



Annual Financial Statements
As of December 31, 2025

Austral Seguradora S.A.

Annual Financial Statements

December 31, 2025

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Management Report

In compliance with legal and regulatory provisions, we present the financial statements for the year ended December 31, 2025.

Organizational Context

Austral Seguradora S.A. ("Company") obtained approval from the Brazil's Private Insurance Supervisory Office - SUSEP to start its operations on October 25, 2010 and its strategic focus the operation of corporate insurance specialized in the areas of Surety Bond, Oil-Industry Risks, Engineering Risks, Named Perils and Operational Risks, Loss of Profits, General Civil Liability, Civil Liability Administrators and Directors (D&O), Civil Liability - Environmental Risks, Professional Civil Liability (E&O).

Aiming of being a competitive company in the market, the Company's main characteristic is the specialization and customization of its products, promoting differentiated and innovative solutions for its customers and the transfer of risk to its partners.

On May 16, 2025, AM Best, the global credit rating agency for the financial sector in insurance and reinsurance, reaffirmed the Financial Strength Rating (FSR) of 'A-' (Excellent) and the Long-Term Credit Rating (ICR) of 'a-' (Excellent) for the Austral Group. The group's outlook was highlighted as stable.

In AM Best's assessment, the current rating reflects the financial solidity and high strength of Grupo Austral's consolidated balance sheet, characterized by Fitch as "strongest". The report also highlights the broad risk management program, the positive results in the period and the reduction in exposure in the business lines that present greater volatility, in addition to the solid reinsurance strategy to protect and mitigate the risks it assumes.

Operations Performance

The following are the main numbers and indicators of Austral Seguradora, in the years ended December 31, 2025 and 2024:

(Amounts in millions of reais, except for percentages)

Description	12/31/2025	12/31/2024	Variation	Variation (%)
Net Premiums Written	1,229.4	1,161.8	67.6	5.8%
Premiums earned	1,126.1	1,181.4	(55.3)	(4.7%)
Claims Occurred	(224.0)	(299.8)	75.8	(25.3%)
Administrative Expenses	(48.4)	(44.3)	(4.1)	9.3%
Financial income (Costs)	23.8	15.9	7.9	49.7%
Net income for the year	53.0	43.4	9.6	22.1%
Equity	274.7	270.0	4.7	1.7%
Administrative Expenses Ratio	3.9%	3.8%		0.1 p.p.
Loss Ratio	19.9%	25.4%		(5.5 p.p.)
Combined Ratio	97.1%	97.2%		(0.1 p.p.)

Premiums

The Company's net written premiums reached R\$1,229.4 million in the year ended December 31, 2025, an increase of 5.8% compared to the R\$1,161.8 million recorded in the same period in 2024. The main increase in revenues during this period was derived from the guarantee sector, which experienced a growth of 20.2%.

Loss Ratio

The highlight was the best loss ratio in the guarantee branch, which recorded an impact of only 1.4% in the year ended December 31, 2025 (0.3% as of December 31, 2024). The company recorded a loss ratio of 19.9% in the 2025 fiscal year, (-5.5 p.p. compared to the year 2024), within the planning expectations and with significant assignment to first-tier reinsurers.

Administrative Expenses

The control of administrative expenses continues to be an important pillar for the Company's efficiency, in 2025 the company kept administrative expenses controlled and the administrative expense ratio for the fiscal year ending December 31, 2025, was 3.9%, in line with the year 2024. It recorded an increase of 9.3% compared to the same period in 2024.

Financial Income (costs)

During the year ended December 31, 2024, the Company achieved a financial result of R\$ 23.8 million, compared to R\$ 15.9 million in the same period of 2024. Excluding the effect of Interest on Equity (JCP) in this category, Austral reported a financial result of R\$44.0 million for the 2025 fiscal year, surpassing the R\$33.4 million recorded in 2024.

The Management declares that the Company has the financial capacity that enables the prospects for the coming years. Furthermore, they declare that there are no securities or financial instruments classified in the 'held to maturity' category for this fiscal year.

Income and Equity

As a result of the factors highlighted above, the Company reported a net income growth of 22.1% in 2025, reaching R\$ 53.0 million (R\$ 43.4 million in the same period in 2024). The Shareholders' equity reported was R\$ 274.7 million (R\$ 270.0 million as of December 31, 2024), representing a growth of 1.7%, and the total assets amounted to R\$ 3,213.7 million as of December 31, 2025 (R\$ 2,868.2 million as of December 31, 2024).

The Company's Management reinforces its constant commitment to the improvement of operational processes and the development of controls and the adoption of the best corporate governance practices.

The Company plans to maintain its profitable growth trajectory and relevant presence in the markets in which it operates, maintaining an underwriting policy based on the best techniques, with an adequate capital structure, a qualified team and a focus on efficiency and agility in serving customers and business partners.

Distribution of Dividends

In accordance with its Bylaws, the company has a reinvestment policy, where it may maintain the statutory profit reserve called "Investment Reserve", which will be intended to finance the expansion of the digitalization of the Company's activities, as well as the development of new digital processes. On May 5, 2025, the Company distributed R\$ 30 million in dividends to Austral Participações.

Gender Indicators

The Company adopts the promotion of gender equity, diversity, and inclusion, aligned with best practices in corporate governance, ESG principles, and current legislation.

Management believes that a plural environment fosters innovation and broadens the Company's management perspectives. Furthermore, a healthy and welcoming organizational culture strengthens employee well-being, increasing safety, satisfaction, and consequently productivity and results. Working towards reducing inequality generates long-term impacts for the insurance sector, enhancing its penetration and mitigating socioeconomic risks that influence claims.

Quantity and Proportion of Women by Hierarchical Level

Hierarchical Level	2024			2025		
	Total Employees	Women	% Women	Total Employees	Women	% Women
CEO	1	-	-	1	-	-
Director ¹	4	1	25%	4	2	50%
Manager	14	5	36%	13	7	54%
Coordinator	9	6	67%	8	5	63%
Specialist	5	3	60%	3	2	67%
Analyst	50	33	66%	52	33	63%
Assistant	4	1	25%	3	1	33%
Intern	6	4	67%	13	3	23%

Women in Management Positions

Agency	2024			2025		
	Total Positions	Women	% Women	Total Positions	Women	% Women
Board of Directors ²	3	-	-	3	-	-
Statutory Executive Board ¹	5	1	20%	5	2	40%
Total Management	8	1	13%	8	2	22%

Gender Pay Statement (Positions)

Hierarchical Level	Proportion of Average Total Compensation between Men and Women	
	2024	2025
CEO	n/a	n/a
Director	0,87	0,94
Manager	1,04	0,88
Coordinator	0,86	0,98
Specialist	1,02	1,06
Analyst	0,98	0,98
Assistant	1,05	1,07
Intern	1,00	1,00

¹ There is a prior approval process underway with SUSEP for the election of one female director, and this indication is reflected in the indicator.

² The Board of Directors of Austral Participações S.A., the sole shareholder of the Company, includes two female board members.

Comparative Evolution of Indicators

Indicator	Previous Year - 2024	Current Year - 2025	Variation
% Women – Total	53	52	(2%)
Senior Leadership	1	1	-
Manager	5	7	40%
Coordinator	6	5	(17%)

Acknowledgements

Finally, the Company thanks its team for their commitment and dedication, the Superintendence of Private Insurance - SUSEP, as well as customers, partners, suppliers and shareholders for the trust placed in them.

Rio de Janeiro, February 23, 2026.

The Management.

Audit Committee Report

To the Members of the Boards of Directors of Austral Participações S.A. and Austral Seguradora S.A.

Rio de Janeiro – RJ

The Audit Committee ("Committee") of Austral Participações S.A., established under the terms of the applicable regulations, and whose activities include Austral Seguradora S.A. (Austral Seguradora or "Company"), operates in accordance with the Company's bylaws and the internal regulations approved by the Board of Directors.

It is incumbent upon the Audit Committee to advise the Board of Directors in its audit and inspection functions and to express its opinion on (i) the quality, adequacy and reliability of the financial statements, (ii) the effectiveness of the internal control system, and (iii) the effectiveness of internal and independent audits, including the verification of compliance with legal and regulatory provisions applicable to the Company, in addition to internal regulations and policies.

During the year ended December 31, 2025, the Committee developed its activities based on a work plan prepared under the terms of its internal regulations, which mainly included: (i) meetings with Senior Management and with the main managers; (ii) follow-up and monitoring of the work of the areas responsible for the preparation of financial statements, the internal control system, risk management activities and the compliance function; (iii) evaluation of the planning, scope and effectiveness of the work carried out by the internal audit; (iv) evaluation of the scope, performance, effectiveness and independence of the independent auditors; and (v) evaluation of the structure, operation and effectiveness of the internal controls and compliance and risk management systems, as well as the quality and integrity of the financial statements.

The responsibility for the preparation of the financial statements, in accordance with the accounting practices adopted in Brazil, applicable to the entities supervised by the Superintendence of Private Insurance - SUSEP, is the responsibility of the Management of Austral Seguradora. It is also responsible for establishing procedures that ensure the quality of the information and processes used in the preparation of financial statements, managing the risks of operations, and implementing and supervising internal control and compliance activities.

The independent auditor is responsible for examining the financial statements and issuing a report on their adequacy in accordance with the Brazilian auditing standards established by the Federal Accounting Council (CFC).

The internal audit is responsible for evaluating the effectiveness of internal controls and risk management and the processes that ensure adherence to the rules and procedures established by the Management and the legal and regulatory standards applicable to the activities of Austral Seguradora.

The Committee acts through meetings, in which it conducts analyses based on documents and information submitted to it, in addition to other procedures it deems necessary. The Committee's evaluations are based on information received from Management, independent auditors, internal audit, those responsible for risk management and internal controls, and on its own analyses resulting from direct observation.

The Committee has established a regular channel of communication with the independent auditors, having become aware of the annual work plan and the work carried out and its results, including the Independent Auditors' Report that is being issued on this date. The Committee also evaluated the adherence of independent auditors to the policies and standards that deal with the maintenance and monitoring of the objectivity and independence with which these activities must be carried out.

The Committee evaluated the processes for preparing the financial statements and discussed with Management and the independent auditors the relevant accounting practices used, and the information disclosed.

The Committee held regular meetings with the CEO, other Directors of Austral Seguradora, and those responsible for the areas of Internal Audit, Risk, and Compliance, and no need for recommendations to Management regarding matters within its scope of action was identified.

Thus, having fulfilled its duties as described in this report, the Committee, considering its responsibilities and the inherent limitations of the scope and reach of its activities, did not identify any evidence of deficiencies in internal controls and believes that the internal control system, internal audit, and the independent accounting audit by Ernst & Young Auditores Independentes S/S Ltda. meet the effectiveness requirements set forth by the current regulations.

The Committee is of the opinion that the financial statements for the year 2025, ending on December 31, 2025, are in compliance and recommend their approval to the Board of Directors.

The Committee was not aware of the occurrence of an event, complaint, non-compliance with rules, absence of controls, act or omission on the part of Management or evidence of fraud that, due to its relevance, would jeopardize the continuity of Austral Seguradora or the reliability of its financial statements.

Having fulfilled its duties, as described above, the Committee is of the opinion that the financial statements of Austral Seguradora S.A., corresponding to the year ended December 31, 2025, duly audited by Ernst & Young Auditores Independentes S/S Ltda, are in a position to be approved by the Board of Directors.

Rio de Janeiro, February 23, 2026.

Laenio Pereira dos Santos
President

Jorge Augusto Hirs Saab
Member

Elizabeth Viera Valente Bartolo
Member



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A free translation from Portuguese into English of Independent auditor's report on financial statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil applicable to entities under Brazil's Private Insurance Supervisory Office (SUSEP) supervision

Independent auditor's report on financial statements

To the Officers and Shareholders of

Austral Seguradora S.A.

Opinion

We have audited the financial statements of Austral Seguradora S.A. ("Company"), which comprise the statement of financial position as at December 31, 2025 and the statements of profit or loss, of comprehensive income, of changes in equity, and of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Austral Seguradora S.A. as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with the accounting practices adopted in Brazil, applicable to entities supervised by the Superintendence of Private Insurance (SUSEP).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by Brazil's National Association of State Boards of Accountancy ("CFC") and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current year. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

Measurement and recognition of actuarial technical provisions of insurance contracts and reinsurance assets

As disclosed in explanatory note n°13, on December 31, 2025, the Company has balances consisting of actuarial technical provisions arising from insurance contracts and reinsurance assets arising from the risks assigned, estimated based on professional judgment carried out



by the board of directors in the definition of methodologies and assumptions, such as: expected loss ratio, historical development of claims, discount rate, expenses related to risks assumed, risks assumed and in force of policies in the process of being issued, among others.

The evaluation of these methodologies and assumptions was considered the main subject of the audit due to the magnitude of the amounts involved, the subjectivity and complexity of the measurement process related to the provision of claims that occurred and were not reported, the provision of premiums not earned from risks in force and not issued, and the adequacy test of liabilities.

How our audit handled this issue

Our audit procedures included, among others: (i) the use of actuarial specialists to assist us in the evaluation and testing of the actuarial models and assumptions used in the measurement of technical provisions arising from insurance contracts and reinsurance assets arising from the assigned risks entered into by the Company, including those related to the liability adequacy test; (ii) the performance of tests of integrity, completeness and consistency, on a sample basis, of the information used in the calculations of the technical provisions and the respective reinsurance assets arising from the risks ceded; (iii) the performance of independent calculations sensitizing the main assumptions used; and (iv) the review of the adequacy of the disclosures included in the financial statements; and (v) assessment of the design of IBNR controls.

Other information accompanying the financial statements and the auditor's report

The Company's executive board is responsible for such other information, which comprises the Management Report.

Our opinion on the financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and those charged with governance for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices adopted in Brazil, applicable to the entities supervised by the Superintendence of Private Insurance (SUSEP), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- We determine materiality according to our professional judgment. The concept of materiality is applied in the planning and execution of our audit, in the assessment of the effects of the misstatements identified throughout the audit, of the uncorrected misstatements, if any, on the financial statements as a whole and in the formation of our opinion.
- The determination of materiality is affected by our perception of the financial information needs of users of financial statements. In this context, it is reasonable for us to assume that the users of the financial statements (i) have reasonable knowledge of the Company's business, commercial and economic activities and the willingness to analyze the information in the financial statements with reasonable diligence; (ii) understand that the financial statements are prepared, presented and audited considering levels of materiality; (iii) recognize the uncertainties inherent in the measurement of values based on the use of estimates, judgment and consideration of future events; and (iv) make reasonable economic decisions based on the information in the financial statements.

- When planning the audit, we exercised judgment on the misstatements that would be considered material. These judgments provide the basis for determining: (a) the nature, timing, and extent of risk assessment procedures; (b) the identification and assessment of the risks of material misstatement; and (c) the nature, timing and extent of additional audit procedures.
- The determination of materiality for planning involves the exercise of professional judgment. We often apply a percentage to a selected benchmark as a starting point for determining materiality for the financial statements as a whole. Materiality for audit performance means the amount set by the auditor that is less than what is considered relevant for the financial statements as a whole to adequately reduce to a low level the likelihood that misstatements, not corrected and not detected as a whole, will exceed materiality for the financial statements as a whole.
- Identified and assessed the risks of material misstatements of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluded on the appropriateness of executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast substantial doubt as to the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion on the statement of financial position. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or future conditions may cause the Company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represented the underlying transactions and events in a manner that achieves fair presentation.

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



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

Rio de Janeiro, February 25, 2026.

Ernst & Young
Auditores Independentes S/S Ltda.
CRC SP-015199/F

A handwritten signature in blue ink, appearing to read 'Marcelo Felipe L. de Sá', is written over a horizontal blue line.

Marcelo Felipe L. de Sá
Partner
Counter CRC RJ-094644/O



**To the Shareholders and Management of
Austral Seguradora S.A.
Rio de Janeiro – RJ
Corporate Taxpayer Identification (CNPJ): 11.536.561/0001-26**

We examined the technical provisions and the reinsurance assets recorded in the financial statements, as well as the statements of the minimum required capital, the reducing values of the coverage needs of the technical provisions, the credits with reinsurers related to claims and expenses with claims, the analysis of the regulatory solvency indicators, including the adjustments associated with the economic variation of the adjusted net equity and the retention limits of Austral Seguradora S.A. (“Company”), as of December 31, 2025, prepared under the responsibility of its Management, in accordance with the actuarial principles disclosed by the Brazilian Institute of Actuaries – IBA and with the regulations of the Brazil’s Private Insurance Supervisory Office – SUSEP and the Brazilian Board of Private Insurance – CNSP

Management's Responsibility

The Management of the Company is responsible for the preparation of the audited items defined in the first paragraph above, prepared in accordance with the actuarial principles disclosed by the Brazilian Institute of Actuaries – IBA and with the regulations of the Brazil’s Private Insurance Supervisory Office – SUSEP and the Brazilian Board of Private Insurance - CNSP, and for the databases and respective internal controls that it determined as necessary to allow their preparation free of relevant distortion, regardless of whether caused by fraud or error.

