(A free translation of the original in Portuguese)

Financial statements

December 31, 2024

Annual report

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TUPY

TUPY3 NOVO MERCADO

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MESSAGE FROM MANAGEMENT

The year 2024 was marked by the execution of important stages of our strategy, as well as the development of businesses and technologies that define the New Tupy.

We made significant progress in managing our traditional business, as outlined in the integration plan following the acquisition of the Aveiro and Betim plants. We assumed the role of market consolidators, reversing challenging trends by reducing costs and optimizing structures, strengthening our business, and capturing efficiency opportunities for sustainable growth. The completion of this project will occur by the end of the year, concentrating production in more efficient assets, which is expected to generate cost reductions exceeding R$150 million per year.

These actions, combined with disciplined cost management, led to outstanding results in 2024, with margin growth and record operating cash flow generation, despite weak performance in key markets such as the United States and Europe.

Net revenue reached R$10.7 billion, down by 6% from the previous year. The revenue growth from MWM's services and distribution, along with a favorable exchange rate environment, helped mitigate the double-digit decline in physical sales volume in the traditional business (iron cast products).

Despite the challenging scenario, Adjusted EBITDA reached R$1.3 billion, the highest in the Company's history, with 2% year-over-year growth and a margin of 12.1% (vs. 11.1% in 2023).

Net income for the period was R$82 million, impacted, among other factors, by a non-cash impairment of R$250 million, resulting from initiatives to optimize capacity and reallocate production to more efficient lines.

Throughout the year, we prioritized operating cash flow generation, which reached R$1.4 billion, also the highest in our history. The net debt-to-Adjusted EBITDA ratio stood at 1.8x, a comfortable level, in line with historical indicators, reflecting a consistent and balanced financial management approach.

This performance allowed the Company to substantially reward its shareholders, declaring R$190 million in interest on equity, related to the 2024 fiscal year, with a dividend yield of approximately 6%. Additionally, we seized the opportunity to allocate capital to share buybacks, an efficient investment that reinforces confidence in the business and generates value for shareholders, with R$173 million allocated during the period.

We increased margins in the traditional business, despite a decline in sales volume. We expanded our presence in manufacturing services and new businesses, many of which still present negative margins due to technical and commercial development investments, which precede revenue generation. These outstanding results reflect the execution of planned actions, our confidence in future prospects, and, most importantly, the dedication of all teams.

Results by Business

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

*unaudited

Traditional Business: operational efficiency and volume recovery

In the international market, the decline in road freight prices and high interest rates led fleet operators to postpone fleet expansion and replacement, impacting commercial vehicle sales. On the other hand, the domestic market saw growth in heavy vehicle production in 2024, with a notable recovery in sales compared to 2023. In the off-road segment, we observed impacts from lower commodity prices and a slower pace of residential construction activity in the United States, as well as stabilization in non-residential construction indicators.

The combination of these factors resulted in a **12% decline in revenue for the traditional segment compared to the previous year**, equivalent to a reduction of over R$1 billion. However, a strong set of initiatives, including cost optimization, operational efficiency gains, and process restructuring, combined with a favorable exchange rate, drove absolute EBITDA growth, **reaching a margin of 13.4% (vs. 11.7% in 2023)**.

Since the pre-acquisition margin was approximately 14.0%, and a significant portion of operational gains has yet to be captured, we remain optimistic about future prospects. Currently, three of our five plants are operating at reduced occupancy rates, impacting results, but there is significant recovery potential as these assets are utilized more efficiently.

Looking ahead, we foresee a sales recovery, as already indicated by customers starting in the second half of 2025, driven by: (i) economic growth and the need for fleet replacement; (ii) expected improvement in sector indicators, such as freight prices and volumes; and (iii) pre-buy expectations, given the change in engine emission regulations in the United States starting in 2027. The implementation of potential tax reduction policies and lower transportation sector regulation could also positively impact truck sales, as well as infrastructure investments.

This volume increase will be absorbed by a leaner and more optimized industrial structure, which will benefit from operational leverage, resulting in higher profitability. Additionally, a new lineup of products is in the final stages of development, featuring greater technical complexity and more attractive margins, including high-value-added services such as machining. All necessary investments have already been made, and these projects will begin generating revenue in 2025.

Operational efficiency and competitiveness are fundamental pillars of this business and drive our ability to secure new contracts.

MWM: value creation and growth opportunities

MWM's revenues reached **R$2.7 billion in 2024, with an EBITDA margin of 8.4%** (vs. 6% at acquisition).

This performance resulted from cost reduction initiatives and process improvements, which will be intensified in 2025, particularly in the Energy & Decarbonization unit. Scaling new businesses with higher margins will also contribute to increased profitability.

Services, Engineering, and Proprietary Engines

The combination of Tupy's traditional business with MWM has created a unique value proposition in the industry, offering engine engineering services, component logistics management, biofuel conversion projects, and engine assembly for various customers. Our negotiation pipeline includes a wide range of projects, resulting from the growing demand for outsourcing and content nationalization solutions. Given the nature of the services sector, such as lower investment and working capital requirements, this business delivers a high a return on invested capital (ROIC) and strong cash generation.

Sales of proprietary engines were impacted by lower demand from equipment manufacturers in the construction and agribusiness sectors. However, these platforms continue to play a strategic role in value creation, driving products such as motor pumps and marine engines.

Distribution of engine spare parts

This unit has experienced an average annual growth rate of 16% over the past four years, driven by the expansion of our product portfolio and distribution network, which is now the second largest in Brazil. The strength of the MWM brand and the launch of our services will further increase market share, establishing us as a reference in engine solutions across cargo transportation, construction, agribusiness, and generator sets segments.

Generator Sets

We have been active in the generator sets market since 2019 and have established ourselves as industry leaders in Brazil, with annual growth exceeding 10% over the past three years (19% in 2024 compared to the previous year). This growth is driven by the high quality of our products and the rising demand for backup and energy generation solutions across various sectors such as industry, commerce, hospitals, agribusiness, and data centers. We have expanded our portfolio with biofuel-powered models, reinforcing our commitment to innovation and sustainability. Our growth plan includes entering the large-scale equipment market (above 2,000 kVA) and expanding into international markets.

Margins were affected by lower sales volume in the early months of 2024 and the ramp-up of new products. Throughout the year, various efficiency gain initiatives were implemented, contributing to a return to double-digit levels in the first two months of 2025.

Innovation and New Businesses: Marine, Vehicle Transformation, Bio Plants, and Battery Recycling

Beyond the strong growth outlook in our established segments, we remain committed to developing new businesses based on innovation and our Company's expertise. These projects include Bio plants and fertilizers; replacing conventional engines with biofuel-powered solutions for trucks; irrigation systems; and work marine engines; among other strategic initiatives. All business models developed have already been commercially launched and are in a phase of accelerated growth. However, development, demonstration, and commercialization expenses still exceed revenues generated from these initiatives.

Recent acquisitions have added knowledge and talent, contributing to the creation of a more competitive Company with clear opportunities for growth and value generation. A common factor among these acquisitions is innovation, technical expertise, and the development of solutions for feasible decarbonization and energy efficiency in key sectors such as transportation, infrastructure, and agribusiness.

Research and Development are the foundation of our business, and over time, they have established Tupy as a reference in the markets where it operates. The competency base we are building will allow us to expand and diversify our revenue streams in segments where we have strong competitive advantages. In 2024, expenses on these technologies and their related structures exceeded R$120 million.

Geopolitical uncertainties—including potential tariffs that could affect supply to our key market—require close attention. However, our contracts include strategic protections, and we benefit from production flexibility across our plants. Furthermore, we fully comply with USMCA guidelines. The strong economic momentum in the United States, coupled with infrastructure renewal efforts, is expected to positively impact our American customers, reinforcing our confidence in long-term demand.

We are proud of the results achieved in 2024, especially considering a challenging scenario full of uncertainties and external factors beyond our control. We look to the future with optimism, driven by solid growth and transformation prospects. This progress is only possible thanks to the talent and dedication of our 19,000 employees, who, with effort and determination, are building a stronger and more competitive New Tupy.

SUMMARIZED RESULTS

Consolidated (R$ thousand)

SUMMARY	2024	2023	Var. [%]
Revenues	**10,665,110**	**11,368,190**	**-6.2%**
Cost of goods sold	(8,738,519)	(9,433,067)	-7.4%
Gross Profit	**1,926,591**	**1,935,123**	**-0.4%**
% on Revenues	*18.1%*	*17.0%*	
Operating expenses	(1,011,320)	(1,028,150)	-1.6%
Impairment	(250,126)	-	-
Other operating income (expenses)	(105,478)	(77,338)	36.4%
Earnings before Financial Result	**559,667**	**829,635**	**-32.5%**
% on Revenues	*5.2%*	*7.3%*	
Net financial result	(300,539)	(291,495)	3.1%
Earnings before Tax Effects	**259,128**	**538,140**	**-51.8%**
% on Revenues	*2.4%*	*4.7%*	
Income tax and social contribution	(176,688)	(21,127)	736.3%
Net Income	**82,440**	**517,013**	**-84.1%**
% on Revenues	*0.8%*	*4.5%*	
EBITDA (CVM Inst. 527/12)	**1,196,891**	**1,196,175**	**0.1%**
% on Revenues	*11.2%*	*10.5%*	
Adjusted EBITDA	**1,293,899**	**1,264,879**	**2.3%**
% on Revenues	*12.1%*	*11.1%*	
Average exchange rate (BRL/USD)	**5.39**	**4.99**	**8.0%**
Average exchange rate (BRL/EUR)	5.83	5.40	8.0%

REVENUES

Revenues totaled R$10,665 million in 2024, down by 6% over 2023. The depreciation of the Brazilian real and the 17% growth of MWM's revenue mitigated the impact of the drop of roughly 20% in the physical sales volume.

Consolidated (R$ thousand)

	2024	2023	Var. [%]
Revenues	**10,665,110**	**11,368,190**	**-6.2%**
Domestic Market	4,165,743	3,698,292	12.6%
Share (%)	*39.1%*	*32.5%*	
Export Market	6,499,367	7,669,898	-15.3%
Share (%)	*60.9%*	*67.5%*	
Revenues by segment	**10,665,110**	**11,368,190**	**-6.2%**
Structural Components and Manufacturing Contracts	9,190,914	9,850,204	-6.7%
Share (%)	*86.2%*	*86.6%*	
Energy and Decarbonization	674,361	700,554	-3.7%
Share (%)	*6.3%*	*6.2%*	
Distribution	799,835	817,432	-2.2%
Share (%)	*7.5%*	*7.2%*	

In 2024, North America accounted for 41% of the Company's revenues. The South and Central Americas accounted for 41%, and Europe for 15% of the total revenues. The remaining 3% came from Asia, Africa, and Oceania.

The revenues from the domestic market increased by 13%, mainly due to the growth in truck production in Brazil, impacting structural components and manufacturing contracts operations, which cover engineering, machining and assembly services for third-party engines.

As for the export market, commercial vehicle sales declined, due to falling freight prices and the fleet's lower average age. Potential buyers postponed vehicle acquisitions, observing the implications of the U.S. elections and changing interest rates.

Demand from off-road applications was mainly impacted by the decline in global prices of agricultural commodities and the performance of sales of machinery for the residential and non-residential construction market, due to high interest rates and inventory adjustments across the production chain.

Revenues from the Energy and Decarbonization segment dropped by 4%, impacted by the lower demand for own engines, mainly utilized by equipment manufacturers. Interest rates, agricultural commodity prices and adverse credit conditions negatively affected demand for these applications. In contrast, we saw a 19% growth in revenues from gensets, in addition to economies of scale in new businesses.
Revenues from the Distribution segment saw a 2% decline, due to the lower economic activity, especially in the hydraulic products business, which consists of iron profiles and connections, for the export market. In contrast, aftermarket sales delivered performance 4% higher than in the same period a year ago.

COST OF GOODS SOLD AND OPERATING EXPENSES

COGS totaled R$8,739 million in 2024, down by 7% over 2023, with revenues declining by 6% in the period.

Consolidated (R$ thousand)

	2024	2023	Var. [%]
Revenues	**10,665,110**	**11,368,190**	**-6.2%**
Cost of goods sold	**(8,738,519)**	**(9,433,067)**	**-7.4%**
Raw material	(5,298,767)	(5,808,198)	-8.8%
Labor, profit sharing, and social benefits	(1,828,353)	(1,904,891)	-4.0%
Maintenance materials and third parties	(677,368)	(702,836)	-3.6%
Energy	(444,257)	(464,367)	-4.3%
Depreciation and amortization	(343,675)	(330,812)	3.9%
Others	(146,101)	(221,962)	-34.2%
Gross profit	**1,926,591**	**1,935,123**	**-0.4%**
% on Revenues	*18.1%*	*17.0%*	
Operating expenses	**(1,011,320)**	**(1,028,150)**	**-1.6%**
% on Revenues	*9.5%*	*9.0%*	

In the period, costs were affected by rising prices of inputs and services. The drop in production and sales volumes, in turn, led to the lower dilution of fixed costs, with a negative impact on operating leverage.

These factors were partially mitigated by several initiatives to reduce costs, gain productivity, and capture synergies throughout 2024.

As a result, gross margin reached 18.1%, versus 17.0% in 2023.

Operating expenses declined by 2% over the previous year, corresponding to 9% of net revenues, down by R$17 million compared to 2023.

OTHER OPERATING INCOME (EXPENSES)

Other net operating income (expenses) came in as an expense of R$105 million in 2024, versus R$77 million in 2023.

Consolidated (R$ thousand)

	2024	2023	Var. [%]
Depreciation of non-operating assets	(8,470)	(8,634)	-1.9%
Bargain purchase	-	29,103	-
Creation and restatement of provisions	(85,901)	(96,275)	-10.8%
Restructuring expenses	(57,755)	-	-
Result from the sale of PP&E	(24,220)	(6,448)	275.6%
Result from the sale of unserviceable items and others	70,868	4,916	1341.6%
Other operating expenses, net	**(105,478)**	**(77,338)**	**36.4%**
Impairment	(250,126)	-	-
Total adjustments due to impairment	**(250,126)**	**-**	**-**

Structure optimization initiatives led to expenses of R$58 million, with an impact on CVM EBITDA.

The Company's synergy plan arising from the acquisitions provided for the relocation, among other initiatives, of production to more efficient lines. As a result, the Company reduced its operating capacity.

In this context, PP&E and intangible assets were tested for impairment, resulting in R$250 million adjustments, with no cash effect.

NET FINANCIAL RESULT

The net financial result consisted of an expense of R$301 million in 2024.

Consolidated (R$ thousand)

	2024	2023	Var. [%]
Financial expenses	(400,941)	(340,075)	17.9%
Financial income	152,067	108,104	40.7%
Net monetary and currency variations	(51,665)	(59,524)	-13.2%
Net Financial Result	**(300,539)**	**(291,495)**	3.1%

The increase in financial expenses last year was mainly due to (i) fundraising carried out in the period, with the consequent rise in expenses related to the payment of interest, and (ii) the depreciation of the Brazilian real against the U.S. dollar, impacting the provision of interest on foreign currency debts.

The financial income grew by 41% year on year, reaching R$152 million, due to increased cash position arising from fundraising and operating cash generation, mitigating the effect of the decline in average interest income (CDI) from financial investments.

The expenses from net monetary and currency variations, of R$52 million, were due to (i) positive variations in the balance sheet accounts, of R$127 million; and (ii) the result from hedge transactions, corresponding to an expense of R$179 million, being R$31 million from mark to market and R$148 million from settled transactions.

EARNINGS BEFORE TAXES AND NET INCOME

The Company's net income was R$82 million in the year, impacted by operating and financial result, and the accounting write-down of assets (impairment) in the amount of R$250 million, related to projects to gain operational efficiency, with the relocation of production to lower-cost lines.

The annual comparison was also affected by currency effects on the tax base, negative by R$100 million in 2024, compared to a positive result of R$65 million in the previous year.

Consolidated (R$ thousand)

	2024	2023	Var. [%]
Earnings before Tax Effects	**259,128**	**538,140**	**-51.8%**
Tax effects before currency impacts[1]	(76,489)	(86,622)	-11.7%
Earnings before the currency effects on the tax base	**182,639**	**451,518**	**-59.6%**
Currency effects on the tax base[1]	(100,199)	65,495	-
Net Income	**82,440**	**517,013**	**-84.1%**
% on Revenues	*0.8%*	*4.5%*	

Nota1: 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. Fluctuations in exchange rates affect the tax bases and, consequently, the currency effects are recorded as deferred income tax revenues and/or expenses.

EBITDA

The combination of the aforementioned factors resulted in CVM EBITDA of R$1,197 million and Adjusted EBITDA of R$1,294 million, higher than those reported in 2023.

The margins on revenue reached 11% and 12%, up by 70 and 100 basis points, respectively, compared to last year.

Consolidated (R$ thousand)

RECONCILIATION OF NET INCOME TO EBITDA	2024	2023	Var. [%]
Net Income for the Year	**82,440**	**517,013**	**-84.1%**
(+) Net Financial Result	300,539	291,495	3.1%
(+) Income Tax and Social Contribution	176,688	21,127	736.3%
(+) Depreciation, Amortization and Impairment	637,224	366,540	73.8%
EBITDA (CVM Instr. 527/12)	**1,196,891**	**1,196,175**	**0.1%**
% on revenues	*11.2%*	*10.5%*	
(+/-) Other Operating Expenses, Net	97,008	68,704	41.2%
Adjusted EBITDA	**1,293,899**	**1,264,879**	**2.3%**
% on revenues	*12.1%*	*11.1%*	

The adjustments made to EBITDA aim to offset the effects from items less related to the business, have no cash effect, or are non-recurring.
Cost reduction and operational efficiency initiatives, as well as the favorable currency scenario, mitigated the effect of the drop in volumes.

The Company has invested in innovation and new businesses, yet without the corresponding entry in revenues. Expenses related to these activities were above R$120 million in 2024.

INVESTMENTS

Investments in property, plant, and equipment and intangible assets totaled R$469 million in 2024, and accounted for approximately 4% of net revenue in the period.

Consolidated (R$ thousand)

	2024	2023	Var. [%]
PP&E			
Strategic investments	195,242	237,936	-17.9%
Maintenance and modernization of operational capacity	200,294	295,153	-32.1%
Environment	30,812	40,857	-24.6%
Interest and financial charges	17,704	12,563	40.9%
Intangible assets			
Software	20,591	18,195	13.2%
Projects under development	4,434	5,729	-22.6%
Total	**469,077**	**610,433**	**-23.2%**
% on Revenues	*4.4%*	*5.4%*	

The variation refers mainly to foundry and machining programs, initiatives to gain operational efficiency and capture synergy, in addition to projects to improve safety and the environment.

The list of investments in affiliates and/or subsidiaries, with the changes occurred during the year, is available in Note 12 (Investments) to the Financial Statements for the 2024 Fiscal Year, which is an integral part of this document.

INDEBTEDNESS

The Company ended 2024 with a net debt of R$2,342 million and a net debt/LTM Adjusted EBITDA ratio of 1.81x.

Liabilities in foreign currency accounted for 65% of the total (18% in the short term and 82% in the long term), while 35% of debt is denominated in Brazilian reais (6% in the short term and 94% in the long term). As for the cash balance, 50% of the total amount is denominated in Brazilian reais and 50% in foreign currency.

Consolidated (R$ thousand)

INDEBTEDNESS	2024	2023
Short term*	660,196	676,277
Long term	4,132,189	3,127,748
Gross debt	**4,792,385**	**3,804,025**
Cash and cash equivalents*	2,450,028	1,603,972
Net debt	**2,342,357**	**2,200,053**
Gross debt/Adjusted EBITDA	3.70x	3.01x
Net debt/Adjusted EBITDA	**1.81x**	**1.74x**

* Includes derivative financial instruments

WORKING CAPITAL

	2024	2023
Balance Sheet		
Accounts receivable	1,837,435	1,831,735
Inventories	2,197,704	1,961,262
Accounts payable	1,482,620	1,375,774
Advances from Customers	*85,207*	*99,702*
Sales outstanding [days]	63	59
Inventories [days]	92	76
Payables outstanding [days]	65	57
Cash conversion cycle [days]	**90**	**78**

Working Capital, measured by the variation in the balance of Accounts Receivable, Inventories and Accounts Payable, rose by 6% over 2023.

The variation in Accounts Receivable was mainly due to the currency depreciation over the balance in foreign currency, which accounted for 74% of the total amount (closing rate of R$/US$6.19 in December 2024 vs. R$/US$4.84 in December 2023).

The increase in the inventory balance was due to the currency effect and the implementation of flexibility and production relocation projects, mainly impacting finished and in-process items.
The variation in Accounts Payable was due to management initiatives alongside suppliers, offsetting the lower purchase amount as a result of the drop in production volume and the depreciation of the Brazilian real and the U.S. dollar in foreign currency accounts payable, which accounted for 43% of the total.

CASH FLOW

Consolidated (R$ thousand)

CASH FLOW SUMMARY	2024	2023	Var. [%]
Cash and cash equivalents at the beginning of the period	**1,593,098**	**1,509,829**	**5.5%**
Cash from operating activities	1,353,491	829,125	63.2%
Cash used in investing activities	(640,086)	(735,209)	-12.9%
Cash from financing activities	(151,687)	48,134	-
Currency effect on the cash for the year	221,387	(58,781)	-
Increase (decrease) in cash and cash equivalents	**783,105**	**83,269**	**840.4%**
Cash and cash equivalents at the end of the period	**2,376,203**	**1,593,098**	**49.2%**

The Company generated R$1,353 million in cash from operating activities in 2024, up by 63% over the previous year, being its highest figure ever.

The variation was mainly due to efficiency management initiatives, increased cash generation arising from MWM operations and the appreciation of the U.S. dollar against the Brazilian real (average exchange rate of R$5.39 in 2024 vs. R$4.99 in 2023).

In terms of investing activities, we invested R$640 million in new projects, efficiency gains, information technology systems, safety and the environment, as well as in activities to maintain and support the business.

In terms of financing activities, there was a consumption of R$152 million, compared to a generation of R$48 million in the previous year. The variation was mainly due to the buyback of shares, the distribution of payout, and fundraising and amortizations carried out in the period.

The combination of these factors, combined with the currency effect on cash, led to higher cash and cash equivalents, of R$783 million, in the period. Accordingly, we ended the year with a cash and cash equivalents balance of R$2,376 million.

RELATIONSHIP WITH INDEPENDENT AUDITORS

According to CVM Instruction 162/22, of July 14, 2022, and its internal policies, Tupy S.A. preserves the independence of the auditor, in accordance with applicable regulations, for the hiring of services not related to external audit. In the year ended December 31, 2024, the independent auditors provided services related to external audit and the revision of the ancillary obligation related to ECF (Tax Accounting Bookkeeping), totaling R$3,579 thousand in fees.

EXECUTIVE OFFICERS’ STATEMENT

According to article 27 of CVM Instruction 80/22, of March 30, 2022, the Executive Board of Tupy S.A. declares that it has reviewed, discussed, and agreed with the opinion expressed in the Independent Auditor's Report on the Financial Statements issued on this date, and the Financial Statements for the fiscal year ended December 31, 2024.

The Company is subject to the rules of the Novo Mercado Arbitration Chamber, according to article 60 of its Bylaws.

