



**Financial &  
Economic  
Performance  
4Q23**



## Message from the Administration

2023 was a year marked by important financial events for the company.

On March 14, the end of the judicial reorganization was decreed. The filing for reorganization was made on May 25, 2015, so the effort to restructure the company's liabilities and operations lasted almost 8 years. The end of the process had positive repercussions both in the financial environment - more receptivity to the company's financing by the market - and in the commercial environment - with better customer perception of the company.

We resumed our activities in the capital markets, with two operations carried out during the period: an issue of convertible debentures with a subscription warrant as an additional benefit, and an issue of subscription warrants.

The 4th issue of debentures, in March, allowed for the injection of R\$ 10 million in capital, and paved the way for a possible conversion of credits subject to judicial reorganization into capital, through the exercise of the warrants. Due to the fall in share prices, the parameters of the issue have not yet favored the materialization of debt capitalization.

Through the 4th issue of warrants, in July, the company achieved a capital injection of R\$ 15.1 million up to the date of this report, less than the estimated amount, also due to the fall in share prices.

A third event contributed significantly to the improvement in the company's financial position: the settlement reached in the arbitration proceedings filed over contractual breaches associated with the acquisition of the San Antonio companies in 2012. As a result of the dispute, the company received compensation in the amount of R\$ 47 million, of which R\$ 32.8 in cash and R\$ 14.2 in credit rights.

Finally, the company also made progress in the demobilization of assets remaining from service operations, having negotiated R\$ 11.7 million in miscellaneous equipment, in cash and in installments, leaving an estimated R\$ 20.6 million still for sale.

The order book ended the year with a balance of R\$ 81 million in firm orders, an increase on the previous quarter, due to heated commercial activity.

In this vein, in the last quarter the company obtained two purchase orders for mooring ropes, allowing it to resume supplying this product. The Ropes and Composites business grew by 43% compared to the previous year, closing the year with revenues of R\$ 8 million, mainly from the sale of fiberglass tubes (liners). The year 2024 is off to a more promising start, with a firm portfolio of R\$ 12.1 million in this business.

In terms of valves, 2023 revenues were 25% lower than the previous year. The difference was due to a contract to supply valves for FPSOs in 2022, which generated revenues of R\$ 19 million in the previous year. Despite the favorable portfolio throughout 2023, some events such as logistical delays and the retraction of credit supply at the beginning of the year (due to the contagion of a major event) hindered growth efforts. In 2024, we started the year with a better outlook in terms of liquidity and an accelerating order book.

Gross margin for the year remained at a similar level to the previous year, although gross profit fell in line with lower revenue. Product Adjusted EBITDA remained in positive territory, at R\$ 2.7 million, with a margin of 3.1%. Total Adjusted EBITDA, including the Services legacy, remained negative.

With the end of the Judicial Recovery, various measures have been taken to reduce the cost of this legacy, especially in legal and administrative costs, and these measures should have an effect in the short and medium term.

The company made a net profit of R\$ 52.6 million in 2023. This result was positively impacted by the gains resulting from the settlement in the San Antonio case, which, accompanied by financial inflows, contributed to the year ending with a more favorable cash position.

Rafael Gorenstein

CEO and Investor Relations Officer

## Economic and Financial Performance

Lupatech mainly manufactures (Products segment) industrial valves; valves for oil and gas; ropes for deepwater mooring of oil platforms, naval use and cargo lifting; artifacts of composite materials, mainly electricity poles and tubes for lining oil pipelines.

The Company used to operate in the oilfield services business (Services segment), of which remain various assets in the process of liquidation and several legacy matters associated with it.

### Net Revenue

Net Revenue (R\$ thd)	1Q23	2Q23	3Q23	4Q23	2023	2022
<b>Products</b>	<b>21,324</b>	<b>19,626</b>	<b>25,136</b>	<b>19,960</b>	<b>86,046</b>	<b>109,629</b>
Valves	20,623	17,615	23,265	16,577	78,080	104,067
Ropes and Composites	701	2,011	1,871	3,383	7,966	5,562
<b>Services</b>	<b>68</b>	<b>46</b>	<b>57</b>	<b>52</b>	<b>223</b>	<b>761</b>
Oilfield Services	68	46	57	52	223	761
<b>Total</b>	<b>21,392</b>	<b>19,672</b>	<b>25,193</b>	<b>20,012</b>	<b>86,269</b>	<b>110,390</b>

Consolidated Net Revenue reached R\$ 86.3 million in the course of 2023.

