



Parent Company and Consolidated
Condensed Interim
Financial Statements
at March 31, 2024



(A free translation of the original in Portuguese)

Report on review of parent company and consolidated condensed interim financial statements

To the Board of Directors and Stockholders
Companhia Brasileira de Alumínio

Introduction

We have reviewed the accompanying condensed interim balance sheet of Companhia Brasileira de Alumínio ("Company") as at March 31, 2024 and the related condensed interim statements of operations, comprehensive income, changes in equity and cash flows for the quarter period then ended, as well as the accompanying consolidated condensed interim balance sheet of the Company and its subsidiaries ("Consolidated") as at March 31, 2024 and the related consolidated condensed statements of operations, comprehensive income, statements of changes in equity and cash flows for the quarter period then ended, and explanatory notes.

Management is responsible for the preparation and presentation of these parent company and consolidated condensed interim financial statements in accordance with the accounting standard CPC 21 - "Interim Financial Reporting", of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - "Interim Financial Reporting", of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", and ISRE 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated condensed interim financial statements referred to above are not prepared, in all material respects, in accordance with CPC 21 and IAS 34.



Companhia Brasileira de Alumínio

Other matters

Condensed statements of value added

The interim condensed financial statements referred to above include the parent company and consolidated condensed statements of value added for the quarter period ended March 31, 2024. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the condensed interim financial statements for the purpose of concluding whether they are reconciled with the condensed interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these condensed statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated condensed interim financial statements taken as a whole.

Curitiba, May 6, 2024

PRICEWATERHOUSECOOPERS
PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/F-6

Carlos Eduardo Guaraná Mendonça
Contador CRC 1SP196994/O-2

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Condensed interim statement of operations Quarters ended March 31

All amounts in thousands of reais unless otherwise stated

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Net revenue from goods sold and services rendered	5.1	1,447,654	1,641,634	1,693,866	1,915,819
Cost of goods sold and services rendered	6	(1,386,493)	(1,599,462)	(1,615,364)	(1,855,804)
Gross profit operating income		61,161	42,172	78,502	60,015
Operating income (expenses)					
Selling expenses	6	(9,279)	(11,354)	(11,242)	(12,418)
General and administrative expenses	6	(83,872)	(83,806)	(92,430)	(95,468)
Other operating income (expenses), net	8	142,997	148,553	138,243	151,902
		49,846	53,393	34,571	44,016
Operating income before equity interest and finance result		111,007	95,565	113,073	104,031
Equity results					
Equity in the results of investees	17 (a)	2,839	10,104	32,139	18,428
Net finance results	9				
Finance income		42,412	33,189	49,148	45,632
Finance costs		(114,050)	(105,715)	(121,855)	(114,295)
Result of derivative financial instruments		(20,582)	34,469	(22,851)	43,251
Foreign exchange gains (losses)		(50,342)	25,763	(48,843)	24,918
		(142,562)	(12,294)	(144,401)	(494)
Profit (loss) before taxes		(28,716)	93,375	811	121,965
Income tax	22				
Current		(1,588)		(5,561)	(7,337)
Deferred		(26,096)	(26,335)	(24,793)	(25,327)
Profit (loss) for the period from continuing operations		(56,400)	67,040	(29,543)	89,301
Attributable to owners of the parent		(56,400)	67,040	(56,400)	67,040
Attributable to non-controlling interests				26,857	22,261
Profit (loss) for the quarter		(56,400)	67,040	(29,543)	89,301
Weighted average number of outstanding shares, in thousands		646,534	595,833		
Basic and diluted earnings per thousand shares, in reais	25 (c)	(87.23)	112.51		

The accompanying notes are an integral part of these condensed interim financial statements.

Condensed interim statement of comprehensive income (loss)
Quarters ended March 31
All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Profit (loss) for the quarter		(56,400)	67,040	(29,543)	89,301
Other components of comprehensive income (loss) to be reclassified to the statement of operations					
Operating hedge accounting, net of tax effects	25 (b)	(91,810)	31,201	(91,810)	31,201
Share of other comprehensive income (loss) of investees			(16,760)	520	(16,760)
Other comprehensive results		612		612	
		(91,198)	14,441	(90,678)	14,441
Total comprehensive income (loss) for the quarter		(147,598)	81,481	(120,221)	103,742
Comprehensive income attributable to shareholders					
Attributable to owners of the parent				(147,598)	81,481
Attributable to non-controlling interests				27,377	22,261
				(120,221)	103,742

The accompanying notes are an integral part of these condensed interim financial statements.

Condensed interim statement of cash flows
Quarters ended March 31
All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Cash flow from operating activities					
Profit (loss) before income tax and social contribution		(28,716)	93,375	811	121,965
Adjustments to non-cash items					
Interest, indexation accruals and exchange variations		155,614	26,260	153,498	17,360
Equity results	17 (b)	(2,839)	(10,104)	(32,139)	(18,428)
Depreciation, amortization and depletion	6	126,283	115,299	144,215	134,692
Energy futures contracts	8	(112,101)	(105)	(112,101)	(105)
Loss (gain) on the sale of fixed assets	8	(25,262)	11,355	(26,597)	11,348
Provision (reversal) for impairment of assets	8	1,564	(156,832)	1,057	(156,832)
Reversal for tax devaluation (impairment)		(354)		(354)	
Derivative financial instruments	27.2	9,604	(34,469)	11,873	(43,251)
Write-off of lease agreements			(1,102)		(1,102)
Constitution (reversal) of provisions, net		(11,135)	254	(10,345)	(1,264)
		112,658	43,931	129,918	64,383
Decrease (increase) in assets					
Financial investments		4,190	(41,595)	41,062	(42,770)
Trade receivables		19,775	(40,339)	(25,515)	(49,466)
Inventories		(33,929)	(232,428)	21,170	(200,255)
Taxes recoverable		(3,611)	(46,285)	10,955	(34,715)
Judicial deposits		(2,820)	(1,795)	(2,655)	(1,816)
Other credits and other assets		(1,708)	18,176	(28,186)	2,151
Increase (decrease) in liabilities					
Trade payables		3,633	(33,080)	21,740	4,594
Confirming payables		(91,063)	66,245	(114,659)	65,165
Salaries and payroll charges		(66,397)	(40,924)	(73,073)	(45,922)
Taxes payable		(5,905)	(5,827)	980	(14,570)
Advances from customers		84,471	(13,455)	82,486	(16,005)
Use of public property - UBP		6,151	7,009	6,152	5,064
Payments of tax, civil and labor proceedings		(5,382)	(4,012)	(5,382)	(4,012)
Other obligations and other liabilities		(21,104)	(225)	(40,580)	(3,672)
Cash provided by (used in) operating activities		(1,041)	(324,604)	24,413	(271,846)
Interest paid on borrowing, debentures and use of public assets (UBP)		(74,118)	(44,576)	(76,265)	(44,590)
Income tax and social contribution paid				(2,290)	(12,264)
Net cash provided by (used in) operating activities		(75,159)	(369,180)	(54,142)	(328,700)
Cash flow from investing activities					
Acquisition of property, plant and equipment and intangible assets		(254,035)	(219,719)	(261,546)	(276,677)
Acquisition of remaining 20% of Alux			(49,000)		(49,000)
Receipt for the sale of investment	1.1.(c)	1,254			
Capital increase in investees	17 (b)	(700)	(34,584)		(34,584)
Proceeds from sale of PP&E and intangible assets		13,034	1,154	13,034	1,189
Dividends received		3,154			
Net cash used in investing activities		(237,293)	(302,149)	(248,512)	(359,072)
Cash flow from financing activities					
Proceeds from borrowings	20		723,421		736,664
Repayments of borrowing and debentures	20	(5,921)	(4,811)	(6,409)	(4,811)
Derivative financial instruments		17,576	1,618	19,002	1,618
Settlement of leases		(6,798)	(7,210)	(8,147)	(8,718)
Capital increase	1.1 (a)	20,871		20,871	
Net cash provided by (used in) financing activities		25,728	713,018	25,317	724,753
Increase (decrease) in cash and cash equivalents		(286,724)	41,689	(277,337)	36,981
Cash and cash equivalents at the beginning of the quarter		1,138,074	552,839	1,350,229	849,082
Cash and cash equivalents at the end of the quarter		851,350	594,528	1,072,892	886,063
Non-cash transactions					
Sale of fixed assets		21,500		21,500	
New lease agreements				278	2,513

The accompanying notes are an integral part of these condensed interim financial statements.

Condensed interim balance sheet as at march 31

All amounts in thousands of reais

(A free translation of the original in Portuguese)

Assets	Note	Parent company		Consolidated	
		3/31/2024	12/31/2023	3/31/2024	12/31/2023
Current assets					
Cash and cash equivalents	10	851,350	1,138,074	1,072,892	1,350,229
Financial investments	11	350,001	331,615	365,952	379,042
Derivative financial instruments	27.2	160,307	233,725	167,077	240,760
Trade receivables	12	392,125	394,872	429,215	382,443
Inventories	13	1,639,848	1,601,408	1,920,179	1,937,254
Taxes recoverable	14	309,123	299,322	365,430	360,968
Dividends receivable	15	9,758	3,118	33,285	1
Other assets		200,895	202,640	209,657	211,700
		<u>3,913,407</u>	<u>4,204,774</u>	<u>4,563,687</u>	<u>4,862,397</u>
Non-current assets held for sale					
	29	248,345	245,768	248,345	245,768
		<u>4,161,752</u>	<u>4,450,542</u>	<u>4,812,032</u>	<u>5,108,165</u>
Non-current assets					
Long-term receivables					
Derivative financial instruments	27.2	163,769	177,567	206,825	224,053
Taxes recoverable	14	643,240	649,076	658,988	671,761
Deferred income tax	22 (b)	391,558	370,654	324,309	302,334
Related parties	15	43,004	42,681	54,259	53,848
Judicial deposits	23 (b)	21,494	19,218	23,063	20,952
Other assets		19,517	18,818	50,807	25,677
		<u>1,282,582</u>	<u>1,278,014</u>	<u>1,318,251</u>	<u>1,298,625</u>
Investments					
Property, plant and equipment	17 (a)	1,272,957	1,279,925	275,986	277,133
Intangible assets	18	5,295,080	5,220,219	5,994,608	5,928,118
Right-of-use assets	19	696,127	705,264	889,570	901,315
		<u>28,521</u>	<u>33,483</u>	<u>42,121</u>	<u>48,576</u>
		<u>8,575,267</u>	<u>8,516,905</u>	<u>8,520,536</u>	<u>8,453,767</u>
Total assets		<u>12,737,019</u>	<u>12,967,447</u>	<u>13,332,568</u>	<u>13,561,932</u>

The accompanying notes are an integral part of these condensed interim financial statements.

Condensed interim balance sheet as at march 31

All amounts in thousands of reais

(A free translation of the original in Portuguese)

Liabilities and equity	Note	Parent company		Consolidated	
		3/31/2024	12/31/2023	3/31/2024	12/31/2023
Current liabilities					
Trade payables		811,260	893,978	889,315	956,881
Confirming payables	21	109,114	200,177	134,153	248,812
Borrowing and debentures	20	272,867	101,019	274,980	103,107
Derivative financial instruments	27.2	2,890	2,305	2,890	2,305
Lease liabilities		12,420	15,211	17,496	20,582
Salaries and payroll charges		111,316	177,713	125,650	198,723
Taxes payable		23,742	28,059	48,015	41,474
Advances from customers		99,663	15,192	100,811	18,325
Interest on equity payable				14,609	
Dividends payable	15			6,115	6,114
Use of public assets – UBP	24	71,272	71,181	78,886	78,795
Energy futures contracts	16	124,531	154,518	124,531	154,518
Provisions	23	153,629	141,461	153,629	141,461
Other liabilities		22,549	34,273	61,817	85,138
		<u>1,815,253</u>	<u>1,835,087</u>	<u>2,032,897</u>	<u>2,056,235</u>
Non-current assets held for sale					
	29	125,259	125,259	125,259	125,259
		<u>1,940,512</u>	<u>1,960,346</u>	<u>2,158,156</u>	<u>2,181,494</u>
Non-current liabilities					
Borrowing and debentures	20	4,189,514	4,216,604	4,214,212	4,241,385
Derivative financial instruments	27.2	187,559	159,710	187,559	159,710
Lease liabilities		14,395	17,438	23,706	27,891
Related parties	15	42,855	52,692	52,520	65,384
Provisions	23 (b)	645,072	624,844	647,991	628,616
Use of public assets – UBP	24	882,660	892,979	945,295	955,126
Energy futures contracts	16	473,554	555,668	473,554	555,668
Deferred income tax and social contribution	22 (b)			11,658	11,888
Other liabilities		29,190	28,731	30,823	30,618
		<u>6,464,799</u>	<u>6,548,666</u>	<u>6,587,318</u>	<u>6,676,286</u>
Total liabilities		<u>8,405,311</u>	<u>8,509,012</u>	<u>8,745,474</u>	<u>8,857,780</u>
Equity					
Share capital	25	4,911,090	4,890,219	4,911,090	4,890,219
Retained earnings		(290,506)	(234,106)	(290,506)	(234,106)
Carrying value adjustments		(288,876)	(197,678)	(288,876)	(197,678)
Atributable to owners of the parent		4,331,708	4,458,435	4,331,708	4,458,435
Atributable to non-controlling interests				255,386	245,717
Total equity		<u>4,331,708</u>	<u>4,458,435</u>	<u>4,587,094</u>	<u>4,704,152</u>
Total liabilities and equity		<u>12,737,019</u>	<u>12,967,447</u>	<u>13,332,568</u>	<u>13,561,932</u>

The accompanying notes are an integral part of these condensed interim financial statements.

Condensed interim statement of changes in equity
Quarters ended March 31
All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Attributable to controlling shareholders									
	Share capital		Revenue reserve			Retained (loss) earnings	Carrying value adjustments	Total	Non-controlling interests	Equity
	Share capital	Share issue expenses	Legal	Profit retention						
At January 1, 2023	4,749,459	(44,412)	55,402	618,129		(283,026)	5,095,552	227,925	5,323,477	
Comprehensive income for the quarter										
Profit for the quarter					67,040		67,040	22,261	89,301	
Other components of comprehensive income						14,441	14,441		14,441	
					67,040		81,481	22,261	103,742	
At March 31, 2023	4,749,459	(44,412)	55,402	618,129	67,040	(268,585)	5,177,033	250,186	5,427,219	
At January 1, 2024	4,934,631	(44,412)			(234,106)	(197,678)	4,458,435	245,717	4,704,152	
Comprehensive income for the quarter										
Profit (loss) for the quarter					(56,400)		(56,400)	26,857	(29,543)	
Other components of comprehensive income						(91,198)	(91,198)	520	(90,678)	
					(56,400)	(91,198)	(147,598)	27,377	(120,221)	
Transactions with shareholders										
Resolution of interest on equity - CBA Energia (Note 1.1 (e))								(17,708)	(17,708)	
Capital increase (Note 1.1 (a))	20,871						20,871		20,871	
	20,871						20,871	(17,708)	3,163	
At March 31, 2024	4,955,502	(44,412)			(290,506)	(288,876)	4,331,708	255,386	4,587,094	

The accompanying notes are an integral part of these condensed interim financial statements.

Condensed interim statement of value added Quarters ended March 31 All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Revenue					
Sales of products and services (excluding sales returns and rebates)		1,693,810	1,903,530	2,009,509	2,271,336
Other operating income		17,183	10,484	10,271	13,664
Provision for impairment of trade receivables	12	17	(1,137)	(243)	(936)
		<u>1,711,010</u>	<u>1,912,877</u>	<u>2,019,537</u>	<u>2,284,064</u>
Inputs purchased from third parties					
Raw materials and other production inputs		(878,071)	(1,111,980)	(1,050,563)	(1,312,545)
Materials, third-party services and others		(112,242)	(256,372)	(128,802)	(274,199)
		<u>(990,313)</u>	<u>(1,368,352)</u>	<u>(1,179,365)</u>	<u>(1,586,744)</u>
Gross value added		<u>720,697</u>	<u>544,525</u>	<u>840,172</u>	<u>697,320</u>
Depreciation, amortization and depletion	18 e 19	(126,283)	(115,299)	(144,215)	(134,692)
Reversal of (provision) for (impairment) of assets	8	(1,564)	167,163	(1,057)	167,163
Net value added produced		<u>592,850</u>	<u>596,389</u>	<u>694,900</u>	<u>729,791</u>
Value added received in transfer					
Equity in the results of investees	17 (a)	2,839	10,104	32,139	18,428
Finance income and foreign exchange gains		54,483	165,422	63,444	189,143
Deferred taxes	22 (b)	(26,096)	(26,335)	(24,793)	(25,327)
		<u>31,226</u>	<u>149,191</u>	<u>70,790</u>	<u>182,244</u>
Total value added to distribute		<u>624,076</u>	<u>745,580</u>	<u>765,690</u>	<u>912,035</u>
Distribution of value added					
Personnel and social charges	7				
Direct remuneration		115,315	121,639	128,692	136,999
Social charges		64,458	63,642	72,376	71,492
Benefits		34,679	33,891	39,585	38,736
		<u>214,452</u>	<u>219,172</u>	<u>240,653</u>	<u>247,227</u>
Taxes and contributions					
Federal		155,914	168,078	204,112	231,224
State		97,950	101,327	127,158	139,620
		<u>253,864</u>	<u>269,405</u>	<u>331,270</u>	<u>370,844</u>
Remuneration of third-party capital					
Finance costs and foreign exchange losses		215,846	177,716	226,646	189,637
Rentals and leases		15,115	12,247	15,465	15,026
		<u>230,961</u>	<u>189,963</u>	<u>242,111</u>	<u>204,663</u>
Remuneration of own capital					
Non-controlling interests				26,857	22,261
Profit (loss) for the quarter		(56,400)	67,040	(56,400)	67,040
		<u>(56,400)</u>	<u>67,040</u>	<u>(29,543)</u>	<u>89,301</u>
Total value added distributed		<u>642,877</u>	<u>745,580</u>	<u>784,491</u>	<u>912,035</u>

The accompanying notes are an integral part of these condensed interim financial statements.

