

**Padtec Holding S.A.**

Interim accounting information for the quarter ended March 31, 2024, accompanied by the Report on the Review of Quarterly Information

## Padtec Holding S.A.

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## **Report on the Review of individual and consolidated Quarterly Information**

To the:  
Shareholders and Management  
**Padtec Holding S.A.**  
Campinas - SP

### **Introduction**

We have reviewed the individual and consolidated interim financial information of Padtec Holding S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2024, which comprises the statement of financial position as of March 31, 2024 and the respective statements of income, comprehensive income, changes in shareholders equity and of cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with the CPC 21(R1) - Interim Financial Reporting and the IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB"), such as for the presentation of these information in accordance with the standards issued by the Brazilian Securities Commission ("CVM"), applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express our conclusion on this interim financial information based on our review.

### **Scope of the 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 the auditing standards and, consequently, does 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 on the individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, issued by the IASB, applicable to the preparation of Quarterly Information – ITR, and presented in accordance with the standards issued by the Brazilian Securities Commission (CVM).

### **Other matters**

### **Statements of value added**

The individual and consolidated interim financial information referred to above includes the individual and consolidated statements of value added for the three-month period ended at March 31, 2024, prepared under the responsibility of Company's management, and presented as supplementary information for IAS 34 purposes. The statements were submitted to review procedures carried out together with the review of the Company's interim financial information to conclude they are reconciled with interim financial information and accounting records, as applicable, and its form and content are in accordance with the criteria defined in CPC 09 (R1) - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that those statements were not prepared, in all material respects, in accordance with the criteria set forth in this Standard with respect to the individual and consolidated interim financial information taken as a whole.

São Paulo, May 08, 2024.



Fernando Radaich de Medeiros  
Accountant CRC 1SP 217.532/O-6

RSM Brasil Auditores Independentes Ltda.  
CRC 2SP-030.002/O-7

  
**RSM**

## Padtec Holding S.A.

### Balance sheets

As of march 31, 2024 and december 31, 2023

(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

		Parent Company		Consolidated	
	NOTE	03/31/24	12/31/23	03/31/24	12/31/23
ASSETS					
CURRENT					
Cash and cash equivalents	4	2	-	29,937	50,456
Tradable securities	5	-	-	4,112	9,920
Trade accounts receivable	6	-	-	140,117	125,809
Inventories	7	-	-	123,538	102,196
Taxes recoverable	8	1,722	1,816	27,919	30,141
Financial transactions	16	-	-	40,380	39,008
Other credits	9	172	214	9,551	6,909
TOTAL CURRENT ASSETS		1,896	2,030	375,554	364,439
NON-CURRENT					
Trade accounts receivable	6	-	-	5,323	4,766
Restricted financial investments		-	-	1,854	1,754
Financial transactions	16	-	-	49,096	52,891
Judicial deposit	21.2	401	473	1,123	1,151
Other credits	9	-	-	204	23
		401	473	57,600	60,585
Investments	11.1	164,545	176,731	-	-
Property, Plant & Equipment, net	12	-	-	39,351	40,422
Intangible assets	13	24	24	53,242	51,060
		164,569	176,755	92,593	91,482
TOTAL NON-CURRENT ASSETS		164,970	177,228	150,193	152,067
TOTAL ASSETS		166,866	179,258	525,747	516,506

The accompanying notes are an integral part of the individual and consolidated financial statements.

## Padtec Holding S.A.

### Balance sheets

As of march 31, 2024 and december 31, 2023

(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

		Parent Company		Consolidated	
	NOTE	03/31/24	12/31/23	03/31/24	12/31/23
<b>LIABILITIES</b>					
<b>CURRENT</b>					
Loans and financing	14	-	-	19,304	13,374
Derivative financial instruments	33.1	-	-	776	1,671
Lease transactions	15	-	-	5,189	5,882
Suppliers	18	82	47	67,215	57,395
Related parties	10	-	-	412	400
Taxes and contributions payable	19	47	47	3,285	4,643
Taxes and contributions payable - installment payment	20	173	432	796	1,055
Labor charges	22	210	384	27,710	27,274
Dividends payable	24.4	3,674	3,674	3,674	3,674
Miscellaneous provisions	21.1	99	100	2,066	2,411
Financial transactions	16	-	-	40,380	39,008
Advances from customers		-	-	1,334	1,447
Other accounts payable		-	-	1,229	1,208
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,285</b>	<b>4,684</b>	<b>173,370</b>	<b>159,442</b>
<b>NON-CURRENT</b>					
Miscellaneous provisions	21.1	479	507	479	507
Provision for labor, tax and civil risks	21.2	7,217	6,872	16,521	16,058
Loans and financing	14	-	-	112,351	99,081
Suppliers	18	-	-	508	508
Lease transactions	15	-	-	11,678	13,071
Taxes and contributions payable - installment payment	20	-	-	1,143	1,299
Related parties	10	15,781	14,597	-	-
Financial transactions	16	-	-	49,096	52,891
Transactions with senior FIDC quotas	17	-	-	21,586	21,109
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>23,477</b>	<b>21,976</b>	<b>213,362</b>	<b>204,524</b>
<b>TOTAL LIABILITIES</b>		<b>27,762</b>	<b>26,660</b>	<b>386,732</b>	<b>363,966</b>
<b>NET EQUITY</b>					
	24				
Capital		138,439	138,439	138,439	138,439
Capital reserve		3,193	3,193	3,193	3,193
Investment reserve		11,023	11,023	10,965	10,965
Accumulated loss		(14,511)	-	(14,542)	-
Goodwill on capital transaction		599	599	599	599
Other comprehensive income		361	(656)	361	(656)
<b>TOTAL EQUITY ASSIGNED</b>		<b>139,104</b>	<b>152,598</b>	<b>139,015</b>	<b>152,540</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>166,866</b>	<b>179,258</b>	<b>525,747</b>	<b>516,506</b>

The accompanying notes are an integral part of the individual and consolidated financial statements.

## Padtec Holding S.A.

Statements of profit or loss for

Periods ended march 31, 2024 and 2023

(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

		Parent Company		Consolidated	
	Note	03/31/24	03/31/23	03/31/24	03/31/23
<b>Net operating revenue</b>					
Cost of goods sold and services provided	26	-	-	<b>58,381</b>	<b>79,164</b>
<b>Gross profit</b>	27	-	-	(43,509)	(50,675)
		-	-	<b>14,872</b>	<b>28,489</b>
<b>Operating revenues (expenses)</b>					
Administrative expenses					
Selling expenses	28.1	(462)	(918)	(6,452)	(7,373)
Research and development expenses	28.1	-	-	(8,424)	(9,007)
Equity income	28.1	-	-	(8,466)	(9,724)
Other operating revenues (expenses), net	11.4	(13,203)	2,163	-	-
<b>Loss (income) before financial result</b>	28.2	(703)	(449)	(3,028)	(816)
		<b>(14,368)</b>	<b>796</b>	<b>(11,498)</b>	<b>1,569</b>
Net financial result	29	(143)	(119)	(3,030)	(892)
<b>Income (loss) before income tax and social contribution</b>		<b>(14,511)</b>	<b>677</b>	<b>(14,528)</b>	<b>677</b>
Income tax and social contribution					
Current					
<b>Net income (loss) for the period</b>	30	-	-	(14)	-
		<b>(14,511)</b>	<b>677</b>	<b>(14,542)</b>	<b>677</b>
<b>Income (loss) attributable to:</b>					
Controlling shareholders					
<b>Net income (loss) for the period</b>		<b>(14,511)</b>	<b>677</b>	<b>(14,542)</b>	<b>677</b>
		<b>(14,511)</b>	<b>677</b>	<b>(14,542)</b>	<b>677</b>
<b>Earnings (losses) per share</b>					
Basic and diluted earnings (losses) per share					
Diluted earnings (losses) per share	25	(0.1832)	0.0086	(0.1836)	0.0086
	25	(0.1826)	0.0086	(0.1830)	0.0086

The accompanying notes are an integral part of the individual and consolidated financial statements.

## Padtec Holding S.A.

### Statement of comprehensive income

For the periods ended march 31, 2024 and 2023

(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

	Parent Company		Consolidated	
	03/31/24	03/31/23	03/31/24	03/31/23
<b>Income (loss) for the period</b>	<b>(14,511)</b>	<b>677</b>	<b>(14,542)</b>	<b>677</b>
Items that may be reclassified subsequently to the statement of income (loss)				
Other comprehensive income				
Translation adjustments of balance sheet of subsidiaries abroad	1,906	231	1,906	231
Cash flow hedge	(889)	-	(889)	-
<b>Comprehensive income for the period</b>	<b>(13,494)</b>	<b>908</b>	<b>(13,525)</b>	<b>908</b>
Comprehensive income attributable to:				
Controlling shareholders	(13,494)	908	(13,525)	908
<b>Comprehensive income for the period</b>	<b>(13,494)</b>	<b>908</b>	<b>(13,525)</b>	<b>908</b>

The accompanying notes are an integral part of the individual and consolidated financial statements.



## Padtec Holding S.A.

### Statements of changes in equity

For the periods ended march 31, 2024 and 2023

(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

		Parent Company and Consolidated							
	Note	Capital	Legal reserve	Options granted	Goodwill on capital transaction	Other comprehensive income	Investment reserve	Retained earnings / accumulated losses	Total net equity
<b>BALANCE AS OF DECEMBER 31, 2022</b>		<b>199,211</b>	-	-	<b>599</b>	<b>(3,351)</b>	-	<b>(60,780)</b>	<b>135,679</b>
Net income for the period		-	-	-	-	-	-	677	<b>677</b>
Exchange variation adjustment of subsidiaries		24.3	-	-	-	231	-	-	231
<b>BALANCE AS OF MARCH 31, 2023</b>		<b>199,211</b>	-	-	<b>599</b>	<b>(3,120)</b>	-	<b>(60,103)</b>	<b>136,587</b>
<b>BALANCE AS OF DECEMBER 31, 2023</b>		<b>138,439</b>	<b>774</b>	<b>2,419</b>	<b>599</b>	<b>(656)</b>	<b>10,965</b>	-	<b>152,540</b>
Net loss for the period		-	-	-	-	-	-	(14,542)	<b>(14,542)</b>
Exchange variation adjustment of subsidiaries		24.3	-	-	-	1,906	-	-	<b>1,906</b>
Cash flow hedge		24.3	-	-	-	(889)	-	-	<b>(889)</b>
<b>BALANCE AS OF MARCH 31, 2024</b>		<b>138,439</b>	<b>774</b>	<b>2,419</b>	<b>599</b>	<b>361</b>	<b>10,965</b>	<b>(14,542)</b>	<b>139,015</b>

The accompanying notes are an integral part of the individual and consolidated financial statements.

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## Padtec Holding S.A.

