

(A free translation of the original in Portuguese)

**Alpargatas S.A.**  
**Quarterly Information (ITR) at**  
**March 31, 2024**  
**and report on review of**  
**quarterly information**



(A free translation of the original in Portuguese)

## **Report on review of quarterly information**

To the Board of Directors and Shareholders  
Alpargatas S.A.

### **Introduction**

We have reviewed the accompanying parent company and consolidated interim accounting information of Alpargatas S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2024, comprising the balance sheet at that date and the statements of operations, comprehensive income, changes in shareholders' equity and cash flows for the quarter then ended, and explanatory notes.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34, applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.



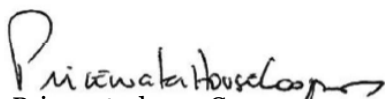
Alpargatas S.A.

**Other matters**

**Statements of value added**

The quarterly information referred to above includes the parent company and consolidated statements of value added for the quarter ended March 31, 2024. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

São Paulo, May 9, 2024

  
PricewaterhouseCoopers  
Auditores Independentes Ltda.  
CRC 2SP000160/O-5

DocuSigned by  
Marcelo Orlando  
Signed By: MARCELO ORLANDO.03090848937  
CPF: 0509048937  
Signing Time: 16 de abril de 2024 | 15:54 BRT  
O: CPFBrazil, OU: Secretaria da Receita Federal do Brasil - RFB  
C: BR  
Issuer: AC SERASA RFB v5  
E:0509048937@...

Marcelo Orlando  
Contador CRC 1SP217518/O-7

(A free translation of the original in Portuguese)

**Individual and consolidated interim financial information**  
**Alpargatas S.A. and Subsidiaries**  
March 31, 2024

**ALPARGATAS S.A. AND SUBSIDIARIES****Balance sheets****As of March 31, 2024 and December 31, 2023**

In thousands of Reals

(A free translation of the original in Portuguese)

|   | Note | Parent Company   |                  | Consolidated     |                  |  | Note | Parent Company   |                  | Consolidated     |                  |
|---|------|------------------|------------------|------------------|------------------|--|------|------------------|------------------|------------------|------------------|
|   |      | 03/31/2024       | 12/31/2023       | 03/31/2024       | 12/31/2023       |  |      | 03/31/2024       | 12/31/2023       |                  |                  |
| <b>ASSETS</b>                               |      |                  |                  |                  |                  | <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                          |      |                  |                  |                  |                  |
| <b>CURRENT ASSETS</b>                       |      |                  |                  |                  |                  | <b>CURRENT LIABILITIES</b>   |      |                  |                  |                  |                  |
| Cash and cash equivalents                   | 5    | 1,141,703        | 798,851          | 1,268,922        | 922,525          | Suppliers  | 16   | 321,635          | 343,728          | 381,324          | 395,067          |
| Trade accounts receivable                   | 6    | 842,483          | 1,047,514        | 763,312          | 883,735          | Forfeiting   | 17   | 135,717          | 159,889          | 135,717          | 159,889          |
| Inventories                                 | 7    | 687,156          | 738,956          | 968,323          | 997,680          | Loans and financing  | 18   | 59,519           | 23,402           | 221,893          | 127,437          |
| Recoverable taxes                           | 8    | 157,550          | 191,637          | 191,539          | 227,725          | Lease liabilities  | 15.1 | 22,467           | 21,765           | 41,402           | 34,859           |
| Prepaid expenses                            |      | 29,976           | 25,964           | 45,743           | 39,515           | Tax liabilities  | 19   | 28,343           | 31,453           | 40,467           | 35,642           |
| Accounts receivable from sale of subsidiary | 11   | 49,799           | 48,527           | 49,799           | 48,527           | Long-term incentive plan   | 24.2 | 3,041            | 2,497            | 3,581            | 3,032            |
| Other credits                               |      | 70,177           | 75,242           | 77,237           | 79,888           | Provisions and other obligations                                     | 20   | 82,752           | 101,661          | 151,979          | 147,357          |
| <b>Total current assets</b>                 |      | <b>2,978,844</b> | <b>2,926,691</b> | <b>3,364,875</b> | <b>3,199,595</b> | Labor and social security obligations                                | 21   | 73,142           | 62,511           | 84,684           | 73,901           |
|   |      |                  |                  |                  |                  | Provision for tax, civil and labor contingencies                     | 23   | 16,688           | 5,738            | 16,688           | 5,738            |
|   |      |                  |                  |                  |                  | Interest on own capital and dividends payable                        | 25.3 | 2,172            | 2,185            | 2,172            | 2,185            |
|   |      |                  |                  |                  |                  | <b>Total current liabilities</b>                                     |      | <b>745,476</b>   | <b>754,829</b>   | <b>1,079,907</b> | <b>985,107</b>   |
| <b>NON-CURRENT ASSETS</b>                   |      |                  |                  |                  |                  | <b>NON-CURRENT LIABILITIES</b>                                       |      |                  |                  |                  |                  |
| Interest earning bank deposits              | 5    | 12,204           | 11,898           | 12,204           | 11,898           | Loans and financing  | 18   | 1,350,800        | 1,358,168        | 1,350,800        | 1,358,168        |
| Recoverable taxes                           | 8    | 86,405           | 97,561           | 86,405           | 97,561           | Lease liabilities  | 15.1 | 116,916          | 121,503          | 156,436          | 150,126          |
| Deferred income tax and social contribution | 9.1  | 243,431          | 241,936          | 261,513          | 259,202          | Deferred income tax and social contribution                          | 9.1  | -                | -                | 127              | 206              |
| Judicial deposits                           | 10   | 33,268           | 31,336           | 33,268           | 31,336           | Provision for tax, civil and labor contingencies                     | 23   | 5,719            | 5,209            | 5,719            | 5,209            |
| Other credits                               |      | 11,319           | 11,319           | 16,328           | 16,803           | Long-term incentive plan   | 24.2 | 5,861            | 4,764            | 7,842            | 6,546            |
| Related parties                             | 22   | 10,904           | -                | -                | -                | Accounts payable for acquisition of subsidiary                       | 12.1 | 79,914           | 78,879           | 79,914           | 78,879           |
| Investments:                                |      |                  |                  |                  |                  | Other liabilities  |      | 32,765           | 29,888           | 15,434           | 15,681           |
| Subsidiaries and associated companies       | 12   | 886,646          | 867,039          | 640,933          | 627,905          | <b>Total non-current liabilities</b>                                 |      | <b>1,591,975</b> | <b>1,598,411</b> | <b>1,616,272</b> | <b>1,614,815</b> |
| Other                                       |      | -                | -                | -                | -                | <b>SHAREHOLDERS' EQUITY</b>  |      |                  |                  |                  |                  |
| Property, plant and equipment               | 13   | 1,370,197        | 1,388,296        | 1,395,292        | 1,412,194        | Capital  | 25.1 | 3,967,128        | 3,967,128        | 3,967,128        | 3,967,128        |
| Right-of-use assets                         | 15   | 127,827          | 132,865          | 185,687          | 173,190          | Capital reserves   |      | 163,916          | 153,466          | 163,916          | 153,466          |
| Intangible assets                           | 14   | 358,266          | 371,082          | 482,088          | 497,705          | Profit reserve   |      | 1,806,113        | 1,806,113        | 1,806,113        | 1,806,113        |
| <b>Total non-current assets</b>             |      | <b>3,140,467</b> | <b>3,153,332</b> | <b>3,113,718</b> | <b>3,127,794</b> | Accumulated deficit  |      | (1,841,541)      | (1,866,356)      | (1,841,541)      | (1,866,356)      |
|   |      |                  |                  |                  |                  | Other comprehensive income   |      | (313,756)        | (333,568)        | (313,756)        | (333,568)        |
|   |      |                  |                  |                  |                  | <b>Shareholders' equity attributable to controlling shareholders</b> |      | <b>3,781,860</b> | <b>3,726,783</b> | <b>3,781,860</b> | <b>3,726,783</b> |
|   |      |                  |                  |                  |                  | Non-controlling shareholder interest                                 |      | -                | -                | 554              | 684              |
|   |      |                  |                  |                  |                  | <b>Total shareholders' equity</b>                                    |      | <b>3,781,860</b> | <b>3,726,783</b> | <b>3,782,414</b> | <b>3,727,467</b> |
| <b>TOTAL ASSETS</b>                         |      | <b>6,119,311</b> | <b>6,080,023</b> | <b>6,478,593</b> | <b>6,327,389</b> | <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>                    |      | <b>6,119,311</b> | <b>6,080,023</b> | <b>6,478,593</b> | <b>6,327,389</b> |

**ALPARGATAS S.A AND SUBSIDIARIES****Statements of operations****For the three-month periods ended March 31, 2024 and 2023**

In thousands of reais (R\$), except earnings per share

(A free translation of the original in Portuguese)

|  | Note | Parent Company   |                  | Consolidated     |                  |
|--|------|------------------|------------------|------------------|------------------|
|  |      | 03/31/2024       | 03/31/2023       | 03/31/2024       | 03/31/2023       |
| Net operating revenue  | 26   | 734,160          | 719,648          | 931,800          | 902,486          |
| Cost of goods sold   | 27   | (458,694)        | (474,045)        | (506,419)        | (513,610)        |
| <b>GROSS PROFIT</b>  |      | <b>275,466</b>   | <b>245,603</b>   | <b>425,381</b>   | <b>388,876</b>   |
| <b>OPERATING EXPENSES</b>                                      |      |                  |                  |                  |                  |
| Selling expenses   | 27   | (158,690)        | (164,514)        | (282,464)        | (298,851)        |
| General and administrative expenses                            | 27   | (68,850)         | (57,087)         | (68,851)         | (57,088)         |
| Share of equity earnings in investees                          | 12   | (2,822)          | (35,582)         | (8,036)          | (30,539)         |
| Other expenses, net  | 28   | (19,738)         | (276,868)        | (33,210)         | (290,462)        |
|  |      | <b>(250,100)</b> | <b>(534,051)</b> | <b>(392,561)</b> | <b>(676,940)</b> |
| <b>OPERATING INCOME (LOSS) BEFORE FINANCIAL INCOME (LOSS)</b>  |      | <b>25,366</b>    | <b>(288,448)</b> | <b>32,820</b>    | <b>(288,064)</b> |
| Financial income   | 29   | 28,256           | 28,025           | 30,088           | 28,183           |
| Financial expenses   | 29   | (44,976)         | (45,163)         | (48,045)         | (47,467)         |
| Net exchange-rate gains/losses                                 |      | 6,732            | (4,925)          | 6,046            | (2,371)          |
| <b>INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b> |      | <b>15,378</b>    | <b>(310,511)</b> | <b>20,909</b>    | <b>(309,719)</b> |
| Income tax and social contribution - Current                   | 9.2  | 7,939            | -                | 1,538            | (10,004)         |
| Income tax and social contribution - Deferred                  | 9.2  | 1,495            | 110,943          | 2,215            | 120,032          |
| <b>NET INCOME (LOSS) FOR THE YEAR</b>                          |      | <b>24,812</b>    | <b>(199,568)</b> | <b>24,662</b>    | <b>(199,691)</b> |
| <b>INCOME (LOSS) FOR THE YEAR ATTRIBUTABLE TO</b>              |      |                  |                  |                  |                  |
| Controlling shareholders                                       |      | 24,812           | (199,568)        | 24,812           | (199,568)        |
| Non-controlling shareholders                                   |      | -                | -                | (150)            | (123)            |
| <b>EARNINGS/(LOSSES) PER SHARE</b>                             |      |                  |                  |                  |                  |
| Basic earnings per common share - R\$                          | 32   | 0.0352           | (0.2812)         | 0.0352           | (0.2812)         |
| Basic earnings per preferred share - R\$                       | 32   | 0.0388           | (0.3106)         | 0.0388           | (0.3106)         |
| Diluted earnings per common share - R\$                        | 32   | 0.0347           | (0.2812)         | 0.0347           | (0.2812)         |
| Diluted earnings per preferred share - R\$                     | 32   | 0.0384           | (0.3106)         | 0.0384           | (0.3106)         |

**ALPARGATAS S.A AND SUBSIDIARIES****Statements of comprehensive income****For the three-month periods ended March 31, 2024 and 2023**

In thousands of reais

(A free translation of the original in Portuguese)

|  | <b>Parent<br/>Company</b> |                   | <b>Consolidated</b> |                   |
|--|---------------------------|-------------------|---------------------|-------------------|
|  | <u>03/31/2024</u>         | <u>03/31/2023</u> | <u>03/31/2024</u>   | <u>03/31/2023</u> |
| <b>NET INCOME (LOSS) FOR THE YEAR FROM CONTINUED OPERATIONS</b>  | <b>24,812</b>             | <b>(199,568)</b>  | <b>24,662</b>       | <b>(199,691)</b>  |
| Other comprehensive income to be reclassified to income (loss) for the subsequent years:                 |                           |                   |                     |                   |
| Gains/(Losses) on the translation of financial statements of foreign subsidiaries and associated company | 19,812                    | (44,712)          | 19,832              | (44,743)          |
|  | <b>19,812</b>             | <b>(44,712)</b>   | <b>19,832</b>       | <b>(44,743)</b>   |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>   | <b>44,624</b>             | <b>(244,280)</b>  | <b>44,494</b>       | <b>(244,434)</b>  |
| Total comprehensive income for the year attributable to:   |                           |                   |                     |                   |
| Controlling shareholders   | 44,624                    | (244,280)         | 44,624              | (244,280)         |
| Non-controlling shareholders   | -                         | -                 | (130)               | (154)             |

**ALPARGATAS S.A AND SUBSIDIARIES**  
**Statements of changes in shareholders' equity**  
**For the periods ended March 31, 2024 and December 31, 2023**

In thousands of reais

(A free translation of the original in Portuguese)

|  | Capital          | Capital reserves | Profit reserves |                  | Other comprehensive income | Accumulated deficit | Shareholders' equity attributable to controlling shareholders | Non-controlling interest in shareholders' equity of subsidiaries | Total shareholders' equity |
|--|------------------|------------------|-----------------|------------------|----------------------------|---------------------|---|--|----------------------------|
|  |                  |                  | Legal           | Tax incentive    |                            |                     |   |  |                            |
| <b>BALANCES AT DECEMBER 31, 2022</b>   | <u>3,967,128</u> | <u>165,503</u>   | <u>87,187</u>   | <u>1,718,926</u> | <u>(180,641)</u>           | <u>-</u>            | <u>5,758,103</u>  | <u>1,655</u>   | <u>5,759,758</u>           |
| Loss for the year  | -                | -                | -               | -                | -                          | (1,866,620)         | (1,866,620)   | (864)  | (1,867,484)                |
| Expenditures with issue of associated companies' shares (exchange-rate change) | -                | 1,506            | -               | -                | -                          | -                   | 1,506   | -  | 1,506                      |
| Changes in treasury shares (ILP)   | -                | 6,421            | -               | -                | -                          | -                   | 6,421   | -  | 6,421                      |
| Interest on own capital and unclaimed dividends                                | -                | -                | -               | -                | -                          | 264                 | 264   | -  | 264                        |
| LT incentive - Granting of shares  | -                | (24,794)         | -               | -                | -                          | -                   | (24,794)  | -  | (24,794)                   |
| LT incentive - Granting of shares (associated company)                         | -                | 4,830            | -               | -                | -                          | -                   | 4,830   | -  | 4,830                      |
| Other comprehensive income   | -                | -                | -               | -                | (152,927)                  | -                   | (152,927)   | (107)  | (153,034)                  |
| <b>BALANCES AT DECEMBER 31, 2023</b>   | <u>3,967,128</u> | <u>153,466</u>   | <u>87,187</u>   | <u>1,718,926</u> | <u>(333,568)</u>           | <u>(1,866,356)</u>  | <u>3,726,783</u>  | <u>684</u>   | <u>3,727,467</u>           |
| <b>BALANCES AT DECEMBER 31, 2023</b>   | <u>3,967,128</u> | <u>153,466</u>   | <u>87,187</u>   | <u>1,718,926</u> | <u>(333,568)</u>           | <u>(1,866,356)</u>  | <u>3,726,783</u>  | <u>684</u>   | <u>3,727,467</u>           |
| Net income for the year  | -                | -                | -               | -                | -                          | 24,812              | 24,812  | (150)  | 24,662                     |
| Expenditures with issue of associated companies' shares (exchange-rate change) | -                | (601)            | -               | -                | -                          | -                   | (601)   | -  | (601)                      |
| Changes in treasury shares (ILP)   | -                | 6,445            | -               | -                | -                          | -                   | 6,445   | -  | 6,445                      |
| Interest on own capital and unclaimed dividends                                | -                | -                | -               | -                | -                          | 3                   | 3   | -  | 3                          |
| LT incentive - Granting of shares  | -                | 3,047            | -               | -                | -                          | -                   | 3,047   | -  | 3,047                      |
| LT incentive - Granting of shares (associated company)                         | -                | 1,559            | -               | -                | -                          | -                   | 1,559   | -  | 1,559                      |
| Other comprehensive income   | -                | -                | -               | -                | 19,812                     | -                   | 19,812  | 20   | 19,832                     |
| <b>BALANCES AT MARCH 31, 2024</b>  | <u>3,967,128</u> | <u>163,916</u>   | <u>87,187</u>   | <u>1,718,926</u> | <u>(313,756)</u>           | <u>(1,841,541)</u>  | <u>3,781,860</u>  | <u>554</u>   | <u>3,782,414</u>           |

**ALPARGATAS S.A AND SUBSIDIARIES**  
**Statements of cash flows**  
**For the three-month periods ended March 31, 2024 and 2023**

