

EARNINGS RELEASE

PRUMO PARTICIPAÇÕES E INVESTIMENTOS
AND FERROPORT

June 30th, 2023



INVESTOR RELATIONS TEAM



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PRUMO PARTICIPAÇÕES AND FERROPORT

2Q2023 EARNINGS REPORT

Rio de Janeiro, September 4th, 2023 - PRUMO PARTICIPAÇÕES E INVESTIMENTOS S.A. ("PRUMOPAR"), located at 804, Russel Street, 5th floor, Glória, Rio de Janeiro, was incorporated in 2015 in order to acquire interests in other companies. PRUMOPAR carries out its operations via the joint venture Ferroport Logística Comercial e Exportadora S.A. ("Ferroport") with Anglo American Participações Minério de Ferro Ltda. ("Anglo American").

Information about the Conference Call

Tuesday, September 5th at 12:00 PM (Brasília time); 11:00 (US-ET).

Telephone number for participants:

*No passcode is needed

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Participants should connect 5 minutes before the conference call starts.

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2Q2023 FINANCIAL HIGHLIGHTS

Ferroport	2Q23	2Q22	Δ %	1Q23	Δ %	1H23	1H22	Δ %
Volume T-Ore (K-ton)	6,218	4,341	43,2%	5,007	24,2%	11,225	8,928	25,7%
T-Ore Access (BRL k)	273,631	266,401	2,7%	284,309	(3,8%)	557,940	536,126	4,1%
T-Oil Access (BRL k)	11,934	9,058	31,8%	27,927	(57,3%)	39,861	15,837	151,7%
EBITDA	200,465	160,629	24,8%	223,438	(10,3%)	423,903	359,256	18,0%
EBITDA Margin	79.5%	65.7%	1.385 bps	81.1%	(152 bps)	80.3%	73.3%	701 bps
Adjusted EBITDA ¹ (BRL k)	200,465	201,528	(0,5%)	223,438	(10,3%)	423,903	404,151	4,9%
Adjusted EBITDA Margin	79.5%	82.4%	(288 bps)	81.1%	(152 bps)	80.3%	82.5%	(215 bps)

Prumopar	2Q23	2Q22	Δ %	1Q23	Δ %	1H23	1H22	Δ %
IC Loan - Principal (BRL k)	-	1,088	0	-	0	-	2,176	0
IC Loan - Interest (BRL k)	-	73,010	0	-	0	-	146,020	0
Dividends (BRL k)	55,050	58,376	(5.7%)	75,583	(27.2%)	130,633	58,376	123.8%
Total Distribution from Ferroport (BRL k)	55,050	132,474	(58.4%)	75,583	(27.2%)	130,633	206,572	(36.8%)

During the second quarter of 2023, Ferroport loaded 6,2 million tons of iron ore, an increase of 43% comparing to the 4,3 million tons of iron ore loaded in the same quarter of 2022.

Ferroport was positively impacted on gross revenues from T-Ore 2.7% in comparison with the same period of 2022, caused by higher take-or-pay tariff.

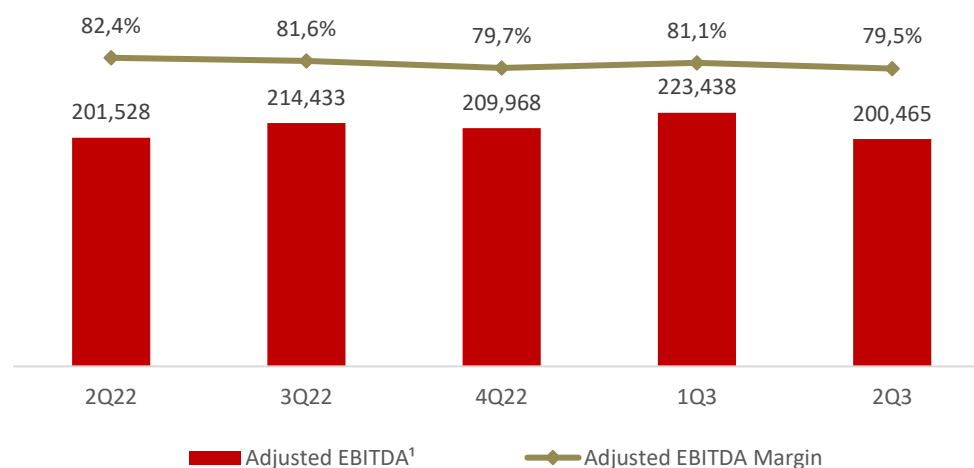
As for gross revenues from T-Oil the increase was 31.8% an amount of BRL 11.93 million in the second quarter of 2023 versus BRL 9.05 million in the second quarter of 2022, due to higher number of vessels and a decrease in tariffs discounts.

