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# **EARNINGS RELEASE**

# 3Q22

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# CBAV

## B3 LISTED NM

**São Paulo, 08 November 2022** – Companhia Brasileira de Alumínio, “CBA” or “Company” (B3: CBAV3) hereby presents its results for the third quarter of 2022 (3Q22). The Company's consolidated financial statements are presented in Reais (R\$), in accordance with IFRS (International Financial Reporting Standards) – and the accounting practices adopted in Brazil. Totals may differ due to rounding of numbers.

### 3Q22 at a glance

- **Average aluminum price at LME** (London Metal Exchange) of USD 2,354/metric ton (-11% vs. 3Q21)
- **Aluminum sales volume** of 129 thousand metric tons (+4% vs 3Q21)
- **Net revenue** of R\$ 2.2 billion (-2% vs. 3Q21)
- **Net revenue from aluminum sales** of R\$ 2.2 billion (stable vs. 3Q21)
- **Adjusted EBITDA** of R\$ 331 million (+5% vs. 3Q21)
- **Adjusted EBITDA margin** of 15% (+1 p.p. vs. 3Q21)
- **Net income** of R\$ 100 million (vs. loss of R\$ 41 million in 3Q21)
- **Leverage** of 0.67x (0.68x in 2Q22)

### Exchange Rate and LME Aluminum

	Mar/21	Jun/21	Sep/21	Dec/21	Mar/22	Jun/22	Sep/22
Final USD/BRL rate	5.70	5.00	5.44	5.58	4.74	5.24	5.41
Final LME USD rate	2,213	2,523	2,851	2,806	3,503	2,397	2,180

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Average USD/BRL rate	5.48	5.29	5.23	5.59	5.23	4.93	5.25
Average LME USD rate	2,096	2,400	2,648	2,762	3,280	2,875	2,354

# EXECUTIVE SUMMARY

In line with CBA's growth strategy, the restart of Pot Room 3 was scheduled for 3Q22, increasing the molten aluminum production capacity by 30,000 metric tons a year.

The purchase and sale transaction of the São Miguel Paulista nickel refinery was also concluded this quarter, in line with the Company's strategy of maintaining its focus on the core aluminum business. CBA is looking into alternatives for its other Nickel assets.

A milestone for the Company in the quarter was the launching of the CBAV3 share on the B3 IBrX100 index, making it of the 100 most tradable assets in the Brazilian stock market, just one year after the IPO.

On the ESG front, our Governance was boosted by the creation of a Finances Committee, consisting of 3 members, including an independent member, all with proven expertise in the field. The Committee is responsible for advising the Board of Directors on financial matters.

In August and September 2022, CBA secured USD 96.5 million by way of bilateral operations characterized as Sustainability-Linked Loans, with the cost indexed to the performance of annual greenhouse gas reduction targets in primary aluminum production. This means CBA now has more than R\$ 1.7 billion in green financing, bolstering its commitment to supply low-carbon aluminum.

The Company also exercised its right to redeem the entire outstanding balance of Bonds (2024 Notes) in the amount of USD 78.5 million, which helped ease the concentration of maturities in 2024.

In 3Q22 CBA's aluminum sales volume was 129,000 metric tons, a 4% increase on 3Q21. The adjusted EBITDA also rose by 5% in the compared periods, from R\$ 314 million in 3Q21 to R\$ 331 million in 3Q22, with EBITDA margins in the respective periods of 14% and 15%. Despite the challenging scenario in the quarter, with aluminum prices fall on the LME (-11% vs. 3Q21), reflecting the ongoing global macroeconomic uncertainties in 3Q22, the increase in volume sold, CBA's cost management and the results of Alux contributed to the expansion of EBITDA and EBITDA margin in the quarter.



## Market Performance

### Aluminum | Global Market Overview

The global aluminum market in 3Q22 was affected by continued political and economic uncertainty, including the Russia-Ukraine conflict, rising inflation pressures, a global economic slowdown, and a continued zero-COVID policy in China.

The Russia-Ukraine conflict and the recent attacks on Nord Stream pipelines connecting Europe to Russia have added further upward pressure on energy prices in the European market, driving up inflation and exacerbating concerns over the bloc's economic health.

In China, the government has maintained a zero-COVID policy that has stunted economic growth and required new stimulus measures. In addition, an exceptionally severe heat wave and sparse rainfall have compelled some industries (including the aluminum industry) to curtail production. In contrast, the automotive and infrastructure sectors have remained relatively stable, partly offsetting the slowdown.

According to data from CRU Consulting, global primary aluminum consumption was up 0.6% in 3Q22 compared to 2Q22, led primarily by China, where exports have been higher than average, and the transportation and energy sectors have performed well on the back of recent stimulus measures. In other countries, consumption contracted by 3.5% compared to 2Q22, primarily reflecting a 9.4% decline in European demand.

Aluminum production rose by 2.2% on 2Q22 and 4.1% on 3Q21, led primarily by China as previously curtailed operations came back online. But with the country now facing an energy crisis, the Chinese government has forced aluminum producers to curtail their capacity in the provinces of Sichuan and Yunnan. As energy costs continue to rise, Europe has announced more than 1Mt in capacity curtailment since last year, reducing production by 7% in 3Q22 compared to 3Q21.

With demand hampered by growing macro-economic concerns and with the increased production output in China, the global aluminum market posted a supply-and-demand surplus of 108kt in 3Q22. However, since 3Q21 the global market has an accumulated deficit of more than 1.3Mt. Amid tightening physical market conditions, official LME inventory levels continued to decline throughout 3Q22, bottoming at 271kt in the period. Although inventories improved in early September, they remained down by 11% on 2Q22 and 73% year on year, at 330kt.

Concerns over growing demand and reductions in international freight rates led to lower regional premiums after a sharp early-year increase. In the United States the Midwest Duty Unpaid premium devalued by 32% on 2Q22, to an average of USD 326/t for the period. In Europe the Rotterdam Duty Unpaid premium shed 11% in 3Q22 compared with 2Q22, falling to USD 432/t. Falling prices and premiums strongly pressured the average yield of smelters in 3Q22, increasing the number of operations with costs above aluminum prices and resulting in production cutbacks, especially in Europe.

## Aluminum | Brazilian Market Overview

In 3Q22, aluminum demand in Brazil sustained healthy levels exceeding those of the previous quarter, reflecting a moderate seasonal effect in the second half of the year. Year on year, aluminum demand remained virtually flat. It is important to note that aluminum consumption recorded two-digit growth across most segments in 2021 as industrial activity resumed after Covid-19 restrictions were lifted.

The consumer goods sector remained contracted in 3Q22 compared to the same period last year, reflecting inflation pressures and the end of Covid-19 relief payments, which reduced consumption of items such as home appliances, bicycles, ladders, beach umbrellas and beach chairs. Cookware demand also declined significantly compared to 2020 and 2021—when sales surged on the back of new consumer habits during the pandemic—but was higher than 2019 levels.

The transportation segment, in turn, was an important driver of aluminum consumption, as vehicle production increased. According to the Brazilian Association of Vehicle Manufacturers (ANFAVEA), light and heavy vehicle production rose by 32% year on year and 12% quarter on quarter. Bus production increased by a significant 147% in 3Q22 versus 3Q21, after declining significantly due to the lockdowns during the pandemic.

Aluminum demand in the building and construction segment showed positive signs as consumption of extruded products and, especially, aluminum sheet began to improve. The packaging segment (ex-cans) also sustained growth year on year and quarter on quarter. As aluminum demand continued to increase in Brazil, aluminum imports rose in tandem, on the back of a stronger Real in the previous quarter and the need to replenish inventories in the supply chain.

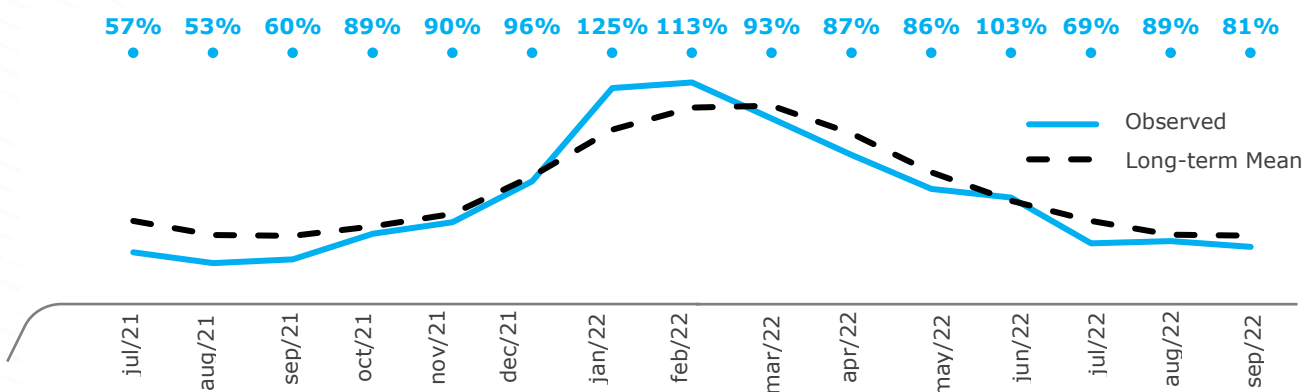
*Brazil DDP Southeast (Platts)* premium remained high at US\$ 450/t in 3Q22, a year-on-year increase of 31%. Compared to 2Q22, Brazil DDP Southeast premium fell by 5%, a decline that was in line with but lesser in degree than that of global premiums, demonstrating resilience due to strong domestic demand.

## Energy | Overview of Brazil's Electricity Sector

3Q22 witnessed higher than average rainfall in the Madeira, Paranaíba, Baixo Paraná, Iguaçu and Paranapanema basins and parts of the Uruguai and Jacuí rivers, especially in the months of August and September.

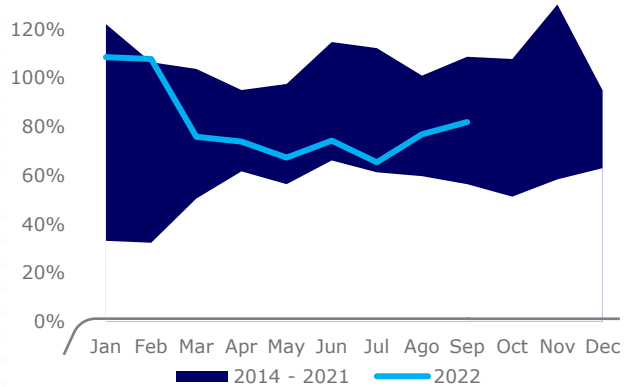
Solar and wind generation sources are helping meet the consumption of the National Interconnected Grid (SIN), which have reached record levels and can help maintain the levels of reservoirs and thermal generation stable throughout the dry period.