(A free translation of the original in Portuguese)

Companhia Brasileira de Alumínio



Notes to the condensed interim financial statements at March 31, 2024

All amounts in thousands of reais unless otherwise stated

1 General information

Companhia Brasileira de Alumínio (the “Company” or “CBA”), a subsidiary of Votorantim S.A. (“VSA”), is headquartered in the city of São Paulo, and mainly engaged in the exploration of bauxite mining in the Brazilian territory, producing and/or trading in the domestic and foreign markets, bauxite, alumina, primary and processed aluminum, through a wide range of products, such as ingots, billets, plates, coils, sheets and extruded profiles. The Company also has other production units, held through subsidiaries.

CBA Itapissuma Ltda. (“CBA Itapissuma”), located in the town of Itapissuma (state of Pernambuco), with an installed capacity of 56,000 metric tons per year considering aluminum sheets and plates, complementing CBA’s line of rolled products, also contributing to improving the competitiveness of the national industry against imported products.

Alux do Brasil Indústria e Comércio Ltda. (“Alux”), located in the state of São Paulo, is one of the largest suppliers of secondary aluminum alloy in Brazil and is specialized in producing aluminum from recycled scrap, with an installed capacity of 46,000 metric tons per year. The acquisition of this subsidiary also contributes to stimulating the circular economy and contributes to the production of aluminum with a lower carbon footprint. The Company’s investee Metalex Ltda. (“Metalex”), located in Araçariguama, state of São Paulo, is also engaged in recycling aluminum scrap for the production of billets, with a production capacity of 90,000 metric tons per year.

CBA owns, or manages through consortia, hydropower plants, which enables it to reduce the cost of energy consumed during the primary aluminum production process. In total, there are 21 hydropower plants located in the South, Southeast and Central-West regions of Brazil, totaling 1.4 gigawatts of 100% renewable installed capacity (contributing to the production of low-carbon aluminum), already adjusted by the Company’s interest in the assets, and by an average capacity factor of 53%. The Company has also a stake in a wind farm in the Northeast region, with a capacity of 171.6 megawatts (MW). The surplus electric power generated is traded on the local market.

The bauxite processed by the Company is mainly extracted from its own three mining units, located in Goiás (GO) (Barro Alto) and Minas Gerais (Poços de Caldas and Miraf). A small portion is acquired from a supplier also located in GO (Barro Alto), pursuant to a purchase and sale agreement effective until 2028.

The Company also has a nickel operation in Niquelândia, GO, which was suspended and was sold in 2023 (Note 1.1(d)).

Notes to the condensed interim financial statements at March 31, 2024

All amounts in thousands of reais unless otherwise stated

1.1. Main events during the quarter ended March 31, 2024

CBA advanced in its strategic plan to increase representation in recycling, with the start-up of the new Metalex scrap treatment line. This has made CBA an important player in the aluminum scrap transformation segment in Latin America, allowing it to increase the use of recyclable materials in production.

In the global aluminum market, mainly due to the cooling of international demand, aluminum price came under pressure, significantly reducing the Company's net revenue. Margins were also impacted by inflation and rising costs, and were not sufficient to meet operating expenses.

(a) Approval of the capital increase and issuance of CBA shares

On January 18, 2024, the Company's Board of Directors approved the capital increase started on November 8, 2023, consolidating the capital increase subscribed and paid up in preference of shareholders, as well as the apportionment of shares in surpluses. In January 2024, 5,595,377 (five million, five hundred and ninety-five thousand, three hundred and seventy-seven) shares were paid in, resulting in a capital increase of R\$20,871, totaling an increase of R\$206,043 when considering the amounts paid up in 2023 and 2024. As a result, at March 31, 2024, the Company's share capital is R\$4,955,502 divided into 651,072,697 (six hundred and fifty-one million, seventy-two thousand, six hundred and ninety-seven) shares.

(b) ESG (Environmental, Social and Governance) commitments

The Company and its subsidiaries have a strong commitment to sustainable development based on the ESG 2030 strategy, which includes 10 levers, 15 programs and 33 commitments covering all ESG issues considered material to its operations. These commitments guide innovation initiatives and current and future investments. A major highlight for the Company is its work on the climate agenda, in particular its position on the CDP List, a globally recognized leadership transparency ranking focused on companies' efforts to combat climate change.

CBA was also selected for the second year running to make up the 19th Portfolio of the B3 Corporate Sustainability Index (ISE B3), which will be in force in 2024, rising from 5th to 3rd position. ISE B3 is made up of 78 companies from 36 sectors. The Company also stood out in other important sustainability indexes, such as the S&P Corporate Sustainability Assessment (CSA). In its first year of active participation, the Company came 4th. CBA's score of 61/100 is 40% above the sector average.

(c) Sale of all the shares held in Santa Cruz Geração de Energia S.A. ("Santa Cruz")

On January 17, 2024, the Company entered into a Share Purchase and Sale Agreement and Other Covenants with Resulta Energia e Soluções Ltda., aiming to sell, assign and transfer, on an irrevocable and irreversible basis, all of the shares held by CBA in subsidiary Santa Cruz Geração de Energia S.A., and on February 29, 2024, the closing term of the transaction was signed. The sale amounted to R\$2,120, recorded under "Other operating income (expenses), net" (Note 8).

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at March 31, 2024**

All amounts in thousands of reais unless otherwise stated

(d) Sale of Niquelândia unit

On April 12, 2023, the Company signed an agreement to sell part of the assets and liabilities of the Niquelândia unit, located in GO, to Wave Nickel Brasil (“Buyer”), controlled by the global technology company New Wave. The value of the transaction is made up of funds of R\$18,900, according to the deadline described below, net of sales commission, and the assumption of negative net assets before the transaction in the amount of R\$101,989 (as shown in the table below). Thus, in 2023, the impairment recognized in prior years for the assets related to this operation was reversed in the amount of R\$134,497 (Note 18 (a)) and recorded under “Other operating income (expenses), net” (Note 8).

The amount due will be paid as follows: R\$4,000 in cash, paid in April 2023, and R\$14,900 at the closing of the deal, which depends on compliance with the conditions precedent. Additionally, the Company will receive a 3% royalty on net revenues from mining and industrial production, limited to USD10,000,000 per year, and a subscription option in the companies Wave Nickel and Wave Aluminum.

The underlying assets and liabilities, before and after the completion of the negotiations of the net assets, are shown below.

	Before the transaction	After the transaction
Property, plant and equipment		134,497
Other assets	1,762	9,662
Total assets	1,762	144,159
Decommissioning liabilities	98,520	124,400
Other liabilities	5,231	859
Total liabilities	103,751	125,259
Net balance	(101,989)	18,900

For the sale, a drop down (which consists in the assignment of capital from one company to another) of assets and liabilities to a new legal entity named Mineração Macedo Ltda. (“Macedo”), company 100% controlled by CBA, in the amount of R\$18,900, was carried out and is classified as Asset held for sale (Note 29).

(e) Distribution of dividends by the investee CBA Energia Participações S.A. (“CBA Energia”)

On March 13, 2024, the investee CBA Energia distributed profits as Interest on Equity related to the profit for 2023, in the total amount of R\$25,000, of which R\$6,641 was assigned to CBA and R\$14,609 to Auren Energia S.A., already net of taxes.

Notes to the condensed interim financial statements at March 31, 2024

All amounts in thousands of reais unless otherwise stated

2 Presentation of the parent company and consolidated condensed interim financial statements and description of accounting policies

2.1 Basis of presentation

(a) Parent company and consolidated condensed interim financial statements

The parent company and consolidated condensed interim financial statements have been prepared and are being presented in accordance with the Technical Pronouncement CPC 21 (R1) - Interim Financial Statements issued by the Accounting Pronouncements Committee (CPC), and with the International Standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of quarterly information.

All the relevant information in the financial statements, and only this information, was evidenced and corresponds to that used by the Company's management management.

Therefore, these condensed interim financial statements do not include all the notes and disclosures required by the standards for annual financial statements; consequently, they should be read in conjunction with the annual financial statements at December 31, 2023, available on the Investor Relations page (ri.cba.com.br), and prepared in accordance with the International Financial Reporting Standards ("IFRS® Accounting Standards"), issued by the International Accounting Standards Board (IASB), and accounting practices adopted in Brazil, which follow the pronouncements issued by the Brazilian Accounting Pronouncements Committee (CPC), and CVM standards.

(b) Approval of the financial statements

The Company's Executive Board approved the issue of these parent company and consolidated condensed interim financial statements on May 6, 2024.

3 New standards, amendments and interpretations of standards issued by the CPC and IASB

3.1 New standards issued and amendments to the accounting standards adopted by the Company and its subsidiaries

The Company and its subsidiaries analyzed the amendments to accounting standards that came into force from January 1, 2024 to March 31, 2024, and did not identify any impacts on their operating and accounting policies.

3.2 New standards issued and amendments to the accounting standards not yet adopted by the Company and its subsidiaries

The Company has not yet completed the assessment of the impacts of these new standards, interpretations and amendments, however, it does not expect any material impact on the preparation of the financial statements for the current and future periods.

Notes to the condensed interim financial statements at March 31, 2024

All amounts in thousands of reais unless otherwise stated

a) **Classification of liabilities as current or non-current and non-current liabilities with covenants (amendments to CPC 26/IAS 1)**

The amendments to CPC 26/International Accounting Standard (IAS) 1 aim to clarify the requirements for determining whether a liability is current or non-current and require new disclosures for non-current liabilities that are subject to future covenants. The amendments apply to annual periods beginning on or after January 1, 2024. The Company estimates that the application of the standard in question will have no impact on the presentation of the financial statements.

b) **Supplier finance arrangements (“Confirming payables”) (amendments to CPC 26/IAS 1 and CPC 40/IFRS 7)**

The amendments introduce new disclosures related to Confirming payables that help users of financial statements assess the effects of these arrangements on a company’s liabilities and cash flows and on the company’s exposure to liquidity risk. The amendments apply to annual periods beginning on or after January 1, 2024. The Company is assessing the impacts on the presentation of the financial statements.

c) **Sustainability disclosures issued by the International Sustainability Standards Board (“ISSB”) - IFRS S1 and IFRS S2**

In June 2023, the ISSB issued its first two sustainability reporting standards, IFRS S1 and IFRS S2, which have been adopted in Brazil by CVM, and have a mandatory application date as of fiscal years beginning on or after January 1, 2026. These standards contain disclosure requirements for sustainability information, and are intended to promote the consistency, comparability and quality of this information, designed to meet the needs of investors and financial markets.

The Company is in the process of implementing these new standards, in order to adapt the current Integrated Reporting to the requirements of the standards and the expectations of investors and financial markets.

d) **Presentation and Disclosure in Financial Statements – IFRS 18**

On April 9, 2024, the International Accounting Standards Board (IASB) issued the new standard IFRS 18 ‘Presentation and Disclosure in Financial Statements’, aimed at improving the disclosure of financial performance and providing investors with a better basis for analyzing and comparing companies, which includes:

- (i) Improved comparability in the Statement of Profit or Loss, with the introduction of three new categories for income and expenses – operating, investing and financing – thus improving the structure of this statement, which now requires the presentation of subtotals, including operating profit or loss;
- (ii) Improved transparency regarding the performance measures defined by management, with the requirement of including explanations on the indicators related to the Statement of Profit or Loss, referred to as management-defined performance measures; and
- (iii) More useful aggregation of information in the Financial Statements, providing enhanced guidance for organizing the information.

Notes to the condensed interim financial statements at March 31, 2024

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IFRS 18 will be effective for annual reporting periods beginning on or after January 1, 2027, and early adoption is allowed. The Company is assessing the impacts of this standard.

4 Critical accounting estimates and judgments

In the quarter ended March 31, 2024, there was no change in estimates and assumptions that would represent significant risk of causing a material adjustment to the carrying amounts of assets and liabilities for the current quarter in relation to those detailed in Note 4 to the latest annual financial statements.

5 Segment information

The Company's activities are carried out through the following operating segments: Aluminum, Energy and Nickel.

Aluminum

Comprises the operations of the aluminum production chain, from bauxite mining to the production of primary and transformed products.

Energy

Comprises only the sale of surplus electric power to the market.

Nickel

This segment comprises the operations of Cerrado Nickel, located in Niquelândia (GO), and Green Legacy units.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, responsible for allocating resources and assessing the performance of the operating segments, is the Executive Board, which is also responsible for making the Company's strategic decisions, using adjusted EBITDA as a performance measure.

The information presented to senior management with the respective performance of each segment is obtained from the records maintained in accordance with accounting policies, with certain reallocations between the segments.

	1/1/2024 to 3/31/2024				
	Aluminum	Nickel	Energy	Eliminations (I)	Consolidated
Net revenue from goods sold and services rendered	1,642,076	3,078	71,621	(22,909)	1,693,866
Cost of goods sold and services rendered	(1,520,284)	(4,157)	(113,832)	22,909	(1,615,364)
Gross profit (loss)	121,792	(1,079)	(42,211)		78,502
Selling expenses	(11,211)	(31)			(11,242)
General and administrative expenses	(88,980)	(2,925)	(525)		(92,430)
Other operating income (expenses), net	(8,792)	33,775	113,260		138,243
Operating profit (loss)	12,809	29,740	70,524		113,073
Depreciation, amortization and depletion	142,724	1,491			144,215
Other additions (exclusions) and exceptional items	(1,662)	2,674	(112,101)		(111,089)
Energy futures contracts			(112,101)		(112,101)
Reversal of (impairment) of other assets	(2,120)				(2,120)
Constitution of provision for (impairment) of assets	458	2,674			3,132
Adjusted EBITDA	153,871	33,905	(41,577)		146,199
EBITDA margin	9.37%	1101.53%	-58.05%		8.63%

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	2023				
	Aluminum	Nickel	Energy	Eliminations (i)	Consolidated
Net revenue from goods sold and services rendered	1,816,387	4,519	136,236	(41,323)	1,915,819
Cost of goods sold and services rendered	(1,663,553)	(10,379)	(223,195)	41,323	(1,855,804)
Gross profit (loss)	152,834	(5,860)	(86,959)		60,015
Selling expenses	(12,418)				(12,418)
General and administrative expenses	(90,447)	(3,712)	(1,309)		(95,468)
Other operating income (expenses), net	(1,006)	151,671	1,237		151,902
Operating profit (loss)	48,963	142,099	(87,031)		104,031
Depreciation, amortization and depletion	129,276	1,391	4,025		134,692
Exclusions and exceptional items	(2,352)	(151,956)	(105)		(154,413)
Energy futures contracts			(105)		(105)
Constitution (reversal) of provision for impairment of assets	(2,352)	(151,956)			(154,308)
Adjusted EBITDA	175,887	(8,466)	(83,111)		84,310
EBITDA margin	9.68%	-187.34%	-61.01%		4.40%

- (i) The eliminations above correspond to the energy generated and consumed by the Company's reportable segments.

