

TUPY

4Q24 Results



TUPY



AGENDA



Strategic Agenda

4Q24 Results

Structural Components

New Businesses

EXECUTIVE SUMMARY

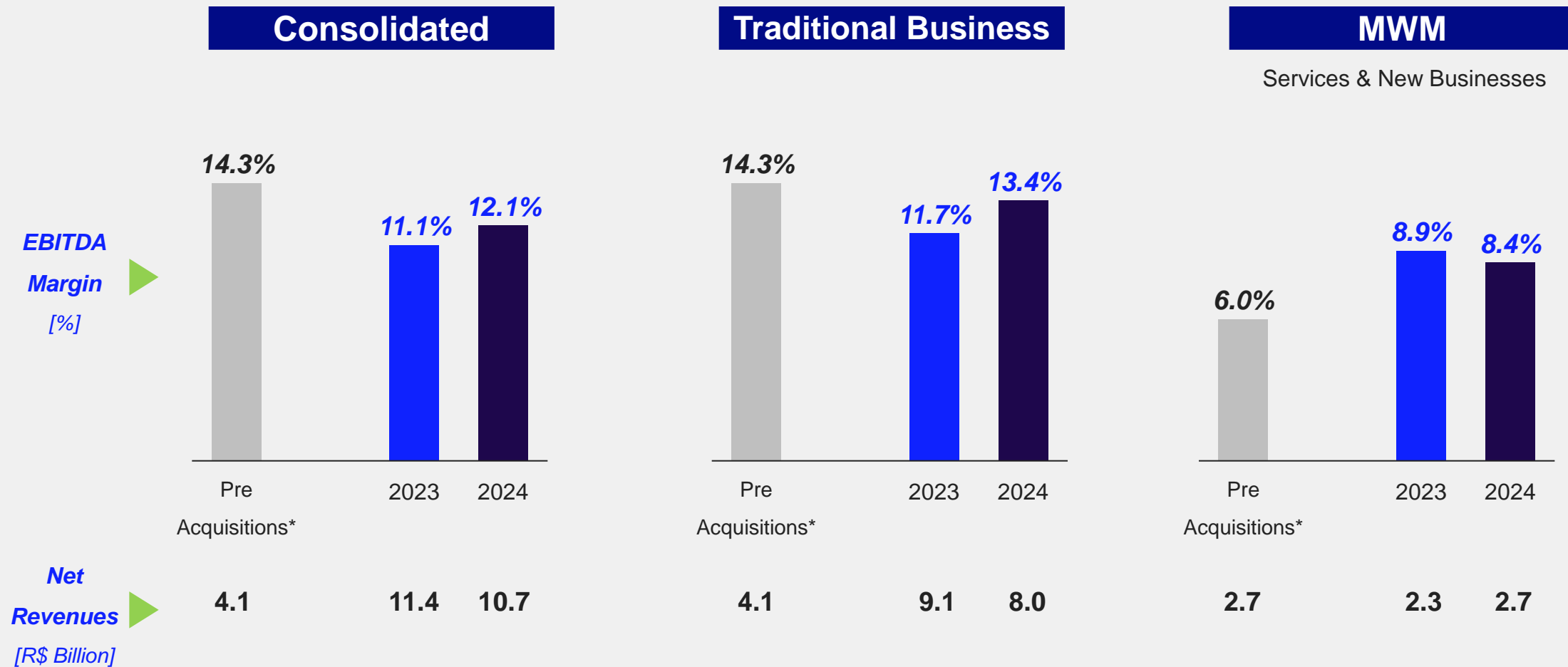
- Operational efficiency and added-value in the traditional business
- Growth of new businesses
- Margin growth in a scenario with **strong drop in volumes**
- **Highest EBITDA and operating cash generation in our history**

-
- **Net Revenue: R\$ 10.7 billion** (-6% vs 2023).
Lower volumes mitigated by the depreciation of the Brazilian real and growth in MWM's revenues.
 - **Operating Cash Generation: R\$ 1.4 billion** (R\$ 829 million em 2023)
 - **EBITDA of R\$ 1,3 billion**, with margin of 12.1% (vs 11.1% em 2023)



TUPY | TRADICTIONAL BUSINESS WITH HISTORIC MARGINS

Despite drop in volumes and expenses with new businesses



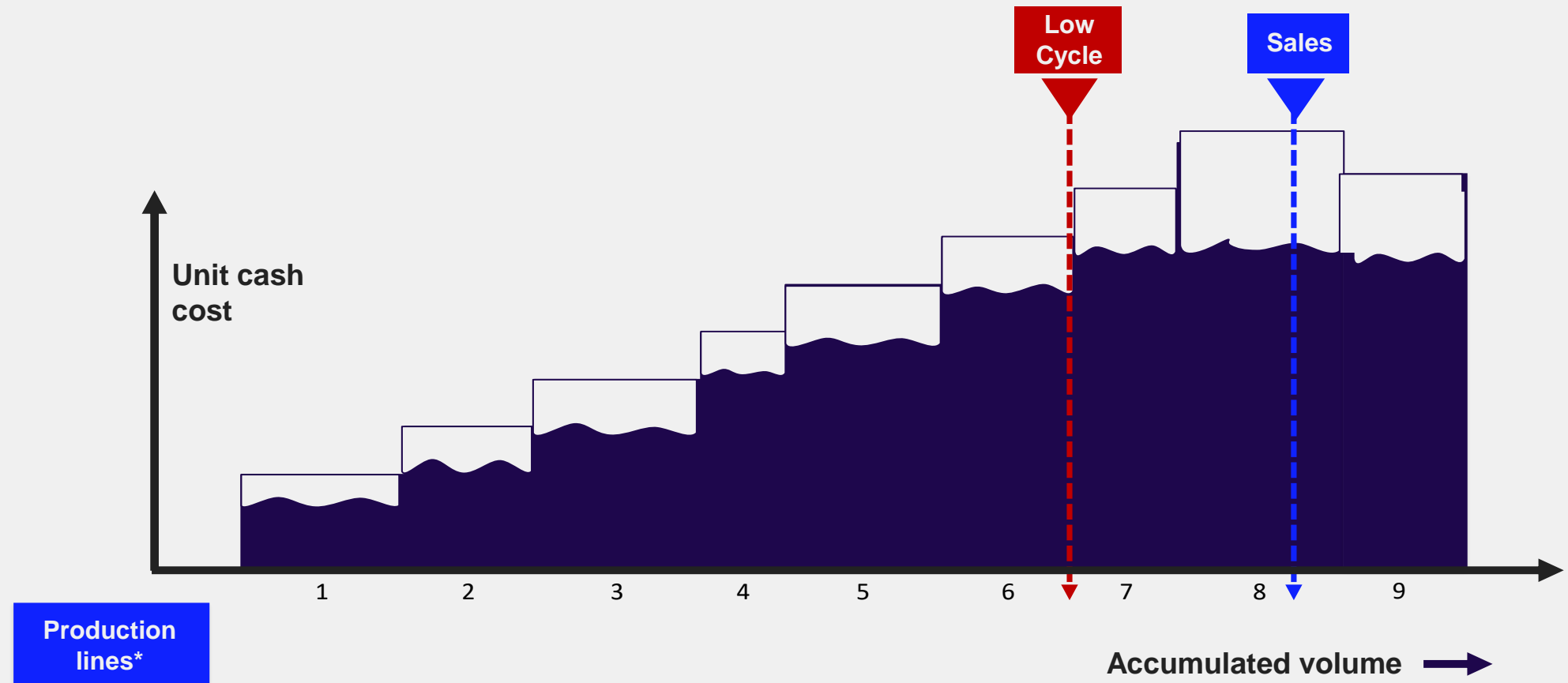
REVENUE | DIVERSIFICATION INTO HIGH GROWTH MARKETS

Results by Business	Revenues (R\$ Million)			EBITDA Margin	
	2024	2023	Var.	2024	2023
Tupy	10,665	11,368	-6%	12.1%	11.1%
Tradicional Business	7,963	9,057	-12%	13.4%	11.7%
MWM	2,702	2,311	17%	8.4%	8.9%
(62%) Contract Manuf.* & Proprietary Engines	1,689	1,419	19%	8%	-
(19%) Aftermarket	508	487	4%	26%	-
(16%) Gensets	424	355	19%	7%	-
(03%) New Businesses	82	50	63%	-81%	-