## Discharge Levels in SIN in 2021 and 2022<sup>1</sup>

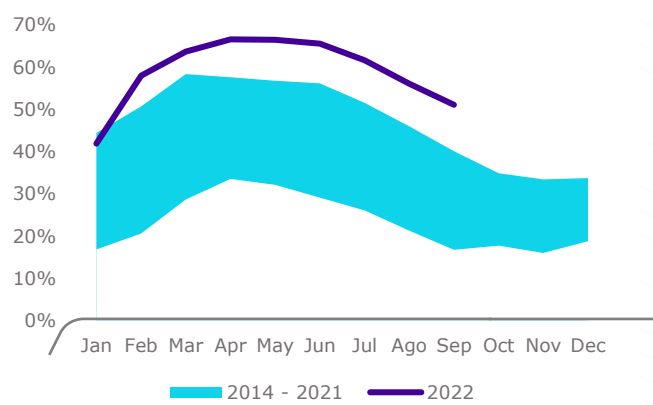


<sup>1</sup> The percentages are calculated as the ratio between the actual result and the historical average between 1931-2020 (Long-Term Mean)  
Source: National Electric System Operator (ONS)

## Monthly ENA - SE/CO(%LTM)<sup>1</sup>

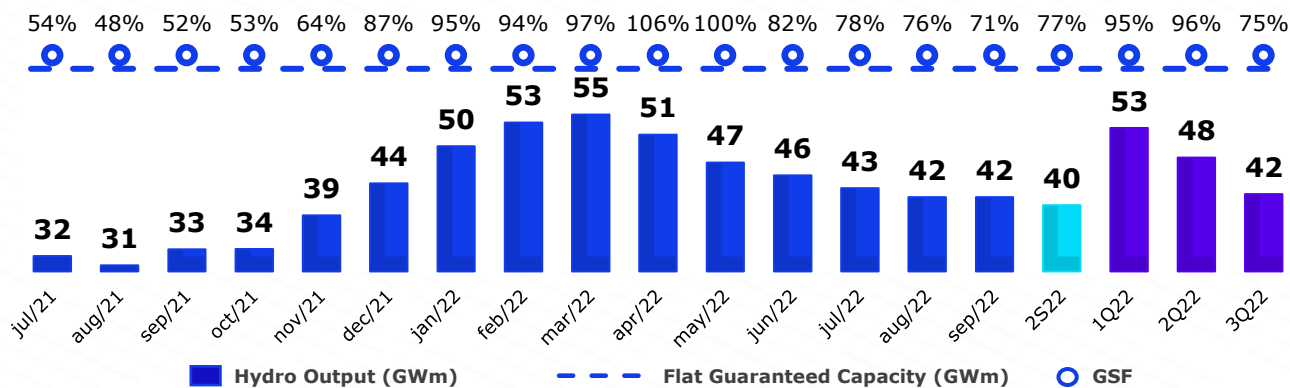


## Energy Storage - SE/CO(%)<sup>2</sup>



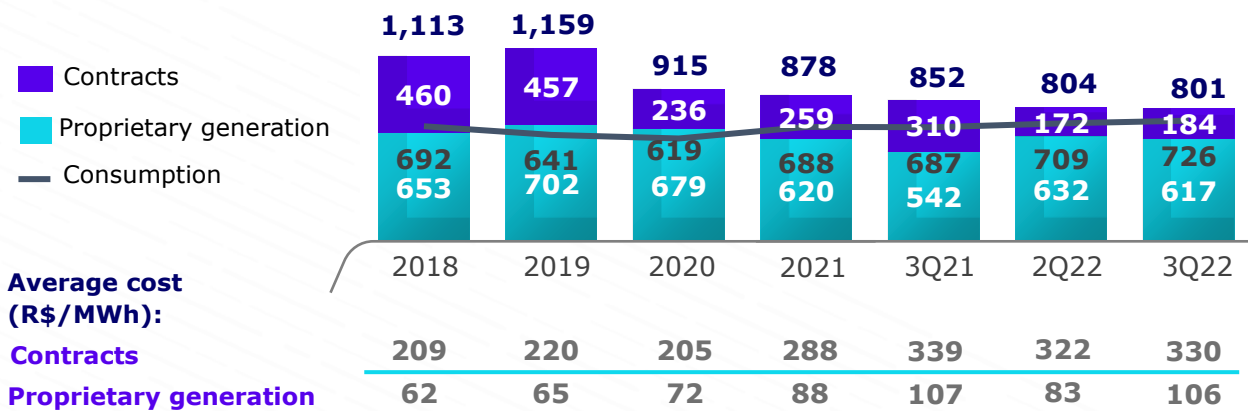
<sup>1</sup> Natural Energy Feed (ENA)  
<sup>2</sup> Source: ONS

The average Generation Scaling Factor (GSF) in 3Q22 was 75%. The lower GSF this quarter was due to the greater allocation of Assured Power<sup>1</sup> in this period, as the hydroelectric generation participating in the Energy Reallocation Mechanism (MRE) remained virtually flat. The Electricity Trading Chamber (CCEE) is still estimating an average GSF of 77% for the 2<sup>nd</sup> half of 2022 and 86% for the year, showing the hydrological situation has improved.



<sup>1</sup> "A Plant's Assured Power comprises the fraction allocated to it of the Assured Power in the System. Determining Assured Power does not depend on its actual generation and is associated with the long-term conditions a plant can offer the system, assuming a specific risk criteria of not meeting demand (deficit), given the hydrological variability to which a plant is subject". Source: CCEE

## Power Balance



CBA usually consumes less energy than it produces, as shown in the graph above. Our surplus has been diminishing in recent years due to the ending of bilateral contracts and higher consumption.

The average contract price rose by 3% in 3Q22 compared with 2Q22, due to the annual adjustment for inflation in long-term contracts. However, comparing the prices between 3Q22 and 3Q21 revealed a 2% decrease due to more attractive prices for spot purchases, thereby offsetting the restatement of long-term contracts for inflation.

On-site generation in 3Q22 was 14% higher than the same period last year, due to the water stress that impacted the sector in the second half of 2021. In 3Q21, the lower on-site generation and the maintenance of operating costs impacted the average on-site generation cost in the period. In 3Q22 the 28% increase in the average on-site generation cost compared with 2Q22 is due to the restatement for inflation of the energy price from interests held by CBA in the energy generation asset joint ventures, in addition to the plants' maintenance costs, which normally takes place in the period of lower generation.

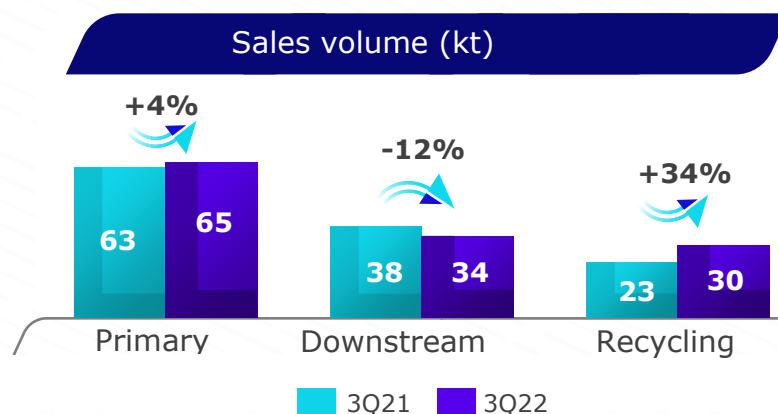
## Operating and Financial Performance

R\$ million	3Q22	3Q21	3Q22 vs. 3Q21	2Q22	3Q22 vs. 2Q22	9M22	9M21	9M22 vs. 9M21
<b>Aluminum Sales Volume (thousand metric tons)</b>	<b>129</b>	<b>124</b>	<b>4%</b>	<b>112</b>	<b>15%</b>	<b>350</b>	<b>363</b>	<b>-3%</b>
Primary	65	63	4%	55	19%	172	186	-7%
Downstream	34	38	-12%	32	5%	99	111	-11%
Recycling	30	23	34%	25	20%	79	65	21%
<b>Net revenue</b>	<b>2,245</b>	<b>2,300</b>	<b>-2%</b>	<b>2,331</b>	<b>-4%</b>	<b>6,868</b>	<b>6,006</b>	<b>14%</b>
<b>Aluminum</b>	<b>2,176</b>	<b>2,186</b>	<b>0%</b>	<b>2,251</b>	<b>-3%</b>	<b>6,647</b>	<b>5,692</b>	<b>17%</b>
Primary	1,021	963	6%	1,029	-1%	3,046	2,656	15%
Downstream	776	798	-3%	822	-6%	2,433	2,132	14%
Recycling	270	134	101%	245	10%	732	367	99%
Other	272	610	-55%	327	-17%	1,042	1,336	-22%
Strategic Hedge	-	(228)	-	(18)	-	(139)	(557)	-75%
Eliminations	(164)	(91)	80%	(154)	6%	(467)	(242)	93%
<b>Energy</b>	<b>167</b>	<b>207</b>	<b>-19%</b>	<b>156</b>	<b>7%</b>	<b>475</b>	<b>544</b>	<b>-13%</b>
<b>Energy eliminations<sup>2</sup></b>	<b>(100)</b>	<b>(99)</b>	<b>1%</b>	<b>(89)</b>	<b>12%</b>	<b>(272)</b>	<b>(254)</b>	<b>7%</b>
<b>Nickel</b>	<b>2</b>	<b>7</b>	<b>-68%</b>	<b>13</b>	<b>-83%</b>	<b>18</b>	<b>24</b>	<b>-25%</b>
<b>Cost of goods sold</b>	<b>(1,914)</b>	<b>(1,990)</b>	<b>-4%</b>	<b>(1,669)</b>	<b>15%</b>	<b>(5,321)</b>	<b>(4,866)</b>	<b>9%</b>
<b>Operating expenses</b>	<b>(106)</b>	<b>(86)</b>	<b>23%</b>	<b>(125)</b>	<b>-15%</b>	<b>(327)</b>	<b>(255)</b>	<b>28%</b>
Sales	(15)	(12)	19%	(12)	20%	(38)	(31)	23%
General and administrative	(91)	(74)	24%	(113)	-19%	(289)	(224)	29%
<b>Other operating revenue (expense)</b>	<b>(30)</b>	<b>(39)</b>	<b>-23%</b>	<b>152</b>	<b>-120%</b>	<b>60</b>	<b>(136)</b>	<b>-</b>
<b>Depreciation, amortization and depletion</b>	<b>137</b>	<b>137</b>	<b>0%</b>	<b>124</b>	<b>11%</b>	<b>390</b>	<b>376</b>	<b>4%</b>
<b>Other additions and exceptional items</b>	<b>(1)</b>	<b>(9)</b>	<b>-88%</b>	<b>(172)</b>	<b>-99%</b>	<b>(146)</b>	<b>(88)</b>	<b>65%</b>
<b>Adjusted EBITDA<sup>1</sup></b>	<b>331</b>	<b>314</b>	<b>5%</b>	<b>641</b>	<b>-48%</b>	<b>1,523</b>	<b>1,037</b>	<b>47%</b>
<b>EBITDA Margin</b>	<b>15%</b>	<b>14%</b>	<b>1 p.p</b>	<b>27%</b>	<b>-12 p.p</b>	<b>22%</b>	<b>17%</b>	<b>5 p.p</b>

<sup>1</sup> Adjustments reflect equity income and nonrecurrent events in profit and loss, including the Mark-to-Market (MtM) of future energy contracts.