In thousands of reais

(A free translation of the original in Portuguese)

|  | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|--|-----------------------|-------------------|---------------------|-------------------|
|  | <b>03/31/2024</b>     | <b>03/31/2023</b> | <b>03/31/2024</b>   | <b>03/31/2023</b> |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                         |                       |                   |                     |                   |
| Net income/(loss) for the quarter                                  | 24,812                | (199,568)         | 24,662              | (199,691)         |
| <b>Adjustments for noncash items:</b>                              |                       |                   |                     |                   |
| Depreciation and amortization                                      | 41,958                | 28,889            | 47,728              | 35,134            |
| Loss (gain) on sale/write-off of property, plant and equipment     | 675                   | 2,430             | 675                 | 2,827             |
| Share of equity earnings in investees                              | 2,822                 | 35,582            | 8,036               | 30,539            |
| Accrued interest, charges and exchange-rate changes                | 29,309                | 42,843            | 31,385              | 43,632            |
| Provision for labor, civil and tax contingencies                   | 20,309                | 2,636             | 20,309              | 2,636             |
| Deferred income tax and social contribution                        | (9,434)               | (110,943)         | (3,753)             | (110,028)         |
| Provision for inventory and inventory adjustment                   | 15,780                | 4,156             | 13,606              | 4,156             |
| Provision for expected loss on accounts receivable                 | 2,890                 | 384               | 3,254               | 1,015             |
| Accrued interest on judicial deposits and tax credits              | (1,347)               | (7,042)           | (1,347)             | (7,042)           |
| Other provisions   | (166)                 | 33                | (166)               | 33                |
| Provision for long-term incentive plan                             | 4,455                 | 3,192             | 4,855               | 2,334             |
| Provision for interest - IFRS 16                                   | 3,658                 | 3,331             | 3,905               | 3,631             |
| Depreciation from right-of-use - IFRS 16                           | 6,461                 | 6,257             | 11,222              | 10,785            |
| Provision for loss on receivable from sale of subsidiary           | -                     | 268,733           | -                   | 268,733           |
|  | <b>142,182</b>        | <b>80,913</b>     | <b>164,371</b>      | <b>88,694</b>     |
| <b>Decrease (increase) in assets and liabilities:</b>              |                       |                   |                     |                   |
| Trade accounts receivable  | 207,339               | 198,515           | 123,518             | 170,330           |
| Inventories  | 38,498                | (31,406)          | 21,969              | (82,878)          |
| Prepaid expenses   | (4,013)               | 4,998             | (5,827)             | 719               |
| Recoverable taxes  | 55,812                | 2,484             | 61,660              | 1,788             |
| Suppliers  | (22,527)              | (251,145)         | (19,047)            | (244,358)         |
| Forfeiting   | (24,172)              | (24,815)          | (24,172)            | (24,815)          |
| Tax liabilities  | (7,692)               | (16,502)          | (8,568)             | (16,793)          |
| Labor and social security obligations                              | 10,632                | 13,902            | 10,678              | 18,492            |
| Contingencies  | (8,849)               | (4,355)           | (8,849)             | (4,355)           |
| Other  | (18,537)              | (40,396)          | 11,811              | (13,005)          |
| <b>Cash generated (used) in operations</b>                         | <b>368,673</b>        | <b>(67,807)</b>   | <b>327,544</b>      | <b>(106,181)</b>  |
| Payment of income tax and social contribution                      | -                     | -                 | (811)               | 7,147             |
| Payment of charges from loans and financing                        | (6,274)               | (4,493)           | (8,331)             | (4,630)           |
| Payment of lease interest - IFRS 16                                | (2,706)               | (3,331)           | (2,981)             | (3,631)           |
| <b>Net cash generated / (used) by operating activities</b>         | <b>359,693</b>        | <b>(75,631)</b>   | <b>315,421</b>      | <b>(107,295)</b>  |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                         |                       |                   |                     |                   |
| Acquisition of property, plant and equipment and intangible assets | (11,269)              | (105,517)         | (14,707)            | (113,743)         |
| Net financial investments  | 1,680                 | 5,231             | 1,680               | 5,231             |
| <b>Net cash flow used in investing activities</b>                  | <b>(9,589)</b>        | <b>(100,286)</b>  | <b>(13,027)</b>     | <b>(108,512)</b>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                         |                       |                   |                     |                   |
| Borrowings and financing   | -                     | -                 | 59,741              | 67,753            |
| Payment of loans and financing - Principal                         | (982)                 | (760)             | (6,512)             | (8,989)           |
| Payment of interest on own capital and dividends                   | (10)                  | (19)              | (10)                | (19)              |
| Payment of principal from lease - IFRS 16                          | (6,260)               | (4,698)           | (10,898)            | (8,868)           |
| Sale of shares held in treasury                                    | -                     | 271               | -                   | 271               |
| <b>Net cash (used) / generated by financing activities</b>         | <b>(7,252)</b>        | <b>(5,206)</b>    | <b>42,321</b>       | <b>50,148</b>     |
| Effect of exchange-rate change on cash and cash equivalents        | -                     | -                 | 1,682               | (1,003)           |
| <b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>            | <b>342,852</b>        | <b>(181,123)</b>  | <b>346,397</b>      | <b>(166,662)</b>  |
| Opening balance of cash and cash equivalents                       | 798,851               | 597,442           | 922,525             | 647,517           |
| Closing balance of cash and cash equivalents                       | 1,141,703             | 416,319           | 1,268,922           | 480,855           |
| <b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>            | <b>342,852</b>        | <b>(181,123)</b>  | <b>346,397</b>      | <b>(166,662)</b>  |

**ALPARGATAS S.A AND SUBSIDIARIES****Statements of added value****For the three-month periods ended March 31, 2024 and 2023**

In thousands of Reais

(A free translation of the original in Portuguese)

|   | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|---|-----------------------|-------------------|---------------------|-------------------|
|   | <b>03/31/2024</b>     | <b>03/31/2023</b> | <b>03/31/2024</b>   | <b>03/31/2023</b> |
| <b>REVENUES</b>   | <b>856,361</b>        | <b>817,752</b>    | <b>1,044,167</b>    | <b>1,002,279</b>  |
| Sales of products   | 844,993               | 815,454           | 1,043,875           | 1,000,187         |
| Provision for expected loss (impairment) on trade accounts receivable | (2,890)               | (384)             | (3,254)             | (1,015)           |
| Other revenues  | 14,258                | 2,682             | 3,546               | 3,107             |
| <b>INPUTS ACQUIRED FROM THIRD PARTIES</b>                             | <b>(478,865)</b>      | <b>(671,919)</b>  | <b>(603,857)</b>    | <b>(803,039)</b>  |
| Cost of goods and products sold                                       | (269,013)             | (293,719)         | (302,087)           | (311,858)         |
| Materials, energy, outsourced services and other                      | (195,154)             | (108,532)         | (288,885)           | (207,855)         |
| Gain (loss) with asset values   | (14,188)              | (952)             | (12,375)            | (14,610)          |
| Provision for loss from receivable on sale of subsidiary              | -                     | (268,733)         | -                   | (268,733)         |
| Other   | (510)                 | 17                | (510)               | 17                |
| <b>GROSS ADDED VALUE</b>  | <b>377,496</b>        | <b>145,833</b>    | <b>440,310</b>      | <b>199,240</b>    |
| <b>RETENTIONS</b>   | <b>(48,419)</b>       | <b>(35,146)</b>   | <b>(58,950)</b>     | <b>(45,919)</b>   |
| Depreciation and amortization   | (48,419)              | (35,146)          | (58,950)            | (45,919)          |
| <b>ADDED VALUE PRODUCED BY THE COMPANY</b>                            | <b>329,077</b>        | <b>110,687</b>    | <b>381,360</b>      | <b>153,321</b>    |
| <b>ADDED VALUE RECEIVED AS TRANSFER</b>                               | <b>30,667</b>         | <b>(6,610)</b>    | <b>27,383</b>       | <b>(516)</b>      |
| Share of equity earnings in investees                                 | (2,822)               | (35,582)          | (8,036)             | (30,539)          |
| Financial income - including exchange-rate changes                    | 33,489                | 28,652            | 35,419              | 29,703            |
| Other   | -                     | 320               | -                   | 320               |
| <b>NET ADDED VALUE</b>  | <b>359,744</b>        | <b>104,077</b>    | <b>408,743</b>      | <b>152,805</b>    |
| <b>DISTRIBUTION OF ADDED VALUE</b>                                    | <b>359,744</b>        | <b>104,077</b>    | <b>408,743</b>      | <b>152,805</b>    |
| <b>PERSONNEL</b>  | <b>203,024</b>        | <b>183,231</b>    | <b>235,626</b>      | <b>221,966</b>    |
| Direct remuneration   | 152,755               | 132,216           | 182,119             | 167,456           |
| Benefits  | 41,381                | 41,559            | 44,532              | 44,614            |
| FGTS (Severance Indemnity Fund)                                       | 8,888                 | 9,456             | 8,975               | 9,896             |
| <b>TAXES, RATES AND CONTRIBUTIONS</b>                                 | <b>75,743</b>         | <b>47,017</b>     | <b>86,744</b>       | <b>54,248</b>     |
| Federal   | 64,968                | (6,625)           | 75,398              | (212)             |
| State   | 10,330                | 53,203            | 10,692              | 53,831            |
| Municipal   | 445                   | 439               | 654                 | 629               |
| <b>THIRD-PARTY CAPITAL REMUNERATION</b>                               | <b>56,165</b>         | <b>73,397</b>     | <b>61,711</b>       | <b>76,282</b>     |
| Interest  | 42,824                | 51,497            | 46,699              | 52,178            |
| Rents   | 4,346                 | 15,363            | 6,009               | 17,567            |
| Other   | 8,995                 | 6,537             | 9,003               | 6,537             |
| <b>REMUNERATION OF OWN CAPITAL</b>                                    | <b>24,812</b>         | <b>(199,568)</b>  | <b>24,662</b>       | <b>(199,691)</b>  |
| Retained earnings/(losses)  | 24,812                | (199,568)         | 24,812              | (199,568)         |
| Non-controlling interest in losses                                    | -                     | -                 | (150)               | (123)             |

(A free translation of the original in Portuguese)

## **ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

### **1. OPERATIONS**

#### **1.1. General considerations**

Alpargatas S.A. ("Company") is a publicly-held corporation headquartered in the capital city of São Paulo, at Av. das Nações Unidas, n° 14.261, 9, 10 and 11 floors and listed in B3 S.A. - Brasil, Bolsa, Balcão under tickers "ALPA4" and "ALPA3".

The Company and its subsidiaries (hereinafter collectively referred to as "Alpargatas Group" or the "Group") are primarily engaged in the manufacturing and sale of footwear and related components; apparel; textile products and respective components, leather, resin and natural or artificial rubber articles.

The direct and indirect subsidiaries through which the Company conducts activities in Brazil and abroad are described in Note 3.

#### **1.2. Fire at the Santa Rita Plant**

On February 21, 2022, there was a fire (without casualties) at the Santa Rita plant, in the State of Paraíba. Some items were damaged, such as machinery and equipment, civil construction and inventories. The Company has an insurance policy and recorded accounts receivable from the insurance company. As of March 31, 2024, the balance of this receivable is R\$ 38,436. A date is being set to receive the claimed amounts by the Insurance Company and the Reinsurers.

#### **1.3. Accounts receivable – ASAIC**

On March 31, 2024, the Company has a balance receivable of R\$ 268,733 (plus interest accruals to February 28, 2023) for the sale of the subsidiary Alpargatas S.A.I.C. ("ASAIC") to Mr. Carlos Roberto Wizard Martins ("Buyer"), pursuant to the Purchase and Sale Agreement and Other Covenants signed by the Company and the Buyer on September 14, 2018, as amended ("Agreement"). Under the terms of the Agreement, the amount is payable in three annual, equal and consecutive installments, plus CDI interest, with the first installment maturing in March 2023. However, as disclosed in a Material Fact notice issued on March 7, 2023, the Buyer has failed to settle the amount due.

Accordingly, the Buyer filed two arbitration proceedings with the Center for Arbitration and Mediation of the Chamber of Commerce Brazil-Canada (CAM-CCBC). The first addresses non-compliance with obligations relating to the indemnity clause and the second serves as motions for a court enforcement filed by the Company against the Buyer to recover the remaining amount due.

The Company, supported by its legal advisors, assessed the likelihood of recovering the amount, evaluating the credit recoverability risks, and recorded a full provision in the first quarter of 2013.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

**2. BASIS OF PREPARATION, PRESENTATION OF INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL INFORMATION****2.1. Statement of conformity**

The individual and consolidated interim financial information of the Company for the three-month period ended March 31, 2024 was prepared and is being presented in accordance with the technical pronouncements CPC 21 (R1) - Interim Financial Reporting, which includes the provisions of the Brazilian Corporate Law, IFRS accounting standards issued by the Brazilian Securities Commission (CVM) and the Accounting Pronouncement Committee (CPC), and in accordance with IAS 34 - Interim Financial Reporting, issued by the Accounting Pronouncement Committee and the International Accounting Standards Board (IASB).

Disclosures are limited to all information of significance to the financial statements, being consistent with that used by Management in the performance of its duties.

The Executive Board authorized the issue of this individual (parent company) and consolidated interim financial information on May 9, 2024.

**2.2. Changes in significant accounting policies and disclosures**

Changes effective from January 1, 2024, include changes to CPC 26 (R1) - Non-Current Liabilities with Covenants, equivalent to IAS 1, CPC 06 (R2) - Lease Liabilities and Leaseback, equivalent to IFRS 16, and CPC 40 (R1) and CPC 03 (R2) - Supplier Financing Arrangements (forfeiting), equivalent to IFRS 7 and IAS 7, respectively, as well as the review of CPC 09 (R1). These were considered in the preparation of this individual and consolidated interim accounting information. However, there were no material effects on the information disclosed.

**2.3. Basis for preparation of the individual (parent company) and consolidated interim financial information**

The individual and consolidated interim financial information were prepared for material events and transactions that occurred in the period. The significant accounting policies adopted in the preparation of this interim financial information, both individual and consolidated, are consistent with those applied and disclosed in Note 2.3 of the Company's audited financial statements for the year ended December 31, 2023, issued on February 7, 2024.

**2.4. Use of estimates and judgments**

The matters requiring the highest level of judgment and complexity, as well as the areas where assumptions and estimates are material for the interim financial information, were presented in the Company's individual and consolidated financial statements for the year ended December 31, 2023, in Note 2.3.

The estimates and assumptions used in the preparation of the interim financial information, both individual and consolidated, for the three-month period ended March 31, 2024 have not undergone significant changes compared to those in effect as of December 31, 2023.

**2.5. Statement of added value**

The statement of added value is not required by IFRS and is presented in supplementary form in compliance with Brazilian corporate law. Its purpose is to disclose the wealth generated by the Company during the period, and how it was distributed among the various agents.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**3. CONSOLIDATED FINANCIAL INFORMATION**

Intercompany transactions, as well as unrealized gains and losses on transactions among Group companies, are eliminated in the consolidation of financial statements. When required, the accounting policies of the subsidiaries are adjusted in order to assure the consistency with the policies adopted by the Company.

*i. Subsidiaries*

Subsidiaries are all entities in which the Company retains control, i.e., is exposed to or is entitled to variable returns from its involvement in an investee and has the capacity to direct activities related of the investee. The subsidiaries are fully consolidated as of the date control is transferred to the Company. The consolidation is ceases beginning on the date on which the Company no longer has control.

The Company considers that it controls the investee if all the following attributes are met. It has: (a) power over the investee; (b) exposure to, or rights over, variable returns deriving from its involvement with the investee; and (c) capacity to use its power over investee to affect value of its returns.

The consolidation comprises the accounting information of the Company and the following direct and indirect subsidiaries:

|   | Core business  | Interest (%) |            |
|---|--|--------------|------------|
|   |  | 03/31/2024   | 12/31/2023 |
| <b>Direct interest:</b>   |  |              |            |
| Fibrasil Agrícola e Comercial Ltda.                                     | Import and export in general, purchase, sale and lease of own properties and interest in other companies, in the country or abroad | 99.99        | 99.99      |
| Alpargatas Imobiliária Ltda.  | Sale and lease of own properties and holding interest in other companies, in Brazil or abroad                                      | 99.99        | 99.99      |
| Alpargatas Europe S.L.U. - Spain  | Import and trading of footwear in the European market  | 100.00       | 100.00     |
| Alpargatas Asia Ltd. – Hong Kong  | Commercial representation of the brand Havaianas   | 100.00       | 100.00     |
| Alpargatas Colombia S.A.S.  | Import and trading of footwear in the Colombian market   | 100.00       | 100.00     |
| Alpargatas India Fashions Private Ltd.                                  | Import and trading of footwear in the Indian market  | 51.00        | 51.00      |
| Alpargatas Trading (Shanghai) Co. Ltd.                                  | Commercial representation of the brand Havaianas   | 100.00       | 100.00     |
| IOASYS Desenvolvimento de Software Ltda                                 | Technology and digital innovation  | 100.00       | 100.00     |
| <b>Indirect interest through Alpargatas Europe S.L.U.:</b>              |  |              |            |
| Alpargatas USA Inc. - United States                                     | Import and trading of footwear in the North-American market  | 100.00       | 100.00     |
| Alpargatas UK Limited - United Kingdom                                  | Import and trading of footwear in the European market  | 100.00       | 100.00     |
| Alpargatas France S.A.R.L. – France                                     |  | 100.00       | 100.00     |
| Alpargatas Itália S.R.L. - Italy  |  | 100.00       | 100.00     |
| Alpargatas Portugal Limited - Portugal                                  |  | 100.00       | 100.00     |
| Alpargatas Germany GmbH – Germany                                       |  | 100.00       | 100.00     |
| Alpargatas Greece M.E.P.E. - Greece                                     |  | 100.00       | 100.00     |
| <b>Indirect interest (through Fibrasil Agrícola e Comercial Ltda.):</b> |  |              |            |
| Alpargatas Imobiliária S.A.   | Sale and lease of own properties and holding interest in other companies, in Brazil or abroad                                      | 0.01         | 0.01       |

**ALPARGATAS S.A AND SUBSIDIARIES****Notes to the interim financial information****For the three-month period ended March 31, 2024**

In thousands of reais

**ii. Associated Company**

Associated companies are the entities in which the Company has, directly or indirectly, significant influence (usually by means of an equity from 20% to 50% of voting rights), but not control or jointly-control on financial and operating policies. Such investments are initially recognized by the cost. After initial recognition, financial statements include the Company's interest in income or loss for the year and other comprehensive income of the investee up to the date in which significant influence or joint control no longer exists.

The Company has the following associated company as of March 31, 2024:

| Direct interest: | Core business  | Interest (%) |            |
|------------------|--|--------------|------------|
|                  |  | 03/31/2024   | 12/31/2023 |
| Rothy's Inc.     | Manufacture and sale of footwear and textile products, mainly in the North-American market | 49.19        | 49.19      |

**4. TAX INCENTIVES - GOVERNMENT GRANT**

The Company enjoys grants linked to ICMS tax incentives granted by the state governments in its main plants, validated under the Complementary Law 160/17, regulated by ICMS Agreement 190/17, as amended. Such incentives are effective until 2032, being associated with the promotion of industrial activities, with installments recorded to "Sales taxes" in the statement of operations.

Law 14789/23 (i) revoked the exclusion of the IRPJ/CSLL/PIS/COFINS calculation basis from revenues from grants resulting from state tax incentives and (ii) granted tax credits to beneficiaries of investment grants in accordance with the law, subject to all legal requirements. The Company recorded a credit, as shown in Note 8.

The Company also has tax incentives granted by the federal government through profit from tax-incentive activities in the SUDENE Region, which will expire in 2027 in Campina Grande, Montes Claros and Carpina and in 2030 in Santa Rita.

The amount of these grants and tax incentives are as follows:

|                  |       | Parent Company and Consolidated |               |
|------------------|-------|---------------------------------|---------------|
|                  |       | 03/31/2024                      | 03/31/2023    |
| ICMS grant:      |       |                                 |               |
| Paraíba          | (i)   | 34,551                          | 29,064        |
| Pernambuco       | (ii)  | 3,897                           | 7,138         |
| Minas Gerais     | (iii) | 21,772                          | 15,199        |
| IRPJ incentives: |       |                                 |               |
| SUDENE Region    | (iv)  | 2,094                           | -             |
| <b>Total</b>     |       | <b>62,314</b>                   | <b>51,401</b> |

- (i) Investment grant of the State of Paraíba, used in the calculation of presumed ICMS credit. The Company is compliant with the terms of the agreement, which consists of expanding the manufacturing plants in that region, increasing its production of footwear and generating direct jobs in that state.
- (ii) Investment grant of the State of Pernambuco, used in the calculation of presumed ICMS credit. The Company is compliant with the terms of the agreement, which consists of maintaining a minimum number of direct jobs in the region and posting monthly gross revenue.
- (iii) Investment grant of the State of Minas Gerais, used in the calculation of presumed ICMS credit. The Company is in compliance with the terms of the agreement, which consists of investing, generating income and creating direct jobs in that state.
- (iv) This is an estimate of the tax incentive from SUDENE (Note 9.2), which is only calculated and recognized at the end of the year.