**Expenses with new businesses of R\$ 120 million (still without counterpart in revenues)
Increased efficiency and economies of scale will contribute to higher margins**

EFFYCIENCY | ASSET OPTIOMIZATION WITH POSITIVE IMPACT ON MARGINS

As of 2H25

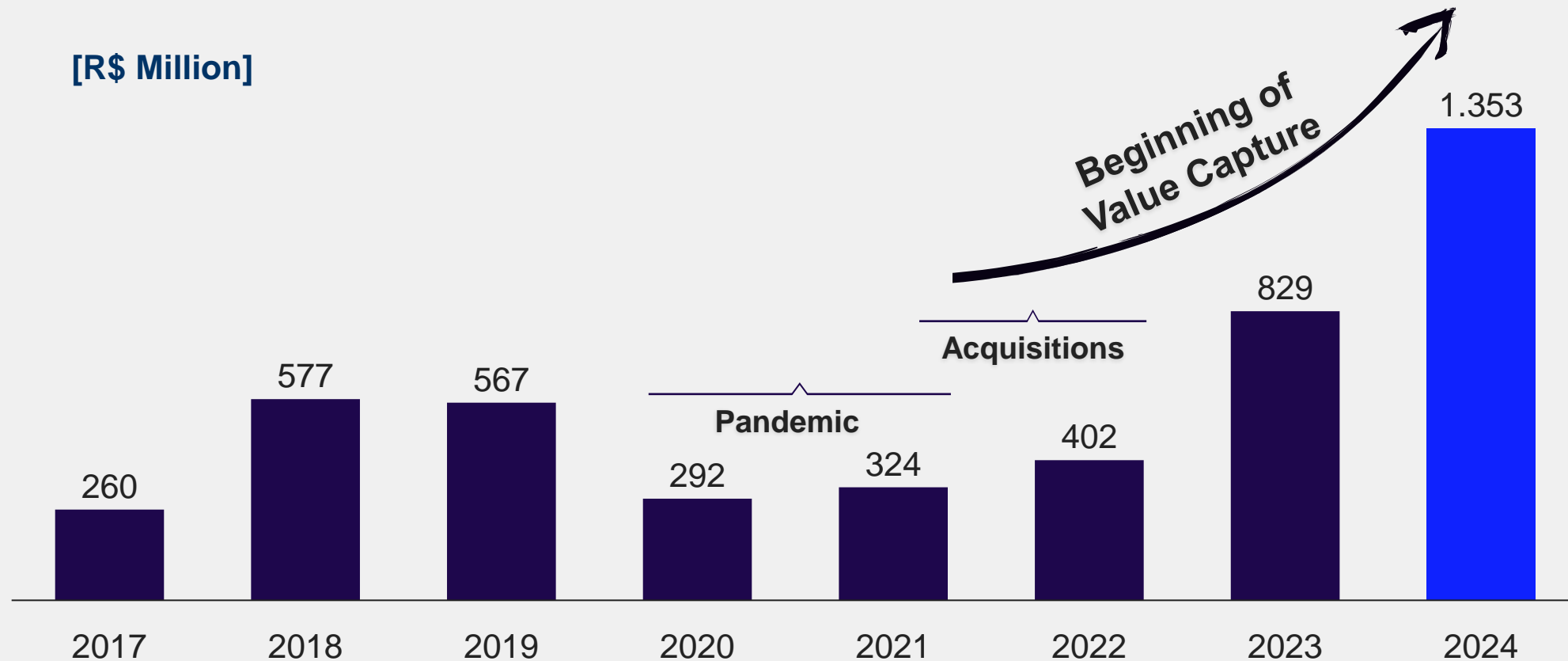


Efficiency gains impacting by R\$ 150 – R\$ 200 million / year.



* Illustrative picture

CASH FROM OPERATING ACTIVITIES | POST ACQUISITION GROWTH



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REVENUE [M BRL]

41%

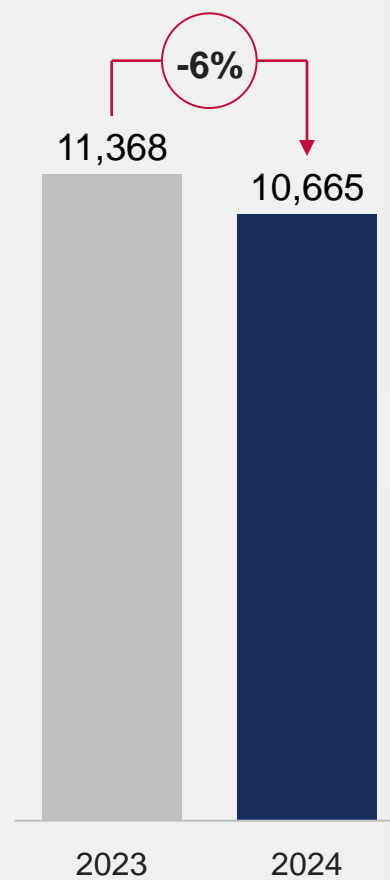
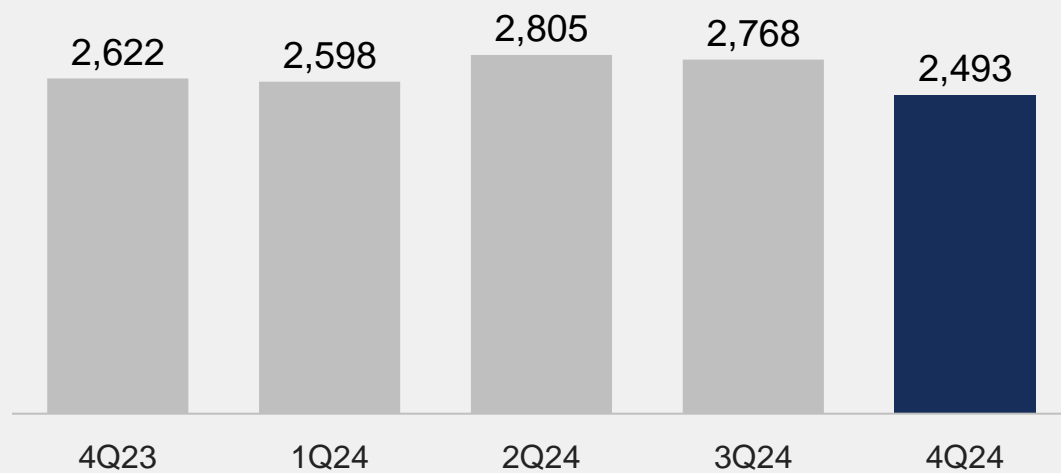
DM

59%

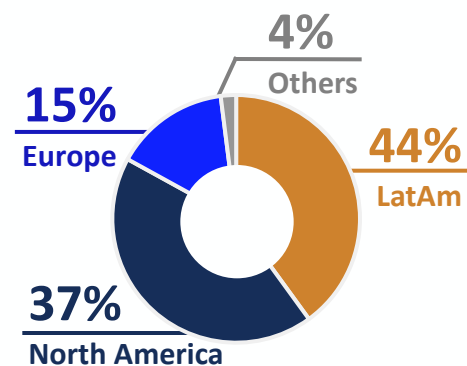
FM



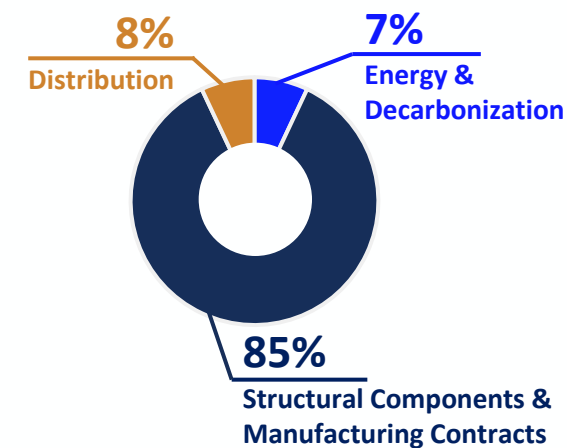
-5%



Source [% Revenue]