<sup>2</sup> Elimination of energy sales for the aluminum business, also included in the COGS above

## Aluminum Sales Volume



In 3Q22 the volume sold in the primary segment was 65,000 metric tons, 4% more than in the same period of 2021, primarily due to the higher volume of P1020 ingots, which were primarily sold to the aluminum can market and other casting processes.

Also in the primary segment, sales of VAP products, of higher added value, such as aluminum alloys, billets and rod, diminished in 3Q22 compared with 3Q21, as a result of weaker demand in the construction sector, to which billets are primarily sold. The aluminum wire and cable distribution segment continued to thrive, enabling a marginal increase on CBA's rod sales.

In comparison with 2Q22, primary sales rose by 19%, from 55,000 metric tons to 65,000 metric tons, with ingot and VAP volumes rising. Billet sales rose as a result of replenishing inventories in the chain, with CBA gaining market share compared with imported products.

The downstream volume contracted by 12% compared to 3Q21, amassing sales of 34,000 metric tons in the quarter. The main driver behind the decrease was the lower volume of sales to the consumer goods sector, in which aluminum is used to produce household appliances, bicycles, ladders, parasols, deck chairs and other products. Lower cookware consumption in the sector significantly impacted the volume of sheet sold, although the performance continues to outperform the pre-pandemic levels. The sale of pans rose sharply during the pandemic due to changing consumer habits.

There was also an 18% reduction in the volume of extruded products in the compared periods, although profitability improved due to the greater contribution by products in the new Primora line.

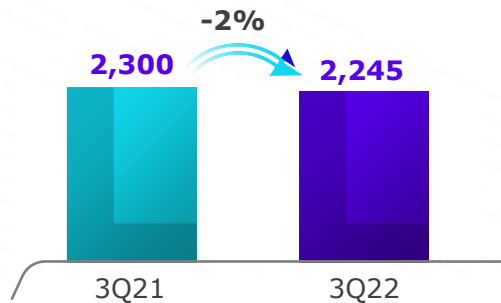
Furthermore, in downstream products the sales of foil also rose to certain packaging subsegments such as flexible packaging (e.g.: coffee packaging, sauce sachets, candies, juice sachets) and aseptic packaging (e.g. milk, juice and yogurt cartons). Given the three packaging markets it operates in (HHF, aseptic and flexible), CBA outgrew the market, primarily due to its higher market share in aseptic products compared with 2Q22. We emphasize that CBA's market-share in the packaging sector (excluding cans) grew 41% since 2019.

In comparison with 2Q22, downstream sales rose by 5%, from 32,000 metric tons to 34,000 metric tons, driven by sales of packaging foils and transportation sheet. The civil construction and consumer goods sectors presented marginal growth in the period.

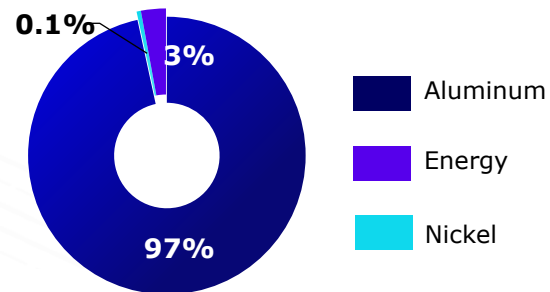
In the recycling segment, the sales volume was 30,000 metric tons in 3Q22, an increase of 34% on the volume in 3Q21, owing to the integration of Alux, which contributed 7,000 metric tons in the quarter. The increase on 2Q22 was 20%, due to the thriving do-it-yourself construction market, driving sales of Metalex's recycled billets, as well as the positive performance of the automotive and motorcycle market, the main recipients of Alux's products.

## Net Revenue

Net Revenue (R\$ million)



Breakdown of 3Q22 Net Revenue



CBA's consolidated net revenue was R\$ 2.2 billion in 3Q22, a slight decrease of 2% on the R\$ 2.3 billion posted in 3Q21, mainly due to the R\$ 50 million decrease in revenue from energy operations in the compared periods, owing to the lower energy surplus for sale, due to fewer contracts and greater consumption by CBA itself.

Net revenue from the aluminum business was R\$ 2.2 billion in 3Q22, unchanged on the R\$ 2.2 billion posted in 3Q21. The 11% drop in average aluminum prices at LME in the compared periods was partially offset by the 4% increase in the sales volume in 3Q22 on 3Q21 and the ending of the strategic hedge this quarter, while in 3Q21 the hedge impact on aluminum business revenue was a negative R\$ 228 million.

Primary segment net revenue rose by 6% in 3Q22 compared with 3Q21, due to the 4% increase in the sales volume and higher average premium for primary products in the compared periods. Despite the drop in premiums in relation to 2Q22, we emphasize that they remain healthy.

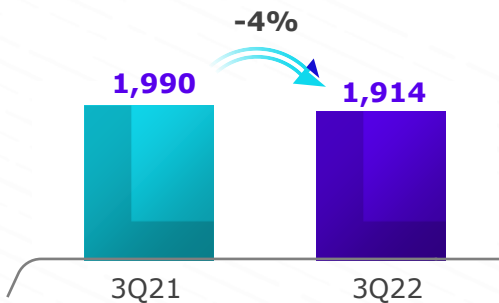
The downstream segment mix improved despite the 12% decrease in the sales volume in 3Q22 compared with 3Q21, with a higher volume especially in foil in addition to the higher premium practiced, resulting in a revenue drop of just 3% in the compared periods.

Net revenue in the recycling segment in 3Q22 was double that in 3Q21, due to the higher volume sold in the period at Alux, which contributed R\$ 100 million to recycling revenue in the quarter.

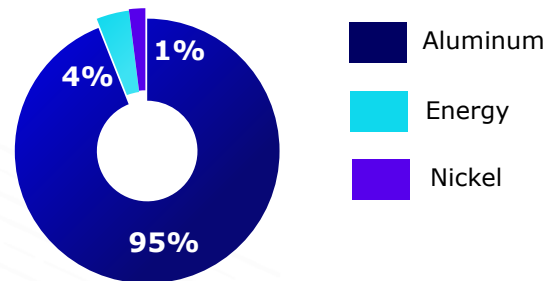
There was also a 55% decrease in revenue from other segments in 3Q22 compared with 3Q21 due to the end of the ingots trading operation (strategy of purchasing ingots for resale) and the lower alumina sales volume, referring to Alunorte's take which varies over time between the quarters due to the shipments' logistics.

## Cost of Goods Sold

### COGS (R\$ million)



### Breakdown of COGS in 3Q22



The R\$ 76 million decrease in CBA's consolidated cost of goods sold in 3Q22 compared with 3Q21 was driven by the R\$ 68 million decrease in the cost of the energy business, owing to the lower energy surplus for sale, due to fewer contracts and greater consumption by CBA itself.

Moreover, the cost of the aluminum business remained steady in the compared quarters, despite the higher sales volume and ongoing inflation in global industry costs, resulting in higher molten aluminum production costs. These effects were offset by the end of the ingot trading operation, which saw 26,000 metric tons sold in 3Q21 and has been shut down since 2Q22.

The average molten aluminum production cost rose by 28% in 3Q22 in relation to 3Q21, and the variance in relation to the COGS is a result of the inventory turnover time. The factors explaining this increase are:

- higher alumina production cost (+41%), influenced by the 82% and 44% rises in caustic soda and gas prices.
- higher anodic paste production cost (+74%), influenced by the 68% and 56% rises in petroleum coke and coal-tar pitch prices.

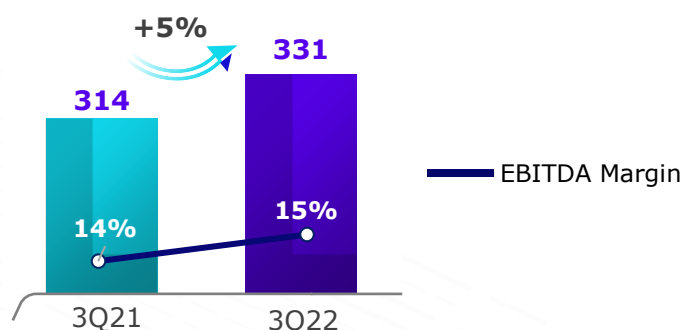
These increases were slightly offset by the lower energy production cost (-11%), despite the higher contract energy consumption as a result of ramping up Pot Room 3; 3Q21 witnessed severe water stress in Brazil, which resulted in lower generation and higher energy prices in the period.

## Operating Expenses

Operating expenses rose by 23% in 3Q22 compared with 3Q21, as a result of the Company's growth, including the acquisition of Alux do Brasil.

