

EARNINGS RELEASE

PRUMO PARTICIPAÇÕES E INVESTIMENTOS AND FERROPORT

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PRUMO PARTICIPAÇÕES AND FERROPORT

3Q2024 EARNINGS REPORT

Rio de Janeiro, December 11th, 2024 - 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

Thursday, December 11th, 2024 at 12:00 PM (Brasília time); 11:00 (US-ET).

Web access: https://us02web.zoom.us/webinar/register/WN_iIRGQIZpR_2ssqIFQozB7w

Participants should connect 5 minutes before the conference call starts.

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3Q2024 FINANCIAL HIGHLIGHTS

Ferroport	3Q24	3Q23	Δ %	2Q24	Δ %	9M24	9M23	Δ %
Volume T-Ore (K-ton)	6,521	6,076	7.3%	6,517	0.1%	18,419	17,301	6.5%
T-Ore Access (BRL k)	303,822	270,386	12.4%	290,132	4.7%	864,607	828,327	4.4%
T-Oil Access (BRL k)	18,100	13,456	34.5%	17,189	5.3%	53,266	53,317	(0.1%)
EBITDA	224,354	194,035	15.6%	160,077	40.2%	603,387	617,938	(2.4%)
EBITDA Margin	79.0%	77.5%	2 bps	59.0%	34 bps	74.5%	79.4%	(6 bps)
Adjusted EBITDA ¹ (BRL k)	224,354	194,226	15.5%	216,157	3.8%	639,396	618,129	3.4%
Adjusted EBITDA Margin	79.0%	70.6%	12 bps	79.7%	(1 bps)	79.0%	79.4%	(1 bps)

¹Excluding Dredging in 2024 and the ARG impact (Non Recurring Costs)

Dividends paid by Ferroport (BRL k)	3Q24	3Q23	Δ %	2Q24	Δ %	9M24	9M23	Δ %
Prumo Participações	51,713	66,576	(22.3%)	55,118	(6.2%)	189,464	197,209	(3.9%)
AAMFB ¹	51,713	66,576	(22.3%)	55,118	(6.2%)	189,464	197,209	(3.9%)
Total Distribution	103,426	133,152	(22.3%)	110,236	(6.2%)	378,928	394,418	(3.9%)

¹Anglo American Minério de Ferro Brasil

In the third quarter of 2024, Ferroport loaded 6.5 million tons of iron ore, representing a 7.3% increase compared to the 6.1 million tons in the same period of 2023. Gross revenue from T-Ore and adjusted EBITDA grew by 12.4% and 15.5%, respectively, compared to the third quarter of 2023, driven by the impact of the higher foreign exchange rate in 2024 (BRL 37.8 million).

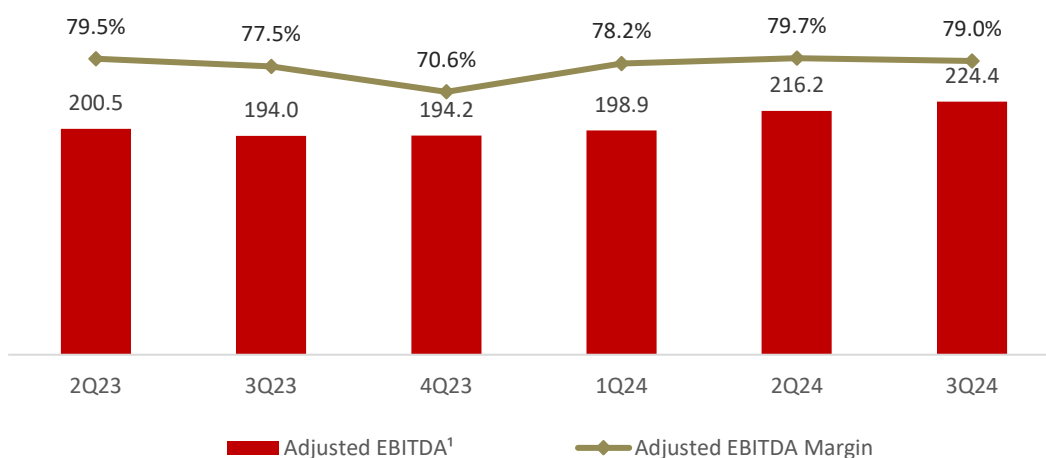
In the same comparison, gross revenue from T-Oil rose by 34.5%, reaching BRL 18.1 million versus BRL 13.4 million in the third quarter of 2023, primarily due to reduced tariff discounts.

