



1Q26 Highlights

Disciplined strategy execution, with focus on operational efficiency and gradual demand recovery

Earnings Call

Date: May 15th, 2026

Portuguese/English

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- **Net Revenue: R\$ 2.3 billion (-7% vs. 1Q25).** Impact of the 9% reduction in physical sales volumes of commercial vehicles and off-road applications in the domestic and foreign markets, and the appreciation of the Brazilian real, partially offset by the performance of the Manufacturing Contracts and Energy & Decarbonization Business Units.

Revenue **increased by 6% compared to 4Q25**, reflecting favorable seasonal effects and market share gains in the Structural Components segment (launch of new projects and resumption of programs).

- **Operating Cash Flow: generation of R\$ 198 million, the Company's best first-quarter result**, reflecting consistent working capital management initiatives, with a 7-day decrease in the cash conversion cycle compared to 4Q25 and a 15-day reduction compared to 1Q25, mainly driven by lower inventory levels.
- **Adjusted EBITDA: R\$ 99 million (-60% vs. 1Q25)**, with a margin of 4.3% (vs. 1.8% in 4Q25 and 10.0% in 1Q25). EBITDA was impacted by approximately R\$ 89 million, due to lower sales and production volumes, and by R\$ 95 million, due to the appreciation of the Brazilian real and the Mexican peso against the U.S. dollar. These effects were partially offset by internal initiatives and a better product mix, totaling R\$ 50 million, including R\$ 22 million from the capacity reduction project.
The margin expansion compared to 4Q25 mainly reflects higher volumes and progress in efficiency projects, with direct impacts on costs and improvements in operational and quality indicators.
- **Net result: loss of R\$ 94 million** (vs. a loss of R\$ 12 million in 1Q25), due to operating performance.
- **Net Debt: R\$ 2.1 billion, down by 18% from 1Q25 and by 7% from 4Q25.** The net debt/Adjusted EBITDA ratio reached 4.02x (vs. 3.35x in 4Q25), reflecting lower adjusted EBITDA accumulated over the last twelve months.

 **MESSAGE FROM MANAGEMENT**

The first quarter of 2026 was marked by significant strategic moves, continuing the structured process of optimizing the industrial footprint. The portfolio has been consistently reallocated to align production with the operational profile and efficiency of each plant.

Recurring gains of approximately R\$ 100 million are expected in 2026, of which R\$ 22 million were already recognized in the quarter, and annual gains of R\$ 180 million are expected starting in 2027.

This initiative reinforces discipline in capital allocation and creates a more efficient operating base. Considering operating leverage, the recovery in volumes should significantly amplify the positive effects of this restructuring on margins.

Given its technical characteristics, the Betim-MG plant will play a relevant role in the production of parts not related to engine blocks and cylinder heads. This business, which generates annual revenue of approximately R\$ 1 billion, will be concentrated on more efficient lines and, with greater scale, will enhance the Company's profitability and competitiveness.

Despite short-term challenges, such as the depreciation of the U.S. dollar against the Brazilian real and the Mexican peso, Management maintains a constructive outlook for the coming quarters. The scenario observed among the leading global automakers, based on the release of their 1Q26 results, indicates a gradual recovery in markets relevant to the Company.

In North America, the reduction of uncertainties related to trade tariffs, the confirmation of the new emissions rules (EPA 27), and the recovery in freight prices have been reflected in higher truck purchase orders, which increased by 53% in 1Q26. In the European market, infrastructure investments and increased transportation activity, combined with a still depressed comparison base, contributed to a 10% increase in sales compared to 1Q25.

This scenario confirms expectations of a recovery in the foreign market, with automakers revising their outlooks and preparing their operations for the resumption of volumes. Given the characteristics of the supply chains in which the Company operates, these movements should reflect additional volumes for Tupy over the coming months and are already reflected in the order backlog, which points to demand above the level projected in the Company's budget prepared at the end of last year. In addition to the expected growth in the legacy business, the ramp-up of new products, with market share gains in important segments — such as Class 8 vehicles in the North American market — should support growth in the second half of the year.

In Brazil, the weak performance of commercial vehicle and off-road sales, pressured by the high interest rate environment, historically high delinquency levels, and the weaker-than-expected performance of agribusiness, impacted the results of all Business Units.

Despite the diversification of the portfolio and the strong relationship with customers — factors that mitigated the direct effect of tariffs — lower sales volumes, in a market still under recovery, pressured revenue and margins in the period, due to the lower dilution of fixed costs.