Responsibility of Independent Auditor Actuaries

Our responsibility is to express an opinion strictly on the audited items related in the introductory paragraph of this opinion, based on our actuarial audit, conducted in accordance with the general principles issued by the Brazilian Institute of Actuaries – IBA and based on our accumulated knowledge and experience regarding appropriate actuarial practices. These actuarial principles require that the actuarial audit be planned and executed with the objective of obtaining reasonable assurance that the respective audited items are free from relevant distortion.

In particular regarding the solvency aspect of the Company, our responsibility to express an opinion strictly refers to the adequacy of the constitution of the technical provisions and their reducing financial coverage assets, according to the aforementioned regulations and principles, as well as the compliance by the audited Company with the capital requirements according to the minimum limits stipulated by the current regulations of the Brazil’s Private Insurance Supervisory Office – SUSEP and the Brazilian Board of Private Insurance – CNSP, and does not refer to the quality and valuation of the financial coverage of both the technical provisions, net of reducing assets, and the regulatory capital requirements.



An actuarial audit involves the execution of selected procedures to obtain evidence regarding the items defined in the first paragraph above. The selected procedures depend on the actuary's judgment, including the assessment of the risks of relevant distortion regardless of whether caused by fraud or error. In these risk assessments, the actuary considers that the internal controls of the Company are relevant for planning the actuarial audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of those internal controls.

We believe that the audit evidence obtained is sufficient and appropriate to support our actuarial audit opinion.

Opinion

In our opinion, the technical provisions and the reinsurance assets recorded in the financial statements and the statements of the minimum required capital, the reducing values of the coverage needs of the technical provisions, the credits with reinsurers related to claims and expenses with claims, the analysis of the regulatory solvency indicators, including the adjustments associated with the economic variation of the adjusted net equity and the retention limits of Austral Seguradora S.A. as of December 31, 2025, were prepared, in all relevant aspects, in accordance with the norms and guidelines issued by the Brazil's Private Insurance Supervisory Office – SUSEP, by the Brazilian Board of Private Insurance - CNSP, and by the Brazilian Institute of Actuaries – IBA.


Other Matters

In the context of our responsibilities described above, considering the assessment of the risks of relevant distortion in the items included in the scope defined in the first paragraph, we also applied selected procedures on the databases provided by the Company and used in our actuarial audit, based on tests applied on samples. We consider that the data selected in our work can provide reasonable assurance to allow the referred items included in the scope defined in the first paragraph to be free from relevant distortion. Additionally, also based on selected procedures, with tests applied on samples, we observed that there is correspondence of these data, which served as the basis for the determination of the items included in the scope defined in the first paragraph, with those submitted to SUSEP through the respective Statistical Tables and FIP (exclusively in the tables concerning the scope of the actuarial audit), for the audited exercise, in its most relevant aspects.

São Paulo, February 25, 2026.



ERNST & YOUNG Serviços Atuariais S/S Ltda., CIBA 57
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Balance Sheets

On December 31, 2025, and 2024
(In thousands of reais)

	<u>Notes</u>	<u>12/31/2025</u>	<u>12/31/2024</u>
Assets			
Current Assets		2,440,229	1,977,802
Cash and cash equivalents		2,229	2,967
Financial Investments	5	399,753	181,592
Receivables from insurance and reinsurance contracts	7	733,651	581,311
Premiums receivable		681,720	544,737
Transactions with insurance companies		5,416	5,710
Transactions with reinsurance companies		46,515	30,864
Other operating credits		7,497	1,969
Reinsurance assets	13	1,201,836	1,124,030
Securities and accounts receivable	8	37,093	31,358
Securities and receivables		26,510	-
Tax and social security receivables		9,981	30,936
Court and tax deposits		-	108
Other receivables		602	314
Other valuables and assets		1,250	-
Goods for sale		1,250	-
Prepaid expenses		281	309
Deferred acquisition costs	9	56,639	54,266
Non-current Assets		773,461	890,413
Long-term Assets		758,620	878,523
Financial investments	5	77,828	212,074
Receivables from insurance and reinsurance contracts	7	169,783	231,240
Other operating credits	13	540	-
Reinsurance assets		379,817	335,763
Securities Other receivables	8	30,009	18,789
Other assets		10,336	9,022
Deferred acquisition costs	9	90,307	71,635
Investments		-	500
Property and Equipment		716	888
Intangible Assets		14,125	10,502
Total assets		3,213,690	2,868,215

The explanatory notes are an integral part of the annual financial statements.

Balance Sheets

On December 31, 2025 and 2024
(In thousands of reais)

Liabilities	Notes	12/31/2025	12/31/2024
Current Liabilities		2,192,253	1,893,587
Accounts Payable		62,640	60,938
Obligations Payables		27,836	23,693
Taxes and social charges payable	10	31,788	33,945
Payroll and related charges		2,302	2,199
Taxes and contributions		714	1,101
Payables from insurance and reinsurance contracts		732,929	535,772
Refundable premiums	2.3	-	16,371
Transactions with insurance companies		33,614	18,885
Transactions with reinsurance companies	11	638,599	452,596
Insurance and reinsurance brokerage firms		52,713	43,775
Other operating payables		8,003	4,145
Third-party deposits	12	8,803	27,501
Technical Provisions	13	1,387,212	1,268,075
Other debts		669	1,301
Non-current liabilities		746,787	704,598
Payables for insurance and reinsurance contracts		144,856	201,599
Transactions with insurance companies		20,629	23,247
Transactions with reinsurance companies	11	99,323	154,804
Insurance and reinsurance brokerage firms		24,904	23,548
Technical Reserves	13	590,312	493,846
Other Payables		11,619	9,153
Equity	16	274,650	270,030
Share capital		133,525	133,525
Capital reserve		4,250	4,483
Profit Reserves		143,345	141,923
Security adjustment		(6,470)	(9,901)
Total liabilities and stockholders' equity		3,213,690	2,868,215

The explanatory notes are an integral part of the annual financial statements.

Income Statements

Fiscal years ended December 31, 2025 and 2024

(In thousands of reais, except net income per share - in reais)

	<u>Notes</u>	<u>12/31/2025</u>	<u>12/31/2024</u>
Written Premiums		1,229,449	1,161,817
Changes in premium technical reserves		(103,330)	19,533
Earned Premiums	21/22.a	1,126,119	1,181,350
Incurred Losses	22.b	(224,042)	(299,818)
Acquisition costs	22.c	(59,973)	(58,284)
Other operating income (expenses)	22.d	(5,206)	(1,156)
Reinsurance Gains (Losses)	22.e	(741,126)	(728,374)
Administrative expenses	22.f	(48,425)	(44,282)
Tax expenses	22.g	(15,078)	(16,201)
Net Finance Income (costs)	22.h	23,818	15,906
Equity result	22.i	22,000	17,491
(=) Profit before taxes and profit sharing		78,087	66,632
Income tax	19	(11,064)	(9,601)
Social contribution Tax	19	(6,920)	(6,090)
Profit Sharing		(7,146)	(7,561)
(=) Profit for the year		52,957	43,380
Number of shares		69,151,585	69,151,585
Earnings per Thousand Shares - in reais	20	0.7658	0.6273

The explanatory notes are an integral part of the annual financial statements.

Statements of Comprehensive Income

Fiscal years ended December 31, 2025 and 2024
(In thousands of reais)

	<u>Notes</u>	<u>12/31/2025</u>	<u>12/31/2024</u>
Profit for the year		52,957	43,380
Financial assets measured at fair value through other comprehensive income (VJORA)			
Change in the fair value of financial assets measured at fair value through other comprehensive income (VJORA)	5.c	5,709	(9,494)
Impairment – securities		5	(1)
Effect of income tax and social contribution taxes	8.b.1	(2,283)	3,798
Total comprehensive Income (loss) for the year, net of taxes		3,431	(5,697)
Total comprehensive income for the year		56,388	37,683

The explanatory notes are an integral part of the annual financial statements.

Statements of Changes in Shareholders' Equity

On December 31, 2025 and 2024

(In thousands of reais)

	Notes	Share capital	Capital reserve	Profit reserves	TVM Adjustment	Retained earnings	Total
Balance as of December 31, 2023		116,125	4,376	133,458	(4,204)	-	249,755
Initial adoption of impairment		-	-	(69)	-	-	(69)
Increase in capital – (Administrative rule NO. 1434 of July 26, 2024)		17,400	-	(17,400)	-	-	-
Unrealized loss on securities measured at fair value through other comprehensive income (VJORA)		-	-	-	(5,697)	-	(5,697)
Share-based incentive	17	-	107	45	-	-	152
Profit for the year		-	-	-	-	43,380	43,380
Proposal for distribution of the result:	16.c						
Constitution of a legal reserve		-	-	2,169	-	(2,169)	-
Distribution of interest on equity		-	-	-	-	(17,491)	(17,491)
Constitution of other profit reserves		-	-	23,720	-	(23,720)	-
Balance as of December 31, 2024		133,525	4,483	141,923	(9,901)	-	270,030
Distribution of Additional Dividends as of March 31, 2025		-	-	(30.000)	-	-	(30.000)
Unrealized Gain on Securities Measured at Fair Value (VJORA)		-	-	-	3.431	-	3.431
Share-based incentive	17	-	(233)	465	-	-	232
Profit for the year		-	-	-	-	52.957	52.957
Proposal for distribution of the result:	16.c						
Constitution of a legal reserve		-	-	2.648	-	(2.648)	-
Distribution of interest on equity		-	-	-	-	(22.000)	(22.000)
Constitution of other profit reserves		-	-	28.309	-	(28.309)	-
Balance as of December 31, 2025		133.525	4.250	143.345	(6.470)	-	274.650

Explanatory notes are an integral part of the annual financial statements.

Statements of Cash Flows

On December 31, 2025 and 2024

(In thousands of reais)

	<u>12/31/2025</u>	<u>12/31/2024</u>
Cash flow from operating activities		
Profit for the year	53,957	43,380
Adjustments for:		
Depreciation and amortization	5,544	4,781
Impairment loss	3,337	157
Technical reserves net of reinsurance assets	149,025	108,438
Deferred Tax Liabilities	3,777	(3,321)
Foreign Exchange Variation	(3,022)	350
Other adjustments	1,892	(1,422)
	213,510	155,334
Changes in statement of financial position accounts		
Financial assets	(78,198)	(42,160)
Receivables from insurance and reinsurance contracts	(56,286)	16,101
Securities and receivables	(26,512)	(22,136)
Third-party deposit	(18,736)	13,447
Deferred acquisition costs	(21,046)	(16,645)
Payables for insurance and reinsurance contracts	107,783	(49,962)
Obligations payables	16,612	37,498
Court and tax deposits	95	-
Other Operating Receivables	(5,529)	(62)
Others	(1,261)	(96)
Losses paid	(57,527)	(59,682)
Income tax and social contribution taxes paid	(18,642)	(13,129)
Net cash generated (consumed) by operating activities	54,263	18,508
Cash flow from investing activities		
Acquisition of property and equipment	(407)	(45)
Acquisition of intangible assets	(7,471)	(6,104)
Net cash used in investing activities	(7,878)	(6,149)
Cash flow from financing activities		
Payment of interest on equity capital	(14,867)	(15,970)
Dividend Payment	(30,000)	-
Leases	(2,256)	(2,479)
Net cash consumed by financing activities	(47,123)	(18,449)
Net decrease in cash and cash equivalents	(738)	(6,090)
Cash and cash equivalents at the beginning of the year	2,967	9,057
Cash and cash equivalents at year-end	2,229	2,967

The explanatory notes are an integral part of the annual financial statements.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

1. Operations

Austral Seguradora S.A. ("Company") headquartered in Brazil and headquartered at Avenida Bartolomeu Mitre, 336 – 3rd floor, Leblon, in the city of Rio de Janeiro, is a privately held company, registered with the Board of Trade of the State of Rio de Janeiro on January 15, 2010. The Company's purpose is to operate insurance and coinsurance operations in the areas of damage, as defined in the legislation in force, operating throughout the national territory.

The Company is controlled by Austral Participações S.A., which holds all the shares.

1.1. Information on operating segment products and services

Insurance contracts are those contracts in which the Company accepts the significant insurance risk of another party by agreeing to pay insurance indemnity to the policyholders in the event of the occurrence of a specified uncertain future event with an adverse effect on the policyholder. Insurance premiums and marketing expenses are recorded at the time of the issuance or beginning of the risk, whichever occurs first, and the portion of the premium earned, as well as the respective commission installments, are recognized in the income statement according to the elapsed period of validity of the covered risk.

The Company concentrates its operations in the following lines of insurance: surety, both public and private, oil risks, directors' and directors' liability (D&O), professional liability (E&O), general liability (RCG) and named and operational risks. The Company permanently evaluates current and potential business lines that are aligned with its business strategy and adequate profitability prospects. In this sense, the Company reevaluated its operation in the maritime transport and risks segment (hull) and decided to place them in *runoff*, always maintaining the commitment to the obligations previously assumed.

The Company operates throughout the national territory, predominantly in the following lines:

i. Performance and surety bonds – public sector and private sector

This insurance guarantees the fulfillment of contractual obligations assumed by the policyholder, with the insured, protecting against any losses caused by non-compliance with contractual clauses.

Surety Bonds replace other forms of guarantee commonly used in the market, presenting some advantages, the main ones being: (i) it does not compromise the companies' credit lines, leaving their financial resources free for their operational activity; (ii) agility in contracting; and (iii) lower economic burden.

Surety Bonds are usually required in contracts of the Public Administration or the private sector, to ensure the fulfillment of obligations in construction, supply, service provision, public service concessions, participation in bids, in addition to being widely used in legal proceedings, aiming to guarantee judgment.

Among the types of Surety Bonds offered by the Company, the following stand out:

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

- **Surety bond insurance:** this insurance guarantees amounts in dispute in lawsuits that require deposit in court throughout the proceedings, as a new guarantee or in replacement of the previously existing guarantee, whether in the civil, labor, tax or appeal deposits, including in incidentals procedures or urgent measures, such as precautionary measures, writs of mandamus, and others.
- **Surety bond insurance for tax credits claimed at the administrative:** level this insurance attests to the veracity of the tax credits informed by the policyholder in administrative proceedings at the federal, state or municipal levels, and is generally used to release such credits or to cover the policyholder's permanence in special tax regimes.
- **Surety bond insurance for customs obligations:** this insurance guarantees the fulfillment of the obligations of the policyholder linked to the Term of Responsibility referred to in Decree No. 6,759, of February 5, 2009, in accordance with the Normative Instructions of the Federal Revenue Service on the subject.
- **Bidder's performance bond insurance:** this insurance ensures that in public or private bids, the winning policyholder maintains its proposal and signs the contract under the conditions presented and within the deadline established in the notice. This insurance is often requested in bidding procedures such as auctions, public tenders, price takings, and invitation letters.
- **Performance bond insurance for construction, supply and other services:** this modality guarantees the fulfillment of all obligations assumed in the contract for construction, supply or provision of services, protecting the insured against the risk of default by the policyholder.
- **Bond insurance for advance payments:** this insurance ensures that the amounts received as advances in contracts are intended for the immediate execution of the contractual object, that is, the completion of the planned stage of a work, for example, until its completion. This type of insurance allows, for example, the release of funds to a supplier, without the latter having to use its cash flow and, for the contractor, represents a guarantee that the advanced resources will be applied in the supply of equipment or in the execution of the works as contractually foreseen.
- **Performance bond insurance for corrective maintenance:** this insurance guarantees the execution of corrective actions pointed out by the contractor and necessary for the repair of problems that occurred during the contractual performance, under the sole responsibility of the policyholder.

ii. Oil & Gas Insurance

This insurance guarantees coverage for goods, equipment and civil liability, arising from the risks related to oil and/or gas prospecting, exploration, drilling and production operations, *onshore* and *offshore*. In addition, it also guarantees coverage for works and constructions related to the sector, as well as for revenue losses derived from business interruption.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

The insured persons of this product may be operators, suppliers and/or service providers operating in the oil and gas industry and for coverage of risks of construction of *offshore equipment*.

iii. Directors and Officers Liability Insurance (D&O)

D&O Liability insurance covers the amounts owed to third parties by directors or officers of the company contracting the insurance as a result of investigations and judicial, administrative or arbitration proceedings related to their performance in their capacity as managers of the contracting company. This includes, but is not limited to, civil, labor, tax, consumer, or social security lawsuits, due to the personal, joint or subsidiary liability of the director or officer.