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(A free translation of the original in Portuguese)

TUPY S.A. AND SUBSIDIARIES

BALANCE SHEETS AT DECEMBER 31, 2024 AND DECEMBER 31, 2023
(All amounts in thousands of reais)

A S S E T S

	Note	Parent company		Consolidated	
		12/31/24	12/31/23	12/31/24	12/31/23
CURRENT ASSETS					
Cash and cash equivalents	3	709,970	481,983	2,376,203	1,593,098
Derivative financial instruments	37	71,998	5,202	73,825	10,874
Trade account receivables	4	715,110	830,200	1,837,435	1,831,735
Inventories	5	545,506	444,402	2,197,704	1,961,262
Tooling	6	97,978	97,994	294,744	238,143
Income tax and social contribution recoverable	7	57,118	4,933	169,957	74,271
Other taxes recoverable	8	52,123	47,237	363,119	350,162
Interest on equity and dividends receivable	10	150,000	-	-	-
Other assets	15	39,553	53,434	147,392	127,108
Total current assets		2,439,356	1,965,385	7,460,379	6,186,653
NON-CURRENT ASSETS					
Income tax and social contribution recoverable	7	27,485	29,472	43,405	51,122
Other taxes recoverable	8	12,440	14,944	47,179	271,395
Deferred income tax and social contribution	9	317,940	212,057	846,275	780,516
Judicial deposits and other		5,925	6,782	21,131	32,034
Investments in equity instruments		2,404	2,984	10,436	9,590
Investments properties	11	-	-	3,831	3,622
Investments	12	4,794,591	4,126,332	-	-
Property, plant and equipment	13	864,982	857,244	2,940,751	2,792,713
Intangible assets	14	54,016	54,334	137,476	157,100
Total non-current assets		6,079,783	5,304,149	4,050,484	4,098,092
Total assets		8,519,139	7,269,534	11,510,863	10,284,745

(A free translation of the original in Portuguese)

TUPY S.A. AND SUBSIDIARIES

BALANCE SHEETS AT DECEMBER 31, 2024 AND DECEMBER 31, 2023
(All amounts in thousands of reais)

L I A B I L I T I E S

		Parent company		Consolidated	
	Note	12/31/24	12/31/23	12/31/24	12/31/23
CURRENT LIABILITIES					
Trade accounts payables	16	563,657	558,563	1,482,620	1,375,774
Business combination obligations	20	34,311	163,644	34,311	163,644
Loans and financing	17	521,906	1,314,072	558,558	621,838
Debentures	18	79,565	41,095	79,565	41,095
Derivative financial instruments	37	16,129	12,998	22,073	13,344
Other taxes payable	19	2,702	24,498	114,298	110,802
Salaries, social security charges and profit sharing	21	184,706	189,395	366,056	379,107
Advances from customers	22	39,741	35,000	316,654	248,258
Related parties	10	4,428	3,785	-	-
Dividends and interest on shareholders' equity	26f	190,263	94,189	190,263	94,189
Provision for tax, civil, social security and labor proceedings	24	34,055	14,598	65,603	14,598
Other liabilities	25	24,543	38,274	160,938	184,141
Total current liabilities		1,696,006	2,490,111	3,390,939	3,246,790
NON-CURRENT LIABILITIES					
Loans and financing	17	1,561,530	140,817	2,639,497	2,133,325
Debentures	18	1,492,692	994,423	1,492,692	994,423
Provision for tax, civil, social security and labor proceedings	24	239,287	248,357	326,586	405,825
Business combination obligations	20	19,384	53,076	19,384	53,076
Retirement benefit obligations	23	-	-	101,929	104,571
Other long term liabilities		18,660	18,497	40,489	18,893
Total non-current liabilities		3,331,553	1,455,170	4,620,577	3,710,113
EQUITY					
Share capital	26a	1,433,652	1,177,603	1,433,652	1,177,603
Share issuance costs		(6,541)	(6,541)	(6,541)	(6,541)
Share-based payments		13,972	11,177	13,972	11,177
Treasury shares	26b	(141,916)	(3,612)	(141,916)	(3,612)
Carrying value adjustments	26d	1,123,113	711,974	1,123,113	711,974
Income reserves	26a	1,069,300	1,433,652	1,069,300	1,433,652
Non-controlling interest		-	-	7,767	3,589
Total equity		3,491,580	3,324,253	3,499,347	3,327,842
Total liabilities and equity		8,519,139	7,269,534	11,510,863	10,284,745

(A free translation of the original in Portuguese)

TUPY S.A. AND SUBSIDIARIES

STATEMENTS OF INCOME
YEAR ENDED DECEMBER 31, 2024 AND 2023
(All amounts in thousands of reais, except earnings per share)

		Parent company		Consolidated	
	Note	12/31/24	12/31/23	12/31/24	12/31/23
NET REVENUE	27	4,042,420	4,634,735	10,665,110	11,368,190
Cost of products sold	28	(3,185,819)	(3,526,463)	(8,738,519)	(9,433,067)
GROSS PROFIT		856,601	1,108,272	1,926,591	1,935,123
Selling expenses	28	(219,918)	(245,100)	(561,747)	(599,913)
Administrative expenses	28	(236,282)	(227,624)	(449,573)	(428,237)
Other operating expenses, net	30	(126,054)	(42,097)	(355,604)	(77,338)
Share of results of subsidiaries	12	40,246	318,005	-	-
PROFIT BEFORE FINANCE RESULTS AND TAXES		314,593	911,456	559,667	829,635
Finance costs	29	(326,785)	(277,875)	(400,941)	(340,075)
Finance income	29	61,482	54,303	152,067	108,104
Monetary and foreign exchange variations, net	29	(10,647)	(55,827)	(51,665)	(59,524)
PROFIT BEFORE TAXATION		38,643	632,057	259,128	538,140
Income tax and social contribution	31	40,871	(123,917)	(176,688)	(21,127)
NET INCOME FOR THE PERIOD		79,514	508,140	82,440	517,013
TUPY SHAREHOLDERS NET INCOME (LOSS)		79,514	508,140	79,514	508,140
NON-CONTROLLING NET LOSS		-	-	2,926	8,873
EARNINGS PER SHARE					
Basic earnings per share	32	0.55625	3.52515	0.55625	3.52515
Diluted earnings per share	32	0.54655	3.49521	0.54655	3.49521

(A free translation of the original in Portuguese)

TUPY S.A. AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31, 2024 AND 2023
(All amounts in thousands of reais, except earnings per share)

		Parent company		Consolidated	
	Note	12/31/24	12/31/23	12/31/24	12/31/23
NET INCOME (LOSS) FOR THE YEAR		79,514	508,140	82,440	517,013
Components of other comprehensive income to be reclassified to the results					
Foreign exchange variation of investees located abroad	12b	566,830	(165,310)	566,830	(165,310)
Hedge of net investment abroad	37c	(232,596)	123,534	(232,596)	123,534
Tax effect on hedge of net investment abroad	37c	79,088	(42,010)	79,088	(42,010)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		492,836	424,354	495,762	433,227

(A free translation of the original in Portuguese)

TUPY S.A. AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY
(All amounts in thousands of reais)

						Carrying value adjustments		Revenue reserves					
	Note	Share capital	Share issue cost	Shared based payments	Treasury stock	Exchange variation of investees	Deemed cost of fixed assets	Legal reserve	Reserve for investments	Retained earnings (losses)	Total controlling shareholders	Non-controlling Shareholders	Total
AT DECEMBER 31, 2022		**1,060,301**	**(6,541)**	**9,876**	**(451)**	**782,469**	**16,586**	**131,380**	**1,046,223**	**-**	**3,039,843**	**(5,483)**	**3,034,360**
Comprehensive income for the year													
Net income for the year		-	-	-	-	-	-	-	-	508,140	508,140	8,873	517,013
Realization of carrying value adjustments		-	-	-	-	-	(3,295)	-	-	3,295	-	-	-
Foreign exchange variation of investees located abroad	12b	-	-	-	-	(165,310)	-	-	-	-	(165,310)	-	(165,310)
Hedge of net investment abroad	37c	-	-	-	-	123,534	-	-	-	-	123,534	-	123,534
Tax impact on hedge of net investment abroad	37c	-	-	-	-	(42,010)	-	-	-	-	(42,010)	-	(42,010)
Total comprehensive income for the year		-	-	-	-	(83,786)	(3,295)	-	-	511,435	424,354	8,873	433,227
Contributions from shareholders and distributions to shareholders													
Capital increase		117,302	-	-		-	-	-	(117,302)	-	-	-	-
Management stock option plan		-	-	10,321	-	-	-	-	-	-	10,321	-	10,321
(-) Shares in treasury acquired	26b	-	-	-	(12,181)	-	-	-	-	-	(12,181)	-	(12,181)
Transfer of shares to beneficiaries	26b	-	-	(9,020)	9,020	-	-	-	-	-	-	-	-
Non-controlling net income		-	-	-	-	-	-	-	-	-	-	199	199
Allocation of gain:													
Legal reserve	26f	-	-	-	-	-	-	25,407	-	(25,407)	-	-	-
Investment reserve	26f	-	-	-	-	-	-	-	463,957	(463,957)	-	-	-
Interest on shareholders' equity	26f	-	-	-	-	-	-	-	(116,013)	-	(116,013)	-	(116,013)
Dividends		-	-	-		-	-	-	-	(22,071)	(22,071)	-	(22,071)
Total contributions from shareholders and distributions to shareholders		117,302	-	1,301	(3,161)	-	-	25,407	230,642	(511,435)	(139,944)	199	(139,745)
AT DECEMBER 31, 2023		**1,177,603**	**(6,541)**	**11,177**	**(3,612)**	**698,683**	**13,291**	**156,787**	**1,276,865**	**-**	**3,324,253**	**3,589**	**3,327,842**
AT DECEMBER 31, 2023		**1,177,603**	**(6,541)**	**11,177**	**(3,612)**	**698,683**	**13,291**	**156,787**	**1,276,865**	**-**	**3,324,253**	**3,589**	**3,327,842**
Comprehensive income for the year													
Net income for the year		-	-	-	-	-	-	-	-	79,514	79,514	2,926	82,440
Realization of carrying value adjustments		-	-	-	-	-	(2,183)	-	-	2,183	-	-	-
Foreign exchange variation of investees located abroad	12b	-	-	-	-	566,830	-	-	-	-	566,830	-	566,830
Hedge of net investment abroad	37c	-	-	-	-	(232,596)	-	-	-	-	(232,596)	-	(232,596)
Tax impact on hedge of net investment abroad	37c	-	-	-	-	79,088	-	-	-	-	79,088	-	79,088
Total comprehensive income for the year		-	-	-	-	413,322	(2,183)	-	-	81,697	492,836	2,926	495,762
Contributions from shareholders and distributions to shareholders													
Capital increase	26e	256,049	-	-		-	-	-	(256,049)	-	-	-	-
Management stock option plan		-	-	6,769	-	-	-	-	-	-	6,769	-	6,769
Realization of management stock option plan		-	-	-	-	-	-	-	-	-	-	-	-
Transfer of shares to beneficiaries	26b	-	-	(3,974)	3,974	-	-	-	-	-	-	-	-
(-) Shares in treasury acquired	26b	-	-	-	(142,278)	-	-	-	-	-	(142,278)	-	(142,278)
Non-controlling net income		-	-	-	-	-	-	-	-	-	-	1,252	1,252
Legal reserve	26f	-	-	-		-	-	3,975	-	(3,975)	-	-	-
Investment reserve	26f	-	-	-	-	-	-	-	77,722	(77,722)	-	-	-
Interest on capital	26f	-	-	-	-	-	-	-	(190,000)	-	(190,000)	-	(190,000)
Total contributions from shareholders and distributions to shareholders		256,049	-	2,795	(138,304)	-	-	3,975	(368,327)	(81,697)	(325,509)	1,252	(324,257)
AT DECEMBER 31, 2024		**1,433,652**	**(6,541)**	**13,972**	**(141,916)**	**1,112,005**	**11,108**	**160,762**	**908,538**	**-**	**3,491,580**	**7,767**	**3,499,347**

See the accompanying notes to the financial statement

(A free translation of the original in Portuguese)

TUPY S.A. AND SUBSIDIARIES

STATEMENTS OF CASH FLOW
YEAR ENDED DECEMBER 31, 2024 AND 2023
(All amounts in thousands of reais, except earnings per share)

		Parent company		Consolidated	
Cash generated from operating activities:	Note	12/31/24	12/31/23	12/31/24	12/31/23
Profit for the period before income tax and social contribution		38,643	632,057	259,128	538,140
Adjustment to reconcile profit (losses) with cash provided by operating activities:					
Depreciation and amortization	13 and 14	153,514	148,070	387,098	366,540
Constitution (reversal) impairment	13 and 14	30,512	(11,723)	250,126	(11,723)
Reversal impairment	8	-	-	(61,993)	-
Share of results of subsidiaries	12	(40,246)	(318,005)	-	-
Disposals of property, plant and equipment		6,115	15,961	30,861	21,222
Interest accrued and foreign exchange variations		268,751	331,575	362,143	380,748
Estimate for impairment of trade receivables		4,418	(2,755)	8,105	(26,409)
Estimate for losses on inventory		(2,720)	(7,904)	3,854	(2,018)
Provision for contingencies	24	50,994	115,367	85,901	133,901
Stock option plan		6,769	10,321	6,769	10,321
Changes in equity instruments		580	(238)	554	(238)
Bargain purchase		-	(29,103)	-	(29,103)
		517,330	883,623	1,332,546	1,381,381
Changes in operating assets and liabilities:					
Trade accounts receivables		272,300	135,576	476,905	47,793
Inventories		(98,384)	82,808	(63,027)	202,564
Tooling		16	(27,592)	(21,500)	(79,558)
Other taxes recoverable		(10,738)	(98,205)	202,696	(77,692)
Other assets		11,781	2,109	(24,892)	45,318
Judicial deposits and other		857	2,317	10,903	(1,869)
Trade payables		(4,569)	(51,953)	(167,581)	(257,065)
Other taxes payable		(21,796)	(6,397)	(3,066)	(81,092)
Salaries, social security charges and profit sharing		(4,689)	(34,652)	(39,708)	(39,087)
Advances from customers		4,741	16,851	37,732	58,745
Notes and other payables		(13,731)	10,249	(28,088)	3,812
Retirement benefit obligations		-	-	(26,488)	18,931
Payment of contingencies other liabitilies		(40,444)	(81,393)	(92,539)	(102,295)
Cash generated by operations		**612,674**	**833,341**	**1,593,893**	**1,119,886**
Interest paid		(119,208)	(128,899)	(180,446)	(114,391)
Income tax and social contribution paid		(27,766)	-	(59,956)	(176,370)
Net cash generated from operating activities		**465,700**	**704,442**	**1,353,491**	**829,125**
Cash flow from investing activities:					
Capital increase Tupy Minas Gerais Ltda.	12b	(350,000)	-	-	-
Capital reduction MWM Tupy do Brasil Ltda.	12b	100,000	-	-	-
Corportate reorganization	12b	-	(61)	-	-
Business combinations obligations		(150,093)	(166,673)	(150,093)	(166,673)
Additions to fixed assets or intangibles	13 and 14	(138,475)	(260,271)	(494,670)	(570,286)
Cash generated on PPE disposals		2,100	1,750	4,677	1,750
Subsidiaries and associates		(740)	1,733	-	-
Net cash used in investing activities		**(537,208)**	**(423,522)**	**(640,086)**	**(735,209)**
Cash flow from financing activities:					
Payment of loans	17	(1,729,501)	(810,080)	(1,102,548)	(163,794)
Payment of debentures	17	(1,000,000)	-	(1,000,000)	-
Debentures issued	18	1,500,000	-	1,500,000	-
Interest on debentures	18	(128,305)	(147,008)	(128,305)	(147,008)
Loans and financing raised	17	1,944,407	463,685	850,483	544,612
Lease payment from right of use		(9,002)	(10,818)	(35,113)	(31,357)
Aumento de capital, líquido dos gastos com emissão de ações		-	150,000	-	-
Interest on capital and dividends paid		(91,101)	(135,347)	(91,101)	(135,347)
Income tax of interest on capital and dividends paid		(2,825)	(6,791)	(2,825)	(6,791)
Treasury stock		(142,278)	(12,181)	(142,278)	(12,181)
Net cash generated (used) in financing activities		**341,395**	**(508,540)**	**(151,687)**	**48,134**
Effect of exchange rate differences on cash for the period		(41,900)	4,857	221,387	(58,781)
Increase (decrease) in cash and cash equivalents		**227,987**	**(222,763)**	**783,105**	**83,269**
Cash and cash equivalents at the beginning of the year		481,983	704,746	1,593,098	1,509,829
Cash and cash equivalents at the end of the year		**709,970**	**481,983**	**2,376,203**	**1,593,098**

See the accompanying notes to the financial statement

(A free translation of the original in Portuguese)

TUPY S.A. AND SUBSIDIARIES

STATEMENT OF VALUE ADDED
YEAR ENDED DECEMBER 31, 2024 AND 2023
(All amounts in thousands of reais, except earnings per share)

		Parent company		Consolidated	
	Note	12/31/24	12/31/23	12/31/24	12/31/23
Origination of value added		4,374,303	5,009,457	11,710,628	12,392,473
Sale of products, net of returns and rebates	27	4,369,760	4,977,599	11,709,772	12,336,961
Other (expenses) income		8,961	29,103	8,961	29,103
Estimate for impairment of trade receivables		(4,418)	2,755	(8,105)	26,409
(-) Inputs acquired from third parties		(2,819,371)	(3,180,330)	(7,651,425)	(8,260,866)
Raw materials and processing material consumed		(2,374,469)	(2,589,427)	(5,029,533)	(5,469,915)
Materials, energy, third party services and other		(444,902)	(590,903)	(2,621,892)	(2,790,951)
GROSS VALUE ADDED		1,554,932	1,829,127	4,059,203	4,131,607
Retentions:		(184,026)	(136,347)	(637,224)	(354,817)
Depreciation and amortization	13 and 14	(153,514)	(148,070)	(387,098)	(366,540)
Impairment	13 and 14	(30,512)	11,723	(250,126)	11,723
Net value added generated by the Company		1,370,906	1,692,780	3,421,979	3,776,790
Value added received through transfer		101,728	372,308	152,067	108,104
Share of results of subsidiaries	12	40,246	318,005	-	-
Finance income	29	61,482	54,303	152,067	108,104
VALUE ADDED TO DISTRIBUTE		**1,472,634**	**2,065,088**	**3,574,046**	**3,884,894**
Distribution of value added					
Personnel		882,382	888,371	2,184,094	2,267,866
Employees		629,216	627,014	1,766,729	1,853,862
Social charges - Government Severance Indemnity Fund for Employees (FGTS)		43,182	44,388	79,449	78,226
Profit sharing		74,961	86,566	114,096	122,101
Management fees		27,384	24,057	27,384	24,057
Workplace healthcare and safety		67,431	70,074	107,855	107,374
Food		14,708	14,745	29,323	27,727
Professional education, qualification and development		1,072	1,342	3,877	4,394
Other amounts		24,428	20,185	55,381	50,125
Government		172,249	332,571	808,665	633,537
Federal taxes and contributions		143,980	287,452	695,322	498,961
State taxes and rates		18,716	36,741	102,011	124,618
Municipal taxes, rates and other		9,553	8,378	11,332	9,958
Third party capital		338,489	336,006	498,847	466,478
Finance costs	29	326,785	277,875	400,941	340,075
Monetary and foreign exchange variations, net	29	10,647	55,827	51,665	59,524
Rentals		1,057	2,304	46,241	66,879
Own capital		79,514	508,140	82,440	517,013
Acionistas (dividendos)		-	22,071	-	22,071
Retained earnings (losses)		79,514	486,069	79,514	486,069
Non-controlling interest in retained earnings		-	-	2,926	8,873
TOTAL VALUE ADDED		**1,472,634**	**2,065,088**	**3,574,046**	**3,884,894**

See the accompanying notes to the financial statement

(A free translation of the original in Portuguese)

NOTES TO THE FINANCIAL STATEMENTS

(A free translation of the original in Portuguese)

1. GENERAL INFORMATION

Tupy S.A. ("Parent Company") and its subsidiaries (jointly, "Company" or "Consolidated") develop and produce cast iron structural components of high geometric and metallurgical complexity. These engineering solutions are applied in the structural components, manufacturing contracts, energy and decarbonization and, contribute to people's quality of life, promoting access to health, basic sanitation, drinking water, food production and distribution, and global trade. The technological innovation involved in producing and creating these pieces is the company's specialty, in its 86-year history. The Company has industrial plants in Brazil, in Joinville-SC, Betim-MG and São Paulo-SP, and a distribution center in Jundiaí-SP. Abroad, its units are located in the cities of Saltillo and Ramos Arizpe, Mexico, as well as in the city of Aveiro, Portugal. In addition to the industrial plants, the Parent Company has a subsidiary in the Netherlands, which centralizes the Company's operations abroad and another one in Luxembourg, for issuing debt securities on the international market. Additionally, it has sales offices in Germany, USA, and Italy.

Tupy S.A. is a corporation (*sociedade anônima*), headquartered in Joinville-SC, registered on the São Paulo Stock Exchange ("B3": TUPY3) and listed on the *Novo Mercado* of B3 S.A.

The issue of these financial statements was authorized by the Board of Directors on March 27, 2025.

2. DESCRIPTION OF MATERIAL ACCOUNTING POLICES

2.1 Statement of compliance and preparation basis

The Company's financial statements were prepared according to the accounting practices adopted in Brazil, including the pronouncements, interpretations and guidance issued by Accounting Pronouncement Committee (CPC) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and evidence all information of financial statements, and only them, which are consistent with those used by Management in its administration.

The presentation of the Individual and Consolidated Statement of Added Value is required by Brazilian corporate law and the accounting practices adopted in Brazil applicable to publicly-held companies. The IFRS do not require the presentation of this statement. Accordingly, in conformity with IFRS, this statement is presented as supplementary information, without prejudice to financial statements as a whole.

The financial statements were prepared based on the historical cost, except for certain financial instruments measured at its fair values, as described in the accounting practices. The historical cost is usually based on the fair value of the payments made for the assets.

The preparation of financial statements requires the use of certain critical accounting estimates and the Company's Management to exercise its judgment in the process of applying its accounting policies. The areas requiring the highest level of judgment and having the highest complexity, and the areas where assumptions and estimates are significant for the financial statements are disclosed in note 2.4.

2.2 Consolidation

Subsidiaries are all entities in which the Company holds the control and are fully consolidated as of the date control is transferred. Control is obtained when the Company is exposed or entitled to variable returns based on its involvement with the investee and has the capacity to affect those returns through the power exercised in relation to the investee. The consolidation is interrupted beginning on the date on which the Company loses the full or joint control. In this situation, on the control loss date, the corresponding assets (including goodwill), liabilities, non-controlling interests and other equity components are written-off, while any resulting gain or loss is recorded in the income (loss). As of December 31, 2024 and 2023, the consolidated subsidiaries are:

		Interest % (*)	Functional currency	Headquarters
Direct subsidiaries				
Tupy Materials & Components B.V.	(a)	100,00	U.S. dollar	Netherlands
Teksid Iron do Brasil Ltda.	(b)	100,00	Real	Brazil
MWM - Tupy do Brasil Ltda.	(c)	100,00	Real	Brazil
Tupy Agroenergética Ltda.	(d)	100,00	Real	Brazil
Sociedade Técnica de Fundições Gerais S.A. - Sofunge "in liquidation"	(e)	100,00	Real	Brazil
Indirect subsidiary				
Tupy Mexico Saltillo, S.A. de C.V.	(b)	100,00	U.S. dollar	Mexico
Technocast, S.A. de C.V.	(b)	100,00	U.S. dollar	Mexico
Diesel Servicios Industriales, S.A. de C.V.	(f)	100,00	U.S. dollar	Mexico
Tupy American Foundry Corporation	(g)	100,00	U.S. dollar	USA
Tupy Europe GmbH.	(g)	100,00	EURO	Germany
Tupy Overseas S.A.	(h)	100,00	U.S. dollar	Luxembourg
FUNFRAP – Fundição Portuguesa, S.A.	(b)	83,60	EURO	Portugal

(*) Interest in capital and in voting capital.

The Company’s investment in entity numbered by the equity method comprises interests in joint ventures.

Main activities of the Subsidiaries:

(a) Company formed for the purpose of concentrating corporate activities abroad.

(b) Industrial plants aimed at the freight transportation, infrastructure and agriculture segments.

(c) Machining and assembly of engines and power generators.

(d) Company that acted with reforestation activities and that is currently inactive.

(e) Company in the process of liquidation, currently inactive.

(f) Provider of labor services to subsidiaries in Mexico.

(g) Companies abroad, functioning as an extension of activities in Brazil and acting in logistics, sales and technical assistance in the freight transportation, infrastructure, and agriculture segments.

(h) Company abroad incorporated with the aim of enabling the issue of debt securities in the international market.

Transactions, balances and unrealized gains in transactions between Group’s companies are eliminated. Unrealized losses are also eliminated, unless the transaction shall provide impairment evidence of the asset transferred. The accounting policies of the subsidiaries are changed, when required, to assure the consistency with the policies adopted by the Parent company.

2.3 Foreign currency translation

a. Functional and presentation currency

The items included in the financial statements of each of the consolidated companies are measured using the main currency of the economic environment where the company operates (the "functional currency").

Individual and consolidated financial statements are being presented in *reais* (R$), functional currency of the Parent company.

b. Transactions and balances

Operations with foreign currencies are converted into functional currency by using foreign exchange rates prevailing on the transaction or valuation dates, when the items are measured.

Exchange gains and losses arising from the settlement of these transactions and translation at year-end exchange rates are recognized in the statement of income. With the exception of monetary items designated as part of a hedge of a net investment, they are recognized directly in other comprehensive income until the disposal of the net investment, when they are recognized in the statement of income. Tax charges and effects attributed to exchange rate changes on these loans are also recognized in equity.

Exchange-rate changes of monetary securities in foreign currency classified at amortized cost are recognized in P/L. Exchange-rate change on non-monetary financial assets and liabilities, such as investments in shares classified as measured at fair value through profit or loss, are recognized in income (loss) as part of the fair value gain or loss. Exchange-rate changes on non-monetary financial assets are included in equity valuation adjustments in shareholders' equity until the disposal of the net investment, when they are recognized in the statement of income. Charges and tax effects attributed to the exchange-rate changes on these loans are also recognized in shareholders' equity.

c. Subsidiaries with different functional currency

The income (loss) and financial position of all consolidated entities, whose functional currency differs from the presentation currency, are converted into the presentation currency as follows:

- Assets and liabilities of each balance sheet presented are translated at the closing exchange rate on the balance sheet date.
- Revenues and expenses of each statement of income are converted by the average exchange rates for the month of the transaction.
- All resulting foreign exchange differences are recognized as separate component in the shareholders' equity in "Equity valuation adjustments" account.

In the consolidation, exchange differences arising from the translation of the net investments in foreign operations and loans and other foreign currency instruments designated as hedge of these investments are recognized in shareholders' equity. When a foreign operation is partially divested or sold, exchange differences previously recorded in shareholders' equity are recognized in the statement of operations as part of gain or loss on the sale.

2.4 Use of critical accounting estimates and judgments

When applying the Company's accounting policies, Management makes judgments and estimates on book values of assets and liabilities for which are not easily obtained from other sources. Estimates and respective assumptions are based on historic experience and on other factors that are considered relevant. Effective results may differ from these estimates.

Estimates and underlying assumptions are continuously reviewed. Effects from reviews made to accounting estimates are recognized in the period in which estimates are reviewed, in case review affects only that period; or also in subsequent periods, in case review affects both current period and future periods. The main judgments are presented below:

a. Deferred income tax and social contribution

In the financial statements, the Company recognizes the effect of deferred income tax and social contribution arising from tax losses and/or temporary differences. A provision for loss of tax assets is recorded when the recoverability of these assets is unlikely.

Determination of the provision for income tax or deferred income tax, assets and liabilities, and of any provision for losses on tax credits requires Management to make estimates. For every future tax credit, the Company evaluates likelihood of not recovering a portion of or all tax assets. The provision for devaluation depends on the evaluation of likelihood of generating future taxable income based on production and sales planning, prices, operating costs and other expenditures. (note 9)

b. Useful life of the property, plant and equipment

The Company recognizes the depreciation of its property, plant and equipment based on estimated useful life, which is reviewed annually, which is in accordance with industry practices and previous experience, and reflects the economic life of property, plant and equipment. However, the actual useful lives may vary based on the technological updates made to each industrial plant. The useful lives of property, plant and equipment also affect the tests for impairment, when required.

The Company does not believe that there are indications of material changes in the estimates and assumptions used in determining the estimated useful life. (note 13)

c. Impairment of non-financial assets

The Company tests its intangible assets and other long-term assets annually whenever events and circumstances indicate that the discounted cash flows, estimated to be generated by such assets, are less than the book values of these items.

Regarding other assets, impairment losses are reversed only with the condition that the new book value of the asset does not exceed the book value that would have been calculated, net of depreciation or amortization, if the value loss had not been recognized.

Cash flow estimates are based on historical results adjusted to reflect the Company's best market estimate and operating conditions. Estimates of actual values used by the Company to calculate the impairment loss, if any, represent the best estimate based on expected cash flows, industry trends, and reference to market rates and operations. Loss due to reduction in recoverable value may also occur when the Company decides to sell assets.

d. Tax, civil, social security and labor provisions

Tax, civil, social security and labor provisions are recorded when the possibility of disbursements or loss in lawsuits is considered probable with the support of legal advisors. Contingency provisions are recorded when the amount of the loss can be reasonably estimated. Due to its nature, contingencies are solved when one or more future events occur or do not occur. Typically, the occurrence or non-occurrence of such events does not depend on the Company's action, which makes it difficult to precisely estimate the date on which such events will occur. Evaluating such liabilities involves significant estimates and judgments by Management in relation to future events' results. (note 24)

2.5 The Company's specific accounting policies

a. Cash and cash equivalents

Cash equivalents are maintained for the purpose of meeting short-term cash commitments rather than for investment or other purposes. The Company considers as cash equivalents interest earning bank deposits readily convertible into known amounts of cash and subject to an insignificant risk of change of value. Consequently, an investment qualifies as cash equivalent when it has short-term maturity. The conditions for return on these investments are presented in note 3.

b. Inventories

Inventories are valuated at average acquisition and/or production cost, considering the total absorption method of industrial costs, adjusted to net realizable value, where applicable.

