



3Q25 Highlights

Impact of global uncertainties on demand for commercial vehicles

Earnings Call

Date: Nov 7th, 2025

Portuguese/English

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

Link: [Webinar TUPY3](#)

Website: www.tupy.com.br/ri

Video: [TUPY3 Comenta](#)

Investor Relations

Rafael Lucchesi
CEO

Gueitiro Genso
VP New Businesses, Innovation and IRO

Rodrigo Périco
CFO

Hugo Zierth
IR Manager

Renan Oliveira
IR Specialist

dri@tupy.com.br

- **Net Revenue: R\$2.4 billion in 3Q25 (-13% vs. 3Q24).** Impact from a 15% decrease in physical sales volumes, driven by the performance in the commercial vehicle market and by the appreciation of the Brazilian real, partially offset by a better product mix and the performance of the aftermarket, energy & decarbonization businesses.
- **Adjusted EBITDA: R\$165 million (-51% vs. 3Q24),** with a margin of 7% (vs. 12% in 3Q24), mainly affected by the traditional business performance e by the appreciation of the Brazilian Real.

The margin of the traditional business, which includes structural components and hydraulic products, reached **5% in 3Q25.** The double-digit decline in sales and production volumes, which affected operational efficiency, quality indicators, and the dilution of costs and expenses, had an approximately R\$210 million impact on EBITDA in the quarter. The margin of **MWM's operations stood at 11% in the period.**
- **Operating Cash Flow: generation of R\$383 million** (vs. R\$227 million in 3Q24). Record cash flow generation for the Company in a third quarter mainly due to working capital management initiatives, with a 6-day reduction in the cash conversion cycle compared to the previous quarter (2Q25).
- **Financial Result: net expense of R\$68 million (vs. an expense of R\$83 million in 3Q24),** due to the positive impact of exchange rate variation on balance sheet accounts in foreign currency and the result of hedge operations (which recorded a negative result in 2024).
- **Net Result: loss of R\$40 million,** due to operating performance, partially offset by better financial results, and the currency effect on tax base (a positive impact of R\$79 million year over year).



MESSAGE FROM MANAGEMENT

Tupy operates in strategic sectors such as cargo transportation, infrastructure and agriculture. Although these segments have solid fundamentals, they have been affected by significant temporary market factors.

Geopolitical conflicts and trade barriers have generated inflationary pressures, with direct effects on interest rates and purchasing power. This environment has been undermining business and consumer confidence, affecting demand in the markets where we operate. Lower freight prices have led transportation companies to postpone fleet replacement and expansion. Automakers, in turn, have also adopted a conservative approach, focused on reducing inventories. Since the purchase of trucks, machinery and equipment represents an investment in capital goods, the decision to buy depends directly on the performance and predictability of sector and macroeconomic indicators. Therefore, the current environment of uncertainty has contributed to a decline in demand.

In Brazil, the combination of high interest rates, more restrictive credit policies, and the weak performance of the agribusiness sector has negatively affected sales of heavy and extra-heavy commercial vehicles.

As a result, physical sales volume in the Structural Components segment declined by 15% compared to the same period last year.

This impact was partially offset by revenue growth in the Energy & Decarbonization, and Distribution Business Units. Consolidated net revenue totaled R\$2.4 billion in the quarter. The favorable evolution of price and product mix partially offset the negative impacts from physical sales volumes and exchange rate, resulting in a decrease of 13% compared to the same period in 2024.

Adjusted EBITDA came to R\$165 million, down by 51% year over year, with a margin of 7% on net revenue, with the indicator mainly impacted by the decline in volumes and the appreciation of the Brazilian Real.

Among the measures adopted for working capital management, the reduction in production volume, which reached a level below sales, stands out as an adjustment to demand. This strategy, although necessary, affected fixed cost dilution. Combined, the impact on EBITDA related to lower sales and production volumes in the quarter totaled R\$210 million.

Traditional Business: focus on value creation and efficiency improvement

We carried out market initiatives that resulted in competitiveness gains, and combined with a higher value-added product mix, contributed to the improved quality of contracts.

Our plants are located in strategic countries, allowing us to meet the growing demand for local content development, especially in Brazil and Mexico. In addition to expanding global service capacity, this geographic diversification represents an important risk-mitigation mechanism, especially in a scenario marked by increased trade protectionism and geopolitical instability.

