TUPY

1Q25 Highlights

Results impacted by global uncertainties. Progress in the operational efficiency agenda and beginning of revenue recognition from new contracts in the second half of the year.

Earnings Call

Date: May 15, 2025

Portuguese/English

11:00 a.m. (Brasília) /
10:00 a.m. (EST)

Link: Webinar TUPY3
Website: www.tupy.com.br/ri

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- **Net Revenue: R$2.5 billion in 1Q25 (-4% vs. 1Q24).** The depreciation of the Brazilian real and revenue growth in the Distribution and Energy & Decarbonization segments partially offset the impact of low physical sales volumes related to light and heavy commercial vehicle applications for North America and Europe.

- **Adjusted EBITDA: R$247 million (-20% vs. 1Q24)**, with a margin of 10% (vs. 12% in 1Q24). Impact of lower volumes, which affected fixed cost dilution, partially offset by a favorable exchange rate scenario and margin improvement at MWM. The YoY comparison with 1Q24 is impacted by the receipt of amounts related to (i) insurance claim indemnities from an operation in Mexico (in the amount of R$26 million), and (ii) price adjustments recognized during that period.

- **Operating Cash Generation:** R$68 million. Impact from working capital management initiatives, with a 4-day reduction in the cash conversion cycle compared to the previous quarter (4Q24), a favorable exchange rate environment, and performance of the MWM operation.

- **Net Result: Loss of R$12 million** (vs. Income of R$112 million in 1Q24). Impact of the exchange rate variation on balance sheet accounts denominated in foreign currency, of R$62 million, and the appreciation of the Mexican peso over the tax base (a YoY negative impact of R$33 million).

- **Shareholder remuneration:** (i) Payment of Interest on Equity in the amount of R$ 190 million, declared in 2024, (ii) termination on May 14th, due to the expiration of the 18-month term, of the Share Buyback Program approved on November 13th, 2023, which during its validity resulted in the purchase of 13.6 million shares (an investment of R$ 299 million), and (iii) deliberation by the Board of Directors to convene an Extraordinary General Meeting to propose the cancellation of treasury shares.

MESSAGE FROM MANAGEMENT

The beginning of the year has been marked by a climate of uncertainty, driven by the adoption of trade tariffs by the United States and tensions related to trade barriers. These developments have been directly affecting supply chains, with impacts already visible in global economic activity. As a result, demand for commercial vehicles in North American and Europe markets is already showing signs of a slowdown, as reflected in the results already presented by some of the main truck and machinery manufacturers, which have also revised their outlooks for 2025.

Despite a challenging first quarter, Tupy's fundamentals remain solid. We are present in segments that are essential for economic development and the well-being of society, acting as a strategic partner to American companies.

We operate under a flexible manufacturing model, with plants strategically located in Brazil and Mexico. While currently operating with idle capacity, these assets represent a significant competitive advantage, allowing us to capture new contracts and expand our market presence.

Regarding tariffs, under current legislation, parts manufactured by Tupy in Mexico within the scope of the USMCA are exempt, as are raw parts used in medium and heavy-duty vehicles exported from Brazil. Additionally, our contracts include pass-through clauses that mitigate the impacts on the Company.

Investments in infrastructure, particularly in Europe, and the need for fleet replacement may contribute to a potential recovery in volumes throughout 2025, further supported by a possible resolution of the conflict in Ukraine. Customers with longer production chains, primarily in the off-road segment, have reported inventory normalization, along with increases in order intake.

We have a robust and structured commercial pipeline in place, ensuring the continuity of new growth opportunities, including the resumption of investments in traditional propulsion by several manufacturers. Many already announced programs are expected to start in the second half of the year, expanding our presence in the heavy commercial vehicle market.

In the light commercial vehicle segment, starting in the second half of the year, we expect a significant increase in demand for one of the category's most sought-after engines, equipped with Tupy components, which should positively contribute to our results.

