

## 1Q2022 EARNINGS REPORT

**Rio de Janeiro, June 1<sup>st</sup>, 2022** - PRUMO PARTICIPAÇÕES E INVESTIMENTOS S.A. ("PRUMOPAR"), located at 804, Russel Street, 5<sup>o</sup> floor, Glória, Rio de Janeiro, was incorporated in 2015 to acquire interests in other company. The Company 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, June 2<sup>nd</sup> at 12:00 P.M. (Brasília time); 11:00 A.M (US-ET).

Telephone number for participants:

\*No passcode is needed

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Participants should connect 5 minutes before the conference call starts.

### 1Q2022 Financial Highlights

For the first quarter of 2022, when compared to the same period of 2021, PRUMOPAR and Ferroport were positively impacted by the increase of 14.1% in the take of pay tariff, as a result of the increase of 21.1% of the preliminary PPI for 2021. This increase was partially offset by the depreciation of USD against BRL, which decreased from an average of R\$ 5.48 for the first three months of 2021 to R\$ 5.23 for the same period of 2022. During the first quarter of 2022, revenues from T-Oil (Port Access Fees) increased 21% to R\$ 6.8 million.

Ferroport handled 4.6 million metric tons of iron ore during the first quarter of 2022, a decrease of 15% comparing to the same quarter of 2021. The decline was due to unplanned maintenance stoppages in Anglo's operations due to the heavy rains at the beginning of the year. According to Anglo, the iron ore production for 2022 was revised from 24-26 million metric tons to 22-24 million metric tons.

For the first quarter of 2022, comparing to the same period of 2021, Ferroport's gross revenues grew 4% to R\$ 277 million. EBITDA remained relatively stable at R\$ 199 million and EBITDA margin decreased 434 bps to 81%. Ferroport distributed to PRUMOPAR and Anglo American R\$ 98.1 million as intercompany loan repayment versus R\$ 138.4 million for 2021.

In the first quarter of 2022, PRUMOPAR received, after R\$ 0.2 million of withholding taxes, R\$ 74.1 million of intercompany loan, 7.6% higher than the R\$ 68.8 million received in 2021. In March of 2022, Ferroport concluded the last intercompany loan payment. The outstanding loan balances with shareholders were fully settled and the future distributions will be done quarterly, through dividends and capital reductions. The distributions will still follow the existing minimum cash mechanism.

### Business Specifics:

Ferroport	1Q22	1Q21	Δ %	4Q21	Δ %
Volume T-Ore (K-ton)	4,587	5,388	(14.9%)	5,692	(19.4%)
T-Ore Access (BRL k)	269,725	259,487	3.9%	263,040	2.5%
T-Oil Access (BRL k)	6,779	5,585	21.4%	6,822	(0.6%)
EBITDA	198,627	199,443	(0.4%)	181,102	9.7%
EBITDA Margin	80.9%	85.3%	(434 bps)	76.7%	420 bps
Adjusted EBITDA <sup>1</sup> (BRL k)	202,623	199,442	1.6%	184,428	9.9%
Adjusted EBITDA Margin	82.6%	85.3%	(271 bps)	78.2%	441 bps