### Statements of cash flows

For the periods ended march 31, 2024 and 2023

(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>03/31/24</b>	<b>03/31/23</b>	<b>03/31/24</b>	<b>03/31/23</b>
<b>Cash flow from operating activities</b>				
Income (loss) for the period before taxes	(14,511)	677	(14,528)	677
Adjustments to reconcile net income (loss) for the period with cash from (used in) operating activities:				
Depreciation and amortization	-	-	5,279	6,134
Interest and inflation adjustments on loans	-	-	4,945	1,683
Interest and inflation adjustments on debentures	-	-	-	885
Amortization of costs with issuance of debentures	-	-	-	62
Allowance for doubtful accounts	-	-	1,108	(1,177)
Set up (reversal) of miscellaneous provisions	(29)	(26)	(373)	(185)
Provision for labor, tax and civil risks	796	647	1,006	85
Provision for inventory obsolescence	-	-	731	220
Equity income	13,203	(2,163)	-	-
Write-off of PPE and intangible assets	-	-	1,671	72
<b>Decrease (increase) in operating assets:</b>				
Trade accounts receivable	-	-	(15,973)	26,070
Tradable securities	-	-	5,808	855
Inventories	-	-	(22,073)	(15,330)
Taxes recoverable	94	23	2,222	7,592
Judicial deposit	72	18	28	7
Other credits	42	63	(2,823)	1,435
<b>Increase (decrease) in operating liabilities:</b>				
Derivative financial instruments	-	-	(895)	-
Lease transactions	-	-	(2,189)	(1,408)
Suppliers	35	(16)	9,820	564
Labor charges	(174)	27	436	2,703
Taxes and contributions payable	(259)	(35)	(1,773)	(10,869)
Related parties	1,184	1,207	12	25
Transactions with senior FIDC quotas	-	-	477	250
Income tax and social contribution - paid	-	-	(14)	-
Charges on loans and financing - paid	-	-	(3,853)	(1,242)
Debenture charges - paid	-	-	-	(885)
Advances from customers	-	-	(113)	1,363
Other accounts payable	-	-	21	330
Labor, tax and civil indemnities -	(451)	(481)	(543)	(763)
<b>Net cash from (used in) operating activities</b>	<b>2</b>	<b>(59)</b>	<b>(31,586)</b>	<b>19,153</b>
<b>Cash flows from investment activities</b>				
Restricted financial investments	-	-	(100)	(32)
Purchase of PP&E and intangible assets	-	-	(7,958)	(6,369)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>	<b>(8,058)</b>	<b>(6,401)</b>
<b>Cash flows from financing activities</b>				
Cash flow hedge	-	-	(889)	-
Raising of loans and financing	-	-	50,599	1,134
Payment of loans and financing - principal	-	-	(32,491)	(16,783)
Payment of debentures - principal	-	-	-	(2,667)
<b>Net cash from (used in) financing activities</b>	<b>-</b>	<b>-</b>	<b>17,219</b>	<b>(18,316)</b>
Exchange variation of cash in foreign currency	-	-	1,906	231
<b>Increase (decrease) in cash and cash equivalents</b>	<b>2</b>	<b>(59)</b>	<b>(20,519)</b>	<b>(5,333)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>-</b>	<b>60</b>	<b>50,456</b>	<b>49,620</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2</b>	<b>1</b>	<b>29,937</b>	<b>44,287</b>
<b>Non-cash transactions</b>				
Right-of-use of lease	-	-	103	-

The accompanying notes are an integral part of the individual and consolidated financial statements.

## Padtec Holding S.A.

Statements of value added

For the periods ended march 31, 2024 and 2023

(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

	Parent Company		Parent Company	
	03/31/24	03/31/23	03/31/24	03/31/23
<b>1 - Revenues</b>	<b>(418)</b>	<b>(180)</b>	<b>71,037</b>	<b>100,353</b>
1.1. Sale of goods, products and products	-	-	73,537	100,658
1.2. Allowance for doubtful accounts	-	-	(1,108)	1,177
1.3. Other operating revenues (expenses), net	(418)	(180)	(1,392)	(1,482)
<b>2 - Inputs purchased from third parties</b>	<b>(498)</b>	<b>(701)</b>	<b>(29,732)</b>	<b>(39,372)</b>
2.1. Cost of products, goods and services sold	-	-	(21,559)	(29,344)
2.2. Energy, third-party services and other operating expenses	(498)	(701)	(8,173)	(10,028)
<b>3 - Retentions.</b>	<b>-</b>	<b>-</b>	<b>(5,279)</b>	<b>(6,134)</b>
3.1. Depreciation and amortization	-	-	(5,279)	(6,134)
<b>4 - Value added produced, net</b>	<b>(916)</b>	<b>(881)</b>	<b>36,026</b>	<b>54,847</b>
<b>5 - Value added received on transfer</b>	<b>(13,226)</b>	<b>2,166</b>	<b>3,447</b>	<b>5,799</b>
5.1. Equity income	(13,203)	2,163	-	-
5.2. Financial income	(23)	3	3,447	5,799
<b>6 - Total value added to distribute</b>	<b>(14,142)</b>	<b>1,285</b>	<b>39,473</b>	<b>60,646</b>
<b>7 - Distribution of value added</b>	<b>(14,142)</b>	<b>1,285</b>	<b>39,473</b>	<b>60,646</b>
<b>7.1. Personnel and charges</b>	<b>175</b>	<b>407</b>	<b>27,090</b>	<b>26,396</b>
Direct compensation	334	374	19,945	18,181
Benefits	(159)	33	4,127	7,017
FGTS	-	-	3,018	1,198
<b>7.2. Taxes, fees and contributions</b>	<b>74</b>	<b>79</b>	<b>19,782</b>	<b>26,215</b>
Federal	72	77	13,980	18,087
State	-	-	5,333	7,410
Municipal	2	2	469	718
<b>7.3. Third-party capital remuneration</b>	<b>120</b>	<b>122</b>	<b>7,143</b>	<b>7,358</b>
Financial expenses	120	122	6,477	6,691
Rents	-	-	666	667
<b>7.4. Equity remuneration</b>	<b>(14,511)</b>	<b>677</b>	<b>(14,542)</b>	<b>677</b>
Net loss/income for the period	(14,511)	677	(14,542)	677

The accompanying notes are an integral part of the individual and consolidated financial statements.

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## Padtec Holding S.A.

Management's notes to the individual and consolidated interim financial statements for the period ended March 31, 2024  
(Amounts in thousands of Brazilian reais - R\$, unless otherwise indicated)

### 1. GENERAL INFORMATION

#### 1.1. Operational Context

Padtec Holding S.A. ("Company", B3: PDTC3), started its operations as an investment company in Internet projects in 2000, the year it went public on B3 S.A. – Brasil, Bolsa, Balcão ("B3").

In June 2020, the Company completed the process of merging shares issued by Padtec S.A. and the consequent conversion of Padtec S.A. into its wholly-owned subsidiary, which is currently its only investee.

Padtec S.A. was incorporated in 2001 and aims to provide high-capacity connections throughout Brazil, the Americas and around the world.

The Company holds direct and indirect interests in the following subsidiaries and investment fund:

	Equity interest (%)			
	03/31/24		12/31/23	
	Direct	Indirect	Direct	Indirect
Padtec S.A. (a)	100.00%		100.00%	
Padtec Argentina (b)	-	100.00%	-	100.00%
Padtec North America (c)	-	100.00%	-	100.00%
Padtec Colombia (d)	-	100.00%	-	100.00%
Padtec Chile (e)	-	100.00%	-	100.00%
Padtec Peru (f)	-	100.00%	-	100.00%
Padtec Soluções Para Redes Ltda. (g)	-	100.00%	-	100.00%
FIDC FUNTEL PADTEC - Fundo de Investimento em Direitos Creditórios (h)	-	20.00%	-	20.00%

- a) Padtec S/A is a privately held company focused on the development, manufacture, and commercialization of turnkey solutions for optical systems. Its portfolio includes equipment for corporate access, Data Center Interconnect, Storage Area Network Extension, metropolitan networks, and terrestrial and underwater multi-terabit long-distance networks.
- b) Padtec Sucursal Argentina is an operating company, headquartered in Argentina, incorporated in 2007. Its main purpose is to perform sales activities, resell Group Padtec's products and provide implementation, operation and maintenance services. Padtec S.A. holds 100% equity interest.
- c) Padtec North America is an operating company headquartered in the USA, in the state of Georgia, incorporated in 2014. Its main purpose is to perform sales activities, resell Group Padtec's products and provide implementation, operation and maintenance services. Padtec S.A. holds 100% equity interest.
- d) Padtec Colombia is an operating company headquartered in Colombia, incorporated in 2014. Its main purpose is to perform commercial activities, reselling the Group's products and providing implementation, operation and maintenance services. Padtec S.A. holds 100% equity interest.
- e) Padtec Chile is an operating company headquartered in Chile, incorporated in 2019, with 100% of its shares subscribed by Padtec Sucursal Argentina. Its main purpose is to perform sales activities, resell Group Padtec's products and provide implementation, operation and maintenance services.
- f) Padtec Peru is an operating company headquartered in Chile, incorporated in 2022, with 99% of its shares subscribed by Padtec S.A and 1% by Padtec Colombia. Its main purpose is to perform sales activities, resell Group Padtec's products and provide implementation, operation and maintenance services.

## **Padtec Holding S.A.**

Management's notes to the individual and consolidated interim financial statements for the period ended March 31, 2024  
(Amounts in thousands of Brazilian reais - R\$, unless otherwise indicated)

- g) Padtec Soluções Para Redes Ltda. is a privately-held company focused on leasing of equipment and solutions for optical systems. Its portfolio includes rental equipment for corporate access, Data Center Interconnect, Storage Area Network Extension, metropolitan networks, and terrestrial and underwater multi-terabit long-distance networks. Padtec S.A. holds 100% equity interest.
- h) FIDC Funttel Padtec - Fundo de Investimento em Direitos Creditórios, was created for the purpose of providing its shareholders with the appreciation of their shares through the allocation of their resources predominantly in credit rights arising from transactions of Equipment Purchase and Sale Agreements, entered into between Padtec S.A., as seller, and its customers, as buyers. The fund is managed by Finvest D.T.V.M. Ltda. and its operations began in April 2022. The paid-in capital of FIDC Funttel Padtec will be up to R\$ 100 million, with contributions of up to R\$ 80 million from BNDESPAR (senior quotas) and up to R\$ 20 million from Padtec S.A. (subordinated quotas, shown in the individual balance sheet of the investee in the group of tradable securities). Senior quotas are shown in the fund as shareholders' equity and in the Company's consolidated financial statements in the liability group (Note no. 17).

## **2. Presentation of individual and consolidated interim accounting information**

### **2.1. Basis of preparation**

The individual and consolidated interim financial statements were prepared in accordance with IAS 34 - "Interim Financial Reporting", issued by the International Accounting Standards Board ("IASB"), as well as Accounting Pronouncement CPC 21 (R1) - "Interim Reporting" and are presented in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission ("CVM"), applicable to the preparation of the Quarterly Information - ITR.

The accounting policies adopted in preparing the individual and consolidated interim financial information are consistent with those adopted and disclosed in the financial statements for the year ended December 31, 2023, and, therefore, both should be read together.

The presentation of the individual and consolidated Statement of Value Added is required by Brazilian corporate law and accounting policies adopted in Brazil applicable to publicly held companies. IFRS standards do not require the presentation of such statement. Accordingly, under IFRS, this statement is presented as a supplementary information without prejudice to the set of financial statements.

The consolidated interim financial statements include the financial statements of Padtec Holding S.A. and the companies in which the Company holds direct or indirect control, as detailed in Note 1, whose fiscal years and accounting practices are coincident. Direct and indirect subsidiaries are consolidated since the acquisition date, which corresponds to the date on which the Company acquired control.

Management states that all relevant information pertinent to interim financial statements are being disclosed, and correspond to that used in the Company's management.

Management authorized the issuance of this individual and consolidated interim financial information on May 08, 2024.

### **2.2. Basis of measurement**

The individual and consolidated interim financial statements were prepared based on the historical cost.

## Padtec Holding S.A.

Management's notes to the individual and consolidated interim financial statements for the period ended March 31, 2024  
(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

### 2.3. Functional currency and presentation currency

The individual and consolidated interim financial statements are presented in Brazilian reais, the functional currency used by the Company (Parent Company). The functional currency of subsidiaries located abroad corresponds to the currency of their respective countries. The effects of translating the functional currency of subsidiaries abroad into Brazilian reais are recorded in equity as other comprehensive income – effects of conversion of investments abroad. All balances have been rounded to the closest thousands, except when otherwise indicated.

### 3. Material accounting policies

The individual and consolidated interim financial statements were prepared based on the same accounting policies described in Notes 3.1 to 3.18 disclosed in the financial statements for the year ended December 31, 2023, published on March 07, 2024. The effect of changes in accounting policies also is expected in the consolidated financial statements for the year ended December 31, 2024.

### 4. Cash and cash equivalents

	Parent Company		Consolidated	
	03/31/24	12/31/23	03/31/24	12/31/23
Demand bank deposits	2	-	8,612	7,252
Highly-liquid financial investments	-	-	21,325	43,204
	<b>2</b>	<b>-</b>	<b>29,937</b>	<b>50,456</b>

Immediately-liquid financial investments as of March 31, 2024 and December 31, 2023 refer to investments in CDB (Bank Deposit Certificate), held in top-tier financial institutions, yielding rates from 78% to 103.5% of CDI (Interbank Deposit Certificate), and are subject to a low risk of change in value.

### 5. Tradable securities

FIDC Funttel Padtec - Fundo de Investimento em Direitos Creditórios	Consolidated	
	03/31/24	12/31/23
Fund Shares	3,864	9,679
Federal Bonds	248	241
	<b>4,112</b>	<b>9,920</b>

The investment in the credit rights investment fund is diversified in quotas of other immediately liquid investment funds, government bonds, and credit rights arising from transactions generated by the investee Padtec S.A. (Notes 6 and 17).