In the domestic market, after a strong start to the year, truck production in Brazil slowed in March. Our volumes, in turn, were impacted by reduced demand stemming from indirect exports. Furthermore, revenues from manufacturing contracts–services provided to manufacturers–underwent a one-off impact due to customer shutdowns at the start of the year, which are expected to be offset throughout 2025.

Net revenue totaled R$2.5 billion in the quarter, down by 4% from the previous year. The favorable exchange rate scenario, combined with growth in revenues from gensets and aftermarket sales, partially offset the impact of lower volumes.

Adjusted EBITDA reached R$247 million, down by 20% from the previous year, with a margin of 10%. The double-digit decline in sales and production, which hindered fixed cost dilution, impacted EBITDA by approximately R$120 million in the quarter. The comparison base was also affected by price adjustments and insurance claim proceeds that had a positive impact on 1Q24 results.

Despite research & development expenses that have not yet translated into revenue, MWM's margin remained close to 10%.

The Company became more efficient through the implementation of various cost and expense reduction initiatives across all areas. These ongoing actions contributed to an approximate R$78 million improvement in the quarterly results compared to the same period in the previous year. Combined with greater operational flexibility, they are expected to significantly impact operating margin as volumes recover.

As in previous quarters, we adopted measures that impacted margins while generating positive effects on working capital and cash generation. The cash conversion cycle fell by four days compared to the previous quarter (4Q24), contributing to operating cash generation of R$68 million in the period. These are key indicators of our business, and we see various opportunities to increase efficiency, mainly in inventory management.

This financial strength has enabled the Company to efficiently allocate capital, including through the Share Buyback Program approved on November 13, 2023, which, during its term, resulted in the repurchase of approximately 13.6 million shares, with a total investment of R$ 299 million.

New businesses: growth and margin expansion

In the aftermarket segment, March 2025 was the best sales month in the history of this Business Unit. This segment, known for its resilience and countercyclical nature, will play an important role at Tupy, combining growth with structurally high margins, benefiting from growing demand for marine, generator, and biofuel solutions.

Genset sales continue to follow a strong trajectory, with double-digit growth. Gains in scale and ongoing improvements in operational efficiency have translated into the EBITDA margin from this product, which moved up from 7% in 2024 to over 10% currently, consolidating its strategic contribution to the expansion of the Company's profitability.

We continue to scale up and direct efforts toward high-margin and high-growth-potential segments, such as marine and vehicle transformation. Several power plants are already using our ethanol-powered tractor solutions, and we see broad potential for expansion in the use of gas engines, especially in urban applications such as buses and waste collection vehicles.

Strategy and capital allocation

Tupy is entering a new growth cycle without compromising its core values. On the contrary, in an increasingly complex global scenario, research, innovation, and professional development are becoming even more strategic to our success.

In 1Q25, expenses on these technologies and their related structures exceeded R$ 20 million.

Our traditional business will remain one of the Company's main pillars, supporting our trajectory as we advance into new growth avenues. We have a unique operating model and will play an increasingly relevant role as a strategic partner to our customers, both in Brazil and abroad. This strengthening will come not only from our operational excellence but also from winning new contracts and expanding our product and services portfolio, reinforcing our commitment to innovation and sustainable growth. Our technical expertise and the strength of our brands are important assets that allow us to add value and diversify into segments with high growth and profitability, such as aftermarket, backup power, and viable decarbonization solutions for agribusiness and urban transportation, capitalizing on Brazil's potential in biofuel use.

The Company maintains rigorous discipline in capital allocation, prioritizing investments that expand long-term profitability and are aligned with our sustainable value generation strategy. Decisions are based on thorough risk-adjusted return analyses, preservation of liquidity, strengthening of capital structure, and seizing of opportunities with a competitive edge, whether in the traditional business or new growth avenues.

We will maintain cost discipline and continue focusing on initiatives that enhance operational efficiency through process optimization, resource leverage, and sustainable productivity gains.

