



Earnings Release

1Q₂₃

Videoconference: May 09 (Tuesday) | 10:00 (EST)
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São Paulo, May 08, 2023 – Companhia Brasileira de Alumínio, “CBA” or “Company” (B3: CBAV3) hereby announces its results for the first quarter of 2023 (1Q23). 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.

Key events in 1Q23

Average aluminum price at LME
(London Metal Exchange) of USD
2,395/metric ton (-27% vs. 1Q22)

Aluminum sales volume of 106
thousand metric tons (-3% vs 1Q22)

Net revenue
of R\$ 1.9 billion (-16% vs. 1Q22)

Net revenue from aluminum sales
of R\$ 1.8 billion (-18% vs. 1Q22)

Adjusted EBITDA
of R\$ 84 million (-85% vs. 1Q22)

Adjusted EBITDA margin
of 4% (-20 p.p. vs. 1Q22)

Net income
of R\$ 89 million (-79% vs. 1Q22)

Leverage
of 1.91x (1.05x in 4Q22)

Foreign exchange and LME

	1Q22	2Q22	3Q22	4Q22	1Q23
Average USD/BRL rate	5.23	4.93	5.25	5.26	5.20
Average LME USD rate	3,280	2,875	2,354	2,324	2,395

	Mar/22	Jun/22	Sep/22	Dec/22	Mar/23
Closing USD/BRL rate	4.74	5.24	5.41	5.22	5.21
Closing LME USD rate	3,503	2,397	2,180	2,361	2,290



Executive Summary

In 1Q23, CBA continued its ESG progress, with another achievement, the AA rating in MSCI ESG Ratings, an upgrade from its A rating in 2022. To see how well-positioned CBA is in ESG terms, the 2022 Annual Report was released in March and can be accessed [here](#).

The Company also progressed in its strategic plan, with the aim of maintaining its focus on the core business of the aluminum industry. In April, as a subsequent event to the quarter, the contract for the sale of the Niquelândia Unit was signed, including the nickel mine and processing plant. The operation will close after the precedent conditions had been approved and consent obtained from anti-trust authorities.

From this quarter, CBA diversified its renewable energy generation, with 10% of the total capacity of its proprietary generation coming from the Ventos de Santo Anselmo and Ventos de Santo Isidoro wind complexes, which in this quarter represented a proprietary energy generation surplus due to the longer rainy season and higher output from hydroelectric power plants.

In this quarter, the global aluminum market was still marked by volatility due to macroeconomic uncertainties. At the end of March, LME prices recovered slightly as international markets stabilized and China's economic prospects improved, ending the quarter with an average aluminum LME price of USD 2,395/t.

In CBA's specific situation, the Company has been facing a gradual worsening of the physical-chemical properties of petroleum coke and coal-tar pitch for the production of anodic paste suitable for the aluminum production process, which reflected in operational instability of the Pot Rooms, impacting the electrical current efficiency and specific consumptions. Ultimately also impacting the aluminum production, which had a 9% drop in volume contracted compared to 4Q22. This impact is already being addressed by creating a new blend of petroleum coke and coal-tar pitch, which is already in the process of operational stabilization.

Moreover, the Company has already noticed the slight easing of costs of some of the main inputs for aluminum production in the industry, reflecting a 3.2% reduction in production costs in 1Q23 compared to 4Q22. It is worth noting that there is a lag of 4 to 6 months between production costs and the cost of goods sold, due to the inventory turnover.

It should be noted that even in a challenging short-term situation, CBA remained in the first quartile of the global cost curve in 1Q23.

In 1Q23, the global aluminum market was marked by volatility due to macroeconomic uncertainties and events in the international banking system. After a rise in January, LME aluminum prices gradually eased, influenced by substantial intervention by central banks to contain the inflation rate and concerns about the recovery of global demand. However, at the end of March, LME prices recovered slightly as international markets stabilized and China's economic prospects improved.

According to the consultancy firm CRU, there was a 5.7% contraction in global aluminum consumption in 1Q23 compared to 1Q22. Compared to 4Q22, the drop was 7.1%, mainly due to the seasonal reduction in consumption due to the Chinese New Year.

Primary aluminum production, in turn, fell by 2.0% compared to 4Q22, mainly due to production cuts caused by energy restrictions in China which is experiencing a dry season and consequently low hydroelectric power generation capacity. Compared to 1Q22, global supply grew 2.5%, due to a number of restarts in China and South America.

Demand fell faster than supply in 1Q23, resulting in a global market surplus of 1,114 kt. Despite this, the consultancy firm CRU estimates a slight global deficit of 16kt in 2023, assuming a recovery in global consumption spurred by China, in the second half of this year.

Official inventories rose sharply in 1Q23. After ending the year with a total (LME + SHFE) of 543kt, the metal inflow boosted the number to 810kt on the last day of March, an increase of 49%. Inventory in days of consumption went from 50 days in 4Q22 to 59 days in 1Q23, reflecting mainly the underwhelming recovery by the Chinese economy after the Chinese New Year holiday. However, at the end of March, as activities gradually resumed in China and due to recent production cuts in Yunnan, Chinese inventories fell again.

After reaching historical levels at the beginning of 2022, premiums eased during the year, due to lower international shipping and demand concerns. The Midwest Duty Unpaid and Rotterdam Duty Unpaid premiums fell 19% and 44%, respectively in 1Q23 compared to 1Q22. However, these premiums recovered in 1Q23 compared to 4Q22, with Midwest Duty Unpaid, which ended last year's last quarter at an average of USD 205/t, closing 1Q23 at an average of USD 353/t (+73%). The Rotterdam Duty Unpaid premium also rose during the period by around 4%.

The volatility of LME aluminum prices was substantially shaped by macroeconomic developments and investor confidence. The price peaked at USD 2,636/t in January but then eased, hitting a low of USD 2,232/t in March. Aluminum prices in 1Q23 averaged USD 2,395/t, about 3.1% higher than in 4Q22 and 27% below the price in 1Q22.

Despite immediate uncertainties, aluminum demand in Brazil proved resilient in the first quarter of 2023, increasing slightly compared to the same period last year, driven by the transportation and packaging segments (excluding cans).

According to Anfavea data, light vehicle production increased by 11% in 1Q23 compared to 1Q22, mainly due to the greater availability of inputs. In the same period, bus body production increased significantly by 44%, with volumes above pre-pandemic levels (Fabus). Implement sales, in turn, grew 4% compared to 1Q22, according to Anfir data.

The consumer goods and construction sectors registered consumption below the 1Q22 level mainly due to the higher prices and higher credit costs. Furthermore, compared to 4Q22 these two sectors made a modest recovery, contributing to the marginal increase in the country's overall aluminum demand compared to the last quarter of last year.

In the first few months of 2023, rolled product imports rose significantly compared to the same period in 2022, possibly to build up volumes given the implementation of measures against rolled product imports from China, which were meant to come into effect in the period but were pushed back to the second half of the year. Also, lower international shipping costs and the reopening of China have driven up rolled product exports to Brazil. Moreover, imports of primary products decreased at the start of the year compared to the same period in 2022, indicating a higher level of inventory in the supply chain.

The Brazil DDP Southeast premium (Platts) averaged USD 377/t in 1Q23, a 4% decrease compared to the previous quarter and a 7% decrease compared to 1Q22, reflecting a contraction in international shipping and higher finished product inventories in the supply chain. However, it remains buoyant and is less volatile than other international premium references, mainly due to consistent domestic demand.