## Padtec Holding S.A.

Management's notes to the individual and consolidated interim financial statements for the period ended March 31, 2024  
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### 6. Trade accounts receivable

	Consolidated	
	03/31/24	12/31/23
Accounts receivable:		
Referred in local currency	83,661	68,770
Referred in foreign currency (a)	41,879	44,023
FIDC FUNTTEL - Padtec (b)	22,493	16,161
	<b>148,033</b>	<b>128,954</b>
(+) Court-Supervised Reorganization Oi (c)	2,822	2,493
(+) Services provided to be invoiced (d)	-	2,382
(-) Provision for recognition of revenue out of the accounting period (e)	(1,325)	(272)
(-) Provision for expected credit losses (f)	(4,090)	(2,982)
	<b>145,440</b>	<b>130,575</b>
Current	140,117	125,809
Non-current assets	5,323	4,766
	<b>145,440</b>	<b>130,575</b>

- a) In the consolidated statements, it is represented by US\$ 8,382 thousand as of March 31, 2024 (US\$ 9,093 thousand as of December 31, 2023).
- b) Credits related to FIDC FUNTTEL PADTEC consolidation, according to Note 17.
- c) Grupo Oi filed for court-supervised reorganization on June 20, 2016, based on the Court-Supervised Reorganization and Bankruptcy Law (Law no. 11.101/2005). On December 20, 2017, subsidiary Padtec S.A. adhered to Clause 4.3.6 of Oi's Court-Supervised Reorganization Plan, which provides that: "Payments of debt instruments included in the court-supervised reorganization will be paid with a 20-year grace period, as of the homologation date, in 5 annual, equal and successive installments, plus TR per year, the first installment falling due January 2039." Due to the risk associated with this receipt, the Company decided to set up a provision for loss, the amount of which is included in item f) of this Note 6.
- d) Refers to the recognition of revenue from services provided and not billed within the same accounting period.
- e) Provision for reversal of revenue recognition outside the accrual period ("cut-off").
- f) Provisions for expected credit losses are based on the assumptions of CPC 48 – Financial Instruments, and consider the analysis of the level of historical losses, the knowledge and monitoring of the individual situation of the Company's customers. Management constantly monitors all bills and the individual situation of its customers, as well as the quality of credit granted. Based on these assessments, the Management understands that the amounts provisioned as of March 31, 2024 are sufficient to cover possible losses with default.

Below are the amounts of Trade Accounts Receivable due and past due, by maturity period:

	Consolidated	
	03/31/24	12/31/23
<b>Falling due</b>	<b>116,245</b>	<b>109,331</b>
01-30 days past due	10,337	8,529
31-60 days past due	5,326	3,550
61-90 days past due	5,840	2,267
91-120 days past due	3,375	622
121-150 days past due	2,927	472
151-180 days past due	1,183	312
181-360 days past due	1,041	3,080
Over 361 days past due	1,759	791
	<b>148,033</b>	<b>128,954</b>

## Padtec Holding S.A.

Management's notes to the individual and consolidated interim financial statements for the period ended march 31, 2024  
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Changes in allowance for expected credit losses are as follows:

	Parent Company and Consolidated				
	12/31/23	03/31/24			
	Opening balance	Addition to provision	Reversal	Effective losses	Closing balance
Estimated losses on doubtful accounts	(2,982)	(1,552)	258	186	(4,090)
<b>Total</b>	<b>(2,982)</b>	<b>(1,552)</b>	<b>258</b>	<b>186</b>	<b>(4,090)</b>

Effective losses refer to the write-off of losses recognized in the Company's profit or loss and the reversal of amounts refers to the renegotiation and receipt from customers that were provisioned as losses (Note 28.2).

### 7. Inventories

	Consolidated	
	03/31/24	12/31/23
Finished products	19,146	13,860
Products in progress	1,871	3,113
Raw materials	84,003	63,133
Resale materials	8,261	7,717
Import in progress	4,963	5,473
Inventories held on third parties (a)	15,177	18,052
	<b>133,421</b>	<b>111,348</b>
<b>Provision for inventories</b>		
(-) Provision for obsolescence and slow turnover (b)	(9,883)	(9,152)
	<b>123,538</b>	<b>102,196</b>

- a) Refers substantially to raw materials under manufacturing process and pieces of equipment held as guarantee by customers.
- b) For this estimate, discontinued inventories are considered materials out of the quality standard and items with no movements whose realization is considered unlikely by Management, since newer technologies and/or solutions are available in the market.

Changes in provisions for obsolescence and slow turnover are as follows:

	Consolidated			
	12/31/23	03/31/24		
	Opening balance	Addition to provision	Reversal	Closing balance
Inventories	(5,587)	(1,294)	693	(6,188)
Inventories held on third parties	(3,565)	(154)	24	(3,695)
<b>Total</b>	<b>(9,152)</b>	<b>(1,448)</b>	<b>717</b>	<b>(9,883)</b>



## Padtec Holding S.A.

Management's notes to the individual and consolidated interim financial statements for the period ended March 31, 2024  
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### 8. Taxes recoverable

	Parent Company		Consolidated	
	03/31/24	12/31/23	03/31/24	12/31/23
Tax on the circulation of goods and services - ICMS	-	-	2,071	3,295
Tax on Industrialized Products - IPI	-	-	480	388
Financial credit (a)	-	-	4,473	4,978
Social Integration Program- PIS	-	-	748	527
Contribution to social security financing - COFINS	-	-	3,378	2,383
Social contribution on net income - CSLL (b)	-	2	1,242	1,463
Corporate Income Tax - IRPJ (b)	1,716	1,808	7,980	7,587
Brazilian Social Security Institute (INSS)	-	-	2	2
Income tax withholding - IRRF	6	6	1,027	1,286
Withholding tax from public agencies	-	-	1,756	3,816
Other	-	-	4,762	4,416
	<b>1,722</b>	<b>1,816</b>	<b>27,919</b>	<b>30,141</b>

- a) In December 2019, the amendment to Law no. 8.248/1991 (Information Technology Law) by Law no. 13.969/2019 was published, effective from April 1, 2020, until December 2029. Accordingly, the tax incentive has become the receipt of financial credit proportional to the investments in research and development (R&D) made in advance. The financial credit is calculated on a quarterly basis and used to pay federal taxes controlled by the Brazilian Federal Revenue Service.
- b) Balances arising from overpayments due to mandatory monthly advances. For the balance recorded with the Parent Company, the Company is awaiting a refund request submitted to the Brazilian Federal Revenue Service.

### 9. Other credits

	Parent Company		Consolidated	
	03/31/24	12/31/23	03/31/24	12/31/23
Rental guarantee deposit	-	-	149	149
Payroll advance	-	-	339	822
Advances to suppliers (a)	-	40	6,504	3,610
Prepaid insurance premiums (b)	172	174	706	779
Other accounts receivable	-	-	2,057	1,572
	<b>172</b>	<b>214</b>	<b>9,755</b>	<b>6,932</b>
Current	172	214	9,551	6,909
Non-current assets	-	-	204	23
	<b>172</b>	<b>214</b>	<b>9,755</b>	<b>6,932</b>

- (a) Advances made to service providers
- (b) Performance bond related to loan and financing transactions with Finep. (Note no. 14)

## Padtec Holding S.A.

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### 10. Related parties

The Company has the following shareholders with a relevant interest (interest over five percent (5%) in its capital):

- a) Fundação CPqD – Centro de Pesquisa e Desenvolvimento em Telecomunicações, and
- b) BNDES Participações S.A. – BNDESPAR

In addition, the Company's direct and indirect interests in its subsidiaries are described in Note no. 1.

Related parties were the shareholders with a relevant interest indicated above and those directly and indirectly controlled by the Company.

The main related-party transactions and respective types include:

- a) **Intercompany loan:** Financial transactions performed between the Company and its subsidiaries. The balances of the loan agreements are adjusted with interest of 2% per month, maturing in 24 months.
- b) **Sales of products:** Sales of finished products between the subsidiary Padtec S.A. and its subsidiaries abroad, performed under conditions considered by the Company to be similar to those of the market at the time of the negotiation, in line with the internal policies pre -established by the Management.
- c) **Other services:** Transactions between Fundação CPqD and Padtec S.A., referring to expenses with infrastructure, property rental and administrative expenses according to the apportionment set forth between contractual parties.

	Parent Company			Consolidated		
	03/31/24		12/31/23	03/31/24		12/31/23
Liabilities	Padtec	Total	Total	Fundação CPqD	Total	Total
Loan (a)	15,781	15,781	14,597	-	-	-
Other services (c)	-	-	-	412	412	400
	<u>15,781</u>	<u>15,781</u>	<u>14,597</u>	<u>412</u>	<u>412</u>	<u>400</u>
Current liabilities	-	-	-	412	412	400
Non-current liabilities	15,781	15,781	14,597	-	-	-
	<u>15,781</u>	<u>15,781</u>	<u>14,597</u>	<u>412</u>	<u>412</u>	<u>400</u>

	Consolidated							
	03/31/24							03/31/23
	Fundação CPqD	Padtec Argentina	Padtec Chile	Padtec Colômbia	Padtec Peru	Padtec Redes	Total	Total
Revenues								
Sales of products (b)	-	2,427	358	5,850	822	696	10,153	8,202
	-	2,427	358	5,850	822	696	10,153	8,202

	Consolidated							
	03/31/24							
	Fundação CPqD	Padtec Argentina	Padtec Chile	Padtec Colômbia	Padtec Peru	Padtec Redes	Total	
Expenses / Costs								
Other services (c)	10	-	-	-	-	-	10	-
	10	-	-	-	-	-	10	-

## Padtec Holding S.A.

Management's notes to the individual and consolidated interim financial statements for the period ended March 31, 2024  
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### Key management personnel compensation

Key management staff of the Company and its subsidiaries are also considered to be Related Parties to the Company (see the Policy on Related Party Transactions of Padtec Holding S.A.).

Compensation paid to Executive Officers, members of Board of Directors and members of Supervisory Board, when in operation, and to the members of the Statutory Audit and Risks Committee is set by the Shareholders Meeting and is consistent with market standards. The maximum global amount (covering fixed and variable compensation) for fiscal year 2024, approved at the Shareholders' Meeting held on April 26, 2024 is R\$ 8,912. The annual compensation effectively paid to key management personnel includes the amounts related to monthly fees, bonuses related to the performance of the previous year, contributions to official social security and private pension:

	<u>03/31/24</u>	<u>03/31/23</u>
<b>Short-term benefits</b>		
Salaries including bonuses	865	1,044
INSS	168	202
Private Pension Fund	44	57
Other	30	35
<b>Total Compensation</b>	<u><b>1,107</b></u>	<u><b>1,338</b></u>

Subsidiary Padtec S.A. sponsors two private pension plans for its Officers and employees, managed by Fundação Sistel de Seguridade Social, as described in Note no. 23.

The Company has no additional post-employment obligations to its Management and does not grant any other long-term benefits, such as length-of-service leave. The Company does not grant either any severance benefits to members of senior management in addition to those set forth in the employment contract, signed between them and the Company.

The amounts shown in the table above are included in the total of "labor expenses and social charges" shown in the table in Note 28.1.