### Products

The reduction observed between 2023 and 2022 is substantially due to the valve business due to the greater supply destined for the construction of an FPSO in the previous period. The decrease observed in 4Q23 compared to 3Q23 is largely due to the effect of projects delivered in 3Q23.

### Services

Transactions carried out in this segment result from the liquidation of inventory balances and other activities related to plants that were demobilized, i.e., they do not arise from ongoing operations.

### Order Backlog

As of December 31, 2023, the Company's order backlog in Brazil totaled R\$ 81.5 million. On the same date, the Company had a balance of R\$ 128 million in supply contracts, with no purchase obligation. (Note: the figures do not include bids for which the respective orders or contracts have not yet been issued).

### Gross Profit and Gross Margin

Gross Profit (R\$ thd)	1Q23	2Q23	3Q23	4Q23	2023	2022
<b>Products</b>	<b>5,205</b>	<b>4,175</b>	<b>6,288</b>	<b>4,615</b>	<b>20,283</b>	<b>25,219</b>
<i>Gross Margin - Products</i>	<i>24.4%</i>	<i>21.3%</i>	<i>25.0%</i>	<i>23.1%</i>	<i>23.6%</i>	<i>23.0%</i>
<b>Services</b>	<b>15</b>	<b>7</b>	<b>(117)</b>	<b>(11)</b>	<b>(106)</b>	<b>28</b>
<i>Gross Margin - Services</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<b>Total</b>	<b>5,220</b>	<b>4,182</b>	<b>6,171</b>	<b>4,604</b>	<b>20,177</b>	<b>25,247</b>
<i>Gross Margin - Total</i>	<i>24.4%</i>	<i>21.3%</i>	<i>24.5%</i>	<i>23.0%</i>	<i>23.4%</i>	<i>22.9%</i>
<b>Depreciation</b>	<b>1,301</b>	<b>1,212</b>	<b>946</b>	<b>919</b>	<b>4,378</b>	<b>5,463</b>
Depreciation Products	884	858	825	803	3,370	4,012
Depreciation Services	417	354	121	116	1,008	1,451
<b>Gross Profit without depreciation</b>	<b>6,521</b>	<b>5,394</b>	<b>7,117</b>	<b>5,523</b>	<b>24,555</b>	<b>30,710</b>
<b>Gross Profit without depreciation Products</b>	<b>6,089</b>	<b>5,033</b>	<b>7,113</b>	<b>5,418</b>	<b>23,653</b>	<b>29,231</b>

\*n/a - not applied

## Products

Consolidated gross profit for 2023 reached R\$ 20.3 million, with a margin of 23.6% against R\$ 25.2 million with a margin of 23.0% in 2022. In the quarterly comparison, 4Q23 versus 3Q23, there was a decrease of 1.9 percentage points, mainly due to lower revenues, with lower dilution of fixed costs.

## Services

The results of the services segment do not come from production activities, only from the sale of remaining inventories.

## Expenses

Expenses (R\$ thd)	1Q23	2Q23	3Q23	4Q23	2023	2022
<b>Total Sales Expenses</b>	<b>2,470</b>	<b>2,368</b>	<b>3,509</b>	<b>4,331</b>	<b>12,678</b>	<b>10,232</b>
Sales Expenses - Products	2,470	2,368	3,509	4,331	12,678	10,232
Sales Expenses - Services	-	-	-	-	-	-
<b>Total Administrative Expenses</b>	<b>5,554</b>	<b>6,223</b>	<b>4,739</b>	<b>4,711</b>	<b>21,227</b>	<b>22,765</b>
Administrative Expenses - Products	3,071	3,067	2,548	2,589	11,275	12,077
Administrative Expenses - Services	2,483	3,156	2,191	2,122	9,952	10,688
<b>Management Fees</b>	<b>898</b>	<b>828</b>	<b>767</b>	<b>2,070</b>	<b>4,563</b>	<b>4,751</b>
<b>Total Expenses</b>	<b>8,922</b>	<b>9,419</b>	<b>9,015</b>	<b>11,112</b>	<b>38,468</b>	<b>37,748</b>

## Sales Expenses

The Company's Sales Expenses are predominantly variable in the form of freight and sales commissions. In 2023, the Company's commercial expenses totaled R\$ 12.7 million compared to R\$ 10.2 million in 2022. The change was mainly due to the second half of 2023 due to the characteristics of the predominant businesses in that period.