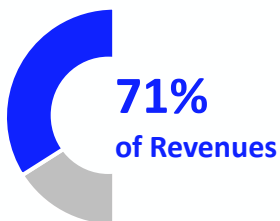


Segments [% Revenue]



STRUCTURAL COMPONENTS & MANUFACTURING CONTRACTS

Domestic Market



[M BRL]

616

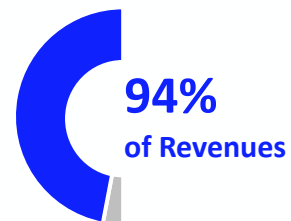
4Q23

+17%

724

4Q24

Foreign Markets



[M BRL]

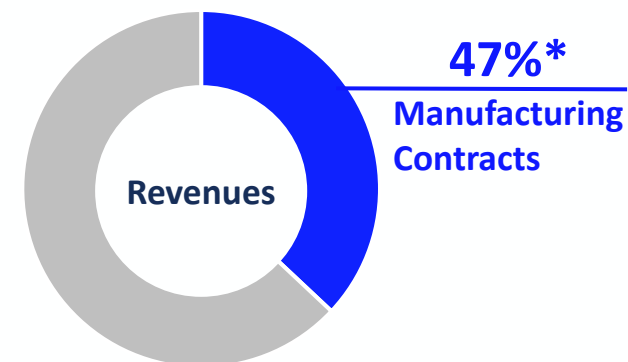
1,626

4Q23

-15%

1,389

4Q24

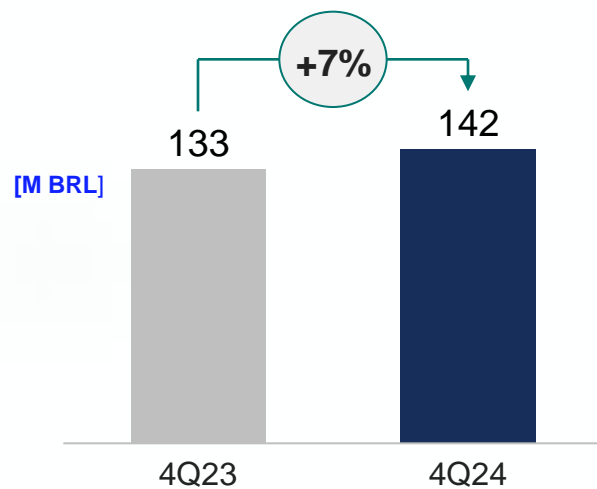
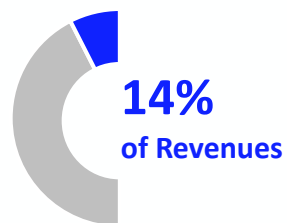


*Percentage of value-added products
(Machining and/or Assembly)

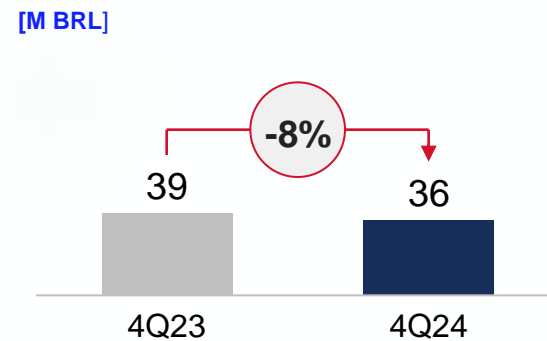
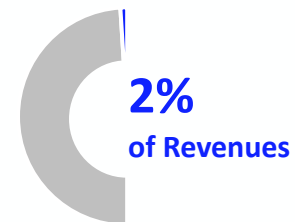
Increase in the production of commercial vehicles in the domestic market mitigated the effects of lower commercial vehicles sales in the foreign markets and off-road applications

ENERGY & DECARBONIZATION

Domestic Market



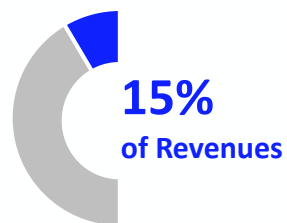
Foreign Markets



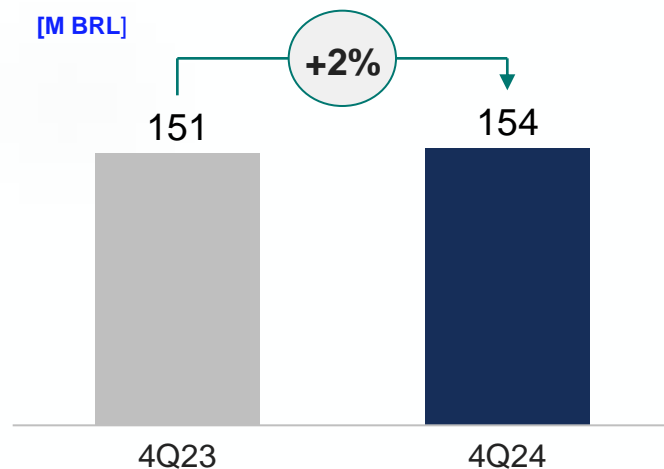
Significant increase in sales of generating groups

DISTRIBUTION

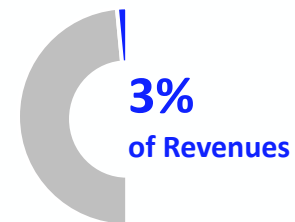
Domestic Market



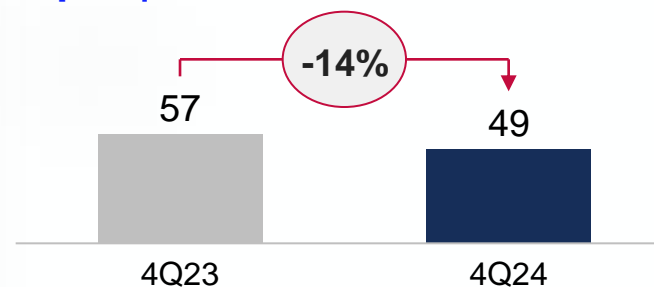
[M BRL]



Foreign Markets



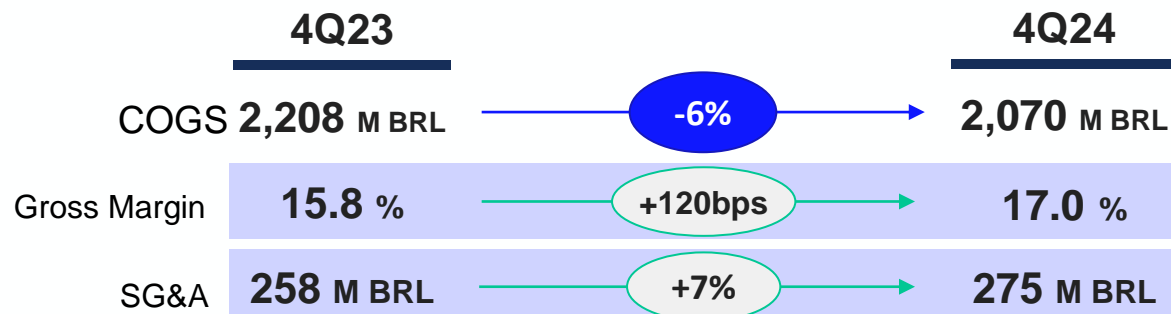
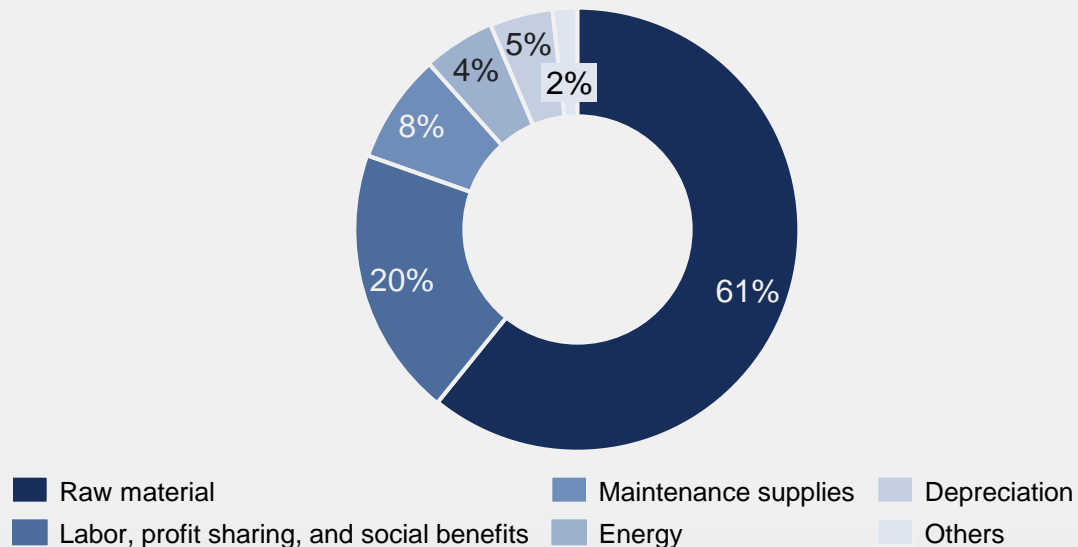
[M BRL]