Maintenance dredging services were carried out and completed during the first half of 2024, ahead of the budgeted schedule. No additional dredging activities are planned for the remainder of the year.

Ferroport distributed BRL 189.5 million to PRUMOPAR and Anglo American during the first nine months of 2024. At the PRUMOPAR level, distributions in the third quarter of 2024 totaled BRL 51.7 million, a 22.3% decrease compared to the same period in 2023, primarily due to lower cash availability.

Ferroport	3Q23	4Q23	1Q24	2Q24	3Q24
(+)Net Revenues	250.5	274.9	254.3	271.2	284.1
(-)Costs	(67.7)	(69.9)	(98.8)	(87.9)	(67.8)
(-)SG&A	(10.0)	(33.0)	(13.3)	(46.2)	(12.7)
(+) Depreciation & Amortization	21.3	22.2	22.6	22.9	20.8
(-/+) Non Recurring Revenues/Costs ¹	-	-	34.1	56.1	-
Adjusted EBITDA¹	194.0	194.2	198.9	216.2	224.4
Adjusted EBITDA Margin	77.5%	70.6%	78.2%	79.7%	79.0%

¹Excluding Dredging in 2024 and the ARG impact (Non Recurring Costs)



¹Excluding Dredging in 2024 and the ARG impact (Non Recurring Costs)

In June 2024, Ferroport and ARG reached a legal agreement, in the amount of BRL 50 million. This agreement aims to extinguish ongoing legal proceedings between the two parties, which currently could total BRL 245.1 million (BRL 21.5 million related to probable causes), besides to mitigating additional legal costs and uncertainties for both companies. This agreement will be paid in 24 monthly installments, with the first payment in January 2025.

Source: Ferroport's Financial Statement of 2nd Quarter 2024

I. ESG:

During the year 2024, Ferroport maintained and implemented initiatives aimed at ensuring the excellence of the company's ESG performance, involving environmental, social, and governance programs, with highlights including:

- Maintenance of ISO 14001 and 45001 certifications;
- Review of the Sustainability Strategy, with the definition of new objectives and goals for the coming years;
- Maintenance of the Geração Portuária program, a workforce training program focused on the operational area, and the start of a program dedicated to training workers for maintenance activities, both programs focused on diversity and the development of local labor;
- Publication of the Ferroport 2023 Annual Sustainability Report, in compliance with GRI standards and aimed at addressing the material sustainability topics reviewed in 2023;
- External certification and obtaining the Gold Seal for the 2023 GHG emissions inventory;
- Internal and external environmental education actions, including Junho Verde;
- 1st Ferroport's Sustainability Workshop, involving contracted companies to discuss and influence the adoption of practices that reduce greenhouse gas (GHG) emissions related to Ferroport's scope 3;
- Execution of the Diverse and Inclusive Leadership Program, aimed at developing leadership and women considered as potentials for the company;

- Execution of Incentivized Projects, including Cultura em Campo, E-Futebol de Rua, and Futebol de Rua pela Educação, which together impact more than 650 children and adolescents living in the municipality of São João da Barra;
- Implementation of the Programa Aterro Zero, with the goal of eliminating, by 2025, the sending of solid waste to landfills (considering a full year of zero sending);
- Second best score in the Environmental Performance Index - IDA, being the best score among the iron ore terminals evaluated by ANTAQ;
- Certification of the Anti-Bribery Management System, according to ISO 37001 guidelines;
- GPTW Certification;
- Review of critical occupational risks and definition of necessary controls.