## EBITDA

### EBITDA and Adjusted EBITDA margin (R\$ million)



R\$ million	3Q22	3Q21	3Q22 vs. 3Q21	2Q22	3Q22 vs. 2Q22	9M22	9M21	9M22 vs. 9M21
<b>Net Income/Loss</b>	<b>100</b>	<b>(41)</b>	<b>-</b>	<b>511</b>	<b>-80%</b>	<b>1,037</b>	<b>223</b>	<b>365%</b>
Finance Income/Costs	27	255	-89%	128	-79%	(11)	368	-
Income Tax/ Social Contribution	56	(47)	-	35	61%	247	141	75%
Depreciation and Amortization	137	137	0%	124	11%	390	376	4%
<b>EBITDA (ICVM 527)</b>	<b>321</b>	<b>305</b>	<b>5%</b>	<b>798</b>	<b>-60%</b>	<b>1,663</b>	<b>1,108</b>	<b>50%</b>
Share of profit (loss) of equity-accounted investees	11	18	-38%	15	-26%	7	18	-63%
Future energy contracts	40	14	177%	23	78%	87	(199)	-
Recognition of gain on advantageous sale	-	(24)	-	-	-	-	(24)	-100%
Provision for (reversal of) asset impairment	(41)	-	-	(194)	-79%	(233)	134	-
<b>Adjusted EBITDA<sup>1</sup></b>	<b>331</b>	<b>314</b>	<b>5%</b>	<b>641</b>	<b>-48%</b>	<b>1,524</b>	<b>1,037</b>	<b>47%</b>
<b>Adjusted EBITDA Margin</b>	<b>15%</b>	<b>14%</b>	<b>1 p.p</b>	<b>27%</b>	<b>-12 p.p</b>	<b>22%</b>	<b>17%</b>	<b>5 p.p</b>

<sup>1</sup> Adjustments reflect equity income and nonrecurrent events in profit and loss, including the Mark-to-Market ("MtM") of future energy contracts.

The consolidated adjusted EBITDA amounted to R\$ 331 in 3Q22, 5% more than in 3Q21. The consolidated EBITDA margin in 3Q22 rose by 1 p.p. in 3Q22 vs. 3Q21, closing the quarter with an adjusted EBITDA margin of 15%.

As regards EBITDA adjustments, the change of R\$ 26 million in future energy contracts substantially refers to the higher volume through new acquisitions and greater exposure. The impairment reversal in 3Q22 is primarily due to restating the environmental liability discount rate (ARO) for Niquelândia and Itamarati de Minas and consequent reversal of the impairment recorded.

## Finance income/loss

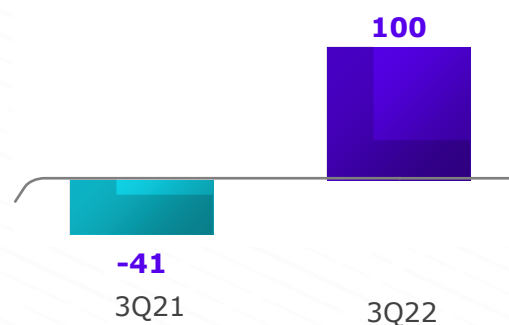
R\$ million	3Q22	3Q21	3Q22 vs. 3Q21	2Q22	3Q22 vs. 2Q22	9M22	9M21	9M22 vs. 9M21
Earnings on short term investments	80	33	139%	90	-11%	211	51	316%
Interest on loans and borrowings	(43)	(32)	35%	(45)	-4%	(133)	(116)	15%
Exchange variance	(16)	(95)	-83%	(29)	-44%	36	(43)	-
Net hedge income/loss	16	(76)	-	(28)	-	185	(65)	-
Other net finance revenue (costs)	(63)	(85)	-26%	(116)	-46%	(289)	(195)	48%
<b>Net finance income/loss</b>	<b>(27)</b>	<b>(255)</b>	<b>-89%</b>	<b>(128)</b>	<b>-79%</b>	<b>11</b>	<b>(368)</b>	<b>-</b>

The net financial result improved by 89% in 3Q22 vs. 3Q21, primarily due to the R\$ 92 million improvement in the mark-to-market of derivative instruments in the debt with BNDES and wind energy contracts, and the maturity of forward sales of aluminum in US dollars (strategic revenue hedge), which the Company ceased practicing in 2021.

There was also a positive effect in the period of R\$ 79 million on exchange variance due to the appreciation of the Brazilian real at the end of the period in 3Q22 (R\$ 5.41) compared with the exchange rate at the end of 3Q21 (R\$ 5.44) and R\$ 47 million of revenue on short-term investments as a result of the increase in the CDI rate and healthier cash balance in the period. However, loan interest rose by R\$ 11 million in the period, especially as a result of the early settlement of Bonds in 3Q22 which were to be originally paid in December/2022.

## Net income/Loss

Net income/Loss (R\$ million)



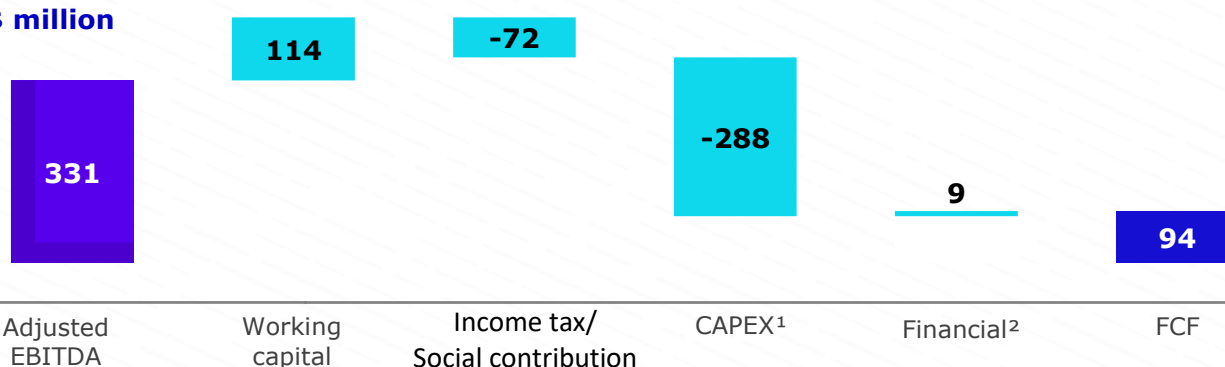
R\$ million	3Q22	3Q21	3Q22 vs. 3Q21	2Q22	3Q22 vs. 2Q22	9M22	9M21	9M22 vs. 9M21
<b>Net Revenue</b>	<b>2,245</b>	<b>2,300</b>	<b>-2%</b>	<b>2,331</b>	<b>-4%</b>	<b>6,868</b>	<b>6,006</b>	<b>14%</b>
<b>Cost of Goods Sold</b>	<b>(1,914)</b>	<b>(1,990)</b>	<b>-4%</b>	<b>(1,669)</b>	<b>15%</b>	<b>(5,321)</b>	<b>(4,866)</b>	<b>9%</b>
Selling, general and administrative expenses	(106)	(86)	23%	(125)	-15%	(327)	(255)	28%
Other operating income	(30)	(39)	-23%	152	-	60	(136)	-
Investee income	(11)	(18)	-38%	(15)	-26%	(7)	(18)	-63%
Net finance income/loss	(27)	(255)	-89%	(128)	-79%	11	(368)	-
Income tax and social contribution	(56)	47	-	(35)	61%	(247)	(141)	75%
<b>Net income/loss</b>	<b>100</b>	<b>(41)</b>	<b>-</b>	<b>511</b>	<b>-80%</b>	<b>1,037</b>	<b>223</b>	<b>365%</b>

Net income in 3Q22 was R\$ 100 million vs. a net loss of R\$ 41 million in 3Q21.

The change in income tax and social contribution is explained by the R\$ 39 million increase in current tax as a result of higher taxable profit in 3Q22 coupled with the negative variance in deferred tax of R\$ 142 million. This negative variance in deferred tax primarily derives from the R\$ 110 million exchange variance taxed on the cash basis, mostly under the buyback of Bonds, and deferral of losses in derivative contracts of R\$ 38 million.

## Free Cash Flow

R\$ million



<sup>1</sup> Capex accrual basis

<sup>2</sup> Acquisition, sale of assets and net interest

In 3Q22, CBA's free cash flow (FCF) was R\$ 94 million, despite the CAPEX growth, the better working capital performance, detailed in the chapter below, was the main factor contributing to cash generation in the period.

## Working Capital

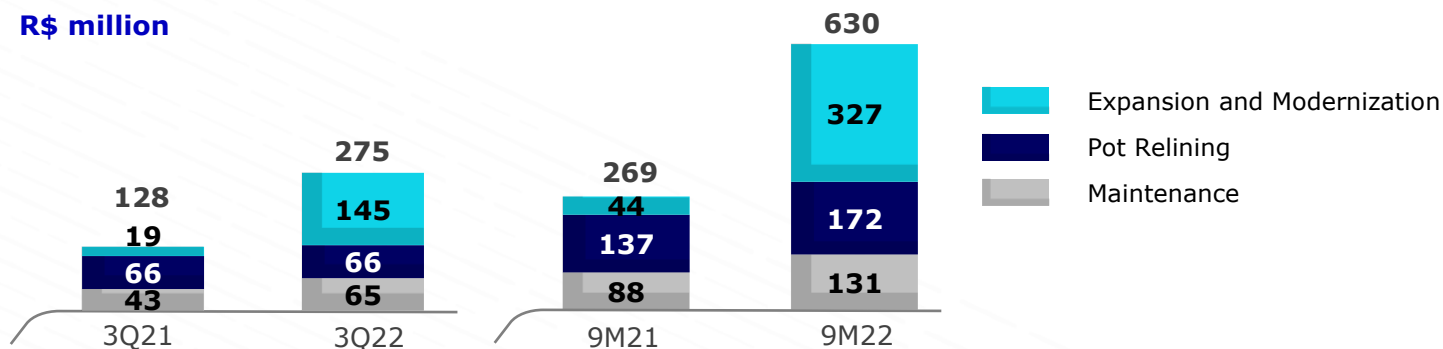
The Company's working capital variance in 3Q22 was a positive R\$ 114 million, with the main positive effect being the R\$ 182 million increase in the balance of trade payables in the period, mainly due to the higher costs on leading inputs, such as petroleum coke, coal-tar pitch, caustic soda and gas and the increase in the volume of CAPEX payables.

In addition to this effect, the balance of inventories rose by R\$ 62 million, with R\$ 119 million due to higher inflation on semi-finished products and raw material costs, eased

by the lower inventory of finished goods of R\$ 57 million, as a consequence of the higher sales volume in the quarter.

## Capital Expenditure (CAPEX)

R\$ million



Total capital investment (cash basis) in 3Q22 was higher than that accumulated in 9M21, with 53% of investments in the quarter made in CBA's modernization and expansion products, which are multi-year projects and follow the schedule set out in the IPO, despite LME volatility. The remaining CAPEX is concentrated at 24% on smelter upgrades and 24% on maintenance.