Consolidated net revenue totaled R\$ 2.3 billion in 1Q26, down by 7% from 1Q25. Performance mainly reflected the 9% reduction in physical sales volumes and the 10% appreciation of the Brazilian real against the U.S. dollar, impacting revenue denominated in foreign currency. These effects were offset by revenue growth in the Manufacturing Contracts and Energy & Decarbonization Business Units.

Adjusted EBITDA reached R\$ 99 million, down by 60% year over year, with a margin of 4.3% on net revenue. The decline in sales and production volumes represented a negative impact of R\$ 89 million compared to the previous year. Foreign exchange effects, in turn, impacted results by R\$ 95 million, due to the appreciation of the Brazilian real and the Mexican peso against the U.S. dollar. These impacts were partially offset by cost reduction initiatives and operational efficiency gains, highlighting the Company's operational responsiveness in a challenging environment.

In this environment, capital allocation became even more relevant. Management initiatives contributed to a reduction in the cash conversion cycle, which declined by fifteen days compared to 1Q25 and by seven days compared to the previous quarter (4Q25). Highlights include improved operational efficiency, including, among other initiatives, lower inventory levels. Despite the one-off impact on margins, this strategy contributed to the highest first-quarter operating cash generation in the Company's history, amounting to R\$ 198 million.

This financial discipline resulted in a reduction in net debt, which reached R\$ 2.1 billion in 1Q26 — down by 18% and 7% from 1Q25 and 4Q25, respectively. Leverage, measured by the net debt/Adjusted EBITDA ratio, reached 4.0x, reflecting lower Adjusted EBITDA accumulated over the last 12 months.

Traditional business: commencement of new contracts and operational efficiency

The Company continues to expand its presence in strategic segments, especially heavy commercial vehicles (Class 8) in the North American market, which are expected to benefit from the recovery in volumes projected for 2026. For this year, we estimate revenue of over R\$ 600 million from new projects, which present higher profitability than the historical portfolio and include, in addition to casting, higher value-added services such as machining.

These contracts have already contributed to the results of 1Q26, with additional revenue of approximately R\$ 100 million, which is expected to accelerate throughout the year as operations ramp up and the recovery of the heavy vehicle market. Additionally, the resumption of previously discontinued programs for the light commercial vehicle segment will also contribute to the growth of the Business Unit's revenue.

In addition to the acceleration of the capacity demobilization project, with benefits already captured in 1Q26, the Company initiated a set of actions focused on reducing non-quality and maintenance costs and improving customer service levels. These actions are expected to generate additional gains of R\$ 140 million in 2026. These initiatives are complemented by the continuation of the automation process of production lines.

MWM: diversification and resilience

Revenue generated by subsidiary MWM accounted for 27% of the Company's total revenue, totaling approximately R\$ 630 million, an 8% increase compared to the same period of the previous year.

This performance was mainly driven by the Manufacturing Contracts Business Unit, which includes higher value-added services such as machining and assembly of third-party engines, as well as engineering services.

The aftermarket segment, which presents higher margins than the traditional business, recorded a 4% decline compared to the previous year. This scenario mainly reflects the deterioration of the macroeconomic environment and distributors' inventory reduction strategy, which has affected the entire auto parts chain. The new "Masterparts" and "Optional" product lines already account for 22% of this Business Unit's sales, evidencing the consistent evolution of the portfolio and greater revenue recurrence. Despite the decline in revenue, EBITDA increased as a result of cost reduction initiatives and operational efficiency gains.

The Energy & Decarbonization Unit grew by 5%, driven mainly by revenue from proprietary engines applied in segments such as mining and construction.

The quarter was also marked by the beginning of the commercialization of biomethane and natural gas engines for new vehicles. The first project, in partnership with BMB — the special solutions unit of Grupo Vamos —, involved the delivery of 100 trucks used in urban solid waste collection in Rio de Janeiro. The technological and commercial partnership with Yuchai, one of the world's largest engine manufacturers, contributed to expanding the portfolio of products and services offered to our customers. This partnership, which enables us to apply biomethane and ethanol engines across several segments, will allow us to further scale solutions for urban collection vehicles, public transportation, and trucks focused on the ethanol and biomethane production segment, as well as large generator sets and marine engines.

We continue to rigorously execute our commercial and efficiency agenda, guided by a strategic plan focused on value creation and diversification into segments with high potential for growth and profitability.