5.1 Net revenue from goods sold and services rendered

(a) Revenue reconciliation

	1/1/2024 to 3/31/2024			
	Aluminum	Nickel	Energy	Parent company
Sale of primary aluminum	805,134			805,134
Sale of processed aluminum	426,749			426,749
Other aluminum products and services	169,691			169,691
Energy (i)			43,003	43,003
Others		3,077		3,077
Net revenue from goods sold and services rendered	1,401,574	3,077	43,003	1,447,654

	1/1/2023 to 3/31/2023			
	Aluminum	Nickel	Energy	Parent company
Sale of primary aluminum	765,049			765,049
Sale of processed aluminum	481,220			481,220
Other aluminum products and services	289,606			289,606
Energy (i)			101,240	101,240
Others		4,519		4,519
Net revenue from goods sold and services rendered	1,535,875	4,519	101,240	1,641,634

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	1/1/2024 to 3/31/2024				
	Aluminum	Nickel	Energy	Eliminations	Consolidated
Sale of primary aluminum	805,134				805,134
Sale of processed aluminum	618,007				618,007
Recycling	177,937				177,937
Other aluminum products and services	171,445				171,445
Eliminations between aluminum segments	(130,448)				(130,448)
Energy (i)			71,620	(22,908)	48,712
Others		3,079			3,079
Net revenue from goods sold and services rendered	1,642,075	3,079	71,620	(22,908)	1,693,866

	1/1/2023 to 3/31/2023				
	Aluminum	Nickel	Energy	Eliminations	Consolidated
Sale of primary aluminum	768,457				768,457
Sale of processed aluminum	702,481				702,481
Recycling	207,510				207,510
Other aluminum products and services	290,081				290,081
Eliminations between aluminum segments	(152,142)				(152,142)
Energy (i)			136,236	(41,322)	94,914
Others		4,518			4,518
Net revenue from goods sold and services rendered	1,816,387	4,518	136,236	(41,322)	1,915,819

- (i) The eliminations above correspond to the energy generated and consumed by the Company's reportable segments.

In order better to understand the aluminum segment, the Company splits it into the following subsegments:

- a) Primary products: covers the range of products in the initial stage of production (ingots, molten aluminum and added value products – billets, rod and alloy ingots). All these products are manufactured at the Alumínio plant;
- b) Downstream products: covers products of the downstream family (foil, sheet and extruded products), all of which have added value. The Company produces its entire portfolio at a single site located in Alumínio (state of São Paulo “SP”), and has a second rolling facility in Itapissuma (state of Pernambuco “PE”), as well as two solutions and service centers;
- c) Recycling: this includes the plants of the investees of the company Metalex and Alux, the tolling activities (converting customer scrap into finished goods) at the Alumínio plant, and sales of domestic and international scrap and aluminum sludge.
- d) Other: covers ingot trading, trading of the Company's alumina in Alunorte – Alumina do Norte S.A (“Alunorte”), sales of bauxite, alumina and processing; The sales of alumina, hydrate and bauxite are surpluses in the Company's production chain, more precisely the Alumínio operation. Bauxite and alumina are raw materials for the production of aluminum;
- e) Eliminations: covers aluminum purchases and sales between companies in the segment;

(b) Information about geographies

The breakdown of net revenue by destination is based on the customer location. The Company's net revenue classified by destination and currency is shown below.

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(i) Net revenue by country of destination

	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Brazil	1,279,541	1,446,714	1,516,064	1,703,289
Canada	71,954	70,250	71,954	70,862
United States	55,136	83,687	55,136	88,533
Uruguay	9,853	17,306	9,853	17,306
Argentina	401	780	9,264	6,937
Netherlands	5,910	6,781	5,910	6,781
Colombia	4,792	4,519	4,836	4,915
Germany	2,608	408	3,360	2,142
Mexico	2,119	1,450	2,119	1,450
Paraguay	2,033	4,641	2,063	5,413
Bolivia	1,465	2,784	1,465	2,784
Polland		2,314		2,967
Others	11,842		11,842	2,440
	<u>1,447,654</u>	<u>1,641,634</u>	<u>1,693,866</u>	<u>1,915,819</u>

5.2 Capital management

The Company’s objectives in managing its capital are to safeguard its ability to consistently offer returns to shareholders and benefits to other stakeholders, while maintaining an optimal capital structure.

Although this supplementary information is not defined by Brazilian and international accounting standards, the Company uses adjusted EBITDA as an indicator of its operational performance. Adjusted EBITDA is calculated from the net profit (loss) plus/minus finance result, plus income tax and social contribution, depreciation, amortization and depletion, minus equity results plus dividends received from investees, and plus/minus exceptional non-cash items (non-cash items considered by management as unusual are excluded from the adjusted EBITDA measurement), in accordance with CVM Instruction 156, dated June 23, 2022.

EBITDA represents the Company’s operating cash generation, that is, it indicates the Company’s ability to generate cash from its operating assets, consisting of net profit (loss) added by current and deferred income tax and social contribution expense, by the net finance result, and by the depreciation and amortization expenses.

Adjusted EBITDA consists of the adjustment for items considered by Management to be exceptional, as listed below:

- (i) Net gain (loss) on the sale/purchase of investments;
- (ii) Net gain (loss) on the sale of assets: non-recurring negotiations of sale of assets between related parties and third parties, as this is a non-operational transaction;
- (iii) Constitution (reversal) for impairment of assets: constitution or reversal of impairment of assets that are no longer or became operational;

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- (iv) Equity in the results of investees: consists of the Company's share of the results of the investees and, therefore, the Company understands that the amount should be disregarded from the adjusted EBITDA;
- (v) Dividends received (cash effect) from non-consolidated companies: consists in the addition of dividends received from investees. As it refers to the operating result of investees, which are non-consolidated companies, the amount is added to adjusted EBITDA;
- (vi) Energy futures contracts: MtM. Companies that self-produce energy for their operations sell the energy that exceeds their operating needs. The long-term contracts relating to this surplus are updated at the energy market price and the result from the update at fair value is considered a non-recurring item due to the fact that it is a highly volatile item and is not part of the operating income.

The Company constantly monitors significant indicators, such as the Financial Leverage Ratio, which is calculated as net debt divided by adjusted EBITDA for the last twelve months.

	Three-month period ending 31 March 2024	Three-month period ending March 31, 2023	Twelve-month period ending 31 March 2024	Consolidated Twelve-month period ended December 31, 2023
Profit (loss) for the period	(29,543)	89,301	(928,373)	(809,529)
Income tax and social contribution	30,354	32,664	(172,780)	(170,470)
Profit (loss) before taxes	811	121,965	(1,101,153)	(979,999)
Depreciation, amortization and depletion	144,215	134,692	579,815	570,292
Net finance result	144,401	494	237,985	94,078
EBITDA	289,427	257,151	(283,353)	(315,629)
Exceptional items				
Equity	(32,139)	(18,428)	(80,921)	(67,210)
Energy future contracts	(112,101)	(105)	476,392	588,388
Dividends received (cash effect) from unconsolidated companies			123,321	123,321
Gain (Loss) on sale of investment	(2,120)		6,667	8,787
Reversal for (impairment) of assets	3,132	(154,308)	126,394	(31,046)
Adjusted EBITDA (B)	146,199	84,310	368,500	306,611
Gearing ratio – (A/B)			7.89	7.70

6 Breakdown of expenses by nature

	Parent company 1/1/2024 to 3/31/2024			
	Cost of products sold and services provided	Selling expenses	General and administrative expenses	Total
Raw materials, inputs and consumables	878,071	593	383	879,047
Employee benefit expenses	158,313	6,556	49,583	214,452
Depreciation, amortization and depletion	124,259	13	2,011	126,283
Third party services	25,393	629	25,816	51,838
Transportation expenses	96,470		7	96,477
Maintenance and upkeep	46,979	39	89	47,107
Operating services	29,982			29,982
Rentals and leases	14,145	154	816	15,115
Reversal for impairment of trade receivables		(17)		(17)
Other expenses	12,881	1,312	5,167	19,360
	1,386,493	9,279	83,872	1,479,644

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	Parent company			
	1/1/2023 to 3/31/2023			
	Cost of products sold and services provided	Selling expenses	General and administrative expenses	Total
Raw materials, inputs and consumables	1,111,980	158	519	1,112,657
Employee benefit expenses	165,020	6,314	47,838	219,172
Depreciation, amortization and depletion	112,608	31	2,660	115,299
Third party services	21,225	1,389	25,213	47,827
Transportation expenses	89,049		42	89,091
Maintenance and upkeep	57,274	54	251	57,579
Operating services	21,185			21,185
Rentals and leases	11,212	46	989	12,247
Provision for impairment of trade receivables		1,137		1,137
Other expenses	9,909	2,225	6,294	18,428
	<u>1,599,462</u>	<u>11,354</u>	<u>83,806</u>	<u>1,694,622</u>

	Consolidated			
	1/1/2024 to 3/31/2024			
	Cost of products sold and services rendered (i)	Selling	General and administrative expenses	Total
Raw materials, inputs and consumables	1,050,563	593	511	1,051,667
Employee benefit expenses	180,567	6,999	53,087	240,653
Depreciation, amortization and depletion	141,141	13	3,061	144,215
Third party services	28,045	629	28,415	57,089
Transportation expenses	96,520		7	96,527
Maintenance and upkeep	54,870	39	115	55,024
Operating services	29,982			29,982
Rentals and leases	14,145	154	1,166	15,465
Provision for impairment of trade receivables		243		243
Other expenses	19,531	2,572	6,068	28,171
	<u>1,615,364</u>	<u>11,242</u>	<u>92,430</u>	<u>1,719,036</u>

	Consolidated			
	1/1/2023 to 3/31/2023			
	Cost of products sold and services rendered (i)	Selling	General and administrative expenses	Total
Raw materials, inputs and consumables	1,312,545	158	687	1,313,390
Employee benefit expenses	188,077	6,671	52,479	247,227
Depreciation, amortization and depletion	130,954	42	3,696	134,692
Third party services	23,930	1,394	29,675	54,999
Transportation expenses	89,094		42	89,136
Maintenance and upkeep	65,010	54	284	65,348
Operating services	21,761			21,761
Rentals and leases	13,622	41	1,363	15,026
Provision for impairment of trade receivables		936		936
Other expenses	10,811	3,122	7,242	21,175
	<u>1,855,804</u>	<u>12,418</u>	<u>95,468</u>	<u>1,963,690</u>

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7 Employee benefit expenses

	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Direct compensation	115,315	121,639	128,692	136,999
Payroll charges	64,458	63,642	72,376	71,492
Benefits	34,679	33,891	39,585	38,736
	<u>214,452</u>	<u>219,172</u>	<u>240,653</u>	<u>247,227</u>

(a) Defined contribution pension plan

The Company and its subsidiaries sponsor private pension plans that are administered by the Senator José Ermírio de Moraes Foundation (FUNSEJEM), a private, non-profit pension fund, which is available to all employees of the Votorantim Group. The fund's regulations establish that the employees' contributions to FUNSEJEM are based on their remuneration. Contributions from employees who earn less than the limits established by the regulations are defined as up to 1.5% of their monthly remuneration. For employees whose compensation exceeds the limits, the defined contribution is up to 6% of their monthly remuneration.

Voluntary contributions can also be made to FUNSEJEM. After the contributions have been made to the plan, no additional payment by the Company is required. The Company's contributions to FUNSEJEM during the quarters ended March 31, 2024 and 2023 totaled R\$1,974 and R\$1,990, respectively.

(b) Employee profit sharing

The Company set up provisions for the expenses related to employee profit sharing, which are calculated based on qualitative and quantitative targets established by management, and recorded as "employee benefits", within direct compensation.

8 Other operating income (expenses), net

	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Provision for asset devaluation (impairment) - Aluminum (i)	(458)	156,832	(458)	156,832
Provision for asset devaluation (impairment) - Nickel (i)	(2,674)		(2,674)	
Provision for asset devaluation (impairment)	1,568		2,075	
Impairment reversal of other assets		10,331		10,331
Gain on sale of investments (ii)	2,120		2,120	
Provision of estimated loss on obsolete and low turnover inventory	(2,256)	(3,177)	(2,259)	(3,257)
Revenue from rentals and leases	906	864	906	864
Gain (loss) on the sale of fixed assets (iii)	27,174	(11,355)	26,597	(11,348)
Constitution of provisions, net	(593)	(6,088)	(515)	(5,764)
Expenditure on projects not eligible for capitalization	(5,986)	(12,620)	(5,994)	(12,782)
Energy futures contracts (iv)	112,101	105	112,101	105
Other operating income (expenses), net	11,095	13,661	6,344	16,921
	<u>142,997</u>	<u>148,553</u>	<u>138,243</u>	<u>151,902</u>

- (i) Refers to changes in impairment due to the review of the ARO rate (Note 18 (a));
- (ii) Refers to gain on the sale of Santa Cruz (Note 1.1 (c));
- (iii) Refers to the sale of land located in Montes Claros de Goiás, state of Goiás, relating to the Nickel operation. The sale value was R\$31,500;

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- (iv) This refers to the fair value gain on loss on the energy surplus calculated at March 31, 2024, which was mainly impacted by the variation in the estimated selling and realization price in the quarter (Note 16).

9 Net finance results

	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Finance income				
Gains on financial investments	22,576	17,346	27,972	27,755
Reversal of inflation adjustments of provisions	6,651	1,476	6,651	1,476
Amortization of the difference between original and refinanced flow	4,805		4,805	
Interest on financial assets	4,204	6,984	4,204	8,077
Inflation adjustments of assets	2,965	5,929	3,701	5,950
Interest on transactions with related parties	1,171	1,454	1,479	1,780
Other finance income	40		336	594
	<u>42,412</u>	<u>33,189</u>	<u>49,148</u>	<u>45,632</u>
Finance costs				
Interest on borrowings and debentures (Note 20)	(86,560)	(48,375)	(86,805)	(48,442)
Adjustment to present value – CPC 12	(11,995)	(16,963)	(11,995)	(16,963)
Inflation adjustments of provisions	(11,848)	(14,148)	(11,866)	(14,148)
Assignment of receivables	(8,375)	(10,274)	(11,488)	(12,873)
PIS and COFINS on finance result	(2,795)	(1,537)	(3,145)	(2,076)
Interest on transactions with related parties	(1,691)	(1,605)	(2,129)	(2,028)
Funding costs	(1,339)	(712)	(1,684)	(1,412)
Income tax on remittances of interest abroad	(1,192)	(568)	(1,218)	(631)
Capitalization of interest on borrowings – CPC 20	13,377	4,332	13,377	4,332
Interest and inflation adjustments - UBP	1,020	(14,813)	(1,371)	(16,353)
Other finance costs	(2,652)	(1,052)	(3,531)	(3,701)
	<u>(114,050)</u>	<u>(105,715)</u>	<u>(121,855)</u>	<u>(114,295)</u>
Gains (losses) on derivative financial instruments (Note 26.2)	(20,582)	34,469	(22,851)	43,251
Foreign exchange gains (losses), net	(50,342)	25,763	(48,843)	24,918
	<u>(142,562)</u>	<u>(12,294)</u>	<u>(144,401)</u>	<u>(494)</u>

10 Cash and cash equivalents

	Parent company		Consolidated	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Local currency				
Cash and banks	3,345	4,530	7,200	9,947
Bank Deposit Certificates - "CDBs"	445,529	354,151	590,824	495,020
Repurchase agreements - Government securities	49,995	79,811	57,812	99,224
Shares of Investment Funds				11
	<u>498,869</u>	<u>438,492</u>	<u>655,836</u>	<u>604,202</u>
Foreign currency				
Cash and banks	336,020	513,498	400,595	559,943
Time deposits	16,461	186,084	16,461	186,084
	<u>352,481</u>	<u>699,582</u>	<u>417,056</u>	<u>746,027</u>
	<u>851,350</u>	<u>1,138,074</u>	<u>1,072,892</u>	<u>1,350,229</u>

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Cash and cash equivalents in foreign currency include sight deposits in current bank accounts, which yield fixed rates. At March 31, 2024, the CDBs and reverse repurchase securities yielded an average 101.94% p.a. and 98.00% p.a. in local currency, respectively (101.40% p.a. and 99.30% p.a. respectively at December 31, 2023) of the variation of the Interbank Deposit Certificate (CDI) rate, while the interest-bearing account yielded an average of 4.58% in foreign currency (4.61% at December 31, 2023), and time deposits yielded 5.39% (5.51% at December 31, 2023).

11 Financial investments

	Parent company		Consolidated	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Local currency				
Bank Deposit Certificates - "CDBs"	43	42	4,601	32,460
Financial Treasury Bills - "LFTs"	225,428	231,843	236,821	246,798
National Treasury Notes - "NTNs"	25,518	25,549	25,518	25,549
Repurchase transactions - Government securities	98,948	74,117	98,948	74,117
Others	64	64	64	118
	<u>350,001</u>	<u>331,615</u>	<u>365,952</u>	<u>379,042</u>

Investments comprise mainly government or financial institution securities with average yields of 99.69% p.a. (100.58% p.a. at December 31, 2023) of the CDI rate.