Despite short-term challenges, we see many opportunities and expect the recovery of key markets starting in the second half of the year. We have installed capacity and operational structure necessary to meet this demand efficiently. The dedication and talent of our more than 19,000 employees will be more decisive than ever in executing the strategy we are building.

The initiatives led by this team on social and environmental matters, the details of our business model, and many other pieces of information can be found in the 2024–2025 Sustainability Report, released on April 30. The full edition and the executive summary are available on our websites.

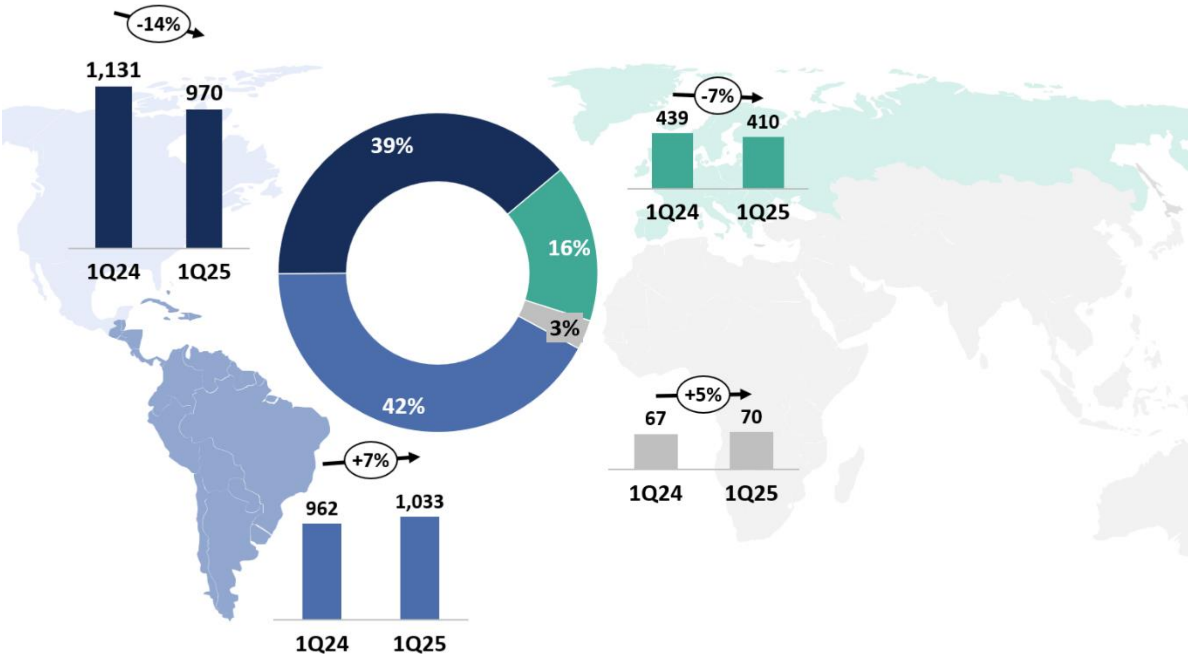
SUMMARIZED RESULTS

Consolidated (R$ thousand)

SUMMARY	1Q25	1Q24	Var. [%]
Revenues	**2,483,044**	**2,597,904**	**-4.4%**
Cost of goods sold	(2,101,960)	(2,133,555)	-1.5%
Gross Profit	**381,084**	**464,349**	**-17.9%**
% on Revenues	*15.3%*	*17.9%*	
Operating expenses	(228,723)	(243,766)	-6.2%
Other operating expenses	(39,005)	(27,711)	40.8%
Earnings before Financial Result	**113,356**	**192,872**	**-41.2%**
% on Revenues	*4.6%*	*7.4%*	
Net financial result	(102,591)	(52,015)	97.2%
Earnings before Tax Effects	**10,765**	**140,857**	**-92.4%**
% on Revenues	*0.4%*	*5.4%*	
Income tax and social contribution	(22,958)	(29,112)	-21.1%
Net Income/Loss	**(12,193)**	**111,745**	**-**
% on Revenues	*-0.5%*	*4.3%*	
EBITDA (CVM Inst. 527/12)	**209,013**	**282,479**	**-26.0%**
% on Revenues	*8.4%*	*10.9%*	
Adjusted EBITDA	**247,289**	**308,061**	**-19.7%**
% on Revenues	*10.0%*	*11.9%*	
Average exchange rate (BRL/USD)	**5.84**	**4.95**	**17.8%**
Average exchange rate (BRL/EUR)	6.23	5.38	16.8%