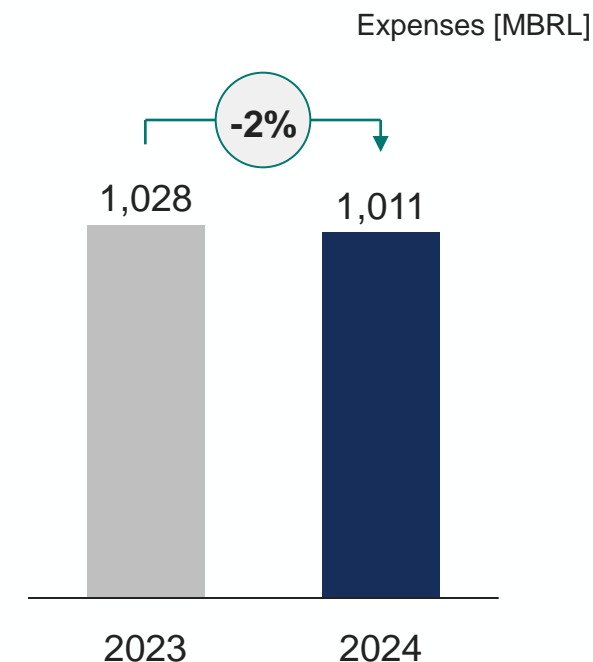
Effect of the lower economic activity on demand for hydraulic products, especially in the export market

OPERATING COSTS AND EXPENSES [M BRL]

COGS BREAKDOWN [%]



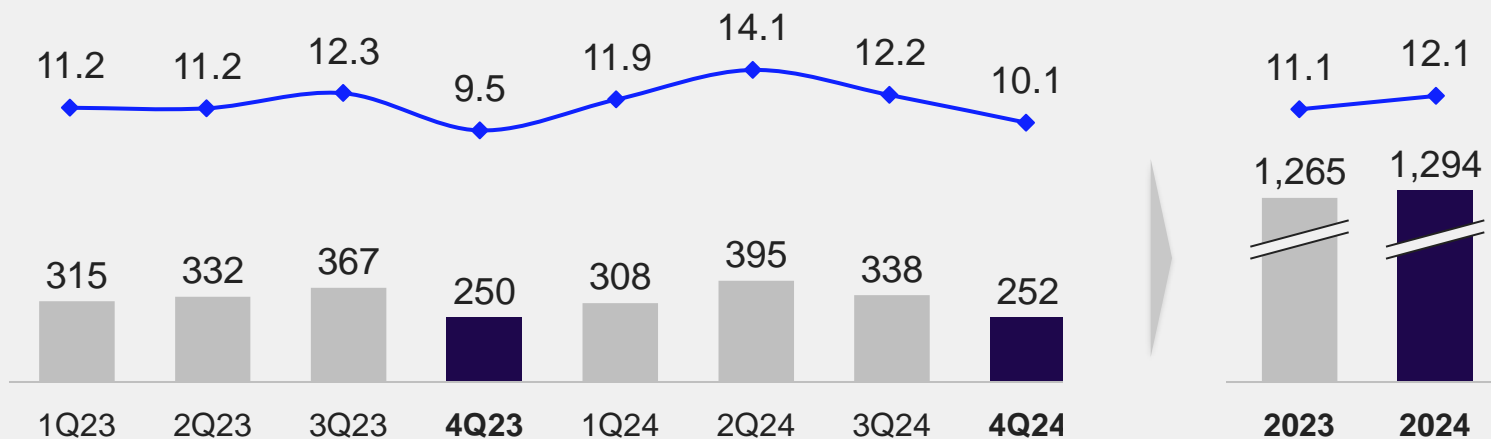
Reduction of expenses and efficiency gains



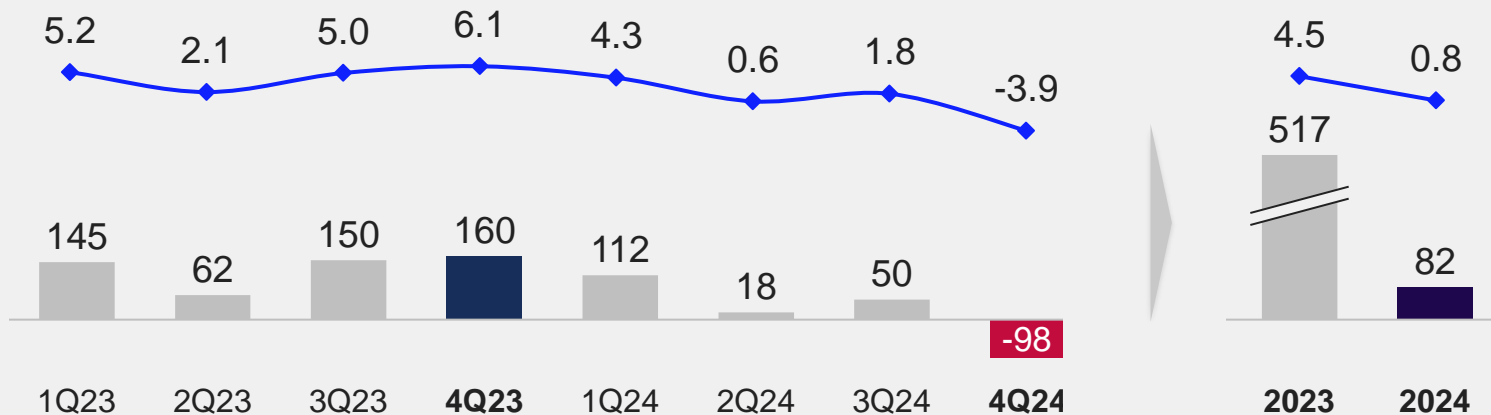
Impact of lower volumes mitigated by initiatives of cost reduction and synergies

ADJUSTED EBITDA & NET INCOME [M BRL]

Adjusted EBITDA ◆ % Adj EBITDA Margin



Net Income ◆ % Net Margin



- Capture of **synergies** and **cost reduction** initiatives, mitigated by impact of lower volumes and inflation of services and labor.
- Impairment impact in the amount of R\$ 250 million, related to **operational efficiency** projects (production reallocation), and the effect of the appreciation of the Mexico peso on the tax base

FINANCIAL RESULT [M BRL]

	4Q24	4Q23
Financial Expenses	¹ (117)	(93)
Financial Income	² +44	+30
Monetary and FX Var.	³ +84	(20)
TOTAL	+11	(83)

¹ New funding and subsequent increase in interest expenses;

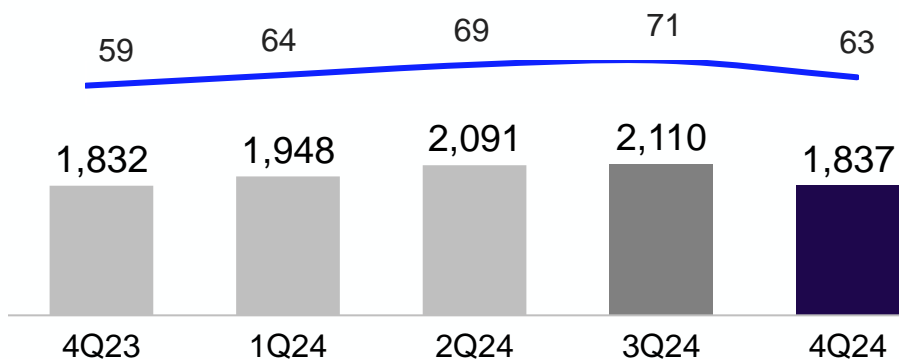
Depreciation of the Brazilian real, impacting the provision of interest on debts in foreign currency;