12 Trade receivables

(a) Breakdown

	Note	Parent company		Consolidated	
		3/31/2024	12/31/2023	3/31/2024	12/31/2023
Trade receivables - local customers		314,631	242,846	409,614	300,794
Trade receivables - foreign customers		43,518	81,926	46,074	91,930
Related parties	15	63,729	99,870	6,556	22,505
		<u>421,878</u>	<u>424,642</u>	<u>462,244</u>	<u>415,229</u>
Expected credit losses		(29,753)	(29,770)	(33,029)	(32,786)
		<u>392,125</u>	<u>394,872</u>	<u>429,215</u>	<u>382,443</u>

(b) Changes in expected credit losses

	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
At the beginning of the quarter	(29,770)	(29,271)	(32,786)	(35,682)
Provisions	(215)	(1,662)	(607)	(1,819)
Reversals and drawdowns	232	525	364	883
At the end of the quarter	<u>(29,753)</u>	<u>(30,408)</u>	<u>(33,029)</u>	<u>(36,618)</u>

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(c) Aging of trade receivables

	Parent company		Consolidated	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Falling due	351,910	338,861	390,628	325,059
Up to 3 months past due	12,887	28,815	12,979	30,817
From 3 to 6 months past due	2,568	1,085	3,057	1,688
Over 6 months past due (i)	54,513	55,881	55,580	57,665
	<u>421,878</u>	<u>424,642</u>	<u>462,244</u>	<u>415,229</u>

- (i) At March 31, 2024 and December 31, 2023, the amount of R\$49,045 relates to trade receivables secured by chattel mortgage (real guarantees).

13 Inventories

Breakdown

	Parent company		Consolidated	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Finished products	314,328	310,318	393,304	421,938
Semi-finished products	835,609	816,788	916,833	894,013
Auxiliary and consumable materials	192,725	198,085	238,179	242,380
Raw materials	205,732	220,453	283,209	326,228
Imports in transit	113,959	74,120	115,112	74,867
Others	47	8,707	753	9,134
Estimate of loss (i)	(22,552)	(27,063)	(27,211)	(31,306)
	<u>1,639,848</u>	<u>1,601,408</u>	<u>1,920,179</u>	<u>1,937,254</u>

- (i) The estimated loss substantially relates to obsolete/low turnover materials.

14 Taxes recoverable

(a) Breakdown

	Parent company		Consolidated	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
State Value-added Tax (ICMS)	654,170	648,288	690,038	693,609
Income Tax and Social Contribution (IRPJ and CSLL)	49,831	43,057	63,200	55,783
Social Contribution on Revenue (COFINS)	134,763	137,027	139,494	142,134
Social Integration Program (PIS)	29,298	29,306	30,305	30,440
Social security credit	18,345	17,956	25,068	24,477
ICMS on property, plant and equipment	58,809	66,519	61,320	69,272
Others	7,147	6,245	14,993	17,014
	<u>952,363</u>	<u>948,398</u>	<u>1,024,418</u>	<u>1,032,729</u>
Current	309,123	299,322	365,430	360,968
Non-current	643,240	649,076	658,988	671,761
	<u>952,363</u>	<u>948,398</u>	<u>1,024,418</u>	<u>1,032,729</u>

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15 Related parties

(a) Balance sheet

	Parent company											
	3/31/2024											
	Parent company	Controlled companies					Related companies					
	VSA	Alux	CBA Energia	CBA Itapissuma	Metalex	Enercan	Alunorte	Auren Comerc.	Auren Energia	Banco Votorantim	Others	TOTAL
Trade receivables												63,729
Intragroup sales		1,632		10,653	44,729							
Intragroup sales								5,871				
Others	331										513	
Dividends receivable			9,420		141						197	9,758
Current and non-current assets												45,356
Shareholding in Ventos de Santo Anselmo (ii)									42,646			
Cash equivalents and derivative financial instruments (iii)										2,352		
Other assets											358	
Total assets	331	1,632	9,420	10,653	141	44,729		5,871	42,646	2,352	1,068	118,843
Trade payables												(170,992)
Services shared by the Operational Center of Excellence - CoE (iv)	(3,713)											
Energy sales			(7,556)			(40,512)		(35,365)				
Intragroup sales		(307)		(686)	(787)		(64,719)				(17,347)	
Liabilities												(656,417)
Energy futures contracts (i)								(598,085)				
Derivative financial instruments (iii)										(15,477)		
Current Liabilities - related parties	(3,713)	(307)	(7,556)	(686)	(787)	(40,512)	(64,719)	(633,450)		(15,477)	(17,347)	(784,554)
Shareholding in Ventos de Santo Anselmo (ii)									(36,385)			
Other liabilities											(6,470)	
Non-Current Liabilities - related parties									(36,385)		(6,470)	(42,855)
Total liabilities	(3,713)	(307)	(7,556)	(686)	(787)	(40,512)	(64,719)	(633,450)	(36,385)	(15,477)	(23,817)	(827,409)

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	Parent company											
												12/31/2023
	Parent company	Controlled companies				Related companies						
	VSA	Alux	CBA Energia	CBA Itapissuma	Metalex	Enercan	Alunorte	Auren Comerc.	Auren Energia	Banco Votorantim	Others	TOTAL
Trade receivables												99,870
Intragroup sales		1		22,174	55,030							
Intragroup sales								22,026				
Others	166										473	
Dividends receivable											3,118	3,118
Current and non-current assets												46,086
Shareholding in Ventos de Santo Anselmo (ii)								42,321				
Cash equivalents and derivative financial instruments (iii)										3,405		
Other assets											360	
Total assets	166	1		22,174	55,030			22,026	42,321	3,405	3,951	149,074
Trade payables												(215,822)
Services shared by the Operational Center of Excellence - CoE (iv)	(6,435)											
Energy sales			(9,612)			(69,137)		(60,470)			(13,844)	
Intragroup sales				(3,329)	(664)		(52,331)					
Liabilities												(722,422)
Energy futures contracts (i)								(710,186)				
Derivative financial instruments (iii)										(12,236)		
Current Liabilities - related parties	(6,435)		(9,612)	(3,329)	(664)	(69,137)	(52,331)	(770,656)		(12,236)	(13,844)	(938,244)
Shareholding in Ventos de Santo Anselmo (ii)									(47,888)			
Other liabilities											(4,804)	
Non-Current Liabilities - related parties									(47,888)		(4,804)	(52,692)
Total liabilities	(6,435)		(9,612)	(3,329)	(664)	(69,137)	(52,331)	(770,656)	(47,888)	(12,236)	(18,648)	(990,936)

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								Consolidated
								3/31/2024
	Parent company	Related companies						
	VSA	Enercan	Alunorte	Auren Comerc.	Auren Energia	Banco Votorantim	Others	TOTAL
Trade receivables								6,556
Intragroup sales				5,711				
Others	331						514	
Dividends receivable		33,285						33,285
Current and non-current assets								106,438
Shareholding in Ventos de Santo Anselmo and Ventos de São Isidoro (ii)					53,901			
Cash equivalents and derivative financial instruments (iii)						52,179		
Other assets							358	
Total assets	331	33,285		5,711	53,901	52,179	872	146,279
Trade payables								(166,415)
Services shared by the Operational Center of Excellence - CoE (iv)	(3,879)							
Energy billing		(41,944)		(35,365)	(3,213)		(7,676)	
Intragroup sales			(64,719)				(9,619)	
Liabilities								(666,082)
Energy futures contracts (i)				(598,085)				
Derivative financial instruments (iii)						(15,478)		
Current Liabilities - related parties	(3,879)	(41,944)	(64,719)	(633,450)	(3,213)	(15,478)	(17,295)	(779,978)
Shareholding in Ventos de Santo Anselmo and Ventos de São Isidoro (ii)					(46,049)			
Other liabilities							(6,470)	
Non-Current Liabilities - related parties					(46,049)		(6,470)	(52,519)
Dividends payable								(20,724)
Dividends payable - Controlling shareholders					(6,114)			
Interest on equity payable - controlling shareholders					(14,609)			
Dividends payable - non-controlling shareholders							(1)	
Total liabilities	(3,879)	(41,944)	(64,719)	(633,450)	(69,985)	(15,478)	(23,765)	(853,221)

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							Consolidated	
							12/31/2023	12/31/2023
	Parent company	Joint operation	Related companies					
	VSA	Enercan	Alunorte	Auren Comerc.	Auren Energia	Banco Votorantim	Others	TOTAL
Trade receivables								22,505
Intragroup sales				21,866				
Others	166						473	
Dividends receivable							1	1
Current and non-current assets								110,773
Shareholding in Ventos de Santo Anselmo and Ventos de São Isidoro (ii)					53,490			
Cash equivalents and derivative financial instruments (iii)						56,923		
Other assets							360	
Total assets	166			21,866	53,490	56,923	834	133,279
Trade payables								(208,909)
Services shared by the Operational Center of Excellence - CoE (iv)	(7,559)							
Energy billing		(70,662)		(60,470)	(4,028)		(6,387)	
Intragroup sales			(52,331)				(7,472)	
Liabilities								(787,806)
Energy futures contracts (i)					(710,186)			
Derivative financial instruments (iii)						(12,236)		
Current Liabilities - related parties	(7,559)	(70,662)	(52,331)	(770,656)	(4,028)	(12,236)	(13,859)	(923,772)
Shareholding in Ventos de Santo Anselmo and Ventos de São Isidoro (ii)					(60,580)			
Other liabilities							(4,804)	
Non-Current Liabilities - related parties					(60,580)		(4,804)	(65,384)
Dividends payable								(6,114)
Controlling shareholders					(6,114)			
Total liabilities	(7,559)	(70,662)	(52,331)	(770,656)	(70,722)	(12,236)	(18,663)	(1,204,179)

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(b) Statement of operations

	Parent company												
	1/1/2024 to 3/31/2024												
	Parent company	Controlled companies				Related companies							
	VSA	Alux	CBA Energia	CBA Itapissuma	Metalex	Enercan	Alunorte	Auren Comerc.	Auren Energia	Banco Votorantim	Nexa Resources	Others	TOTAL
Purchases													
Services shared by the Operating Excellence Center - CoE (iv)	10,531												10,531
Energy sales (v)			25,469			60,354		111,731	12,950			21,740	232,244
Intragroup sales		1,552		1,927	17,155		64,719			12	369	8,711	94,445
Total purchases	10,531	1,552	25,469	1,927	17,155	60,354	64,719	111,731	12,950	12	369	30,451	337,220
Sales													
Balances of intragroup sales	(860)	(10,567)		(26,149)	(74,467)			(33,390)				(267)	(145,700)
Total sales	(860)	(10,567)		(26,149)	(74,467)			(33,390)				(267)	(145,700)
Finance income (costs)													
Rights from energy trading agreements in the free market (i)									520				520
Cash equivalents and derivative financial instruments (iii)										2,912			2,912
Total financial result									520	2,912			3,432

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	Parent company												
	1/1/2023 to 3/31/2023												
	Parent company	Controlled companies											
	VSA	Alux	CBA Energia	CBA Itapissuma	CBA Machadinho	Metalex	Enercan	Alunorte	Auren Comerc.	Auren Energia	Banco Votorantim	Others	TOTAL
Purchases													
Services shared by the Operating Excellence Center - CoE (iv)	8,309												8,309
Energy sales			26,990		14,332		58,889		125,659				225,870
Intragroup sales				7,813		3,917		63,197				3,354	78,281
Total purchases	8,309		26,990	7,813	14,332	3,917	58,889	63,197	125,659			3,354	312,460
Sales													
Balances of intragroup sales		(18,760)		(20,410)		(101,241)			(74,394)				(214,805)
Total sales		(18,760)		(20,410)		(101,241)			(74,394)				(214,805)
Finance income (costs)													
Rights from energy trading agreements in the free market (i)										(368)			(368)
Cash equivalents and derivative financial instruments (iii)											8,025		8,025
Others												217	217
Total financial result										(368)	8,025	217	7,874

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All amounts in thousands of reais unless otherwise stated

	Consolidated								
									1/1/2024 to 3/31/2024
	Parent company	Related companies							
	VSA	Auren Comerc.	Enercan	Auren Energia	Alunorte	Banco Votorantim	Nexa Resources	Others	TOTAL
Purchases									
Services shared by the Operating Excellence Center - CoE (iv)	11,189								11,189
Energy sales (v)		111,731	60,354	12,950				21,740	206,775
Intragroup sales					64,719	12	369	8,711	73,811
Total purchases	11,189	111,731	60,354	12,950	64,719	12	369	30,451	291,775
Sales									
Balances of intragroup sales	(860)	(33,390)						(267)	(34,517)
Total sales	(860)	(33,390)						(267)	(34,517)
Finance income (costs)									
Cash equivalents and derivative financial instruments (iii)				650		5,181			5,831
Total financial result				650		5,181			5,831

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	Consolidated							
								1/1/2023 to 3/31/2023
	Parent company	Related companies						
	VSA	Enercan	Auren Comerc.	Auren Energia	Alunorte	Banco Votorantim	Others	TOTAL
Purchases								
Services shared by the Operating Excellence Center - CoE (iv)	9,091							9,091
Energy sales		58,889	137,353					196,242
Intragroup sales					63,197		3,354	66,551
Total purchases	9,091	58,889	137,353		63,197		3,354	271,884
Sales								
Balances of energy sales			(74,762)					(74,762)
Total sales			(74,762)					(74,762)
Finance income (costs)								
Rights from energy trading agreements in the free market (i)				(465)				(465)
Cash equivalents and derivative financial instruments (iii)						16,808		16,808
Others							217	217
Total financial result				(465)		16,808	217	16,560

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- (i) The balance of energy futures contracts decreased due to realization in the period and variation in the DCIDE curve (Note 16);
- (ii) Relates to call options for the acquisition, by Auren Energia, of the ownership interest held by CBA in Ventos de Santo Anselmo, and by CBA Itapissuma in Ventos de Santo Isidoro, accounted for as financial instruments at amortized cost and classified as non-current assets and liabilities;
- (iii) Relates to cash equivalents and derivative financial instruments contracted with Banco Votorantim S.A.;
- (iv) Relates to administrative, human resources, accounting, tax, technical assistance, and information technology activities that are shared by the CoE of the parent company VSA. Such activities, which are carried out for all the companies of the Votorantim Group, are reimbursed to VSA in proportion to the cost of services actually rendered to the Company.
- (v) The balance in the “Other” column in 2024 refers to the composition of energy sales to the following companies: Ventos de São Crispim I Energias Renováveis S.A. (R\$8,011), Ventos de Santo Antero Energias Renováveis S.A. (R\$7,421) and Ventos de Santo Alderico Energias Renováveis S.A. (R\$6,308).

(c) Management compensation

Expenses related to the compensation paid to key management personnel, which include the Board of Directors, the Statutory Audit Board and the Statutory Executive Board, and recognized in the statement of operations for the quarter were as follows:

	Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Short-term compensation		
Salary or management fees	3,287	3,493
Direct or indirect benefits	233	240
Variable compensation	8,900	5,956
	12,420	9,689

Short-term management compensation includes: fixed compensation (salaries and fees, vacation pay and 13th month salary), direct and indirect benefits (medical assistance, meal vouchers, food vouchers, life insurance, and private pension plans), and short-term variable compensation (profit sharing and bonuses).

(d) Company debts, guaranteed by related parties

Type	Guarantor	3/31/2024	12/31/2023
BNDES	VSA	178,012	182,411

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16 Energy futures contracts

In the quarter ended March 31, 2024, the realization of fair value through the delivery of the contracted energy resulted in revenue of R\$49,662, and the mark-to-market on the energy surplus of the energy balance of the purchase and sale contracts in force resulted in revenue of R\$62,439. These accounting effects arise from a lower electricity consumption due to the postponement of the investment plan for the start-up of the Furnace Rooms, recognized as a gain under “Other operating income (expenses), net” (Note 8), and vary according to the price of energy on the market and surplus volume, so, in the event of a resumption of the production expansion plan, there is a possibility of a partial or total reversal of this liability, as shown below.

