

QUARTERLY INFORMATION 2Q2025

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

The Company began 2024 with a favorable liquidity situation, facilitated by settlement of the San Antonio case. Over the course of the year, revenue increased substantially, expanding 43% compared to the previous year. Increased liquidity allowed for faster order deliveries and the expansion of underfunded business lines. Adjusted EBITDA in 2024 reached a balanced level for the first time in many years, demonstrating the potential for operational leverage through adequate liquidity.

At the time, it was expected that sustaining, and even increasing, sales levels would depend on the ability to provide working capital to the business. This contribution would depend primarily on the company's ability to: (i) raise capital, (ii) obtain liquidity through asset disposals or debt recovery, (iii) expand credit lines, or (iv) reduce debt service.

In this sense, as a continuation and enhancement of the efforts already underway throughout the restructuring process, throughout 2024 the company hired agents and advisors to facilitate (a) the sale of non-operating properties, (b) the sale-leaseback of operating properties, (c) a capital injection, and (d) structured debt.

Real estate deals have not yet become viable amid the country's high interest rate environment. Efforts to attract capital and debt were largely unsuccessful due to wasted time and energy on a bad business partner.

As reported during the 1Q25 earnings release, at the end of 2024, the Brazilian economy suffered a significant shock due to the event known as the "PIX crisis." In that context, the exchange rate suddenly devalued to 6.30, which led to a severe interest rate hike by the Central Bank, reaching around 15% annually. New geopolitical events, such as wars and the imposition of tariffs, did not help reverse the unfavorable situation.

Combined with the shipping delays we reported in 1Q25, due to the sharp monetary tightening, the company began to face financing constraints, especially for orders with longer delivery times. The prolonged situation has affected the company's operations and required the search for new financing mechanisms, which partially cover the gap in the lines that have faltered. Some lower-margin, more working capital-intensive business lines have seen their activity reduced, with priority being given to the most profitable and relevant businesses.

Consequently, the company's net revenue declined significantly compared to recent levels, both compared to 1Q25 and 2Q24. In this scenario, sales profitability was affected, as were all profitability indicators.

The firm order backlog remained at the same level as the previous quarter. The backlog of contracts without purchase obligations decreased significantly due to the termination of supply contracts initiated in 2020, after a maximum term of 5 years.

Only recently, after the end of the quarter, was the company able to conclude a settlement to receive credits arising from a lawsuit against Cordoaria São Leopoldo involving a breach of a non-compete agreement related to the acquisition of Lupatech Ropes' assets. At the same time, the parties signed a memorandum of understanding to collaborate on major mooring ropes projects. In financial terms, the agreement provided for the payment of R\$43 million in installments through 2028, in cash and credits against the State of Rio Grande do Sul, supported by the granting of real, fiduciary, and personal guarantees.

The outcome of the case is an important victory – the litigation lasted over 10 years and will materially contribute to liquidity and resources for a potential settlement of ongoing litigation with the State of Rio Grande do Sul, given that the credits included in the agreement have this dual nature.

There are major investment projects in the oil and gas sector, which are expected to generate significant demand in the coming years. In the current scenario, the company's efforts are focused on obtaining sources of liquidity, primarily through demobilization or structured transactions backed by its assets, as well as seeking a sustainable debt settlement with its creditors, to ensure its readiness for the upcoming new business cycle.

Rafael Gorenstein

Chief Executive Officer and Investor Relations Officer

Economic and Financial Performance

Lupatech operates in manufacturing (Products segment), producing mainly industrial valves; valves for oil and gas; mooring ropes for deepwater oil rigs, for naval use and for lifting loads; composite material artifacts, mainly power poles and tubes for lining oil pipelines.

The Company operated in the oil services business (Services segment), of which various assets remain in the process of demobilization, as well as the associated legacy.

Net Revenue

Net Revenue (R\$ thd)	2Q24	2Q25	1Q25	2Q25	1S25	1S24
Products	33,783	13,639	18,351	13,639	31,990	68,649
Valves	31,966	10,666	15,810	10,666	26,476	63,226
Ropes and Composites	1,817	2,973	2,541	2,973	5,514	5,423
Services	153	-	68	-	68	292
Oilfield Services	153	-	68	-	68	292
Total	33,936	13,639	18,419	13,639	32,058	68,941

In 2Q25, total consolidated net revenue reached R\$ 13.6 million. The decline observed in 2Q25 compared to the same periods last year is due to the postponement of the acquisition of inputs due to the challenging macroeconomic scenario.

Services

Transactions carried out in this segment result from the liquidation of inventory balances and other activities related to plants that have been decommissioned, and do not refer to ordinary operations.

Order Backlog

On June 30, 2025, the Company's order backlog in Brazil totaled R\$ 51,5 million. On the same date, the Company had a balance of supply contracts without purchase obligation of R\$ 23 million (Note: the figures do not include expired tenders for which the respective orders or contracts have not yet been issued)

Gross Profit and Gross Margin

Gross Profit (R\$ thd)	2Q24	2Q25	1Q25	2Q25	1S25	1S24
Products	7,007	1,223	2,831	1,223	4,054	14,987
<i>Gross Margin - Products</i>	20.7%	9.0%	15.4%	9.0%	12.7%	21.8%
Services	-	-	17	-	17	49
<i>Gross Margin - Services</i>	n/a	n/a	n/a	n/a	n/a	n/a
Total	7,007	1,223	2,848	1,223	4,071	15,036
<i>Gross Margin - Total</i>	20.6%	9.0%	15.5%	9.0%	12.7%	21.8%
Depreciation	679	239	455	239	694	1,434

Depreciation Products	679	239	455	239	694	1,434
Gross Profit without depreciation	7,686	1,462	3,303	1,462	4,765	16,470
Gross Profit without depreciation Products	7,686	1,462	3,286	1,462	4,747	16,422

*n/a - not applied

Products

Gross profit for Q2 2025 reached R\$ 1.2 million, with a margin of 9%. The decline in margin for both periods compared is mainly associated with lower revenue, directly reflecting lower dilution of fixed costs.

Services

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

Expenses

Expenses (R\$ thd)	2Q24	2Q25	1Q25	2Q25	1S25	1S24
Total Sales Expenses	3,514	4,022	2,733	4,022	6,755	5,486
Sales Expenses - Products	3,514	4,022	2,733	4,022	6,755	5,486
Sales Expenses - Services	-	-	-	-	-	-
Total Administrative Expenses	5,445	5,279	5,331	5,279	10,610	10,557
Administrative Expenses - Products	2,630	4,723	4,445	4,723	9,168	4,548
Administrative Expenses - Services	2,815	556	886	556	1,442	6,009
Management Fees	750	1,061	1,501	1,061	2,562	1,500
Total Expenses	9,709	10,362	9,565	10,362	19,927	17,543

Selling and administrative expenses

In Q2 2025, the Company recognized R\$ 4.0 million in sales expenses. The increase in proportion to revenue is due to the effect of the specific characteristics of the predominant contracts. Administrative expenses remained similar to the first quarter.

Management Compensation

The amount shown consists of fixed and variable compensation. The variation in relation to previous periods refers to variable compensation amounts from the previous fiscal year, which were approved only during the quarter.

Other Revenues and Operational (Expenses)

Other Operating (Expenses) (R\$ thd)	2Q24	2Q25	1Q25	2Q25	1S25	1S24
Products	(3,140)	(132)	(242)	(132)	(374)	(2,669)
Expenses with Idleness - Products	(2,802)	(4,677)	(1,597)	(4,677)	(6,275)	(3,119)
Services	(4,175)	1,449	(961)	1,449	488	(3,578)
Expenses with Idleness - Services	-	-	-	-	-	-
Total	(10,117)	(3,360)	(2,800)	(3,360)	(6,160)	(9,366)

In Q2 2025, R\$ 8.2 thousand in "Other Operating Income" was recorded against R\$ 4.8 million in "Other Operating Expenses," totaling a negative net effect of R\$ 3.4 million. The following factors stand out:

- I. R\$ 4.6 million positive effects from the recognition of credit rights;
- II. R\$ 4.7 million in idle time expenses;
- III. R\$ 0.5 million in inventory obsolescence estimates;

- IV. R\$ 2.8 million from the recognition of taxes, contributions, and depreciation of real estate as investment property.

Financial Result

Financial Results (R\$ thd)	2Q24	2Q25	1Q25	2Q25	1S25	1S24
Financial Revenue*	947	3,196	809	3,196	4,005	2,080
Financial Expense*	(7,231)	(11,161)	(13,915)	(11,161)	(25,076)	(13,657)
Net Financial Results*	(6,284)	(7,965)	(13,106)	(7,965)	(21,071)	(11,577)
Net Exchange Variance	(6,606)	8,087	12,476	8,087	20,563	(10,659)
Net Financial Results - Total	(12,890)	122	(630)	122	(508)	(22,236)

* Excluding Exchange Variance

The net financial result for Q2 2025 was negative at R\$ 8.0 million, mainly due to the adjustment for interest and charges on suppliers and loans and the calculation of the present value adjustment of the bankruptcy debt. The total net financial result is influenced by exchange rate variations.

It is important to note that exchange rate variations are predominantly the result of their impact on loan balances between group companies abroad. Exchange rate fluctuations have an opposite effect on the translation of these entities' equity into Brazilian reais, which means that exchange rate variations are recorded directly in the company's shareholders' equity, without passing through income statement accounts.

See the following proforma statement of the net economic effect of exchange rate variations on intercompany loans:

	1Q25	2Q25	1S25
Total Exchange Variation Revenue	13,374	9,562	22,936
Realized on exchange closing	199	148	347
Provision for outstanding securities	30	62	92
Provision for intercompany loans	12,349	8,785	21,134
Provision for unsecured suppliers	796	567	1,363
Total Exchange Variation Expense	(898)	(1,475)	(2,373)
Realized on exchange closing	(256)	(44)	(300)
Provision on intercompany loan	(604)	(1,342)	(1,946)
Provision for unsecured suppliers	(38)	(89)	(127)
Net Exchange Variance	12,476	8,087	20,563
Counterpart in Shareholders' Equity	(11,745)	(7,443)	(19,188)
Net Economic Effect of Exchange Variation	731	644	1,375

Adjusted EBITDA from Operations

EBITDA Adjusted (R\$ thd)	2Q24	2Q25	1Q25	2Q25	1S25	1S24
Products	2,714	(5,470)	(3,168)	(5,470)	(8,637)	6,240
Margin	8.0%	-40.1%	-17.3%	-40.1%	-27.0%	9.1%
Services	(2,374)	99	(672)	99	(573)	(4,594)
Margin	n/a	n/a	n/a	n/a	n/a	n/a
Total	340	(5,371)	(3,840)	(5,371)	(9,211)	1,646
Margin	1.0%	-39.4%	-20.8%	-39.4%	-60.2%	4.7%

The negative Adjusted EBITDA from Products in Q25 compared to the comparative periods is mainly due to the decrease in revenue.

Adjusted EBITDA from Services consists of legacy management costs.

Adjusted Ebitda Reconciliation (R\$ thd)	2Q24	2Q25	1Q25	2Q25	1S25	1S24
Gross Profit	7,008	1,223	2,848	1,223	4,071	15,036

SG&A	(8,959)	(9,301)	(8,064)	(9,301)	(17,365)	(16,043)
Management Compensation	(750)	(1,061)	(1,501)	(1,061)	(2,562)	(1,500)
Depreciation and Amortization	850	618	618	618	1,236	1,774
Other Operating Expenses	(10,117)	(3,360)	(2,800)	(3,360)	(6,160)	(9,366)
EBITDA from Activities	(11,968)	(11,881)	(8,899)	(11,881)	(20,780)	(10,099)
Result of disposal or write-off of assets	1,978	(250)	(170)	(250)	(420)	1,982
Provisions for Legal Proceedings	(238)	(11)	707	(11)	696	(1,672)
Idle expenses	2,802	4,677	1,597	4,677	6,274	3,119
Extraordinary Expenses	7,766	2,094	2,925	2,094	5,019	8,316
Adjusted EBITDA	340	(5,371)	(3,840)	(5,371)	(9,211)	1,646

2Q25			
Reconciliation of Adjusted Ebitda (R\$ thd)	Products	Services	Total
Gross Profit	1,223	-	1,223
SG&A	(8,745)	(556)	(9,301)
Management Compensation	(690)	(371)	(1,061)
Depreciation and Amortization	505	113	618
Other Operating Expenses	(4,809)	1,449	(3,360)
EBITDA from Activities	(12,516)	635	(11,881)
Result of disposal or write-off of assets	(6)	(244)	(250)
Provisions for Legal Proceedings	(119)	108	(11)
Idle expenses	4,677	-	4,677
Extraordinary Expenses	2,494	(400)	2,094
Adjusted EBITDA	(5,470)	99	(5,371)

Net Result

Net Result (R\$ thd)	2Q24	2Q25	1Q25	2Q25	1S25	1S24
Result Before Income Tax and Social Contribution	(25,708)	(12,377)	(10,147)	(12,377)	(22,524)	(34,109)
Income Tax and Social Contribution - Current	(2)	(5)	(1)	(5)	(6)	(2)
Income Tax and Social Contribution - Deferred	2,451	(263)	(1,236)	(263)	(1,499)	3,453
Net Profit for the Period	(23,259)	(12,645)	(11,384)	(12,645)	(24,029)	(30,658)
Profit (Loss) per Share	(0.56)	(0.29)	(0.27)	(0.29)	(0.56)	(0.74)

The net loss recorded in Q2 2025 is influenced not only by current revenues and expenses, but also by the adjustment to present value relating to bankruptcy debt, interest rate adjustments on loans, and the net effect of other operating revenues and expenses.

Working Capital

Working Capital (R\$ thd)	06/30/2025	12/31/2024
Accounts Receivable	21,456	35,427
Inventories	25,113	26,930
Advances of suppliers	1,082	964
Recoverable taxes	23,671	31,017
Other Accounts Receivable	3,651	4,675
Total Asset	74,973	99,013
Suppliers	22,384	17,734
Advances from Customers	1,308	6,773
Taxes payable	55,464	22,096
Other Accounts Payable/Other Obligations	5,397	2,921
Payroll and charges	6,394	3,582
Total Liabilities	90,947	53,106
Working Capital Employed	(15,974)	45,907
Working Capital Variation	(61,881)	

Comparing the balances as of June 30, 2025, with the balance as of December 31, 2024, there is a reduction in working capital employed. Assets decreased mainly due to: (i) consumption of tax credits, and (ii) accounts receivable due to the decline in sales. Liabilities, in turn, increased due to: (i) non-payment of the judicial reorganization installment, (ii) tax debts that will be included in new installment plans, and (iii) accounting reclassification to long-term of taxes payable.