REVENUES

In 1Q25, 39% of revenues originated in North America. The South and Central Americas accounted for 42%, and Europe for 16%. The remaining 3% came from Asia, Africa, and Oceania, and the acquired plants contributed to a higher exposure to the Brazilian and European markets.



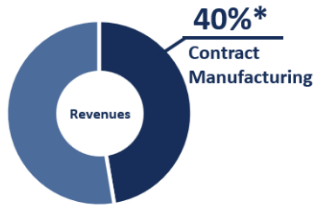
Consolidated (R$ thousand)	1Q25	1Q24	Var. [%]
Revenues	**2,483,044**	**2,597,904**	**-4.4%**
Domestic Market	**957,785**	**934,461**	**2.5%**
Structural Components and Manufacturing Contracts	**668,479**	**686,840**	**-2.7%**
Commercial vehicles (and passenger cars)	583,159	624,385	-6.6%
Off-road	85,320	62,455	36.6%
Energy and Decarbonization	**133,418**	**122,675**	**8.8%**
Distribution	**155,888**	**124,946**	**24.8%**
Export Market	**1,525,259**	**1,663,443**	**-8.3%**
Structural Components and Manufacturing Contracts	**1,455,664**	**1,581,765**	**-8.0%**
Commercial vehicles (and passenger cars)	1,028,819	1,208,804	-14.9%
Off-road	426,845	372,961	14.4%
Energy and Decarbonization	**31,853**	**37,767**	**-15.7%**
Distribution	**37,742**	**43,911**	**-14.0%**

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

Δ % Revenues	% Revenues DM	% Revenues FM
- 6% ▼	70%	95%



*% of products with added value (machining and/or assembly)

The decline in revenue reflects lower sales volumes in the commercial vehicle segments in the United States and Europe, as well as the drop in light and light commercial vehicle production in the U.S. market, due to inventory reduction strategies adopted by several customers. These factors also impacted our sales performance in the domestic market, as a result of lower indirect exports of commercial vehicles.

This scenario reflects the postponement of vehicle purchases, driven by uncertainties surrounding tariffs and trade barriers and their impact on the global economy, partially offset by a favorable exchange rate environment.

The increase in off-road vehicle application sales reflects inventory normalization across the international supply chain, along with solid performance in the domestic market.

We expect a recovery in our volumes starting in the second half of 2025, driven by the launch of new programs and increased infrastructure investments in Europe.

Approximately 40% of revenues come from products that contain machining or engine assembly services for third parties (Manufacturing Contracts).

Distribution

Δ % Revenues	% Revenues DM	% Revenues FM
15% ▲	16%	2%

Revenues from the Distribution segment increased by 15%, featuring a growth in sales of the aftermarket unit, which delivered a performance 30% higher than the same period a year ago.

The indicator reflects the strategy to launch new products and expand distribution channels focused on the aftermarket of diesel-powered engine parts used in various applications.

Sales of hydraulic products, such as fittings and profiles, were impacted by lower demand in the U.S. market this quarter.

Energy and Decarbonization

Δ % Revenues	% Revenues DM	% Revenues FM
3% ▲	14%	2%

Sales revenues from gensets increased by 25% over the previous year, due to the growth in sales volume in the domestic and export markets and the higher average price (product mix). The EBITDA margin, in turn, is already above the 10% level.