The analysis for recognizing a provision, under the Company's standards, considers applicability, recoverability, realization, and signs of obsolescence. Such provisions are reviewed and adjusted at each reporting date of the financial statements. (note 5)

c. Tooling

They refer to tools in production to fulfill contracts with clients. They are stated at acquisition and construction cost, less provision for adjustment to probable realizable values, where applicable. Such tools are supported by a loan-for-use contract, to be used in the production process, and are billed upon acceptance by clients. (note 6)

d. Financial assets

(i) Recognition and measurement

The classifications of financial assets are based on the Company's business models for the management of these assets according to the characteristics of contractual cash flows, and classified as follows:

- Debt instruments measured at amortized cost ("AC");
- Debt instruments measured at fair value through other comprehensive income ("FVTOCI");
- Debt instruments, derivatives, equity instruments and debt instruments measured at fair value through profit or loss ("FVTPL");

The Company determines the classification of its financial assets upon its initial recognition, when it becomes part of the contractual provisions of the instrument.

Financial assets are initially recognized at fair value plus, in the case of investments not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Company's financial assets include cash and cash equivalents, trade accounts receivable and other accounts receivable, other receivables and loan agreements and are classified into the category of financial assets at amortized cost. Investments in equity instruments and derivative financial instruments are classified in the financial assets category at fair value through profit or loss.

(ii) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, which can be as follows:

- At amortized cost

They must be measured at amortized cost if both of the following conditions are met:

(a) the financial asset is maintained in the business model, whose the purpose is to maintain financial assets for the purpose of receiving contractual cash flows; and

(b) the contractual terms of financial assets that give rise, on specific dates, to cash flows that solely refer to payments of principal and interest on the principal amount outstanding.

- At fair value through other comprehensive income

They must be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the financial asset is maintained within a business model whose purpose will be achieved by both the receipt of contractual cash flows and the sale of financial assets; and

(b) The contractual terms of financial assets give rise, on specific dates, to cash flows that solely refer to payments of principal and interest on the principal amount outstanding.

- At fair value through profit or loss

The financial asset must be measured at fair value through profit or loss, unless it is measured at amortized cost or at fair value through other comprehensive income.

(iii) Offsetting of financial instruments

Financial assets and liabilities are offset and their net amounts in the balance sheet only when there is a legal right to offset the amounts recognized and there is an intent to settle them on net bases, or realize the asset and settle the liability simultaneously.

(iv) Impairment of financial assets

The Company assets, at the balance sheet dates, whether there is any evidence that determines that a financial asset or group of financial assets is impaired. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses (ECLs), the Company considers reasonable and supportable information, including quantitative and qualitative analyses based on the historical experience, evaluation of credit and prospective information. Evidence of impairment loss can include indicators that the borrowers are experiencing serious financial difficulty.

(v) Derecognition

Derecognition of a financial asset only occurs when the contractual rights over the asset's cash flow are realized or expire or when the Company transfers the financial asset and substantially all of its risks and returns to third parties. In transactions where such financial assets are transferred to third parties, but without the effective transfer of the respective risks and returns, the asset is not derecognized.

(vi) Derivative financial instruments and hedge of net foreign investment

The Company uses derivative financial instruments to manage its exposure to foreign exchange rates.

Derivative financial instruments

The Company uses financial derivative transactions zero cost collar "ZCC", Non Deliverable Forwards "NDF" and swaps as an instrument to minimize the risks arising from exchange-rate change on its operating revenue from companies in Brazil and on the cost of companies in Mexico.

The financial derivative instruments contracted by the Company are classified as derivatives measured at fair value through profit or loss; therefore, all changes in the fair value of any of these derivative financial instruments are immediately recognized in financial income (loss).

The total fair value of a derivative financial instrument is classified as non-current when the contract matures in more than 12 months.

Hedge of foreign investment, net

The Company designates loans and financing in foreign currency as a hedging instrument to protect against the risk of exchange-rate changes arising from investments held by the Company abroad. Arising from the conversion of said investments into the currency used to present the Company's financial statements.

At the beginning of each operation, the Company documents the following:

- the relationship between the hedge instruments and the hedge-protected items;
- risk management objectives;
- the strategy for carrying out hedge accounting;
- the assessment that the hedging instruments used in the transactions are highly effective in offsetting changes in the fair value of the hedged items.

The effective portion of gain or loss of a designated hedge instrument and qualified as foreign net investment hedge is recognized in shareholders' equity within "Equity valuation adjustments" account. The gain or loss relating to the non-effective portion is immediately recognized in the Company's financial income (loss). Changes in hedge amounts classified in the equity valuation adjustments account in shareholders' equity are stated in note 37.

Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially or fully disposed of or sold.

e. Financing, loans and debentures

They are initially recognized at fair value, net of costs incurred in the transaction and are stated at amortized cost. Any difference between the amounts raised (net of transaction costs) and the settlement amounts is recognized in the statement of income during the period while the loans are outstanding, under the effective interest rate method. (notes 17 and 18)

f. Financial liabilities

They are classified as initial recognition, financial liabilities at fair value through profit or loss, loans and financing, accounts payable or derivatives classified as hedge instrument, as the case may be. The classification depends on the purpose for which the financial liabilities were assumed.

(i) Initial recognition and measurement

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost under the effective interest method to calculate interest expense. The effective interest method computes the amortized cost of a liability and allocates the interest expenses during the period. The balances of suppliers, loans and financing, related parties and securities payable and other are classified here.

(ii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, canceled or expired. When an existing financial liability is replaced by another of the same lender with substantially different terms, or the terms of an existing liability are significantly changed, this substitution or alteration is treated as a write-off of the original liability and recognition of a new liability, whereas the difference in the corresponding book value is recognized in the statement of income.

Upon derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including assets transferred that do not pass through cash or liabilities assumed) is recognized in profit or loss.

g. Suppliers participating in “forfaiting” operations

The Company enables a program of “forfaiting” operations with financial institutions in order to facilitate administrative procedures for suppliers to advance receivables related to purchases from the Parent Company and the Betim and Mexico subsidiaries.

In these transactions, the financial institution offers to pay the supplier in advance in exchange for a discount. When contracted, the decision to enter into this transaction is solely and exclusively that of the supplier; the Company pays the financial institution, on the due date, the total nominal value of the original obligation. This transaction does not change the values and nature of the liabilities and does not affect the Company with the financial charges practiced by the financial institution. There is no guarantee granted by the Company. Additionally, payments made by the Company represent purchases of goods and services, are directly related to supplier invoices, and do not substantially alter the Company’s cash flows, or even the economic–financial essence of dealing with operational transactions for the supply and purchase of goods or services for the Company in non-material amounts in the years 2024. Considering these characteristics and the essence of these transactions, is not supplier financing, the Company has the accounting practice of recognizing the respective financial liabilities stemming from these transactions under the “suppliers” caption. (note 16)

h. Employee benefits

The Company has specifically-defined benefit plans for employees in Mexico that are funded by payments determined by periodic actuarial calculations.

The liability recognized in the balance sheet in relation to defined pension plans is the present value of obligation on balance sheet date, less the fair value of plan assets. The defined benefit obligation is annually calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation was determined by discounting estimated future cash outlays, using interest rate yields prevailing in the market for the currency in which benefits will be paid, and having maturity periods similar to those in the related pension plan obligation.

Actuarial gains and losses from experience adjustments and changes in actuarial assumptions are stated directly in shareholders' equity as other comprehensive income, when they occur. Past costs of services are immediately recognized in the income figures.

With respect to defined contribution plan, in Brazil, the Company makes contributions to private pension plans on a contractual or voluntary basis. The Company has no additional obligation to make payments after the contribution is made. The contributions are recognized as employee benefit expenses, when due. The contributions made in advance are recognized as asset as a refund in cash or a reduction of future payments when made available. (notes 21 and 23)

i. Advances from clients

They refer to advances of resources for the construction of tools that will be used in the production process, as well as in engine manufacturing operations. They are recorded at the contracted amounts, adjusted according to exchange-rate changes, where applicable, and settled upon billing of the object of the transaction. Revenue from advance from clients is recognized upon completion of the tool construction and with the approval of the tools by the client. (note 22)

j. Share-based remuneration

The Company has a share-based remuneration plan for Administrators. Part of the variable remuneration of these beneficiaries is settled through the issue or repurchase of the Company’s equity instruments, when beneficiaries of companies in Brazil. As for beneficiaries of subsidiaries abroad, settlement occurs in cash. The fair value of services, received in exchange for the granted stock options, is recognized as an expense. The total amount to be recognized is determined by reference to the fair value of the options granted.

Total expenses are recognized during the period in which the right is acquired; period during which the specific conditions of acquisition of rights should be met. (note 26)

k. General provisions

A provision is recognized when the Company have a present (legal or constructive) obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made. When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The expense referring to any provision is presented in the statement of income, net of any reimbursement.

l. Revenues

Revenues are shown net of taxes and discounts. Sales taxes are recognized when sales are invoiced, and sales discounts are recognized when granted. Revenues from sale of goods are recognized when:

- the value of the sales is reliably measurable;
- the Company no longer holds control over the goods sold or any other responsibility related to the ownership thereof;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably;
- it is likely that the economic benefits will flow to Company;
- and the risks and benefits of the products are fully transferred to the buyer. These revenue recognition conditions are normally linked to the physical delivery of the goods, either at the client's facilities or the Company's facilities, depending on the type of shipping contracted. For contracts that allow the client to return products, the revenue is recognized to the extent that it is highly likely that a significant reversal in the value of accumulated revenue will not occur. (note 27)

m. Indirect taxes

Revenues are recognized net of taxes. Likewise, acquisitions of goods, services, assets and expenses, except for situations in which, in acquisitions, taxes are not creditable, in which case such taxes are recognized as part of the acquisition cost of the goods, the service, the asset or the expense, as the case may be.
The amount of taxes levied on sales and acquisitions are included as a component of amounts receivable or payable on the Company's balance sheet.
The amount of taxes, once calculated (comparing credits for incoming acquisitions and debits for outgoing sales), will show a recoverable or payable balance and are presented on the balance sheet as assets or liabilities, respectively.
These charges are deducted from revenue in the statement of income. The credits arising from the non-accumulation of PIS/COFINS and ICMS are shown in the statement of income less cost of services rendered.

n. Segment information

For management purposes, the Company is divided into business units, based on products, with two operational segments subject to the disclosure of information:

- Freight transportation, infrastructure, agriculture and power generation segments; and
- Distribution segment.

Management separately monitors the operating income (loss) of the business units, in order to be able to make decisions on the allocation of resources and evaluate performance, whose main indicators are EBITDA and operating profit, which, in some cases, is measured differently from operating profit or loss in the consolidated financial statements.

The Company's financing (including financing revenue and expense) and income taxes are managed on a consolidated basis and are not allocated to operating segments.

Financial revenues and financial costs, in addition to gains and losses at fair value on financial assets, are not allocated to individual segments, since the underlying instruments are managed on a group basis.

Current taxes, deferred taxes, and certain financial assets and liabilities are not allocated to these segments, as they are also managed on a group basis.

Capital expenditures consist of additions to fixed assets, intangible assets and investment properties, including assets stemming from the acquisition of subsidiaries.

2.6 New standards, amendments and interpretations of standards issued by IASB and CPC

a. New standards

The Company decided not to early adopt any standard, interpretation or change that has been issued but is not yet effective.

Amendments to CPC 32 / IAS 12: Income taxes

International tax reform - Pillar Two

In December 2021, the Organization for Economic Cooperation and Development ("OECD") released the rules of the Pillar Two model for international tax reform. Multinational economic groups that fall under these rules will have to calculate their effective tax rate in each country where they operate. The effective tax rate on profits in each country, calculated in this model, is called the "GloBE effective tax rate".

When the effective GloBE rate of any entity in the economic group, aggregated by jurisdiction in which the group operates, is lower than the minimum rate set at 15%, the multinational group must pay a supplementary amount of tax on profit, referring to the difference between its effective GloBE rate and the minimum rate.

In 2024, the company is already subject to the OECD's Pillar Two model rules in the Netherlands, Mexico, Portugal, Germany, Luxembourg and Italy. In Brazil, Law 15.079/24 and RFB Normative Instruction 2.245/24 were published in December 2024 in order to adapt Brazilian tax legislation to the GloBE rules as of January 1, 2025.

However, the Company does not expect material impacts on the calculation of income tax or on the financial statements for the current and future periods (note 31), mainly due to the application of the simplifying rules ("Safe Harbor") in the calculation of GloBE.

The Company has applied the temporary exemption on the recognition and disclosure of deferred income taxes arising from changes in tax legislation, enacted or substantially enacted, to implement the OECD Pillar Two model rules, in accordance with IAS 12/CPC 32 - Income Taxes.

Amendments to IAS 1: Classification of liabilities as current or non-current

The Company applied the classification of liabilities as current or non-current and non-current liabilities with covenants (amendments to CPC 26/IAS 1) for the first time in 2024. The amendments clarify certain requirements for determining whether a liability is classified as current or non-current and introduce new disclosures for non-current loan liabilities that are subject to covenants within 12 months of the end of the reporting period.

As disclosed in note 17, the Company has a loan that is subject to specific covenants. Although the liabilities are classified as non-current as of December 31, 2024, a future breach of specific covenants may require the Company to settle the liabilities before the contracted maturity dates.

Amendments to CPC 26 / IAS 1 e CPC 40 / IFRS7: Financial instruments disclosures

The Company also applied supplier financing arrangements ("forfaiting") (amendments to CPC 03/IAS 7 and CPC 40/IFRS 7) for the first time in 2024. The amendments introduce new disclosures to help users of financial statements assess the effects of supplier financing arrangements on an entity's liabilities, cash flows and liquidity risk, as disclosed in note 16.

FRS 18 Presentation and Disclosure of Financial Statements

IFRS 18 will replace CPC 26/IAS 1 Presentation of Financial Statements and applies to annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following main new requirements.

- Entities are required to classify all income and expenses into five categories in the income statement, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net income will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the subtotal of operating profit as the starting point for the statement of cash flows when presenting operating cash flows using the indirect method.
The Company is in the process of evaluating the impact of the new standard, the statement of cash flows and the additional disclosures required for MPMs.

Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company's consolidated financial statements:
Amendments to CPC 02/IAS 21 – the effects of changes in foreign exchange rates.
Classification and measurement of financial instruments (changes to IFRS 9 and IFRS 7).

3. CASH AND CASH EQUIVALENTS

	Parent company		Consolidated	
	Dec/24	Dec/23	Dec/24	Dec/23
Cash and banks	6,664	4,104	19,897	9,072
Financial investments in Brazil	673,419	457,397	1,172,691	801,871
Financial investments abroad	29,887	20,482	1,183,615	782,155
	709,970	**481,983**	**2,376,203**	**1,593,098**

Interest earning bank deposits presented as cash and cash equivalents are securities with immediate liquidity and represent an insignificant risk of change in value. In Brazil, investments are remunerated by the change in the CDI (Interbank Deposit Certificate) rate, with an average rate equivalent to10,78% p.a. (average rate of 13.38% per year for the year ended December 31, 2023). Abroad, investments are predominantly in US dollars and remunerated at the average rate of 4,03% per annum (4.74% per annum (at December 31, 2023) called in "time deposit" and "overnight".

On December 31, 2024, the increase in cash and cash equivalents presented in the period is due to the generation from operating activities, R$ 1,353,491, the net amortizations that occurred in the period, from financing activities in the amount of R$ 151,687, deducting investment activities in the amount of

R$ 640,086 and adding the amount of R$ 221,387 referring to the exchange variation of cash and cash equivalents held in foreign currency.

The Company operates with first-rate institutions, as detailed in note 38.1.

4. ACCOUNTS RECEIVABLE

The trade accounts receivable, indicated by market and by aging, are shown below:

	Parent company		Consolidated	
	Dec/24	**Dec/23**	**Dec/24**	**Dec/23**
Domestic market	162,643	214,716	464,676	481,457
Foreign market	563,271	622,958	1,417,448	1,388,609
Estimate for impairment of trade receivables	(10,804)	(7,474)	(44,689)	(38,331)
	715,110	**830,200**	**1,837,435**	**1,831,735**

The balance of accounts receivable from the domestic market is denominated in Brazilian Reais; from the foreign market, it is predominantly in US Dollars and, to a lesser extent, in Euros.

The variation observed on December 31, 2024 compared to December 31, 2023 was substantially due to the reduction in sales volume in the last quarter of 2024 compared to the previous year, offset by the devaluation of the Real against the US Dollar from R$ 4.8413 on December 31, 2023 to R$6.1923 on December 31, 2024. The amount of accounts receivable from the Parent Company, includes amounts referring to sales to related parties, in the amount of R$ 458,271 (R$ 449,779 at December 31, 2023) that are eliminated in consolidated (note 10).

	Parent company		Consolidated	
	Dec/24	**Dec/23**	**Dec/24**	**Dec/23**
Falling due in up to 30 days	292,528	406,019	874,506	887,691
Falling due within 31 to 60 days	261,079	168,933	438,567	439,860
Falling due in more than 61 days	143,515	228,343	403,060	291,763
Total falling due	**697,122**	**803,295**	**1,716,133**	**1,619,314**
Overdue for up to 30 days	15,365	27,466	84,478	138,589
Overdue for 31 to 60 days	3,839	1,933	14,378	42,869
Overdue for more than 61 days	9,588	4,980	67,135	69,294
Total overdue	**28,792**	**34,379**	**165,991**	**250,752**
Estimate for impairment of trade receivables	(10,804)	(7,474)	(44,689)	(38,331)
Total	**715,110**	**830,200**	**1,837,435**	**1,831,735**

On December 31, 2024, the estimate of losses in relation to accounts receivable from customers represented 2.4% of the balance of consolidated accounts receivable outstanding (on December 31, 2023 it was 2.0%). Regarding to overdue amounts, the company maintains close contact with customers in order to understand and help with any difficulties in the process that may have led to late payment, and in extreme cases may notify them, adopt collection measures provided for in the contract and even suspend new shipments.

The Company performs a qualitative analysis of the main clients and a quantitative analysis of the securities receivable portfolio to determine the losses on receivables, which presented the following changes:

	Parent company		Consolidated	
	Dec/24	**Dec/23**	**Dec/24**	**Dec/23**
Opening balance	**(7,474)**	**(9,309)**	**(38,331)**	**(76,868)**
Additions	(13,259)	(15,476)	(35,742)	(39,710)
Reversals	8,841	18,231	27,637	66,119
Write-offs *(*)*	1,088	(920)	1,747	12,128
Closing balance	**(10,804)**	**(7,474)**	**(44,689)**	**(38,331)**

(*) Receivables written off during the year as uncollectible.

5. INVENTORIES

	Parent company		Consolidated	
	Dec/24	**Dec/23**	**Dec/24**	**Dec/23**
Finished products	243,212	200,333	752,135	679,136
Work in progress	149,502	100,028	697,092	496,363
Raw materials	127,620	114,273	604,806	652,796
Maintenance and other materials	32,271	39,587	219,915	205,357
Estimate for inventory losses	(7,099)	(9,819)	(76,244)	(72,390)
	545,506	**444,402**	**2,197,704**	**1,961,262**

Inventories are valuated at average acquisition and/or production cost, considering the total absorption method of industrial costs, adjusted to net realizable value (provision for losses pursuant to internal policies), as applicable.

The variation observed in the balance of inventories reflects the price inflation of raw materials in the period, amplified by the devaluation of the Real against the US Dollar, which went from R$ 4.8413 on December 31, 2023 to R$ 6.1923 on December 31, 2024.

The estimate for inventory losses showed the following movement:

	Parent company		Consolidated	
	Dec/24	**Dec/23**	**Dec/24**	**Dec/23**
Opening balance	**(9,819)**	**(17,723)**	**(72,390)**	**(74,408)**
Reversals (additions)	(815)	5,399	(16,884)	(10,464)
Write-off as loss	3,535	2,505	13,030	12,482
Closing balance	**(7,099)**	**(9,819)**	**(76,244)**	**(72,390)**

6. TOOLING

	Parent company		Consolidated	
	Dec/24	**Dec/23**	**Dec/24**	**Dec/23**
Domestic market	22,855	43,279	42,887	69,772
Foreign market	75,123	54,715	251,857	168,371
	97,978	**97,994**	**294,744**	**238,143**

This refers to tooling in production to meet supply contracts, where construction is largely financed by the customers themselves (note 22). The increase observed in the balance is substantially due to the devaluation of the Real against the US Dollar, which went from R$4.8413 on December 31, 2023 to R$6.1923 on December 31, 2024.

7. RECOVERABLE INCOME TAX AND SOCIAL CONTRIBUTION

	Dec/24			Dec/23		
	Current	Non-current	Total	Current	Non-current	Total
Parent company	**57,118**	**27,485**	**84,603**	**4,933**	**29,472**	**34,405**
Income tax	57,118	11,490	68,608	4,933	20,175	25,108
Social contribution	-	15,995	15,995	-	9,297	9,297
Subsidiaries	**112,839**	**15,920**	**128,759**	**69,338**	**21,650**	**90,988**
Income tax	112,052	15,920	127,972	69,338	21,650	90,988
Social contribution	787	-	787	-	-	-
Consolidated	**169,957**	**43,405**	**213,362**	**74,271**	**51,122**	**125,393**

The increases identified in relation to 2023 in the Parent Company refer to taxes paid by estimate, withholding taxes on interest on equity and on income from financial investments. In the subsidiaries, it is mainly due to tax prepayments made by Tupy Overseas S.A. and Tupy Materials & Components B.V., in the amounts of R$ 20,385 and R$ 17,822 respectively.

8. OTHER RECOVERABLE TAXES

Parent company

	Dec/24			Dec/23		
	Current	Non-current	Total	Current	Non-current	Total
ICMS recoverable - São Paulo (a)	287	-	287	50	-	50
ICMS recoverable - Santa Catarina (a)	8,948	5,662	14,610	7,690	8,166	15,856
Reintegra benefit	875	-	875	670	-	670
COFINS, PIS and IPI recoverable (b)	42,013	6,778	48,791	38,827	6,778	45,605
	52,123	**12,440**	**64,563**	**47,237**	**14,944**	**62,181**

Consolidated

	Dec/24			Dec/23		
	Current	Non-current	Total	Current	Non-current	Total
ICMS recoverable - São Paulo (a)	80,011	23,232	103,243	22,848	148,111	170,959
ICMS recoverable - Santa Catarina (a)	8,948	5,662	14,610	7,690	8,166	15,856
ICMS recoverable - Minas Gerais	2,457	3,259	5,716	3,797	3,259	7,056
ICMS impairment	-	-	-	-	(61,993)	(61,993)
Reintegra benefit	897	-	897	876	-	876
COFINS, PIS and IPI recoverable (b)	120,540	15,026	135,566	161,001	72,378	233,379
Value-added tax (VAT) (c)	150,266	-	150,266	153,950	101,474	255,424
	363,119	**47,179**	**410,298**	**350,162**	**271,395**	**621,557**

a. ICMS recoverable

These are credits arising from purchases of raw materials used in the manufacturing process of exported products and purchases of realizable property, plant and equipment, at their origin, in 48 installments, pursuant to applicable state legislation.

The accumulated credit in São Paulo was constituted over the years, by the subsidiary MWM Tupy do Brasil Ltda, especially in 2018. Due, essentially, to ICMS payments in the customs clearance of goods carried out within the state of São Paulo without equivalent consideration of consumption (debits), in view of the representativeness of export activities (exempt) and of interstate sales (carried out at a lower rate than practiced in the afore mentioned customs clearance) in the operation.

The realization of assets, through transfers to third parties, presented significant results during the year, and on December 31, 2024 the Company reversed the impairment provision, in the amount of R$61,933, which had been recorded in the measurement of the opening balance sheet for the business combination on December 01, 2022.

b. Recoverable PIS, COFINS and IPI

These are credits stemming from the acquisition of inputs used in the production process and are offset against taxes levied on the sale of goods, and to offset other federal taxes for the original portion proportional to export revenues. For credits originating in proportion to revenues from the domestic market, such credits are used by offsetting against a memorandum account.

The business combination for the acquisition of MWM Tupy do Brasil Ltda brought PIS and COFINS assets from the exclusion of ICMS from the calculation basis, in the amount of R$ 218,760. Of this amount, R$ 168,760 will be reimbursed to the seller as it is used by the acquiree. (note 20)

The reduction observed in relation to the balance on December 31, 2024 is due to the use for offsetting federal taxes and contributions.

c. Value added tax – VAT

These are credits arising from the acquisition of inputs used in the production process of subsidiaries in Mexico and from exports, from companies acquired on October 1, 2021, with customs clearance taking place in Italy. The aforementioned credits are reimbursed regularly by the respective tax authorities. In December 2024, credits accumulated in Italian operations were reimbursed, resulting in the reduction in relation to the balance on December 31, 2023.

9. DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION, NET

The breakdown of deferred tax credits and debits stemming from income tax and social contribution, according to the balance sheet accounts, is presented below:

	Parent company		Consolidated	
	Dec/24	Dec/23	Dec/24	Dec/23
Deferred assets				
Income tax and social contribution losses	202,704	138,106	557,305	474,846
Provisions for contingencies	47,137	45,885	117,364	130,740
Taxes and contribution recoverable	38,602	38,602	41,687	59,717
Property, plant and equipment - impairment	5,608	2,435	72,262	2,472
Salaries, social security charges and profit sharing	22,282	6,159	24,317	18,205
Estimate for impairment of trade receivables	13,716	11,253	47,713	48,073
Estimate for inventory losses	3,074	4,055	20,794	17,392
Share-based payments	4,750	3,799	4,750	3,799
Tooling	-	-	8,824	14,122
Financial derivative instruments - options	5,484	4,414	8,213	7,435
Other itens	-	-	24,159	33,337
Depreciation rate differences	7,033	(10,807)	3,214	(15,969)
Amortization of capital gains on equipment	5,648	-	5,648	-
Subsidiarys rate differential	22,752	-	22,752	-
Unrealized profits in Subsidiaries	-	-	16,085	12,037
Subtotal	**378,790**	**243,901**	**975,087**	**806,206**
Deferred liabilities				
Property, plant and equipment - tax base (México)	-	-	7,097	(83,236)
Business combination effect	24,674	21,627	24,674	21,627
Property, plant and equipment - carrying value adjustments	5,753	6,878	6,161	7,593
Financial derivative instruments - options	24,479	1,769	24,479	1,769
Deferred tax on asset valuation	-	-	32,162	36,855
Deferred tax on ICMS based on PIS/COFINS	-	-	11,960	38,645
Other itens	5,944	1,570	22,279	2,437
Subtotal	**60,850**	**31,844**	**128,812**	**25,690**
Total deferred liabilities, net	**317,940**	**212,057**	**846,275**	**780,516**

Tax legislation in Mexico allows the Company to carry out depreciation based on tax property, plant and equipment, so the Company records the temporary difference in depreciation between the tax base and the accounting base. As of December 31, 2024, the amount of deferred taxes on passive temporary differences in the amount of R$ 7,097 (R$ 83,263 as of December 31, 2023). The change during the year is due to the exchange-rate impact between the tax calculation currency (Mexican Pesos) and the functional currency (USD).