The acquisitions carried out were strategic and included relevant operational synergies, such as the shutdown of less efficient production lines. This process, included in the business plan, began in 2024 and has been intensifying, reinforcing the Company's commitment to the efficient allocation of resources. The strategy involves the gradual reduction of installed capacity and the reallocation of

production among units, considering the characteristics of new product generations and proximity to key markets and customers.

This approach enables scale gains, greater operational flexibility, and alignment with specific demands of each region, strengthening our competitiveness in the global environment. As part of the integration plan for the plants acquired in Aveiro and Betim, the Company is conducting an industrial reorganization, which will result in a reduction of approximately 25% in installed capacity compared to the post-acquisition scenario.

This is a highly complex project, involving the handling of products among three lines, and encompassing approximately 100,000 work hours. The effects of these actions will begin to be felt in 2026, with gains of R\$100 million, resulting from the reduction of fixed costs. As of 2027, this impact is expected to increase to R\$180 million per year, reflecting total scale and efficiency gains.

In recent months, efforts have been directed toward plant flexibility, with the development of tooling and processes, as well as customer approvals. These initiatives did not impact on the results for the period.

In parallel with this movement resulting from the acquisitions, our strategy includes defining the ideal footprint in each region where we operate, aiming to maximize returns on current projects and allocate new products, following the growth and evolution of our customers, in a scenario where future demand for combustion engines has proven increasingly resilient, including the resumption of production of previously discontinued products.

This new configuration makes production even more flexible, adjusting manufacturing capacity to market cycles and allowing for its expansion as conditions return to normal, while also ensuring the absorption of potential demand peaks.

All industrial reorganization and capacity consolidation actions are aligned with the strategic premise that each plant must operate with a return above the Company's cost of capital, ensuring sustainable value creation for shareholders.

In this quarter, we also made progress in executing projects aimed at operational efficiency and structure reduction. The automation of casting finishing activities and other management initiatives will contribute to significant quality improvements, cost reductions, and increased competitiveness. These will be recurring gains that will contribute to margin improvement in a scenario of volume resumption and will impact EBITDA margin by at least 2 percentage points in 2026.

We also continued executing the inventory reduction project, which had an impact of R\$62 million in the third quarter. This plan will still generate additional benefits of approximately R\$200 million by December 2025, supported by production planning actions at the plants and within the supply chain.

MWM: growth and margin expansion

We are building a larger, more diversified Company, with a presence in high-growth, high-value-added segments. Despite the 1% decrease in revenue, resulting from the reduction in heavy trucks production in Brazil and the consequent impact on the Manufacturing Contracts Business Unit, the EBITDA margin for MWM reached 11% in 3Q25, an increase of 4 percentage points compared to the same period last year. This is the result of a series of initiatives focused on the restructuring of lines, processes, and structures, leading to reductions in costs and expenses.

Sales of generator sets continued on a strong path, with double-digit growth. Scale gains and ongoing improvements in operational efficiency contributed to the increase in EBITDA margin. We expanded our product portfolio, which will enable entry into new markets, such as larger machines used in datacenters.

In the aftermarket segment, sales increased 13% in the first nine months of the year, driven by the “Masterparts” and “Optional” lines, which grew more than 40% and now account for 20% of revenue. The expansion of the portfolio and the inclusion of new distribution channels contributed to 3Q25 recording the best historical sales performance for this Business Unit.

We also completed the reorganization of the Parts Distribution Center, increasing productivity by 38%. This is a countercyclical segment that benefits from declines in truck and machinery sales, and presents higher margins than the Company’s other businesses.

We announced a commercial and technological partnership with Yuchai, one of the world’s largest engine manufacturers. The agreement includes opportunities such as the development of biomethane and ethanol engines, aligned with the high demand for viable decarbonization solutions that benefit the renewable energy matrix available in Brazil. In addition to the distribution of aftermarket and the expansion of the product portfolio, particularly for larger applications such as workboats and generators used in datacenters.

