

QUARTERLY INFORMATION 1Q2024

LUPATECH S.A.
CNPJ/MF nº 89.463.822/0001-12
NIRE 35.3.0045756-1
Publicly-Held Company with Authorized Capital –
New Market

Management Report

THIS IS A FREE TRANSLATION OF THE ORIGINAL TEXT IN PORTUGUESE IN CASE OF DIVERGENCE OF INTERPRETATION, THE PORTUGUESE TEXT WILL PREVAIL

Message from the Administration

In the first quarter of 2024 we saw a significant acceleration in activities, made possible mainly by the reinforcement of working capital provided by the capital increase and indemnity received at the end of 2023.

Gross revenue for the period was R\$ 42.2 million, corresponding to a benchmark annualized revenue level of R\$170 million. As a basis for comparison, gross revenue was R\$ 23 million in 4Q23.

Net revenue for the quarter, at R\$ 35 million, was 75% higher than the R\$ 20 million of the previous quarter. The composition of revenue included R\$ 31.3 million from valves, up 88%, with R\$ 3.6 million remaining from Ropes and Composites, up 7% on 4Q23. In 1Q23, net revenue from Ropes and Composites was R\$ 701 thousand – the increase was more than 4 times in the space of one year.

Gross margin, at 22.9%, remained at a level comparable to 4Q23. Gross profit, however, grew 74% against 4Q23, in line with the expansion in revenue, closing at R\$ 8 million.

It is worth mentioning that at the level of activity at which the company operated in 1Q24, it was able to substantially suppress factory idleness: only R\$ 317 thousand was recorded in idleness expenses, compared to R\$ 3.6 million in 4Q23. As idle expenses are eminently fixed costs (necessary to keep a certain capacity available), absorbing the surplus opens up room for improving margins, as incremental revenues contribute more to results.

Administrative and commercial expenses in 1Q24 were significantly lower than in 4Q23 and 1Q23. These reductions stem from progressive efforts to streamline administration and improve efficiency.

The significantly better performance in 1Q24 resulted in a positive EBITDA of R\$ 1.9 million, equivalent to a positive margin of 5.3% of net revenue. EBITDA Adjusted for non-recurring events was also positive, at R\$1.3 million. EBITDA from Products was R\$4 million, corresponding to a margin of 11.7% on net revenue.

The net loss of R\$7.4 million was negatively impacted by the negative financial result of R\$ 9.3 million, including a negative exchange variation of R\$ 4 million, most of which has no economic effect, as it results from a variation in loans taken out from subsidiaries abroad, which has an identical counterpart in shareholders' equity due to the exchange rate update of the equity balances in dollars of these subsidiaries.

Our firm order book ended the quarter with R\$ 67 million in orders. The decrease compared to the R\$ 81 million of 4Q23 was only transitory, given the firm purchase orders received from Petrobras in the amount of R\$ 19 million, announced days before the publication of these results.

The portfolio of contracts without purchase obligations ended the quarter at R\$ 127 million, the same level as the previous quarter. After the end of the quarter, a substantial part of the supply contracts that were due to expire at the beginning of May were renewed for one year, shortly before these results were released.

Among the achievements of the period, we highlight the completion of the first stage of an operational improvement program, comprising the adoption of lean manufacturing strategies in the valve plants. The results achieved in this stage, which had the advisory support of SENAI in the Rota 2030 program, included a significant 46% increase in the productivity of the workforce at the industrial valves plant (Veranópolis). The project identified numerous opportunities for operational improvement, which should translate into better product profitability.

The results for the quarter are the result of efforts to increase revenues and improve the company's operational efficiency. Our challenge now is to reach new heights.

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 | 1Q24 | 4Q23 | 1Q24 |
|-----------------------|---------------|---------------|---------------|---------------|
| Products | 21,324 | 34,866 | 19,960 | 34,866 |
| Valves | 20,623 | 31,260 | 16,577 | 31,260 |
| Ropes and Composites | 701 | 3,606 | 3,383 | 3,606 |
| Services | 68 | 139 | 52 | 139 |
| Oilfield Services | 68 | 139 | 52 | 139 |
| Total | 21,392 | 35,005 | 20,012 | 35,005 |

In 1Q24, consolidated net revenue reached R\$ 35.0 million, an increase of 63.6% compared to 1Q23 and a significant 74.9% compared to 4Q23.

Products

The increase in net revenue was driven by successful commercial efforts in the period.

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 March 31, 2024, the Company's order backlog in Brazil totaled R\$ 66.8 million. On the same date, the Company had a balance of R\$ 127 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 | 1Q24 | 4Q23 | 1Q24 |
|---|--------------|--------------|--------------|--------------|
| Products | 5,205 | 7,980 | 4,615 | 7,980 |
| <i>Gross Margin - Products</i> | 24.4% | 22.9% | 23.1% | 22.9% |
| Services | 15 | 48 | (11) | 48 |
| <i>Gross Margin - Services</i> | n/a | n/a | n/a | n/a |
| Total | 5,220 | 8,028 | 4,604 | 8,028 |
| <i>Gross Margin - Total</i> | 24.4% | 22.9% | 23.0% | 22.9% |
| Depreciation | 1,301 | 924 | 919 | 924 |
| Depreciation Products | 884 | 804 | 803 | 804 |
| Depreciation Services | 417 | 120 | 116 | 120 |
| Gross Profit without depreciation | 6,521 | 8,952 | 5,523 | 8,952 |
| Gross Profit without depreciation Products | 6,089 | 8,784 | 5,418 | 8,784 |

*n/a - not applied

Products

In the comparison of 1Q24 with 1Q23 and 4Q23, there was an improvement in results reflecting the growth in sales.

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 | 1Q24 | 4Q23 | 1Q24 |
|--------------------------------------|--------------|--------------|---------------|--------------|
| Total Sales Expenses | 2,470 | 1,972 | 4,331 | 1,972 |
| Sales Expenses - Products | 2,470 | 1,972 | 4,331 | 1,972 |
| Sales Expenses - Services | - | - | - | - |
| Total Administrative Expenses | 5,554 | 5,112 | 4,711 | 5,112 |
| Administrative Expenses - Products | 3,071 | 1,918 | 2,589 | 1,918 |
| Administrative Expenses - Services | 2,483 | 3,194 | 2,122 | 3,194 |
| Management Fees | 898 | 750 | 2,070 | 750 |
| Total Expenses | 8,922 | 7,834 | 11,112 | 7,834 |

Sales and Administrative Expenses

In 1Q24, the company recognized R\$ 2.0 million in sales expenses and R\$ 5.1 million in administrative expenses. The fluctuations are substantially due to the non-recurring expenses included in the result for the periods compared.

Management Compensation

The amount presented is composed of fixed and variable remuneration.

Other Revenues and Operational (Expenses)

| Other Operating (Expenses) (R\$ thd) | 1Q23 | 1Q24 | 4Q23 | 1Q24 |
|---|----------------|-------------|--------------|-------------|
| Products | (75) | 471 | (4,321) | 471 |
| Expenses with Idleness - Products | (5,547) | (317) | (3,589) | (317) |
| Services | 3,899 | 597 | 9,225 | 597 |
| Expenses with Idleness - Services | - | - | - | - |
| Total | (1,723) | 751 | 1,315 | 751 |

In 1Q24, R\$ 2.6 million was recorded in "Other Operating Income" against R\$ 1.9 million in "Other Operating Expenses", totaling a net effect of R\$ 0.7 thousand. The following factors stand out:

- I. R\$ 1.4 million corresponds to the net positive effect of updating contingent processes according to the analysis of the legal advisors;
- II. R\$ 0.3 million in idle production expenses;
- III. R\$ 0.4 million from the recognition of taxes, obsolescence and extraordinary inventory losses.

Financial Result

| Financial Results (R\$ thd) | 1Q23 | 1Q24 | 4Q23 | 1Q24 |
|--------------------------------------|----------------|----------------|----------------|----------------|
| Financial Revenue* | 2,393 | 1,133 | 16,174 | 1,133 |
| Financial Expense* | (12,225) | (6,426) | (22,846) | (6,426) |
| Net Financial Results* | (9,832) | (5,293) | (6,672) | (5,293) |
| Net Exchange Variance | 5,103 | (4,053) | 111,517 | (4,053) |
| Net Financial Results - Total | (4,729) | (9,346) | 104,845 | (9,346) |

* Excluding Exchange Variance

The company's net financial result was negative by R\$ 5.3 million and its main effect is the restatement of interest and fines on taxes, suppliers and loans. The total net financial result is influenced by the 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 | 1Q24 | 4Q23 | 1Q24 |
|---------------------------|----------------|----------------|----------------|----------------|
| Products | 649 | 3,526 | 277 | 3,526 |
| Margin | 3.0% | 10.1% | 1.4% | 10.1% |
| Services | (1,945) | (2,220) | (2,116) | (2,220) |
| Margin | n/a | n/a | n/a | n/a |
| Total | (1,296) | 1,306 | (1,839) | 1,306 |
| Margin | -6.1% | 3.7% | -9.2% | 3.7% |

The variation in Adjusted EBITDA for Products in 1Q24 compared to the previous periods is mainly due to improved sales performance.

Services Adjusted EBITDA is made up of legacy management costs.

| Adjusted Ebitda Reconciliation (R\$ thd) | 1Q23 | 1Q24 | 4Q23 | 1Q24 |
|---|----------------|--------------|----------------|--------------|
| Gross Profit | 5,220 | 8,028 | 4,604 | 8,028 |
| SG&A | (8,024) | (7,084) | (9,042) | (7,084) |
| Management Compensation | (898) | (750) | (2,070) | (750) |
| Depreciation and Amortization | 1,301 | 924 | 919 | 924 |
| Other Operating Expenses | (1,723) | 751 | 1,315 | 751 |
| Ebitda | (4,124) | 1,869 | (4,274) | 1,869 |
| Result of disposal or write-off of assets | (93) | 4 | 10,706 | 4 |
| Provisions for Legal Proceedings | (5,195) | (1,434) | 3,082 | (1,434) |
| Idle expenses | 5,547 | 317 | 3,589 | 317 |
| Extraordinary Expenses | 2,569 | 550 | (14,942) | 550 |
| Adjusted EBITDA | (1,296) | 1,306 | (1,839) | 1,306 |

| | 1Q24 | | |
|---|--------------|----------------|--------------|
| Reconciliation of Adjusted Ebitda (R\$ thd) | Products | Services | Total |
| Gross Profit | 7,980 | 48 | 8,028 |
| SG&A | (4,405) | (2,679) | (7,084) |
| Management Compensation | (450) | (300) | (750) |
| Depreciation and Amortization | 804 | 120 | 924 |
| Other Operating Expenses | 154 | 597 | 751 |
| Ebitda | 4,083 | (2,214) | 1,869 |

| | | | |
|---|--------------|----------------|--------------|
| Result of disposal or write-off of assets | 4 | - | 4 |
| Provisions for Legal Proceedings | (65) | (1,369) | (1,434) |
| Idle expenses | 317 | - | 317 |
| Extraordinary Expenses | (813) | 1,363 | 550 |
| Adjusted EBITDA | 3,526 | (2,220) | 1,306 |

Non-recurring expenses in 1Q24 refer mainly to the updating of contingent processes, production idleness and other extraordinary expenses.

Net Result

| Net Result (R\$ thd) | 1Q23 | 1Q24 | 4Q23 | 1Q24 |
|--|-----------------|----------------|---------------|----------------|
| Result Before Income Tax and Social Contribution | (10,154) | (8,401) | 99,652 | (8,401) |
| Income Tax and Social Contribution - Current | (1) | - | 1 | - |
| Income Tax and Social Contribution - Deferred | 75 | 1,002 | (1,176) | 1,002 |
| Net Profit for the Period | (10,080) | (7,399) | 98,477 | (7,399) |
| Profit (Loss) per Share | (0.32) | (0.18) | 1.82 | (0.18) |

The negative net result obtained in 1Q24 is mainly influenced, in addition to current income and expenses, by the financial result and the net effect of other operating income and expenses.

Working Capital

| Working Capital (R\$ thd) | 03/31/2024 | 12/31/2023 |
|--|----------------|----------------|
| Accounts Receivable | 32,635 | 18,140 |
| Inventories | 33,475 | 32,678 |
| Advances of suppliers | 7,331 | 7,522 |
| Recoverable taxes | 40,469 | 40,701 |
| Other Accounts Receivable | 5,601 | 5,612 |
| Total Asset | 119,511 | 104,653 |
| Suppliers | 16,530 | 15,072 |
| Advances from Customers | 2,684 | 1,161 |
| Taxes payable | 20,326 | 22,323 |
| Other Accounts Payable/Other Obligations | 5,623 | 5,783 |
| Payroll and charges | 6,153 | 5,493 |
| Total Liabilities | 51,316 | 49,832 |
| Working Capital Employed | 68,195 | 54,821 |
| Working Capital Variation | 13,374 | (12,846) |

When comparing the balances at March 31, 2024 with the balance at December 31, 2023, there is an increase in working capital employed. This increase is mainly due to the variation in accounts receivable as a result of the higher volume of sales.

Cash and Financial Investments

| Cash and cash equivalents (R\$ thd) | 03/31/2024 | 12/31/2023 |
|-------------------------------------|---------------|---------------|
| Cash and Cash Equivalents | 15,598 | 19,907 |
| Total | 15,598 | 19,907 |

The consolidated position of cash and financial investments on March 31 amounted to R\$ 15.6 million.

Indebtedness

| Debts (R\$ thd) | 03/31/2024 | 12/31/2023 |
|--|----------------|----------------|
| Short Term | 61,469 | 50,633 |
| Credits subject to Judicial Recovery | 6,954 | 6,266 |
| Credits not subject to Judicial Recovery | 54,515 | 44,367 |
| Long Term | 96,379 | 95,027 |
| Credits subject to Judicial Recovery | 93,081 | 92,262 |
| Credits not subject to Judicial Recovery | 3,298 | 2,765 |
| Total Debts | 157,848 | 145,660 |
| Cash and Cash Equivalents | 15,598 | 19,907 |
| Net Debt | 142,250 | 125,753 |

The increase in financial indebtedness in the comparison of the balances at March 31, 2024 with the balances at December 31, 2023 is mainly associated with raising funds from financial institutions to finance the expansion of the business and the updating of the Judicial Reorganization debt.

Investment

| Investments (R\$ thd) | 03/31/2024 | 12/31/2023 |
|-----------------------|----------------|----------------|
| Others Investments | 19,685 | 19,685 |
| Fixed Assets | 130,147 | 131,405 |
| Intangible Assets | 83,149 | 83,210 |
| Total | 232,981 | 234,300 |

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

Annexes

Annex I - Income Statements (R\$ Thousand)

| | 1Q23 | 1Q24 |
|---|----------|----------|
| Net Revenue From Sales | 21,392 | 35,005 |
| Cost of Goods and Services Sold | (16,172) | (26,977) |
| Gross Profit | 5,220 | 8,028 |
| Operating Income/Expenses | (10,645) | (7,083) |
| Selling | (2,470) | (1,972) |
| General and Administrative | (5,554) | (5,112) |
| Management Fees | (898) | (750) |
| Other Operation Income (Expenses) | (1,723) | 751 |
| Net Financial Result | (4,729) | (9,346) |
| Financial Income | 2,393 | 1,134 |
| Financial Expenses | (12,225) | (6,427) |
| Net Exchange Variance | 5,103 | (4,053) |
| Loss Before Income Tax and Social Contribution | (10,154) | (8,401) |
| Provision Income Tax and Social Contribution - Current | (1) | - |
| Provision Income Tax and Social Contribution - Deferred | 75 | 1,002 |
| Net Loss for the Period | (10,080) | (7,399) |

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

| | 1Q23 | 1Q24 |
|--|-------------|-------------|
| Adjusted EBITDA from Operations | (1,296) | 1,306 |
| Idleness Expenses | (5,547) | (317) |
| Extraordinary expenses | (2,569) | (550) |
| Provisions for Losses, Impairment and Net Result on Disposal of Assets | 5,288 | 1,430 |
| EBITDA from Operations | (4,124) | 1,869 |
| Depreciation and amortization | (1,301) | (924) |
| Equity | - | - |
| Net Financial Result | (4,729) | (9,346) |
| Income Tax and Social Contribution - Current and Deferred | 74 | 1,002 |
| Net Loss | (10,080) | (7,399) |

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

| | 03/31/2024 | 12/31/2023 |
|---|-------------------|-------------------|
| Total Asset | 491,437 | 482,769 |
| Current Assets | 157,394 | 145,711 |
| Cash and Cash Equivalents | 15,598 | 19,907 |
| Accounts Receivable | 32,635 | 18,140 |
| Inventories | 33,475 | 32,678 |
| Recoverable Taxes | 40,469 | 40,701 |
| Other Accounts Receivable | 5,601 | 5,612 |
| Prepaid Expenses | 1,005 | 553 |
| Advances to Suppliers | 7,331 | 7,522 |
| Assets Classified as Held for Sale | 21,280 | 20,598 |
| Non-Current Assets | 334,043 | 337,058 |
| Securities-restricted | 44 | 44 |
| Judicial Deposits | 5,375 | 5,079 |
| Recoverable Taxes | 4,277 | 6,953 |
| Deferred Income Tax and Social Contribution | 57,182 | 56,180 |
| Other Accounts Receivable | 34,184 | 34,502 |
| Investments | 19,685 | 19,685 |
| Property, Plant and Equipment | 130,147 | 131,405 |
| Intangible Assets | 83,149 | 83,210 |
| Total Liabilities and Shareholders' Equity | 491,437 | 482,769 |
| Current Liabilities | 115,430 | 102,918 |
| Suppliers - Not Subject to Judicial Recovery | 11,131 | 9,876 |
| Suppliers -Subject to Judicial Recovery | 5,399 | 5,196 |
| Loans and Financing - Not Subject to Judicial Recovery | 54,515 | 44,367 |
| Loans and Financing - Subject to Judicial Recovery | 6,954 | 6,266 |
| Provisions Payroll and Payroll Payable | 6,153 | 5,493 |
| Taxes Payable | 20,326 | 22,323 |
| Obligations and Provisions for Labor Risks - Subject to Judicial Recovery | 313 | 315 |
| Advances from Customers | 2,684 | 1,161 |
| Other Accounts Payable | 5,623 | 5,783 |
| Other obligations - subject to judicial recovery | 2,332 | 2,138 |
| Non-Current Liabilities | 221,662 | 220,288 |
| Suppliers - Subject to Judicial Recovery | 27,078 | 26,649 |
| Loans and Financing - Subject to Judicial Recovery | 3,298 | 2,765 |
| Loans and Financing - Not Subject to Judicial Recovery | 93,081 | 92,262 |
| Taxes Payable | 29,995 | 29,199 |
| Provision for Contingencies | 25,930 | 27,591 |
| Obligations and Provisions Labor Risks - Subject to Judicial Recovery | 2,222 | 2,238 |
| Other Accounts Payable | 3,161 | 3,350 |
| Other obligations - subject to judicial recovery | 36,897 | 36,234 |
| Shareholders' Equity | 154,345 | 159,563 |
| Capital Stock | 1,920,888 | 1,920,820 |
| Reserves and capital transactions | 144,754 | 144,754 |
| Equity Valuation Adjustment | 76,792 | 74,679 |
| Accumulated Losses | (1,988,089) | (1,980,690) |

