

EARNINGS RELEASE

PRUMO PARTICIPAÇÕES E INVESTIMENTOS
AND FERROPORT

March 31st, 2023



INVESTOR RELATIONS TEAM



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PRUMO PARTICIPAÇÕES AND FERROPORT

2023 EARNINGS REPORT

Rio de Janeiro, June 2nd, 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

Monday, June 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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I. 2023 FINANCIAL HIGHLIGHTS

Ferroport	1Q23	1Q22	Δ %
Volume T-Ore (K-ton)	5,007	4,587	9.2%
T-Ore (BRL k)	284,309	269,725	5.4%
T-Oil Access (BRL k)	27,927	6,779	312.0%
EBITDA	223,438	198,627	12.5%
EBITDA Margin	81.1%	80.9%	20 bps
Adjusted EBITDA ¹ (BRL k)	223,438	202,623	10.3%
Adjusted EBITDA Margin	81.1%	82.6%	(180 bps)

¹ Excluding dredging (2022)

Prumopar	1Q23	1Q22	Δ %
IC Loan - Principal (BRL k)	-	73,010	-
IC Loan - Interest (BRL k)	-	1,088	-
Dividends (BRL k)	75,583	-	-
Total Distribution from Ferroport (BRL k)	75,583	74,098	200 bps

During the first quarter of 2023, Ferroport loaded 5.0 million tons of iron ore, an increase of 9.2% comparing to the 4.6 million tons of iron ore loaded in the first quarter of 2022.

For the first quarter of 2023, Ferroport was positively impacted by the increase of BRL 10.4 million in the take-or-pay tariff, FX rate of BRL 4.2 million and an increase of BRL 21.1 million of Vast operation T-oil access fees tariffs.

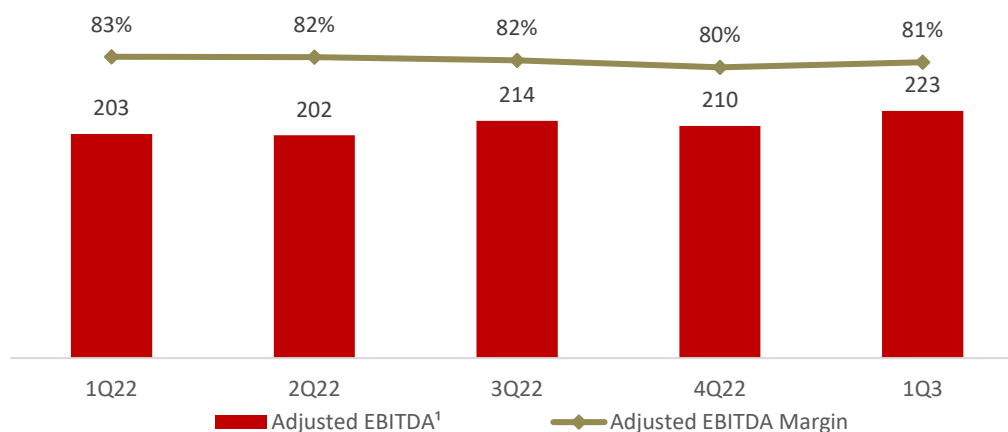
As for revenues from T-Oil (Port Access Fees), it increased 312% to BRL 27.93 million in the first quarter of 2023 versus BRL 6.78 million in the first quarter of 2022, due to lower discounts on port access tariffs and an increase in the number of operations.

Ferroport distributed to PRUMOPAR and Anglo American BRL 151.16 million as dividend. At PRUMOPAR level, total distributions were BRL 75.58 million in the first quarter of 2023.

