



SUMMARY REPORT  
**1Q24**

**VOTORANTIM**



# A message from the **CEO**

In the first quarter of 2024, global economic activity remained at a reasonable pace, with general expectations for central banks continuing the path of interest rate reductions. While some regions showed resilient inflation data, which postponed anticipated rate cuts, others continued their monetary easing policies, and we see reduced concerns about meaningful short term growth slowdowns. We feel the international landscape favors a reduction in the cost of capital throughout the year, with downside risks linked to some persistent inflation indicators and ongoing conflicts that pressure global supply chains.

Against this backdrop we continue to execute on our strategy of prudently managing the short term while focusing on the transformation of our portfolio.

During the quarter, we achieved consolidated net revenue of R\$10.4 billion, adjusted EBITDA of R\$1.8 billion and net income of R\$156 million. Our results reflect short term pressure in the operational margin, which was impacted by lower metals prices globally and cement prices in Brazil, combined with lower sales volumes reflecting the seasonality of the period.

Our financial position remains very comfortable, both in terms of leverage ratios and overall liquidity, as reflected in our investment grade ratings. S&P Global Ratings reaffirmed our credit rating of “BBB” with stable outlook, securing our position among the few Brazilian companies (and the only non-listed one) with investment grade by the three major credit rating agencies in the world.

From a strategic perspective, we continue to deliver on growth projects. As an example, Auren's hybrid solar/wind project – Sol do Piauí – entered commercial operation during the quarter. The project has an installed capacity of 48.1 MW and was the first hybrid project in Brazil to be approved by power sector regulator Aneel.

On the financing side, our companies raised a combined US\$1.1 billion in the international capital markets, reflecting their solid credit profile and active liability management strategy. Votorantim Cimentos issued a US\$500 million 10-year sustainability-linked bond with a coupon of 5.75%. Proceeds were used to fund a cash tender offer for more than half of the outstanding 2027 notes. The transaction represented a notable accomplishment with the lowest spread for a 10-year bond today among Brazilian issuers, as well as being the first Brazilian 10-year bond transaction priced below 6.00% since 2022. Nexa issued a US\$600 million 10-year bond in the same period, with proceeds used to fund a cash tender offer for a substantial portion of its existing notes due 2027 and 2028.

On the sustainability front, our companies demonstrated significant advancements in their strategies and commitments. Votorantim Cimentos signed a 100 MW 15-year Power Purchase Agreement (PPA) from solar energy destined to its Brazilian operations, further advancing on its commitment to achieve 45% of the energy consumed globally from clean sources by 2030. During the period, CCR was the first company in the infrastructure sector in Brazil to have its greenhouse gas emissions reduction targets approved by the Science Based Targets Initiative (SBTi). Also, Auren, CBA and CCR are now part of this year's edition of B3's Corporate Sustainability Index (ISE).

As we reflect on the year to date, we remain committed to our strategy and disciplined portfolio management. Our companies remain well positioned, focused on operational efficiency as well as on selected growth opportunities. From a capital allocation perspective, we continue to actively seek new opportunities directly as well, seeking diversification from a sector, geographic and risk factor perspective. We look forward to delivering on our mandate during the year, and to continue to build on our long term strategy.



**João H. Schmidt**  
CEO

# Profile

Votorantim is a permanently capitalized investment holding company, with a long-term investment approach that seeks to deliver superior financial returns allied with positive social and environmental impacts.

With a 106-year history, Votorantim and its portfolio companies operate in various industries: building materials, banking, renewable energy, infrastructure, base metals, orange juice, long steel, real estate, investments, environmental services and consumer healthcare.

**+61,000**  
employees







**22**  
countries

**532**  
operating units  
worldwide

## Portfolio Overview

Core holdings


Private Companies

Companies	Ownership	Description
 <b>VOTORANTIM</b> cimentos	100%	One of the largest global building materials companies, operating in 11 countries. It is the largest cement player in Brazil
 <b>BV</b> banco	50%	5th largest privately held bank in Brazil, with a leading position in auto finance and a fast-growing digital banking business
 <b>citrosuco</b>	50%	World's largest orange juice producer, operating from a highly competitive asset base in Brazil
 <b>acerbrag</b>	100%	More than 50 years of history in manufacturing high-quality long steel products in Argentina
 <b>altre</b>	100%	Active management of urban development projects and flagship commercial properties
 <b>reservas</b> <b>VOTORANTIM</b>	100%	Nature-based solutions in various Brazilian biomes