We also started operations at the Bioplant located in Ouro Verde do Oeste, near Toledo (PR), with a current production capacity of 1,440 m³/day of biomethane and 20 tons of fertilizer per day. The second half of the year has been dedicated to validating and adjusting the manufacturing process and the commercialization model. In parallel, the Company continues with the licensing and construction plan for the Bioplants in Divinópolis (MG) and Seara (SC), which will increase the total combined capacity to over 300 tons of fertilizer per day and 11,400 m³ of biomethane. The completion of these projects will enable the Company’s scalability plan in the protein production chain, in partnership with the main cooperatives and integrators in Brazil. Considering the systems in which we already operate, we estimate a potential market for the use of organic inputs derived from 8 million pigs (vs. 265 thousand from the projects already announced).

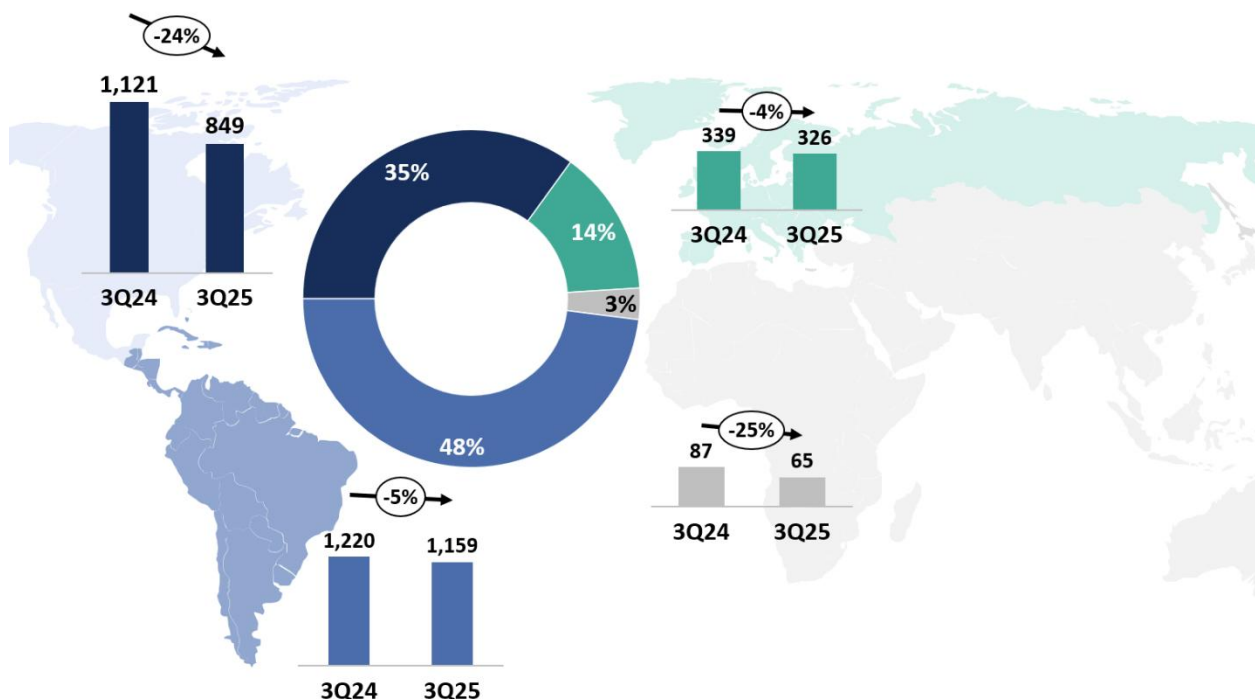
The next few quarters will be marked by challenges, with macroeconomic uncertainties and cyclical factors that will continue to impact the key markets in which we operate. In this context, operational efficiency and disciplined capital allocation becomes even more important. We are reviewing structures and processes in key areas such as Quality, Maintenance, and Procurement to build a more efficient Company, prepared to meet the growing demand for complex solutions and high value-added services, focused on perennial and strategic sectors of the global economy.