## Administrative Expense

Administrative expenses totaled R\$ 21.2 million in 2023 against R\$ 22.8 million in 2022. The reduction compared to the previous year is substantially due to the non-recurring expenses included in the result of the previous period compared.

## Management Compensation

The amount presented is composed of fixed and variable remuneration.

## Other Revenues and Operational (Expenses)

Other Operating (Expenses) (R\$ thd)	1Q23	2Q23	3Q23	4Q23	2023	2022
Products	(75)	(483)	(100)	(4,321)	(4,979)	(6,281)
Expenses with Idleness - Products	(5,547)	(4,489)	(5,105)	(3,589)	(18,730)	(18,560)
Services	3,899	(180)	(1,298)	9,225	11,646	(21,816)
Expenses with Idleness - Services	-	-	-	-	-	(30)
<b>Total</b>	<b>(1,723)</b>	<b>(5,152)</b>	<b>(6,503)</b>	<b>1,315</b>	<b>(12,063)</b>	<b>(46,687)</b>

In 4Q23, R\$ 42.5 million were booked in "Other Operating Income" against R\$ 41.2 million in "Other Operating Expenses", totaling a net effect of R\$ 1.3 million. The following factors are worth of noting:

- I. R\$ 27.6 million in revenue, referring to the favorable final sentence obtained by the Company in an arbitration proceeding seeking reimbursement for incurred losses subject to compensation in



accordance with the Investment Agreement signed for the acquisition of the San Antonio Companies by the Lupatech Group in 2012 (“Agreement of Investment”);

- II. R\$ 3.1 million corresponds to the net negative effect due to updates of contingent processes according to the analysis of legal advisors;
- III. R\$ 3.6 million expenses with production idleness;
- IV. R\$ 4.7 million with obsolescence and extraordinary inventory losses;
- V. R\$ 13.1 of recognition of impairment on other assets;
- VI. R\$ 1.8 million negative net effect on the sale of fixed assets.

## Financial Result

Financial Results (R\$ thd)	1Q23	2Q23	3Q23	4Q23	2023	2022
Financial Revenue*	2,393	770	1,917	16,174	21,254	19,523
Financial Expense*	(12,225)	(14,125)	(7,924)	(22,846)	(57,120)	(45,659)
<b>Net Financial Results*</b>	<b>(9,832)</b>	<b>(13,355)</b>	<b>(6,007)</b>	<b>(6,672)</b>	<b>(35,866)</b>	<b>(26,136)</b>
Net Exchange Variance	5,103	10,277	(7,416)	111,517	119,481	15,839
<b>Net Financial Results - Total</b>	<b>(4,729)</b>	<b>(3,078)</b>	<b>(13,423)</b>	<b>104,845</b>	<b>83,615</b>	<b>(10,297)</b>

\* Excluding Exchange Variance

In 2023, the Company's net financial result was negative by R\$ 35.9 million and its main effect was the adjustment to present value relating to the debt in Judicial Recovery, the updating of interest and fines on taxes, suppliers and loans. The total net financial result is influenced by exchange rate variation.

It is important to remember that exchange rate variations are predominantly the result of their incidence on balances between companies of the group abroad. The exchange rate oscillation affects in the opposite direction the translation into Brazilian Reais (BRL) of the equity of those entities, so that there are exchange rate variations booked directly to the company's equity, without going through profit and loss accounts.

## Adjusted EBITDA from Operations

EBITDA Adjusted (R\$ thd)	1Q23	2Q23	3Q23	4Q23	2023	2022
<b>Products</b>	<b>649</b>	<b>(95)</b>	<b>1,861</b>	<b>277</b>	<b>2,692</b>	<b>5,931</b>
Margin	3.0%	-0.5%	7.4%	1.4%	3.1%	5.4%
<b>Services</b>	<b>(1,945)</b>	<b>(2,525)</b>	<b>(2,439)</b>	<b>(2,116)</b>	<b>(9,025)</b>	<b>(9,281)</b>
Margin	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total</b>	<b>(1,296)</b>	<b>(2,620)</b>	<b>(578)</b>	<b>(1,839)</b>	<b>(6,333)</b>	<b>(3,350)</b>
<b>Margin</b>	<b>-6.1%</b>	<b>-13.3%</b>	<b>-2.3%</b>	<b>-9.2%</b>	<b>-7.3%</b>	<b>-3.0%</b>

The variation in Adjusted EBITDA of Products in 4Q23 compared to the compared periods is mainly due to the decrease in revenue.