Below we provide information about the modernization and expansion projects and their status:

- Added primary aluminum production:
  - ✓ Restart of Pot Room 3: moved forward to 2022, all pots are in operation.
  - ✓ Restart of Pot Room 1: at stage of procurement, with start-up projected for 2025.
- Pot room technology upgrade: underway, phased startup from 2023 to 2025.
- Dry waste disposal project: underway, with start-up projected for 2024.
- Additional aluminum production from recycling:
  - ✓ Acquisition of Metalex's G furnace: furnace operating at full capacity.
  - ✓ Scrap separation and cleaning line: underway, with start-up projected for 2023.
  - ✓ ReAl: underway.

## Indebtedness and Liquidity

Debt breakdown (R\$ million)	Sep/22	Jun/22	Sep/21
Current	126	68	87
Noncurrent	2,917	2,810	2,946
<b>Gross debt</b>	<b>3,044</b>	<b>2,878</b>	<b>3,033</b>
(-) Cash, cash equivalents and short-term investments	1,634	1,482	1,379
(+) Derivative financial instruments	-94	-77	590
(+) Leasing	31	41	47
<b>Net debt</b>	<b>1,346</b>	<b>1,359</b>	<b>2,291</b>
<b>Adjusted EBITDA - Last 12 months</b>	<b>2,017</b>	<b>2,000</b>	<b>1,214</b>
<b>Net debt/Adjusted EBITDA LTM<sup>1</sup></b>	<b>0.67x</b>	<b>0.68x</b>	<b>1.89x</b>
<b>Average cost USD (% p.a.)<sup>2</sup></b>	<b>5.19%</b>	<b>4.61%</b>	<b>4.66%</b>
<b>Average term (years)</b>	<b>4.3</b>	<b>3.9</b>	<b>4.1</b>

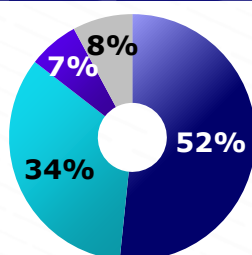
<sup>1</sup> Last Twelve Months

<sup>2</sup> Considers the total cost of the debt, including in BRL, converted into USD on 09/30/2022.

CBA's debt is largely denominated in US dollars, with 85% in USD and 15% in Reais. We also took out derivatives which converted the IPCA floating rate in Reais into a fixed rate in dollars for BNDES financings, which if included would increase the proportion of the dollar debt to 90%.

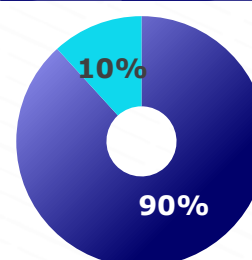
### Breakdown by Instrument (%)

- NCE
- Green NCE/PPE
- BNDES
- Green debentures

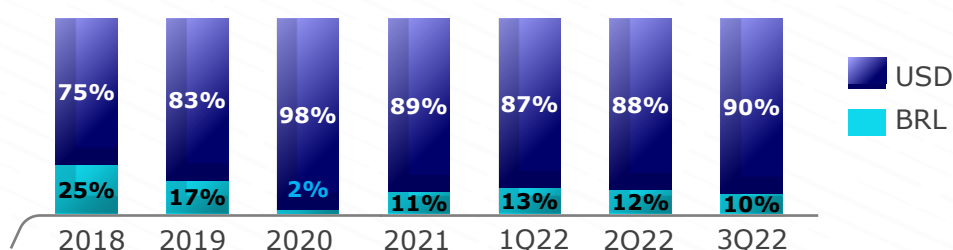


### Breakdown by Currency (%)

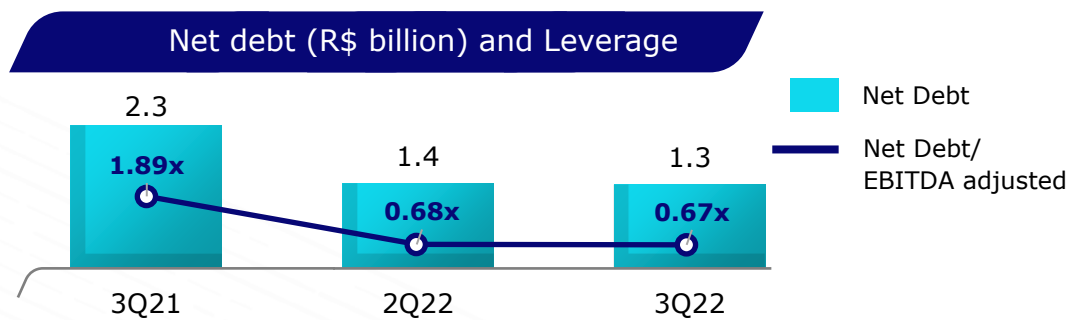
- USD
- BRL



### Historical Breakdown by Currency (%)



Part of the Export Credit Notes ("NCE"), which are Company dollar loans amounting to USD 333 million, was also designated as hedge accounting to hedge the future cash flow generated by aluminum revenue denominated in US dollars. The exchange variance on these operations is accordingly recognized in equity. The exchange variance on these loans was a negative R\$ 56 million in 3Q22. Gains or losses and the amortization of interest are recorded in profit and loss in the period in which the respective aluminum sales are made.



CBA's gross debt in September 2022 was R\$ 3 billion, 6% greater than the balance of R\$ 2.9 billion in June 2022, largely reflecting the funding secured in the period and the 3% weakening of the Brazilian real against the US dollar (from USD/R\$ 5.24 to USD/R\$ 5.41 at the end of the period) and resulting in an exchange variance loss of R\$ 81 million.

In August and September 2022, CBA secured USD 96.5 million by way of bilateral operations to finance exports at the average cost of SOFR + 3.03% p.a. for an average term of 5.6 years. The operations were classified as Sustainability-Linked Loans, as the cost is linked to the performance of annual greenhouse gas reduction targets in primary aluminum production. This means CBA now has more than R\$ 1.7 billion in green financing, bolstering its commitment to guaranteeing a supply of low-carbon aluminum.

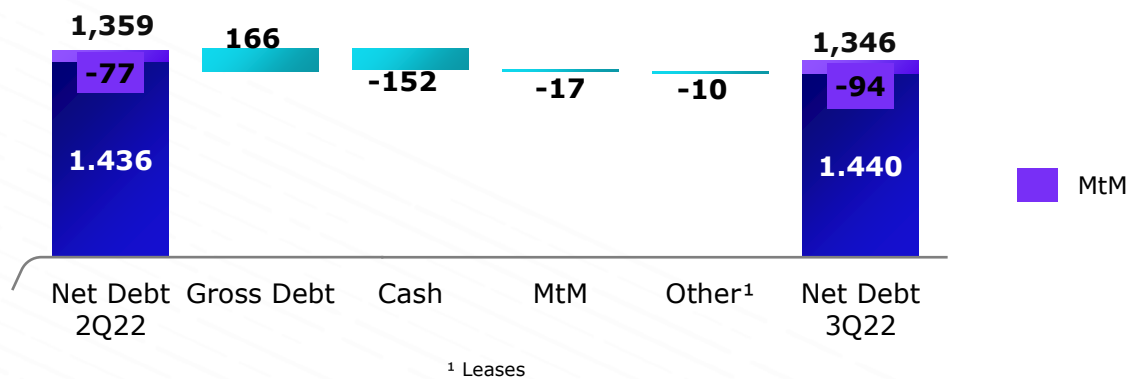
The Company also exercised its right to redeem the entire outstanding balance of Bonds (2024 Notes) in the amount of USD 78.5 million, which helped ease the concentration of maturities in 2024. The operation's premium was R\$ 2 million, recognized in profit or loss as a finance cost.

Cash equivalents and short-term investments stood at R\$ 1.6 billion in September 2022, with 71% denominated in Reais. CBA also has a Revolving Credit Facility it can draw on in the total of USD 100 million, secured from tier-one financial institutions, maturing in 2026, further reinforcing its liquidity.

The net debt amounted to R\$ 1.3 billion, 1% less than the previous quarter. The higher gross debt was offset by the increase in the cash position of R\$ 152 million and the R\$ 17 million increase in the mark-to-market of derivative financial instruments.

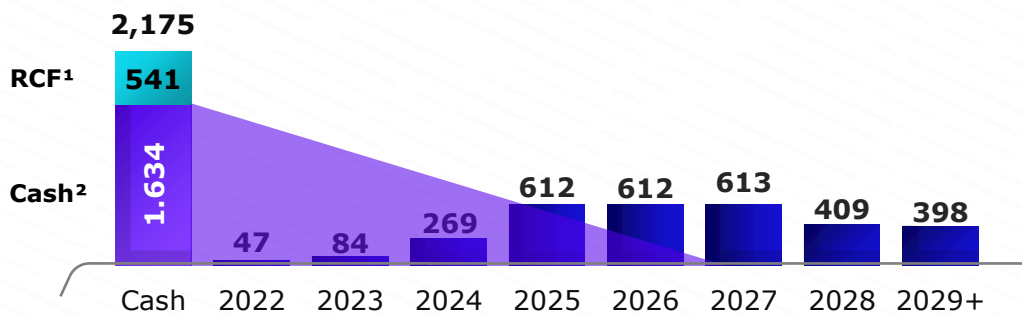
CBA's financial leverage as measured by the ratio of net debt over adjusted EBITDA for the last twelve months was unchanged at 0.67x in September 2022 compared with the previous quarter (0.68x in June 2022).

Movement in Net Debt (R\$ million)



The Company has a lengthy debt profile, without concentrating material maturities by 2025, as shown by the graph below:

Debt Amortization Schedule (R\$ million)



<sup>1</sup> RCF: Revolving green credit facility of USD 100mm converted at the rate of 5.41 (closing PTAX on 09/30/2022)

<sup>2</sup> Includes cash, cash equivalents and financial investments as of 09/30/2022

Derivative Operations

The Company's Financial Policy allows the procurement of derivatives for non-speculation purposes to mitigate the effect of changes in prices, exchange rates and market rates on its earnings, in order to protect the Company's Reais-denominated cash flow.