We recently released the 2025 Sustainability Report, prepared under the standards of the Global Reporting Initiative (GRI) and other international frameworks. We invite readers to [access the document](#), which also covers our Research & Development initiatives, in addition to the services and products that contribute to the decarbonization of the value chains in which we operate.

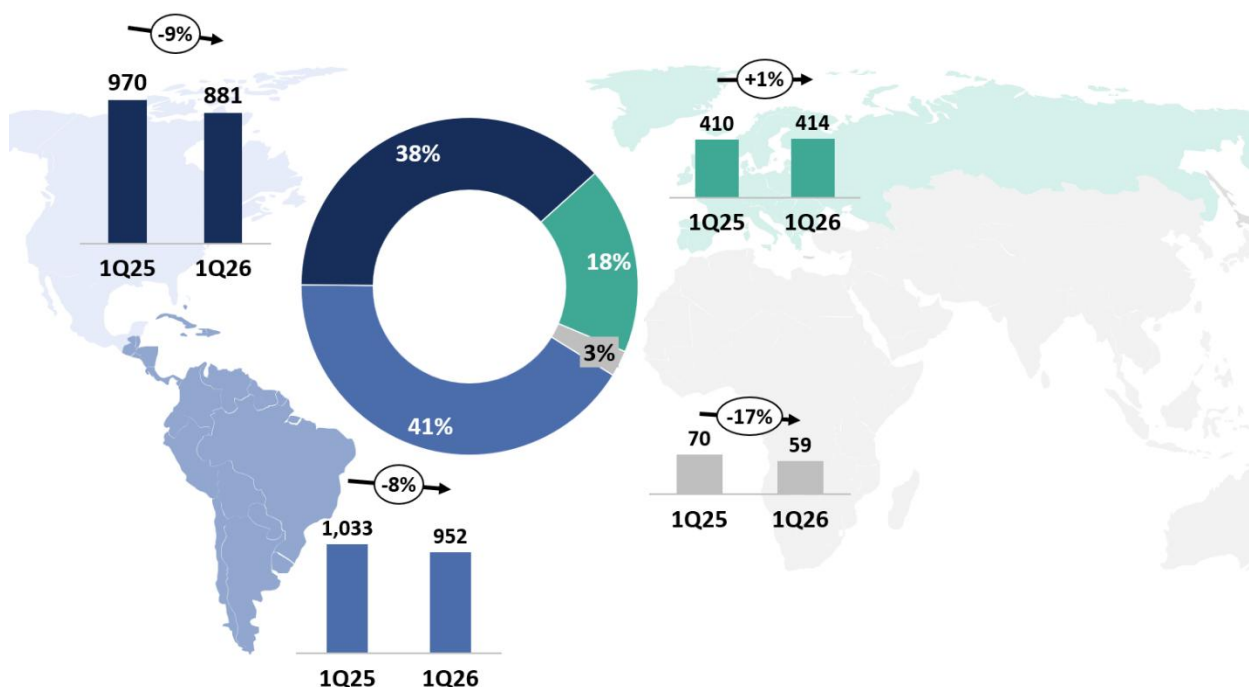
Management

SUMMARIZED RESULTS

Consolidated (R\$ thousand)			
SUMMARY	1Q26	1Q25	Var. [%]
Revenues	2,306,159	2,483,044	-7.1%
Cost of goods sold	(2,072,129)	(2,101,960)	-1.4%
Gross Profit	234,030	381,084	-38.6%
<i>% on Revenues</i>	<i>10.1%</i>	<i>15.3%</i>	
Operating expenses	(228,282)	(228,723)	-0.2%
Other operating expenses	(45,632)	(39,005)	17.0%
Income (Loss) before Financial Result	(39,884)	113,356	-
<i>% on Revenues</i>	<i>-1.7%</i>	<i>4.6%</i>	
Net financial result	(49,710)	(102,591)	-51.5%
Income (Loss) before Tax Effects	(89,594)	10,765	-
<i>% on Revenues</i>	<i>-3.9%</i>	<i>0.4%</i>	
Income tax and social contribution	(4,597)	(22,958)	80.0%
Net Loss	(94,191)	(12,193)	-
<i>% on Revenues</i>	<i>-4.1%</i>	<i>-0.5%</i>	
EBITDA (CVM Resolution 156/22)	55,249	209,013	-73.6%
<i>% on Revenues</i>	<i>2.4%</i>	<i>8.4%</i>	
Adjusted EBITDA	98,785	247,289	-60.1%
<i>% on Revenues</i>	<i>4.3%</i>	<i>10.0%</i>	
Average exchange rate (BRL/USD)	5.26	5.85	-10.1%
Average exchange rate (BRL/EUR)	6.15	6.16	-0.2%
Closing exchange rate (BRL/USD)	5.22	5.74	-9.1%
Closing exchange rate (BRL/EUR)	6.01	6.20	-3.0%

