511	382,146	1,377,978	551,517	1,146,341	1,125	1,147,466	3,076,961
Selling expenses				(310,508)	(136,815)			(139,123)	(586,446)
General and administrative expenses				(549,241)	(71,876)			(160,464)	(781,581)
Other operating income (expenses), net				(2,426)	(6,939)			(6,745)	(16,110)
Share of profit (loss) of investees				3,138	1,883			-	5,021
Operating profit before finance income (costs)				518,941	337,770			841,134	1,697,845
OTHER INFORMATION									
Costs	(564,252)	(37,657)	(41,757)	(643,666)	(497,553)	(550,446)	(9,260)	(559,706)	(1,700,925)
Expenses	(11,349)	(22)	(31,221)	(42,592)	(5,360)	(8,324)	-	(8,324)	(56,276)
Depreciation and amortization	(575,601)	(37,679)	(72,978)	(686,258)	(502,913)	(558,770)	(9,260)	(568,030)	(1,757,201)
Costs	(392,288)	(26,702)	(12,086)	(431,076)	(350,192)	(351,770)	(5,763)	(357,533)	(1,138,801)
Expenses	(887)	-	(6,048)	(6,935)	(3,381)	(3,212)	-	(3,212)	(13,528)
Fixed lease	(393,175)	(26,702)	(18,134)	(438,011)	(353,573)	(354,982)	(5,763)	(360,745)	(1,152,329)
Costs	(37,853)	(10,762)	(2,098)	(50,713)	(10,257)	(22,946)	(2,074)	(25,020)	(85,990)
Expenses	(15,978)	(1,274)	(201)	(17,453)	(15,446)	(11,543)	(1,672)	(13,215)	(46,114)
Opening of new units	(53,831)	(12,036)	(2,299)	(68,166)	(25,703)	(34,489)	(3,746)	(38,235)	(132,104)

	December 31, 2024								
	Brazil				Mexico	Other countries			Consolidated
	Smartfit	Bio Ritmo	Others	Total	Smartfit	Smartfit	Bio Ritmo	Total	
SEGMENTS									
Operating revenue	1,974,553	158,002	318,547	2,451,102	1,362,240	1,758,862	8,100	1,766,962	5,580,304
Royalties revenue ⁽¹⁾	-	-	92,211	92,211	6,665	5,874	-	104,750	104,750
Costs	(1,225,151)	(94,102)	(109,109)	(1,428,362)	(836,241)	(995,863)	(6,948)	(1,002,811)	(3,267,414)
Gross profit	749,402	63,900	209,438	1,022,740	525,999	762,999	1,152	764,151	2,312,890
Selling expenses				(241,905)	(113,100)			(95,960)	(450,965)
General and administrative expenses				(393,344)	(56,000)			(125,968)	(575,312)
Other operating income (expenses), net				(28,423)	1,940			2,631	(23,852)
Share of profit (loss) of investees				4,789	(3,943)			-	846
Operating profit before finance income (costs)				363,857	354,896			544,854	1,263,607
OTHER INFORMATION									
Costs	(478,176)	(28,721)	(40,029)	(546,926)	(423,077)	(409,249)	(2,773)	(412,022)	(1,382,025)
Expenses	(687)	-	(19,428)	(20,115)	(3,808)	(6,321)	-	(6,321)	(30,244)
Depreciation and amortization	(478,863)	(28,721)	(59,457)	(567,041)	(426,885)	(415,570)	(2,773)	(418,343)	(1,412,269)
Costs	(324,731)	(19,782)	(9,771)	(354,284)	(295,039)	(255,668)	(2,155)	(253,513)	(902,836)
Expenses	(816)	-	(4,585)	(5,401)	(2,292)	(3,260)	-	(3,260)	(10,953)
Fixed lease	(325,547)	(19,782)	(14,356)	(359,685)	(297,331)	(258,928)	(2,155)	(256,773)	(913,789)
Costs	(16,094)	(2,241)	(5,561)	(23,896)	(6,592)	(22,090)	-	(22,090)	(52,578)
Expenses	(10,408)	(35)	(427)	(10,870)	(16,643)	(7,664)	-	(7,664)	(35,177)
Opening of new units	(26,502)	(2,276)	(5,988)	(34,766)	(23,235)	(29,754)	-	(29,754)	(87,755)

(1) Royalties' revenue comprises the operating revenue balance.

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

Accounting Policy

Segment information is presented consistently with the internal report provided to the chief operating decision-maker. The chief operating decision-maker, responsible for allocating resources and assessing performance of the operating segments, is the Chief Executive Officer, responsible also for making the Company's strategic decisions together with the Board of Directors.

The chief operating decision-maker uses mainly the gross profit to monitor the results and performance of the operating segment, which is calculated in accordance with the accounting practices adopted by the Group.

The assets and liabilities by segment are not being presented, in line with CPC 22 / IFRS 8, since this information is not regularly presented to the chief operating decision-maker.

27. FINANCIAL RISK MANAGEMENT

The market risk sensitivity analyses below are based on variations in one of the factors while all of the others remain constant. In practice, this is unlikely to occur and changes in several factors may be correlated; for example, changes in interest rates and foreign exchange rates. The analysis provides only a limited overview, at a given point in time. The actual impact on the Group's financial instruments may vary significantly in relation to the impact presented in the sensitivity analysis.

Risk management is carried out by the Group's Management in accordance with the policies approved by the Executive Board.

The main financial risks that can have a significant adverse impact on the Group's strategy, performance, results of operations and financial situation are described below. The risks listed below are not presented in a particular order of relative importance or probability of occurrence.

