

**Interim Condensed Financial Information  
(Individual and Consolidated)**

**Porto Sudeste do Brasil S.A.**

June 30<sup>th</sup>, 2023  
with Independent Auditor's Review Report

## **Management Report**

### **1. Message from Management**

Management of Porto Sudeste do Brasil S.A. – (“Porto Sudeste” or “Company”), in compliance with the legal requirements and in accordance with the prevailing corporate legislation, hereby submits to your appreciation the Financial Information accompanied by the respective explanatory notes and the independent auditor’s report for the quarter ended June 30, 2023. Should you need any further clarifications, please do not hesitate to contact us. At the end of the second quarter of 2023, the Executive Board expresses their acknowledgement to suppliers, employees and all other co-workers for their dedication and commitment.

### **2. Relationship with independent auditors**

Pursuant to CVM Rule No. 381/2003, we hereby inform that Ernst & Young Auditores Independentes S/S (“EY”) renders external audit services relating to the audit of the Company’s financial information.

When contracting services not related to independent audit, the Company adopts procedures that are based on applicable law and on principles internationally accepted that preserve the auditor’s independence and objectivity. These principles are as follows: (i) the auditor must not review its own work, and (ii) the auditor must not act as a manager for his/her client neither promote this client’s interest.

EY represented to the Company that there is no relationship or factual situation that represents conflict of interests, preventing the exercise of their activity on an independent basis.

### **3. Management’s explanations with respect to variable-yield securities**

#### Overview of Perpetual Variable-yield securities

In February 2014, IWL Holdings (Luxembourg) S.A.R.L. (“Trafigura”) and EAV Delaware LLC (“Mubadala”), through PSA Fundo de Investimento e Participações, acquired the control of Porto Sudeste, until then exercised by MMX Mineração e Metálicos S.A. (“MMX”).

The investment agreement that regulated the acquisition of control of Porto Sudeste by Trafigura and Mubadala foresee, among others, that the Company would take over, directly or indirectly, obligations related to the variable-yield securities based on Royalties issued by MMX, traded on B3 S.A. - BRASIL. BOLSA. BALCÃO (“B3”) under the ticker MMXM11 (“MMXM11 securities”). In this context, Porto Sudeste issued, on February 26, 2014, Perpetual Variable-yield Securities (“PVS”), with similar terms to the MMXM11 Securities (“Port11”), which were fully subscribed on the same date by MMX. The investment agreement also provided for MMX’s obligation to carry out an exchange offer, aimed at all holders of the MMXM11 Securities, through which MMX would acquire the MMXM11 Securities, and deliver the Port11 Securities, or another security, in return backed by MMXM11 Securities (“Exchange Offer”). To implement such Exchange Offer, two different vehicles were used, in order to reach all holders of MMXM11 Securities:

- (i) FIP-IE Porto Sudeste Royalties (“PSR”): An infrastructure equity investment fund, which, at the time of the offer, held in its portfolio exclusively, Port11 Securities - and for each Port11 Security held by PSR would be entitled to a Unit. PSR’s units were offered to the holders of MMXM11 Securities that would fit as qualified investors pursuant to CVM regulation and would not have restrictions to hold PSR units.
- (ii) Porto Sudeste V.M S.A. (“Porto VM”): A stock corporation registered with CVM under category ‘B’. Said corporation issued a new royalty-based variable-yield security, mirror of MMXM11 Security (“PSVM11 Securities”), and such security listed for trading on B3 (contrary to Port11 Securities, which are not accepted for trading on the stock exchange). Under the aforementioned Exchange Offer, the PSVM11 Securities were offered to holders of MMXM11 Securities that (i) would not fit as qualified investors, or (ii) would have regulatory restrictions to hold units of a FIP-IE - which happens with some investment funds.

As a way of addressing the situation of MMXM11 holders who eventually did not adhere to the Exchange Offer, MMX remained the holder of Port11 Securities in the same quantity of MMXM11 Securities not exchanged.

Upon completion of the Exchange Offer, Porto Sudeste has an obligation to pay the above vehicles and MMX, which in turn have an obligation to pay the holders of the exchanged shares/securities.

There are 983,407,010 Port11 Securities issued, being 98.61% held by PSR, 0.43% held by Porto V.M. and 0.96% held by MMX.

For more information, the indenture of the Port11 Securities is available on the Porto Sudeste do Brasil website.

#### Royalties Calculation

$$R = [(TMMF \times VpTMF) + (TMOG \times VpTDC)] * FP$$

Where:

R = royalties payable in relation to each quarter of the fiscal year  
TMMF = Ton of Iron Ore shipped on Port for the respective quarter  
TMOG = Ton of Other Loads shipped on Port for the respective quarter  
VpTMF = Value per Ton of Iron Ore (as defined below)  
VpTDC = Value per Ton of Other Loads (as defined below)  
FP = Proportional Factor

For iron ore loads: the royalties related to iron ore loads shipped on Port in a certain calendar quarter shall be calculated, considering the amount of USD 5.00 per ton of iron ore (“value per ton of iron ore”). This value will be (i) adjusted annually at the variation in US PPI calculated from September 2010; and (ii) converted into reais, based on the exchange rate at the ending of the business day immediately prior to the actual payment date.

For other loads: the royalties related to other loads, other than iron ores (excluding non-dry loads, such as supply activities) conducted at the Port Terminal (“value per ton for other loads”) will be calculated based on the load margin. “Load margin” (a) means the difference between the average cost per ton (excluding all non-cash items) incurred in relation to the services rendered by Porto Sudeste relating to the applicable load and the average value per ton effectively charged by Porto Sudeste for the services rendered in relation to such load; and (b) must be limited under any circumstance to USD 5.00 per shipped ton. The adjusted limit value of USD 5.00 per ton for load margin will be (i) adjusted annually at the variation in US PPI calculated from September 2010; and (ii) converted into reais, based on the exchange rate at the ending of the business day immediately prior to the actual payment date.

During the years 2013 to 2016, the commitment of royalties from Porto Sudeste, related to iron ore, was the minimum between the volume shipped in each period and the take-or-pay volume indicated in the table below:

<b>Tons (million)</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
TMMF	13.6	31.9	36.8	36.8

From 2017 onwards, the volume of iron ore generating royalties (TMMF, in the formula above) is no longer subject to a take-or-pay, being, therefore, simply the volume shipped. In the table below, you can see the tonnage carried out by Porto Sudeste, with the start of operations in 2016, after commissioning carried out in 2015:

<b>Tons (million)</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023 YTD</b>
TMMF	-	-	-	7.1	9.5	10.7	16.4	18.7	17.8	17.4	12.1
TMOG	-	-	-	-	-	-	-	-	-	0.11	-

As the shipped volume of iron ore in 2016 was lower than the take-or-pay volume, the royalty commitment is based on this second parameter.

In the second quarter of 2023, Porto Sudeste shipped 6,961 thousand tons of iron ore (TMMF) and zero tons of other cargos (TMOG), which multiplied by the updated value per ton of US\$ 6,37 (VpTMF and VpTDC) resulted in royalties of US\$ 44,342 thousand in the period. The accumulated Royalties until this quarter is US\$ 1.245.963 thousand. No amount has been paid until this quarter.

Porto Sudeste VM, a wholly-owned subsidiary of Porto Sudeste, has US\$ 5,385 thousand in accumulated royalties receivable, referring to the number of Port11 Securities it holds (proportion of 0.43% of the total).