REVENUES

In 1Q26, 38% of revenues originated in North America. The South and Central Americas, in turn, accounted for 41%, and Europe for 18%. The remaining 3% came from Asia, Africa, and Oceania.

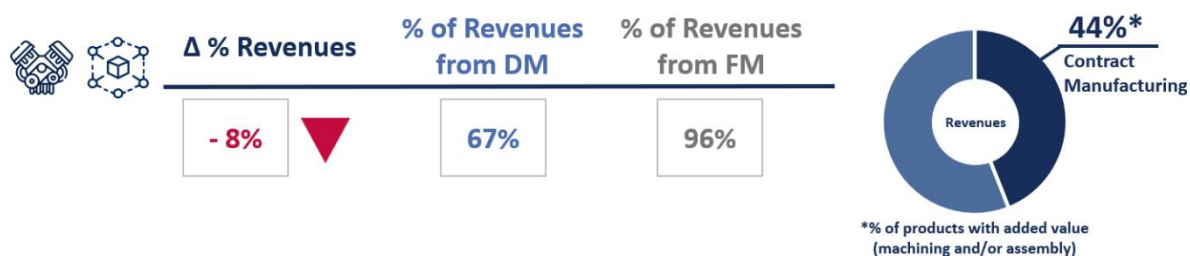


Consolidated (R\$ thousand)			
	1Q26	1Q25	Var. [%]
Revenues	2,306,159	2,483,044	-7.1%
Domestic Market	893,102	957,785	-6.8%
Structural Components and Manufacturing Contracts	594,919	670,880	-11.3%
Commercial vehicles (and passenger cars)	533,526	585,560	-8.9%
Off-road	61,393	85,320	-28.0%
Energy & Decarbonization	153,526	131,017	17.2%
Distribution	144,657	155,888	-7.2%
Aftermarket	106,456	110,187	-3.4%
Hydraulic products	38,201	45,701	-16.4%
Export Market	1,413,057	1,525,259	-7.4%
Structural Components and Manufacturing Contracts	1,358,978	1,455,664	-6.6%
Commercial vehicles (and passenger cars)	1,005,244	1,028,819	-2.3%
Off-road	353,734	426,845	-17.1%
Energy & Decarbonization	16,677	31,853	-47.6%
Distribution	37,402	37,742	-0.9%
Aftermarket	20,896	21,987	-5.0%
Hydraulic products	16,506	15,755	4.8%

Note: the division among applications considers our best assumption for cases in which the same product is in two applications.

REVENUE BY BUSINESS UNIT

Structural Components and Manufacturing Contracts



The decline in revenue in 1Q26 mainly reflected lower sales volumes in commercial vehicle applications and foreign exchange appreciation (average BRL/USD of 5.26 in 1Q26 vs. 5.85 in 1Q25), factors that pressured the performance of the Structural Components Business Unit.

The increase in truck orders placed with automakers observed in the first months of the year is already reflected in the order backlog and will become visible in sales over the coming quarters.

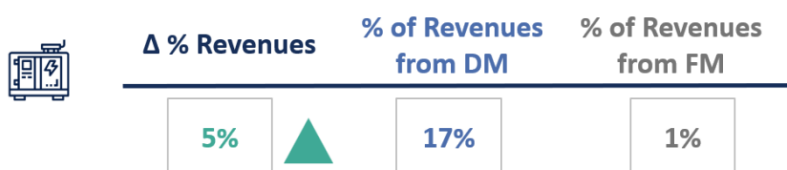
In the European market, in turn, a recovery in commercial vehicle sales has been observed, driven by fleet renewal, infrastructure investments, and increased freight demand.

In Brazil, the heavy vehicle market remained under pressure from high interest rates, tighter financing conditions, and the worsening in agribusiness performance, marked by high delinquency levels. In this context, heavy truck production declined by 35% in 1Q26, with a direct impact on the Company's results. This scenario was partially offset by the performance of the Manufacturing Contracts Business Unit, which includes machining operations, engine assembly, and engineering services.