SUMMARIZED RESULTS

Consolidated (R\$ thousand)						
SUMMARY	3Q25	3Q24	Var. [%]	9M25	9M24	Var. [%]
Revenues	2,399,201	2,768,319	-13.3%	7,509,614	8,171,684	-8.1%
Cost of goods sold	(2,097,529)	(2,272,685)	-7.7%	(6,461,954)	(6,668,534)	-3.1%
Gross profit	301,672	495,634	-39.1%	1,047,660	1,503,150	-30.3%
% on revenues	12.6%	17.9%		14.0%	18.4%	
Operating expenses	(229,759)	(252,607)	-9.0%	(708,737)	(735,973)	-3.7%
Other operating expenses	(52,172)	(37,730)	38.3%	(128,615)	(121,663)	5.7%
Income before financial result	19,741	205,297	-90.4%	210,308	645,514	-67.4%
% on revenues	0.8%	7.4%		2.8%	7.9%	
Net financial result	(67,540)	(82,821)	-18.5%	(204,811)	(311,301)	-34.2%
Income (loss) before tax effects	(47,799)	122,476	-	5,497	334,213	-98.4%
% on revenues	-	4.4%		0.1%	4.1%	
Income tax and social contribution	8,050	(72,111)	-	(33,504)	(154,107)	-78.3%
Net income	(39,749)	50,365	-	(28,007)	180,106	-
% on revenues	-	1.8%	-	-	2.2%	
EBITDA (CVM Inst. 527/12)	114,786	302,826	-62.1%	498,231	926,172	-46.2%
% on revenues	4.8%	10.9%		6.6%	11.3%	
Adjusted EBITDA	164,858	338,443	-51.3%	621,907	1,041,477	-40.3%
% on revenues	6.9%	12.2%		8.3%	12.7%	
Average exchange rate (BRL/USD)	5.45	5.55	-1.7%	5.66	5.24	8.0%
Average exchange rate (BRL/EUR)	6.37	6.09	4.5%	6.32	5.70	10.8%

REVENUES

In 3Q25, 35% of revenue originated in North America. The South and Central Americas, in turn, accounted for 48%, and Europe for 14%. The remaining 3% came from Asia, Africa, and Oceania, and the acquired plants contributed to a higher exposure to the Brazilian and European markets.



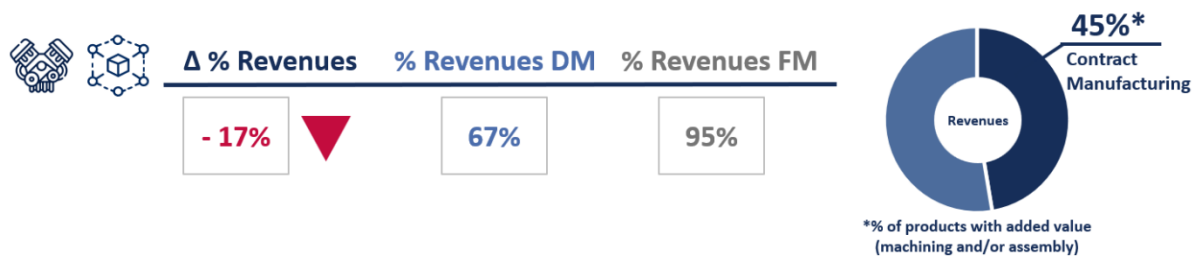
Consolidated (R\$ thousand)

	3Q25	3Q24	Var. [%]	9M25	9M24	Var. [%]
Revenues	2,399,201	2,768,319	-13.3%	7,509,614	8,171,684	-8.1%
Domestic market	1,074,688	1,148,533	-6.4%	3,173,153	3,145,972	0.9%
Structural components and manufacturing contracts	724,953	864,558	-16.1%	2,194,363	2,309,258	-5.0%
Commercial vehicles (and passenger cars)	631,809	781,794	-19.2%	1,919,388	2,082,865	-7.8%
Off-road	93,144	82,764	12.5%	274,975	226,393	21.5%
Energy and decarbonization	176,027	121,196	45.2%	486,728	391,341	24.4%
Distribution	173,708	162,779	6.7%	492,062	445,373	10.5%
Aftermarket	123,655	109,684	12.7%	346,298	297,479	16.4%
Hydraulic products	50,053	53,095	-5.7%	145,764	147,894	-1.4%
Export market	1,324,513	1,619,786	-18.2%	4,336,461	5,025,712	-13.7%
Structural components and manufacturing contracts	1,257,892	1,533,160	-18.0%	4,136,612	4,768,855	-13.3%
Commercial vehicles (and passenger cars)	859,085	1,135,003	-24.3%	2,853,684	3,624,995	-21.3%
Off-road	398,807	398,157	0.2%	1,282,928	1,143,860	12.2%
Energy and decarbonization	26,834	24,914	7.7%	74,956	104,865	-28.5%
Distribution	39,787	61,712	-35.5%	124,893	151,992	-17.8%
Aftermarket	24,014	29,753	-19.3%	74,159	74,491	-0.4%
Hydraulic products	15,773	31,959	-50.6%	50,734	77,501	-34.5%