Indebtedness

Debts (R\$ thd)	06/30/2025	12/31/2024
Short Term	60,999	56,264
Credits subject to Judicial Recovery	12,375	7,983
Credits not subject to Judicial Recovery	48,624	48,281
Long Term	117,634	123,437
Credits subject to Judicial Recovery	113,254	116,897
Credits not subject to Judicial Recovery	4,380	6,540
Total Debts	178,633	179,701
Cash and Cash Equivalents	2,108	3,515
Net Debt	176,525	176,186

The increase in financial debt when comparing balances as of June 30, 2025, to balances as of December 31, 2024, is mainly associated with the taking out of new loans.

Debt not subject to short-term judicial reorganization is detailed in the following tables, which show the composition by type and then the coverage of guarantees.

Short-term debt - Credits not subject to Judicial Reorganization	06/30/2025
BNDES - Fiduciary Sale of Machinery	11,167
Co-obligation on discounted securities	8,098
Working Capital (various types)	29,359
Total	48,624

Guarantee Coverage - Working Capital (various types)	06/30/2025
CDB and performing credits	2,828
Other*	26,531
Total	29,359

*Performing receivables, FGI, Intra-group guarantee.

Note that short-term debt corresponds to: (i) co-obligations on discounted securities (R\$ 8.1 million), (ii) amounts to be self-settled by receivables already performed or CDBs (R\$ 2.8 million), and (iii) amounts covered by surety bonds or pending future performance of receivables (R\$ 26.5 million).

Annexes

Annex I - Income Statements (R\$ Thousand)

	1Q25	2Q25
Net Revenue From Sales	18,419	13,639
Cost of Goods and Services Sold	(15,571)	(12,416)
Gross Profit	2,848	1,223
Operating Income/Expenses	(12,365)	(13,722)
Selling	(2,733)	(4,022)
General and Administrative	(5,331)	(5,279)
Management Fees	(1,501)	(1,061)
Other Operation Income (Expenses)	(2,800)	(3,360)
Net Financial Result	(630)	122
Financial Income	809	3,196
Financial Expenses	(13,915)	(11,161)
Net Exchange Variance	12,476	8,087
Results Before Income Tax and Social Contribution	(10,147)	(12,377)
Provision Income Tax and Social Contribution - Current	(1)	(5)
Provision Income Tax and Social Contribution - Deferred	(1,236)	(263)
Net Profit (Loss) for the year	(11,384)	(12,645)

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

	1Q25	2Q25
Adjusted EBITDA from Operations	(3,840)	(5,371)
Idleness Expenses	(1,597)	(4,677)
Extraordinary expenses	(2,925)	(2,094)
Provisions for Losses, Impairment and Net Result on Disposal of Assets	(537)	261
EBITDA from Operations	(8,899)	(11,881)
Depreciation and amortization	(618)	(618)
Net Financial Result	(630)	122
Income Tax and Social Contribution - Current and Deferred	(1,237)	(268)
Net Loss	(11,384)	(12,645)

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

	06/30/2025	12/31/2024
Total Asset	491,172	508,795
Current Assets	130,119	156,539
Cash and Cash Equivalents	2,108	3,515
Accounts Receivable	21,456	35,427
Inventories	25,113	26,930
Recoverable Taxes	23,671	31,017
Other Accounts Receivable	3,651	4,675
Prepaid Expenses	694	569
Advances to Suppliers	1,082	964
Assets Classified as Held for Sale	52,344	53,442
Non-Current Assets	361,053	352,256
Financial applications	220	-
Securities-restricted	44	44
Judicial Deposits	3,363	4,299
Recoverable Taxes	13,508	3,482
Deferred Income Tax and Social Contribution	66,834	68,253
Other Accounts Receivable	36,020	33,464
Investments	19,685	19,685
Fixed Assets	138,306	139,831
Intangible Assets	83,073	83,198
Total Liabilities and Shareholders Equity	491,172	508,795
Current Liabilities	156,729	112,399
Suppliers - not subject to Judicial Recovery	15,826	11,818
Suppliers - subject to Judicial Recovery	6,558	5,916
Loans and Financing - not subject to Judicial Recovery	48,624	48,281
Loans and Financing - subject to Judicial Recovery	12,375	7,983
Provisions Payroll and Payroll Payable	6,394	3,582
Taxes Payable	55,464	22,096
Obligations and Provisions for Labor Risks - subject to Judicial Recovery	106	106
Advances from Customers	1,308	6,773
Other Accounts Payable	5,397	2,921
Other obligations - subject to Judicial Recovery	4,677	2,923
Non-Current Liabilities	227,809	258,016
Suppliers - subject to Judicial Recovery	28,732	28,924
Loans and Financing - not Subject to Judicial Recovery	4,380	6,540
Loans and Financing - subject to Judicial Recovery	113,254	116,897
Taxes Payable	13,354	38,469
Provision for Contingencies	25,128	25,280
Obligations and Provisions Labor Risks - subject to Judicial Recovery	1,914	1,914
Other Accounts Payable	1,716	1,624
Other obligations - subject to judicial recovery	39,331	38,368
Shareholders' Equity	106,634	138,380
Capital Stock	1,924,277	1,922,339
Reserves and capital transactions	144,754	144,754
Accumulated conversion adjustments	74,093	83,748
Accumulated Losses	(2,036,490)	(2,012,461)

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

	1Q25	2Q25
Cash Flow from Operating Activities		
Profit (Loss) for the year	(11,384)	(12,645)
Adjustments:		
Depreciation and Amortization	993	995
Income from sale of property, plant and equipment	24	189
Financial charges and exchange variation on financing	(343)	599
Reversal (Provision) for loss due to non-recoverability of assets	(196)	(205)
Deferred Income Tax and Social Contribution	1,236	183
Inventory obsolescence	(110)	409
(Reversal) Estimated losses for doubtful accounts	6	7
Actual losses with doubtful accounts	-	1
Adjust to present value	6,988	5,542
Exchange variation on investments abroad	(5,756)	(3,899)
Changes in Assets & Liabilities		
(Increase) Decrease in Accounts Receivable	1,082	12,875
(Increase) Decrease in Inventories	494	1,024
(Increase) Decrease in Recoverable Taxes	790	(3,470)
(Increase) Decrease in Other Assets	(1,360)	142
(Increase) Decrease in Suppliers	580	(1,061)
(Increase) Decrease in Taxes Payable	2,355	4,351
(Increase) Decrease in Others Accounts Payable	5,284	(1,716)
Net Cash Flow from Operating Activities	683	3,321
Cash Flow from Investment Activities		
Bonds and securities - restricted account	51	34
Resources from the sale of fixed assets	176	58
Acquisition of fixed assets	(146)	(75)
Net cash provided by (used in) investing activities	81	17
Cash Flow from Financing Activities		
Borrowing and financing	25,065	26,165
Capital increase	3	1,935
Payment of loans and financing	(26,991)	(31,686)
Net cash provided by (used in) financing activities	(1,923)	(3,586)
Net Increase (Decrease) in Cash and Cash Equivalents	(1,159)	(248)
At the Beginning of the Period	3,515	2,356
At the End of the Period	2,356	2,108

About Lupatech

Lupatech S.A. is a Brazilian high value-added products company focused on the oil and gas sector. It operates in manufacturing (Products segment), producing mainly industrial valves; valves for oil and gas; mooring ropes oil rigs; composite material artifacts, mainly power poles and tubes for lining oil pipes.

LUPATECH S.A.

STATEMENT OF FINANCIAL POSITION
ON JUNE 30, 2025, AND DECEMBER 31, 2024
(In thousands of Brazilian reais)

ASSETS	Note #	Company		Consolidated		LIABILITIES AND EQUITY	Note #	Company		Consolidated	
		06/30/2025	12/31/2024	06/30/2025	12/31/2024			06/30/2025	12/31/2024	06/30/2025	12/31/2024
CURRENT ASSETS						CURRENT					
Cash and cash equivalents	3	1,842	1,829	2,108	3,515	Trade accounts payable - not included in the court-supervised reorganization plan	12	13,604	10,246	15,826	11,818
Trade accounts receivable	4	18,800	31,531	21,456	35,427	Trade accounts payable included in the reorganization plan	12	6,558	5,916	6,558	5,916
Inventories	5	24,002	25,055	25,113	26,930	Loans and financing not included in the reorganization plan	13	41,552	43,333	48,624	48,281
Recoverable taxes	6	6,605	20,324	23,671	31,017	Loans and financing included in the reorganization plan	13	9,110	5,943	12,375	7,983
Advances to suppliers		1,020	797	1,082	964	Employees' pay, provisions and related charges		5,529	3,173	6,394	3,582
Other receivables	7	902	892	3,651	4,675	Taxes payable	19	35,868	14,028	55,464	22,096
Prepaid expenses		616	435	694	569	Employees' pay and related charges included in the reorganization plan		106	106	106	106
Related party transactions	14.1	182	213	-	-	Advances from customers		1,112	6,639	1,308	6,773
Assets classified as held for sale	8	1,057	1,057	52,344	53,442	Other payables	17	4,804	2,385	5,397	2,921
						Other payables included in the reorganization plan	17	4,677	2,923	4,677	2,923
						Related party transactions	14.1	14,540	13,116	-	-
Total current assets		55,026	82,133	130,119	156,539	Total current liabilities		137,460	107,808	156,729	112,399
NONCURRENT ASSETS						NONCURRENT LIABILITIES					
Financial applications	3	220	-	220	-	Trade accounts payable included in the reorganization plan	12	28,732	28,924	28,732	28,924
Deposits into court	18.1	1,614	1,420	3,363	4,299	Loans and financing not included in the reorganization plan	13	4,380	6,540	4,380	6,540
Securities	3	44	44	44	44	Loans and financing included in the reorganization plan	13	62,329	61,169	113,254	116,897
Recoverable taxes	6	4,260	3,482	13,508	3,482	Taxes payable	19	8,169	22,468	13,354	38,469
Deferred income and social contribution taxes	16	61,403	64,526	66,834	68,253	Provision for tax, labor and civil contingencies	18.2	14,028	12,013	25,128	25,280
Related party transactions	14.1	1,306	1,479	-	-	Employees' pay and related charges included in the reorganization plan		1,914	1,914	1,914	1,914
Other receivables	7	33,341	33,341	36,020	33,464	Other payables	17	-	-	1,716	1,624
Long-term investment						Other payables included in the reorganization plan	17	39,331	38,368	39,331	38,368
Investment in controlled and affiliated companies	9.1	310,718	314,683	-	-	Related party transactions	14.1	143,833	163,057	-	-
Properties held for investment	9.2	-	-	19,685	19,685						
Property, plant and equipment	10	16,749	17,293	138,306	139,831						
Intangible assets											
Goodwill determined in the acquisition of investment	11	61,479	61,479	82,166	82,166						
Other intangible assets	11	650	761	907	1,032						
Total noncurrent assets		491,784	498,508	361,053	352,256	Total noncurrent liabilities		302,716	334,453	227,809	258,016
						EQUITY	20				
						Capital		1,924,277	1,922,339	1,924,277	1,922,339
						Capital reserves and change in capital		144,754	144,754	144,754	144,754
						Accumulated Conversion Adjustments		74,093	83,748	74,093	83,748
						Accumulated losses		(2,036,490)	(2,012,461)	(2,036,490)	(2,012,461)
						Attributed to the Company's shareholders		106,634	138,380	106,634	138,380
						Total equity		106,634	138,380	106,634	138,380
TOTAL ASSETS		546,810	580,641	491,172	508,795	TOTAL LIABILITIES AND EQUITY		546,810	580,641	491,172	508,795

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

LUPATECH S.A.

STATEMENT OF INCOME

FOR THE THREE- AND SIX-MONTH PERIODS ENDING JUNE 30, 2025 AND 2024

(In thousands of Brazilian Reais, except for loss per share, or where otherwise indicated)

	Note #	Company		Consolidated	
		06/30/2025	06/30/2024	06/30/2025	06/30/2024
NET OPERATING REVENUE	24	30,205	66,782	32,058	68,941
COST OF PRODUCTS SOLD	28	(25,616)	(50,098)	(27,987)	(53,905)
Gross income		4,589	16,684	4,071	15,036
OPERATING EXPENSES					
Selling expenses	28	(6,551)	(5,379)	(6,755)	(5,486)
General and administrative expenses	28	(8,162)	(7,989)	(10,610)	(10,557)
Management compensation	15 / 28	(2,562)	(1,500)	(2,562)	(1,500)
Equity method adjustment of interest held in investees	9.1	(11,361)	3,835	-	-
Other operating revenue (expenses), net	26	(3,617)	(2,830)	(6,160)	(9,366)
OPERATING LOSS BEFORE FINANCIAL REVENUE (EXPENSES)		(27,664)	2,821	(22,016)	(11,873)
FINANCIAL REVENUE (EXPENSES)					
Financial revenue	27	3,489	1,380	4,005	5,825
Financial expenses	27	(17,070)	(21,046)	(25,076)	(17,402)
Foreign currency exchange rate gains (losses), net	27	20,338	(18,636)	20,563	(10,659)
INCOME (LOSS) BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES		(20,907)	(35,481)	(22,524)	(34,109)
INCOME AND SOCIAL CONTRIBUTION TAXES					
Current taxation	16	-	-	(6)	(2)
Deferred one	16	(3,122)	4,823	(1,499)	3,453
NET INCOME (LOSS)		<u>(24,029)</u>	<u>(30,658)</u>	<u>(24,029)</u>	<u>(30,658)</u>
INCOME (LOSS) ATTRIBUTED TO:					
The Company's shareholders		(24,029)	(30,658)	(24,029)	(30,658)
EARNINGS (LOSS) PER SHARE					
Basic earnings (loss) per share	25	(0.54966)	(0.73917)	(0.54966)	(0.73917)

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

LUPATECH S/A

STATEMENT OF INCOME

FOR THE THREE- AND SIX-MONTH PERIODS ENDING JUNE 30, 2025 AND 2024

(In thousands of Brazilian reais)

	Company		Consolidated	
	06/30/2025	06/30/2024	06/30/2025	06/30/2024
LOSS FOR THE YEAR	(24,029)	(30,658)	(24,029)	(30,658)
OTHER COMPREHENSIVE INCOME FOR THE YEAR				
Exchange variation on investments abroad	(9,818)	2,832	(9,818)	2,832
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(33,847)</u>	<u>(27,826)</u>	<u>(33,847)</u>	<u>(27,826)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Share of the Company's shareholders	(33,847)	(27,826)	(33,847)	(27,826)

The notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS – INDIRECT METHOD
FOR THE SIX-MONTH PERIODS ENDING ON JUNE 30, 2025, AND 2024
(In thousands of Brazilian reais)