Sales to the off-road segment, characterized by long production chains, were impacted by the weak performance of agribusiness and the residential construction market. These effects were partially offset by the dynamism of the non-residential construction sector, especially in the export market, resulting in higher demand for large-engine applications.

Approximately 44% of revenue came from higher value-added products, such as machined and/or assembled services. The increase in share compared to 1Q25 (41%) reflects the launch of new higher value-added contracts.

Energy & Decarbonization



Performance in the first quarter was mainly driven by higher revenue from sales of proprietary engines applied in segments such as mining and construction in Brazil and abroad, partially offsetting lower generator set volumes.

This Business Unit grew by 5% compared to 1Q25 and accounted for 7% of the Company's total revenue in 1Q26.

Aftermarket



Revenue from the aftermarket segment declined by 4% in 1Q26. The deterioration of the macroeconomic environment, high interest rates, lower freight prices, and the weak performance of agribusiness led distributors to reduce inventory levels, while transportation companies postponed fleet maintenance activities at the beginning of the year.

The new product lines — “Masterparts” (a multi-brand product line) and “Optional” (a more competitive line for MWM-branded products) — grew by 7% and accounted for approximately 22% of the segment's revenue (vs. 20% in 1Q25).

The segment accounted for 6% of the Company's total revenue in 1Q26 (vs. 5% in 1Q25).

COST OF GOODS SOLD AND OPERATING EXPENSES

The cost of goods sold (COGS) totaled R\$ 2.1 billion in 1Q26, down by 1% from 1Q25. Gross margin for the period was 10.1% (vs. 15.3%), affected, among other factors, by lower production and sales volumes and foreign exchange appreciation.

The decline in production volumes, with impacts on fixed cost dilution and operational efficiency, affected costs by approximately R\$ 60 million.

	Consolidated (R\$ thousand)		
	1Q26	1Q25	Var. [%]
Revenues	2,306,159	2,483,044	-7.1%
Cost of goods sold	(2,072,129)	(2,101,960)	-1.4%
Raw material	(1,207,474)	(1,222,749)	-1.2%
Labor, profit sharing, and social benefits	(487,131)	(466,741)	4.4%
Maintenance supplies and services	(140,582)	(167,485)	-16.1%
Energy	(97,065)	(111,452)	-12.9%
Depreciation and amortization	(84,812)	(85,214)	-0.5%
Others	(55,065)	(48,319)	14.0%
Gross profit	234,030	381,084	-38.6%
<i>% on Revenues</i>	<i>10.1%</i>	<i>15.3%</i>	
Operating expenses	(228,282)	(228,723)	-0.2%
<i>% on Revenues</i>	<i>9.9%</i>	<i>9.2%</i>	

Costs in 1Q26 were also affected by:

- Raw materials: reduction due to lower volumes in the period, partially offsetting the effects of foreign exchange appreciation and a higher value-added product mix;
- Labor: increased due to the appreciation of the Mexican peso and inflation (annual wage adjustments), mitigated by initiatives to reduce direct labor and operational efficiency projects;
- Maintenance and third-party services: reduction resulted from renegotiations with suppliers and operational efficiency initiatives;
- Energy: decline driven by lower sales volumes, improved procurement cost conditions, and one-off sales of surplus volume;
- Other operating costs: increase mainly driven by product and material handling and write-off costs, in addition to the appreciation of the Mexican peso.

Operating expenses — administrative and selling — totaled R\$ 228 million in the quarter, remaining flat compared to the same period of the previous year.

OTHER INCOME AND EXPENSES

Other Net Operating Expenses totaled R\$ 46 million in 1Q26 vs. R\$ 39 million in the previous year.

	Consolidated (R\$ thousand)		
	1Q26	1Q25	Var. [%]
Creation and restatement of provisions	(16,766)	(20,056)	-16.4%
Restructuring expenses	(8,112)	(12,837)	-36.8%
PIS/COFINS on the sale of IPI tax credits	(7,981)	-	-
Write-off of PP&E, unusable assets, and others	(10,677)	(5,383)	98.3%
Other operating expenses	(43,536)	(38,276)	13.7%
Depreciation of non-operating assets	(2,096)	(729)	187.5%
Total other operating expenses, net	(45,632)	(39,005)	17.0%

Restructuring expenses totaled R\$ 8 million, resulting from operational efficiency and capacity reduction initiatives carried out during the quarter. Provisions for the next phases of the project, totaling R\$ 52 million, were recognized in 2025.