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

REVENUE BY BUSINESS UNIT

Structural components and manufacturing contracts



The decline in revenue was primarily driven by lower sales volumes of commercial vehicle applications in the North American market. The uncertainty related to tariffs and their effects on economic variables such as inflation and interest rates, as well as on depressed sector indicators (freight prices and capacity utilization), continues to affect demand for commercial vehicles, as transportation companies have postponed fleet renewal and expansion.

In the European market, this scenario was partially mitigated by investments in infrastructure and defense. However, sales remained below those of the same period in 2024, mainly due to fleet renewal.

In Brazil, while the bus segment has performed well, supported by government programs, the heavy vehicle market has been negatively affected by restrictive financing conditions and by the performance of the agribusiness sector, impacted by commodity prices and the appreciation of the Brazilian real against the U.S. dollar. Indirect exports by our clients also had a negative impact on the period's results.

This scenario impacted customers' production levels, as they have adopted inventory reduction strategies, affecting sales in the Structural Components and Manufacturing Contracts business units.

The off-road segment, which is characterized by long production chains, has benefited from the non-residential construction sector, especially in the foreign market, resulting in higher demand for large-engine applications.

The quarterly result was also impacted by the currency appreciation (average BRL/USD rate of 5.45 in 3Q25 vs. 5.55 in 3Q24), partially offset by a more favorable product mix.

Currently, approximately 45% of revenue comes from higher value-added products, such as machined and/or assembled components.

Energy and decarbonization



Δ % Revenues **% Revenues DM** **% Revenues FM**

39%



16%

2%

The result is primarily driven by revenues from generator sets, which increased by 36%, due to a higher number of units sold and a product mix with a higher average price. The EBITDA margin of this product, in turn, is already above 10%.

This performance, combined with the growth in MWM engine sales and new businesses, contributed to an increase of 39% in the revenue of the Energy & Decarbonization Unit, compared to the same period of the previous year.

This business unit accounted for 8% of the Company's total revenue in the period.

Aftermarket



Δ % Revenues **% Revenues DM** **% Revenues FM**

6%



12%

2%

Revenue from the aftermarket grew by 6%, reflecting the launch of new product lines ("Masterparts", a multi-brand product line, and "Linha Opcional", a more competitive line for MWM-branded products). We highlight the record sales achieved in the quarter, driven by new products, the addition of new distribution channels, and improved operational efficiency.

The segment accounted for 6% of the Company's total revenue in the third quarter of 2025.

COST OF GOODS SOLD AND OPERATING EXPENSES

Cost of goods sold (COGS) totaled R\$2.1 billion in 3Q25, down by 8% from the same period last year.

The decline in production volumes, which fell more sharply than sales, affected fixed cost dilution and impacted gross margin, which reached 13% in the period.

	Consolidated (R\$ thousand)					
	3Q25	3Q24	Var. [%]	9M25	9M24	Var. [%]
Revenues	2,399,201	2,768,319	-13.3%	7,509,614	8,171,684	-8.1%
Cost of goods sold	(2,097,529)	(2,272,685)	-7.7%	(6,461,954)	(6,668,534)	-3.1%
Raw material	(1,250,865)	(1,381,986)	-9.5%	(3,851,403)	(4,039,718)	4.7%
Labor, profit sharing, and social benefits	(446,776)	(485,502)	-8.0%	(1,394,199)	(1,422,982)	-2.0%
Maintenance materials and third parties	(164,305)	(170,583)	-3.7%	(499,754)	(512,116)	-2.4%
Energy	(103,508)	(109,203)	-5.2%	(320,423)	(335,919)	-4.6%
Depreciation	(84,971)	(85,955)	-1.1%	(255,897)	(248,897)	2.8%
Others	(47,104)	(39,456)	19.4%	(140,278)	(108,902)	28.8%
Gross profit	301,672	495,634	-39.1%	1,047,660	1,503,150	-30.3%
<i>% on revenues</i>	<i>12.6%</i>	<i>17.9%</i>		<i>14.0%</i>	<i>18.4%</i>	
Operating expenses	(229,759)	(252,607)	-9.0%	(708,737)	(735,973)	-3.7%
<i>% on revenues</i>	<i>9.6%</i>	<i>9.1%</i>		<i>9.4%</i>	<i>9.0%</i>	