**ALPARGATAS S.A AND SUBSIDIARIES****Notes to the interim financial information****For the three-month period ended March 31, 2024**

In thousands of reais

**5. CASH, CASH EQUIVALENTS AND INTEREST EARNING BANK DEPOSITS****5.1. Cash and cash equivalents**

|  | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|--|-----------------------|-------------------|---------------------|-------------------|
|  | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Cash and banks (i)                                 | 33,181                | 76,074            | 94,850              | 138,492           |
| Interest earning bank deposits:                    |                       |                   |                     |                   |
| Floating-rate Bank Deposit Certificate (CDBs) (ii) | 1,108,522             | 722,777           | 1,160,960           | 769,884           |
| CDT – Alpargatas Colombia S. A. S. (iii)           | -                     | -                 | 13,112              | 14,149            |
| <b>Total</b>                                       | <b>1,141,703</b>      | <b>798,851</b>    | <b>1,268,922</b>    | <b>922,525</b>    |

- (i) On March 31, 2024, the parent company balance includes US\$ 2,200, equivalent to R\$ 11,000.
- (ii) As of March 31, 2024, the parent company's CDBs (Bank Deposit Certificates) yield on average 101.41% of CDI (101.33% as of December 31, 2023) with immediate liquidity and obligation to repurchase by the counterparty.
- (iii) On March 31, 2024, the subsidiary Alpargatas Colombia S.A.S. has investments represented by immediate liquid fixed income security, in Colombian pesos and obligation to repurchase by the counterparty.

**5.2. Interest earning bank deposits (long-term)**

As of March 31, 2024, the balance of interest earning bank deposits refers to floating-rate Bank Deposit Certificates (CDBs) with an average remuneration of 98.00% of CDI (98.00% as of December 31, 2023).

|                                      | <b>Parent Company and Consolidated</b> |                   |
|--------------------------------------|--|-------------------|
|                                      | <b>03/31/2024</b>                      | <b>12/31/2023</b> |
| Bank Deposit Certificates - CDBs (i) | <b>12,204</b>                          | <b>11,898</b>     |

- (i) These investments were made in Banco do Nordeste do Brasil and held to guarantee FNE loans from the same financial institution. Maturities are in August 2030 and October 2032.

**6. TRADE ACCOUNTS RECEIVABLE**

Accounts receivable are recorded in the balance sheet at that nominal value of securities, net of an allowance for expected losses, which is formed through an individual analysis of receivables, of the economic environment and the history of losses recorded in prior periods:

|                               | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|-------------------------------|-----------------------|-------------------|---------------------|-------------------|
|                               | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Domestic market               | 611,915               | 863,933           | 618,661             | 870,795           |
| Foreign market (i)            | 8,248                 | 19,256            | 227,524             | 93,738            |
| Related parties (Note 22.1)   | 291,294               | 231,273           | -                   | -                 |
| Allowance for expected losses | (68,974)              | (66,948)          | (82,873)            | (80,798)          |
| <b>Total</b>                  | <b>842,483</b>        | <b>1,047,514</b>  | <b>763,312</b>      | <b>883,735</b>    |

- (i) Foreign trade accounts receivable are denominated in U.S. dollar, Euro and other currencies and converted to Reais.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**6.1. Trade accounts receivable (third-parties) by maturity age**Domestic market

|                 | <u>Parent Company</u> |                   | <u>Consolidated</u> |                   |
|-----------------|-----------------------|-------------------|---------------------|-------------------|
|                 | <u>03/31/2024</u>     | <u>12/31/2023</u> | <u>03/31/2024</u>   | <u>12/31/2023</u> |
| Falling due     | 534,348               | 787,060           | 541,094             | 793,922           |
| Overdue (days): |                       |                   |                     |                   |
| ≤30             | 15,954                | 10,914            | 15,954              | 10,914            |
| 31-60           | 2,876                 | 4,582             | 2,876               | 4,582             |
| 61-90           | 1,329                 | 1,238             | 1,329               | 1,238             |
| 91-180          | 2,801                 | 3,017             | 2,801               | 3,017             |
| >181            | 54,607                | 57,122            | 54,607              | 57,122            |
| <b>Total</b>    | <b>611,915</b>        | <b>863,933</b>    | <b>618,661</b>      | <b>870,795</b>    |

Foreign market

|                 | <u>Parent Company</u> |                   | <u>Consolidated</u> |                   |
|-----------------|-----------------------|-------------------|---------------------|-------------------|
|                 | <u>03/31/2024</u>     | <u>12/31/2023</u> | <u>03/31/2024</u>   | <u>12/31/2023</u> |
| Falling due     | 4,344                 | 16,487            | 196,173             | 68,532            |
| Overdue (days): |                       |                   |                     |                   |
| ≤30             | 1,420                 | 1,874             | 11,850              | 5,153             |
| 31-60           | 2,308                 | 711               | 3,801               | 2,163             |
| 61-90           | -                     | -                 | 1,117               | 1,843             |
| 91-180          | -                     | -                 | 4,692               | 6,477             |
| >181            | 176                   | 184               | 9,891               | 9,570             |
| <b>Total</b>    | <b>8,248</b>          | <b>19,256</b>     | <b>227,524</b>      | <b>93,738</b>     |

**6.2. Allowance for expected losses**

Changes in the allowance for expected losses for the period ended March 31, 2024 are shown below:

|                                      | <u>Parent Company</u> | <u>Consolidated</u> |
|--------------------------------------|-----------------------|---------------------|
| <b>Balances at December 31, 2023</b> | <b>(66,948)</b>       | <b>(80,798)</b>     |
| Additions, net of reversals          | (2,890)               | (3,254)             |
| Write-off and other changes          | 864                   | 1,179               |
| <b>Balances at March 31, 2024</b>    | <b>(68,974)</b>       | <b>(82,873)</b>     |

Additions and reversals of the allowance for expected losses are recorded in "Selling expenses" in the statement of operations.

The change for the year ended December 31, 2023 is presented in the individual and consolidated annual financial statements for the year then ended.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

The aging of trade accounts receivable included in the allowance are as follows:

Domestic market

|                 | <u>Parent Company</u> |                   | <u>Consolidated</u> |                   |
|-----------------|-----------------------|-------------------|---------------------|-------------------|
|                 | <u>03/31/2024</u>     | <u>12/31/2023</u> | <u>03/31/2024</u>   | <u>12/31/2023</u> |
| Falling due     | (13,047)              | (8,164)           | (13,047)            | (8,164)           |
| Overdue (days): |                       |                   |                     |                   |
| ≤30             | (481)                 | (52)              | (609)               | (187)             |
| 31-60           | (10)                  | (174)             | (10)                | (174)             |
| 61-90           | (58)                  | (150)             | (58)                | (150)             |
| 91-180          | (595)                 | (1,102)           | (595)               | (1,102)           |
| >181            | (54,607)              | (57,122)          | (54,607)            | (57,122)          |
| <b>Total</b>    | <b>(68,798)</b>       | <b>(66,764)</b>   | <b>(68,926)</b>     | <b>(66,899)</b>   |

Foreign market

|                    | <u>Parent Company</u> |                   | <u>Consolidated</u> |                   |
|--------------------|-----------------------|-------------------|---------------------|-------------------|
|                    | <u>03/31/2024</u>     | <u>12/31/2023</u> | <u>03/31/2024</u>   | <u>12/31/2023</u> |
| Overdue (days):    |                       |                   |                     |                   |
| ≤30                | -                     | -                 | (519)               | (543)             |
| 31-60              | -                     | -                 | (218)               | (226)             |
| 61-90              | -                     | -                 | (295)               | (244)             |
| 91-180             | -                     | -                 | (4,140)             | (4,092)           |
| >181               | (176)                 | (184)             | (8,775)             | (8,794)           |
| <b>Total</b>       | <b>(176)</b>          | <b>(184)</b>      | <b>(13,947)</b>     | <b>(13,899)</b>   |
| <b>Grand total</b> | <b>(68,974)</b>       | <b>(66,948)</b>   | <b>(82,873)</b>     | <b>(80,798)</b>   |

The maximum credit risk exposure on the date of the financial statements is the book value of each class (Note 6.1). The collection policy for overdue securities mandates that they be investigated within 45 days and if negotiation negotiations are not successful within 90 days, they are forwarded to an outside collection advisory or submitted to judicial collection.

The allowance for expected losses is recognized according to the CPC 48/IFRS 9, based on the historical percentages of loss, macroeconomic impacts, default history customers, segregated by category of customers and according to the aging of the portfolio. The Company carries out an individual assessment by customer once collateral or renegotiations is approved by Management.

**7. INVENTORIES**

They are recorded at average acquisition or production cost and when applicable, reduced to realizable net value.

|                     | <u>Parent Company</u> |                   | <u>Consolidated</u> |                   |
|---------------------|-----------------------|-------------------|---------------------|-------------------|
|                     | <u>03/31/2024</u>     | <u>12/31/2023</u> | <u>03/31/2024</u>   | <u>12/31/2023</u> |
| Finished products   | 408,899               | 441,285           | 689,836             | 699,268           |
| Work in process     | 46,165                | 46,907            | 46,879              | 48,076            |
| Raw materials       | 211,555               | 228,341           | 211,031             | 227,875           |
| Imports in progress | 19,646                | 21,769            | 19,646              | 21,769            |
| Other               | 891                   | 654               | 931                 | 692               |
| <b>Total</b>        | <b>687,156</b>        | <b>738,956</b>    | <b>968,323</b>      | <b>997,680</b>    |

Changes in the provision for inventory losses for the period ended March 31, 2024 are shown below:

|                                      | <u>Parent Company</u> | <u>Consolidated</u> |
|--------------------------------------|-----------------------|---------------------|
| <b>Balances at December 31, 2023</b> | <b>(59,502)</b>       | <b>(91,687)</b>     |
| Additions, net of reversals          | (15,780)              | (13,606)            |
| Write-offs/Exchange-rate change      | 9,748                 | 11,206              |
| <b>Balances at March 31, 2024</b>    | <b>(65,534)</b>       | <b>(94,087)</b>     |

**ALPARGATAS S.A AND SUBSIDIARIES****Notes to the interim financial information****For the three-month period ended March 31, 2024**

In thousands of reais

The Company records a provision for inventory losses based on turnover and lifetime estimates. Following periodic evaluations an action plan is implemented to address obsolete items.

The change for the year ended December 31, 2023 is presented in the individual and consolidated annual financial statements for the year then ended.

As of March 31, 2024, there are no inventories pledged as collateral.

**8. RECOVERABLE TAXES**

|   | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|---|-----------------------|-------------------|---------------------|-------------------|
|   | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Income tax rebate on overpaid taxes               | 66,682                | 65,014            | 66,682              | 65,014            |
| Prepayments of income tax and social contribution | 26,256                | 41,813            | 26,875              | 42,809            |
| Withholding income tax (IRRF)                     | 9,989                 | 9,171             | 11,095              | 10,242            |
| Value-added tax on sales and services (ICMS)      | 10,579                | 13,100            | 10,580              | 13,001            |
| Excise Tax - IPI                                  | 633                   | 952               | 633                 | 952               |
| Recoverable PIS and COFINS (i)                    | 89,645                | 133,847           | 90,325              | 134,337           |
| PIS and COFINS (ICMS basis)                       | 13,385                | 13,026            | 13,252              | 13,026            |
| Recoverable INSS                                  | -                     | 329               | -                   | 329               |
| Investment grant tax credit (Law 14789/23)        | 13,587                | -                 | 13,587              | -                 |
| Reintegra - Manaus Free Trade Zone                | 6,220                 | 6,169             | 6,220               | 6,169             |
| Unpaid Cacex rate                                 | 3,212                 | 3,194             | 3,212               | 3,194             |
| <i>Alpargatas Europe S.L.U. - Spain:</i>          |                       |                   |                     |                   |
| Value added tax (IVA)                             | -                     | -                 | 6,198               | 13,218            |
| Prepayments of income tax                         | -                     | -                 | 12,323              | 8,331             |
| <i>Alpargatas Colombia S.A.S.</i>                 |                       |                   |                     |                   |
| Value added tax (IVA)                             | -                     | -                 | 7,877               | 7,574             |
| Prepayments of income tax                         | -                     | -                 | 633                 | 492               |
| Other   | 3,767                 | 2,583             | 8,452               | 6,598             |
| <b>Total</b>                                      | <b>243,955</b>        | <b>289,198</b>    | <b>277,944</b>      | <b>325,286</b>    |
| Current installment                               | 157,550               | 191,637           | 191,539             | 227,725           |
| Non-current installment                           | 86,405                | 97,561            | 86,405              | 97,561            |

(i) Refers to the credits from purchase operations since the Company opted to first use the credits from the lawsuit for the exclusion of PIS and COFINS from the ICMS calculation basis.

**ALPARGATAS S.A AND SUBSIDIARIES****Notes to the interim financial information****For the three-month period ended March 31, 2024**

In thousands of reais

**9. INCOME TAX AND SOCIAL CONTRIBUTION****9.1. Deferred**

Deferred tax assets are recognized on temporary differences only when it is probable that the Company will present future taxable income in a sufficient amount for offset. The amounts are calculated based on the rates provided for by the tax legislation prevailing on the balance sheet dates.

| Description  | Parent Company |                | Consolidated   |                |
|--|----------------|----------------|----------------|----------------|
|  | 03/31/2024     | 12/31/2023     | 03/31/2024     | 12/31/2023     |
| <b>Assets</b>  |                |                |                |                |
| Allowance for expected losses from accounts receivable                       | 5,062          | 5,790          | 5,201          | 6,259          |
| Allowance for expected losses from accounts receivable (ASA/C)               | 91,369         | 91,369         | 91,369         | 91,369         |
| Provision for inventory losses, including taxes                              | 27,254         | 23,761         | 30,809         | 27,841         |
| Provision for tax, civil and labor contingencies                             | 8,967          | 5,414          | 8,967          | 5,414          |
| Provision for long-term incentive plan                                       | 12,262         | 10,747         | 14,838         | 13,255         |
| Provision for impairment loss in property, plant and equipment               | 9,366          | 10,064         | 9,366          | 10,064         |
| Provision for indemnities  | 1,660          | 1,660          | 1,660          | 1,660          |
| Recognition adjustment of sales revenue                                      | 1,878          | 2,625          | 1,878          | 2,625          |
| Tax losses and the negative social contribution base                         | 111,200        | 114,582        | 111,200        | 114,582        |
| Other temporary differences  | 22,256         | 22,853         | 34,068         | 33,062         |
| <b>Total gross tax assets</b>  | <b>291,274</b> | <b>288,865</b> | <b>309,356</b> | <b>306,131</b> |
| <b>Liabilities</b>   |                |                |                |                |
| Goodwill in the acquisition of subsidiaries - amortized for tax purposes (i) | 18,313         | 18,313         | 18,313         | 18,313         |
| Interest on judicial deposits  | 2,948          | 2,871          | 2,948          | 2,871          |
| Changes in the tax depreciation rate of property, plant and equipment        | 26,582         | 25,745         | 26,582         | 25,745         |
| Other temporary differences  | -              | -              | 127            | 206            |
| <b>Total gross tax liabilities</b>   | <b>47,843</b>  | <b>46,929</b>  | <b>47,970</b>  | <b>47,135</b>  |
| <b>Total tax assets, net</b>   | <b>243,431</b> | <b>241,936</b> | <b>261,386</b> | <b>258,996</b> |
| Deferred tax assets  | 243,431        | 241,936        | 261,513        | 259,202        |
| Deferred taxes - liabilities   | -              | -              | (127)          | (206)          |
| <b>Total tax assets, net</b>   | <b>243,431</b> | <b>241,936</b> | <b>261,386</b> | <b>258,996</b> |

(i) The goodwill on merger of subsidiary CBS S.A. - Companhia Brasileira de Sandálias is tax deductible upon amortization

The deferred tax assets (consolidated) expect to be realized as below:

|                             | 03/31/2024     | 12/31/2023     |
|-----------------------------|----------------|----------------|
| 2024                        | 28,522         | 20,398         |
| 2025                        | 42,965         | 41,644         |
| 2026                        | 61,694         | 60,372         |
| 2027                        | 63,449         | 72,311         |
| >2028                       | 112,726        | 111,406        |
| <b>Total – consolidated</b> | <b>309,356</b> | <b>306,131</b> |

As of March 31, 2024, the Company has tax loss carryforwards and temporary differences for which no asset has been recorded in the consolidated financial statements. These are from subsidiaries for which offset is not considered to be probable. The assets not recognized, calculated at the current rates under the respective tax jurisdictions, are as follows:

|  | 03/31/2024     | 12/31/2023     |
|--|----------------|----------------|
| Alpargatas USA Inc. - United States            | 82,176         | 76,337         |
| Alpargatas Asia Ltd. – Hong Kong               | 1,167          | 1,133          |
| Alpargatas Trading (Shanghai) Co., Ltd.        | 7,248          | 6,893          |
| Alpargatas India Fashions Private Ltd. – India | 4,011          | 3,793          |
| Alpargatas Colombia SAS                        | 17,139         | 16,069         |
| <b>Total tax credit, not formed</b>            | <b>111,741</b> | <b>104,225</b> |

**ALPARGATAS S.A AND SUBSIDIARIES****Notes to the interim financial information****For the three-month period ended March 31, 2024**

In thousands of reais

The tax loss carryforwards generated by subsidiaries in the United States and Colombia prescribe up to 20 years and 12 years, respectively.

Changes in balances of deferred income tax and social contribution, net in the period ended March 31, 2024 are as follows:

|  | <u>Parent Company</u> | <u>Consolidated</u> |
|--|-----------------------|---------------------|
| <b>Balances at December 31, 2023</b>   | <b>241,936</b>        | <b>258,996</b>      |
| Effects on income (loss)               | 1,495                 | 2,215               |
| Exchange-rate change and other changes | -                     | 175                 |
| <b>Balances at March 31, 2024</b>      | <b>243,431</b>        | <b>261,386</b>      |

**9.2. Rate reconciliation**

Reconciliation from the statutory to the effective income tax and social contribution rates:

|   | <u>Parent Company</u> |                   | <u>Consolidated</u> |                   |
|---|-----------------------|-------------------|---------------------|-------------------|
|   | <u>03/31/2024</u>     | <u>03/31/2023</u> | <u>03/31/2024</u>   | <u>03/31/2023</u> |
| Income/(loss) before income tax and social contribution                   | <b>15,378</b>         | <b>(310,511)</b>  | <b>20,909</b>       | <b>(309,719)</b>  |
| Combined statutory tax rate for income tax and social contribution        | 34%                   | 34%               | 34%                 | 34%               |
| Expected income tax and social contribution expense at statutory tax rate | <b>(5,228)</b>        | <b>105,574</b>    | <b>(7,109)</b>      | <b>105,304</b>    |
| Share of equity earnings in investees                                     | (960)                 | (12,098)          | (2,732)             | (10,383)          |
| Investment grant – ICMS   | -                     | 16,956            | -                   | 16,956            |
| Federal tax grant - IRPJ (Corporate Income Tax)                           | 2,094                 | -                 | 2,094               | -                 |
| Tax assets not recorded and effects of differing of rates of subsidiaries | -                     | -                 | (2,028)             | (2,361)           |
| Estimated tax credit on investment grants (i)                             | 13,587                | -                 | 13,587              | -                 |
| Income tax recoverable on SELIC interest overpaid                         | 423                   | -                 | 423                 | -                 |
| Other permanent differences, net  | (482)                 | 511               | (482)               | 512               |
| <b>Total expense for income tax and social contribution</b>               | <b>9,434</b>          | <b>110,943</b>    | <b>3,753</b>        | <b>110,028</b>    |
| Current   | 7,939                 | -                 | 1,538               | (10,004)          |
| Deferred  | 1,495                 | 110,943           | 2,215               | 120,032           |
| Effective rate  | -61%                  | 36%               | -18%                | 36%               |

(i) Tax credit according to Law 14789/23 (Note 8).