In December 2025, the Company completed the sale of IPI tax credit claims through an assignment of rights, totaling R\$ 174 million. The amount of R\$ 8 million refers to the payment of taxes (PIS/COFINS) recognized in 1Q26.

NET FINANCIAL RESULT

Net Financial Result came in as an expense of R\$ 50 million in 1Q26 vs. R\$ 103 million in 1Q25.

	Consolidated (R\$ thousand)		
	1Q26	1Q25	Var. [%]
Financial expenses	(96,347)	(87,955)	9.5%
Financial income	46,719	33,754	38.4%
Net monetary and currency variations	(82)	(48,390)	-99.8%
Net Financial Result	(49,710)	(102,591)	-51.5%

Financial expenses increased by 10% compared to 1Q25, mainly reflecting higher interest rates in Brazil and their effects on local currency-denominated debt. This impact was partially offset by lower indebtedness and foreign exchange appreciation, with a positive effect on interest payments denominated in foreign currency.

Financial income reached R\$ 47 million in the period, driven by the increase in interest from financial investments and the higher cash position in Brazilian reais.

Expenses from net monetary and currency variations totaled R\$ 0.1 million, comprised of: (i) a negative variation in the balance sheet accounts in foreign currency, of R\$ 13.4 million, due to the appreciation of the Brazilian real against the U.S. dollar; and (ii) the result from hedge operations, corresponding to an income of R\$ 13.3 million in the period.

INCOME (LOSS) BEFORE TAX EFFECTS AND NET INCOME (LOSS)

Net result in 1Q26 was a net loss of R\$ 94 million, compared to a loss of R\$ 12 million in the same period of 2025, reflecting lower operating performance.

Consolidated (R\$ thousand)			
	1Q26	1Q25	Var. [%]
Income/Loss before Tax Effects	(89,594)	10,765	-
Tax effects before currency impacts	125	(18,351)	-
Loss before currency effects on the tax base	(89,469)	(7,586)	-
Currency effects on the tax base	(4,722)	(4,607)	2.5%
Net Loss	(94,191)	(12,193)	-

EBITDA

The combination of the aforementioned factors resulted in CVM EBITDA of R\$ 55 million. Adjusted EBITDA for other operating expenses and income reached R\$ 99 million, with a margin of 4.3% in 1Q26 (vs. 1.8% in 4Q25 and 10.0% in 1Q25).

Consolidated (R\$ thousand)			
RECONCILIATION OF NET INCOME WITH EBITDA	1Q26	1Q25	Var. [%]
Net Loss for the Period	(94,191)	(12,193)	672.5%
(+) Net Financial Result	49,710	102,591	-51.5%
(+) Income Tax and Social Contribution	4,597	22,958	-80.0%
(+) Depreciation and Amortization	95,133	95,657	-0.5%
EBITDA (CVM Resolution 156/22)	55,249	209,013	-73.6%
<i>% on revenues</i>	<i>2.4%</i>	<i>8.4%</i>	
(+) Other Operating Expenses, Net *	43,536	38,276	13.7%
Adjusted EBITDA	98,785	247,289	-60.1%
<i>% on revenues</i>	<i>4.3%</i>	<i>10.0%</i>	

* Excludes depreciation of non-operating assets

The Adjusted EBITDA margin in the traditional business, which includes structural components and hydraulic products, reached 2.5% in 1Q26 vs. 9.8% in 1Q25.

The decline in sales and production volumes, with adverse effects on operational efficiency and the dilution of costs and expenses, had an impact of approximately R\$ 89 million on EBITDA compared to the same period in 2025.

Additionally, the appreciation of the Brazilian real and Mexican peso against the U.S. dollar reduced the period's results by R\$ 95 million. This effect was partially offset by cost and expense reduction initiatives, in addition to a more favorable product mix.

In turn, the MWM's margin — encompassing Manufacturing Contracts, Aftermarket, and Energy & Decarbonization — reached 9% in the period, remaining flat from the previous year.

INVESTMENTS IN PP&E AND INTANGIBLE ASSETS

Investments in PP&E and intangible assets totaled R\$ 64 million in 1Q26 (accrual basis), compared to R\$ 62 million in 1Q25 (+3.0%).