# Portfolio Overview

Core holdings

## Private Companies

Companies	Ownership	Description
	60%	Votorantim and Temasek partnership to invest in growth equity in Brazil

## Listed Companies

Companies	Ownership	Description
	38%	One of the largest renewable energy platforms in Brazil
	10%	Brazil's largest infrastructure and mobility platform
	65%	Top 5 zinc producer globally, with over 60 years of experience operating and developing mining and smelting assets
	68%	Only vertically integrated aluminum producer in Brazil, from mining to finished products
	6%	Leading pharmaceutical company in Brazil

# 1Q24 Highlights

## Strategic

- Auren's hybrid wind + solar project, Sol do Piauí, entered commercial operation. The project has an installed capacity of 48.1 MW and was the first hybrid project in Brazil to be approved by power sector regulator Aneel
- S&P Global Ratings reaffirmed Votorantim S.A. credit rating of "BBB" with stable outlook. We remain positioned among a few Brazilian companies (and the only non-listed one) with investment grade by the three major credit rating agencies in the world
- Votorantim Cimentos issued a US\$500 million 10-year sustainability linked bond, with a coupon of 5.75%. Proceeds were used to fund a cash tender offer of 52% of the outstanding 2027 Notes. The transaction was a notable accomplishment as it was a 10-year bond with the lowest spread in Brazil today, being the first Brazilian 10-year bond priced below 6.00% since September 2022
- Nexa issued a US\$600 million 10-year bond. Proceeds were used to fund a cash tender offer for a substantial part of its existing notes due 2027 and 2028

## Sustainability

- Votorantim Cimentos signed a 100 MW 15-year Power Purchase Agreement (PPA) for solar energy destined to its Brazilian operations over the next 15 years, further advancing on its commitment to reach 45% of the energy consumed globally from clean sources by 2030
- CCR is the first company in the infrastructure sector in Brazil to have its greenhouse gas emissions reduction targets approved by the Science Based Targets Initiative (SBTi)
- Auren, CBA and CCR are now part of this year's edition of B3's Corporate Sustainability Index (ISE). The ISE is one of the most relevant tools for analyzing the performance of public companies in terms of sustainability and corporate governance

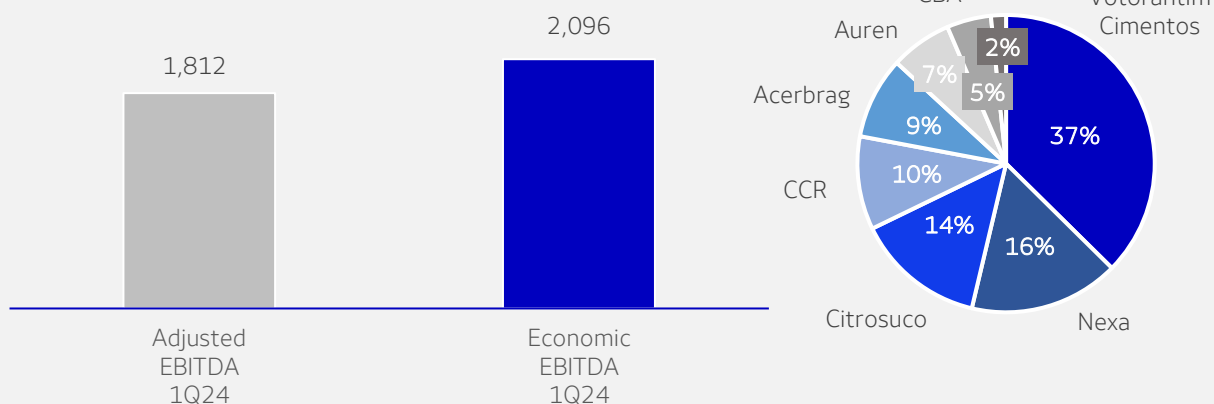
# 1Q24 Highlights

## Financial

### Economic EBITDA

- Our portfolio has evolved, and our consolidated financial statements do not include the EBITDA of companies that are reported according to the equity method. For that reason, we have recognized the need to monitor our results in a way that reflects Votorantim's share in its businesses. Our business metric, which we have named **"Economic EBITDA"**, represents the operational performance of the portfolio as **the sum of the proportionate EBITDA of each of the companies, based on the ownership interest of Votorantim**. Under this concept, Votorantim had an Economic EBITDA of **R\$2.1 billion** in 1Q24