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**10. JUDICIAL AND PLEDGE DEPOSITS**

|                | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|----------------|-----------------------|-------------------|---------------------|-------------------|
|                | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Tax lawsuits   | 18,479                | 18,254            | 18,479              | 18,254            |
| Civil lawsuits | 103                   | 103               | 103                 | 103               |
| Labor claims   | 14,686                | 12,979            | 14,686              | 12,979            |
| <b>Total</b>   | <b>33,268</b>         | <b>31,336</b>     | <b>33,268</b>       | <b>31,336</b>     |

Judicial deposits, which do not involve current obligations, are required to be made to allow cases to proceed. Management, under the advice of its legal counsel, do not believe loss is probable; therefore, no provision was recorded (Note 23).

**11. ACCOUNTS RECEIVABLE FOR THE SALE OF SUBSIDIARIES**

In 2022 the Company sold the subsidiary Osklen and it had sold the subsidiary ASAIC in earlier years. During the year ended December 31, 2023, the Company recorded a full provision for loss of the receivable for the sale of ASAIC, totaling R\$ 268,733 (Note 1.3).

As of March 31, 2024, the balance receivable from the sale of Osklen amounts to R\$ 49,799, recorded in current assets in the Parent Company and Consolidated (R\$ 48,527 as of December 31, 2023).

**12. INVESTMENTS**

|  | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|--|-----------------------|-------------------|---------------------|-------------------|
|  | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Investments (subsidiaries and associated company)  | 803,831               | 784,224           | 640,933             | 627,905           |
| Goodwill on the acquisition of subsidiary (loasys) | 194,401               | 194,401           | -                   | -                 |
| Impairment of goodwill (loasys)                    | (111,586)             | (111,586)         | -                   | -                 |
|  | <b>886,646</b>        | <b>867,039</b>    | <b>640,933</b>      | <b>627,905</b>    |

**ALPARGATAS S.A AND SUBSIDIARIES****Notes to the interim financial information****For the three-month period ended March 31, 2024**

In thousands of reais

Information and changes in investments in the period ended March 31, 2024 are as follows:

|  | Fibrasil<br>Agrícola e<br>Comercial<br>Ltda. | Alpargatas<br>Europe<br>S.L.U. | Alpargatas<br>Imobiliária<br>Ltda. | Alpargatas<br>Colombia<br>S.A.S. | Alpargatas<br>Asia Ltd.<br>(Hong<br>Kong) | Alpargatas<br>India<br>Fashion<br>Private Ltd. | Alpargatas<br>Trading<br>(Shanghai)<br>Co. Ltd.<br>(China) | loasys<br>(12.1) | Rothy's<br>Inc. | Total          |
|--|--|--------------------------------|------------------------------------|----------------------------------|---|--|--|------------------|-----------------|----------------|
| Information as of March 31, 2024                                       |  |                                |                                    |                                  |   |  |  |                  |                 |                |
| Number of shares or units held   | 5,978,752                                    | 57,834,570                     | 16,557,755                         | 19,056,969                       | 1   | 51,000,000                                     | 1  | 403,898          | 9,069,518       |                |
| Total current assets   | 5,468  | 532,104                        | 29,227                             | 42,525                           | 38,406                                    | 1,502  | 9,810  | 35,129           | 797,847         |                |
| Total non-current assets   | -  | 135,257                        | 2,177                              | 399                              | 61  | 11   | 540  | 3,392            | 924,289         |                |
| Total current liabilities  | 33   | 557,056                        | 223                                | 27,148                           | 20,682                                    | 383  | 12,705   | 5,191            | 134,283         |                |
| Total non-current liabilities  | -  | 40,288                         | -                                  | -                                | 445                                       | -  | -  | 1,232            | 284,771         |                |
| Capital  | 5,979  | 540                            | 16,558                             | 73,566                           | 36,048                                    | 14,443   | 37,488   | 404              | 1,875,217       |                |
| Non-controlling interest   | -  | -                              | -                                  | -                                | -   | 553  | -  | -                | 640,933         | (vi)           |
| Shareholders' equity - controlling shareholders                        | 5,435  | 70,017                         | 31,181                             | 15,776                           | 17,340                                    | 577  | (2,355)  | 32,098           | 662,149         | (vii)          |
| Unrealized income in inventories / Unrealized gain from sale of assets | -  | (7,969)                        | -                                  | (1,493)                          | -   | (64)   | (598)  | -                | -               |                |
|  | 5,435  | 62,048                         | 31,181                             | 14,283                           | 17,340                                    | 513  | (2,953)  | 32,098           | 662,149         |                |
| Net revenue for the period   | -  | 216,215                        | -                                  | 4,247                            | 37,759                                    | 55   | 2,502  | 12,005           | 170,146         |                |
| Net income (loss) for the period                                       | 95   | (3,900)                        | 448                                | (1,415)                          | 12,792                                    | (307)  | (1,016)  | 1,432            | (16,338)        |                |
| Interest %   | 100.00                                       | 100.00                         | 100.00                             | 100.00                           | 100.00                                    | 51.00  | 100.00   | 100.00           | 49.1859         |                |
| Book value of investments:   |  |                                |                                    |                                  |   |  |  |                  |                 |                |
| <b>Balance at December 31, 2023</b>                                    | <b>5,340</b>                                 | <b>69,100</b>                  | <b>30,733</b>                      | <b>15,768</b>                    | <b>4,297</b>                              | <b>648</b>                                     | <b>-</b>   | <b>30,433</b>    | <b>627,905</b>  | <b>784,224</b> |
| Capital increase/contribution  | -  | -                              | -                                  | -                                | -   | -  | -  | -                | -               | -              |
| Share of equity earnings in investees                                  | 95   | (5,118)                        | 448                                | (2,828)                          | 12,792                                    | (155)  | (1,452)  | 1,432            | (8,036)         | (2,822)        |
| Exchange-rate change on investments                                    | -  | (1,934)                        | -                                  | 1,343                            | 251                                       | 20   | 27   | -                | 20,105          | 19,812         |
| LT incentive - share grant   | -  | -                              | -                                  | -                                | -   | -  | -  | 233              | 1,560           | 1793           |
| Other changes  | -  | -                              | -                                  | -                                | -   | -  | 1,425  | -                | (601)           | 824            |
| <b>Balance at March 31, 2024</b>                                       | <b>5,435</b>                                 | <b>62,048</b>                  | <b>31,181</b>                      | <b>14,283</b>                    | <b>17,340</b>                             | <b>513</b>                                     | <b>-</b>   | <b>32,098</b>    | <b>640,933</b>  | <b>803,381</b> |

(i) The difference of R\$ 1,218 between income earned by Alpargatas Europe S.L.U. and Share of equity earnings in investees for the period refers to unrealized profit in inventories of subsidiary.

(ii) The difference of R\$ 1,413 between income earned by Alpargatas Colombia and Share of equity earnings in investees for the year refers to unrealized profit in inventories of subsidiary.

(iii) The difference of R\$ 2 between income earned by Alpargatas India Fashion Private Ltda. and Share of equity earnings in investees for the period refers to realized income in the subsidiary's inventories.

(iv) The difference of R\$ 436 between the income of Alpargatas Trading (Shanghai) Co. Ltd. (China) and Share of equity earnings in investees for the period refers to unrealized income in the subsidiary's inventories.

(v) The negative shareholders' equity balance was reclassified to non-current liabilities, in the "Other liabilities" group.

(vi) The investment includes R\$ 262,996 of fair value adjustment and the equity income (loss) includes the expense of R\$ 3,531 as amortization.

(vii) The investment includes R\$ 373 of fair value adjustment and the equity income (loss) includes the expense of R\$ 231 as amortization.

The change for the year ended December 31, 2023 is presented in the individual and consolidated annual financial statements for the year then ended.

## ALPARGATAS S.A AND SUBSIDIARIES

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

### 12.1. Acquisition of IOASYS

The Company acquired 100% of the units of IOASYS in the year 2021, and has a payable balance due in May 2026, recorded in the long term in the Parent Company and in the Consolidated, totaling R\$ 79,914 as of March 31, 2024 (R\$ 78,879 as of December 31, 2023 in the long term in the Parent Company and Consolidated as of December 31, 2023).

### 12.2. Impairment test of goodwill

For the period ended March 31, 2024, the Company did not identify evidence of indicators of impairment of goodwill and investments.

### 13. PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment is measured at historical cost including expenditures directly attributable to the acquisition of items and financing costs related to the acquisition of qualified assets.

|   | Average rate<br>of depreciation<br>% p.a. | 03/31/2024       |                                 |                  | Parent Company<br>12/31/2023 |                                    |                  |
|---|---|------------------|---------------------------------|------------------|------------------------------|------------------------------------|------------------|
|   |   | Cost             | Accumulated<br>depreciation (i) | Net              | Cost                         | Accumulated<br>depreciation<br>(i) | Net              |
|   |   |                  |                                 |                  |                              |                                    |                  |
| Land  | -   | 9,722            | -                               | 9,722            | 9,722                        | -                                  | 9,722            |
| Buildings and constructions                                 | 2   | 416,926          | (134,130)                       | 282,796          | 416,912                      | (130,445)                          | 286,467          |
| Machinery and equipment                                     | 7   | 1,027,870        | (393,543)                       | 634,327          | 1,003,997                    | (376,550)                          | 627,447          |
| Furniture and fixtures                                      | 10  | 85,590           | (46,017)                        | 39,573           | 85,054                       | (44,471)                           | 40,583           |
| Vehicles  | 10  | 6,664            | (5,763)                         | 901              | 6,782                        | (5,829)                            | 953              |
| Leasehold improvements                                      | 16  | 64,518           | (32,672)                        | 31,846           | 64,518                       | (30,423)                           | 34,095           |
| Projects in progress  | -   | 377,975          | -                               | 377,975          | 396,502                      | -                                  | 396,502          |
| Other property, plant and equipment                         | 10  | 1,365            | -                               | 1,365            | 1,365                        | -                                  | 1,365            |
| Provision for impairment of machinery<br>and equipment (ii) | -   | (8,308)          | -                               | (8,308)          | (8,838)                      | -                                  | (8,838)          |
| <b>Total</b>  |   | <b>1,982,322</b> | <b>(612,125)</b>                | <b>1,370,197</b> | <b>1,976,014</b>             | <b>(587,718)</b>                   | <b>1,388,296</b> |

|   | Average rate<br>of depreciation<br>% p.a. | 03/31/2024       |                                 |                  | Consolidated<br>12/31/2023 |                                    |                  |
|---|---|------------------|---------------------------------|------------------|----------------------------|------------------------------------|------------------|
|   |   | Cost             | Accumulated<br>depreciation (i) | Net              | Cost                       | Accumulated<br>depreciation<br>(i) | Net              |
|   |   |                  |                                 |                  |                            |                                    |                  |
| Land  | -   | 9,722            | -                               | 9,722            | 9,722                      | -                                  | 9,722            |
| Buildings and constructions                                 | 2   | 416,737          | (134,130)                       | 282,607          | 416,928                    | (130,636)                          | 286,292          |
| Machinery and equipment                                     | 7   | 1,038,114        | (400,883)                       | 637,231          | 1,014,748                  | (384,055)                          | 630,693          |
| Furniture and fixtures                                      | 10  | 117,627          | (65,590)                        | 52,037           | 117,462                    | (63,294)                           | 54,168           |
| Vehicles  | 10  | 9,242            | (7,676)                         | 1,566            | 9,280                      | (7,473)                            | 1,807            |
| Leasehold improvements                                      | 16  | 87,522           | (50,722)                        | 36,800           | 87,133                     | (47,546)                           | 39,587           |
| Projects in progress  | -   | 382,272          | -                               | 382,272          | 397,398                    | -                                  | 397,398          |
| Other property, plant and equipment                         | 10  | 1,365            | -                               | 1,365            | 1,365                      | -                                  | 1,365            |
| Provision for impairment of machinery<br>and equipment (ii) | -   | (8,308)          | -                               | (8,308)          | (8,838)                    | -                                  | (8,838)          |
| <b>Total</b>  |   | <b>2,054,293</b> | <b>(659,001)</b>                | <b>1,395,292</b> | <b>2,045,198</b>           | <b>(633,004)</b>                   | <b>1,412,194</b> |

(i) Depreciation is calculated under the straight-line method, based on the estimated useful life of each asset, which is reviewed every year.

(ii) Refers to provision for losses of deactivated plants or obsolete assets.

## ALPARGATAS S.A AND SUBSIDIARIES

### Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

Changes in balances for the period ended March 31, 2024 are as follows:

|  |                  |              |               |                 |              |               | Parent Company   |
|--|------------------|--------------|---------------|-----------------|--------------|---------------|------------------|
|  | 12/31/2023       | Additions    | Transfers (i) | Depreciation    | Write-offs   | Other changes | 03/31/2024       |
| <b>Property, plant and equipment</b>                     |                  |              |               |                 |              |               |                  |
| Land   | 9,722            | -            | -             | -               | -            | -             | 9,722            |
| Buildings and constructions                              | 286,467          | -            | 14            | (3,685)         | -            | -             | 282,796          |
| Machinery and equipment                                  | 627,447          | -            | 26,517        | (18,928)        | (673)        | (36)          | 634,327          |
| Furniture and fixtures                                   | 40,583           | -            | 560           | (1,571)         | -            | -             | 39,573           |
| Vehicles   | 953              | -            | -             | (51)            | (2)          | -             | 900              |
| Leasehold improvements                                   | 34,095           | -            | -             | (2,248)         | -            | -             | 31,846           |
| Projects in progress (iii)                               | 396,502          | 8,552        | (27,078)      | -               | -            | -             | 377,975          |
| Other property, plant and equipment                      | 1,365            | -            | -             | -               | -            | -             | 1,365            |
| Provision for impairment of machinery and equipment (ii) | (8,838)          | -            | -             | 44              | -            | 486           | (8,308)          |
| <b>Total</b>   | <b>1,388,296</b> | <b>8,552</b> | <b>13</b>     | <b>(26,439)</b> | <b>(675)</b> | <b>450</b>    | <b>1,370,197</b> |

(i) Changes in assets in "Projects in progress" allocated to definite accounts in "Property, plant and equipment", upon completion of projects.

(ii) Refers to provision for asset losses of deactivated plants or obsolete assets.

(iii) The balances recorded in line item "Projects in progress" refer to the following projects: Innovation of R\$ 21,353, ILEP (industrial and logistics excellence program) totaling R\$ 274,664, Productivity of R\$ 30,954, Compliance/Security of R\$ 5,652, Digital of R\$ 14,870, other projects totaling R\$ 4,337 and related to the fire at the Santa Rita plant totaling R\$ 26,145.

|  |                  |               |                |                 |              |                      | Consolidated     |
|--|------------------|---------------|----------------|-----------------|--------------|----------------------|------------------|
|  | 12/31/2023       | Additions     | Transfers (i)  | Depreciation    | Write-offs   | FX and Other changes | 03/31/2024       |
| <b>Property, plant and equipment</b>                     |                  |               |                |                 |              |                      |                  |
| Land   | 9,722            | -             | -              | -               | -            | -                    | 9,722            |
| Buildings and constructions                              | 286,292          | -             | 14             | (3,685)         | -            | (14)                 | 282,607          |
| Machinery and equipment                                  | 630,693          | -             | 26,281         | (19,435)        | (674)        | 364                  | 637,229          |
| Furniture and fixtures                                   | 54,168           | -             | 560            | (3,328)         | -            | 637                  | 52,037           |
| Vehicles   | 1,807            | -             | -              | (504)           | (1)          | 265                  | 1,567            |
| Leasehold improvements                                   | 39,587           | -             | -              | (3,083)         | -            | 297                  | 36,801           |
| Projects in progress (iii)                               | 397,398          | 11,990        | (30,110)       | -               | -            | 2,994                | 382,272          |
| Other property, plant and equipment                      | 1,365            | -             | -              | -               | -            | -                    | 1,365            |
| Provision for impairment of machinery and equipment (ii) | (8,838)          | -             | -              | 44              | -            | 486                  | (8,308)          |
| <b>Total</b>   | <b>1,412,194</b> | <b>11,990</b> | <b>(3,255)</b> | <b>(29,991)</b> | <b>(675)</b> | <b>5,029</b>         | <b>1,395,292</b> |

(i) Changes in assets in "Projects in progress" allocated to definite accounts in "Property, plant and equipment", upon completion of projects.

(ii) Refers to provision for asset losses of deactivated plants or obsolete assets.

(iii) The balances recorded "Projects in progress" refer to the following projects: Innovation of R\$ 21,353, ILEP (industrial and logistics excellence program) totaling R\$ 274,664, Productivity of R\$ 30,954, Compliance/Security of R\$ 5,652, Digital of R\$ 14,870, other projects totaling R\$ 8,634 and related to the fire at the Santa Rita plant totaling R\$ 26,145.

## 14. INTANGIBLE ASSETS

|   |            |                          |                  |                |   |                  | Parent Company |
|---|------------|--------------------------|------------------|----------------|---|------------------|----------------|
|   | 03/31/2024 |                          |                  | 12/31/2023     |   |                  |                |
| Average rate of amortization % p.a.                     | Cost       | Accumulated amortization | Net              | Cost           | Accumulated amortization / Provision for impairment | Net              |                |
| With defined useful life:                               |            |                          |                  |                |   |                  |                |
| Business management systems (i)                         | 15         | 532,382                  | (297,467)        | 234,915        | 518,248   | (280,425)        | 237,823        |
| Without defined useful life:                            |            |                          |                  |                |   |                  |                |
| Brands, rights and patents                              | -          | 1,016                    | -                | 1,016          | 1,016   | -                | 1,016          |
| Goodwill in the acquisition of subsidiaries             | -          | 53,862                   | -                | 53,862         | 53,862  | -                | 53,862         |
| Projects in progress                                    | -          | 87,760                   | -                | 87,760         | 99,191  | -                | 99,191         |
| Provision for impairment of business management systems | -          | (19,287)                 | -                | (19,287)       | (20,810)  | -                | (20,810)       |
| <b>Total</b>  |            | <b>655,733</b>           | <b>(297,467)</b> | <b>358,266</b> | <b>651,507</b>                                      | <b>(280,425)</b> | <b>371,082</b> |

## ALPARGATAS S.A AND SUBSIDIARIES

### Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

|   | Average rate of amortization % p.a. | 03/31/2024     |                          |                | Consolidated 12/31/2023 |   |                |
|---|-------------------------------------|----------------|--------------------------|----------------|-------------------------|---|----------------|
|   |                                     | Cost           | Accumulated amortization | Net            | Cost                    | Accumulated amortization / Provision for impairment | Net            |
| With defined useful life:                               |                                     |                |                          |                |                         |   |                |
| Business management systems (i)                         | 15                                  | 616,974        | (341,205)                | 275,769        | 604,680                 | (323,424)   | 281,256        |
| Customer portfolio                                      | 33                                  | 374            | (224)                    | 150            | 374                     | -   | 374            |
| Without defined useful life:                            |                                     |                |                          |                |                         |   |                |
| Brands, rights and patents                              | -                                   | 1,016          | -                        | 1,016          | 1,016                   | -   | 1,016          |
| Goodwill in the acquisition of subsidiaries (ii)        | -                                   | 136,678        | -                        | 136,678        | 136,678                 | -   | 136,678        |
| Projects in progress                                    | -                                   | 87,762         | -                        | 87,762         | 99,191                  | -   | 99,191         |
| Provision for impairment of business management systems |                                     | (19,287)       | -                        | (19,287)       | (20,810)                | -   | (20,810)       |
| <b>Total</b>  |                                     | <b>823,517</b> | <b>(341,429)</b>         | <b>482,088</b> | <b>821,129</b>          | <b>(323,424)</b>                                    | <b>497,705</b> |

- (i) Refers to expenses incurred in the acquisition, development and implementation of business management systems, such as SAP/R3, systems related to the production process and systems related to the sales process.
- (ii) Goodwill on the acquisition of loasys totaling R\$ 82,815, and of the merged company totaling R\$ 53,862.