The table below presents the position of derivative instruments:

Derivative Instruments	Exposure unit	Notional (balance in exposure unit)		Fair value (R\$ millions)		Cash adjustment (R\$ millions)	
		Sep/22	Jun/22	Sep/22	Jun/22	3Q22	2Q22
<b>Designated to hedge accounting</b>							
<b>Operating income hedge</b>							
Aluminum forward	thousand metric tons	-	-	-	-	-	(92)
US dollar forward	USD million	-	-	-	-	-	43
<b>Not designated as hedge accounting</b>							
<b>Hedging loans and borrowings</b>							
Swap IPCA and Reais vs. Fixed and USD	R\$ million	132	135	(35)	(38)	(2)	4
<b>Hedging operating contracts</b>							
Swap IPCA and Reais vs. Fixed and USD	R\$ million	823	823	129	115	-	-

### Strategic operating revenue hedging

CBA's revenue hedging program consists of the forward sale of aluminum traded at LME - London Metals Exchange prices - in USD per metric ton, in conjunction with forward sale of US dollars. The Company stopped used this hedge in June 2021, and the current agreements expired in May 2022, meaning there is no longer an outstanding balance or mark-to-market of these operations in September 2022.

### Hedging loans and borrowings

Forex and interest swaps for financing contracts with BNDES, that swapped out floating IPCA rates at Reais for rates fixed in US dollars, partially matching the currency of finance costs and debt amortization with the revenue currency, thus reducing the Company's exposure to US dollars.

As of September 30, 2022, the restated balance of operations was R\$ 132 million, whose final maturities are in December 2028 and July 2034. Income on these operations in 3Q22 was a negative R\$ 2 million versus a positive R\$ 4 million in 2Q22. The 11% devaluation of the Brazilian real on the settlement dates in 3Q22 compared with 2Q22 plus IPCA deflation resulted in a negative adjustment in the previous quarter.

The mark-to-market was a negative R\$ 35 million, 8% better compared with the previous quarter, primarily due to the increase in the IPCA curve, which surpassed the weakening of the Brazilian Real against the US dollar at the end of the period. As these instruments were not designated as hedge accounting, gains or losses and the mark-to-market of operations are recognized in finance income (loss) for the period.

### Hedging operating energy contracts

Forex and interest swaps for certain energy purchase contracts, that swapped out floating IPCA rates in Reais for rates fixed in US dollars, matching the currency of operating contracts with the revenue, thus reducing the Company’s exposure to US dollars.

As of September 30, 2022, the balance of operations was R\$ 823 million, with final maturity in January 2033. There was no gain or loss in the period on these operations as the amortizations only occur from 2023.

The mark-to-market was a positive R\$ 129 million, 12% more than the previous quarter, primarily due to the increase in the IPCA curve, which surpassed the weakening of the Brazilian Real against the US dollar at the end of the period. As these instruments were not designated as hedge accounting, gains or losses and the mark-to-market of operations are recognized in finance income (loss) for the period.

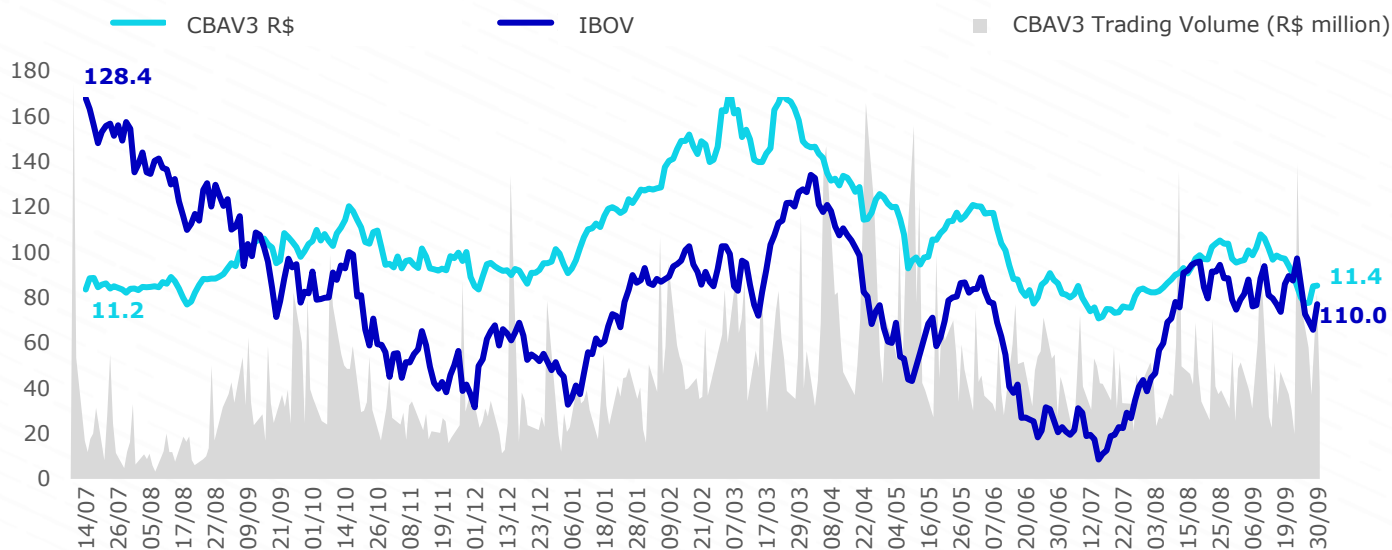
## Capital Market

### CBAV3

In the IPO on July 14, 2021 CBAV3 was priced at R\$ 11.20, and closed the third quarter of the year, on September 30, 2022, at R\$ 11.44, a gain of 2.1% compared with Ibovespa (“IBOV”) devaluation of 13.7% over the same period. The CBAV3 average daily trading volume (ADTV) in 3Q22 was R\$ 46.0 million.

We emphasize that in this quarter CBAV3 entered the B3 IBrX100 index just one year after the IPO. This index reports the average performance of the 100 most tradable assets in The Brazilian stock market.

CBAV3, CBAV3 and IBOV trading volume since the IPO



## Ownership Structure

As of September 30, 2022 the Company's capital was comprised of 595,833,333 common shares with a market value of R\$ 6.8 billion and a free-float of 32.1%, with the parent company Votorantim S.A. directly and indirect holding 67.9% of the shares.

## ESG

### Environmental

This quarter, CBA and Reservas Votorantim announced a new issuance of carbon credits via the REDD+ *Cerrado* program, the first Reducing Emissions from Deforestation and Forest Degradation (REDD+) program in Brazil's *Cerrado* biome. The program covers 11,500 hectares of land yielding an average of 50,000 carbon credits per year. The first issuance generated 316,000 carbon credits for the period 2017 to 2021, now available for sale via auction. The initiative is helping to preserve standing forests and expand the carbon market in Brazil.

In addition, CBA has joined other companies in different industries to create the "Brazilian Voluntary Carbon Market Initiative". The program, led by McKinsey & Company, will implement actions to develop a voluntary carbon market in Brazil and help to build a high-integrity carbon credit market globally. Among the key deliverables from the program are practical measures to address the biggest barriers to the carbon market, including mechanisms to activate high-integrity supply and demand and general governance measures.

Also in the area of climate change, in September CBA attended the Global Compact's "SDG in Brazil" event at the UN headquarters in New York, to discuss local progress in advancing the Sustainable Development Goals (SDGs). During the event's Climate panel, CEO Ricardo Carvalho discussed proposed strategies for reducing carbon emissions in the aluminum industry. CBA has undertaken a public commitment to producing low-carbon aluminum, and has successfully reduced its emissions to approximately one fifth of the global average in the industry.

In relation to water stewardship, water withdrawals per metric ton of molten aluminum stood at 6.71 m<sup>3</sup>/t in 3Q22, up 12% quarter on quarter. The increase was due to the refilling of a wastewater treatment plant reservoir that had been emptied out for preventive maintenance.

### Social

CBA has continued to implement initiatives across the economic development, public management support and education pillars. This quarter, one of our most significant initiatives helped to improve health care delivery in the municipalities of Piraju/SP, Juquitiba/SP and Niquelândia/GO. This included a redesign of catchment areas, and reorganization and training of health care staff.

In relation to diversity indicators, in 3Q22, CBA reported 16.7% women at the company, versus 16.4% in the previous quarter. This figure is 21% for leadership, compared with 20% in 2Q22. One of the initiatives is the free technical training course for women,

administered by CBA in partnership with SENAI, with a view to helping women enter and work in industry.

On the safety front, our injury frequency rate was 2.27 at the end of 3Q22 (per 1,000,000 man-hours worked), compared with 1.87 in the previous quarter. CBA continually works to raise awareness of its staff by carrying out safety campaigns to perceive risk, prevent falls and movement of suspended cargo.

## Governance

This quarter, funds raised via bilateral transactions, as described in the chapter on Indebtedness, were linked to annual targets to reduce greenhouse gas emissions in the production of primary aluminum, and were supported by a *Second Party Opinion (SPO)* issued by *Sustainalytics* and annual assessments by independent auditors. These transactions underscore our commitment to tackling climate change and delivering low-carbon aluminum.

In August, CBA received an Amcham Brazil ECO 2022 award for Sustainable Practices in the Large Corporates category, in recognition of a project to retrofit CBA's alumina (aluminum oxide) refinery boiler from natural gas or fuel oil to woodchip biomass from eucalyptus plantations. This has made CBA's Alumínio plant one of the first in the world to produce 100% of its steam using biofuel, in one of the most carbon-intensive stages of aluminum production. As a result, greenhouse gas (GHG) emissions per metric ton of alumina at this production step have fallen by 63.6% since the retrofit. The Amcham Brazil ECO awards, created in 1982, recognize initiatives to implement responsible business practices.

Also this quarter, CBA has joined the Leadership with ImPact Program in Brazil of the UN's Global Compact, which aims to attract, engage, raise awareness of and empower business leaders to expedite delivery of the SDGs (Sustainable Development Goals), established by the United Nations (UN), through 2030. The CBA CEO, Ricardo Carvalho, is joining the group of other leaders and CEOs who are changing the way of thinking and doing business in their companies, aligning their managerial and operational practices with Global Goals. After a detailed selection of the Global Compact, Ricardo Carvalho was assigned the mission of being the spokesperson of the SDG 17 – Partnerships for the goals, which has the target of strengthening the means of implementation and revitalizing the global partnership for sustainable development.

Also in the quarter we created a Finances Committee at CBA, consisting of 3 members, including an independent member, all with proven expertise in the field. The Committee is responsible for advising the Board of Directors on financial matters. The Committee's regulations and members can be seen on the [Company's IR website](#).

## Innovation & Technology

In 3Q22 CBA had 56 projects in its product/market innovation and development pipeline, 01 new project in the design thinking development cycle, 16 projects that advanced to the next stage and 28 that were completed.