II. FERROPORT CONSOLIDATED

a. Consolidated Simplified Analysis of the Income Statement:

Consolidated (BRL k)								
Income Statement	3Q24	3Q23	Δ %	2Q24	Δ %	9M24	9M23	Δ %
Shipment of iron ore (Take or Pay)	303,822	270,386	12%	290,132	5%	864,607	828,327	4%
Oil transshipment (T-Oil)	18,100	13,456	35%	17,189	5%	53,272	53,317	(0.1%)
Port Services/Others	9	7	29%	7	29%	19	22	(14%)
Taxes	(37,834)	(33,342)	13%	(36,083)	5%	(108,304)	(103,546)	5%
Net revenue of services	284,097	250,507	13.4%	271,245	4.7%	809,594	778,120	4.0%
Cost of Services	(67,764)	(67,701)	0.1%	(87,918)	(22.9%)	(254,524)	(188,216)	35.2%
Gross Profit	216,333	182,806	18%	183,327	18%	555,070	589,904	(6%)
Operating Expenses	(18,369)	(10,036)	83.0%	(46,174)	(60%)	(77,855)	(33,483)	132.5%
Financial Income/Loss	3,177	4,918	(35.4%)	3,247	(2%)	10,852	13,412	(19.1%)
Income before taxes	201,141	177,688	13.2%	140,400	43.3%	488,067	569,833	(14.3%)
Income and social contribution taxes	(67,635)	(63,004)	7.4%	(46,978)	44.0%	(161,976)	(198,826)	(18.5%)
Net income (loss) for the year	133,506	114,684	16.4%	93,422	42.9%	326,091	371,007	(12.1%)
EBITDA	224,354	194,035	15.6%	160,077	40.2%	603,387	617,938	(2.4%)

The net revenue of services in the third quarter of 2024 increased 13.4%, in comparison to the same period of 2023, mainly due to:

- Take or Pay revenues increased by an appreciation of USD against BRL.
- Port Access revenues from T-Oil increased 35% as a result of lower tariffs discounts.

Total operating expenses increased by 83%, primarily driven by accelerated depreciation of spare conveyor belts. Net financial income decreased 35.4% from BRL 4.9 million in 2023 to BRL 3.2 million in 2024 was mainly caused by the reduction in the Base interest rate.

In the third quarter of 2024, income before taxes amounted to BRL 201.1 million, representing a 13.2% increase, while net income totaled BRL 133.5 million, a 16.4% increase compared to the same period in 2023, mainly influenced by the higher exchange rate during the period.

b. Consolidated Simplified Analysis of the Cash Flow Statement:

Consolidated (BRL k)								
Cash Flow Statement	3Q24	3Q23	Δ %	2Q24	Δ %	9M24	9M23	Δ %
Net income (loss) before taxes	201,141	177,688	13.2%	140,400	43.3%	488,067	569,833	(14.3%)
Depreciation & Amortization	23,584	21,294	10.8%	20,083	17.4%	66,307	61,546	7.7%
Other Cash Adjustments	6,910	5,480	26.1%	30,947	(77.7%)	45,569	15,081	202.2%
Working Capital Variation	(60,009)	(38,449)	56.1%	(83,473)	(28.1%)	(179,460)	(178,108)	0.8%
Cash Flow from Operating Activities	171,626	166,013	3.4%	107,957	59.0%	420,483	468,352	(10.2%)
Capex/Intangibles	(29,967)	(25,895)	15.7%	(7,572)	295.8%	(50,811)	(58,740)	(13.5%)
Cash Flow from Investing Activities	(29,967)	(25,895)	15.7%	(7,572)	295.8%	(50,811)	(58,740)	(13.5%)
Lease payments	(841)	(611)	37.7%	(635)	32.5%	(2,093)	(1,780)	17.6%
Dividends Paid	(103,426)	(133,151)	(22.3%)	(110,236)	(6.2%)	(378,928)	(394,418)	(3.9%)
Cash Flow from Financing Activities	(104,267)	(133,762)	(22.1%)	(110,871)	(6.0%)	(381,021)	(396,198)	(3.8%)
Increase in cash and cash equivalents	37,391	6,355	488.4%	(10,486)	(456.6%)	(11,349)	13,414	(184.6%)

The cash flow from operating activities increased 3.4% an amount of BRL 171.6 million 3Q24 if compared to the same period of 2023.