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

| | 1Q23 | 1Q24 |
|---|-----------------|-----------------|
| Cash Flow from Operating Activities | | |
| Loss for the periods | (10,080) | (7,399) |
| Adjustments: | | |
| Depreciation and Amortization | 1,831 | 1,455 |
| Income from sale of property, plant and equipment | 324 | (1) |
| Financial charges and exchange variation on financing | 1,706 | 8,061 |
| Reversal (Provision) for loss due to non-recoverability of assets | (418) | - |
| Deferred Income Tax and Social Contribution | - | (1,002) |
| Inventory obsolescence | (321) | 938 |
| (Reversal) Estimated losses for doubtful accounts | 31 | (97) |
| Adjust to present value | 3,552 | 184 |
| Fair value adjustment | (4,125) | 2,115 |
| Changes in Assets & Liabilities | | |
| (Increase) Decrease in Accounts Receivable | 7,782 | (14,398) |
| (Increase) Decrease in Inventories | 2,635 | (1,735) |
| (Increase) Decrease in Recoverable Taxes | 3,147 | 2,908 |
| (Increase) Decrease in Other Assets | 1,472 | (186) |
| (Increase) Decrease in Suppliers | (388) | 12 |
| (Increase) Decrease in Taxes Payable | (422) | (3,158) |
| (Increase) Decrease in Others Accounts Payable | (644) | 414 |
| Net Cash Flow from Operating Activities | 6,082 | (11,889) |
| Cash Flow from Investment Activities | | |
| Securities - restricted account | 60 | 150 |
| Resources from the sale of fixed assets | 101 | - |
| Aquisition of Property, Plant and Equipment | (197) | (263) |
| Net Cash Flow from (Used in) Investment Activities | (36) | (113) |
| Cash Flow from Financing Activities | | |
| Borrowing and financing | 18,748 | 37,105 |
| Capital increase (decrease) | 1,021 | 68 |
| Payment of loans and financing | (35,105) | (29,480) |
| Net Cash Flow from Financing Activities | (15,336) | 7,693 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (9,290) | (4,309) |
| At the Beginning of the Period | 13,171 | 19,907 |
| At the End of the Period | 3,881 | 15,598 |

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.

LUPATECH S.A.

BALANCE SHEET
(In RS Thousands)

| | | Parent | | Consolidated | |
|---|------|------------|------------|--------------|------------|
| | Note | 03/31/2024 | 12/31/2024 | 03/31/2024 | 12/31/2023 |
| ASSETS | | | | | |
| CURRENT | | | | | |
| Cash and cash equivalents | 3 | 2,574 | 1,440 | 15,598 | 19,907 |
| Accounts receivables | 4 | 27,838 | 13,340 | 32,635 | 18,140 |
| Inventories | 5 | 28,571 | 26,931 | 33,475 | 32,678 |
| Recoverable taxes | 6 | 25,333 | 26,479 | 40,469 | 40,701 |
| Advances to suppliers | | 7,122 | 7,260 | 7,331 | 7,522 |
| Other accounts receivable | 7 | 1,814 | 1,814 | 5,601 | 5,612 |
| Prepaid expenses | | 902 | 469 | 1,005 | 553 |
| Accounts receivable - related parties | 15.1 | 801 | 939 | - | - |
| Assets classified as held for sale | 8 | 896 | 896 | 21,280 | 20,598 |
| Total current assets | | 95,851 | 79,568 | 157,394 | 145,711 |
| NON-CURRENT ASSETS | | | | | |
| Other Credits | 19.1 | 1,673 | 1,489 | 5,375 | 5,079 |
| Judicial deposits | 3 | 44 | 44 | 44 | 44 |
| Securities-restricted | 6 | 4,166 | 6,238 | 4,277 | 6,953 |
| Recoverable taxes | 17 | 56,616 | 55,156 | 57,182 | 56,180 |
| Deferred income tax and social contribution | 15.1 | 10,077 | 9,742 | - | - |
| Accounts receivable - related parties | 7 | 33,524 | 33,663 | 34,184 | 34,502 |
| Other accounts receivable | | | | | |
| Investments | 9.1 | 260,284 | 256,555 | - | - |
| Direct and indirect associated companies | 9.2 | - | - | 19,685 | 19,685 |
| Investment property | 10 | 19,616 | 20,081 | 130,147 | 131,405 |
| Fixed assets | | - | - | - | - |
| Intangibles | 11 | 61,479 | 61,479 | 82,166 | 82,166 |
| Goodwill | 11 | 702 | 760 | 983 | 1,044 |
| Other intangibles | | | | | |
| Total Non-current assets | | 448,181 | 445,207 | 334,043 | 337,058 |
| TOTAL ASSETS | | 544,032 | 524,775 | 491,437 | 482,769 |

The notes are an integral part of the financial statements.

LUPATECH S.A.

BALANCE SHEET
(In RS Thousands)

| | | Parent | | Consolidated | |
|---|------|-------------|-------------|--------------|-------------|
| | Note | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | |
| CURRENT LIABILITIES | | | | | |
| Suppliers - not subject to Judicial Recovery | 14 | 8,356 | 6,957 | 11,131 | 9,876 |
| Suppliers - subject to Judicial Recovery | 14 | 5,399 | 5,196 | 5,399 | 5,196 |
| Loans and financing - not subject to Judicial Recovery | 13 | 44,479 | 29,206 | 54,515 | 44,367 |
| Loans and financing - subject to Judicial Recovery | 13 | 5,322 | 4,770 | 6,954 | 6,266 |
| Taxes payable | | 5,299 | 4,766 | 6,153 | 5,493 |
| Obligations for labor risks and creditors- subject to Judicial Recovery | 20 | 12,356 | 13,742 | 20,326 | 22,323 |
| Advances from customers | | 313 | 315 | 313 | 315 |
| Provision contractual fines | | 2,247 | 731 | 2,684 | 1,161 |
| Other accounts payable | 18 | 4,977 | 5,125 | 5,623 | 5,783 |
| Other obligations - subject to judicial recovery | 18 | 2,332 | 2,138 | 2,332 | 2,138 |
| Related Parties - mutual and loans | 15.1 | 5,082 | 4,454 | - | - |
| Total current liabilities | | 96,162 | 77,400 | 115,430 | 102,918 |
| NON-CURRENT LIABILITIES | | | | | |
| Suppliers - subject to Judicial Recovery | 14 | 27,078 | 26,649 | 27,078 | 26,649 |
| Loans and financing - not subject to Judicial Recovery | 13 | 3,298 | 2,765 | 3,298 | 2,765 |
| Loans and financing - subject to Judicial Recovery | 13 | 58,774 | 58,056 | 93,081 | 92,262 |
| Deferred income tax and social contribution | 20 | 13,777 | 12,880 | 29,995 | 29,199 |
| Provision for contingencies | 19.2 | 17,056 | 18,466 | 25,930 | 27,591 |
| Obligations and provisions labor risks - subject to judicial Recovery | | 2,222 | 2,238 | 2,222 | 2,238 |
| Other accounts payable | 18 | - | - | 3,161 | 3,350 |
| Other obligations - subject to judicial recovery | 18 | 36,897 | 36,234 | 36,897 | 36,234 |
| Related Parties - mutual and loans | 15.1 | 134,423 | 130,524 | - | - |
| Total non-current liabilities | | 293,525 | 287,812 | 221,662 | 220,288 |
| SHAREHOLDERS' EQUITY | | | | | |
| Capital stock | 21 | 1,920,888 | 1,920,820 | 1,920,888 | 1,920,820 |
| Capital transaction reserve | | 144,754 | 144,754 | 144,754 | 144,754 |
| Equity valuation adjustments | | 76,792 | 74,679 | 76,792 | 74,679 |
| Retained earnings / Accumulated losses | | (1,988,089) | (1,980,690) | (1,988,089) | (1,980,690) |
| Attributed to the participation of the Company's shareholders | | 154,345 | 159,563 | 154,345 | 159,563 |
| Total shareholders' equity | | 154,345 | 159,563 | 154,345 | 159,563 |
| TOTAL LIABILITIES AND EQUITY | | 544,032 | 524,775 | 491,437 | 482,769 |

The notes are an integral part of the financial statements.

LUPATECH S/A

STATEMENT OF INCOME
FOR THE PERIODS ENDED ON MARCH 31, 2024 AND 2023
(In thousands of Reais except loss per share, or when indicated)

| | Note | Parent | | Consolidated | |
|---|---------|------------|------------|--------------|------------|
| | | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2024 |
| NET REVENUE FROM SALES | 25 | 33,897.00 | 17,501 | 35,005 | 21,392 |
| COST OF GOODS AND SERVICES SOLD | 29 | (24,953) | (12,621) | (26,977) | (16,172) |
| Profit gross | | 8,944 | 4,880 | 8,028 | 5,220 |
| OPERATING INCOME/EXPENSES | | | | | |
| Selling | 29 | (1,924) | (2,273) | (1,972) | (2,470) |
| General and administrative | 29 | (3,669) | (3,438) | (5,112) | (5,554) |
| Management compensation | 16 / 29 | (750) | (898) | (750) | (898) |
| Equity pick-up | 9.1 | (2,452) | (1,276) | - | - |
| Other operating income (expenses) | 27 | 1,754 | (4,503) | 751 | (1,723) |
| LOSS BEFORE FINANCIAL RESULT | | 1,903 | (7,508) | 945 | (5,425) |
| FINANCIAL RESULTS | | | | | |
| Financial income | 28 | 644 | 1,386 | 1,134 | 2,393 |
| Financial expenses | 28 | (7,422) | (8,190) | (6,427) | (12,225) |
| Exchange variation, net | 28 | (3,984) | 4,748 | (4,053) | 5,103 |
| LOSS BEFORE INCOME TAX AND SOCIAL CONTRIBUTION | | (8,859) | (9,564) | (8,401) | (10,154) |
| INCOME TAX AND SOCIAL CONTRIBUTION | | | | | |
| Current | 17 | - | - | - | (1) |
| Deferred | 17 | 1,460 | (516) | 1,002 | 75 |
| LOSS FOR THE PERIOD | | (7,399) | (10,080) | (7,399) | (10,080) |
| LOSS ATTRIBUTABLE TO Parent company's interest | | (7,399) | (10,080) | (7,399) | (10,080) |
| LOSS PER SHARE (In Reais) | | | | | |
| BASIC earnings per share | 26 | (0.17968) | (0.32474) | (0.17968) | (0.32474) |
| Diluted per share | 26 | (0.17968) | (0.32474) | (0.17968) | (0.32474) |

The notes are an integral part of the financial statements.

LUPATECH S/A

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED ON MARCH 31, 2024 AND 2023
(In R\$ Thousands)

| | Parent | | Consolidated | |
|---|-------------------|-------------------|-------------------|-------------------|
| | <u>03/31/2024</u> | <u>03/31/2023</u> | <u>03/31/2024</u> | <u>03/31/2023</u> |
| LOSS FOR THE PERIOD | (7,399) | (10,080) | (7,399) | (10,080) |
| OTHER COMPREHENSIVE INCOME | | | | |
| Exchange variation on investments abroad | 2,113 | (4,125) | 2,113 | (4,125) |
| COMPREHENSIVE INCOME OF THE PERIOD | <u>(5,286)</u> | <u>(14,205)</u> | <u>(5,286)</u> | <u>(14,205)</u> |
| TOTAL COMPREHENSIVE INCOME ALLOCATED TO: | | | | |
| Participation of controlling shareholders | (5,286) | (14,205) | (5,286) | (14,205) |

The notes are an integral part of the financial statements.

LUPATECH S/A

STATEMENT CASH FLOW - INDIRECT METHOD
FOR THE PERIODS ENDED ON MARC 31, 2024 AND 2023
(In R\$ Thousands)

| | | Parent | | Consolidated | |
|---|---------|----------------|----------------|-----------------|-----------------|
| | Note | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| Loss for the period | | (7,399) | (10,080) | (7,399) | (10,080) |
| Depreciation and amortization | 10 e 11 | 722 | 1,087 | 1,455 | 1,831 |
| Reversal (Estimated) for losses by non-recoverability of assets | 10 e 11 | 1 | - | - | (418) |
| Equity pick-up | 9.1 | 2,452 | 1,276 | - | - |
| Result on sale of fixed assets | | - | (98) | (1) | 324 |
| Financial charges and exchange variation on financing | | 8,884 | 2,579 | 7,131 | 1,706 |
| Deferred income tax and social contribution | | (1,460) | - | (1,002) | - |
| Inventory Obsolescence | | 925 | (218) | 938 | (321) |
| (Reversal) Estimated losses for doubtful accounts | 4 | (97) | 31 | (97) | 31 |
| Adjustment to present value | 28 | 2,105 | 1,660 | 184 | 3,552 |
| Adjustment to fair value | | 2 | - | 2,118 | (4,125) |
| (Increase) decrease in operating assets: | | | | | |
| Accounts receivable | | (14,401) | 4,771 | (14,398) | 7,782 |
| Inventories | | (2,565) | 1,932 | (1,735) | 2,635 |
| Recoverable taxes | | 3,218 | 2,013 | 2,908 | 3,147 |
| Other assets | | (340) | 654 | (186) | 1,472 |
| (Increase) decrease in operating liabilities: | | | | | |
| Suppliers | | 156 | (394) | 110 | (388) |
| Taxes payable | | (1,611) | (461) | (2,326) | (422) |
| Others accounts payable | | 1,330 | 564 | 414 | (644) |
| Cash flow from operating activities | | (8,078) | 5,316 | (11,886) | 6,082 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | | |
| Capital payment in subsidiary | | (4,068) | (265) | - | - |
| Bonds and securities - restricted account | 3 | 47 | 36 | 150 | 60 |
| Proceeds from the sale of property | | - | 101 | - | 101 |
| Acquisition of fixed assets | 10 | (202) | (171) | (266) | (197) |
| Net cash provided by (used in) investment activities | | (4,223) | (299) | (116) | (36) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| Proceeds from loans and financing | | 31,922 | 14,934 | 37,105 | 18,748 |
| Proceeds (Payment) from loans and financing - Related parties | | 338 | 19 | - | - |
| Capital Increase (Reduction) | 21 | 68 | 1,021 | 68 | 1,021 |
| Payments of loans and financing | | (18,893) | (20,148) | (29,480) | (35,105) |
| Net cash provided by financing activities | | 13,435 | (4,174) | 7,693 | (15,336) |
| (REDUCTION) NET INCREASE OF CASH AND CASH EQUIVALENTS | | | | | |
| | | 1,134 | 843 | (4,309) | (9,290) |
| Cash and cash equivalents at the beginning of period | | 1,440 | 2,734 | 19,907 | 13,171 |
| Cash and cash equivalents at the end of period | | 2,574 | 3,577 | 15,598 | 3,881 |

The notes are an integral part of the financial statements.

LUPATECH S.A.

CONSOLIDATED STATEMENT OF CHANGES SHAREHOLDER'S EQUITY
FOR THE PERIODS ENDED ON MARCH 31, 2024 AND 2023
(In R\$ Thousands)

| | Capital stock | Capital reserves, options granted | Accumulated profit/loss | Equity valuation adjustments | Total participation of the Company's shareholders | Total shareholders' equity |
|--|------------------|--------------------------------------|----------------------------|---------------------------------|---|----------------------------------|
| BALANCE ADJUSTMENT IN DECEMBER 31, 2022 | 1,898,871 | 139,150 | (2,041,877) | 191,562 | 187,706 | 187,706 |
| Capital increase | 1,021 | - | - | - | 1,021 | 1,021 |
| Loss for the year | - | - | (10,080) | - | (10,080) | (10,080) |
| Exchange variation on investments abroad | - | - | - | (4,125) | (4,125) | (4,125) |
| BALANCE ADJUSTMENT IN MARCH 31, 2023 | 1,899,892 | 139,150 | (2,051,957) | 187,437 | 174,522 | 174,522 |
| BALANCE ADJUSTMENT IN DECEMBER 31, 2023 | 1,920,820 | 144,754 | (1,980,690) | 74,679 | 159,563 | 159,563 |
| Capital increase | 68 | - | - | - | 68 | 68 |
| Loss for the year | - | - | (7,399) | - | (7,399) | (7,399) |
| Exchange variation on investments abroad | - | - | - | 2,113 | 2,113 | 2,113 |
| BALANCE ADJUSTMENT IN MARCH 31, 2024 | 1,920,888 | 144,754 | (1,988,089) | 76,792 | 154,345 | 154,345 |

The notes are an integral part of the financial statements.

LUPATECH S.A.