Costs in 3Q25 were also affected by:

- Raw material: reduced due to lower volumes in the period, offset by materials inflation and a higher share of value-added products;
- Labor: decline due to headcount reduction, mitigating the effect of inflation (annual salary adjustment);
- Maintenance and third-party services: reduced due to management initiatives, partially offsetting the inflation of services;
- Energy: reduced mainly due to the lower sales volume. Higher use of electric furnaces was observed in the period, offset by gains in other cost lines;
- Other operating costs: increased mainly due to costs with the handling of products and materials, engine engineering projects, leases, and health and safety, among other items. The comparison base was affected by non-recurring gains in 3Q24 (reversal of asset write-offs).

Operating expenses, including administrative and selling expenses, reached R\$230 million, down by 9% vs. 3Q24, mainly due to lower freight expenses (volumes and commercial negotiations).

OTHER OPERATING INCOME/ (EXPENSES)

Other Net Operating Income/Expenses came in as an expense of R\$52 million in 3Q25, compared to an expense of R\$38 million in the previous year.

Consolidated (R\$ thousand)						
	3Q25	3Q24	Var. [%]	9M25	9M24	Var. [%]
Depreciation of non-operating assets	(2,100)	(2,113)	-0.6%	(4,939)	(6,358)	-22.3%
Constitution and restatement of provisions	(29,020)	(22,866)	26.9%	(73,421)	(67,359)	-9.0%
Insurance reimbursement – Mexico	-	-	-	-	25,894	-
Restructuring expenses	(7,922)	(4,519)	75.3%	(24,678)	(25,232)	-2.2%
Write-off of property, plant and equipment, unserviceable assets and others	(13,130)	(8,232)	59.5%	(25,577)	(48,608)	-47.4%
Other operating expenses	(52,172)	(37,730)	38.3%	(128,615)	(121,663)	5.7%

NET FINANCIAL RESULT

Net Financial Result came in as an expense of R\$68 million in 3Q25, compared to an expense of R\$83 million in the same period last year.

Consolidated (R\$ thousand)						
	3Q25	3Q24	Var. [%]	9M25	9M24	Var. [%]
Financial expenses	(116,659)	(109,908)	6.1%	(298,495)	(284,207)	5.0%
Financial income	38,040	42,461	-10.4%	105,076	108,369	-3.0%
Net monetary and currency variations	11,079	(15,374)	-	(11,392)	(135,463)	-91.6%
Net financial result	(67,540)	(82,821)	-18.5%	(204,811)	(311,301)	-34.2%

Financial expenses increased by 6% from last year. The effects of higher interest rates in Brazil that impacted the provision of interest in domestic currency were mitigated by a reduction in indebtedness, with R\$366 million in amortizations during the first half of the year.

Financial income reached R\$38 million in the period, boosted by higher interest rates which, together with the resource allocation strategy, mitigated the lower cash balance compared to the same period last year.

Income from net monetary and exchange rate variations totaled R\$11 million, composed of (i) positive variations in balance sheet accounts in foreign currency, of R\$3 million. Currency exposure management initiatives mitigated the impact of the appreciation of the Brazilian real against the U.S. dollar; and (ii) results from hedge operations, corresponding to R\$8 million in income for the period. Of which R\$8.5 million refers to mark-to-market gains on foreign exchange hedge instruments, and R\$0.5 million to cash-effect losses from settled operations.

EARNINGS BEFORE TAX EFFECTS AND NET INCOME/LOSS

The Company's net result was a loss of R\$40 million, compared to a profit of R\$50 million in the same period last year, impacted by lower operating results, partially offset by financial income and currency effects on tax bases.