## 11. Investments

The summarized accounting information of the Company's subsidiary, including the total amounts of assets, liabilities, negative net worth, revenues and profit or loss for the period, are presented below:

### 11.1. Breakdown of investments

	<u>Parent Company</u>	
	<u>03/31/24</u>	<u>12/31/23</u>
Investments in subsidiary:		
Padtec S.A.	164,545	176,731
	<u><b>164,545</b></u>	<u><b>176,731</b></u>

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### 11.2. Summary of financial information of the subsidiary

	Padtec S.A.	
	03/31/24	12/31/23
Capital	162,174	162,174
Total assets	524,616	516,878
Total liabilities	360,071	340,147
Equity	164,545	176,731
Profit (loss) for the period	(13,203)	17,189
Number of shares (in thousands)	162,174	162,174
Number of shares held (in thousands)	162,174	162,174
Shareholding percentage	100.00%	100.00%

## Padtec Holding S.A.

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### 11.3. Summary of financial information of indirect subsidiaries

	<b>Padtec Argentina</b>		<b>Padtec North America</b>		<b>Padtec Colombia</b>		<b>Padtec Peru</b>		<b>Padtec Soluções Para Redes Ltda (a)</b>	
	<b>03/31/24</b>	<b>12/31/23</b>	<b>03/31/24</b>	<b>12/31/23</b>	<b>03/31/24</b>	<b>12/31/23</b>	<b>03/31/24</b>	<b>12/31/23</b>	<b>03/31/24</b>	<b>12/31/23</b>
Capital	2,160	2,160	27,803	27,457	16,400	16,400	259	201	30	-
Total assets	14,530	12,241	132	497	34,288	36,070	3,348	201	1,228	-
Total liabilities	11,632	10,856	331	287	26,789	27,196	2,748	201	1,349	-
Equity	2,898	1,385	(199)	210	7,499	8,874	600	201	(121)	-
Profit (loss) for the period	(65)	(2,622)	(687)	(2,978)	(1,641)	(2,453)	301	201	(35)	-
Number of shares (in thousands) (a)	2,160	2,160	27,803	27,457	16,400	16,400	10,000	10,000	100	100
Number of shares held (in thousands) (a)	2,160	2,160	27,803	27,457	16,400	16,400	10,000	10,000	100	100
Shareholding percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

(a) shown in number of shares.

### 11.4. Changes in investments at the Parent Company

	<b>Padtec S.A.</b>	
	<b>03/31/24</b>	<b>03/31/23</b>
<b>Opening balance of investments</b>	176,731	156,847
Equity income	(13,203)	2,163
Cash flow hedge	(889)	-
Translation adjustment of balance sheet of subsidiaries abroad	1,906	231
<b>Closing balance of investments</b>	<b>164,545</b>	<b>159,241</b>

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## Padtec Holding S.A.

Management's notes to the individual and consolidated interim financial statements for the period ended march 31, 2024  
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### 12. Property, Plant & Equipment, net

	Consolidated						
	Machinery and equipment	Computer equipment	Furniture and fixtures	Third-party property improvement	PPE in progress (a)	Right-of-use of lease (b)	Total
<b>Balance as of December 31, 2023</b>							
Cost	24,263	15,596	2,689	4,030	7,437	31,875	<b>85,890</b>
Accumulated depreciation	(20,323)	(10,043)	(2,005)	(2,864)	-	(10,233)	<b>(45,468)</b>
<b>Balance as of December 31, 2023</b>	<b>3,940</b>	<b>5,553</b>	<b>684</b>	<b>1,166</b>	<b>7,437</b>	<b>21,642</b>	<b>40,422</b>
Acquisitions	974	532	74	2	536	103	<b>2,221</b>
Write-offs and disposals (acquisition)	(103)	(97)	-	-	-	(648)	<b>(1,611)</b>
Write-offs and disposals (depreciation)	-	(33)	(58)	-	-	-	<b>672</b>
Depreciation	(368)	(533)	(59)	(249)	-	(1,144)	<b>(2,353)</b>
<b>Balance as of March 31, 2024</b>	<b>4,443</b>	<b>5,422</b>	<b>641</b>	<b>919</b>	<b>7,973</b>	<b>19,953</b>	<b>39,351</b>
Cost	25,134	16,031	2,763	4,032	7,973	31,330	<b>87,263</b>
Accumulated depreciation	(20,691)	(10,609)	(2,122)	(3,113)	-	(11,377)	<b>(47,912)</b>
<b>Balance as of March 31, 2024</b>	<b>4,443</b>	<b>5,422</b>	<b>641</b>	<b>919</b>	<b>7,973</b>	<b>19,953</b>	<b>39,351</b>

a) Refers to the acquisition of machinery and equipment that will be used in a new business line of the Company.

b) See Note 15.

## Padtec Holding S.A.

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	Consolidated					
	Machinery and equipment	Computer equipment	Furniture and fixtures	Third-party property improvement	Right-of-use of lease (b)	Total
Balance as of December 31, 2022	3,714	4,575	914	2,155	26,213	37,571
Acquisitions	2,356	51	11	-	-	2,418
Write-offs and disposals (acquisition)	(29)	(7)	-	-	(78)	(114)
Write-offs and disposals (depreciation)	56	-	(11)	-	-	45
Depreciation	(401)	(438)	(60)	(248)	(1,108)	(2,255)
Balance as of March 31, 2023	5,696	4,181	854	1,907	25,027	37,665
Cost	24,866	12,657	2,688	3,799	31,935	75,945
Accumulated depreciation	(19,170)	(8,476)	(1,834)	(1,892)	(6,908)	(38,280)
Balance as of March 31, 2023	5,696	4,181	854	1,907	25,027	37,665

### 13. Intangible assets

	Parent Company	
	Brands and patents	Total
Cost	24	<b>24</b>
<b>Balance as of December 31, 2023</b>	<b>24</b>	<b>24</b>
Cost	24	<b>24</b>
<b>Balance as of March 31, 2024</b>	<b>24</b>	<b>24</b>

  

	Parent Company	
	Brands and patents	Total
Cost	24	<b>24</b>
<b>Balance as of December 31, 2022</b>	<b>24</b>	<b>24</b>
Cost	24	<b>24</b>
<b>Balance as of March 31, 2023</b>	<b>24</b>	<b>24</b>

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## Padtec Holding S.A.

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Consolidated						
	Software	Brands and patents	Technical Information License	Development projects completed	Development projects in progress	Total
Cost	12,935	27	6,713	59,804	21,910	101,389
Accumulated amortization	(9,668)	-	(6,631)	(34,030)	-	(50,329)
<b>Balance as of December 31, 2023</b>	<b>3,267</b>	<b>27</b>	<b>82</b>	<b>25,774</b>	<b>21,910</b>	<b>51,060</b>
Acquisitions	47	-	1,049	-	4,744	5,840
Transfer in development to completed	-	-	-	5,810	(5,810)	-
Write-offs and disposals (acquisition)	(726)	-	-	-	-	(726)
Write-offs and disposals (amortization)	(6)	-	-	-	-	(6)
Amortization	(304)	-	(284)	(2,338)	-	(2,926)
<b>Balance as of March 31, 2024</b>	<b>2,278</b>	<b>27</b>	<b>847</b>	<b>29,246</b>	<b>20,844</b>	<b>53,242</b>
Cost	12,256	27	7,762	65,614	20,844	106,503
Accumulated amortization	(9,978)	-	(6,915)	(36,368)	-	(53,261)
<b>Balance as of March 31, 2024</b>	<b>2,278</b>	<b>27</b>	<b>847</b>	<b>29,246</b>	<b>20,844</b>	<b>53,242</b>

  

Consolidated						
	Software	Brands and patents	Technical Information License	Development projects completed	Development projects in progress	Total
<b>Balance as of December 31, 2022</b>	<b>3,311</b>	<b>27</b>	<b>513</b>	<b>24,175</b>	<b>17,149</b>	<b>45,175</b>
Acquisitions	2	-	373	-	3,576	3,951
Transfer in development to completed	-	-	-	8,538	(8,538)	-
Write-offs and disposals (acquisition)	(3)	-	-	-	-	(3)
Amortization	(323)	-	(222)	(3,334)	-	(3,879)
<b>Balance as of March 31, 2023</b>	<b>2,987</b>	<b>27</b>	<b>664</b>	<b>29,379</b>	<b>12,187</b>	<b>45,244</b>
Cost	11,718	27	6,623	52,123	12,187	82,678
Accumulated amortization	(8,731)	-	(5,959)	(22,744)	-	(37,434)
<b>Balance as of March 31, 2023</b>	<b>2,987</b>	<b>27</b>	<b>664</b>	<b>29,379</b>	<b>12,187</b>	<b>45,244</b>

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Development projects in progress refer to new technologies under development that meet the recognition criteria related to the completion and use of assets and generation of future economic benefits.

### 14. Loans and financing

Modality	Agreed rate per year	Annual average effective rate	Due date	Guarantee	Consolidated		
					03/31/24	12/31/23	
<u>Local currency</u>							
Finep	TR+2.30% and 2.80%	3.01%	02/15/20 to 12/15/42	Bank-issued guarantee	80,928	81,284	
Banco Brasil Forfait	8.30%	8.62%	03/28/24 to 01/24/27	-	10,331	-	
<u>Foreign currency</u>							
Finimp - Banco Votorantim	Exchange rate variation + 4.50%	4.59%	10/29/20 to 10/28/24	Receivables	8,269	-	
NCE - Votorantim	Exchange rate variation + 8.55%	8.55%	07/26/23 to 06/27/26	Excrow account flow	-	31,171	
NCE - Votorantim	Exchange rate variation + 7.80%	7.80%	03/28/24 to 03/29/28	Excrow account flow	32,127	-	
					131,655	112,455	
					Current liabilities	19,304	13,374
					Non-current liabilities	112,351	99,081
					131,655	112,455	

Repayment schedule by year of maturity:

	Consolidated											TOTAL
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034-2042	
Loans and financing	16,545	16,400	18,189	14,304	8,354	5,379	5,379	5,379	4,712	4,578	32,436	131,655

Loans and Financing raised by the Company do not require the fulfillment of any covenants.

#### 14.1. Payments

In March 2024, Padtec S.A. settled the loan raised in 2023 from Banco Votorantim and conducted a new negotiation with this same financial institution to obtain another export credit note (NCE modality) in the amount of R\$ 32,000. The main purpose of this funding was to reduce the cost of debt, which decreased from CDI + 1.65% per year to CDI + 1.49% per year, in addition to extending the debt. This new negotiation enables the company to maintain its cash flow with higher liquidity availability.

In 1Q24, R\$ 36,344 was paid in the consolidated, referring to interest and principal on loans raised by the Company.

## Padtec Holding S.A.

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### 14.2. Raising of Loans and Financing

Padtec S.A. raised three new loans in the first quarter of 2024:

- Banco Votorantim: funding of R\$ 32,000, in an export credit note, NCE modality, with a term of four years and semi-annual payment of interest and principal, in addition to a grace period of 12 months from the signing of this agreement. The transaction is guaranteed by the financial flow of receivables in a restricted account. For this loan, a SWAP was issued for the exchange rate variation and interest, subject to remuneration at the CDI rate + 1.49% p.a.
- Banco do Brasil Forfait: raising of R\$ 10,331 as Forfait, with a term of 36 months and a rate of 8.30% per year, with quarterly payments of interest and principal.
- Finimp – Banco Votorantim: funding of R\$ 8,268, in import financing (Finimp), with a single maturity in October 2024 and a straight-line rate of 4.50% per year plus exchange variation.

In addition, subsidiary Padtec S.A. has eight financing facilities approved with FINEP for technological investments in the amount of R\$ 118,455. The funds are released according to the disbursement and proof of costs under the strategic innovation plan of Padtec S.A. As of March 2024, R\$ 81,645 has been capitalized.

The following table presents each of these financing facilities:

Modality/Contract	Effective Term	Rate	Credit Released	Loans raised				
				2020	2021	2022	2023	Total
FINEP - 02.22.0026.00	02/07/2020 to 02/15/2032	TR+2.8%	7,793	3,896	3,896	-	-	7,792
FINEP - 02.20.003.00	02/07/2020 to 02/15/2040	TR+2.8%	16,172	6,469	6,359	3,344	-	16,172
FINEP - 02.21.032.00	04/20/2021 to 05/15/2039	TR+2.8%	16,819	-	5,887	-	7,568	13,455
FINEP - 02.21.033.00	04/20/2021 to 05/15/2039	TR+2.8%	2,835	-	1,701	-	1,134	2,835
FINEP - 02.22.0025.00	04/16/2022 to 04/15/2042	TR+2.3%	39,953	-	-	15,000	-	15,000
FINEP - 02.22.0026.00	04/16/2022 to 04/15/2040	TR+2.8%	4,101	-	-	2,000	2,101	4,101
FINEP - 02.22.0027.00	04/16/2022 to 04/15/2040	TR+2.8%	9,349	-	-	4,500	-	4,500
FINEP - 02.22.0511.00	11/21/2022 to 12/15/2042	TR+2.8%	21,434	-	-	9,645	8,145	17,790
			<b>118,455</b>	<b>10,365</b>	<b>17,843</b>	<b>34,489</b>	<b>18,948</b>	<b>81,645</b>

### 14.3. Reconciliation of liabilities resulting from financing activities

	Consolidated
<b>Balance as of December 31, 2022</b>	<b>92,364</b>
Interest expenses	1,683
Interest Payment	(1,242)
Loans raised	1,134
Amortization	(16,783)
<b>Balance as of March 31, 2023</b>	<b>77,156</b>
<b>Balance as of December 31, 2023</b>	<b>112,455</b>
Interest expenses	4,945
Interest Payment	(3,853)
Loans raised	50,599
Amortization	(32,491)
<b>Balance as of March 31, 2024</b>	<b>131,655</b>

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## Padtec Holding S.A.