Among the D&O insurance coverages, the following may be listed: (i) direct indemnity to the insured (former administrator); (ii) indemnification to the policyholder (e.g. company) that has advanced the costs to the insured; and (iii) indemnity applied in cases where the company has securities trading, in which cases of management-related claims may be insured, for example.

It is important to mention that this product presents as a possibility the contracting of a secondary environmental civil liability product for directors and administrators, covering the defense costs and any indemnities due by the insured in claims involving damage caused to the environment without covering the cleaning costs due.

iv. Errors and Omissions (E&O) Liability Insurance

E&O insurance has coverage for indemnification arising from third-party claims against the insured, who may be an individual or legal entity specified in the policy, for professional failures for which the insured is held responsible, resulting in judicial, administrative or arbitration proceedings.

This insurance is usually used by liberal professionals and service providers who are subject to complaints about the performance of their activity (e.g., law firms), covering the costs of defense and any indemnities owed by the insured when there is legal liability due to any professional failure, always according to the terms agreed upon in the policies.

v. Civil Liability Insurance

The RCG Insurance guarantees the insured the payment of indemnities due to third parties when held liable for damages caused in the performance of their activities, with the objective of protecting the insured's assets from the losses they may incur due to their civil liability.

This insurance can be contracted by companies that perform the most diverse economic activities and are interested in protecting their assets from exposure to causing damage to third parties, from commerce to the most complex industrial activities, including the services sector, civil construction, events, entertainment, among others.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

vi. **Named perils insurance and operational all risks insurance**

Named and Operational Risk Insurance are those that guarantee property losses and damages and loss of profits to the insured assets. In general, they offer coverage for fire, lightning strike, explosion or implosion, electrical damage, machinery breakdown, flooding, that is, damage related to the operations of industrial plants or companies in the most diverse segments of the economy.

For cases in which the insured amount is below the limit established by law of R\$ 100 million, the Company issues this type of insurance in the Business Comprehensive line.

2. Annual financial statements

The annual financial statements were prepared in accordance with the provisions of SUSEP Circular No. 648, of November 12, 2021, and its updates, CNSP Resolution No. 453, of December 19, 2022, and its amendments, technical pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee - CPC, the Actuarial Pronouncements Committee - CPA, when endorsed by SUSEP, hereinafter referred to, as a whole, "accounting practices adopted in Brazil applicable to entities supervised by SUSEP".

The authorization to issue these annual financial statements was granted by the Company's Board of Directors on February 23, 2026.

2.1. Basis of measurement

The amounts presented in the annual financial statements are expressed in reais - (R\$), and have been rounded to thousands of reais (R\$ 000), except when otherwise indicated. These annual financial statements were prepared on a historical cost basis, with the exception of lease liabilities, which were recognized at the present value of the obligations, and the following items, which were recognized in the balance sheet at fair value:

- Financial instruments measured at fair value through profit or loss (Note 5); and
- Financial instruments measured at fair value through other comprehensive income (Note 5).

2.2. Functional and presentation currency

The Company's functional and presentation currency is the real (R\$). This is the currency of the main economic environment in which the Company operates. Transactions in foreign currency were translated at the exchange rate into the functional currency on the date of the transaction or the immediately preceding business day. Gains or losses from the conversion of balances resulting from the settlement of such transactions were recognized in profit or loss for the year. Monetary assets and liabilities denominated in foreign currency were converted to functional currency based on the exchange rate prevailing on the closing date of the balance sheet, and the differences resulting from the translation were posted directly against profit or loss for the year.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

The exposure to foreign exchange risk arising from foreign currency operations, as well as their management, is detailed in Note 4.

2.3. Changes in Accounting Practice

• Refunds of Premiums to Policyholders

On February 11, 2025, and April 30, 2025, the Superintendence of Private Insurance (SUSEP) issued Electronic Circulars No. 1/2025/COMOC/CGMOP/DISUP/SUSEP and No. 4/2025/COMOC/CGMOP/DISUP/SUSEP, respectively, through which it regulated that the amounts related to the refunds of premiums by insurers to policyholders must be included in the provision for redemptions and other amounts to be regularized (PVR).

Starting in April 2025, the Company began to record the premiums to be refunded as part of the PVR, with the main impacts being the reclassification of the following items:

- Premiums to be refunded from direct operations: previously recorded under "Premiums to be refunded," now included in the "Technical Provisions" category amounting to R\$ 33,129 as of December 31, 2025 (R\$ 16,371 as of December 31, 2024);
- Premiums to be refunded from accepted coinsurance: previously recorded under "Debits from insurance and reinsurance operations - Operations with insurers," now included in the "Technical Provisions" category amounting to R\$ 5,302 as of December 31, 2025 (R\$ 178 as of December 31, 2024);
- Recoverable premiums – Reinsurance: previously recorded under "Credits from insurance and reinsurance operations - Operations with reinsurers," now included in the "Reinsurance Assets" category amounting to R\$ 6,395 as of December 31, 2025 (R\$ 3,423 as of December 31, 2024); and
- Recoverable premiums – ceded coinsurance: previously recorded under "Credits from insurance and reinsurance operations - Operations with insurers," now included in the "Technical Provisions" category amounting to R\$ 25 as of December 31, 2025 (R\$ 15 as of December 31, 2024).

Due to the nature of the changes and the guidance from the Superintendence of Private Insurance (SUSEP) itself, all effects are being presented prospectively.

3. Material accounting policies

The material accounting policies adopted by the Company are summarized below:

3.1. Cash and cash equivalents

Refers to cash on hand and positive balances in the current account, with negligible risk of a change in fair value, and refers to resources used by the Company to manage its short-term commitments.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

3.2. Financial instruments

The Company applies CPC 48 – Financial Instruments, accounting for its respective items as described below:

- **Derivatives**

These are operations involving derivative financial instruments intended to hedge risks associated with the variation of interest rates and exchange rates. Derivative transactions are registered and traded at B3 S.A. - Brasil, Bolsa Balcão.

After initial recognition, derivatives are measured at fair value and the respective changes are recorded in profit or loss and are classified in the category of financial assets measured at fair value through profit or loss.

For the valuation of derivative financial instruments, market price quotes are used to determine the fair value of these instruments. The fair value of futures contracts is determined based on market price quotes for exchange-traded derivatives.

- **Measured at fair value through profit or loss**

Securities acquired for the purpose of being frequently traded are accounted for at fair value and classified in current assets. The Company's portfolio is managed by Vinci Gestora de Recursos Ltda. and by Genial Gestão Ltda. and its assets are recorded at fair value based on the marking of prices in the active market.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable data and minimizing the use of unobservable data.

For government securities, the market values were determined based on the quotations published by the Brazilian Association of Financial and Capital Markets Entities - ANBIMA. The shares of the investment funds are valued based on the unit value of the share on balance sheet closing date, as informed by the Directors of the respective investment funds. The market value of the funds listed in the portfolio was obtained from the price traded on B3 S.A. - Brasil, Bolsa Balcão.

- **Measured at fair value through other comprehensive income - VJORA**

All non-derivative financial assets that are not designated in the previous category are classified in this category. After initial recognition, these assets are measured at fair value and changes that are not due to impairment losses are recognized in other comprehensive income and presented in equity. When an investment is retired, the result accumulated in other comprehensive income is transferred to the profit and loss.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

- **Receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included as current assets, except for those with a maturity of more than twelve months from the base date of the balance sheet (these are classified as non-current assets). Receivables arising from insurance contracts, such as the balance of premiums receivable, are classified in this category and are initially measured at fair value and subsequently valued at amortized cost, less the impairment provision.

- **Initial recognition and measurement**

Receivables are initially recognized on the date they originated. All other financial assets and liabilities are recognized initially when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (other than customer receivables with no significant financing component) or financial liability is initially measured at fair value, plus, for an item not measured at fair value through profit or loss, transaction costs directly attributable to its acquisition or issuance. Accounts receivable from customers without a significant financing component are initially measured at the price of the transaction.

- **Derecognition**

Financial assets

The Company derecognizes a financial asset when contractual rights to the asset's cash flows expire, or when it transfers contractual rights to receive contractual cash flows over a financial asset in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which it neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset and does not retain the control over the financial asset.

Financial liabilities

The Company reduces financial liability when its contractual obligation is withdrawn, cancelled or expired. The Company also reduces financial liability when the terms are modified and the cash flows of the modified liability are materially different, in which case a new financial liability based on the modified terms is recognized at fair value.

In the derecognition of a financial liability, the difference between the extinguished book value and the consideration paid (including transferred assets that do not carry over cash or assumed liabilities) is recognized in profit or loss.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

3.3. Deferred acquisition costs

Insurance commission expenses are recorded at the time of the issuance or commencement of the risk, whichever occurs first, and appropriated to the result according to the elapsed period of validity of the covered risk. The deferral of these expenses is carried out through the same methodology used for the deferral of the related insurance premium.

3.4. Reinsurance assets and liabilities

Reinsurance assets are represented by expectations of receivables from reinsurers to which the Company has transferred part of its exposure, portfolio or business, and are recorded in the short and long-term depending on the expected period of realization or receipt of the assets from the respective reinsurers. Reinsurance assets are valued in a manner consistent with the insurance liabilities that have been reinsured and in accordance with the terms and conditions of each reinsurance contract. The liabilities to be paid to reinsurers are substantially composed of premiums payable in reinsurance contracts.

The ceded reinsurance premiums are recorded at the time of the issuance or entry into force of the risk, whichever occurs first, and are appropriate to the result in accordance with the deferral characteristics of the ceded reinsurance premium, observing the type of reinsurance contract in question and its respective basis of assignment.

The Company analyzes the recoverability of reinsurance assets on a regular basis, and the impairment of asset accounts whose counterparty is a reinsurer is calculated based on the risk of default of each reinsurer, according to a technical study of impairment with reinsurers.

The Company used the guidelines established by the National Council of Private Insurance - CNSP, Superintendence of Private Insurance - SUSEP, Brazilian Institute of Actuaries - IBA and CPC 11 - Insurance Contracts to evaluate its operations and constitute technical provisions to guarantee its insurance contracts, applying rules and procedures for measuring and monitoring its reinsurance contracts.

3.5. Reimbursements

The Company presents a methodology, described in an actuarial technical note, for the constitution of a reduction in claims provisions related to the expectation of reimbursement from the insured in the operations of the financial risk group.

The estimate corresponds exclusively to the expectation of receiving reimbursement for claims not yet paid and is recorded in the liabilities as a reduction in the provision for claims to be settled. When a claim is settled (in whole or in part), this estimate of compensation is transferred to the Company's assets.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

3.6. Right-of-use assets

The Company recognizes the right-of-use assets on the lease commencement date (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made up to the commencement date, less any lease incentives received.

3.7. Intangible

Costs associated with software maintenance are recognized as an expense, as incurred. The costs of developments implemented in third-party software that are directly used by the Company are recognized as intangible assets.

Directly attributable costs, which are capitalized as part of the *software* product, include costs incurred in development and an appropriate portion of applicable direct expenses. Other development expenditures that do not meet these criteria are recognized as expenditure as incurred.

Development costs initially recognized as expenditure are not recognized as an asset in a subsequent period. Software development costs that are recognized as assets are amortized over their estimated useful life. If there is an indication of loss of recoverable value, *impairment* tests are applied in order to indicate any need to adjust the value of the intangible asset.

3.8. Technical provisions of insurance contracts

The technical provisions for the guarantee of insurance contracts are constituted in accordance with the accounting practices adopted in Brazil, applicable to insurance companies and are in accordance with the determinations of the National Council of Private Insurance - CNSP, the Superintendence of Private Insurance - SUSEP and CPC 11 - Insurance Contracts.

All methodologies adopted for calculating technical provisions are described in an actuarial technical note developed by the actuary in charge of the technical provisions.

- **Unearned Premiums Reserve**

Provision constituted for the coverage of amounts payable related to claims and expenses to occur, over the periods to be elapsed, referring to the risks assumed on the base date of calculation, in compliance with the criteria established in current legislation.

The portion of the provision for unearned premiums related to current and already issued risks - PPNG-RVE is calculated according to the standard formulation established by the Superintendence of Private Insurance - SUSEP.

The portion of the provision for unearned premiums related to current and unissued risks - PPNG-RVNE includes the portion actuarially estimated through the development of premiums and the portion related to the individual treatment of specific policies, already known by the underwriters of each line of business, but not yet issued.

Explanatory notes to the annual financial statements
On December 31, 2025 and 2024
(In thousands of reais)

- **Reserve for claims and claim-adjustment expenses**

Provision constituted to cover the indemnity amounts related to claims notified and not paid up to the base date of the calculation, including administrative and judicial claims. The allowance for claims to be settled includes monetary adjustments, interest, exchange rate variations and contractual fines, when applicable.

The provision is based on an individualized analysis of each claim, corresponding to the best estimate of the amounts payable for claims already notified to the Company.

For claims in the financial risk group, the Company estimates an expectation of reimbursement arising from the probability of success in the execution of its counter-guarantee contracts.

- **IBNR (incurred but not reported losses) reserve**

The IBNR provision consists of an actuarial estimate of the amount of administrative and judicial claims that have already occurred but not yet reported to the Company by the base date of calculation.

The Company estimates its provision using the triangle methodology of claims development through the *Chain Ladder* and *Bornhuetter-Ferguson methods* and analyzes the adherence of the estimate through monthly consistency tests.

In addition to the amount calculated above, the final amount of the provision for claims that occurred and were not reported may be increased by an additional portion arising from the expectation of a claim from financial risk operations. This portion reflects the estimated loss of the expectations warned that have not yet been characterized as claims.

- **Provision for related expenses**

Provision constituted monthly to cover expenses related to the payment of indemnities, covering both expenses that can be attributed individually to each claim and expenses that can only be related to claims in a grouped manner.

The Company records in a timely manner all expenses related to the process of adjusting notified claims and claims expectations. In addition, the provision includes an estimate of expenses not yet incurred with claims that have already occurred, whether notified or not, using its own methodology based on its expense history to determine an average percentage of expenses.

- **Reserve for technical surpluses**

Provision set up monthly to guarantee the obligations arising from possible reductions in the reinsurance commission in contracts that provide for the tiered commission system.

- **Provision for Redemptions and Other Amounts to be Regularized – PVR**

Provision established monthly for the amounts of premiums to be refunded to policyholders.

Explanatory notes to the annual financial statements
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 (In thousands of reais)

- **Liability adequacy test – LAT**

Every six months, the Company evaluates the obligations arising from the insurance and reinsurance contracts in force on the base date through the liability adequacy test. The liability adequacy test is carried out using statistical and actuarial methods, based on up-to-date data consistent with the information present in the financial market. The Company applies methodologies corresponding to the portions of liabilities in order to obtain the best estimate of projected future cash flows. The Company presents estimates of cash flows in national currency and U.S. dollars. Specifically for operations in national currency, the ETTJ (Term Structure of Interest Rates - evolution of interest rates paid on fixed income investments in Brazil) free of pre-fixed risk of the Brazilian Association of Financial and Capital Market Entities - ANBIMA available on the SUSEP website is used for estimates of cash flows in nominal values. Likewise, for the estimates arising from cash flows in dollars, the exchange coupon curve made available by SUSEP is used.

The loss ratio assumptions used to project future claims arising from the businesses in force on the base date of the study are based on a careful analysis of the portfolio, internal historical and market results in each line of business, corresponding to an average claims ratio of 32.93%. The projected average reinsurance cession, based on the company's experience and the current reinsurance contracts, was 94.65%. The flow of expenses related to future claims is the result of the analysis of historical percentage metrics. This study projects a flow of administrative expenses to maintain the business in force until the end of the obligation.

SUSEP Circular No. 678 established that, in the preparation of the Liability Adequacy Test (TAP), among other measures, the partial results by groups of contracts may be offset under the terms of the supervised company's accounting policy. Austral Seguradora established the Contract Split Policy, thus determining the groups of contracts that are subject to compensation, which are closely related to the underwriting and risk management practices and policies of its Portfolio.

The result of the liability adequacy test indicated that the provisions constituted less deferred acquisition costs and related intangible assets are sufficient to guarantee the expected present value of cash flows arising from the performance of insurance contracts in force on December 31, 2025 and 2024.

The comparison between the provision for unearned premiums constituted, less deferred acquisition costs and directly related intangible assets, with the present value of the Company's claims flows to occur, did not demonstrate the need to constitute the supplementary coverage provision on December 31, 2025 and 2024.