This fact, coupled with higher revenue from new businesses, mitigated the effect of the decline in own engine sales, mainly used by equipment manufacturers. Interest rates, agricultural commodity prices, and adverse credit conditions negatively affected demand for these applications.

The segment accounted for 14% of the Company's net revenue in the domestic market and 7% of total revenue.

COST OF GOODS SOLD AND OPERATING EXPENSES

COGS totaled R$2.1 billion in 1Q25, down by 1% over 1Q24.

The impact of the drop in production and sales volumes, with an effect on the dilution of fixed costs, impacted the gross margin, which reached 15% in the period.

	Consolidated (R$ thousand)		
	1Q25	**1Q24**	**Var. [%]**
Revenues	**2,483,044**	**2,597,904**	**-4.4%**
Cost of goods sold	**(2,101,960)**	**(2,133,555)**	**-1.5%**
Raw material	(1,222,749)	(1,297,975)	-5.8%
Labor, profit sharing, and social benefits	(466,741)	(443,729)	5.2%
Maintenance supplies	(167,485)	(169,248)	-1.0%
Energy	(111,452)	(115,078)	-3.2%
Depreciation and amortization	(85,214)	(80,912)	5.3%
Others	(48,319)	(26,613)	81.6%
Gross profit	**381,084**	**464,349**	**-17.9%**
% on Revenues	*15.3%*	*17.9%*	
Operating expenses	**(228,723)**	**(243,766)**	**-6.2%**
% on Revenues	*9.2%*	*9.4%*	

Costs in 1Q25 were also mainly affected by:

- Raw materials: efficiency gain initiatives and the depreciation of the Mexican peso, mitigating the effect of inflation on materials;
- Labor: increased due to inflation and collective bargaining agreements, partially mitigated by gains in efficiency (organizational structure and lower headcount) and the depreciation of the Mexican peso;
- Maintenance and third-party services: reduced due to management initiatives and the depreciation of the Mexican peso, partially offsetting the inflation of services;
- Energy: reduced mainly due to the lower sales volume in the period;
- Depreciation: increased due to the depreciation of the Brazilian real against the U.S. dollar, with an impact on the value of foreign currency assets.
- Other operating costs: the increase was mainly due to the receipt, in 1Q24, of compensation related to losses incurred from a claim at one of the plants, of R$26 million (reimbursement for loss of profit). The line also includes costs with the handling of products and materials, engine engineering projects, leases, and health and safety, among other items.

Operating expenses, including selling and administrative expenses, reached R$229 million, down by 6% vs. 1Q24, mainly impacted by the drop in expenses with freight and efficiency gains.

OTHER OPERATING INCOME (EXPENSES)

Other Net Operating Income/Expenses came in as an expense of R$39 million in 1Q25, compared to an expense of R$28 million in the previous year.

Consolidated (R$ thousand)

	1Q25	1Q24	Var. [%]
Depreciation of non-operating assets	(729)	(2,129)	-65.8%
Others	(38,276)	(25,582)	49.6%
Other operating expenses	**(39,005)**	**(27,711)**	**40.8%**

The “Other” line consists of net expenses of R$38 million, arising from (i) the creation/update of provisions, of R$20 million (vs. R$16 million in 1Q24); (ii) expenses of R$13 million with restructuring (vs. R$16 million in 1Q24); (iii) sale of unserviceable items, write-off of PP&E and others, with a net expense of R$5 million (vs. revenue of R$7 million in 1Q24, including R$20 million from the reimbursement of expenses for equipment replacement in Mexico).

NET FINANCIAL RESULT

Net Financial Result came in as an expense of R$103 million in 1Q25, compared to an expense of R$52 million in the same period a year ago.