In recent months, CBA has increased its strategic focus on the building and construction segment; we have been selected by multiple developments to supply aluminum frames, facade hardware and accessories under our newly launched Primora brand, achieving sales of more than 600 metric tons in the year.

In September CBA participated in FESQUA—the foremost Latin American trade fair for frames, hardware and components—with a booth and strategic activities to showcase Primora-branded products. The four-day event in São Paulo was attended by more than 48,000 visitors, including specifiers, purchasers, manufacturers and distributors. As an immediate outcome from the event, CBA has been approached by potential new distributors and manufacturers interested in purchasing CBA products, expanding our customer base in Brazil and Latin America.

In the transportation segment, during the quarter we continued development of a ~30-ton aluminum dump body for grain carriers. The new dump body will have a 5% (1 ton) larger payload capacity while maintaining the same gross vehicle weight as currently available models. This will improve both emissions performance and freight efficiency.

The dump body offers truck trailer manufacturers an easy-to-build design that ensures the product is competitive and economically feasible. CBA has developed a proprietary, uniquely robust joint system for the new solution. Dump bodies made of aluminum are corrosion-resistant and have a longer useful life than models made of ferrous alloys; in addition, the aluminum can be profitably sold at the end of the dump body's useful life, within a circular economy approach.

Aluminum is also lightweight and provides infinite geometric possibilities for different designs. By 2030, much of Brazil's city bus fleets are expected to be electrically powered, while electrification has continued to gain momentum in the US and especially Europe. CBA has supported productions *scale-ups* that have delivered 64% weight reduction compared to the original design. CBA's sustainability journey, our ESG pillars and, especially, our low-carbon footprint are among the competitive differentiators that uniquely position us as a supplier of choice, alongside high-quality service and our dedicated R&D and market innovation teams.

## Statement of Financial Position – Assets

Assets	Note	Parent company		Consolidated	
		9/30/2022	12/31/2021	9/30/2022	12/31/2021
<b>Current assets</b>					
Cash and cash equivalents	7	902,868	1,280,956	1,177,051	1,449,345
Financial investments	8	338,429	280,485	457,191	337,350
Derivative financial instruments	5.2	19,739	10,749	25,486	10,749
Trade receivables	9	435,835	605,096	526,628	698,249
Inventories	10	1,519,450	1,236,046	1,865,233	1,592,312
Taxes recoverable	11	617,026	252,447	669,502	294,434
Dividends receivable	12	23,491	15,415		664
Other assets		141,403	63,026	178,349	71,880
		<u>3,998,241</u>	<u>3,744,220</u>	<u>4,899,440</u>	<u>4,454,983</u>
<b>Non-current assets</b>					
<b>Long-term receivables</b>					
Financial investments	8	64	64	64	64
Derivative financial instruments	5.2	81,779	22,171	103,937	28,985
Taxes recoverable	11	524,122	662,662	556,590	685,465
Deferred income tax	20	231,653	342,498	129,300	253,943
Related parties	12	47,546	47,274	59,011	57,323
Judicial deposits	21	15,887	15,157	17,681	16,656
Other assets		44,505	43,988	53,800	69,768
		<u>945,556</u>	<u>1,133,814</u>	<u>920,383</u>	<u>1,112,204</u>
Investments	14	1,630,712	1,383,455	206,477	204,972
Property for Investment		25,960		25,960	
Property, plant and equipment	15	4,467,456	4,155,577	5,468,199	5,152,008
Intangible assets	16	755,863	784,471	1,065,069	997,923
Right-of-use assets	17	22,580	39,685	30,935	43,137
		<u>7,848,127</u>	<u>7,497,002</u>	<u>7,717,023</u>	<u>7,510,244</u>
<b>Total assets</b>		<u>11,846,368</u>	<u>11,241,222</u>	<u>12,616,463</u>	<u>11,965,227</u>

## Statement of Financial Position – Liabilities

Liabilities and shareholders' equity	Note	Parent company		Consolidated	
		9/30/2022	12/31/2021	9/30/2022	12/31/2021
<b>Current Liabilities</b>					
Borrowings and debentures	18	126,241	38,285	126,241	69,383
Derivative financial instruments	5.2	4,728	231,289	4,728	231,289
Lease liabilities	17	17,443	25,542	20,074	27,126
Drawee risk payable	19	116,373	557,750	120,425	558,017
Trade payables		781,370	558,300	929,147	655,626
Salaries and payroll charges		155,033	145,131	176,816	162,243
Tax liabilities		161,959	32,832	239,582	78,275
Advances from customers		15,561	38,981	28,559	47,663
Dividends payable	12	79	57,199	51,759	142,191
Use of public assets – UBP	22	64,653	66,477	73,639	74,314
Energy futures contracts	13	94,200	11,142	94,200	11,142
Related parties	12	3	350	3	350
Provision	21	66,327	29,218	66,327	29,218
Other liabilities		31,913	24,142	91,087	72,797
		<u>1,635,883</u>	<u>1,816,638</u>	<u>2,022,587</u>	<u>2,159,634</u>
<b>Non-current liabilities</b>					
Borrowings and debentures	18	2,917,356	3,036,682	2,917,356	3,036,682
Derivative financial instruments	5.2	30,267	99,840	30,267	109,600
Lease liabilities	17	4,869	15,569	10,843	17,563
Related parties	12	57,572	49,543	71,318	61,800
Provision	21	725,160	784,579	730,227	790,729
Use of public assets – UBP	22	909,965	868,914	989,807	943,800
Energy futures contracts	13	28,234	24,253	28,234	24,253
Deferred income tax	20			40,970	39,636
Other liabilities		45,162	44,405	48,797	65,549
		<u>4,718,585</u>	<u>4,923,785</u>	<u>4,867,819</u>	<u>5,089,612</u>
<b>Total liabilities</b>		<u>6,354,468</u>	<u>6,740,423</u>	<u>6,890,406</u>	<u>7,249,246</u>
<b>Shareholders' equity</b>					
Share capital	23	4,705,047	4,705,309	4,705,047	4,705,309
Revenue reserve		68,503	183,384	68,503	183,384
Retained earnings		974,195		974,195	
Carrying value adjustments		(255,845)	(387,894)	(255,845)	(387,894)
Atributable to owners of the parent		5,491,900	4,500,799	5,491,900	4,500,799
				<u>234,157</u>	<u>215,182</u>
Atributable to non-controlling interests					
<b>Total equity</b>		<u>5,491,900</u>	<u>4,500,799</u>	<u>5,726,057</u>	<u>4,715,981</u>
<b>Total liabilities and equity</b>		<u>11,846,368</u>	<u>11,241,222</u>	<u>12,616,463</u>	<u>11,965,227</u>

## Statements of Profit or Loss – 9M22 x 9M21

	Note	Parent company		Consolidated	
		1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Net revenue from products sold and services provided	24	5,870,240	5,234,307	6,867,903	6,005,952
Cost of sales	25	(4,544,992)	(4,317,070)	(5,321,096)	(4,865,843)
<b>Gross profit</b>		<b>1,325,248</b>	<b>917,237</b>	<b>1,546,807</b>	<b>1,140,109</b>
<b>Operating income (expenses)</b>					
Selling expenses	25	(32,157)	(26,451)	(37,843)	(30,782)
General and administrative expenses	25	(250,282)	(192,330)	(289,421)	(224,287)
Other income (expenses), net	27	62,185	(127,836)	60,373	(135,513)
		(220,254)	(346,617)	(266,891)	(390,582)
<b>Operating income before equity interest and finance result</b>		<b>1,104,994</b>	<b>570,620</b>	<b>1,279,916</b>	<b>749,527</b>
<b>Equity results</b>					
Equity in the results of investees	14	60,488	47,805	(6,570)	(17,751)
		60,488	47,805	(6,570)	(17,751)
<b>Net finance results</b>	28				
Finance income		183,762	43,400	211,429	50,764
Finance costs		(387,992)	(283,781)	(421,609)	(311,112)
Result of derivative financial instruments		154,407	(62,965)	185,258	(64,680)
Foreign exchange gains (losses)		41,242	(39,348)	36,266	(42,907)
		(8,581)	(342,694)	11,344	(367,935)
<b>Profit before taxes</b>		<b>1,156,901</b>	<b>275,731</b>	<b>1,284,690</b>	<b>363,841</b>
<b>Income tax</b>	20				
Current		(135,899)	(80,883)	(206,949)	(138,952)
Deferred		(46,807)	(8,355)	(40,404)	(2,018)
<b>Profit for the nine-month period</b>		<b>974,195</b>	<b>186,493</b>	<b>1,037,337</b>	<b>222,871</b>
Attributable to owners of the parent		974,195	186,493	974,195	186,493
Attributable to non-controlling interests				63,142	36,378
<b>Profit for the nine-month period</b>		<b>974,195</b>	<b>186,493</b>	<b>1,037,337</b>	<b>222,871</b>
Weighted average number of outstanding shares, in thousands		595,833	984,642		
Basic and diluted earnings per thousand shares	23 (c)	1,635	189		

## Statements of Profit or Loss – 3Q22 x 3Q21

	Parent company		Consolidated	
	7/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021
Net revenue from products sold and services provided	1,921,230	2,002,874	2,245,020	2,300,044
Cost of sales	(1,641,339)	(1,764,142)	(1,914,409)	(1,990,077)
<b>Gross profit</b>	<b>279,891</b>	<b>238,732</b>	<b>330,611</b>	<b>309,967</b>
<b>Operating income (expenses)</b>				
Selling expenses	(12,531)	(9,974)	(14,667)	(12,286)
General and administrative expenses	(79,537)	(64,252)	(91,323)	(73,537)
Other income (expenses), net	(30,962)	(19,242)	(30,153)	(39,014)
	(123,030)	(93,468)	(136,143)	(124,837)
<b>Operating income before equity interest and finance result</b>	<b>156,861</b>	<b>145,264</b>	<b>194,468</b>	<b>185,130</b>
<b>Equity results</b>				
Equity in the results of investees	(12,745)	(23,117)	(10,988)	(17,647)
	(12,745)	(23,117)	(10,988)	(17,647)
<b>Net finance results</b>				
Finance income	67,467	28,684	79,772	33,314
Finance costs	(94,494)	(103,244)	(106,324)	(117,307)
Result of derivative financial instruments	12,743	(62,225)	15,712	(75,509)
Foreign exchange gains (losses)	(16,090)	(95,018)	(16,125)	(95,413)
	(30,374)	(231,803)	(26,965)	(254,915)
<b>Profit (loss) before taxes</b>	<b>113,742</b>	<b>(109,656)</b>	<b>156,515</b>	<b>(87,432)</b>
<b>Income tax</b>				
Current	1,907	(42,991)	(21,559)	(60,959)
Deferred	(37,123)	105,338	(34,575)	107,891
<b>profit (loss) for the period</b>	<b>78,526</b>	<b>(47,309)</b>	<b>100,381</b>	<b>(40,500)</b>
Attributable to owners of the parent	78,526	(47,309)	78,526	(47,309)
Attributable to non-controlling interests			21,855	6,809
<b>Profit (loss) for the period</b>	<b>78,526</b>	<b>(47,309)</b>	<b>100,381</b>	<b>(40,500)</b>
<b>Weighted average number of outstanding shares, in thousands</b>	<b>595,833</b>	<b>984,642</b>		
Basic and diluted earnings (losses) per thousand shares	132	(48)		