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### 15. Lease transactions

The leased amount was calculated based on the present value of the fixed lease payments not made until that date. The amounts of the installments payable were discounted at the contractual rate or rates on loans (discount rate), plus other contractual obligations provided for in the lease agreements adjusted to present value.

Subsidiary Padtec S.A. has lease agreements with Daycoval Leasing – Banco Múltiplo S/A, referring to the lease of equipment that is being used in the Company's operation. The leases last for 36 months and include call option clause at the end of the respective terms. Lease payments will be made in 36 equal installments with final maturity by November 2026. The effect of this accounting is the recording of R\$ 8,134 in property, plant and equipment in the group of right-of-use, with a corresponding entry to the rental obligation in current and non-current liabilities.

The discount rate in force and used to calculate the present value of the provision for leasing of the identified assets and, consequently, for the monthly appropriation of financial interest, is 3.29% to 6.30%, in accordance with the effective term of each lease agreement.

#### Lease with Related Parties

The Company and its subsidiaries have a commitment arising from an operating lease agreement for the property where its administrative headquarters are located, executed with CPqD Foundation. The lease has a three-year term (expiring in 2025), with an option to renew after this period, and has no purchase option clauses at its termination. The lease payment is adjusted annually by the IGPM, and the actual rate of 6.3% per year was applied to reflect market prices. The effect of this accounting is the recording in property, plant and equipment, with a corresponding entry to the rental obligation in current liabilities (see Note no. 10).

	Consolidated	
	03/31/24	12/31/23
<b>LIABILITIES</b>		
Provision for leasing	16,867	18,953
	<b>16,867</b>	<b>18,953</b>
Current liabilities	5,189	5,882
Noncurrent liabilities	11,678	13,071
	<b>16,867</b>	<b>18,953</b>

Below is the change in leases:

	Consolidated			
	12/31/23	Payment	Financial Interest	03/31/24
Machinery and equipment	3,539	(782)	90	2,847
Building lease - related parties	15,414	(1,482)	88	14,020
	<b>18,953</b>	<b>(2,264)</b>	<b>178</b>	<b>16,867</b>
Current liabilities	5,882			5,189
Noncurrent liabilities	13,071			11,678
	<b>18,953</b>			<b>16,867</b>

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## Padtec Holding S.A.

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### 16. Financial transactions

As of March 31, 2024, the Company has recorded financial transactions of Vendor and Forfait in the amount of R\$ 40,380 (R\$ 39,008 as of December 31, 2023) in current liabilities and R\$ 49,046 (R\$ 52,891 as of December 31, 2023) in non-current liabilities. The corresponding entries for such entries are recorded in current assets and non-current assets and the transactions are described below:

	Consolidated	
	03/31/24	12/31/23
Vendor	59,099	62,561
Forfait	30,377	29,338
	<b>89,476</b>	<b>91,899</b>
Current	40,380	39,008
Non-current assets	49,096	52,891
	<b>89,476</b>	<b>91,899</b>

#### 16.1. Vendor Transactions

The Company entered into Vendor agreements with Banco do Brasil, Banco Safra, Banco Industrial, Banco Sofisa, Banco Paulista, Banco Regional de Desenvolvimento do Extremo Sul, Banco Daycoval and Cresol, which consist of sales financing transactions based on the principle of credit assignment. As of March 31, 2024 these financial institutions granted credits to 31 customers of the Company, upon Financing Promise Agreements, in the amount of R\$ 90,978 maturing by December 2032. This amount is used to purchase the Company's products and services. As of March 31, 2024 there was no default and the amount recorded is R\$ 22,049 in the short term and R\$ 37,050 in the long term.

#### 16.2. Discount without recourse (forfait)

The Company entered into Forfait agreements with Banco do Brasil, Banco ABC, and Banco Fibra, which consist of financing transactions for international sales, based on the principle of discounting receivables, providing terms and better conditions for customers. As of March 31, 2024, credits were granted to 5 of the Company's customers, in the amount of R\$ 49,798 with maturity by February 2027. This amount is used for the acquisition of Company's products. So far, there was no default and the amount recorded is R\$ 18,331 in the short term and R\$ 12,046 in the long term.

### 17. Transactions with senior FIDC FUNTTEL PADTEC quotas

FIDC FUNTTEL PADTEC - Fundo de Investimentos em Direitos Creditórios (FIDC FUNTTEL Padtec) aims to provide to its shareholders the appreciation of its shares by means of investing resources mainly in credit rights arising from the transaction of Equipment Purchase and Sale Contracts, entered into between Padtec S.A., as seller, and its customers, as buyers of equipment of equipment for the telecommunications sector, which are recognized as Goods or Products Developed in Brazil by the Ministry of Science, Technology and Innovations, or equivalent government body, under the terms of the MCT Ordinance no. 950, of December 12, 2006 and/or that are qualified as being part of a Basic Productive Process.

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FIDC FUNTTEL Padtec was launched as a closed condominium and for an indefinite period. The fund has BNDES PARTICIPAÇÕES S/A as its senior shareholder (a party related to the Company, see Note 10) and exclusively PADTEC S.A. as a subordinate shareholder in the proportion 80% / 20% respectively. FIDC FUNTTEL PADTEC operation began in April 2022.

In April 2023, the Company made its second capital contribution in the amount of R\$ 2.5 million referring to its stake in this fund, reaching a total amount of R\$ 5 million so far.

FIDC's equity structure as of March 31, 2024 and December 31, 2023 is shown below:

	Quantity of contractual quotas	Total amount of shares	Subscribed		Total on 03/31/24
			Padtec Interest	Third-Party interest	
<b>FIDC FUNTTEL PADTEC</b>					
Senior	80,000	1.054	-	21,586	21,586
Subordinated	20,000	1.000	5,000	-	5,000
<b>Total</b>	<b>100,000</b>		<b>5,000</b>	<b>21,586</b>	<b>26,586</b>

  

	Quantity of contractual quotas	Total amount of shares	Subscribed		Total on 12/31/23
			Padtec Interest	Third-Party interest	
<b>FIDC FUNTTEL PADTEC</b>					
Senior	80,000	1.054	-	21,109	21,109
Subordinated	20,000	1.000	5,000	-	5,000
<b>Total</b>	<b>100,000</b>		<b>5,000</b>	<b>21,109</b>	<b>26,109</b>

The financial statements as of March 31, 2024 and December 31, 2023 is presented below:

<b>FIDC FUNTTEL PADTEC</b>	<b>03/31/24</b>	<b>12/31/23</b>
<b>Current Assets</b>		
Tradable securities	4,112	9,920
Trade accounts receivable	22,493	16,161
Other credits	10	64
<b>Total assets</b>	<b>26,615</b>	<b>26,145</b>
<b>Liabilities</b>		
Other accounts payable	29	36
	<b>29</b>	<b>36</b>
<b>Net equity</b>		
Capital	25,000	25,000
Retained earnings	1,586	2,313
Amortization of shares - LE	-	(1,204)
<b>Total net equity</b>	<b>26,586</b>	<b>26,109</b>
<b>Total Liabilities and Net Equity</b>	<b>26,615</b>	<b>26,145</b>
<b>Profit (loss)</b>	<b>03/31/24</b>	<b>12/31/23</b>
Financial Income	553	2,231
Financial Expenses	(77)	(311)
<b>Net income for the period</b>	<b>477</b>	<b>1,921</b>

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## Padtec Holding S.A.

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### 18. Suppliers

	Parent Company		Consolidated	
	03/31/24	12/31/23	03/31/24	12/31/23
Domestic suppliers	82	34	18,855	16,380
International suppliers	-	13	48,868	41,523
	<b>82</b>	<b>47</b>	<b>67,723</b>	<b>57,903</b>
Current liabilities	82	47	67,215	57,395
Noncurrent liabilities	-	-	508	508
	<b>82</b>	<b>47</b>	<b>67,723</b>	<b>57,903</b>

### 19. Taxes and contributions payable

	Parent Company		Consolidated	
	03/31/24	12/31/23	03/31/24	12/31/23
Tax on the circulation of goods and services - ICMS	-	-	187	106
Corporate Income Tax - IRPJ	-	-	2	-
Tax on Industrialized Products - IPI	-	-	1,366	2,084
Social Integration Program- PIS	-	-	19	141
Contribution to social security financing - COFINS	6	6	90	658
Service Tax - ISS	31	31	215	321
Other	10	10	1,406	1,333
Current liabilities	<b>47</b>	<b>47</b>	<b>3,285</b>	<b>4,643</b>

### 20. Taxes and contributions payable - installment payment

	Parent Company		Consolidated	
	03/31/24	12/31/23	03/31/24	12/31/23
Installment payment of tax on the circulation of goods and services - ICMS (a)	-	-	1,766	1,922
Service tax paid in installments - ISS	173	432	173	432
<b>Total liabilities</b>	<b>173</b>	<b>432</b>	<b>1,939</b>	<b>2,354</b>
Current liabilities	173	432	796	1,055
Non-current liabilities	-	-	1,143	1,299
	<b>173</b>	<b>432</b>	<b>1,939</b>	<b>2,354</b>

- a) Subsidiary Padtec S.A. adhered to the installment payment plan to refinance its ICMS-related debts, pursuant to Joint Resolution SP/PGE 02/12 and SF 72/12, in the amount of R\$ 3,117 with an outstanding balance as of March 31, 2024 in the amount of R\$ 1,766 with final maturity by January 2027.

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### 21. Provisions

#### 21.1. Miscellaneous provisions

	Parent Company			
	12/31/23	03/31/24		
	Opening balance	Addition to provision	Reversals	Closing balance
Other	607	-	(29)	578
<b>Total</b>	<b>607</b>	<b>-</b>	<b>(29)</b>	<b>578</b>
Current Liabilities	100			99
Non-current liabilities	507			479
	<b>607</b>			<b>578</b>

	Parent Company			
	12/31/22	03/31/23		
	Opening balance	Addition to provision	Reversals	Closing balance
Other	713	-	(26)	687
<b>Total</b>	<b>713</b>	<b>-</b>	<b>(26)</b>	<b>687</b>

	Consolidated			
	12/31/23	03/31/24		
	Opening balance	Addition to provision	Reversals	Closing balance
Provision for commission (a)	929	227	(580)	576
Repairs during warranty (b)	1,382	56	(47)	1,391
Other	607	-	(29)	578
<b>Total</b>	<b>2,918</b>	<b>283</b>	<b>(656)</b>	<b>2,545</b>
Current Liabilities	2,411			2,066
Non-current liabilities	507			479
	<b>2,918</b>			<b>2,545</b>

	Consolidated			
	12/31/22	03/31/23		
	Opening balance	Addition to provision	Reversals	Closing balance
Provision for commission (a)	855	272	(498)	629
Repairs during warranty (b)	1,121	106	(39)	1,188
Other	713	-	(26)	687
<b>Total</b>	<b>2,689</b>	<b>378</b>	<b>(563)</b>	<b>2,504</b>

- a) Refers to the provision of fixed monthly salaries to salespeople, for the payment of commissions on sales made to customers, pursuant to contractual clauses.  
b) Recognized to meet expenditures relating to products, including warranty and contractual obligations.

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### 21.2.Provision for labor, tax and civil risks

The Company and its subsidiaries are parties to lawsuits and administrative proceedings, arising from the normal course of their operations, involving tax, civil, labor, and other matters. Provision is made only for amounts whose as risk of loss is classified as probable.