Still in Mexico, tax credits resulting from losses do not have a recovery limit as in Brazil, on the other hand they expire after ten years. Technocast S.A de C.V generated negative bases in the last years, especially in the years most impacted by the Covid 19 pandemic. The Company prepared an analysis of the capacity for realization, considering decay and an impairment provision of R$ 39,600 was recognized.

In addition to the impacts already mentioned, the following are also noteworthy:

- • Increase in the balance of IRPJ tax losses and negative CSLL basis, increased due to the exchange rate impact on the measurement of the calculation bases;

- • Impairment of fixed assets reflecting the deferred tax on the impairment constituted in Mexico. (note 13 b)

For the amounts recorded, the Company has made an assessment, which indicates the capacity for realization, considering current circumstances and projections of future results, and the estimate of future realization is as follows:

	Parent company		Consolidated	
Years	Dec/24	Dec/23	Dec/24	Dec/23
2024	-	116,783	-	190,608
2025	100,080	78,697	233,293	195,645
2026	60,842	47,925	118,416	175,654
2027	68,490	11,303	124,750	101,251
2028	38,503	-	55,751	107,033
2028	8,674	-	23,228	134,353
Thereafter	95,168	-	393,003	-
	371,757	**254,708**	**948,441**	**904,544**

In the year ended December 31, 2024, deferred credits and tax debits are as follows:

	Parent company		Consolidated	
	Dec/24	Dec/23	Dec/24	Dec/23
Opening balance *(*)*	212,057	265,839	780,516	657,132
Recognized in profit				
Recognized in profit for the year	26,795	(11,772)	(93,340)	181,371
Recognized in comprehensive income for the year	79,088	(42,010)	79,088	(42,010)
Effects of currency translation into presentation currency	-	-	80,011	(15,977)
Recognized in assets				
Balance on December 31, 2024	**317,940**	**212,057**	**846,275**	**780,516**

(*) Refers to December of the previous year.

10. RELATED PARTY TRANSACTIONS

The Parent Company's main transactions with related parties can be summarized as follows:

a. Subsidiaries

Assets	Dec/24	Dec/23
Trade account receivables	**458,271**	**449,779**
Tupy Mexico Saltillo, S.A. de C.V.	232,568	251,762
Tupy American Foundry Corporation	127,706	91,097
Tupy Europe GmbH.	41,958	52,283
Tupy Materials & Components B.V.	19,209	25,017
MWM Tupy do Brasil Ltda.	16,473	24,116
Technocast, S.A. de C.V.	7,045	1,328
Tupy Minas Gerais Ltda.	11,091	3,746
Funfrap - Fundição Portuguesa S.A.	2,221	430
Other assets	**150,000**	**10,998**
MWM Tupy do Brasil Ltda.	150,000	10,998
	608,271	**460,777**

Liabilities	Dec/24	Dec/23
Loans and financing	**1,275,528**	**925,915**
Tupy Overseas S.A.	1,233,065	925,915
Tupy Europe GmbH.	42,463	-
Other liabilities	**16,165**	**17,099**
Tupy Minas Gerais Ltda.	9,102	7,273
MWM Tupy do Brasil Ltda.	22	1,296
Tupy Europe GmbH.	2,045	2,671
Tupy American Foundry Corporation	3,072	723
Tupy México Saltillo S.A. de C.V.	1,055	1,520
Technocast, S.A. de C.V.	869	3,616
Related parties – loans	**4,428**	**2,489**
Tupy Agroenergética Ltda.	4,428	3,785
Sociedade Técnica de Fundições Gerais S.A. - Sofunge "em liquidação"	-	(1,296)
	1,296,121	**945,503**

Statement of income	2024	2023
Revenues	**2,504,038**	**2,588,708**
Tupy American Foundry Corporation	987,810	1,028,752
Tupy Mexico Saltillo, S.A. de C.V.	540,156	568,675
Tupy Europe GmbH.	345,894	434,742
Tupy Material & Components B.V.	338,278	204,893
MWM Tupy do Brasil Ltda.	291,884	334,066
Tupy Minas Gerais Ltda.	16	17,580
Other operating expenses, net	**22,425**	**58,023**
FUNFRAP – Fundição Portuguesa, S.A.	9,570	6,765
Tupy Mexico Saltillo, S.A. de C.V.	9,419	9,555
Tupy Material & Components B.V.	1,240	9,139
Tupy Europe GmbH.	(1,293)	14,710
Technocast, S.A. de C.V.	3,489	15,421
Tupy American Foundry Corporation	-	2,433
Finance costs	**(93,427)**	**(104,726)**
Tupy Overseas S.A.	(91,052)	(104,726)
Tupy Europe GmbH.	(2,375)	-
	2,433,036	**2,542,005**

The subsidiaries' operating activities are disclosed in note 2.2.

The rights receivable (note 4) and the parent company's sales revenues with its subsidiaries are basically represented by sales of goods in the cargo transportation, infrastructure, agriculture and power generation segment. The amounts comply with the sales price lists practiced by the Company and the terms are from 60 to 90 days, as established among the parties. As of December 31, 2024, the related parties did not have overdue notes due to default and, therefore, the Parent Company does not have a estimated loss on receivables.

Securities payable and other refer to current accounts between the foreign Subsidiaries and the Parent Company, basically for technical assistance in the cargo transportation, infrastructure, agriculture, and energy generation segments, with a term from 30 to 60 days, as established between the parts.

The conditions of the loans granted by the Subsidiaries to the Parent Company are disclosed in note 17.

Other transactions correspond to intercompany loan agreements payable between subsidiaries in Brazil and the Company, with an undefined term, remunerated at the change of the TR – Reference Rate.

Other net operating revenues (expenses) refer to the sale of property, plant and equipment from the machining line from Brazil to the subsidiaries Technocast S.A. de C.V. and Tupy Mexico Saltillo S.A. de C.V.

b. Main shareholders

The Company's main shareholders are BNDES Participações S.A. – BNDESPAR (28.2%), PREVI – Caixa de Previdência dos Funcionários do Banco do Brasil (24.8%) and Trígono Capital (10%).

c. Management remuneration

	Board of directors		Board of officers		Total	
	2024	2023	2024	2023	2024	2023
Fixed remuneration	5,365	4,258	8,725	6,511	14,090	10,769
Variable remuneration	-	-	7,889	4,441	7,889	4,441
Stock option plan	-	644	5,405	9,135	5,405	9,779
	5,365	**4,902**	**22,019**	**20,087**	**27,384**	**24,989**

The annual global remuneration, net of payroll charges, approved at the Ordinary General Meeting on April 30, 2024 for the Board of Directors and Executive Board for the year ended December 31, 2024 is R$ 49,650 (R$ 50,584 for the year ended December 31, 2023). The annual global remuneration includes the amount of R$ 8,600 (R$ 11,084 for 2023) as allowance for discontinuance of position.

Statutory management remuneration takes place only at the Parent Company.

The amounts related to the variable remuneration of the Executive Board are recorded as provision, in accordance with the targets established for the year.

For share-based remuneration, information on the Stock Option or Stock Subscription Plans issued by Tupy S.A. (“Plan”), are disclosed in note 26.

As corporate benefits, the Company's Officers are entitled to a car, refund of expenses, health insurance, life insurance, defined contribution pension plan and indemnity for contract termination. As of December 31, 2023, these benefits totaled R$ 4,566 (R$ 2.356 in the same period of the previous year).

The Company does not offer its administrators a post-employment benefit plan.

d. Other related parties

The Parent Company takes part, as a sponsor, in Associação Atlética Tupy, a not-for-profit foundation that develops leisure and sports activities for the Company's employees and the community. In the year ended December 31, 2024, the Company recognized as sponsorship expenses the amount of R$ 1,611 (R$ 1,400 as of December 31, 2023).

11. INVESTMENT PROPERTIES

The Company has assets classified as investment properties, consisting substantially of areas of land and forests, owned by the subsidiary Tupy Agroenergética Ltda. The book balance as of December 31, 2024 is R$ 3,831 (R$ 3,622 in 2023), considering historical cost as the calculation basis. The fair value of realization, as appraised by a specialized company, points to a range between R$ 59,484 (minimum) and R$ 129,313 (expected).

12. INVESTMENTS

a. Breakdown of investments in subsidiaries

Parent company	Total assets	Equity	Goodwill	Profit (loss) for the period	Interest in capital (%)	Share in the results of subsidiaries *(*)*	Book value *(*)*
AT DECEMBER 31, 2024							
Investment in subsidiary company							
Tupy Materials & Components B.V. (**)	7,095,142	3,000,568	10,714	(94,517)	100,00	(78,806)	2,905,187
Tupy Minas Gerais Ltda.	891,691	460,340	45,199	(128,074)	100,00	(118,305)	500,297
MWM Tupy do Brasil Ltda.	1,969,736	1,180,933	192,138	241,396	100,00	241,396	1,373,071
Tupy Agroenergética Ltda.	14,302	8,319	-	(4,704)	100,00	(4,704)	8,319
Sociedade Técnica de Fundições Gerais S.A. - Sofunge "in liquidation"	11,515	7,717	-	665	100,00	665	7,717
						40,246	**4,794,591**

(*) Adjusted by unrealized profits
(**) Controller of foreign market operations

Parent company	Total assets	Equity	Goodwill	Profit (loss) for the period	Interest in capital (%)	Share in the results of subsidiaries (*)	Book value (*)
AT DECEMBER 31, 2023							
investment in subsidiary company							
Tupy Materials & Components B.V(**)	5,472,048	2,429,892	41,226	126,350	100,00	130,060	2,435,424
Tupy Minas Gerais Ltda.	923,286	238,414	45,199	(9,337)	100,00	(8,412)	285,878
MWM Tupy do Brasil Ltda.	1,885,778	1,184,514	200,442	189,816	100,00	189,816	1,384,956
Tupy Agroenergética Ltda.	13,866	13,023	-	(1,386)	100,00	(1,386)	13,023
Sociedade Técnica de Fundições Gerais SA. - Sofunge "in liquidation"	10,744	7,051	-	7,927	100,00	7,927	7,051
						318,005	**4,126,332**

(*) Adjusted by unrealized profits
(**) Controller of foreign operations

b. Changes in investments

Parent company	
AT DECEMBER 31, 2022	**4,136,047**
Share in the results of subsidiaries	318,005
Exchange variations of foreign subsidiaries	(165,310)
Realization of capital gains	(12,471)
Corporate restructuring	61
Capital reduction MWM Tupy do Brasil Ltda.	(150,000)
AT DECEMBER 31, 2023	**4,126,332**
Share in the results of subsidiaries	40,246
Impairment Intangible assets	(30,512)
Exchange variation of foreign investees	566,830
Realization of capital gains	(8,305)
Capital increase Tupy Minas Gerais Ltda.	350,000
Capital reduction MWM Tupy do Brasil Ltda.	(100,000)
JSCP and dividends received	(150,000)
AT DECEMBER 31, 2024	**4,794,591**

The equity in net income of subsidiaries is recognized in the income (loss) for the year and the exchange-rate change on foreign investees is recognized in comprehensive income and comprises the balance of the equity valuation adjustment account in shareholders' equity.

c. Tupy Minas Gerais Ltda.

On January 31, 2024, the Company's Board of Directors approved the capital increase of the subsidiary Tupy Minas Gerais Ltda., in kind, in the amount of R$ 350,000.

d. MWM Tupy do Brasil Ltda.

On April 25, 2024, the Company's Board of Directors approved the reduction of the share capital of the subsidiary MWM Tupy do Brasil Ltda. in the amount of R$ 100,000 transferred in cash. On December 18, 2024, the distribution of R$150,000 in JSCP securities and dividends was approved, which were settled on January 15, 2025.

13. PROPERTY, PLANT AND EQUIPMENT

a. Changes in property, plant and equipment

Parent company	Machinery, facilities and equipment	Buildings	Land	Vehicles	Furniture, fittings and other	Right of use	Construction in progress	Total
Cost								
AT DECEMBER 31, 2022	**1,822,818**	**380,844**	**8,948**	**30,942**	**5,682**	**27,563**	**134,392**	**2,411,189**
Addition	173,334	28,291	-	5,945	1,461	24,884	54,395	288,310
Impairment	11,723	-	-	-	-	-	-	11,723
Disposal	(50,821)	(586)	-	(1,618)	(2)	(26,467)	-	(79,494)
AT DECEMBER 31, 2023	**1,957,054**	**408,549**	**8,948**	**35,269**	**7,141**	**25,980**	**188,787**	**2,631,728**
Addition	156,928	19,690	-	5,990	593	4,913	(34,696)	153,418
Disposal	(31,488)	(510)	-	(2,036)	(43)	(5,995)	-	(40,072)
AT DECEMBER 31, 2024	**2,082,494**	**427,729**	**8,948**	**39,223**	**7,691**	**24,898**	**154,091**	**2,745,074**
Depreciation								
AT DECEMBER 31, 2022	**(1,454,225)**	**(205,107)**	**-**	**(16,552)**	**(3,147)**	**(23,331)**	**-**	**(1,702,362)**
Depreciation in the year	(111,176)	(12,542)	-	(2,359)	(471)	(9,107)	-	(135,655)
Disposal	38,349	159	-	1,130	2	23,893	-	63,533
AT DECEMBER 31, 2023	**(1,527,052)**	**(217,490)**	**-**	**(17,781)**	**(3,616)**	**(8,545)**	**-**	**(1,774,484)**
Depreciation in the year	(114,291)	(12,680)	-	(2,652)	(522)	(9,420)	-	(139,565)
Disposal	26,704	510	-	1,813	37	4,893	-	33,957
AT DECEMBER 31, 2024	**(1,614,639)**	**(229,660)**	**-**	**(18,620)**	**(4,101)**	**(13,072)**	**-**	**(1,880,092)**
Carrying amount								
AT DECEMBER 31, 2023	430,002	191,059	8,948	17,488	3,525	17,435	188,787	857,244
AT DECEMBER 31, 2024	467,855	198,069	8,948	20,603	3,590	11,826	154,091	864,982

Consolidated	Machinery, facilities and equipment	Buildings	Land	Vehicles	Furniture, fittings and other	Right of use	Construction in progress	Total
Cost								
AT DECEMBER 31, 2022	**5,993,447**	**1,503,104**	**345,522**	**39,832**	**126,167**	**109,624**	**405,833**	**8,523,529**
Addition	319,894	54,554	-	6,585	8,057	63,821	197,419	650,330
Exchange variation	(219,598)	(48,904)	(5,587)	(329)	(3,082)	(4,887)	(20,709)	(303,096)
Impairment	11,723	-	-	-	-	-	-	11,723
Disposal	(72,091)	(597)	-	(2,262)	(3,304)	(32,137)	-	(110,391)
AT DECEMBER 31, 2023	**6,033,375**	**1,508,157**	**339,935**	**43,826**	**127,838**	**136,421**	**582,543**	**8,772,095**
Business combination adition	-	-	-	-	-	-	-	-
Addition	438,264	69,804	9,536	6,219	7,507	13,599	(87,278)	457,651
Exchange variation	804,179	192,317	20,822	956	12,471	45,503	82,766	1,159,014
Impairment	(219,614)	-	-	-	-	-	-	(219,614)
Disposal	(453,134)	(1,920)	-	(3,923)	(7,021)	(25,893.00)	-	(491,891)
AT DECEMBER 31, 2024	**6,603,070**	**1,768,358**	**370,293**	**47,078**	**140,795**	**169,630**	**578,031**	**9,677,255**
Depreciation								
AT DECEMBER 31, 2022	**(4,799,836)**	**(947,483)**	**-**	**(22,463)**	**(97,236)**	**(72,209)**	**-**	**(5,939,227)**
Depreciation in the year	(273,277)	(38,545)	-	(3,165)	(6,898)	(28,002)	-	(349,887)
Exchange variation	180,440	33,782	-	202	2,768	3,284	-	220,476
Disposal	58,593	163	-	1,396	305	28,799	-	89,256
AT DECEMBER 31, 2023	**(4,834,080)**	**(952,083)**	**-**	**(24,030)**	**(101,061)**	**(68,128)**	**-**	**(5,979,382)**
Depreciation in the year	(275,152)	(45,316)	-	(3,594)	(8,152)	(32,909)	-	(365,123)
Exchange variation	(669,095)	(133,646)	-	(630)	(11,011)	(38,647)	-	(853,029)
Disposal	425,019	1,511	-	3,564	6,696	24,240	-	461,030
AT DECEMBER 31, 2024	**(5,353,308)**	**(1,129,534)**	**-**	**(24,690)**	**(113,528)**	**(115,444)**	**-**	**(6,736,504)**
Carrying amount								
AT DECEMBER 31, 2023	1,199,295	556,074	339,935	19,796	26,777	68,293	582,543	2,792,713
AT DECEMBER 31, 2024	1,249,762	638,824	370,293	22,388	27,267	54,186	578,031	2,940,751

Construction in progress includes several investments in sustaining capacity, the environment, labor safety, projects to expand machining capacity at Mexican plants and the development of strategic projects.

b. Impairment of non-financial assets

On December 31, 2024, the Company reviewed the recoverability indicators of its assets and identified the need to test one of the plants located in Mexico.

With the increase in the company's global production capacity following recent acquisitions, studies have been carried out to reallocate products and discontinue less efficient assets. In this context, the plant located in Mexico, in Saltillo, was identified as having products reallocated and its operating capacity, from 2025 onwards, it will be reduced, operating with idle capacity.

The company then carried out an impairment test to assess the ability to realize its fixed assets in the new capacity utilization configuration, resulting in an adjustment of R$219,612.

The cash-generating unit (CGU) tested corresponds to the Saltillo industrial plant, which is part of the company's structural components segment. The CGU covers all the plant's operating assets, including machinery and equipment, buildings, furniture and fixtures, vehicles and land. There have been no changes in the composition of the CGU in relation to previous impairment tests, and the allocation of cash flows reflects exclusively the assets used in the production of the unit. The methodology for measuring the recoverable amount was determined by the value in use, except for the value of the land, which was determined by the sale value, net of expenses.

The value in use was determined based on a 10-year cash flow projection, taking into account the company's history in the region and the longevity of the contracts signed with clients at the Saltillo unit. The choice of a period of more than five years is based on the company's experience in similar operations and the existence of long-term supply contracts, which guarantee continued cash generation at the unit. In addition, market analyses indicate a stable demand outlook for the products manufactured at the plant, the flow was projected in the subsidiary's functional currency, which is the US dollar, based on estimated sales volumes and the result was brought to present value using a discount rate of 6.52% (the company's real WACC).

The result of the adjustment was in the order of US$ 36,0 million, which, converted into the presentation currency, the Brazilian Real, at the average rate for December of R$ 6.097, meant R$ 219,612 and was recognized in the income statement for 2024, under “Other operating expenses”, as provided for in CPC 01 (R1), item 60. As the assets affected were not recorded under the revaluation model, the loss was fully recognized in the income statement, with no direct impact on the asset revaluation reserve.

The impairment loss recognized cannot be reversed for goodwill and intangible assets with an indefinite useful life, in accordance with CPC 01 (R1), item 124. For the other assets, the company will carry out periodic assessments to check whether market or operating conditions justify a possible reversal of the loss, in accordance with items 117 to 121 of the standard. At the moment, there are no concrete indicators that the recoverable value of the Saltillo plant's assets may increase in the short term.

The assets subject to the adjustment make up the Parent Company's investment in the impacted subsidiary, which is hedged for exchange rate variation effects, having as instruments the exchange contract advance operations and export prepayment contracts, as detailed in note 37c.

Considering that the protection instruments are worth less than the protected investment, even after impairment, no adjustment to this instrument should be recognized.

c. Depreciation

The Company depreciates property, plant and equipment under the straight-line method, using the average useful lives based on a report prepared by experts, as shown below:

Consolidated	Average useful lives
Machinery, facilities and equipment	17 years
Buildings	38 years
Vehicles	5 years
Furniture, fittings and other	11 years

d. Capitalization of interest and financial charges

The Company recognizes as asset formation costs the interest and financial charges incurred during the construction period for qualifiable assets.

In the year ended December 31, 2024, interest was capitalized on property, plant and equipment in the amount of R$ 17,704 (R$ 12,563 during the year 2023).

e. Guarantees

The Company's property, plant, and equipment items, in the amount of R$ 43 (R$ 698 as of December 31, 2023), are pledged as collateral for loans and financing maturing in January 2025, representing 120% of the outstanding balance. And, as a guarantee for tax claims, the amount of R$ 2,765 (R$ 5,895 as of December 31, 2023), at the original cost of the good.

f. Insured amounts

Property, plant and equipment are insured against fire, electrical damage and explosion. Its coverage is determined according to values and risk level involved. (note 34)

g. Transactions not affecting cash

The Company carried out non-cash transactions relating to investment activities, which were not reflected in the statement of cash flow. As of December 31, 2024, these transactions amounted to R$ 29,865 (R$ 27,584 as of December 31, 2023).

14. INTANGIBLE ASSETS

Parent company	Software	Internal projects	Projects in progress	Total
AT DECEMBER 31, 2022	**31,260**	**4,786**	**12,350**	**48,396**
Acquisition/costs	11,079	1,545	5,729	18,353
Amortization	(9,964)	(2,451)	-	(12,415)
AT DECEMBER 31, 2023	**32,375**	**3,880**	**18,079**	**54,334**
Acquisition/costs	9,197	2,448	1,986	13,631
Amortization	(11,709)	(2,240)	-	(13,949)
AT DECEMBER 31, 2024	**29,863**	**4,088**	**20,065**	**54,016**

Consolidated	Software	Goodwill	Internal projects	Projects in progress	Total
AT DECEMBER 31, 2022	**61,397**	**41,226**	**4,786**	**12,350**	**151,113**
Acquisition/costs	16,650	-	1,545	5,729	23,924
Disposal	(87)	-	-	-	(87)
Exchange variation	(1,197)	-	-	-	(1,197)
Disposal	(14,202)	-	(2,451)	-	(16,653)
AT DECEMBER 31, 2023	**62,561**	**41,226**	**3,880**	**18,079**	**157,100**
Acquisition/costs	20,591	-	2,448	1,986	25,025
Disposal	-	(30,512)	-	-	(30,512)
Exchange variation	7,838	-	-	-	7,838
Amortization	(19,735)	-	(2,240)	-	(21,975)
AT DECEMBER 31, 2024	**71,255**	**10,714**	**4,088**	**20,065**	**137,476**

a. Software

Basically, composed of a license for an integrated business management system (ERP), implemented on July 1, 2015. Amortization is being carried out on a straight-line basis over 10 years.

b. Goodwill

Intangible assets represented by the positive difference between the amount paid for the acquisition and the net fair value of the assets and liabilities of the subsidiaries Tupy México Saltillo S.A., de C.V. and Technocast S.A., de C.V., substantially generated by expected synergies.

Goodwill is allocated to the subsidiaries Tupy México Saltillo S.A., de C.V. and Technocast S.A., de C.V., which are considered two cash generating units (CGU) and both belong to the cargo transportation, infrastructure, agriculture, and power generation segment.

Annually, the existence of recorded goodwill impairment is verified by determining the recoverable amount of a CGU.

The recoverable value is determined based on value-in-use calculations. These calculations use discounted free cash flow projections, post-tax on income and capital expenses, based on projections of financial budgets under actual terms (no inflation) approved by Management covering a five-year period. The amounts related to cash flows, after five-year period were perpetuated based on cash flow of the fifth year. The main assumptions used to calculate value in use as of December 31, 2024 are as follows:

- revenues were determined according to demand projections by the client over the next five years;
- management determined operating margins based on historic performance and on expected market development; and
- discount rate in actual terms, before taxes, of 6,52% p.a., which reflects the Company's risks.

As a result of the analysis, in line with the assumptions that resulted in the impairment provision for property, plant and equipment set up at Tupy México Saltillo S.A. (note 13b), the Company reversed goodwill in the amount of R$30,512 that had been recognized on the occasion of the business combination that took place on April 16, 2012. The remaining balance of R$10,714 is attributed to Technocast S.A., de C.V., for which no need for adjustment was identified.

c. Brand

Amount attributed to the MWM brand generated in the business combination due to the acquisition of MWM Tupy do Brasil Ltda., considered as an intangible asset with an undefined useful life.

15. SECURITIES RECEIVABLE AND OTHER

	Parent company		Consolidated	
	Dec/24	Dec/23	Dec/24	Dec/23
Domestic market	39,553	53,434	82,409	85,463
Foreign market	-	-	64,983	41,645
	39,553	**53,434**	**147,392**	**127,108**

Notes receivable and other comprise advances for imports and for employees, prepaid expenses and other accounts receivable not directly related to the operation.

The variation observed in relation to the balance on December 31, 2023 is concentrated in the Dollar currency, and reflects the variation in the exchange rate that went from R$4.8413 on December 31, 2023 to R$6.1923 on December 31, 2024.

16. SUPPLIERS

	Parent company		Consolidated	
	Dec/24	**Dec/23**	**Dec/24**	**Dec/23**
Domestic suppliers	430,222	422,914	747,223	716,451
Foreign suppliers	69,437	46,073	562,232	461,247
Subtotal	**499,659**	**468,987**	**1,309,455**	**1,177,698**
Forfaiting operation	63,998	89,576	173,165	198,076
Total	**563,657**	**558,563**	**1,482,620**	**1,375,774**

The variations in the period reflect the material inflation accumulated in the period and, mainly, the devaluation of the Real against the US Dollar, which went from R$ 4.8413 on December 31, 2023 to R$ 6.1923 on December 31, 2024.