	Company		Consolidated	
	06/30/2025	06/30/2024	06/30/2025	06/30/2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income (loss)	(24,029)	(30,658)	(24,029)	(30,658)
Depreciation and amortization	797	1,368	1,988	2,835
(Reversal) set up of provision for impaired assets	-	(239)	(401)	(8,313)
Equity method adjustment of interest held in investees	11,361	(12,769)	-	-
Result from the write-off of property, plant and equipment	(17)	-	213	(7,222)
Financial charges paid and financing foreign currency exchange rate gains (losses)	(9,097)	34,959	256	26,834
Deferred income and social contribution taxes	3,123	(4,823)	1,419	(3,453)
Obsolescence of inventories	142	767	299	1,324
(Reversal) set up of an allowance for doubtful accounts	11	(17)	13	(62)
Actual losses incurred with doubtful accounts	-	14	1	14
Discount to present value	5,708	3,298	12,530	(3,744)
Foreign currency exchange gains (losses) of investment overseas	163	10,141	(9,655)	3,363
(Increase) decrease in operating assets:				
Trade accounts receivable	12,720	(17,557)	13,957	(17,345)
Inventories	911	(1,224)	1,518	624
Recoverable taxes	12,941	5,222	(2,680)	6,110
Other assets	(828)	1,211	(1,218)	1,985
Increase (decrease) in operating liabilities:				
Trade accounts payable	(1,138)	(1,874)	(481)	(2,215)
Taxes payable	6,658	406	6,706	(1,611)
Other payables	3,980	1,511	3,568	(1,693)
Net funds provided by (used in) operating activities	23,406	(10,264)	4,004	(33,227)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payment of capital of controlled companies	(17,214)	(4,559)	-	-
Securities - restricted account	50	98	85	267
Funds from loans received of related parties	31	10,080	-	-
Revenue from the sale of property, plant and equipment	25	1,439	234	25,258
Acquisition of fixed assets	(150)	(436)	(221)	(651)
Additions to intangible assets	-	(232)	-	(232)
Net cash provided by (used in) investing activities	(17,258)	6,390	98	24,642
CASH FLOWS OF FINANCING ACTIVITIES				
New loans and financing	46,150	55,173	51,230	65,511
New related-party loans (repayment)	1,270	(76)	-	-
Increase in capital	1,938	406	1,938	406
Repayment of loans and financing	(55,493)	(51,774)	(58,677)	(68,058)
Net cash provided by (used in) financing activities	(6,135)	3,729	(5,509)	(2,141)
INCREASE (DECREASE) IN NET CASH AND CASH EQUIVALENTS	13	(145)	(1,407)	(10,726)
Cash and cash equivalents at beginning of year	1,829	1,440	3,515	19,907
Cash and cash equivalents at end of year	1,842	1,295	2,108	9,181

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

LUPATECH S.A.

STATEMENT OF CHANGE IN EQUITY
FOR THE SIX-MONTH PERIODS ENDING ON JUNE 30, 2025, AND 2024
(In thousands of Brazilian reais)

	Capital	Capital reserves and options granted	Accumulated losses	Asset and liability valuation adjustment	Attributed to the Company's shareholders	Total equity
BALANCES AS AT DECEMBER 31, 2022	1,920,820	144,754	(1,980,690)	74,679	159,563	159,563
Increase in capital	406	-	-	-	406	406
Loss for the period	-	-	(30,658)	-	(30,658)	(30,658)
Foreign currency exchange gains (losses) of investment overseas	-	-	-	2,832	2,832	2,832
BALANCES AT JUNE 30, 2024	1,921,226	144,754	(2,011,348)	77,511	132,143	132,143
BALANCES AT DECEMBER 31, 2024	1,922,339	144,754	(2,012,461)	83,748	138,380	138,380
Increase in capital	1,938	-	-	-	1,938	1,938
Loss of the year	-	-	(24,029)	-	(24,029)	(24,029)
Exchange rate variation on foreign investments	-	-	-	(9,818)	(9,818)	(9,818)
Other changes in shareholders' equity	-	-	-	163	163	163
BALANCES AT JUNE 30, 2025	1,924,277	144,754	(2,036,490)	74,093	106,634	106,634

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

LUPATECH S.A.

STATEMENT OF VALUE ADDED
FOR THE SIX-MONTH PERIODS ENDING ON JUNE 30, 2025, AND 2024
(In thousands of Brazilian reais)

	Company		Consolidated	
	06/30/2025	06/30/2024	06/30/2025	06/30/2024
REVENUE				
Sales of goods, products and services (included Federal VAT - IPI)	37,070	80,494	39,212	83,069
Revenue from the sale of property, plant and equipment	25	55,677	19	25,258
Reversal of provision for impaired assets	-	2,341	401	7,469
Other revenue	4,704	(51,227)	7,556	2,009
Reversal (set up) of an allowance for doubtful accounts	(11)	17	(13)	62
Actual losses incurred with doubtful accounts	-	(14)	(1)	(14)
	41,788	87,288	47,174	117,853
INPUTS ACQUIRED FROM THIRD PARTIES				
Cost of products sold and services provided	(8,487)	(34,680)	(3,746)	(32,439)
Materials, electric power, third party services and other	(14,645)	(7,866)	(19,808)	(10,813)
Other expenses	(8,347)	(9,621)	(14,136)	(44,103)
	(31,479)	(52,167)	(37,690)	(87,355)
GROSS VALUE ADDED	10,309	35,121	9,484	30,498
DEPRECIATION AND AMORTIZATION	(797)	(1,368)	(1,988)	(2,835)
NET VALUE PRODUCED BY THE COMPANY	9,512	33,753	7,496	27,663
ADDED VALUE RECEIVED THROUGH TRANSFERENCE				
Equity method adjustment to the equity of investees	(11,361)	3,835	-	-
Financial revenue	26,197	5,900	26,941	18,350
	14,836	9,735	26,941	18,350
TOTAL VALUE ADDED TO BE DISTRIBUTED	24,348	43,488	34,437	46,013
DISTRIBUTION OF VALUE ADDED	24,348	43,488	34,437	46,013
Personnel:	16,466	17,694	19,278	21,364
Direct compensation	12,111	12,550	14,106	15,143
Benefits	3,521	4,219	4,175	5,032
Severance Pay Fund (FGTS)	834	925	997	1,189
Taxation:	12,301	12,094	11,506	14,468
Federal taxes	8,296	4,394	7,347	6,467
State taxes	3,789	7,497	3,902	7,753
Local taxes	216	203	257	248
Compensation of third party capital:	19,610	44,358	27,682	40,839
Interest and other financial expenses	19,440	44,202	27,448	40,586
Leases	170	156	234	253
Increase (decrease) in own capital:	(24,029)	(30,658)	(24,029)	(30,658)
Net income (loss)	(24,029)	(30,658)	(24,029)	(30,658)

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

Lupatech S.A

Explanatory notes to the individual and consolidated interim financial information for the three- and six-month periods ended June 30, 2025.

(In thousands of Brazilian reais, except where indicated)

1. General information

Lupatech S.A. (“Company”) and its subsidiaries and affiliates (collectively, the “Group”) is a publicly traded company headquartered in Nova Odessa, São Paulo State, with shares traded on the São Paulo Stock Exchange (“B3” LUPA3).

The Group operates in manufacturing (**Products segment**), producing mainly: industrial valves; oil and gas valves; synthetic fiber ropes for anchoring oil platforms and various other applications; and composite material artifacts, such as poles and tubular sleeves for coating oil pipes.

Until 2017, the Company operated in the oil services business (**Services segment**), from which various assets remain in the process of demobilization, as well as the associated legacy. These assets are classified as assets held for sale.

1.1 Operational continuity

The interim, individual, and consolidated accounting information was prepared on the assumption of the Company's normal business continuity.

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

Continuity depends not only on improved performance, but also on success in obtaining additional resources necessary to supply working capital and service debt, which may come, for example, from new lines of credit, capital increases with or without debt conversion, sale of assets or equity interests, tax credit refunds, and liability reprofiling. Management is pursuing all of these options.

2. Preparation base

2.1 Declaration of conformity

The individual and consolidated interim financial information has been prepared in accordance with 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 the individual and consolidated interim financial statements, and only that information, is being disclosed, and that it corresponds to the information used by Management in its management of the Company.

The issuance of the interim financial statements was authorized by the Board of Directors on September 1, 2025.

The accounting practices used in preparing these individual and consolidated interim financial statements are the same as those used in preparing the Company's and its subsidiaries' audited individual and consolidated annual financial statements for the year ended December 31, 2024. Therefore, the individual and consolidated interim financial information should be read in conjunction with the Company's and its subsidiaries' individual

and consolidated annual financial statements for the year ended December 31, 2024, issued on March 21, 2025, which include the complete set of explanatory notes.

2.2 Functional currency and presentation currency

These individual and consolidated interim financial statements are presented in Brazilian reais (R\$), which is the Company's functional currency. All balances have been rounded to the nearest thousand, unless otherwise indicated.

2.3 Measurement basis

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

2.4 Consolidation basis and investments in subsidiaries

The consolidated interim financial statements include the financial statements of Lupatech S.A. and its subsidiaries.

Subsidiaries

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

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

Directly and indirectly controlled companies	Direct and indirect control (%)	
	06/30/2025	12/31/2024
<u>Direct interest</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 Islands)	100.00	100.00
Recu S.A. - (Argentina)	95.00	95.00
Lochness Participações S.A. - (Brazil)	100.00	100.00
Ilno Administradora de Bens e Direitos Ltda. - (Brazil)	100.00	100.00
LPT Ropes Ltda - (Brazil)*	100.00	100.00
<u>Indirect interest</u>		
Recu S.A. - (Argentina)	5.00	5.00
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
Ciaval II Administração de Bens e Direitos SPE S.A. - (Brazil)	100.00	100.00

* Company incorporated on February 28, 2025.

3. Cash, cash equivalents, long-term financial investments, securities, and bonds

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Cash and cash equivalents				
Current				
<u>Petty cash and cash at banks</u>				
In Brazil	1,647	1,058	1,912	1,073

Overseas	-	-	1	6
Short-term certificates of deposit	195	771	195	2,436
Total	<u>1,842</u>	<u>1,829</u>	<u>2,108</u>	<u>3,515</u>
Non-current				
Long-term certificates of deposit	220	-	220	-
Securities	44	44	44	44
Total	<u>264</u>	<u>44</u>	<u>264</u>	<u>44</u>

Cash equivalents refer to investments in fixed income and bank certificates of deposit, with immediate liquidity except when they comprise collateral for obligations contracted by the Company. For the current period, the consolidated balance linked to collateral is R\$ 220 million.

4. Accounts receivable from customers

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Receivable in the domestic market	19,443	32,203	22,195	36,127
Receivable in the foreign market	44	4	44	70
	<u>19,487</u>	<u>32,207</u>	<u>22,239</u>	<u>36,197</u>
Allowance for doubtful accounts	(687)	(676)	(783)	(770)
	<u>18,800</u>	<u>31,531</u>	<u>21,456</u>	<u>35,427</u>

The value of the risk of possible losses is presented as Estimated Loss on Doubtful Accounts (“PECLD”). These estimates are prepared taking into account the Company's credit policy, the time elapsed since default, and the specific situation of the credit or customer.

The credit risk of accounts receivable arises from the possibility that the Company may not receive amounts arising from sales transactions. To mitigate this risk, the Company adopts the practice of conducting a detailed analysis of its customers' financial and equity situation, establishing a credit limit and continuously monitoring the outstanding balance. The provision for credit risks was calculated based on a credit risk analysis, which considers the history of losses, the individual situation of customers, the situation of the economic group to which they belong, the collateral for the debts, and the assessment of legal advisors, and is considered sufficient by management to cover any losses on receivables.

Write-offs for losses comply with tax legislation parameters, and recoveries refer to the corresponding revenue from the recovery of credit previously estimated as a loss, resulting from actual receipt.

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Amounts to be billed	8,479	16,794	8,256	16,794
Not yet due	7,021	11,765	7,957	13,652
Due up to 30 days	1,901	1,238	1,829	1,182
Overdue from 31 to 90 days	1,044	1,362	1,895	1,988
Overdue from 91 to 180 days	344	69	488	479
Overdue from 181 to 360 days	7	287	156	444
Overdue for more than 360 days	691	692	1,658	1,658
	<u>19,487</u>	<u>32,207</u>	<u>22,239</u>	<u>36,197</u>

The amount “To be billed” represents projects in progress, recognized as each performance obligation agreed between the parties is fulfilled.

As part of its financing methods, the Company advances credit rights with or without co-obligation. When co-obligation remains, a corresponding liability remains, as presented in Note 13 under the heading “Discounted securities with co-obligation.”

5. Inventories

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Finished products	5,078	11,272	5,325	11,593
Merchandise for resale	533	612	533	612
Work in process	13,162	11,511	13,972	12,429
Raw materials and subsidiary materials	12,534	9,107	18,372	15,420
Stocks of service units	-	-	9,482	9,746
Losses to be incurred with inventory	(7,305)	(7,447)	(22,571)	(22,870)
Total	24,002	25,055	25,113	26,930

For the current period, the consolidated balance of inventories linked to bank guarantees is R\$ 1,650.

Losses from inventory obsolescence consist of management estimates based on inventory turnover, the order backlog, and the outlook for future demand for inventory items. Normally, the loss is provisioned gradually from the first year of disuse. Items assessed as obsolete may have their status changed if there is a change in the outlook for their use.

Inventories of service units, which have not been in operation since 2017, are provisioned as inventory obsolescence losses due to their disuse.

Movement of inventory losses:

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Balance at beginning of period	(7,447)	(8,291)	(22,870)	(25,315)
Loss estimate	-	(61)	-	(733)
Reversal	142	905	299	3,178
Ending balance	(7,305)	(7,447)	(22,571)	(22,870)

6. Taxes to be recovered

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Recoverable taxes				
State VAT (ICMS)	3,698	4,998	4,154	5,169
Import (ICMS)	-	-	4,557	-
State VAT (ICMS) excluded from the Contribution for the Social Integration Program (PIS) and Contribution for Social Security Funding (COFINS)	3,138	14,750	17,552	18,447
Federal VAT (IPI)	1,292	1,291	1,455	1,461
Contribution for the Social Integration Program (PIS)	186	237	194	316
Contribution for Social Security Funding (COFINS)	808	1,042	846	1,182
Withholding Income Tax (IRRF)	24	15	87	72
Corporate Income Tax (IRPJ)	939	790	6,770	6,430
Social Contribution Tax (CSLL)	734	619	1,495	1,330
Other	46	64	69	92
Total	10,865	23,806	37,179	34,499
Current assets	6,605	20,324	23,671	31,017
Noncurrent assets	4,260	3,482	13,508	3,482

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 a reduced ICMS calculation basis, as well as credits on purchases of inputs used in the manufacture of products intended for export.
- **ICMS on PIS and COFINS** - refers to the amount calculated by the Company due to a final and unappealable decision in favor of excluding ICMS from the PIS and COFINS calculation basis.