	Parent Company				
	12/31/23	03/31/24			
	Opening balance	Additions	Reversals	Payments	Closing balance
Labor (a)	6,872	1,015	(219)	(451)	7,217
<b>Total provisions</b>	<b>6,872</b>	<b>1,015</b>	<b>(219)</b>	<b>(451)</b>	<b>7,217</b>
Judicial deposits (c)	(473)	-	72	-	(401)
<b>Total</b>	<b>6,399</b>	<b>1,015</b>	<b>(147)</b>	<b>(451)</b>	<b>6,816</b>

	Parent Company				
	12/31/22	03/31/23			
	Opening balance	Additions	Reversals	Payments	Closing balance
Labor (a)	8,914	611	(5)	(481)	9,039
Tax	748	41	-	-	789
<b>Total provisions</b>	<b>9,662</b>	<b>864</b>	<b>(217)</b>	<b>(481)</b>	<b>9,828</b>
Judicial deposits (c)	(567)	(26)	44	-	(549)
<b>Total</b>	<b>9,095</b>	<b>838</b>	<b>(173)</b>	<b>(481)</b>	<b>9,279</b>

	Consolidated				
	12/31/23	03/31/24			
	Opening balance	Additions	Reversals	Payments	Closing balance
Labor (a)	8,715	1,342	(886)	(543)	8,628
Civil	4,445	373	-	-	4,818
Tax (b)	2,814	30	-	-	2,844
Administrative	84	160	(13)	-	231
<b>Total provisions</b>	<b>16,058</b>	<b>1,905</b>	<b>(899)</b>	<b>(543)</b>	<b>16,521</b>
Judicial deposits (c)	(1,151)	(82)	110	-	(1,123)
<b>Total</b>	<b>14,907</b>	<b>1,823</b>	<b>(789)</b>	<b>(543)</b>	<b>15,398</b>

	Consolidated				
	12/31/22	03/31/23			
	Opening balance	Additions	Reversals	Payments	Closing balance
Labor (a)	10,942	911	(196)	(746)	10,911
Civil	3,977	155	-	-	4,132
Tax (b)	4,130	94	(782)	-	3,442
Administrative	259	-	(97)	(17)	145
<b>Total provisions</b>	<b>19,308</b>	<b>1,160</b>	<b>(1,075)</b>	<b>(763)</b>	<b>18,630</b>
Judicial deposits (c)	(1,167)	(47)	54	-	(1,160)
<b>Total</b>	<b>18,141</b>	<b>1,113</b>	<b>(1,021)</b>	<b>(763)</b>	<b>17,470</b>
<b>(a) Labor</b>					

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Lawsuits filed by former employees of Automatos Participações Ltda., succeeded by the Company as a result of the merger completed in November 2022, as well as former investees (Officer, Pini, ETML and Latin eVentures- Softcorp) and subsidiary Padtec S.A., claiming labor rights.

### (b) Tax

The main proceeding subject to provisioning refers to the Tax on Industrialized Products (IPI) of subsidiary Padtec S.A. under a Tax Assessment Notice issued by the Brazilian Federal Revenue Service, for the alleged sale of incentivized product accessories unaccompanied by the final products, allegedly not complying with the requirement to enjoy the tax benefit provided for in the Information Technology Law then in force (reduction of IPI rate). The subsidiary was evaluated for 2011 and 2012 and the risk provisioned is R\$ 2,844. The process remains ongoing with CARF.

### (c) Judicial deposits

The amounts refer to judicial deposits held in the name of subsidiary Padtec S.A. and the Company in labor proceedings.

#### • Contingencies with estimated losses classified as possible.

In the consolidated statements, there are other lawsuits with a total amount at risk of R\$ 102,231 evaluated by the legal advisors as having a possible risk of loss as of March 31, 2024 (R\$ 106,222 as of December 31, 2023), for which no provision has been made, given that accounting practices adopted in Brazil do not require their accounting and the Company does not expect extraordinary situations justifying a provision, in its opinion. This amount comprises R\$ 84,815 related to tax risks, R\$ 13,525 related to labor risks, R\$ 3,682 civil risks and R\$ 209 administrative risks. The main proceedings that fall under the classification of possible risk of loss are detailed below:

- The Company is a party to a civil proceeding filed by Banco Santander, requiring the piercing of the corporate veil of former investee Editora Pini, seeking to affect the then shareholders of this former investee. The object of the charge is a bank credit note issued by Editora Pini in default. The adjusted amount is R\$ 2,379. The lawsuit is underway at the lower court.
- Subsidiary Padtec S.A. has a tax foreclosure proceeding related to ICMS tax, which is in the appeal stage, in the amount of R\$ 6,752. The lower court decision was partially favorable to cancel the tax charged, maintaining, however, the requirement of fines. The subsidiary filed an appeal, which is pending trial.
- Subsidiary Padtec S.A. is a party in a tax foreclosure process embodied in CDA no. 80 6 21 127486-04, demanding the payment of debts arising from Administrative Proceeding no. 10831 724290/2014-65, already concluded at the administrative level, referring to the Tax Assessment Notice issued for requirement of a Regulatory Fine and differences calculated under II, IPI, PIS and COFINS, as a result of the alleged error in the tax classification of imported products. The purpose of the foreclosure is only the regulatory fine of 1% on the customs value, totaling R\$ 2,365. The subsidiary guaranteed the foreclosure with the submission of a performance bond, to discuss in court the charge that it considers undue. A ruling upheld the request to declare the unenforceability of the fine provided for in the case and thus cancel the CDA. Padtec S.A. filed a motion for clarification, but an appeal was filed by the Revenue Service.

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- Tax assessment notice issued against subsidiary Padtec S.A. by the Brazilian Federal Revenue Service referring to the payment of PIS and COFINS calculated on a non-cumulative basis, for the period from January 2009 to December 2010. The proceeding is at the Tax Control and Monitoring Service of the Federal Revenue Service of Sorocaba/SP and is awaiting judgment of the challenge, in the amount of R\$ 6,845. This case was stayed by a lawsuit filed by the subsidiary in 2008. Due to STF decision in the leading case and of the final and unappealable decision of the aforementioned lawsuit linked to this proceeding, in favor of the plaintiff, such developments were informed in the records in May 2021 and the immediate cancellation of the tax assessment notice under analysis was requested.
- Subsidiary Padtec S.A. has tax assessment notices and challenge of fine due to alleged non-compliance with the Basic Productive Process (PPB), for allegedly selling products with undue use of the tax benefit of IPI reduction in 2011 and 2012, in the amount of R\$ 46,911. In January 2018, Padtec S.A. was served with a summons dismissing its appeal and upholding the assessment. In September 2019, the judgment of the Voluntary Appeals presented to CARF converted the proceeding into a diligence, which was started in 2021. The reports and statements of the subsidiary's technical assistants were submitted; and are awaiting assessment by CARF.
- PerDComp Federal Taxes: Refers to Reimbursement Requests linked to the Offset Statements of subsidiary Padtec S.A., with credits arising from non-cumulative overpayment of taxes (IPI, COFINS, Cide and others), referring to several periods that were fully rejected and not ratified, amounting to R\$ 15,863 as of March 31, 2023. The records are at the National Process Management Center of the Federal Revenue Office in Ribeirão Preto/SP.
- Tax Assessment Notices issued by the Municipality of Belo Horizonte/MG, referring to (i) ISSQN payment at the rate of 5% related to alleged services rendered and fine for the issuance of a document other than that established by the municipal tax legislation, by the company PSG - Padtec Serviços Global de Telecomunicações Ltda (merged into subsidiary Padtec S.A.), by its branch located in that city from April 2015 to July 2016; and (ii) fine for issuing a document other than that established by the municipal tax legislation in the same period, with tax loss. In the judgment of the appeal, it was decided to cancel the qualified fine and exclude the liability of the partners and, by majority, maintain the assessment referring to the ancillary obligation and principal obligation. The lawsuits amount to R\$ 5,524, with a "possible risk of loss", and the judgment is pending publication.

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### 22. Labor charges

	Parent Company		Consolidated	
	03/31/24	12/31/23	03/31/24	12/31/23
Wages	72	75	3,081	3,569
Profit sharing	-	-	4,677	3,040
Social charges	45	57	8,024	7,525
Provision for vacation pay/Christmas bonus	-	-	7,786	7,858
Private pension fund	-	-	633	1,121
Share-based compensation - Phantom Shares (a)	93	252	1,376	3,998
Other	-	-	2,133	163
	<b>210</b>	<b>384</b>	<b>27,710</b>	<b>27,274</b>

The Company has a Long-Term Incentive and Retention Plan ("Plan") approved in October 2021, comprising a compensation program for certain beneficiaries (officers and/or employees of the Company or its subsidiaries who are considered key professionals) that consists of granting Phantom Shares, with yield based on the market price of the Company's shares traded at B3 S.A. – Brasil, Bolsa, Balcão and settled in cash, as established in this Plan and in the First Long-Term and Retention Incentive Program under the Company's Long-Term and Retention Incentive Plan. There is no forecast of effective trading of shares issued by the Company, since there will be no issuance and/or delivery of shares for settlement of this Plan.

As of the first quarter of 2024, the company started using the Black-Scholes methodology for pricing these Phantom Shares, which had an impact on the provision for this compensation. The following definitions were used as assumptions for the Black-Scholes calculation:

- Weighted average share price on grant date: R\$ 2.51
- Strike price of the stock options is R\$ 7.02. Defined as a result of the program
- Expected volatility: 35% p.a. Expected volatility was calculated using the standard deviation of the average daily returns of a group of companies listed on B3.
- The life of the option is 10 years from the grant date.
- Risk-free interest rate was estimated at 10.65% p.a.

### 23. Private pension plan

Subsidiary Padtec S.A. sponsors two pension plans for officers and employees, managed by Fundação Sistel de Seguridade Social. Supplementary pension plans are established as a defined contribution plan ("InovaPrev") or defined benefit ("CPqDPrev").

Under the defined benefit, the contribution and benefit amounts are defined when the plan is contracted, and funding is determined by actuarial calculations, to ensure that the plan can be granted and maintained. Under the defined contribution plan, the benefit amount is consistently adjusted, according to the applicable account balance held on behalf of the participant, which, in turn, results from the contribution amounts, contribution time, income arising from investments made, among other variables

Pursuant to the regulations for both plans, funding varies according to a contribution table based on salary ranges, from 1% to 8% of the compensation of officers and employees.

As of March 31, 2024, there were no actuarial liabilities on behalf of Padtec S.A. arising from the supplementary pension plan.

Contributions made amounted to R\$ 795 as of March 31, 2024 (R\$ 743 as of March 31, 2023), which were recorded as "labor expenses and social charges" in P&L for the year and included in the table of Note 28.1.

## Padtec Holding S.A.

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### 24. Net equity

#### 24.1. Capital

As of March 31, 2024, the Company's subscribed and paid-in capital is R\$ 138,439, divided into 79,214,664 book-entry common shares, with no par value.

Shareholder	03/31/24		12/31/23	
	Number of Shares	% Stake	Number of Shares	% Stake
Fundação CPqD – Centro de Pesquisa e Desenvolvimento em Telecomunicações	43,075,127	54.38%	43,075,127	54.38%
BNDES Participações S.A. – BNDESPAR	18,084,240	22.83%	18,084,240	22.83%
Other	18,055,297	22.79%	18,055,297	22.79%
	<b>79,214,664</b>	<b>100.00%</b>	<b>79,214,664</b>	<b>100.00%</b>

#### 24.2. Capital reserves and equity valuation adjustment

##### Capital reserve

Capital reserve balances arise from stock options granted to the Company's CEO and Investor Relations Officer, as described below:

### VIII Stock Option Plan

In April 2023, the Extraordinary and Annual Shareholders' Meeting approved the VIII Stock Option Plan in favor of the chief executive officer and investor relations officer, with the aim of creating an additional incentive for the leading executive of the Company and its subsidiaries, giving him the opportunity to become a shareholder of Padtec Holding through the exercise of the Options, consequently achieving a closer alignment of this executive with the interests of the Company's shareholders. The Options granted correspond to 1,019,847 shares, approximately 1.3% of the total shares that make up the share capital of Padtec Holding S.A. on the approval date of the Plan. The strike price of the Options for subscription and payment of shares by the grantee was one cent of Brazilian real (R\$ 0.01).

The Company recognized the stock options granted in its equity in 2023, with a corresponding entry in the profit or loss for the year, recording the accumulated amount of R\$ 2,419. As determined by Accounting Pronouncement CPC 10 (R1) - Share-Based Payment, the value of the options was determined on the grant date.

##### Legal reserve

On December 31, 2023, as established in Law no. 6.404/76 ("Brazilian Corporate Law"), the Company allocated 5% of the net income determined for the year and recorded the amount of R\$ 774 under the heading "Legal reserve".