Ferroport distributed to PRUMOPAR and Anglo American in the second quarter of 2023 the amount of BRL 110.1 million, an aggregate amount of BRL 261.26 million as dividends in the first half of 2023. At PRUMOPAR level, total distributions were BRL 55.05 million in the second quarter of 2023, an aggregate amount of BRL 130.63 million in the first half of 2023.

Adjusted EBITDA (In BRL M) and Margin per quarter:

Ferroport	2Q22	3Q22	4Q22	1Q3	2Q3
(+)Net Revenues	244,494	259,171	263,538	275,606	252,007
(-)Costs	(91,906)	(63,709)	(54,473)	(62,259)	(58,256)
(-)SG&A	(9,575)	(11,202)	(18,910)	(10,012)	(13,435)
(+) Depreciation & Amortization	17,617	18,024	19,398	20,103	20,149
(-/+) Non Recurring Revenues/Costs	40,898	12,149	0,415	-	-
Adjusted EBITDA¹	201,528	214,433	209,968	223,438	200,465
Adjusted EBITDA Margin	82.4%	81.6%	79.7%	81.1%	79.5%

¹Excluding Dredging (Non Recurring Costs)



I. ESG:

Ferroport structures its ESG policies and actions following the ESG score ranking designed by NINT (former "Sitawi Finanças do Bem" that produced the last report). The scores range from 0.0 to 10.0 and Critical to Superior and indicates the company's status in each section measured and for the company as a whole.

The improvements that the company is aiming for 2023 and the upcoming years are:

- To obtain certain certifications in its operations;
- To develop action plans to promote a more diverse participation in the workforce for gender, race and other minorities;
- To report to Carbon Disclosure Project2 (CDP) on atmospheric emissions;
- Develop Decarbonization Plan for Ferroport's processes.

II. FERROPORT CONSOLIDATED

a. Consolidated Simplified Analysis of the Income Statement:

Income Statement	Consolidated (BRL k)							
	2Q23	2Q22	Δ %	1Q23	Δ %	1H23	1H22	Δ %
Shipment of iron ore (Take or Pay)	273,631	266,401	2.7%	284,309	(3.8%)	557,940	536,126	4.1%
Oil transshipment (T-Oil)	11,934	9,058	31.8%	27,927	(57.3%)	39,861	15,837	151.7%
Port Services/Others	13	11	18.2%	2	550.0%	15	11	36.4%
Taxes	(33,571)	(30,976)	(8.4%)	(36,632)	(8.4%)	(70,203)	(62,085)	13.1%
Net revenue of services	252,007	244,494	3.1%	275,606	(8.6%)	527,613	489,889	7.7%
Cost of Services	(58,256)	(91,906)	(36.6%)	(62,259)	(6.4%)	(120,515)	(147,420)	(18.3%)
Gross Profit	193,751	152,588	27.0%	213,347	(9.2%)	407,099	342,469	18.9%
Operating Expenses	(13,435)	(9,576)	40.3%	(10,012)	34.2%	(23,447)	(17,937)	30.7%
Financial Income/Loss	3,457	4,691	(26.3%)	5,037	(31.4%)	8,494	5,451	55.8%
Income before taxes	183,773	147,704	24.4%	208,372	(11.8%)	392,146	329,983	18.8%
Income and social contribution taxes	(62,344)	(50,349)	23.8%	(73,478)	(15.2%)	(135,822)	(112,594)	20.6%
Net income (loss) for the year	121,429	97,355	24.7%	134,894	(10.0%)	256,324	217,389	17.9%
EBITDA	200,465	160,629	24.8%	223,438	(10.3%)	423,904	359,256	18.0%

The net revenues of services for the second quarter of 2023 increased 3.1%, in comparison to the same period of 2022, mainly because of:

- Port Access revenues from T-Oil increased 31.8% as a result of higher operations at the T-Oil terminal, a total of 74 operations in the first half of 2023;
- Port Services revenues increased 18.2% compared to the second quarter of 2022 and increased 550% as compared with the first quarter of 2023, caused by operations providing maintenance and engineering services to the companies located in the port terminal.

Cost of services decreased 36.6% versus the same period of 2022, mainly impacted by personnel, maintenance costs and partially offset by higher IT services.

Overall operating expenses increased 40.3% compared to the same period of 2022, mostly due to ICMS paid regarding the divisible assets transferred to Anglo American in the second quarter of 2023, according to the free lease agreement. Ferroport will continue operating these assets such as ship loader, reclaimer, stacker, conveyor belts and others. It's important to highlight that the ICMS paid was reimbursed to Ferroport by Anglo American in August 2023.

Net Financial income decreased 26.3% from BRL 4,691 in the second quarter of 2022 to BRL 3.457 million on the second quarter of 2023 caused by financial expenses with litigation.