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

Ferroport	1Q22	2Q22	3Q22	4Q22	1Q3
(+)Net Revenues	245	244	259	264	276
(-)Costs	(56)	(92)	(64)	(54)	(62)
(-)SG&A	(8)	(10)	(11)	(19)	(10)
(+) Depreciation & Amortization	17	18	18	19	20
(-/+) Non Recurring Revenues/Costs	4	41	12	0	0
Adjusted EBITDA¹	203	202	214	210	223
Adjusted EBITDA Margin	83%	82%	82%	80%	81%

¹Excluding Dredging (Non Recurring Costs)



¹ Excluding dredging effects.

II. 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.

III. FERROPORT CONSOLIDATED

a. Consolidated Simplified Analysis of the Income Statement:

Consolidated (BRL k)			
Income Statement	1Q23	1Q22	Δ %
Shipment of iron ore (Take or Pay)	284,309	269,725	5.4%
Oil transshipment (T-Oil)	27,927	6,779	312,0%
Port Services/Others	2	-	-
Taxes	(36,632)	(31,109)	17.8%
Net revenue of services	275,606	245,395	12.3%
Cost of Services	(62,259)	(55,514)	12.2%
Gross Profit	213,347	189,881	12.4%
Operating Expenses	(10,012)	(8,361)	19.7%
Financial Income/Loss	5,037	760	562.8%
Income before income and social contribution taxes	208,372	182,280	14.3%
Income and social contribution taxes	(73,478)	(62,245)	18,0%
Net income (loss) for the quarter	134,894	120,035	12.4%
EBITDA	223,438	198,627	12.5%

The consolidated net revenues for the first quarter of 2023 increased 12.3%, in comparison to the same period of 2022, impacted by:

- The take-or-pay tariff increase which represents a revenue gain of BRL 10.4 million;
- The depreciation of the USD against BRL generating a savings of around BRL 4.2 million, average rate of 5,1137 in the first quarter of 2023 versus 5,0374 in the first quarter of 2022;
- An increase in the T-Oil tariffs as well as an increase in the number of T-Oil operations, revenue gain of BRL 21.1 million.

In the first quarter of 2023, cost of services increased 12.2%, mainly impacted by personnel, emergency maintenance occurred in the site, structural inspections and energy.

Overall operating expenses increased 19.7% compared to the same period of 2022, mostly due to a decrease of revenues from selling of energy surplus (lowest selling price).

Net Financial income increased 562.8% from BRL 0.7 million to positive BRL 5.0 million caused by the change from monthly payments related to the intercompany loans fully paid on March 2022 to quarterly dividend distribution causing cash to be in deposit for longer and a higher investment return.

For the first quarter of 2023, income before income taxes amounted to BRL 208.4 million meaning an increase of 14.3% when compared to the beginning of 2022, and net income for the same period amounted BRL 134.9 million, an increase of 12.4% when compared to the same period of 2022.

b. Consolidated Simplified Analysis of the Cash Flow Statement:

Consolidated (BRL k)			
Cash Flow Statement	1Q23	1Q22	Δ %
Net income (loss) before taxes	208,372	182,280	14.3%
Depreciation & Amortization	20,103	17,094	17.6%
Other Cash Adjustments	6,486	8,167	(20.6%)
Working Capital Variation	(69,781)	(73,443)	5.0%
Cash Flow from Operating Activities	165,180	134,098	23.2%
Capex/Intangibles	(14,228)	(4,998)	(184.7%)
Cash Flow from Investing Activities	(14,228)	(4,998)	(184.7%)
Intercompany Loans Settled	-	(96,544)	(100.0%)
Lease payments	(576)	(537)	(7.3%)
Dividends Paid	(151,166)	-	-
Cash Flow from Financing Activities	(151,742)	(97,081)	(56.3%)
Increase in cash and cash equivalents	(790)	32,019	(102.5%)

Ferroport reported cash flow from operating activities of BRL 165.2 million for the first quarter of 2023, an increase of 23.2% when compared to the same period of 2022. This positive impact was due to the take-of-pay tariff, FX rate and an increase of Vast operation as mentioned before.

c. Consolidated Simplified Analysis of the Balance Sheet:

Consolidated (BRL k)		
Balance Sheet	March 31, 2023	December 31, 2022
Current Assets	326,810	330,573
Cash and equivalent	167,049	167,839
Receivables from related parties	119,297	121,212
Noncurrent Assets	2,316,479	2,322,373
Total Assets	2,643,289	2,652,946
Current Liabilities	119,109	269,365
Dividends Payable	3,523	154,689
Income taxes and social contribution	27,876	25,486
Noncurrent Liabilities	556,596	550,891
Taxes Payable	34,003	34,093
Shareholders' equity	1,967,584	1,832,690
Total Liabilities plus Shareholders' equity	2,643,289	2,652,946

Ferroport's consolidated cash and cash equivalent on March 31st, 2023 were BRL 167.05, versus BRL 167.8 million on December 31st, 2022, mostly due to current costs and expenses and dividends distribution.

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.

IV. PRUMOPAR

a. Simplified Analysis of the Income Statement:

Consolidated (BRL k)			
Income Statement	1Q23	1Q22	Δ %
Net Operating Revenue	-	-	-
Sales Cost	-	-	-
Gross Profit	-	-	-
Operating Expenses	15	7	114.3%
Financial Income/Loss	4,680	203,983	(97.7%)
Equity in income of subsidiaries	68,620	61,187	12.1%
Income before income and social contribution taxes	73,315	265,177	(72.4%)
Taxes (IR and CSLL)	-	2,251	-
Profit (income) for the period	73,315	267,428	(72.6%)

For the first quarter of 2023 ended on March 31st, 2023, **net financial income for PRUMOPAR** was BRL 4,7 million versus BRL 203,9 million for the same period in 2022.

The **decrease** is mostly due to the change **from** monthly payments related to the intercompany loans fully paid in March 2022 **to** quarterly dividend distribution paid by Ferroport.

On March 31st, 2023, net profit amounted BRL 73.3 million versus BRL 267,4 million for the same period of 2022.

b. Simplified Analysis of the Cash Flow Statement:

Consolidated (BRL k)			
Cash Flow Statement	1Q23	1Q22	Δ %
Profit before tax	73,315	265,177	(72,4%)
Other expenses	(74,782)	(264,220)	(71.7%)
Net cash provided by operating activities	(1,467)	957	(253,3%)
Dividends	75,583	-	-
Interest received from related parties	-	1,088	-
Loans received from related parties	-	73,010	-
Increase in cash and cash equivalents	74,116	75,055	130 bps

In the first quarter of 2023 PRUMOPAR received BRL 75.6 million through **dividend distributions** from Ferroport.

c. Simplified Analysis of the Balance Sheet:

Consolidated (BRL k)		
Balance Sheet	March 31 st , 2023	December 31 st , 2022
Current Assets	135,934	168,524
Cash and cash equivalents	75,967	1,851
Escrow deposits	55,798	143,260
Related Party	-	-
Noncurrent Assets	1,207,821	1,195,446
Related Party	187,866	187,866
Investment	1,019,940	1,007,564
Total Assets	1,343,755	1,363,970
Current Liabilities	136,99	169,25
Bonds	135,07	168,20
Noncurrent Liabilities	1,279,964	1,341,236
Bonds	1,279,964	1,341,236
Total Equity	(73,20)	(146,52)
Total liabilities and equity	1,343,755	1,363,970

In the first quarter of 2023, PRUMOPAR reported **cash and cash equivalents of BRL 76 million**. The **increase** comparing to December 31st, 2022 is due to the **dividends received** from Ferroport as mentioned above.

On March 31st, 2023, escrow deposits were BRL 55.8 million versus BRL 143.3 million on December, 2022. The difference, as mentioned before, is due to the debt service payment due in December 2022 that was settled on the first business day of January 2023.

On March 31st, 2023 PRUMOPAR's equity was negative at BRL 73.2 million, due to the accounting loss, driven by the accrued exchange variance registered in the period.

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