	Parent company and Consolidated	
	3/31/2024	12/31/2023
Liabilities		
Current	124,531	154,518
Non-current	473,554	555,668
	<u>598,085</u>	<u>710,186</u>
	Parent company and Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Realization	49,662	48,551
Mark-to-market of energy contracts	62,439	(48,446)
	<u>112,101</u>	<u>105</u>

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Notes to the condensed interim financial statements at March 31, 2024

All amounts in thousands of reais unless otherwise stated

17 Investments

(a) Breakdown

	Parent company							
	Information on investees at March 31, 2024				Equity results		Balance	
	Equity	Profit (loss) for the year	Total ownership interest (%)	Percentage of voting interest (%)	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	3/31/2024	12/31/2023
Investments valued under the equity method								
Subsidiaries								
Alux do Brasil Indústria e Comércio Ltda.	105,168	5,022	100.00	100.00	5,022	5,990	105,168	100,144
CBA Energia Participações S.A.	372,952	39,065	33.33	100.00	12,207	10,125	117,567	113,171
CBA Itapissuma Ltda.	631,718	(2,495)	100.00	100.00	(2,494)	6,029	631,718	634,212
CBA Machadinho Geração de Energia Ltda.	16,486	(5,569)	100.00	100.00	(5,569)	1,872	16,486	22,055
L.C.G.S.P.E. Empreendimentos e Participações Ltda.	2,014	1	100.00	100.00	1	523	2,014	4,468
Metalex Ltda.	160,905	(3,697)	100.00	100.00	(3,697)	2,310	160,904	164,602
Santa Cruz Geração de Energia S.A.		(277)	100.00	100.00	(277)	(864)		(181)
Mineração Macedo Ltda. (i)	10,287	(8,613)	100.00	100.00				
Associated companies								
Alunorte - Alumina do Norte S.A. (i)	2,521,942	(471,540)	3.03	3.52		(13,562)		
Investments valued at cost								
Other investments							44	44
Revaluation surplus								
Alux do Brasil Indústria e Comércio Ltda.					(423)	(258)	27,899	28,322
CBA Itapissuma Ltda.					(1,894)	(1,894)	105,492	107,386
Metalex Ltda.					(37)	(167)	7,776	7,813
Goodwill								
Alux do Brasil Indústria e Comércio Ltda.							48,459	48,459
Metalex Ltda.							49,430	49,430
					2,839	10,104	1,272,957	1,279,925

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Notes to the condensed interim financial statements at March 31, 2024

All amounts in thousands of reais unless otherwise stated

								Consolidated
	Information on investees at March 31, 2024				Equity results		Balance	
	Equity	Profit (loss) for the year	Total ownership interest (%)	Percentage of voting interest (%)	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	3/31/2024	12/31/2023
Investments valued under the equity method								
Associated companies								
Alunorte - Alumina do Norte S.A. (i)	2,521,942	(471,540)	3.03	3.52		(13,562)		-
Campos Novos Energia S.A.	920,300	126,195	25.44	25.44	32,102	31,968	234,111	235,294
Other investments					37	22	268	233
Investments valued at cost								
Other investments							45	44
Goodwill								
Campos Novos Energia S.A.							41,562	41,562
					32,139	18,428	275,986	277,133

- (i) The investments in Alunorte (September 2023) and Macedo (January 2024, Note 1.1(d)) were reclassified to the “Assets held for sale” account (Note 29).

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at March 31, 2024

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(b) Change in investments

	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
At the beginning of the quarter	1,279,925	1,553,205	277,133	360,592
Equity in the results of investees	2,839	10,104	32,139	18,428
Capital increase in investees	700	34,584		34,584
Deliberate dividends	(10,965)		(33,286)	(30,746)
Hedge accounting of investee		1,043		1,043
Gain on sale of investment - Santa Cruz	458			
Others		(16,760)		(23,068)
At the end of the quarter	<u>1,272,957</u>	<u>1,582,176</u>	<u>275,986</u>	<u>360,833</u>

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18 Property, plant and equipment

(a) Breakdown and changes

										Parent company	
										1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Land and improvements	Buildings and construction	Machinery, equipment and facilities	Reservoirs, dams and pipelines	Vehicles	Furniture and fixtures	Construction in progress	Asset retirement obligation	Others	Total	Total
At the beginning of the quarter											
Cost	152,647	2,290,605	6,701,596	324,123	115,912	30,406	1,019,723	230,642	252,641	11,118,295	10,487,548
Accumulated depreciation	(9,013)	(1,006,402)	(4,259,195)	(135,995)	(97,062)	(23,984)		(127,129)	(239,296)	(5,898,076)	(5,828,202)
Net balance	143,634	1,284,203	2,442,401	188,128	18,850	6,422	1,019,723	103,513	13,345	5,220,219	4,659,346
Additions (i)	1,868	78	2,607				161,766			166,319	219,719
Write-offs	(3,009)		(2,149)							(5,158)	(12,509)
Reversal of (impairment) of assets	521						1,047	(3,132)		(1,564)	156,832
Depreciation		(14,046)	(89,377)	(1,401)	(1,688)	(177)		(4,044)	(86)	(110,819)	(99,672)
Cash flow reassessment								26,083		26,083	(17,292)
Transfers (ii)	(445)	(1,237)	10,117	1,207	1,477	152	(11,273)		2		(3,757)
At the end of the quarter	142,569	1,268,998	2,363,599	187,934	18,639	6,397	1,171,263	122,420	13,261	5,295,080	4,902,667
Cost	152,647	2,277,332	6,708,569	327,422	115,687	30,558	1,171,263	253,593	248,528	11,285,599	10,824,770
Accumulated depreciation	(10,078)	(1,008,334)	(4,344,970)	(139,488)	(97,048)	(24,161)		(131,173)	(235,267)	(5,990,519)	(5,922,103)
Net balance at the end of the quarter	142,569	1,268,998	2,363,599	187,934	18,639	6,397	1,171,263	122,420	13,261	5,295,080	4,902,667
Average annual depreciation rates – %		3	5	2	19	4		2			

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										Consolidated	
										1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Land and improvements	Buildings and construction	Machinery, equipment and facilities	Reservoirs, dams and pipelines	Vehicles	Furniture and fixtures	Construction in progress	Asset retirement obligation	Other	Total	Total
At the beginning of the quarter											
Cost	304,255	2,578,468	7,354,550	324,123	121,829	38,360	1,169,107	230,642	276,779	12,398,113	11,932,440
Accumulated depreciation	(11,990)	(1,147,798)	(4,670,956)	(135,995)	(101,962)	(31,035)		(127,129)	(243,130)	(6,469,995)	(6,433,201)
Net balance	292,265	1,430,670	2,683,594	188,128	19,867	7,325	1,169,107	103,513	33,649	5,928,118	5,499,239
Additions (i)	1,966	78	2,778				166,053			170,875	276,629
Write-offs	(2,488)		(2,273)							(4,761)	(12,537)
Reversal of (impairment) of assets	521		2,107				(553)	(3,132)		(1,057)	156,832
Depreciation	(674)	(16,115)	(98,538)	(1,401)	(1,738)	(291)		(4,044)	(249)	(123,050)	(112,628)
Cash flow reassessment								26,083		26,083	(17,292)
Transfers (ii)	(444)	5,464	14,744	1,207	1,477	192	(24,240)			(1,600)	(2,917)
At the end of the quarter	291,146	1,420,097	2,602,412	187,934	19,606	7,226	1,310,367	122,420	33,400	5,994,608	5,787,326
Cost	304,255	2,571,359	7,367,656	327,422	121,604	38,547	1,310,367	253,593	272,655	12,567,458	12,326,237
Accumulated depreciation	(13,109)	(1,151,262)	(4,765,244)	(139,488)	(101,998)	(31,321)		(131,173)	(239,255)	(6,572,850)	(6,538,911)
Net balance at the end of the quarter	291,146	1,420,097	2,602,412	187,934	19,606	7,226	1,310,367	122,420	33,400	5,994,608	5,787,326
Average annual depreciation rates – %		3	5	2	19	4		2			

- (i) Relates mainly to projects related to the Alumina Plant, mainly to the Filter Press subproject with investment in the quarter of R\$25,271 and to the Liquor Purifier subproject with investment of R\$3,821. In addition, an investment was made in the Plastic Transformation Project, mainly related to the Real subproject in the amount R\$18,676. In the Furnace Rooms projects, there was an addition mainly related to the Upgrading of the Furnace Rooms and the Paste Room subprojects in the amount of R\$ 26,438 and to the Furnace Refurbishment Project 2023 in the amount of R\$46,743;
- (ii) Transfers include the reclassification of “Works in progress” from property, plant and equipment to “Software” in intangible assets, and reclassification between fixed assets.

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(b) Construction in progress

The balance of construction in progress relates mainly to projects for expansion and optimization of the industrial units, as follows:

	Closing forecast	Consolidated	
		3/31/2024	12/31/2023
		Net balance	Net balance
Alumina Plant project (i)	jun-26	59,266	48,636
Filter press (i)	jun/24 - sep/24	362,800	337,591
Furnace room projects (ii)	dec-24	99,379	78,993
Reconnection of 158 tanks at Salas Fornos 1 (ii)	dec-26	50,559	52,365
Technological Upgrade Oven Rooms (ii)	mar-29	111,202	99,932
Furnace reform	ced-24	140,564	105,769
Plastic Transformation projects (iii)	oct-24	124,172	102,820
Expansion (Metalex)	jun-24	98,394	105,853
Plant Revitalization and Adaptation	aug-24	26,558	25,154
Mining projects	jan-25	24,985	23,860
Safety, health and environmental projects	jun-24	19,799	17,395
Rondon Bauxite project	jul-26	17,999	17,791
Foundry projects	jun-24	14,821	12,660
Sustaining (CBA + Metalex)	oct-24	22,381	24,338
Itapissuma Projects	apr-24	18,634	18,172
Others (iv)	dec-24	118,854	97,778
		<u>1,310,367</u>	<u>1,169,107</u>

- (i) Relates mainly to the Filter Press subproject in the amount of R\$362,800. This investment was made to change the dry disposal technology, increasing the safety of the waste disposal system and extending the useful life of the Palmital dam;
- (ii) Relates mainly to projects related to the Furnace Rooms, especially the subprojects for the restarting of Rooms 01 and 03 in the amount of R\$65,829, and the Projects for the Upgrading of the Furnace Rooms in the amount of R\$111,202 and the Pasta Room in the amount of R\$53,285;
- (iii) Relates mainly to the “Real” subproject in the amount of R\$94,351. This investment consists of setting up an aluminum recycling plant using the hydrometallurgical process, a technology developed by CBA, capable of recycling the aluminum contained in these packages and thereby increasing the recycling rate and guaranteeing the supply of aluminum;
- (iv) Relates mainly to the Physical Asset Management Projects (GAF) in the amount of R\$26,296, High Voltage Management (GATR) in the amount of R\$10,988, Information Technology in the amount of R\$17,851, and Railway Yard Expansion Projects in the amount of R\$23,301, totaling R\$78,435.

The balances above are stated net of the provision for impairment. The Company reviews the provisions whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Stalled projects are constantly assessed, and a provision is recorded if there is an indication of impairment.

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The remaining balances of the projects for which an impairment provision has been recorded relate to the Company's expectation of resuming the projects and/or using the assets in other production lines.

During the quarter ended March 31, 2024, charges on borrowings capitalized under construction in progress amounted to R\$13,312 (R\$30,264 during the year ended December 31, 2023), based on the capitalization rate of 3.39% p.m. (10.35% p.m. at December 31, 2023).

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19 Intangible assets

(a) Breakdown and changes

							Parent company	
							1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Goodwill	Exploitation rights over natural resources	Software	Use of public assets - UBP	Hydrological risk renegotiation	Others	Total	Total
At the beginning of the quarter								
Cost	79,722	190,234	56,458	494,070	188,047	9,217	1,017,748	1,017,894
Accumulated amortization and depletion		(52,056)	(40,802)	(172,005)	(46,309)	(1,312)	(312,484)	(273,803)
Net balance	79,722	138,178	15,656	322,065	141,738	7,905	705,264	744,091
Additions						1,365	1,365	
Amortization and depletion		(15)	(1,439)	(4,621)	(4,426)	(1)	(10,502)	(11,203)
Transfers (i)								3,757
At the end of the quarter	79,722	138,163	14,217	317,444	137,312	9,269	696,127	736,645
Cost	79,722	190,234	56,458	494,070	188,047	9,217	1,017,748	1,021,652
Accumulated amortization and depletion		(52,071)	(42,241)	(176,626)	(50,735)	52	(321,621)	(285,007)
Net balance at the end of the quarter	79,722	138,163	14,217	317,444	137,312	9,269	696,127	736,645
Average annual amortization and depletion rates – %		3	20	3	3			

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							Consolidated	
							1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Goodwill	Exploitation rights over natural resources	Software	Use of public assets - UBP	Hydrological risk renegotiation	Others	Total	Total
At the beginning of the quarter								
Cost	184,222	190,234	107,232	522,276	228,790	80,665	1,313,419	1,311,919
Accumulated amortization and depletion		(52,056)	(80,987)	(182,235)	(50,713)	(46,113)	(412,104)	(355,135)
Net balance	184,222	138,178	26,245	340,041	178,077	34,552	901,315	956,784
Additions						1,365	1,365	48
Amortization and depletion		(15)	(2,271)	(4,881)	(4,955)	(2,588)	(14,710)	(16,228)
Transfers (i)			1,607			(7)	1,600	2,917
At the end of the quarter	184,222	138,163	25,581	335,160	173,122	33,322	889,570	943,521
Cost	184,222	190,234	108,830	522,276	228,790	80,665	1,315,017	1,315,722
Accumulated amortization and depletion		(52,071)	(83,249)	(187,116)	(55,668)	(47,343)	(425,447)	(372,201)
Net balance at the end of the quarter	184,222	138,163	25,581	335,160	173,122	33,322	889,570	943,521
Average annual amortization and depletion rates – %		3	20	3	3			

- (i) Transfers include the reclassification of “Works in progress” from property, plant and equipment to “Software” in intangible assets.

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20 Borrowings and debentures

(a) Breakdown and fair value

Type	Average interest rate percentages	Current		Non-current		Total		Parent company	
		3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Local currency									
BNDES (i)	IPCA + 4.67% and fixed BRL 2.11%	47,720	19,564	154,894	183,625	202,614	203,189	183,821	188,053
Export credit notes	CDI + 1.95%	1,770	1,896	498,204	498,099	499,974	499,995	503,892	505,591
Debentures	CDI + 1.55%	7,826	878	229,336	229,297	237,162	230,175	235,498	229,573
FINEP	TJLP - 1,47%	57	50	68,901	68,793	68,958	68,843	50,212	50,802
Other	Fixed BRL 2.40%				598	598	598		591
		57,373	22,388	951,335	980,412	1,008,708	1,002,800	973,423	974,610
Foreign currency									
BNDES (i)	Fixed USD 4.87%%	112,492	3,142	35,053	125,627	147,545	128,769	90,463	78,077
Export credit notes	SOFR + 2.55% and fixed USD 6.35%	53,669	35,849	1,961,524	1,905,538	2,015,193	1,941,387	1,812,564	1,768,998
Loans - Resolution 4131	SOFR + 2,94%	19,343	11,493	354,270	343,238	373,613	354,731	410,678	416,603
Export prepayment	SOFR + 3,05%	28,010	26,229	738,695	717,760	766,705	743,989	755,316	734,615
BNDES Exim	Fixed USD 6.31%	1,980	1,918	148,637	144,029	150,617	145,947	130,485	127,192
		215,494	78,631	3,238,179	3,236,192	3,453,673	3,314,823	3,199,506	3,125,485
		272,867	101,019	4,189,514	4,216,604	4,462,381	4,317,623	4,172,929	4,100,095
Interest on borrowings		97,906	63,116						
Current portion of long-term borrowings (principal)		174,961	37,903						
		272,867	101,019						

- (i) 21% of the financing contracts with BNDES are linked to swaps that exchange the IPCA floating rate in reais for a fixed rate in U.S. dollars.

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Type	Average interest rate percentages	Current		Non-current		Total		Consolidated	
		3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Local currency									
BNDES (i)	IPCA + 4.67% and fixed BRL 2.11%	48,980	20,825	167,061	196,104	216,041	216,929	192,425	197,019
Export credit notes	CDI + 1.95%	1,770	1,896	498,204	498,099	499,974	499,995	503,892	505,591
Debentures	CDI + 1.55%	7,826	878	229,336	229,297	237,162	230,175	235,498	229,573
FINEP	TJLP - 1.47%	57	50	68,901	68,793	68,958	68,843	50,212	50,802
Other	Fixed BRL 2.40%				598		598		590
		<u>58,633</u>	<u>23,649</u>	<u>963,502</u>	<u>992,891</u>	<u>1,022,135</u>	<u>1,016,540</u>	<u>982,027</u>	<u>983,575</u>
Foreign currency									
BNDES (i)	Fixed USD 4.87%	113,345	3,969	47,583	137,929	160,928	141,898	98,896	86,652
Export credit notes	SOFR + 2.55% and Fixed USD 6.35%	53,669	35,849	1,961,524	1,905,538	2,015,193	1,941,387	1,812,564	1,768,998
Export prepayment	SOFR + 3,05%	28,010	26,230	738,695	717,761	766,705	743,991	755,316	734,615
Loans - Resolution 4131	SOFR + 2,94%	19,343	11,492	354,270	343,237	373,613	354,729	410,678	416,603
BNDES Exim	Fixed USD 6.31%	1,980	1,918	148,638	144,029	150,618	145,947	130,485	127,192
		<u>216,347</u>	<u>79,458</u>	<u>3,250,710</u>	<u>3,248,494</u>	<u>3,467,057</u>	<u>3,327,952</u>	<u>3,207,939</u>	<u>3,134,060</u>
		<u>274,980</u>	<u>103,107</u>	<u>4,214,212</u>	<u>4,241,385</u>	<u>4,489,192</u>	<u>4,344,492</u>	<u>4,189,966</u>	<u>4,117,635</u>
Interest on borrowings		98,066	63,273						
Current portion of long-term borrowings (principal)		<u>176,914</u>	<u>39,834</u>						
		<u>274,980</u>	<u>103,107</u>						

(j) 21% of the financing contracts with BNDES are linked to swaps that exchange the IPCA floating rate in reais for a fixed rate in U.S. dollars.