<b>Reconciliation of quantities shipped and amounts paid as Royalties (accumulated)</b>	<b>Shipped 3<sup>rd</sup> quarter 2022</b>	<b>Shipped 4<sup>th</sup> quarter 2022</b>	<b>Shipped 1<sup>st</sup> quarter 2023</b>	<b>Shipped 2<sup>nd</sup> quarter 2023</b>	<b>Take-or-pay/ Accumulate d shipments</b>
Volume TMMF (M/TONS)	4,337	5,506	5,144	6,961	221.636
Volume TMOC (M/TONS)	-	-	-	-	106
Price per Ton (USD)	5.00	5.00	5.00	5,00	5,00
PPI, accumulated	1.02	1.02	1.37	1,37	0,62
Price per TON (USD)	<b>6.02</b>	<b>6.02</b>	<b>6.37</b>	<b>6,37</b>	<b>5,62</b>
<b>Royalty Porto Sudeste (USD k)</b>	<b>26,121</b>	<b>33,162</b>	<b>32.765</b>	<b>44,342</b>	<b>1,245,963</b>
<b>PSVM11 securities issued by Porto Sudeste V.M. S.A. as a percentage of Port11 securities</b>	<b>0.43%</b>	<b>0.43%</b>	<b>0.43%</b>	<b>0.43%</b>	<b>0.43%</b>
<b>Royalty Porto VM issued (USD mil)</b>	<b>112</b>	<b>143</b>	<b>141</b>	<b>191</b>	<b>5.358</b>
<b>Cash available for payment of Royalties</b>	-	-	-	-	-
<b>Royalties payable</b>	-	-	-	-	-

### Royalties Payment

Payment of Royalties in each quarter will be made within 60 days from the end of each calendar quarter and is subject to the existence of cash available for payment of Royalties, calculated after the discount of applicable taxes, cash cost of operations, operating expenses, capital expenditures for maintenance, amounts arising from the reversal of certain cash provisions, as well as respecting the preference of certain creditors of Porto Sudeste, all pursuant to clause 5.2 of the indenture of Port11 Securities ("Cash Available for Royalties").

Royalties will be cumulative, that is, if, in each quarter, the Cash Available for Royalties calculated by Porto Sudeste is not sufficient to allow the payment, in whole or in part, of the Royalties determined until then, such unpaid royalties must be added to the amount of royalties for the next quarter. Royalties shall only be considered due and payable when Porto Sudeste has determined sufficient Cash Available for Royalties for that purpose.

If, in a certain calendar quarter by the payment of current royalties the cash of issuer and Porto Sudeste is jointly higher than US\$10 millions ("Minimum Cash Reserve"), the issuer will use the values that exceed the minimum cash reserve ("Available Cash") to pay the effectively accumulated royalties to the holders of securities until such time ("Accumulated Royalties").

There is no obligation on Porto Sudeste to pay Royalties, except if there is Free Cash held by the issuer on the last day of such calendar quarter and up to the limit of such available cash. "Free Cash" means the amount corresponding to the amounts available in the Porto Sudeste box minus the sum of (a) amounts provided by the shareholders of Porto Sudeste by means of a capital increase or shareholder guarantee, to the extent that such amounts were acquired as Porto Sudeste cash on hand, (b) BNDES senior debt service reserve account and CESCE senior debt service reserve account, and (c) cash amounts provisioned by Porto Sudeste jointly for IRPJ - Income Tax of Legal Entity, CSLL - Social Contribution on Net Income and other obligations for which the independent auditors of Porto Sudeste require provisioning.

In June 30, 2023, Porto Sudeste carried out the financial calculations and identified that there was not enough available cash generation to pay royalties to holders of Port11 Securities.

<b>Cash available for payment of Royalties (in thousands of reais)</b>	<b>3rd quarter 2022</b>	<b>4th quarter 2022</b>	<b>1st quarter 2023</b>	<b>2nd quarter 2023</b>
Cash from trade receivables	286,593	306,343	336,483	389,417
Applicable Taxes	(44,802)	(45,506)	(51,150)	(59,505)
Operating Costs	(51,260)	(62,364)	(56,243)	(55,683)
Investment	(22,767)	(31,370)	(23,010)	(17,788)
Operating expenses	(19,298)	(20,325)	(15,971)	(20,366)
<b>Subtotal Total Cash Available for Payment of Royalties</b>	<b>148,466</b>	<b>146,778</b>	<b>190,109</b>	<b>236,075</b>
Interests and Repayment of the Senior Debt	(153,903)	(147,914)	(194,598)	(239,910)
<b>Total Cash Available for Payment of Royalties</b>	<b>(5,437)</b>	<b>(1,136)</b>	<b>(4,489)</b>	<b>(3,835)</b>

The existing cash balance at Porto Sudeste (Controlling Company) refers to the balance of contributions from shareholders and balances that must be maintained in accounts to meet any operational obligation, such as the guaranteed account for the purchase of energy and Pis/ Cofins deposited in court. In this quarter, there was no cash balance available for royalty payments.

<b>Cash available for payment of accumulated royalties (in thousands of reais)</b>	<b>3rd quarter 2022</b>	<b>4th quarter 2022</b>	<b>1st quarter 2023</b>	<b>2nd quarter 2023</b>
Net Cash or Bank Accounts	3,527	37,848	22,905	22,902
Contributions by the stockholders and Mandatory balances	(3,527)	(37,848)	(22,905)	(22,902)
<b>Total Cash Available for Payment of Accumulated Royalties</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Royalties accounting policy

Porto Sudeste records Port11 Securities in Liabilities, based on the Present Value of the Projected Cash Flow of the payment of royalties. In other words, the amount shown in the Balance Sheet is different from the amount of royalties accrued until this quarter. Porto Sudeste VM records its right to receive royalties in Assets, corresponding to its portion on the value of Port11 securities, and the respective payment to PSVM11 holders in Liabilities.

Securities are measured in accordance with IAS 37 - Provisions, Contingent Assets and Contingent Liabilities based on projected cash flows from future security related payments discounted at an annual rate of 11.90%. These projections are based on the Porto Sudeste Business Plan, which includes assumptions related to the growth of iron exports in the *Quadrilátero Ferrífero* of Minas Gerais, growth of the market share of Porto Sudeste, volumes of ore originated by mines belonging to its shareholders, operations with other solid and liquid bulk, commodity price expectations, among others.

On June 30, 2023, the present value of discounted future cash flow amounted to US\$2,937,481 thousand, which converted into Brazilian reais totaled R\$14,156,309 thousand (compared to US\$2,638,832 thousand, which converted into Brazilian reais totaled R\$13,768,633 thousand as at December 31, 2022). Of those totals, the amounts corresponding to PSVM11 securities are

represented at the base date of June 30, 2023, at US\$ 12,511,543, which converted into reais totaled R\$60,295,361 (US\$11,239,513 thousand, which converted into Brazilian reais totaled R\$58,644,411 as at December 31, 2022).

Transaction costs

Debt issue costs of variable-yield securities totaling R\$12,999 thousand at June 30, 2023 (R\$14,074 thousand at December 31, 2022) referring to outside legal counsel fees and commissions of guarantee were recorded as reduction of liabilities.

Itaguaí, August 10, 2023.

The Management.

**Porto Sudeste do Brasil S.A.**

Individual and consolidated interim condensed financial information

June 30, 2023

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**A free translation from Portuguese into English of Independent Auditor Review Report on Interim Financial Information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)**

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## **Independent auditor’s review report on individual and consolidated interim condensed financial information**

The Shareholders and Board of Directors  
**Porto Sudeste do Brasil S.A.**  
Itaguaí, RJ

### **Introduction**

We have reviewed the individual and consolidated interim condensed financial information of Porto Sudeste do Brasil S.A. (“Company” or “Porto Sudeste”), identified as Parent Company and Consolidated, for the quarter ended June 30, 2023, comprising the statement of financial position as of June 30, 2023 and the related statements of profit or loss and of comprehensive income for the three and six-month periods then ended, and changes in equity and cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of this individual and consolidated interim condensed financial information in accordance with Accounting Pronouncement NBC TG 21 Interim financial Reporting and with the international standard of IAS 34 - Interim Financial Reporting, issued by the International Accounting Standard Board (IASB). Our responsibility is to express a conclusion on this individual and consolidated interim condensed financial information based on our review.