Adjusted EBITDA from Services comprises legacy management costs.

Adjusted Ebitda Reconciliation (R\$ thd)	1Q23	2Q23	3Q23	4Q23	2023	2022
Gross Profit	5,220	4,182	6,171	4,604	20,177	25,247
SG&A	(8,024)	(8,591)	(8,248)	(9,042)	(33,905)	(32,997)
Management Compensation	(898)	(828)	(767)	(2,070)	(4,563)	(4,751)
Depreciation and Amortization	1,301	1,212	946	919	4,378	5,463
Other Operating Expenses	(1,723)	(5,152)	(6,503)	1,315	(12,063)	(46,687)
<b>Ebitda</b>	<b>(4,124)</b>	<b>(9,177)</b>	<b>(8,401)</b>	<b>(4,274)</b>	<b>(25,976)</b>	<b>(53,725)</b>
Result of disposal or write-off of assets	(93)	(33)	1,295	10,706	11,875	17,326
Provisions for Legal Proceedings	(5,195)	(387)	(101)	3,082	(2,601)	122
Idle expenses	5,547	4,489	5,105	3,589	18,730	17,938
Restructuring Process and Other Extraordinary	2,569	2,488	1,524	(14,942)	(8,361)	14,989
<b>Adjusted EBITDA</b>	<b>(1,296)</b>	<b>(2,620)</b>	<b>(578)</b>	<b>(1,839)</b>	<b>(6,333)</b>	<b>(3,350)</b>

Reconciliation of Adjusted Ebitda (R\$ thd)	4Q23		
	Products	Services	Total
Gross Profit	4,615	(11)	4,604
SG&A	(6,920)	(2,122)	(9,042)
Management Compensation	(1,449)	(621)	(2,070)
Depreciation and Amortization	803	116	919
Other Operating Expenses	(7,910)	9,225	1,315
<b>Ebitda</b>	<b>(10,861)</b>	<b>6,587</b>	<b>(4,274)</b>
Result of disposal or write-off of assets	5	10,701	10,706
Provisions for Legal Proceedings	107	2,975	3,082
Idle expenses	3,589	-	3,589
Restructuring Process and Other Extraordinary	7,437	(22,379)	(14,942)
<b>Adjusted EBITDA</b>	<b>277</b>	<b>(2,116)</b>	<b>(1,839)</b>

Non-recurring expenses in 4Q23 mainly refer to production idleness, reversal of estimated losses due to non-recoverability of assets (impairment), result in the sale or write-off of assets and expenses related to Company's restructuring.

### Net Result

Net Result (R\$ thd)	1Q23	2Q23	3Q23	4Q23	2023	2022
Result Before Income Tax and Social Contribution	(10,154)	(13,467)	(22,770)	99,652	53,261	(69,485)
Income Tax and Social Contribution - Current	(1)	-	-	1	-	-
Income Tax and Social Contribution - Deferred	75	(1,044)	1,533	(1,176)	(612)	124,351
<b>Net Profit for the Period</b>	<b>(10,080)</b>	<b>(14,511)</b>	<b>(21,237)</b>	<b>98,477</b>	<b>52,649</b>	<b>54,866</b>
Profit (Loss) per 1,000 Shares	(0.32)	(1.43)	(0.09)	1.82	1.28	1.81

The positive net result obtained in the period of 2023 is mainly influenced, in addition to current revenues and expenses, the adjustment to present value referring to the debt under Judicial Reorganization, exchange rate variation of related parties and the net effect of other operating income and expenses.

### Working Capital

Working Capital (R\$ thd)	2023	2022
Accounts Receivable	18,140	27,128
Inventories	32,678	39,247
Advances of suppliers	7,522	6,703
Recoverable taxes	40,701	51,160
Other Accounts Receivable	5,612	4,549
<b>Total Asset</b>	<b>104,653</b>	<b>128,787</b>
Suppliers	15,072	15,805
Advances from Customers	1,161	8,037
Taxes payable	22,323	25,977
Other Accounts Payable/Other Obligations	5,783	5,698
Payroll and charges	5,493	5,603
<b>Total Liabilities</b>	<b>49,832</b>	<b>61,120</b>
<b>Working Capital Employed</b>	<b>54,821</b>	<b>67,667</b>
Working Capital Variation	(12,846)	(53,675)

When comparing 2023 with 2022, there is a reduction in working capital employed. This reduction is mainly due to: (i) reduction in inventories, and (ii) reduction in taxes recoverable resulting from offsetting tax debt.