MARKET RISK MANAGEMENT

The market risk to which the Group is exposed consists of the possibility of fluctuations in foreign exchange and interest rates impacting the valuation of financial assets or liabilities, as well as of certain expected cash flows being negatively impacted by changes in interest rates, foreign exchange rates or other price variables.

We present below a description of the risks mentioned above, as well as a breakdown of the extent to which the Group is exposed and an analysis of the sensitivity to changes in each of the relevant market variables.

FOREIGN EXCHANGE RISK MANAGEMENT

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument fluctuates as a result of changes in exchange rates. The Group's exposure to foreign exchange risk refers mainly to its operating activities (when revenues or expenses are denominated in a currency other than the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Company and its Brazilian subsidiaries are not exposed to significant foreign exchange risks for transactions carried out in currencies other than the Brazilian real, as the amount of transactions in other currencies is not material.

The Company is exposed to foreign exchange risk on its investments in foreign subsidiaries and joint ventures, mainly in its operations in Mexico, Colombia, Chile, Peru, Panama, Costa Rica, Argentina, Paraguay, Uruguay, Spain and Morocco due to the transactions carried out in currencies other than the local currency of these countries. Management believes that these are long-term investments and monitors the operational return on these investments and any short-term foreign currency fluctuations will not have immediate financial impacts for the Group.

In addition, Management believes that the interest rate risk is limited, since all revenues (and nearly all expenses) are incurred in the local currency in the country in which the Group operates. Therefore, there is no significant exposure to fluctuations in foreign currency.

INTEREST RATE RISK MANAGEMENT

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument fluctuates as a result of changes in market interest rates. The Group's exposure to interest rate risk refers mainly to its long-term obligations subject to variable interest rates.

The Company raises borrowings in local currency with the major financial institutions, at fixed and variable interest rates, among which the CDI, to cover the cash requirements for investments and customer financing. Concurrently, the Company makes financial investments linked to CDI, aiming at partially offsetting the impacts on profit or loss. Additionally, foreign subsidiaries also have borrowings in their local currencies, mainly at variable rates for Mexico, Colombia, Chile and Uruguay, and fixed rates for Chile, Panama and Paraguay. The Group's main borrowings are described in note 18.

The sensitivity analyses below were determined based on variable interest rate exposures at December 31, 2025. A 10% increase or decrease represents management's assessment of a reasonably possible change in interest rates. A positive number below would indicate an increase in results (finance income) and a negative number would indicate a decrease in results (finance costs). If interest rates were 10% higher/lower, with no changes in other variables, the effects would be as follows:

NOTES TO THE FINANCIAL STATEMENTS

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

	Impact on profit or loss	
	10% increase	10% decrease
PARENT		
Interest rate sensitivity		
Variable interest	(27,075)	27,075
CONSOLIDATED		
Interest rate sensitivity		
Variable interest	(43,532)	43,532

In Mexico, the Group contracted an interest rate swap with a bank to hedge the total exposure of a borrowing, swapping the variable interest rate (TIIE) for a fixed rate. The instruments have terms similar to those of the hedged item. The mark-to-market, in the amount of R\$1, is recognized as income in finance income (costs), and the Group has not applied hedge accounting for this instrument. The settlement of the loan in April 2025 resulted in the termination of the related swap agreement.

In Brazil, the Group contracted an interest rate swap to hedge the total exposure of the 2nd series of the 7th issue of debentures, swapping the IPCA index for the CDI. The instrument has a structure similar to that of the hedged item. The mark-to-market, in the amount of R\$1,980, is recognized as income in finance income (costs), and the Group has not applied hedge accounting for this instrument.

PRICE RISK MANAGEMENT

Investments in shares of listed companies are subject to market price risk arising from uncertainties regarding the future values of these equity investments. The Group manages the share price risk through a monitoring of the changes in prices to identify significant movements.

The Group holds investments in shares of Sports World, a company listed on the Mexican Stock Exchange. The table below details the effect that a 10% variation in the prices of this company's shares would have on the Group's other comprehensive income:

	Impact on profit or loss	
	10% increase	10% decrease
CONSOLIDATED		
Price sensitivity		
Shares of listed company	14,448	(14,448)

LIQUIDITY RISK MANAGEMENT

Liquidity risk refers to the inability to have the necessary resources to meet obligations in the short, medium and long term.

The Group manages the liquidity risk by continuously monitoring budgeted and actual cash flows, combining the maturity profiles of financial and operating assets and liabilities, and maintaining adequate cash reserves. Because of the dynamics of its business, the Group maintains flexibility in raising funds by maintaining credit facilities with some financial institutions.

The table below shows the maturity of the financial liabilities contracted by the Group:

	Maturity			
	Between 0 and 1 year	Between 1 and 2 years	Over 2 years	Total
PARENT				
At December 31, 2025				
Trade payables	216,912	-	-	216,912
Related parties	16,507	291	-	16,798
Taxes and contributions payable	53,674	-	-	53,674
Other liabilities	598,731	9,899	-	608,630
Borrowings ⁽¹⁾	220,228	177,558	4,324,721	4,722,507
Lease liabilities ⁽¹⁾	404,870	386,777	1,823,660	2,615,307
Derivative financial instruments	-		1,339	1,339
Total	1,510,922	574,525	6,149,720	8,235,167
CONSOLIDATED				
At December 31, 2025				
Trade payables	626,006	-	-	626,006
Related parties	128	-	-	128
Taxes and contributions payable	331,426	-	-	331,426
Other liabilities	716,651	26,800	-	743,451
Borrowings ⁽¹⁾	998,490	1,124,860	5,756,096	7,879,446
Lease liabilities ⁽¹⁾	1,268,120	1,120,788	4,971,304	7,360,212
Derivative financial instruments	-	-	1,339	1,339
Total	3,940,821	2,272,448	10,728,739	16,942,008

(1) Includes interest to be incurred.