### **Scope of review**

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



### **Conclusion of the interim individual and consolidated statements**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim condensed financial information referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and the IAS 34 applicable to preparation of the Interim Information.

Rio de Janeiro, August 10, 2023.

ERNST & YOUNG  
Auditores Independentes S.S. Ltda.  
CRC-SP015199/F



Leonardo Araujo Ferreira  
Accountant CRC-RJ116384/O

A free translation from Portuguese into English of Independent Auditor Review Report on Interim Financial Information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)

## Porto Sudeste do Brasil S.A.

Condensed statements of financial position  
June 30, 2023, and December 31, 2022  
(In thousands of reais)

	Note	Parent Company		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	<b>22,902</b>	37,848	<b>150,627</b>	99,223
Trade accounts receivable	5	<b>25,725</b>	53,598	<b>26,295</b>	53,598
Trade Accounts receivable from related parties	16	<b>389,432</b>	180,120	<b>306,392</b>	410,890
Inventories	6	<b>72,980</b>	65,555	<b>163,843</b>	141,532
Taxes recoverable		<b>2,132</b>	1,444	<b>6,527</b>	5,837
Dividends receivable		<b>1,448</b>	1,448	-	-
Advances	8	<b>34,128</b>	37,500	<b>34,210</b>	37,500
Other		<b>6,874</b>	6,115	<b>10,404</b>	9,647
Total current assets		<b>555,621</b>	383,628	<b>698,298</b>	758,227
<b>Noncurrent assets</b>					
Restricted deposits	7	<b>12,909</b>	12,318	<b>12,909</b>	12,318
Investments	9	<b>44,906</b>	48,781	-	-
Property and equipment	10	<b>6,446,781</b>	7,069,194	<b>6,491,169</b>	7,117,258
Intangible assets	11	<b>10,450,323</b>	11,395,499	<b>10,450,323</b>	11,395,499
Judicial deposits	19	<b>63,201</b>	55,714	<b>63,590</b>	56,102
Other		<b>66</b>	71	<b>123</b>	133
Total noncurrent assets		<b>17,018,186</b>	18,581,577	<b>17,018,114</b>	18,581,310
Total assets		<b>17,573,807</b>	18,965,205	<b>17,716,412</b>	19,339,537

	Note	Parent Company		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Liabilities and equity					
Current liabilities					
Trade accounts payable	12	49,024	67,313	199,181	123,320
Loans and financing	13	67,685	9,779	276,812	487,541
Taxes and contributions payable	15	13,051	17,704	14,377	20,206
Related parties	16	81,400	61,912	4,323	5,242
Customer advances		756	249	756	249
Labor benefits		19,958	23,787	19,958	23,787
Other		-	-	3,425	3,705
Total current liabilities		231,874	180,744	518,832	664,050
Noncurrent liabilities					
Loans and financing	13	5,767,175	6,335,167	5,767,175	6,335,167
Variable income securities	14	14,143,310	13,754,560	14,143,310	13,754,560
Negative equity provision	9	144,368	108,999	-	-
Provision for contingencies	18	8,531	7,476	8,546	7,501
Total noncurrent liabilities		20,063,384	20,206,202	19,919,031	20,097,228
Equity	20				
Capital		3,106,990	3,106,990	3,106,990	3,106,990
Future capital contribution		41,600	41,600	41,600	41,600
Cumulative translation adjustments (CTA)		123,441	364	123,441	364
Accumulated losses		(5,993,482)	(4,570,695)	(5,993,482)	(4,570,695)
Total equity		(2,721,451)	(1,421,741)	(2,721,451)	(1,421,741)
Total liabilities and equity		17,573,807	18,965,205	17,716,412	19,339,537

See accompanying notes.

## Porto Sudeste do Brasil S.A.

Condensed statements of profit or loss  
Three and six-month period ended June 30, 2023, and 2022  
(In thousands of reais)

	Note	Parent Company				Consolidated			
		04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022
Revenue, net of sale of goods and services	21	<b>362,136</b>	<b>840,363</b>	251,050	568,451	<b>1,367,055</b>	<b>2,702,139</b>	935,412	2,222,020
Costs of sales and services	22	<b>(153,219)</b>	<b>(279,634)</b>	(106,858)	(211,518)	<b>(1,147,233)</b>	<b>(2,142,736)</b>	(790,836)	(1,879,966)
Gross profit		<b>208,917</b>	<b>560,729</b>	144,192	356,933	<b>219,822</b>	<b>559,403</b>	144,576	342,054
Operating income (expenses)									
General and administrative expenses	23	<b>(20,758)</b>	<b>(40,195)</b>	(20,250)	(40,120)	<b>(21,084)</b>	<b>(40,774)</b>	(20,447)	(43,719)
Equity pickup	9	<b>(7,925)</b>	<b>(47,078)</b>	6,872	(19,118)	-	-	-	-
Other operating income (expenses)	14	<b>219,706</b>	<b>(730,724)</b>	134,613	96,789	<b>219,715</b>	<b>(730,715)</b>	134,474	96,650
		<b>191,023</b>	<b>(817,997)</b>	121,235	37,551	<b>198,631</b>	<b>(771,489)</b>	114,027	52,931
Income before financial income (expense) and taxes		<b>399,940</b>	<b>(257,268)</b>	265,427	394,484	<b>418,453</b>	<b>(212,086)</b>	258,603	394,985
Financial income (expenses)	24								
Financial income		<b>187,891</b>	<b>313,659</b>	338,876	572,456	<b>211,087</b>	<b>344,338</b>	354,381	597,975
Financial expenses		<b>(782,797)</b>	<b>(1,479,178)</b>	(989,272)	(2,010,220)	<b>(824,506)</b>	<b>(1,555,039)</b>	(997,715)	(2,036,002)
		<b>(594,906)</b>	<b>(1,165,519)</b>	(650,396)	(1,437,764)	<b>(613,419)</b>	<b>(1,210,701)</b>	(643,334)	(1,438,027)
Income before income taxes		<b>(194,966)</b>	<b>(1,422,787)</b>	(384,969)	(1,043,280)	<b>(194,966)</b>	<b>(1,422,787)</b>	(384,731)	(1,043,042)
Income and social contribution taxes	17	-	-	-	-	-	-	(238)	(238)
Loss for the period		<b>(194,966)</b>	<b>(1,422,787)</b>	(384,969)	(1,043,280)	<b>(194,966)</b>	<b>(1,422,787)</b>	(384,969)	(1,043,280)

See accompanying notes.

## Porto Sudeste do Brasil S.A.

Condensed statement of comprehensive income (loss)  
 Three and six-month period ended June 30, 2023, and 2022  
 (In thousands of reais)

	Parent Company				Consolidated			
	04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2023 to 06/30/2023	01/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022
Profit (loss) for the period	<b>(194,966)</b>	<b>(1,422,787)</b>	(384,969)	(1,043,280)	<b>(194,966)</b>	<b>(1,422,787)</b>	(384,969)	(1,043,280)
Cumulative translation adjustments	<b>110,678</b>	<b>123,077</b>	(167,740)	(32,548)	<b>110,678</b>	<b>123,077</b>	(167,740)	(32,548)
Total comprehensive income (loss)	<b>(84,288)</b>	<b>(1,299,710)</b>	(552,709)	(1,075,828)	<b>(84,288)</b>	<b>(1,299,710)</b>	(552,709)	(1,075,828)

See accompanying notes.