The TAP result for the base date of December 31, 2025, is presented in the table below:

Contract Groups	TAP Result
Casualty	469,624
Property	461,398
Sufficiency / (Insufficiency)	931,021
PCC Calculation	-

Explanatory notes to the annual financial statements
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3.9. Lease liabilities

On the lease commencement date, the Company recognizes lease liabilities measured at the present value of lease payments to be made during the lease term. Lease payments include fixed payments, less any lease incentives receivable, variable lease payments that depend on an index or rate, and expected amounts to be paid under residual value guarantees.

The Company uses as an incremental rate the interest rate that it would have to pay when borrowing the resource necessary to obtain the asset with a value similar to the asset subject to the lease, by term, guarantee and similar economic scenarios applied individually to each contract according to the estimates projected as lease term.

3.10. Provisions for legal proceedings

The provisions are constituted based on individualized analyses, carried out by the internal legal department and by the external legal counsel, of the ongoing legal proceedings with probable future disbursement. Changes in the estimates of the lawsuits and the loss fees are recorded respectively in the lines of notified indemnities and claims expenses, and the monetary updates in the financial result.

Any active contingencies are not recognized until the shares are judged favorably on a definitive basis, and when the probability of realization of the asset is probable.

3.11. Employee Benefits

- **Post-employment and conventional**

The Company does not have benefits in the post-employment modality, maintaining only the benefits provided for in the union collective agreements, such as the profit-sharing plan (PLR), which is linked to the achievement of global, departmental and individual goals that are established and agreed upon for each fiscal year.

- **Share-based incentive plan**

Share-based incentives are measured and recognized at fair value on the date the options were granted, in a specific account in shareholders' equity and in the income statement, in accordance with contractual conditions. The cost of transactions settled with equity securities is recognized throughout the fiscal year in which the terms of service are met, ending on the date on which the beneficiary acquires the full right to the share (vesting date).

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3.12. Income and contributions taxes

- **Current and deferred income tax and social contribution**

The provisions for current and deferred income tax and social contribution are constituted based on the rates in force on the base date of the annual financial statements.

Deferred tax assets and liabilities are recognized as a result of temporary differences, taking into account Management's expectation of the existence of future taxable results for temporary differences to be realized.

Current and deferred tax assets and liabilities are offset, when there is a legally enforceable right to offset the recognized amounts and are related to taxes on profit, levied by the same tax authority.

- **Tax Reform on Consumption**

The Tax Reform on Consumption, established by EC No. 132/2023 and regulated by LC No. 214/2025, provides for the gradual replacement of consumption taxes with a dual IVA system. This model consists of the IBS – Tax on Goods and Services, under state and municipal jurisdiction, and the CBS – Contribution on Goods and Services, under federal jurisdiction, focusing on non-cumulativity, destination taxation, neutrality, and simplification of the tax system, to be implemented gradually during the transition period.

For insurance and reinsurance companies, a specific taxation regime has been established, in which the tax base for the new taxes will observe specific criteria, distinct from those applicable to other economic activities, considering the particularities of the insurance and reinsurance sector, as established in Complementary Law No. 214/2025.

The legislation has already defined the applicable rates for the new tax model (10.85% to 12.5%), which will be observed when the effective incidence of the taxes begins (2027), gradually increasing until 2033, according to the implementation schedule provided in the Tax Reform.

Additionally, the context of the Tax Reform has created an accessory obligation (DeRE – Electronic Declaration of Specific Regimes), thereby enabling the calculation of IBS and CBS for sectors that are part of the specific regime. This declaration will require adjustments in the company's systems, processes, and internal controls to meet the new requirements for calculation, bookkeeping, and reporting of tax information.

Considering the transition period established in the legislation and the implementation schedule of the new taxes, there were no impacts on the company's financial statements for the fiscal year 2025, with management continuing to monitor the regulatory developments and any implications for future impact assessment.

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3.13. Impairment

- **Receivables**

The Company evaluates on a monthly basis whether there is evidence of risk of default in the amounts of premiums receivable, through an individualized analysis of the counterparties involved and their respective policies overdue from 60 days and claims to be recovered in their entirety. The methodology used to determine risk considers the maturity date, the flow of payments from the counterparties involved, the quality of their credit score, loss history and provisions for premiums already received that enable them to offset their policies. If in subsequent periods there is a reduction in the impairment allowance, the amount of the reduction is recognized in profit or loss.

- **Securities measured at fair value through other comprehensive income - VJORA**

For impairment of financial assets measured at fair value through other comprehensive income, it considers expected credit losses, which are a probability-weighted estimate of credit losses based on the *rating*, over the expected life of the financial instrument.

The cash deficit is the difference between the cash flows owed to the Company under the contract and the cash flows that the Company expects to receive. The amount of the impairment is recognized in the Company's shareholders' equity.

- **Reinsurance assets**

The methodology used in the calculation of the impairment of the accounts of the asset whose counterparty is a reinsurer consists of the expected value of the loss of exposure by base date, segregated by reinsurer, taking into account not only the quantitative aspects of the assessment of the risk of default, but also the qualitative aspects inherent to the operations to which the Company is exposed. The analysis of credit risk with the reinsurer is mostly done by the prospective analysis of the reinsurer's ability to pay. The main variables considered were the following: Exposure, Probability of Loss (*Default*) and *Loss Given Default* (LGD).

- **Other assets**

When there is clear evidence of the occurrence of impairment of assets accounted for at amortized cost, the amount of the loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows (excluding expected future credit losses not yet incurred), discounted at the original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement.

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3.14. Result

The result is calculated on an accrual basis and considers:

- **Premiums and commissions**

Insurance premiums are accounted for on the date of issuance or effective date of the risk, whichever comes first.

Insurance premiums and related marketing expenses are appropriated in profit or loss, on a straight-line basis, during the term of the policies, through the constitution and reversal of the provision for unearned premiums.

Premiums related to reinsurance contracts are recorded as reinsurance premiums ceded in income and deferred for appropriation through the constitution and reversal of the provision for unearned premiums, according to the methodology described in an actuarial technical note.

- **Claims**

Insurance claims include all events that occur during the periods, whether notified or not, the respective internal and external costs with the treatment of claims directly related to the processing and settlement of the same, deducted from salvage and reimbursement and other amounts recovered, in addition to any adjustments of claims to be settled from previous periods.

3.15. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the annual financial statements requires the use of certain accounting estimates and the exercise of judgment by management in the use of certain accounting policies. However, the uncertainty regarding these assumptions and estimates may lead to different results in subsequent periods.

In the process of applying accounting policies, Management made the following judgments, in addition to those involving estimates and assumptions, which had the main effects on the amounts recognized in the annual financial statements.

- Fair value of financial instruments measured at VJR and through VJORA (Note 5);
- Valuation of assets and liabilities of insurance and reinsurance contracts (Notes 4 and 13);
- Tax credits (Note 8);
- Deferred acquisition costs (Note 9);
- reimbursements (Note 8);
- Judicial provisions (Note 15); and
- Impairment - expected loss (Note 2.3).

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3.16. Dividends

Dividends are recognized when they are actually distributed or when their distribution is approved by the shareholders, whichever occurs first.

The company's bylaws establish a mandatory minimum annual dividend of no less than 25%, calculated on the net income for the annual fiscal year, adjusted as provided in Article 202 of Law No. 6,404/76.

On December 18, 2025, at an Extraordinary General Meeting, the shareholders of the company approved the declaration of interest on equity in the gross amount of R\$ 22,000, with the total net amount, equivalent to R\$ 18,700, being attributed to the mandatory minimum dividend for the fiscal year 2025.

3.17. Result per share

Basic earnings per share are calculated by dividing earnings attributable to shareholders by the weighted average number of shares issued during the year, excluding any treasury shares that were repurchased during the year.

The purpose of diluted earnings per share is to provide a measure of each common and preferred share's share of performance while reflecting the effects of all potential diluting common shares outstanding during the year.

The calculation of the weighted average of common shares considers:

- Number of outstanding shares (net of treasury shares); and
- Exercisable stock options.

3.18. New and revised standards, interpretations and guidance

The following rule changes were issued by the CPC but are not in force for the year ended December 31, 2025:

- CPC 50 - Insurance Contracts

CPC 50 establishes principles for the recognition, measurement, presentation and disclosure of issued insurance contracts. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation characteristics issued. The objective is to ensure that entities provide relevant information in a way that faithfully represents these contracts. CPC 50 was applicable as of January 1, 2023.

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- CPC 51 - Presentation and Disclosure in Financial Statements

CPC 51's main objective is to enhance transparency and comparability by improving the presentation of financial information, proposing a reorganization of the income statement with the creation of standardized categories for revenues and expenses. The standard will be applicable starting January 1, 2027.

CPC 50 and CPC 51 will be applicable to the Company when adopted by the Superintendence of Private Insurance - SUSEP. The Company has not completed its analysis of the impacts of CPC 50 and CPC 51.

There are no other rules or interpretations that have not yet come into force that could have a material impact on the Company's annual financial statements

4. Insurance risk management and financial risk

The Company adopts as the definition of the risk management structure the set of components that provide the fundamentals and organizational arrangements that make it possible: the design, implementation, monitoring, critical analysis and continuous improvement of risk management throughout the organization.

The risk management procedures are based on the best practices defined in the *Committee of Sponsoring Organizations of the Treadway Commission - COSO* and *Enterprise Risk Management - ERM*, in its 2017 version, whose stages of evaluation of the control environment are (i) risk assessment; (ii) control activities; (iii) monitoring activities; and (iv) information and communication activities. These are carried out considering the nature, scale and complexity of our operations. COSO is recognized as an international reference on the subject and this version meets the best practices, aligning risk management with the Company's strategy.

The Company also uses the concept of three lines of defense, updated by the Institute of Internal Auditors - IIA, to determine roles, responsibilities and governance within the entire risk management process.

Risk management is directly related to the Company's objectives, aligning with business strategies, the definition of its internal operational controls and the pursuit of excellence in business management.

The tables below show the concentration of risk within the business by region, based on the Company's gross reinsurance premium and net reinsurance premium.

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Geographic region	Distribution of gross reinsurance premium			
	12/31/2025		12/31/2024	
	Gross premium	%	Gross premium	%
Midwest	19,279	1.6	2,831	0.2
Northeast	14,084	1.1	8,824	0.8
North	2,930	0.2	2,993	0.3
Southeast	1,162,471	94.6	1,124,945	96.8
South	30,685	2.5	22,224	1.9
Total	1,229,449	100.0	1,161,817	100.0

Geographic region	Distribution of net reinsurance premium			
	12/31/2025		12/31/2024	
	Gross premium	%	Gross premium	%
Midwest	11,328	5.3	1,780	1.0
Northeast	9,046	4.2	5,517	2.9
North	1,703	0.8	1,796	1.0
Southeast	172,174	80.8	165,404	88.1
South	18,862	8.9	13,194	7.0
Total	213,113	100.0	187,691	100.0

a) Underwriting risk management

One of the main risks in insurance and reinsurance operations is the possibility that the acceptance conditions established for a given risk are inadequate in view of the responsibilities assumed or the technical provisions are insufficient. One of the most relevant associated risk factors is the frustration of expectations regarding the frequency and/or amounts to be paid of claims, which would imply in a possible insufficiency of premiums and/or provisions to meet the financial expenditures with the payment of obligations assumed towards customers and/or in the increase in the constitution of reserves so that the amounts provisioned are sufficient to cover these obligations.

Risk exposure is mitigated through portfolio diversification and analytical selectivity of underwritten risks, with the implementation of healthy and prudent guidelines on the underwriting strategy, as well as constant monitoring of internal and market indicators to make any adjustments.

For the purposes of risk pricing, in order to obtain consistent, stable, positive results individually and for the portfolio, an underwriting policy is adopted and operational procedures for risk assessment are defined, as well as a pricing model that follows risk management assumptions. Among the procedures carried out, the regime of decision-making powers is contemplated as support for technical decisions, and these documents are formally approved, periodically reviewed and duly disclosed to all those involved.

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In addition, reinsurance is used as part of the risk management program. The ceded reinsurance is contracted on a proportional and non-proportional basis.

From the point of view of business concentration, the portfolio of the Surety Bond line corresponds to 74% of the total technical result of the insurance segment, that is, R\$74,134 (72% and R\$67,911 as of December 31, 2024).

Sensitivity analysis

To carry out the sensitivity analysis of the loss ratio, the premise was adopted as an aggravation of 5 p.p. in relation to the loss ratio incurred by branch in the current year. The tables below show the variation values of gross and net reinsurance claims, considering the following claims:

	12/31/2025		
	Base	Scenario 5 p.p.	Impact
Gross effects of reinsurance			
Equity (R\$)	274,650	241,919	(32,731)
Net income for the year (R\$)	52,957	20,226	(32,731)
Impact (%) on the result of the year			(61.8)
Impact (%) on equity			(11.9)

Net reinsurance effects	274,650	272,899	(1,751)
Equity (R\$)	52,957	51,206	(1,751)
Net income for the year (R\$)			(3.3)
Impact (%) on the result of the year			(0.6)
Impact (%) on equity			

	12/31/2024		
	Base	Scenario 5 p.p.	Impact
Gross effects of reinsurance			
Equity (R\$)	270,030	235,689	(34,341)
Net income for the year (R\$)	43,380	9,039	(34,341)
Impact (%) on the result of the year			(79.2)
Impact (%) on equity			(12.7)

Net reinsurance effects	270,030	268,186	(1,844)
Equity (R\$)	43,380	41,536	(1,844)
Net income for the year (R\$)			(4.3)
Impact (%) on the result of the year			(0.7)
Impact (%) on equity			

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b) Financial Risk Management

The Company's investment policy defines the guidelines for the allocation of resources in securities, as well as the monitoring of the risks inherent to the investment portfolio.

The investments are based on analysis of short, medium and long-term macroeconomic scenarios, observing the main variables of the Brazilian and world economy, such as: expectations of interest rate evolution, inflation, exchange rate, economic growth, among others.

In its investment decisions, the Company considers the need for cash and the management of its assets and liabilities, following a conservative stance with respect to the credit of its counterparties and the investments made. The risk management of financial investments is carried out daily through portfolio analysis and monitoring.

The Company's investment committee meets frequently to analyze the performance of the portfolio, discuss prospective scenarios and, thus, define the general guidelines for the allocation of investments.

Financial risks can be divided into four main risk categories: market, credit, liquidity, and foreign exchange. The following information will be presented according to each category mentioned.

1) Market risk

It is defined as the possibility of losses resulting from fluctuations in market prices and rates, such as interest rates or exchange rates, which impact the values of the company's assets and liabilities.

Market risk control is based on the analysis of Value-at-Risk (VaR), one of the most traditional methods in managing this type of risk. It consists of a statistical metric that estimates the maximum potential loss that the portfolio could incur over a specified time horizon, for a given confidence interval, assuming normal market conditions.

Sensitivity analysis

The company monitors, on a daily basis, the market risk and systemic risk of its investment portfolio through Value-at-Risk (VaR) with confidence intervals of 95% and 99%, based on simulation models with historical and parametric data, considering a time horizon of 1 day and an observation window of 252 business days.

Additionally, stress tests are conducted focusing on the main risk variables that make up the investment portfolio, with emphasis on the interest rate, which represents the largest component of exposure, and on exchange rate risk, as detailed in item 4) of this explanatory note.

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(i) Investment portfolio

According to the VaR analysis, investments could show, using the historical method with an observation window of 252 business days, a "holding period" of one day, and a confidence level of 95%, an estimated loss of 0.09% of the total asset portfolio on December 31, 2025 (0.14% on December 31, 2024, which amounts to R\$ 430). For the confidence level of 99%, the estimated loss is 0.14% of the total asset portfolio on December 31, 2025 (0.35% on December 31, 2024, which amounts to R\$ 669).

	12/31/2025		12/31/2024	
	Historic (%)	Impact (R\$)	Historic (%)	Impact (R\$)
VaR 95%	(0.09)	(430)	(0.14)	(529)
VaR 99%	(0.14)	(669)	(0.35)	(1,322)

When using the parametric method, considering the VaR with an observation window of 252 business days, a "holding period" of one day, and a confidence level of 95%, an estimated loss of 0.10% of the total asset portfolio was observed on December 31, 2025 (0.15% on December 31, 2024), equivalent to R\$ 478. For a confidence level of 99%, an estimated loss of 0.2114% of the total assets in the portfolio was observed on December 31, 2025 (0.21% on December 31, 2024), equivalent to R\$ 669.