STATEMENT OF ADDED VALUE
FOR THE PERIODS ENDED ON MARCH 31, 2024 AND 2023
(In R\$ Thousands)

| | | Parent | | Consolidated | |
|--|------|-----------------|-----------------|-----------------|-----------------|
| | Note | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| REVENUES | | | | | |
| Sales of goods, products and services (IPI including) | 25 | 40,901 | 21,183 | 42,252 | 25,997 |
| Other revenues | 27 | 1,411 | 340 | 1,954 | 6,203 |
| Reversal (estimated) of losses on doubtful accounts | 4 | 97 | (31) | 97 | (31) |
| | | 42,409 | 21,492 | 44,303 | 32,169 |
| ACQUIRED FROM THIRD PARTIES | | | | | |
| Cost of products, goods and services sold | | (17,055) | (4,593) | (15,268) | (2,483) |
| Materials, energy, and other outsourced services | | (3,365) | (4,414) | (5,774) | (8,354) |
| Estimate of losses due to the non-recoverability of assets | | (3) | - | (3) | - |
| Other expenses | 27 | 346 | (4,842) | (1,200) | (7,926) |
| | | (20,077) | (13,849) | (22,245) | (18,763) |
| GROSS ADDED VALUE | | 22,332 | 7,643 | 22,058 | 13,406 |
| DEPRECIATION AND AMORTIZATION | | 11 e 12 | (722) | (1,087) | (1,455) |
| NET ADDED VALUE GENERATED BY THE COMPANY | | | 21,610 | 6,556 | 20,603 |
| | | | 6,556 | 20,603 | 11,575 |
| ADDED VALUE RECEIVED IN TRANSFER | | | | | |
| Equity pick-up | 9.1 | (2,452) | (1,276) | - | - |
| Financial income | 28 | 1,111 | 10,875 | 1,536 | 13,167 |
| | | (1,341) | 9,599 | 1,536 | 13,167 |
| TOTAL ADDED VALUE TO BE DISTRIBUTED | | 20,269 | 16,155 | 22,139 | 24,742 |
| DISTRIBUTION OF ADDED VALUE | | 20,269 | 16,155 | 22,139 | 24,742 |
| Staff: | | 8,632 | 8,512 | 10,469 | 10,431 |
| Direct compensation | | 5,986 | 6,161 | 7,266 | 7,520 |
| Benefits | | 2,191 | 1,929 | 2,599 | 2,382 |
| FGTS | | 455 | 422 | 604 | 529 |
| Taxes and contributions: | | 7,080 | 4,710 | 8,067 | 6,376 |
| Federal | | 3,106 | 2,520 | 3,918 | 3,613 |
| States | | 3,874 | 2,086 | 4,026 | 2,640 |
| Municipal | | 100 | 104 | 123 | 123 |
| Remuneration of third party capital: | | 11,956 | 13,013 | 11,002 | 18,015 |
| Interest and other financial expenses | 28 | 11,873 | 12,931 | 10,882 | 17,896 |
| Rent | | 83 | 82 | 120 | 119 |
| Remuneration (loss) from equity: | | (7,399) | (10,080) | (7,399) | (10,080) |
| Loss for the year | | (7,399) | (10,080) | (7,399) | (10,080) |

The notes are an integral part of the financial statements.

Lupatech S.A

Notes to individual and consolidated interim accounting information for the quarter ended March 31, 2024.

(In thousands of Reais, except where indicated)

1. General information

Lupatech S.A. ("Company") and its subsidiaries and associates (jointly the "Group") is a corporation headquartered in Nova Odessa, State of São Paulo, with shares traded on the São Paulo stock exchange ("B3" LUPA3).

The group operates in manufacturing (**Products segment**), producing mainly: industrial valves; valves for oil and gas; synthetic fiber cables for anchoring oil rigs and various other applications; and composite material artifacts, such as poles and tubular liners for lining oil pipelines.

Until 2017, the company operated in the oil services business (**Services segment**), of which various assets remain in the process of being demobilized, as well as the associated legacy. These assets are classified as assets held for sale and represent R\$ 21,280.

1.1 Judicial reorganization closed on March 14, 2023

In order to deal with the effects of a prolonged financial crisis, Lupatech S.A. and its direct and indirect subsidiaries ("Lupatech Group") filed for Judicial Reorganization on May 25, 2015, which was processed before the 1st Bankruptcy and Judicial Reorganization Court of the District of São Paulo and granted on June 22, 2015.

The Judicial Reorganization Plan ("Plan") was approved by the General Meeting of Creditors on November 8, 2016 and subsequently ratified by the 1st Court of Bankruptcy, Judicial Reorganization and Arbitration-Related Disputes of the Capital of São Paulo on February 19, 2017.

The Plan was subject to two amendments, approved and ratified by the courts on November 30, 2018 and November 26, 2020, respectively.

On March 14, 2023, a decision was issued ordering the termination of the Judicial Reorganization. As of the closure, the monitoring of activities by the Court ceases, and decisions regarding the disposal of permanent assets are no longer subject to it. Payment of the subject credits, whether they have been recognized or are the subject of legal dispute, must be made under the terms of the Plan.

On June 21, 2023, the decision to close Lupatech's Judicial Reorganization became final and its certificate was issued by the São Paulo Commercial Registry on August 4, 2023.

One of the main objectives of the judicial reorganization was to settle the credits subject to the Plan, which were partly settled with the payment in kind of Subscription Bonuses and partly paid or rescheduled, as detailed in the following table:

| Class of Creditors | Payment terms | Interest rate* | Time |
|---------------------|--|----------------|----------------------------------|
| I - Labor | Cash or Special Purpose Entity (SPE) shares up to the limit of 150 minimum wages in force in May 2015; the surplus in Subscription Bonuses | Not applicable | 12 months from credit activation |
| II - Real Guarantee | 35% in Sign-up Bonus, 65% in cash | TR + 3% p.a. | January 2032 |

| | | | |
|--------------------------------|---|--|----------------|
| III - Unsecured creditors | Local currency: 50% in Subscription Bonus, 50% in cash Foreign currency: 70% Signing Bonus, 30% cash | National currency: TR + 3.3% p.a. National currency: TR + 3.3% p.a. | January 2033** |
| IV - Micro and Small Companies | % in Sign-up Bonus, 50% in cash | TR + 3% p.a. | January 2032 |

*TR=Referential Rate

**Loans that become eligible for payment late are subject to the payment schedule of 180 months from the date on which they become eligible. Depending on the exchange variation, the payment of exchange variation and interest on loans in foreign currency may exceed the indicated term.

The principal is paid in fixed quarterly installments in reais according to the growth gradient established in the Plan. Interest and exchange variation are paid: (a) Classes II and IV: in one installment 30 days after the maturity of the principal or; (b) Class III: in 4 quarterly installments after the maturity of the principal, for credits in national currency, or as many installments as the value of the last installment of the corresponding principal, in the case of credits in foreign currency.

The installment to be paid in cash, which corresponds to 65% of the credits in Class II, 50% of the credits in national currency in Classes III and IV, and 30% of the credits in foreign currency listed in Class III, are subject to interest and exchange variation at the rates indicated in the table above.

The table below details the flow of payments due to creditors under the judicial reorganization:

| | Class I | Class II | Class III | Class III | Class IV | TOTAL | TOTAL |
|---|--|--|---|--|--------------------------------------|-------------------|-------------------|
| | Suppliers, Obligations and labor provisions | Loans and financing - National Currency | Suppliers, Loans and financing - National Currency | Suppliers, Loans and financing - Foreign Currency | Suppliers - National Currency | 03/31/2024 | 12/31/2023 |
| Accounting Balance Liabilities RJ | 2,897 | 40,172 | 180,426 | 84,111 | 12,923 | 320,529 | 317,735 |
| Adjustment to Present Value * | - | (15,997) | (83,797) | (42,459) | (4,000) | (146,253) | (146,439) |
| Net Accounting Balance | 2,897 | 24,175 | 96,629 | 41,652 | 8,923 | 174,276 | 171,296 |
| Maturities of the accounting balance: | | | | | | | |
| 2024 | 675 | 2,242 | 4,528 | 1,343 | 497 | 9,285 | 11,207 |
| 2025 | - | 2,990 | 7,610 | 2,300 | 897 | 13,797 | 13,756 |
| 2026 | - | 2,990 | 9,326 | 2,910 | 882 | 16,108 | 16,051 |
| 2027 | - | 3,861 | 11,085 | 3,520 | 1,112 | 19,578 | 19,551 |
| 2028 | - | 4,485 | 14,667 | 4,692 | 1,277 | 25,121 | 25,098 |
| 2029 | - | 4,485 | 17,797 | 5,711 | 1,258 | 29,251 | 29,226 |
| 2030 | - | 4,485 | 22,520 | 7,239 | 1,226 | 35,470 | 35,443 |
| 2031 | - | 4,485 | 24,066 | 7,749 | 1,174 | 37,474 | 37,446 |
| 2032 | - | 10,149 | 30,594 | 9,883 | 4,600 | 55,226 | 54,831 |
| 2033 | - | - | 30,566 | 29,690 | - | 60,256 | 57,168 |
| From 2034 onwards | 2,222 | - | 7,667 | 9,074 | - | 18,963 | 17,958 |
| Total | 2,897 | 40,172 | 180,426 | 84,111 | 12,923 | 320,529 | 317,735 |
| Litigation (dates and amounts undetermined) | 10,680 | - | 1,716 | - | 1,309 | 13,705 | 19,986 |

* The accounting balances relating to Class II, III and IV credits include adjustments to present value considering discount rates of 13.65% per year for credits in national currency and 5.85% per year for foreign currency.

The portion paid in Subscription Warrants corresponds to 35% of Class II credits, 50% of Class III and IV credits in local currency, and 70% of foreign currency credits listed in Class III. The Subscription Warrants necessary for the fulfillment of the obligation were issued by the Company, having been registered in favor of the creditors or held in treasury by court order in the case of creditors whose registration information was incomplete or irregular. The Subscription Bonuses were given in payment at the rate of 1 (one) Bonus for each R\$ 100 (one hundred reais) of listed credits. Each Bonus gives the holder the right, but not the obligation, to subscribe for one share at the price of R\$ 0.88 per share, until October 28, 2025.

A total of 4,352,503 Subscription Warrants were issued, of which 2,217,680 were registered in the name of the respective creditors 1,482,487 are in treasury as collateral for the Subscription Warrants issued in the US by Lupatech Finance and 652,336 are in the Company's treasury for delivery to creditors who did not submit registration information required for bookkeeping or reserved to meet contingent claims.

Information related to Judicial Recovery is available for consultation at the electronic address www.lupatech.com.br/ri.

1.2 Operational continuity

The interim accounting information for the period ended March 31, 2024, has been prepared on the assumption that the Company will continue as a going concern.

The Lupatech Group seeks to regain its prominent position as one of Brazil's most important industrial groups related to the oil and gas sector, as well as to maintain its position as a source of wealth, taxes and jobs.

The company has been progressively improving its operating results, and continuity depends not only on improved performance, but also on the company's success in obtaining the additional resources needed to supply working capital and service debt. The volume of resources needed to finance the recovery depends on the speed of the recovery itself, and these resources could come from, for example, but not limited to, new credit lines, capital increases with or without debt conversion, the sale of assets or shareholdings, the refund of tax credits and the reprofiling of liabilities. Management is pursuing all of these options.

2. Preparation basis

2.1 Declaration of conformity

The individual and consolidated interim financial information has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and in accordance with accounting practices adopted in Brazil (BR GAAP).

The Company's Management affirms that all relevant information specific to financial information, and only this information, is being disclosed, and that it corresponds to the information used by the Company in its management.

The issuance of the interim accounting information was authorized by the Board of Directors on May 15, 2024.

2.2 Functional currency and presentation currency

This individual and consolidated interim accounting information is presented in Brazilian Real, which is the Company's functional currency. All balances have been rounded to the nearest thousand, unless otherwise stated.

2.3 Basis of measurement

The interim accounting information has been prepared on a historical cost basis, except for certain financial instruments measured at fair value.

2.4 Basis of consolidation and investments in subsidiaries

The consolidated financial information includes the financial information of Lupatech S.A. and its subsidiaries.

Subsidiary companies

The financial information of subsidiaries is recognized using the equity method, and is included in the consolidated financial information from the date on which the Group obtains control until the date on which control ceases to exist.

The consolidated interim financial information includes the accounting information of Lupatech S.A. and its direct and indirect subsidiaries, as shown below:

| Direct and indirect subsidiaries | Direct and Indirect participation (%) | |
|--|--|-------------------|
| | 03/31/2024 | 12/31/2023 |
| <u>Direct participation</u> | | |
| Mipel Comércio e Indústria de Peças Técnicas Ltda. - (Brazil) | 100.00 | 100.00 |
| UEP Equipamentos e Serviços para Petróleo Ltda. - (Brazil) | 100.00 | 100.00 |
| Lupatech Finance Limited. - (Cayman) | 100.00 | 100.00 |
| Recu S.A. - (Argentina) | 95.00 | 95.00 |
| Lupatech Oil&Gas Coöperatief U.A. - (Netherlands)* | 5.00 | 5.00 |
| Lochness Participações S.A. - (Brazil) | 100.00 | 100.00 |
| Ilnu Administradora de Bens e Direitos Ltda. - (Brazil) | 100.00 | 100.00 |
| <u>Indirect participation</u> | | |
| Recu S.A. - (Argentina) | 5.00 | 5.00 |
| Lupatech Oil&Gas Coöperatief U.A. - (Netherlands)* | 95.00 | 95.00 |
| Upc Perfuração e Completação Ltda. - (Brazil) | 100.00 | 100.00 |
| Sotep Sociedade Técnica de Perfuração S.A. - (Brazil) | 100.00 | 100.00 |
| Prest Perfurações Ltda. - (Brazil) | 100.00 | 100.00 |
| UNAP International Ltd. - (Cayman)* | 100.00 | 100.00 |
| Ciaval II Administração de Bens e Direitos SPE S.A. - (Brazil) | 100.00 | 100.00 |

Company in the process of liquidation

The affiliates Lupatech Oil&Gas Coöperatief U.A. and Unap Internatinal Ltd. are in the process of being liquidated on the date of this interim accounting information.

The balance sheet and income statement of these associates are as follows:

BALANCE SHEET

(In thousands of Reais)

| | 03/31/2024 | 12/31/2023 |
|---|-------------------|-------------------|
| CURRENT ASSETS | | |
| CURRENT | | |
| Assets classified as held for sale | 17,964 | 17,407 |
| Total current assets | 17,964 | 17,407 |
| NON-CURRENT | | |
| Total non-current assets | - | - |
| TOTAL ASSETS | 17,964 | 17,407 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | 03/31/2024 | 12/31/2023 |
| CURRENT | | |
| Total current liabilities | - | - |

NON-CURRENT

| | | |
|--------------------------------------|---------------|---------------|
| Related companies | 15,690 | 15,082 |
| Total non-current liabilities | 15,690 | 15,082 |

SHAREHOLDERS' EQUITY

| | | |
|-----------------------------------|--------------|--------------|
| Share capital | 183,770 | 178,073 |
| Reserves and capital transactions | 4,306 | 4,173 |
| Accumulated losses | (185,802) | (179,921) |
| Total shareholders' equity | 2,274 | 2,325 |

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

| | |
|---------------|---------------|
| 17,964 | 17,407 |
|---------------|---------------|

STATEMENT OF INCOME

(In thousands of Reais)

| | 03/31/2024 | 03/31/2023 |
|---|--------------|--------------|
| NET OPERATING REVENUE | - | - |
| OPERATING EXPENSES | - | - |
| Gross profit | - | - |
| OPERATING EXPENSES | | |
| General and administrative | - | (37) |
| Other operating income (expenses) | (45) | - |
| OPERATING LOSS BEFORE FINANCIAL RESULT | (45) | (37) |
| FINANCIAL RESULT | | |
| Financial Expenses | (79) | (688) |
| Financial Income | - | 610 |
| LOSS BEFORE INCOME TAX AND SOCIAL CONTRIBUTION | (124) | (115) |
| INCOME TAX AND SOCIAL CONTRIBUTION | - | - |
| LOSS FOR THE YEAR | (124) | (115) |

3. Cash and cash equivalents and marketable securities

| | Parent | | Consolidated | |
|------------------------------------|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Cash and cash equivalents | | | | |
| <u>Cash and banks</u> | | | | |
| Brazil | 2,016 | 885 | 2,298 | 2,823 |
| Abroad | - | - | 83 | 66 |
| Total | 2,016 | 885 | 2,381 | 2,889 |
| <u>Financial Investments - BDC</u> | | | | |
| Bank deposit certificate | 558 | 555 | 13,217 | 17,018 |
| Total | 2,574 | 1,440 | 15,598 | 19,907 |
| Marketable securities | 44 | 44 | 44 | 44 |

Cash equivalents refer to fixed-income investments and bank deposit certificates, with immediate liquidity except when they are collateral for obligations contracted by the Company. On March 31, 2024, the balance linked to guarantees is R\$ 5,189.

In the comparative period, the reduction in financial investments is mainly associated with the payment of loans and financing with financial institutions.

4. Accounts receivable from customers

| | Parent | | Consolidated | |
|---------------------------------------|------------|------------|--------------|------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Local market | 28,433 | 13,997 | 33,381 | 19,155 |
| Export | 5 | 39 | 211 | 39 |
| | 28,438 | 14,036 | 33,592 | 19,194 |
| Less: allowance for doubtful accounts | (600) | (696) | (957) | (1,054) |
| | 27,840 | 13,340 | 32,635 | 18,140 |
| Current | 27,838 | 13,340 | 32,635 | 18,140 |
| Non-Current | - | - | - | - |

The amount of the risk of possible losses is presented as an estimate for doubtful accounts. These estimates are made taking into account the Company's credit policy, the time elapsed since the default and the specific situation of the credit or the client.

The credit risk of accounts receivable arises from the possibility of the company not receiving amounts arising from sales transactions. In order to mitigate this risk, the company adopts the practice of a detailed analysis of its clients' financial and asset situation, establishing a credit limit and permanently monitoring their outstanding balance. The provision for credit risks was calculated based on the risk analysis of the credits, which includes the history of losses, the individual situation of the clients, the situation of the economic group to which they belong, the real guarantees for the debts and the assessment of the legal advisors, and is considered sufficient by its management to cover possible losses on the amounts receivable.