NOTES TO THE FINANCIAL STATEMENTS

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(In thousands of Brazilian reais - R\$, unless otherwise stated)

As at December 31, 2025, there are guarantees granted by the Group by means of letters of guarantee from independent financial institutions related to the payment of lease agreements and other accounts payable in the amount of R\$64,824 (R\$72,416 as at December 31, 2024). Additionally, in parent, there are guarantees granted by the Company through SBLC for borrowing agreements of certain subsidiaries, in the amount of R\$579,057 (R\$610,030 as at December 31, 2024).

Fundraising may contain operational and financial covenants. Generally, financial covenants are related to the liquidity level in respect of the ratio of cash and cash equivalents and short-term debt, and to the leverage ratio in respect of the ratio of net debt and accumulated EBITDA for 12 months (note 18).

The budget projection for the next fiscal years approved by Management demonstrates ability to meet obligations.

CREDIT RISK MANAGEMENT

Credit risk is the risk that the counterparty to a business fails to fulfill an obligation under a financial instrument or customer contract, which would lead to the recognition of losses. The operations of the Group comprise the provision of services related to physical fitness activities. Services are legally supported by agreements and other legal instruments that may be necessary. The Group is exposed to credit risk for cash and cash equivalents, financial investments and derivative financial instruments held with financial institutions and for the position of receivables generated in trading transactions with customers. The carrying amounts of these financial instruments, as disclosed in notes 4, 5, 6, 9 and 10, represent the Group's maximum credit exposure.

For the balances of cash and cash equivalents, financial investments and derivative financial instruments, in order to minimize the credit risk, the Group presents in meetings of the Board of Directors the investment strategies, which are restricted to banking relationships in validated financial institutions. In these meetings, monetary limits and risk concentration are also established, which are regularly updated. The Group's exclusive investment funds contain a portfolio based mainly on federal government securities, financial bills and repurchase agreements.

For the balances of trade receivables, the credit risk is mitigated by the fact that a large part of the sales are made using debit and credit cards as means of payment, and the transactions are substantially securitized with the credit card companies. The Group assesses the risk concentration related to trade receivables as low, since its customers are located in several jurisdictions/countries.

On the other hand, the Group's business model with recurring collection reduces the risk of losses and, in case of non-payment by the members, the access to the units is blocked, and is restored only with the settlement of the amounts pending payment. With this operating model, the Group does not record trade receivables (and the respective revenue) for the members while they do not regularize the plan and return to use the gym. For this reason, the amounts provisioned for expected losses are not material.

We present below trade receivables arising from contracts with customers, by maturity:

	Parent		Consolidated	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Customer list by late payment range				
Current	191,480	194,073	682,409	549,127
Past due:				
Up to 30 days	56	1,039	2,149	2,124
From 31 to 60 days	237	65	2,945	1,302
From 61 to 90 days	227	144	813	772
From 91 to 180 days	908	132	1,575	1,450
From 181 to 360 days	612	246	2,766	1,935
More than 361 days	2,977	1,815	3,132	3,286
Total	196,497	197,514	695,789	559,996

Other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, the Group expects these amounts to be received on maturity.

The Group does not maintain guarantees for trade receivables and other receivables.

CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern in order to offer return to shareholders and maintain an adequate capital structure to reduce the cost of capital.

The Group's capital structure consists of cash and cash equivalents (note 4), investments in financial assets (note 5), trade receivables (note 6), other receivables (note 10), trade payables (note 15), other liabilities (note 17), borrowings (note 18) and equity (note 21).

Management periodically reviews the capital structure and its ability to settle liabilities and timely monitors the average term of receivables and payables, taking the necessary actions to maintain them at levels considered adequate for financial management.

Net debt is as follows:

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	12/31/2025	12/31/2024
CONSOLIDATED		
Cash and cash equivalents	1,330,801	1,490,624
Investments in financial assets	2,271,221	1,585,359
Borrowings	(7,477,199)	(5,914,614)
Lease liabilities	(6,274,306)	(5,400,612)
Net debt	(10,149,483)	(8,239,243)
Equity	5,661,543	5,455,896
Net debt	(1.79)	(1.51)

FINANCIAL INSTRUMENTS BY CATEGORY

CATEGORIES OF FINANCIAL INSTRUMENTS

The tables below present financial assets and liabilities by category of financial instruments and a reconciliation with the line disclosed in the balance sheet, as applicable. As line items "Other receivables" and "Other liabilities" include both financial instruments and non-financial assets or liabilities (such as tax assets and tax liabilities, among others), the reconciliation is presented in the columns "Non-financial assets" and "Non-financial liabilities".