Changes in balances in the period ended March 31, 2024 are as follows:

|   | Parent Company |              |               |                 |            |               | 03/31/2024     |
|---|----------------|--------------|---------------|-----------------|------------|---------------|----------------|
|   | 12/31/2023     | Additions    | Transfers (i) | Amortization    | Write-offs | Other changes |                |
| <b>Intangible assets</b>                                |                |              |               |                 |            |               |                |
| With defined useful life:                               |                |              |               |                 |            |               |                |
| Business management system                              | 237,823        | -            | 14,134        | (17,042)        | -          | -             | 234,915        |
| Without defined useful life:                            |                |              |               |                 |            |               |                |
| Brands, rights and patents                              | 1,016          | -            | -             | -               | -          | -             | 1,016          |
| Goodwill in the acquisition of subsidiaries             | 53,862         | -            | -             | -               | -          | -             | 53,862         |
| Projects in progress (ii)                               | 99,191         | 2,717        | (14,147)      | -               | -          | -             | 87,760         |
| Provision for impairment of business management systems | (20,810)       | -            | -             | 1,523           | -          | -             | (19,287)       |
| <b>Total</b>  | <b>371,082</b> | <b>2,717</b> | <b>(13)</b>   | <b>(15,519)</b> | <b>-</b>   | <b>-</b>      | <b>358,266</b> |

- (i) Transfers from "Projects in progress" to the corresponding definite accounts in "Intangible assets", upon completion of projects.
- (ii) The balances recorded in line item "Projects in progress" refer to the following projects: Digital Expansion of R\$ 7,883, ILEP (industrial and logistics excellence program) of R\$ 70,948, Compliance of R\$ 8,063 and other projects of R\$ 886.

|   | Consolidated   |              |              |                 |            |                      | 03/31/2024     |
|---|----------------|--------------|--------------|-----------------|------------|----------------------|----------------|
|   | 12/31/2023     | Additions    | Transfer (i) | Amortization    | Write-offs | FX and Other changes |                |
| <b>Intangible assets</b>                                |                |              |              |                 |            |                      |                |
| With defined useful life:                               |                |              |              |                 |            |                      |                |
| Business management systems                             | 281,256        | -            | 17,402       | (19,260)        | -          | (3,627)              | 275,771        |
| Customer portfolio                                      | 374            | -            | -            | -               | -          | (224)                | 150            |
| Without defined useful life:                            |                |              |              |                 |            |                      |                |
| Brands, rights and patents                              | 1,016          | -            | -            | -               | -          | -                    | 1,016          |
| Goodwill in the acquisition of subsidiaries             | 136,678        | -            | -            | -               | -          | -                    | 136,678        |
| Projects in progress (ii)                               | 99,191         | 2,717        | (14,147)     | -               | -          | (1)                  | 87,760         |
| Provision for impairment of business management systems | (20,810)       | -            | -            | 1,523           | -          | -                    | (19,287)       |
| <b>Total</b>  | <b>497,705</b> | <b>2,717</b> | <b>3,255</b> | <b>(17,737)</b> | <b>-</b>   | <b>(3,852)</b>       | <b>482,088</b> |

- (i) Transfers from "Projects in progress" to the corresponding definite accounts in "Intangible assets", upon completion of projects.
- (ii) The balances recorded in line item "Projects in progress" refer to the following projects: Digital Expansion of R\$ 7,883, ILEP (industrial and logistics excellence program) of R\$ 67,641, Compliance/Security of R\$ 8,063 and other projects totaling R\$ 886.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**15. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

The Company leases properties (offices, distribution centers and stores), usually for a period of five to fifteen years some of which include renewal options for a further five.

Discounting to present value is calculated at rate for each Group's company using the Company's credit risk rates with the market's large financial institutions that would be practiced if the Company had raised loans with maturities for similar contract maturities and asset guarantee.

Payments linked to short-term leases of equipment and vehicles and all leases of low-value assets are recognized under the straight-line method as an expense in the income (loss). Short-term leases are those with a term of 12 months or less. Low-value assets include IT equipment and small office furniture items.

Changes in balances of assets and liabilities for the period ended March 31, 2024 are as follows:

| <b>Assets</b>                            | <b>Parent Company</b> | <b>Consolidated</b> |
|--|-----------------------|---------------------|
| <b>Balances at December 31, 2023</b>     | <b>132,865</b>        | <b>173,190</b>      |
| Remeasurement adjustments                | 1,423                 | 8,026               |
| Depreciation                             | (6,461)               | (11,222)            |
| Exchange-rate change / Other changes (i) | -                     | 15,693              |
| <b>Balances at March 31, 2024</b>        | <b>127,827</b>        | <b>185,687</b>      |
| <br>                                     |                       |                     |
| <b>Liabilities</b>                       | <b>Parent Company</b> | <b>Consolidated</b> |
| <b>Balances at December 31, 2023</b>     | <b>143,268</b>        | <b>184,985</b>      |
| Remeasurement adjustments                | 1,423                 | 8,901               |
| Payment of principal – lease             | (6,260)               | (10,898)            |
| Interest payment                         | (2,706)               | (2,981)             |
| Interest appropriation                   | 3,658                 | 3,905               |
| Exchange-rate change / Other changes (i) | -                     | 13,926              |
| <b>Balances at March 31, 2024</b>        | <b>139,383</b>        | <b>197,838</b>      |

(i) It mainly refers to the exchange-rate change of the balances of subsidiaries abroad.

**15.1 Lease liabilities**

|             | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|-------------|-----------------------|-------------------|---------------------|-------------------|
|             | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Current     | 22,467                | 21,765            | 41,402              | 34,859            |
| Non-current | 116,916               | 121,503           | 156,436             | 150,126           |
|             | <b>139,383</b>        | <b>143,268</b>    | <b>197,838</b>      | <b>184,985</b>    |

**15.2 Impact on income (loss) for the period**

|                                       | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|---------------------------------------|-----------------------|-------------------|---------------------|-------------------|
|                                       | <b>03/31/2024</b>     | <b>03/31/2023</b> | <b>03/31/2024</b>   | <b>03/31/2023</b> |
| Depreciation of right-of-use          | (6,461)               | (6,257)           | (11,222)            | (10,785)          |
| Appropriation of interest of leases   | (3,658)               | (3,331)           | (3,905)             | (3,631)           |
| Income upon write-off of right-of-use | -                     | -                 | -                   | -                 |
|                                       | <b>(10,119)</b>       | <b>(9,588)</b>    | <b>(15,127)</b>     | <b>(14,416)</b>   |

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**15.3 Impact on cash flows**

|                                 | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|---------------------------------|-----------------------|-------------------|---------------------|-------------------|
|                                 | <b>03/31/2024</b>     | <b>03/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Flows from operating activities |                       |                   |                     |                   |
| Provision for interest          | 3,658                 | 3,331             | 3,905               | 3,631             |
| Interest payment                | (2,706)               | (3,331)           | (2,981)             | (3,631)           |
| Depreciation from right-of-use  | 6,461                 | 6,257             | 11,222              | 10,785            |
| Flow from financing activities  |                       |                   |                     |                   |
| Payment of principal - lease    | (6,260)               | (4,698)           | (10,898)            | (8,868)           |
| Items without cash effect       |                       |                   |                     |                   |
| Additions                       | 1,423                 | 68,904            | 8,026               | 68,904            |

**15.4 Discount rates**

The weighted average discount rates applied to lease agreements are presented below:

| <b>Term of agreements</b> | <b>Rates p.a.</b>     |                     |
|---------------------------|-----------------------|---------------------|
|                           | <b>Parent Company</b> | <b>Consolidated</b> |
| 01–05 Years               | 9.92%                 | 4.83%               |
| 06–10 years               | 12.09%                | 10.45%              |
| >10 years                 | 9.53%                 | 9.53%               |

**PIS and COFINS**

Potentially recoverable PIS and COFINS at the rates of 9.25% are:

|             | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|-------------|-----------------------|-------------------|---------------------|-------------------|
|             | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Current     | 2,078                 | 2,013             | 3,830               | 3,224             |
| Non-current | 10,815                | 11,239            | 14,470              | 13,887            |
|             | <b>12,893</b>         | <b>13,252</b>     | <b>18,300</b>       | <b>17,111</b>     |

**16. SUPPLIERS**

|              | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|--------------|-----------------------|-------------------|---------------------|-------------------|
|              | <b>03/31/2024</b>     | <b>12/31/2023</b> | <b>03/31/2024</b>   | <b>12/31/2023</b> |
| Domestic     | 287,198               | 333,537           | 285,258             | 327,885           |
| Foreign      | 34,437                | 10,191            | 96,066              | 67,182            |
| <b>Total</b> | <b>321,635</b>        | <b>343,728</b>    | <b>381,324</b>      | <b>395,067</b>    |

The balance of foreign suppliers mostly refers to amounts denominated in US dollars.

**17. FORFAITING**

The Company has agreements with banks to structure transactions to offer advances on its receivables to its main suppliers. In this operation, suppliers transfer the right to receive the securities to the Bank in exchange for an advance against the receivable security. The Bank, the becomes a creditor of the transaction and the Company settles the obligation on the date originally agreed-upon with its supplier. This operation does not change the terms, prices and conditions originally agreed with the supplier.

As this is not a financing transaction for the purchases of goods through financial institutions, this operation is presented in current liabilities under "Forfaiting". As of March 31, 2024, the amount is R\$ 135,717 in the Parent Company and Consolidated (R\$ 159,889 in the Parent Company and Consolidated as of December 31, 2023).

## ALPARGATAS S.A AND SUBSIDIARIES

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

### 18. LOANS AND FINANCING

|   | Currency | Index and annual interest rate | Parent Company   |                  | Consolidated     |                  |
|---|----------|--------------------------------|------------------|------------------|------------------|------------------|
|   |          |                                | 03/31/2024       | 12/31/2023       | 03/31/2024       | 12/31/2023       |
| <b>In Reais (R\$):</b>                            |          |                                |                  |                  |                  |                  |
| FNE (BNB)   | (a)      | 6.84%                          | 222,239          | 222,946          | 222,239          | 222,946          |
| Finame  | (b)      | 6.00%                          | 344              | 640              | 344              | 640              |
| Debentures  | (c)      | CDI + 1.40%                    | 825,245          | 801,403          | 825,245          | 801,403          |
| NCE   | (d)      | CDI + 1.47%                    | 212,571          | 206,404          | 212,571          | 206,404          |
| <b>Total in Reais (R\$)</b>                       |          |                                | <b>1,260,399</b> | <b>1,231,393</b> | <b>1,260,399</b> | <b>1,231,393</b> |
| <b>In foreign currency:</b>                       |          |                                |                  |                  |                  |                  |
| BNDES Exim – Alpargatas S/A "Working Capital" –   | (e)      | US\$ FX + 6.07% p.a.           | 149,920          | 150,177          | 149,920          | 150,177          |
| Alpargatas Europe S.L.U "Working Capital" –       | (f)      | EUR Euribor 1M + 1.00%         | -                | -                | 32,332           | 334              |
| Alpargatas Trading (Shanghai) "Working Capital" – | (g)      | CNY LPR + 0.55%                | -                | -                | 4,356            | 6,815            |
| Alpargatas USA Inc. - United States               | (h)      | US\$ SOFR 3M + 1.80%           | -                | -                | 125,686          | 96,886           |
| <b>Total foreign currency</b>                     |          |                                | <b>149,920</b>   | <b>150,177</b>   | <b>312,294</b>   | <b>254,212</b>   |
| <b>Grand total</b>                                |          |                                | <b>1,410,319</b> | <b>1,381,570</b> | <b>1,572,693</b> | <b>1,485,605</b> |
| Current liabilities                               |          |                                | 59,519           | 23,402           | 221,893          | 127,437          |
| Non-current liabilities                           |          |                                | 1,350,800        | 1,358,168        | 1,350,800        | 1,358,168        |

- (a) Financing obtained by the Parent Company from Banco do Nordeste in September 2022 of R\$ 19,200 for a term of 96 months and R\$ 204,000 in October 2022 for a term of 120 months. These resources were allocated for the acquisition of machinery, equipment, and modernization of industrial plants (ILEP Project) and the guarantees are backed by a Bank letter of guarantee.
- (b) Loans and financing related to FINAME were raised by the parent company between 2010 and 2014, to finance the purchase of equipment for improving and increasing production. Such loans are amortized monthly. All funding carried out up to 2013 has already been settled; financing in 2014 matures up to 2024.
- (c) In December 2022, the Company carried out the 2<sup>nd</sup> issue of simple debentures, non-convertible into shares, of the unsecured type, in up to two series. The Issue consisted of 800,000 Debentures in up to two series. The total value of the placement is R\$ 800,000, of which R\$ 550,000 corresponds to the first series Debentures, with a maturity period of five years as of the issue date, therefore maturing on December 12, 2027, and the second Debentures of R\$ 250,000 and a maturity of seven years from the issue date, therefore maturing on December 12, 2029. The total net funds raised through the Issue will be used to amortize, as the case may be, debts, financing of working capital and ordinary management of its businesses.
- (d) In September 2023, the parent company contracted a NCE totaling of R\$ 200,000, remunerated at CDI rate + 1.47%, with Banco do Bradesco S.A., with the purpose of investing in the production of goods or services to be exported. Interest will be paid every six months as of the date of issue, and the principal amount will be repaid upon maturity of the operation in September 2025.
- (e) In July 2023, the parent company contracted the BNDES Exim Pré Embarque (Exim Pre-Shipment) facility of US\$ 30,000 from Safra bank. At the same time, a swap was contracted, converting the financial charges from foreign currency denominated + 6.07% p.a. to R\$ and CDI + 1.40%. Interest payments occur quarterly as of the start date of the contract and principal amortization will occur monthly from August 2026 until maturity in July 2027. Proceeds are for the production of goods for export.
- (f) In January 2024, the subsidiary Alpargatas Europe S.L.U. renewed its revolving credit facility with Bank of America, with a term of 12 months and a limit of EUR 3 million, with a new maturity in January 2025. There was another contract in March 2023 totaling EUR 2 million with Caixa Bank S.A., maturing in February 2025, to meet cash requirements during the low season. The subsidiary raises and amortizes these facilities according to its working capital needs.
- (g) In January 2024, Alpargatas Trading Shanghai subsidiary ("Alpargatas China") renewed its working capital facility totaling CNY 30 million and LPR rate + 0.55% p.a., with the next maturity in December 2024. The subsidiary raises and amortizes these facilities according to its working capital needs.
- (h) In January 2024, the subsidiary Alpargatas USA Inc. - United States renewed a revolving credit facility with a maximum value of USD 25 million to support its working capital. The subsidiary draws down on this facility according to its cash needs.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

Changes in balance of period ended March 31, 2024 are as follows:

|                                     | <u>Parent Company</u> | <u>Consolidated</u> |
|-------------------------------------|-----------------------|---------------------|
| <b>Balance at December 31, 2023</b> | <b>1,381,570</b>      | <b>1,485,605</b>    |
| Borrowings                          | -                     | 59,741              |
| Payment of principal                | (982)                 | (6,512)             |
| Interest payment                    | (8,860)               | (8,331)             |
| Provision for interest              | 38,591                | 40,815              |
| Exchange-rate change                | -                     | 1,375               |
| <b>Balance at March 31, 2024</b>    | <b>1,410,319</b>      | <b>1,572,693</b>    |

The maturities for the installment recorded in non-current liabilities are as follows:

|              | <u>Parent Company and Consolidated</u> |                   |
|--------------|--|-------------------|
|              | <u>03/31/2024</u>                      | <u>12/31/2023</u> |
| ≤02 years    | 228,299                                | 228,299           |
| 02–05 years  | 904,456                                | 904,752           |
| >05 years    | 218,045                                | 225,117           |
| <b>Total</b> | <b>1,350,800</b>                       | <b>1,358,168</b>  |

Contractual covenants

As of March 31, 2024, debentures held by the Company contained restrictive covenants that establish financial (Net Debt/normalized EBITDA over the last 12 months equal to or lower than 3x and non-financial obligations by the Company and its subsidiaries. The Company and its subsidiaries are in compliance with these clauses.

**19. TAX LIABILITIES**

|   | <u>Parent Company</u> |                   | <u>Consolidated</u> |                   |
|---|-----------------------|-------------------|---------------------|-------------------|
|   | <u>03/31/2024</u>     | <u>12/31/2023</u> | <u>03/31/2024</u>   | <u>12/31/2023</u> |
| ICMS  | -                     | -                 | 422                 | 771               |
| PIS and COFINS                                | 758                   | 964               | 761                 | 969               |
| Income tax and social contribution            | 1,911                 | -                 | 2,167               | 69                |
| Social security contribution on gross revenue | 3,793                 | 4,987             | 3,793               | 4,987             |
| INSS - Third parties                          | 1,057                 | 1,509             | 1,057               | 1,509             |
| Provision for taxes on inventory losses       |                       |                   |                     |                   |
| ICMS  | 12,448                | 10,371            | 12,448              | 10,371            |
| PIS and COFINS                                | 7,091                 | 7,005             | 7,091               | 7,005             |
| CIDE  | 606                   | 849               | 613                 | 857               |
| Income tax payable – Third parties            | 366                   | 330               | 369                 | 334               |
| ISS payable - Third parties                   | -                     | 711               | -                   | 716               |
| Alpargatas Europe S.L.U. - Spain:             |                       |                   |                     |                   |
| Income tax                                    | -                     | -                 | 8,555               | -                 |
| Other taxes                                   | -                     | -                 | 851                 | 1,450             |
| Alpa China taxes                              | -                     | -                 | 1,914               | 1,679             |
| Other   | 313                   | 4,727             | 426                 | 4,925             |
| <b>Total</b>                                  | <b>28,343</b>         | <b>31,453</b>     | <b>40,467</b>       | <b>35,642</b>     |

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**20. PROVISIONS AND OTHER LIABILITIES**

|   | Parent Company |                | Consolidated   |                |
|---|----------------|----------------|----------------|----------------|
|   | 03/31/2024     | 12/31/2023     | 03/31/2024     | 12/31/2023     |
| Royalties payable   | 15,117         | 9,229          | 15,120         | 9,229          |
| Freight payable   | 20,575         | 20,435         | 34,468         | 27,319         |
| Advertising payable   | 17,953         | 18,839         | 24,724         | 23,974         |
| Sales commissions and incentives  | 764            | 2,067          | 8,174          | 4,683          |
| Advance from customers  | 8,264          | 9,255          | 14,458         | 17,640         |
| Provision for indemnities   | 4,883          | 4,883          | 4,883          | 4,883          |
| Provision for logistics services  | 2,640          | 2,157          | 2,640          | 2,157          |
| Provision for payment of advisory services                              | 1,233          | 22,663         | 1,233          | 22,663         |
| Services payable - EMEA   | -              | -              | 9,937          | 9,327          |
| Services payable - India  | -              | -              | 374            | 353            |
| Services payable - US   | -              | -              | 11,759         | 2,354          |
| Services payable - Hong Kong  | -              | -              | 10,791         | 4,812          |
| Other accounts payable (outsourced services, concessionaires and other) | 11,323         | 12,133         | 13,418         | 17,963         |
| <b>Total</b>  | <b>82,752</b>  | <b>101,661</b> | <b>151,979</b> | <b>147,357</b> |