The write-off for loss complies with the parameters of tax legislation and the recovery refers to the revenue corresponding to the recovery of the credit previously estimated as a loss, arising from the actual receipt.

| | Parent | | Consolidated | |
|-------------------------|------------|------------|--------------|------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| To profit | 2,532 | - | 2,532 | - |
| To win | 21,152 | 11,762 | 24,339 | 15,358 |
| Due to 30 days | 2,914 | 1,040 | 3,229 | 1,104 |
| Due from 31 to 90 days | 688 | 191 | 845 | 191 |
| Due from 91 to 180 days | 125 | 32 | 125 | 32 |
| Due from 181 a 360 days | 70 | 212 | 207 | 350 |
| Due more than 360 days | 957 | 799 | 2,315 | 2,159 |
| | 28,438 | 14,036 | 33,592 | 19,194 |

As part of its means of financing, the company advances credit rights with or without co-obligation. When the co-obligation remains, a corresponding obligation remains in liabilities, as presented in Note 13 under the heading "Discounted securities with co-obligation".

5. Inventories

| | Parent | | Consolidated | |
|----------------------------------|------------|------------|--------------|------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Finished goods | 4,404 | 4,399 | 5,718 | 5,711 |
| Goods for resale | 760 | 802 | 2,195 | 2,237 |
| Products in development | 12,512 | 12,095 | 19,334 | 19,704 |
| Raw material | 18,261 | 17,926 | 30,605 | 30,341 |
| Losses on inventory obsolescence | (7,366) | (8,291) | (24,377) | (25,315) |
| Total | 28,571 | 26,931 | 33,475 | 32,678 |

Inventory Obsolescence Losses consist of management estimates based on inventory turnover, the order backlog and the outlook for future demand for inventory items. The loss is normally accrued gradually after one year in disuse. Items assessed as obsolete can have their status changed if there is a change in the outlook for their use.

Inventories are not linked to guarantees.

Movements in inventory losses:

| | Parent | | Consolidated | |
|--------------------------------|------------|------------|--------------|------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Opening balance for the period | (8,291) | (7,848) | (25,315) | (26,260) |
| Loss estimate | (64) | (563) | (90) | (563) |
| Reversal | 989 | 120 | 1,028 | 1,508 |
| Final balance | (7,366) | (8,291) | (24,377) | (25,315) |

6. Recoverable taxes

| | Parent | | Consolidated | |
|---------------------------|------------|------------|--------------|------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Recoverable Taxes | | | | |
| ICMS recoverable | 6,939 | 8,373 | 7,086 | 8,526 |
| ICMS about PIS and COFINS | 18,483 | 21,212 | 23,076 | 25,561 |
| IPI to be recovered | 1,232 | 1,193 | 1,407 | 1,375 |
| PIS to be recovered | 158 | 79 | 228 | 148 |
| COFINS recoverable | 718 | 360 | 815 | 451 |
| IRRF to be recovered | 137 | 103 | 150 | 107 |
| IRPJ to be recovered | 978 | 744 | 9,463 | 9,150 |
| CSLL to be recovered | 786 | 591 | 2,424 | 2,242 |
| Others | 68 | 62 | 97 | 94 |
| Total | 29,499 | 32,717 | 44,746 | 47,654 |
| Current | 25,333 | 26,479 | 40,469 | 40,701 |
| Non Current | 4,166 | 6,238 | 4,277 | 6,953 |

The origin of the credits listed above is as follows:

- **ICMS** - credits on purchases of inputs used in the manufacture of products whose sale is subject to the reduced ICMS calculation base, as well as credits on purchases of inputs used in the manufacture of products destined for export.

- **ICMS on PIS and COFINS** - refers to the amount calculated by the Company due to the final and unappealable decision favorable to the exclusion of ICMS from the PIS and COFINS calculation basis and as provided for in Ibracon Circular 07/2021.

Actions have been taken to use these accumulated tax credits, either by using them in the operation, offsetting them against debts or refunding them in cash. A refund request was made on June 19, 2023, with the IRS having 365 days to analyze it.

- **IPI, PIS and COFINS recoverable** - credits on purchases of raw materials. These credits have been realized by offsetting them against other federal taxes.
- **Income Tax and Social Contribution to be recovered** - taxes withheld at source on income from financial operations and services provided to third parties. These taxes have been offset against taxes payable of the same nature or subject to refund requests, where applicable.

7. Other accounts receivable

| | Parent | | Consolidated | |
|--|------------|------------|--------------|------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Other accounts receivable - Current | | | | |
| Debentures convertible into shares | 1,673 | 1,673 | 2,068 | 2,067 |
| Other accounts receivable | 141 | 141 | 3,533 | 3,545 |
| Total | 1,814 | 1,814 | 5,601 | 5,612 |
| Other accounts receivable - Non-current | | | | |
| Arbitration Procedure CSL | 33,341 | 33,341 | 33,341 | 33,341 |
| Other accounts receivable | 183 | 322 | 843 | 1,161 |
| Total | 33,524 | 33,663 | 34,184 | 34,502 |

The "Debentures convertible into shares" consist of rights transferable into shares of Ciaval Administradora de Bens e Direitos SPE S.A., a special purpose company set up under the terms of item XVI of Article 50 of Law 11.101/2005, to effect the payment in kind of goods and rights to the creditors of Class I of the judicial reorganization of the Lupatech group.

The "Arbitration Procedure - CSL" represents the execution of a judicial title that the Company is promoting against Cordoaria São Leopoldo Ltda. and its successor Cordoaria São Leopoldo Original Ltda.

"Other receivables" are mainly composed of credits assigned for payment arising from forward loans made to Luxxon Participações Ltda., in which the Company ceased to participate in January 2021.

8. Assets classified as held for sale

The company has assets classified as held for sale, which comprise special equipment dedicated to certain specialized interventions in oil wells, used mainly offshore. The nature of these assets means that the sale will take more than a year, the specialty and the geographical difficulty result in a factor that reduces the liquidity of the assets, but which are not controllable by the entity. Lupatech remains committed to its plan to sell the assets, with negotiations underway or demonstrating efforts to sell the assets.

The book value of the assets recorded in the Company's balance sheet is consistent with the independent appraisers' reports.

The balance of assets held for sale is as follows:

| Assets classified as held for sale | Parent | | Consolidated | |
|---|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Machinery and equipment | 896 | 896 | 19,866 | 19,184 |
| Industrial tools | - | - | 1,412 | 1,412 |
| Vehicles | - | - | 2 | 2 |
| Total | 896 | 896 | 21,280 | 20,598 |

Summary of movements in assets held for sale:

| | Parent | | | | |
|---|--------------------------------|-------------------------|-------------------------------|-----------------|--------------|
| | Machinery and equipment | Industrial Tools | Furniture and utensils | Vehicles | Total |
| Cost of Assets – Net of Impairment | | | | | |
| Balance on December 31, 2023 | 896 | - | - | - | 896 |
| Additions | - | - | - | - | - |
| Disposal | - | - | - | - | - |
| Balance on March 31, 2024 | 896 | - | - | - | 896 |

| | Consolidated | | | | |
|---|---------------------|--------------|----------|----------|---------------|
| | | | | | |
| Cost of Assets – Net of Impairment | | | | | |
| Balance on December 31, 2023 | 19,184 | 1,412 | - | 2 | 20,598 |
| Effect of converting foreign subsidiaries | 682 | - | - | - | 682 |
| Balance on March 31, 2024 | 19,866 | 1,412 | - | 2 | 21,280 |

9. Investments

9.1 Investments in subsidiaries and associates

| | Mipel | Recu | UEP | Finance | LO&G | Lochness | Ilno | Parent | |
|------------------------------------|--------------|-----------|---------------|---------------|------------|---------------|---------------|----------------|----------------|
| | | | | | | | | 03/31/2024 | 12/31/2023 |
| Investment | | | | | | | | | |
| Amount of share or quotas | | | | | | | | | |
| Ordinary shares (thd) | - | 3,000 | - | - | - | 734,613 | - | | |
| Capital stock quotas (thd) | 47,343 | - | 395,119 | 50 | 29 | - | 97,765 | | |
| Participation % | 100% | 95% | 100% | 100% | 5% | 100% | 100% | | |
| Shareholders' equity | 4,933 | 24 | 31,894 | 95,994 | 914 | 37,046 | 97,606 | | |
| Income for the period | (2,519) | - | (446) | (9) | - | (229) | (156) | | |
| Unrealized profits | (558) | - | - | - | - | - | - | | |
| Movement of investments | | | | | | | | | |
| Opening balance in the period | 2,851 | 23 | 32,313 | 92,500 | 44 | 37,230 | 91,594 | 256,555 | 305,036 |
| AFAC* | - | - | - | - | - | - | - | - | 160 |
| Capital increase | 4,068 | - | - | - | - | - | - | 4,068 | 6,078 |
| Equity in earnings | (2,545) | - | (446) | 1,454 | - | (229) | (686) | (2,452) | 53,626 |
| Equity valuation adjustment | - | (1) | 27 | 2,040 | 2 | 45 | - | 2,113 | (108,345) |
| Final balance in the period | 4,374 | 22 | 31,894 | 95,994 | 46 | 37,046 | 90,908 | 260,284 | 256,555 |

* Advance for future capital increase

The corporate names of the subsidiaries and affiliates are as follows: Mipel Comércio e Indústria de Peças Técnicas Ltda; Recu - S.A; UEP Equipamentos e Serviços para Petróleo Ltda; Finance - Lupatech Finance Limited; LO&G - Lupatech Oil&Gas Coöperatief U.A, Lochness Participações S.A and Ilno Administradora de Bens e Direitos Ltda.

9.2 Investment property

It currently consists of land and a built-up area, located in Macaé in Rio de Janeiro, where there are no operational activities. The property is owned by the company Ciaval II Administração de Bens e Direitos SPE S.A., which was set up to give the property in payment to the creditors of Class I of the judicial reorganization of the Lupatech group, under the terms of item XVI of Article 50 of Law 11.101/2005, in accordance with the judicial authorization granted within the scope of the judicial reorganization process. Investment property is measured at fair value. According to a technical report by an independent company, the total fair value calculated for the properties and portions of properties intended for investment is R\$ 19,685.

| | Consolidated | | |
|----------------------------------|--------------|---------------------------|--------|
| | Land | Building and construction | Total |
| Balance on December 31, 2023 | 18,819 | 866 | 19,685 |
| Additions | - | - | - |
| Disposal | - | - | - |
| Reclassification to Fixed Assets | - | - | - |
| Balance on March 31, 2024 | 18,819 | 866 | 19,685 |

10. Fixed assets

| | Weighted average rate of depreciation % p.p. | Parent | | Consolidated | |
|--|--|------------------|------------------|------------------|------------------|
| | | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| | | net fixed assets | net fixed assets | net fixed assets | net fixed assets |
| Land | - | 3,751 | 3,751 | 48,670 | 48,670 |
| Building and construction | 3% | 5,451 | 5,496 | 61,947 | 62,626 |
| Machinery and equipment | 12% | 7,416 | 7,764 | 8,892 | 9,348 |
| Molds and matrixes | 21% | 783 | 801 | 848 | 867 |
| Industrial installations | 7% | 79 | 82 | 1,357 | 1,375 |
| Furniture and fixtures | 9% | 538 | 536 | 705 | 711 |
| Data processing equipment | 34% | 200 | 209 | 327 | 350 |
| Improvements | 8% | 355 | 285 | 915 | 851 |
| Vehicles | 12% | 11 | 12 | 11 | 12 |
| Advances for fixed assets acquisitions | - | 108 | 100 | 5,427 | 5,419 |
| Construction in progress | - | 924 | 1,045 | 1,048 | 1,176 |
| Total | | 19,616 | 20,081 | 130,147 | 131,405 |

Summary of asset transactions:

Parent

| | | Building and construction | Machinery and equipment, molds and matrixes | Industrial installations and improvements | Furniture and fixtures | Data processing equipment | Construction in progress | Others | Total |
|-------------------------------------|--------------|--|--|--|---------------------------------------|--|-------------------------------------|---------------|----------------|
| Gross Cost | Land | | | | | | | | |
| Balance on December 31, 2023 | 3,751 | 8,269 | 89,363 | 2,068 | 3,911 | 4,157 | 1,045 | 563 | 113,127 |
| Additions | - | - | 112 | 1 | 9 | 7 | 65 | 8 | 201 |
| Disposal | - | - | - | - | - | (135) | - | - | (135) |
| Transfer | - | - | 97 | 86 | 1 | - | (184) | - | - |
| Capitalized financial effect | - | - | - | - | - | - | (2) | - | (2) |
| Balance on March 31, 2024 | 3,751 | 8,269 | 89,572 | 2,155 | 3,921 | 4,029 | 924 | 571 | 113,192 |
| Accumulated depreciation | | | | | | | | | |
| Balance on December 31, 2023 | - | (2,773) | (80,798) | (1,701) | (3,375) | (3,948) | - | (451) | (93,046) |
| Additions | - | (45) | (575) | (20) | (8) | (15) | - | (1) | (664) |
| Disposal | - | - | - | - | - | 134 | - | - | 134 |
| Transfer | - | - | - | - | - | - | - | - | - |
| Balance on March 31, 2024 | - | (2,818) | (81,373) | (1,721) | (3,383) | (3,829) | - | (452) | (93,576) |
| Net fixed assets | | | | | | | | | |
| Balance on December 31, 2023 | 3,751 | 5,496 | 8,565 | 367 | 536 | 209 | 1,045 | 112 | 20,081 |
| Balance on March 31, 2024 | 3,751 | 5,451 | 8,199 | 434 | 538 | 200 | 924 | 119 | 19,616 |

Consolidated

| | | Building and construction | Machinery and equipment, molds and matrixes | Industrial installations and improvements | Furniture and fixtures | Data processing equipment | Construction in progress | Others | Total |
|-------------------------------------|---------------|---------------------------------|---|--|------------------------------|---------------------------------|-----------------------------|---------------|----------------|
| Gross Cost | Land | | | | | | | | |
| Balance on December 31, 2023 | 48,670 | 78,212 | 103,987 | 5,783 | 5,679 | 7,024 | 1,176 | 13,355 | 263,886 |
| Additions | - | - | 148 | - | 9 | 6 | 93 | 8 | 264 |
| Disposal | - | - | - | - | 91 | (136) | - | 1,362 | 1,317 |
| Transfer | - | - | 133 | 86 | - | - | (219) | - | - |
| Capitalized financial effect | - | - | (126) | - | - | - | (2) | - | (128) |
| Balance on March 31, 2024 | 48,670 | 78,212 | 104,142 | 5,869 | 5,779 | 6,894 | 1,048 | 14,725 | 265,339 |
| Accumulated depreciation | | | | | | | | | |
| Balance on December 31, 2023 | - | (15,586) | (93,772) | (3,557) | (4,969) | (6,674) | - | (7,924) | (132,480) |
| Additions | - | (679) | (630) | (40) | (16) | (28) | - | (1) | (1,394) |
| Disposal | - | - | - | - | (89) | 135 | - | (1,362) | (1,316) |
| Balance on March 31, 2024 | - | (16,265) | (94,402) | (3,597) | (5,074) | (6,567) | - | (9,287) | (135,192) |
| Net fixed assets | | | | | | | | | |
| Balance on December 31, 2023 | 48,670 | 62,626 | 10,215 | 2,226 | 711 | 350 | 1,176 | 5,431 | 131,405 |
| Balance on March 31, 2024 | 48,670 | 61,947 | 9,740 | 2,272 | 705 | 327 | 1,048 | 5,438 | 130,147 |

Certain fixed assets are encumbered by mortgages, which guarantee loans, or pledged in certain tax contingencies. The following table shows the amounts of encumbered assets, according to their current book value:

| Goods burdened by | Parent | Consolidated |
|---------------------------|---------------|---------------------|
| Taxation (Tax executions) | 7,211 | 7,243 |
| Loans and financing | 8,573 | 102,280 |
| Total | 15,784 | 109,523 |

According to reports drawn up by independent appraisers, the market value of real estate and machinery and equipment totals R\$ 170,840.

11. Intangibles

| | Weighted amortization rate % per year | Parent | | Consolidated | |
|--|--|------------------------------|-------------------|------------------------------|-------------------|
| | | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| | | Net intangible assets | | Net intangible assets | |
| Goodwill on acquisition of investments (*) | - | 61,479 | 61,479 | 82,166 | 82,166 |
| Software and other licenses | 20% a.a. | 13 | 15 | 37 | 41 |
| Development of new products | 20% a.a. | 689 | 745 | 946 | 1,003 |
| Total | | 62,181 | 62,239 | 83,149 | 83,210 |

(*) In the Parent Company, it represents the balance of goodwill of merged subsidiaries.

Overview of movements in intangible assets:

| | Parent | | | |
|-------------------------------------|---|---|--|-----------------|
| | Goodwill on acquisition of investments | Softwares and other licenses | Development of new products | Total |
| Gross intangible cost | | | | |
| Balance on December 31, 2023 | 61,479 | 13,270 | 10,233 | 84,982 |
| Additions | - | - | - | - |
| Balance on March 31, 2024 | 61,479 | 13,270 | 10,233 | 84,982 |
| Accumulated Amortization | | | | |
| Balance on December 31, 2023 | - | (13,255) | (9,488) | (22,743) |
| Additions | - | (2) | (56) | (58) |
| Balance on March 31, 2024 | - | (13,257) | (9,544) | (22,801) |
| Net Intangible Assets | | | | |
| Balance on December 31, 2023 | 61,479 | 15 | 745 | 62,239 |
| Balance on March 31, 2024 | 61,479 | 13 | 689 | 62,181 |

| | Consolidated | | | |
|-------------------------------------|---|-------------------------------------|------------------------------------|-----------------|
| | Goodwill on acquisition of investments | Softwares and other licenses | Development of new products | Total |
| Gross intangible cost | | | | |
| Balance on December 31, 2023 | 79,890 | 16,356 | 11,581 | 107,827 |
| Additions | - | - | - | - |
| Balance on March 31, 2024 | 79,890 | 16,356 | 11,581 | 107,827 |
| Accumulated Amortization | | | | |
| Balance on December 31, 2023 | 2,276 | (16,315) | (10,578) | (24,617) |
| Additions | - | (4) | (57) | (61) |
| Balance on March 31, 2024 | 2,276 | (16,319) | (10,635) | (24,678) |
| Net Intangible Assets | | | | |
| Balance on December 31, 2023 | 82,166 | 41 | 1,003 | 83,210 |
| Balance on March 31, 2024 | 82,166 | 37 | 946 | 83,149 |

The following table summarizes the allocation of the goodwill balance by Cash Generating Unit level:

| | Goodwill on acquisition of investments | | | |
|------------------------|---|-------------------|---------------------|---------------------|
| | Parent | | Consolidated | |
| CGUs | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Product Segment | | | | |
| Industrial Valves | 6,065 | 6,065 | 6,065 | 6,065 |
| Ropes | 55,414 | 55,414 | 55,414 | 55,414 |
| Composites (Fiberware) | - | - | 20,687 | 20,687 |
| Total | 61,479 | 61,479 | 82,166 | 82,166 |
| Investment | - | - | - | - |
| Intangible | 61,479 | 61,479 | 82,166 | 82,166 |
| | Goodwill on investment acquisition | | | |
| CGUs | | | Impairment | Net goodwill |
| Product Segment | | | | |
| Industrial Valves | | 6,065 | - | 6,065 |
| Ropes | | 125,414 | (70,000) | 55,414 |
| Composites (Fiberware) | | 20,687 | - | 20,687 |
| Total | | 152,166 | (70,000) | 82,166 |

During the three-month period ended March 31, 2024, no reversal or estimate of losses due to the non-recoverability of goodwill was recognized.