On June 19, 2023, a request was made for partial refund of the amounts, which are under review by the Federal Revenue Service for completion of the refund procedure and possible compensation under the terms of art. 92, § 6 of IN RFB 2.055/2021.

- **IPI, PIS, and COFINS to be recovered** – credits on purchases of raw materials. These credits have been realized through compensation with other federal taxes.
- **Income tax and social contribution to be recovered** – taxes withheld at source on income from financial transactions and services provided to third parties. These taxes have been offset against taxes payable of the same nature or subject to a refund request, when applicable.

7. Other accounts receivable

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Other receivables - current				
Debentures convertible into shares	750	749	1,142	1,142
Other receivables	152	143	2,509	3,533
Total	902	892	3,651	4,675
Other receivables - noncurrent				
Arbitration procedure - CSL	33,341	33,341	33,341	33,341
Other receivables	-	-	2,679	123
Total	33,341	33,341	36,020	33,464

The “Debentures convertible into shares” consist of rights convertible into shares of Ciaval Administradora de Bens e Direitos SPE S.A., a special purpose entity incorporated under the terms of item XVI of Article 50 of Law 11,101/2005, to effect the transfer of assets and rights to creditors in Class I of the Lupatech group's judicial reorganization.

The “Arbitration Proceedings – CSL” represent the enforcement of a judicial order that the Company is pursuing against Cordoaria São Leopoldo Ltda. and its successor Cordoaria São Leopoldo Original Ltda.

“Other accounts receivable” consist mainly of credits assigned for payment arising from term 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: (i) special equipment dedicated to certain specialized interventions in oil wells, mainly used offshore, whose nature means that their sale will take more than one year. The specialty and geographical difficulty result in a factor that reduces the liquidity of the assets, which are not controllable by the entity; and (ii) real estate in Caxias do Sul/RS; and (iii) land in Nova Odessa/SP.

Lupatech remains committed to its asset sale plan, with ongoing negotiations demonstrating its efforts to sell the assets.

The book value of the assets recorded in the Company's balance sheet is consistent with the reports of independent appraisers. The balance of assets held for sale is shown below:

Assets classified as held for sale	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Plots of land	-	-	28,893	28,893
Buildings and facilities	-	-	13,416	13,416
Machinery and equipment	1,057	1,057	8,669	9,737
Industrial tools	-	-	1,366	1,396
Total	1,057	1,057	52,344	53,442

Summary of movements in assets held for sale:

	Company				
	Plots of land	Buildings and facilities	Machinery and equipment	Industrial tools	Total
Costs of assets - net of impairment					
Balance as at December 31, 2024	-	-	1,057	-	1,057
Balance as at June 30, 2025	-	-	1,057	-	1,057
Cost of Assets – Net of Impairment					
Balance as at December 31, 2024	28,893	13,416	9,737	1,396	53,442
Write-offs	-	-	(344)	(68)	(412)
Reversal/set up of provision for non-recoverable assets	-	-	211	38	249
Effect of conversion of amounts of investees abroad	-	-	(935)	-	(935)
Balance as at June 30, 2025	28,893	13,416	8,669	1,366	52,344

For the current period, there were no changes in the assets held for sale by the Parent Company.

9. Investments

9.1 Investments in subsidiaries and affiliates

	Mipel	Recu	UEP	Finance	Lochness	Ilno	LPT	MNA Valves	Company	
									06/30/2025	12/31/2024
Investment data										
Number of shares hold										
Ordinary shares ('000)	-	3,000	-	-	734,613	-	-	-		
Interest held in the capital ('000)	54,260	-	395,119	50	-	97,765	54,107	17,214		
Percentage of ownership interest held	100%	95%	100%	100%	100%	100%	100%	100%		
Equity	2,947	-	25,740	71,692	32,022	97,602	54,105	17,213		
Income (loss) in the period	(3,509)	-	(1,223)	(41)	(699)	-	(2)	(1)		
Unrealized income	(404)	-	-	-	-	-	-	-		
Change in long-term investment										
Balance at beginning of period	5,988	-	26,963	105,435	32,874	89,316	54,107	-	314,683	256,555
Increase in capital	-	-	-	-	-	-	-	17,214	17,214	65,041
Equity method adjustment to the equity of investees	(3,445)	-	(1,223)	(5,239)	(699)	(752)	(2)	(1)	(11,361)	(14,949)
Asset and liability valuation adjustment	-	-	-	(9,664)	(154)	-	-	-	(9,818)	8,036
Balance at end of period	2,543	-	25,740	90,532	32,021	88,564	54,105	17,213	310,718	314,683

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.; Lupatech Finance Limited; Lochness Participações S.A; Ilno Administradora de Bens e Direitos Ltda; LPT Ropes Ltda and MNA Valves Ltda.

9.2 Investment Property

It currently consists of land and built area located in Macaé, Rio de Janeiro, where there are no operational activities. The property is owned by Ciaval II Administração de Bens e Direitos SPE S.A., a company set up to effect the transfer of the property to creditors in Class I of the Lupatech group's judicial reorganization, pursuant to item XVI of Article 50 of Law 11,101/2005, as authorized by the court in the judicial reorganization proceedings. The investment property is measured at fair value. According to an independent technical report, the fair value determined for the investment properties is R\$ 19,685.

10. Fixed assets

	Weighted average depreciation rates per year (%)	Company		Consolidated	
		06/30/2025	12/31/2024	06/30/2025	12/31/2024
		Property, plant and equipment, net	Property, plant and equipment, net	Property, plant and equipment, net	Property, plant and equipment, net
Plots of land	-	3,751	3,751	19,777	19,777
Buildings and construction	9%	5,232	5,320	45,818	46,722
Machinery and equipment	13%	5,278	5,610	62,807	63,199
Molds and matrixes	18%	653	684	708	727
Industrial facilities	6%	76	73	1,286	1,310
Furniture and fixtures	12%	559	559	620	629
Data processing equipment	18%	145	163	207	244
Improvements	10%	400	432	954	998
Vehicles	9%	56	58	59	61
Advance for purchase of property, plant and equipment	-	100	100	5,419	5,419
Assets in construction	-	499	543	651	745
Total		16,749	17,293	138,306	139,831

Summary of fixed asset movements:

	Company								
		Buildings and construction	Machinery, equipment and facilities	Facilities and improvements made	Furniture and fixtures	Data processing equipment	Assets in construction	Other	Total
Gross cost	Plots of land								
Balance as at December 31, 2024	3,751	8,269	61,941	2,316	3,944	3,982	543	577	85,323
Additions	-	-	25	2	21	8	94	-	150
Write-offs	-	-	(268)	(8)	-	(4)	-	-	(280)
Transference	-	-	97	41	-	-	(138)	-	-
Balance as at June 30, 2025	3,751	8,269	61,795	2,351	3,965	3,986	499	577	85,193
Accumulated depreciation									
Balance as at December 31, 2024	-	(2,949)	(55,647)	(1,811)	(3,385)	(3,819)	-	(419)	(68,030)
Additions	-	(88)	(484)	(65)	(21)	(26)	-	(2)	(686)
Disposal	-	-	267	1	-	4	-	-	272
Balance as at June 30, 2025	-	(3,037)	(55,864)	(1,875)	(3,406)	(3,841)	-	(421)	(68,444)
Property, plant and equipment, net									
Balance as at December 31, 2024	3,751	5,320	6,294	505	559	163	543	158	17,293
Balance as at June 30, 2025	3,751	5,232	5,931	476	559	145	499	156	16,749

Consolidated

	Plots of land	Buildings and construction	Machinery, equipment and facilities	Facilities and improvements made	Furniture and fixtures	Data processing equipment	Assets in construction	Other	Total
Gross cost									
Balance as at December 31, 2024	19,777	62,991	159,263	5,839	5,331	6,634	745	13,108	273,688
Additions	-	-	54	3	20	8	132	4	221
Write-offs	-	-	(1,369)	(8)	(26)	(12)	(15)	(5)	(1,435)
Transference	-	-	170	41	-	-	(211)	-	-
Reversal/set up of provision for non recoverable assets	-	144	8	-	-	-	-	-	152
Balance as at June 30, 2025	19,777	63,135	158,126	5,875	5,325	6,630	651	13,107	272,626
Accumulated depreciation									
Balance as at December 31, 2024	-	(16,269)	(95,337)	(3,531)	(4,702)	(6,390)	-	(7,628)	(133,857)
Additions	-	(1,048)	(630)	(105)	(29)	(45)	-	(6)	(1,863)
Write-offs	-	-	1,356	1	26	12	-	5	1,400
Balance as at June 30, 2025	-	(17,317)	(94,611)	(3,635)	(4,705)	(6,423)	-	(7,629)	(134,320)
Property, plant and equipment, net									
Balance as at December 31, 2024	19,777	46,722	63,926	2,308	629	244	745	5,480	139,831
Balance as at June 30, 2025	19,777	45,818	63,515	2,240	620	207	651	5,478	138,306

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

Assets encumbered by	Company	Consolidated
Taxation (tax actions in progress)	8,791	9,696
Loans and financing	4,581	95,947
Total	13,372	105,643

11. Intangibles

	Weighted amortization rate	Company		Consolidated	
		06/30/2025	12/31/2024	06/30/2025	12/31/2024
		Intangible assets, net		Intangible assets, net	
Goodwill determined in the acquisition of long-term investment (*)	-	61,479	61,479	82,166	82,166
Software and other licenses	20% p.a.	5	8	105	122
Development of new products	20% p.a.	645	753	802	910
Total		62,129	62,240	83,073	83,198

(*) Goodwill arising from the acquisition of companies by the Parent Company and its subsidiaries.

Summary of intangible asset movements:

	Company			
	Goodwill determined in the acquisition of longterm investment	Software and other licenses	Development of new products	Total
Gross intangible asset costs				
Balance as at December 31, 2024	61,479	13,270	10,262	85,011
Balance as at June 30, 2025	61,479	13,270	10,262	85,011
Accumulated amortization				
Balance as at December 31, 2024	-	(13,262)	(9,509)	(22,771)
Additions	-	(3)	(108)	(111)
Balance as at June 30, 2025	-	(13,265)	(9,617)	(22,882)
Intangible assets, net				
Balance as at December 31, 2024	61,479	8	753	62,240
Balance as at June 30, 2025	61,479	5	645	62,129

	Consolidated			
	Goodwill determined in the acquisition of longterm investment	Software and other licenses	Development of new products	Total
Gross intangible asset costs				
Balance as at December 31, 2024	82,166	16,411	11,509	110,086
Balance as at June 30, 2025	82,166	16,411	11,509	110,086
Accumulated amortization				
Balance as at December 31, 2024	-	(16,289)	(10,599)	(26,888)
Additions	-	(17)	(108)	(125)
Balance as at June 30, 2025	-	(16,306)	(10,707)	(27,013)
Intangible assets, net				
Balance as at December 31, 2024	82,166	122	910	83,198
Balance as at June 30, 2025	82,166	105	802	83,073

The following table shows a summary of the allocation of goodwill balance by Cash Generating Unit level:

CGUs	Goodwill determined in the acquisition of long-term investment			
	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Line of products				
Industrial Valves	6,065	6,065	6,065	6,065
Ropes	55,414	55,414	55,414	55,414
Composite items (Fiberware)	-	-	20,687	20,687
Total	61,479	61,479	82,166	82,166

CGUs	Goodwill from the acquisition of investment	Impairment	Net impairment
Line of products			
Industrial Valves	6,065	-	6,065
Ropes	125,414	(70,000)	55,414
Composite items (Fiberware)	20,687	-	20,687
Total	152,166	(70,000)	82,166

During the first half of 2025, no reversal or estimate of losses due to the non-recoverability of goodwill was recognized.

12. Suppliers

	06/30/2025						12/31/2024					
	Company			Consolidated			Company			Consolidated		
	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total
Payables included in the reorganization plan												
Domestic trade accounts payable	6,558	38,395	44,953	6,558	38,395	44,953	5,916	39,038	44,954	5,916	39,038	44,954
Foreign trade accounts payable	-	9,240	9,240	-	9,240	9,240	-	10,515	10,515	-	10,515	10,515
Discount to present value	-	(18,903)	(18,903)	-	(18,903)	(18,903)	-	(20,629)	(20,629)	-	(20,629)	(20,629)
	6,558	28,732	35,290	6,558	28,732	35,290	5,916	28,924	34,840	5,916	28,924	34,840
Payables not included in the reorganization plan												
Domestic trade accounts payable	11,777	-	11,777	13,999	-	13,999	9,723	-	9,723	11,295	-	11,295
Foreign trade accounts payable	1,827	-	1,827	1,827	-	1,827	523	-	523	523	-	523
	13,604	-	13,604	15,826	-	15,826	10,246	-	10,246	11,818	-	11,818
Total	20,162	28,732	48,894	22,384	28,732	51,116	16,162	28,924	45,086	17,734	28,924	46,658

The maturities of suppliers' non-current installments are as follows:

Company and Consolidated		
Maturity	06/30/2025	12/31/2024
2026	2,802	1,966
2027	2,351	2,380
2028	3,135	3,173
2029	3,817	3,862
After 2030	16,627	17,543
	<u>28,732</u>	<u>28,924</u>

The table below shows the movement of suppliers subject to judicial reorganization in 2025:

Company and Consolidated	
Current and Noncurrent Amounts	
Payables included in the reorganization plan	Total domestic and foreign payables
Balance as at December 31, 2024	34,840
Recognition of interest	534
Foreign currency exchange rate adjustment	(1,236)
Write-offs	(574)
Discount to present value	1,725
Balance as at June 30, 2025	35,290

13. Loans and financing

Description	Index	Weighted interest rate	06/30/2025						12/31/2024					
			Company			Consolidated			Company			Consolidated		
			Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total
Portion included in the reorganization plan														
In domestic currency														
Secured credit (Class II)	Fixed rate	3.00% p.a. + TR	4,485	36,430	40,915	4,485	36,430	40,915	2,990	37,314	40,304	2,990	37,314	40,304
(-) Discount to present value			-	(14,287)	(14,287)	-	(14,287)	(14,287)	-	(15,301)	(15,301)	-	(15,301)	(15,301)
Unsecured credit (Class III)	Fixed rate	3.3% p.a. + TR	4,625	71,756	76,381	4,625	71,756	76,381	2,953	72,213	75,166	2,953	72,213	75,166
(-) Discount to present value			-	(31,570)	(31,570)	-	(31,570)	(31,570)	-	(33,057)	(33,057)	-	(33,057)	(33,057)
In foreign currency														
Unsecured credit (Class III)	Fixed rate	0.4% p.a	-	-	-	3,265	75,649	78,914	-	-	-	2,040	87,276	89,316
(-) Discount to present value			-	-	-	-	(24,724)	(24,724)	-	-	-	-	(31,548)	(31,548)
			9,110	62,329	71,439	12,375	113,254	125,629	5,943	61,169	67,112	7,983	116,897	124,880

Below is the movement of loans subject to judicial reorganization in 2025:

Current and Noncurrent Amounts		
Loans and financing Portion included in the reorganization plan	Total domestic and foreign payables	
	Parent	Consolidated
Balance as at December 31, 2024	67,112	124,880
Recognition of interest payable	1,826	2,039
Asset and liability valuation adjustment*	-	(10,615)
(-) Discount to present value	2,501	9,325
Balance as at June 30, 2025	71,439	125,629

(*) Value of balances in foreign currency that have been converted.