Consolidated (R$ thousand)

	1Q25	1Q24	Var. [%]
Financial expenses	(87,955)	(78,080)	12.6%
Financial income	33,754	31,186	8.2%
Net monetary and currency variations	(48,390)	(5,121)	844.9%
Net Financial Result	**(102,591)**	**(52,015)**	**97.2%**

The variation in financial expenses in 1Q25 vs. 1Q24 was mainly due to (i) higher expenses with the payment of interest, due to the impact of the rise in the CDI rate, and (ii) depreciation of the Brazilian real against the U.S. dollar, impacting the provision of interest in foreign currency.

Financial income reached R$34 million in the period, due to the effect of the increase in interest from financial investments in the annual comparison.

Expenses from net monetary and exchange rate variations totaled R$48 million and were composed of (i) negative variations in balance sheet accounts in foreign currency, of R$62 million, due to the appreciation of the Brazilian real against the U.S. dollar compared to the previous quarter; and (ii) the result of hedge transactions, corresponding to a revenue of R$14 million in the period, of which a revenue of R$22 million from the mark-to-market of exchange rate hedging instruments and an expense of R$8 million from the cash effect of settled operations.

INCOME/LOSS BEFORE TAX EFFECTS AND NET INCOME/LOSS

The Company's net result came in as a negative R$12 million, mainly due to lower operational results, arising from the drop in revenues, the exchange rate variation in balance sheet accounts in foreign currency, and the impact of the exchange rate effects on the tax base.

	Consolidated (R$ thousand)		
	1Q25	1Q24	Var. [%]
Earnings before Tax Effects	**10,765**	**140,857**	**-92.4%**
Tax effects before currency impacts	(18,351)	(56,984)	-67.8%
Earnings before the currency effects on the tax base	**(7,586)**	**83,873**	**-**
Currency effects on the tax base	(4,607)	27,872	-
Net Income/Loss	**(12,193)**	**111,745**	**-**

The tax bases of the assets and liabilities of the companies located in Mexico, where the functional currency is the U.S. dollar, are held in Mexican pesos at their historical values. Fluctuations in exchange rates affect the tax bases and, consequently, the currency effects are recorded as deferred income tax revenues and/or expenses. In 1Q25, the Company recorded an expense of R$5 million, with no cash effect (compared to a revenue of R$28 million in 1Q24).

EBITDA

The combination of the aforementioned factors resulted in CVM EBITDA of R$209 million, with a margin of 8.4% (vs. 10.9% in 1Q24). EBITDA adjusted for other operating expenses and income (creation/restatement of provisions, as a result of PP&E sales, and other expenses) reached R$247 million, with a margin of 10.0% in 1Q25 (vs. 11.9% in 1Q24).

	Consolidated (R$ thousand)		
RECONCILIATION OF NET INCOME WITH EBITDA	1Q25	1Q24	Var. [%]
Net Income/Loss for the Period	**(12,193)**	**111,745**	**-110.9%**
(+) Net Financial Result	102,591	52,015	97.2%
(+) Income Tax and Social Contribution	22,958	29,112	-21.1%
(+) Depreciation and Amortization	95,657	89,607	6.8%
EBITDA (CVM 527/12)	**209,013**	**282,479**	**-26.0%**
% on revenues	*8.4%*	*10.9%*	
(+) Other Operating Expenses, Net	38,276	25,582	49.6%
Adjusted EBITDA	**247,289**	**308,061**	**-19.7%**
% on revenues	*10.0%*	*11.9%*	

Management initiatives implemented over the last few months, including gains in operational efficiency and negotiations with customers and suppliers, partially offset the drop in sales and production volumes, which impacted EBITDA by approximately R$120 million. The YoY comparison was impacted by the receipt, in 1Q24, of amounts related to losses incurred from a claim in the Mexican operation, of R$26 million, as well as price adjustments recognized in that period.

INVESTMENTS IN PROPERTY, PLANT, AND EQUIPMENT AND INTANGIBLE ASSETS

Investments in property, plant, and equipment and intangible assets totaled R$62 million in 1Q25 (accrual basis), compared to R$73 million in 1Q24, down by 15%.