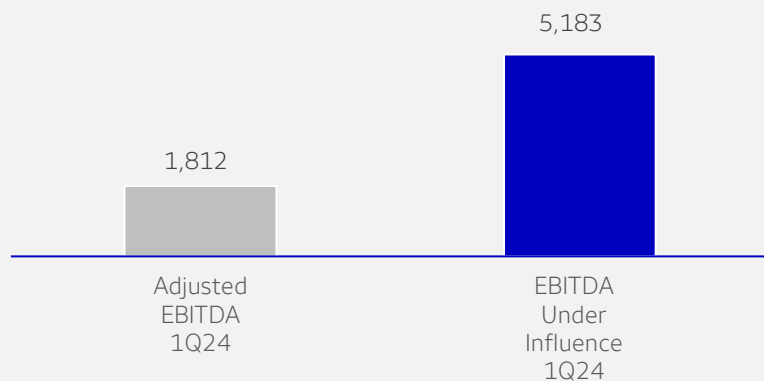
R\$ million



### EBITDA under Influence

- Another business metric we now monitor is referred to as **"EBITDA under Influence"**, which provides a broader view of our portfolio by considering **100% of each company's EBITDA where Votorantim is a reference shareholder**, either as the sole controlling shareholder or via shared control. Under this concept, Ebitda under Influence in 1Q24 was **R\$5.0 billion**

R\$ million

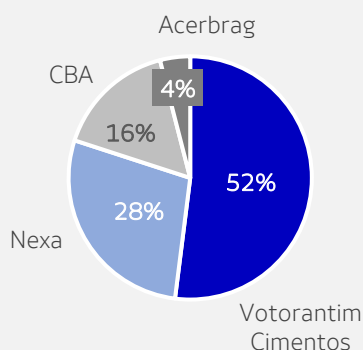


# 1Q24 Highlights

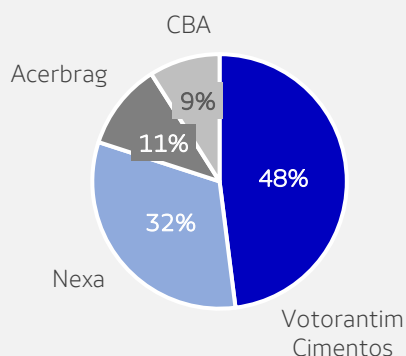
## Consolidated Results

- 1Q24 net revenue was R\$10.4 billion, 11% less than in 1Q23. Adjusted EBITDA totaled R\$1.8 billion and net income was R\$156 million, up 4% and down 68% respectively compared to the same period from last year
- Votorantim Cimentos ended the quarter with **better margins**, as a result of **higher volumes and lower costs**. The lower result in the annual comparison is due to the **exchange rate variation** in the period in addition to a **more competitive scenario in Brazil**, partially mitigated by **better results abroad and lower costs**
- Nexa and CBA experienced a **decrease in sales volume and prices**, with results primarily impacted by the deterioration of operational margins due to price reductions on the LME (London Metal Exchange) for Zinc and Aluminum
- Even with **lower sales volume** allied with the **depreciation** of the Argentinian peso, **Acerbrag** delivered a **stable result** mainly due to **higher prices**
- Auren distributed **dividends of R\$400 million** in the quarter, with a R\$155 million proportional impact in our consolidated results
- Consolidated leverage at Votorantim ended the quarter at **1.45x** (measured by the net debt/adjusted EBITDA ratio), with consolidated net debt at R\$ 14 billion

Net revenue by company 1Q24 <sup>(1)</sup>



Adjusted EBITDA by company 1Q24 <sup>(1)</sup>



<sup>(1)</sup> Considers Votorantim Cimentos, CBA, Nexa, Acerbrag, Altre, 23S Capital, Reservas Votorantim and holding. Banco BV, Auren, Citrosuco and CCR are recognized under the equity method.



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