	Financial assets measured at fair value through profit or loss	Financial assets measured at amortized cost	Subtotal financial assets	Non-financial assets	Total
PARENT					
At December 31, 2025					
Cash and cash equivalents	-	43,688	43,688	-	43,688
Investments in financial assets	2,714,093	-	2,714,093	-	2,714,093
Trade receivables ⁽¹⁾	-	196,497	196,497	-	196,497
Related parties	-	349,606	349,606	-	349,606
Other receivables	-	5,712	5,712	139,245 ⁽²⁾	144,957
Derivative financial instruments	26,434	-	26,434	-	26,434
Total	2,740,527	595,503	3,336,030	139,245	3,475,275
At December 31, 2024					
Cash and cash equivalents	-	93,571	93,571	-	93,571
Investments in financial assets	2,279,151	-	2,279,151	-	2,279,151
Trade receivables ⁽¹⁾	-	197,514	197,514	-	197,514
Related parties	-	230,404	230,404	-	230,404
Other receivables	27,261	3,220	30,481	148,164	178,645
Derivative financial instruments	19,075	-	19,075	-	19,075
Total	2,325,487	524,709	2,850,196	148,164	2,998,360
CONSOLIDATED					
At December 31, 2025					
Cash and cash equivalents	290,076	1,040,725	1,330,801	-	1,330,801
Investments in financial assets	2,243,548	27,673	2,271,221	-	2,271,221
Trade receivables ⁽¹⁾	-	695,789	695,789	-	695,789
Related parties	-	73,366	73,366	-	73,366
Other receivables	-	22,953	22,953	413,730 ⁽²⁾	436,683
Derivative financial instruments	26,434	-	26,434	-	26,434
Total	2,560,058	1,860,506	4,420,564	413,730	4,834,294
At December 31, 2024					
Cash and cash equivalents	586,122	904,502	1,490,624	-	1,490,624
Investments in financial assets	1,551,386	33,973	1,585,359	-	1,585,359
Trade receivables ⁽¹⁾	-	559,996	559,996	-	559,996
Related parties	-	68,092	68,092	-	68,092
Other receivables	27,261	39,612	66,873	385,802	452,675
Derivative financial instruments	19,278	-	19,278	-	19,278
Total	2,184,047	1,606,175	3,790,222	385,802	4,176,024

(1) Does not include the allowance for expected losses.

(2) Includes security deposits, escrow deposits, prepaid expenses, and others.

NOTES TO THE FINANCIAL STATEMENTS

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	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortized cost	Subtotal financial liabilities	Non- financial liabilities	Total
PARENT					
At December 31, 2025					
Trade payables	-	216,912	216,912	-	216,912
Related parties	-	16,798	16,798	-	16,798
Other liabilities	-	510,770	510,770	97,860 ⁽¹⁾	608,630
Borrowings	-	4,520,340	4,520,340	-	4,520,340
Lease liabilities	-	1,824,537	1,824,537	-	1,824,537
Derivative financial instruments	1,339	-	1,339	-	1,339
Total	1,339	7,089,357	7,090,696	97,860	7,188,556
At December 31, 2024					
Trade payables	-	167,992	167,992	-	167,992
Related parties	-	55,217	55,217	-	55,217
Other liabilities	-	260,625	260,625	70,113	330,738
Borrowings	-	3,277,044	3,277,044	-	3,277,044
Lease liabilities	-	1,536,733	1,536,733	-	1,536,733
Derivative financial instruments	32,963	-	32,963	-	32,963
Total	32,963	5,297,611	5,330,574	70,113	5,400,687
CONSOLIDATED					
At December 31, 2025					
Trade payables	-	626,006	626,006	-	626,006
Related parties	-	128	128	-	128
Other liabilities	-	520,043	520,043	223,408 ⁽¹⁾	743,451
Borrowings	-	7,477,199	7,477,199	-	7,477,199
Lease liabilities	-	6,274,306	6,274,306	-	6,274,306
Derivative financial instruments	1,339	-	1,339	-	1,339
Total	1,339	14,897,682	14,899,021	223,408	15,122,429
At December 31, 2024					
Trade payables	-	441,914	441,914	-	441,914
Related parties	-	333	333	-	333
Other liabilities	-	337,695	337,695	161,829	499,524
Borrowings	-	5,914,614	5,914,614	-	5,914,614
Lease liabilities	-	5,400,612	5,400,612	-	5,400,612
Derivative financial instruments	32,963	-	32,963	-	32,963
Total	32,963	12,095,168	12,128,131	161,829	12,289,960

(1) Includes salaries, accruals and social contributions, investments in subsidiaries and joint ventures with negative equity, and others.

Gains and losses on financial and non-financial instruments are allocated to the following categories:

	12/31/2025			12/31/2024		
	Financial and non-financial assets / liabilities measured at fair value	Financial and non-financial assets / liabilities measured at amortized cost	Total	Financial and non-financial assets / liabilities measured at fair value	Financial and non-financial assets / liabilities measured at amortized cost	Total
PARENT						
Interest income	-	36,924	36,924	-	21,173	21,173
Foreign exchange gains (losses), net	-	(1,749)	(1,749)	-	(1,617)	(1,617)
Income from financial investments	34,215	263,694	297,909	200,710	1,438	202,148
Gain (loss) on derivative financial instruments	10,807	-	10,807	(2,574)	-	(2,574)
Discounts obtained on leases	-	-	-	-	2,033	2,033
Interest on borrowings	-	(518,473)	(518,473)	-	(367,075)	(367,075)
Interest on leases	-	(165,123)	(165,123)	-	(119,522)	(119,522)
Other finance income (costs), net	-	(19,989)	(19,989)	-	(16,272)	(16,272)
Total	45,022	(404,716)	(359,694)	198,136	(479,842)	(281,706)
CONSOLIDATED						
Interest income	-	37,624	37,624	-	29,432	29,432
Foreign exchange gains (losses), net	-	8,248	8,248	-	(9,243)	(9,243)
Income from financial investments	35,539	306,871	342,410	225,375	37,045	262,420
Gain (loss) on derivative financial instruments	10,807	-	10,807	(1,933)	-	(1,933)
Discounts obtained on leases	-	2,059	2,059	-	6,727	6,727
Interest on borrowings	-	(781,195)	(781,195)	-	(599,911)	(599,911)
Interest on leases	-	(540,133)	(540,133)	-	(428,133)	(428,133)
Other finance income (costs), net	-	(33,234)	(33,234)	-	(26,632)	(26,632)
Total	46,346	(999,760)	(953,414)	223,442	(990,715)	(767,273)