Consolidated (R$ thousand)

	1Q25	1Q24	Var. [%]
PP&E			
Strategic investments	32,777	16,568	97.8%
Maintenance and modernization of op. capacity	22,114	46,296	-52.2%
Environment	2,392	2,384	0.3%
Interest and financial charges	2,168	3,179	-31.8%
Intangible assets			
Software and others	1,040	2,991	-65.2%
Projects under development	1,475	1,398	5.5%
Total	**61,966**	**72,816**	**-14.9%**
% on Revenues	*2.5%*	*2.8%*	

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)

	1Q25	4Q24	3Q24	2Q24	1Q24
Balance Sheet					
Accounts receivable	2,028,377	1,837,435	2,110,455	2,091,348	1,947,770
Inventories	2,134,475	2,197,704	2,069,851	2,046,123	1,990,018
Accounts payable	1,574,755	1,482,620	1,411,298	1,406,553	1,407,774
Advances from Customers	*149,093*	*85,207*	*76,497*	*103,869*	*103,039*
Sales outstanding [days]	70	63	71	69	64
Inventories [days]	89	92	85	82	78
Payables outstanding [days]	73	65	61	60	59
Cash conversion cycle [days]	**86**	**90**	**95**	**91**	**83**

The cash conversion cycle was reduced by four days compared to 4Q24.

The main lines presented the following variations:

- Increase of R$191 million in Accounts Receivable, with an impact on the average receivable period equivalent to seven days of sales, mainly due to seasonality in the period, with sales concentrated at the end of the quarter. Accounts Receivable in foreign currency accounted for 71% of the total and were offset by the appreciation of the Brazilian real against the U.S. dollar in the quarterly comparison (closing rate of US$/R$5.74 in March 2025 vs. US$/R$6.19 in December 2024).

- Decrease of R$63 million in Inventories, with a 3-day decrease, due to the appreciation of the Brazilian real against the U.S. dollar and the implementation of flexibility and product transfer projects, mainly impacting finished products.

- The 8-day increase in Accounts Payable was due to various management initiatives with suppliers, partially offset by the effect of the exchange rate variation on Accounts Payable in foreign currency, which accounted for 42% of the total.

  The calculation of payables outstanding (in days) considers the advance, by customers, of working capital from the engine manufacturing contract.

CASH FLOW

Consolidated (R$ thousand)

CASH FLOW SUMMARY	1Q25	1Q24	Var. [%]
Cash and cash equivalents at the beginning of the period	**2,376,203**	**1,593,098**	**49.2%**
Cash used in operating activities	67,847	121,168	-44.0%
Cash used in investing activities	(107,309)	(192,570)	-44.3%
Cash provided by (used in) financing activities	(528,923)	328,672	-
Currency effect on the cash for the year	(94,340)	26,088	-
Decrease in cash and cash equivalents	**(662,725)**	**283,358**	**-**
Cash and cash equivalents at the end of the period	**1,713,478**	**1,876,456**	**-8.7%**

The Company's operating cash generation came to R$68 million, mainly due to working capital management initiatives and MWM's results, as well as the exchange rate impact of the period.

Investment activities consumed R$107 million in 1Q25, compared to R$193 million in the same period a year ago.

As for financing activities, we recorded a consumption of R$522 million in 1Q25, mainly due to debt amortization, distribution of proceeds, and share buyback. The YoY comparison was impacted by fundraising in 1Q24.

The combination of these factors and the exchange rate variation on cash, with an impact of R$94 million, resulted in a R$663 million decrease in cash and cash equivalents in the period. We closed 1Q25 with a balance of R$1,713 million.