BNDES National Bank for Economic and Social Development

FINEP Fund for Financing of Studies and Projects

BRL Local currency (Brazilian Reais)

CDI Interbank Deposit Certificate

IPCA Amplified Consumer Prices Index

TJLP Long-term Interest Rate

USD United States Dollar

SOFR Secured Overnight Financing Rate

Companhia Brasileira de Alumínio

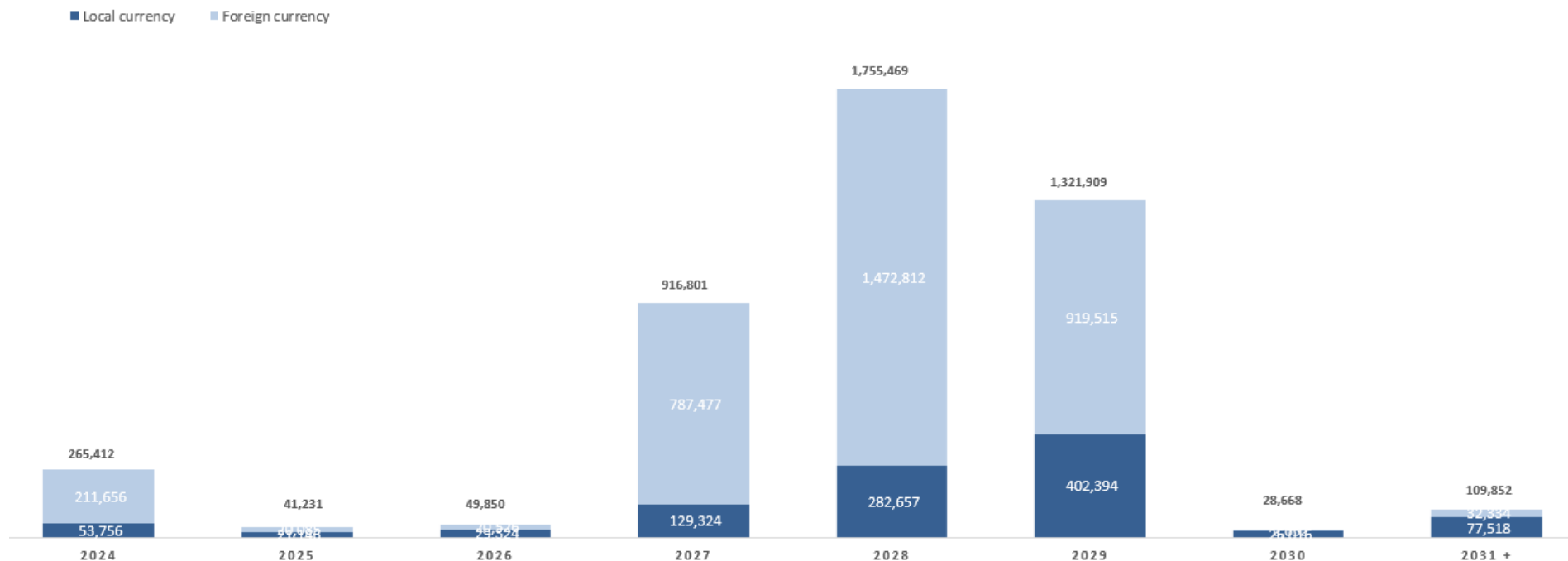


Notes to the condensed interim financial statements at March 31, 2024

All amounts in thousands of reais unless otherwise stated

(b) Maturity

The maturity of borrowings and debentures at March 31, 2024 is as follows:



The total amount in foreign currency does not include BNDES borrowing swaps.

Notes to the condensed interim financial statements
at March 31, 2024

All amounts in thousands of reais unless otherwise stated

(c) Changes

	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Balance at the beginning of the quarter	4,317,623	2,968,728	4,344,492	2,968,728
Captures		723,421	-	736,664
Interest allowance	86,560	48,375	86,805	48,442
Funding costs, net of amortization	646	(5,797)	651	(6,037)
Settlements	(5,921)	(4,811)	(6,409)	(4,811)
IFRS 9 - Net Present Value Appropriation	(4,805)		(4,805)	
Interest paid	(53,954)	(29,608)	(54,197)	(29,622)
Exchange rate variation	72,471	(32,336)	72,894	(32,463)
Adjustment through other comprehensive income (i)	49,761	(45,695)	49,761	(45,695)
Balance at the end of the quarter	4,462,381	3,622,277	4,489,192	3,635,206

- (i) This corresponds mainly to the exchange variation differences on the principal amount of NCEs designated as hedge accounting.

(d) Breakdown by currency and index

	Parent company					
	Current		Non-current		Total	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Local currency						
Fixed rate	27,849	105		24,598	27,849	24,703
CDI	9,596	2,773	727,540	727,396	737,136	730,169
TJLP (i)	57	50	68,901	68,793	68,958	68,843
IPCA	19,871	19,460	154,894	159,625	174,765	179,085
	57,373	22,388	951,335	980,412	1,008,708	1,002,800
Foreign currency						
SOFR	48,945	45,224	1,392,738	1,351,476	1,441,683	1,396,700
Fixed rate	166,549	33,407	1,845,441	1,884,716	2,011,990	1,918,123
	215,494	78,631	3,238,179	3,236,192	3,453,673	3,314,823
	272,867	101,019	4,189,514	4,216,604	4,462,381	4,317,623

	Consolidated					
	Current		Non-current		Total	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Local currency						
Fixed rate	29,109	1,365	12,167	37,077	41,276	38,442
CDI	9,596	2,773	727,540	727,396	737,136	730,169
TJLP (i)	57	50	68,901	68,793	68,958	68,843
IPCA	19,871	19,461	154,894	159,625	174,765	179,086
	58,633	23,649	963,502	992,891	1,022,135	1,016,540
Foreign currency						
SOFR	48,945	45,223	1,392,738	1,351,477	1,441,683	1,396,700
Fixed rate	167,402	34,235	1,857,972	1,897,017	2,025,374	1,931,252
	216,347	79,458	3,250,710	3,248,494	3,467,057	3,327,952
	274,980	103,107	4,214,212	4,241,385	4,489,192	4,344,492

Notes to the condensed interim financial statements at March 31, 2024

All amounts in thousands of reais unless otherwise stated

- (i) 21% of the financing contracts with BNDES are linked to swaps that exchange the IPCA floating rate in reais for a fixed rate in U.S. dollars.

(e) Collateral

At March 31, 2024, borrowings amounting to R\$178,012 (R\$182,411 at December 31, 2023) were collateralized by sureties (Note 15 (d)) and R\$277,045 (R\$254,558 at December 31, 2023) were collateralized by a bank guarantee or guarantee insurance.

Additionally, the Company is the guarantor of two loans granted by BNDES to Rio Verde Energia S.A., which mature in September 2026, with an outstanding balance of R\$58,652 at March 31, 2024 (R\$64,338 at December 31, 2023). This guarantee is limited to the obligation to perform the energy purchase and sale agreement entered into between Auren Comercializadora and Rio Verde Energia S.A.

(f) Funding and repayment

In December 2022, the Company entered into agreements with the National Bank for Economic and Social Development (BNDES), totaling R\$611,311, intended to finance projects for modernization of Furnace Rooms, restarting of Furnace Room 3 and implementation of a scrap processing line at Metalex. In 2023, the Company received releases of funds in the amount of R\$193,465. Due to the challenging economic scenario, CBA choose to postpone the Furnace Rooms modernization project. With this new schedule, the Company had to cancel part of the contracted credit line, and partially return the funds raised related to the postponed project, in the estimated value of R\$138,000, including monetary correction. The debt schedule was changed to reflect the return of amounts estimated over the next few months. The credit line and amounts received related to the implementation of the scrap processing line at Metalex and the modernization of Furnace Rooms 3 remained unchanged, maintaining the original financing conditions.

(g) Financial covenants

The borrowings with BNDES contracted until 2022, which represent about 4% of the total Company debt, require that the intervening guarantor Votorantim S.A. complies with certain financial ratios, such as (i) net debt to adjusted EBITDA ratio equal to or lower than 4.0; (ii) equity to total assets ratio equal to or greater than 0.3; and (iii) debt service coverage ratio, calculated as the cash position plus adjusted EBITDA added by total debt service equal to or greater than 1.0.

At March 31, 2024 and December 31, 2023, all financial covenants had been complied with according to pre-established clauses in the contract.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset, when it is probable that future economic benefits associated with the item will flow to the entity and such costs can be measured reliably. Other borrowing costs are recognized as finance costs in the period in which they are incurred.

**Notes to the condensed interim financial statements
at March 31, 2024**

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21 Confirming payables

The Company has agreements with financial institutions in the domestic and foreign markets that allow its suppliers to anticipate their receivables from CBA (confirming payables). Under this transaction, the supplier, at its exclusive discretion, transfers its rights to the receivables to the financial institutions, which pay the supplier in advance, discounting a fee charged upon the credit assignment. The financial institution becomes then the creditor of the transaction.

Regardless of these contracts between suppliers and banks, the commercial conditions are always agreed upon between the Company and the supplier. In accordance with the commercial agreement, the supplier negotiates with the Company its participation in the confirming programs, so the bank can anticipate its invoices at any time until they fall due.

Applying the concepts of IFRS 9, this transaction maintains its essence as trade payable and not as bank debt, as the Company maintained its liabilities as originally recognized, without any significant modification in the performance of the contracts.

CBA understands that the segregation of these accounts as Confirming payables is relevant for the understanding of its financial position, in addition to providing greater transparency to the stakeholders.

Payments are presented within operating activities in the Company’s statement of cash flows, in accordance with IAS 7.

The Company currently has contracts with a number of suppliers participating in confirming programs. The accounts payable included in these contracts are shown below:

Confirming payables	Deadline (i)	Parent company		Consolidated	
		3/31/2024	12/31/2023	3/31/2024	12/31/2023
Local market	Up to 116 days	109,114	163,206	134,153	211,841
Foreign market			36,971		36,971
		109,114	200,177	134,153	248,812

- (i) The average trading period is 33 days.

22 Current and deferred income tax and social contribution

(a) Reconciliation of income tax and social contribution expense

The current amounts are calculated based on the rates in force on taxable income, plus or minus the respective additions and exclusions.

The income tax and social contribution shown in the statement of operations for the quarters ended March 31, 2024 and 2023 are reconciled to the statutory rates as follows:

**Notes to the condensed interim financial statements
at March 31, 2024**

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	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Profit (loss) before income tax and social contribution	(28,716)	93,375	811	121,965
Nominal tax rates	34%	34%	34%	34%
Tax calculated at the standard rate	9,763	(31,748)	(276)	(41,468)
Adjustments to the effective rates				
Equity in the results of investees	965	3,435	10,927	6,266
Constitution of income tax and social contribution losses without recognition of deferred taxes	(29,846)	(47,331)	(41,722)	(53,273)
Temporary additions (exclusions) without recognition of deferred taxes			4,364	7,470
Reversal of provision for (impairment) of deferred taxes (i)		49,100		49,100
Effect of companies taxed on presumed profit			(2,037)	(89)
Non-taxable interest	494	2,259	719	2,259
Interest on equity	(2,656)		5,844	
Other permanent exclusions (additions), net	(6,404)	(2,050)	(8,173)	(2,929)
Income tax and social contribution computed	(27,684)	(26,335)	(30,354)	(32,664)
Current	(1,588)		(5,561)	(7,337)
Deferred	(26,096)	(26,335)	(24,793)	(25,327)
Effects recorded in P&L	(27,684)	(26,335)	(30,354)	(32,664)
Effective rate - %	96.41	28.20	(ii)	26.78

- (i) This refers to the reversal of the Niquelândia impairment (Note 18 (a)).
- (ii) The effect of these permanent differences on the calculation of income tax and social contribution presented above, related to profit before taxes in the consolidated in 2024 (R\$811), results in an effective rate of 3,742.8%.

(b) Breakdown of deferred tax balances

	Parent company		Consolidated	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Income tax and social contribution losses	308,753	308,753	308,753	308,753
Tax credits on temporary differences				
Energy futures contracts	203,349	241,463	203,349	241,463
Provisions for tax, civil, labor and environmental contingencies	135,616	135,353	136,975	136,639
CPC 25 – Decommissioning of assets	37,951	20,889	37,951	20,889
Provisions for impairment and sundry losses	62,876	172,034	62,876	172,034
Use of public assets (UBP)	70,315	69,292	70,315	69,292
Environmental liabilities	40,645	41,176	40,645	41,176
Profit Sharing Provision	14,441	38,985	14,794	39,525
Provision for inventory losses	7,667	9,201	7,667	9,201
Deferral of losses (gains) on derivative contracts	101,012	44,772	101,693	45,447
Provision for impairment of trade receivables	6,150	6,284	6,442	6,574
Others	1,372	1,331	1,520	1,470
Tax debts on temporary differences				
CPC 12 – Adjustment to present value	(5,602)	(5,857)	(5,602)	(5,857)
Goodwill amortization	(7,392)	(7,392)	(7,392)	(7,392)
Exchange gains (losses) taxed on a cash basis	(10,762)	(23,290)	(10,762)	(23,290)
CPC 20 – Capitalized interest	(37,572)	(33,298)	(37,572)	(33,298)
Renegotiation of hydrological risk	(63,936)	(63,936)	(75,594)	(75,824)
Capital gains from bargain purchases of investments			(68,716)	(69,910)
Gains on bargain purchase for acquisitions of investments	(128,785)	(130,252)	(128,785)	(130,252)
Adjustments to the useful lives of PP&E items (depreciation)	(313,173)	(434,685)	(313,173)	(434,685)
Others	(31,367)	(20,169)	(32,733)	(21,509)
	391,558	370,654	312,651	290,446
Deferred tax assets of the same legal entity	391,558	370,654	324,309	302,334
Deferred tax liabilities of the same legal entity			(11,658)	(11,888)

Notes to the condensed interim financial statements
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All amounts in thousands of reais unless otherwise stated

(c) Effect of deferred income tax and social contribution on the statement of operations and comprehensive income

	Parent company		Consolidated	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Net balance at the beginning of the quarter	370,654	260,854	290,446	142,549
Effect on profit or loss	(26,096)	(26,335)	(24,793)	(25,327)
Effect on other components of comprehensive income – hedge accounting	47,000	(15,537)	46,998	(15,537)
Surplus value on business combination (i)				339
Net balance at the end of the quarter	391,558	218,982	312,651	102,024

(i) Relates to balances from the acquiree Alux do Brasil Indústria e Com. Ltda.