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

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FAIR VALUE HIERARCHY OF THE FINANCIAL INSTRUMENTS

When the fair value of financial assets and liabilities stated in the balance sheet cannot be obtained from active markets, it is determined by using valuation techniques, including the discounted cash flow method. Data for these methods are based on market data, when possible; however, when this is not feasible, a certain level of judgment is required to establish the fair value. Judgment includes considerations on the data used, such as liquidity risk, credit risk and volatility. Changes in assumptions on these factors can affect the reported fair value of the financial instruments. The Group uses the following hierarchy to determine and disclose the fair value of financial instruments by the valuation technique:

- Level 1: quoted prices (unadjusted) in active markets for assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 which are directly (such as prices) or indirectly (price derived) observable for assets or liabilities.
- Level 3: inputs for the asset or liability that are not based on observable market inputs (unobservable inputs).

The tables below present the Group's financial assets and liabilities measured at fair value at December 31, 2025 and their allocation to the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
PARENT				
Assets				
Investments in financial assets				
Exclusive investment funds and other financial investments	-	2,714,093	-	2,714,093
Derivative financial instruments				
Call option of the noncontrolling shareholder – M2	-	-	5,877	5,877
Call option of the franchisee - End Fit	-	-	17,531	17,531
Interest rate swap – 7 th issue of debentures	-	3,026	-	3,026
Total	-	2,717,119	23,408	2,740,527
Liabilities				
Derivative financial instruments				
Put option of the franchisee – End Fit	-	-	(1,339)	(1,339)
Total	-	-	(1,339)	(1,339)
CONSOLIDATED				
Assets				
Cash and cash equivalents				
Repurchase agreements	-	290,076	-	290,076
Investments in financial assets				
Exclusive investment funds and other financial investments	-	2,099,068	-	2,099,068
Shares in publicly-held company	144,480	-	-	144,480
Derivative financial instruments				
Call option of the noncontrolling shareholder – M2	-	-	5,877	5,877
Call option of the franchisee - End Fit	-	-	17,531	17,531
Interest rate swap – 7 th issue of debentures	-	3,026	-	3,026
Total	144,480	2,392,170	23,408	2,560,058
Liabilities				
Derivative financial instruments				
Sale obligation of the franchisee – End Fit	-	-	(1,339)	(1,339)
Total	-	-	(1,339)	(1,339)

CHANGES IN LEVEL 3 ASSETS AND LIABILITIES

	Parent		Consolidated	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Financial instruments - Level 3				
At December 31, 2023	43,017	(36,198)	43,017	(36,198)
Additions	3,499	-	3,499	-
Gains and losses recognized in profit or loss	(1,226)	3,235	(1,226)	3,235
At December 31, 2024	45,290	(32,963)	45,290	(32,963)
Write-offs	(28,364)	25,802	(28,364)	25,802
Gains and losses recognized in profit or loss	6,482	5,822	6,482	5,822
At December 31, 2025	23,408	(1,339)	23,408	(1,339)

The Group's policy is to recognize transfers between the different categories of the fair value hierarchy when they occur or when there are changes in circumstances that cause the transfer. In the year ended December 31, 2025, there were no transfers between the different hierarchies used to determine the fair value of the Group's financial instruments.

When quoted prices are not available in an active market, the fair values (especially derivative instruments) are based on recognized valuation methods. The Group uses various valuation models to measure Level 3 instruments, the details of which can be obtained in the table below:

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Description	Price model/method	Assumptions	Fair value hierarchy
Put option of the noncontrolling shareholder – MB Negócios Digitais	Option pricing model with Monte Carlo simulation	EBITDA, share value, average cost of capital, dividend rate, volatility of EBITDA and volatility of share value, correlation between EBITDA and share value, interest rate and CDI.	Level 3
Put option of the noncontrolling shareholder – ASN Smart Put option of the franchisee– End Fit Put option of the non-controlling shareholder – M2	Option pricing model with Monte Carlo simulation	EBITDA, share value, average cost of capital, volatility of EBITDA and volatility of share value, correlation between EBITDA and share value, interest rate.	Level 3

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTIZED COST

The balance of “Borrowings” is inflation adjusted based on market indexes (CDI) and contractual rates (note 18) and, due to market conditions, it presents the fair value of R\$4,491,988 in parent and R\$7,438,851 in consolidated.

The fair value of cash and cash equivalents, trade receivables, other receivables, trade payables, and other liabilities does not differ significantly from their carrying amount.

Accounting Policy

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All financial assets are either debt instruments or equity instruments. Debt instruments are those that confer the Group the contractual right to receive cash or another asset. Equity instruments are those for which the Group has no contractual right to receive cash or another asset.

Debt instruments

The Group classifies its financial assets into the following measurement categories. The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows:

- Amortized cost
Are those held to receive contractual cash flows upon the payment of principal and interest on specific dates. Any gain or loss arising on derecognition or impairment of the asset is recognized in profit or loss. Interest income is recognized in finance income, using the effective interest rate method.
- Fair value through other comprehensive income
Are those held to receive contractual cash flows upon the payment of principal and interest and to recognize a capital gain on the sale of the asset. The movements in the carrying amount are recognized in other comprehensive income, except for impairment, interest income and foreign exchange gains and losses, which are recognized in profit or loss. On derecognition, the cumulative gain or loss recognized in other comprehensive income is reclassified from equity to profit or loss. Interest income is recognized in finance income, using the effective interest rate method.
- Fair value through profit or loss
Are those that do not meet the criteria of amortized cost or fair value through other comprehensive income. The related transaction costs are recognized in profit or loss as incurred. Unless they are included in a hedging relationship, these assets are held at fair value, and any changes are recognized in profit or loss. The interest income from these assets is included in finance income.