12. Suppliers

| | 03/31/2024 | | | | | | 12/31/2023 | | | | | |
|---|---------------|---------------|-----------------|---------------|---------------|-----------------|---------------|---------------|-----------------|---------------|---------------|-----------------|
| | Parent | | | Consolidated | | | Parent | | | Consolidated | | |
| | Current | Non-current | Total | Current | Non-current | Total | Current | Non-current | Total | Current | Non-current | Total |
| Suppliers Subject to Judicial Recovery | | | | | | | | | | | | |
| National Suppliers | 5,399 | 39,759 | 45,158 | 5,399 | 39,759 | 45,158 | 5,196 | 39,666 | 44,862 | 5,196 | 39,666 | 44,862 |
| Export Suppliers | - | 8,267 | 8,267 | - | 8,267 | 8,267 | - | 8,267 | 8,267 | - | 8,267 | 8,267 |
| (-) Adjustment to present value | - | (20,948) | (20,948) | - | (20,948) | (20,948) | - | (21,284) | (21,284) | - | (21,284) | (21,284) |
| | 5,399 | 27,078 | 32,477 | 5,399 | 27,078 | 32,477 | 5,196 | 26,649 | 31,845 | 5,196 | 26,649 | 31,845 |
| Suppliers Not Subject to Judicial Recovery | | | | | | | | | | | | |
| National Suppliers | 8,264 | - | 8,264 | 11,039 | - | 11,039 | 6,795 | - | 6,795 | 9,714 | - | 9,714 |
| Export Suppliers | 92 | - | 92 | 92 | - | 92 | 162 | - | 162 | 162 | - | 162 |
| | 8,356 | - | 8,356 | 11,131 | - | 11,131 | 6,957 | - | 6,957 | 9,876 | - | 9,876 |
| Total of Suppliers | 13,755 | 27,078 | 40,833 | 16,530 | 27,078 | 43,608 | 12,153 | 26,649 | 38,802 | 15,072 | 26,649 | 41,721 |

The maturities of non-current supplier installments are as follows:

| Parent and Consolidated | |
|--------------------------------|-------------------|
| Due date | 03/31/2024 |
| 2025 | 1,445 |
| 2026 | 1,831 |
| 2027 | 2,216 |
| 2028 | 2,955 |
| From 2029 | 18,632 |
| | 27,078 |

The table below shows the movement of suppliers subject to judicial reorganization in 2024:

| Parent and Consolidated | |
|-------------------------------------|--|
| Current and Non-current | |
| Suppliers | Total domestic and export suppliers |
| Subject to Judicial Recovery | |
| Balance on December 31, 2023 | 31,845 |
| Interest update | 293 |
| Exchange rate variation update | 261 |
| Payments | (258) |
| (-) Adjustment to present value | 336 |
| Balance on March 31, 2024 | 32,477 |

13. Loans and financing

| | | | 03/31/2024 | | | | | | 12/31/2023 | | | | | |
|--|---------|------------------------|------------|-------------|----------|--------------|-------------|----------|------------|-------------|----------|--------------|-------------|----------|
| Description | Indexer | Fees weighted interest | Parent | | | Consolidated | | | Parent | | | Consolidated | | |
| | | | Current | Non-current | Total | Current | Non-current | Total | Current | Non-current | Total | Current | Non-current | Total |
| Subject to Judicial Recovery | | | | | | | | | | | | | | |
| Local currency | | | | | | | | | | | | | | |
| Creditors with collateral (Class II) | FIXED | 3,00% p.a. + TR | 2,990 | 37,182 | 40,172 | 2,990 | 37,182 | 40,172 | 2,616 | 37,630 | 40,246 | 2,616 | 37,630 | 40,246 |
| (-) Adjustment to present value | | | - | (16,815) | (16,815) | - | (16,815) | (16,815) | - | (16,815) | (16,815) | - | (16,815) | (16,815) |
| Unsecured creditors (Class III) | FIXED | 3,3% p.a. + TR | 2,332 | 72,826 | 75,158 | 2,332 | 72,826 | 75,158 | 2,154 | 72,786 | 74,940 | 2,154 | 72,786 | 74,940 |
| (-) Adjustment to present value | | | - | (34,419) | (34,419) | - | (34,419) | (34,419) | - | (35,545) | (35,545) | - | (35,545) | (35,545) |
| Foreign currency | | | | | | | | | | | | | | |
| Unsecured creditors (Class III) | FIXED | 0,4% p.a | - | - | - | 1,632 | 73,955 | 75,587 | - | - | - | 1,496 | 71,933 | 73,429 |
| (-) Adjustment to present value | | | - | - | - | - | (39,648) | (39,648) | - | - | - | - | (37,727) | (37,727) |
| | | | 5,322 | 58,774 | 64,096 | 6,954 | 93,081 | 100,035 | 4,770 | 58,056 | 62,826 | 6,266 | 92,262 | 98,528 |
| Not subject to Judicial Recovery | | | | | | | | | | | | | | |
| Local currency | | | | | | | | | | | | | | |
| Expansion - BNDES* | TJLP | 6,55% p.a. | 5,034 | - | 5,034 | 8,648 | - | 8,648 | 5,034 | - | 5,034 | 8,648 | - | 8,648 |
| Discounted securities with co-obligation, fiduciary assignment of receivables and credits with fiduciary guarantee | FIXED | 1,86% a.m. | 33,093 | - | 33,093 | 33,211 | - | 33,211 | 17,581 | - | 17,581 | 17,834 | - | 17,834 |
| Working Capital and GIF** | FIXED | 1,68% a.m. | 5,138 | 3,298 | 8,436 | 10,137 | 3,298 | 13,435 | 5,377 | 2,765 | 8,142 | 15,366 | 2,765 | 18,131 |
| Foreign currency | | | | | | | | | | | | | | |
| Capital de giro / expansão - BNDES* | DOLLAR | 5,10% p.a. | 1,214 | - | 1,214 | 2,519 | - | 2,519 | 1,214 | - | 1,214 | 2,519 | - | 2,519 |
| | | | 44,479 | 3,298 | 47,777 | 54,514 | 3,298 | 57,812 | 29,206 | 2,765 | 31,971 | 44,367 | 2,765 | 47,132 |
| | | | 49,801 | 62,072 | 111,873 | 61,468 | 96,379 | 157,847 | 33,976 | 60,821 | 94,797 | 50,633 | 95,027 | 145,660 |

*The credits for "Working Capital/Expansion" granted by the BNDES are the subject of litigation (Note 19) which involves, among other things, the classification of the credits. The amounts indicated in the table correspond to the total amount under discussion, and are subdivided into a part subject to Judicial Recovery and a part not subject. The non-subject part is limited to the value of the assets subject to fiduciary sale, which could only be assessed at auction according to the decision of the São Paulo Court of Justice - according to appraisal reports contracted by the Company, the assets had a value of R\$ 5,005 in 2018.

The maturities of the non-current financing installments are detailed below:

| | Parent | Consolidated |
|-----------|---------------|---------------|
| Due date | 03/31/2024 | 03/31/2024 |
| 2025 | 4,120 | 5,737 |
| 2026 | 4,428 | 6,477 |
| 2027 | 5,593 | 8,072 |
| 2028 | 3,306 | 10,116 |
| From 2029 | 44,625 | 65,977 |
| | <u>62,072</u> | <u>96,379</u> |

Below, the movement of loans subject to judicial reorganization in 2024:

| Current and Non-current | | |
|--|----------------------------|----------------|
| | Total National and Foreign | |
| Loans and financing Subject to Judicial Reorganization | Parent | Consolidated |
| Balance on December 31, 2023 | 62,826 | 98,528 |
| Interest update | 892 | 975 |
| Payments | (748) | (1,021) |
| Equity valuation adjustment* | - | 2,348 |
| Asset valuation adjustments | 1,126 | (795) |
| Balance on March 31, 2024 | <u>64,096</u> | <u>100,035</u> |

*Amount of balance sheet conversion in foreign currency.

The guarantees contracted on loans and financing are detailed below:

| | | 03/31/2024 | | 12/31/2023 | |
|--|-------------------------|------------------------|----------------|------------------------|----------------|
| | | Value of the guarantee | | Value of the guarantee | |
| | | Parent | Consolidated | Parent | Consolidated |
| | | Book value | Book value | Book value | Book value |
| Subject and not subject to Judicial Recovery | | | | | |
| Local currency | Garantee | | | | |
| Working capital / expansion | Mortgage / Buildings | 2,650 | 93,718 | 2,659 | 94,256 |
| | Machinery and equipment | 734 | 3,373 | 783 | 3,422 |
| | FGI | 5,189 | 5,189 | 5,516 | 5,516 |
| | | <u>8,573</u> | <u>102,280</u> | <u>8,958</u> | <u>103,194</u> |

According to independent appraisal reports dated from 2018 to 2022, the market value corresponding to the balances of mortgages, buildings, machinery and equipment totals R\$ 141,855.

14. Debentures

Fourth Issue of Debentures in shares of the Company

At a meeting held on March 24, 2023, the Board of Directors approved the Company's 4th issue of Debentures Convertible into Shares. 250 Debentures were issued in a single series, for a nominal value of R\$100,000, in the amount of up to R\$25 million, with a Subscription Bonus as an additional benefit. 101 Debentures were subscribed, amounting to R\$10.1 billion, and the remaining 149 that were not subscribed were canceled.

On March 31, 2024, all the debentures of the 4th issue had been converted into shares and there was no remaining balance.

Third Issue of Subscription Bonuses - (Additional Advantage of the 4th Issue of Debentures)

As decided at the meeting held on March 24, 2023, for each Debenture subscribed and paid up in the Issue, 175,600 Subscription Bonuses were delivered free of charge as an additional benefit, which conferred on their holders the right to subscribe and pay up shares, in the proportion of one Share for each Bonus exercised, under the terms and conditions of the respective issue of Subscription Bonuses, carried out in conjunction with the 4th Debenture Issue. In the final homologation, 17,735,600 Subscription Bonuses were issued.

The warrants have an exercise period of up to March 24, 2025, which may be extended to March 24, 2026, in accordance with the issuance rules.

15. Related Companies

15.1 Parent company

The balances and transactions between the Company and its subsidiaries, which are its related parties, were eliminated on consolidation. Details of the transactions between the parent company and its subsidiaries are as follows:

| | <u>Lochness</u> | <u>Mipel</u> | <u>Lupatech Finance</u> | <u>UEP Equipamentos</u> | <u>03/31/2024</u> | <u>12/31/2023</u> |
|----------------------------|-----------------|--------------|-------------------------|-------------------------|-------------------|-------------------|
| Current | | | | | | |
| Accounts receivable | 801 | - | - | - | 801 | 939 |
| Non-current | | | | | | |
| Mutual and loans | - | - | 10,077 | - | 10,077 | 9,742 |
| | <u>801</u> | <u>-</u> | <u>10,077</u> | <u>-</u> | <u>10,878</u> | <u>10,681</u> |
| Current Liabilities | | | | | | |
| Other accounts payable | 74 | 810 | 1,251 | 2,947 | 5,082 | 4,454 |
| Non-current | | | | | | |
| Mutual and loans | - | - | 134,423 | - | 134,423 | 130,524 |
| | <u>74</u> | <u>810</u> | <u>135,674</u> | <u>2,947</u> | <u>139,505</u> | <u>134,978</u> |
| Result for the year | | | | | | |
| Product purchases | - | - | - | - | - | 7,505 |
| Financial income | - | - | - | - | - | 1,076 |
| Exchange variation | - | - | (3,519) | - | (3,519) | (18,245) |
| | <u>-</u> | <u>3,118</u> | <u>(3,519)</u> | <u>-</u> | <u>(401)</u> | <u>(9,664)</u> |

Parent

| | <u>Transaction date</u> | <u>Duration</u> | <u>Interest rate</u> | <u>Amount R\$</u> | <u>Balance US\$</u> | <u>03/31/2024</u> | <u>12/31/2023</u> |
|----------------------------------|-------------------------|-----------------|----------------------|-------------------|---------------------|-------------------|-------------------|
| <u>Assets mutual</u> | | | | | | | |
| <u>Foreign currency</u> | | | | | | | |
| Contract 1 | Jul-14 | Undetermined | 105% do DI-Cetip | 19,820 | 1,927 | 9,628 | 9,320 |
| Contract 2 | Dec-14 | Undetermined | 12,000% p.a. | 288 | 90 | 449 | 422 |
| | | | | <u>20,108</u> | <u>2,017</u> | <u>10,077</u> | <u>9,742</u> |
| <u>Liabilities mutual</u> | | | | | | | |
| <u>Foreign currency</u> | | | | | | | |
| Contract 3 | Jan-18 | Undetermined | 0,4% p.a. | 227,331 | 26,905 | 134,423 | 130,524 |
| | | | | <u>227,331</u> | <u>26,905</u> | <u>134,423</u> | <u>130,524</u> |

Transactions are carried out in accordance with the conditions agreed between the parties.

Guarantees granted

Transactions with related parties do not have guarantees attached to the operation, and are summarized as ordinary commercial transactions (purchase and sale of inputs), which are not backed by guarantees, as well as loan operations with Group companies, which also do not have guarantees in their composition.

16. Key management personnel

Management Remuneration

Every year, the shareholders at the Annual General Meeting determine the remuneration limits for the management bodies. Management remuneration is made up of a fixed part and, in the case of the Executive Board, also includes a variable part.

The following table details the remuneration of the Administration bodies:

| Management compensation | Parent Company and Consolidated | | | Parent Company and Consolidated | | |
|-------------------------|---------------------------------|----------|------------|---------------------------------|----------|------------|
| | Fixed | Variable | 03/31/2024 | Fixed | Variable | 03/31/2023 |
| Direction | (470) | - | (470) | (465) | (178) | (643) |
| Board of Directors | (280) | - | (280) | (255) | - | (255) |
| Total | (750) | - | (750) | (720) | (178) | (898) |

The Company does not offer key people compensation benefits in the categories of: (i) post-employment benefits, (ii) long-term benefits, (iii) termination benefits and (iv) share-based compensation.

The company offers its managers and key employees the possibility of participating in stock option plans. These plans give the beneficiaries the right, but not the obligation, to acquire shares at a previously agreed price within defined periods, upon payment of the price. It is therefore a commercial transaction between the parties.