## Porto Sudeste do Brasil S.A.

Condensed statements of changes in equity - consolidated  
Six-month period ended June 30, 2023, and 2022  
(In thousands of reais)

	<b>Consolidated</b>				
	<b>Capital</b>	<b>Future capital contribution</b>	<b>Cumulative translation adjustment</b>	<b>Accumulated losses</b>	<b>Total</b>
Balances at December 31, 2021	3,081,370	12,810	109,621	(4,017,058)	(813,257)
Advance for future capital increase	-	12,810	-	-	12,810
Capital Increase	25,620	(25,620)	-	-	-
Cumulative translation adjustments (CTA)	-	-	(32,548)	-	(32,548)
Loss for the period	-	-	-	(1,043,280)	(1,043,280)
Balances as at June 30, 2022	<b>3,106,990</b>	<b>-</b>	<b>77,073</b>	<b>(5,060,338)</b>	<b>(1,876,275)</b>
Balances at December 31, 2022	<b>3,106,990</b>	<b>41,600</b>	<b>364</b>	<b>(4,570,695)</b>	<b>(1,421,741)</b>
Cumulative translation adjustments (CTA)	-	-	123,077	-	123,077
Loss for the period	-	-	-	(1,422,787)	(1,422,787)
Balances as at June 30, 2023	<b>3,106,990</b>	<b>41,600</b>	<b>123,441</b>	<b>(5,993,482)</b>	<b>(2,721,451)</b>

See accompanying notes.

## Porto Sudeste do Brasil S.A.

### Condensed cash flow statement

Six-month period ended June 30, 2023, and 2022

(In thousands of reais)

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Cash flows from operating activities				
Loss for the period before taxes	<b>(1,422,787)</b>	(1,043,280)	<b>(1,422,787)</b>	(1,043,042)
Non-cash P&L items				
Depreciation and amortization	<b>155,365</b>	119,289	<b>155,368</b>	119,296
Other amortization	<b>11,619</b>	6,206	<b>11,708</b>	6,315
Equity pickup	<b>47,078</b>	19,118	-	-
Royalties adjustment	<b>1,507,468</b>	964,745	<b>1,507,468</b>	964,745
Monetary variation and interest	<b>210,745</b>	345,576	<b>259,095</b>	346,926
Other provisions	<b>(30,121)</b>	25,604	<b>(30,131)</b>	25,863
Changes in assets and liabilities				
Trade accounts receivable	<b>27,249</b>	(33,126)	<b>26,679</b>	(33,126)
Trade accounts receivable - related parties	<b>(209,312)</b>	(30,724)	<b>13,996</b>	(181,045)
Other advances	<b>514</b>	(13,377)	<b>337</b>	(13,584)
Inventories	<b>(12,344)</b>	(3,529)	<b>(25,687)</b>	103,062
Judicial deposits	-	(4,537)	-	(4,398)
Taxes recoverable	<b>(31,666)</b>	(20,561)	<b>(31,905)</b>	(21,352)
Advances from customers	<b>1,170</b>	79	<b>1,170</b>	79
Trade accounts payable	<b>28,483</b>	(20,104)	<b>122,639</b>	(29,492)
Taxes and contributions payable	<b>26,438</b>	26,711	<b>25,497</b>	25,087
Obligation to third parties	-	7	-	7
Transactions with related parties	<b>22,084</b>	9,999	<b>53,518</b>	8,859
Other assets	<b>(7,905)</b>	(790)	<b>(7,904)</b>	(790)
Salaries and compensations	<b>(1,738)</b>	(75)	<b>(1,738)</b>	(75)
Interest paid	<b>(148,140)</b>	(188,981)	<b>(174,948)</b>	(192,929)
Net cash provided/ (used) in operating activities	<b>174,200</b>	158,250	<b>482,375</b>	80,406
Cash flow from investing activities				
Acquisition of property, plant, and equipment	<b>(36,490)</b>	(34,266)	<b>(36,490)</b>	(34,266)
Advance for future capital increase	<b>(250)</b>	(420)	-	-
Net cash used in investing activities	<b>(36,740)</b>	(34,686)	<b>(36,490)</b>	(34,266)
Cash flows from financing activities				
Advance for future capital increase	-	12,810	-	12,810
Borrowings	-	-	<b>1,056,775</b>	884,570
Guarantee	<b>(19,841)</b>	(18,324)	<b>(19,841)</b>	(18,324)
Borrowings settled	<b>(271,386)</b>	(113,791)	<b>(1,565,869)</b>	(938,896)
	<b>(291,227)</b>	(119,305)	<b>(528,935)</b>	(59,840)
Exchange differences, net				
Foreign exchange differences	<b>138,821</b>	(2,162)	<b>134,454</b>	(7,523)
Increase in cash and cash equivalents	<b>(14,946)</b>	2,097	<b>51,404</b>	(21,223)
Statement of increase (decrease) in cash and cash equivalents				
At beginning of the period	<b>37,848</b>	9,604	<b>99,223</b>	76,538
At end of the period	<b>22,902</b>	11,701	<b>150,627</b>	55,315
Increase in cash and cash equivalents	<b>(14,946)</b>	2,097	<b>51,404</b>	(21,223)

See accompanying notes.



## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 1. Operations

Porto Sudeste do Brasil S.A. ("Porto Sudeste" or the "Company") was established on November 7, 2007, to develop the logistics and integrated operations in the port sector, notably the implementation and operation of a Port Terminal named Porto Sudeste ("Terminal" or "Porto Sudeste").

The Company is composed of its parent company and its subsidiaries Pedreira Sepetiba Ltda. ("Pedreira"), Terminal de Contêineres Sepetiba Ltda. ("TCS"), Porto Sudeste VM S.A. ("Porto VM") and Porto Sudeste Exportação e Comércio S.A.

IWL Holdings (Luxembourg) S.A.R.L. ("Trafigura") and EAV Delaware LLC ("Mubadala"), through investees became joint holders of 99,33% ownership interest in the Company, through PSA Fundo de Investimento e Participações.

In February 2014, the controlling shareholders Trafigura and Mubadala executed the Shareholders' Agreement, which provides for the rights and obligations of each controlling shareholder.

#### Company's financial position

On June 30, 2023, the Company records a consolidated working capital of R\$179,466 thousand, a consolidated loss for the year of R\$1,422,787 thousand and consolidated accumulated loss of R\$5,993,482 thousand, thus, the equity on June 30, 2023, is negative amounting R\$2,721,451 thousand. The Company closed the quarter with a cash position consolidated of R\$150,627 thousand.

The Company started operations in January 2016 and has a positive operating cash flow. However, for the next 12 months and according to senior debt contracts will still depend on financial support from its shareholders and/or third-party funds to support certain obligations that cannot be settled from the operating cash flow (such as guarantees, and non-maintenance investments of iron ore operational), according to the Company's business model, there is an additional cash requirement of approximately R\$181,019 thousand (equivalent US\$37,562 thousand) which will be made available by the shareholders.

In the second quarter of 2023, the parent company shipped approximately 6.961 million tons of iron ore. The Company also handled other cargoes in this quarter, through the unloading of 69 thousand tons of coal, and 1 ship-to-ship oil transshipment operation, amounts that are still not very representative when compared to iron ore. Year to date, there were approximately 12.1 million tons of iron ore, 170 thousand tons of other solid bulk and 1 oil operation.

The good operating performance reflected positively on the financial performance of the Company. All excess cash generation was allocated to the payment of senior debt principal,

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 1. Operations (Continued)

#### Company's financial position--continued

through the cash sweep mechanism valid until December 2023. The net accounting loss was mainly impacted by the effect of the Port11 Securities recorded in Liabilities (Note 14), which is marked at fair value, therefore, a better expectation of its payment generates an increase in its present value.