The Company has agreements signed with financial institutions to structure, with its main suppliers, a transaction called “forfaiting”. In this transaction, suppliers transfer the right to receive from securities to the financial institutions, which become the operation’s creditors. Considering that there are no financial charges, no guarantee granted, that the terms do not change significantly and that these are transactions for the supply of goods and services, the Company recognizes the respective financial liabilities arising from these transactions under Suppliers.

17. LOANS AND FINANCING

Parent company

	Maturity	Effective rate	Dec/24	Dec/23
Local currency			**79,290**	**56,826**
FINEP (b)	Jul/2032	TJLP - 0.11% p.a.	65,782	37,678
Sustainability	Jan/2025	6.00% p.a.	36	582
Leasing from right of use			13,472	18,566
Foreign currency			**2,004,146**	**1,398,063**
Export prepayment - Subsidiaries (c)	Ago/2027	VC + 5.82% p.a.	1,275,551	925,915
BNDES Exim (d)	Apr/2029	VC + 5.63% p.a.	304,782	93,863
Advance on export contracts - ACC (e)	May/2025	VC + 6.48% p.a.	423,813	378,285
Current portion			521,906	1,314,072
Non-current portion			1,561,530	140,817
			2,083,436	**1,454,889**

Consolidated

g.	Maturity	Effective rate	Dec/24	Dec/23
Local currency			**86,368**	**411,475**
Export credit notes - NCE (a)	Jan/2029	CDI + 1.42% p.a.	-	340,814
FINEP (b)	Jul/2032	TJLP - 0.11% p.a.	65,782	37,678
Sustainability	Jan/2025	6.00% p.a.	36	737
Leasing from right of use			20,550	32,246
Foreign currency			**3,111,687**	**2,343,688**
Senior Unsecured Notes - US$375,000 (f)	Feb/2031	VC + 4.50% p.a.	2,346,908	1,833,352
BNDES Exim (d)	Apr/2029	VC + 5.63% p.a.	304,782	93,863
Advance on export contracts - ACC (e)	May/2025	VC + 6.48% p.a.	423,813	378,285
Leasing from right of use			36,184	38,188
Current portion			558,558	621,838
Non-current portion			2,639,497	2,133,325
			3,198,055	**2,755,163**

VC = Foreign exchange variation

CDI = Interbank deposit certificate

TJLP = Long-Term Interest Rate

As of December 31, 2024, the Company addresses all restrictive clauses specific to each operation, maintaining the original maturity.

a) Export credit notes – NCE

In February 2024, the subsidiary Tupy Minas Gerais Ltda. made a total settlement of R$ 243,000 relating to the operations contracted in February 2022.

In February 2024, the Parent Company took out a loan from Banco do Brasil S.A. in the amount of R$346,000, adjusted by the CDI plus 1.40% per year, with semi-annual payments and maturity on January 9, 2029. This operation was settled in advance in July 2024.

In February 2023, the subsidiary Tupy Minas Gerais Ltda. took out a loan from Banco do Brasil S.A. in the amount of R$ 81,000, adjusted by the CDI rate plus 1.50% per year and maturing on February 10, 2025. This operation was settled in advance in July 2024.

b) Financiadora de Estudos e Projetos – FINEP

This is funding for innovation projects obtained from the Financier of Studies and Projects (FINEP), contracted on July 14, 2022. The total amount of the credit line is R$103,000.

In September 2022 and April 2024, the amounts of R$37,080 and R$27,501 were released, respectively, with an average term of 10 years, an interest rate of TJLP (Long-Term Interest Rate) and monthly payments.

The guarantees are made up of a bank guarantee.

c) Prepayment of exports – Subsidiaries

Tupy Overseas S.A.

In June 2024, the operation contracted in 2014 was settled in full, and its repayment plan began in July 2023. In the six-month period ended June 30, 2024, R$950,862 (USD184,0 million) was paid. In addition, R$19,901 was paid in interest (R$62,163 in January 2023). The impact of the exchange rate variation on the amount payable for prepayment with Tupy Overseas for the period was an expense of R$68,778 (income of R$139,077 in the same period of the previous year).

In June 2024, the subsidiary Tupy Overseas made an export prepayment to the Parent Company in the amount of R$ 189,194 (USD 35,0 million), maturing in June 2027, amortized every six months from June 2026 and adjusted by the currency exchange rate plus 6.18% per year and interest paid every six months.

In July and August 2024, the subsidiary Tupy Overseas carried out an export prepayment operation for the Parent Company in the amount of R$870,269 (USD160,0 million), maturing in August 2027, adjusted by the exchange rate variation plus 5.78% per year, repayable on maturity of the operation and interest payable every six months from January 2025.

Tupy Europe GmbH.

In March 2024, the subsidiary Tupy Europe carried out an export prepayment operation for the Parent Company in the amount of R$35,357 (EUR 6,5 million). Interest is paid semi-annually in March and September at a rate of 5.06% per year and the principal matures in March 2027.

d) BNDES – Exim

In August 2023, the Parent Company obtained a BNDES-Exim credit line with Banco Itaú S.A., in the principal amount of R$89,666 (USD18,3 million). This operation matures on August 15, 2028, with interest paid quarterly and repayment of the principal on maturity of the operation, restated by the currency's exchange variation plus 5.58% per year. To hedge this exchange rate exposure, a swap operation was carried out at a cost of 108.5% of the CDI rate. (note 37 b)

In March 2024, the Parent Company raised a new loan in the principal amount of R$149,240 (USD 29,9 million), maturing in April 2029, with interest paid quarterly and repayment of the principal on maturity of the operation, adjusted by the currency exchange rate plus 5.66% per year. To hedge this currency exposure, a swap operation was carried out at a cost of 108.3% of the CDI rate. (note 37 b)

Considering that the company entered into swap transactions to hedge the exchange rate exposure arising from these operations, these financial liabilities are being valued at fair value through profit or loss. (note 37 b)

e) Advance of Exchange contract – ACC

In the first quarter of 2024, the Parent Company contracted operations with Banco do Brasil S.A. and Banco Itaú S.A., in the amount of R$ 189,183 (USD 38,0 million). These contracts mature in the first quarter of 2025, with payment of interest and amortization at the maturity of the operation. Of this amount, USD 18,0 million is swapped at a cost of 99.45% of the CDI rate.

Considering that the Company entered swap operations to hedge the exchange rate exposure arising from these operations, these financial liabilities are being valued at fair value through profit or loss. (note 37 b)

In the second quarter of 2024, the Parent Company contracted operations with Banco do Brasil S.A. and Banco Bradesco S.A. totaling R$ 137,375 (USD 27,0 million). These contracts have maturities until May 2025, with settlement of interest and amortization at the maturity of the operation being adjusted by the currency exchange variation plus 6.35% per year.

In the third quarter of 2024, the Parent Company opted to extend a contract maturing in July 2024 in the amount of R$ 151,620 (USD 30,0 million), contracted in the fourth quarter of 2023. The effect of the exchange rate variation was offset by the receipt of a swap in the amount of R$ 8,246. This operation was renegotiated for January 2025, with settlement of interest and principal on maturity of the operation being updated by the exchange rate variation of the currency plus 6.20% per year.

Also in the third quarter, the Parent Company settled the operation in the amount of R$ 250,727 (USD 45,0 million) in principal, contracted in the fourth quarter of 2023. The effect of the exchange rate variation was offset by the receipt of a swap in the amount of R$ 22,608.

In the fourth quarter of 2024, the Parent Company settled the operation in the amount of R$151,620 (USD 30,0 million) in principal, extended in the third quarter of 2024.

f) *Senior Unsecured Notes – USD 375,000*

In February 2021, the Company concluded the issue of debt securities (“Issue”) in the international market, through its subsidiary Tupy Overseas S.A., guaranteed by the Parent Company, in the amount of US$ 375,0 million equivalent to R$ 2,018,063, with a single repayment in February 2031. Interest, at a coupon rate of 4.50% per year, will be paid every six months in February and August. The Senior Unsecured Notes are fully and jointly guaranteed by the Company.

In February and August 2024, the company made interest payments totaling R$89,771 (R$85,009 in the same period last year). The exchange rate effect in the period was an increase of R$ 506,625 (a reduction of R$ 136,050 in the same period of the previous year).

The Issue has covenants, measured annually, with the main financial indicator being Net Debt/Adjusted EBITDA. As of December 31, 2024, the company meets all the established criteria. Failure to comply with the covenants could result in the Company being prevented from: (i) raising new loans and financing; (ii) distributing dividends in excess of the legal minimum; (iii) making investments not related to maintaining production activities; and (iv) repurchasing shares issued by the Company.

In addition, non-financial covenants apply to the Issue, and the main non-financial measure that could result in the early maturity of the Issue would be a change of control of the Company that reduces the external rating.

g) Fair value of loans and financing

The Company calculates the fair value of its loans and financing (hierarchy level 2), by discounting their future payment flows, using curves, interest rates and currencies observable in the financial market. As of December 31, 2024, the fair value was R$ 2,846,304 (R$ 2,317,438 as of December 31, 2023).

h) Long-term maturities

	Parent company		Consolidated	
Year	Dec/24	Dec/23	Dec/24	Dec/23
2025	-	18,341	-	203,460
2026	14,061	4,687	33,349	4,687
2027	1,063,012	4,687	17,044	4,687
2028-2030	470,396	103,727	267,029	103,728
2031	9,374	4,687	2,317,387	1,807,629
2032	4,687	4,688	4,688	9,134
	1,561,530	**140,817**	**2,639,497**	**2,133,325**

18. DEBENTURES

On July 17, 2024, the Company concluded the 5th issue of simple debentures, not convertible into shares, in 3 (three) series.

- Series 1 - R$ 789,770 matures in a single installment in July 2029, with semi-annual interest of CDI plus 0.87% per year and amortization on maturity.
- Series 2 - R$ 360,230 matures in two equal installments in July 2030 and July 2031, with half-yearly interest of CDI plus 1.00% per year.
- Series 3 - R$ 350,000 matures in three equal installments in July 2032, July 2033 and July 2034, with semi-annual interest of CDI plus 1.18% per year.

The issue costs of R$7,797 are recognized as deferred over the course of this operation.

With the net funds raised through this Restricted Offering, the Company made an early redemption of the debentures of the 4th issue in the amount of R$ 1,000,000. The amount raised, higher than that of the 4th issue, was earmarked for the early settlement of other debts in July 2024.

	Parent company and Consolidated	
Debentures	Dec/24	Dec/23
Current	79,565	41,095
Non-current	1,492,692	994,423
	1,572,257	**1,035,518**

The debentures are of the unsecured type, without any real or fiduciary guarantee, or any segregation of the Issuer's assets in particular, offering no privilege over the Issuer's assets to guarantee the Debenture Holders in the event of the need for judicial or extrajudicial execution of the Issuer's obligations arising from the Debentures and the Deed of Issue, and shall not grant any special or general privilege to the Debenture Holders, i.e. without any preference, with the Debenture Holders competing on equal terms with the other unsecured creditors in the event of the Issuer's bankruptcy.The debentures have covenants, with annual measurement, with the main financial indicator being Net Debt/Adjusted EBITDA. As of December 31, 2024, the Company meets all the established criteria. Failure to comply could result in the impediment of: (i) raising new loans and financing; (ii) distributing dividends above the legal minimum; (iii) making investments not related to the maintenance of productive activities; and (iv) repurchasing shares issued by the Company.

In addition, non-financial covenants are applicable, and the main non-financial measure that could result in the early maturity of the Issue would be a change in control of the Company that reduces the external risk classification (rating).

19. TAXES PAYABLE

	Parent company		Consolidated	
Taxes payable	Dec/24	Dec/23	Dec/24	Dec/23
Income taxes payable	-	19,121	59,042	71,178
Other taxes payable	2,702	5,377	55,256	39,624
	2,702	**24,498**	**114,298**	**110,802**

The variation on December 31, 2024 compared to December 31, 2023 is substantially due to the lower provision for income tax and social contribution, due to the generation of tax losses and negative social contribution base in the Parent Company.

20. BUSINESS COMBINATIONS OBLIGATIONS

Acquisition of MWM Tupy do Brasil Ltda., on December 01, 2022, generated several accounts payable to the former parent company, Navistar International Corporation, as follows:

	Parent company and Consolidated		
	Dec/24	Dec/23	Dec/22
Cash and cash equivalents (note 3)	-	73,290	243,132
Recoverable taxes (notes 7 and 8)	40,946	100,345	94,381
Deferred income tax (note 9)	80,450	119,161	119,160
Working capital adjustment	-	890	43,400
Reimbursement of CSLL debt	(67,701)	(76,966)	(84,466)
Others	-	-	(3,100)
	53,695	**216,720**	**412,507**
Current portion	34,311	163,644	304,739
Non-current portion	19,384	53,076	107,768
	53,695	**216,720**	**412,507**

- Cash and cash equivalents: amounts assumed on transaction date with a commitment to return to the previous parent company, without monetary restatement. On September 29, 2023, through a partial agreement between the parties, R$169,842 was repayment. In

January 31, 2024 the final settlement took place and the balance of R$ 73,290 was paid in February 01, 2024.

- Recoverable taxes: are PIS and COFINS (taxes on revenue) credits resulting from the exclusion of ICMS in the calculation basis and as they are realized by MWM, they will be paid by Tupy S.A. to the previous parent company, net of tax effects. In the year ended December 31, 2024 there was a payment of R$ 59,399.
- Deferred income tax: are income tax credits on tax losses which, as they are realized by MWM, will be paid by Tupy S.A. to the previous parent company. In the year ended December 31, 2024 there was a payment of R$ 38,711.
- Working capital adjustment: corresponds to the change between working capital on closing date, July 31, 2021, and the closing date representing the best available expectation. After evaluation and agreementbetween the parties the final price was R$ 890, to be paid to the seller in February 01, 2024.
- Reimbursement of CSLL debt: corresponds to the potential contingency of Social Contribution on Net Income, due to non-taxation of MWM’s export revenues in the period from January 1, 2018 to November 30, 2022. Part of the contingency, amounting to R$ 46,932, has become MWM's effective debt, and is the sole responsibility of the seller Navistar International Corporation, which will reimburse Tupy S.A. for the total amount disbursed by MWM, in accordance with the conditions set out in the contractual instrument signed between the parties. In the year ended December 31, 2024, the seller repaid R$ 9,265 of the debt.

21. SALARIES, PAYROLL CHARGES AND PROFIT SHARING

	Parent company		Consolidated	
	Dec/24	Dec/23	Dec/24	Dec/23
Salaries	29,002	26,869	42,941	43,673
Provision for vacation pay and 13th month salary	66,490	67,217	152,126	157,125
Social charges	22,532	24,695	78,300	73,581
Profit sharing	65,535	69,457	91,542	103,571
Private pension plan	1,147	1,157	1,147	1,157
	184,706	**189,395**	**366,056**	**379,107**

The Company's employee profit sharing program is proportional to the acquisition year and is related to economic/financial and operational indices and individual performance goals. The Company has an optional private pension plan for all employees in Brazil. Plan type is that of defined contribution, according to which for each amount contributed by the employee, limited to a percentage established on payroll, the Company contributes an equal amount.

22. ADVANCE FROM CLIENTS

	Parent company		Consolidated	
	dez/24	dez/23	dez/24	dez/23
Tooling	39,741	35,000	231,447	148,556
Working capital	-	-	85,207	99,702
	39,741	**35,000**	**316,654**	**248,258**

These refer to fund advances for the construction of customer tooling that will be used in the production process and advance of working capital of MWM’s subsidiary manufacturing operation.

23. OBLIGATIONS WITH RETIREMENT AND HEALTH CARE BENEFITS

Mexico operations have defined benefit obligations. The purpose of these plans is to offer employees retirement benefits that are additional and supplementary to those provided by other public or private retirement or pension plans. In addition, Mexican legislation also provides for other defined benefits related to premium for seniority and legal indemnity.

The Subsidiary MWM Tupy do Brasil Ltda. grants a prepaid medical plan to its employees of the prepayment type, with premiums based on age group. Current employees (future retirees) make a fixed contribution to the medical plan and are therefore eligible to remain in the plans after retirement.

The amount recorded were based on reports prepared by specialized consulting.

Consolidated

Obligations recorded in the balance sheet	Dec/24	Dec/23
Social security plan benefits		
Pension plan	12,186	16,724
Other employee benefits		
Post-employment benefit	18,824	20,208
Seniority premium	34,345	29,832
Legal indemnity	36,574	37,807
	101,929	**104,571**

24. TAX, CIVIL, SOCIAL SECURITY AND LABOR PROVISIONS

The Company and its subsidiaries have ongoing lawsuits, arising from the normal course of their business, for which provisions have been formed, in the event of probable losses, supported by the opinions of legal advisers.

Changes occurred in tax, civil, social security and labor provisions in year ended December 31, 2024 provisions, as well as respective balances, are comprised as follows:

Parent company

	Civil	Tax	Labor	Social security	Judicial deposits	Total
AT DECEMBER 31, 2022	**81,075**	**100,676**	**60,674**	**8,709**	**(6,688)**	**244,446**
Business combination adition	-	64,561	-	-	-	64,561
Additions	(6,258)	10,432	46,238	394	-	50,806
Restatements	(7,076)	(26,847)	-	-	-	(33,923)
Remuneration	-	-	-	-	(136)	(136)
Payments	(88)	(8,850)	(55,508)	-	-	(64,446)
Deposit Redemption	-	-	-	-	1,647	1,647
AT DECEMBER 31, 2023	**67,653**	**139,972**	**51,404**	**9,103**	**(5,177)**	**262,955**
Additions	4,225	(949)	9,562	(104)	-	12,734
Restatements	1,188	10,828	24,011	4,362	-	40,389
Reversal	(2,129)	-	-	-	-	(2,129)
Remuneration	-	-	-	-	(271)	(271)
Payments	(895)	(15)	(43,115)	(22)	-	(44,047)
Deposit Redemption	-	-	-	-	3,711	3,711
AT DECEMBER 31, 2024	**70,042**	**149,836**	**41,862**	**13,339**	**(1,737)**	**273,342**
Current						34,055
Non-current						239,287
						273,342

Consolidated

	Civil	Tax	Labor	Social security	Judicial deposits	Total
AT DECEMBER 31, 2022	**87,672**	**206,487**	**135,985**	**9,169**	**(35,171)**	**404,142**
Business combination adition	3,491	64,664	25,379	-	(9,323)	84,211
Additions	(5,516)	9,116	36,390	377	-	40,367
Restatements	(7,076)	(26,847)	-	-	-	(33,923)
Remuneration	-	-	-	-	(136)	(136)
Payments	(41)	(9,062)	(78,710)	(443)	-	(88,256)
Deposit Redemption	-	-	-	-	14,018	14,018
AT DECEMBER 31, 2023	**78,530**	**244,358**	**119,044**	**9,103**	**(30,612)**	**420,423**
Additions	6,186	5,180	32,765	(104)	(8,262)	35,765
Restatements	5,208	10,830	23,603	4,362	-	44,003
Reversal	(2,129)	-	-	-	-	(2,129)
Remuneration	-	-	-	-	(271)	(271)
Payments	(1,494)	(39,213)	(74,943)	(22)	-	(115,672)
Deposit Redemption	-	-	-	-	10,070	10,070
AT DECEMBER 31, 2024	**86,301**	**221,155**	**100,469**	**13,339**	**(29,075)**	**392,189**
Current						65,603
Non-current						326,586
						392,189

The provisions described above are adjusted, mainly, by the change in SELIC (Special Clearance and Escrow System) and IGPM (General Index of Market Prices) rates and their effects on income for the period are in note 30.

In general, the Company's provisions are for the long term. Considering judicial and administrative proceedings’ rites in the Brazilian judicial system, it is difficult to accurately estimate when outcome of such contingencies will be issued and, for this reason, the Company is not disclosing settlement flow of these liabilities.

a. Civil

Provision for civil claims amount, as of December 31, 2024, is R$ 86.301, of which R$ 46,700 were assumed in business combination occurred on December 1, 2022 and the other amounts are related to success fees in lawsuits, as well as ongoing civil proceedings.

b. Tax lawsuits

These are provisions related to tax administrative proceedings that deal with certain credits adopted by the Company in calculation of ICMS (Value-added tax on sales and services), PIS, COFINS, IRPJ (corporate income tax), CSLL (social contribution on net income) and payroll taxes.

The main variation in relation to the tax contingencies are related to the updating of lawsuits which are likely to be lost.

c. Labor lawsuits

These are lawsuits filed by former employees, individually or collectively filed by unions that are in progress in the Labor Court, claiming indemnities and labor sums allegedly owed by the Company.

d. Social security lawsuits

Social security provisions are related to alleged debts arising from discrepancies between declaration of social security contributions (GFIP-Information to Social Security) and respective payment (GPS). Such discrepancies result from amounts questioned by the Company and were duly deposited in court.

CONTINGENCIES WITH LIKELIHOOD OF POSSIBLE LOSSES

Contingent liabilities whose prospects of loss are considered possible, as assessed by Management in conjunction with the Company's external legal advisors, are described in demonstrative chart below:

	Parent company		Consolidated	
	Dec/24	Dec/23	Dec/24	Dec/23
IRPJ and CSLL processes	96,907	79,137	97,279	79,510
PIS, COFINS and IPI credits	177,095	163,828	177,095	163,828
ICMS credits	536,559	525,726	536,559	525,726
Expired tax debts	178,012	147,690	178,012	147,690
Reintegra credits	45,581	41,552	45,581	41,552
Social security	141,431	127,554	141,431	127,554
Labor lawsuits	84,556	74,225	180,705	164,450
Civil and other	2,101	2,883	18,015	17,137
	1,262,242	**1,162,595**	**1,374,677**	**1,267,447**

Possible tax and civil contingencies of acquiree MWM, at estimated amount of R$ 455,167, are not being reported in chart above, considering that the Company's obligation is limited to R$ 68,600. Said amount was recognized in the Parent Company. In the event of materialization of contingencies at MWM Tupy do Brasil Ltda. (amount above), said liability will be refunded by the former MWM controlling shareholder, pursuant to the terms of the purchase and sale agreement between Tupy S.A. and Navistar.

Except when described differently in the items below, the contingencies disclosed between the financial years 2023 and 2024 are substantially the same and the new shares are not relevant, where the variations were due to monetary restatement, mainly, by the SELIC rate.

i. IRPJ (Corporate Income Tax) and CSLL (Social contribution tax) proceedings

Administrative proceedings in which the Federal Revenue Service of Brazil questions taxable income calculation, IRPJ (corporate taxable income) estimate is used, as well as compensation of taxes paid by subsidiaries abroad. The Company presented defense claiming that tax calculation was carried out properly. The most relevant process, the updated amount of which is R$ 71,008, is a tax lien foreclosure whose purpose is the collection of tax assessment notice drawn up for alleged irregularity in calculation of Taxable Income and Social Contribution on Net Income (“CSLL”) Calculation Basis for calendar year 2007, due to full use of tax loss and negative CSLL basis of Tupy Fundições Ltda. upon its merger into Tupy S.A. The Company defends, in a writ of annulment, that prohibition of full compensation is not applicable in the event of wind-up or merger of the Company, in accordance with the law and jurisprudence of former Board of Taxpayers - current CARF.

ii. PIS and COFINS credits

Administrative and judicial proceedings in which the Federal Revenue Service of Brazil questions the Company, in most cases, for: (i) use of credits generated in the acquisition of inputs in the periods from 2004 to 2011; and (ii) appropriation of untimely credits. The Company presented administrative and judicial defenses demonstrating the pertinence of credits in compliance with tax legislation.

The most relevant case concerns the denial by the RFB of offsetting IRPJ, CSLL, IPI (Excise Tax), PIS and COFINS debts with credits arising from a final and unappealable lawsuit that stated the unconstitutionality of COFINS calculation base expansion by Law 9718/98, under the allegation that: (a) credit determined by the Company would supposedly extrapolate the court decision; and (b) credit would originate from unapproved offsets. Amounts involved correspond to R$ 56,741 in December 31, 2024 (R$ 54,012 as of December 31, 2023).

iii. ICMS credit

Administrative and judicial proceedings initiated by state tax authorities of São Paulo and Santa Catarina, from 2008 to 2021, in which certain ICMS credits made by establishments in Mauá and Joinville are questioned, with highlights for:

- Tax administrative proceeding that deals with the requirement of Santa Catarina State that the Company pay ICMS plus fine and interest referring to: (i) alleged credit misappropriations; (ii) non-payment of tax (Difal) on taxable transactions; (iii) inaccuracies/omissions in entries of the Digital Tax Bookkeeping from May 2017 to December 2021 on the grounds that ICMS credits would have been misappropriated because they refer to goods intended for the establishment use and consumption. The Company supports and presented evidence that demonstrates that credits refer to inputs used in the Company's core activity. The restated debits as of December 31, 2024 represent the amount of R$ 332,788 (in December 31, 2023 was R$ 311,096).
- Assessment notice drawn up by Sefaz/SP due to alleged illegality in the transfer of credit balance of Tax on operations related to Circulation of Goods and provision of interstate and intercity transport and communication services ("ICMS"), between São Paulo and Mauá units. The Company's administrative proceeding defends that transfer was permitted by law, as it occurred after: (a) the end of ICMS calculation centralized in São Paulo unit; and (b) completion of Tupy Fundiões Ltda. merger by Tupy S.A. Finally, São Paulo State tax authorities clearly failed to comply with tax legislation by disallowing transferred ICMS credit balance, demanding it as if it were due and imposing a fine alleging the undue registration of credit balance. The restated debits represent R$ 157,528 as of December 31, 2024 and R$ 150,490 as of December 31, 2023.

In all proceedings, the Company has demonstrated pertinence of credits taken in compliance with tax legislation.

iv. Prescribed tax debts

Administrative and judicial tax collections promoted by the Federal Government related to alleged offsetting of debts with IPI Premium Credit. The Company is defending itself at the administrative and judicial levels, claiming the statute of limitations for said debts pursuant to superior courts' jurisprudence.

The most relevant lawsuit concerns the refund of Premium Credit for Tax on Industrialized Products ("IPI") (excise tax), whose right was recognized from January to April 1985 in a final and unappealable court decision issued in Ordinary Suit No. 87.0000671-8. In view of the adverse decisions of the Federal Revenue Service Judgment Office ("DRJ") and more recently of the CARF, it can be inferred that present lawsuit represents a potential liability contingency in relation to compensations carried out with the credit object of aforementioned lawsuit (which were not approved by the RFB). While a portion of these debts was settled in the tax amnesty of Provisional Act 470/2009 ("MP470"), another portion of the debts was not included because they were considered expired at the time of amnesty adhesion. The restated debits represent R$ 157,939 as of December 31, 2024 and R$ 128,629 as of December 31, 2023.

v. Reintegra Credits

They include administrative proceedings in which the Federal Revenue Service of Brazil questions the use of credits from Reintegra additional amount related to the period from 2015 to 2018 to offset other debts calculated during 2020.

vi. Social security lawsuits

Administrative and judicial proceedings from 1998 and 2023 on the Federal Revenue Service of Brazil initiative, predominantly related to the social security contribution called Occupational Environmental Risk, as well as related to alleged debts related to social security contributions levied on payroll and owed by service providers (subsidiary liability). In all lawsuits, the Company demonstrates that adopted tax procedures are in full compliance with tax law.