##### Investment reserve

On December 31, 2023, after the allocation of the legal reserve and dividends (Note 24.4), the Company allocated the remaining balance of its net income, in the amount of R\$ 11,023, to the creation of a statutory investment reserve, with the purpose of financing the development, growth and expansion of the Company's and its subsidiaries' businesses.

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### 24.3. Other comprehensive income

#### Translation adjustments

Refers to the accumulated translation adjustments for all foreign currency differences resulting from the conversion of the financial statements of operations abroad.

#### Cash flow hedge

The variability of future cash flows attributable to changes in the US\$/R\$ exchange rate arising from payments of principal and interest on financial liabilities (loans) agreed by the Company are recognized under this item. The amounts recognized in other comprehensive income during the effectiveness of the hedge relationship are reclassified to financial income as a reclassification adjustment in the same period, or periods, in which the expected future transactions affected P&L. As of March 31, 2024, the amount of R\$ 889 was recorded in other comprehensive income, referring to Mark to Market in the Cash Flow Hedge account, as per Note 33.1.

### 24.4. Dividends

The Company's Bylaws set forth the allocation of 25% of net income, adjusted pursuant to Article 202 of Law 6.404/76, to be paid as mandatory minimum dividends, when profits are determined for the year. In December 2023, the Company set up the amount of R\$ 3,674 as mandatory minimum dividend, and the payment to shareholders was approved at the Company's Extraordinary and Annual Shareholders' Meeting held on April 26, 2024. In the first quarter of 2024 there were no dividends distributed and/or paid to its shareholders.

## 25. Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of common shares issued in the year.

Diluted earnings per share is calculated by adjusting the weighted average number of outstanding common shares to assume the conversion of all potential diluted common shares by the stock options, and number of shares that could have been bought is determined at fair value, based on the monetary value of all subscription rights linked to outstanding stock options. The Company holds stock options with dilutive potential that could result in a dilution of the earnings per share calculation.

The number of shares calculated, as described above, is compared with the number of shares issued, assuming the period of stock options. The basic and diluted earnings per share as of March 31, 2024 and 2023 are shown below:

	Parent Company		Consolidated	
	03/31/24	03/31/23	03/31/24	03/31/23
<b>Basic earnings (losses) per share</b>				
Profit (loss) for the year	(14,511)	677	(14,542)	677
Weighted average number of common shares outstanding	79,214,664	78,449,779	79,214,664	78,449,779
<b>Basic earnings (losses) per share - in Brazilian reais</b>	<b>(0.1832)</b>	<b>0.0086</b>	<b>(0.1836)</b>	<b>0.0086</b>
	Parent Company		Consolidated	
	03/31/24	03/31/23	03/31/24	03/31/23
<b>Diluted earnings (losses) per share:</b>				
Profit (loss) for the year	(14,511)	677	(14,542)	677
Weighted average number of common shares outstanding	79,214,664	78,449,779	79,214,664	78,449,779
Dilutive effect of stock options	254,962	-	254,962	-
Weighted average number of common shares outstanding	<b>79,469,626</b>	<b>78,449,779</b>	<b>79,469,626</b>	<b>78,449,779</b>
<b>Diluted earnings (losses) per share - in Brazilian reais</b>	<b>(0.1826)</b>	<b>0.1243</b>	<b>(0.1830)</b>	<b>0.1243</b>

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### 26. Net operating revenue

	Consolidated	
	03/31/24	03/31/23
<b>Gross operating revenue</b>	<b>76,169</b>	<b>105,831</b>
Products sold	63,160	86,713
Services rendered	13,009	19,118
Taxes on sales	(15,156)	(21,494)
Returns and cancellations	(2,632)	(5,173)
<b>Net operating revenue</b>	<b>58,381</b>	<b>79,164</b>

### 27. Cost of goods sold and services provided

	Consolidated	
	03/31/24	03/31/23
Materials	(22,975)	(29,765)
Labor	(13,320)	(12,241)
Depreciation / amortization	(1,180)	(1,197)
Cut-Off Provision	559	(1,392)
Provisions (a)	(640)	(323)
Travel	(2,833)	(2,797)
Other costs	(3,120)	(2,960)
	<b>(43,509)</b>	<b>(50,675)</b>

a) Refers to obsolescence provisions and reversals, warranty and others.

### 28. Operating revenues (expenses)

#### 28.1. Administrative, selling and research and development expenses

	Parent Company		Consolidated	
	03/31/24	03/31/23	03/31/24	03/31/23
Labor expenses and social charges	(236)	(476)	(14,124)	(15,348)
Third-party services	(122)	(330)	(948)	(1,109)
Selling and marketing expenses	-	-	(111)	(357)
General and administrative expenses (a)	(95)	(105)	(2,228)	(2,296)
Depreciation / amortization	-	-	(4,099)	(4,936)
Travel	-	-	(735)	(643)
Lease of properties and equipment	-	-	(132)	(110)
Other	(9)	(7)	(965)	(1,305)
	<b>(462)</b>	<b>(918)</b>	<b>(23,342)</b>	<b>(26,104)</b>

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a) Refers to expenses with insurance, legal advice, corporate systems, among others.

	Parent Company		Consolidated	
	03/31/24	03/31/23	03/31/24	03/31/23
Administrative expenses	(462)	(918)	(6,452)	(7,373)
Selling expenses	-	-	(8,424)	(9,007)
Research and development expenses	-	-	(8,466)	(9,724)
	<b>(462)</b>	<b>(918)</b>	<b>(23,342)</b>	<b>(26,104)</b>

### 28.2. Other operating revenues (expenses), net

	Parent Company		Consolidated	
	03/31/24	03/31/23	03/31/24	03/31/23
Administrative indemnities	-	-	(51)	(17)
Amount received as civil compensation (a)	239	212	239	212
Labor indemnities	(523)	(481)	(628)	(746)
Loss of trade account receivables	-	-	(448)	(1,291)
Provision (reversal) of allowance for doubtful accounts	-	-	(1,108)	1,177
Provision (reversal) for labor contingencies	(345)	(125)	87	31
Provision for tax contingencies	-	(41)	(30)	688
Provision for civil contingencies	-	-	(373)	(155)
Provision for administrative contingencies	-	-	(147)	114
Other	(74)	(14)	(569)	(829)
	<b>(703)</b>	<b>(449)</b>	<b>(3,028)</b>	<b>(816)</b>

a) Amount received as compensation for civil proceedings in which the then Ideiasnet S.A. (currently Padtec Holding S.A.) was a party.

### 29. Net financial result

	Parent Company		Consolidated	
	03/31/24	03/31/23	03/31/24	03/31/23
<b>Financial income</b>				
Income from financial investments	-	-	1,077	1,606
Income from financial transactions	-	-	491	1,195
Foreign exchange gains	-	-	1,767	2,854
Pis and cofins on financial income	(23)	-	(85)	-
Other revenues	-	3	208	144
	<b>(23)</b>	<b>3</b>	<b>3,458</b>	<b>5,799</b>
<b>Financial expenses</b>				
Interest on loans and financing	(76)	(73)	(1,202)	(2,456)
Interest on derivative transaction	-	-	(2,203)	-
Costs on financial transactions	-	-	-	(540)
Foreign exchange losses	-	-	(1,953)	(2,607)
Banking expenses	(1)	(4)	(31)	(186)
IOF expenses	(23)	(21)	(33)	(161)
Other expenses	(20)	(24)	(1,066)	(741)
	<b>(120)</b>	<b>(122)</b>	<b>(6,488)</b>	<b>(6,691)</b>
<b>Net financial result</b>	<b>(143)</b>	<b>(119)</b>	<b>(3,030)</b>	<b>(892)</b>

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## Padtec Holding S.A.

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### 30. Current income tax and social contribution

The reconciliation of tax expenses calculated by applying the combined tax rate and the income tax and social contribution expense charged to profit or loss is as follows:

	Parent Company		Consolidated	
	03/31/24	03/31/23	03/31/24	03/31/23
<b>Profit (loss) before taxes</b>	<b>(14,511)</b>	<b>677</b>	<b>(14,528)</b>	<b>677</b>
Equity Income	13,203	(2,163)	-	-
Law no. 11.196/05	-	-	-	(288)
(+/-) Other additions and deletions	259	629	(389)	(3,258)
Provision/reversal for obsolescence of inventory	-	-	731	220
Provision/reversal of contingencies	345	(145)	463	(195)
Provision/reversal of revenues	-	-	253	1,086
Provision/reversal for doubtful accounts	-	-	1,108	(1,177)
Loss on accounts receivable	-	-	-	25
Provision/reversal - other	(159)	22	(1,339)	721
Financial credits	-	-	(4,473)	(3,058)
Other additions and deletions	73	752	2,868	(880)
<b>Tax loss (IR basis)</b>	<b>(1,049)</b>	<b>(857)</b>	<b>(14,917)</b>	<b>(2,869)</b>
Income tax	-	-	(14)	-
<b>Current income tax and CSLL</b>	<b>-</b>	<b>-</b>	<b>(14)</b>	<b>-</b>



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### 31. Insurance (unaudited)

The Company and its subsidiaries adopt the policy of contracting insurance coverage for assets subject to risks for amounts considered sufficient to cover possible claims, considering the nature of its activity. The risk assumptions adopted by the Company, given their nature, are not part of the audit scope of the individual and consolidated interim financial statements and, consequently, were not examined by the independent auditors.

Below, are the amounts insured by risk coverage:

	Covered risk	Current period		Insured amount
		From	To	03/31/24
Equity Insurance	Basic coverage: fire, lightning and explosion Additional coverage: loss of profits, flooding, goods, electrical damage, landslide, equipment, machinery breakdown, registration and document recomposition, RC Commercial and Industrial establishments, theft and windstorm	04/28/23	04/28/24	119
Group Life Insurance (employees) - Principal	Death, accident, disability	07/01/23	06/30/24	1,089
Group Life Insurance (employees) - Supplement	Death, accident, disability	07/01/23	06/30/24	419
Group Life Insurance (interns)	Death, accident, disability	06/30/23	06/30/24	32
Domestic Shipping	Road hazards	10/31/23	10/31/24	6,000
International Shipping (in US\$)	Broad coverage (Imports)	10/31/23	10/31/24	USD 2,000
International Shipping (in US\$)	Broad coverage (Export)	10/31/23	10/31/24	USD 2,000
Management civil liability- D&O	Executive Board	07/10/23	07/09/24	50,000
Comprehensive General Liability	General RC, Operations, Products	07/13/23	07/13/24	15,000

### 32. Risk management

The Company and its subsidiaries manage their financial instruments through operating strategies and internal controls to ensure liquidity, profitability and security. The Company and its subsidiaries do not make financial investments of a speculative nature and gains resulting from these transactions are consistent with the policies and strategies set forth by Management.

The management of risks and financial instruments used is performed by means of policies, strategy definitions and implementation of control systems, set forth by Management.

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and on the characteristics of contractual cash flows.

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### 33. Financial instruments

All financial instrument transactions are recognized in the financial statements of the Company and its subsidiaries, as shown in the table below:

		Consolidated				
		Book Value		Fair value		
Fair Value Hierarchy		03/31/24	12/31/23	03/31/24	12/31/23	
<b>Assets</b>						
<b>Amortized cost</b>						
	Trade accounts receivable	145,440	130,575	145,440	130,575	
<b>Fair value through profit or loss</b>						
	Cash and cash equivalents	Level 2	29,937	50,456	29,937	50,456
	Restricted financial investments	Level 2	1,854	1,754	1,854	1,754
	Tradable securities	Level 2	4,112	9,920	4,112	9,920
<b>Total</b>		<b>181,343</b>	<b>192,705</b>	<b>181,343</b>	<b>192,705</b>	
<b>Liabilities</b>						
<b>Amortized cost</b>						
	Loans and financing (current)		(19,304)	(13,374)	(19,304)	(13,374)
	Loans and financing (non-current)		(112,351)	(99,081)	(112,351)	(99,081)
	Lease transactions (current)		(5,189)	(5,882)	(5,189)	(5,882)
	Lease transactions (non-current)		(11,678)	(13,071)	(11,678)	(13,071)
	Suppliers		(67,215)	(57,395)	(67,215)	(57,395)
	Suppliers (non-current)		(508)	(508)	(508)	(508)
	Bonds with senior FIDC quotas (non-current)		(21,586)	(21,109)	(21,586)	(21,109)
<b>Total</b>		<b>(237,831)</b>	<b>(210,420)</b>	<b>(237,831)</b>	<b>(210,420)</b>	

The classification of financial assets at amortized cost or at fair value through profit or loss is based on the business model and cash flow characteristics expected by the Company and its subsidiaries for each instrument.