#### Licenses

On July 15, 2010, the Company obtained from the Brazil's Water Transportation Regulatory Agency (ANTAQ) authorization for construction and implementation of the Maritime Terminal with capacity for shipping 50 million tons per year, located in Ilha da Madeira, Itaguaí, Rio de Janeiro. This concession is valid for 25 years, renewable for another 25 years. In 2014, after completing the first phase of the implementation works of the Terminal and obtaining the respective environmental operation license, the Company received from Agência Nacional de Transporte Aquaviários (ANTAQ) the Operating Release Term (TLO) and the Qualification for International Maritime Traffic (HTMI), whereupon the Company has been fully authorized by this regulatory agency to operate the first phase of the Terminal. In addition to the release from the regulatory agency, the first phase of the terminal is properly bonded and able to receive goods intended for export. Regarding the offshore access, the dredging and submerged rocks blasting of the access channel to the Terminal and the mooring basin were completed in early 2015.

As to the second phase of the terminal (50 million tons per year), the Company completed the assembly of equipment in the mid of 2015 and on November 12, 2015 was granted by Agência Nacional de Transporte Aquaviários (ANTAQ) TLO Number 11/2015, authorizing the Company to move on with the partial operation of the Private Use Terminal, in accordance with Agência Nacional de Transportes Aquaviários (ANTAQ) standards and regulations, considering the adjustments of the New Ports Law.

As regards the Brazilian Tax Authority, the areas of yard 06, tunnel, pier and yard 32 are within an export customs area.

In December 2021, the Company completed the licensing process for the transshipment to countership operation for handling liquid bulk. In 2022, the Company carried out its first commercial operations, serving companies that explore for oil in the pre-salt layer.

Continuing the process of diversifying operations, on December 27, 2022, as published in the Diário Oficial, the company obtained from the National Agency for Waterway Transport - ANTAQ, the Term of Installation License (TLI), which allows the construction and deployment to expand the capacity of the maritime terminal, by an additional 50 million tons per year of liquid bulk, totaling 100 million tons.

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 2. Basis of preparation and presentation of Individual and consolidated interim condensed financial information

#### a) Individual and consolidated interim condensed financial information

The preparation of the individual and consolidated interim condensed financial information relied on various basis of evaluation used in the accounting estimates. The accounting estimates involved in the preparation of the interim condensed financial information were supported by objective and subjective factors, based on the management judgment to determine the appropriate value to be recorded in the individual and consolidated interim condensed financial information.

The settlement of transactions involving these estimates may result in amounts materially different from those recorded in the financial information due to uncertainties inherent in the estimation process. The Company reviews its estimates at least on an annual basis.

The Company's condensed individual and consolidated interim financial information was prepared in accordance with technical pronouncement NBC TG 21 - Interim Statement, and in accordance with International standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standard Board - IASB, individual and consolidated.

On August 10<sup>th</sup>, 2023 the Company management authorized the conclusion and disclosure of this individual and consolidated interim condensed financial information.

#### b) Basis of preparation and measurement

The individual and consolidated condensed financial information were prepared considering the historical cost, except for financial instruments measured at fair value.

#### c) Functional currency

With the beginning of operations on January 1, 2016, the Company and its subsidiaries began to earn revenues denominated in US dollars. Therefore, the functional currency was changed from Brazilian real to US dollar. Pursuant to Brazilian legislation and Accounting Pronouncement CPC 2 - Effects of changes in exchange rates and translation of financial statements, these financial information are presented in Brazilian reais (R\$), converting the functional currency (US dollars) to the reporting currency (Brazilian reais). Assets and liabilities are translated to the closing exchange rate in the period; P&L accounts are stated at the average exchange rate on the date of the event; and equity at historical buildup cost. The effect of conversion into reporting currency is stated in equity under "Cumulative translation adjustments".

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 2. Basis of preparation and presentation of Individual and consolidated interim condensed financial information (Continued)

#### d) Consolidation

The consolidated financial information includes the Company and the following subsidiaries:

	Interest - %				Location of headquarters	Main activity
	Capital		Voting capital			
	06/30/2023	12/31/2022	06/30/2023	12/31/2022		
Direct subsidiaries						
Pedreira	99.98%	99.98%	99.98%	99.98%	Brazil	Extraction and crushing of stones
TCS	99.98%	99.98%	99.98%	99.98%	Brazil	Logistics
Porto VM	100%	100%	100%	100%	Brazil	Currently inoperative
Porto Sudeste Exportação	99.99%	99.99%	99.99%	99.99%	Brazil	Purchase and sale of ore

### 3. Summary of significant accounting practices and estimates

The accounting practices adopted when preparing the interim condensed financial information is consistent with that when preparing the financial statements at December 31, 2022.

The interim financial information and related notes do not include all the information and disclosures required for annual financial statements. Therefore, this interim financial information should be read in conjunction with the annual audited financial statements as of December 31, 2022.

### 4. Cash and equivalents and marketable securities

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and banks	<b>1,236</b>	12,053	<b>1,498</b>	12,925
Cash equivalents	<b>21,666</b>	25,795	<b>149,129</b>	86,298
	<b>22,902</b>	37,848	<b>150,627</b>	99,223

The Company invests in Bank Deposit Certificates (CDB) and carries out with repurchase agreements operations backed by private securities (CDB). The securities are issued by top-tier companies and financial institutions, all subject to floating rates, with an average remuneration pegged to the DI rate (Interbank Deposit Certificate - CDI), without grace period and readily convertible to cash.

The Bank Deposit Certificates (CDBs) are issued by top-tier financial institutions and are mostly remunerated from 60% to 100% of the Interbank Deposit Certificate (CDI) variation, respectively.

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 5. Accounts receivables

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Port fee	25,725	53,598	25,725	53,598
Iron ore	-	-	570	-
	<b>25,725</b>	<b>53,598</b>	<b>26,295</b>	<b>53,598</b>

The balance on June 30, 2023, was substantially received until July 2023. Management understands that there is no need to record a provision for estimated losses on allowance for loan losses.

### 6. Inventories

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Gravel	-	-	2,036	2,204
Iron ore	-	-	88,429	73,344
Warehouse	72,980	65,555	73,378	65,984
	<b>72,980</b>	<b>65,555</b>	<b>163,843</b>	<b>141,532</b>

### 7. Restricted deposits

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trustee ACC Itaú BBA (*)	12,909	12,318	12,909	12,318
	<b>12,909</b>	<b>12,318</b>	<b>12,909</b>	<b>12,318</b>

(\*) Temporary freezing of part of short-term investments (Trustee Account) related to the acquisition of land for Porto Sudeste expansion. This amount will be realized upon execution of the land definitive deed. These deposits are invested in first class financial institutions and substantially remunerate between 63% and 96% of the variation of the Interbank Deposit Certificate (CDI).

### 8. Advances

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Customs clearance	2,576	2,752	2,576	2,752
Fuel	8,666	9,349	8,666	9,349
Energy	-	2,580	-	2,580
Professional services	10,975	11,896	10,975	11,896
Machinery and equipments	9,896	8,488	9,896	8,488
Other	2,015	2,435	2,097	2,435
	<b>34,128</b>	<b>37,500</b>	<b>34,210</b>	<b>37,500</b>

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 9. Investments

The Company has the following investments:

#### Pedreira Sepetiba Ltda.

Incorporated on June 21, 1989, this company is engaged in the exploration and utilization of mineral deposits in Brazil and consequent sale of their by-products; sale of construction materials in general; and the provision of cargo transportation, civil engineering, development and construction services.

#### TCS - Terminal de Contêineres Sepetiba Ltda.

Incorporated on January 31, 1989, this company is engaged in the rendering of all services related to a container terminal, intended for cargo concentration and distribution and the respective handling of loading, unloading and shipment to their final destinations; rendering of transportation services of containers of ships; the charter or rent of ships, barges and national or foreign equipment; as well as the rendering of services inherent in the customs area to be implemented in the terminal area through concession from tax authorities.

#### Porto Sudeste V.M S.A.

Incorporated on July 16, 2013, this company is engaged in holding interest in capital of other companies, both in Brazil or abroad, as an owner, shareholder or member, either permanently or temporarily, as a parent company or noncontrolling interest. Porto V.M. was created with the main purpose of receiving part of royalty-based securities as part of the purchase transaction of the Port by its current shareholders, as described in Note 14.