17. Income tax and social contribution

Lupatech S.A. and its subsidiaries and affiliates have balances of R\$ 826,229 and R\$ 1,060,510 respectively, of accumulated tax losses totaling R\$ 1,886,739 until December 2023.

a) Deferred Income Tax and Social Contribution - Assets

The Company has tax losses that can be offset against future taxable profits, and deferred tax credits have been set up. According to the technical analyses prepared, the Company estimates the realization of tax credits as follows:

| IRPJ and CSLL - Tax Credits | Controladora | | Consolidado | |
|-----------------------------|---------------|---------------|----------------|----------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Estimated completion - 2024 | 3,768 | 3,768 | 4,286 | 4,286 |
| Estimated completion - 2025 | 8,097 | 8,097 | 9,210 | 9,210 |
| Estimated completion - 2026 | 10,902 | 10,902 | 12,401 | 12,401 |
| Estimated completion - 2027 | 11,485 | 11,485 | 13,064 | 13,064 |
| From in 2028 | 56,298 | 56,298 | 64,039 | 64,039 |
| Total | 90,550 | 90,550 | 103,000 | 103,000 |

The Company recognizes deferred income and social contribution taxes on temporary differences arising from adjustments to accounting profit, as follows:

| | Parent | | Consolidated | |
|---|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| IRPJ and CSLL - Temporary Differences | | | | |
| Adjustment to present value of suppliers, fines, loans and debentures | (25,372) | (25,873) | (34,808) | (34,852) |
| Assigned Cost | - | - | (2,450) | (2,447) |
| Others | (8,562) | (9,521) | (8,562) | (9,521) |
| | (33,934) | (35,394) | (45,820) | (46,820) |

The above amounts are presented net in the balance sheet, as follows:

| | Parent | | Consolidated | |
|---|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| IRPJ and CSLL - Non-Current Assets | | | | |
| Tax Credits | 90,550 | 90,550 | 103,000 | 103,000 |
| Temporary Differences | (33,934) | (35,394) | (45,820) | (46,820) |
| | 56,616 | 55,156 | 57,182 | 56,180 |

b) Reconciliation of income tax and social contribution expenses

| | Parent | | Consolidated | |
|---|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| Profit (loss) before tax | (8,859) | (9,564) | (8,401) | (10,154) |
| Addition and Exclusions | | | | |
| Equity | (2,452) | 1,276 | - | - |
| Profits abroad | (4,255) | - | - | - |
| Stock obsolescence | 925 | (218) | 938 | (321) |
| (Reversal) Estimate of losses due to non-recoverability of assets | (3) | - | (3) | 418 |
| (Reversal) Estimate of losses for bad debts | (97) | 31 | (97) | 31 |
| Estimates for losses from lawsuits | 1,318 | (227) | 1,434 | 5,195 |
| Non deductible expenses | (14) | (27) | (14) | (82) |
| Present value adjustment | (2,105) | 2,178 | (2,105) | 2,178 |
| Provision of interest on suppliers | 57 | 34 | 98 | (59) |
| Provision for exchange rate variation | 3,984 | 4,792 | 4,053 | (5,103) |
| Others | 7,245 | (10,609) | (3,687) | (8,587) |
| Calculation basis | (4,255) | (12,334) | (7,784) | (16,484) |
| Current income tax and social contribution | - | - | - | (1) |
| Deferred income tax and social contribution | 1,460 | (516) | 1,002 | 75 |

18. Other accounts payable

| | Parent | | Consolidated | |
|--|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Others payable - Current Liabilities | | | | |
| Provision of fees | 619 | 17 | 619 | 67 |
| Labor contingencies payable | 426 | 442 | 696 | 587 |
| Miscellaneous provisions | 351 | 437 | 351 | 437 |
| Other obligations - subject to Judicial Recovery | 2,332 | 2,138 | 2,332 | 2,138 |

| | | | | |
|--------------------|--------------|--------------|--------------|--------------|
| Contractual Fines | 2,187 | 3,072 | 2,187 | 3,072 |
| Other bills to pay | 1,394 | 1,157 | 1,770 | 1,620 |
| Total | 7,309 | 7,263 | 7,955 | 7,921 |

| | Parent | | Consolidated | |
|--|-------------------|-------------------|---------------------|-------------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Others payable - Non-current | | | | |
| Labor contingencies payable | - | - | 1,798 | 1,849 |
| Other obligations - subject to Judicial Recovery | 36,897 | 36,234 | 36,897 | 36,234 |
| Other bills to pay | - | - | 1,363 | 1,501 |
| Total | 36,897 | 36,234 | 40,058 | 39,584 |

The maturities of the installments of other obligations - subject to Judicial Reorganization allocated to non-current are as follows:

| Parent company and Consolidated | |
|--|-------------------|
| Due date | 03/31/2024 |
| 2025 | 1,765 |
| 2026 | 2,236 |
| 2027 | 2,707 |
| 2028 | 3,609 |
| From 2029 | 26,580 |
| | 36,897 |

The table below shows the movement of other obligations subject to judicial reorganization in 2024:

| Current Liabilities and non-current | |
|---|--------------------------------|
| Other obligations - subject to Judicial Recovery | Parent and Consolidated |
| Balance on December 31, 2023 | 38,372 |
| Interest update | 603 |
| Payments | (389) |
| (-) Adjustment to present value | 643 |
| Balance on March 31, 2024 | 39,229 |

19. Contingent proceedings and judicial deposits

19.1 Judicial deposits

The Company has the following balances of judicial deposits, which are linked to contingent liabilities:

| | Judicial deposits | |
|-----------------------------------|--------------------------|---------------------|
| | Parent | Consolidated |
| Tax contingencies | 197 | 353 |
| Labor contingencies | 1,347 | 4,248 |
| Civil contingencies | 129 | 774 |
| Total on March 31, 2024 | 1,673 | 5,375 |
| Total on December 31, 2023 | 1,489 | 5,079 |

19.2 Provision for tax, labor and civil risks

The Company is discussing tax, labor and civil issues in court. The provision for tax, labor and civil risks was calculated by management based on available information and supported by the opinion of its lawyers as to the expected outcome, in an amount considered sufficient to cover losses considered probable that may occur as a result of unfavorable court decisions.

| | | Parent | | Consolidated | |
|---|-------|---------------------|----------|---------------------|----------|
| | | Expectation of loss | | Expectation of loss | |
| | | Possible | Probable | Possible | Probable |
| Tax (i) | | | | | |
| ICMS - Tax on Circulation of Goods and Services | (i.1) | 104,607 | - | 105,033 | - |
| CSLL - Social Contribution on Net Income | | 2,313 | - | 7,182 | - |
| IRPJ - Corporate Income Tax | (i.2) | 21,452 | - | 52,701 | - |
| IRRF - Withholding Income Tax | (i.3) | 60,139 | - | 60,139 | - |
| IPI - Excise Tax | | 964 | - | 964 | - |
| COFINS - Tax for Social Security Financing | | - | - | 278 | - |
| ISS - Services Tax | (i.4) | - | - | 8,335 | - |
| CIDE - Contribution for Intervention in the Economic Domain | | - | - | 1,733 | - |
| Other tax provisions | (i.5) | 1,342 | - | 52,575 | - |
| | | 190,817 | - | 288,940 | - |
| Labor (ii) | | 3,661 | 16,428 | 9,629 | 21,715 |
| Civil (iii) | | 8,093 | 628 | 18,752 | 4,215 |
| Total on March 31, 2024 | | 202,571 | 17,056 | 317,321 | 25,930 |
| Total on December 31, 2023 | | 200,141 | 18,466 | 315,736 | 27,591 |

These amounts cover all of the Group's companies and include amounts under judicial and administrative discussion as well as situations incurred where, even without the existence of entries or formal questioning by the authorities, they may give rise to risks of future losses.

The provision for resources involved in the lawsuits in the amounts set out above and referring to the spheres listed below, takes into account the probability of probable loss, which is configured when an outflow of economic benefits is presumed in view of the matter discussed, the judgments in each lawsuit and the jurisprudential understanding of each case. Claims with a probability of possible loss are excluded from the provision.

The movement in the balance of the provision is as follows:

| | Parent | | | | Consolidated | | | |
|------------------------------|--------|--------|-------|---------|--------------|--------|-------|---------|
| | Tax | Labor | Civil | Total | Tax | Labor | Civil | Total |
| Balance on December 31, 2023 | - | 16,930 | 1,536 | 18,466 | - | 22,291 | 5,300 | 32,915 |
| Additions | - | - | 10 | 10 | - | - | 47 | 47 |
| Write-offs | - | (502) | (918) | (1,420) | - | (509) | (919) | (1,428) |
| Balance on March 31, 2024 | - | 16,428 | 628 | 17,056 | - | 21,782 | 4,428 | 31,534 |

Legal claims are divided into three spheres, namely:

(i) Tax contingencies

Discussions involving state and federal taxes, including IRPJ, PIS, COFINS, INSS, ICMS and IPI. There are cases at all procedural stages, from the initial instance to the higher courts, STJ and STF. The main cases and amounts are as follows:

Main contingent lawsuits in the parent company classified as possible losses on March 31, 2024:

(i.1) Annulment action brought by the State of Rio Grande do Sul seeking to set aside an ICMS tax credit, due to the company's failure to pay the tax on the fictitious export of goods under REPETRO, given that this operation is immune from its incidence. Case distributed on April 28, 2017, subject to possible loss of R\$ 79,326.

Annulment action filed against the State of São Paulo on October 22, 2015, with the aim of cancelling an ICMS debt. It is argued, in summary, that the tax authorities ignored the fact that the incoming invoices were issued in order to annul outgoing invoices that were improperly issued. Process subject to possible loss of R\$ 4,865.

Tax execution by the São Paulo State Treasury, filed on July 13, 2012, regarding the collection of ICMS credits. Process subject to possible loss of R\$ 17,086.

(i.2) Manifestation of non-conformity presented to have the negative IRPJ balance recognized. Process distributed on May 30, 2014, subject to possible loss of R\$ 8,868.

Annulment action seeking to have the tax credit (IRPJ and CSLL for the calendar years 2009 and 2010) annulled. Lawsuit filed on April 15, 2020, subject to a possible loss of R\$ 6,613.

Notice of infraction from the Brazilian Federal Revenue Service, issued as a result of the Manifestation of Non-Compliance presented against the decision order. Case distributed on July 23, 2014, subject to a possible loss of R\$ 5,972.

(i.3) Tax enforcement by the National Treasury, regarding the collection of IRRF debts. The discussion on the merits is being held in a writ of mandamus, in which a ruling was handed down recognizing that a substantial portion of the tax credits arising from the administrative process are unfounded. Case distributed on January 21, 2016, subject to possible loss of R\$ 60,139.

Main contingent lawsuits in subsidiaries classified as possible losses on March 31, 2024:

(i.2) Notice of infraction issued by the Brazilian Federal Revenue Service, due to alleged irregularities in the calculation of IRPJ, CSLL, PIS and COFINS in 2013. Case distributed on October 6, 2016, subject to a possible loss of R\$ 13,250.

Notice of infraction from the Brazilian Federal Revenue Service, issued as a result of the arbitration of profit in calendar year 2010. Process distributed on November 10, 2014, subject to possible loss of R\$ 15,868.

(i.4) Tax enforcement by the Municipality of Três Rios - RJ, for collection of ISS for the periods 2013 and 2014. Process distributed on December 10, 2015, subject to a possible loss of R\$ 3,848.

(i.5) Infraction notices issued by the Brazilian Federal Revenue Service to collect fines due to alleged non-compliance with the special customs regime for temporary admission. Cases subject to possible loss of R\$ 16,194.

Tax execution filed to collect taxes levied on declared imports. Process distributed on August 31, 2021, subject to a possible loss of R\$ 7,127.

Infraction notices issued by the Brazilian Federal Revenue Service to collect the remaining balance of II, IPI, PIS and COFINS levied on declared imports. Cases subject to possible loss of R\$ 3,647.

Notice of infraction issued by the Brazilian Federal Revenue Service regarding the collection of fines imposed as a result of alleged non-compliance with the special customs regime for temporary admission. Case distributed on January 22, 2010. Process subject to possible loss of R\$ 2,978.

(ii) *Labor contingencies*

The Company and its subsidiaries are parties to labor lawsuits, mainly involving claims for overtime, material and moral damages, unhealthy working conditions and hazardous duty, among others.

The following table details the Company's labor liabilities and contingencies, as well as the associated assets:

| Obligations linked to labor contingencies | Balance Sheet | Subject to Judicial Reorganization | Not Subject to Judicial Reorganization | Total on 03/31/2024 |
|--|--------------------------------------|---|---|----------------------------|
| Labor obligations and provisions | Current Liabilities | 313 | - | 313 |
| Labor obligations and provisions | Long-Term Liabilities | 2,222 | - | 2,222 |
| Provision for labor risks | Long-Term Liabilities | 10,680 | 7,972 | 18,652 |
| Labor contingencies assessed as possible | Not provisioned in the balance sheet | 1,160 | 2,417 | 3,577 |

| Obligations linked to labor contingencies | Balance Sheet | Total on 03/31/2024 |
|---|----------------------|----------------------------|
| Other Accounts Receivable/Convertible Debentures (Note 7) | Current assets | 2,068 |
| Judicial Deposits - Labor Contingencies (note 19.1) | Non-Current Assets | 4,248 |
| Property for Investment (Note 9.2) | Non-Current Assets | 19,685 |

On the occasion of the judicial reorganization, the company took steps to pay all contingent labor credits subject to judicial reorganization. These measures include: (i) the payment in kind of shares in a Special Purpose Company to which assets and rights were contributed for sale and subsequent distribution of capital to former creditor shareholders; (ii) the issue of Subscription Bonuses for the payment of credits exceeding the amount of 150 minimum wages in force on the date of the request for judicial reorganization; and (iii) the necessary measures for the contribution of supplementary assets to the SPE.

(iii) *Civil contingencies*

The main discussions in this area, classified as a possible loss in the parent company on March 31, 2024 are related to:

(iii.1) Search and seizure lawsuit filed on October 20, 2015 by Banco Nacional do Desenvolvimento Econômico ("BNDES") against Lupatech S.A. and UEP - Equipamentos e Serviços para Petróleo Ltda, aiming to promote the search and seizure of machinery and equipment offered in fiduciary alienation on the occasion of financing granted by BNDES to these Group companies. Due to the judicial reorganization of the Lupatech Group, on February 1, 2017 the court of the 5th Federal Court of São Paulo, where the lawsuit is being processed, ordered the suspension of all expropriatory acts and submitted to the judicial reorganization court the analysis of the essentiality of said machinery and equipment for the operations of the Lupatech Group.

In the judicial reorganization proceedings, with the exception of the assets belonging to the Macaé unit, the others were declared by the court to be essential to the Lupatech Group's operations, preventing their search and seizure. Subsequently, after the appeal periods had expired, the BNDES again demanded that the search and seizure of the assets in the Judicial Recovery be resumed. The BNDES' new request, although accepted in

the first and second instances, was blocked by the Superior Court of Justice, which ordered that other means than seizure of the assets be used to satisfy the BNDES' claim.

The BNDES filed an appeal against the decision handed down by the STJ Minister, which is awaiting judgment. On July 12, 2023, the BNDES submitted a statement informing the court of the decision to close the judicial reorganization and reiterating its request for the granting of its interlocutory appeal. The appeals are awaiting judgment by the STJ.

In December 2021, the São Paulo Court of Justice ruled that the value of the BNDES' out-of-court credit, that arising from the assets that make up the fiduciary alienation guarantee - the subject of the search and seizure, is limited to its effective liquidation value at auction. According to the asset appraisal report dated 2018, the value of the assets is R\$5,005. The debt is recorded in liabilities (Note 13) at its balance on the date of the request for judicial reorganization of R\$11,167, which is subdivided into a part subject to Judicial Reorganization (class II) and a part not subject (the effective value of the assets).

The main discussions in this area, classified as a possible loss in the subsidiaries on March 31, 2024 are related to:

(iii.1) Ordinary lawsuit filed by Weatherford Indústria e Comércio Ltda. and Weus Holding INC. on July 14, 2008 against UEP, involving industrial and intellectual property disputes. The lawsuit has a risk of loss rating of approximately R\$ 624 as probable, R\$ 2,080 as possible and R\$ 52,024 as remote.

(iii.2) Action brought by Petrobras against Sotep Sociedade Técnica de Perfuração S.A. for recognition and collection of contractual penalties. The dispute involves the illegality of the penalty applied by the contractor. Collection is subject to Sotep's Judicial Recovery. Sentencing is awaited. Process subject to possible loss of R\$ 4,403.

19.3 Contingent Assets

The statement containing information on unrecorded contingent assets, according to the opinion of its legal advisors, is detailed below with the possibility of a gain:

| | Parent | | Consolidated | |
|-----------------------------------|------------------|--------------|------------------|---------------|
| | Gain expectation | | Gain expectation | |
| | Possible | Probable | Possible | Probable |
| Tax | 481 | - | 1,242 | 12,037 |
| Labor | - | - | - | - |
| Civil | 7,520 | 5,506 | 16,119 | 8,557 |
| Total on March 31, 2024 | 8,001 | 5,506 | 17,361 | 20,594 |
| Total on December 31, 2023 | 7,396 | 8,286 | 17,808 | 20,745 |

(i) Tax Contingent Assets

The Lupatech Group has legal claims seeking recognition of the exclusion of ICMS from the PIS and COFINS calculation basis. The matter was decided by the STF in general repercussion, so the company expects these lawsuits to proceed with favorable decisions. As they are still the subject of dispute, the accounting treatment of part of the contingent assets is maintained until the elements to recognize the corresponding tax credits are present.

The amount calculated by the Company as a result of the partial final and unappealable decision favorable to the exclusion of ICMS from the PIS and COFINS calculation basis is shown in note 6.

The Lupatech Group has lawsuits claiming a refund of the ICMS-Import tax levied on operations covered by a special temporary admission regime, in which there was no transfer of ownership of the goods. As they are still the subject of dispute, the accounting treatment of part of the contingent assets is maintained until the elements to recognize the corresponding tax credits are present.

(ii) *Civil Contingent Assets*

Arbitration proceedings against CIM Componentes:

This is an arbitration proceeding initiated by UEP Equipamentos e Serviços para Petróleo Ltda. against CIM Componentes, currently known as Quantum Indústria Metalúrgica Ltda., due to the default of the Contract for the Purchase and Sale of Cargo Containers for Transport, signed on February 25, 2012, and the arbitrary withholding by the latter of the amount advanced by Lupatech throughout the execution of the contract in question, in the historical amount of R\$5,506 represented by the amount advanced by Lupatech, less the amount of containers delivered by CIM Componentes. On June 8, 2022, an arbitration award was handed down confirming the existence of a claim in favor of Lupatech in the aforementioned historical amount, whose criteria for monetary correction and default interest would still be defined in a later settlement phase.

The settlement phase was not opened due to the fact that CIM Componentes had not submitted the documents relating to its claim, nor had it paid the costs of the procedure. An Arbitration Award was handed down setting the initial terms and settling the financial indices and default interest of the claim brought by Lupatech. The final judgment is awaited.