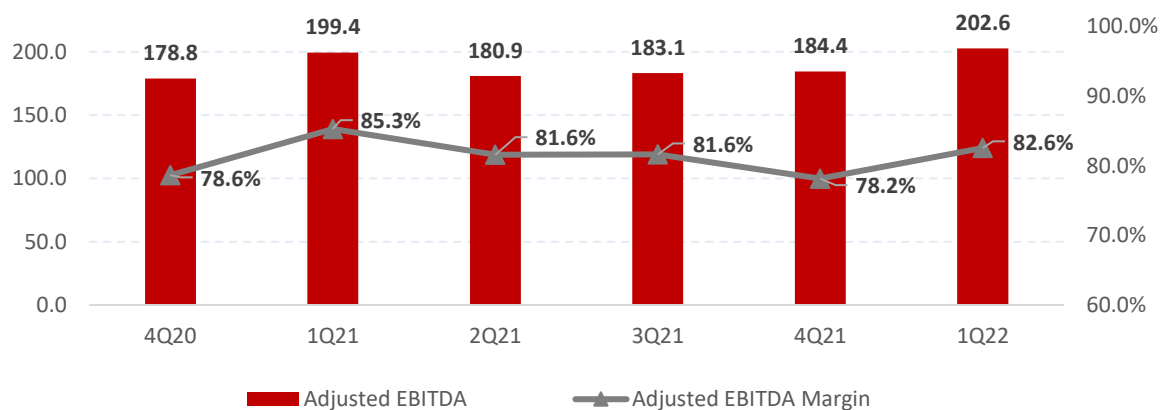
<sup>1</sup> Excluding dredging

Prumopar	1Q22	1Q21	Δ %	4Q21	Δ %
IC Loan - Principal (BRL k)	73,010	66,659	9.5%	54,543	33.9%
IC Loan - Interest (BRL k)	1,088	2,180	(50.1%)	1,926	(43.5%)
IC Loan (BRL k)	74,098	68,839	7.6%	56,469	31.2%

### Adjusted EBITDA (In BRL M) and Margin:

Ferroport	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
(+)Net Revenues	227.3	233.9	221.7	224.3	236.0	245.4
(-)Costs	(53.6)	(64.8)	(53.7)	(50.3)	(56.3)	(55.5)
(-)SG&A	(11.1)	(4.8)	(5.8)	(5.0)	(11.7)	(8.4)
(+) Depreciation & Amortization	14.5	35.1	18.6	14.0	16.5	17.1
(-/+ ) Non Recurring Revenues/Costs	1.6	0.0	0.0	0.0	0.0	4.0
<b>Adjusted EBITDA</b>	<b>178.8</b>	<b>199.4</b>	<b>180.9</b>	<b>183.1</b>	<b>184.4</b>	<b>202.6</b>
<b>Adjusted EBITDA Margin</b>	<b>78.6%</b>	<b>85.3%</b>	<b>81.6%</b>	<b>81.6%</b>	<b>78.2%</b>	<b>82.6%</b>

<sup>1</sup> Excluding dredging



### ESG:

Ferroport structures its ESG policies and actions following the ESG score ranking designed by "Sitawi Finanças do Bem". This ranking scales from 0.0 to 10.0 and indicates the company's status, which vary from superior to critical, in each section measured and for the company as a whole.

The improvements that the company is aiming for 2022 and the upcoming years are (i) the certification of management and monitoring of water resources by ISO 46001; (ii) creation of energy efficiency KPIs related to the volume handled; (iii) investment in R&D for technologies to reduce the company's atmospheric emissions (particulate matter); (iv) Report the atmospheric emission to Carbon Disclosure Project (CDP); and (v) Increase investments in local socioeconomic development actions.

## FERROPORT CONSOLIDATED

### Consolidated Simplified Analysis of the Income Statement:

Consolidated (BRL k)			
Income Statement	1Q22	1Q21	Δ %
Shipment of iron ore (Take or Pay)	269,725	259,487	3.9%
Oil transshipment (T-Oil)	6,779	5,585	21.4%
Taxes	(31,109)	(29,806)	4.4%
<b>Net revenue of services</b>	<b>245,395</b>	<b>235,266</b>	<b>4.3%</b>
Cost of Services	(55,514)	(66,157)	(16.1%)
<b>Gross Profit</b>	<b>189,881</b>	<b>169,109</b>	<b>12.3%</b>
Operating Expenses	(8,361)	(4,796)	74.3%
Financial Income/Loss	760	(8,328)	109.1%
<b>Income before income and social contribution taxes</b>	<b>182,280</b>	<b>155,985</b>	<b>16.9%</b>
Income and social contribution taxes	(62,245)	(37,977)	63.9%
<b>Net income (loss) for the year</b>	<b>120,035</b>	<b>118,008</b>	<b>1.7%</b>
<b>EBITDA</b>	<b>198,627</b>	<b>199,443</b>	<b>(0.4%)</b>

For the first quarter of 2022, revenues from iron ore (take or pay) increased 3.9% to R\$269.7 million, mostly due to the positive preliminary PPI for 2021 which was somehow offset by the depreciation of USD against BRL. Revenues from Port Access Fee from T-Oil increased 21.4% to R\$ 6.8 million, mostly due to the positive preliminary PPI that affected the port access tariffs.

Cost of services decreased 16.1%, mostly due to the decrease of depreciation and amortization, caused by an accounting adjustment of approximately R\$ 19.0 million in 2021. This decrease was partially offset by the increase in consumable spare parts of R\$ 3.9 million, mainly materials and energy, and in third-party services of R\$ 2.1million, caused by the dredging services of R\$ 4.0 million.