#### Porto Sudeste Exportação e Comércio S.A.

Is engaged in the export and import of iron ore, iron pellets, pig iron and by-products.

#### Changes in investments

	Parent Company				
	12/31/2022	Equity pick-up (*)	Capital increase	Effect of conversion into Brazilian reais	06/30/2023
Pedreira	19,214	(15)	-	(1,466)	17,733
TCS	29,258	(214)	250	(2,244)	27,050
Porto VM	309	(169)	-	(17)	123
	48,781	(398)	250	(3,727)	44,906

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 9. Investments (Continued)

	Parent Company – Negative equity				
	03/31/2022	Equity pickup (*)	Capital increase	Effect of conversion into Brazilian reais	06/30/2023
Porto Sudeste					
Exportação	(108,999)	(46,680)	-	11,311	(144,368)
	(108,999)	(46,680)	-	11,311	(144,368)

(\*) In June 30, 2023 the Company recognized a result of negative equity, that totalizing R\$47,078.

#### Ownership interest and summary of investees

	06/30/2023						
	Interest	Number of shares/ units (thousand)	Assets	Liabilities	Equity	Net revenue	P&L for the period
Pedreira	99.98%	49,001	24,673	6,940	17,733	-	(15)
TCS	99.98%	3,447	2,154	15	2,139	-	(214)
Porto VM	100%	-	60,451	60,328	123	-	(169)
Porto Sudeste Exportação	100%	-	2,075,477	2,219,845	(144,368)	2,255,029	(46,680)

	06/30/2022						
	Interest	Number of shares/ units (thousand)	Assets	Liabilities	Equity	Net revenue	P&L for the period
Pedreira	99.98%	49,001	23,133	3,739	19,394	-	36
TCS	99.98%	3,447	2,341	4	2,337	-	(206)
Porto VM	100%	-	60,834	60,966	(132)	-	(363)
Porto Sudeste Exportação	100%	-	439,482	535,578	(96,096)	1,922,174	(18,585)

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 10. Property, plant, and equipment

	Consolidated						Total
	Facilities	Machinery and equipment	Land	Construction in progress	Buildings and improvements	Other	
Net balance at December 31, 2021	143,031	1,329,391	188,597	150,555	5,817,939	73,991	7,703,504
Additions	86	7,916	-	125,144	-	7,494	140,640
Transfers	2	(3,379)	-	1,021	-	2,356	-
Depreciation for the period	(13,515)	(58,793)	-	-	(94,059)	(1,771)	(168,138)
Effect of conversion into Brazilian reais	(15,870)	(108,221)	(12,262)	(6,507)	(410,187)	(5,701)	(558,748)
Net balance at December 31, 2022	113,734	1,166,914	176,335	270,213	5,313,693	76,369	7,117,258
Additions	263	2,173	-	32,981	-	1,073	36,490
Transfers	1,928	38,180	-	(40,108)	-	-	-
Depreciation for the period	(6,813)	(39,847)	-	-	(47,028)	(1,033)	(94,721)
Effect of conversion into Brazilian reais	(11,225)	(101,788)	(13,468)	(17,965)	(416,994)	(6,418)	(567,858)
Net balance at June 30, 2023	97,887	1,065,632	162,867	245,121	4,849,671	69,991	6,491,169
Accumulated balances							
Acquisition cost	162,459	1,149,318	129,019	262,317	4,703,060	77,864	6,484,037
Accumulated depreciation	(72,871)	(270,774)	-	-	(732,274)	(7,048)	(1,082,967)
Effect of conversion into Brazilian reais	24,146	288,370	47,316	7,896	1,342,907	5,553	1,716,188
Net balance at December 31, 2022	113,734	1,166,914	176,335	270,213	5,313,693	76,369	7,117,258
Acquisition cost	164,650	1,189,671	129,019	255,190	4,703,060	78,937	6,520,527
Accumulated depreciation	(79,684)	(310,621)	-	-	(779,302)	(8,081)	(1,177,688)
Effect of conversion into Brazilian reais	12,921	186,582	33,848	(10,069)	925,913	(865)	1,148,330
Net balance at June 30, 2023	97,887	1,065,632	162,867	245,121	4,849,671	69,991	6,491,169



## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 10. Property, plant and equipment (Continued)

#### Depreciation and amortization

Depreciation and amortization are recorded for all property, plant and equipment with the exception of land, which is not depreciated. Depreciation and amortization rates are based on the estimated useful lives of the assets, as follows:

- Buildings and improvements - 10 to 50 years
- Facilities – 5 to 50 years
- Machines and equipment - 1 to 30 years
- Others – 1 to 15 years

#### Impairment test for property and equipment

Throughout the second quarter of 2023, the Company assessed the indications that any asset could be recorded above its recoverable amount, and after the impairment test carried, we did not verify the need to recognize any provision for impairment of its assets.

The discounted cash flow method employed by the Company is based on concepts that consider financial resources which will be generated in the future by the cash-generating unit, discounted to present value, to reflect the time, opportunity cost and associated risks. The discount rate used in the Company's financial models was 7.00%. These projections are based on the Company's Business Plan which includes assumptions related to the growth of iron ore exports from the quadrilátero ferrífero of Minas Gerais, market share of Porto Sudeste, volumes of ore originated by mines belonging to its shareholders, operations with other solid and liquid bulk, expectations of prices of commodity, among others.

### 11. Intangible

	<u>Port license</u>
<b>Balance at December 31, 2021</b>	<u>12,314,731</u>
Amortization	(88,776)
Effect of conversion into Brazilian reais	(830,456)
<b>Balance at December 31, 2022</b>	11,395,499
Amortization	<b>(60,647)</b>
Effect of conversion into Brazilian reais	<b>(884,529)</b>
<b>Balance at June 30, 2023</b>	<u><u>10,450,323</u></u>

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 11. Intangible -- Continued

The license is amortized over the concession period of the port for a period of 50 years, considering the operated volume.

#### Impairment test for intangible assets with defined useful life

Throughout the second quarter of 2023, the Company assessed whether there were any indicators that the license could be above its recoverable amount. After performing the tests, as mentioned in Note 10, the Company did not identify the need to recognize any provision for impairment of its intangible assets.

The discount rate used in the Company's financial models was 7.00%.

### 12. Trade accounts payable

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Equipment rental	6,283	3,160	6,283	3,160
Energy	2,539	2,120	2,539	2,120
Fuel	68	37	68	37
Construction in progress	13,058	36,754	13,058	36,754
Iron ore	-	-	139,663	47,921
Rail freight	-	-	6,725	8,016
Machinery and equipment	653	2,342	653	2,342
Insurance	2,178	259	2,178	259
Services	24,245	22,641	28,014	22,711
	<b>49,024</b>	<b>67,313</b>	<b>199,181</b>	<b>123,320</b>

### 13. Loans and financing

#### Loans per currency

	Consolidated			
	Current liabilities		Noncurrent liabilities	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Taken out in US dollars				
Principal	243,123	475,015	2,956,926	3,308,204
Interests	2,488	2,947	1,180,540	1,151,657
Transaction costs	-	-	(17,883)	(19,698)
	<b>245,611</b>	<b>477,962</b>	<b>4,119,583</b>	<b>4,440,163</b>
Taken out in Brazilian reais				
Principal	24,367	-	1,762,666	2,022,975
Interests	6,834	9,579	-	-
Transaction costs	-	-	(115,074)	(127,971)
	<b>31,201</b>	<b>9,579</b>	<b>1,647,592</b>	<b>1,895,004</b>
	<b>276,812</b>	<b>487,541</b>	<b>5,767,175</b>	<b>6,335,167</b>

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 13. Loans and financing (Continued)

The current liabilities of contracts denominated in US dollars refer to the ACC/ACE contracts taken from the creditors Santander, Citibank, Daycoval, Itaú and ABC Brasil by the subsidiary Porto Sudeste Exportação e Comércio S/A. The current liabilities of contracts denominated in reais refer to interest calculates until June 30, 2023, of the financing agreements with the creditors BNDES and Bradesco and are due for payment on September 15, 2023. Additionally, the current liabilities of the debt in Reais and in US Dollars also refer to the quarterly principal amortizations of the senior debt from March 2024.