Financial liabilities

Financial liabilities are classified as follows:

- Amortized cost
These comprise liabilities measured using the effective interest rate method, with the allocation of the effective interest incurred over the respective agreement term. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial liability or, where appropriate, a shorter period, for the initial recognition of the net carrying amount.
- Fair value through profit or loss
These comprise liabilities held for trading measured at fair value, with the resulting gains or losses recognized directly in profit or loss.

The derecognition of financial liabilities occurs only when the obligations are discharged or cancelled or when they expire. The difference between the carrying amount of the derecognized financial liability and the consideration paid and payable is recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

28. SHARE-BASED PAYMENT

On July 4, 2023, the Company's Board of Directors approved the modification of the regular and performance grants awarded to executives in 2021, which altered some assumptions of the previous contract, such as: the strike price, set at R\$19.57, to R\$18.95; the vesting period, which was set to end on December 31, 2024, was extended to 2025; the number of options was reduced by approximately 30%; and all options became regular options, with the modification being optional for participants. In accordance with CPC 10 (R1) / IFRS 2, the fair value of the current options was recalculated considering the new modified assumptions. Given the reduction in the number of options, the fair value of the two plans was equivalent, with no material impact on the Company's profit or loss. For the modification and for the new grant, the fair value was calculated for each vesting tranche using the Hull & White binomial model and presented as a weighted average.

In addition, on the same date, the Company's Board of Directors approved an additional grant of 5,862,423 stock options under the same conditions as the modified plan.

On July 11, 2025, the Company's Board of Directors approved the modification of the regular grant delivered to the executives, the plan expiration date was changed from December 31, 2026 to December 31, 2029, and a reduction in the number of options granted by approximately 11%, there were no changes in the vesting period and in the strike price. Under CPC 10 (R1) / IFRS 2, the fair value of the current options and of the same options considering the new modified assumptions was recalculated, and due to the reduction in the number of options, the fair value of the two plans was equivalent, with no material impact on the Company's results.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

	Regular SOP Grant 2021	Performance SOP Grant 2021	Modified SOP Contracts 2023	Modified SOP Contracts 2025	RSU Grant 2024	RSU Grant 2025	Modified Phantom Shares 2023	Modified Phantom Shares 2025	Total
Vesting of the options:									
until December 31, 2025	1,140,153	550,872	140,816	16,264,700	-	-	379,869	14,804	18,491,214
until December 31, 2026	-	-	-	-	56,102	284,174	-	-	340,276
until December 31, 2027	-	-	-	-	56,102	284,174	-	-	340,276
until December 31, 2028	-	-	-	-	-	284,174	-	-	284,174
Total	1,140,153	550,872	140,816	16,264,700	112,204	852,522	379,869	14,804	19,455,940
Fair value on the grant date (in R\$ thousand)	6.622	1.443	639	95.519	2.812	18.626	1.007	44	126.712
Average fair value per share (in R\$)	5.81	2.62	4.54	5.87	25.06	21.85	2.65	2.97	6.59
Strike price on the grante date	19.57	19.57	18.95	18.95	n/a	n/a	18.95	18.95%	n/a
Risk-free interest rate	6.0%	4.0%	10.1%	13.8%	n/a	n/a	10.1%	13.8%	n/a
Volatilityof shares in the market	36.2%	42.6%	51.2%	35.3%	n/a	n/a	51.2%	35.3%	n/a

Variations in options, phantom shares and RUS granted during the year ended December 31, 2025 are presented below:

	Regular SOP Grant 2021	Performance SOP Grant 2021	Modified SOP Contracts 2023	New Grant 2023	Modified SOP Contracts 2025	RSU Grant 2024	RSU Grant 2025	Modified Phantom Shares 2023	Modified Phantom Shares 2025	Total
Balance as of December 31, 2023	1,140,153	557,172	12,650,888	5,862,423	-	-	-	844,200	-	21,054,836
Granted	-	-	-	-	-	217,324	-	-	-	217,324
Canceled	-	(6,300)	-	-	-	(2,364)	-	(245,700)	-	(254,364)
Modified	-	-	(12,152)	-	-	-	-	(201,933)	-	(214,085)
Balance as of December 31, 2024	1,140,153	550,872	12,638,736	5,862,423	-	214,960	-	396,567	-	20,803,711
Striked	-	-	-	-	-	(65,055)	-	-	-	(65,055)
Granted	-	-	-	-	-	-	887,241	-	-	887,241
Canceled	(1,140,153)	(550,872)	(14,296)	-	-	(37,701)	(34,720)	(16,698)	14,804	(1,779,636)
Modified	-	-	(12,483,624)	(5,862,423)	16,264,700	-	-	-	-	(2,081,347)
Balance as of December 31, 2025	-	-	140,816	-	16,264,700	112,204	852,521	379,869	14,804	17,764,914

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

VARIATIONS IN PLANS

As at December 31, 2025, the total expense recognized in the statement of profit and loss was R\$7,394 (R\$21,880 in Dec/2024) in parent and R\$8,147 (R\$22,373 in Dec/24) in consolidated, of which R\$6,143 relating to SOP in a balancing entry to capital reserve and R\$1,885 relating to RSU, of which R\$1,488 in a balancing entry to capital reserve and R\$397 in a balancing entry to "Other liabilities".

In 2025, R\$12 for repurchases was paid by the Company to beneficiaries. Regarding the phantom shares, the amount recognized in profit or loss was R\$119 (R\$493 in Dec/24) as a balancing entry to "Other liabilities".