For the second quarter of 2023, income before taxes amounted to BRL 183.7 million meaning an increase of 24.4% and net income amounted BRL 121.4 million, an increase of 25% both when compared to the same period of 2022.

b. Consolidated Simplified Analysis of the Cash Flow Statement:

Cash Flow Statement	Consolidated (BRL k)							
	2Q23	2Q22	Δ %	1Q23	Δ %	1H23	1H22	Δ %
Net income (loss) before taxes	183,773	147,704	24.4%	208,372	(11.8%)	392,145	329,984	18.8%
Depreciation & Amortization	20,149	17,614	14.4%	20,103	0.2%	40,252	34,708	16.0%
Other Cash Adjustments	3,115	3,091	0.8%	6,486	(52.0%)	9,601	11,258	(14.7%)
Working Capital Variation	(69,878)	(45,506)	53.6%	(69,781)	0.1%	(139,659)	(118,949)	17.4%
Cash Flow from Operating Activities	137,159	122,903	11.6%	165,180	(17.0%)	302,339	257,001	17.6%
Capex/Intangibles	(18,617)	(16,203)	14.9%	(14,228)	30.8%	(32,845)	(21,201)	54.9%
Cash Flow from Investing Activities	(18,617)	(16,203)	14.9%	(14,228)	30.8%	(32,845)	(21,201)	54.9%
Intercompany Loans Settled	-	-	-	-	-	-	(96,544)	-
Lease payments	(593)	(550)	7.8%	(576)	3.0%	(1,169)	(1,087)	7.5%
Dividends Paid	(110,101)	(116,752)	(5.7%)	(151,166)	(27.2%)	(261,267)	(116,752)	123.8%
Cash Flow from Financing Activities	(110,694)	(117,302)	(5.6%)	(151,742)	(27.1%)	(262,436)	(214,383)	22.4%
Increase in cash and cash equivalents	7,848	(10,602)	(174.0%)	(790)	(1093.4%)	7,058	21,417	(67.0%)

The cash flow from operating activities increased 11.6% an amount of BRL 137.2 million in the second quarter of 2023 if compared to the same period of 2022 and an increase of 17.6% in the first half of 2023 in comparison with the same period of 2022.

Ferroport's Capex summed BRL 18.6 million in the second quarter of 2023, an increase of 14.9% compared to the same period of 2022, mostly due to conveyor belts purchases and other maintenance costs;

Working capital variation increased 53.6% in the second quarter of 2023 caused by higher taxes paid (IRPJ/CSLL) as a result of higher income taxes after adjustments in the second quarter of 2023.

c. Consolidated Simplified Analysis of the Balance Sheet:

Consolidated (BRL k)			
Balance Sheet	June 30, 2023	March 31, 2023	December 31, 2022
Current Assets	334,710	326,810	330,573
Cash and equivalent	174,897	167,049	167,839
Receivables from related parties	112,211	119,297	121,212
Noncurrent Assets	2,106,210	2,316,479	2,322,373
Total Assets	2,440,920	2,643,289	2,652,946
Current Liabilities	334,591	119,109	269,365
Dividends Payable	230,890	3,523	154,689
Income taxes and social contribution	22,298	27,876	25,486
Noncurrent Liabilities	354,783	556,596	550,891
Taxes Payable	33,934	34,003	34,093
Shareholders' equity	1,751,546	1,967,584	1,832,690
Total Liabilities plus Shareholders' equity	2,440,920	2,643,289	2,652,946

Ferroport's consolidated cash and cash equivalent on June 30th, 2023 were BRL 174.9, an increase of 4.7% versus BRL 167.05 million on March 31st, 2023.

It is important to mention that Ferroport will continue to distribute its excess of cash following the minimum cash mechanism. The company will perform quarterly cash distribution to its shareholders, through dividends and capital reductions.

III. PRUMOPAR
a. Simplified Analysis of the Income Statement:

Consolidated (BRL k)								
Income Statement	2Q23	2Q22	Δ %	1Q23	Δ %	1H23	1H22	Δ %
Net Operating Revenue	-	-	-	-	-	-	-	-
Sales Cost	-	-	-	-	-	-	-	-
Gross Profit	-	-	-	-	-	-	-	-
Operating Expenses	(112)	(87)	28.7%	15	(846.7%)	(97)	(80)	21.3%
Financial Income/Loss	28,666	(179,919)	(115.9%)	4,680	512.5%	33,346	24,064	38.6%
Equity in income of subsidiaries	61,887	49,851	24.1%	68,620	(9.8%)	130,507	111,038	17.5%
Income before taxes	90,441	(130,155)	(169.5%)	73,315	23.4%	163,756	135,022	21.3%
Taxes (IR and CSLL)	-	(2,868)	-	-	-	-	(617)	-
Profit (Loss) for the period	90,441	(133,023)	(168.0%)	73,315	23.4%	163,756	134,405	21.8%

For the second quarter of 2023, PRUMOPAR reported a net financial income of BRL 28.7 million versus a loss of BRL 179.9 million for the same period in 2022, mostly

to the positive impact of the exchange variation on loans, which impacted positively the financial costs (R\$ 31.9 million in the 2Q2023 versus R\$ 211.5 million in the 2Q2022) and the financial income account (R\$ 106.8 million in the 2Q2023 versus R\$ 65.2 million in the 2Q2022).