Consolidated (R\$ thousand)						
	3Q25	3Q24	Var. [%]	9M25	9M24	Var. [%]
Income (loss) before tax effects	(47,799)	122,476	-	5,497	334,213	-98.4%
Tax effects before currency impacts	(31,706)	(32,669)	-2.9%	(77,352)	(76,660)	0.9%
Earnings before the currency effects on the tax base	(79,505)	89,807	-	(71,855)	257,553	-
Currency effects on the tax base	39,756	(39,442)	-	43,848	(77,447)	-
Net income	(39,749)	50,365	-	(28,007)	180,106	-

The tax bases of the assets and liabilities of the companies located in Mexico, where the functional currency is the U.S. dollar, are held in Mexican pesos at their historical values. Fluctuations in exchange rates affect the tax bases and, consequently, the currency effects are recorded as deferred income tax revenues and/or expenses. In 3Q25, the Company recorded revenue of R\$40 million, with no cash effect (vs. an expense of R\$39 million in 3Q24).

EBITDA

The combination of the aforementioned factors resulted in CVM EBITDA of R\$114 million, with a margin of 5% (vs. 11% in 3Q24). Adjusted EBITDA for other operating expenses and income (constitution/reversal of provisions, write-off of fixed assets, sale of unserviceable assets, and restructuring expenses) reached R\$165 million, with a margin of 7% in 3Q25 (vs. 12% in 3Q24).

Consolidated (R\$ thousand)						
RECONCILIATION OF NET INCOME WITH EBITDA	3Q25	3Q24	Var. [%]	9M25	9M24	Var. [%]
Net income for the period	(39,749)	50,365	-	(28,007)	180,106	-
(+) Net financial result	67,540	82,821	-18.5%	204,811	311,301	-34.2%
(+) Income tax and social contribution	(8,050)	72,111	-	33,504	154,107	-78.3%
(+) Depreciation and amortization	95,045	97,529	-2.5%	287,923	280,658	2.6%
EBITDA (according to CVM 156/22)	114,786	302,826	-62.1%	498,231	926,172	-46.2%
% on revenues	4.8%	10.9%		6.6%	11.3%	
(+) Other operating expenses, net	50,072	35,617	40.6%	123,676	115,305	7.3%
Adjusted EBITDA	164,858	338,443	-51.3%	621,907	1,041,477	-40.3%
% on revenues	6.9%	12.2%		8.3%	12.7%	

The margin of the traditional business, which includes structural components and hydraulic products, reached 5% in 3Q25. The double-digit decline in sales and production volumes, which affected operational efficiency, quality indicators, and the dilution of costs and expenses, had an impact of approximately R\$210 million on EBITDA. In turn, the unfavorable exchange rate scenario affected the result by R\$20 million in the period. These factors were partially offset by a better product mix and cost-reduction initiatives.

The margin of MMW's operations (Manufacturing Contracts, Aftermarket, and Energy & Decarbonization) stood at 11% in the period. The implementation of manufacturing and organizational optimization projects contributed to a significant increase in the EBITDA margin, which stood at 6% at the time of the acquisition.

INVESTMENTS IN PP&E AND INTANGIBLE ASSETS

Investments in property, plant and equipment and intangible assets totaled R\$105 million in 3Q25, compared to R\$93 million in 3Q24, representing an increase of 13%.

Consolidated (R\$ thousand)						
	3Q25	3Q24	Var. [%]	9M25	9M24	Var. [%]
PP&E						
Strategic investments	25,441	48,254	-47.3%	105,370	128,476	-18.0%
Maintenance and modernization of operational capacity	69,391	28,941	139.8%	138,540	119,387	16.0%
Environment	2,571	6,048	-57.5%	6,598	20,493	-67.8%
Interest and financial charges	1,906	5,873	-67.5%	5,810	13,822	-58.0%
Intangible assets						
Software	3,845	2,787	38.0%	6,753	8,287	-18.5%
Projects under development	1,942	1,067	82.0%	6,037	3,398	77.7%
	105,096	92,970	13.0%	269,108	293,863	-8.4%
% on revenues	4.4%	3.4%		3.6%	3.6%	

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

WORKING CAPITAL

Consolidated (R\$ thousand)					
	3Q25	2Q25	1Q25	4Q24	3Q24
Balance sheet					
Accounts receivable	1,660,082	1,935,840	2,028,377	1,837,435	2,110,455
Inventories	1,979,252	2,041,125	2,134,475	2,197,704	2,069,851
Accounts payable	1,289,374	1,321,633	1,574,755	1,482,620	1,411,298
Advances from customers	110,614	151,504	149,093	85,207	76,497
Sales outstanding [days]	61	68	70	63	71
Inventories [days]	85	86	89	92	85
Payables outstanding [days]	60	62	73	65	61
Cash conversion cycle [days]	86	92	86	90	95

The cash conversion cycle was reduced by 6 days compared to 2Q25.