**21. LABOR AND SOCIAL SECURITY OBLIGATIONS**

|  | Parent Company |               | Consolidated  |               |
|--|----------------|---------------|---------------|---------------|
|  | 03/31/2024     | 12/31/2023    | 03/31/2024    | 12/31/2023    |
| Salaries payable                                   | 16,329         | 9,897         | 19,575        | 12,297        |
| Provision for vacation and 13 <sup>th</sup> salary | 45,864         | 42,805        | 51,290        | 48,593        |
| Social charges                                     | 10,949         | 9,809         | 13,819        | 13,011        |
| <b>Total</b>                                       | <b>73,142</b>  | <b>62,511</b> | <b>84,684</b> | <b>73,901</b> |

**22. RELATED PARTIES****22.1. Balances with subsidiaries**

|                                     | Parent Company |            |                 |                 |
|-------------------------------------|----------------|------------|-----------------|-----------------|
|                                     | Assets         |            | Liabilities     |                 |
|                                     | 03/31/2024     | 12/31/2023 | 03/31/2024      | 12/31/2023      |
| Alpargatas Europe S.L.U. - Spain    | 8,922          | -          | (11,955)        | (11,839)        |
| Alpargatas USA Inc. - United States | 1,766          | -          | -               | -               |
| loasys                              | -              | -          | (2,761)         | (1,192)         |
| Alpargatas Colombia SAS             | 216            | -          | -               | -               |
| <b>Total</b>                        | <b>10,904</b>  | <b>-</b>   | <b>(14,716)</b> | <b>(13,031)</b> |

Reflects the current accounts between the Company and its subsidiaries, as part of the treasury centralized management of cash and cash equivalents.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

Balances receivable and payable from subsidiaries transactions:

|   | Trade accounts receivable |                | Parent Company Suppliers |              |
|---|---------------------------|----------------|--------------------------|--------------|
|   | 03/31/2024                | 12/31/2023     | 03/31/2024               | 12/31/2023   |
| Alpargatas USA Inc. - United States     | 70,629                    | 65,493         | -                        | -            |
| Alpargatas Europe S.L.U. - Spain        | 181,873                   | 139,499        | -                        | -            |
| Alpargatas Colombia SAS                 | 26,999                    | 19,824         | -                        | -            |
| Alpargatas Saic                         | 1,216                     | -              | -                        | -            |
| Alpargatas Trading (Shanghai) Co. Ltd.  | 2,429                     | 405            | -                        | -            |
| Alpargatas Asia Ltd. - Hong Kong        | 8,148                     | 6,052          | -                        | -            |
| IOASYS Desenvolvimento de Software Ltda | -                         | -              | 2,580                    | 6,164        |
| <b>Total</b>                            | <b>291,294</b>            | <b>231,273</b> | <b>2,580</b>             | <b>6,164</b> |

**22.2. Transactions with subsidiaries with effect in income (loss) for the period**

|  | Sales of products |                | Purchase of products |                |
|--|-------------------|----------------|----------------------|----------------|
|  | 03/31/2024        | 03/31/2023     | 03/31/2024           | 03/31/2023     |
| Alpargatas S.A. (i)                    | 71,363            | 138,442        | -                    | -              |
| Alpargatas USA Inc. - United States    | -                 | -              | 2,503                | 3,104          |
| Alpargatas Europe S.L.U. - Spain       | -                 | -              | 42,192               | 96,374         |
| Alpargatas Colombia SAS                | -                 | -              | 8,395                | 5,125          |
| Alpargatas Trading (Shanghai) Co. Ltd. | -                 | -              | 3,394                | 652            |
| Alpargatas Asia Ltd. - Hong Kong       | -                 | -              | 14,879               | 33,187         |
| <b>Total</b>                           | <b>71,363</b>     | <b>138,442</b> | <b>71,363</b>        | <b>138,442</b> |

- (i) Substantially comprises sales of flip flops of "Havaianas" trademark to the foreign subsidiaries, in view of the operations model, and the distribution channel format defined for the Company's foreign operations, in which products are manufactured in Brazil and then sold to foreign subsidiaries, where they are resold.

|   | Other revenues |               | Other expenses |               |
|---|----------------|---------------|----------------|---------------|
|   | 03/31/2024     | 03/31/2023    | 03/31/2024     | 03/31/2023    |
| Alpargatas S.A.                         | 10,904 (i)     | -             | 4,187          | 11,772 (ii)   |
| Alpargatas USA Inc. - United States     | -              | -             | 1,766 (i)      | -             |
| Alpargatas Europe S.L.U. - Spain        | -              | -             | 8,922 (i)      | -             |
| Alpargatas Colombia SAS                 | -              | -             | 216 (i)        | -             |
| IOASYS Desenvolvimento de Software Ltda | 4,187 (ii)     | 11,772 (ii)   | -              | -             |
| <b>Total</b>                            | <b>15,091</b>  | <b>11,772</b> | <b>15,091</b>  | <b>11,772</b> |

- (i) Royalties due from subsidiaries for the sale of "Havaianas" brand products.  
(ii) Technology services provided by loasys for Alpargatas Brasil.

During the period ended March 31, 2024, the Company did not record any write-off or provision for expected loss (impairment) for balances receivable of foreign subsidiaries.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**22.3. Related party transactions**

|              | Assets              |            | Parent Company and Consolidated Liabilities (i) |                |
|--------------|---------------------|------------|---|----------------|
|              | 03/31/2024          | 12/31/2023 | 03/31/2024                                      | 12/31/2023     |
|              | Banco Itaú-Unibanco | -          | -   | 565,540        |
| <b>Total</b> | <b>-</b>            | <b>-</b>   | <b>656,540</b>                                  | <b>548,576</b> |

|              | Revenue (iii)       |              | Parent Company and Consolidated Expense (ii) |               |
|--------------|---------------------|--------------|--|---------------|
|              | 12/31/2023          | 12/31/2023   | 12/31/2023                                   | 12/31/2023    |
|              | Banco Itaú-Unibanco | -            | 3,073  | 16,663        |
| <b>Total</b> | <b>-</b>            | <b>3,073</b> | <b>16,663</b>                                | <b>72,788</b> |

(i) The amounts refer to Finame, Forfaiting at Alpargatas S.A.

(ii) They refer to expenses with interest on loans.

(iii) Refer to gains from interest earning bank deposits.

As of March 31, 2024, except for collateral and the guarantees granted to support the loans and financing operations, the Company and its subsidiaries had no other collaterals and guarantees offered to the related parties.

**22.4. Remuneration of key management personnel**

The Directors' fees are as follows:

|                                      | 03/31/2024   |              |              | Parent Company and Consolidated 03/31/2023 |          |              |
|--------------------------------------|--------------|--------------|--------------|--|----------|--------------|
|                                      | Remuneration |              |              | Remuneration                               |          |              |
|                                      | Fixed        | Variable     | Total        | Fixed                                      | Variable | Total        |
| Board of Directors / Audit Committee | 1,657        | -            | 1,657        | 1,288                                      | -        | 1,288        |
| Directors                            | 2,363        | 2,543        | 4,906        | 1,712                                      | -        | 1,712        |
| <b>Total</b>                         | <b>4,020</b> | <b>2,543</b> | <b>6,563</b> | <b>3,000</b>                               | <b>-</b> | <b>3,000</b> |

In addition to the Directors' fees, during the quarter ended March 31, 2024, the Company made contributions to the private pension plan totaling R\$ 100 (R\$ 103 in 2023) on behalf of the statutory directors and regarding the long-term incentive plan, charging a provision of R\$ 2,302 (in 2023, expense was R\$ 2,456).

The annual global Directors' fees set for the year 2024 in the Annual Shareholders' Meeting of April 26, 2024 was R\$ 37,273 (R\$ 36,575 in 2023).

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**23. PROVISION FOR TAX, CIVIL AND LABOR CONTINGENCIES**

The Company and its subsidiaries are parties to tax, civil and labor lawsuits, arising from tax assessment notices issued by tax authorities, third-party and former employees claims, or actions and challenges. Provisions were made for these contingencies by Management, under the advice of its legal counsel, when the risk of any loss is considered probable. These provisions are shown as follows:

|                         | Parent Company |               | Consolidated  |               |
|-------------------------|----------------|---------------|---------------|---------------|
|                         | 03/31/2024     | 12/31/2023    | 03/31/2024    | 12/31/2023    |
| Labor claims (i)        | 25,276         | 15,336        | 25,276        | 15,336        |
| Tax lawsuits            | 25             | 25            | 25            | 25            |
| Civil lawsuits          | 1,079          | 568           | 1,079         | 568           |
| <b>Total</b>            | <b>26,380</b>  | <b>15,929</b> | <b>26,380</b> | <b>15,929</b> |
| Judicial deposits       | 3,973          | 4,982         | 3,973         | 4,982         |
| Net total               | <b>22,407</b>  | <b>10,947</b> | <b>22,407</b> | <b>10,947</b> |
| Current installment     | 16,688         | 5,738         | 16,688        | 5,738         |
| Non-current installment | 5,719          | 5,209         | 5,719         | 5,209         |

(i) Refer to the claims filed against the Company and its subsidiaries by former employees, for severance payment, extras, overtime, and allowances.

|                                     | Parent Company and Consolidated |           |              |               |
|-------------------------------------|---------------------------------|-----------|--------------|---------------|
|                                     | Labor                           | Tax       | Civil        | Total         |
| <b>Balance at December 31, 2023</b> | <b>10,353</b>                   | <b>25</b> | <b>569</b>   | <b>10,947</b> |
| Additions/(reversals)               | 19,799                          | -         | 510          | 20,309        |
| Payments                            | (8,849)                         | -         | -            | (8,849)       |
| <b>Balance at March 31, 2024</b>    | <b>21,303</b>                   | <b>25</b> | <b>1,079</b> | <b>22,407</b> |

**23.1. Possible risk of loss (not provisioned)**

Contingent liabilities with risk of loss classified as possible:

|                    |       | Parent Company |                | Consolidated   |                |
|--------------------|-------|----------------|----------------|----------------|----------------|
|                    |       | 03/31/2024     | 12/31/2023     | 03/31/2024     | 12/31/2023     |
| Tax:               |       |                |                |                |                |
| CSLL and IRPJ      | (i)   | 14,003         | 13,884         | 14,003         | 13,884         |
| Royalties          | (ii)  | 13,483         | 13,320         | 13,483         | 13,320         |
| PIS/COFINS credit  | (iii) | 3,659          | 3,619          | 3,659          | 3,619          |
| Other              |       | 16,027         | 15,902         | 16,027         | 15,902         |
| <b>Total tax</b>   |       | <b>47,172</b>  | <b>46,725</b>  | <b>47,172</b>  | <b>46,725</b>  |
| Civil              | (iv)  | 29,198         | 35,086         | 29,360         | 35,247         |
| Labor              | (v)   | 57,520         | 60,991         | 57,520         | 60,991         |
| <b>Grand total</b> |       | <b>133,890</b> | <b>142,802</b> | <b>134,052</b> | <b>142,963</b> |

(i) Tax assessment notice related to the non-approval of offsets of tax debits against IRPJ and CSLL debits.

(ii) Tax assessment notice aimed at collecting II, IPI, PIS-Import and COFINS-Import on amounts remitted abroad as royalties.

(iii) Disallowance of offsets against tax credits mostly deriving from freight transactions.

(iv) Refer mainly to indemnity lawsuits.

(v) During the year 2023, the Company carried out a restructuring in its plants that resulted in layoffs and new labor lawsuits.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

**24. EMPLOYEE BENEFITS****24.1. Retirement plans**

The Company sponsors a retirement plan for all employees, using the closed supplementary pension entity, ALFAPREV - Sociedade de Previdência Complementar, a defined contribution private pension plan, in which the participant makes a contribution and the Company complements it. This includes a single-life annuity and pension plan for a certain former employees (no new participants).

On March 31, 2024, actuarial assets referring to these plans, deriving from excess investments in relation to actuarial liabilities is R\$ 9,246.

**24.2. Long-term incentive plan****a) Restricted stock option plan**

The restricted share plan was approved on Extraordinary General Meeting held on March 20, 2019, to grant restricted shares as part of the remuneration structure of the Company in order to attract, motivate and retain executives of the Company and/or its subsidiaries, as well as align their interests to the interests of the Company, its subsidiaries and of its shareholders, fostering the acceleration of the Company's growth strategy.

The plan was implemented by programs granted to executives and execution of Individual Agreements between the Company and the Participants, specifying the number of restricted shares received and other conditions, mandating continuity of employment and/or administrator relationship for periods of five years, in relation to the first lot of granting of Restricted Shares, and ten years, in relation to the second lot of granting of Restricted Shares, from the signing of the respective Individual Agreement and subject to the compliance of the target of minimum appreciation of the Restricted Shares corresponding to the accumulated IPCA + 3% per annum on the grant price per preferred share; the participant will acquire the right to become the holder of the restricted shares, net of taxes after due taxation, subject to the termination assumptions provided for in the plan.

In addition to the Maximum Number of Restricted Shares, the Company will, pursuant to the terms and conditions of the Plan and Program, deliver to the Participant 0.30 additional preferred share to each preferred share eventually acquired by the Participant during the effective term of the Program, respecting the maximum limit set forth in the contract.

The plan may: (a) through decision of the Extraordinary Shareholders' Meeting; (b) when the Company's public company registration is cancelled; (c) when the Company's preferred shares are no longer traded in the over-the-counter market, organized market, or the stock exchanges; (d) should the Company be dissolved and wound up; or (e) after 10 years counted as of the date Plan was approved.

**b) Membership Program – Discretionary plan**

During the Extraordinary General Meeting held on October 15, 2019, new restricted stock plan was approved to provide beneficiaries selected by the board of directors with the opportunity to receive restricted stock, in order to: (a) Beneficiary retention; and (b) the concept of meritocracy and appreciation of the Company's performance and potential growth.

The grant was carried out upon the execution of agreements by and between the Company and beneficiaries, which specified the number of shares and the terms and conditions for acquisition of the restricted stock related rights.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

The number of shares granted took into account the salaries targets set out and approved in the Company's remuneration policy, as well as the latest performance and potential evaluation or type of individual evaluation previously defined and approved by the board of directors, so as to define the number of shares that was granted to the beneficiary.

The beneficiaries' rights, particularly the one concerning the effective receipt of the ownership of such shares, will be fully acquired only if the beneficiary (i) remains continuously employed as a manager, officer, or employee of the Company or of a company under its control, as the case may be, during the grace period and, cumulatively, (ii) the price of the preferred share issued by the Company at the grace period end date represents an appreciation in relation to the price equivalent to the average price of the preferred share (ALPA4) in the 30 trading sessions immediately prior to the grant date, in an amount higher than the changes in the IPCA/IBGE rate in the grace period in question plus 3% per year, subject to adjustments arising from any stock splits, reverse stock splits and/or other events that may affect the aforementioned price comparison, as calculated and defined by the Board of Directors.

The plan came into force on the date of its approval and will so remain for an indefinite period of time, although it may be extinguished at any time if thus resolved by the Annual Shareholders' Meeting.

**c) Partner program – Matching Plan**

As of October 15, 2019, the Stock Option Plan (Matching Program) was approved during the Extraordinary General Meeting. This Plan is aimed to provide the beneficiaries selected by the board of directors with the opportunity to receive matching shares provided that, among other conditions, these beneficiaries invest funds as authorized in the purchase and holding of own shares at their own risk and expense, in order to: (a) align the beneficiaries' interests with those of the Company's Shareholders and the companies under its control; and (b) encourage beneficiaries to remain at the Company or at the companies under its control.

The Board of Directors will select those beneficiaries eligible to take part in the plan. The base will be comprised of employees who received short-term incentives in the grant year.

The granting of matching shares will be carried out through the execution of Grant Agreements between the Company and the Beneficiaries, which shall specify, without prejudice to other conditions determined by the Board of Directors, the number of matching shares to be granted and terms and conditions to acquire rights related to matching shares.

The beneficiaries' rights in connection with the matching shares, especially the right to effectively receive the ownership of such shares, will be fully acquired only if the beneficiaries (i) remain continuously bound as administrators, directors, or employees of the Company or of a company under its control, as the case may be, and, cumulatively, (ii) hold the full and legal title and ownership of own shares for the entire period from the grant date to the third anniversary of the grant date, when all matching shares will then be vested.

The plan came into force on the date of its approval and will so remain for an indefinite period of time, although it may be extinguished at any time if thus resolved by the Annual Shareholders' Meeting.



**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**25.2. Treasury shares**

On March 31, 2024, the Company has 7,227,934 treasury shares at an average cost of R\$ 6.9491 (8,646,856 at the average cost of R\$ 6.9888 in 2023). During the period ended March 31, 2024, 697,720 treasury shares were transferred to participants in the short and long-term incentive program (65,324 shares in 2023).

**25.3. Dividends and interest on own capital**

Shareholders are guaranteed, every year, a minimum dividend of 25% of net income for the year, after appropriations to the federal tax incentive and other, calculated under the terms of Corporation law and by-laws.

In the quarter ended March 31, 2024, Management did not declare dividends or interest on own capital and dividends.

**25.4. Profit reserves***Tax incentive reserve*

During the period ended March 31, 2024, the Company did not make appropriations to the tax incentive reserve.

*Legal reserve*

The legal reserve is appropriated at the rate of 5% of the net income under current legislation, up to the limit of 20% of the capital after deduction of tax incentives.

**26. NET OPERATING REVENUE**

|                              | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|------------------------------|-----------------------|-------------------|---------------------|-------------------|
|                              | <b>03/31/2024</b>     | <b>03/31/2023</b> | <b>03/31/2024</b>   | <b>03/31/2023</b> |
| Gross operating revenue:     |                       |                   |                     |                   |
| Domestic market              | 809,033               | 701,285           | 818,140             | 710,033           |
| Foreign market               | 76,052                | 143,837           | 304,732             | 346,410           |
|                              | <b>885,085</b>        | <b>845,122</b>    | <b>1,122,872</b>    | <b>1,056,443</b>  |
| Refunds and rebates (i)      | (40,092)              | (29,667)          | (78,996)            | (56,257)          |
| Sales taxes (ii)             | (110,833)             | (95,807)          | (112,076)           | (97,700)          |
| <b>Net operating revenue</b> | <b>734,160</b>        | <b>719,648</b>    | <b>931,800</b>      | <b>902,486</b>    |

(i) Includes commercial agreements with certain customers that allow special discounts.

(ii) Includes ICMS tax incentives (Note 4).