Overall operating expenses increased 74.3%, due to the increase of the provision of ARG/Civilport litigation of R\$ 2.0 million, caused by an update of the disputed amount, and due to increase depreciation and amortization of R\$ 1.3 million. During the first quarter of 2022, the company sold R\$ 3.5 million of non-consumed electric energy.

Net financial income summed R\$ 0.8 million in 2022, compared to a net financial loss of R\$ 8.4 million. This movements are mainly explained by the decrease of the outstanding balance of the intercompany loan, which reduced the financial expenses by R\$ 3.6 million for the period; the penalty for tax parcellation of R\$ 3.8 million

during the first quarter of 2021; and to higher interest income of R\$ 2.9 million, caused by the increase of the CDI, which is the base interest rate for the cash investments.

For the first quarter ended on March 31, 2022, income before income taxes amounted to R\$ 182.3 million, leading to a net income of R\$ 120.0 million versus a net income of R\$ 118.0 million for the same period of 2021.

### Consolidated Simplified Analysis of the Cash Flow Statement:

Consolidated (BRL k)			
Cash Flow Statement	1Q22	1Q21	Δ %
Net income (loss) before taxes	182,280	155,985	16.9%
Depreciation and Amortization	17,094	35,129	(51.3%)
Other Cash Adjustments	8,167	10,924	(25.2%)
Working Capital Variation	(73,443)	(1,728)	(4,150.2%)
<b>Cash Flow from Operating Activities</b>	<b>134,098</b>	<b>200,310</b>	<b>(33.1%)</b>
Capex/Intangibles	(4,998)	(9,878)	(49.4%)
<b>Cash Flow from Investing Activities</b>	<b>(4,998)</b>	<b>(9,878)</b>	<b>49.4%</b>
Intercompany Loans Settled	(96,544)	(133,748)	(27.8%)
Lease payments	(537)	(463)	16.0%
<b>Cash Flow from Financing Activities</b>	<b>(97,081)</b>	<b>(134,211)</b>	<b>27.7%</b>
<b>Increase in cash and cash equivalents</b>	<b>32,019</b>	<b>56,221</b>	<b>(43.0%)</b>

Ferroport reported a cash flow from operating activities of R\$ 134.1 million for the first quarter of 2022, a decrease of 33.1% if compared to the same period of 2021. This decrease was driven by the better working capital variation in 2021, caused by the take or pay payment due in 2020 that was postponed to the first week of 2021.

Ferroport's Capex for 2022 summed R\$ 5.0 million. The main expenditures were related to painting and corrosion repairing of R\$ 2.0 million. The remainder was associated to others stay in business capex, especially minor repairs for operational efficiency and environmental compensation.

During the first quarter of 2022, Ferroport amortized R\$ 96.5 million of principal from the intercompany loan, which was the remaining outstanding loan balances with shareholders.

**Consolidated Simplified Analysis of the Balance Sheet:**

Consolidated (BRL k)		
Balance Sheet	March 31, 2021	December, 2021
Current Assets	332,572	290,273
Cash and equivalent	172,471	140,452
Receivables from related parties	95,323	90,578
Noncurrent Assets	2,308,679	2,315,196
<b>Total Assets</b>	<b>2,641,251</b>	<b>2,605,469</b>
Current Liabilities	100,726	191,379
Related parties – loans	-	97,083
Income taxes and social contribution	26,532	25,129
Noncurrent Liabilities	535,655	529,255
Related parties – loans	-	-
Shareholders' equity	2,004,870	1,884,835
<b>Total Liabilities plus Shareholders' equity</b>	<b>2,641,251</b>	<b>2,605,469</b>

Ferroport's consolidated cash and securities on March 31, 2022, were R\$ 172.5 million, and current receivables from related parties summed R\$ 95.3 million. The increase in cash and equivalents were due to the lower intercompany loan payment in March 2022. It is important to mention that Ferroport will continue to distribute its excess of cash following the minimum cash mechanism. The company will perform a quarterly cash distribution to its shareholders, through dividends and capital reductions.

In March of 2022, Ferroport concluded the last payment under the intercompany loan. The outstanding loan balances with shareholders were fully settled.