Operating and financial performance

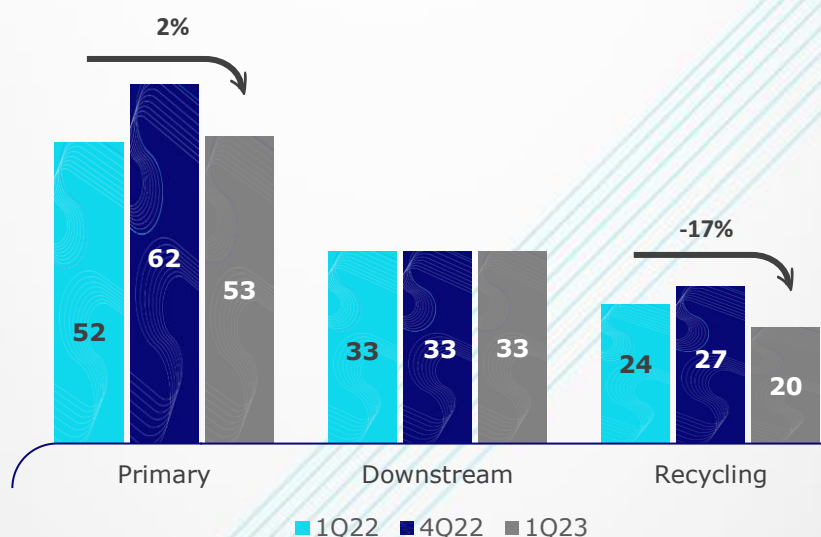
R\$ millions	1Q23	1Q22	1Q23 vs. 1Q22	4Q22	1Q23 vs. 4Q22
Aluminum Sales Volume (thousand metric tons)	106	109	-3%	122	-13%
Primary	53	52	2%	62	-15%
Downstream	33	33	0%	33	0%
Recycling	20	24	-17%	27	-26%
Net revenue	1,916	2,292	-16%	1,957	-2%
Aluminum	1,816	2,220	-18%	1,912	-5%
Primary	768	996	-23%	922	-17%
Downstream	702	839	-16%	708	-1%
Recycling	207	217	-5%	244	-15%
Other	291	439	-34%	198	47%
Strategic Hedge	-	(121)	-	-	-
Eliminations	(152)	(150)	1%	(160)	-5%
Energy	136	152	-11%	159	-14%
Energy eliminations²	(41)	(83)	-51%	(117)	-65%
Nickel	5	3	67%	3	67%
Cost of goods sold	(1,856)	(1,738)	7%	(1,854)	-
Operating expenses	(108)	(96)	13%	(127)	-15%
Selling	(12)	(11)	9%	(11)	9%
General and administrative	(96)	(85)	13%	(116)	-17%
Other operating revenue (expense)	152	(61)	-	(110)	-
Depreciation, amortization and depletion	135	128	5%	150	-11%
Other additions and exceptional items	(154)	27	-	87	-
Adjusted EBITDA¹	84	552	-85%	103	-18%
EBITDA Margin	4%	24%	-20 p.p.	5%	-1 p.p.

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

² Elimination of energy sales for the aluminum business, also included in the COGS above

Aluminum Sales Volume

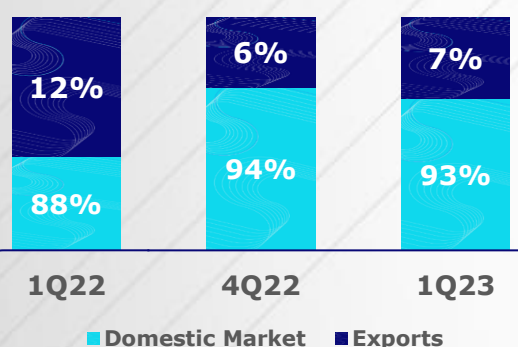
Sales volume (kt)



In 1Q23, the volume sold of primary products was 53,000 tons, practically stable compared to the same quarter of the previous year (52,000 tons), but down 15% on 4Q22, due to season factors.

The primary segment sales mix improved, with an increase in the share of higher value-added products compared to the previous quarter and the same period last year. The good performance of the aluminum cable and automotive wheel markets has favored the AlSi (aluminum-silicon) ingots and bars consumption, respectively, with CBA being able to increase its market share in these markets.

% aluminum sales



Sales allocation did not experience significant variance compared to the fourth quarter of 2022, primarily in the domestic market. The percentage of exports in the first quarter of 2022 rose due to the increase in billets exports, which were boosted by the attractiveness of high premiums in Europe during that period.

The volume of downstream products remained stable in 1Q23 compared to 1Q22 and 4Q22, with 33,000 tons sold in all periods, reinforcing this segment's resilience. Rolled products experienced greater competition from imported products from China, to build up volumes ahead of the expected implementation of compensatory measures, which were postponed from April 2023 to the second half of 2023.

Moreover, CBA was able to increase its market share in extruded products and increase its share in the sales of the Primora line, which is aimed at the medium and high-end markets in the construction sector, which have better margins.

The recycling segment ended the first quarter with a volume of 20,000 tons sold, a decrease of 17% compared to the same period last year. The main effect was the lower demand for recycled billets from Metalex, reflecting a slowdown in home improvement sector. During this period, Alux do Brasil's volumes remained stable, spurred by strong demand from the automotive sector, especially for motorcycles.

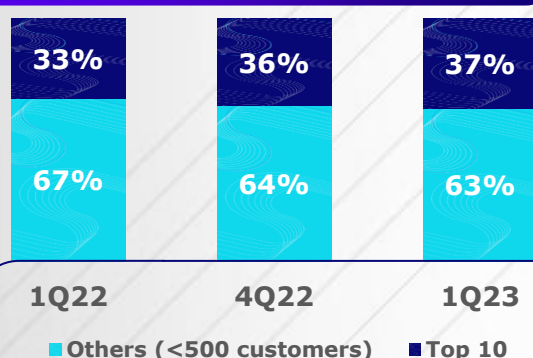
Compared to the previous quarter recycled sales dropped 26%, due to the lower seasonal demand at the beginning of the year, coupled with lower consumption in the home improvement sector.



Net Revenue

CBA's consolidated net revenue mainly streams from a diversified portfolio of more than 500 clients in the aluminum business. CBA also focuses its sales mainly in the domestic market, as it is well-positioned geographically, within approximately 100km radius of its main customers, with flexibility to increase its exports depending on domestic market conditions.

% revenues in the period



In 1Q23, CBA's consolidated net revenue reached R\$ 1.9 billion, a reduction of 16% compared to 1Q22 and unchanged on 4Q22.

Net revenue from the aluminum business was R\$ 1.8 billion in 1Q23, an 18% reduction on the same period of the previous year and 5% on 4Q22. Compared to 1Q22, the main effect is mainly due to a 73% reduction in the average aluminum price on the LME between the compared periods, which was partially offset by the termination of strategic hedging.

In contrast, the main effect compared to 4Q22 is mainly due to lower sales volumes in the primary and recycling segment between the compared periods, partially offset by the higher sales volume from other segments. This is due to the sale of 7,000 tons of ingot trading in 1Q23, which was made to meet customer demand, given the operational instability in the quarter, which affected production volume during the period.

Primary segment net revenue fell 23% in 1Q23 vs. 1Q22, due to lower volumes sold and lower prices practiced in the period, considering the lag effect on pricing. Despite this, the sales mix improved, with a higher contribution from AlSi billets and ingots, which have higher price premiums. The reduction on 4Q22 was 17%, mainly due to the lower sales volume between the compared periods.

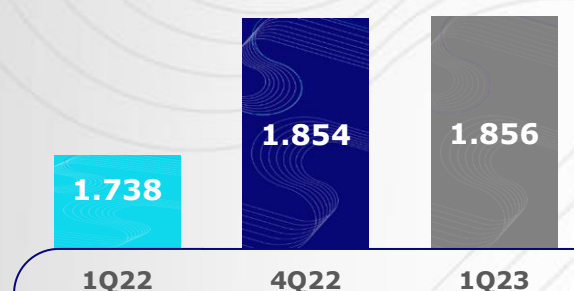
In the downstream segment, the reduction of net revenue was 16% in 1Q23 vs. 1Q22, also due to lower volumes sold in the period, combined with lower prices practiced. It is worth noting that 25% of the extruded volume is already reflecting Primora line sales, which has products with higher price premiums. Net revenue remained stable on 4Q22, in line with volume.

In the recycling segment, the 5% decrease in 1Q23 vs. 1Q22 net revenue was lower than the 17% decrease in sales volumes, as that the sales volume reduction affected Metalex's service line, in which pricing is not LME-indexed. Moreover, Alux contributed more to net revenue in 1Q23, with R\$ 82 million vs. R\$ 79 million in 1Q22. As for 4Q22, the revenue decrease is also due to the lower sales volume between the compared periods.