	12/31/2025		12/31/2024	
	Parametric (%)	Impact (R\$)	Parametric (%)	Impact (R\$)
VaR 95%	(0.10)	(478)	(0.15)	(566)
VaR 99%	(0.14)	(669)	(0.21)	(793)

In addition to VaR assessments, stressed scenarios of the implicit rate of inflation-indexed securities are also taken into account in the performance and allocation of assets in the investment portfolio. To this end, the following base, probable and stressed scenarios were considered (positive and negative variation of 100bps and 200bps of the pre-fixed rate of inflation-indexed securities):

- i. Base scenario: It was considered the same as the probable scenario. It is the scenario where the IPCA curve is equal to the implicit curve of inflation-indexed securities;
- ii. Scenario I: reduction of 200bps, compared to the base scenario rate;
- iii. Scenario II: reduction of 100bps, in relation to the base scenario rate;
- iv. Scenario III: 100bps increase over the base case rate; and
- v. Scenario IV: 200bps increase from the base case rate.

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12/31/2025		
Scenario	Shock	Impact on gross tax income (*)
I	(200 bps)	4,250
II	(100 bps)	2,130
III	100 bps	(2,130)
IV	200 bps	(4,250)

12/31/2024		
Scenario	Shock	Impact on gross tax income (*)
I	(200 bps)	6,530
II	(100 bps)	3,210
III	100 bps	(3,210)
IV	200 bps	(6,530)

(*) Impact on gross tax income on the dates of 12/31/2025 and 12/31/2024.

2) Credit risk

It consists of the possibility of losses associated with the non-compliance by counterparties with their financial obligations under the agreed terms, and/or the devaluation of receivables resulting from the reduction in the risk rating of the borrower or counterparty.

The Company understands that the main source of its credit risk is the exposure of reinsurance to the Insurer's operations. In order to mitigate this risk, an analysis of the *Credit Rating* was adopted, determined by risk rating agencies. As a complementary part of the underwriting process, the *rating* is observed in the acceptance, pricing and authority process. In addition, the Company monitors exposures by reinsurer, as well as monitors and evaluates changes and trends in the insurance and reinsurance market, as well as in the financial market.

Credit risk in funds and financial instruments, components of the investment portfolio in addition to federal government securities, is limited because counterparties are represented by issuers with high credit *ratings* evaluated by risk rating agencies.

The table below shows the total exposure to credit risk for the Company's various asset classes. In addition, it presents the term of overdue assets.

Portfolio composition by class and by accounting category	12/31/2025							Book value
	Unexpired assets	Overdue up to 30 days	Overdue between 31 and 60 days	Overdue between 61 and 120 days	Overdue between 121 and 180 days	Overdue between 181 and 365 days	More than 365 days	
Available	2,229	-	-	-	-	-	-	2,229
Measured at fair value through profit or loss								
Private	41,273	-	-	-	-	-	-	41,273
Public	136,987	-	-	-	-	-	-	136,987
Abroad	24,797	-	-	-	-	-	-	24,797
Measured at fair value through other comprehensive income								
Private	15,040	-	-	-	-	-	-	15,040
Public	259,484	-	-	-	-	-	-	259,484
Receivables from insurance transactions (*)	879,792	13,795	3,564	2,043	14,049	2,164	6,034	921,441
Total financial assets and insurance contract assets	1,359,602	13,795	3,564	2,043	14,049	2,164	6,034	1,401,251

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Portfolio composition by class and by accounting category	12/31/2024							Book value
	Unexpired assets	Overdue up to 30 days	Overdue between 31 and 60 days	Overdue between 61 and 120 days	Overdue between 121 and 180 days	Overdue between 181 and 365 days	More than 365 days	
Available	2,967	-	-	-	-	-	-	2,967
Measured at fair value through profit or loss								
Private	48,725	-	-	-	-	-	-	48,725
Public	93,815	-	-	-	-	-	-	93,815
Abroad	38,149	-	-	-	-	-	-	38,149
Measured at fair value through other comprehensive income								
Private	19,623	-	-	-	-	-	-	19,623
Public	193,354	-	-	-	-	-	-	193,354
Receivables from insurance transactions (*)	787,651	16,111	4,261	2,232	2,327	1,563	6,985	821,130
Total financial assets and insurance contract assets	1,184,284	16,111	4,261	2,232	2,327	1,563	6,985	1,217,763

*The amounts of credits with insurance and reinsurance operations are presented gross of the provision for impairment in the total of R\$ 18,007 on December 31, 2025 (R\$ 8,579 on December 31, 2024).

The following table shows the credit risk in the reinsurance operations to which the Company is exposed, segregated by the *rating* defined by Standard & Poor's, AM Best, Moody's and Fitch. The concept of exposure takes into account the provisions for claims, unearned premiums already passed on to reinsurers and credits to be recovered according to the guidance of the Superintendence of Private Insurance - SUSEP. The classification of this exposure is given according to the best rating leveling, following the table presented below

In addition, as presented, the Company has exposure only to reinsurers of minimum levels: BBB+ and B++, in the risk agencies Standard & Poor's and AM Best, respectively.

Standard & Poor's Co	Moody's Investor Services	Fitch Ratings	AM Best	12/31/2025		12/31/2024	
				Exhibition (in R\$)	Exposure (in %)	Exhibition (in R\$)	Exposure (in %)
AAA	Aaa	AAA	A++	35,307	3.5	38,415	3.9
AA+	Aa1	AA+	A+	316,206	30.9	277,741	28.6
AA	Aa2	AA	A+	2	-	2	-
AA-	Aa3	AA-	A+	118,826	11.6	-	-
A+	A1	A+	A	122,442	12.0	214,709	22.1
A	A2	A	A-	429,057	42.0	440,798	45.4
A-	A3	A-	A-	-	-	-	-
BBB+	Baa1	BBB+	B++	492	-	106	-
Total				1,022,332	100.0	971,771	100.0

3) Liquidity risk

It consists of the possibility that the Company may not be able to meet its financial obligations, expected or not, when they are due, either due to the impossibility of timely realizing its assets or the fact that such realization results in significant losses and/or non-compliance with regulatory requirements.

Management monitors the portfolio on a daily basis, regularly discussing at its meetings or extraordinarily, when necessary, the position of the investments, taking into account their liquidity and expectation of profitability.

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The Company's philosophy is to be conservative in the allocation of its financial assets, understood as the sum of its available position plus its financial investments, always prioritizing liquidity capacity in the choice of its financial assets and based on its obligations to counterparties.

Currently, the Company has 91.8% (90.5% on December 31, 2024) of its portfolio composed of assets and instruments with daily liquidity, represented by bank deposits, LFTs, NTN-Bs, and other securities that have daily liquidity regardless of their maturity. Additionally, 0.2% (3.5% on December 31, 2024) of the financial assets consist of investment funds with redemption periods of up to 120 days, and 8.0% (6.5% on December 31, 2024) of the portfolio is composed of investment funds with redemption periods exceeding 120 days.

	12/31/2025					
Assets and liabilities	Up to 1 year	Above 1 year	Market value	Curve Value/ Cost	Gain/ Loss	Book value
Cash and cash equivalents	2,229	-	-	-	-	2,229
Financial assets at a fair value through profit or loss	168,581	34,476	203,057	203,054	3	203,057
Financial assets measured at fair value through other comprehensive income	274,524	-	274,524	285,316	(10,792)	274,524
Receivables from insurance and reinsurance contracts	733,651	169,783	-	-	-	903,434
Other operating receivables	7,497	540	-	-	-	8,037
Securities and other receivables	37,093	30,009	-	-	-	67,102
Other values and assets	1,250	10,336	-	-	-	11,586
Total assets	1,224,825	245,144	477,581	488,370	(10,789)	1,469,969
Trade and other payables	62,640	-	-	-	-	62,640
Insurance contract liabilities (net of reinsurance)	185,376	210,495	-	-	-	395,871
Payable for insurance and reinsurance contracts	732,929	144,856	-	-	-	877,785
Third-party deposits	8,803	-	-	-	-	8,803
Other payables	669	11,619	-	-	-	12,288
Total liabilities	990,417	366,970	-	-	-	1,357,387
	12/31/2024					
Assets and liabilities	Up to 1 year	Above 1 year	Market value	Curve Value/ Cost	Gain/ Loss	Book value
Cash and cash equivalents	2,967	-	-	-	-	2,967
Financial assets at a fair value through profit or loss	156,843	23,846	180,689	180,699	(10)	180,689
Financial assets at a fair value through other comprehensive income	212,977	-	212,982	229,483	(16,501)	212,977
Receivable from insurance and reinsurance contracts	581,311	231,240	-	-	-	812,551
Other operating receivables	1,969	-	-	-	-	1,969
Securities and Other receivables	31,358	18,789	-	-	-	50,147
Total assets	987,425	273,875	393,671	410,182	(16,511)	1,261,300
Trade and Other Payables	60,938	-	-	-	-	60,938
Insurance contract liabilities (net of reinsurance)	144,045	158,083	-	-	-	302,128
Debit from insurance and reinsurance operations	535,772	201,599	-	-	-	737,371
Third-party deposits	27,501	-	-	-	-	27,501
Other debts	1,301	9,153	-	-	-	10,454
Total liabilities	769,557	368,835	-	-	-	1,138,392

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4) Foreign currency risk

The Company operates an investment portfolio in U.S. dollars. Consequently, any movement in the R\$/US\$ exchange rates will affect your income statement and balance sheet. The management of these risks is carried out through a sensitivity analysis, which the Company believes is sufficient to identify and quantify the potential risks associated with fluctuations in the dollar.

Sensitivity analysis

For the analysis of the sensitivity of the variations in the R\$/US\$ exchange rate in the foreign currency investment portfolio, the following scenarios were considered:

- i. Base scenario: PTAX exchange rate of R\$/US\$5.5024 on December 31, 2025;
- ii. Probable scenario: exchange rate of R\$/US\$5.50 estimated for December 31, 2026 by the Market Expectations System of the Central Bank of Brazil on December 31, 2025;
- iii. Scenario I: reduction of 50.0%, in relation to the rate of the base scenario (R\$/US\$ 2.75);
- iv. Scenario II: reduction of 25.0%, in relation to the base scenario rate (R\$/US\$ 4.13);
- v. Scenario III: increase of 25.0% in relation to the base scenario rate (R\$/US\$ 6.88); and
- vi. Scenario IV: 50.0% increase in relation to the base scenario rate (R\$/US\$ 8.25).

12/31/2025		
Scenario	Exchange rate fluctuation	Impact on gross tax income (*)
Probable	(0.1%)	(9)
I	(50.0%)	(10,790)
II	(25.0%)	(5,395)
III	25.0%	5,395
IV	50.0%	10,790

12/31/2024		
Scenario	Exchange rate fluctuation	Impact on gross tax income (*)
Probable	(3.2%)	(599)
I	(50.0%)	(9,500)
II	(25.0%)	(4,750)
III	25.0%	4,750
IV	50.0%	9,500

(*) Impact on gross tax income on the dates of 12/31/2025 and 12/31/2024.

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5. Financial investments

a) Classification by category and aging

										12/31/2025
	Average Rates	No expiration date	Up to 12 months	From 13 to 60 months	Over 60 months	Market value	Book value	Curve Value	Accounting percentage of investments	Percentage of the curve of the applications
I. Securities measured at fair value through profit or loss:										
Treasury Financial Bills - LFT	Selic	39,212	80,956	82,889	-	203,057	203,057	203,057	42.5	41.6
Overseas Certificate of Deposit	3,92%	-	56,159	80,828	-	136,987	136,987	136,987	28.7	28.1
Debentures	CDI+1.60%	-	24,797	-	-	24,797	24,797	24,797	5.2	5.1
Investment fund shares (i)	-	-	-	2,061	-	2,061	2,061	2,061	0.4	0.4
		39,212	-	-	-	39,212	39,212	39,212	8.2	8.0
II. Securities measured at fair value through other comprehensive income:										
National Treasury Notes - NTN-B	IPCA+3,74%	-	196,696	62,940	14,888	274,524	274,524	285,316	57.5	58.4
National Treasury Bills - LTN	12.63%	-	148,306	1,944	11,286	161,536	161,536	171,816	33.9	35.2
Debentures	CDI + 1,20%	-	46,286	51,662	-	97,948	97,948	98,506	20.5	20.2
Financial Bill - LF	CDI + 0,98%	-	1,026	9,334	3,602	13,962	13,962	13,917	2.9	2.8
		-	1,078	-	-	1,078	1,078	1,077	0.2	0.2
Total		39,212	277,652	145,829	14,888	477,581	477,581	488,370	100.0	100.0

										12/31/2024
	Average Rates	No expiration date	Up to 12 months	From 13 to 60 months	Over 60 months	Market value	Book value	Curve Value	Accounting percentage of investments	Percentage of the curve of the applications
I. Securities measured at fair value through profit or loss:										
Treasury Financial Bills - LFT	Selic	39,401	61,930	79,358	-	180,689	180,689	180,699	45.9	44.1
Overseas Certificate of Deposit	4.25%	-	19,142	74,673	-	93,815	93,815	93,857	23.8	22.9
Debentures	CDI + 1.07%	-	38,149	-	-	38,149	38,149	38,149	9.7	9.3
Investment fund shares (i)	-	-	4,685	4,685	-	9,324	9,324	9,292	2.4	2.3
		39,401	-	-	-	39,401	39,401	39,401	10.0	9.6
II. Securities measured at fair value through other comprehensive income:										
National Treasury Notes - NTN-B	IPCA + 3.74%	-	903	197,151	14,928	212,982	212,977	229,483	54.1	55.9
National Treasury Bills - LTN	11.60%	-	-	143,257	10,422	153,679	153,679	167,785	39.0	40.9
Debentures	CDI + 1.44%	-	-	39,675	-	39,675	39,675	41,992	10.1	10.2
Debentures	IPCA + 7.10%	-	-	13,280	3,325	16,605	16,601	16,611	4.2	4.1
Financial Bill - LF	CDI + 0.92%	-	-	-	1,181	1,181	1,181	1,264	0.3	0.3
		-	-	939	-	1,842	1,841	1,831	0.5	0.4
Total		39,401	62,833	276,509	14,928	393,671	393,666	410,182	100.0	100.0

(i) The balances of investment fund shares are composed of the following types of funds: Private Credit Fund amounting to R\$ 1,142 (R\$ 8,936 as of December 31, 2024), Private Equity Fund amounting to R\$ 32,657 (R\$ 24,779 as of December 31, 2024), Multi-Strategy Funds amounting to R\$ 3,594 (R\$ 3,044 as of December 31, 2024), Real Estate Investment Funds amounting to R\$ 1,819 (R\$ 1,920 as of December 31, 2024), and Fixed Income Fund amounting to R\$ 0 (R\$ 722 as of December 31, 2024).

For government securities, the market values were determined based on the quotations published by the Brazilian Association of Financial and Capital Market Entities - ANBIMA.

Investment fund shares are valued based on the unit value of the share on the balance sheet closing date, as informed by the respective directors.

The market value of the funds listed in the portfolio was obtained from the price traded on B3 S.A.

b) Fair Value Hierarchy

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The table below presents financial instruments recorded at fair value, and their respective valuation methods. The different levels were defined in accordance with CPC 46 - Fair Value Measurement, as follows:

- Level 01: Quoted and unadjusted prices in active markets for identical assets and liabilities, for example: listed shares, listed investment funds, government bonds of the Brazilian Federal Government issued in Brazil and abroad and corporate bonds of Brazilian companies issued abroad; and
- Level 02: Final Prices are obtained by observing other information, except quoted prices, included in Level 1 that are observable for the asset or liability, directly (prices) or indirectly (derived from prices), for example: unlisted investment funds, debentures, financial bills and certificates of deposit.