23 Provisions

(a) Breakdown and changes

	Parent company						
	Judicial proceedings					1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Asset retirement obligation	Tax	Labor	Civil	Environmental	Total	Total
At the beginning of the quarter	383,406	173,579	162,796	41,943	4,581	766,305	801,047
Additions		427	7,634	1,372		9,433	7,135
Reversals		(10)	(11,775)	(2,278)	(1,977)	(16,040)	(2,709)
Judicial deposits, net of write-offs		(1,821)	639	630	8	(544)	(1,386)
Settlements	(1,356)	(330)	(3,306)	(106)	(284)	(5,382)	(4,012)
Indexation accruals, net of reversals		2,670	7,011	1,627	100	11,408	8,445
Adjustment to present value	5,744					5,744	9,967
Cash flow reassessment	27,777					27,777	(17,356)
At the end of the quarter	415,571	174,515	162,999	43,188	2,428	798,701	801,131
Current	21,483	27,159	64,645	40,266	76	153,629	101,139
Non-current	394,088	147,356	98,354	2,922	2,352	645,072	699,992
	415,571	174,515	162,999	43,188	2,428	798,701	801,131

	Consolidated						
	Judicial proceedings					1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Asset retirement obligation	Tax	Labor	Civil	Environmental	Total	Total
At the beginning of the quarter	383,406	174,582	164,131	42,634	5,324	770,077	803,739
Additions		541	7,634	1,372		9,547	7,144
Reversals		(10)	(11,775)	(2,278)	(1,977)	(16,040)	(2,363)
Judicial deposits, net of write-offs		(1,821)	639	630	8	(544)	(1,386)
Settlements	(1,356)	(920)	(3,710)	(106)	(284)	(6,376)	(4,012)
Indexation accruals, net of reversals		2,670	7,011	1,637	116	11,434	8,514
Adjustment to present value	5,744					5,744	9,967
Cash flow reassessment	27,778					27,778	(17,356)
At the end of the quarter	415,572	175,042	163,930	43,889	3,187	801,620	804,247
Current	21,483	27,159	64,645	40,266	76	153,629	101,139
Non-current	394,089	147,883	99,285	3,623	3,111	647,991	703,108
	415,572	175,042	163,930	43,889	3,187	801,620	804,247

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(b) Tax, civil, labor and environmental provisions and remaining judicial deposits

The provisions and corresponding judicial deposits are presented as follows:

	Parent company							
	3/31/2024				12/31/2023			
	Judicial deposits	Provision	Carrying amount	Remaining judicial deposits	Judicial deposits	Provision	Carrying amount	Remaining judicial deposits
Tax	(14,252)	188,767	174,515	17,515	(12,433)	186,011	173,578	16,984
Labor	(17,660)	180,659	162,999	3,264	(18,298)	181,094	162,796	1,081
Civil	(78)	43,266	43,188	715	(708)	42,651	41,943	1,153
Environmental		2,428	2,428		(8)	4,590	4,582	
	<u>(31,990)</u>	<u>415,120</u>	<u>383,130</u>	<u>21,494</u>	<u>(31,447)</u>	<u>414,346</u>	<u>382,899</u>	<u>19,218</u>

	Consolidated							
	3/31/2024				12/31/2023			
	Judicial deposits	Provision	Carrying amount	Remaining judicial deposits	Judicial deposits	Provision	Carrying amount	Remaining judicial deposits
Tax	(14,252)	189,294	175,042	17,604	(12,432)	187,014	174,582	17,075
Labor	(17,660)	181,590	163,930	3,617	(18,298)	182,429	164,131	1,616
Civil	(78)	43,967	43,889	1,082	(708)	43,342	42,634	1,519
Environmental		3,187	3,187	760	(8)	5,332	5,324	742
	<u>(31,990)</u>	<u>418,038</u>	<u>386,048</u>	<u>23,063</u>	<u>(31,446)</u>	<u>418,117</u>	<u>386,671</u>	<u>20,952</u>

(c) Cases rated as possible defeats

The Company has actions involving risk of loss classified by Management as possible, based on the assessment of its legal advisors, for which no provision has been made.

Kind	Parent company		Consolidated	
	2024	2023	2024	2023
Tax				
PIS and COFINS credit processes	840,586	827,426	840,586	827,428
IRPJ Negative Balance Disallowance	72,925	72,111	72,925	72,211
"Plano Verão" Disallowance	342,676	337,760	342,676	337,760
ICMS on Electricity charges	271,346	267,976	271,346	267,976
Collection of ICMS due to discrepancies regarding the destination of assets	86,017	89,995	86,016	89,995
Financial Compensation for the Exploration of Mineral Resources - CFEM	142,373	139,298	142,373	139,298
Other	967,305	947,077	1,072,220	1,048,057
	<u>2,723,228</u>	<u>2,681,643</u>	<u>2,828,142</u>	<u>2,782,725</u>
Labor	<u>145,248</u>	<u>136,934</u>	<u>150,060</u>	<u>140,956</u>
Civil	<u>67,234</u>	<u>73,852</u>	<u>67,809</u>	<u>75,108</u>
Environmental	<u>10,011</u>	<u>9,737</u>	<u>10,011</u>	<u>10,003</u>
	<u>2,945,721</u>	<u>2,902,166</u>	<u>3,056,022</u>	<u>3,008,792</u>

- (i) The Company is a party to judicial discussions regarding the levy of ICMS on sector charges applicable to the electricity rate. At March 31, 2024, the amount under litigation totals R\$271,346, of which R\$190,369 refers to the Rate for Use of the Transmission System (TUST) and Rate for Use of the Distribution System (TUSD), and R\$72,977 refers to sector charges known as PROINFA, Fuel Consumption Account - Isolated System (CCC) and Energy Development Account (CDE).

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On March 13, 2024, the Superior Court of Justice (“STJ”) ruled in favor of including TUST and TUSD in the ICMS calculation basis and also decided that the effects of this decision will be adjusted to the circumstances of each case; initially, the defined criteria are not exhaustive.

It is important to note that the STJ has not yet published the decision containing all the votes, and although the merits of the discussion cannot be appealed, the taxpayers will have the right to file motions for clarification in order to define other conditions that have not been considered for the purposes of adjusting this ruling to the circumstances of each case.

The cases in which the Company is discussing the lawfulness of the collections made are prior to March 2017, arising from administrative proceedings, and involve other sector charges that were not addressed in the ruling and contain specific elements that were not analyzed by the STJ, which may be assessed in the course of judgment of the motions for clarification. In the opinion of Management and its independent legal advisors, the probability of defeat in these cases continues to be rated as possible.

Companhia Brasileira de Alumínio



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24 UBP

The agreements have an average term of 35 years, and the amounts to be paid are shown below:

Hydropower plants/Companies	Concession start date	Concession end date	Payment start date	Rate	3/31/2024		Parent company		
					Intangible assets	Liabilities	12/31/2023		
							Rate	Intangible assets	Liabilities
Salto Pilão	Apr-02	Jan-42	Dec-09	60%	134,074	646,898	60%	136,619	652,440
Salto do Rio Verdinho	Dec-02	Dec-44	Jul-10	100%	5,446	27,154	100%	5,534	27,875
Itupararanga	Feb-04	Feb-24	Mar-05	100%		16	100%	14	117
Piraju	Dec-98	Nov-38	Dec-02	100%	620	6,487	100%	636	6,706
Ourinhos	Jul-00	Nov-40	Aug-04	100%	792	5,666	100%	809	5,837
Fumaça	Jun-96	Jun-46		100%	50,296	76,296	100%	50,849	77,273
França	Jun-96	Jun-46		100%	38,418	58,277	100%	38,840	59,023
Porto Raso	Jun-96	Jun-46		100%	24,239	36,769	100%	24,505	37,239
Serraria	Jun-96	Jun-46		100%	16,739	25,392	100%	16,923	25,716
Barra	Jun-96	Jun-46		100%	46,820	70,977	100%	47,336	71,934
					317,444	953,932		322,065	964,160
Current						71,272			71,181
Non-current					317,444	882,660		322,065	892,979
					317,444	953,932		322,065	964,160

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Hydropower plants/Companies	Concession start date	Concession end date	Payment start date	Rate	3/31/2024		Consolidated 12/31/2023		
					Intangible assets	Liabilities	Rate	Intangible assets	Liabilities
Salto Pilão	Apr-02	Jan-42	Dec-09	60%	134,074	646,898	60%	136,619	652,440
Salto do Rio Verdinho	Dec-02	Dec-44	Jul-10	100%	5,446	27,154	100%	5,534	27,875
Itupararanga	Feb-04	Feb-24	Mar-05	100%		16	100%	14	117
Piraju	Dec-98	Nov-38	Dec-02	100%	620	6,487	100%	636	6,706
Ourinhos	Jul-00	Nov-40	Aug-04	100%	792	5,666	100%	809	5,837
Fumaça	Jun-96	Jun-46		100%	50,296	76,296	100%	50,849	77,273
França	Jun-96	Jun-46		100%	38,418	58,277	100%	38,840	59,023
Porto Raso	Jun-96	Jun-46		100%	24,239	36,769	100%	24,505	37,239
Serraria	Jun-96	Jun-46		100%	16,739	25,392	100%	16,923	25,716
Barra	Jun-96	Jun-46		100%	46,820	70,977	100%	47,336	71,934
Baesa - Energética Barra Grande	May-01	May-36	Jun-07	15%	17,716	70,249	15%	17,976	69,761
					<u>335,160</u>	<u>1,024,181</u>		<u>340,041</u>	<u>1,033,921</u>
Current						78,886			78,795
Non-current					<u>335,160</u>	<u>945,295</u>		<u>340,041</u>	<u>955,126</u>
					<u>335,160</u>	<u>1,024,181</u>		<u>340,041</u>	<u>1,033,921</u>

The concession contracts for generating electricity at the UHE Alecrim, UHE Salto do Iporanga and UHE Itupararanga plants expired on June 27, 2016, November 4, 2021 and February 19, 2024, respectively. In accordance with current legislation, CBA remains responsible for managing the Plants, preserving the operation and good conditions of use and safety until we have a deliberation on the matter by the Granting Authority.

The concession contracts for the generation of electricity at the plants UHE Barra, UHE França, UHE Fumaça, UHE Porto Raso and UHE Serraria that expired on June 27, 2016 await the publication of an Ordinance by the Granting Authority extending the term of these grants as per the request already granted by the GM/MME Order of September 19, 2022.

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25 Equity

(a) Share capital

At March 31, 2024, fully subscribed and paid-up capital amounting to R\$4,955,502 (R\$4,934,631 at December 31, 2023) comprised 651,072,697 (645,477,321 at December 31, 2023) registered, book-entry common shares, with no par value. Share capital is stated net of public offering expenses in the amount of R\$44,412 (R\$44,412 at December 31, 2023).

The share capital breaks down as follows:

	3/31/2024		12/31/2023	
	Common shares		Common shares	
	Number of shares	(%)	Number of shares	(%)
Controlling shareholders				
Votorantim S.A.	446,606,039	68.60%	441,982,749	68.47%
Other shareholders	204,466,658	31.40%	203,494,572	31.53%
	<u>651,072,697</u>	<u>100.00%</u>	<u>645,477,321</u>	<u>100.00%</u>

(b) Carrying value adjustments

	Attributable to owners of the parent
At January 1, 2023	<u>(283,026)</u>
Operating hedge accounting	46,738
Deferred taxes	(15,537)
Share of other comprehensive income of investees	(16,760)
Other components of comprehensive income	14,441
At March 31, 2023	<u>(268,585)</u>
At January 1, 2024	<u>(197,678)</u>
Operating hedge accounting	(138,810)
Deferred taxes	47,000
Other comprehensive results	612
Other components of comprehensive income	(91,198)
At March 31, 2024	<u>(288,876)</u>

(c) Basic and diluted earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the profit (loss) attributable to the Company's shareholders by the weighted average number of common shares issued during the period. The weighted average of shares is calculated based on the periods in which the shares were outstanding.

26 Social and environmental risk management

The Company and its subsidiaries are engaged in a number of activities and are subject to a wide range of national and international environmental laws, regulations, treaties and conventions, including those

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governing the disposal of materials into the environment, which require removal and cleaning, avoiding environmental contamination, or those related to environmental protection.

Violations of existing environmental regulations expose the violators to substantial fines and monetary penalties and may require technical measures or investments to ensure compliance with the requirements of emission standards.

The Company and its subsidiaries carry out periodic studies to identify potentially affected areas and record, based on the best cost estimate, the amounts expected to be disbursed for the investigation, treatment and cleaning of the potentially affected areas.

26.1 Risks linked to climate change and sustainability strategy

The nature of the Company's operations exposes it to climate change-related risks.

The Company's property, plant and equipment items (Note 18) and intangible assets (Note 19) may be affected by climate change, particularly in relation to their recoverability (impairment), which was assessed during the preparation of the parent company and consolidated condensed interim financial statements.

Management's assessment carried out in the quarter ended March 31, 2024 was based on the main data and risk assumptions listed below:

(i) Transition risks

Regulatory and policy-related risks: carbon pricing and border taxes on aluminum;

Technological risk: lack of technologies available to reduce greenhouse gas emissions in the face of the increasing demand for low-carbon aluminum;

Market risk: fluctuations in aluminum prices due to climate change effects in the producing countries;

Reputational risk: stigmatization of the sector as a carbon intensive industry, despite CBA's low carbon footprint.

(ii) Physical risks

Chronic risks: relate mainly to long-term shifts in climate patterns, such as rainfall reduction, longer periods of drought and higher temperatures, which could lead to a decrease in generation of hydroelectric energy, with impacts on production and conflicts over the use of water.

Acute risks: relate to extreme weather events, with potential to cause soil collapse in mining areas, loss of seedlings used in the planting of mined areas, overload of electrical systems, and damage to operational facilities.

27 Financial risk management

27.1 Financial risk factors

The activities of the Company and its subsidiaries expose them to a number of financial risks, namely: (a) market risk (currency, commodity prices, interest rate and energy price); (b) credit risk; and (c) liquidity risk.

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A significant portion of the products sold by the Company are commodities (aluminum), whose prices are linked to international quotations (LME index) and denominated in USD.

Costs, however, are predominantly denominated in R\$, which results in a natural currency mismatch between revenues and costs. Furthermore, the Company and its subsidiaries have debts linked to and primarily denominated in USD, which may affect their cash flow.

The Company and its subsidiaries comply with the Financial Policy approved by the Board of Directors, which sets out governance and macro-guidelines for the financial risk management process, as well as measurement and monitoring indicators. The Policy also establishes the monitoring of each market risk factor and the contracting of derivatives to mitigate the different effects from such risks.

In accordance with this Policy, the following financial instruments may be contracted for financial protection and risk mitigation: swaps, purchases of call or put options, collars, currency, interest or commodity futures contracts, and currency, interest or commodity forward contracts (Non-Deliverable Forward (NDF)). The Company and its subsidiaries do not enter into financial instruments for speculative purposes.

(a) Market risk

(i) Foreign exchange risk

Since the R\$ is the Company's functional currency, the focus of the market risk management process is to hedge against the cash flow volatility in this currency, reduce the exchange rate exposure, and ensure the ability to settle financial obligations. Such protection is contracted based on the monitoring of net foreign exchange exposure.

In accordance with its Financial Policy, the Company may enter into derivative transactions for the purpose of mitigating cash flow volatility, reducing foreign exchange exposure, and avoiding currency mismatches. Accordingly, in order to reduce the currency exposure arising mostly from future revenues linked to USD, the Company uses derivative instruments as approved in its Financial Policy to match its operating contracts and debts in R\$ to the same currency of its revenues (USD), thereby achieving lower USD currency exposure (currency exposure equals revenue, cash, investments and other inflows in USD less costs, expenses and debts in the same currency).

The accounting balances of assets and liabilities indexed to foreign currency at the reporting date are presented below:

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	Note	Parent company		Consolidated	
		3/31/2024	12/31/2023	3/31/2024	12/31/2023
Assets in foreign currency					
Cash and cash equivalents	10	352,481	699,582	417,056	746,027
Derivative financial instruments	27.2	324,076	411,292	373,902	464,813
Trade receivables		21,757	45,967	22,806	54,999
		<u>698,314</u>	<u>1,156,841</u>	<u>813,764</u>	<u>1,265,839</u>
Liabilities in foreign currency					
Borrowing (i)		3,466,429	3,324,929	3,479,813	3,338,058
Derivative financial instruments	27.2	190,449	162,015	190,449	162,015
Confirming payables	21		36,971		36,971
Trade payables		83,886	84,798	87,234	85,505
		<u>3,740,764</u>	<u>3,608,713</u>	<u>3,757,496</u>	<u>3,622,549</u>
Net exposure		<u>(3,042,450)</u>	<u>(2,451,872)</u>	<u>(2,943,732)</u>	<u>(2,356,710)</u>

(i) Borrowings do not include funding costs.

(ii) Cash flow and fair value interest rate risk

The Company's interest rate risk arises from operating contracts, cash investments and borrowings. These contracts issued at floating rates expose the Company to cash flow interest rate risk and inflation indexes. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

The Financial Policy establishes guidelines and regulations for protection against interest rate fluctuations and inflation indexes that may affect the cash flow of the Company and its subsidiaries. Based on the exposure (arising from operating or debt contracts) projected for the main interest rate and inflation indexes (mainly CDI, IPCA and SOFR), the Treasury department prepares hedge contracting proposals, where applicable, which are submitted for approval by the Executive Board or the Board of Directors, pursuant to the Company's bylaws.

These hedge proposals may consider exchanging a long position in an interest rate index for other indexes or fixed rates with a short position in the currency itself or other currency.

(iii) Energy market risk

The energy market risk arises from exposures to which the Company may be subject in the Electrical Energy Chamber of Trading (CCEE), which are calculated considering the Difference Settlement Price (PLD).

This risk is managed in accordance with the Management Procedure, which establishes guidelines for monitoring and protecting against fluctuations in energy prices and volumes of exposure at the CCEE, aiming to guarantee a risk level with defined authority levels.

(iv) Commodity price risk

The Financial Policy establishes guidelines to monitor and hedge against commodity price fluctuations, both in revenue and costs, which affect the cash flows of the Company and its operating subsidiaries.

Exposure relating to each commodity considers the monthly production and sale projections, as well as the volume of commodities purchased.