² Increase in cash position due to funding and generation of operating cash;

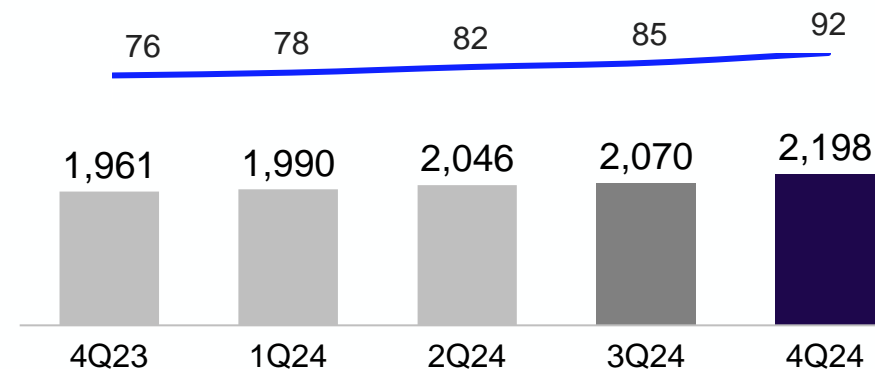
³ FX variation in the balance sheet lines in foreign currency.

WORKING CAPITAL

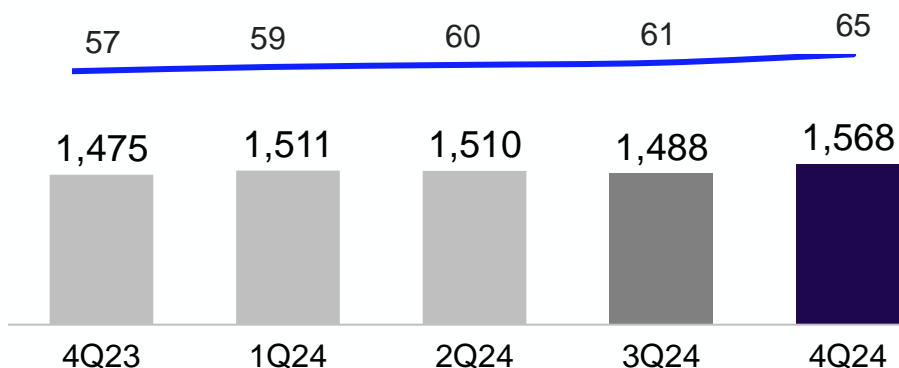
Receivables [M BRL] and PMR [days]



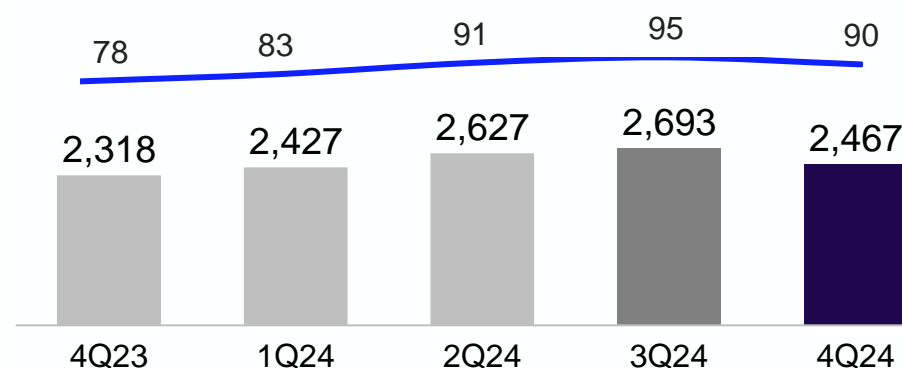
Inventories [M BRL] and inventory days [days]



Accounts payable [M BRL] and DPO [days] *

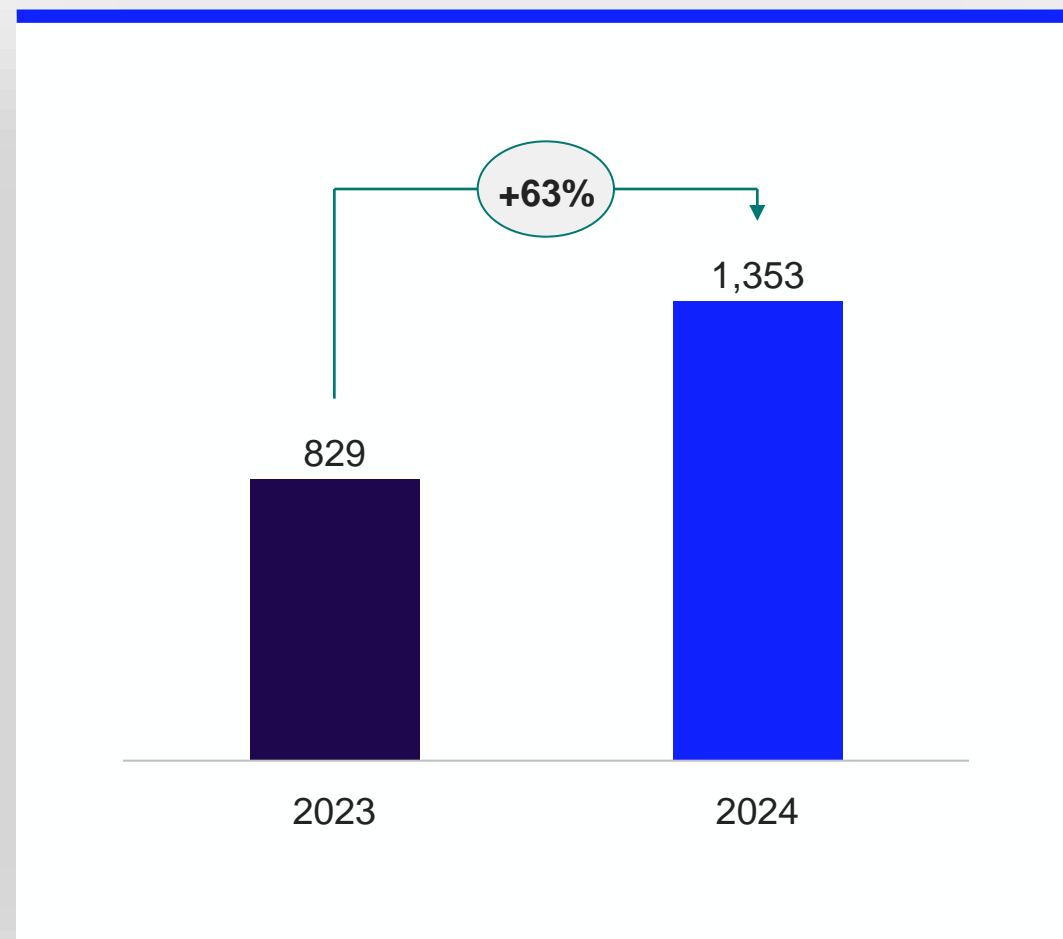
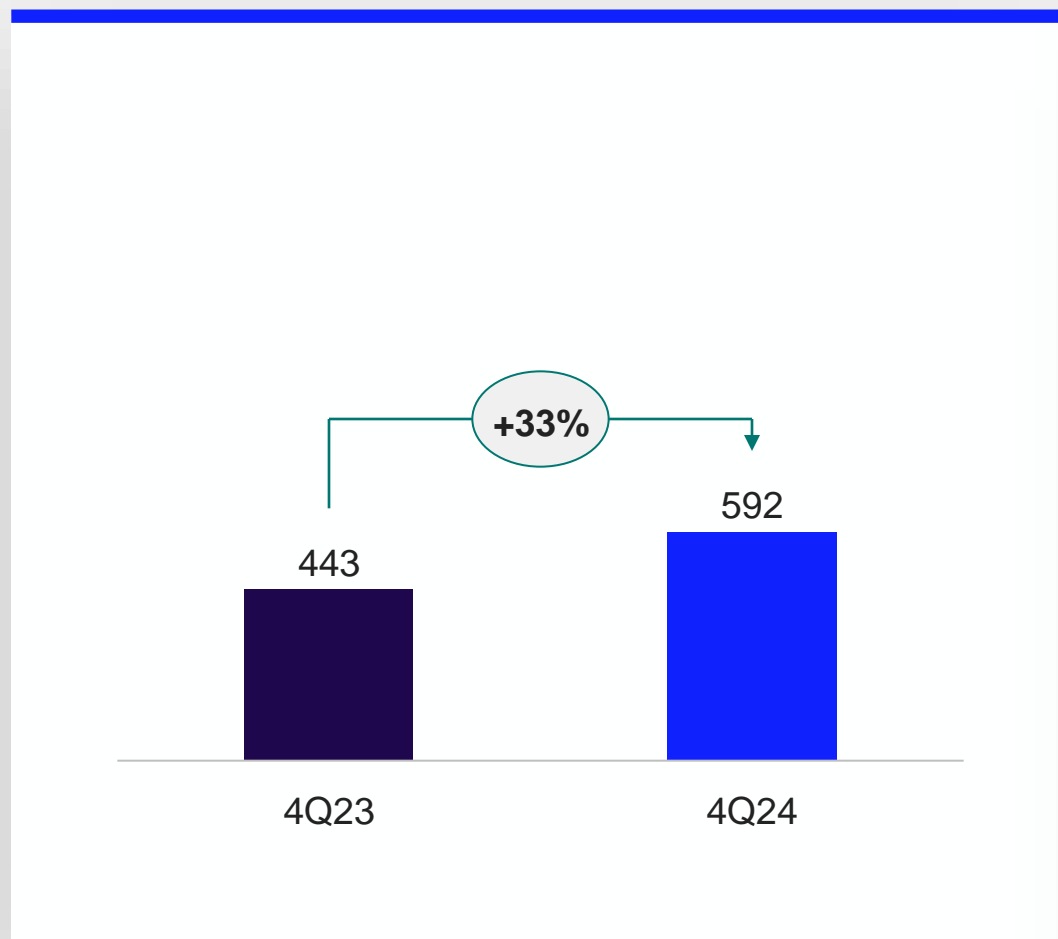