	12/31/2025			12/31/2024		
	Level 01	Level 02	Total	Level 01	Level 02	Total
I. Securities measured at fair value by \						
Investment funds:						
Investment fund shares	-	37,393	37,898	2,853	34,628	37,481
Real estate fund shares	1,819	-	1,819	1,920	-	1,920
Fixed income securities - private:						
Overseas Certificate of Deposit	-	24,797	24,797	-	38,149	38,149
Debentures	-	2,061	2,061	-	9,324	9,324
Fixed income securities - public:						
Treasury Financial Bills – LFT	136,987	-	136,987	93,815	-	93,815
II. Securities measured at fair value by						
VJORA:						
Fixed income securities – private:						
Debentures	-	13,962	13,962	-	17,782	17,782
Financial Bill	-	1,078	1,078	-	1,841	1,841
Fixed income securities - public:						
National Treasury Bills – LTN	161,536	-	161,536	39,675	-	39,675
National treasury notes – NTN-B	97,948	-	97,948	153,679	-	153,679
Total	398,290	79,291	477,581	291,942	101,724	393,666

c) Change in financial investments

Changes in financial investments are shown in the table below:

	Fair value through other		Total
	Fair value through profit or loss	comprehensive income	
Closing balance as of December 31, 2023	194,250	166,757	361,007
(+) Investments	1,659,062	51,026	1,710,088
(-) Redemptions	(1,698,712)	(13,333)	(1,712,045)
(+) Income	13,924	18,026	31,950
(+/-) Exchange rate fluctuation	12,207	-	12,207
(+/-) Fair Value Adjustment	(42)	(9,494)	(9,536)
(+/-) Impairment	-	(5)	(5)
Closing balance as of December 31, 2024	180,689	212,977	393,666
(+) Investments	1,914,425	56,906	1,971,331
(-) Redemptions	(1,909,591)	(24,058)	(1,933,649)
(+) Income	22,837	22,990	45,827
(+/-) Exchange rate fluctuation	(5,303)	-	(5,303)
(+/-) Fair Value Adjustment	-	5,709	5,709
Closing balance as of December 31, 2025	203,057	274,524	477,581

d) Derivatives

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d.1) Exposure

Description	Maturity	Exposure	31/12/2025
			Amount (payable)/receivable
Futures contracts			
Sales commitment			
Exchange rate - US dollar futures contracts - DOL	02/02/2026	(4,149)	67
Exchange rate - US dollar futures contracts - WDOL	02/02/2026	(830)	13

Description	Maturity	Exposure	31/12/2024
			Amount (payable)/receivable
Futures contracts			
Sales commitment			
Exchange rate - US dollar futures contracts - DOL	01/02/2025	4,665	(15)
Exchange rate - US dollar futures contracts - WDOL	01/02/2025	809	(13)

d.2) Margins in guarantee

Assets	Maturity	Amount	12/31/2025
			Value
LFT	01/03/2026	40	723
Total		40	723

Assets	Maturity	Amount	12/31/2024
			Value
LFT	03/01/2025	141	2,231
LFT	09/01/2025	70	1,107
Total		211	3,338

Assets	Maturity	Amount	Value
NTN-B	08/15/2026	59	254
NTN-B	08/15/2050	541	1,840
Total		600	2,094

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6. Guarantee of technical supplies

The Central Bank of Brazil - BACEN, through Resolution No. 4,993, of March 24, 2022, and the CNSP, through CNSP Resolution No. 453, of December 19, 2022, and its respective amendments, regulated the rules for the application of the resources guaranteeing technical provisions by insurance companies. As of December 31, 2025 and 2024, the Company had the following coverages:

	<u>12/31/2025</u>	<u>12/31/2024</u>
Unearned premium reserve	1,268,863	1,239,990
Reserve for claims and claims adjustment expenses	619,326	470,913
Incurred but not reported losses (IBNR) reserve	35,061	39,403
Provision for related expenses	12,104	11,449
Provision for technical surpluses	166	166
Provision for amounts to be regularized	42,004	-
Total technical reserves	<u>1,977,524</u>	<u>1,761,921</u>
Receivables	(684,092)	(626,304)
Valuation allowances for deferred acquisition costs	(60,206)	(58,550)
Valuation allowances for the unearned premium reserve - reinsurance assets	(316,019)	(410,905)
Valuation allowances for the reserve for claims and claim adjustment expenses	(609,562)	(458,884)
Valuation allowances for Incurred but Not Reported Losses - reinsurance assets	(29,199)	(33,746)
Valuation allowances for the reserve for related expenses - reinsurance assets	(9,258)	(8,835)
Other provisions	(6,395)	-
Total deductions	<u>(1,714,731)</u>	<u>(1,597,224)</u>
Total technical reserves for coverage	262,793	164,697
Breakdown of assets linked to the coverage of technical reserves:		
Treasury Financial Bills	99,797	59,027
National Treasury Notes - NTN-B	161,536	151,371
National Treasury Bills - NTB	23,112	-
Investment fund shares	7,079	13,814
Total assets linked to coverage for technical reserves	<u>291,052</u>	<u>224,212</u>
Excess restricted assets	28,731	59,515

7. Credit from insurance and reinsurance operations

	<u>12/31/2025</u>	<u>12/31/2024</u>
Premiums receivable from the insured	851,503	775,977
Transactions with insurance companies	5,416	5,710
Transactions with reinsurers	46,515	30,864
Total	<u>903,434</u>	<u>812,551</u>
Current	733,651	581,311
Non-current	169,783	231,240

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7.1) Aging schedule of premiums receivable:

Falling due premiums		
From 1 to 30 days	87,605	334,357
From 31 to 60 days	222,875	46,959
From 61 to 120 days	180,437	66,833
From 121 to 180 days	33,332	32,680
From 181 to 365 days	133,829	43,560
More than 365 days	169,783	231,240
Total falling due premiums	827,861	755,629
Overdue premiums		
From 1 to 30 days	13,795	11,558
From 31 to 60 days	3,564	4,405
From 61 to 120 days	2,043	2,089
From 121 to 180 days	14,049	2,326
From 181 to 365 days	2,164	1,585
More than 365 days	6,034	6,964
Total overdue premiums	41,649	28,927
Allowance for Impairment loss	(18,007)	(8,579)
Total premiums receivable	851,503	775,977

7.2) Changes in receivable premiums

Opening balance	775,977	781,397
(+) Written Premiums (*)	1,381,391	1,716,781
(+/-) Ongoing risks not issued	12,872	(302,263)
(+) Tax on financial transactions	104,470	140,374
(-) Receivables	(1,413,779)	(1,579,049)
(+/-) Impairment loss	(9,428)	18,737
Closing balance	851,503	775,977

(*) Amount includes exchange rate variation and cancellations.

According to the flows of receipt of premiums and installments for the year ended December 31, 2025 and 2024, it was observed that the Company has been operating with an average installment of 2 times.

8. Securities and receivables

	<u>12/31/2025</u>	<u>12/31/2024</u>
Reimbursement to be received (a)	26,412	2,215
Tax and social security credits (b)	39,977	47,510
Court deposits	13	108
Other receivables	700	314
Total	67,102	50,147
Current	37,093	31,358
Non-current	30,009	18,789

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a) Aging of reimbursements receivable (actual and estimated) by branch group:

<u>Aging schedule - permanence</u>	<u>12/31/2025</u>	<u>12/31/2024</u>
Guarantee		
From 121 to 180 days	101	-
From 181 to 365 days	612	366
More than 365 days	36,261	38,110
Impairment	(36,983)	(36,261)
Total aging	-	2,215
Oil Risk		
From 1 to 30 days	26,412	-
Total aging	26,412	-
<u>Expectation of realization</u>	<u>12/31/2025</u>	<u>12/31/2024</u>
Guarantee		
More than 365 days	36,983	38,476
Impairment loss	(36,983)	(36,261)
Total aging	-	2,215
Oil Risk		
From 1 to 30 days	26,412	-
Total aging	26,412	-

b) Tax and social security receivables:

We present below the table with the tax debits and credits and tax assets deferred by the respective net amounts, when of the same nature and jurisdiction:

	<u>12/31/2025</u>	<u>12/31/2024</u>
Taxes and contributions to be offset/recovered (i)	28,771	30,300
PIS and COFINS Tax Credits (ii)	692	636
Deferred IRPJ and CSLL (iii) (b.1)	10,514	16,574
Total	39,977	47,510

- (i) Credits arising from Negative Balance of IRPJ and CSLL and PIS, COFINS, IOF, IR and CSLL overpaid;
- (ii) PIS and COFINS tax credits calculated on the balance of Provision for Claims to Settle - PSL and Provision for Claims Incurred and Not Reported - IBNR; and
- (iii) Tax Credits on temporary differences.

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b.1) Deferred tax transactions:

	Drive			
	12/31/2024	Recognized in the result	Recognized in other comprehensive results	12/31/2025
Deferred taxes on temporary differences	16,574	(3,777)	(2,283)	10,514
Market Value Adjustment – Held-for-trading	4,027	(2,126)	-	1,901
Market Value Adjustment – available-for-sale	6,600	-	(2,283)	4,317
Exchange Variation	(990)	(2,095)	-	(3,085)
Share-based incentive	1,793	(1,793)	-	-
Profit Shares	2,940	66	-	3,006
Other provisions	1,815	1,964	-	3,779
CPC 06 (R2) – Leases	389	207	-	596
Total	16,574	(3,777)	(2,283)	10,514

	Drive			
	12/31/2023	Recognized in the result	Recognized in other comprehensive results	12/31/2024
Deferred taxes on temporary differences	9,455	3,321	3,798	16,574
Market Value Adjustment – Held-for-trading	3,292	735	-	4,027
Market Value Adjustment – available-for-sale	2,802	-	3,798	6,600
Exchange Variation	(2,831)	1,841	-	(990)
Share-based incentive	1,750	43	-	1,793
Profit Shares	2,591	349	-	2,940
Other provisions	1,587	228	-	1,815
CPC 06 (R2) – Leases	264	125	-	389
Total	9,455	3,321	3,798	16,574

9. Deferred acquisition costs

The Company had a balance of deferred acquisition costs as shown in the table below:

<u>Groups / Lines of insurance</u>	<u>12/31/2025</u>	<u>12/31/2024</u>
Surety and performance bond insurance	141,370	119,213
Oil & Gas insurance	2,005	4,045
D&O liability insurance	1,316	1,111
General liability insurance	787	693
Professional liability insurance	1,426	803
Other	42	36
Total	146,946	125,901
Current	56,639	54,266
Non-current	90,307	71,635

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The company had deferred acquisition costs as shown in the table below:

	12/31/2024	Constitution	Deferral / Cancellation	12/31/2025
Surety and performance bond insurance	119,213	1,555,256	(1,534,099)	141,370
Oil & Gas insurance	4,045	35,707	(37,747)	2,005
D&O liability insurance	1,111	13,942	(13,737)	1,316
General liability insurance	693	9,316	(9,222)	787
Professional liability insurance	803	12,503	(11,880)	1,426
Other	36	503	(497)	42
Total	125,901	1,628,227	(1,607,182)	146,946

	12/31/2023	Constitution	Deferral / Cancellation	12/31/2024
Surety and performance bond insurance	103,141	1,284,443	(1,268,371)	119,213
Oil & Gas insurance	3,070	35,327	(34,352)	4,045
D&O liability insurance	1,047	13,027	(12,963)	1,111
General liability insurance	606	8,485	(8,398)	693
Professional liability insurance	897	10,004	(10,098)	803
Other	494	1,849	(2,307)	36
Total	109,255	1,353,135	(1,336,489)	125,901

10. Taxes and social security contributions to be collected

	12/31/2025	12/31/2024
Withholding income tax	569	3,104
Withholding service tax	128	82
Tax on financial transactions	30,511	30,195
Social security contributions	332	360
Other taxes and social charges	248	204
Total	31,788	33,945

11. Debts from insurance and reinsurance operations

• Operations with reinsurers

	12/31/2025	12/31/2024
Ceded reinsurance premiums	898,942	730,889
Commission	(190,522)	(126,417)
Reimbursement benefit on-lending	29,502	2,928
Total	737,922	607,400
Current	638,599	452,596
Non-current	99,323	154,804

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12. Third-Party Deposits

Third-party deposits refer mainly to direct insurance premiums and accepted coinsurance premiums, whose policies have not yet been identified, and are classified as current liabilities.

Third-party *warehouse aging* is distributed as follows:

	<u>12/31/2025</u>	<u>12/31/2024</u>
From 1 to 30 days	3,755	18,203
From 31 to 60 days	207	2,641
From 61 to 120 days	662	2,249
From 121 to 180 days	729	455
From 181 to 365 days	523	702
More than 365 days	2,927	3,251
Total	8,803	27,501

13. Technical Provisions

a) Composition of technical reserves

	<u>12/31/2025</u>			<u>12/31/2024</u>		
	Gross	Ceded	Retained	Gross	Ceded	Retained
Reserve for claims						
Reserve for claims to be settled	619,326	(609,562)	9,764	470,913	(458,884)	12,029
Incurred but not reported losses (IBNR)	35,061	(29,199)	5,862	39,403	(33,746)	5,657
Provision of related expenses	12,104	(9,258)	2,846	11,449	(8,835)	2,614
Total	666,491	(648,019)	18,471	521,765	(501,465)	20,300
Premium Reserves						
Unearned premium reserve	1,268,863	(927,239)	341,624	,239,990	(958,328)	281,662
Technical surplus reserve	166	-	166	166	-	166
Provision for amounts to be regularized	42,004	(6,395)	35,609	-	-	-
Total	1,311,033	(933,634)	377,399	1,240,156	(958,328)	281,828
Total Reserves	1,977,524	(1,581,653)	395,871	1,761,921	(1,459,793)	302,128
Current	1,387,212	(1,201,836)	185,376	1,268,075	(1,124,030)	144,045
Non-current	590,312	(379,817)	210,495	493,846	(335,763)	158,083

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b) Drive

The movements of the technical provisions are shown in the following table:

	12/31/2025			12/31/2024		
	Gross	Ceded	Retained	Gross	Ceded	Retained
Development of the reserve for claims and claim adjustment expenses						
On January 1	470,913	(458,884)	12,029	159,457	(147,690)	11,767
Losses incurred in the year	247,617	(233,853)	13,764	291,882	(265,746)	26,136
Losses paid in the year	(50,880)	33,810	(17,070)	(53,922)	26,005	(27,917)
Foreign exchange gain (loss)	(51,459)	51,200	(259)	67,369	(66,194)	1,175
Adjustment for inflation	3,135	(1,822)	1,313	6,127	(5,321)	806
Impairment	-	(13)	(13)	-	62	62
At the end of the financial year	619,326	(609,562)	9,764	470,913	(458,884)	12,029
Movement of the Incurred But Not Reported Losses reserve						
On January 1	39,403	(33,746)	5,657	39,136	(34,422)	4,714
Change in the IBNR provision	(3,342)	4,550	208	267	672	939
Impairment	-	(3)	(3)	-	4	4
At the end of the financial year	35,061	(29,199)	5,862	39,403	(33,746)	5,657
Development of the provision for related expenses						
On January 1	11,449	(8,835)	2,614	8,699	(7,324)	1,375
Expenses incurred in the year	7,063	(4,740)	2,323	7,689	(5,317)	2,372
Expenses paid in the year	(6,647)	(4,455)	(2,192)	(5,760)	4,476	(1,284)
Exchange rate variation	(139)	93	(46)	155	(100)	55
Adjustment for inflation	378	(231)	147	666	(571)	95
Impairment	-	-	-	-	1	1
At the end of the financial year	12,104	(9,258)	2,846	11,449	(8,835)	2,614
Movement of premium provisions - PPNG						
On January 1	1,239,990	(958,328)	281,662	1,149,928	(914,644)	235,284
Premiums written in the year	1,229,449	(1,016,336)	213,113	1,161,817	(974,126)	187,691
Premiums earned in the year	(1,126,119)	974,675	(151,444)	(1,181,350)	1,037,405	(143,945)
Foreign Exchange gain (loss)	(74,457)	72,750	(1,707)	109,595	(106,963)	2,632
At the end of the financial year	1,268,863	(927,239)	341,624	1,239,990	(958,328)	281,662
Development of premium reserves - unearned premium reserve						
On January 1	166	-	166	166	-	166
PET variation	-	-	-	-	-	-
At the end of the financial year	166	-	166	166	-	166
Movement of the Provision for Contingent Liabilities (*)						
As of January 1st	-	-	-	-	-	-
Recognition / Reversal	119.090	(6.395)	112.695	-	-	-
Payment / Receipt	(77.086)	-	(77.086)	-	-	-
At the end of the fiscal year	42.004	(6.395)	35.609	-	-	-
Total technical provisions	1,977,524	(1,581,653)	395,871	1,761,921	(1,459,793)	302,128

(*) See Note 2.3

14. Loss development

The claims development framework aims to compare the claims incurred compared to their previous estimates. From the year of occurrence, the evolution of these estimates over time is presented, as new information on the frequency and severity of each of the claims is obtained. It is worth mentioning the Insurer's characteristic of severity claims, typical of large risk operations, where variations in estimates can be significant throughout the adjustment of claims, due to the complexity inherent to the business. The bottom of the table shows the reconciliation of the amounts with the book balances.