			06/30/2025						12/31/2024					
			Company			Consolidated			Company			Consolidated		
Description	Index	Weighted interest rate	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total	Current liabilities	Noncurrent liabilities	Total
Portion not included in the reorganization plan														
In domestic currency														
Working Capital / expansion - BNDES	(TJLP*)	7.97% p.a.	5,034	-	5,034	8,648	-	8,648	5,034	-	5,034	8,648	-	8,648
Joint-liability, receivables given as guarantee and secured receivables	Fixed rate	1.94% a.m.	30,950	-	30,950	33,006	-	33,006	27,080	666	27,746	27,109	666	27,775
Working Capital and GIF	Fixed rate	1.91% a.m.	4,354	4,380	8,734	4,451	4,380	8,831	10,005	5,874	15,879	10,005	5,874	15,879
In foreign currency														
Working capital / expansion - BNDES*	US dollar	6.06% p.a.	1,214	-	1,214	2,519	-	2,519	1,214	-	1,214	2,519	-	2,519
			41,552	4,380	45,932	48,624	4,380	53,004	43,333	6,540	49,873	48,281	6,540	54,821

*The credits for “Working Capital/Expansion” granted by BNDES are subject to litigation (Note 18) involving, among other things, the classification of credits. The amounts shown in the table correspond to the total amount subject to discussion and are subdivided into a portion subject to Judicial Reorganization and a portion not subject to Judicial Reorganization. The part not subject to the proceedings is limited to the value of the assets subject to fiduciary sale, which could only be assessed at public auction according to a decision by the São Paulo Court of Justice (TJ-SP) – according to appraisal reports contracted by the Company, the assets are valued at R\$ 5,005.

The maturities of the non-current portions of the loans subject and not subject to Judicial Reorganization are detailed below:

Maturity	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
2026	4,385	3,432	7,791	7,935
2027	6,010	5,864	9,683	9,850
2028	4,898	5,315	12,206	12,451
2029	7,846	7,670	13,808	14,140
After 2030	43,570	45,428	74,146	79,061
	66,709	67,709	117,634	123,437

The guarantees contracted on loans and financing are detailed below:

Portion not included in the reorganization plan		06/30/2025		12/31/2024	
		Guarantee value		Guarantee value	
		Company	Consolidated	Company	Consolidated
In domestic currency	Garantee	Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount
Working capital / expansion	Mortgage / buildings	2,634	91,361	2,634	92,112
	Machinery and equipment	505	3,144	597	3,236
	Investment guarantee fund	220	220	3,386	3,386
		3,359	94,725	6,617	98,734

14. Related party transactions

14.1 Controlled Company

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated in consolidation. Details regarding transactions between the parent company and its subsidiaries are presented below:

	Lochness	Mipel	Lupatech Finance	UEP Equipamentos	06/30/2025	12/31/2024
Current assets						
Accounts receivable	-	18	-	-	18	-
Other receivables	164	-	-	-	164	213
Noncurrent assets						
Loans	-	-	1,306	-	1,306	1,479
	164	18	1,306	-	1,488	1,692
Current liabilities						
Payables	-	700	-	-	700	425
Other payables	7,477	2,536	1,251	2,576	13,840	12,691
Noncurrent liabilities						
Loans	-	-	143,833	-	143,833	163,057
	7,477	3,236	145,084	2,576	158,373	176,173
Income (loss) of the year						
Sale of products	-	2,526	-	-	2,526	9,519
Financial revenue	-	-	3	-	3	-
Financial expenses	-	-	294	-	294	-
Exchange rate gains (losses)	-	-	19,188	-	19,188	(32,134)
	-	2,526	19,485	-	22,011	(22,615)

Company

	Transaction date	Maturity	Interest rate	Value (R\$)	Existing balance (US\$)	06/30/2025	12/31/2024
Loans receivable							
In foreign currency							
Contract 1	Jul-14	Undetermined	105% do DI-Cetip	19,820	239	1,306	1,479
				19,820	239	1,306	1,479
Loans payable							
In foreign currency							
Contract 2	Jan-18	Undetermined	0,4% p.a.	225,416	26,357	143,833	163,057
				225,416	26,357	143,833	163,057

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

Guarantees granted

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

15. Key management personnel

Management compensation

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	Company and Consolidated			Company and Consolidated		
	Fixed compensation	Variable Compensation	06/30/2025	Fixed compensation	Variable Compensation	06/30/2024
Executive Board	(939)	(1,081)	(2,020)	(939)	-	(939)
Board of Directors	(542)	-	(542)	(561)	-	(561)
Total	<u>(1,481)</u>	<u>(1,081)</u>	<u>(2,562)</u>	<u>(1,500)</u>	<u>-</u>	<u>(1,500)</u>

The Company does not remunerate managers with the delivery of shares. However, it offers key personnel the possibility of participating in stock option plans issued by the Company. Such plans grant beneficiaries the right, but not the obligation, to purchase shares at a previously agreed price within a defined period, upon payment of the price. It is, therefore, a commercial transaction between the parties.

The amount of variable compensation for executive officers, approved by the Board of Directors in April 2025, is based on the results achieved in 2024.

16. Income tax and social contribution

Lupatech S.A. and its subsidiaries and affiliates have accumulated tax losses of R\$ 828,146,302 and R\$ 1,077,439,467, respectively, totaling R\$ 1,901,166 through December 2024.

a) Deferred Income Tax and Social Contribution - Assets

The Company has tax losses that can be offset against future taxable income, and a deferred tax credit has been established. Based on technical analyses, the Company estimates that the tax credits will be realized as follows:

Income and social contribution tax assets	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Estimated realization - 2026	3,980	3,980	4,528	4,528
Estimated realization - 2027	5,685	5,685	6,467	6,467
Estimated realization - 2028	8,955	8,955	10,186	10,186
Estimated realization - 2029	10,658	10,658	12,123	12,123
After 2030	61,272	61,272	69,696	69,696
Total	<u>90,550</u>	<u>90,550</u>	<u>103,000</u>	<u>103,000</u>

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

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Income and social contribution taxes on temporary differences				
Discount to present value of trade accounts payable, fines and loans	(22,720)	(24,078)	(28,605)	(31,587)
Deemed cost	-	-	(1,134)	(1,214)
Other	(6,427)	(1,946)	(6,427)	(1,946)
	(29,147)	(26,024)	(36,166)	(34,747)

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

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Noncurrent income and social contribution tax assets				
Tax credit	90,550	90,550	103,000	103,000
Temporary differences	(29,147)	(26,024)	(36,166)	(34,747)
	61,403	64,526	66,834	68,253

b) Reconciliation of income tax and social contribution expenses

	Company			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Income (loss) before taxes	(11,735)	(26,622)	(20,907)	(35,481)
Additions and exclusions				
Equity method adjustment of interest held in investees	(5,243)	6,287	(11,361)	3,835
Obsolescence of inventories	403	(925)	299	1,324
(Reversal) set up of provision for impaired assets	-	2,341	-	2,341
(Reversal) set up of an allowance for doubtful accounts	11	(17)	13	(62)
Provision for lawsuits	(2,073)	573	(2,147)	1,891
Non-deductible expenses	-	(22)	-	(246)
Discount to present value	2,820	-	5,708	(3,297)
Provision for interest on suppliers	9	42	6	206
Provision for foreign currency exchange rate variation	(7,975)	14,652	(20,339)	18,636
Other	12,156	(20,074)	33,506	(17,167)
Tax base	(11,627)	(23,765)	(15,222)	(28,020)
Current income and social contribution taxes	-	-	-	-
Deferred income and social contribution taxes	(910)	3,363	(3,122)	4,823
	Consolidated			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Profit (loss) before tax	(12,377)	(25,708)	(22,524)	(34,109)
Addition and Exclusions				
Stock obsolescence	409	(938)	(299)	(1,324)

(Reversal) Estimate of losses due to non-recoverability of assets	206	7,469	401	7,469
(Reversal) Estimate of losses for bad debts	(13)	(35)	13	(62)
Estimates for losses from lawsuits	11	238	(696)	1,672
Non deductible expenses	(2,101)	(246)	(2,126)	(260)
Present value adjustment	(5,541)	3,744	(12,530)	3,744
Provision of interest on suppliers	(1)	(107)	(2)	(206)
Provision for exchange rate variation	(8,087)	6,606	(20,563)	7,820
Others	13,217	8,977	40,678	(22,694)
Calculation basis	(14,277)	25,151	(17,648)	(37,950)
Current income tax and social contribution	(5)	(2)	(6)	(2)
Deferred income tax and social contribution	(263)	2,451	(1,499)	3,453

17. Other accounts payable

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Other current payables				
Provision for legal costs	1,141	448	1,141	448
Claims payable	352	383	517	579
Other liabilities (*)	4,677	2,923	4,677	2,923
Contract violation fines	2,059	928	2,074	928
Other payables	1,252	626	1,665	966
Total	9,481	5,308	10,074	5,844
	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Other noncurrent payables				
Claims payable	-	-	1,716	1,624
Other liabilities (*)	39,331	38,368	39,331	38,368
Total	39,331	38,368	41,047	39,992

(*) Debts subject to Judicial Reorganization.

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

Company and Consolidated	
Maturity	06/30/2025
2026	3,795
2027	2,942
2028	3,923
2029	4,776
After 2030	23,895
	39,331

The table below shows the movement of other obligations subject to judicial reorganization in 2025:

Current and Noncurrent Amounts	
Other payables included in the reorganization plan	Company and Consolidated
Balance as at December 31, 2024	41,291
Recognition of interest payable	1,236
(-) Discount to present value	1,480
Balance as at June 30, 2025	44,007

18. Contingent proceedings and judicial deposits

18.1 Judicial Deposits

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

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Tax contingencies	287	287	443	443
Labor contingencies	1,318	1,114	2,892	3,397
Civil contingencies	9	19	28	459
Total as at June 30, 2025	1,614	1,420	3,363	4,299

18.2 Provision for tax, labor, and civil risks

The Company discusses tax, labor, and civil matters 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 regarding the expected outcome, in an amount considered sufficient to cover probable losses that may occur as a result of unfavorable court decisions.

		Company		Consolidated	
		Loss rating		Loss rating	
		Possible	Probable	Possible	Probable
Tax-related actions (i)					
ICMS	(i.1)	86,529	-	86,880	-
CSLL		2,456	-	6,840	-
IRPJ	(i.2)	22,634	-	62,462	-
IRRF		65,080	-	65,080	-
IPI		1,048	-	1,048	-
PIS/COFINS		-	-	296	-
ISS	(i.4)	-	-	7,918	-
CIDE		-	-	1,836	-
Importing taxes	(i.5)	-	-	27,722	-
Other	(i.6)	1,420	-	10,374	-
		179,167	-	270,456	-
Labor complaints (ii)		6,137	13,672	10,167	16,210
Civil action (iii)		6,914	356	14,741	8,917
Total as at June 30, 2025		192,218	14,028	295,364	25,127
Total as at December 31, 2024		185,974	12,013	290,385	25,280

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

The provision for resources involved in legal proceedings in the amounts shown above and relating to the areas 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 case, and the jurisprudential understanding of each case. Lawsuits with a possible probability of loss are excluded from the provision.

The movement in the provision balance is as follows:

	Company				Consolidated			
	Tax	Labor	Civil	Total	Tax	Labor	Civil	Total
Total as at 12/31/2024	-	11,657	356	12,013	-	16,380	8,900	25,280

Additions during the year	-	2,262	-	2,262	-	2,779	37	2,816
Write-offs during the year	-	(247)	-	(247)	-	(2,948)	(20)	(2,968)
Total as at 06/30/2025	-	13,672	356	14,028	-	16,211	8,917	25,128

Legal proceedings 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 proceedings at all stages of the process, from the initial instance to the Superior Courts, STJ, and STF. The main proceedings and amounts are as follows:

Main contingent lawsuits at the parent company classified as possible losses as of June 30, 2025:

(i.1) Annulment action by the State of Rio Grande do Sul seeking to invalidate ICMS tax credits, on the grounds that the company did not pay the tax at the time of the fictitious export of goods under REPETRO, given that such operation is exempt from taxation. Case distributed on April 28, 2017, subject to a possible loss of R\$ 86,529.

(i.2) Statement of disagreement filed to recognize the negative IRPJ balance. Case distributed on May 30, 2014, subject to a possible loss of R\$ 9,405.

Annulment action seeking to overturn the tax assessment (IRPJ and CSLL for the calendar years 2009 and 2010). Case distributed on April 15, 2020, subject to a possible loss of R\$ 7,100.

Tax assessment notice issued by the Brazilian Federal Revenue Service as a result of a statement of disagreement filed against the decision. Case distributed on July 23, 2014, subject to a possible loss of R\$ 6,130.

(i.3) Tax enforcement by the National Treasury, relating to the collection of withholding income tax. The discussion of merit is held in the writ of mandamus, in which a ruling was handed down recognizing that a substantial portion of the tax credits arising from administrative proceedings is unfounded. Case distributed on January 21, 2016, subject to a possible loss of R\$ 65,080.

Main contingent proceedings in subsidiaries classified as possible loss as of June 30, 2025:

(i.2) Tax assessment notice issued by the Brazilian Federal Revenue Service due to alleged irregularities in the calculation of IRPJ, CSLL, PIS, and COFINS taxes for the 2013 fiscal year. Case filed on October 6, 2016, subject to a possible loss of R\$ 14,009.