20. Taxes payable

| | Parent | | Consolidated | |
|---|---------------|---------------|---------------|---------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Taxes payable - Current | | | | |
| ICMS installment | - | - | 1,146 | 1,205 |
| INSS installment | 24 | 26 | 42 | 44 |
| Ordinary installments | 4,940 | 4,321 | 8,485 | 7,690 |
| Installment Payment Judicial Recovery | 465 | 455 | 1,202 | 1,139 |
| Exceptional Transaction PGFN 8.798/2022 | - | 1,191 | - | 1,334 |
| Municipal installments | 300 | 115 | 315 | 131 |
| ICMS | 52 | 19 | 64 | 49 |
| INSS | 1,399 | 1,560 | 1,786 | 1,974 |
| IRRF | 466 | 703 | 502 | 776 |
| CSLL | 19 | 21 | 22 | 24 |
| COFINS | - | 655 | 899 | 1,602 |
| PIS | - | 107 | 182 | 302 |
| IPI | 143 | 259 | 143 | 259 |
| FGTS | 4,460 | 4,241 | 5,046 | 4,791 |
| Other taxes / installments | 89 | 68 | 492 | 1,003 |
| Total | 12,357 | 13,741 | 20,326 | 22,323 |
| | | | | |
| | Parent | | Consolidated | |
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Taxes payable - Non-current | | | | |
| ICMS installment | - | - | 4,007 | 4,151 |
| INSS installment | - | - | 33 | 38 |
| Ordinary Installment | 12,895 | 11,958 | 23,120 | 21,948 |
| Judicial Recovery Installment | 700 | 808 | 2,091 | 2,374 |
| ISS installment | 96 | 18 | 368 | 305 |
| Other miscellaneous taxes | 86 | 96 | 376 | 383 |
| Total | 13,777 | 12,880 | 29,995 | 29,199 |

21. Shareholders' equity

| | 03/31/2024 | 12/31/2023 |
|-----------------------------------|----------------|----------------|
| Share capital | 1,920,888 | 1,920,820 |
| Capital reserves and transactions | 144,754 | 144,754 |
| Asset valuation adjustments | 76,792 | 74,679 |
| Accumulated losses | (1,988,089) | (1,980,690) |
| Total equity | 154,345 | 159,563 |

a) Capital share

The current paid-up share capital consists only of ordinary shares, with 100% tag-along rights:

| | Parent Company and Consolidated | |
|---|---------------------------------|------------------|
| | Number of Shares | Share capital |
| | Thousand | R\$ |
| Total on December 31, 2023 | 41,038 | 1,920,820 |
| Meeting Minutes 001/2024 of January 18, 2024 | 2 | 2 |
| Meeting Minutes 002/2024 of February 19, 2024 | 10 | 11 |
| Meeting Minutes 004/2024 of March 20, 2024 | 60 | 55 |
| Issue of new shares - exercise of warrants | 72 | 68 |
| Total on March 31, 2024 | 41,110 | 1,920,888 |

b) Capital reserve to be realized

| | 03/31/2024 | 12/31/2023 |
|---|----------------|----------------|
| Issuance of Subscription Warrants (*) | (297,319) | (297,319) |
| Adjustment to fair value - Subscription Bonus | 294,352 | 294,352 |
| Subscription Bonus - 4th issue | (1,165) | (1,165) |
| Capital Reserve | (4,132) | (4,132) |
| Fair value of shares - Extrajudicial Recovery | 144,754 | 144,754 |

(*) to comply with the Judicial Reorganization Plan

Fourth issue of subscription warrants:

On July 6, 2023, the Board of Directors approved the Company's 4th issue of warrants. The issue is made in accordance with the Binding Investment Proposal of June 27, 2023.

Details of the 4th issue of warrants are set out below.

| | |
|----------------------|---------------|
| Series: | 4th Issue |
| Date of approval: | 07/06/2023 |
| Final due date: | 08/15/2024(*) |
| Quantity subscribed: | 6,920 |
| Unit value R\$: | 810 |
| Total value R\$: | 5,605,200 |

(*) The exercise period can be extended by up to 180 days under the terms of the issue.

The exercise price of the warrants is set every two weeks, based on the average price of the company's shares weighted by the volume traded in the previous ten trading sessions. The prices are set according to the calendar

published by the company, and the right to exercise at the respective price is granted in the subsequent fortnightly window.

By March 31, 2024, 6,644 warrants had been paid up and exercised, leaving only 276 warrants pending exercise.

c) Equity valuation adjustments

The Company recognizes under this heading the effect of exchange rate variations on investments in subsidiaries abroad and on goodwill arising on acquisitions of investments abroad, whose functional currency follows that to which the operation abroad is subject. The accumulated effect can only be reversed to the income statement as a gain or loss if the investment is sold or written off.

d) Dividends

Shareholders are entitled to an annual minimum mandatory dividend corresponding to 25% of adjusted net income, in accordance with corporate legislation and the bylaws. Due to accumulated losses, realized results and its financial situation, the company has not calculated any dividends payable.

22. Financial instruments

22.1 Financial Risk Management

Financial risk factors

The Company's activities expose it to various financial risks which are grouped into three main segments, without prejudice to other supervening risks:

- (i) Market Risks: arise from the possibility of losses that may be caused by changes in the behavior of prices in the economy, such as, but not limited to: interest rates, exchange rates, inflation, shares and commodities;
- (ii) Credit Risks: are characterized by the possibility of loss resulting from uncertainty as to the fulfilment of obligations by counterparties, especially the receipt of amounts or the delivery of goods acquired, whether as a result of their economic and financial incapacity or mere breach of contract;
- (iii) Liquidity Risks: consist of the possibility of the Company not being able to effectively honor its obligations on the due date, or only doing so with high losses.

Market risks

Foreign exchange risk arises from commercial and financial operations, recognized assets and liabilities and net investments in foreign operations. Due to its international operations, the company is exposed to the exchange rate risk of some currencies, mainly the US dollar.

The Company and its subsidiaries have assets and liabilities denominated in US dollars, as shown in the tables below:

| Items | Amounts in US dollar thousands | | | |
|-------------------------------|--------------------------------|------------|--------------|------------|
| | Parent | | Consolidated | |
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Cash and cash equivalents | - | - | - | 3 |
| Accounts receivable | - | 13 | - | 13 |
| Other assets | - | - | 3,595 | 7,434 |
| Related parties - Assets | 2,017 | 2,012 | - | - |
| Loans | (243) | (251) | (15,633) | (15,688) |
| Related parties - Liabilities | (26,905) | (26,961) | - | - |
| Other liabilities | - | - | (20) | (81) |
| Net exposure in US dollars | (25,131) | (25,187) | (12,058) | (8,319) |

Fluctuations in interest rates also impose risks on the company, directly due to fluctuations in the value of assets or liabilities, especially debts subject to post-fixed indices, such as the TR, TJLP and CDI.

Sensitivity analysis of changes in foreign currency and changes in interest rates:

The analysis takes into account 3 scenarios of fluctuation in these variables, with their respective probability assessments. These assumptions are judgment exercises made by management for the purposes of this simulation, and may vary significantly from actual results.

Interest rate scenario and parity of the US dollar (US\$) against the Brazilian real (R\$) estimated by Management:

Interest rate for 2024: 9%

US\$: 4.98

Interest rate scenario and parity of the US dollar (US\$) against the Brazilian real (R\$) possible, with a deterioration of 25% (twenty-five percent) in the risk variable considered probable:

Interest rate for 2024: Increase to 11.3%

US\$: 6.22

Interest rate scenario and parity of the US dollar (US\$) against the Brazilian real (R\$) remote, with a deterioration of 50% (fifty percent) in the risk variable considered probable:

Interest rate for 2024: Increase to 13.5%

US\$: 7.46

The impact shown in the table below refers to the 1-year projection period:

| Operating | Risk | Scenario as defined above | | | | | |
|---------------------|--------------------|---------------------------|----------|--------|--------------|----------|--------|
| | | Parent | | | Consolidated | | |
| | | Probable | Possible | Remote | Probable | Possible | Remote |
| Loans and financing | US\$ hike | 5 | 320 | 644 | 167 | 10,125 | 20,417 |
| Loans and financing | Interest rate hike | (299) | 37 | 44 | 51 | 64 | 76 |
| Mutual contracts | US\$ hike | 546 | 33,058 | 66,662 | - | - | - |
| Total (gain) loss | | 252 | 33,415 | 67,350 | 218 | 10,189 | 20,493 |

The credit and cash constraints faced by the company limit the possibilities for managing market risk.

Credit risk

The following are typically exposed to credit risk: cash and cash equivalents, derivative financial instruments, deposits with banks and financial institutions and loans and advances to customers and suppliers.

Credit limits are monitored regularly when they are granted. When there is a default, the applicability of a provision for doubtful accounts is assessed.

Our revenues show amounts involving the client Petrobrás, directly and indirectly, which accounted for around 71% (48% in the same period of 2023) of the Company's total revenues on March 31, 2024.

Liquidity risk

Management monitors the Company's liquidity level through projections and by raising funds through committed credit lines, when feasible, and liquidity limitations are a reality imposed by the Company's situation.

22.2 Fair Value Estimation

The fair value of financial assets and liabilities, which have standard terms and conditions and are traded on active markets, is determined based on the prices observed on these markets.

The fair value of other financial assets and liabilities (with the exception of derivative instruments) is determined in accordance with pricing models that use discounted estimated cash flows as a basis, based on the prices of similar instruments practiced in transactions carried out in an observable current market.

The fair value of derivative instruments is calculated using quoted prices. When these prices are not available, discounted cash flow analysis using the yield curve is used, applicable according to the duration of the instruments for derivatives without options. Option pricing models are used for derivatives containing options.

The Company's main financial assets and liabilities are described below, as well as the criteria for their valuation/assessment:

a) Cash, cash equivalents and marketable securities - restricted

The cash and cash equivalents and securities balances are similar in value to the accounting balances, considering their turnover and liquidity. The table below shows this comparison:

| Items | Parent | | Consolidated | |
|---------------------------|------------|-----------------|--------------|-----------------|
| | Book value | Value of market | Book value | Value of market |
| Cash and cash equivalents | 2,574 | 2,574 | 15,598 | 15,598 |
| Marketable securities | 44 | 44 | 44 | 44 |

b) Loans and financing

The market value was estimated based on the present value of future cash disbursements, using interest rates that are available to the Company, as follows:

| Items | Parent | | Consolidated | |
|---|------------|-----------------|--------------|-----------------|
| | Book value | Value of market | Book value | Value of market |
| Loans and financing not judicial recovery | 6,248 | 6,303 | 11,167 | 30,973 |
| Discounted securities with co-obligation | 33,093 | 30,414 | 33,211 | 15,200 |
| FGI/Fiduciary Receivables and Credits with fiduciary guarantee of credit rights | 8,436 | 10,444 | 13,435 | 10,444 |
| Loans and financing judicial recovery | 64,096 | 64,096 | 100,035 | 100,035 |
| Total | 111,873 | 111,257 | 157,847 | 156,652 |

22.3 Financial Instruments by Category

| | Parent | | | | | |
|---------------------------|----------------|----------------------|------------------------|----------------|----------------------|------------------------|
| | 03/31/2024 | | | 12/31/2023 | | |
| | Amortized cost | Fair Value by Result | Total financial assets | Amortized cost | Fair Value by Result | Total financial assets |
| Financial Assets | | | | | | |
| Securities-restricted | - | 44 | 44 | - | 44 | 44 |
| Accounts receivable | 27,838 | - | 27,838 | 13,340 | - | 13,340 |
| Cash and cash equivalents | 2,574 | - | 2,574 | 1,440 | - | 1,440 |
| Related parties | 10,878 | - | 10,878 | 10,681 | - | 10,681 |
| Total | 41,290 | 44 | 41,334 | 25,461 | 44 | 25,505 |

Financial Liabilities

| | | | | | | |
|---------------------|----------------|----------------|----------------|----------------|---------------|----------------|
| Loans and financing | - | 111,873 | 111,873 | - | 94,797 | 94,797 |
| Suppliers | 40,833 | - | 40,833 | 38,802 | - | 38,802 |
| Related parties | 139,505 | - | 139,505 | 134,978 | - | 134,978 |
| Total | 180,338 | 111,873 | 292,211 | 173,780 | 94,797 | 268,577 |

Consolidated

| | 03/31/2024 | | | 12/31/2023 | | |
|------------------------------|----------------|----------------------|------------------------|----------------|----------------------|------------------------|
| | Amortized cost | Fair Value by Result | Total financial assets | Amortized cost | Fair Value by Result | Total financial assets |
| Financial Assets | | | | | | |
| Securities-restricted | - | 44 | 44 | - | 44 | 44 |
| Accounts receivable | 32,635 | - | 32,635 | 18,140 | - | 18,140 |
| Cash and cash equivalents | 15,598 | - | 15,598 | 19,907 | - | 19,907 |
| Total | 48,233 | 44 | 48,277 | 38,047 | 44 | 38,091 |
| Financial Liabilities | | | | | | |
| Loans and financing | - | 157,848 | 157,848 | - | 145,660 | 145,660 |
| Suppliers | 43,608 | - | 43,608 | 41,721 | - | 41,721 |
| Total | 43,608 | 157,848 | 201,456 | 41,721 | 145,660 | 187,379 |

23. Insurance Cover

It is the company's principle to maintain insurance cover for fixed assets and inventories subject to risk, in the "Comprehensive Business" form. It also has general liability and life insurance cover, as shown below:

| Insurance Purpose | Amount secured | |
|--|----------------|--------|
| | 03/31/2024 | |
| - Comprehensive business insurance | R\$ | 87,125 |
| - Life insurance | R\$ | 49,925 |
| - General civil responsibility insurance | R\$ | 6,023 |
| - International transport insurance (*) | US\$ | 350 |

(*) Amounts in US dollar thousands.

The scope of our auditors' work does not include issuing an opinion on the sufficiency of the insurance coverage, which was contracted by the Company's management within the prevailing market conditions and the restrictions imposed on the Company, with the aim of ensuring that it is sufficient to cover any claims.

24. Stock option plans

The Company has Stock Option Plans whose main objectives are to stimulate the Company's performance and retain its key professionals. There are three Stock Option Plans in force:

- Incentive Plan 2017, approved by the AGM of April 12, 2017: All the grants under this plan have already been made, and there are exercises pending.
- Incentive Plan 2020, approved by the AGM of August 18, 2020: All the grants under this plan have already been made, and there are still exercises pending.
- Incentive Plan 2023, approved by the AGM of May 18, 2023: Has balances to be granted as well as outstanding exercises.

The options granted and not exercised are shown in the table below:

| Grants | 2017 Plan | | | 2020 Plan | | | 2023 Plan | | |
|---------------------|------------------|--------------|-----------------------|------------------|--------------|-----------------------|------------------|--------------|-----------------------|
| | Amount | Strike Price | Maximum Exercise Term | Amount | Strike Price | Maximum Exercise Term | Amount | Strike Price | Maximum Exercise Term |
| Board Members | 201,123 | 1.18 | 4/26/2024 | 807,868 | 1.78 | 9/2/2025 | 1,117,121 | 2.57 | 2/9/2027 |
| | 649,895 | 1.35 | 6/24/2027 | 348,250 | 2.57 | 6/9/2025 | 509,629 | 2.57 | 6/9/2025 |
| | | | | 100,000 | 2.74 | 11/30/2026 | - | - | 1/0/1900 |
| Other Beneficiaries | | | | 337,500 | 2.19 | 11/30/2025 | 178,750 | 2.57 | 11/30/2026 |
| | | | | 441,250 | 2.74 | 11/30/2026 | | | |
| Total | 1,096,848 | | | 2,034,868 | | | 1,805,500 | | |
| - Exercisable | 502,727 | | | 1,072,868 | | | - | | |
| - Non-Exercisable | 192,073 | | | 962,000 | | | 1,625,500 | | |
| - Conditioned | 402,048 | | | - | | | 180,000 | | |

Obtaining the right to exercise the Options is regulated in the respective Plans and Board Meetings that authorized the grants. The Options indicated as "not yet exercisable" correspond to those whose contractual deadline for vesting has not yet been exceeded. Those indicated as "conditional", in turn, are subject to the occurrence of certain corporate events which increase the share capital and/or ratify a certain grant.

25. Net revenue

| | Parent | | Consolidated | |
|------------------------------------|---------------|---------------|---------------|---------------|
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| Gross sales and/or services | | | | |
| In Brazil | 39,875 | 20,977 | 41,021 | 25,622 |
| Export | 1,026 | 206 | 1,231 | 376 |
| | 40,901 | 21,183 | 42,252 | 25,998 |
| Deductions for gross sales | | | | |
| Taxes on sales | (7,004) | (3,682) | (7,247) | (4,606) |
| Net sales and/or services | 33,897 | 17,501 | 35,005 | 21,392 |

26. Earnings (loss) per share

Basic

Basic earnings (loss) per share are calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding during the period.

| Items | Parent Company and Consolidated | |
|---|---------------------------------|------------|
| | 03/31/2024 | 03/31/2023 |
| Net loss for the year | (7,399) | (10,080) |
| Profit attributable to the Company's shareholders | (7,399) | (10,080) |
| Weighted average number of ordinary shares issued (thousands) | 41,180 | 31,040 |
| Basic profit per share R\$ | (0.18) | (0.32) |

27. Other operating income and (expenses)

| Items | Parent | | Consolidated | |
|--|--------------|----------------|--------------|----------------|
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| Others operating income | | | | |
| Reversal of estimates for legal proceedings | 1,318 | 226 | 1,434 | 5,195 |
| Revenue from the sale of fixed assets | - | 101 | - | 101 |
| Reversal of estimated losses due to non-recoverability of assets | - | - | - | 418 |
| Recovery of taxes and contributions | - | - | 223 | - |
| Other operating income | - | 8 | 10 | 13 |
| Total other operating income | 2,243 | 340 | 2,605 | 6,203 |
| Others operating expenses | | | | |
| Cost on sale of fixed assets | (1) | - | (1) | (427) |
| Estimated losses due to non-recoverability of assets | (3) | - | (3) | - |
| Production idleness expense | (317) | (4,492) | (317) | (5,549) |
| Other operating expenses | (168) | (346) | (1,533) | (1,474) |
| Total other operating expenses | (489) | (4,843) | (1,854) | (7,926) |
| Other operating expenses, net | 1,754 | (4,503) | 751 | (1,723) |

28. Financial result

| Items | Parent | | Consolidated | |
|--|------------|------------|--------------|------------|
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| Financial Income | | | | |
| Income from financial investments | 47 | 36 | 150 | 60 |
| Income from loan contracts | 23 | 12 | - | - |
| Monetary variation | 444 | 472 | 839 | 663 |
| Arbitration Procedure CSL | - | 829 | - | 829 |
| Other financial income | 130 | 37 | 144 | 841 |
| Total financial Income | 644 | 1,386 | 1,133 | 2,393 |
| Financial Expenses | | | | |
| Interest on loans and financing | (2,029) | (1,746) | (2,035) | (1,945) |
| Interest on loans and financing* | (892) | (923) | (892) | (923) |
| Interest on Bonds (Judicial Recovery) | - | - | (83) | (109) |
| Adjustment to present value | (2,105) | (2,178) | (185) | (4,661) |
| Interest on loan agreements | (153) | (564) | - | - |
| Interest on suppliers and other obligations* | (896) | (771) | (896) | (771) |
| Fines, interest and monetary restatement | (1,122) | (1,174) | (1,956) | (1,922) |
| Outras despesas financeiras | (225) | (834) | (379) | (1,894) |
| Total financial Income | (7,422) | (8,190) | (6,426) | (12,225) |
| Active exchange variation | 467 | 9,489 | 402 | 10,774 |
| Passive exchange variation | (4,451) | (4,741) | (4,455) | (5,671) |
| Net exchange variation | (3,984) | 4,748 | (4,053) | 5,103 |

(*) Debts subject to Judicial Recovery

29. (Expenses) by nature

| Items | Parent | | Consolidated | |
|---|------------|------------|--------------|------------|
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| <u>Cost of goods sold</u> | (24,953) | (12,621) | (26,977) | (16,172) |
| Raw material, materials for use and consumption, labor and third-party services | (24,400) | (12,111) | (26,223) | (15,408) |
| Depreciation and amortization | (673) | (730) | (755) | (835) |
| Others | 120 | 220 | 1 | 71 |
| <u>Selling expenses</u> | (1,924) | (2,273) | (1,972) | (2,470) |
| Third-party labor and services | (1,316) | (1,293) | (906) | (941) |
| Depreciation and amortization | (3) | (3) | (3) | (3) |
| Other commercial expenses | (605) | (977) | (1,063) | (1,526) |
| <u>General and Administrative Expenses</u> | (3,669) | (3,438) | (5,112) | (5,554) |
| Third-party labor and services | (2,745) | (2,552) | (3,764) | (4,086) |
| Depreciation and amortization | (47) | (353) | (167) | (463) |
| Other administrative expenses | (877) | (533) | (1,181) | (1,005) |
| <u>Management remuneration</u> | (750) | (898) | (750) | (898) |

30. Information by business segment and geographical region

The Company has defined the Group's operating segments as follows:

- Products:** mainly producing industrial valves; valves for oil and gas; synthetic fiber cables for anchoring oil platforms and various other applications; and composite material artifacts, such as poles and tubular liners for lining oil pipelines.
- Services:** The company is continuing with the demobilization of activities through the sale of equipment, as well as the associated legacy. The revenues that make up this segment arise from the liquidation of inventory balances, and do not refer to regular operations.