Ferroport's Capex totaled BRL 30 million in the third quarter of 2024, representing a 15.7% increase compared to the same period in 2023, primarily driven by investments in operational reliability projects.

The working capital variation increased by 56.1% in the third quarter of 2024 compared to the same period in 2023, primarily driven by the write-off of the accounts receivable provision from related parties.

c. Consolidated Simplified Analysis of the Balance Sheet:

Consolidated (BRL k)				
Balance Sheet	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Current Assets	357,997	326,240	319,132	357,143
Cash and equivalent	205,402	168,011	178,497	216,752
Receivables from related parties	101,253	104,142	93,402	97,658
Noncurrent Assets	2,056,064	2,044,059	2,090,465	2,103,828
Total Assets	2,414,061	2,370,299	2,409,597	2,460,971
Current Liabilities	219,916	315,853	122,971	228,319
Dividends Payable	86,134	189,560	-	116,279
Income taxes and social contribution	24,784	25,594	18,337	21,782
Noncurrent Liabilities	348,355	342,162	367,968	364,170
Taxes Payable	35,786	34,491	33,948	33,943
Shareholders' equity	1,845,790	1,712,284	1,918,658	1,868,482
Total Liabilities plus Shareholders' equity	2,414,061	2,370,299	2,409,597	2,460,971

Ferroport's consolidated cash and cash equivalents as of September 30, 2024, totaled BRL 205.4 million, compared to BRL 216.75 million on December 31, 2023, a decrease of 5.2%, mainly due to higher cash outflows for Capex investments and increased dividend distribution. The company will make quarterly cash distributions to its shareholders through dividends.

III. PRUMOPAR

a. Simplified Analysis of the Income Statement:

Income Statement	Consolidated (BRL k)							
	3Q24	3Q23	Δ %	2Q24	Δ %	9M24	9M23	Δ %
Gross Profit	-	-	-	-	-	-	-	-
Operating Income (expenses)	(144)	(111)	29.7%	(52)	176.9%	(219)	(208)	5.3%
Financial Income (expenses)	(4,765)	(81,545)	(94.2%)	(178,979)	(97.3%)	(253,472)	(48,199)	425.9%
Equity in income of subsidiaries	67,916	58,486	16.1%	47,879	41.8%	166,545	188,993	(11.9%)
Profit (Loss) before taxes	63,007	(23,170)	(371.9%)	(131,152)	(148.0%)	(87,146)	140,586	(162.0%)
Deferred income and social contribution taxes	-	-	-	-	-	-	-	-
Net income (loss) for the period	63,007	(23,170)	(371.9%)	(131,152)	(148.0%)	(87,146)	140,586	(162.0%)

During the third quarter of 2024, PRUMOPAR reported a net financial income of BRL 63 million versus a net financial loss of BRL 23.1 million for the same period in 2023, mostly to the positive impact of the exchange variation on loans, which impacted the financial costs (BRL 29.9 million in 2024 versus BRL 77.4 million in 2023) and the financial income account (BRL 58.3 million in 2024 versus BRL 25 million in 2023), as disclosed in the financial statements for the third quarter of 2024.