The main lines presented the following variations:

- Reduction of R\$276 million in accounts receivable, equivalent to a 7-day impact on the average collection period. The result for the period was impacted by a higher concentration of receivables in the third quarter, lower sales volumes, and the appreciation of the Brazilian real against the U.S. dollar compared to the previous quarter

(BRL/USD closing rate of 5.32 in September 2025 vs. 5.46 in June 2025), which affected foreign-currency-denominated accounts receivable, accounting for 61% of the total.

- Decrease of R\$62 million in inventories, reducing working capital by one day, driven by management initiatives — mainly related to work in progress — and currency appreciation.
- Reduction of 2 days in the payables outstanding period, resulting from lower inventories, reduced purchase volumes, and currency appreciation, which affected foreign-currency-denominated accounts payable, accounting for 40% of the total.

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

CASH FLOW

	Consolidated (R\$ thousand)					
CASH FLOW SUMMARY	3Q25	3Q24	Var.	9M25	9M24	Var.
Cash and cash equivalents at the beginning of the period	1,436,624	2,427,739	-40.8%	2,376,203	1,593,098	49.2%
Cash from operating activities	383,158	227,374	68.5%	557,423	761,875	-26.8%
Cash used in investing activities	(110,457)	(105,116)	5.1%	(320,475)	(450,945)	-28.9%
Cash provided by (used in) financing activities	(57,821)	(285,730)	-79.8%	(856,734)	177,697	-
Currency effect on the cash for the year	(2,880)	(96,353)	-97.0%	(107,793)	86,190	-
Increase (decrease) in cash and cash equivalents	212,000	(259,824)	-	(727,579)	574,817	-
Cash and cash equivalents at the end of the period	1,648,624	2,167,915	-24.0%	1,648,624	2,167,915	-24.0%

The Company reported operating cash generation of R\$383 million, an increase of 69% compared to the previous year, mainly driven by higher receivables, lower disbursements to suppliers, and several working capital management initiatives.

Investment activities consumed R\$110 million in 3Q25, compared to R\$105 million in the same period a year ago.

As for investing activities, we recorded a consumption of R\$58 million in 3Q25 due to debt amortization. The annual comparison was affected by a higher volume of financial amortizations carried out in 3Q24, in addition to the dividend payments and share buybacks in that period.

The combination of these factors and the currency variation on cash, with an impact of R\$3 million, resulted in an increase of R\$212 million in cash and cash equivalents in the period. Accordingly, we ended 3Q25 with a balance of R\$1,649 million.

INDEBTEDNESS

The Company ended 3Q25 with a net debt of R\$2.3 billion. The decline in LTM Adjusted EBITDA (R\$874 million in 3Q25 vs. R\$1,048 million in 2Q25) contributed to an increase in leverage, which reached 2.58x.

Liabilities in foreign currency accounted for 58% of the total (2% in the short term and 98% in the long term), while 42% of debt is denominated in Brazilian reais (4% in the short term and 96% in the long term). As for cash and cash equivalents, 50% is denominated in foreign currency and 50% in Brazilian reais.

Consolidated (R\$ thousand)					
INDEBTEDNESS	3Q25	2Q25	1Q25	4Q24	3Q24
Short term	127,239	196,248	301,363	660,196	683,329
Financing and loans	127,036	195,483	299,141	638,123	654,575
Financial instruments and derivatives	203	765	2,222	22,073	28,754
Long term	3,812,511	3,848,700	3,958,966	4,132,189	3,855,658
Gross debt	3,939,750	4,044,948	4,260,329	4,792,385	4,538,987
Cash and cash equivalents	1,648,624	1,436,624	1,713,478	2,376,203	2,167,915
Financial instruments and derivatives	31,121	40,547	40,472	73,825	32,392
Net debt	2,260,005	2,567,777	2,506,379	2,342,357	2,338,680
Gross debt/Adjusted EBITDA	4.51x	3.86x	3.45x	3.70x	3.51x
Net debt/Adjusted EBITDA	2.58x	2.45x	2.03x	1.81x	1.81x

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