Consolidated (R\$ thousand)			
	1Q26	1Q25	Var. [%]
PP&E			
Strategic investments	31,110	32,777	-5.1%
Maintenance and modernization of operational capacity	24,696	22,114	11.7%
Environment	1,316	2,392	-45.0%
Interest and financial charges	2,140	2,168	-1.3%
Intangible assets			
Software and others	3,891	1,040	274.1%
Projects under development	693	1,475	-53.0%
Total	63,846	61,966	3.0%
<i>% on Revenues</i>	<i>2.8%</i>	<i>2.5%</i>	

The figures mainly refer to new foundry and machining programs, higher operational efficiency, and synergies between operations, in addition to investments in health, safety, and the environment.

WORKING CAPITAL

Consolidated (R\$ thousand)					
	1Q26	4Q25	3Q25	2Q25	1Q25
Balance Sheet					
Accounts receivable	1,674,779	1,597,455	1,660,082	1,935,840	2,028,377
Inventories	1,630,172	1,721,952	1,979,252	2,041,125	2,134,475
Accounts payable	1,321,574	1,137,117	1,289,374	1,321,633	1,574,755
<i>Advances from Customers</i>	<i>110,060</i>	<i>114,379</i>	<i>110,614</i>	<i>151,504</i>	<i>149,093</i>
Sales outstanding [days]	64	60	61	68	70
Inventories [days]	70	74	85	86	89
Payables outstanding [days]	63	56	60	62	73
Cash conversion cycle [days]	71	78	86	92	86

The cash conversion cycle declined by 15 days compared to 1Q25, mainly driven by a 19-day reduction in inventory levels and a 6-day reduction in average collection period.

The cash conversion cycle was reduced by 7 days compared to 4Q25.

The main lines presented the following variations:

- Increase of R\$ 77 million in accounts receivable, with an impact on the average collection period equivalent to 4 days of sales, mainly due to seasonal effects and the higher concentration of sales at the end of the quarter. Accounts receivable denominated in foreign currency, which accounted for 66% of the total, were impacted by the appreciation of the Brazilian real against the U.S. dollar (closing BRL/USD exchange rate of 5.22 in March/26, compared to 5.50 in December/25).

- Inventories decreased by R\$ 92 million in the period, with a positive four-day impact on working capital, driven by management initiatives, particularly the reduction in finished goods.
- The average accounts payable period increased by seven days, reflecting higher purchasing volumes — especially at the end of the quarter — and management initiatives. Accounts payable denominated in foreign currency, which accounted for 45% of the total, were impacted by foreign exchange appreciation.

The calculation of payables outstanding (in days) considers the advance, by customers, of working capital from the engine manufacturing contract. In 1Q26, this amount corresponded to R\$ 110 million, compared to R\$ 114 million in 4Q25.

CASH FLOW

Consolidated (R\$ thousand)			
CASH FLOW SUMMARY	1Q26	1Q25	Var. [%]
Cash and cash equivalents at the beginning of the period	1,853,156	2,376,203	-22.0%
Cash generated in operating activities	198,274	67,847	192.2%
Cash used in investing activities	(86,560)	(107,309)	-19.3%
Cash used in financing activities	(92,817)	(528,923)	-82.5%
Currency effect on the cash for the year	(50,718)	(94,340)	-46.2%
Decrease in cash and cash equivalents	(31,821)	(662,725)	-95.2%
Cash and cash equivalents at the end of the period	1,821,335	1,713,478	6.3%

The Company reported operating cash generation of R\$ 198 million, up by 192% over the previous year, mainly due to working capital management initiatives.

Regarding investing activities, R\$ 87 million was consumed in 1Q26, compared to R\$ 107 million in 1Q25, reflecting greater discipline in the execution of capital expenditures.

Regarding financing activities, cash consumption totaled R\$ 93 million in 1Q26, related to debenture interest payments and amortizations. The comparison base was impacted by the amortization of export prepayment agreements of R\$ 219 million in 1Q25, in addition to dividend distributions and share repurchases in that period, which totaled R\$ 244 million.

The combination of these factors and the exchange rate variation in cash, with negative impact of R\$ 51 million, resulted in a R\$ 32 million decrease in cash and cash equivalents compared to 4Q25. Accordingly, the Company ended 1Q26 with a balance of R\$ 1,821 million.