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**27. EXPENSES BY NATURE**

The Company presents in the statement of operations a classification of expenses based on their function. The information on expense by nature is as follows:

|                                       | <b>Parent Company</b> |                   | <b>Consolidated</b> |                   |
|---------------------------------------|-----------------------|-------------------|---------------------|-------------------|
|                                       | <b>03/31/2024</b>     | <b>03/31/2023</b> | <b>03/31/2024</b>   | <b>03/31/2023</b> |
| Cost of goods sold:                   |                       |                   |                     |                   |
| Raw material and material             | 249,364               | 246,085           | 280,264             | 264,232           |
| Salaries, social charges and benefits | 123,362               | 137,051           | 126,134             | 141,373           |
| Depreciation                          | 27,487                | 19,889            | 27,623              | 20,128            |
| Other costs                           | 58,481                | 71,020            | 72,398              | 87,877            |
| <b>Total</b>                          | <b>458,694</b>        | <b>474,045</b>    | <b>506,419</b>      | <b>513,610</b>    |
| Sales expenses:                       |                       |                   |                     |                   |
| Salaries, social charges and benefits | 21,336                | 26,284            | 54,716              | 65,724            |
| Loss on accounts receivable           | 2,890                 | 384               | 3,254               | 1,015             |
| Freight                               | 29,096                | 30,115            | 42,857              | 47,283            |
| Advertising and publicity             | 54,712                | 55,055            | 76,230              | 80,796            |
| Commissions                           | 2,864                 | 2,035             | 14,129              | 9,407             |
| Depreciation                          | 2,995                 | 3,191             | 11,083              | 10,215            |
| Royalties                             | 8,995                 | 6,537             | 9,003               | 6,537             |
| Outsourced services                   | 9,187                 | 9,633             | 18,845              | 20,592            |
| Rentals / Lease                       | 670                   | 954               | 2,319               | 3,123             |
| Travel expenses                       | 712                   | 1,453             | 1,840               | 3,767             |
| Storage expenses                      | 2,009                 | 4,353             | 15,034              | 20,340            |
| Packaging                             | 10,201                | 10,730            | 11,592              | 11,301            |
| Logistic services                     | 5,613                 | 3,315             | 5,759               | 3,703             |
| Other                                 | 7,410                 | 10,475            | 15,803              | 15,048            |
| <b>Total</b>                          | <b>158,690</b>        | <b>164,514</b>    | <b>282,464</b>      | <b>298,851</b>    |
| General and administrative:           |                       |                   |                     |                   |
| Salaries, social charges and benefits | 22,966                | 24,769            | 22,966              | 24,769            |
| Profit sharing                        | 6,808                 | -                 | 6,808               | -                 |
| Management fees                       | 6,563                 | 3,000             | 6,563               | 3,000             |
| Outsourced services                   | 23,120                | 20,718            | 23,120              | 20,718            |
| Depreciation                          | 2,184                 | 1,985             | 2,184               | 1,985             |
| Rent and condominium                  | 145                   | 143               | 145                 | 143               |
| IT maintenance                        | 1,885                 | 1,414             | 1,885               | 1,414             |
| Other                                 | 5,179                 | 5,058             | 5,180               | 5,059             |
| <b>Total</b>                          | <b>68,850</b>         | <b>57,087</b>     | <b>68,851</b>       | <b>57,088</b>     |

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**28. OTHER OPERATING INCOME (EXPENSES)**

|  | Parent Company  |                  | Consolidated    |                  |
|--|-----------------|------------------|-----------------|------------------|
|  | 03/31/2024      | 03/31/2023       | 03/31/2024      | 03/31/2023       |
| Other operating income:                                      |                 |                  |                 |                  |
| Sale of scrap  | 660             | 485              | 661             | 485              |
| Gain on the sale of property, plant and equipment            | -               | 161              | 74              | 223              |
| Favorable outcome on lawsuit                                 | 719             | 145              | 719             | 145              |
| Revenue from sale of energy                                  | 598             | 595              | 598             | 595              |
| Revenue from royalties – Group companies                     | 10,904          | -                | -               | -                |
| Other  | 966             | 1,234            | 1,084           | 1,594            |
|  | <b>13,847</b>   | <b>2,620</b>     | <b>3,136</b>    | <b>3,042</b>     |
| Other operating expenses:                                    |                 |                  |                 |                  |
| Amortization of intangible assets                            | (15,721)        | (10,081)         | (17,998)        | (13,591)         |
| Long-term incentive plan (Note 24.2)                         | (4,455)         | (3,192)          | (4,855)         | (2,334)          |
| Outsourced services  | (3,913)         | (1,798)          | (4,164)         | (2,160)          |
| Provision for losses of receivable on sale of subsidiary (i) | -               | (268,733)        | -               | (268,733)        |
| Plant rationalization expenses                               | (3,916)         | (3,946)          | (3,916)         | (3,946)          |
| Corporate and commercial rationalization expenses            | (1,480)         | -                | (1,813)         | -                |
| Reversal of provision for Indemnity                          | -               | 14,561           | -               | -                |
| Other  | (4,100)         | (6,299)          | (3,600)         | (2,740)          |
|  | <b>(33,585)</b> | <b>(279,488)</b> | <b>(36,346)</b> | <b>(293,504)</b> |
| <b>Total</b>   | <b>(19,738)</b> | <b>(276,868)</b> | <b>(33,210)</b> | <b>(290,462)</b> |

(i) Refers to the provision for loss of accounts receivable on the sale of ASAIC (Note 1.3).

**29. FINANCIAL INCOME AND EXPENSES, NET**

|  | Parent Company  |                 | Consolidated    |                 |
|--|-----------------|-----------------|-----------------|-----------------|
|  | 03/31/2024      | 03/31/2023      | 03/31/2024      | 03/31/2023      |
| Financial income:  |                 |                 |                 |                 |
| Yields from interest earning bank deposits                                 | 23,374          | 15,941          | 24,667          | 16,049          |
| Accrued income from accounts receivable, judicial deposits and tax credits | 4,236           | 10,237          | 4,236           | 10,237          |
| Interest receivable and other  | 646             | 1,847           | 1,185           | 1,897           |
|  | <b>28,256</b>   | <b>28,025</b>   | <b>30,088</b>   | <b>28,183</b>   |
| Financial expenses:  |                 |                 |                 |                 |
| Interest and charges on loans and financing                                | (38,591)        | (38,505)        | (40,815)        | (39,902)        |
| Tax on Financial income  | (1,121)         | (1,373)         | (1,121)         | (1,512)         |
| Interest payable   | (1,036)         | (1,191)         | (1,036)         | (1,191)         |
| Interest from lease - IFRS 16  | (3,658)         | (3,330)         | (3,905)         | (3,631)         |
| Other  | (570)           | (764)           | (1,168)         | (1,231)         |
|  | <b>(44,976)</b> | <b>(45,163)</b> | <b>(48,045)</b> | <b>(47,467)</b> |
| <b>Total</b>   | <b>(16,720)</b> | <b>(17,138)</b> | <b>(17,957)</b> | <b>(19,284)</b> |

**30. BUSINESS SEGMENTS**

The Company has a matrix management structure where sales revenue is analyzed by the main decision maker at several levels, because the products manufactured and sold by the Company and its subsidiaries are divided into footwear and clothing. Operations are managed by geographic segmentation with the following segregation: (i) Domestic operations: performance of the Company and its subsidiaries in Brazil and (ii) Foreign Operations: consolidated performance of the subsidiaries in the United States, Europe, Asia, Latin America and India, as well as direct exports.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

Net revenue per segment is as follows in the period ended March 31, 2024:

- Domestic operations:
  - Brazil: 71.53%
- Foreign operations:
  - Sandálias Internacional: 28.47%

The segment performance was assessed based on net operating revenues, net revenues, and employed capital (total assets less current and non-current liabilities) in each segment. This measurement basis includes the financial effects, income tax and social contribution, depreciation and amortization.

Information is shown below:

|                                  | 03/31/2024            |                   |                               |                         |              |                                    |
|----------------------------------|-----------------------|-------------------|-------------------------------|-------------------------|--------------|------------------------------------|
| Statement of operations accounts | Net operating revenue | Net income/(loss) | Depreciation and amortization | Financial income (loss) | Net FX       | Income tax and social contribution |
| Domestic operations:             |                       |                   |                               |                         |              |                                    |
| Brazil                           | 666,540               | 35,597            | (44,434)                      | (13,292)                | 1,496        | 6,941                              |
| Foreign operations:              |                       |                   |                               |                         |              |                                    |
| Sandálias Internacional          | 265,260               | (2,899)           | (14,516)                      | (4,665)                 | 4,550        | (3,187)                            |
| Rothy's                          | -                     | (8,036)           | -                             | -                       | -            | -                                  |
| <b>Consolidated</b>              | <b>931,800</b>        | <b>24,662</b>     | <b>(58,950)</b>               | <b>(17,957)</b>         | <b>6,046</b> | <b>3,753</b>                       |

|                                  | 03/31/2023            |                  |                               |                         |                |                                    |
|----------------------------------|-----------------------|------------------|-------------------------------|-------------------------|----------------|------------------------------------|
| Statement of operations accounts | Net operating revenue | Net income       | Depreciation and amortization | Financial income (loss) | Net FX         | Income tax and social contribution |
| Domestic operations:             |                       |                  |                               |                         |                |                                    |
| Brazil                           | 583,575               | (163,574)        | (31,723)                      | (14,389)                | 1,419          | 111,834                            |
| Foreign operations:              |                       |                  |                               |                         |                |                                    |
| Sandálias Internacional          | 318,911               | (5,577)          | (14,197)                      | (4,895)                 | (3,790)        | (1,806)                            |
| Rothy's                          | -                     | (30,539)         | -                             | -                       | -              | -                                  |
| <b>Consolidated</b>              | <b>902,486</b>        | <b>(199,691)</b> | <b>(45,919)</b>               | <b>(19,284)</b>         | <b>(2,371)</b> | <b>110,028</b>                     |

The table below presents equity balances as of March 31, 2024 and December 31, 2023:

|                         | 03/31/2024       |                                     |   | 12/31/2023       |                                     |   |
|-------------------------|------------------|-------------------------------------|---|------------------|-------------------------------------|---|
| Assets and liabilities  | Total assets     | Current and non-current liabilities | Addition to property, plant and equipment and intangible assets | Total assets     | Current and non-current liabilities | Addition to property, plant and equipment and intangible assets |
| Domestic operations:    |                  |                                     |   |                  |                                     |   |
| Brazil                  | 5,460,506        | 2,021,334                           | 11,269  | 5,500,123        | 2,109,890                           | 299,928   |
| Foreign operations:     |                  |                                     |   |                  |                                     |   |
| Sandálias Internacional | 1,018,087        | 674,845                             | 3,438   | 827,264          | 490,032                             | 32,065  |
| <b>Consolidated</b>     | <b>6,478,593</b> | <b>2,696,179</b>                    | <b>14,707</b>   | <b>6,327,389</b> | <b>2,599,922</b>                    | <b>331,993</b>  |

**31. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS****31.1. Sundry considerations and policies**

The management of financial instruments, including derivatives, is carried out by means of policies, definition of strategies and establishment of control systems, and are monitored by the Company's management.

The treasury procedures defined by the prevailing policy include monthly routines of projection and evaluation of the consolidated foreign exchange exposure of the Company and its subsidiaries, on which the decisions made by Management are based.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

**31.2. Financial risk management**Financial risk factors

The Company's activities expose it to various financial risks: market risk (including foreign exchange risk and interest rate), credit risk and liquidity risk. The Company's risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects in financial performance, and when required, using derivative financial instruments to hedge certain risk exposures.

Management of financial risk is carried out by the Company's treasury department and policies are mandatorily approved by the Board of Directors. The Treasury Department identifies, values and contracts financial instruments to mitigate potential financial risks, especially those derived from interest and foreign exchange rate.

Market risk

The Company is exposed to market risks arising from a number of its business activities. These risks mainly involve the possibility of fluctuations in exchange rates and changes in interest rates.

- Foreign exchange risk

In view of the diverse accounts receivable and financial obligations assumed by the Company in foreign currencies, a Foreign Exchange Hedge policy formalizes levels of exposure related to this risk.

Foreign currency denominated receivables and payables are for commitments already assumed and recorded in the financial statements derived from the Company's operations, as well as loans and derivatives. The Company's exchange exposure aims to be neutral as foreign currency inflows neutralize commitments, thus generating a natural hedge effect.

- Interest rate risk

The Company's interest rate risk arises from interest earning bank deposits which are floating-rate and loans and financing are on short and long-term basis.

Credit risk

Sales are mainly made to retailers and wholesalers. The credit risk is reduced by the broad dispersion of the customer portfolio and the procedures of evaluation and concession of credit. As of March 31, 2024, the allowance for expected losses was R\$ 82,873 (R\$ 80,798 as of December 31, 2023). The maximum exposure to credit risk on the base date of March 31, 2024 is the book value of cash and cash equivalents, accounts receivable and financial investments.

The Company has differentiated credit policies for customers in the Domestic Market and Third-Party Customers Abroad.

In the domestic market, business is conducted primarily through retailers, distributors, wholesalers and e-commerce with a model of purchase on credit; this demands definition/attribution of credit limits. The following factors are used to define credit thresholds: market survey about the company, analysis of economic and financial data and evaluation of the internal history with the Company. These limits are regularly reviewed and at times guarantees, surety letters or bank sureties are required to define the limit.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

In the foreign market, sales to third-party customers are almost entirely made upon advance payment or letter of credit. Exceptions are analyzed by Management.

In both policies, there are grants of authority defined according to the different hierarchical levels / values and which are used for concession, change or maintenance of credit limits for each customer.

The measurement of the provision for expected credit losses is described in Note 6.

The Company and its subsidiaries are also subject to credit risks related to the financial instruments contracted for the management of its business.

The risk of non-settlement of the operations with financial institutions is considered low, as these are classified as top-tier.

The Company maintains cash, cash equivalents and short-term interest earning bank deposits with top-tier financial institutions and does not limit its exposure to a specific institution. As of March 31, 2024, the maximum exposure to credit risk was the book value of cash, cash equivalents and interest earning bank deposits (Note 5).

**Liquidity risk**

Prudent liquidity risk management requires maintaining sufficient cash and marketable securities and having cash fund raising availability by means of bank credit facilities in order to settle market positions.

Management monitors the consolidated liquidity level of the Company, considering the expected cash flows against the credit facilities not used and amounts not available in cash and cash equivalents.

The financial liabilities by maturity brackets are contracted for the undiscounted cash flow (Note 31.4).

**31.3. Derivative financial instruments and hedge accounting****Fair value hedge**

The Company adopts hedge accounting for operations with derivative financial instruments (swaps), whose object of hedge is the risk of exchange-rate change on debts in foreign currency.

As of March 31, 2024, the Company had a position of derivative financial instruments (swaps), designated as hedge of debts in foreign currency, obtained through BNDES Exim Pré Embarque (Exim Pre-Shipment) Facility. The settlement corresponds to the present value on the settlement date.

The operation of fair value hedge of loans in currency was considered as highly efficient on March 31, 2024 and is classified as net of hedged item (Note 18). The result of this operation is presented net of the hedged item (Note 29).

**Cash flow hedge**

The Company and its subsidiaries have derivative financial instruments that are classified as cash flow hedges and apply hedge accounting, in accordance with CPC 48/IFRS 9 - Financial Instruments. Cash flow hedge provides protection against changes in the cash flows which are attributable to a particular risk associated with a recognized asset or liability or with a foreseen transaction that is highly likely and that might affect the result.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

The relationship between the instrument and the hedged item, as well as the risk management policies and objectives, are documented at the beginning of the operation. The prospective and retrospective effectiveness tests are also duly documented, confirming that the designated derivatives are effective in offsetting the market value changes in the hedged items.

The effective portion of the changes in the fair value of derivatives designated and qualified as cash flow hedge is recorded as a component of "other comprehensive income". When calculated, the gain or loss relating to the non-effective portion is immediately recognized in income (loss).

Amounts accumulated in "other comprehensive income" are realized in the statement of operations in the years that the hedged item affects the income (loss) (for instance, upon the settlement of hedged item).

During the period ended March 31, 2024, the Company did not carry out transactions with derivatives classified as cash flow hedge.

Other derivative financial instruments

The Company has imports of finished products and raw materials in US Dollars, in relation to its business units in Brazil. Some local raw material purchases are denominated in US Dollars. The Company also has exports of flip flops, which are sold in US Dollars. Exports volume and foreign currency receipts are greater than imports volume and foreign currency payments, providing for a natural hedge.

To mitigate temporary mismatches related to foreign exchange exposure and to protect its cash flow, the Company's Board of Directors approved the Foreign Exchange Risk Management Policy. This policy establishes the guidelines for operations of hedge of the cash flow through derivative financial instruments.

The operations with derivatives aim to hedge the Company's future cash flow through reduction of foreign exchange exposure to a horizon of three months. The future foreign exchange exposure is based on projections of payments and receipts in foreign currency. These operations were not eligible for the application of hedge accounting as CPC 48/IFRS 9 - Financial instruments, and due to this fact, gains and losses arising from changes in the fair value of these operations are recorded in the statement of income.

During the period ended March 31, 2024, the Company did not contract hedge instruments (NDF) to protect its cash.

**31.4. Maturities of financial liabilities**

The consolidated book value of financial liabilities is measured under the amortized cost method, and its corresponding future values are as follows:

|  | <b>03/31/2024</b>   |                        |                        |                         |                  |
|--|---------------------|------------------------|------------------------|-------------------------|------------------|
|  | <b>≤01<br/>year</b> | <b>01-02<br/>years</b> | <b>03-05<br/>years</b> | <b>&gt;05<br/>years</b> | <b>Total</b>     |
| Financial liabilities:                         |                     |                        |                        |                         |                  |
| Loans and financing                            | 401,220             | 358,185                | 1,157,441              | 244,234                 | 2,161,080        |
| Suppliers                                      | 381,324             | -                      | -                      | -                       | 381,324          |
| Forfeiting                                     | 135,717             | -                      | -                      | -                       | 135,717          |
| Long-term incentive                            | 3,581               | 4,890                  | 2,614                  | 338                     | 11,423           |
| Lease liabilities                              | 41,402              | 60,398                 | 44,534                 | 51,504                  | 197,838          |
| Accounts payable for acquisition of subsidiary | -                   | -                      | 79,914                 | -                       | 79,914           |
| Interest on own capital and dividends payable  | 2,172               | -                      | -                      | -                       | 2,172            |
| <b>Total</b>                                   | <b>965,416</b>      | <b>423,473</b>         | <b>1,284,503</b>       | <b>296,076</b>          | <b>2,969,468</b> |

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

|  |                |                |                  |                | <b>12/31/2023</b> |
|--|----------------|----------------|------------------|----------------|-------------------|
|  | <b>≤01</b>     | <b>01-02</b>   | <b>03-05</b>     | <b>&gt;05</b>  |                   |
|  | <b>year</b>    | <b>years</b>   | <b>years</b>     | <b>years</b>   | <b>Total</b>      |
| Financial liabilities:                         |                |                |                  |                |                   |
| Loans and financing                            | 298,031        | 373,743        | 1,152,532        | 252,886        | 2,077,192         |
| Suppliers                                      | 395,067        | -              | -                | -              | 395,067           |
| Forfeiting                                     | 159,889        | -              | -                | -              | 159,889           |
| Long-term incentive                            | 2,836          | 4,167          | 1,891            | 684            | 9,578             |
| Lease liabilities                              | 34,646         | 53,370         | 41,872           | 55,097         | 184,985           |
| Accounts payable for acquisition of subsidiary | -              | -              | 78,879           | -              | 78,879            |
| Interest on own capital and dividends payable  | 2,185          | -              | -                | -              | 2,185             |
| <b>Total</b>                                   | <b>892,654</b> | <b>431,280</b> | <b>1,275,174</b> | <b>308,667</b> | <b>2,907,775</b>  |

**31.5. Capital management**

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

|  | <b>03/31/2024</b> | <b>12/31/2023</b> |
|--|-------------------|-------------------|
| Cash and cash equivalents and interest earning bank deposits | 1,281,126         | 934,423           |
| (-) Short and long-term loans and financing                  | (1,572,693)       | (1,485,605)       |
| <b>Net financial position</b>                                | <b>(291,567)</b>  | <b>(551,182)</b>  |
| Shareholders' equity   | <b>3,782,414</b>  | <b>3,727,467</b>  |

**Foreign exchange exposure**

The Company is exposed to changes in the US Dollar. For the foreign subsidiaries, there is no risk of currency exposure since monetary assets and liabilities are maintained in the functional currencies of each location.

|                           | <b>Parent Company</b> |                   |
|---------------------------|-----------------------|-------------------|
|                           | <b>03/31/2024</b>     | <b>12/31/2023</b> |
| Assets:                   |                       |                   |
| Export receivables        | 6,792                 | 9,589             |
| Trade accounts receivable | 299,542               | 250,529           |
| <b>Total assets</b>       | <b>306,334</b>        | <b>260,118</b>    |
| Liabilities:              |                       |                   |
| Suppliers                 | (34,437)              | (10,191)          |
| Royalties payable         | (15,117)              | (9,229)           |
| <b>Total liabilities</b>  | <b>(49,554)</b>       | <b>(19,420)</b>   |
| <b>Net exposure</b>       | <b>256,780</b>        | <b>240,698</b>    |

In relation to the positions shown above, the Company has positions in Reais linked to the US Dollar, thus, when necessary, the Company contracts derivative operations to mitigate the exchange-rate risk on these operations.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

**31.6. Market values**

As of March 31, 2024 and December 31, 2023, the market values of variable cash investments approximate the values recorded in the financial statements since they are linked to the CDI. The Company adjusts the market value of its fixed interest earning bank deposits recorded in the balance sheet. Loans and financing include accruals based on interest rates contracted according to usual market conditions and, therefore, the balances payable on the balance sheet dates substantially approximate market values, including those classified as "non-current".