Working Capital [M BRL] and CCC [days] *



* Includes advance payment, by clients, for working capital on the MWM engine manufacturing contracts.

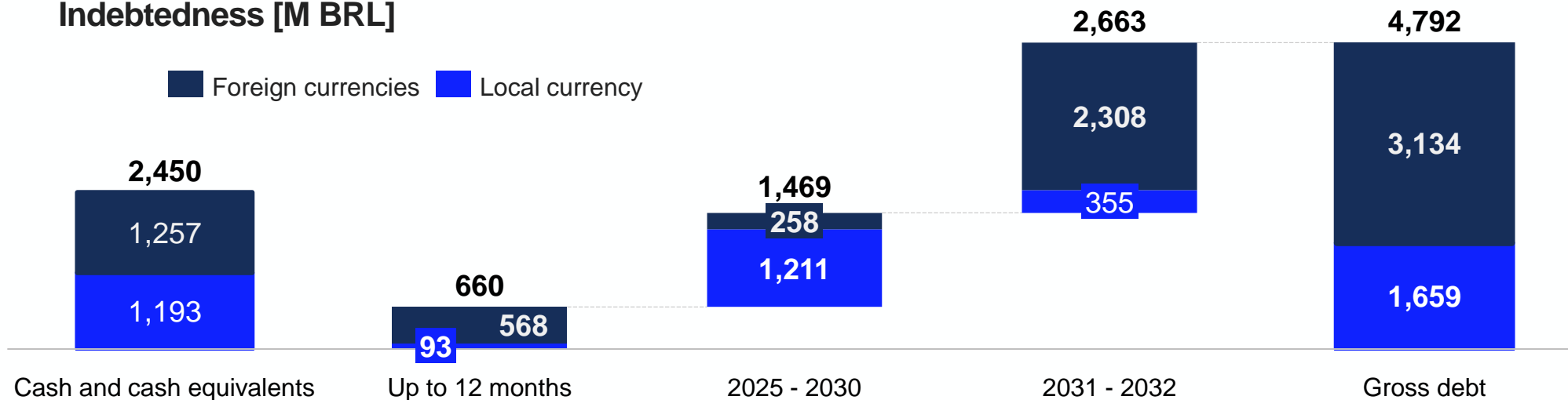
OPERATING CASH FLOW



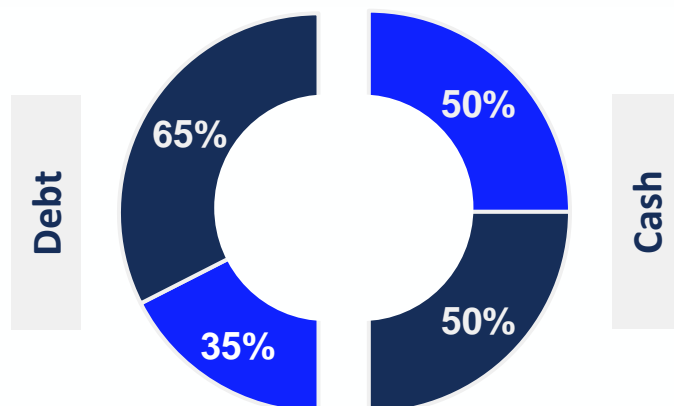
Highest cumulative quarterly and annual operating cash flow in history

CASH AND INDEBTEDNESS | DECEMBER 2024

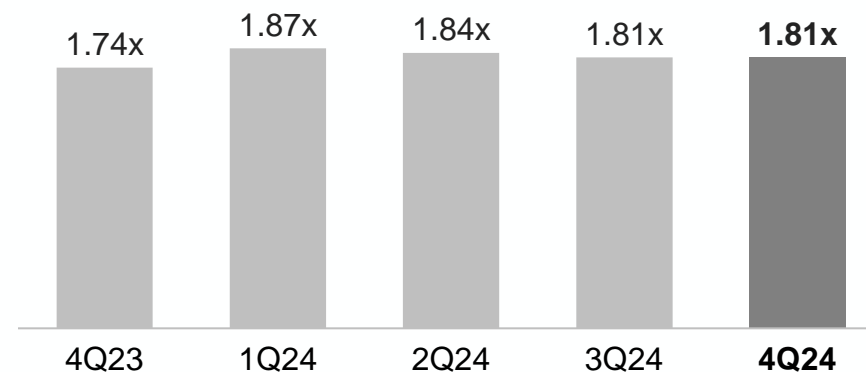
Indebtedness [M BRL]



Currency distribution [% total]



Net Debt / 12M Adj. EBITDA



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Structural Components

New Businesses

COMMERCIAL AGENDA | PRODUCTS FOR NEXT-GENERATION ENGINES



CORPORATE TAXPAYER'S ID (CNPJ): 84.683.374/0003-00
Company Registry (NIRE): 42.3.0001628-4
PUBLICLY-HELD COMPANY



MATERIAL FACT

New Businesses of Structural Components & Manufacturing Contracts

Joinville, March 26th, 2025 – Tupy S.A. ("Company", B3: TUPY3) hereby informs its shareholders and the market in general about the acquisition of new agreements in the Structural Components and Manufacturing Contracts segments, both focused on engines for extra-heavy commercial vehicles (13 L), for two automakers that, together, hold around 50% of the Brazilian market in their category.

In one of the contracts, the Company will be responsible for the manufacturing, machining and pre-assembly of engine cylinder heads, with revenue starting in 2027.

As for the other project, to start in 2028, Tupy will manufacture blocks to be utilized in the latest engine generations by this automaker, one of the most sold in the world.

These initiatives will contribute to nationalize and increase the local content of these clients, which currently manufacture these parts in captive foundries in Europe. The contracts reflect the strategy to supply higher added-value products and services, and the synergies arising from the acquisitions made by Tupy in recent years.

The contracts, when reaching the full contracted potential, are estimated to generate combined revenues of R\$ 250 million per year.