In conformity with CPC 10 (R1) / IFRS 2 the expense is recognized on an individual basis, considering the vesting period of each plan.

Accounting Policy

The fair value of the instruments at the grant date is calculated using the observable market price. This value is recognized in profit or loss as expense during the vesting period, with the corresponding credit in equity in the "Capital Reserve" group.

29. EMPLOYEE BENEFITS

The Group grants the following benefits to employees: healthcare, dental care, life insurance, profit sharing (for management positions), educational benefits for fitness professionals and other employees through partnerships, VIP gym plans for all employees to use Smartfit gyms and to use products of the other brands of the Group and share-based compensation for executives, in addition to the benefits established by law (meal, transportation, and meal and food vouchers).

These benefits are recorded on an accrual basis and are discontinued at the end of the employment relationship with the Group.

The Group does not grant employees any post-employment benefits, defined contribution plans, defined benefit plans or multiemployer plans.

30. ADDITIONAL INFORMATION

INSURANCE

The policy adopted by the Group considers mainly the concentration of risks and their materiality, taking into consideration the nature of its activities and the advice of its insurance brokers. As at December 31, 2025, the basic insurance coverage is R\$13,817,218 and the coverage for loss of profits is R\$18,000.

Item	Type of coverage	12/31/2025	12/31/2024
Properties	Protection of buildings or other types of property. Material assets contained on site and its personnel against incidents.	1,079,817	1,314,499
Civil liability	Protection against errors or indemnities paid for material or bodily damages caused unintentionally to third parties during the provision of professional services to third parties.	8,060,162	6,078,842
Life	Economic and financial protection for the insured and his/her family in the event of accidents or death.	2,554,026	848,728
Multi-risk	Protection of specific properties, equipment and ensuring third party liability and legal protection.	4,503,732	3,539,739
Transportation	Damage to assets in transit.	100,799	97,111
Data protection	Guarantees the Company coverage in cases of data loss or leaks, against cybercrimes	43,146	27,261
Vehicles	Fire, theft and collision in vehicles insured by the Company	15,960	574
Total at December 31, 2025		16,357,642	11,906,754

31. ADDITIONAL INFORMATION TO THE STATEMENTS OF CASH FLOWS

Under CPC 03 (R2) / IAS 7 - Statement of Cash Flows, certain investing and financing activities do not have direct impact on the current cash flows, although they affect the Company's capital and asset structure.

The exclusion of transactions that do not involve cash or cash equivalents from the statement of cash flows is consistent with the purpose of this statement, since these items do not involve cash flows in the current period.

Non-cash transactions	Notes	Parent		Consolidated	
		12/31/2025	12/31/2024	12/31/2025	12/31/2024
Additions of right-of-use assets	14	505,014	487,901	1,590,214	1,580,093
Acquisition of subsidiary and joint venture		-	3,480	-	80,550
Transfers between property and equipment, intangible assets, and right-of-use assets		28,110	4,522	40,897	9,710
Dividends receivable from subsidiaries		-	114,261	-	-
Interest on equity payable to investors		475,503	244,761	475,503	244,761
Capital increase		170,667	-	170,667	-
Offset against loan with noncontrolling shareholders		-	-	(20,509)	-
Offset against loan granted		-	-	1,358	4,573

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

32. EVENTS AFTER THE REPORTING PERIOD

INCREASE IN EQUITY INTEREST IN TOTALPASS MEXICO

On January 2, 2026, the operating subsidiary of Smartfit, LATAMGYM, S.A.P.I. de C.V. ("Latamgym Mexico"), exercised its right to subscribe shares held in treasury by Total Pass, S.A.P.I. de C.V. As a result of this transaction, Latamgym Mexico's equity interest increased from 33.33% to 66.67%, becoming the shareholder with the largest ownership interest and obtaining control of the Company

CAPITAL INCREASE

On February 4, 2026, the Company disclosed a Notice to Shareholders informing the increase in the Company's share capital through a private subscription of new common shares was approved, using the credit related to the interest on equity distributed on January 13, 2026 and approved on December 1, 2025, totaling R\$ 376,463 with the issuance of 18,879,791 new registered common shares without par value. The share capital increased from R\$3,147,668 to R\$3,524,131, comprising 616,129,844 shares. The new shares issued will have the same rights as the existing shares and will be entitled to full receipt of dividends and/or interest on equity, as well as any other rights.

SALE OF SHAREHOLDING AND TERMINATION OF SHAREHOLDERS' AGREEMENT

As disclosed in the Material Fact released by the Company on February 23, 2026, the Pátria Funds disposed of all common shares issued by the Company held by them, representing 6.88% of the share capital, through an organized auction (block trade) carried out on such date at B3 S.A. – Brasil, Bolsa, Balcão. As a result of such disposal, the Company no longer has a defined controlling shareholder under the applicable legislation, with the Corona Family remaining as the reference shareholder, holding 14.88% of the Company's share capital.

FOURTEENTH DEBENTURE ISSUANCE

At a meeting of the Company's Board of Directors held on March 3, 2026, the Company approved the 14th issuance of simple debentures, non-convertible into shares, unsecured, in up to two series, for public distribution under the automatic registration procedure (CVM Resolution No. 160). The initial offering amount is R\$1,320,000 additional debentures. The Company may choose to increase the number of debentures initially offered by up to 25%, corresponding to up to 330,000. The net proceeds raised will be fully allocated to the early redemption of the 1st and 2nd series of the Company's 9th debenture issuance, issued in April 2024, with any remaining balance, if applicable, to be used to strengthen working capital and for general corporate purposes. The completion of the offering is subject to market conditions and investor demand on the financial settlement date.