Auto de infração da Receita Federal do Brasil, lavrado em decorrência do arbitramento do lucro no ano Tax assessment notice issued by the Brazilian Federal Revenue Service as a result of the arbitration of profits for the 2010 calendar year. Case distributed on November 10, 2014, subject to a possible loss of R\$ 17,025.

Administrative proceeding seeking to offset debts with tax credits corresponding to a negative IRPJ balance for the 2010 calendar year. Case filed on April 30, 2013, subject to a possible loss of R\$ 6,467.

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

(i.5) Tax assessment notices issued by the Brazilian Federal Revenue Service for the collection of fines due to alleged non-compliance with the special customs regime for temporary admission. Cases subject to a possible loss of R\$ 17,524.

Tax assessment notices issued by the Brazilian Federal Revenue Service for collection of the remaining balance of IPI, PIS, and COFINS taxes levied on declared imports. Cases subject to a possible loss of R\$ 4,054.

Tax assessment notice issued by the Brazilian Federal Revenue Service for 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. Case subject to a possible loss of R\$ 3,249.

(ii) Labor contingencies

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

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

Labor liabilities	Statement of financial position	Portion included in the reorganization plan	Portion not included in the reorganization plan	Total as at 06/30/2025
Employees' pay and related charges	Current liabilities	106	-	106
Employees' pay and related charges	Noncurrent liabilities	1,914	-	1,914
Provision for labor contingencies	Noncurrent liabilities	7,878	2,053	9,931
Labor contingencies rated as possible	Not included in the statement of financial position	1,016	2,193	3,209

Assets tied to labor contingencies	Statement of financial position	Total as at 06/30/2025
Other accounts receivable/bonds convertible into shares (note 7)	Current assets	1,142
Deposits into court – labor contingencies (note 18.1)	Noncurrent assets	2,892
Properties held for investment (note 9.2)	Noncurrent assets	19,685

During the judicial reorganization, the Company took steps to pay all contingent labor claims subject to judicial reorganization. These measures include: (i) payment in kind of shares in a Special Purpose Entity to which assets and rights were contributed for sale and subsequent distribution of capital to former creditor shareholders. (ii) the issuance of Subscription Bonds to pay credits in excess of 150 minimum wages in effect on the date of the request for judicial reorganization, and (iii) the necessary measures to contribute additional assets to the SPE.

(iii) Civil contingencies

The main discussions in this area, classified as possible loss in the parent company on June 30, 2025, are related to:

(iii.1) Search and seizure action filed on October 20, 2015, by the Brazilian Development Bank (BNDES) against Lupatech S.A. and UEP – Equipamentos e Serviços para Petróleo Ltda, seeking to search and seize machinery and equipment offered in fiduciary sale at the time of financing granted by BNDES to the aforementioned companies of the Group. Updated value of the case is R\$ 44,887. Due to the judicial reorganization of the Lupatech Group, on February 1, 2017, the 5th Federal Court of São Paulo, where the lawsuit is being heard, ordered the suspension of all expropriation proceedings and submitted to the judicial reorganization court an 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 rest were declared by the court to be essential to the operations of the Lupatech Group, preventing their search and seizure. Subsequently, after the appeal deadlines had expired, the BNDES again demanded the resumption of the search and seizure of assets in the Judicial Reorganization. The new request, although accepted in the first and second instances, was blocked by the Superior Court of Justice, which determined that other means, other than the seizure of assets, should be used to satisfy the BNDES's credit.

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

In December 2021, the São Paulo Court of Justice ruled that the value of the BNDES's extra-bankruptcy credit, arising from the assets that comprise the fiduciary sale guarantee—the subject of the search and seizure—is limited to its actual 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 15) at its balance on the date of the request for judicial reorganization of R\$ 11,167, which is subdivided into a portion subject to Judicial Reorganization (class II) and a portion not subject (the actual value of the assets).

The main discussions in this area, classified as possible loss in subsidiaries as of June 30, 2025, 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 a dispute in the area of industrial and intellectual property. The lawsuit has a probable loss risk classification of approximately R\$ 5,691, a possible loss of R\$ 471, and a remote loss of R\$ 18,970.

(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 imposed by the contractor. The collection is subject to Sotep's judicial reorganization. A court decision is pending. The case is subject to a possible loss of R\$ 4,448.

18.3 Contingent Assets

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

	Company		Consolidated	
	Rated as		Rated as	
	Possible	Probable	Possible	Probable
Tax-related actions	390	-	1,250	6,589
Civil actions	7,730	5,563	15,538	8,953
Total as at June 30, 2025	8,120	5,563	16,788	15,542
Total as at December 31, 2024	12,891	8,953	17,915	21,472

(i) Tax Contingent Assets

The Lupatech Group has legal claims seeking the refund of ICMS-Import tax levied on transactions covered by a special temporary admission regime, in which there was no transfer of ownership of the goods. As they are still under dispute, the accounting treatment of part of the contingent assets remains unchanged until the elements for recognizing the corresponding tax credits are present.

(ii) *Civil Contingent Assets*

Arbitration proceedings brought against CIM Componentes:

This is an arbitration proceeding filed by UEP Equipamentos e Serviços para Petróleo Ltda. against CIM Componentes, currently known as Quantum Indústria Metalúrgica Ltda., due to breach of the Purchase and Sale Agreement for Cargo Containers for Transport, signed on February 25, 2012, and arbitrary retention by the latter of the amount advanced by Lupatech during the execution of the contract in question, in the historical amount of R\$ 5,563 represented by the amount advanced by Lupatech, less the amount of containers delivered by CIM Componentes. On June 8, 2022, the arbitral award was issued confirming the existence of a credit in favor of Lupatech in the aforementioned historical amount, whose monetary correction and default interest criteria would still be defined in a subsequent settlement phase.

An Arbitration Award was issued setting the initial terms and settling the financial indices and default interest on the claim brought by Lupatech. The decision became final without CIM voluntarily paying the debt. Therefore, legal measures will be taken to recover the amount owed.

19. Taxes Payable

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Taxes payable - current				
State VAT (ICMS)	905	724	1,596	1,339
Contributions for the Brazilian Social Security Institute (INSS) to be paid in installments	45	40	75	58
Contributions for the Severance Pay Fund (FGTS) to be paid in installments	1,895	1,700	2,088	1,894
Ordinary installment plan	20,067	6,234	33,713	10,320
PGFN installment plan	-	-	888	221
Reorganization plan to be paid in installments	618	530	1,637	1,351
Local taxes to be paid in installments	130	151	348	337
State VAT (ICMS)	1,249	69	1,546	205
Contributions for The Brazilian Social Security Institute (INSS)	5,304	1,897	6,167	2,266
Withholding Income Tax (IRRF)	1,586	709	1,742	790
Social Contribution Tax (CSLL)	65	60	76	69
Contribution for Social Security Funding (COFINS)	1,343	295	1,756	659
Contribution for the Social Integration Program (PIS)	283	64	390	164
Severance Pay Fund (FGTS)	2,261	1,488	2,622	1,747
Other	117	67	820	676
Total	35,868	14,028	55,464	22,096

	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Taxes payable - noncurrent				
State VAT (ICMS)	5,638	6,060	9,094	9,644
Contributions for the Brazilian Social Security Institute (INSS) to be paid in installments	-	-	-	17
Contributions for the Severance Pay Fund (FGTS) to be paid in installments	2,306	2,646	2,551	2,929
Ordinary installment plan	-	13,369	-	22,914
PGFN installment plan	-	-	189	826
Reorganization plan to be paid in installments	157	299	725	1,130
Local taxes to be paid in installments	-	1	490	584
Other	68	93	305	425
Total	8,169	22,468	13,354	38,469

20. Shareholders' equity

	06/30/2025	12/31/2024
Capital	1,924,277	1,922,339
Capital reserves and change in capital	144,754	144,754
Accumulated Conversion Adjustments	74,093	83,748
Accumulated losses	(2,036,490)	(2,012,461)
Total equity	106,634	138,380

a) Share capital

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

	Company and Consolidated	
	Number of shares held	Capital
	'000	R\$
Total as at December 31, 2024	42,131	1,922,339
Minutes 002/2025 as at January 18, 2025	9	3
Minutes 013/2025 as at June 06, 2025	1,576	1,935
New issuance of shares – exercise of subscription bonus	1,585	1,938
Total as at June 30, 2025	43,716	1,924,277

b) Capital reserve to be realized

	06/30/2025	12/31/2024
Issuance of subscription bonus (*)	(297,319)	(297,319)
Adjustment to the fair value of the subscription bonus	294,352	294,352
Subscription bonus – 4th issuance	(1,165)	(1,165)
Capital reserve	(4,132)	(4,132)

(*) For compliance with the reorganization plan.

c) Subscription Bonus

Third Subscription Bonus Issue – (Additional Advantage of the 4th Debenture Issue)

At a meeting held on March 24, 2023, the Board of Directors approved the fourth issue of Convertible Debentures into Company Shares. Two hundred and fifty debentures were issued in a single series, with a par value of R\$ 100,000, totaling up to R\$ 25 million, with a Subscription Bonus as an additional advantage. One hundred and one debentures were subscribed, totaling R\$ 10.1 billion, with the remaining 149 that were not subscribed being canceled.

For each Debenture subscribed and paid up in the Issue, 175,600 Subscription Bonuses were delivered free of charge as an additional benefit, which gave their holders the right to subscribe and pay up shares, at the ratio 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. Upon final approval, 17,735,600 Subscription Bonuses were issued.

The Subscription Bonuses have an exercise period until March 24, 2026.

d) Accumulated translation adjustments

The Company recognizes under this heading the effect of exchange rate variations on investments in foreign subsidiaries and on goodwill arising from acquisitions of foreign investments, whose functional currency is that

to which the foreign operation is subject. The cumulative effect is subject to reversal to the income statement as a gain or loss only in the event of disposal or write-off of the investment.

e) Dividends

Shareholders are entitled to receive mandatory minimum dividends corresponding to 25% of adjusted net income, in accordance with corporate law and the bylaws. Due to accumulated losses, actual results, and its financial situation, the Company has not calculated any dividends payable.

21. Financial instruments

21.1 Financial Risk Management

Financial risk factors

The Company's activities expose it to various financial risks, which can be 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, stocks, and commodities;
- (ii) **Credit Risks:** these are characterized by the possibility of loss resulting from uncertainty regarding the fulfillment of obligations by counterparties, especially the receipt of amounts or delivery of purchased goods, whether due to their economic and financial incapacity or mere contractual noncompliance;
- (iii) **Liquidity Risks:** these consist of the possibility that the Company will be unable to effectively meet its obligations on the maturity date, or will only be able to do so with significant losses.

Market risks

Foreign exchange risk arises from commercial and financial transactions, recognized assets and liabilities, and net investments in foreign operations. Due to its international operations, the Company is exposed to foreign exchange risk in certain currencies, primarily the U.S. dollar.

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

Item	In thousands of US\$			
	Company		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Cash and cash equivalents	-	-	-	3
Other assets	-	3	1,455	1,455
Related party transactions - assets	239	239	239	239
Loans	(222)	(196)	(15,434)	(14,830)
Related parties transactions - liabilities	(26,357)	(26,332)	-	-
Other liabilities	-	-	(331)	(81)
Net exposure in US dollars	(26,340)	(26,286)	(14,071)	(13,214)

Interest rate fluctuations also pose risks to the Company, directly through 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 foreign currency fluctuations and interest rate fluctuations:

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

Interest rate scenario and estimated US dollar (USD) exchange rate against the Brazilian real (BRL) as estimated by Management:

Interest rate for the year 2025: 15%

US\$: 5.75

Possible interest rate scenario and US dollar (USD) parity against the Brazilian real (BRL), with a 25% (twenty-five percent) deterioration in the risk variable considered likely:

Interest rate for the year 2025: Increase to 18.8%

US\$: 7.19

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

Interest rate for the year 2025: Increase to 22.5%

US\$: 8.62

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

Operation	Risk	Scenarios according to the definitions above					
		Company			Consolidated		
		Probable	Possible	Remote	Probable	Possible	Remote
Loans and financing	Increase in U.S. dollar rate	(70)	414	757	(14)	694	1,375
Loans and financing	Increase in interest rates	(370)	82	98	40	51	61
Loan agreements	Increase in U.S. dollar rate	(7,744)	45,782	83,820	-	-	-
Total (gains) losses		(8,184)	46,278	84,675	26	745	1,436

The credit and liquidity restrictions 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 credits granted to customers for payment and to suppliers for advances.

Credit limits are monitored regularly at the time of granting. When there is a default, the applicability of a provision for doubtful accounts is assessed.

Our revenues include amounts involving the customer Petrobras, directly and indirectly, which accounted for approximately 46% (71% in the same period of 2024) of the Company's total revenues on June 30, 2025.

Liquidity risk

Management monitors the Company's liquidity level through projections and fundraising through committed credit lines, when feasible, with liquidity constraints being a reality imposed by the Company's situation.

21.2 Fair Value Estimate

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

The fair value of other financial assets and liabilities (except for derivative instruments) is determined according to pricing models that use estimated discounted cash flows based on the prices of similar instruments traded 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 is used through the yield curve, applicable according to the duration of the instruments for derivatives without options. For derivatives containing options, option pricing models are used.

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 securities - restricted

Cash and cash equivalents and securities balances have values similar to their accounting balances, considering their turnover and liquidity. The table below shows this comparison:

Item	Company		Consolidated	
	Carrying Amount	Market value	Carrying Amount	Market value
Cash and cash equivalents	1,842	1,842	2,108	2,108
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 available to the Company, as follows:

Items	Company		Consolidated	
	Carrying Amount	Market value	Carrying Amount	Market value
Loans and financing not included in the reorganization plan	6,248	6,522	11,167	9,251
Receivables negotiation with joint-liability, receivables given as guarantee and secured receivables	30,950	30,994	33,006	33,050
Working Capital and IGF (Investment guarantee fund)	8,734	2,457	8,831	4,384
Loans and financing included in the reorganization plan	71,439	71,439	125,629	125,629
Total	117,371	111,412	178,633	172,314

21.3 Financial Instruments by Category

	Company					
	06/30/2025			12/31/2024		
	Amortized cost	Measured at fair value through profit or loss	Total financial assets	Amortized cost	Measured at fair value through profit or loss	Total financial assets
Financial assets						
Securities	-	44	44	-	44	44
Trade accounts receivable	18,800	-	18,800	31,531	-	31,531
Cash and cash equivalents	1,842	-	1,842	1,829	-	1,829
Related-party transactions	1,488	-	1,488	1,692	-	1,692
Total	22,130	44	22,174	35,052	44	35,096
Financial liabilities						
Loans	-	117,372	117,372	-	116,985	116,985
Trade accounts payable	48,894	-	48,894	45,085	-	45,085
Related-party transactions	158,373	-	158,373	176,173	-	176,173
Total	207,267	117,372	324,639	221,258	116,985	338,243
Consolidated						
	06/30/2025			12/31/2024		
	Amortized cost	Measured at fair value through profit or loss	Total financial assets	Amortized cost	Measured at fair value through profit or loss	Total financial assets
Financial assets						
Securities	-	44	44	-	44	44

Trade accounts receivable	21,456	-	21,456	35,427	-	35,427
Cash and cash equivalents	2,108	-	2,108	3,515	-	3,515
Total	23,564	44	23,608	38,942	44	38,986
Financial liabilities						
Loans	-	178,632	178,632	-	179,701	179,701
Trade accounts payable	51,116	-	51,116	46,658	-	46,658
Total	51,116	178,632	229,748	46,658	179,701	226,359

22. Insurance coverage

It is the Company's policy to maintain insurance coverage for fixed assets and inventories subject to risk, under the “Comprehensive Business” modality. It also has general civil liability and life insurance coverage, as shown below:

Insurance type	Amount insured	
	06/30/2025	
- Comprehensive business insurance	\$	50,600
- Life insurance	\$	49,222
- General civil liability insurance	\$	10,029
- International transportation insurance (*)	US\$	350

(*) Value in US\$'000

The scope of our auditors' work does not include expressing an opinion on the adequacy of insurance coverage, which was contracted by the Company's Management under current market conditions and restrictions imposed on the Company, with the objective of ensuring adequacy to cover any claims.