## PRUMOPAR CONSOLIDATED

### Consolidated Simplified Analysis of the Income Statement:

Income Statement	1Q22	1Q21	Δ %
Net Operating Revenue	-	-	-
Sales Cost	-	-	-
Gross Profit	-	-	-
Operating Expenses	7	(344)	102.0%
Financial Income/Loss	203,983	(178,324)	214.4%
Equity in income of subsidiaries	61,187	61,134	0.1%
Income before income and social contribution taxes	265,177	(117,534)	325.6%
Deferred income and social contribution taxes	2,251	(1,124)	300.3%
Profit (Loss) for the period	267,428	(118,658)	325.4%

For first quarter of 2022 ended in March 31, PRUMOPAR reported a net financial income of R\$ 204.0 million, versus a loss of R\$ 178.3 million for the same period of 2021. The financial income was impacted by the appreciation of BRL against USD, when comparing the FX rate from December 31, 2021, of R\$ 5.58, to the rate from March 31, 2022, of R\$ 4.74.

Results of equity in income of subsidiaries remained stable and summed R\$ 61.2 million.

During the first quarter of 2022, net income amounted R\$ 267.4 million versus a net loss of R\$ 118.7 million for the same period of 2021.

### Consolidated Simplified Analysis of the Cash Flow Statement:

Cash Flow Statement	1Q22	1Q21	Δ %
<b>Cash flows from operating activities</b>	<b>957</b>	<b>(2,113)</b>	<b>145.3%</b>
Interest received on related party loans	1,088	2,180	(50.1%)
Loans received from related parties	73,010	66,659	9.5%
<b>Cash flows from Investment activities</b>	<b>74,098</b>	<b>68,839</b>	<b>7.6%</b>
Capital increase/(reduction) and dividends	-	-	-
Loans settled with third parties (net)	-	-	-
Interest paid	-	-	-
Transaction Cost	-	-	-
Escrow accounts (Debt Requirement)	-	-	-
Derivative	-	-	-
<b>Cash flows from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Increase in cash and cash equivalents</b>	<b>75,055</b>	<b>66,726</b>	<b>12.5%</b>

During the first quarter of 2022, PRUMOPAR received, as intercompany loan repayment, R\$ 74.1 million of principal and R\$ 1.1 million of interests (net of taxes). As mentioned before, in March of 2022, Ferroport honored the last payment under the intercompany loan.

PRUMOPAR did not pay any amount related to financing activities during the first quarter of 2021, since payments are scheduled for the end of each semester.



### Consolidated Simplified Analysis of the Balance Sheet:

Balance Sheet	March 31, 2022	December 31, 2021
<b>Current Assets</b>	<b>144,279</b>	<b>151,928</b>
Cash and cash equivalents	86,080	11,025
Escrow deposits	54,155	63,792
Related Party	-	73,355
<b>Noncurrent Assets</b>	<b>1,123,392</b>	<b>1,059,954</b>
Related Party	87,171	87,171
Investment	1,033,891	972,704
<b>Total Assets</b>	<b>1,267,671</b>	<b>1,211,882</b>
<b>Current Liabilities</b>	<b>56,464</b>	<b>29,765</b>
Loans and borrowings	49,552	29,394
<b>Noncurrent Liabilities</b>	<b>1,284,715</b>	<b>1,523,053</b>
Loans and borrowings	1,284,715	1,523,053
<b>Total Equity</b>	<b>(73,508)</b>	<b>(340,936)</b>
<b>Total liabilities and equity</b>	<b>1,267,671</b>	<b>1,211,882</b>

On March 31, 2022, PRUMOPAR reported cash and cash equivalents of R\$ 86.1 million, an increase of R\$ 75.1 million if compared to December 31, 2021. This increase reflects the intercompany loan received during the first quarter of 2022 and some interest in cash investments. It is important to mention that this amount is hedged in accordance with the Accounts Agreement.

Regarding to the escrow deposits and the loans and borrowings reported in the balance sheet, there was no decrease, in USD, during the first quarter of 2022. The decrease reported in the balance sheet is related to the appreciation of the BRL against the USD, since these items are constituted in USD.

On March 31, 2022, total debt summed USD 298.2 million, being USD 294.5 of principal outstanding.

PRUMOPAR's equity increased R\$ 267.4 million to negative R\$ 73.5 million, as a result of the net income for the first quarter of 2022.

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