NOTES TO THE FINANCIAL STATEMENTS

At December 31, 2025

(In thousands of Brazilian reais - R\$, unless otherwise stated)

33. MANAGEMENT

BOARD OF DIRECTORS

CHAIRMAN

Edgard Gomes Corona

DIRECTORS

Daniel Rizardi Sorrentino

Thiago Lima Borges

Diogo Ferraz de Andrade Corona

Luis Felipe França Pereira da Cruz

Claudia Elisa e Pinho Soares

Wolfgang Stephan Schwerdtle

Ricardo Lerner Castro

Felipe Rodrigues Affonso

SUPERVISORY BOARD

Helena Turola de Araújo Pena

Evelyn Veloso Trindade

Rubens Approbato Machado Junior

AUDIT COMMITTEE

Edward Ruiz

Claudia Elisa de Pinho Soares

Welerson Cavalieri

EXECUTIVE BOARD

Diogo Ferraz de Andrade Corona

José Luís Rizzardo Pereira

Juana Melo Pimentel

Alexandre Gregianin

Itamar Herculano Junior

Chief Executive Officer

Chief Financial Officer and Investor Relations Officer

Chief Legal, Compliance, Data Protection and ESG Officer

Chief Technology Officer

Chief Expansion Officer

Wellington de Oliveira

Chief Controlling Officer

A free translation from Portuguese into English of Independent Auditor's Report on Individual and Consolidated Financial Statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board (IASB)

Independent auditor's report on individual and consolidated financial statements

To the Shareholders, Board of Directors and Officers of
Smartfit Escola de Ginástica e Dança S.A.
São Paulo - SP

Opinion

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

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

Basis for opinion

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

Key audit matters

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

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the individual and consolidated financial statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition

The process for recognizing the Company and its subsidiaries’ revenue involves a high level of control in order to ensure that these revenues have been accurately measured and are duly recorded on an accrual basis, including revenues corresponding to services not provided yet.

As mentioned in Note 22 to the individual and consolidated financial statements, net operating income recorded by the Company and its subsidiaries as at December 31, 2025 amounted to R\$2,394,153 thousand and R\$7,241,694 thousand - individual and consolidated, respectively. This was considered a key audit matter based on the complexity of the revenue recognition process, mainly due to the large volume of transactions, and of the items considered in the calculation of estimated deferred revenue for correctly recognizing the Company and its subsidiaries’ revenues.

How our audit addressed this matter

Our audit procedures included, among others: (i) understanding significant internal controls relating to the revenue process, including significant Information technology (IT) systems, for which we involved our IT professionals, who assisted us in understanding controls relating to information security, data and system access management and system change management; (ii) conducting documentary tests on billed revenue, on a sample basis; (iii) testing the reports extracted from the system and used for calculating deferred revenue and recalculating estimated deferred revenue; and (iv) analyzing adequacy of the disclosures presented in the notes.

Based on the result of the audit procedures carried out, which is consistent with management’s assessment, we consider that the Company’s revenue recognition and measurement policies are acceptable in the context of the financial statements taken as a whole.

Impairment test of the balances of intangible assets with indefinite useful life

As disclosed in Note 13 to the individual and consolidated financial statements, as at December 31, 2025, the Company recognized balances of intangible assets with indefinite useful life, including goodwill, in the amount of R\$2,200,235 thousand.

The accounting practices adopted in Brasil and the IFRS accounting standards require that intangible assets with indefinite useful life be tested for impairment by the Company's executive board at least annually, unless there is evidence that might indicate the need to anticipate the test. The executive board conducted the impairment test using the discounted cash flow method, applied to each one of the cash-generating units (CGUs) to determine the value in use, and no need to record a provision for impairment of intangible assets with indefinite useful life was identified.

This matter was considered a key audit matter in our audit due to: (i) the materiality of the amounts involved; (ii) the cash flow projections used for purposes of these tests, which are performed individually, by CGU, and take into account estimates and assumptions sensitive to the current economic environment; and (iii) the use of operating assumptions in the future cash flow projections and discount rates that require certain level of judgment by the executive board.

How our audit addressed this matter

Our audit procedures included, among others: (i) understanding and testing the design of the annual control related to the impairment test; (ii) assessing the reasonableness of the assumptions and methodologies used by the Company, including the reasonableness in the determination of the CGU; (iii) comparing the recoverable amount determined by the executive board, based on discounted cash flows, with the respective carrying amount of the CGU; (iv) using internal specialists from management and audit team to assess the discount rate; and (v) assessing the appropriateness of the disclosure on the impairment test of assets. Based on the evidence obtained and the result of the audit procedures summarized above, which are consistent with the executive board's assessment, we understand that the policies and assumptions related to impairment of intangible assets with indefinite useful life, as well as the related disclosures in the explanatory notes, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (SVA) for the year ended December 31, 2025, prepared under the responsibility of the Company's executive board and presented as supplementary information for IFRS purposes, were submitted to audit procedures conducted jointly with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined in CPC 09 - Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the abovementioned accounting pronouncement, and are consistent in relation to the individual and consolidated financial statements taken as a whole.

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

The executive board is responsible for such other information, which comprises the Management Report.

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

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

Responsibilities of the executive board and those charged with governance for the individual and consolidated financial statements

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

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

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

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

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

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

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

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

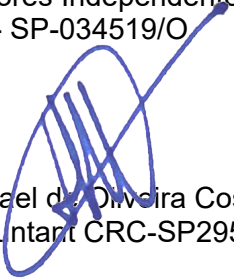
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where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



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

São Paulo, March 10, 2026.

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC- SP-034519/O



Raphael de Oliveira Costa
Accountant CRC-SP295905/O