This change, in addition to the effect of inflation adjustments, refers to social security debts excluded from tax amnesty by federal tax authorities.

The two most relevant cases are a tax enforcement action and a notice of infraction, the purpose of which is to collect additional Occupational Environmental Risks (“additional RAT”), for alleged exposure of employees to noise above tolerance levels. The company maintains and proves in the annulment action that the noise to which its employees are exposed, with the use of personal protective equipment (“PPE”), is within the permitted levels, and the use of effective protection inhibits the extra-auditory effects raised by the tax authorities, in accordance with the technical reports presented in the case file. The total amount involved is R$107,864, updated to December 31, 2024 (R$102,019, updated to December 31, 2023).

vii. Labor lawsuits

These are lawsuits filed by former employees pending before the Labor Court, claiming indemnities and labor sums supposedly owed by the Company.

This change stems from new labor lawsuits filed by former employees against the Company, changes in loss likelihood of existing lawsuits, reflecting lawsuits’ status and adjustments to contingency amounts. The increase in relation to the amount reported on December 31, 2023 was due to the filing of new labor lawsuits and lawsuits that are in the appeal phase in which the lower courts ruled in Tupy's favor.

viii. Civil lawsuit

Civil proceedings generally deal with disputes with the Company’s former suppliers.

ACTIVE CONTINGENCIES

The Company is a party to legal proceedings filed for recovery of undue payments and/or reimbursement of tax credits. These contingent assets, although supported by favorable court decisions, do not meet all the conditions for due accounting recognition as of December 31, 2024. The amounts involved in these proceedings, considering the best information available, may reach R$170,000.

25. SECURITIES PAYABLE AND OTHER

	Parent company		Consolidated	
Securities payable and other	**Dec/24**	**Dec/23**	**Dec/24**	**Dec/23**
Domestic market	12,674	30,010	71,326	113,794
Foreign market	11,869	8,264	89,612	70,347
	24,543	**38,274**	**160,938**	**184,141**

Securities payable and other are mainly comprised of provisions for hiring of third-party services and expenses related to recognition of costs with our products’ quality problems.

26. CAPITAL, EQUITY VALUATION ADJUSTMENT, RESERVES AND ALLOCATION OF NET INCOME

a) Capital

	Dec/24		Dec/23	
Share capital breakdown in number of shares	**Number**	**%**	**Number**	**%**
Controlling stockholders				
BNDES Participações S.A. – BNDESPAR.	40,645,370	28.2%	40,645,370	28.2%
Caixa de Previdência dos Funcionários do Banco do Brasil – PREVI.	35,814,154	24.8%	35,814,154	24.8%
Trígono Capital Ltda. *(*)*	14,477,100	10.0%	14,477,100	10.0%
Other stockholders	45,249,111	31.5%	52,816,014	36.7%
Officers	281,086	0.2%	240,862	0.2%
Treasury stock	7,710,679	5.3%	184,000	0.1%
Total outstanding shares	**144,177,500**	**100.0%**	**144,177,500**	**100.0%**

(*) The number of shares is based on the communications sent by the shareholder in accordance with Resolution 44 issued by the Brazilian Securities and Exchange Commission ("CVM").

The Company, its Shareholders, Administrators and members of the Tax Council commit to solve, through arbitration of the Market Arbitration Chamber, any dispute or controversy that may arise, related to or deriving from the application, validity, effectiveness, interpretation, violation and its effects of provisions of the Corporation Law, of the Company's Bylaws, of standards edited by the National Monetary Council, Central Bank of Brazil and Brazilian Securities and Exchange Commission, as well as provisions of other standards applicable to the capital market in general, in addition to those included in the New Market Regulation, Market Arbitration Chamber, Penalties Regulation and Agreement for Participation in the New Market.

On April 30, 2024, the Company's General Shareholders' Meeting approved a capital increase of R$ 256,049, by transferring the same amount from the Profit Reserves account, in order to comply with article 202 of Law 6,404/76.

b) Repurchase of shares

On December 4th, 2024 the Company's Board of Directors approved the amendment to the opening of the share buyback program to meet the long-term incentive program. The maximum deadline for acquisition is May 14, 2025 and the limit of shares for repurchased is 14,000,000 common shares of its own issue.

	Value (R$ thousand)	Share quantity	Share value (R$)
Position on December 31, 2022	**451**	**20,483**	**22.02**
Share buyback in the year (i)	12,181	481,627	25.29
Used in the period of the share remuneration	(9,020)	(368,110)	24.50
Position on December 31, 2023	**3,612**	**134,000**	**26.96**
Share buyback in the year (i)	142,278	6,336,500	22.45
Used in the period of the share remuneration	(3,974)	(147,721)	26.90
Position on December 31, 2024	**141,916**	**6,322,779**	**22.45**

(i) Corresponds to repurchases made in the year for the purpose of backing Long-Term Incentive Plan (ILP). Repurchases were carried out in accordance with rules approved by the Board of Directors.

(ii) Shares used in the grant exercise provided for by the "Program for the granting of stock options".

As of December 31, 2024, the market value of treasury shares was R$ 184,285,228,10.

c) Stock option plans

The Company currently has two outstanding long-term incentive plans. Main purposes of the Company's stock option plans are (i) to ensure the competitiveness of total compensation levels practiced; (ii) support the alignment of beneficiaries' interests with those of the Company's shareholders, (iii) motivate and recognize participants, (iv) increase executives' level of commitment with generation of sustainable net income; and (v) reinforce the retention power of the Company's main leaders.

Grants during 2019–2021

In April 2019, the General Meeting approved the plan to grant shares at the levels of president, vice president and director of the Company (Beneficiaries), provided that certain performance and permanence conditions are met, such as Long-Term Incentives (ILP).

The number of units granted is the result of the gross amount in Brazilian Reais converted by the average quotation on Stock Exchange (weighted by volume) for the month of March prior to the grant.

The number of units to be effectively converted into Shares held by the beneficiary at the end of grace period (3 years) depends on two performance criteria:

- Absolute: 50% of the units, based on the Company's actual TSR – Total Shareholder Return, that is, incremental to IPCA (Advanced Consumer Price Index);
- Relative: 50% of the units, based on the Company's TSR – Total Shareholder Return compared to a group of selected companies.

Beneficiaries are entitled to the shares granted to them after 3 years from grant date of the grant (Vesting), subject to achievement of criteria above.

	Shares quantities				
	Granted option	Exercised options	Cancellations *(*)*	Share option in market	Share option to exercise
Grant granted in 2019	288,029	(67,009)	(221,020)	-	-
Grant granted in 2020	369,483	(369,483)	-	-	-
Grant granted in 2021	324,418	(324,418)	-	-	-
Position on December 31, 2024	**981,930**	**(760,910)**	**(221,020)**	**-**	**-**

(*) Cancellations refer to shares granted to beneficiaries who have left the Company.

Grants from 2022–2024:

In April 2022, the Shareholders' Meeting approved the plan to grant shares at the level of president, vice president, director and manager of the Company (Beneficiaries), provided that certain performance and permanence conditions are met, such as Long-Term Incentives (ILP).

The number of units granted is the result of the gross amount in Brazilian Reais converted by the average quotation on Stock Exchange (weighted by volume) for the month of March prior to the grant.

The number of units to be granted will be divided between restricted stock units and performance stock units, which will be determined by the Board of Directors at each grant. As well as the concepts and methodologies to be used for calculation.

Beneficiaries are entitled to shares granted to them after 3 years from the date of the grant (Vesting), subject to achievement of each grant criteria.

	Shares quantities				
	Granted option	Exercised options	Cancellations *(*)*	Share option in market	Share option to exercise
Grant granted in 2022	512,852	(57,209)	(65,655)	389,988	-
Grant granted in 2023	507,459	(43,274)	(49,987)	414,198	-
Grant granted in 2024	499,990	-	-	499,990	-
Position on December 31, 2024	**1,520,301**	**(100,483)**	**(115,642)**	**1,304,176**	**-**

(*) Cancellations refer to shares granted to beneficiaries who have left the Company.

d) Equity valuation adjustment

It is comprised of the exchange rate change in translation of balance sheets of subsidiaries that operate with functional currency other than these financial statements' presentation currency, according to list disclosed in note 2.3 and impacts informed in note 11, with a contra entry to net income from net investment hedge abroad. (note 37 b)

Also reflected are the balances of asset revaluations carried out in 1990 in land and buildings accounts and in 2005 in machinery and equipment account. The residual balance of the respective reserves on December 31, 2024, is R$ 7,792 (R$ 8,128 in 2023) and R$ 3,375 (R$ 5,163 in 2023), which was admitted as an integral part of the cost value of the respective assets. Realization against the retained earnings account occurs proportionately to the depreciation of the corresponding assets, when applicable.

e) Profit reserves

Legal reserve

In compliance with article 193 of Law 6404/76, the reserve is recorded at the rate of 5% of the net income (loss) for the year, up to the limit of 20% of the capital.

Reserve for investments

It is formed in an amount not lower than 5% of net income up to the limit of 50% of the capital, calculated in each fiscal year and the balance, together with the other profit reserves, except those for contingencies, tax incentives and unrealized profits, which cannot exceed the amount of the capital.

Investment reserve

	Constitution	Distribution	Capital increase	Balance	Expansion *(*)*
2007	46,963	-	-	46,963	-
2008	131,295	-	-	178,258	79,864
2009	98,886	-	-	277,144	65,776
2010	97,440	-	-	374,584	61,080
2011	125,014	-	-	499,598	135,133
2012	48,220	-	(138,656)	409,162	109,035
2013	71,646	-	-	480,808	93,427
2014	73,887	-	-	554,695	84,364
2015	118,151	-	-	672,846	42,931
2016	(169,375)	(100,358)	-	403,113	20,046
2017	156,651	(200,000)	-	359,764	36,052
2018	268,948	(162,500)	-	466,212	43,200
2019	275,455	(125,000)	-	616,667	130,083
2020	(67,231)	-	-	549,436	41,713
2021	199,518	(62,300)	-	686,654	106,296
2022	424,671	(65,102)	-	1,046,223	138,315
2023	463,957	(116,013)	(117,302)	1,276,865	237,936
2024	77,722	(190,000)	(256,049)	908,538	195,242
				908,538	**1,620,493**

(*) Refers to strategic investments to expand production capacity.

f) Allocation of income (loss)

According to the Company's Bylaws, the shareholders are entitled to a minimum dividend corresponding to 25% of the net income for each year, according to article 202 of Law 6404/76.

In 2024, R$ 77,722 were allocated to the investment reserve account, incorporating the basis used for distributing dividends for the year. In 2023, R$ 463,957 were added.

The distribution carried out in 2024 was supported by profit reserves, from the investment reserves subgroup, and was imputed to the mandatory minimum dividend in accordance with the Company's bylaws pursuant to article 202 of Law 6404/76.

The distribution of Interest on own capital resolved by the Board of Directors in 2024, in the amount of R$ 190,000 will be allocated to the mandatory minimum of 25%.

The following tables present the form used (Interest on own capital – JCP or Dividends), the dates of the Board of Directors' resolutions, the payment dates, the gross and net amounts of Withholding Income Tax (IRRF) and the amounts per share.

Table demonstrating the calculation of dividends for 2024 and 2023:

	Dec/24	Dec/23
Dividend calculation basis		
Net income for the period	79,514	508,140
Transfer to the legal reserve (5%)	(3,976)	(25,407)
	83,490	**533,547**
Distribution proposal *(*)*		
Interest on capital, gross	190,000	116,013
Dividends	-	22,071
	190,000	**138,084**

(*) For shares outstanding on the balance sheet date.

	Ordinary	
Unit amount per share	**Dec/24**	**Dec/23**
Interest on capital, gross	1,39228	0,80465
Dividends	-	0,15308
Total proposed for distribution	**1,39228**	**0,95773**

Table demonstrating the resolution and payment of dividends for 2024:

Approved date	Form	Gross amount	Per share	Net amount	Payment date
12.04.24	JSCP	190,000	1.39228	176,612	01.15.25
		190,000		**176,612**	

27. REVENUES

We present below the reconciliation of gross revenue for tax purposes and the revenues presented in the income (loss) for the year:

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Gross revenue for tax purposes	4,458,154	5,032,726	12,014,693	12,618,773
Returns and rebates	(88,394)	(55,127)	(304,921)	(281,812)
Revenue net of returns and rebates	**4,369,760**	**4,977,599**	**11,709,772**	**12,336,961**
Sales taxes	(327,340)	(342,864)	(1,044,662)	(968,771)
Net revenue	**4,042,420**	**4,634,735**	**10,665,110**	**11,368,190**
Net revenue				
Domestic market	1,368,120	1,478,610	4,165,743	3,698,292
Foreign market	2,674,300	3,156,125	6,499,367	7,669,898
	4,042,420	**4,634,735**	**10,665,110**	**11,368,190**

28. COSTS AND EXPENSES BY NATURE

The breakdown of costs and expenses by nature, reconciled with the costs and expenses by function presented in the statement of income for the year is as follows:

	Parent company		Consolidated	
	2024	2023	2024	2023
Raw and processing materials	(1,870,163)	(2,142,734)	(5,298,767)	(5,808,198)
Maintenance and consumption materials	(308,640)	(312,012)	(811,170)	(832,133)
Salaries, payroll taxes and profit sharing	(795,354)	(838,564)	(1,962,287)	(2,050,280)
Social benefits	(107,401)	(106,295)	(191,223)	(172,139)
Electricity	(156,281)	(171,711)	(446,467)	(466,547)
Freight and commission on sales	(176,112)	(202,042)	(385,559)	(458,774)
Management fees	(27,384)	(24,989)	(27,384)	(24,056)
Other costs	(47,333)	(53,064)	(248,354)	(291,184)
	(3,488,668)	*(3,851,411)*	*(9,371,211)*	*(10,103,311)*
Depreciation and amortization	(153,351)	(147,776)	(378,628)	(357,906)
Costs and expenses total	**(3,642,019)**	**(3,999,187)**	**(9,749,839)**	**(10,461,217)**
Cost of products sold	(3,185,819)	(3,526,463)	(8,738,519)	(9,433,067)
Selling expenses	(219,918)	(245,100)	(561,747)	(599,913)
Administrative expenses	(236,282)	(227,624)	(449,573)	(428,237)
Costs and expenses total	**(3,642,019)**	**(3,999,187)**	**(9,749,839)**	**(10,461,217)**

29. FINANCIAL INCOME (LOSS)

	Parent company		Consolidated	
Finance results	2024	2023	2024	2023
Financial liabilities at amortized cost	***(329,362)***	***(245,386)***	***(387,681)***	***(292,226)***
Borrowing	(328,952)	(245,180)	(387,271)	(292,020)
Notes payable and other financial liabilities	(410)	(206)	(410)	(206)
Financial liabilities at fair value through profit or loss	***34,752***	***(20,208)***	***34,752***	***(20,208)***
Borrowing	(81,085)	(5,498)	(81,085)	(5,498)
Swap operation	115,837	(14,710)	115,837	(14,710)
Other finance costs	***(32,175)***	***(12,281)***	***(48,012)***	***(27,641)***
Finance costs	**(326,785)**	**(277,875)**	**(400,941)**	**(340,075)**
Financial assets at fair value through profit or loss	***(580)***	***238***	***(554)***	***238***
Investments in equity instruments	(580)	238	(554)	238
Amortized cost	***57,436***	***50,508***	***140,178***	***97,156***
Cash and cash equivalents	57,436	50,508	140,178	97,156
Tax credits and other finance income	***4,626***	***3,557***	***12,443***	***10,710***
Finance income	**61,482**	**54,303**	**152,067**	**108,104**
Monetary and foreign exchange variations, net				
Monetary and foreign exchange variations	139,742	(67,754)	126,805	(101,582)
Result from hedge operations (note 37)	(150,389)	11,927	(178,470)	42,058
Monetary and foreign exchange variations, net	**(10,647)**	**(55,827)**	**(51,665)**	**(59,524)**
Finance results, net	**(275,950)**	**(279,399)**	**(300,539)**	**(291,495)**

In the early redemption of the debentures of the 4th issue, which took place in the third quarter of 2024, a premium of R$ 12,523 was paid and the costs of their issue of R$ 4,462 were written off.

30. OTHER OPERATING REVENUES (EXPENSES), NET

	Parent company		Consolidated	
	2024	2023	2024	2023
ICMS impairment reversal (note 8)	-	-	61,993	-
Insurance reimbursement Mexico (note 34)	-	-	25,894	-
Bargain purchase - acquisition MWM	-	29,103	-	29,103
Disposals of property, plant and equipment	526	1,387	(24,220)	(6,448)
Constitution and restatement of provision	(50,994)	(77,741)	(85,901)	(96,275)
Restructuring expenses	(22,816)	-	(57,755)	-
Result on the sale of unusable and other	(22,095)	5,448	(17,019)	4,916
	(95,379)	*(41,803)*	*(184,895)*	*(68,704)*
Depreciation of non-operating assets	(163)	(294)	(8,470)	(8,634)
Total other operating expenses, net	**(95,542)**	**(42,097)**	**(193,365)**	**(77,338)**
Impairment of fixed assets (note 13)	-	-	(219,614)	-
Impairment of intangible assets (notes 12 and 14)	(30,512)	-	(30,512)	-
Total impairment adjustments	**(30,512)**	**-**	**(250,126)**	**-**
Total other operating expenses, net	**(126,054)**	**(42,097)**	**(355,604)**	**(77,338)**

The Company closed the negotiations related to price adjustment regarding the acquisition of MWM Tupy do Brasil Ltda and the final result of the business combination increase the gain on bargain purchase in the amount of R$ 29,103.

31. INCOME TAX AND SOCIAL CONTRIBUTION ON INCOME

	Parent company		Consolidated	
	2024	2023	2024	2023
Net income (loss) before tax effects	**38,643**	**632,057**	**259,128**	**538,140**
Statutory tax rate	34%	34%	34%	34%
Expenses at statutory rate	(13,139)	(214,900)	(88,103)	(182,968)
Tax effect of permanent (additions) exclusions:				
Recognition of deferred IR/CS - Subsidiaries (note 9)	-	-	-	95,925
Additional income tax services companies – Mexico	-	-	(20)	(266)
Reintegra – benefit	898	(16,895)	898	(16,895)
Depreciation of non-operating assets	(55)	(100)	(55)	(100)
Effect of impairment tax rate difference	-	-	(1,220)	-
Effect of correction of fixed assets	-	-	298	4,016
Interests on capital	37,014	39,444	37,014	39,444
Share of results of subsidiaries	3,310	108,122	-	-
Effects of different rates in Subsidiaries	(25,324)	(14,149)	(25,324)	(14,149)
Subsidiarys rate differential	21,402	-	21,402	17,084
Other permanent (additions) exclusions	16,765	(25,439)	(34,373)	(28,713)
Tax effects recorded in the statement of income before exchange effects	**40,871**	**(123,917)**	**(89,483)**	**(86,622)**
Effective rate of income tax before exchange effects	**-106%**	**20%**	**35%**	**16%**
Effect of functional currency on tax base (a)	-	-	(87,205)	65,495
Tax effects recorded in the statement of income	**40,871**	**(123,917)**	**(176,688)**	**(21,127)**
Effective rate of income tax	**-106%**	**20%**	**68%**	**4%**

a) Functional currency effect on tax basis

The tax bases of the assets and liabilities of companies located in Mexico, where the functional currency is the U.S. dollar, are maintained in Mexican Pesos at their historical values. Fluctuations in exchange rates modify the tax bases, and consequently, exchange effects are recognized as deferred income tax revenues and/or expenses.

b) Breakdown of tax effect recorded in the income (loss) for the year

	Parent company		Consolidated	
	2024	2023	2024	2023
Tax effects recorded in the statement of income				
Current income tax and social contribution	14,076	(112,145)	(83,348)	(202,498)
Deferred income tax and social contribution	26,795	(11,772)	(93,340)	181,371
	40,871	**(123,917)**	**(176,688)**	**(21,127)**

c) Global anti-base erosion model rule

The Company operates in Netherlands, Mexico, Portugal, Luxembourg, the United States, Germany and Italy, with a nominal tax rate being between 20% and 40%. None of its subsidiaries receives a subsidy from the Government through additional tax deductions that could reduce the effective tax rate lower than 15%. The Company applied the mandatory temporary exemption from deferred tax accounting for the impact of supplementary tax, where current tax was not accounted for once it had not been incurred.

Countries with operations	Nominal rate (%)
Netherlands	25.80
Mexico	30.00
Portugal	21.00
Luxembourg	23.87
United States	21.00
Italy	27.90
Germany	33.00

32. EARNINGS PER SHARE

a) Basic

Basic earnings per share are calculated by dividing income attributable to Company's shareholders by the weighted average number of outstanding common shares during the period.

	2024	2023
Profit attributable to the stockholders of the Company	79,514	508,140
Outstanding shares	142,946,030	144,147,004
Basic results per share - R$	**0.55625**	**3.52515**

b) Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares, presuming the conversion of all the potential common shares with dilutive effects. The Company offers a plan with options to purchase potential common shares with dilutive effects. The calculation made to determine the number of shares that could have been issued at fair value was based on the monetary value of the subscription rights linked to the outstanding stock options.

	2024	2023
Profit attributable to the stockholders of the Company	79,514	508,140
Outstanding shares	145,481,676	145,381,809
Diluted results per share - R$	**0.54655**	**3.49521**

33. SEGMENT INFORMATION

The Company discloses information by operating business segment, in accordance with that reported to management bodies for decisions on resource allocations and performance evaluations, as described below.

Structural components, manufacturing contracts, power generation and decarbonization – Custom manufacturing of cast and machined products, with high technological content and added services, for global manufacturers of engines used in passenger cars, commercial vehicles, construction machinery, tractors, agricultural machinery, power generators, capital goods in general and engine assembly for third parties.

Distribution– Distribution of self-made and third-party spare parts, malleable iron connections for the construction industry and cast iron profiles for diversified use.

Information on the reported segments is shown below:

a) Reconciliation of revenues, costs, expenses and net income

Consolidated	Structural components, manufacturing, energy & decarbonization		Distribution		Total	
	2024	2023	2024	2023	2024	2023
Net revenue (note 27)	9,865,275	10,550,758	799,835	817,432	10,665,110	11,368,190
Costs and expenses (note 28)	(9,132,920)	(9,773,505)	(616,919)	(687,712)	(9,749,839)	(10,461,217)
Other operating expenses net (note 30)	(97,409)	(72,051)	(8,069)	(5,287)	(105,478)	(77,338)
Profit before finance results	**384,820**	**705,202**	**174,847**	**124,433**	**559,667**	**829,635**
Net finance results (note 29)					(300,539)	(291,495)
Profit before taxation					**259,128**	**538,140**
Income tax and social contribution (note 31)					(176,688)	(21,127)
Profit for the period					**82,440**	**517,013**

b) Reconciliation of costs and expenses by segment

Consolidated	Structural components, manufacturing, energy & decarbonization		Distribution		Total	
	2024	2023	2024	2023	2024	2023
Raw and processing materials	(4,909,941)	(5,374,622)	(388,826)	(433,576)	(5,298,767)	(5,808,198)
Maintenance and consumption materials	(772,048)	(787,622)	(39,122)	(44,511)	(811,170)	(832,133)
Salaries, social security charges and profit sharing	(1,866,520)	(1,941,104)	(95,767)	(109,176)	(1,962,287)	(2,050,280)
Social benefits	(182,927)	(163,338)	(8,296)	(8,801)	(191,223)	(172,139)
Electricity	(429,780)	(445,360)	(16,687)	(21,187)	(446,467)	(466,547)
Depreciation	(364,070)	(345,121)	(14,558)	(12,785)	(378,628)	(357,906)
Freight and commissions on sales	(357,477)	(432,831)	(28,082)	(25,943)	(385,559)	(458,774)
Management fees	(25,190)	(22,130)	(2,194)	(1,926)	(27,384)	(24,056)
Other costs	(224,967)	(261,377)	(23,387)	(29,807)	(248,354)	(291,184)
	(9,132,920)	**(9,773,505)**	**(616,919)**	**(687,712)**	**(9,749,839)**	**(10,461,217)**

c) Reconciliation of assets and liabilities

Consolidated	Structural components, manufacturing, energy & decarbonization		Distribution		Total	
Assets	Dec/24	Dec/23	Dec/24	Dec/23	Dec/24	Dec/23
Trade account receivables (note 4)	1,697,994	1,693,150	139,441	138,585	1,837,435	1,831,735
Inventories (note 5)	2,021,140	1,807,490	176,564	153,772	2,197,704	1,961,262
Tooling (note 6)	294,744	238,143	-	-	294,744	238,143
Other assets (note 15)	143,358	121,658	4,034	5,450	147,392	127,108
Property, plant and equipment (note 13)	2,876,132	2,738,405	64,619	54,308	2,940,751	2,792,713
Intangible assets (note 14)	137,048	156,893	428	207	137,476	157,100
Other assets not allocated	-	-	-	-	3,955,361	3,176,684
Total assets	**7,170,416**	**6,755,739**	**385,086**	**352,322**	**11,510,863**	**10,284,745**

Consolidated	Structural components, manufacturing, energy & decarbonization		Distribution		Total	
Liabilies	**Dec/24**	**Dec/23**	**Dec/24**	**Dec/23**	**Dec/24**	**Dec/23**
Trade accounts payables (note 16)	1,378,949	1,303,285	103,671	72,489	1,482,620	1,375,774
Income taxes payable (note 19)	104,391	101,438	9,907	9,364	114,298	110,802
Salaries, social security charges and profit sharing (note 21)	351,280	363,955	14,776	15,152	366,056	379,107
Advances from customers (note 22)	289,689	233,436	26,965	14,822	316,654	248,258
Other liabilities	158,400	179,962	2,538	4,179	160,938	184,141
Deferred tax on intangible assets	32,162	36,855	-	-	32,162	36,855
Other liabilities not allocated	-	-	-	-	5,538,788	4,621,966
Equity	-	-	-	-	3,499,347	3,327,842
Total liabilities and equity	**2,314,871**	**2,218,931**	**157,857**	**116,006**	**11,510,863**	**10,284,745**

Dedicated assets and liabilities are allocated directly to segments. For those in common use, criteria are used according to their applicability or origin. As they are not directly related to the transaction, the Company does not allocate to the reported segments the assets of cash and cash equivalents, recoverable and deferred taxes and contributions, judicial deposits and other and investments in other companies. On the liability side, for the same reason, financing and loans, financing of taxes and social charges, dividends, provisions, deferred taxes and other long-term liabilities are not allocated.

d) Material clients responsible for more than 10% of the Company's total revenues

The Company has a diversified portfolio of domestic and foreign clients. In the structural components, manufacturing contracts, energy and decarbonization segment, there are clients who individually represent more than 10% of consolidated revenues, as shown below:

Consolidated				
Revenue	**2024**	**%**	**2023**	**%**
Structural components, manufacturing, energy & decarbonization	**9,865,275**	**92.5**	**10,550,758**	**92.8**
Customer A	1,853,207	17.4	1,428,262	12.6
Customer B	1,271,928	11.9	1,470,769	12.9
Customer C	1,025,875	9.6	1,617,753	14.2
Other customers	5,714,265	53.6	6,033,974	53.1
Distribution	**799,835**	**7.5**	**817,432**	**7.2**
Total revenue	**10,665,110**	**100.0**	**11,368,190**	**100.0**

The breakdown of sales in the distribution segment is diversified.

e) Information on the countries where the Company holds revenues

Revenues from clients, attributed to the home country and each foreign country, and their share in the Company’s total revenues for the year are broken down as follows:

Consolidated

	2024	%	2023	%
North America	**4,372,499**	**41.0**	**5,195,926**	**45.7**
United States	2,462,998	23.1	3,119,473	27.4
Mexico	1,852,772	17.4	2,018,666	17.8
Canada	56,729	0.5	57,787	0.5
South and Central Americas	**4,401,945**	**41.3**	**3,866,172**	**34.0**
Brazil - head office	4,165,743	39.1	3,698,292	32.5
Other countries	236,202	2.2	167,880	1.5
Europe	**1,573,245**	**14.9**	**2,045,761**	**18.1**
United Kingdom	325,778	3.1	508,527	4.5
Sweden	125,047	1.2	277,075	2.4
Netherlands	236,093	2.2	94,597	0.8
Italy	508,362	4.8	642,777	5.7
Spain	95,483	0.9	98,616	0.9
Germany	209,748	2.0	327,330	2.9
Other countries	72,734	0.7	96,839	0.9
Asia, Africa and Oceania	**317,421**	**2.8**	**260,331**	**2.2**
Japan	155,612	1.5	126,221	1.1
India	40,832	0.4	40,533	0.4
South Africa	3,185	-	4,919	-
China	84,393	0.8	68,877	0.6
Other countries	33,399	0.1	19,781	0.1
Total	**10,665,110**	**100.0**	**11,368,190**	**100.0**

f) Non-current assets

Non-current assets in this case correspond to investments in equity instruments, investment properties, property, plant and equipment and intangible assets and their interest in the Company's non-current assets for the year are broken down as follows:

Non-Circulant Assets	Dec/24	Dec/23
Brazil - head office	1,768,670	1,766,636
Mexico	1,290,244	1,164,618
Portugal	24,544	25,440
Other countries *(*)*	9,036	6,331
Total	**3,092,494**	**2,963,025**

(*) United States, Germany and the Netherlands.