## Cash Flow – 9M22 x 9M21

	Note	Parent company		Consolidated	
		1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
<b>Cash from operations</b>					
<b>Profit before income tax and social contribution</b>		<b>1,156,901</b>	<b>275,731</b>	<b>1,284,690</b>	<b>363,841</b>
Adjustments to non-cash items					
Interest, indexation accruals and exchange variations		192,603	275,505	187,471	282,433
Equity results	14	(60,488)	(47,805)	6,570	17,751
Depreciation, amortization and depletion	25	322,511	323,557	389,554	376,385
Energy futures contracts	27	87,039	(198,852)	87,039	(198,852)
Write-off of disposed assets	27	4,598	4,168	6,019	5,049
Recognition of gain from advantageous purchase in the acquisition of investments	27		(17,143)		(17,143)
Increase (decrease) in the provision for impairment of assets	27	(232,835)	133,884	(232,835)	133,884
Derivative financial instruments		(15,585)		(46,436)	
Hydrological risk renegotiation			(141,559)		(141,559)
Rondon Project			106,409		106,409
Fair value - Investment property		(7,960)		(7,960)	
Constitution of provisions, net		42,994	88,520	42,894	87,867
		1,489,778	802,415	1,717,006	1,016,065
<b>Decrease (increase) in assets</b>					
Financial investments		15,794	(150,275)	(25,748)	(98,373)
Derivative financial instruments		(222,947)	120,894	(222,947)	128,811
Trade receivables		146,919	(217,087)	188,768	(283,794)
Inventories		(274,773)	(474,626)	(237,484)	(566,206)
Taxes recoverable		(64,544)	243,390	(1,576)	249,339
Judicial deposits		(22,281)	(2,592)	(22,558)	(3,128)
Other credits and other assets		(959)	17,290	(47,699)	55,194
<b>Increase (decrease) in liabilities</b>					
Trade payables		223,395	249,449	240,880	214,021
Drawee risk payable		(441,377)	(208,419)	(437,592)	(207,838)
Salaries and payroll charges		10,373	(13,544)	14,212	(14,354)
Taxes liabilities		(6,772)	(274)	(71,592)	(54,855)
Use of public assets - UBP		18,088	16,421	18,053	27,274
Payments of tax, civil and labor proceedings		(35,435)	(20,343)	(36,588)	(20,343)
Other obligations and other liabilities		(191)	33,460	(5,615)	71,596
<b>Cash provided by operating activities</b>		<b>835,068</b>	<b>396,159</b>	<b>1,069,520</b>	<b>513,409</b>
Interest paid on borrowings, debentures and use of public assets (UBP)		(165,037)	(127,170)	(174,541)	(129,012)
Income tax and social contribution paid		(161,495)	(87,275)	(244,596)	(147,494)
<b>Net cash provided by operating activities</b>		<b>508,536</b>	<b>181,714</b>	<b>650,383</b>	<b>236,903</b>
<b>Cash flow from investing activities</b>					
Acquisition of property, plant and equipment and intangible assets	15 e 16	(586,645)	(286,748)	(613,858)	(340,271)
Acquisition of investment - Alux	1.1 (a)	(128,246)		(128,246)	
Capital increase in investees	14	(80,000)	(106,600)		
Proceeds from sales of property, plant and equipment		47,500		47,500	
Receipt for the sale of assets			5,349		901
Dividends received		26,802	6,870	664	
<b>Net cash used in investing activities</b>		<b>(720,589)</b>	<b>(381,129)</b>	<b>(693,940)</b>	<b>(339,370)</b>
<b>Cash flow from financing activities</b>					
Receipt for the issuance of common shares - Primary offering of shares	1.1 (f)		700,000		700,000
Share issue costs		(262)	(42,870)	(262)	(42,870)
New loans and financings	18	498,790		498,790	
Repayment of borrowings and debentures	18	(476,518)	(35,254)	(506,958)	(65,694)
Capital decrease			(407,022)		(407,022)
Derivative financial instruments		4,275	8,606	4,275	8,606
Dividends paid		(172,000)		(217,241)	(11,391)
Settlement of leases	17	(20,320)	(22,513)	(22,988)	(25,295)
<b>Net cash provided by (used in) financing activities</b>		<b>(166,035)</b>	<b>200,947</b>	<b>(244,384)</b>	<b>156,334</b>
Net increase (decrease) in cash and cash equivalents		(378,088)	1,532	(287,941)	53,867
Cash effects of company acquired and included in consolidation				15,647	
Cash and cash equivalents at the beginning of the nine-month period		1,280,956	563,985	1,449,345	632,438
Cash and cash equivalents at the end of the nine-month period		902,868	565,517	1,177,051	686,305
<b>Non-cash transactions</b>					
Capital increase			521		521
Properties involved in capital decrease			10,674		
New lease agreements			49,060	7,234	54,589
Accounts payable	1.1 (a)	5,000		5,000	
Receipt of investment property		(18,000)		(18,000)	

## Cash Flow – 3Q22 x 3Q21

	Parent company		Consolidated	
	7/1/2022 to 9/30/2022	7/1/2021 to 9/30/2021	7/1/2022 to 9/30/2022	7/1/2021 to 9/30/2021
<b>Cash from operations</b>				
<b>Profit (loss) before income tax and social contribution</b>	<b>113,742</b>	<b>(109,656)</b>	<b>156,515</b>	<b>(87,432)</b>
Adjustments to non-cash items				
Interest, indexation accruals and exchange variations	65,589	188,441	59,396	183,036
Equity results	12,745	23,117	10,988	17,647
Depreciation, amortization and depletion	114,166	118,442	137,188	137,144
Energy futures contracts	40,120	14,486	40,120	14,486
Write-off of disposed assets	(1,165)		(1,484)	
	4,598	4,168	6,019	5,049
Loss on sale of investments		(17,143)		(17,143)
Decrease in the provision for impairment of assets	(41,136)	(5,816)	(41,178)	(5,816)
Derivative financial instruments	(12,743)	(317,902)	(15,712)	(317,902)
Hydrological risk renegotiation		(141,559)		(141,559)
Rondon Project		106,409		106,409
Fair value - Investment property	(7,960)		(7,960)	
Constitution of provisions, net	7,835	29,848	7,906	28,148
	295,791	(107,165)	351,798	(77,933)
<b>Decrease (increase) in assets</b>				
Financial investments	(30,151)	(320,280)	(68,061)	(299,116)
Derivative financial instruments		430,741		448,820
Trade receivables	23,897	(63,071)	23,074	(93,941)
Inventories	(94,112)	(63,460)	(61,503)	(61,016)
Taxes recoverable	(19,577)	129,257	(26,890)	178,004
Related parties		(5,100)		(5,333)
Judicial deposits	(13,048)	(1,934)	(13,240)	(2,368)
Other receivables and other assets	685	13,257	(19,395)	35,774
<b>Increase (decrease) in liabilities</b>				
Trade payables	141,924	107,309	181,584	116,528
Drawee risk payable	9,239	(225,169)	11,348	(227,058)
Salaries and payroll charges	28,966	28,437	33,912	30,639
Taxes liabilities	1,722	18,815	(3,547)	(32,484)
Use of public assets - UBP	18,088	16,421	18,053	27,274
Payments of tax, civil and labor proceedings	(11,502)	(5,124)	(10,535)	(5,124)
Other obligations and other liabilities	(43,580)	(1,921)	(39,715)	4,022
<b>Cash provided by (used in) operating activities</b>	<b>308,342</b>	<b>(48,987)</b>	<b>376,883</b>	<b>36,688</b>
Interest paid on borrowings, debentures and use of public assets (UBP)	(55,863)	(39,839)	(60,132)	(41,077)
Income tax and social contribution paid	(59,248)	(87,275)	(72,405)	(97,048)
<b>Net cash provided by (used in) operating activities</b>	<b>193,231</b>	<b>(176,101)</b>	<b>244,346</b>	<b>(101,437)</b>
<b>Cash flow from investing activities</b>				
Acquisition of property, plant and equipment and intangible assets	(282,234)	(103,102)	(287,839)	(149,685)
Capital increase in investees	(20,000)	(36,600)		
Capital increase in investees	47,500		47,500	
Receipt for the sale of assets	(1,262)	5,349	(1,335)	901
Dividends received		6,870		
<b>Net cash used in investing activities</b>	<b>(255,996)</b>	<b>(127,483)</b>	<b>(241,674)</b>	<b>(148,784)</b>
<b>Cash flow from financing activities</b>				
Share issue costs		700,000		700,000
New loans and financings		(42,870)		(42,870)
Repayment of borrowings and debentures	498,790		498,790	
Capital decrease	(410,574)	(3,254)	(441,014)	(33,693)
Derivative financial instruments	(1,510)	2,113	(1,510)	2,113
Dividends paid		15,071		21,768
Settlement of leases	(7,315)	(15,388)	(8,105)	(16,752)
<b>Net cash provided by financing activities</b>	<b>79,391</b>	<b>655,672</b>	<b>48,161</b>	<b>641,239</b>
Net increase in cash and cash equivalents	16,626	352,088	50,833	391,018
Cash effects of company acquired and included in consolidation				(319)
Cash and cash equivalents at the beginning of the period	886,242	213,429	1,126,218	295,606
Cash and cash equivalents at the end of the period	902,868	565,517	1,177,051	686,305
<b>Non-cash transactions</b>				
Properties involved in capital decrease		21,348		
New lease agreements	(18,000)	13,105	(2,206)	14,065
			(18,000)	

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