In the same comparison, net income increased 371.9% to an income of BRL 63 million versus a loss of BRL 23 million for the same period of 2023.

b. Simplified Analysis of the Cash Flow Statement:

Consolidated (BRL k)								
Cash Flow Statement	3Q24	3Q23	Δ %	2Q24	Δ %	9M24	9M23	Δ %
Cash flows from operating activities	711	(913)	(177.88%)	261	172.41%	2,744	(8,862)	(130.96%)
Dividends received	51,713	66,576	(22.32%)	55,118	(6.18%)	189,463	197,209	(3.93%)
Cash flows from investment activities	51,713	66,576	(22.32%)	55,118	(6.18%)	189,463	143,180	32.33%
Derivatives	-	-	-	8,616	-	8,615	(8,105)	(206.29%)
Escrow account (Debt Requirement)	140,820	-	-	(143,638)	(198.04%)	95,250	88,990	7.03%
Loans settled with third parties	(82,721)	-	-	-	-	(131,148)	(39,713)	230.24%
Interest paid	(57,724)	-	-	-	-	(110,058)	(110,990)	(0.84%)
Cash flows from financing activities	375	-	-	(135,022)	(100.28%)	(137,341)	(69,818)	96.71%
Increase (decrease) in cash and cash equivalents	52,799	60,202	(12.30%)	(79,643)	(166.29%)	54,866	64,500	(14.94%)

In the third quarter of 2024 PRUMOPAR received an aggregate amount of BRL 51.7 million through dividend distributions from Ferroport, a decrease of 22.3% compared to the same period of 2023.

Regarding the USD 350 million 7.5% Series 2019-1 Notes ("Notes"), it is important to highlight the distinction between the Legal curve and the Target curve. The Legal curve represents the required amortization amount payable on each semi-annual payment date, while the Target curve represents the maximum amortization amount payable on each semi-annual payment date, allowing for an accelerated payment schedule.

This means that the payment schedule adjusts according to each semi-annual payment date. Since the Company has been making its best efforts to pay the maximum amount of the Target curve, the Legal curve has not been applicable.

Escrow deposits serve as a reserve account in accordance with the financing contract, containing six months of the minimum principal payment plus interest payable in the period when the Legal curve is applicable. Thus, at the end of the third quarter of 2024, the escrow deposits comprised partially the amount equivalent to the interest for the next semi-annual payment date.

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

c. Simplified Analysis of the Balance Sheet:

Consolidated (BRL k)				
Balance Sheet	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Current Assets	159,620	301,649	141,014	214,901
Cash and cash equivalents	57,242	4,443	84,086	2,376
Escrow deposits	56,266	197,086	53,448	151,516
Income tax recoverable	2,064	3,582	2,936	2,870
Dividends receivable	43,067	94,780	-	58,139
Derivatives	981	1,758	544	-
Noncurrent Assets	1,207,922	1,140,006	1,242,025	1,215,768
Related Party	241,895	241,895	241,895	241,895
Investment	966,027	898,111	1,000,130	973,873
Total Assets	1,367,542	1,441,655	1,383,039	1,430,669
Current Liabilities	108,670	331,804	272,641	273,427
Bonds	92,354	317,195	257,834	257,871
Other	16,316	14,609	14,807	15,556
Noncurrent Liabilities	1,302,451	115	1,085,832	1,113,675
Bonds	1,302,451	1,216,437	1,085,832	1,113,675
Total Equity	(43,579)	(106,586)	24,566	43,567
Total liabilities and equity	1,367,542	225,333	1,383,039	1,430,669

In the third quarter of 2024, PRUMOPAR reported cash and cash equivalents of BRL 57.2 million, a substantial increase if compared to December 31st, 2023, as a result of dividends payment from Ferroport.

The escrow deposits on September 30th, 2024 were BRL 56.3 million representing partially the amount equivalent to the interest for the next semi-annual payment date versus BRL 151.5 million on December 31st, 2023 which debt service payment date was on January 2nd, 2024.

PRUMOPAR's total equity was negative BRL 43.6 million in the third quarter of 2024, from BRL 43.6 million in the end of 2023 due to net loss for the period in the amount of BRL 87.1 million.

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