34. INSURANCE COVERAGE

The Company adopts an insurance policy that considers the nature and degree of risks involved, in accordance with the guidance of its insurance consultants, and which Management considers adequate.

The Management of the Company is responsible for the sufficiency of the insurance coverage, which considers it appropriate to cover any losses.

The risks covered include the following items and corresponding amounts:

	Dec/24	Dec/23
Buildings	1,199,286	901,713
Machinery and equipment, furniture and fittings	6,133,253	4,495,928
Inventories	1,346,327	801,468
Loss of profit	4,258,084	2,323,370
General civil liability	430,132	350,933
Civil liability - management	205,731	165,756
Environmental civil liability *(*)*	64,363	55,694
Data and cyber protection	68,577	59,683

(*) Only for Funfrap - Fundição Portuguesa S.A.

In September 2022, the Saltillo plant, in Mexico, underwent an accident with the structural collapse of the iron melting system (Cubilô Furnace).

In parallel to the reconstruction of the damaged asset with the support of its external advisors, the Company notified the Insurers, presented reports and technical evidence with the aim of proving that its policy covers the sinister.

Considering that the process of verification by the insurers and their advisors could still require additional technical investigations and in order to ensure the swift indemnification of the Company without the need for any legal disputes, the insurers and the Company decided to formalize an out-of-court agreement, signed on March 7, 2024, resulting in indemnification in favor of the Company in the amount of R$ 52,198, covering all losses incurred in relation to the aforementioned claim.

The amount of the agreement was recognized in the Company's operating income, of which R$26,305 as a cost reducer as reimbursement for loss of profits and R$25,893 in other operating income as reimbursement for expenses incurred in rebuilding the collapsed fusion system.

35. COMMITMENTS

The Company has commitments for the acquisition of long-term assets related to its production process, contracted on the balance sheet date, but not yet incurred in the consolidated amount of R$ 140,936 (R$ 189,773 on December 31, 2023), which will be settled with own resources.

36. FINANCIAL INSTRUMENTS

		Parent company		Consolidated	
	Note	Dec/24	Dec/23	Dec/24	Dec/23
Financial assets at amortized cost		**1,620,558**	**1,372,399**	**4,382,161**	**3,583,975**
Cash and cash equivalents	3	709,970	481,983	2,376,203	1,593,098
Trade account receivables *(*)*	4	715,110	830,200	1,837,435	1,831,735
Notes and other financial assets		195,478	60,216	168,523	159,142
Impact on the result for the year		*53,018*	*53,263*	*132,073*	*123,565*
Financial assets at fair value through profit or loss		**2,404**	**8,186**	**12,263**	**20,464**
Investments in equity instruments		2,404	2,984	10,436	9,590
Derivative financial instruments	37	-	5,202	1,827	10,874
Swap operation	37	71,998	-	71,998	-
Impact on the result for the year		*(2,770)*	*17,776*	*(25,133)*	*45,434*
Financial liabilities at amortized cost		**3,683,387**	**3,199,930**	**5,875,193**	**5,463,678**
Trade accounts payables	16	563,657	558,563	1,482,620	1,375,774
Loans and financing	17	1,314,007	1,454,889	2,428,626	2,755,163
Debentures	18	1,572,257	1,035,518	1,572,257	1,035,518
Dividends and interest on capital		190,263	94,189	190,263	94,189
Notes payable and other financial liabilities		43,203	56,771	201,427	203,034
Impact on the result for the year		*(329,362)*	*(245,386)*	*(387,681)*	*(292,226)*
Financial liabilities at fair value through profit or loss		**785,558**	**92,151**	**791,502**	**92,497**
Derivative financial instruments	37	16,129	12,998	22,073	13,344
Loans and financing	17	769,429	93,863	769,429	93,863
Swap operation	37	-	(14,710)	-	(14,710)
Impact on the result for the year		*(148,199)*	*(5,611)*	*(153,891)*	*(3,138)*

(*) Includes the estimate for impaired receivables.

37. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE OF NET FOREIGN INVESTMENT

Derivative financial instruments

In order to minimize the impacts of exchange-rate change on future cash flows, the Company contracted financial instruments:

- Structured operations in the zero-cost collar (ZCC) modality;
- Non-Deliverable Forwards (NDF); and
- Swaps.

The fair value of these instruments is measured using widely used market information providers, based on the Black-Scholes pricing model and discounted future cash flow, widely used by market participants to measure similar instruments. The amounts of these instruments are contracted in accordance with the Company's internal rules and guidelines.

On the external scenario, there is debate on economic policy and the extent of the easing of US monetary policy, which, together with geopolitical developments, could bring more volatility to the markets. In some emerging economies, the dynamics of interest rates are diverging.In this scenario, the dynamics of emerging currencies continue to be influenced by the different magnitudes of monetary tightening among countries, in addition to changes in the perception of endogenous and exogenous risk-return to these countries. In the comparison between December 31, 2023 and December 31, 2024, the Real depreciated by 27.90% against the North American Dollar and 20.27% against the Euro and the Mexican Peso appreciated by 21.41% against the US Dollar.

The net positions outstanding at December 31, 2024 and December 31, 2023 are shown below:

	Parent company		Consolidated	
	Dec/24	Dec/23	Dec/24	Dec/23
Financial assets	**71,998**	**5,202**	**73,825**	**10,874**
Options and NDF's operations (a)	-	5,202	1,827	10,874
Swap (b)	71,998	-	71,998	-
Financial liabilities	**(16,129)**	**(12,998)**	**(22,073)**	**(13,344)**
Options and NDF's operations (a)	(16,129)	(13)	(22,073)	(359)
Swap (b)	-	(12,985)	-	(12,985)
Financial derivative instruments, net	**55,869**	**(7,796)**	**51,752**	**(2,470)**
Options and NDF's operations	(16,129)	5,189	(20,246)	10,515
Swap	71,998	(12,985)	71,998	(12,985)
	55,869	**(7,796)**	**51,752**	**(2,470)**

a) Options and NDFs operations

Below are the options contracted on December 31, 2024 and December 31, 2023:

Dec/24							
				Fair value		Financial result	
	Maturity date until	Currency	Nocional USD (in thousands)	Assets	Liabilities	MTM	Receipt (Payment)
Parent company				-	**(16,129)**	**(21,318)**	**(129,071)**
ZCC - zero cost collar (a)	Oct/205	USD/BRL	29,500	-	(10,787)	(15,786)	(5,034)
NDF - exporter (c)	Mar/2025	USD	5,100	-	(5,342)	(5,532)	(124,037)
Subsidiaries				**1,827**	**(5,944)**	**(9,443)**	**(18,638)**
ZCC - zero cost collar (b)	Oct/2025	USD/MXN	42,100	124	(4,985)	(9,541)	(15,032)
ZCC - zero cost collar (d)	Aug/2025	EUR/BRL	8,300	-	(959)	(1,529)	(4,263)
NDF - importer (e)	Mar/2025	EUR	9,400	1,703	-	1,627	657
Consolidated				**1,827**	**(22,073)**	**(30,761)**	**(147,709)**

Dec/23							
				Fair value		Financial result	
	Maturity date until	Currency	Nocional USD (in thousands)	Assets	Liabilities	MTM	Receipt (Payment)
Parent company				**5,202**	**(13)**	**121**	**11,806**
ZCC - zero cost collar (a)	Nov/2024	USD/BRL	68,800	5,012	(13)	(69)	12,021
NDF - exporter (c)	Jan/2024	USD	2,000	190	-	190	(215)
Subsidiaries				**5,672**	**(346)**	**(2,424)**	**32,555**
ZCC - zero cost collar (b)	Aug/2024	USD/MXN	45,100	4,695	(15)	(547)	45,335
ZCC - zero cost collar (d)	Aug/2024	EUR/BRL	13,700	623	(53)	760	1,763
NDF - importer (e)	Mar/2024	EUR	8,300	354	(278)	(2,637)	(14,543)
Consolidated				**10,874**	**(359)**	**(2,303)**	**44,361**

a. On December 31, 2024, transactions consisting of the purchase of “PUT” and sale of “CALL” with a weighted average exercise price of R$5.62 and R$6.03, respectively. On December 31, 2023, R$4.85 and R$5.35.

b. On December 31, 2024, transactions consisting of the purchase of “PUT” and sale of “CALL” with a weighted average exercise price of MXN 19.22 and MXN 21.58, respectively. On December 31, 2023, MXN 17.18 and MXN 19.19.

c. On December 31, 2024, operations at an average price of R$5.17. On December 31, 2023, R$4.98.

d. On December 31, 2024, transactions consisting of the purchase of “PUT” and sale of “CALL” with a weighted average exercise price of EUR 6.20 and EUR 6.73, respectively. On December 31, 2023, EUR 5.33 and EUR 5.75.

e. On December 31, 2024, transactions at an average price of EUR 6.32. On December 31, 2023, EUR 5.37.

Below is the change in the period and the maturities of the outstanding position on December 31, 2024:

	Parent company	Subsidiaries	Consolidated
AT DECEMBER 31, 2023	**5,189**	**5,326**	**10,515**
Recognized in financial results	(150,389)	(28,081)	(178,470)
Settlement	129,071	19,731	148,802
Foreing exchange impact	-	(1,093)	(1,093)
AT DECEMBER 31, 2024	**(16,129)**	**(4,117)**	**(20,246)**
Maturity date			
Due March 31, 2025	(9,803)	(2,925)	(12,728)
Due June 30, 2025	(3,110)	(940)	(4,050)
Due September 30, 2025	(2,770)	(328)	(3,098)
Due December 31, 2025	(446)	76	(370)
AT DECEMBER 31, 2024	**(16,129)**	**(4,117)**	**(20,246)**

b) Swap

Below is the maturities of the outstanding position on December 31, 2024:

	Dec/24			Dec/23		
Swap debts	*Nocional* USD (in thousands)	Assets (VC+)	Liabilities (% CDI)	*Nocional* USD (in thousands)	Assets (VC+)	Liabilities (% CDI)
Advance on export contracts - ACC (note 17e)	18,000	6.43	99.46%	75,000	6.43	100.30%
BNDES Exim (note 17d)	48,256	5.63	108.38%	18,330	5.58	108.50%
Total	**66,256**			**93,330**		

VC = Foreign exchange variation.
CDI = Interbank deposit certificate.

	Parent company	
Maturity date	*Nocional* USD (in thousands)	Fair value BRL
Due February 03, 2025	18,000	20,255
Due August 15, 2028	18,330	20,816
Due April 16, 2029	29,926	30,927
AT DECEMBER 31, 2024	**66,256**	**71,998**

Financial liabilities are being measured at fair value through profit or loss.

c) Hedge of foreign investment, net

Focusing on mitigating the impacts of exchange rate volatility on results, the Company started to adopt the hedge of net foreign investment (net investment hedge).

In the year ended December 31, 2024, the Company had advance payments on foreign exchange contracts in the amount of US$ 47,0 million, equivalent to R$ 291,038, and export prepayment contracts in the amount of US$ 195,0 million, equivalent to R$ 1,207,499, designated as hedge instruments for the investment in the indirect subsidiary Tupy México Saltillo, S.A. de C.V.

In the year ended December 31, 2024, the Company also had export prepayment contracts in the amount of EUR 6,5 million, equivalent to R$ 41,836 designated as hedge instruments for the investment in the indirect subsidiary Funfrap - Fundição Portuguesa S.A.

In the year ended December 31, 2024, the Company recognized in equity valuation adjustments a loss of R$ 232,596, R$ 153,508 net of the tax effect, arising from the conversion of the prepayment agreement designated as hedge instruments, with the counterpart investments in foreign subsidiaries generating a gain of R$ 566,830. The net result of the operation was a gain of R$ 413,322.

In the year ended December 31, 2023, the Company recognized in equity valuation adjustments, in shareholders' equity, a gain of R$ 123,534, R$ 81,524 net of the tax effect, from the conversion of prepayment contracts designated as hedge instruments, with a counterpart of investments in subsidiaries abroad which generated a loss of R$ 165,310. The net result of the operation was a loss of R$ 83,786.

38. FINANCIAL RISK MANAGEMENT

The Company has a financial management policy and internal rules monitored by the Risks and Internal Controls area, which determine practices for identifying, monitoring and controlling exposure to financial risks.

38.1 Credit risk

The credit risk arises from cash and cash equivalents, derivative financial instruments, interest earning bank deposits, and exposure to client credit, including outstanding accounts receivable.

Credit risk management of trade accounts receivable is carried out through a joint assessment of payment capacity, indebtedness ratio, market behavior and history with the Company, which establishes individual credit limits. Additionally, the Company performs a quantitative and qualitative analysis of the receivables portfolio, to determine the estimated loss on receivables. As of December 31, 2024, the Company had estimated loss with trade accounts receivable of R$ 44,689 (R$ 38,331on December 31, 2023), which represented 2.4% of the balance of outstanding accounts receivable (consolidated) on that date (2.0% on December 31, 2023).

The credit risk also consider retention of values by customers who demand quality problems refunds. For those events, the Company follows internal policy which it applies estimates to measure potential losses while discussing the origin of the debts with the respective customers.

Due to the nature of its assets and historical indicators, the Company does not hold collateral to cover its credit risks associated with its financial assets.

Credit quality of financial assets

The credit quality of financial assets is evaluated by reference to external credit ratings (if any) or to historical information about counterparty default indexes:

	Parent company		Consolidated	
	Dec/24	Dec/23	Dec/24	Dec/23
Counterparties with external credit ratings (*)				
Cash and cash equivalents	**709,970**	**481,983**	**2,376,203**	**1,593,098**
AAA	709,486	481,365	2,375,166	1,591,711
AA+ / AA / AA-	-	35	553	35
A+ / A / A-	484	583	484	1,225
Other	-	-	-	127
Derivative financial assets	**71,998**	**5,202**	**73,825**	**10,874**
AA+ / AA / AA-	71,998	5,202	73,825	10,874
Counterparties without external credit rating				
Trade receivables	**715,110**	**830,200**	**1,837,435**	**1,831,735**
Low risk	674,876	786,382	1,797,201	1,787,917
Moderate risk	40,234	43,818	40,234	43,818
High risk	10,804	7,474	44,689	38,331
Estimate for impairment of trade receivables	(10,804)	(7,474)	(44,689)	(38,331)
Other financial assets	**197,882**	**63,200**	**178,959**	**168,732**
Total	**1,694,960**	**1,380,585**	**4,466,422**	**3,604,439**

(*) The Company considers, for the classification of risk, the lowest rating between the rating agencies.

Trade accounts receivable presents the following risk classifications:

- Low risk, clients in the structural components, manufacturing contracts, energy and decarbonization segment, except clients that have already presented historical losses.
- Moderate risk, clients in the distribution segment, except clients that have already experienced historical losses.
- High risk, clients that have provisioned balances and historical losses.

The other financial assets held by the Company are considered of high quality and do not show signs of loss.

38.2 Liquidity risk

Liquidity risk is the risk of the Company encountering difficulties in performing the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset. The Company's approach to managing this risk is to maintain a minimum cash position.

The Company is a counterparty in some financing agreements, which require the maintenance of financial indexes, or compliance with other specific clauses. The main operations, the Senior Unsecured Notes issued in 2021 and the debentures issued in July 2024, require the Company to meet the Net Debt/EBITDA financial ratio. If not complied with, it may impose restrictions, which are detailed in notes 17 and 18.

In order to guarantee sufficient liquidity to fulfill its obligations without causing losses or harming the Company's operations, the minimum cash is calculated based on the projection of two months of payment to suppliers, salaries, charges, tax obligations, deducting future receipts with a 50% discount for the same period. In addition, the calculation includes the balance of short-term loans and financing and mark-to-market of derivative instruments. The Company manages its investment portfolio following criteria of maximum concentration limits in financial institutions, as well as their global and local ratings.

We present below the contractual maturities of financial liabilities:

Consolidated		Contractual cash flow					
Financial liabilities	Carrying amount	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	Total flow
Borrowings	3,198,055	510,071	86,330	142,232	664,179	2,394,003	3,796,815
Trade payables and notes and other	1,643,558	1,643,558	-	-	-	-	1,643,558
Debentures	1,572,257	88,947	100,918	208,928	207,219	1,978,089	2,584,101
Dividends payable	190,263	190,263	-	-	-	-	190,263
Financial derivative instruments	22,073	14,555	7,518	-	-	-	22,073
	6,626,206	**2,447,394**	**194,766**	**351,160**	**871,398**	**4,372,092**	**8,236,810**

No cash flow expected, included in the analysis of the maturation of the Company, may occur significantly sooner or in amounts significantly different. In addition, the Company demonstrates sufficient cash generation to meet future payment obligations.

38.3 Market risk

The economic policies of the world's major economies and the Brazilian Federal Government can have important effects on Brazilian companies, including the Company, as well as on market conditions and the prices of securities of Brazilian companies. Considering the nature of the Company's businesses and operations, level of exports and distribution of sales by market, a slowdown in the U.S. economy, mainly in the capital goods sector, could impact sales and revenues and, consequently, the profitability of the Company.

The main market risk factors to which it is exposed are related to: Exchange Rate, Interest Rate, Inflation of the main inputs, Credit Risk and Liquidity Risk. The Company operates by managing its exposure to these factors, keeping them within acceptable parameters in order to optimize returns.

Interest rate risk

The interest rate risk arises from interest earning bank deposits and loans and financing maintained by the Company. Financial instruments with floating rates expose the Company to the risk of fluctuations in cash flow and the fixed-rate instruments expose it to fair value risk, and the Company may use derivative financial instruments, as follows:

Consolidated	Note	Dec/24	Dec/23
Floating-rate instruments		**(888,988)**	**(744,461)**
Financial assets		1,172,691	669,612
Financial liabilities	17 and 18	(2,061,679)	(1,414,073)
Fixed-rate instruments		**(1,505,121)**	**(1,453,122)**
Financial assets		1,203,512	923,486
Financial liabilities	17 and 18	(2,708,633)	(2,376,608)

Sensitivity analysis of changes in variable interest rates

The Company has interest earning bank deposits exposed to CDI change and debt instruments exposed to both CDI variation and, to a small extent, the TJLP.

Interest rate fluctuations may impact the Company's future results. The impacts that would be generated by fluctuations in interest rates to which the Company is exposed are as follows.

Interest rate risk — **Consolidated**

			Scenarios				
Floating rate instruments	**Risk**	**Disclosed**	**Probable**	**+25%**	**+50%**	**-25%**	**-50%**
In Brazilian reais							
Investments	**Interest rate (CDI - % p.a.)**	**12.15**	**14.65**	**18.31**	**21.98**	**10.99**	**7.33**
Financial assets		1,172,691	1,172,691	1,172,691	1,172,691	1,172,691	1,172,691
Potential impact		-	26,141	37,462	74,923	(38,698)	(80,037)
Borrowings	**Interest rate (CDI - % p.a.)**	**12.15**	**14.65**	**18.31**	**21.98**	**10.99**	**7.33**
Financial liabilities		(2,061,679)	(2,061,679)	(2,061,679)	(2,061,679)	(2,061,679)	(2,061,679)
Potential impact		-	45,958	65,860	131,720	(68,034)	(140,711)

CDI = Interbank deposit certificate

Currency risk

The Parent Company and its Brazilian subsidiaries have the Real as their functional currency and are subject to currency risk on sales, purchases and loans denominated in a currency other than its functional currency, the Real. The Mexican subsidiary is subject to currency risk on costs and expenses denominated in a currency other than its functional currency, the U.S. Dollar. The Parent Company's foreign currency transactions are predominantly denominated in U.S. Dollars (US$) and the subsidiary's transactions in Mexico, subject to currency risk, are predominantly denominated in Mexican Pesos.

Additionally, given the relevance of the Company's operations in Mexico, the change of the Mexican Peso also has an impact on the calculation of income tax, given that the net exchange-rate change arising from monetary assets and liabilities in dollars directly impacts the calculation basis of this tax. (note 31)

The Company manages its exposure to exchange rates by combining debt, interest earning bank deposits, accounts receivable, revenue from exports in foreign currency, operations with derivatives and hedge of net foreign investment. The Company's exposure, considering the subsidiaries that use the Real (R$) as their functional currency, is shown below:

Parent company

Net exposure impacting profit	Note	Dec/24	Dec/23
Assets		**620,342**	**643,440**
Cash and cash equivalents abroad	3	29,887	20,482
Customers in the foreign market	4	563,271	622,958
Other amounts		27,184	-
Liabilities		**(52,215)**	**(97,601)**
Borrowings in foreign currency	17	(2,004,146)	(1,398,063)
Hedge of net investment abroad		1,541,654	890,799
Swap contracts		410,277	460,855
Other amounts		-	(51,192)
Net exposure impacting profit			
In thousands of R$		568,127	545,839
In thousands of US$		82,272	131,785
In thousands of EUR		9,116	11,977

The Company's exposure, considering it's subsidiaries, is shown below:

Subsidiaries

Net exposure impacting profit	Dec/24	Dec/23
Assets	**853,854**	**878,838**
Cash and cash equivalents abroad	329,238	82,578
Customers in the foreign market	349,825	475,786
Other amounts	174,791	320,474
Liabilities	**(965,205)**	**(619,127)**
Trade accounts payables	(531,172)	(519,781)
Other amounts	(434,033)	(99,346)
Net exposure impacting profit		
In thousands of R$	(111,351)	259,711
In thousands of MXN	(517,394)	(466,853)
In thousands of US$	11,470	10,572
In thousands of EUR	(4,332)	14,051

Sensitivity analysis of foreign exchange exposure, except derivatives

This analysis is based on the exchange rate change, in which the risk variable is evaluated with a change of 25% and 50%, in relation to the probable scenario budgeted by the Company. This analysis considers that all other variables, especially interest rates, are kept constant.

Parent company			Scenarios			
	Disclosed	Probable	+25%	+50%	-25%	-50%
U.S. Dollar rate	**6.1923**	**5.9970**	**7.5000**	**9.0000**	**4.5000**	**3.0000**
Asset position	620,342	600,777	751,347	901,616	450,808	300,539
Liability position	(52,215)	(50,568)	(63,242)	(75,890)	(37,945)	(25,297)
Net exposure (R$ thousand)	568,127	550,209	688,105	825,726	412,863	275,242
Net exposure (US$ thousand)	91,747	91,747	91,747	91,747	91,747	91,747
Potential impact (R$ thousand)	**-**	**(17,918)**	**119,978**	**257,599**	**(155,264)**	**(292,885)**

Sensitivity analysis of foreign exchange exposure of derivatives

This analysis is based on the exchange rate change in relation to contracted CALL and PUT prices, in which the risk variable is evaluated with fluctuations of 25% and 50%, in relation to the probable scenario budgeted by the Company. This analysis considers that all the remaining variables are kept constant.