#### Fair value against book values

The fair values of financial assets and liabilities, with the book values presented in the balance sheet, are as follows:

- Cash and cash equivalents and restricted financial investments – interest rates used to calculate yield on the Company's cash equivalents and restricted financial investments, at the end of the year, approximate their fair value for transactions of similar nature, term and risk.
- Loans and financing – are contracted under market conditions and, therefore, the carrying amounts approximate their market value for transactions of similar terms, source and risks.

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### Valuation of financial instruments

The fair value of a security corresponds to its maturity value (redemption value) brought to present value by the discount factor (relating to the maturity date of the security) obtained from the market yield curve in Brazilian reais (R\$).

CPC 40 (R1) and IFRS 7 require the classification based on a three-level hierarchy to measure the financial instruments at fair value, based on observable and unobservable information related to the financial instrument valuation on the measurement date. CPC 40 (R1) and IFRS 7 also define observable information as market data obtained from independent sources and non-observable information reflecting market assumptions.

The three fair value hierarchy levels are:

- Level 1: Prices quoted in an active market for identical instruments.
- Level 2: Observable information other than prices quoted in an active market that are observable for the asset or liability, directly (as prices) or indirectly (price derivatives).
- Level 3: Valuation techniques under which inputs to measure the fair value are not available.

### **33.1. Financial instruments designated for cash flow hedge**

As a procedure for managing its market risks, the Company manages its exposures in foreign currency by contracting derivative financial instruments pegged to US dollar, considering the payment forecast.

In March 2024, the Company designated derivative instruments for hedge accounting of cash flows to protect against the variability of future cash flows attributable to changes in the US\$/R\$ exchange rate arising from the payment of principal and interest on the liability financial instrument (loan) contracted by the Company (see Note 14).

Hedge accounting structure consists of the risk management strategy that seeks to converge its funding cost to the Interbank Deposit Certificate (CDI), as follows:

<b>Modality</b>	<b>Terms</b>	<b>Asset indexer</b>	<b>Liability indexer</b>	<b>Net</b>
SWAP	Mar/24 to Mar/28	VC* + 7.80% p.a.	CDI + 1.49% p.a.	USD 6,426

\*exchange rate variation

As of March 31, 2024, the Company has the derivative financial instrument, as follows:

<b>Bank</b>	<b>Agreement</b>	<b>Consolidated</b>					
		<b>Fair value - Long Position</b>		<b>Fair value - Short Position</b>		<b>Gain/loss</b>	
		<b>03/31/24</b>	<b>12/31/23</b>	<b>03/31/24</b>	<b>12/31/23</b>	<b>03/31/24</b>	<b>12/31/23</b>
Votorantim							
Curve - Swap	SWAP	32,127	31,171	32,014	32,725	113	(1,554)
Mark to Market	SWAP	32,304	31,717	33,080	33,388	(776)	(1,671)

The measurement of SWAP mark-to-market was made considering the effect of changes in the liability and asset indexes, based on market information available at the time of this measurement.

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The change in the derivative financial instrument is shown below:

	<b>Cash Flow Hedge</b>
<b>Balance as of December 31, 2023</b>	<b>1,671</b>
Interest on the transaction recognized in P&L	551
Payment of funds for settlement with derivatives on operating activity	(2,335)
Losses recognized in ORA	889
<b>Balance as of March 31, 2024</b>	<b>776</b>

The Company monitors fluctuations in floating interest rates linked to certain debts and uses, when necessary, derivative instruments to manage these risks. The positions of derivative financial instruments used to hedge interest rate risk are shown below:

<b>Interest rate risk: Interest derivatives outstanding as of March 31, 2024</b>				
<b>Bank</b>	<b>Agreement</b>	<b>Due date</b>	<b>Book Value</b>	<b>Fair value</b>
Votorantim	Interest Swap	Mar/24 to Mar/28	776	776

### 33.2. Financial risk factors

The economic and financial risks mainly reflect the behavior of macro variables and exchange and interest rates, as well as the characteristics of the financial instruments used by Padtec Group. Padtec Group's activities are exposed to various financial risks, capital risk, interest rate risk, exchange rate, credit and liquidity risk. The Company's practice is to manage existing risks on a conservative basis. The main purposes of this practice are to preserve the value and liquidity of financial assets and ensure the inflow of funds for the good development of business.

The Company's exposure to each of these risks, the purposes, practices and processes for risk measurement and management and capital management are described below.

### 33.3. Capital risk

The Company manages its capital to ensure the continuity of their regular activities while seeking to maximize the return on their operations for all stakeholders or parties involved in their operations, by optimizing the use of debt and equity instruments.

The capital structure of the Company and its subsidiaries is made up by net indebtedness (loans and financing), less cash and cash equivalents and restricted financial investments and the Company's equity.

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>03/31/24</b>	<b>12/31/23</b>	<b>03/31/24</b>	<b>12/31/23</b>
Debt	-	-	153,241	133,564
Cash and cash equivalents, financial investments	2	-	31,791	52,210
Net Debt (net cash)	(2)	-	121,450	81,354
Equity	139,104	152,598	139,015	152,540
Debt (cash) ratio, net	0%	0%	87%	53%

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### 33.4.Credit risk

Credit risk is the risk of the Company incurring a financial loss if a customer or a counterparty to a financial instrument fails to fulfill its contractual obligations, mostly arising from receivables from recurring customers and financial investments. To mitigate this risk, the Company and its subsidiaries adopt the procedure of making a detailed analysis of their customers' equity and financial position and constantly monitoring their outstanding debt balances. Impairment losses are shown in Note 6, according to the recoverability assessment performed by Management.

For financial investments, Padtec Group only carries out transactions with low-credit-risk institutions and setting a maximum limit of investment balances, as determined by Management. Management understands that there is no significant risk to which Padtec Group is exposed, considering the concentration levels and materiality of the amounts in relation to revenue.

### 33.5.Liquidity risk

It is the risk of Padtec Group may face difficulties for the settlement of its obligations related to financial liabilities settled in cash.

The approach to the liquidity risk seeks to ensure the payment of obligations, thus, the purpose of maintaining available cash to settle short-term obligations, doing its best to always have sufficient liquidity to meet maturing obligations, under normal and stress conditions, without causing unacceptable losses or risking damage to the reputation of the Company and its subsidiaries.

Padtec Group works to align fund availability and fund generation to settle its obligations on the agreed terms. Contractual maturity is based on the most recent date when the Company and its subsidiaries should settle the related obligations:

	Consolidated			
	Book Value	Up to 1 year	1-2 years	2-19 years
Restricted financial investments	1,854	-	1,854	-
Financial transactions	89,476	40,380	28,337	20,759
Lease transactions	(16,867)	(5,189)	(5,055)	(6,623)
Loans and financing	(131,655)	(19,304)	(18,188)	(94,163)
Suppliers	(67,723)	(67,215)	(508)	-
Financial transactions	(89,476)	(40,380)	(28,337)	(20,759)
<b>Total</b>	<b>(214,391)</b>	<b>(91,708)</b>	<b>(21,897)</b>	<b>(100,786)</b>

## Padtec Holding S.A.

Management's notes to the individual and consolidated interim financial statements for the period ended march 31, 2024  
(Amounts In thousands of Brazilian reais - R\$, unless otherwise indicated)

### 33.6.Currency risk

This risk arises from the possibility of fluctuations in the exchange rates of foreign currencies used by the Company. Management analyzes and monitors its exposures in order to take decisions on contracting instruments to hedge the respective exposures in foreign currency.

The net exposure in foreign currency is shown in the table below:

	Consolidated		Consolidated	
	03/31/24		12/31/23	
	R\$	US\$	R\$	US\$
<b>Assets</b>				
Trade accounts receivable	41,879	8,382	44,023	9,093
<b>Liabilities</b>				
Loans and financing	(40,396)	(8,085)	(31,171)	(6,439)
Suppliers	(48,868)	(9,781)	(41,523)	(8,577)
<b>Total</b>	<b>(47,385)</b>	<b>(9,484)</b>	<b>(28,671)</b>	<b>(5,923)</b>

### 33.7.Interest rate risk

Padtec Group's operations are indexed to fixed rates, Long-Term Interest Rate (TJLP) and CDI. Thus, Management understands that any fluctuation in interest rates would not have any significant impact on the Company's results.

The book value of financial instruments representing the maximum exposure to interest rate risk as of the date of the interim financial statements was:

	Parent Company		Consolidated	
	03/31/24	12/31/23	03/31/24	12/31/23
<b>Assets</b>				
Cash and cash equivalents	2	-	29,937	50,456
Restricted financial investments	-	-	1,854	1,754
Tradable securities	-	-	4,112	9,920
Financial transactions	-	-	89,476	91,899
<b>Liabilities</b>				
Loans and financing	-	-	(131,655)	(112,455)
Derivative financial instruments	-	-	(776)	(1,671)
Financial transactions	-	-	(89,476)	(91,899)
<b>Net exposure</b>	<b>2</b>	<b>-</b>	<b>(96,528)</b>	<b>(51,996)</b>

### 33.8.Sensitivity analysis

Padtec Group performed a sensitivity analysis of the main risks to which its financial instruments are exposed, basically represented by variation in exchange rates and interest rates.

When exposure to risk is considered to be active, the risk to be considered is a reduction in linked indexes due to a consequent negative impact on profit or loss. Likewise, when exposure to risk is considered passive, the risk is an increase in the linked indexes, also with a negative impact on profit or loss.

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Thus, Padtec Group is qualifying the risks through the net exposure of the variables (Dollar, CDI, IGP-M, IPCA, TJLP and Selic), as shown.

	Consolidated		
	Probable scenario	25% Increase	50% Increase
<b><u>Exchange rate</u></b>			
Trade accounts receivable	41,879	10,470	20,940
Suppliers	(48,868)	(12,217)	(24,434)
Loans and financing	(40,393)	(10,099)	(20,198)
<b>Impact on profit or loss</b>		<b>(11,846)</b>	<b>(23,692)</b>
<b><u>Interest rate</u></b>			
Cash and cash equivalents	29,937	7,484	14,969
Restricted financial investments	1,854	464	927
Tradable securities	4,112	1,028	2,056
Loans and financing	(131,655)	(32,914)	(65,828)
<b>Impact on profit or loss</b>		<b>(23,938)</b>	<b>(47,876)</b>

### 34. Information by segment

The Company and its subsidiaries have only one operating segment defined in the operational context. They are organized, and their performance is evaluated, as a single business unit for operational, commercial, managerial, and administrative purposes.

### 35. Subsequent Events

In April 2024, 254,962 new shares of Padtec Holding S.A. were issued under the terms of the VIII Stock Option Plan approved by the Company's Extraordinary and Annual Shareholders' Meeting held on April 28, 2023. As a result, there was an increase in the Company's share capital in the amount of R\$ 2.5, which now comprises 79,469,626 book-entry common shares, with no par value. There are no more options pending exercise relating to this VIII Plan.

The Company's Extraordinary and Annual Shareholders' Meeting held on April 26, 2024 approved the payment of dividends to shareholders, in the amount of R\$ 3,674, which will be paid in accordance with Article 34 of the Bylaws.

This Shareholders' Meeting also approved the Company's Long-Term Incentive and Retention Plan II, which will consist of the granting of Phantom Shares, remuneration based on the market value of the Company's shares traded on B3 S.A. – Brasil, Bolsa, Balcão. There is no forecast of effective trading of shares issued by the Company, since there will be no issuance and/or delivery of shares for settlement of this Long-Term Incentive and Retention Plan II.

In April 2024, the Company received R\$ 15,000 relating to a financing contract with Finep signed in 2022. The credit facility made available in this contract totals R\$ 39,953 and the funds are released in accordance with the disbursement and proof of the costs of the strategic plan executed by the Company.

Also in April 2024, the contracting of the import financing facility (FINIMP) with Banco do Brasil was approved in the amount of U\$ 3,946 with a term of 6 months, yielding a rate of 3% per year. As this financing is in foreign currency, recent fluctuations in the exchange rate benefit the operation. The funds raised will be used in the settlement of international suppliers. The operation was executed on May 2, 2024.