Table of development of gross administrative and judicial reinsurance claims (Incurred + IBNR):

Year of reporting (**)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Up to the base date	5.965	141.095	15.508	164.159	290.194	44.977	47.733	83.736	82.421	135.128	58.209	46.003
One year later	468	95.706	40.521	162.075	242.387	101.032	88.631	59.673	86.696	390.366	29.952	-
Two years later	1.044	100.652	51.695	172.728	233.901	104.871	84.904	36.618	87.241	581.013	-	-
Three years later	1.044	116.903	15.178	164.775	188.794	83.433	22.181	31.732	91.608	-	-	-
Four years later	236	206.287	6.816	166.288	163.300	80.234	30.564	30.410	-	-	-	-
Five years later	1.327	212.505	6.809	163.179	156.364	80.048	19.889	-	-	-	-	-
Six years later	1.588	211.873	6.825	165.144	156.683	80.318	-	-	-	-	-	-
Seven years later	1.946	212.512	6.843	166.084	156.624	-	-	-	-	-	-	-
Eight years later	2.116	213.817	52.361	166.087	-	-	-	-	-	-	-	-
Nine years later	2.385	215.100	44.793	-	-	-	-	-	-	-	-	-
Ten years later	2.666	216.352	-	-	-	-	-	-	-	-	-	-
Eleven year later	2.956	-	-	-	-	-	-	-	-	-	-	-
Position on 12/31/2025	2.956	216.352	44.793	166.087	156.624	80.318	19.889	30.410	91.608	581.013	29.952	46.003

Payment year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Up to the base date	(17)	(621)	(1.020)	(75.849)	(25.981)	(2.856)	(202)	(6.660)	(46.425)	(14.767)	(2.280)	(2.217)
One year later	(154)	(81.370)	(2.043)	(118.369)	(150.116)	(13.949)	(623)	(23.062)	(56.695)	(33.363)	(7.864)	-
Two years later	(156)	(89.585)	(2.043)	(144.684)	(152.021)	(17.479)	(4.146)	(26.405)	(74.906)	(36.152)	-	-
Three years later	(156)	(89.585)	(3.733)	(155.420)	(152.021)	(78.712)	(4.805)	(29.354)	(79.653)	-	-	-
Four years later	(156)	(202.085)	(3.733)	(158.706)	(152.021)	(79.817)	(4.973)	(29.354)	-	-	-	-
Five years later	(156)	(203.255)	(6.683)	(161.589)	(152.021)	(79.929)	(11.302)	-	-	-	-	-
Six years later	(156)	(203.255)	(6.683)	(162.213)	(152.021)	(79.929)	-	-	-	-	-	-
Seven years later	(156)	(203.255)	(6.683)	(162.218)	(154.748)	-	-	-	-	-	-	-
Eight years later	(156)	(203.255)	(18.283)	(162.218)	-	-	-	-	-	-	-	-
Nine years later	(156)	(203.255)	(44.770)	-	-	-	-	-	-	-	-	-
Ten years later	(156)	(203.255)	-	-	-	-	-	-	-	-	-	-
Eleven year later	(156)	-	-	-	-	-	-	-	-	-	-	-
Position on 12/31/2025	(156)	(203.255)	(44.770)	(162.218)	(154.748)	(79.929)	(11.302)	(29.354)	(79.653)	(36.152)	(7.864)	(2.217)

Provision for claims to be settled	2.800	13.097	23	3.869	1.876	110	8.029	418	7.176	539.724	15.023	27.181
Provision for an unannounced claim	-	-	-	-	-	279	558	638	4.779	5.137	7.065	16.605
Provision of related expenses	1.030	5.023	139	-	-	13	2.298	36	1.577	452	598	938
Total liabilities	3.830	18.120	162	3.869	1.876	402	10.885	1.092	13.532	545.313	22.686	44.724

Year of reporting (**)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Up to the base date	5,965	141,095	15,508	164,159	290,194	44,977	47,733	83,736	82,421	135,128	58,209
One year later	468	95,706	40,521	162,075	242,387	101,032	88,631	59,673	86,696	390,366	-
Two years later	1,044	100,652	51,695	172,728	233,901	104,871	84,904	36,618	87,241	-	-
Three years later	1,044	116,903	15,178	164,775	188,794	83,433	22,181	31,732	-	-	-
Four years later	236	206,287	6,816	166,288	163,300	80,234	30,564	-	-	-	-
Five years later	1,327	212,505	6,809	163,179	156,364	80,048	-	-	-	-	-
Six years later	1,588	211,873	6,825	165,144	156,683	-	-	-	-	-	-
Seven years later	1,946	212,512	6,843	166,084	-	-	-	-	-	-	-
Eight years later	2,116	213,817	52,361	-	-	-	-	-	-	-	-
Nine years later	2,385	215,100	-	-	-	-	-	-	-	-	-
Ten years later	2,666	-	-	-	-	-	-	-	-	-	-
Position on 12/31/2024	2,666	215,100	52,361	166,084	156,683	80,048	30,564	31,732	87,241	390,366	58,209

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Payment year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Up to the base date	(17)	(621)	(1,020)	(75,849)	(25,981)	(2,856)	(202)	(6,660)	(46,425)	(14,767)	(2,280)
One year later	(154)	(81,370)	(2,043)	(118,369)	(150,116)	(13,949)	(623)	(23,062)	(56,695)	(33,363)	-
Two years later	(156)	(89,585)	(2,043)	(144,684)	(152,021)	(17,479)	(4,146)	(26,405)	(74,906)	-	-
Three years later	(156)	(89,585)	(3,733)	(155,420)	(152,021)	(78,712)	(4,805)	(29,354)	-	-	-
Four years later	(156)	(202,085)	(3,733)	(158,706)	(152,021)	(79,817)	(4,973)	-	-	-	-
Five years later	(156)	(203,255)	(6,683)	(161,589)	(152,021)	(79,929)	-	-	-	-	-
Six years later	(156)	(203,255)	(6,683)	(162,213)	(152,021)	-	-	-	-	-	-
Seven years later	(156)	(203,255)	(6,683)	(162,218)	-	-	-	-	-	-	-
Eight years later	(156)	(203,255)	(18,283)	-	-	-	-	-	-	-	-
Nine years later	(156)	(203,255)	-	-	-	-	-	-	-	-	-
Position on 12/31/2024	(156)	(203,255)	(18,283)	(162,218)	(152,021)	(79,929)	(4,973)	(29,354)	(74,906)	(33,363)	(2,280)
Provision for claims to be settled	2,510	11,845	34,078	3,866	4,662	119	25,579	679	7,102	343,926	36,547
Provision for an unannounced claim	-	-	-	-	-	-	12	1,699	5,233	13,077	19,382
Provision of related expenses	732	3,619	15	21	679	-	2,210	149	1,225	1,783	1,016
Total liabilities	3,242	15,464	34,093	3,887	5,341	119	27,801	2,527	13,560	358,786	56,945

(*) Difference between initial and final estimates

(**) Claims incurred include monetary adjustment, net of expected recoveries.

Table of development of Administrative and judicial claims net of reinsurance (Incurred + IBNR):

Year of reporting (**)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Up to the base date	1,225	3,077	2,797	13,264	8,078	2,821	3,007	13,151	24,640	8,924	7,504	5,015
One year later	171	2,599	963	10,805	5,080	836	241	12,254	25,460	6,566	4,774	-
Two years later	171	2,717	1,573	12,248	3,718	969	676	11,974	25,939	6,183	-	-
Three years later	171	3,723	1,483	12,253	6,861	890	146	12,093	28,472	-	-	-
Four years later	48	3,817	1,458	12,257	3,294	823	157	12,012	-	-	-	-
Five years later	426	5,316	1,455	11,019	1,620	824	301	-	-	-	-	-
Six years later	504	5,028	1,455	11,471	1,657	911	-	-	-	-	-	-
Seven years later	617	4,987	1,456	11,747	1,685	-	-	-	-	-	-	-
Eight years later	668	5,277	1,567	11,748	-	-	-	-	-	-	-	-
Nine years later	755	4,206	1,548	-	-	-	-	-	-	-	-	-
Ten years later	846	4,206	-	-	-	-	-	-	-	-	-	-
Eleven year later	941	-	-	-	-	-	-	-	-	-	-	-
Position on 12/31/2025	941	4,206	1,548	11,748	1,685	911	301	12,012	28,472	6,183	4,774	5,015
Payment year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Up to the base date	(7)	(416)	(689)	18,190	9,045	722	(3)	(3,686)	(20,218)	(1,306)	(619)	(1,371)
One year later	(48)	(1,064)	(858)	(9,524)	9,034	(304)	810	(11,163)	(21,516)	(4,176)	(2,637)	-
Two years later	(48)	(1,091)	(858)	(10,635)	8,913	(160)	(109)	(11,595)	(22,724)	(4,677)	-	-
Three years later	(48)	(1,091)	(858)	(10,671)	(1,132)	(414)	(110)	(11,750)	(24,563)	-	-	-
Four years later	(48)	(2,455)	1,542	(10,687)	(1,132)	(760)	773	(11,750)	-	-	-	-
Five years later	(48)	(2,806)	(1,448)	(10,697)	(1,132)	(820)	(131)	-	-	-	-	-
Six years later	(48)	(2,806)	(1,448)	(10,704)	(1,132)	(820)	-	-	-	-	-	-
Seven years later	(48)	(2,806)	(1,448)	(10,707)	(1,167)	-	-	-	-	-	-	-
Eight years later	(48)	(2,806)	(1,477)	(10,707)	-	-	-	-	-	-	-	-
Nine years later	(48)	(2,806)	(1,543)	-	-	-	-	-	-	-	-	-
Ten years later	(48)	(2,806)	-	-	-	-	-	-	-	-	-	-
Eleven year later	(48)	-	-	-	-	-	-	-	-	-	-	-
Position on 12/31/2025	(48)	(2,806)	(1,543)	(10,707)	(1,167)	(820)	(131)	(11,750)	(24,563)	(4,677)	(2,637)	(1,371)
Reserve for claims	893	1,400	5	1,041	518	4	9	116	3,351	585	843	950
Incurred but not reported losses (IBNR) reserve	-	-	-	-	-	87	161	146	558	921	1,294	2,694
Provision of related expenses	306	1,081	2	-	-	3	7	12	802	74	346	212
Impairment	4	8	-	5	3	-	-	1	18	3	4	6
Total liabilities	1,203	2,489	7	1,046	521	94	177	275	4,729	1,583	2,487	3,861

Year of reporting ()** **2014** **2015** **2016** **2017** **2018** **2019** **2020** **2021** **2022** **2023** **2024**

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Up to the base date	1,225	3,077	2,797	13,264	8,078	2,821	3,007	13,151	24,640	8,924	7,504
One year later	171	2,599	963	10,805	5,080	836	241	12,254	25,460	6,566	-
Two years later	171	2,717	1,573	12,248	3,718	969	676	11,974	25,939	-	-
Three years later	171	3,723	1,483	12,253	6,861	890	146	12,093	-	-	-
Four years later	48	3,817	1,458	12,257	3,294	823	157	-	-	-	-
Five years later	426	5,316	1,455	11,019	1,620	824	-	-	-	-	-
Six years later	504	5,028	1,455	11,471	1,657	-	-	-	-	-	-
Seven years later	617	4,987	1,456	11,747	-	-	-	-	-	-	-
Eight years later	668	5,277	1,567	-	-	-	-	-	-	-	-
Nine years later	755	4,206	-	-	-	-	-	-	-	-	-
Ten years later	846	-	-	-	-	-	-	-	-	-	-
Position on 12/31/2024	846	4,206	1,567	11,747	1,657	824	157	12,093	25,939	6,566	7,504

Payment year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Up to the base date	(7)	(416)	(689)	18,190	9,045	722	(3)	(3,686)	(20,218)	(1,306)	(619)
One year later	(48)	(1,064)	(858)	(9,524)	9,034	(304)	810	(11,163)	(21,516)	(4,176)	-
Two years later	(48)	(1,091)	(858)	(10,635)	8,913	(160)	(109)	(11,595)	(22,724)	-	-
Three years later	(48)	(1,091)	(858)	(10,671)	(1,132)	(414)	(110)	(11,750)	-	-	-
Four years later	(48)	(2,455)	1,542	(10,687)	(1,132)	(760)	773	-	-	-	-
Five years later	(48)	(2,806)	(1,448)	(10,697)	(1,132)	(820)	-	-	-	-	-
Six years later	(48)	(2,806)	(1,448)	(10,704)	(1,132)	-	-	-	-	-	-
Seven years later	(48)	(2,806)	(1,448)	(10,707)	-	-	-	-	-	-	-
Eight years later	(48)	(2,806)	(1,477)	-	-	-	-	-	-	-	-
Nine years later	(48)	(2,806)	-	-	-	-	-	-	-	-	-
Ten years later	(48)	-	-	-	-	-	-	-	-	-	-
Position on 12/31/2024	(48)	(2,806)	(1,447)	(10,707)	(1,132)	(760)	773	(11,750)	(22,724)	(4,176)	(619)

Reserve for claims	798	1.400	90	1.040	525	4	922	269	2.948	1.079	2.892
Incurred but not reported losses (IBNR) reserve	-	-	-	-	-	-	8	74	267	1.311	3.993
Provision of related expenses	208	746	-	8	10	-	122	55	570	617	277
Impairment	4	8	-	5	3	-	6	1	16	6	18
Total liabilities	1.010	2.154	90	1.053	538	4	1.058	399	3.801	3.013	7.180

(*) Difference between initial and final estimates

(**) Claims incurred include monetary adjustment, net of expected recoveries.

15. Judicial Provisions

On December 31, 2025 and 2024, civil lawsuits that originated from claims, in which the Company is the defendant, are provisioned under the heading of "claim to be settled judicially". The movement of the provisioned amounts is shown in the table below:

	12/31/2025	12/31/2024
Opening balance	32,957	19,162
Reopening	-	6,245
Revaluation	5,061	8,407
Indemnity	(5,513)	(563)
Cancellation	(325)	(294)
Total	32,180	32,957

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The Company has 32 lawsuits as defendant with possible and probable loss contingencies, as shown in the table below:

Nature	Probable				Possible			
	12/31/2025		12/31/2024		12/31/2025		12/31/2024	
	Number of lawsuits	Amount at risk (BRL)	Number of lawsuits	Amount at risk (BRL)	Number of lawsuits	Amount at risk (BRL)	Number of lawsuits	Amount at risk (BRL)
Civil	15	1.109	-	-	15	55.377	43	63.230
Labor	-	-	-	-	2	953	1	588
Total	15	1.109	-	-	17	56.330	44	63.818

16. Equity

a) Share capital

As of December 31, 2025, the subscribed and paid-in capital stock is R\$133,525 represented by 69,151,585 registered common shares with no par value.

On December 31, 2025, the Company exceeded the limit of its retained earnings reserves and will submit the matter to the Ordinary General Meeting, which shall deliberate on the capitalization or distribution of the excess, in accordance with the bylaws and Article 199 of Law No. 6,404/76.

b) Profit Reserves

Profit reserves are made up of the legal reserve and other profit reserves. The legal reserve is constituted at the end of the fiscal year corresponding to 5% of the Company's profit, after absorption of accumulated losses, and the remainder is allocated to other profit reserves, according to criteria pre-established by the Brazilian Corporation Law.

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c) Minimum mandatory dividends and interest on equity (JCP)

On December 31, 2025 and 2024, as approved by the shareholders at the Extraordinary General Meeting and constitution of the legal reserve, the distribution of dividends and interest on equity is as follows:

	<u>12/31/2025</u>	<u>12/31/2024</u>
Net income for the year	52,957	43,380
Allocation to legal reserve – 5%	(2,648)	(2,169)
Basis for dividend distribution	50,309	41,211
Constitution of other reserves:		
Basis for dividend distribution	50,309	41,211
Interest on equity (JCP) gross income tax*	(22,000)	(17,491)
Total other bookings	28,309	23,720
Excess interest on equity (JCP) and dividends distributed:		
Interest on equity (JCP) net of income tax*	18,700	14,867
Minimum mandatory dividends – 25%	12,577	(10,295)
Total surplus of JCP and dividends distributed	6,123	4,572
Destination of net profits:		
Legal reserve – 5%	2,648	2,169
Other bookings	28,309	23,720
Interest on equity (JCP) gross income tax*	22,000	17,491
Total allocation of net profits	52,957	43,380

(*) In accordance with the power provided for in Law No. 9,249/95, on December 31, 2025 and 2024, the Company credited JCP within the tax limits in the amounts of R\$ 22,000 and R\$ 17,491 (gross income tax withheld), respectively, and R\$ 18,700 and R\$ 14,867 (net of income tax withheld), respectively, in favor of its shareholders. JCP is accounted for as a financial expense and for the purposes of the financial statements it is shown in shareholders' equity as a distribution of profits.

d) Adjusted Stockholders' Equity Breakdown - PLA and Capital Requirement

	<u>12/31/2025</u>	<u>12/31/2024</u>
Equity	274,650	270,030
Accounting adjustments	(17,138)	(19,294)
Adjustments associated with the change in economic values	23,874	17,123
Adjusting the excess of Level 2 PLA and Level 3 PLA	(147)	(500)
Adjusted stockholders' equity – PLA	281,239	267,359
Base capital - CB (a)	15,000	15,000
Additional Underwriting Risk Capital	33,934	25,346
Additional operational risk capital	8,108	7,915
Additional credit risk capital	42,635	39,835
Additional market risk capital	8,329	9,443
Benefit of diversification	(15,585)	(14,326)
Venture Capital - CR (b)	77,421	68,213
Minimum Capital Required - CMR greater between (a) and (b)	77,421	68,213
Adjusted stockholders' equity	281,239	267,359
(-) Capital Requirement - EC	77,421	68,213
Capital sufficiency - R\$	203,818	199,146
Capital Sufficiency (% PLA/CMR)	363,3%	391,9%

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The minimum capital required that the supervised company must maintain at any time to operate must be the greater of base capital and risk capital.