			Scenarios			
Parent company	**Disclosed**	**Probable**	**+25%**	**+50%**	**-25%**	**-50%**
U.S. dollar rate	**6.1923**	**5.9970**	**7.5000**	**9.0000**	**4.5000**	**3.0000**
MTM parent company - options and NDF's operations	(16,129)	(11,040)	(57,647)	(107,611)	30,964	80,444
Potential impact (R$ thousand)		**5,089**	**(41,518)**	**(91,482)**	**47,093**	**96,573**

			Scenarios			
Parent company	**Disclosed**	**Probable**	**+25%**	**+50%**	**-25%**	**-50%**
U.S. dollar rate	**6.1923**	**5.9970**	**7.5000**	**9.0000**	**4.5000**	**3.0000**
MTM parent company - swap	71,998	58,637	161,464	264,085	(43,779)	(146,400)
Potential impact (R$ thousand)		**(13,361)**	**89,466**	**192,087**	**(115,777)**	**(218,398)**

Subsidiaries	**Disclosed *(*)***	**Probable**	**+25%**	**+50%**	**-25%**	**-50%**
Mexican peso rate	**20.5103**	**20.5300**	**25.6600**	**30.8000**	**15.4000**	**10.2700**
MTM Subsidiaries (US$ thousand)	(785)	(802)	(7,120)	(12,783)	9,155	33,564
MTM Subsidiaries (R$ thousand)	(4,861)	(4,810)	(53,403)	(115,049)	41,197	100,692
EURO rate	**6.4363**	**6.2969**	**7.8700**	**9.4500**	**4.7200**	**3.1500**
MTM Subsidiaries (R$ thousand)	744	94	4,527	6,622	(3,913)	(6,554)
Potential Subsidiaries impact (R$ thousand)		**(600)**	**(44,759)**	**(104,309)**	**41,400**	**98,254**
Potential consolidated impact with swap (R$ thousand)		**(8,872)**	**3,189**	**(3,704)**	**(27,284)**	**(23,571)**

(*) Mark-to-market fixing.

Price risk

It arises from the possibility of fluctuations in the market prices of inputs used in the production process, mainly scrap, pig iron, metallic alloys, coke and electric power. These price fluctuations may cause changes in the Company's costs. The Company monitors them to reflect, in its sales prices, any fluctuations.

38.4 Operating risk

It arises from all the Company's operations and may generate direct or indirect losses associated with a variety of causes related to processes, personnel, technology, infrastructure and external factors.

The Company's objective is to manage operating risk and avoid losses and damages to reputation and to seek cost efficiency.

The main responsibility for the development and implementation of controls for operational risks is exercised by a centralized area of Internal Controls under the management of Top Management.

38.5 Capital management

The Company's objectives in managing its capital are to safeguard the business continuity capacity to offer return to shareholders and benefits to the other stakeholders besides maintaining an optimal capital structure to reduce this cost.

To maintain or adjust the Company's capital structure, Management may - or propose to, in cases that must be approved by shareholders - review dividend payment policy, return capital to shareholders, issue new shares or sell assets to reduce, for example, indebtedness level.

The Company's Management monitors the ratio between own and third-party capital used to finance its operations. To mitigate liquidity risks and optimize the average cost of capital, the Company monitors compliance with financial ratios in financing and loan agreements.The ratio of own capital versus third-party capital, at the end of each year, is presented below:

Consolidated

	Note	Dec/24	Dec/23
Own capital		**3,499,347**	**3,327,842**
Equity	26a	3,499,347	3,327,842
Third party capital		**5,635,313**	**5,363,805**
Total current and non-current liabilities		8,011,516	6,956,903
Cash and cash equivalents	3	(2,376,203)	(1,593,098)
Own capital versus third-party capital ratio		**0.62**	**0.62**

38.6 Fair value

It is assumed that cash and cash equivalents, trade accounts receivable and accounts payable balances at book value, less impairment in case accounts receivable approximate their fair values.

The valuation techniques used by the Company are classified as level 2 of the fair value hierarchy. The fair value of financial instruments that are not negotiated on active markets (level 2) is determined based on evaluation techniques that maximize the use of data adopted by the market where they are available with the least possible use of specific estimates of the Company.

* * *

INDEPENDENT AUDITOR´S REPORT

(A free translation of the original in Portuguese)

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Independent auditors' report on the individual and consolidated financial statements

(A free translation of the original report in Portuguese)

To the Board of Directors, Shareholders and Management

Tupy S.A.

Opinion

We have audited the individual and consolidated financial statements of Tupy S.A. ("Company"), identified as Parent Company and Consolidated, respectively, comprising the balance sheet as of December 31, 2024, and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows, for the year then ended, as well as the corresponding notes, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of Tupy S.A. as of December 31, 2024, the individual and consolidated performance of its operations and its individual and consolidated cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and International Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB).

Basis for opinion

Our audit was conducted in accordance with Brazilian and international standards on auditing. Our responsibilities under those standards are further described in the following section denominated “Auditor’s responsibilities for the audit of the individual and consolidated financial statements.” We are independent in relation to the Company and its subsidiaries, in accordance with the relevant ethical principles provided for in the Accountant’s Code of Professional Ethics and in professional standards issued by the Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

The key audit matters are those that, in our professional judgment, were the most significant in our audit of current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and, therefore, we do not express a separate opinion on these matters.

Realization of tax credits from income and social contribution tax losses

See notes 2.4.a and 09 to the individual and consolidated financial statements

Key audit matter	How the audit addressed this matter
On December 31, 2024, the Company recognized tax credits deriving from income and social contribution tax losses in the amount of R$ 202,704 thousand and R$ 581,191 thousand, respectively, in its individual and consolidated financial statements. Tax credits from income and social contribution tax losses should be recognized to the extent that it is probable that future taxable profits will be available against which they can be utilized. The estimate of future taxable profit is grounded in a technical study prepared by management and involves the determination of certain significant assumptions, such as: projection period, revenue growth and operating expenses. We considered the assessment of the realization of deferred tax assets to be a key audit matter due to the judgment involved in determining the significant assumptions used to estimate the generation of future taxable profit, and due to the impact that possible changes in these assumptions could have on the amounts of deferred tax assets in the individual and consolidated financial	Our audit procedures in this area included, but were not limited to: - Using our corporate finance experts, we evaluated whether significant assumptions set for determining the forecast period, revenue growth and operating expenses used by the Company to estimate future taxable profit are grounded in historical and/or market data; - We evaluated whether the budget used for projection purposes is those approved by the Company's governance bodies; and - Evaluate whether disclosures in the individual and consolidated financial statements are in accordance with the requirements of applicable accounting standards and consider relevant information. According to the evidence obtained by applying the procedures summarized above, we considered acceptable the realization of tax credits from income and social contribution tax losses and

statements, and the amount of the investment accounted for using the equity method in the individual financial statements.	the respective disclosures in the context of the individual and consolidated financial statements taken as a whole.

Impairment of non-financial assets

See notes 2.4.c and 13.b to the individual and consolidated financial statements

Key audit matter	**How the audit addressed this matter**
The company recognized an impairment loss in the amount of R$ 219,612 thousand in its consolidated financial statements. This adjustment arises from the impairment test of the assets of the industrial plant located in Saltillo, Mexico. For the annual impairment test, the company estimated the recoverable amount based on the value in use of the cash-generating units (CGUs) to which this asset is allocated. The determination of the value in use of the CGU is based on estimated future cash flows, discounted to present value, and involves the use of assumptions such as projection period, revenue growth, operating margin, inflation, and discount rate. This matter was considered significant to our audit due to the relevance of the amounts recorded and the uncertainties related to the assumptions used to estimate the value in use of the CGU, which have a significant risk of resulting in material adjustment to the balances of the consolidated financial statements, as well as to the value of the investment recorded by the equity method in the individual financial statements.	Our audit procedures in this area included, but were not limited to: - Supported by our corporate finance specialists, we evaluated: (i) whether the estimation of the value in use of the CGU related to the industrial plant located in Saltillo (Mexico) was prepared consistently with commonly used valuation practices; (ii) whether the assumptions used to estimate the value in use of the CGUs are based on historical and/or market data consistent with the base date of the work and/or with the budget approved by management and whether the arguments presented are reasonable; (iii) whether the mathematical calculations are correct; (iv) comparison between the recoverable amount and the respective carrying amount of the CGUs in order to identify any impairment loss; - whether the base data used in the estimation of the value in use of the CGUs are consistent with the date of preparation and come from reliable sources.

	Additionally, we analyzed whether the disclosures in the individual and consolidated financial statements consider the relevant information. Based on the evidence obtained through the procedures summarized above, we consider the impairment adjustments acceptable in the context of the individual and consolidated financial statements taken as a whole.

Other issues - Statements of value added

The individual and consolidated statements of value added for the year ended December : prepared under the responsibility of the Company's management, and presented as suppl information for IFRS purposes, were submitted to the same audit procedures followed tog the audit of the Company's financial statements. In order to form our opinion, we evaluat these statements are reconciled to the Company's financial statements and accounting re applicable, and whether their form and content are in accordance with the criteria set on Pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of v have been adequately prepared, in all material respects, according to the criteria set on th Pronouncement and are consistent with the individual and consolidated financial stateme a whole.

Other information that accompanies the individual and consolidated financial statemen independent auditors' report

The Company's management is responsible for other information comprising Managemen

Our opinion on the individual and consolidated financial statements does not include the Management Report and we do not express any form of audit conclusion on such report.

In connection with our audit of individual and consolidated financial statements, our resp to read the Management Report and, in doing so, consider whether this report is, in a mat inconsistent with the financial statements or with our knowledge gained in the audit or ot appears to be materially misstated. If, based on the works performed, we conclude that th material misstatement in the Management Report, we are required to disclose this fact. W nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Individual Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with Accounting Practices Adopted in Bra International Standards (IFRS Accounting Standards), issued by the International Accounti

Standards Board (IASB) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of individual and consolidated financial statements, Management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, where applicable, the matters relating to its going concern and the use of this basis of accounting in preparing the financial statements, unless Management intends to wind-up the Company and its subsidiaries or cease its operations, or has no realistic alternative to avoid the closure of operations.

Those charged with governance of the Company and its subsidiaries are the people responsible for overseeing the process of preparation of the financial statements.

Auditors' Responsibilities for the Audit of the Individual and Consolidated Financial Statements

Our purposes are to obtain reasonable assurance that the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error, and to issue audit report containing our opinion. Reasonable assurance means a high level of security, but not a guarantee that an audit conducted in accordance with Brazilian and international auditing standards always detects any existing material misstatements. Misstatements may be due to fraud or error and are considered material when, individually or taken as a whole, can influence, within a reasonable perspective, the economic decisions of users taken based on these financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain our professional skepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

– Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may lead the Company and its subsidiaries to no longer remain as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We planned and performed the group audit to obtain appropriate and sufficient audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group's financial statements. We are responsible for the direction, supervision, and review of the audit work performed for the purposes of the group audit and, consequently, for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Joinville, March 27, 2025

KPMG Auditores Independentes Ltda.

CRC SC-000071/F-8

Original report in Portuguese signed by
Felipe Brutti da Silva
Accountant CRC RS-083891/O-0 T-SC

STATUTORY AUDIT AND RISK COMMITTEE REPORT - CAE

I – INTRODUCTION

The Statutory Audit and Risk Committee (Committee or CAE) of TUPY S.A. is a statutory body created at the Extraordinary General Meeting held on October 23, 2019, and installed at the Board of Directors meeting on April 30, 2020.

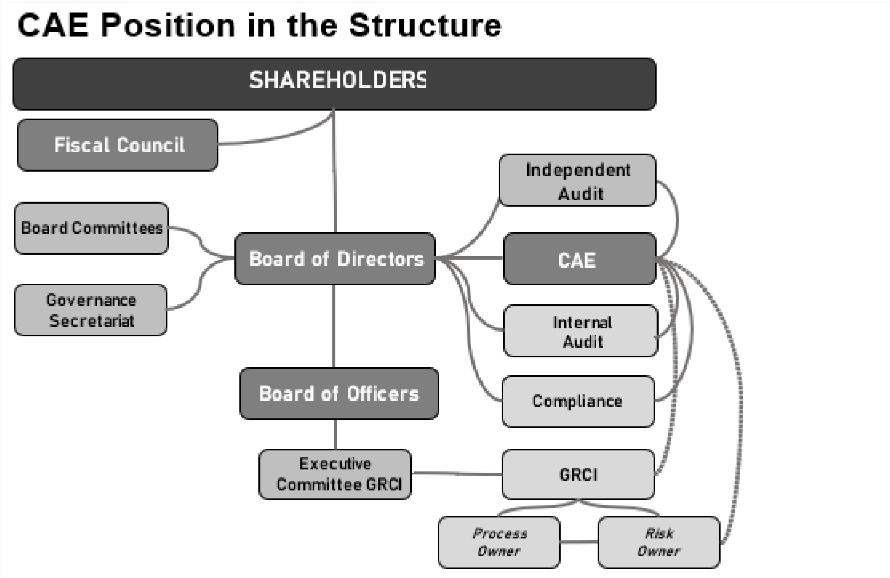
In compliance with the Brazilian Code of Corporate Governance for Publicly-Held Companies of CVM (item 4.1.1) and the New Market Regulation of B3 (article 22 item 'V'), the Committee currently consists of 6 (six) members, including three independent Board Member – one of whom coordinates the Committee - and three external members.

The Committee is linked to the Board of Directors and, as an advisory body, does not have executive and/or deliberative functions, acting with autonomy and independence in the fulfillment of its legal and statutory responsibilities beyond those defined in its Internal Regulation.

Within its supervisory function among the various operational processes of the Company that it monitors, the Committee is responsible for reviewing the accounting procedures for the preparation and publication of the audited financial statements.

The Committee's evaluations are based on information received from Management, Internal Audit, those responsible for Risk Management, Internal Controls, Compliance, and Independent Audit, as well as analyses resulting from the monitoring of processes, also making use, whenever necessary, of the opinion of external experts.

The structure, reporting, and relationship of the CAE with the internal and Governance bodies of the Company are illustrated in the figure below.



Legend:
Solid line – direct reporting to the Board of Directors, including Independent Audit, Internal Audit, and Compliance via Committee
Dotted line – reporting to the Executive Board, under the Committee's supervision

This report follows the guidelines set forth in Article 22, paragraph 1, of the B3 New Market Regulation, and Articles 31 D and E of CVM Resolution No. 23, dated February 25, 2021.

II – MEETINGS HELD

With the presence of its members, during the period covered by this report, the Committee met 22 (twenty-two) times between April 22, 2024 and March, 24, 2025, as follows:

2024	April	22
	May	07, 16, 17 e 29 (1)
	June	10 e 25
	July	23
	August	06, 12, 13, 14 e 22 (2)
	September	19
	October	08, 09 e 17 (3)
	November	06 (4)
	December	16
2025	January	27
	February	24
	March	24 (4)

(1) May 16 to 17, 2024, meetings held at the Mexican Units, accompanied by part of the Board of Directors.
(2) August 12 to 14, 2024 technical meetings at the Dutch TMC branch, and 22 at the Betim (MG) unit.
(3) October 8 and 9, 2024 technical meetings at the Aveiro Portuguese unit, accompanied by part of the Board of Directors.
(4) November 6, 2023, and March 24, 2025, meetings held jointly with the Supervisory Board, comprising all the Company's Control areas and the Independent Audit, at the headquarters in Joinville (SC).

During this period, due to changes made by the Company's Board of Directors, as of December 16, 2024, Board Member Paula Regina Goto replaced former member Ênio Mathias, focusing her work as Board Member and Coordinator of the Finance and Investment Committee (CFI).

In view of the nature of the matters discussed at the meetings, executives from the following areas were present:

- Risks and Internal Controls
- Compliance
- Controllership and Accounting
- Legal
- Health, Safety, Environment, and People
- Information Technology
- Treasury
- Presidency
- Investor Relations
- Vice-Presidency of Finance, Controls, Administration
- Vice Presidência de Compras e Logística
- Vice Presidência de Operações
- Auditoria Interna
- Comitê de Ética e Conduta
- Independent Audit
- "Risk owners" and those responsible for processes in administrative and industrial areas of the units located in Brasil, Mexico, Portugal, and the Netherlands.

Specific meetings were also held with the Fiscal Council (August 06, November, 06, 2024 and March 24, 2025), aimed at addressing matters within the scope of both governance bodies.

At the ordinary meetings of the Board of Directors (BoD), following the method introduced in 2023 to facilitate the timely communication of the issues addressed by the BoD, the Coordinator reported on the matters dealt with at the meetings held by the Committee during the period, highlighting the most relevant issues.

III – PRINCIPAIS ATIVIDADES E TEMAS TRATADOS

The main activities and issues dealt with involved the following themes:

(1) Controllership, financial management, and indicator monitoring

- Monitoring financial management, including assets, liabilities, debt level, cash position and covenants.
- Analysis and commentary on the content of quarterly ITRs, Special Balances for shareholder BNDES Participações S.A. - BNDESPAR, and the annual Financial Statements, respective Explanatory Notes, and review of the draft Management Report, in addition to the market.
- Analysis and discussion of the draft Financial Statements and respective explanatory notes, as well as the Administration's report for the year ended December 31, 2024.
- Analysis of transactions with related parties and compliance with intercompany obligations.
- Analysis of actuarial commitments arising from the defined benefit pension plan for professionals located in the Mexican subsidiaries and the business combination with acquired MWM.
- Analysis of the values, variations, and accounting criteria for judicial contingencies (labor, civil, and tax).
- Evaluation of asset impairment tests and indicators of recoverability of intangible assets.
- Evaluation of the realization capacity of deferred taxes (to be recovered) - state and federal.
- Analysis of information related to compliance with tax obligations.
- Analysis of insurance policies, their values, and coverage.
- Analysis of the criteria for the accounting treatment of credits with customers, associated with "quality disputes," "partial returns," and "inventories of products located in external warehouses”.
- Analysis and discussion of the content of the Reference Form (FRE).

(2) Risk Management and Internal Controls

- Analyzed the Risk Matrices throughout 2024. Based on the identification of the most relevant risks, the CAE monitored the actions implemented through meetings with the “risk owners”.
- The evolution of the implementation process of the Risk Management and Internal Controls improvement systems integrated with SAP was analyzed.
- Monthly analysis of the minutes from the Executive Board meetings, Executive GRCI Committee, and the Dutch subsidiary Tupy Materials and Components - TMC, addressing recommendations about content and actions recorded in the meeting records.
- Preparation of a Business Continuity Plan for the Company was requested.

(3) Legal

- Monitoring legal contingencies - analysis and discussion of indicators of labor and tax legal contingencies, tax assets, and relevant civil cases.
- Comparative analysis of active vs. passive legal contingencies, with an indication of the adequacy of concepts related to the probability of loss of cases according to the statement of the lawyers sponsoring the respective causes.

- Monitored the movement of the notification issued by SEF/SC regarding the credit of ICMS Santa Catarina, paying attention to the values at stake, decisions in the higher courts for similar cases, and the proper classification of the contingency in the Company's books.
- Analysis of the possible impacts of the global taxation initiative known as “Pillar II” - multinational groups with an annual global turnover of over 750 million Euros would collect at least 15% of income tax in all jurisdictions,
- Monitoring, via follow-up by the Legal area, of the labor risks assumed in the purchase of the Betim plant from the Stellantis Group, specifically regarding compliance with the Conduct Adjustment Term by the Labor Court.

(4) Compliance, Whistleblower Channel, and Ethics and Conduct Committee

- Monthly qualitative and quantitative analysis of the indicators of the Ethics and Conduct system, including the Whistleblower Channel.
- Monitoring internal investigations on the most significant facts, initiated in response to violations verified/reported under the auspices of the Code of Ethics and Conduct.
- Monitoring of the procedures for consolidating the Compliance/Integrity Program in the various areas of the Company.
- Statement for the CA's decision on the goals for the Compliance area in 2025.
- The budget proposal for the Compliance area was analyzed and forwarded to the CA, with estimates of current expenses and in the budget for maintaining the Ethics Channe.

(5) Health, Safety, Environment, and People

- Analysis of Work Safety and Environmental Management indicators, consistent with accident rates and atmospheric emissions in all the Company’s units.
- Discussions on the structure and management practices of HSE in the Company focusing on standardizing work safety procedures.
- Recommendation to ensure that the entire chain of professionals engaged in Work Safety practices is aware of their duties and responsibilities.
- Analysis and recommendation, within the scope of atmospheric emissions, for monitoring in all the Company's manufacturing units, seeking to meet local parameters or those established by Brazilian legislation, whenever more stringent.
- The result of the work of the structural experts carried out by the company Oracides Adriano Engenharia Especial Ltda. was analyzed, carried out based on the event that occurred in a furnace (“cubilô”) located at the Saltillo plant, Mexico, which occurred at the beginning of September 2022, an accident that determined the activation of property insurance to regulate the event, the compensation for which occurred recently.

(6) Internal Audit

- Analysis and discussion of the risks identified in the current activities of the Internal Audit.
- Analysis and commentary on the 2024 Internal Audit Plan.
- Monthly analysis and discussion of Internal Audit indicators, consistent with the work plan follow-up and recommendation compliance.
- Evaluation and recommendations on the reports of the main investigations conducted by Internal Audit.
- Proposal for Deliberation with attribution of concepts related to quantitative and qualitative objectives in each of the assessed dimensions regarding the performance of 2024.
- Evaluation and discussion of the reports of the Internal Audit works issued for the units located in Brazil, Mexico, Portugal and Netherlands, including any deficiencies classified in risk degrees – high, medium, and low – accompanied by comments and action plans prepared by those responsible aiming at the respective corrective actions.

- Statement on the goals for the Internal Audit area for para 2025.

(7) Independent Audit

- Analysis of Audit reports on the quarterly, annual, and special FS, along with recommendations for the improvement of Internal Controls.
- Appreciation of the planning, scope, and main conclusions obtained in the quarterly reviews (ITR), and Special Statements (April and October) required by the shareholder BNDES in light of Articles 248 and 249 of Law 6.404/76, and the report for the issuance of the Financial Statements as of December 31, 2024.
- Analysis of procedures performed by auditors, Key Audit Matters ("KAM"), other matters presented as relevant, and adjustment slips, with a net non-material effect on the result, including:
    - Business combination
    - Contingencies
    - Revenue Recognition
    - Impairment
- Analysis of weaknesses, deficiencies and recommendations for improvement highlighted in the internal controls report, as well as the respective action plans of the internal areas for the correction or improvement of the findings.
- Annual evaluation of Independent Audit services and the Audit Plan for 2025.
- Monitoring the renegotiation of the services provided by KPMG Auditores to the subsidiary TMC.

(8) Technical Visits

- Technical visits were carried out at the units in Mexico, the Netherlands and Portugal.
- Reports containing recommendations on the processes identified were made available for the Executive Board to comment on and for the Board of Directors to be informed of.

(9) Iformation Technology

- Evaluation of the integrity and security of Information Systems, with an emphasis on cyber risk mitigation tools.
- Discussion on the implementation and mapping of processes and controls for SAP Mexico and the most advanced version SAP S4 HANNA (High-performance Analytic Appliance).
- Discussion on the cybersecurity roadmap planned for 2024-2028 and on the recommendations collected to be integrated into the work.
- Clarifications and measures for the implementation of the Ariba tool, designed to provide greater efficiency in the Purchasing processes.
- In the HR area, in Mexico, discussion on the SAP Success Factor solution, for implementation in those units.

(10) Corporate Governance

- Monitoring of topics that are part of the CAE's regular monthly activities.
- Reading of the minutes from meetings received by the Company's governance bodies, including the Executive Board, Executive Committee of Risk Management and Internal Controls, and the TMC Board of Officers.
- Analysis of letters/notifications received from authorities and regulatory bodies;
- Monitoring the process of updating the Reference Form and the Corporate Governance Report "Apply or Explain" as foreseen in the Brazilian Code of Corporate Governance for Public Companies by CVM.

- Analysis of processes related to crisis management and business continuity.
- Review of the Sustainability Report.
- Monitoring the review work of the set of corporate policies.
- Updating the list of CAE activities and their distribution throughout the year.
- Analysis of the results of the CAE evaluation for 2025.
- Preparation of the CAE's annual budget proposal for 2025.

IV - SUMÁRIO

The members of the Audit and Statutory Risk Committee of TUPY S.A., in the exercise of their legal, regulatory and statutory attributions and responsibilities, as provided in their Internal Regulation, reviewed the Financial Statements, accompanied by the report of KPMG Auditores Independentes, issued on this date without reservations, the Management's annual report corresponding to the fiscal year ending December 31, 2024 and taking into account the further information provided by the Company's Management and by the Independent Audit, as well as the proposal for allocation of net income for fiscal year 2024, unanimously express their favorable opinion on the mentioned proposals and that the aforementioned documents and information adequately reflect, in all relevant aspects, the equity and financial positions of the Company and its subsidiaries, and recommend the approval by the Company's Board of Directors for its submission to the Ordinary Shareholders' Meeting, pursuant to the terms of the Brazilian Corporation Law.

Joinville, March 27, 2025.

JAIME LUIZ KALSING
Independent Board Member
Committee Coordinator

PAULA REGINA GOTO
Independent Board Member

VINÍCIUS MARQUES DE CARVALHO
Independent Board Member

JORGE ROBERTO MANOEL
External Member

MARCOS ALEXANDRE TEIXEIRA
External Member

IÊDA APARECIDA DE MOURA
External Member

OPINION OF THE FISCAL COUNCIL

The Fiscal Council of Tupy S.A., in the course of its legal and statutory duties, examined the Company's Management Report and Financial Statements for the fiscal year ending December 31, 2024, which comprise the Balance Sheet, the Statements of Income, of Comprehensive Income, of Cash Flows, of Changes in Stockholders' Equity, and of Added Value and the respective Explanatory Notes, and the Management's proposal regarding the allocation of the Net Income for the Fiscal Year. Such examinations were further followed by the analysis of documents and, substantially, by information and clarifications provided by the external auditors and by the Company's Management throughout the year.

Thus, after following the deliberations of the Board of Directors held on this date and based on the examinations performed, the Report of the Audit and Statutory Risk Committee and the Report of KPMG Auditores Independentes Ltda., issued on March 27, 2025, both without reservations, the Fiscal Council unanimously expresses its opinion that the aforementioned documents and information, as well as the Management's proposals related to the allocation of net income for the year and the capital increase, are ready to be submitted to the General Shareholders' Meeting.

Joinville, March 27, 2025.

João Augusto Monteiro

Chairman of the Fiscal Council

Francisco Ferreira Alexandre

Member of the Fiscal Council

Ricardo Zamora

Member of the Fiscal Council

MANAGEMENT

BOARD OF DIRECTORS

President

Paula Regina Goto

Vice-president

Vinícius Marques de Carvalho

Members

Anielle Francisco da Silva
Carlos Roberto Lupi
Enio Mathias Ferreira
Jaime Luiz Kalsing
José Rubens de La Rosa
Ricardo Antonio Weiss
Wagner de Sousa Nascimento

BOARD OF OFFICERS

CEO

Fernando Cestari de Rizzo (DRI)

Vice-presidents

Fabio Pena Rios
Gueitiro Matsuo Genso
Luciano Prestes Boiko
Rafael Lemos De Oliveira
Ricardo Sendim Fioramonte
Rodrigo Cesar Perico
Toni Marcelo Zampieri Bueno

Accountant

Pedro Henrique Eyng
CRC-SC 16.161/O-0 – CPF 537.813.259-20