The fair value of financial instruments that are not traded on active markets (for example, over-the-counter market derivatives) is determined based on valuation techniques. The Company and its subsidiaries use several methods and define assumptions that are based on market conditions on the balance sheet date. The fair value of forward exchange agreements is determined based on forward exchange rates, quoted on the balance sheet date.

It is assumed that balances of trade accounts receivable and trade accounts payable, recorded at book value, approximate their market fair values, due to the short-term of transactions made.

The Company and its subsidiaries adopt a hierarchical model to classify and value financial instruments, which requires disclosure of the measurements of fair value, as below:

- Prices quoted (not adjusted) in active markets for identical assets and liabilities (Level 1).
- In addition to quoted prices, information included in Level 1 that is adopted by the market for the asset or liability, either directly (such as prices) or indirectly (derived from prices) (Level 2).
- Exemptions for assets or liabilities that are not based on data adopted by the market (non-observable inputs) (Level 3).

Specific evaluation techniques used to measure the financial instruments pursuant to Level 2 rules include:

- Quoted market prices or quotes from financial institutions or brokerage firms for similar instruments.
- The fair value of "swaps" of interest rate is calculated at the present value of future cash flows estimated based on yield curves adopted by the market, as well as of options.
- The fair value of future exchange agreements is determined based on future exchange rates on the balance sheet date, whose result is discounted at present value.
- Other techniques, such as analysis of discounted cash flows, are used to determine the fair value of the remaining financial instruments.

The Company does not have financial instruments classified as Level 1 and 3.

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

Accounting classification and fair values**March 31, 2024**

|   | <b>Fair value<br/>through profit<br/>or loss</b> | <b>Amortized cost</b> | <b>Total</b>     |
|---|--|-----------------------|------------------|
| <b>Financial assets</b>                   |  |                       |                  |
| Cash and cash equivalents                 | 1,174,072  | 94,850                | 1,268,922        |
| Interest earning bank deposits            | 12,204   | -                     | 12,204           |
| Judicial escrow deposit                   | -  | 33,268                | 33,268           |
| Accounts receivable on sale of subsidiary | -  | 49,799                | 49,799           |
| Trade accounts receivable                 | -  | 763,312               | 763,312          |
| Other receivable accounts                 | -  | 52,678                | 52,678           |
|   | <b>1,186,276</b>                                 | <b>993,907</b>        | <b>2,180,183</b> |

**March 31, 2024**

|  | <b>Fair value<br/>through profit or<br/>loss</b> | <b>Amortized cost</b> | <b>Total</b>     |
|--|--|-----------------------|------------------|
| <b>Financial liabilities</b>                   |  |                       |                  |
| Suppliers                                      | -  | 381,324               | 381,324          |
| Forfeiting                                     | -  | 135,717               | 135,717          |
| Loans and financing                            | 149,920  | 1,422,773             | 1,572,693        |
| Lease liabilities                              | -  | 197,838               | 197,838          |
| Long-term incentive plan                       | -  | 11,423                | 11,423           |
| Accounts payable for acquisition of subsidiary | 39,508   | 40,406                | 79,914           |
|  | <b>189,428</b>                                   | <b>2,189,481</b>      | <b>2,378,909</b> |

**December 31, 2023**

|   | <b>Fair value<br/>through profit or<br/>loss</b> | <b>Amortized cost</b> | <b>Total</b>     |
|---|--|-----------------------|------------------|
| <b>Financial assets</b>                   |  |                       |                  |
| Cash and cash equivalents                 | 784,033  | 138,492               | 922,525          |
| Interest earning bank deposits            | 11,898   | -                     | 11,898           |
| Judicial deposit                          | -  | 31,336                | 31,336           |
| Accounts receivable on sale of subsidiary | -  | 48,527                | 48,527           |
| Trade accounts receivable                 | -  | 883,735               | 883,735          |
| Other receivable accounts                 | -  | 59,992                | 59,992           |
|   | <b>795,931</b>                                   | <b>1,162,082</b>      | <b>1,958,013</b> |

**December 31, 2023**

|   | <b>Fair value<br/>through profit or<br/>loss</b> | <b>Amortized cost</b> | <b>Total</b>     |
|---|--|-----------------------|------------------|
| <b>Financial liabilities</b>                  |  |                       |                  |
| Suppliers                                     | -  | 395,067               | 395,067          |
| Forfeiting                                    | -  | 159,889               | 159,889          |
| Loans and financing                           | 150,178  | 1,335,427             | 1,485,605        |
| Lease liabilities                             | -  | 184,985               | 184,985          |
| Long-term incentive plan                      | -  | 9,578                 | 9,578            |
| Accounts payable for acquisition of companies | 39,508   | 39,371                | 78,879           |
|   | <b>189,686</b>                                   | <b>2,124,317</b>      | <b>2,314,003</b> |

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**31.7. Sensitivity analysis of financial instruments**Foreign exchange risk

A sensitivity analysis was prepared for the consolidated exchange exposure on March 31, 2024, affecting monetary assets and liabilities; the balances of trade accounts receivable and of loans and financing held by the foreign subsidiaries were not considered, which are denominated in local functional currencies of each of these subsidiaries. Management believes that there is no risk of exchange exposure to these subsidiaries.

The Company considers as a scenario, an appreciation of the US Dollar by 2.1% against the Real, with a future exchange rate of R\$ 5.10.

Interest rate risk

As of March 31, 2024, all parent company investments are indexed to the CDI (Interbank Deposit Certificate). Loans comprised 99.98% of the balance bear variable interest and 0.02% of the balance fixed interest.

The analysis considers the Company's financial assets and liabilities as of March 31, 2024 at fixed rates and projects the financial income and expenses using an interest yield curve as of March 31, 2024 on the maturities of these operations. As a result, there is a 0.29% decrease in the CDI rate from April to June 2024.

Sensitivity of exchange and interest rate

| <b>Risk</b>      | <b>Instrument/Operation</b>                 | <b>Risk description</b> | <b>Impact</b>  |
|------------------|---|-------------------------|----------------|
| Foreign exchange |   | USD rate increase       |                |
|                  | Export receivables                          |                         | 141            |
|                  | Trade accounts receivable                   |                         | 6,223          |
|                  | Suppliers                                   |                         | (715)          |
|                  | Royalties                                   |                         | (314)          |
|                  | <b>Exchange-rate effect</b>                 |                         | <b>5,335</b>   |
| Interest rate    |   | CDI rate decrease       |                |
|                  | Revenue from interest earning bank deposits |                         | 29,393         |
|                  | Expense with interest on loans              |                         | (37,753)       |
|                  | <b>Effect of interest</b>                   |                         | <b>(8,360)</b> |
|                  | <b>Total effect</b>                         |                         | <b>(3,025)</b> |

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

**32. EARNINGS/(LOSSES) PER SHARE**

|  | <u>03/31/2024</u> | <u>03/31/2023</u> |
|--|-------------------|-------------------|
| <b>Basic numerator</b>   |                   |                   |
| Income/(loss) for the period attributable to each share class - Common shares    | 11,934            | (95,486)          |
| Income/(loss) for the period attributable to each share class - Preferred shares | 12,878            | (104,082)         |
| Income/loss for the period attributable to each share class - Total              | 24,812            | (199,568)         |
| <b>Diluted numerator</b>   |                   |                   |
| Income/(loss) for the period attributable to each share class - Common shares    | 11,784            | (95,486)          |
| Income/(loss) for the period attributable to each share class - Preferred shares | 13,028            | (104,082)         |
| Income/loss for the period attributable to each share class - Total              | 24,812            | (199,568)         |
| <b>Basic / diluted denominator</b>   |                   |                   |
| Basic and diluted weighted average of the number of shares - Common shares       | 339,510,667       | 339,510,658       |
| Basic weighted average of the number of shares - Preferred shares                | 331,862,470       | 335,067,253       |
| Weighted average of the number of stock option - Preferred shares                | 7,737,249         | 16,331            |
| Diluted weighted average of shares - Preferred shares                            | 339,599,720       | 335,083,584       |
| Basic earnings/(losses) per share – net income – Common shares                   | 0.0352            | (0.2812)          |
| Basic earnings/(losses) per share – net income – Preferred shares                | 0.0388            | (0.3106)          |
| Diluted earnings/(losses) per share - net income - Common shares                 | 0.0347            | (0.2812)          |
| Diluted earnings/(losses) per share - net income - Preferred shares              | 0.0384            | (0.3106)          |

(i) Preferred shares are entitled to dividend 10% higher than common shares.

**33. ASSUMED COMMITMENTS**

The Company has commitments under an electric power supply agreement, according to which a minimum monthly volume of 18,137 MWh, equivalent to R\$ 2,887, should be acquired (take or pay), which may be changed with minimum term of one year. In the event the Company does not use the total contracted power, it may sell the surplus on the market and, accordingly, does not expect to incur losses.

**34. INSURANCE COVERAGE**

The Company maintains insurance contracts with coverage under guidance of specialists, considering the nature and the degree of risk to cover potential losses on its assets and responsibilities.

Major insurance coverage include: Property Insurance (Operating Risks), Business Interruption, General Civil Liability (Property Damage, Personal and Moral Damages), D&O Civil Liability (D&O), Transport Insurance, etc. As of March 31, 2024, the insurance coverage was considered sufficient by Management to cover risks involved.

**35. NON-CASH TRANSACTIONS**

Statements of cash flows, by the indirect method, are prepared and presented in accordance with the accounting pronouncement CPC 03 (R2) / IAS 7 - Statement of cash flows.

The activities that do not involve cash and, therefore, are not reflected in the Statement of Cash Flows, are presented below:

|                                       | <u>Parent Company</u> |                   | <u>Consolidated</u> |                   |
|---------------------------------------|-----------------------|-------------------|---------------------|-------------------|
|                                       | <u>03/31/2024</u>     | <u>03/31/2023</u> | <u>03/31/2024</u>   | <u>03/31/2023</u> |
| Additions – IFRS 16                   | 1,424                 | 68,904            | 8,027               | 68,904            |
| Payments settled with treasury shares | 6,445                 | -                 | -                   | -                 |

## **ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

### **36. OTHER MATTERS**

#### **36.1. Sustainability report**

On July 6, 2023, the Company published its Annual Sustainability Report (base 22), using the GRI and SASB methodologies and audited by an independent third party. The report, in addition to providing transparency on the evolution of the Company's environmental, social and corporate governance, also makes Alpargatas' Sustainability Strategy public to render accounts for the first time, covering its three main areas of activity (Circular Economy; Responsible parties; D&I and Local Development), with 12 tangible targets to be achieved by 2030.

As to Climate Change, the Company presented a commitment to reduce its absolute emissions by 30% (direct and indirect) and started its strategic analysis on the path to be followed, combining the potential for reducing GHGs from actions already in the pipeline and the estimate of related costs (MAC curve). Concurrently, the strengthening of the agenda as a whole is in progress, with the goal of analyzing and identifying risks and opportunities inherent to the business and related to the topic throughout 2024.

As of March 31, 2024, the Company had not identified any risk that could impact on its shareholders' equity or operating performance. Throughout 2024, work will continue to strengthen and evolve the agenda.

### **37. SUBSEQUENT EVENTS**

On April 26, 2024, the Annual Shareholders' Meeting approved (i) the capital increase through the capitalization of the Tax Incentive Reserve totaling R\$ 1,718,926, (ii) the absorption of part of the accumulated deficit up to December 31, 2023, totaling R\$ 87,187, by the Legal Reserve, and (iii) the reduction of capital to absorb the remaining losses of R\$ 1,779,169.

\*\*\*

## **ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

### **Audit committee opinion**

ALPARGATAS S.A.  
Publicly-held company

CNPJ [EIN]: 61.079.117/0001-05

#### Audit committee opinion

The Chief Financial and Investor Relations Officer presented the main financial indicators for the period ended March 31, 2024. The independent auditors presented their review report for the period ended March 31, 2024. After clarifying, analyzing and discussing the relevant aspects of this interim financial information together with the independent auditors, the members of the Audit Committee issued the following opinion: "With the conclusion of the review on the interim financial information for the period ended March 31, 2024 and after confirmation of the accuracy of all the elements analyzed, considering the unqualified report of PricewaterhouseCoopers Auditores Independentes Ltda, the effective members of the Audit Committee of Alpargatas S/A. believe that these documents fairly reflect the financial condition and the operating activities of the Company as at and for the period then ended and may be submitted for appreciation of the Board of Directors".

São Paulo, May 9, 2024.

Ricardo Baldin  
Committee coordinator

Carlos A. Reis de Athayde Fernandes  
Committee Member

Rodolfo Villela Marino  
Committee Member

Estela Maris Vieira de Souza  
Committee Member

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

**Opinions and Statements / Statement of the Executive Officers on the individual and consolidated financial statements**

STATEMENT OF EXECUTIVE BOARD ON INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

In accordance with CVM Resolution 80, dated March 29, 2022, Subsection III – Financial Statements, item VI of Article 27, the Executive Board hereby declares that it has reviewed, discussed and agreed with the interim financial information for the period ended March 31, 2024.

São Paulo, May 9, 2024.

Liel Miranda  
CEO

Adalberto Fernandes Granjo

José Roberto Martinez Daniello

André Corrêa Natal

**ALPARGATAS S.A AND SUBSIDIARIES**

Notes to the interim financial information

For the three-month period ended March 31, 2024

In thousands of reais

---

**Opinions and Statements / Statement of the Directors on Independent Auditor's Report**

STATEMENT OF THE EXECUTIVE BOARD ON INDEPENDENT AUDITOR'S REPORT

In compliance with CVM Resolution 80, dated March 29, 2022, Subsection III – Financial Statements, item V of Article 27, the Executive Board states that it has reviewed, discussed and agreed with the review report conclusions expressed in the independent auditor's report on interim financial information for the period ended March 31, 2024.

São Paulo, May 9, 2024.

Liel Miranda  
CEO

Adalberto Fernandes Granjo

José Roberto Martinez Daniello

André Corrêa Natal

## Certificado de Conclusão

Identificação de envelope: 600C12B1-797A-49F9-BF38-44D05DFE723A

Status: Concluído

Assunto: Complete com o Docusign: Alpa 1T24 EN - free translation

LoS / Área: Assurance (Audit, CMAAS)

Tipo de Documento: Relatórios ou Deliverables

Envelope fonte:

Documentar páginas: 52

Assinaturas: 1

Remetente do envelope:

Certificar páginas: 2

Rubrica: 0

Juliana Baronian

Assinatura guiada: Ativado

Avenida Brigadeiro Faria Lima, 3732, 16º e 17º

Selo com Envelopeld (ID do envelope): Ativado

andares, Edifício Adalmiro Dellape Baptista B32, Itai

Fuso horário: (UTC-03:00) Brasília

São Paulo, São Paulo 04538-132

juliana.baronian@pwc.com

Endereço IP: 134.238.160.202

## Rastreamento de registros

Status: Original

14 de abril de 2026 | 21:03

Portador: Juliana Baronian

juliana.baronian@pwc.com

Local: DocuSign

Status: Original

16 de abril de 2026 | 15:55

Portador: CEDOC Brasil

BR\_Sao-Paulo-Arquivo-Atendimento-Team

Local: DocuSign

@pwc.com

## Eventos do signatário

Marcelo Orlando

marcelo.orlando@pwc.com

partner

PwC BR

Nível de segurança: E-mail, Autenticação da conta (Nenhuma), Certificado Digital

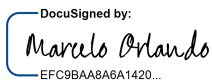
### Detalhes do provedor de assinatura:

Tipo de assinatura: ICP-Brasil

Emissor: AC SERASA RFB v5

Assunto: CN=MARCELO ORLANDO:05390848837

## Assinatura

DocuSigned by:  
  
EFC9BAA8A6A1420...

Adoção de assinatura: Estilo pré-selecionado

Usando endereço IP: 32.193.131.195

Política de certificado:

[1]Certificate Policy:

Policy Identifier=2.16.76.1.2.3.10

[1,1]Policy Qualifier Info:

Policy Qualifier Id=CPS

Qualifier:

<http://publicacao.certificadodigital.com.br/registro/dpc/declaracao-rfb.pdf>

## Registro de hora e data

Enviado: 14 de abril de 2026 | 21:05

Reenviado: 16 de abril de 2026 | 15:46

Visualizado: 16 de abril de 2026 | 15:54

Assinado: 16 de abril de 2026 | 15:54

### Termos de Assinatura e Registro Eletrônico:

Não oferecido através da Docusign

| Eventos do signatário presencial  | Assinatura | Registro de hora e data |
|-----------------------------------|------------|-------------------------|
| Eventos de entrega do editor      | Status     | Registro de hora e data |
| Evento de entrega do agente       | Status     | Registro de hora e data |
| Eventos de entrega intermediários | Status     | Registro de hora e data |
| Eventos de entrega certificados   | Status     | Registro de hora e data |
| Eventos de cópia                  | Status     | Registro de hora e data |

| Eventos de cópia  | Status         | Registro de hora e data   |
|---|----------------|---|
| Juliana Baronian<br>juliana.baronian@pwc.com<br>PwC BR<br>Nível de segurança: E-mail, Autenticação da conta (Nenhuma) | <b>Copiado</b> | Enviado: 16 de abril de 2026   15:55<br>Visualizado: 16 de abril de 2026   15:55<br>Assinado: 16 de abril de 2026   15:55 |
| <b>Termos de Assinatura e Registro Eletrônico:</b><br>Não oferecido através da DocuSign                               |                |   |

| Eventos com testemunhas | Assinatura | Registro de hora e data |
|-------------------------|------------|-------------------------|
|-------------------------|------------|-------------------------|

| Eventos do tabelião | Assinatura | Registro de hora e data |
|---------------------|------------|-------------------------|
|---------------------|------------|-------------------------|

| Eventos de resumo do envelope | Status                 | Carimbo de data/hora        |
|-------------------------------|------------------------|-----------------------------|
| Envelope enviado              | Com hash/criptografado | 14 de abril de 2026   21:05 |
| Entrega certificada           | Segurança verificada   | 16 de abril de 2026   15:54 |
| Assinatura concluída          | Segurança verificada   | 16 de abril de 2026   15:54 |
| Concluído                     | Segurança verificada   | 16 de abril de 2026   15:54 |

| Eventos de pagamento | Status | Carimbo de data/hora |
|----------------------|--------|----------------------|
|----------------------|--------|----------------------|