## Cash and Financial Investments

Cash and cash equivalents (R\$ thd)	2023	2022
Cash and Cash Equivalents	19,907	13,171
<b>Total</b>	<b>19,907</b>	<b>13,171</b>

The Company's consolidated cash position and financial investments in 2023 reached R\$ 19.9 million.

## Indebtedness

Debts (R\$ thd)	2023	2022
<b>Short Term</b>	<b>50,633</b>	<b>54,308</b>
Credits subject to Judicial Recovery	6,266	4,331
Credits not subject to Judicial Recovery	44,367	49,977
<b>Long Term</b>	<b>95,027</b>	<b>101,346</b>
Credits subject to Judicial Recovery	92,262	95,526
Credits not subject to Judicial Recovery	2,765	5,820
<b>Total Debts</b>	<b>145,660</b>	<b>155,654</b>
Cash and Cash Equivalents	19,907	13,171
<b>Net Debt</b>	<b>125,753</b>	<b>142,483</b>

The reduction in financial debt in 2023 versus 2022 is mainly associated with debt payments.

## Investment

Investments (R\$ thd)	2023	2022
Others Investments	19,685	21,942
Fixed Assets	131,405	138,386
Intangible Assets	83,210	83,749
<b>Total</b>	<b>234,300</b>	<b>244,077</b>

The variation presented in investment balances refers mainly to the application of impairment, sale of fixed assets, recognition of depreciation, amortization, and the effect of balance sheet conversion on the fixed assets of subsidiaries abroad.



## Annexes

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

	<b>2023</b>	<b>2022</b>
Net Revenue from Sales	86,269	110,390
Cost of Goods and Services Sold	(66,092)	(85,143)
Gross Profit	20,177	25,247
Operating Income/Expenses	(50,531)	(84,435)
Selling	(12,678)	(10,232)
General and Administrative	(21,227)	(22,765)
Management Fees	(4,563)	(4,751)
Other Operation Income (Expenses)	(12,063)	(46,687)
Net Financial Result	83,615	(10,297)
Financial Income	21,254	13,161
Financial Expenses	(57,120)	(39,297)
Net Exchange Variance	119,481	15,839
<u>Loss Before Income Tax and Social Contribution</u>	<u>53,261</u>	<u>(69,485)</u>
<u>Provision Income Tax and Social Contribution - Deferred</u>	<u>(612)</u>	<u>124,351</u>
Profit for the period	52,649	54,866

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

	<b>2023</b>	<b>2022</b>
Adjusted EBITDA from Operations	(6,333)	(3,350)
Expenses with Restructuring and Other Extraordinary	8,361	(10,940)
Provisions for Losses, Impairment and Net Result on Disposal of Assets	(9,274)	(17,448)
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EBITDA from Operations	(7,246)	(31,738)
Depreciation and amortization	(4,378)	(9,512)
Net Financial Result	83,615	(10,297)
Income Tax and Social Contribution - Current and Deferred	(612)	124,351
Idleness Expenses	(18,730)	(17,938)
<hr/>		
Net Profit	52,649	54,866