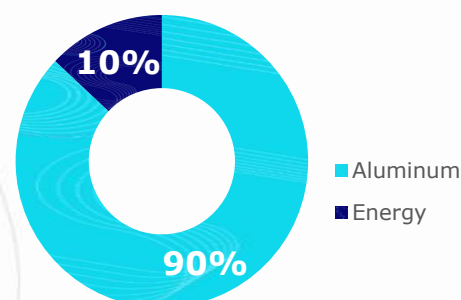
Lastly, net revenue from the energy business in 1Q23 decreased by 11% and 14% compared to 1Q22 and 4Q22. Even with the higher surplus volume for sale in the period, resulting from higher rain volumes in the period and wind power complexes coming onstream, there was a R\$57 million reduction in revenue related to the deconsolidation of the Enercan investment, which ceased to be a subsidiary since December 2022.

Cost of Goods Sold (CPV)

COGS (R\$ millions)



Breakdown of COGS in 1Q23

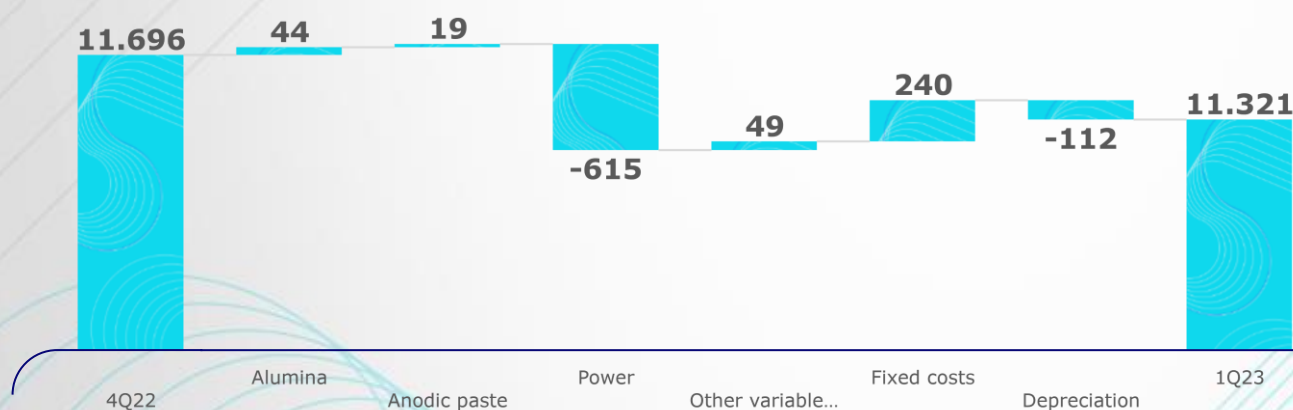


In 1Q23, CBA's consolidated cost of goods sold (COGS) increased by 7% and 0,1% compared to 1Q22 and 4Q22, respectively, mainly due to the increase in energy COGS, reflecting the higher volume of energy sold in the compared periods, even with the positive impact of R\$ 31 million related to the signing of energy swap contracts.

The aluminum business COGS increased by 3% compared to 1Q22, due to the sequential increase in production costs over the past 12 months, reflecting the inflation experienced by certain core inputs for aluminum production. There is a lag between production costs and COGS, due to inventory turnover. Compared to 4Q22, the 5% decrease in COGS is due to the lower sales volume, but with an increase in cost per ton, reflecting the recent increase in aluminum production costs due to inflation experienced by certain core inputs for aluminum production.

Production Costs

Liquid Aluminum Production Costs (R\$/t)



The average cost of producing liquid aluminum decreased by 3.2% in 1Q23 compared to 4Q22, mainly due to a 32% decrease in energy costs, partially offset by a 4.1% increase in fixed and variable costs (alumina, paste and others).

The seasonal increase in rainfall boosted the hydroelectric generation of CBA's own plants, avoiding the need to source energy from contracts with higher costs. In addition, the average price of CBA's proprietary energy also decreased by 17% due to higher generation in the period.

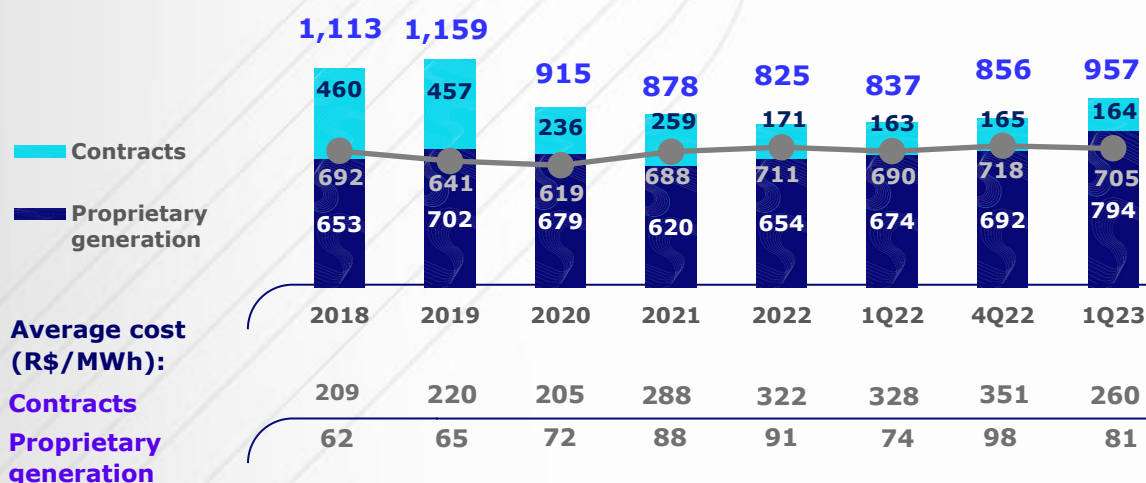
The cost of alumina increased by 1.1%, mainly due to a change in the ore blend, which worsened the specific consumption of soda and increased the unit cost of bauxite. However, the prices of inputs such as caustic soda and natural gas already showed a decrease in the period.

The cost of anodic paste also increased slightly by 0.6% due to increased imports of petroleum coke and operational instability in the Smelters. Mitigating actions have already been

implemented, with operations expected to gradually stabilize in the coming quarters.

The production of liquid aluminum was also temporarily impacted by operational instability caused by the quality of the anodic paste. The volume produced in the quarter was 79,000 tons, a decrease of 9% compared to 4Q22. The reduction in production was one of the main factors behind the increase in fixed costs per ton in 1Q23.

Power Balance



As shown in the graph above, historically CBA has enjoyed an energy surplus, which has been decreasing over the years due to the termination of bilateral contracts and higher consumption. It is worth noting that the contract volume is mainly composed of two contracts, the largest of which is Mix Votener, a contract that started in 2008 and has been mostly restated by the IGPM index, which reflects an average contract cost well above the market price.

The volume of contracts in 1Q23 remained stable compared to 1Q22 and 4Q22, but a reduction of 21% and 26%, respectively, in the average cost of contracts was observed due to the renegotiation of the new energy swap contract.

Proprietary generation in 1Q23 was 18% higher than the volume in 1Q22 and 15% higher than the volume in the previous quarter, due to higher rainfall volumes in the period and the starting of operations of the Ventos de Santo Anselmo and Ventos de Santo Isidoro wind complexes, which contribute 10% of CBA's total energy generation capacity. The average cost of proprietary generation rose by 9% compared to the same quarter the previous year, due to inflation adjusted in the energy price coming from the interests held by CBA in the energy generation asset JVs, which occurred in 2Q22 and 3Q22. Regarding 4Q22, the average cost of proprietary generation decreased 17%, due to higher generation in proprietary power plants and consequently higher dilution of fixed and variable costs.

It is also worth noting that CBA's proprietary generation comes from 11 hydroelectric power plants, directly connected to the aluminum plant, and the energy consumed is imperative for aluminum production, which composes the aluminum production cost. CBA also has 7 more hydroelectric power plants and 4 SPEs from the Ventos de Santo Anselmo and Santo Isidoro wind

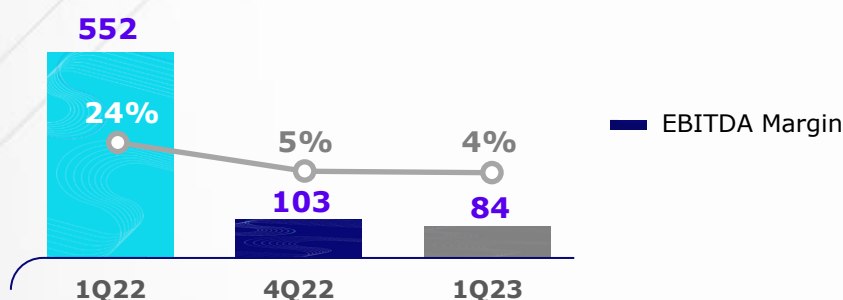
complexes, connected to SIN (National Interconnected Grid), where depending on the generation level, energy can be consumed for aluminum production or sold as energy surplus.