On June 30th, 2023, net profit amounted BRL 90.4 million versus negative BRL 133 million for the same period of 2022.

b. Simplified Analysis of the Cash Flow Statement:

Consolidated (BRL k)								
Cash Flow Statement	2Q23	2Q22	Δ %	1Q23	Δ %	1H23	1H22	Δ %
Cash flows from operating activities	(6,482)	(6,259)	3.6%	(1,467)	341.9%	(7,949)	(5,302)	49.9%
Dividends received	55,050	58,376	(5.7%)	75,583	(27.2%)	130,633	58,376	123.8%
Loans granted to related parties	(54,029)	(66,621)	(18.9%)	-	-	(54,029)	(66,621)	(18.9%)
Loans paid from related parties - Interest	-	1,088	-	-	-	-	1,088	-
Loans paid from related parties - Principal	-	73,010	-	-	-	-	73,010	-
Cash flows from investment activities	1,021	65,853	(98.4%)	75,583	-	76,604	65,853	16.3%
Derivative	(8,105)	(2,915)	178.0%	-	-	(8,105)	(2,915)	178.0%
Escrow account (Debt Requirement)	406	-	-	88,584	(99.5%)	88,990	-	-
Loans settled with third parties	(10,178)	(8,561)	18.9%	(29,535)	(65.5%)	(39,713)	(8,561)	363.9%
Interest paid	(51,941)	(57,855)	(10.2%)	(59,049)	(12.0%)	(110,990)	(57,855)	91.8%
Cash flows from financing activities	(69,818)	(69,331)	0.7%	-	-	(69,818)	(69,331)	0.7%
Decrease (increase) in cash and cash equivalents	(75,279)	(83,835)	(10.2%)	74,116	-	(1,163)	(8,780)	(86.8%)

During the second quarter of 2023 PRUMOPAR received BRL 55.05 million through dividend distributions from Ferroport.

By the end of June 2023, PRUMOPAR paid BRL 10.2 million of principal and interest in the amount of BRL 51.9 million related to the Notes. The Company is in compliance with the target amortization schedule and for this reason is already in compliance with legal schedule obligations for the next 12 months.

Escrow Deposits as a reserve account in accordance with the financing contract which contains six months of the minimum principal payment plus interest payable in

the period. As mentioned before, on December 30, 2022, as predicted in the amortization schedule, the Company sent the resources for the payment of BRL 28.6 million of principal amortization and interest in the amount of BRL 57.3 million, to the Payment Account (Escrow Deposits). Due to the bank holiday, however, this payment was settled on January 3rd, 2023.

The Company is in compliance with its Hedging Program to protect its cash position and protect its next debt service balance from exchange rate variations and will continue to do so over the following months.

c. Simplified Analysis of the Balance Sheet:

Consolidated (BRL k)			
Balance Sheet	June 30, 2023	March 31, 2023	December 31, 2022
Current Assets	171,095	135,934	168,524
Cash and cash equivalents	688	75,967	1,851
Escrow deposits	52,929	55,798	143,260
Income tax recoverable	2,033	2,408	2,313
Dividends receivable	115,445	1,761	21,100
Noncurrent Assets	1,155,004	1,207,821	1,195,446
Related Party	241,895	187,866	187,866
Investment	913,093	1,019,940	1,007,564
Intangible assets	16	15	16
Total Assets	1,326,099	1,343,755	1,363,970
Current Liabilities	207,857	136,993	169,251
Bonds	205,068	135,071	168,195
Other	2,789	1,922	1,056
Noncurrent Liabilities	1,101,003	1,279,964	1,341,236
Bonds	1,101,003	1,279,964	1,341,236
Total Equity	17,239	(73,202)	(146,517)
Total liabilities and equity	1,326,099	1,343,755	1,363,970

On June 30th, 2023, PRUMOPAR reported cash and cash equivalents of BRL 0.7 million, a decrease of BRL 75.3 if compared to March 31st, 2023. This reflects the debt served and permitted loans granted to related parties on June 30.

The escrow deposits on June 30th, 2023 were BRL 52.9 million versus BRL 143,3 million on December 31st, 2022. The difference is related to the debt service payment due in December 2022 that was settled on the first business day of January 2023 and the next debt service payment.

PRUMOPAR's equity was BRL 17.2 million in the second quarter of 2023, from negative BRL 73.2 million in the first quarter of 2023 as a result of net profit for the period.

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