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(b) Credit risk

Exposure to counterparty and issuer credit risk is generated by derivative financial instruments, time deposits, CDBs, and repurchase transactions backed by debentures and federal government securities.

The Company's Financial Policy defines that only issuers with ratings from at least two of the following rating agencies should be considered: Fitch Ratings, Moody's or Standard & Poor's. The minimum rating required for counterparties is "A" (on a local scale) for onshore operations or "BBB-" (on a global scale) for offshore operations, or equivalent. Additionally, the Financial Policy sets allocation limits per counterparty, which consider the rating, concentration and percentage of each entity's equity.

Counterparties that do not meet the aforementioned minimum credit risk ratings must be approved by the Board of Directors.

The pre-settlement risk methodology is used to assess counterparty risks in derivative transactions. This methodology consists of determining, through simulations using the Monte Carlo model, the value at risk associated with non-compliance with the financial commitments defined in each counterparty's agreement. The use of this methodology follows guidelines defined in the Financial Policy.

(c) Liquidity risk

Liquidity risk is managed in accordance with the Financial Policy, with a view to ensuring sufficient liquidity for the Company to meet its financial commitments on time and at no additional cost. Liquidity is measured and monitored primarily through the cash flow projection.

In the table below, the Company's main financial liabilities are grouped by maturity range (remaining period in the balance sheet until the contractual maturity date). As the amounts disclosed below are future cash flows that include interest to be incurred, they cannot be reconciled with the amounts disclosed in the balance sheet for borrowings, leases and use of public assets.

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	Parent company					
	Up to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years	Total
At March 31, 2024						
Borrowing and debentures	539,686	731,741	3,262,431	1,407,007	37,721	5,978,586
Derivative financial instruments	2,890	87,754	95,055	4,501	249	190,449
Lease liabilities	16,339	16,822	608			33,769
Confirming payables	109,114					109,114
Trade payables	811,260					811,260
Use of public assets - UBP	46,436	200,283	225,751	698,079	1,139,037	2,309,586
Related parties		42,855				42,855
	<u>1,525,725</u>	<u>1,079,455</u>	<u>3,583,845</u>	<u>2,109,587</u>	<u>1,177,007</u>	<u>9,475,619</u>

	Parent company					
	Up to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years	Total
At December 31, 2023						
Borrowing and debentures	369,567	728,608	3,136,956	1,555,753	95,059	5,885,943
Derivative financial instruments	2,305	64,097	89,880	3,134	294	159,710
Lease liabilities	16,321	15,469	3,850			35,640
Confirming payables	200,177					200,177
Trade payables	893,978					893,978
Use of public assets - UBP	92,989	203,302	229,154	708,603	1,098,346	2,332,394
Related parties		52,692				52,692
	<u>1,575,337</u>	<u>1,064,168</u>	<u>3,459,840</u>	<u>2,267,490</u>	<u>1,193,699</u>	<u>9,560,534</u>

	Consolidated					
	Up to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years	Total
At March 31, 2024						
Borrowing and debentures	542,604	737,378	3,267,816	1,419,351	46,327	6,013,476
Derivative financial instruments	2,890	87,754	95,055	4,501	249	190,449
Lease liabilities	16,339	16,822	608			33,769
Confirming payables	134,153					134,153
Trade payables	889,315					889,315
Dividends payable	6,115					6,115
Use of public assets - UBP	38,822	169,828	193,571	698,079	1,139,037	2,239,337
Related parties		52,520				52,520
	<u>1,630,238</u>	<u>1,064,302</u>	<u>3,557,050</u>	<u>2,121,931</u>	<u>1,185,613</u>	<u>9,559,134</u>

	Consolidated					
	Up to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years	Total
At December 31, 2023						
Borrowing and debentures	372,454	734,192	3,142,294	1,567,996	103,994	5,920,930
Derivative financial instruments	2,305	64,097	89,880	3,134	294	159,710
Lease liabilities	16,321	15,469	3,850			35,640
Confirming payables	248,812					248,812
Trade payables	956,881					956,881
Dividends payable	6,114					6,114
Use of public assets - UBP	85,375	172,847	197,463	708,603	1,098,346	2,262,634
Related parties		65,384				65,384
	<u>1,688,262</u>	<u>1,051,989</u>	<u>3,433,487</u>	<u>2,279,733</u>	<u>1,202,634</u>	<u>9,656,105</u>

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27.2 Derivative financial instruments

(a) Effects of derivatives on the balance sheet, finance result and cash flows

The table below summarizes the derivative financial instruments and the hedged items:

Strategy	Unit	Principal amount		12/31/2023 Total (net between assets and liabilities)	1/1/2024 to 3/31/2024					Parent company
		3/31/2024	12/31/2023		Fair value					3/31/2024 Total (net between assets and liabilities)
					Cost of sales	Net Revenue	Finance result	Other comprehensive income	Realized (gain) loss	
Derivative instruments not designated for hedge accounting										
US dollar debt hedging instruments										
Floating rate Swaps in IPCA vs. fixed rate in USD	thousands of BRL	112,673	115,926	(8,831)			(2,912)		(1,382)	(13,125)
Hedging of energy futures contracts										
Floating rate swaps in IPCA vs. fixed rate in USD	thousands of BRL	581,278	590,031	200,644			(8,653)		(5,217)	186,774
Derivative instruments designated for hedge accounting										
Hedging of energy futures contracts										
Floating rate swaps in IPCA/IGPM vs. fixed rate in USD (i)	thousands of BRL	1,457,441	1,531,338	57,464	14,217	(3,239)	(9,017)	(88,470)	(10,977)	(40,022)
				249,277	14,217	(3,239)	(20,582)	(88,470)	(17,576)	133,627
				249,277	14,217	(3,239)	(20,582)	(88,470)	(17,576)	133,627
Current assets				233,725						160,307
Non-current assets				177,567						163,769
Current liabilities				(2,305)						(2,890)
Non-current liabilities				(159,710)						(187,559)
				249,277						133,627

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Strategy	Unit	Principal amount		12/31/2023 Total (net between assets and liabilities)	1/1/2024 to 3/31/2024					Consolidated
		3/31/2024	12/31/2023		Fair value		Other comprehensive income	Realized (gain) loss	3/31/2024 Total (net between assets and liabilities)	
					Cost of sales	Net Revenue				Finance result
Derivative instruments not designated for hedge accounting										
US dollar debt hedging instruments										
Floating rate swaps in IPCA vs. fixed rate in USD	thousands of BRL	112,673	115,926	(8,831)			(2,912)		(1,383)	(13,126)
Hedging of energy futures contracts										
Floating rate swaps in IPCA vs. fixed rate in USD	thousands of BRL	734,887	745,971	254,165			(10,922)		(6,642)	236,601
Floating rate swaps in IPCA/IGPM vs. fixed rate in USD (i)	thousands of BRL	1,457,441	1,531,338	57,464	14,217	(3,239)	(9,017)	(88,470)	(10,977)	(40,022)
				302,798	14,217	(3,239)	(22,851)	(88,470)	(19,002)	183,453
				302,798	14,217	(3,239)	(22,851)	(88,470)	(19,002)	183,453
Current assets				240,760						167,077
Non-current assets				224,053						206,825
Current liabilities				(2,305)						(2,890)
Non-current liabilities				(159,710)						(187,559)
				302,798						183,453

- (i) The principal value of the instrument was estimated based on the change in the fair value of the contract by the future market indices, brought to present value by the risk-free rate. Instrument designated as hedge accounting, and has a negative impact of (R\$88,470) on Other Comprehensive Income.

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										Parent company
										Fair value by maturity
Strategy	Unit	2024	2025	2026	2027	2028	2029	2030	2031	As of 2032
Derivative instruments not designated for hedge accounting										
US dollar debt hedging instruments										
Floating rate swaps in IPCA vs. fixed rate in USD	thousands of BRL	(2,021)	(1,966)	(1,721)	(1,760)	(1,608)	(776)	(852)	(749)	(1,672)
		(2,021)	(1,966)	(1,721)	(1,760)	(1,608)	(776)	(852)	(749)	(1,672)
Hedging of energy futures contracts										
Floating rate swaps in IPCA vs. fixed rate in USD	thousands of BRL	20,356	24,892	25,420	23,283	21,416	20,143	18,092	16,353	16,819
Derivative instruments designated for hedge accounting										
Instruments for protecting energy operational contracts										
Floating rate swaps in IPCA/IGPM vs. fixed rate in USD	thousands of BRL	181,850	(48,056)	(51,926)	(55,322)	(66,568)				
		202,206	(23,164)	(26,506)	(32,039)	(45,152)	20,143	18,092	16,353	16,819
		200,185	(25,130)	(28,227)	(33,799)	(46,760)	19,367	17,240	15,604	15,147
										Consolidated
										Fair value by maturity
Strategy	Unit	2024	2025	2026	2027	2028	2029	2030	2031	As of 2032
Derivative instruments not designated for hedge accounting										
US dollar debt hedging instruments										
Floating rate swaps in IPCA vs. fixed rate in USD	thousands of BRL	(2,021)	(1,966)	(1,721)	(1,760)	(1,608)	(776)	(853)	(749)	(1,672)
		(2,021)	(1,966)	(1,721)	(1,760)	(1,608)	(776)	(853)	(749)	(1,672)
Hedging of energy futures contracts										
Floating rate swaps in IPCA vs. fixed rate in USD	thousands of BRL	25,829	31,583	32,229	29,507	27,127	25,500	22,893	20,679	21,254
Derivative instruments designated for hedge accounting										
Instruments for protecting energy operational contracts										
Floating rate swaps in IPCA/IGPM vs. fixed rate in USD	thousands of BRL	181,850	(48,056)	(51,926)	(55,322)	(66,568)				
		207,679	(16,473)	(19,697)	(25,815)	(39,441)	25,500	22,893	20,679	21,254
		205,658	(18,439)	(21,418)	(27,575)	(41,049)	24,724	22,040	19,930	19,582

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27.3 Sensitivity analysis

The following sensitivity analysis presents the main risk factors that impact the pricing of outstanding cash and cash equivalent instruments, financial investments, borrowings, debentures and derivative financial instruments. Key risk factors include exposure to fluctuation in the USD, CDI, IPCA, SOFR, TJLP, IGP-M and electric power price. The scenarios for these factors are prepared using market data and specialized sources, according to the Company's governance framework.

The scenarios at March 31, 2024 are described below:

Scenario I: considers an increase/decrease of 25% on the market curves at March 31, 2024

Scenario II: considers an increase/decrease of 50% on the market curves at March 31, 2024.

Risk Factors	Cash and cash equivalents and financial investments	Borrowing and debentures (i)	Principal amount of derivative financial instruments	Unit	Energy futures contracts	Prices at 3/31/2024	Parent company			
							Impacts on P/L			
							-25%	-50%	+25%	+50%
							Scenarios I & II			
Exchange										
USD	352,481	1,578,130	2,362,745	thousands of BRL		4.9962	723,610	1,447,221	(723,610)	(1,447,221)
Interest rates										
BRL - CDI	820,007	1,606,691		thousands of BRL		10.65%	20,945	41,891	(20,945)	(41,891)
BRL - IPCA	25,518	973,570	1,479,109	thousands of BRL		3.93%	(50,705)	(192,324)	240,427	390,152
USD - SOFR		580,701		thousands of USD		0.0529	7,674	15,348	(7,674)	(15,348)
BRL - TJPL		73,516				0.0667				
BRL - IGPM			672,285	thousands of BRL		6.36%	(72,262)	(177,570)	138,355	243,663
MtM of electricity										
Fair value (ii)				thousands of BRL			221,363	179,408	(34,336)	(120,492)

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Risk Factors	Cash and cash equivalents and financial investments	Borrowing and debentures (i)	Principal amount of derivative financial instruments	Unit	Energy futures contracts	Prices at 3/31/2024	Consolidated Impacts on P/L Scenarios I & II			
							-25%	-50%	+25%	+50%
Exchange										
USD	417,056	1,591,868	2,516,353	thousands of BRL		4.9962	710,901	1,421,802	(710,901)	(1,421,802)
Interest rates										
BRL - CDI	992,246	1,606,691		thousands of BRL		10.65%	26,172	54,090	(24,749)	(48,329)
BRL - IPCA	25,518	973,570	1,632,718	thousands of BRL		3.93%	(50,705)	(192,324)	240,427	390,152
USD - SOFR		580,701		thousands of USD		5.29%	7,674	15,348	(7,674)	(15,348)
BRL - TJPL		73,516				0.0667	1,226	2,452	(1,226)	(2,452)
BRL - IGPM			672,285	thousands of BRL		6.36%	(72,262)	(177,570)	138,355	243,663
MtM of electricity										
Fair value (ii)				thousands of BRL			598,085	221,363	179,408	(34,336) (120,492)

- (i) As the sensitivity analysis performed does not consider funding costs, the balances shown do not reconcile with the explanatory note.
- (ii) The sensitivity for the 25% and 50% lower electricity price scenarios is the same because in both scenarios the price reaches the floor of the market price, which cannot be lower than the one shown.

BRL Local currency (Brazilian Reais)
 CDI Interbank Deposit Certificate
 IPCA Amplified Consumer Prices Index
 USD United States Dollar
 SOFR Secured Overnight Financing Rate

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28 Financial instruments by category and fair value

At March 31, 2024 and December 31, 2023, financial assets and liabilities measured at fair value were classified within Levels 1, 2 and 3 of the fair value hierarchy, as shown below:

	Note	Level	Parent company		Consolidated	
			3/31/2024	12/31/2023	3/31/2024	12/31/2023
Assets						
At amortized cost						
Trade receivables	12		392,125	394,872	429,215	382,443
Dividends receivable	15		9,758	3,118	33,285	1
Related parties	15		43,004	42,681	54,259	53,848
			444,887	440,671	516,759	436,292
Fair value through profit or loss						
Cash and cash equivalents (i)	10	1	389,360	597,839	465,607	669,125
Cash and cash equivalents (ii)	10	2	461,990	540,235	607,285	681,104
Financial investments	11	1	251,010	257,456	262,403	272,465
Financial investments	11	2	98,991	74,159	103,549	106,577
Derivative financial instruments	27.2	2	324,076	411,292	373,902	464,813
			1,525,427	1,880,981	1,812,746	2,194,084
			1,970,314	2,321,652	2,329,505	2,630,376
Liabilities						
At amortized cost						
Borrowing and debentures	20		4,462,381	4,317,623	4,489,192	4,344,492
Lease liabilities	21		26,815	32,649	41,202	48,473
Confirming payables	21		109,114	200,177	134,153	248,812
Trade payables			811,260	893,978	889,315	956,881
Dividends payable	15				6,115	6,114
Related parties	15		42,855	52,692	52,520	65,384
			5,452,425	5,497,119	5,612,497	5,670,156
Fair value through profit or loss						
Derivative financial instruments	27.2	2	92,962	219,480	52,960	219,480
Derivative financial instruments	27.2	3	97,487	(57,465)	137,489	(57,465)
Energy futures contracts	16	2	598,085	710,186	598,085	710,186
			788,534	872,201	788,534	872,201
			6,240,959	6,369,320	6,401,031	6,542,357

- (i) In practice, the fair value and the amortized cost are equivalent, considering, by definition, the characteristics of the cash equivalents.

28.1 Offsetting of financial instruments

Financial assets and liabilities are offset, and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle them on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**Notes to the condensed interim financial statements
at March 31, 2024**

All amounts in thousands of reais unless otherwise stated

29 Assets and liabilities held for sale

The Company classified the following net assets as held for sale:

	3/31/2024	12/31/2023
Assets		
Alunorte Alumina do Norte S.A.	101,609	101,609
Imóvel	2,577	
Niquelândia (Nota 1.1 (d))	144,159	144,159
	<u>248,345</u>	<u>245,768</u>
Liabilities		
Niquelândia	125,259	125,259
	<u>125,259</u>	<u>125,259</u>

30 Events after the reporting period

(a) Dam guarantees

On December 30, 2023, the Decree 48,747/2023 was published by the state of Minas Gerais, regulating the requirement to set up an environmental guarantee, provided for in Law 23,291, of February 25, 2019 – State Dam Safety Policy. According to the Decree, the environmental guarantee aims to secure the decommissioning of dams and the social and environmental recovery resulting from possible accidents caused by dams; it must be set up for all mining dams in the state of Minas Gerais that have the characteristics established by the Law, and may choose from the following modalities: (i) cash deposit; (ii) CDB; (iii) bank guarantee; and (iv) guarantee insurance. The rule stipulates that 50% of the chosen guarantee must be contracted by December 31, 2024, 25% by the end of 2025 and the remaining 25% by the end of 2026.

On March 27, 2024, Decree 48,795 was published, extending the deadline for companies to submit a proposal for the intended environmental guarantee up to June 28, 2024. The Company is analyzing the operationalization of this new regulation, and plans to submit a proposal by June 27, 2024.