Part of the 7 hydroelectric power plants connected to SIN are the power plants that CBA has an equity interest and control in the companies, CBA Machadinho Geração de Energia Ltda. (100%) and CBA Energia Participações S.A. (33.3%), which in the consolidated view contribute with 3 more power plants. All energy costs that come from these plants and are consumed in aluminum production are allocated to the aluminum segment, and the revenue and cost of energy sold as surplus are allocated to the energy segment. As the companies controlled by CBA (CBA Machadinho Geração de Energia Ltda. and CBA Energia Participações) are separate legal entities, sales to CBA are eliminated in the consolidated reporting, and this elimination can be seen in the above table Operational Financial Performance.

In addition, CBA has a significant volume of self-generated energy in the Southern submarket, while its consumption is mostly located in the Southeast region, so CBA buys and sells energy, with the objective of adjusting the submarket, which does not impact the supply-load balance shown above, since the purchase volume is equal to the sale volume, with the only change being the delivery region.

EBITDA

EBITDA and Adjusted EBITDA margin (R\$ millions)



(R\$ millions)	1Q23	1Q22	1Q23 vs. 1Q22	4Q22	1Q23 vs. 4Q22
Net Income/Loss	89	426	-79%	(80)	-23%
Finance Income/Costs	(0,5)	(167)	-100%	13	1548%
Income Tax/Social Contribution	33	156	-79%	(58)	-19%
Depreciation and Amortization	134	129	4%	150	-10%
EBITDA (ICVM 527)	257	545	-53%	25	879%
Share of profit (loss) of equity-accounted investees	(18)	(19)	-4%	6	-393%
Share of profit (loss) of equity-accounted investees - Discontinued Operations	-	-	-	(16)	-
Future energy contracts	-	24	-	(1)	-
Gain (loss) on PP&E sale	-	-	-	19	-
Provision for (reversal of) asset impairment	(154)	3	-	7	-
Provision for (reversal) tax impairment	-	-	-	15	-
Fair Value of Available-for-sale Assets	-	-	-	48	-

Adjusted EBITDA¹	84	552	-85%	103	-18%
Adjusted EBITDA Margin	4%	24%	-20 p.p.	5%	-1 p.p.

¹ 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\$ 84 million in 1Q23, 85% less than in 1Q22. The consolidated EBITDA margin in 1Q23 was also lower than in 1Q22 by 20 percentage points, closing the quarter with an adjusted EBITDA margin of 4%. EBITDA fell by 18% and the adjusted EBITDA margin changed by 1 percentage point in relation to 4Q22.

The variation in the main EBITDA adjustments in the compared quarters is mainly due to the reversal of the impairment provision of the Niquelândia plant, due to its subsequent sale.

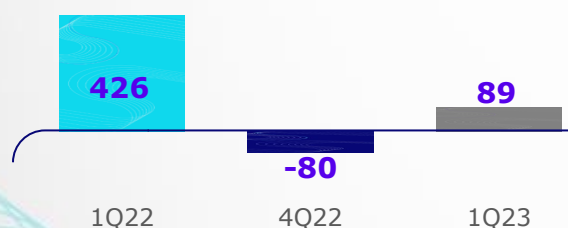
Finance income/loss

R\$ millions	1Q23	1Q22	1Q23 vs. 1Q22	4Q22	1Q23 vs. 4Q22
Earnings on investments	28	30	-7%	35	-20%
Interest on loans and borrowings	(48)	(44)	9%	(44)	11%
Exchange variance	25	81	-69%	10	161%
Net hedge income/loss	43	198	-78%	10	353%
Other net finance costs	(48)	(98)	-51%	(23)	112%
Net finance income/loss	(0,5)	167	-	(13)	-

There was a reversal in the net finance income from a positive R\$ 167 million in 1Q22 to a negative R\$ 494 thousand in 1Q23, with the main impact being the mark-to-market of the new energy swap contract to protect wind energy and BNDES in the amount of R\$ 148 million. Additionally, there was a negative impact of R\$ 56 million from exchange variance, due to a higher appreciation of the Brazilian real in 1Q22 (Mar22: 4.74 vs. Dec21: 5.58) compared to the same period in 2023 (Mar23: 5.08 vs. Dec22: 5.22). The negative effects were partially offset by an improvement of R\$ 50 million in other finance income, mainly related to monetary restatement in the period.

Net income/loss

Net income/Loss (R\$ million)



R\$ millions	1Q23	1Q22	1Q23 vs. 1Q22	4Q22	1Q23 vs. 4Q22
Net Revenue	1,916	2,292	-16%	1,957	-2%
Cost of Goods Sold	(1,856)	(1,738)	7%	(1,854)	-
Selling, general and administrative expenses	(108)	(96)	13%	(127)	-15%
Other operating income	152	(61)	-	(110)	-
Investee income	18	19	-4%	(6)	-407%
Net finance income/loss	(0,5)	167	-	(13)	-
Income tax and social contribution	(33)	(156)	-	58	-

Profit (loss) from discontinued operations	-	-	-	16	-
Net income/loss	89	426	-	(80)	-

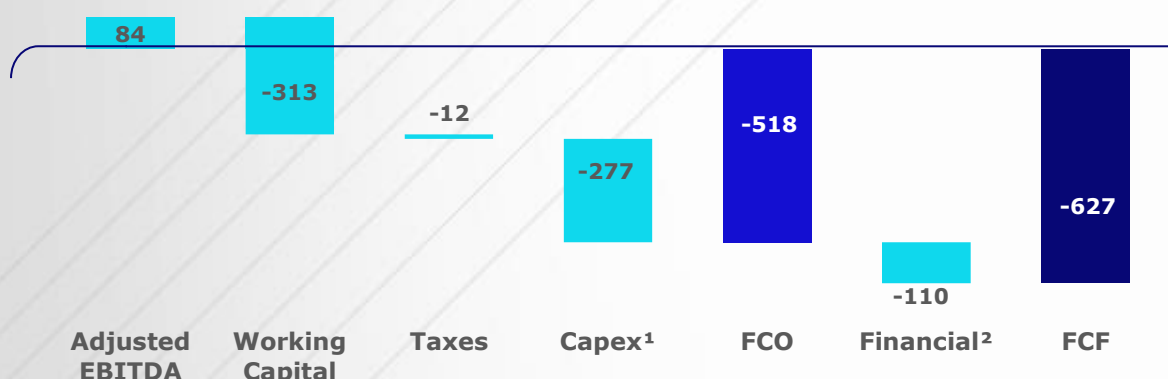
CBA made a net income of R\$ 89 million in 4Q22 vs. net income of R\$ 426 million in 1Q22 and a net loss of R\$ 80 million vs. 4Q22.

The variance with respect to 1Q22 is mainly due to the lower net revenue, in contrast with the higher cost of goods sold (CPV) in the compared periods, in addition to the variation in other operating results.

Regarding 4Q22, the variance in other operating income is due to the reversal of impairment of the Asset Retirement Obligation (ARO) related to the sale of the Niquelândia plant in the amount of R\$ 121 million, in addition to the recognition of the first carbon credits sale, partially offset by the higher net finance loss in 1Q23.

Free Cash Flow

R\$ million



¹ Accrual basis CAPEX

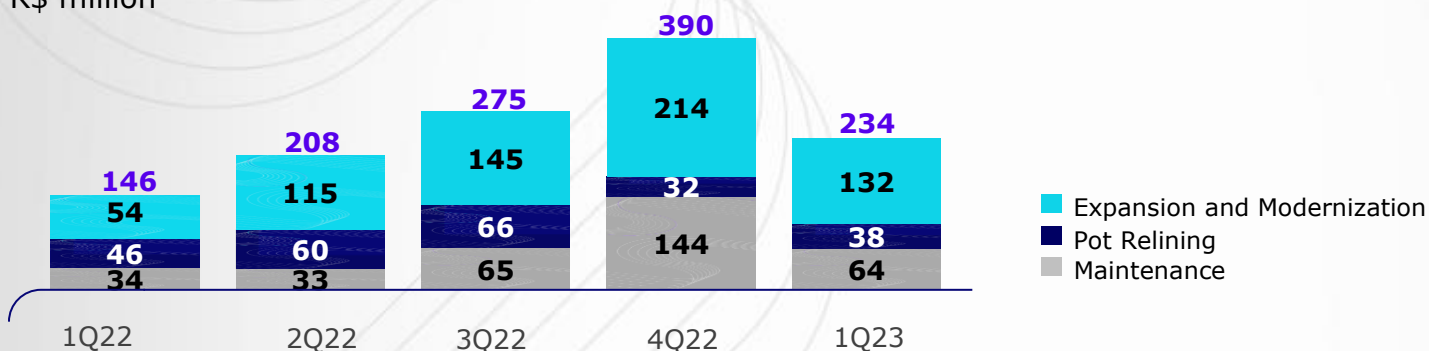
² Acquisition, sale of assets and net interest. including the payment of R\$49 million from Alux.