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

	<b>2023</b>	<b>2022</b>
<b>Total Asset</b>	<b>482,769</b>	<b>526,894</b>
<b>Current Assets</b>	<b>145,711</b>	<b>181,288</b>
Cash and Cash Equivalents	19,907	13,171
Accounts Receivable	18,140	27,128
Inventories	32,678	39,247
Recoverable Taxes	40,701	51,160
Other Accounts Receivable	5,612	4,549
Prepaid Expenses	553	716
Advances to Suppliers	7,522	6,703
Assets Classified as Held for Sale	20,598	38,614
<b>Non-Current Assets</b>	<b>337,058</b>	<b>345,606</b>
Other Credits	-	1
Securities-restricted	44	44
Judicial Deposits	5,079	7,639
Recoverable Taxes	6,953	1,831
Deferred Income Tax and Social Contribution	56,180	56,792
Other Accounts Receivable	34,502	35,222
Investments	19,685	21,942
Property, Plant and Equipment	131,405	138,386
Intangible Assets	83,210	83,749
<b>Total Liabilities and Shareholders Equity</b>	<b>482,769</b>	<b>526,894</b>
<b>Current Liabilities</b>	<b>102,918</b>	<b>118,650</b>
Suppliers - Not Subject to Judicial Recovery	9,876	11,074
Suppliers -Subject to Judicial Recovery	5,196	4,731
Loans and Financing - Not Subject to Judicial Recovery	44,367	49,977
Loans and Financing - Subject to Judicial Recovery	6,266	4,331
Provisions Payroll and Payroll Payable	5,493	5,603
Taxes Payable	22,323	25,977
Obligations and Provisions for Labor Risks - Subject to Judicial Recovery	315	1,144
Advances from Customers	1,161	8,037
Other Accounts Payable	5,783	6,319
Other obligations - subject to judicial recovery	2,138	1,457
<b>Non-Current Liabilities</b>	<b>220,288</b>	<b>220,538</b>
Suppliers - Subject to Judicial Recovery	26,649	26,162
Loans and Financing - Subject to Judicial Recovery	92,262	95,526
Loans and Financing - Not Subject to Judicial Recovery	2,765	5,820
Taxes Payable	29,199	20,522
Provision for Contingencies	27,591	32,915
Obligations and Provisions Labor Risks - Subject to Judicial Reorganization	2,238	2,836
Other Accounts Payable	3,350	3,131
Other obligations - subject to judicial recovery	36,234	33,626
<b>Shareholders' Equity</b>	<b>159,563</b>	<b>187,706</b>
Capital Stock	1,920,820	1,898,871
Capital reserve	144,754	139,150
Capital Transaction Reserve	74,679	191,562
Equity Valuation Adjustment	(1,980,690)	(2,041,877)
Accumulated Losses	159,563	187,706

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

	<b>2023</b>	<b>2022</b>
<b>Cash Flow from Operating Activities</b>		
Profit for the periods	52,649	54,866
Adjustments:		
Depreciation and Amortization	6,497	9,512
Income from sale of property, plant and equipment	3,923	7,675
Financial charges and exchange variation on financing	17,803	8,913
Reversal (Provision) for loss due to non-recoverability of assets	(6,835)	(7,614)
Deferred Income Tax and Social Contribution	612	(103,000)
Inventory obsolescence	945	(2,231)
(Reversal) Estimated losses for doubtful accounts	(1,292)	(1,685)
Actual losses with doubtful accounts	1,271	1,034
Adjust to present value	23,288	10,669
Fair value adjustment	(100,318)	(13,605)
Changes in Assets & Liabilities		
(Increase) Decrease in Accounts Receivable	9,002	(5,683)
(Increase) Decrease in Inventories	5,624	4,111
(Increase) Decrease in Recoverable Taxes	5,337	11,966
(Increase) Decrease in Other Assets	1,472	967
(Increase) Decrease in Suppliers	(12,633)	2,728
(Increase) Decrease in Taxes Payable	646	(15,762)
(Increase) Decrease in Others Accounts Payable	(9,083)	12,622
<b>Net Cash Flow from Operating Activities</b>	<b>(1,092)</b>	<b>(24,517)</b>
<b>Cash Flow from Investment Activities</b>		
Securities - restricted account	233	383
Resources from the sale of fixed assets	20,663	6,399
Aquisition of Property, Plant and Equipment	(803)	(1,847)
Aquisition of Intangible Assets	-	(62)
<b>Net Cash Flow from (Used in) Investment Activities</b>	<b>20,093</b>	<b>4,873</b>
<b>Cash Flow from Financing Activities</b>		
Borrowing and financing	86,106	144,710
Capital increase (decrease)	21,949	1,523
Payment of loans and financing	(120,320)	(132,594)
<b>Net Cash Flow from Financing Activities</b>	<b>(12,265)</b>	<b>13,639</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>6,736</b>	<b>(6,005)</b>
At the Beginning of the Period	13,171	19,176
At the End of the Period	19,907	13,171

## About Lupatech

Lupatech is a Brazilian company with high added value products focused on the oil and gas sector, operating in manufacturing (Products segment) mainly producing industrial valves; valves for oil and gas; ropes for anchoring oil platforms; well completion equipment; artifacts of composite materials, mainly FRP power poles and tubes for lining oil pipelines.