The senior financing agreements with creditors BNDES and Bradesco maturing in December 2036, and with Deutsche Bank, Natixis and BTG maturing in December 2029, establish a grace period for principal until December 31, 2023. Therefore, there is no obligation to pay principal to senior creditors until December 31, 2023. In these contracts there is a cash sweep mechanism in force, which establishes that, in the event of positive cash balance in the quarter, this balance must be distributed as payment of principal/amortization to creditors seniors. As these amortizations are conditioned to the future cash balance, being, therefore, cash not yet realized, the amortizations that will eventually occur in the next 12 months are not included in the Company's current liabilities.

The movements of these loans and financing are presented below:

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
<b>Opening balance</b>	<b>6,344,946</b>	6,453,828	<b>6,822,708</b>	6,848,913
Funding	-	-	<b>1,056,775</b>	1,124,037
Accrued interest	<b>239,884</b>	195,295	<b>266,656</b>	206,552
Amortization of principal	<b>(271,386)</b>	(195,122)	<b>(1,565,869)</b>	(1,240,813)
Amortization of interest	<b>(148,140)</b>	(95,728)	<b>(174,948)</b>	(105,908)
Transaction costs	<b>14,713</b>	4,308	<b>14,713</b>	4,308
Exchange variation	<b>(345,157)</b>	(17,635)	<b>(376,048)</b>	(14,381)
<b>Final balance</b>	<b>5,834,860</b>	6,344,946	<b>6,043,987</b>	6,822,708

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 13. Loans and financing (Continued)

#### Loans per financial institution

Bank	Index/interest	Maturity	Balance as of	
			06/30/2023	12/31/2022
BNDES	5,51% and 4,51% p.a. + IPCA	12/15/2036	<b>695,842</b>	777,157
BNDES	5,73% and 4,73% p.a. + IPCA	12/15/2036	<b>376,783</b>	420,821
BNDES	3,40% e 2,40% p.a. + Cesta de Moedas	12/15/2036	<b>175,709</b>	210,406
BNDES	6,73% and 5,73% p.a. + IPCA	12/15/2036	<b>370,671</b>	414,314
BNDES	4,40% and 3,40% p.a. + Cesta de Moedas	12/15/2029	<b>174,863</b>	209,856
Deutsche/Natixis/BTG	4,00% and 3,50% p.a. + Libor 3 meses	06/15/2037	<b>583,736</b>	699,476
Bradesco/PAV Lux	4,50% p.a. + Libor 6 meses	06/15/2037	<b>3,542,959</b>	3,710,384
BTG	4,00% p.a. + Libor 1 mês	12/15/2036	<b>47,253</b>	50,201
Santander	10,89% to 11,08% p.a.	19/07/2023	<b>44,400</b>	194,582
Citibank	10,12% to 10,15% p.a.	07/26/2023	<b>12,152</b>	90,065
Daycoval	10,75% to 11,65% p.a.	09/04/2023	<b>6,546</b>	7,150
Itaú	10,20% to 10,36% p.a.	09/05/2023	<b>138,688</b>	137,973
ABC Brasil	9,50% p.a.	07/27/2023	<b>7,341</b>	47,992
			<b>6,176,943</b>	6,970,377
Transaction costs			<b>(132,956)</b>	(147,669)
			<b>6,043,987</b>	6,822,708

#### Loans per financial institution

The portions classified in current and non-current liabilities have the following payment schedule:

	Consolidated	
	06/30/2023	12/31/2022
Year of maturity		
Up to one year	<b>276,812</b>	487,541
2 to 3 years	<b>329,585</b>	347,920
4 to 5 years	<b>380,984</b>	432,223
Over 5 years	<b>5,189,562</b>	5,702,693
	<b>6,176,943</b>	6,970,377
Transaction costs	<b>(132,956)</b>	(147,669)
	<b>6,043,987</b>	6,822,708

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 13. Loans and financing (Continued)

At June 30, 2023, the annual interest rates on debts are as follows:

	Consolidated	
	06/30/2023	12/31/2022
Debts in US\$ - up to 7.00%	47,253	74,061
Debts in R\$ - above 7.00%	4,335,823	4,863,762
Debts in R\$ - from 6.1% to 9.3%	350,571	420,262
Debts in R\$ - above 9.3%	1,443,296	1,612,292
	<b>6,176,943</b>	<b>6,970,377</b>
Transaction costs	<b>(132,956)</b>	<b>(147,669)</b>
	<b>6,043,987</b>	<b>6,822,708</b>

#### Collateral

The Company's' loans are guaranteed by top-tier financial institutions, as well as by controlling shareholders (bank guarantee), as well as the controlling shareholders (Standby Letter of Credit), in addition to the chattel mortgage of assets and cash flow from receivables.

Regarding the financing agreements, there are financial and non-financial obligations to comply with. Among them the following can be highlighted: (a) use of the waterfall structure of current accounts; (b) after the grace period, composition of minimum balance in Reserve Account at least 2 times the amount of the next debt service payment; (c) after reaching financial completion, maintenance of the debt coverage ratio (DSCR) covenant above 1.3 for BNDES and Bradesco financing contracts and above 1.15 for CESCE contracts; (d) presentation of the audited financial statements; and (e) maintenance of operational insurance.

There are no covenants to be attended on June 30, 2023. The covenants should be complied as on January 2024, considering the rules, deadline for compliance and measurement periods of each covenant individually.

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 13. Loans and financing (Continued)

#### Effect of conversion into Brazilian reais

The exchange rate varied 7.64% in the period, from R\$5.2177/US\$ on December 31, 2022, to R\$4.8192/US\$ on June 31, 2023, influencing the balance of US dollar currency debt that, on June 30, 2023, accounted for 95.42% of total indebtedness.

#### Transaction costs

The debt issue costs refer to outside counsel fees and commissions of guarantee and were recorded as reduction of liabilities.

#### Refinancing of the Senior Debt

On April 14 and June 2, 2021, the Company completed the second refinancing of senior debt related to financing agreements with creditors BNDES and Bradesco, and CESCE/Natixis/BTG, respectively. These refinancing's included, among others: (a) updating the index from TJLP to TLP; (b) extension of the grace period until December 31, 2023; (c) extension of the maturity term until December 15, 2036 (plus 7 years) for BNDES and Bradesco contracts and until December 15, 2029 (plus 6 years) for CESCE/Natixis/BTG contracts; (d) change in the periodicity of payment of amortization and interest from monthly to quarterly; (e) change in the amortization schedule from constant to non-linear; (f) maintenance of the cash sweep mechanism under the same terms during the grace period and with limitations related to the leverage level and pre-refinancing schedule after the grace period; and (g) updating of certain indicators and covenants.

### 14. Variable income securities (“royalties”)

In February 2014, IWL Holdings (Luxembourg) S.A.R.L. (Trafigura) and EAV Delaware LLC (Mubadala), through PSA Fundo de Investimento e Participações, acquired the control of Porto Sudeste, until then exercised by MMX Mineração e Metálicos S.A. (MMX).