Working Capital

In 1Q23, the variation in Company's working capital was a deficit of R\$ 313 million, with a positive R\$ 70 million due to higher payables and risks related to the purchase of metal from third parties and an increase in certain chemical inputs, offset by the following main factors: (a) an increase in accounts receivable of R\$ 49 million, mainly due to the purchase of aluminum oxide in the quarter that was received the subsequent month, (b) an increase in inventories of R\$ 188 million due to operational instability generated by the quality of raw materials, (c) R\$ 50 million due to the higher generation of tax credits due to the higher purchases of inputs, as well as other dispersed effects.

Capital Expenditure (CAPEX)

R\$ million

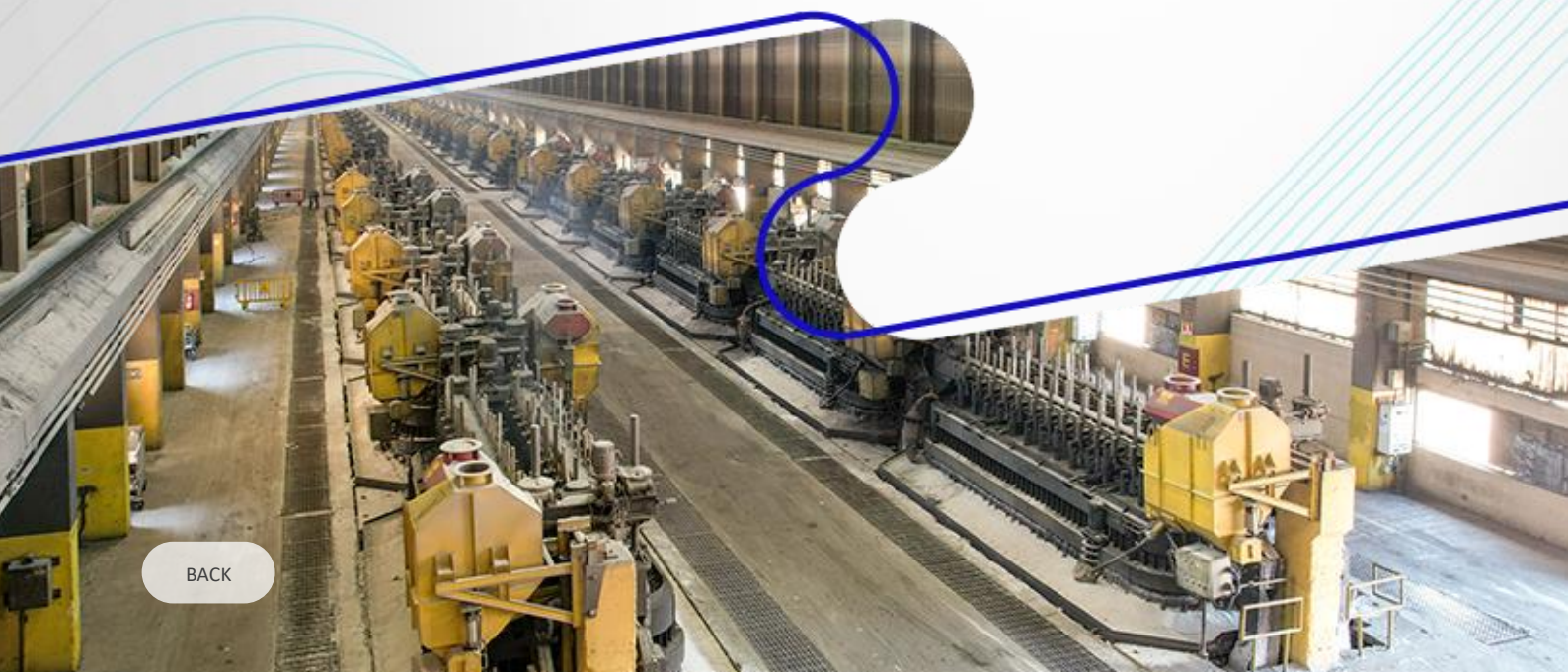


Total capital investment (cash basis) in 1Q23 rose by 60% on 1Q22, with 56% of investments in the quarter made in CBA's modernization and expansion products, which are multi-year projects and follow the schedule set out in the IPO. The remaining CAPEX is concentrated at 16% on smelter upgrades and 28% on maintenance.

Despite the expected progress in the quarter, the project schedule has the flexibility to be revised according to operational cash flow generation and market conditions.

There follows information about the projects and their respective status:

- **Added primary aluminum production**
 - Paste Plan Upgrade: an ongoing project, which is a prerequisite for the restart of Pot Room 1.
- **Dry waste disposal project:** in electromechanical assembly.
- **Additional aluminum production from recycling:**
 - ReAl: under implementation.
 - Recycling expansion at Metalex: under implementation.



Indebtedness and Liquidity

Debt breakdown (R\$ Million)

	Mar/23	Dec/22	Mar/22
Current	125	108	93
Noncurrent	3,510	2,861	2,637
Gross debt	3,635	2,969	2,730
(-) Cash, cash equivalents and short-term investments	1,296	1,189	1,585
(+) Derivative financial instruments	-146	-104	-33
(+) Leasing	25	32	41
Net debt	2,218	1,707	1,153
Adjusted EBITDA - Last 12 months	1,159	1,626	1,729
Net debt/Adjusted EBITDA UDM¹	1.91x	1.05x	0.67x
Average cost USD (% p.a.)²	5.11%	5.07%	4.87%
Average term (years)	4.32	4.06	4.12

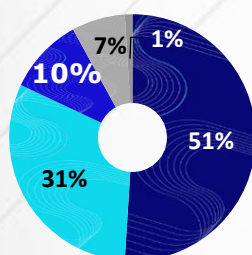
¹ Last twelve months

² Considers the total cost of the debt, including in BRL, converted into USD on 03/31/2023.

CBA's debt is largely denominated in US dollars, with 86% in USD and 14% in Reais. We also took out derivatives which converted the IPCA floating rate in Reais into a fixed rate in dollars for part of the BNDES financings, which if included would increase the proportion of the dollar debt to 90%.

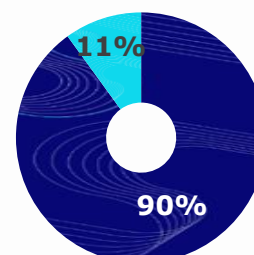
Breakdown by Instrument (%)

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



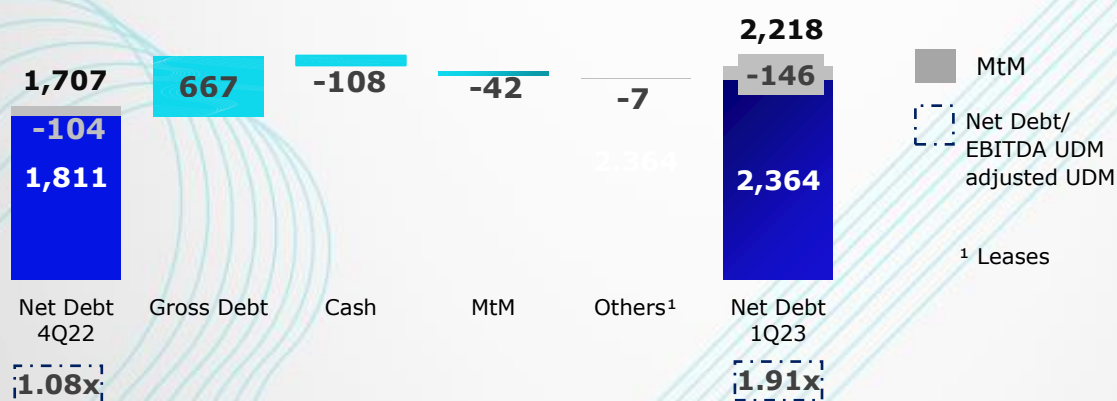
Breakdown by Currency (%)

- USD
- BRL



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 in 1Q23 only was a positive R\$ 46 million due to the appreciation of the Brazilian Real in the period. 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.