Unique positioning to meet local content requirements.

Contracts announced since 2023 totaled revenues > R\$1 billion / year on maturity

* Heavy trucks blocks. 2024 base price.

NEW CONTRACTS | ECONOMIC ACTIVITY AND POTENTIAL PREBUY

Contribute to recover volumes



Commercial vehicles



Off-Road

FOREIGN
MARKET



- **Europe:** **Recovery** in production after a 25% drop in 2024
- **USA:** Economic uncertainties (e.g. levies) impacting demand early this year
- Potential **prebuy** in the second half

- **Investments in infrastructure** in Europe
- Supply chain **inventories** adjusted to the level of activity
- Residential construction sector affected by high interest rates

DOMESTIC
MARKET



- Production expected to be stable vs. 2024, impacted by interest rates.
- **Growth** of 11% YTD (Jan-Feb)

- **Growth** of construction machinery **sales**.
- **Stable** demand for agricultural machinery (commodity prices and interest rates)

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Structural Components

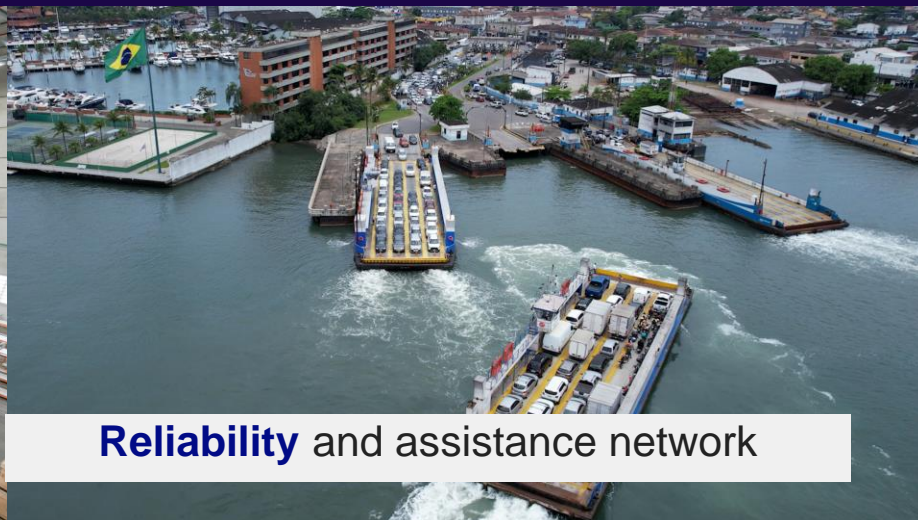


New Businesses

COMBINATION OF **SKILLS** AND DIVERSIFICATION IN SEGMENTS WITH HIGH **GROWTH** POTENTIAL



+ **700** sales points in the country



Reliability and assistance network



Decarbonization of agribusiness

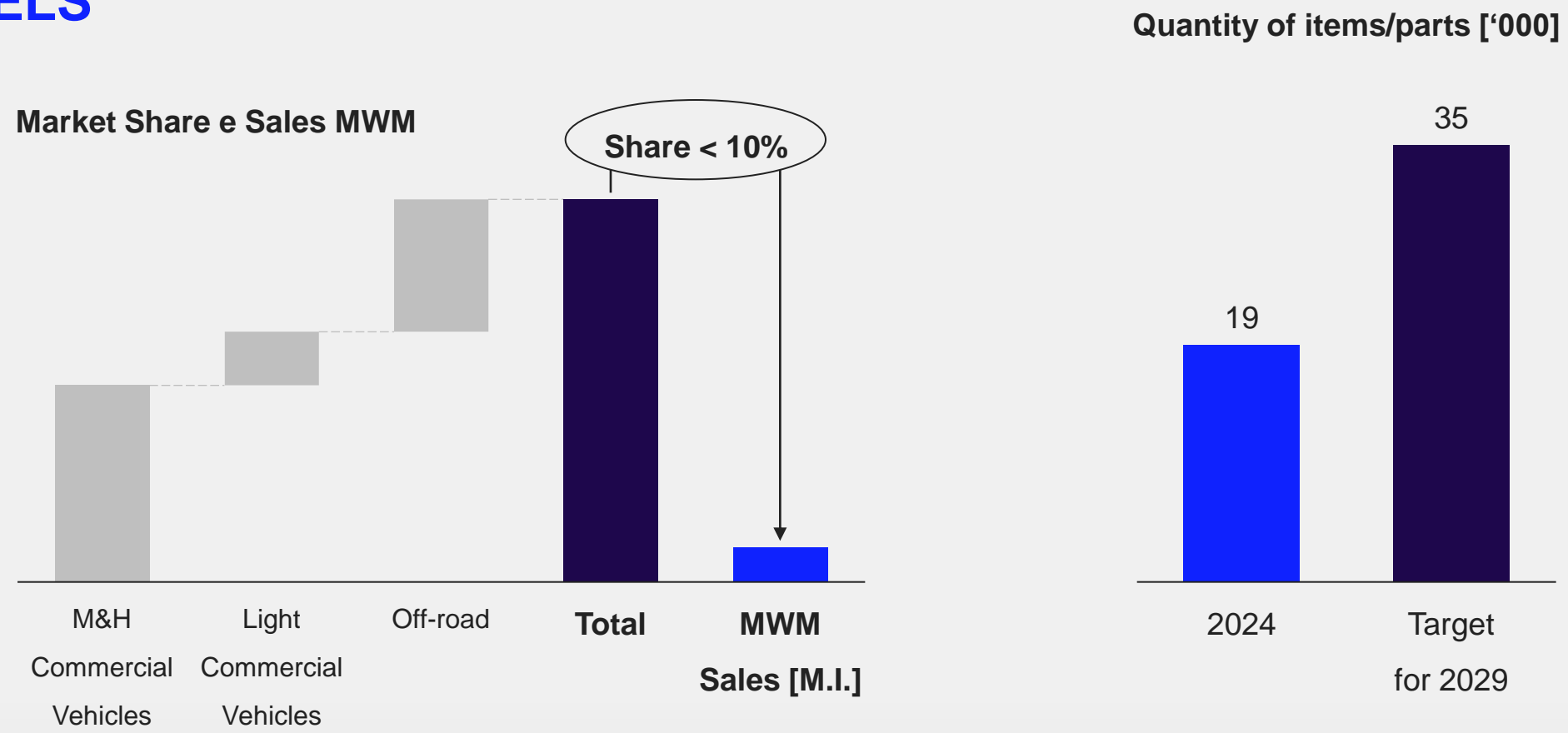


National **leader** in gensets



Biomethane and **etanol** solution

AFTERMARKET | OPPORTUNITIES TO LEVERAGE MWM'S BRAND AND CHANNELS



Growth of market share through expanded channels and the launch of new products and services. Start of curation in China

* Excluding passenger vehicles

GENSETS | LEADERSHIP IN THE BRAZILIAN MARKET



Rising demand for energy generation solutions

- Agribusiness
- Industry, commerce and health care
- **Data Centers**

Diesel and biofuel solutions

Exports: U.S. Market 8x larger within the MWM range

**Increased competitiveness, geographic expansion,
and growth of the portfolio (data centers)**

MARITIME | SOLUTIONS FOR WORK VESSELS

With higher utilization level



Delivery of 50 engines for the retrofit of barges operating in the São Paulo coastline



Exclusive supplier for the largest pilotage company in Brazil, with 12 engines delivered

Broad portfolio of engines and energy systems

Work Vessels:

- Barges
- Pushers
- Support vessels / pilotage

Geographic expansion (e.g. the North region; exports)