Geographically, Management assesses the performance of the Brazilian and export markets.

Sales between segments were made as sales between independent parties. The amounts relating to total assets and liabilities are consistent with the balances recorded in the financial statements. These assets or liabilities are allocated based on the segment's operations and the physical location of the asset.

The information by segment is shown below:

| | Products | | Services | | Consolidated | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| Net sales | 34,866 | 21,324 | 139 | 68 | 35,005 | 21,392 |
| Cost of sales | (26,886) | (16,119) | (91) | (53) | (26,977) | (16,172) |
| Gross Profit (Loss) | 7,980 | 5,205 | 48 | 15 | 8,028 | 5,220 |
| Selling expenses | (1,972) | (2,470) | - | - | (1,972) | (2,470) |
| General and administrative expenses | (4,183) | (4,786) | (929) | (768) | (5,112) | (5,554) |
| Management compensation | - | - | (750) | (898) | (750) | (898) |
| Reversal of estimated losses due to the non-recoverability of assets | - | - | - | 418 | - | 418 |
| Estimate of losses due to the non-recoverability of assets | - | - | (3) | - | (3) | - |
| Other operating income (expenses), net | 154 | (5,622) | 600 | 3,481 | 754 | (2,141) |
| Operating profit (loss) before financial result | 1,979 | (7,673) | (1,034) | 2,248 | 945 | (5,425) |
| | | | | | | |
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Identifiable assets | 159,345 | 144,693 | 185,148 | 187,992 | 344,493 | 332,685 |
| Identifiable liabilities | 18,065 | 16,046 | 177,992 | 166,141 | 196,057 | 182,187 |
| | | | | | | |
| | Products | | Services | | Consolidated | |
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| Depreciation and amortization | (804) | (884) | (120) | (417) | (924) | (1,301) |
| Acquisition of fixed assets | 227 | 199 | 40 | - | 267 | 199 |

The information by geographical region is shown below:

| | Brazil | | Others | | Consolidated | |
|--|--------------|----------------|------------|------------|--------------|----------------|
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| Net sales | 35,005 | 21,392 | - | - | 35,005 | 21,392 |
| Cost of sales | (26,977) | (16,172) | - | - | (26,977) | (16,172) |
| Gross Profit (Loss) | 8,028 | 5,220 | - | - | 8,028 | 5,220 |
| Selling expenses | (1,972) | (2,470) | - | - | (1,972) | (2,470) |
| General and administrative expenses | (5,112) | (5,554) | - | - | (5,112) | (5,554) |
| Management compensation | (750) | (898) | - | - | (750) | (898) |
| Reversal of estimated losses due to the non-recoverability of assets | - | 418 | - | - | - | 418 |
| Estimate of losses due to the non-recoverability of assets | (3) | - | - | - | (3) | - |
| Other operating income (expenses), net | 754 | (2,141) | - | - | 754 | (2,141) |
| Operating profit (loss) before financial result | 945 | (5,425) | - | - | 945 | (5,425) |

| | Brazil | | Others | | Consolidated | |
|---------------------------------|----------------|----------------|---------------|---------------|----------------|----------------|
| | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 | 03/31/2024 | 12/31/2023 |
| Identifiable assets | 344,493 | 332,685 | - | - | 344,493 | 332,685 |
| Identifiable liabilities | 160,118 | 146,485 | 35,939 | 35,702 | 196,057 | 182,187 |

| | Brazil | | Others | | Consolidated | |
|--------------------------------------|--------------|----------------|------------|------------|--------------|----------------|
| | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 | 03/31/2024 | 03/31/2023 |
| Depreciation and amortization | (924) | (1,301) | - | - | (924) | (1,301) |
| Acquisition of fixed assets | 267 | 199 | - | - | 267 | 199 |

31. Subsequent events

Celebration of Contractual Amendments with Petrobras

On May 6, 2024, the Company signed amendments to supply contracts with Petróleo Brasileiro S.A. - Petrobrás, which would expire in May 2024, extending them for 365 days. As a result of the amendments signed, the Company will be able to supply up to R\$49.1 million, considering that these contracts have no purchase obligation.

Valve Supply Orders for Petrobras

On May 9, 2024, the Company received a firm purchase contract for R\$18.9 million from the client Petróleo Brasileiro S.A. - Petrobrás, all of which came from opportunity no. 7004239044 and with the aim of supplying Automated Ball Valves, manufactured in accordance with the requirements of the API 6D standard and technical specification S-562 IOGP.

Effects of Rains and Floods in Rio Grande do Sul

The company has plants in three locations in Rio Grande do Sul - Veranópolis (valves and castings), São Leopoldo (ropes) and Feliz (composites).

The Veranópolis and São Leopoldo units did not suffer damage as a result of the rains, but their operations have been affected by the difficulties inherent in the logistics of materials and people, which are expected to be normalized in a few days.

The Feliz plant suffered flooding, with minor damage, according to initial estimates. The company is already carrying out the necessary cleaning and repairs and activities are expected to return to normal within a few weeks.

Comment on the behavior of business projections

In the first quarter of 2024 we saw a significant acceleration in activities, made possible mainly by the reinforcement of working capital. Gross revenue for the period was R\$ 42.2 million, corresponding to a benchmark annualized revenue level of R\$ 170 million.

The firm order book ended the quarter with R\$ 67 million in orders. The decrease compared to the R\$ 81 million of 4Q23 was only transitory, given the firm purchase orders received from Petrobras in the amount of R\$ 19 million, announced days before the publication of these results.

Consolidated net revenue for the period ended March 31, 2024 was R\$ 35 million.

The long-term objectives pursued by the Company are as follows:

| Period | Net Revenue | Ebitda Margin |
|-------------------------------------|---|---------------|
| Between 3 and 5 years Objective | R\$ 550 million (considering the range of R\$ 450 million to R\$ 650 million) | 17% to 23% |
| Between 5 and 10 years Objective | R\$ 1 billion to R\$ 2 billion | NA |

The objectives reported are strategic targets pursued by the Company's management for horizons of 3 to 5 years and 5 to 10 years, and do not consist of projections.

Projections, when disclosed, are estimates by the Company's Management and reflect its opinion taking into account factors that may affect its performance, such as general economic conditions, in addition to the dynamics of its markets and operations, in accordance with the information available in the market to date.

Any projections are therefore subject to risks, uncertainties and changes, and do not constitute a promise of performance.



LUPATECH S.A.

CNPJ/MF nº 89.463.822/0001-12

NIRE 35.3.0045756-1

Publicly Traded Company - New Market

AUDIT COMMITTEE REPORT – 05/10/2024

I – INTRODUCTION AND COMPOSITION OF THE COMMITTEE:

The AUDIT COMMITTEE, as provided for in the internal regulations, Articles of Association and Legislation, is responsible for advising the Company's Board of Directors on the exercise of its supervisory functions and monitoring the quality of the Company's financial statements, internal controls, compliance and risk management, with a view to ensuring the reliability of the information reflected therein. The AUDIT COMMITTEE is made up of the following members who are in full exercise of their mandates:

1. **Paulo Pinese**, Brazilian, married, business administrator and accountant, holder of Identity Card RG No. 8.138.961-9, registered with CPF/MF No. 921.449.938- 15 and CRC SP 134.267/O-6, with business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), CEP 13388-220, as Coordinator of the Audit Committee.
2. **Carlos Mario Calad Serrano**, Colombian national, married, engineer, holder of identity card RNE no. V471179-4, registered with the CPF/ME under no. 060.144.487-64, with business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), CEP 13388-220.
3. **Celso Fernando Lucchesi**, Brazilian, married, geologist, holder of ID No. 05220023-5 - IFP-RJ, regularly registered with the CPF/MF under No. 117.047.300-82, with business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), CEP 13388-220.

II – DUTIES OF THE AUDIT COMMITTEE:

The Audit Committee is responsible for, in addition to other duties assigned to it by law, regulation or the Bylaws:

- II.1. - Opinion on the hiring and dismissal of an independent auditor;
- II.2 - supervising the activities of the independent auditors, assessing their independence, the quality of the services provided and the adequacy of such services to the Company's needs;
- II.3 - supervising the activities carried out in the areas of internal control, internal auditing and the preparation of the Company's financial statements;
- II.4 - monitor the quality and integrity of the internal control mechanisms, the financial statements and the information and measurements disclosed by the Company;

II.5 - evaluate and monitor the Company's risk exposures, and may request, among other things, detailed information on policies and procedures relating to: a) management remuneration; b) the use of Company assets; and c) expenses incurred on behalf of the Company;

II.6 - evaluate and monitor, together with the Company's management and the internal audit department, the adequacy and disclosure of transactions with related parties;

II.7 - prepare an annual report with information on its activities, results, conclusions and recommendations, recording, if any, significant disagreements between management, the independent auditors and the Audit Committee itself in relation to the financial statements;

II.8 - report to the Board of Directors on the work carried out by the Committee, communicating the main facts by recording them in the minutes of meetings; and

II.9 - perform duties and carry out any other acts necessary to fulfill their responsibilities.

III – AUDIT COMMITTEE ACTIVITIES:

With regard to the 2024 financial year, which is currently underway, the Committee met on May 10, 2024, a meeting which was attended by all three of its members. The Audit Committee has also met with the external auditors, with the Company's Chairman, Mr. Rafael Gorenstein, and with Ms. Vanessa Melo de Souza, Preparer of the Financial Statements, at the events mentioned above.

In an ordinary meeting held on May 10, 2024, starting at 9:30 a.m., via the Teams platform, the Audit Committee discussed accounting and tax aspects related to the closing of the interim Financial Statements for the first quarter of 2024, corresponding to the three-month period starting on January 1 and ending on March 31, 2024. The Board of Directors will accept the recommendation of this Audit Committee to approve the Financial Statements for the 1st Quarter of 2024, which have been discussed and reviewed by the same Committee.

Independent Accounting Audit: Assessed independence, especially with regard to the provision of other services, and compliance with applicable legal and regulatory provisions; Learned about the Independent Auditor's Annual Work Plan; Followed up on the work of the independent accounting audit; Learned about the audit report on the financial statements for the 3-month period ended March 31, 2024.

IV – TOPICS DEVELOPED BY March 31, 2024:

- a) Financial Statements / Financial / Accounting: Follow-up of the Company's financial results for the 1st Quarter of 2024, with regard to the Financial Statements prepared for this period - Balance Sheet, Income Statement for the 1st Quarter, Statement of Comprehensive Income, Cash Flow Statement, Statement of Changes in Shareholders' Equity, and Statement of Value Added, all for the 3-month period ending March 31, 2024.
- b) In addition to the financial statements, the notes to the financial statements were reviewed. Assessed the accounting practices adopted; assessed the process for

preparing and disclosing the financial statements for the period; assessed the reasonableness of the criteria for recognizing income and incurring expenses that have a material impact on the financial statements of the Company and its subsidiaries.

- c) Internal controls and compliance: Follow-up and monitoring of the tools used by the COMPANY to assess risks, protect assets and supervise the effectiveness of compliance structures in the fight against fraud, corruption and the prevention of money laundering; Analysis and knowledge of the COMPANY's corporate policies; Follow-up of the procedures relating to the Prevention and Combat of Money Laundering; Follow-up of the procedures relating to the Prevention and Combat of Fraud as well as being aware of the investigation reports and respective results; Follow-up of the dissemination and actions relating to the Anti-Corruption Law (Law 12. 846/2013, Decree 8.420/2015 and CGU Ordinance 909), Code of Ethics and Conduct and Compliance Program; Assessment of risks related to the information technology (IT) environment; Assessment of the process of monitoring lawsuits, deposits and judicial blocks as well as the adequacy of the respective estimates of accounting provisions; Monitoring of controls related to the financial area; Monitoring of third-party contracting management; Monitoring of work related to the implementation of the LGPD; Monitoring and identification and mitigation of the IT environment and cyber risks.
- d) Irregularities and Whistleblowing: Followed up on the development of the process for reporting and monitoring the systems and controls implemented by Management for receiving and handling information about non-compliance with the legal and regulatory provisions applicable to it, as well as its internal regulations and codes, ensuring that they provide for effective mechanisms to protect the provider of the information and its confidentiality.

V – AUDIT COMMITTEE HIGHLIGHTS:

The members of the Audit Committee, in the exercise of their legal duties and responsibilities, point out that they discussed in detail the accounting and recording procedures of the most relevant transactions recorded in the 3 (three) month period corresponding to the 1st Quarter of the calendar year 2024, ending on 31/03/2024, and their consistency with the procedures adopted at the end of the immediately preceding fiscal year, 2023, as reflected in the minutes of the Audit Committee Meeting of the aforementioned meetings.

Among the topics discussed were:

- (a) Positive evolution of net sales revenues, and revenues of Lupatech and its subsidiaries, over the same values of the same period in 2023, including the calculation of positive EBITDA as of this first quarter of 2024 by the Company;
- (b) Evolution of operating costs; current Inventory position and its probable and possible realization over time;
- (c) Constitution of reserves for non-realization of assets such as Inventories, Accounts Receivable, and their provisions (impairment) for possible losses of realization, other credits against third parties (CSL - Cordoaria São Leopoldo);

- (d) Registration of credits recognized on deferred IRPJ and CSLL, and their future realization, and support, and also realization of goodwill on investments in subsidiaries, acquired in the past;
- (e) Valuation of assets available for sale, no longer used in the operations of the Company and its subsidiaries; their valuation at fair value;
- (f) Capitalization and depreciation policies for property, plant and equipment in use; and
- (g) Analysis of the liabilities reflected in the quarterly financial statements as at 03/31/2024, including those arising from the RJ process mentioned above.

With regard to the lifting of the Judicial Reorganization (RJ), which took place in the first quarter of 2023, we discuss its disclosure in the explanatory notes presented here. It should be noted that the emphasis given in the Explanatory Notes derives from the comparability of the period just ended with the same period in 2023, when the RJ situation was still occurring.

Therefore, from now on, this Committee believes that the citation as the most relevant aspect of the Financial Statements in the Explanatory Notes needs to be revised and perhaps reallocated in the course of 2024 to compose notes on liability elements that are still pending future settlement as a result of the RJ. The fact should be recorded where and how it is due, specifically in the liability accounts where the outstanding balances of the RJ have been indicated. This information should be adjusted in the NE, henceforth.

VI – RECOMMENDATION ON THE FINANCIAL STATEMENTS AS AT 03/31/2024:

The members of the Audit Committee of Lupatech S.A., in the exercise of their duties and responsibilities, and in accordance with the Internal Regulations of this Committee, carried out an analysis of the individual and consolidated financial statements and the Management Report, including the Notes to the aforementioned financial statements, prepared for the three-month period ended March 31, 2024, and, based on the information provided by Management, this Committee expresses its favorable opinion, and thus recommends that the Board of Directors approve the aforementioned documents.

Nova Odessa (SP) May 10, 2024.

1. **Paulo Pinese**
RG nº 8.138.961-9/CPF/MF nº 921.449.938- 15
CRC SP 134.267/O-6.
2. **Carlos Mario Calad Serrano**
RNE nº V471179-4/CPF/ME nº 060.144.487-64.
3. **Celso Fernando Lucchesi**
RG nº 05220023-5 IFP-RJ/CPF/MF sob o nº 117.047.300-82.



Management's declaration of the financial statements

The directors of the Company, pursuant to the provisions of item VI of article 27 of CVM Instruction No. 80, of March 29, 2022, as amended, declare that they have reviewed, discussed and agreed with the Interim Financial Statements for the period ended March 31, 2024.

Nova Odessa, May 15, 2024.

Rafael Gorenstein – Director President and of Investor Relations Officer

Marco Antônio Miola – Director without specific designation



Management's declaration of the independent auditor's report

The directors of the Company, in compliance with the provisions of item V of article 27 of CVM Instruction No. 80, of March 29, 2022, as amended, declare that they have reviewed, discussed and agreed with the independent auditors' report on the Interim Financial Statements for the period ended March 31, 2024.

Nova Odessa, May 15, 2024.

Rafael Gorenstein – Director President and of Investor Relations Officer

Marco Antônio Miola – Director without specific designation