Net debt (R\$ million) and Leverage



In March 2023, CBA's gross debt was R\$ 3.6 billion, 22% higher when compared to the balance of R\$ 3 billion in December 2022, mainly due to the fundraising carried out in the period totaling R\$ 737 million, aimed at financing capex and cash replenishment, partially offset by the 3% appreciation of the Brazilian real against the US dollar, from USD/R\$ 5.22 to USD/R\$ 5.08 at the end of the period.

In February 2023 the Company had the initial funds released regarding the contracts signed with the Brazilian Development Bank (BNDES) to finance the upgrading of CBA smelters the restart of Smelter 3 and implementing a new scrap processing line at Metalex in the total aggregate amount of R\$ 179 million. R\$ 149 million of the total amount released has a fixed cost in US dollars of 4.85% per year, with final maturity in 2043, and R\$ 30.5 million has a fixed cost in Reais of 2.11% per year, with final maturity in 2035.

In March 2023, the Company also entered into three loan agreements through export financing facilities (Export Pre-Payment and Export Credit Notes) in the aggregate amount of USD 107.9 million (equivalent to

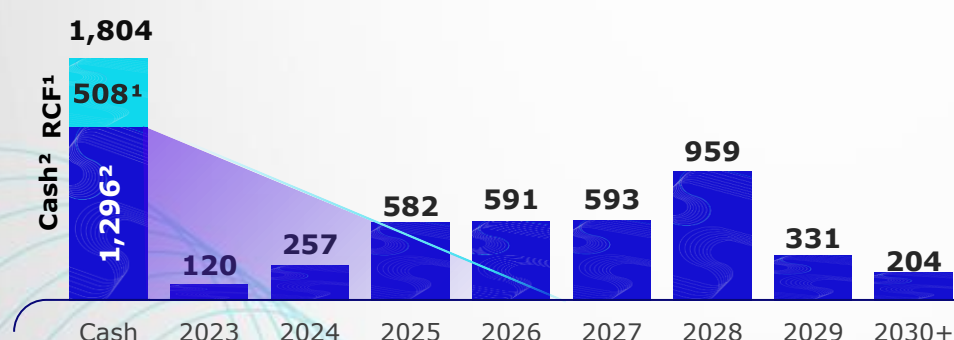
R\$ 557.4 million), with an average term of 5 years and final maturity in March 2028. The average cost of the funding is SOFR + 2.12% p.a., where two contracts total USD 30 million in the form of Sustainability Linked-Loans, subject to annual targets for the reduction of greenhouse gas emissions in primary aluminum production, which may increase or decrease in cost depending on whether the established targets are met.

Cash equivalents and short-term investments stood at R\$ 1.3 billion in March 2023, with 93% denominated in Reais and 7% in USD. CBA also has a USD 100 million Revolving Credit Facility, which provides an additional source of liquidity and can be drawn at any time during the contract. It has not yet been used.

Net debt was a total of R\$ 2.2 billion, 30% more than the previous quarter (R\$ 1.7 billion) and financial leverage, as measured as the ratio of TTM net debt to adjusted EBITDA, hit 1.91x in March 2023, reflecting the increase in the debt balance and R\$ 468 million decrease in TTM accumulated EBITDA. This result was partially offset by an improvement in the mark-to-market of derivative financial instruments in the amount of R\$ 42 million.

Debt Amortization Schedule (R\$ million)

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



¹ Revolving green credit facility of USD 100mm converted at the Ptax closing rate 12/31/2022 (R\$ 5.2177)

² Includes cash, cash equivalents and financial investments as of 12/31/2022.

Derivative Operations

The Company's Financial Policy allows the procurement of derivatives for 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)	
		Mar/23	Dec/22	Mar/23	Dec/22	1Q23	4Q22
Not designated as hedge accounting							
Hedging loans and borrowings							
Swap IPCA and Reais vs. Fixed and USD	R\$ millions	127	129	(26)	(33)	1.6	(0.2)
Hedging operating contracts							
Swap IPCA and Reais vs. Fixed and USD	R\$ millions	823	823	179	137	-	-
Swap IPCA/IGPM and Reais vs. Fixed and USD	R\$ millions	1,621	-	(7)	-	31	-

Hedging loans and borrowings

Forex and interest swaps for 34% of the 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 March 31, 2023, the restated balance of operations was R\$ 127 million, whose final maturities are in December 2028 and July 2034. The result of these operations in 1Q23 was a positive R\$ 1.6 million compared to a negative R\$ 186,000 in 4Q22, due to the appreciation of the Brazilian real on the settlement dates, combined with higher inflation in the quarter.

The fair value was a negative R\$ 26 million, 24% more compared with the previous quarter, primarily due to the strengthening 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/IGPM 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 March 31, 2023, 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 April 2023.

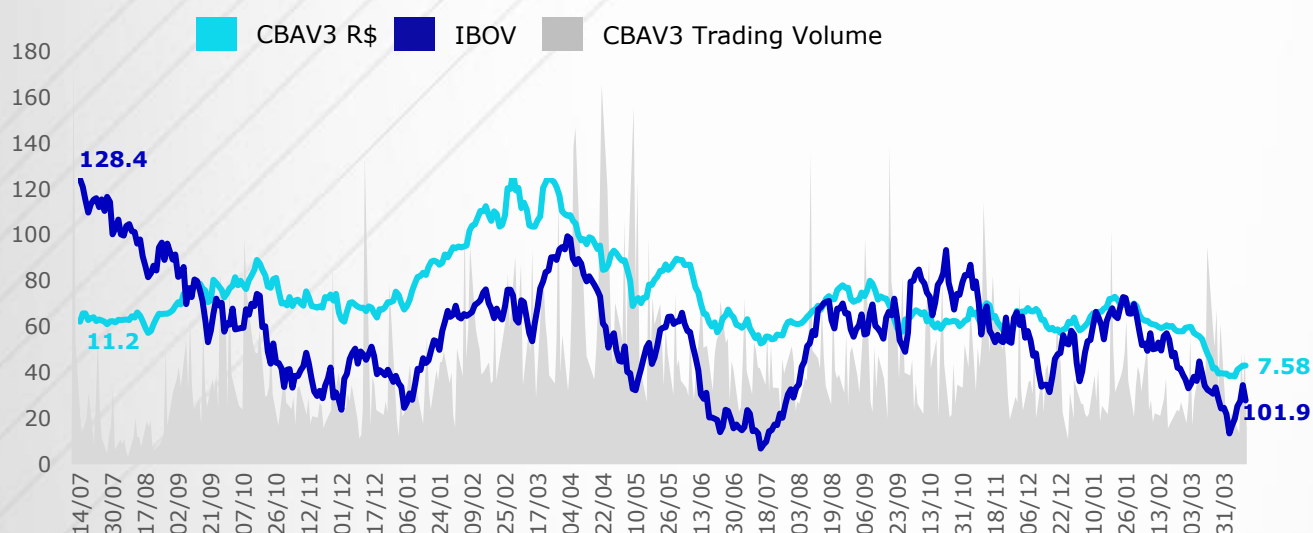
The fair value was a positive R\$ 146 million, 40% more compared with the previous quarter, primarily due to the strengthening of the Brazilian Real against the US dollar at the end of the period. As these instruments were not designated as hedge accounting, gains or losses and the mark-to-market of operations are recognized in finance income (loss) for the period.

Capital Market

CBAV3

As of March 31, 2023 CBAV3 closed the first quarter of the year at R\$ 7.58. The CBAV3 average daily trading volume (ADTV) in 1Q23 was R\$ 33.3 million.