INDEBTEDNESS

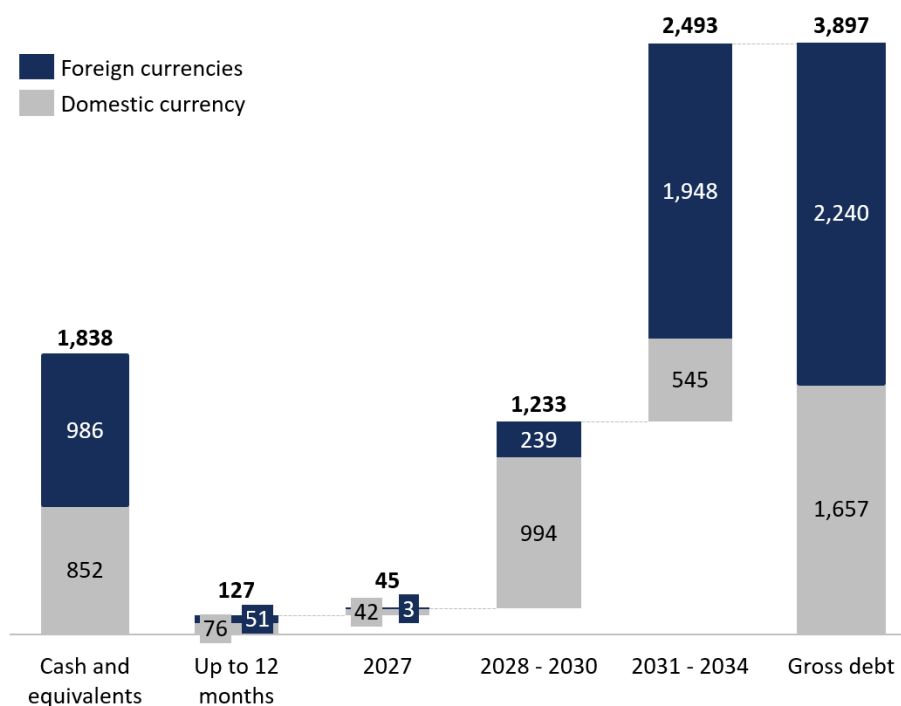
The Company ended 1Q26 with a net debt of R\$ 2.1 billion, down by 18% and 7% from 1Q25 and 4Q25, respectively.

The decline in LTM Adjusted EBITDA (R\$ 512 million in 1Q26 vs. R\$ 661 million in 4Q25) contributed to an increase in leverage, which reached 4.02x.

Liabilities in foreign currency accounted for 57% of the total (2% in the short term and 98% in the long term), while 43% of debt was denominated in Brazilian reais (5% in the short term and 95% in the long term). As for cash and cash equivalents, 54% was denominated in foreign currency and 46% in Brazilian reais.

INDEBTEDNESS	Consolidated (R\$ thousand)				
	1Q26	4Q25	3Q25	2Q25	1Q25
Short term	127,338	214,586	127,239	196,248	301,363
Financing and loans	125,252	212,756	127,036	195,483	299,141
Financial instruments and derivatives	2,086	1,830	203	765	2,222
Long term	3,770,090	3,881,960	3,812,511	3,848,700	3,958,966
Gross debt	3,897,428	4,096,546	3,939,750	4,044,948	4,260,329
Cash and cash equivalents	1,821,335	1,853,156	1,648,624	1,436,624	1,713,478
Financial instruments and derivatives	16,922	31,703	31,121	40,547	40,472
Net debt	2,059,171	2,211,687	2,260,005	2,567,777	2,506,379
Gross debt/Adjusted EBITDA	7.61x	6.20x	4.51x	3.86x	3.45x
Net debt/Adjusted EBITDA	4.02x	3.35x	2.58x	2.45x	2.03x

The Company's debt profile is as follows (R\$ million):



 **RESIGNATION AND CEO SUCCESSION PROCESS**

On March 27, 2026, the Company disclosed a Material Fact informing that its Board of Directors had acknowledged the resignation letter submitted by Mr. Rafael Esmeraldo Lucchesi Ramacciotti, for strictly personal reasons, from the position of Chief Executive Officer (CEO) of the Company, as well as the commencement of the succession process.

Through a Material Fact disclosed on May 4, 2026, the Company announced that the Board of Directors had concluded the succession process, resolving, pursuant to the Company's Bylaws, to appoint Mr. Harro Ricardo Schlorke Burmann as Chief Executive Officer (CEO), with his term of office beginning on June 1, 2026.