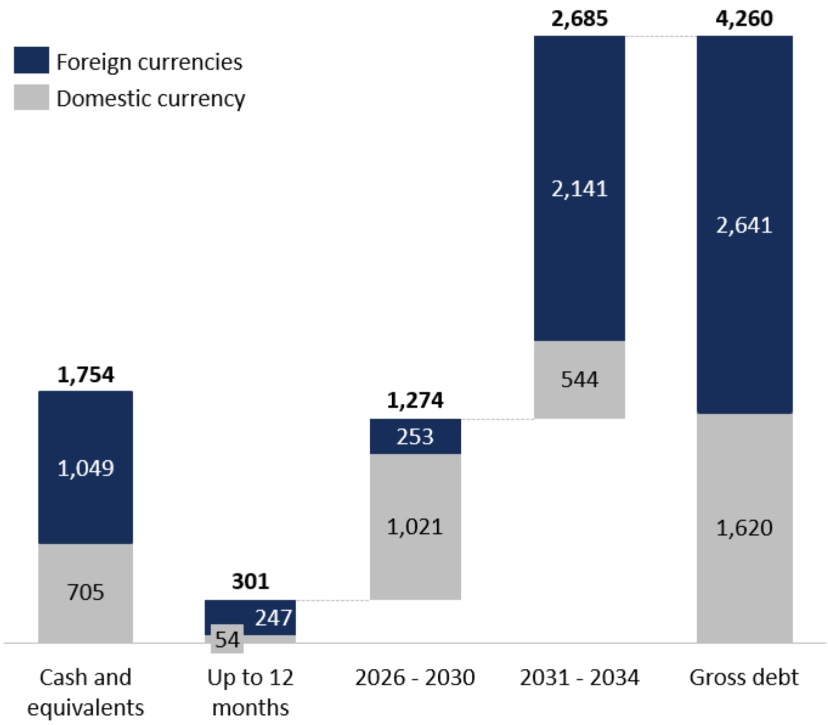
INDEBTEDNESS

The Company ended 1Q25 with a net debt of R$2.5 billion, corresponding to a net debt/LTM Adjusted EBITDA ratio of 2.03x.

Liabilities in foreign currency accounted for 62% of the total (9% in the short term and 91% in the long term), while 38% of the debt is denominated in Brazilian reais (3% in the short term and 97% in the long term). As for cash and cash equivalents, 59% of the total amount is denominated in foreign currency and 41% in Brazilian reais.

	Consolidated (R$ thousand)				
INDEBTEDNESS	**1Q25**	**4Q24**	**3Q24**	**2Q24**	**1Q24**
Short term	301,363	660,196	683,329	1,186,934	723,435
Financing and loans	299,141	638,123	654,575	1,045,676	715,909
Financial instruments and derivatives	2,222	22,073	28,754	141,258	7,526
Long term	3,958,966	4,132,189	3,855,658	3,743,358	3,518,745
Gross debt	**4,260,329**	**4,792,385**	**4,538,987**	**4,930,292**	**4,242,180**
Cash and cash equivalents	1,713,478	2,376,203	2,167,915	2,427,739	1,876,456
Financial instruments and derivatives	40,472	73,825	32,392	69,630	8,410
Net debt	**2,506,379**	**2,342,357**	**2,338,680**	**2,432,923**	**2,357,314**
Gross debt/Adjusted EBITDA	3.45x	3.70x	3.51x	3.73x	3.37x
Net debt/Adjusted EBITDA	**2.03x**	**1.81x**	**1.81x**	**1.84x**	**1.87x**

The Company's debt profile is as follows:



SHAREHOLDER REMUNERATION

In January 2025, the Company distributed a total of R$ 190 million in dividends in the form of Interest on Equity, related to the fiscal year of 2024. On May 14th, it announced the termination, due to the expiration of the 18-month term, of the Share Buyback Program approved on November 13th, 2023, through which 13.6 million shares were repurchased, representing an investment of approximately R$ 299 million. On the same day, May 14th, considering that the treasury share position represents 9.18% of the Company's total outstanding shares, the Board of Directors resolved to convene, within 30 days, an Extraordinary General Meeting to propose the cancellation of the aforementioned shares, without any change to the Share Capital.