CBAV3, IBOV and CBAV3 trading volume since the IPO



Ownership Structure

As of March 31, 2023 the Company's capital was comprised of 595,833,333 common shares with a market value of R\$ 6.9 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

In 1Q23 CBA compiled and audited its Greenhouse Gas (GHG) Emissions Inventory based on the GHG Protocol methodology, resulting in smelting emissions per tonne of molten aluminum of 3.03 t CO₂e/t (scope 1 and 2), a figure 4x lower than the global average of 12.6 t CO₂e/t according to the International Aluminium Institute (IAI). At the Refinery stage CBA emits 0.23 tCO₂e/t Oxide, with the lowest carbon emissions in the world at this stage according to the CRU consulting database.

Regarding Renewable Energy, in 2022, CBA secured the consumption of 100% traceable renewable electricity through proprietary generation and acquisition of renewable energy certificates. This quarter saw the commissioning of the Ventos de Santo Anselmo (PI and PE) and Ventos de Santo Isidoro (PI) wind power complexes, supplying the Alumínio (SP) and Itapissuma (PE) plants.

In respect of water resources, CBA has implemented careful water management practices and is working toward a target to reduce water withdrawal intensity per metric ton produced (m³/t Al) at the Alumínio plant by 20%, where this plant accounts for over 80% of our entire water requirement. The freshwater consumption indicator this quarter was 6.6 m³/t, a decrease of 7.1% on 4Q22.

CBA continues to consistently pursue its defined programs in the diversity, equity and inclusion agenda, reaching 17.2% of women in the total workforce of the Company this quarter, compared to 17% in 4Q22, and 21% in leadership positions.

On the safety front, our injury frequency rate was 1.98 at the end of the first quarter (per 1,000,000 man-hours worked), a 12% increase on the previous quarter.

In terms of social projects, CBA is planning to roll out 76 initiatives in 2023 including structuring projects and local/incentivized projects, and is currently negotiating with public partners or procuring suppliers.

We are maintaining our work in education, government support and economic development, in addition to projects related to our core business, such as studies into multilayer packaging and post-consumer scrap.

This quarter, CBA launched the Votorantim Program for Childhood and Adolescence (VIA)(VIA) project in the city of Alumínio/SP, in partnership with Instituto Votorantim. The project aims to form a protection network to uphold the rights of children and adolescents. VIA's differential is that the issue of guarantees will also be addressed with CBA's employees and contractors linked to the plant's expansion works.

In relation to the ESG Ownership Program, in the first quarter CBA defined the corporate ESG targets related to variable compensation for eligible members. These targets are department-specific, and average performance across all targets affects variable compensation for top management. The goals are related to the levers of the Company's ESG 2030 Strategy.

In this quarter, CBA's MSCI ESG rating was upgraded to AA, placing the company in a leading position. MSCI ESG Ratings are designed to measure a company's resilience to long-term environmental, social and governance (ESG) risks that are financially material in the industry. CBA's leading classification in MSCI ESG Ratings reinforces its competitive position in ESG and its commitments and practices to establish itself as a sustainability standard setter.

In March, CBA released its 2022 Annual Report prepared in accordance with the GRI Standards and the Sustainability Accounting Standards Board (SASB) Metals and Mining and SASB - Electric Utilities & Power Generators, as well as the applicable indicators for an energy-generating company to comply with the ANEEL Socio-Environmental Manual. The document covers the main strategies and actions developed by the Company in 2022, and the progress of all the goals of the ESG 2030 Strategy.

Innovation and Technology

We ended 1Q23 with 79 innovation projects in the pipeline, of which 1 project reached the billing phase, and 1 was completed, both generating revenue for CBA and their respective clients. In addition, 7 new projects were initiated in the design thinking development cycle.

Launched in 1Q22, the internal project Primora started the year with record sales. The start of the year saw CBA increase its strategic focus on the civil construction segment, where we were selected by multiple developments to supply aluminum frames, facade hardware and accessories under our newly launched Primora brand, achieving sales of more than 300 metric tons in the year.

In January, the first distributor of the line was appointed, continuing the strategy of serving the construction market, which is key to CBA's strategy.

In the first quarter of the year, we began billing a phase of an important project focused on aluminumization:

- together with the company Randon, we started marketing flooring for truck trailers and bodies made of 100% extruded aluminum. This flooring replaces wood and, among several benefits, reduces the weight of the trailer/body, increasing its load capacity and helping reduce emissions from trucks. It also brings an important ESG gain by substituting wood. It is worth noting that CBA's aluminum carbon emissions are one of the lowest in the industry, allowing trailer/body makes and haulers to reduce their carbon footprint throughout the chain.

We also concluded the study phase of CBA's aluminum foil for use in electric vehicle batteries. In partnership with SENAI, CBA developed a specific foil for battery applications. This partnership allowed for the technical validation of CBA's foil for this application. In the next phase, prototypes of "pouch cells" will be developed, another important step in establishing CBA as the leading supplier of this type of foil for use in electric vehicle batteries.



DigitALL

In March, CBA celebrated one year since the launch of its Digital Transformation program, DigitALL, which has brought opportunities for competitiveness and growth through innovation.

The program involved more than 750 people from all areas of the company, including members and participants in the Decoding DigitALL Learning Community and the realization of 23 PODs - multidisciplinary groups with the objective of exploring opportunities for capturing value for the organization. Among these opportunities, the Digital Maintenance initiative and Scrap Video Analytics stand out, both of which have proceeded to the implementation phase.

Digital Maintenance aims to optimize asset management through data-driven solutions with an end-to-end view. The initiative will have significant impacts on operational efficiency, cost reduction and increasing asset availability. It will also provide greater reliability in decision-making, as data is collected and analyzed in real-time. The Scrap Video Analytics solution will integrate the results of real-time image analysis to identify the type of scrap, validating density and impurity levels, thereby bringing more confidence, transparency and agility for customers and CBA.

The development of digital skills and mindsets is a priority for CBA. In line with our organizational culture maturity, 30 people participated in DigitALL initiatives through the Non-Linear Career Program, in which employees have the opportunity to experiment with different roles and areas within the company without the need to move

permanently from their current area of activity. This professional development strategy allowed employees to learn and gain new experiences in their careers, develop new skills and capabilities, and explore their potential contribution to CBA.

As a result of these efforts, CBA was recognized as one of the most agile companies in Brazil at the 2023 Agile Trends Awards. This award, the first to recognize those who practice agility, values and offers more visibility to companies and professionals who contribute to the growth of agile methodologies within corporations.

CBA participated in the Transformation category, which includes companies with over 500 people directly involved. The award evaluated cases based on four criteria: degree of challenge, result/impact obtained, agility innovation and shared learnings/lessons. The event had 2,600 participants, 450 companies and 160 agility cases.

This journey allows for the potentialization of growth and value generation, allowing for the exploration of innovative possibilities, new mindsets and ways of working. For CBA, innovation and digital transformation are crucial to strengthen the strategy and provide increasingly transformational solutions.



BACK

Somos Top 6 da Premiação Agilidade Brasil 2023

Categoria
Transformação

Case
DigitALL: o movimento de transformação
digital e inovação da CBA



Assets	Note	Parent company		Consolidated	
		3/31/2023	12/31/2022	3/31/2023	12/31/2022
Current assets					
Cash and cash equivalents	9	594,528	552,839	886,063	849,082
Financial investments	10	329,485	270,544	410,371	339,846
Derivative financial instruments	26.2	213,076	25,804	222,482	33,172
Trade receivables	11	506,936	467,734	544,835	496,305
Inventories	12	1,807,669	1,569,932	2,088,605	1,881,369
Taxes recoverable	13	418,430	377,672	467,626	419,791
Dividends receivable	14	22,804	22,804	43,281	12,536
Other assets		173,239	198,817	216,959	238,175
		4,066,167	3,486,146	4,880,222	4,270,276
Non-current assets available for sale					
	28	78,137	78,137	78,137	78,137
		4,144,304	3,564,283	4,958,359	4,348,413
Non-current assets					
Long-term receivables					
Derivative financial instruments	26.2	107,726	81,615	136,542	103,687
Taxes recoverable	13	664,944	659,417	689,996	690,852
Deferred income tax	21	218,982	260,854	114,918	155,623
Related parties	14	50,051	48,599	62,428	60,648
Judicial deposits	22	16,578	16,169	18,133	17,703
Other assets		44,282	44,296	64,800	49,918
		1,102,563	1,110,950	1,086,817	1,078,431
Investments					
Property, plant and equipment	16	1,582,176	1,553,205	360,833	360,592
Intangible assets	17	4,902,667	4,659,346	5,787,326	5,499,239
Right-of-use assets	18	736,645	744,091	943,521	956,784
		11,284	16,810	26,822	31,246
		8,335,335	8,084,402	8,205,319	7,926,292
Total assets		12,479,639	11,648,685	13,163,678	12,274,705