23. Stock option plan – “Stock option”

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

- (i) 2017 Incentive Plan, approved by the Extraordinary General Meeting on April 12, 2017: All grants provided for under this plan have already been made, with some exercises pending.
- (ii) 2020 Incentive Plan, approved by the Extraordinary General Meeting on August 18, 2020: All grants provided for under this plan have already been made, with some exercises pending.
- (iii) 2023 Incentive Plan, approved by the Extraordinary General Meeting on May 18, 2023: All grants provided for under this plan have already been made, with some exercises pending.
- (iv) 2024 Incentive Plan, approved by the Extraordinary General Meeting on May 16, 2024: No grants have been made yet, and there are no pending exercises.

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

Amount to be granted	Plan 2017			Plan 2020			Plan 2023		
	Quantity	Exercise Price	Maximum period for exercise	Quantity	Exercise Price	Maximum period for exercise	Quantity	Exercise Price	Maximum period for exercise
Management members	201,022	1.23	10/28/2025	-	1.23	09/02/2025	517,709	1.23	06/09/2027
	343,583	1.23	06/24/2027	94,098	1.23	01/29/2027	241,926	1.23	01/21/2027
				-	1.23	11/30/2025	1,031,303	1.23	05/10/2027
				117,500	1.23	11/30/2026	45,000	1.23	07/16/2027
Other Beneficiaries	60,308	1.23	10/28/2025	292,500	1.23	11/30/2025	165,000	1.23	11/30/2026
				406,250	1.23	11/30/2026	128,949	1.20	11/30/2027
Total	604,913			910,348			2,129,887		
- To be exercised	202,865			734,723			325,886		
- Non-exercisable	-			175,625			1,804,001		
- Conditional ones	402,048								

The right to exercise the Options is regulated in the respective Plans and Board Meetings that authorized the grants. Options indicated as “not yet exercisable” correspond to those whose contractual vesting period has not yet expired. Those indicated as “conditional” are subject to the occurrence of certain corporate events that increase the share capital and/or ratify a specific grant.

24. Net revenue

	Company			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Gross revenue from sales and/or services				
In Brazil	15,427	39,550	36,559	79,425
Overseas	88	43	511	1,069
	15,515	39,593	37,070	80,494
Deductions from gross revenue				
Taxes on sales	(2,880)	(6,708)	(6,865)	(13,712)
Net sales and/or services	12,635	32,885	30,205	66,782

	Consolidated			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Gross revenue from sales and/or services				
In Brazil	16,659	40,409	38,701	81,430
Overseas	88	408	511	1,639
	16,747	40,817	39,212	83,069
Deductions from gross revenue				
Taxes on sales	(3,108)	(6,881)	(7,154)	(14,128)
Net sales and/or services	13,639	33,936	32,058	68,941

25. (Loss) per share

Basic

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

Item	Company and Consolidated			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Net income (loss)	(12,645)	(23,259)	(24,029)	(30,658)

Earnings (loss) attributed to shareholders	(12,645)	(23,259)	(24,029)	(30,658)
Weighted average number of outstanding ordinary shares ('000)	43,716	41,476	43,716	41,476
Basic earnings (loss) per share - R\$	(0.289)	(0.561)	(0.550)	(0.739)

26. Other operating income and (expenses)

Item	Company			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Other operating revenue				
Reversal of provision for lawsuits	-	573	-	1,891
Revenue from the sale of property, plant and equipment	-	-	25	-
Reversal of provision for impaired assets	-	2,341	-	2,341
Reversal of estimated losses from inventory obsolescence	403	-	142	765
Credit Rights - ICMS Import	4,557	-	4,557	-
Other	5	562	5	562
Total other operating revenue	4,965	3,476	4,729	5,559
Other operating expenses				
Provision for lawsuits	(2,073)	-	(2,147)	-
Cost incurred in the disposal of assets	-	(2,099)	(8)	(2,100)
Provision for inventory losses	-	(160)	-	-
Production idleness cost	(3,986)	(2,407)	(5,583)	(2,724)
Taxes to be paid in installments	-	(2,623)	-	(2,733)
Other	(563)	(771)	(608)	(832)
Total other operating expenses	(6,622)	(8,060)	(8,346)	(8,389)
Other operating expenses, net	(1,657)	(4,584)	(3,617)	(2,830)

Item	Consolidated			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Other operating revenue				
Reversal of provision for lawsuits	11	238	-	1,672
Revenue from the sale of property, plant and equipment	44	25,258	19	25,258
Reversal of provision for impaired assets	206	7,469	401	7,469
Reversal of estimated losses from inventory obsolescence	-	-	218	267
Recovery of taxes and contributions	-	-	-	223
Credit Rights - ICMS Import	4,557	-	4,557	-
Other	12	629	12	639
Total other operating revenue	4,830	33,594	5,207	35,528
Other operating expenses				
Provision for lawsuits	-	-	(696)	-
Cost incurred in the disposal of assets	-	(34,705)	-	(34,706)
Provision for inventory losses	(453)	(671)	(921)	-
Production idleness cost	(4,678)	(2,802)	(6,275)	(3,119)
Taxes to be paid in installments	-	(3,275)	-	(3,520)
Other	(3,059)	(2,258)	(3,475)	(3,549)
Total other operating expenses	(8,190)	(43,711)	(11,367)	(44,894)
Other operating expenses, net	(3,360)	(10,117)	(6,160)	(9,366)

27. Financial Result

Item	Company			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Financial revenue				
Yield from short-term financial investment	25	51	50	98
Income from loan contracts	-	20	-	43
Adjustment for inflation	8	516	516	960
Other	2,832	149	2,923	279
Total financial revenue	2,865	736	3,489	1,380
Financial expenses				
Interest paid on loans and financing	(2,332)	(2,611)	(5,400)	(4,640)
Interest paid on loans and financing*	(918)	(2,264)	(1,828)	(3,156)
Discount to present value	(2,820)	(1,192)	(5,708)	(3,297)
Interest payable on loan contracts	(145)	(153)	(294)	(306)
Interest to be paid on trade accounts payable and other liabilities*	(866)	(902)	(1,739)	(1,798)
Fines, interest and adjustment for inflation	(202)	(5,980)	(883)	(7,102)
Other	(606)	(522)	(1,218)	(747)
Total financial expenses	(7,889)	(13,624)	(17,070)	(21,046)
Foreign currency exchange rate variation gains	9,459	4,053	22,708	4,520
Foreign currency exchange rate variation losses	(1,484)	(18,705)	(2,370)	(23,156)
Foreign currency exchange rate gains (losses), net	7,975	(14,652)	20,338	(18,636)

Item	Consolidated			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Financial revenue				
Yield from short-term financial investment	34	117	85	267
Present value adjustment	-	3,744	-	3,744
Adjustment for inflation	-	-	627	839
Other	3,162	830	3,293	975
Total financial revenue	3,196	4,691	4,005	5,825
Financial expenses				
Interest paid on loans and financing	(2,429)	(2,629)	(5,631)	(4,664)
Interest paid on loans and financing*	(918)	(2,264)	(1,828)	(3,156)
Interest on Bonds*	(121)	2,637	(211)	2,554
Discount to present value	(5,541)	-	(12,530)	-
Interest to be paid on trade accounts payable and other liabilities*	(866)	(902)	(1,739)	(1,798)
Fines, interest and adjustment for inflation	(419)	(7,463)	(1,546)	(9,419)
Other	(867)	(354)	(1,591)	(919)
Total financial expenses	(11,161)	(10,975)	(25,076)	(17,402)
Foreign currency exchange rate variation gains	9,562	12,123	22,936	12,525
Foreign currency exchange rate variation losses	(1,475)	(18,729)	(2,373)	(23,184)
Foreign currency exchange rate gains (losses), net	8,087	(6,606)	20,563	(10,659)

(*) Debt included in the court-supervised reorganization plan.

28. (Expenses and Costs) by nature

Item	Company			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Cost of products sold	(11,486)	(25,145)	(25,616)	(50,098)
Raw materials, materials for use and consumption, labor and third-party services	(11,241)	(24,702)	(25,129)	(49,102)
Depreciation and amortization	(346)	(595)	(694)	(1,267)
Other	101	152	207	271
Selling expenses	(3,928)	(3,455)	(6,551)	(5,379)
Labor and third-party services	(1,264)	(1,672)	(2,548)	(1,976)
Depreciation and amortization	(2)	(2)	(5)	(5)
Other selling expenses	(2,662)	(1,781)	(3,998)	(3,398)
General and administrative expenses	(3,946)	(4,320)	(8,162)	(7,989)
Labor and third-party services	(3,005)	(2,847)	(5,966)	(5,593)
Depreciation and amortization	(50)	(49)	(99)	(96)
Other administrative expenses	(891)	(1,424)	(2,097)	(2,300)
Management compensation	(1,061)	(750)	(2,562)	(1,500)

Item	Consolidated			
	Three-month period ended		Six-month period ended	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	01/01/2025 to 06/30/2025	01/01/2024 to 06/30/2024
Cost of products sold	(12,416)	(26,928)	(27,987)	(53,905)
Raw materials, materials for use and consumption, labor and third-party services	(11,937)	(26,262)	(27,044)	(52,485)
Depreciation and amortization	(456)	(679)	(911)	(1,433)
Other	(23)	13	(32)	13
Selling expenses	(4,022)	(3,514)	(6,755)	(5,486)
Labor and third-party services	(960)	(1,073)	(1,949)	(1,978)
Depreciation and amortization	(2)	(2)	(5)	(5)
Other selling expenses	(3,060)	(2,439)	(4,801)	(3,503)
General and administrative expenses	(5,279)	(5,445)	(10,610)	(10,557)
Labor and third-party services	(3,387)	(4,065)	(8,235)	(7,829)
Depreciation and amortization	(160)	(169)	(321)	(336)
Other administrative expenses	(1,732)	(1,211)	(2,054)	(2,392)
Management compensation	(1,061)	(750)	(2,562)	(1,500)

29. Information by business segment and geographic region

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

- a) **Products:** mainly producing industrial valves; valves for oil and gas; synthetic fiber ropes for anchoring oil platforms and various other applications; and composite material artifacts, such as poles and tubular sleeves for coating oil pipes.

- b) Services:** The Company continues to wind down its activities through the sale of equipment and associated assets. Revenues in this segment are derived from the liquidation of inventory balances and do not relate to regular operations.

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

Sales between segments were conducted as sales between independent parties. The amounts related 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:

	Three-month period ended					
	Products		Services		Consolidated	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024
Net revenue from sales	13,639	33,783	-	153	13,639	33,936
Cost of products sold	(12,416)	(26,775)	-	(153)	(12,416)	(26,928)
Gross income (loss)	1,223	7,008	-	-	1,223	7,008
Selling expenses	(4,022)	(3,514)	-	-	(4,022)	(3,514)
Administrative expenses	(4,723)	(4,454)	(556)	(991)	(5,279)	(5,445)
Management compensation	(690)	-	(371)	(750)	(1,061)	(750)
Reversal of provision for impaired assets	-	-	57	7,469	57	7,469
Other revenue (expenses), net	(4,809)	(5,942)	1,392	(11,644)	(3,417)	(17,586)
Operating income (loss) before financial income (expenses)	(13,021)	(6,902)	522	(5,916)	(12,499)	(12,818)

	Products		Services		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Identifiable assets	206,866	206,077	149,962	166,262	356,828	372,339
Identifiable liabilities	22,195	17,365	200,996	203,078	223,191	220,443

	Products		Services		Consolidated	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024
Depreciation and amortization	505	728	113	122	618	850
Purchase of property, plant and equipment	218	609	4	41	222	650

	Six-month period ended					
	Products		Services		Consolidated	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024
Net revenue from sales	31,990	68,650	68	291	32,058	68,941
Cost of products sold	(27,936)	(53,662)	(51)	(243)	(27,987)	(53,905)
Gross income (loss)	4,054	14,988	17	48	4,071	15,036
Selling expenses	(6,755)	(5,486)	-	-	(6,755)	(5,486)
Administrative expenses	(9,167)	(8,637)	(1,443)	(1,920)	(10,610)	(10,557)
Management compensation	(1,892)	-	(670)	(1,500)	(2,562)	(1,500)
Reversal of provision for impaired assets	-	-	19	7,469	19	7,469
Other revenue (expenses), net	(6,648)	(5,788)	469	(11,047)	(6,179)	(16,835)
Operating income (loss) before financial income (expenses)	(20,408)	(4,923)	(1,608)	(6,950)	(22,016)	(11,873)

	Products		Services		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Identifiable assets	206,647	206,077	149,962	166,262	356,609	372,339
Identifiable liabilities	22,195	17,365	200,996	203,078	223,191	220,443

	Products		Services		Consolidated	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024
Depreciation and amortization	1,009	1,532	227	242	1,236	1,774
Purchase of property, plant and equipment	218	609	4	41	222	650

The information by geographic region is shown below:

	Three-month period ended					
	Brazil		Other		Consolidated	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024
Net revenue from sales	13,639	33,936	-	-	13,639	33,936
Cost of products sold	(12,416)	(26,928)	-	-	(12,416)	(26,928)
Gross income (loss)	1,223	7,008	-	-	1,223	7,008
Selling expenses	(4,022)	(3,514)	-	-	(4,022)	(3,514)
Administrative expenses	(5,279)	(5,445)	-	-	(5,279)	(5,445)
Management compensation	(1,061)	(750)	-	-	(1,061)	(750)
Reversal of estimated losses due to the non-recoverability of assets	44	7,469	-	-	44	7,469
Other revenue (expenses), net	(3,404)	(17,586)	-	-	(3,404)	(17,586)
Operating income (loss) before financial income (expenses)	(12,499)	(12,818)	-	-	(12,499)	(12,818)

	Brazil		Other		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Identifiable assets	356,828	372,339	-	-	356,828	372,339
Identifiable liabilities	169,003	184,741	54,188	35,702	223,191	220,443

	Brazil		Other		Consolidated	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024
Depreciation and amortization	618	850	-	-	618	850
Purchase of property, plant and equipment	222	650	-	-	222	650

	Six-month period ended					
	Brazil		Other		Consolidated	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024
Net revenue from sales	32,058	68,941	-	-	32,058	68,941
Cost of products sold	(27,987)	(53,905)	-	-	(27,987)	(53,905)
Gross income (loss)	4,071	15,036	-	-	4,071	15,036
Selling expenses	(6,755)	(5,486)	-	-	(6,755)	(5,486)
Administrative expenses	(10,610)	(10,557)	-	-	(10,610)	(10,557)
Management compensation	(2,562)	(1,500)	-	-	(2,562)	(1,500)
Reversal of estimated losses due to the non-recoverability of assets	19	7,469	-	-	19	7,469
Other revenue (expenses), net	(6,179)	(16,835)	-	-	(6,179)	(16,835)
Operating income (loss) before financial income (expenses)	(22,016)	(11,873)	-	-	(22,016)	(11,873)

	Brazil		Other		Consolidated	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Identifiable assets	356,828	372,339	-	-	356,828	372,339
Identifiable liabilities	169,003	220,443	54,188	35,702	223,191	220,443

	Brazil		Other		Consolidated	
	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024	04/01/2025 to 06/30/2025	04/01/2024 to 06/30/2024
Depreciation and amortization	1,236	1,774	-	-	1,236	1,774
Purchase of property, plant and equipment	222	650	-	-	222	650

30. Judicial reorganization concluded on March 14, 2023

In order to address the effects of a prolonged financial crisis in which it found itself, 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 Creditors’ Meeting on November 8, 2016, and subsequently ratified by the 1st Bankruptcy, Judicial Reorganization, and Arbitration-Related Conflicts Court of the Capital of São Paulo on February 19, 2017.

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

On March 14, 2023, a decision was handed down determining the closure of the Judicial Reorganization, which became final on June 21, 2023, with its certificate issued by the São Paulo Board of Trade 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 Bonds and partly paid or rescheduled, as detailed in the table below:

Creditor type	Payment conditions	Interest rate*	Schedule
I - Labor credit	Cash or shares of a Special Purpose Company (SPE) up to the limit of 150 minimum wages in force in May 2015; the remainder in Subscription Warrants	Not applicable	12 months from approval
II - Secured credit	35% in subscription bonus, 65% in cash	TR + 3% p.a.	January 2032
III - Unsecured credit	In domestic currency: 50% in subscription bonus, 50% in cash In foreign currency: 70% in subscription bonus, 30% in cash	In domestic currency: TR + 3.3% p.a. In foreign currency: Exchange Var. + 0.4% p.a. for credit in foreign currency	January 2033**
IV - Small enterprises	50% in subscription bonus, 50% in cash	TR + 3% p.a.	January 2032

*TR=Reference Rate

**Credits that become eligible for late payment are subject to a payment schedule of 180 months from the date they become eligible. Depending on exchange rate fluctuations, the payment of exchange rate variations and interest on credits in foreign currency may exceed the indicated term.

The principal is paid in fixed quarterly installments in Brazilian reais according to the growth gradient established in the Plan. Interest and exchange rate variations are paid: (a) Classes II and IV: in one installment 30 days after the principal matures or; (b) Class III: in four quarterly installments after the principal matures, for credits in local 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 Class II credits, 50% of Class III and IV credits in local currency, and 30% of Class III credits in foreign currency, is subject to interest and exchange rate 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
	Payables and labor provisions	Loans and financing in domestic currency	Payables, loans and financing in domestic currency	Payables, loans and financing in foreign currency	Payables in domestic currency	06/30/2025	31/12/2024
Carrying amount of liabilities included in the reorganization plan	2,379	40,914	182,876	88,153	12,814	327,136	335,749
Discount to Present Value *	-	(14,287)	(74,856)	(27,563)	(3,483)	(120,189)	(132,718)
Net carrying amount	2,379	26,627	108,020	60,590	9,331	206,947	203,031
Carrying amount maturity							
2025	465	2,990	6,774	2,117	644	12,990	13,120
2026	-	2,990	8,564	2,682	637	14,873	15,085
2027	-	3,861	10,355	3,246	817	18,279	18,536
2028	-	4,485	13,798	4,329	951	23,563	23,905
2029	-	4,485	16,793	5,270	970	27,518	27,934
2030	-	4,485	21,291	6,681	954	33,411	33,939
2031	-	4,485	22,786	7,152	961	35,384	35,949
2032	-	13,133	29,088	9,126	6,880	58,227	58,589
2033	-	-	53,427	9,121	-	62,548	60,852
After 2034	1,914	-	-	38,429	-	40,343	47,840
Total	2,379	40,914	182,876	88,153	12,814	327,136	335,749
Litigation (dates and amounts undetermined)	7,878	-	2,745	-	330	10,953	13,263

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

The portion paid in Subscription Bonuses corresponds to 35% of Class II credits, 50% of Class III and IV credits in local currency, and 70% of Class III credits in foreign currency. The Subscription Bonuses necessary to fulfill the obligation were issued by the Company and were recorded 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 one (1) Bonus for every 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 a price of R\$0.88 per share, until October 28, 2025.

A total of 4,352,503 Subscription Bonuses were issued, of which 2,123,370 were registered in the name of the respective creditors. 1,482, 487 are held in treasury as collateral for the Subscription Warrants issued in the USA by Lupatech Finance, and 746,646 are held in the Company's treasury for delivery to creditors who did not provide the registration information required for bookkeeping or reserved to cover contingent credits.

As a result of the adverse macroeconomic environment that began in December 2024, with a significant increase in exchange rates and interest rates, the Company's liquidity was affected by the consequent reduction in credit supply. Consequently, the Company delayed payments for January and April 2025 to creditors in classes II, III, and IV of the Judicial Reorganization. Negotiations are underway to resolve the issue.

Information regarding the Judicial Reorganization is available for consultation at the following website www.lupatech.com.br/ri.

31. Subsequent events

Agreement for the receipt of amounts arising from litigation against Cordoaria São Leopoldo (CSL) and Cordoaria São Leopoldo Original (CSLO)

On August 18, 2025, the Company entered into an agreement to receive the amounts arising from the litigation against CSL and CSLO, which originate from disputes arising from the Investment Agreement and Other Covenants, signed in 2006, for the acquisition of the CSL Group's offshore anchor cable manufacturing business. The agreement, which will be submitted for judicial approval, provides for:

- (i) Full payment to Lupatech of the updated amount of the judgment, totaling R\$ 43,705 on the base date of July 31, 2025 (payment will be made in installments, with the final payment due on December 31, 2028, and will include cash payments and payment in kind of credit rights against the State of Rio Grande do Sul) and will include cash payments and payment in kind of credit rights against the State of Rio Grande do Sul);
- (ii) CSL's waiver of its claim regarding its alleged credit right;
- (iii) Settlement of the trademark dispute;
- (iv) Obligation of CSL and CSLO to support the completion of the registration, on behalf of Lupatech, of the properties that house the Lupatech Cable and Rope factory in São Leopoldo/RS.

On the same date, the Company and CSLO also signed a letter of intent with the objective of evaluating opportunities for collaboration on large anchorage projects.

Comment on the behavior of business projections

The company's net revenue declined significantly compared to recent levels, both compared to 1Q25 and 2Q24. In this scenario, sales profitability was affected, as were all profitability indicators.

The firm order backlog remained at the same level as the previous quarter. The backlog of contracts without purchase obligations decreased significantly due to the termination of supply contracts initiated in 2020, after a maximum term of 5 years.

There are major investment projects in the oil and gas sector, which are expected to generate significant demand in the coming years. The company's efforts are focused on completing the renegotiation of its liabilities and divesting assets in order to obtain liquidity for the upcoming phase.

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
Public Company with Authorized Capital - New Market

AUDIT COMMITTEE REPORT – August 11, 2025

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, namely:

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, bearer of identity card RNE no. V471179-4, registered with the CPF/MF under no. 060.144.487-64, with business address at Rodovia Anhanguera, km. 119, Distrito Industrial, Nova Odessa (SP), CEP 13388-220.
3. **Simone Anhaia Melo**, Brazilian, biologist, holder of ID card RG nº 4011785492, registered with the CPF/MF under nº 449.983.170-91, 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 - to give an opinion on the hiring and dismissal of independent auditors;
- II.2 - supervising the activities of the independent auditors, assessing their independence, the quality of the services provided and the suitability 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 - monitoring the quality and integrity of the internal control mechanisms, the financial statements and the information and measurements disclosed by the Company;

II.5 - assess 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) use of the Company's assets; and c) expenses incurred on behalf of the Company.

II.6 - assess and monitor, in conjunction 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 the activities, results, conclusions and recommendations, recording any significant disagreements between management, the independent auditors and the Audit Committee in relation to the financial statements;

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

II.9 - perform the duties and carry out the other acts necessary to fulfill its responsibilities.

III – AUDIT COMMITTEE ACTIVITIES:

With regard to the current fiscal year of 2025, the Committee met again on August 11, 2025, at 10 a.m., virtually, via the Teams platform, with all three members in attendance. The Audit Committee has also interacted with the external auditor, the Company's president, Mr. Rafael Gorenstein, and Ms. Vanessa Melo de Souza, Financial Statements Preparer, at the events mentioned above.

At this regular meeting held on August 11, 2025, this Audit Committee discussed accounting and tax aspects related to the closing of the interim Financial Statements for the second quarter of 2025, corresponding to the three-month period beginning April 1 and ending June 30, 2025. The Board of Directors will accept the recommendation of this Audit Committee to approve the Financial Statements for the second quarter of 2025, as discussed and reviewed by this same Committee.

Independent Accounting Audit: Assessed independence, especially with regard to the provision of other services, and compliance with applicable legal and regulatory provisions on an ongoing basis; Reviewed the Independent Auditor's Annual Work Plan; Monitored the work of the independent accounting audit; Reviewed the audit report on the financial statements for the three-month period ended June 30, 2025.

IV – TOPICS DEVELOPED BY JUNE 30, 2025:

- a) Financial Statements / Financial / Accounting: Monitoring of the Company's financial results for the second quarter of 2025 was carried out with regard to the Financial Statements prepared for this period – Balance Sheet, Income Statement for the 2nd Quarter, Statement of Comprehensive Income, Cash Flow Statement, Statement of Changes in Shareholders' Equity, and Statement of Added Value, all for the 3-month period ended June 30, 2025.

- b) In addition to the financial statements, the accompanying notes were reviewed. The accounting practices adopted were evaluated, as were the process of preparing and disclosing the financial statements for the period and the reasonableness of the criteria for recognizing revenues and expenses that have a material impact on the financial statements of the Company and its subsidiaries.
- c) Internal controls and compliance: Monitoring and oversight of the tools used by the COMPANY to assess risks, protect assets, and supervise the effectiveness of compliance structures in combating fraud, corruption, and preventing money laundering; Analysis and understanding of the COMPANY's corporate policies; Monitoring of procedures related to the Prevention and Combating of Money Laundering; Monitoring of procedures related to Fraud Prevention and Combating, as well as reviewing investigation reports and their results; Monitoring the dissemination and actions related 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; Assessing risks related to the information technology (IT) environment; Assessment of the process for monitoring legal proceedings, deposits, and judicial freezes, as well as the adequacy of the respective accounting provision estimates; 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, identification, and mitigation of the IT environment and cyber risks.
- d) Irregularities and Complaints: Monitored the development of the process for communicating and monitoring systems and controls implemented by Management for receiving and handling information about non-compliance with applicable legal and regulatory provisions, in addition to its internal regulations and codes, ensuring that they provide 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 duties and legal responsibilities, emphasize that they discussed in detail the accounting and recording procedures for the most relevant transactions recorded in the accounting records during the three-month period corresponding to the second quarter of the 2025 calendar year, ending on June 30, 2025, and their consistency with the procedures adopted at the end of the immediately preceding fiscal year, 2024, and at the end of the first quarter of 2025, also.

Among the topics discussed, the following stand out:

- (a) lower-than-expected net sales revenues and revenues from Lupatech and its subsidiaries, compared to the same period in 2024, including calculation of EBITDA for the period;
- (b) evolution of operating costs; current position of inventories and their probable and possible realization over time;
- (c) creation of reserves for unrealized assets such as inventories, accounts receivable, and their provisions (impairment) for possible losses on realization, other credits against third parties, etc.;

- (d) Recognition of deferred income tax and social contribution tax credits, and their future realization and support, as well as the realization of goodwill on investments in subsidiaries acquired in the past;
- (e) Impact of the reduction in the exchange rate of the Brazilian real against the US dollar between December 31, 2024, and June 30, 2025;
- (f) Valuation of assets available for sale, no longer used in the operations of the Company and its subsidiaries; their valuation at fair value;
- (g) Capitalization and depreciation policies for fixed assets in use; and
- (h) Analysis of liabilities reflected in the quarterly financial statements as of June 30, 2025.

Otherwise, the accounting procedures used by the Company remained unchanged during the quarter under review.

VI – RECOMMENDATION ON THE FINANCIAL STATEMENTS AS AT 06/30/2025

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, have analyzed the individual and consolidated financial statements and the annual management report, including the Explanatory Notes to the aforementioned financial statements, prepared for the three-month period ended June 30, 2025, and, based on the information provided by Management, this Committee is in favor of and recommends that the Board of Directors approve the aforementioned documents.

Nova Odessa (SP), August 11, 2025.

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/MF nº 060.144.487-64.

1. **Simone Anhaia Melo**
RG nº 4011785492/CPF/MF nº 449.983.170-91.



Management's declaration of the financial statements

The directors of the Company, in compliance with 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 Accounting Information for the period ended June 30, 2025.

Nova Odessa, September 01, 2025.

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, pursuant to 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 Accounting Information for the period ended June 30, 2025.

Nova Odessa, September 01, 2025.

Rafael Gorenstein – Director President and of Investor Relations Officer

Marco Antônio Miola – Director without specific designation