Cross-selling

- Engineering services (biofuels)
- Distribution network

Addressable market for work vessels of R\$21 billion

VEHICLE TRANSFORMATION: THE LARGEST MARKET PORTFOLIO FOR MULTIFUEL SOLUTIONS



The only Brazilian biomethane- and natural gas-powered engines manufacturer

4.8L



7.2L



6.5L

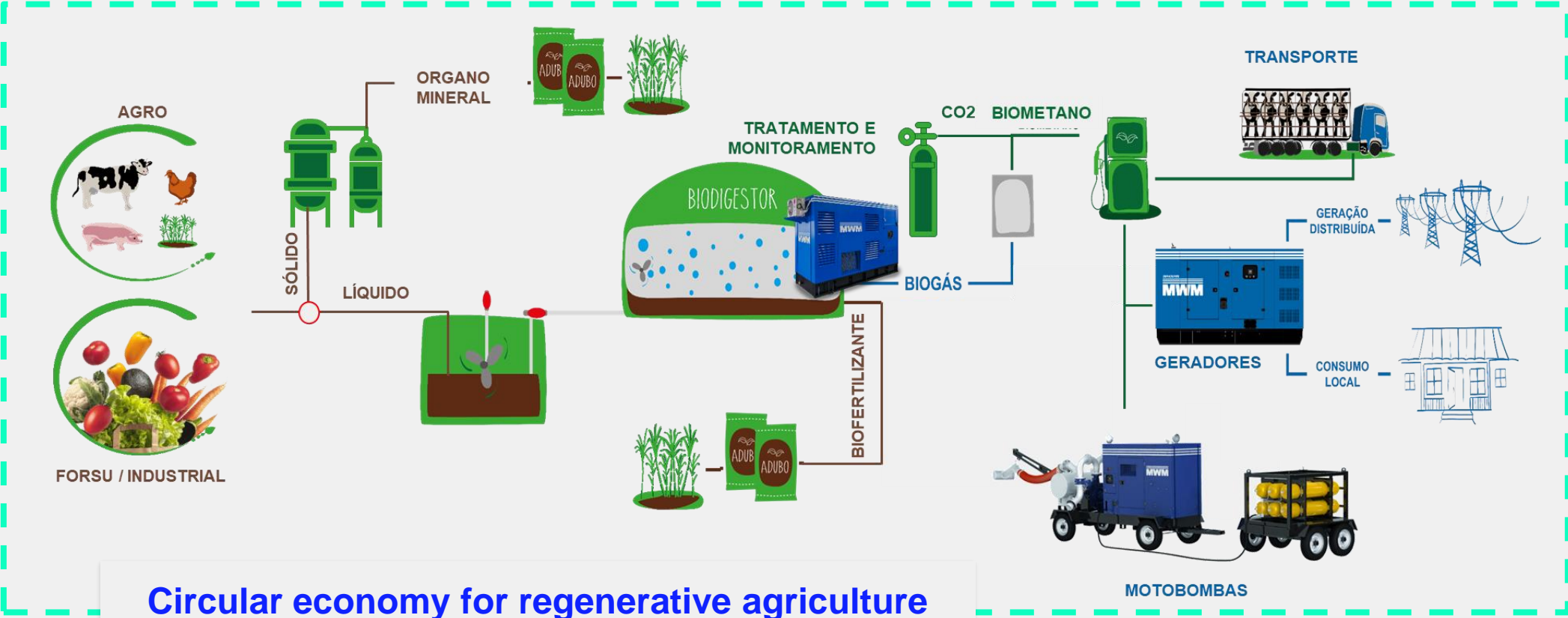
Scalability:

- Prospecting for large fleets
- Partner workshops

Portfolio expansion:

- Larger engines
- Ethanol

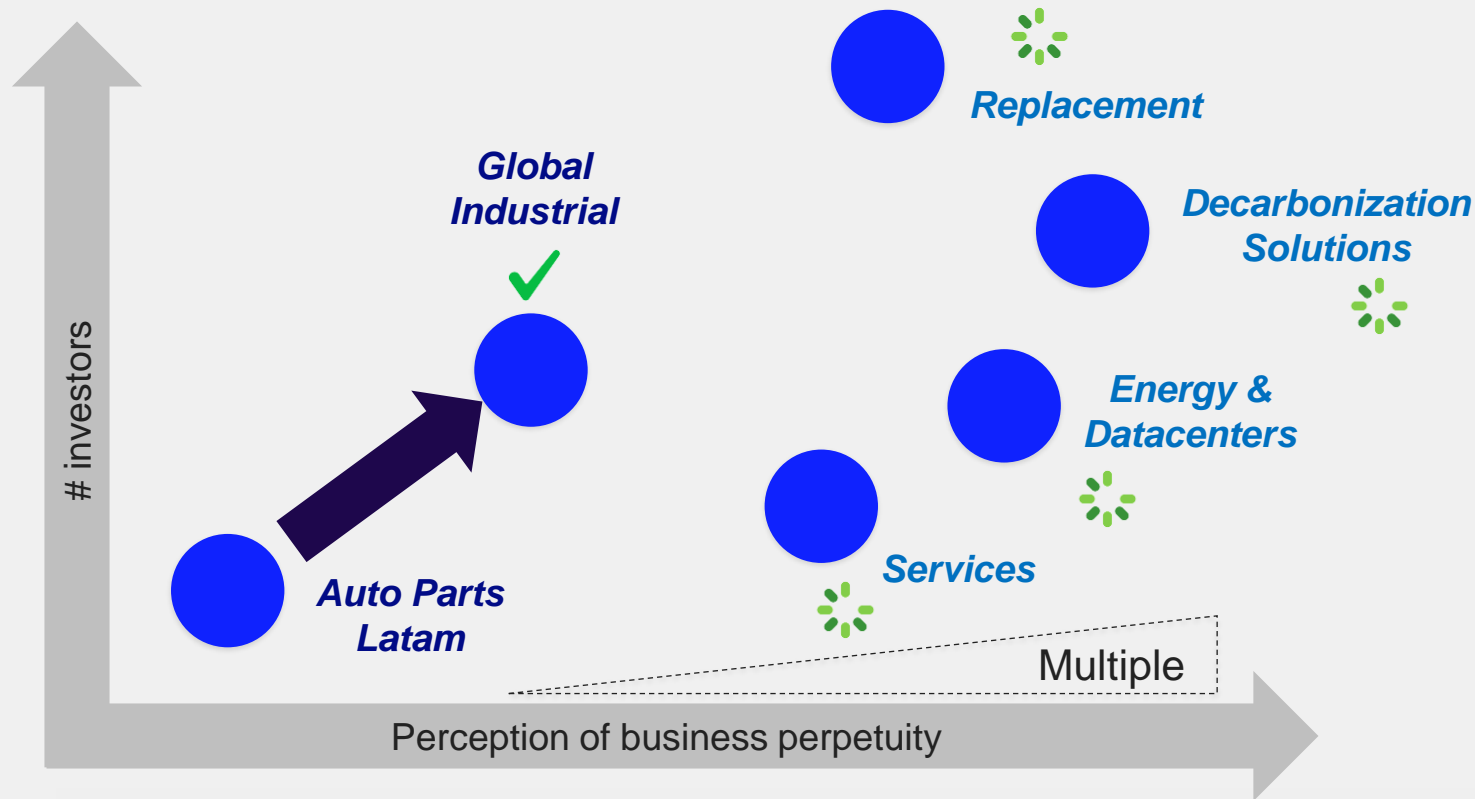
BIO-BASED PLANTS: DECARBONIZATION SOLUTIONS FOR AGRIBUSINESS



Circular economy for regenerative agriculture

CAPITAL MARKETS

Repositioning as a multi-sector company



- > **Global Industrial**
Tupy traditional
- > **Replacement**
Strength of the brand and channel
- > **Decarbonization Solutions**
Biofuels
Bio-based plants
Vehicle transformation
H2, recycling, etc.
- > **Energy & Datacenters**
Gensets
- > **Services**
Machining
Assembly
Engineering

The New Tupy has the ambition to position itself in sectors with superior growth, cash generation and higher multiples

UNLOCKING MULTIPLES AS NEW BUSINESSES GAIN REVENUE SHARE

	EV/EBITDA	% Revenue 2024
Capital Goods	4 – 5x	75%
Services & Engines	> 6x	16%
Replacement	> 7x	5%
Gensets	> 10x	4%
New Businesses / Decarbonization	> 10x	1%

TUPY IN TRANSFORMATION | OUR AMBITION

- Businesses that have **transport, infrastructure, agriculture and decarbonization** fundamentals
- Growth with the potential of the **Brazilian agriculture**
- Developing sources of **countercyclical revenues**
- Opportunities for **biofuels** in several applications
- **Making intangible assets profitable:** brand and channel



Tupy



Tupy SA

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