Liabilities and equity	Note	Parent company		Consolidated	
		3/31/2023	12/31/2022	3/31/2023	12/31/2022
Current Liabilities					
Borrowing and debentures	19	124,475	107,593	124,751	107,593
Derivative financial instruments	26.2	3,377	4,148	3,377	4,148
Lease liabilities		6,336	12,835	10,513	16,274
Confirming payables	20	269,872	203,627	275,656	210,491
Trade payables		828,702	861,782	1,013,263	1,008,669
Salaries and payroll charges		110,418	151,342	125,004	170,926
Tax liabilities		11,869	17,696	26,729	33,962
Advances from customers		12,258	25,713	15,178	31,183
Dividends payable	14	206,044	206,044	227,116	227,116
Use of public assets – UBP	23	70,836	47,800	78,618	55,582
Energy futures contracts	15	121,693	94,899	121,693	94,899
Provision	22	101,139	93,008	101,139	93,008
Other liabilities		25,221	73,438	82,351	133,729
		1,892,240	1,899,925	2,205,388	2,187,580
Non-current liabilities					
Borrowing and debentures	19	3,497,802	2,861,135	3,510,455	2,861,135
Derivative financial instruments	26.2	209,856	28,552	209,856	28,552
Lease liabilities		2,426	4,205	14,233	15,545
Related parties	14	51,801	59,969	63,334	74,090
Provision	22	699,992	708,039	703,108	710,731
Use of public assets – UBP	23	891,045	907,227	957,915	974,502
Energy futures contracts	15		26,899		26,899
Deferred income tax	21			12,894	13,074
Other liabilities		57,444	57,182	59,276	59,120
		5,410,366	4,653,208	5,531,071	4,763,648
Total liabilities		7,302,606	6,553,133	7,736,459	6,951,228
Equity					
Share capital	24	4,705,047	4,705,047	4,705,047	4,705,047
Revenue reserve		673,531	673,531	673,531	673,531
Retained earnings (accumulated deficit)		67,040		67,040	
Carrying value adjustments		(268,585)	(283,026)	(268,585)	(283,026)
Atributable to owners of the parent		5,177,033	5,095,552	5,177,033	5,095,552
Atributable to non-controlling interests				250,186	227,925
Total equity		5,177,033	5,095,552	5,427,219	5,323,477
Total liabilities and equity		12,479,639	11,648,685	13,163,678	12,274,705

Statements of Profit or Loss – 1Q23 x 1Q22

	Note	Parent company		Consolidated	
		1/1/2023 to 3/31/2023	1/1/2022 to 3/31/2022	1/1/2023 to 3/31/2023	1/1/2022 to 3/31/2022
Net revenue from products sold and services provided	4.1	1,641,634	1,955,770	1,915,819	2,291,665
Cost of sales	5	(1,599,462)	(1,496,511)	(1,855,804)	(1,737,715)
Gross profit		42,172	459,259	60,015	553,950
Operating income (expenses)					
Selling expenses	5	(11,354)	(9,972)	(12,418)	(10,969)
General and administrative expenses	5	(83,806)	(71,865)	(95,468)	(85,309)
Other income (expenses), net	7	148,553	(54,553)	151,902	(61,026)
		53,393	(136,390)	44,016	(157,304)
Operating income before equity interest and finance result		95,565	322,869	104,031	396,646
Equity results					
Equity in the results of investees	16	10,104	78,595	18,428	19,192
Net finance results	8				
Finance income		33,189	35,190	45,632	41,810
Finance costs		(105,715)	(144,023)	(114,295)	(154,237)
Result of derivative financial instruments		34,469	165,287	43,251	197,541
Foreign exchange gains (losses)		25,763	84,361	24,918	81,428
		(12,294)	140,815	(494)	166,542
Profit before taxes		93,375	542,279	121,965	582,380
Income tax	21				
Current			(49,938)	(7,337)	(72,143)
Deferred		(26,335)	(86,166)	(25,327)	(84,156)
Profit from continuing operations		67,040	406,175	89,301	426,081
Attributable to owners of the parent		67,040	406,175	67,040	406,175
Attributable to non-controlling interests				22,261	19,906
Profit for the quarter		67,040	406,175	89,301	426,081
Weighted average number of outstanding shares, in thousands		595,833	595,833		
Basic and diluted earnings per thousand shares	24 (c)	112.51	681.69		

	Note	Parent company		Consolidated	
		1/1/2023 to 3/31/2023	1/1/2022 to 3/31/2022	1/1/2023 to 3/31/2023	1/1/2022 to 3/31/2022
Cash from operations					
Profit before income tax and social contribution		93,375	542,279	121,965	582,380
Adjustments to non-cash items					
st, indexation accruals and exchange variations		26,260	23,432	17,360	29,379
y results	16 (b)	(10,104)	(78,595)	(18,428)	(19,192)
ociation, amortization and depletion	5	115,299	107,815	134,692	128,728
y futures contracts	7	(105)	24,390	(105)	24,390
-off of assets disposed of		11,355	1,460	11,348	1,779
ase in the provision for impairment of assets	7	(156,832)	(1,239)	(156,832)	(1,239)
ative financial instruments		(34,469)	(43,986)	(43,251)	(76,240)
-off of lease agreements		(1,102)		(1,102)	
titution of provisions, net		254	13,650	(1,264)	12,415
		43,931	589,206	64,383	682,400
Decrease (increase) in assets					
cial investments		(41,595)	(3,190)	(42,770)	(14,355)
ative financial instruments			(173,913)		(173,913)
receivables		(40,339)	41,492	(49,466)	56,966
ories		(232,428)	(4,426)	(200,255)	(24,057)
recoverable		(46,285)	1,096	(34,715)	56,971
ial deposits		(1,795)	(3,676)	(1,816)	(3,689)
redits and other assets		2,639	22,833	(13,227)	8,390
Increase (decrease) in liabilities					
payables		(33,080)	27,391	4,594	(34,817)
rming payables		66,245	(286,741)	65,165	(285,138)
ies and payroll charges		(40,924)	(37,414)	(45,922)	(42,405)
liabilities		(5,827)	(6,687)	(14,570)	(44,920)
if public assets - UBP		7,009	6,047	5,064	9,757
ents of tax, civil and labor proceedings		(4,012)	(13,264)	(4,012)	(14,973)
bligations and other liabilities		(13,680)	47,369	(19,497)	40,373
Cash provided by (used in) operating activities		(324,604)	206,123	(271,846)	216,590
st paid on borrowing, debentures and use of public assets (UBP)		(44,576)	(47,802)	(44,590)	(51,078)
ie tax and social contribution paid			(21,074)	(12,264)	(77,283)
Net cash provided by (used in) operating activities		(369,180)	137,247	(328,700)	88,229
Cash flow from investing activities					
sition of property, plant and equipment and intangible assets	17 e 18	(219,719)	(136,820)	(276,677)	(148,565)
sition of 80% of Alux			(128,246)		(128,246)
sition remaining 20% Alux		(49,000)		(49,000)	
al increase in investees	16 (b)	(34,584)	(60,000)	(34,584)	
eds from sale of assets		1,154	701	1,189	690
Net cash used in investing activities		(302,149)	(324,365)	(359,072)	(276,121)
Cash flow from financing activities					
issue costs			(52)		(52)
eds from new borrowings	19 (c)	723,421		736,664	
yment of borrowing and debentures	19 (c)	(4,811)	(4,811)	(4,811)	(4,811)
ative financial instruments		1,618	2,145	1,618	2,145
iment of leases		(7,210)	(6,521)	(8,718)	(7,315)
Net cash provided by (used in) financing activities		713,018	(9,239)	724,753	(10,033)
Net increase (decrease) in cash and cash equivalents		41,689	(196,357)	36,981	(197,925)
Cash effects of company acquired and included in consolidation					11,589
Cash and cash equivalents at the beginning of the quarter		552,839	1,280,956	849,082	1,449,345
Cash and cash equivalents at the end of the quarter		594,528	1,084,599	886,063	1,263,009
Other transactions					
New lease agreements				2,513	3,501
Accounts payable			5,000		5,000



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