17. Share-based incentive

The first plan establishes general conditions for the granting by Austral Participações of call options for preferred shares issued by Austral Participações to eligible professionals, members of the Management and employees of Austral Participações and its affiliates and/or subsidiaries, for the services rendered, and the terms and conditions of the grants were defined and administered by the management committee. according to the guidelines and conditions established by the stock option plan and that the plan will be settled in shares of Austral Participações if and when the options are exercised, upon payment at the exercise price to be made by the beneficiary.

At management committee meetings held on October 1 and 2, 2013, the first and second stock option programs of the first plan were approved, in which Austral Participações granted call options to beneficiaries totaling 4,500,000 options.

On December 19, 2014, the third stock option plan was approved at a management committee meeting, under which Austral Participações granted purchase options to the beneficiaries totaling 4,832,137 options.

On March 18, 2016, the second stock option plan of Austral Participações, the controlling shareholder of the Company, was approved at an Extraordinary General Meeting. The general grant conditions were the same as those of the first stock option plan disclosed above.

At the management committee meeting held on April 1, 2016, the fourth stock option program was approved, under which Austral Participações granted purchase options to the beneficiaries totaling 76,616 options.

Additionally, in the same meeting the first stock option program of the second plan was approved, in which Austral Participações granted call options to the beneficiaries, totaling 1,884,307 options.

On September 5, 2016, at the management committee meeting, the second stock option program of the second plan was approved, under which Austral Participações granted purchase options to the beneficiaries totaling 75,748 options.

At the Board of Directors meeting held on March 28, 2022, the third plan was approved with the grant of 21,538,172 stock options of Austral Participações, the parent company of the Company. The term and exercise price of such options are determined in individual agreements entered into between Austral Participações and the beneficiaries on April 1, 2022.

The third plan established the general terms and conditions for the grant of options to purchase common and/or preferred shares (if any exist at the time of delivery of each share) issued by Austral Participações to directors, employees, and/or natural persons providing services to Austral Participações, as well as other companies directly or indirectly controlled by Austral Participações and/or other companies within the economic group. According to the guidelines and conditions established in the plan, it will be settled in shares of Austral Participações, if and when the options are exercised, upon payment of the exercise price by the beneficiary.

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Austral Participações S.A. grants each beneficiary a put option on the shares that are acquired as a result of the exercise of the call option by the participant, as well as has an option to repurchase such shares. The term and exercise price of such options were established in individual agreements signed between Austral Participações and the participants.

If the beneficiary has his or her employment contract terminated voluntarily or involuntarily, without just cause, the options that have not yet been exercisable are automatically extinguished, without any right to indemnification or compensation, and the options that can be exercised may be exercised within a certain period, as provided for in each individual contract.

In the event that the beneficiary's employment contract is terminated for just cause, all options that can be exercised, and those that cannot yet be exercised, are automatically extinguished by operation of law, regardless of prior notice or compensation.

The 25,698,206 options represent a dilution of up to 8.1% on a total of 291,233,306 shares of Austral Participações.

The effect of the incentive based on stock options related to the Company's employees, who were entitled to the options of Austral Participações is recorded in the Company's shareholders' equity as a capital reserve for the year ended December 31, 2025, in the amount of R\$ 4,250 (R\$ 4,483 on December 31, 2024).

18. Related Party Transactions

The main balances, income and expenses resulting from transactions with related parties refer to:

	Assets	
	12/31/2025	12/31/2024
Austral Resseguradora S.A. – Affiliate (a)	40,748	39,237
Total	40,748	39,237

	Liabilities	
	12/31/2025	12/31/2024
Austral Participações S.A. - Parent Company (b)	18,700	14,867
Austral Resseguradora S.A. – Affiliate (a)	94,627	64,457
Vinci Gestora de Recursos - Affiliate (c)	51	38
Administrators - Other (d)	34	385
Total	113,412	79,747

	Revenue	
	12/31/2025	12/31/2024
Austral Resseguradora S.A. – Affiliate (a)	11,533	24,409
Administrators - Other (d)	392	468
Total	11,925	24,877

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	Expenditure	
	12/31/2025	12/31/2024
Austral Resseguradora S.A. – Affiliate (a)	(75,556)	(62,021)
Vinci Gestora de Recursos - Affiliate (c)	(518)	(429)
Administrators - Other (d)	(7,303)	(7,168)
Other related parts (e)	(26)	-
Total	(3,403)	(69,618)

- (a) Premiums and recovery of claims related to reinsurance contracts;
(b) Amount of JCP payable (net of taxes).
(c) These are transactions that involve payment of an investment portfolio management fee to the Company; and
(d) Amount related to remuneration paid and payable to managers (statutory board) and insurance issued and to be refunded (key personnel); and
(e) Amount related to premiums refunded to other related parties.

19. Income and social contribution taxes

The income tax and social contribution, calculated based on the official rates in force, on December 31, 2025 and 2024, are reconciled, as follows:

	12/31/2025		12/31/2024	
	IRPJ	CSLL	IRPJ	CSLL
Profit before tax and after profit contributions (*)	70,941	70,941	59,071	59,071
Nominal rate	25.0%	15.0%	25.0%	15.0%
Total charge of IRPJ and CSLL at current rates	17,735	10,641	(14,768)	(8,861)
<u>Permanent additions and deletions:</u>				
Non-mandatory Contributions	(31)	(19)	(19)	(12)
Revenue from Tax Debt Adjustments	944	567	417	250
Tax Incentives	494	-	524	-
Interest on Equity	5,500	3,300	4,373	2,624
Others	(233)	(155)	(128)	(91)
Total	6,674	3,693	5,167	2,771
Recognition/Reversal of Tax Credit	(3)	28	-	-
Current IRPJ and CSLL	(8,703)	(5,504)	(11,676)	(7,336)
Deferred IRPJ and CSLL	(2,361)	(1,416)	2,075	1,246
Total Expenditure on IRPJ and CSLL	(11,064)	(6,920)	(9,601)	(6,090)
Effective tax rate	15.6%	9.7%	16.3%	10.3%

(*) In the result before taxes, the amount referring to expenses with profit sharing is being added, which on December 31, 2025 is R\$ 7,146 (R\$ 7,561 on December 31, 2024)

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20. Earnings per share – basic and diluted

The following tables reconcile net income for the years to the amounts used to calculate basic and diluted earnings per share:

	12/31/2025	12/31/2024
Net income for the year	52,957	43,380
Weighted average of shares	69,152	69,152
Earnings per share in R\$ - Basic and Diluted	0.7658	0.6273

Basic earnings per share are calculated by dividing the profit (loss) attributable to shareholders by the weighted average of the number of common and preferred shares outstanding in the year.

Diluted earnings per share are calculated by dividing the profit attributable to shareholders by the adjusted weighted average of the number of common and preferred shares outstanding in the year, excluding the weighted average of treasury shares. As of December 31, 2025 and 2024, the Company had no diluting factors.

21. Lines of insurance

The lines in which the Company operates and their performance indicators as of December 31, 2025 and 2024 are:

Line of Insurance Group	Earned premiums		Loss ratio % (a)		Marketing ratio % (b)	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Performance and surely	234,125	213,126	1.4	1.1	21.8	22.3
General Liability	6,109	6,456	16.0	13.2	20.0	20.1
R.C Directors and Officers	12,004	20,586	(2.2)	7.0	14.7	9.4
R.C. Environmental Risks	487	598	15.4	33.2	16.2	15.9
Professional R.C.	7,245	7,011	35.5	62.7	19.1	20.5
Oil Risks	866,132	896,773	27.7	25.1	0.5	0.6
Others*	17	36,800	(132.087.5)	176.9	19.4	1.1
Total	1,126,119	181,350	19.9	25.4	5.3	4.9

(a) Loss Ratio = {notified indemnities + expenses with claims - salvage and reimbursements + variation in the allowance for claims incurred and not reported (IBNR)} / premium earned.

(b) Commercialization Ratio = acquisition cost / premium earned.

The breakdown of direct written premiums before and after the cession of reinsurance is shown below for the years ended December 31, 2025 and 2024:

Lines	Net Direct Premium of Ceded Coinsurance		Premium Ceded Reinsurance		Insurance (-) Reinsurance = Retained Premium		Retention Percentage		Percentage Reinsured	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Performance and surely	335,708	235,456	(170,302)	(117,965)	165,406	117,491	49.3	49.9	50.7	50.1
R.C. Managing Directors	12,511	13,954	(7,175)	(8,664)	5,335	5,290	42.7	37.9	57.3	62.1
R.C. Environmental Risks	440	474	(165)	(153)	275	321	62.5	67.7	37.5	32.3
Professional R.C.	9,262	6,578	(2,715)	(3,268)	6,547	3,310	70.7	50.3	29.3	49.7
General Liability	6,074	6,532	(1,138)	(1,359)	4,936	5,173	81.3	79.2	18.7	20.8
Oil Risks	839,416	1,138,547	(817,100)	(1,107,335)	22,316	31,212	2.7	2.7	97.3	97.3
Others*	-	(1,034)	199	1,017	199	(17)	-	1.6	-	98.4
Total	1,203,411	1,400,407	(998,396)	(1,237,727)	205,015	162,780	17.0	11.6	83.0	88.4

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Lines	Premium Issued Coinsurance Accepted		Premium Ceded Reinsurance		Coinsurance (-) Reinsurance = Retained Premium		Retention Percentage		Percentage Reinsured	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Performance and surely	9,268	50,364	(3,989)	(21,994)	5,279	28,370	57.0	56.3	43.0	43.7
R.C. Managing Directors	2,647	7,751	(1,114)	(5,420)	1,533	2,331	57.9	30.1	42.1	69.9
R.C. Environmental Risks	101	113	(45)	(51)	56	62	55.4	54.9	44.6	45.1
Professional R.C.	530	800	(140)	(258)	390	542	73.6	67.8	26.4	32.3
General Liability	14	100	-	-	14	100	100.0	100.0	-	-
Oil Risks	590	4,440	(468)	(3,770)	122	670	20.7	15.1	79.3	84.9
Others*	13,166	4	(10)	(2)	6	2	37.5	50.0	62.5	50.0
Total	9,268	63,572	(5,766)	(31,495)	7,400	32,077	56.2	50.5	43.8	49.5

Lines	Current Risk Premium Not Issued - RVNE		Premium Ceded RVNE Reinsurance		Coinsurance (-) Reinsurance = Retained Premium		Retention Percentage		Percentage Reinsured	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Performance and surely	1.041	1.936	(335)	(820)	706	1,116	67.8	57.6	32.2	42.4
R.C. Managing Directors	(6.972)	(1.098)	5,325	1,347	(1,647)	249	23.6	(22.7)	76.4	122.7
R.C. Environmental Risks	(16)	(13)	11	9	(5)	(4)	31.3	30.8	68.8	69.2
Professional R.C.	608	(296)	(340)	221	268	(75)	44.1	25.3	55.9	74.7
General Liability	336	169	(39)	36	297	205	88.4	121.3	11.6	(21.3)
Oil Risks	17,875	(302,471)	(16,796)	293,914	1,079	(8,557)	6.0	2.8	94.0	97.2
Others*	-	(489)	-	389	-	(100)	-	20.4	-	79.6
Total	12.872	(302,262)	(12,174)	295,096	698	(7,166)	5.4	2.4	94.6	97.6

*The non-relevant branches are: Transportation, Marine Risks, Named and Operational Risks, Business Interruption, Commercial Comprehensive, and Engineering Risks.

Reinsurance premium by reinsurer class:

	12/31/2025	12/31/2024
Local reinsurer company	(728,730)	(507,915)
Admitted reinsurer company	(133,946)	(246,071)
Eventual reinsurer company	(153,660)	(220,140)
Total	(1,016,336)	(974,126)

22. Breakdown of Profitability Accounts

a) Premiums

	12/31/2025	12/31/2024
Direct Written Premiums	1,250,417	1,461,391
Coinsurance premiums accepted by counterparties	13,166	63,572
Coinsurance premium ceded to counterparties	(47,006)	(60,884)
Premium - risks in force not yet written	12,872	(302,262)
Changes in technical reserves	(103,330)	19,533
Earned premiums	1,126,119	1,181,350

b) Incurred losses

	12/31/2025	12/31/2024
Direct indemnities	(247,038)	(300,776)
Direct expenses	(7,170)	(8,913)
Salvage and reimbursement	27,018	366
Impairment - salvage and reimbursement	(722)	(366)
Recovery losses	(472)	10,138
Incurred but not reported losses reported directly	4,342	(267)
Total	(224,042)	(299,818)

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c) Acquisition cost

	<u>12/31/2025</u>	<u>12/31/2024</u>
Commissions on premiums written	(85,483)	(80,092)
Coinsurance commission recovery	7,940	7,947
Change in deferred trading expense	21,046	16,529
Other acquisition costs	(3,476)	(2,668)
Total	(59,973)	(58,284)

d) Other operating revenue (expenses)

	<u>12/31/2025</u>	<u>12/31/2024</u>
Other insurance income	123	499
Bank fees	(37)	(79)
Risk inspection	(167)	(129)
Impairment – Insurance	(9,882)	18,752
Impairment – Reinsurance	5,980	(19,191)
Expenses with insurance operations	(1,223)	(1,008)
Total	(5,206)	(1,156)

e) Income with reinsurance

	<u>12/31/2025</u>	<u>12/31/2024</u>
Indemnity recovery	244,367	288,838
Recovery of indemnity expenses	6,024	6,743
Recovery of claims that occurred but were not reported	(4,630)	(1,330)
Revenue from profit sharing	14,831	14,701
Premium ceded in reinsurance	(1,016,336)	(974,126)
Transfer of salvage and reimbursement	(26,772)	(283)
Unearned premium provision	41,661	(63,279)
Impairment - claim	561	282
Other income from reinsurance operations	(832)	80
Total	(741,126)	(728,374)

f) Administrative expenses

	<u>12/31/2025</u>	<u>12/31/2024</u>
Expenses with own personnel and social charges	(27,587)	(25,097)
Stock-based incentive expenses	(231)	(152)
Location and operating expenses	(2,529)	(2,462)
Expenses with third-party services	(10,358)	(9,356)
Depreciation and amortization expenses	(5,544)	(4,781)
Other expenses	(2,176)	(2,434)
Total	(48,425)	(44,282)

g) Tax expenses

	<u>12/31/2025</u>	<u>12/31/2024</u>
COFINS Expenses	(11,363)	(12,419)
PIS expenses	(2,017)	(2,306)
Inspection fee	(1,103)	(1,103)
Other expenses	(595)	(373)
Total	(15,078)	(16,201)

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h) Net Finance Incomes

	<u>12/31/2025</u>	<u>12/31/2024</u>
Revenue		
Securities measured at fair value through profit or loss	26,854	41,428
Securities measured at fair value through other comprehensive income	32,916	19,959
Insurance contracts	184,134	315,317
Foreign exchange gain on cash and cash equivalents	2,806	5,981
Derivative adjustments – future	5,882	20,919
Other income	3,808	1,688
Total revenue	256,400	405,292
Expenses		
Securities measured at fair value through profit or loss	(9,320)	(15,339)
Securities measured at fair value through other comprehensive income	(9,926)	(1,933)
Insurance contracts	(181,040)	(324,133)
Charges on liabilities	(547)	(780)
Foreign exchange loss on cash and cash equivalents	(2,246)	(2,810)
Derivative adjustment – future	(4,845)	(24,918)
Other expenses	(2,658)	(1,982)
Interest on equity	(22,000)	(17,491)
Total expenses	(232,582)	(389,386)
Total	23,818	15,906

i) Equity result

	<u>12/31/2025</u>	<u>12/31/2024</u>
Interest on equity	22.000	17,491
Total equity result	22.000	17,491

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23. Responsible

Board Members:

Bruno Augusto Sacchi Zaremba
Gabriel Felzenszwalb
Michel Cukierman

Chief Executive Officer:

Carlos Frederico da Costa Leite Ferreira

Management Team:

Rodrigo Ferreira de Campos
Claudia Novello Ribeiro
André Machado Caldeira

Accountant:

Ana Carolina Gonçalves Schaefer
CRC RJ - 113827/O-0

Actuary:

Claudia Novello Ribeiro
MIBA No. 2029