The investment agreement that regulated the acquisition of control of Porto Sudeste by Trafigura and Mubadala foresee, among others, that the Company would take over, directly or indirectly, obligations related to the variable-yield securities based on Royalties issued by MMX, traded on B3 S.A. - BRASIL. BOLSA. BALCÃO (“B3”) under the ticker MMXM11 (“MMXM11 securities”). In this context, Porto Sudeste issued, on February 26, 2014, Perpetual Variable-yield Securities (“PVS”), with similar terms to the MMXM11 Securities (“Port11”), which were fully subscribed on the same date by MMX. The investment agreement also provided for MMX's obligation to carry out an exchange offer, aimed at all holders of the MMXM11 Securities, through which MMX would acquire the MMXM11 Securities, and deliver the Port11 Securities, or another security, in return by MMXM11 Securities (“Exchange Offer”). To implement such Exchange Offer, two different vehicles were used, to reach all holders of MMXM11 Securities:

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 14. Variable income securities (“royalties”) (Continued)

- (i) FIP-IE Porto Sudeste Royalties (“PSR”): An infrastructure equity investment fund, which, at the time of the offer, held in its portfolio exclusively, Port11 Securities - and for each Port11 Security held by PSR would be entitled to a Unit. PSR’s units were offered to the holders of MMXM11 Securities that would fit as qualified investors pursuant to CVM regulation, and would not have restrictions to hold PSR units.
- (ii) Porto Sudeste V.M S.A. (“Porto VM”): A stock corporation registered with CVM under category ‘B’. Said corporation issued a new royalty-based variable-yield security, mirror of MMXM11 Security (“PSVM11 Securities”), and such security listed for trading on B3 (contrary to Port11 Securities, which are not accepted for trading on the stock exchange). Under the Exchange Offer, the PSVM11 Securities were offered to holders of MMXM11 Securities that (i) would not fit as qualified investors, or (ii) would have regulatory restrictions to hold units of a FIP-IE - which happens with some investment funds.

As a way of addressing the situation of MMXM11 holders who eventually did not adhere to the Exchange Offer, MMX remained the holder of Port11 Securities in the same quantity of MMXM11 Securities not exchanged.

The aforementioned holders of Port11 are entitled to a quarterly variable-yield remuneration, calculated since January 1, 2013, based on the iron ore metric tonnage or on the value per ton for other cargo, as the case may be, as follows:

$$R = \frac{[(TMMF \times VpTMF) + (TMOOC \times VpTDC)] \times FP}{100}$$

Where:

R = royalties due in relation to each quarter of the fiscal year

TMMF = Iron Ore Measured Tonnage shipped in the Port in the respective quarter

TMOOC = Measured Tonnage of Other Cargo shipped in the Port in the respective quarter

VpTMF = Value per Ton for Iron Ore (as defined below)

VpTDC = Value per Ton of Other Cargo (as defined below)

FP = Proportional Factor

For iron ore loads: the royalties related to iron ore loads shipped on Port in a certain calendar quarter shall be calculated, considering the amount of USD 5.00 per ton of iron ore (“value per ton of iron ore”). This value will be (i) adjusted annually at the variation in US PPI calculated from September 2010; and (ii) converted into reais, based on the exchange rate at the ending of the business day immediately prior to the actual payment date.

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 14. Variable income securities (“royalties”) (Continued)

For other loads: the royalties related to other loads, other than iron ores (excluding non-dry loads, such as supply activities) conducted at the Port Terminal (“value per ton for other loads”) will be calculated based on the load margin. “Load margin” (a) means the difference between the average cost per ton (excluding all non-cash items) incurred in relation to the services rendered by Porto Sudeste relating to the applicable load and the average value per ton effectively charged by Porto Sudeste for the services rendered in relation to such load; and (b) must be limited under any circumstance to USD 5.00 per shipped ton. The adjusted limit value of USD 5.00 per ton for load margin will be (i) adjusted annually at the variation in US PPI calculated from September 2010; and (ii) converted into reais, based on the exchange rate at the ending of the business day immediately prior to the actual payment date.

During the years 2013 to 2016, the commitment of royalties from Porto Sudeste, related to iron ore, was the minimum between the volume shipped in each period and the take-or-pay volume indicated in the table below:

Tons (million)	2013	2014	2015	2016
TMMF	13.6	31.9	36.8	36.8

From 2017 onwards, the volume of iron ore generating royalties (TMMF, in the formula above) is no longer subject to a take-or-pay, being, therefore, simply the volume shipped. In the table below, you can see the tonnage carried out by the Porto Sudeste, with the start of operations in 2016, after commissioning carried out in 2015:

Tons (million)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 YTD
TMMF	-	-	-	7.1	9.5	10.7	16.4	18.7	17.8	17.4	12.1
TMOC	-	-	-	-	-	-	-	-	-	0.11	-

As the shipped volume of iron ore in 2016 was lower than the take-or-pay volume, the royalty commitment is based on this second parameter.

If, in a certain calendar quarter by the payment of current royalties the cash of issuer and Porto Sudeste is jointly higher than US\$10 million (“Minimum Cash Reserve”), the issuer will use the values that exceed the minimum cash reserve (“Available Cash”) to pay the effectively accumulated royalties to the holders of securities such time (“Accumulated Royalties”).



## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 14. Variable income securities (“royalties”) (Continued)

There is no obligation of Porto Sudeste to pay Royalties, unless there is Free Cash held by the issuer on the last day of such calendar quarter and up to the limit of such cash available. “Free Cash” means the value corresponding to the amounts available in cash of Porto Sudeste minus the sum of (a) any amounts contributed by the shareholders of Porto Sudeste through capital increase or loan from shareholders, to the extent that such amounts remain as available cash of Porto Sudeste, (b) reserve account of Senior debt service of BNDES and reserve account of senior debt service of CESCE, and (c) the values of cash allocated jointly by Porto Sudeste to the IRPJ - Corporate Income Tax, CSLL - Social Contribution on Net Income, and other obligations for which Porto Sudeste’s independent auditors require a joint allocation by Porto Sudeste.

On June 30, 2023, Porto Sudeste carried out the financial calculations and identified that there was not enough available cash generation to pay royalties to holders of Port11 Securities.

Porto Sudeste records Port11 Securities in Liabilities, based on the Present Value of the Projected Cash Flow of the payment of royalties. In other words, the amount shown in the Balance Sheet is different from the amount of royalties accrued until this quarter. Porto Sudeste VM, records its right to receive royalties in Assets, corresponding to its portion on the value of Port11 securities, and the respective payment to PSVM11 holders in Liabilities.

Securities are measured in accordance with IAS 37 - Provisions, Contingent Assets and Contingent Liabilities based on projected cash flows from future security related payments discounted at an annual rate of 11.90%. These projections are based on the Porto Sudeste Business Plan, which includes assumptions related to the growth of iron exports in the Quadrilátero Ferrífero of Minas Gerais, growth of the market share of Porto Sudeste, volumes of ore originated by mines belonging to its shareholders, operations with other solid and liquid bulk, commodity price expectations, among others.

Royalties breakdown							
	12/31/2022	Payments	Present value adjustment	US PPI	Assumptions review	Effect of conversion into Brazilian reais	06/30/2023
Royalties	13,768,633	-	774,181	-	733,287	(1,119,792)	14,156,309
Issuance cost	(14,073)	-	-	-	-	1,074	(12,999)
Total	13,754,560	-	774,181	-	733,287	(1,118,718)	14,143,310

At June 30, 2023, the present value of discounted future cash flow amounted to US\$2,937,481, which converted into Brazilian reais totaled R\$14,156,309. (US\$2,638,832, which converted into Brazilian reais totaled R\$13,768,633 at December 31, 2022). Of those totals, the correspondent to the present value adjust of the securities for the first semester of 2023 was of US\$156,625, which converted into Reais totaled R\$774,181 recorded as a financial expense. The update of the

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 14. Variable income securities (“royalties”) (Continued)

assumptions that support the calculation of the securities totaled R\$733,287 that were registered in Other operational expenses, this amount, deducted from the amount of R\$2,563 referring to other operating income and expenses, totals the balance of R\$730,724 recorded as other operating income (expenses), on the condensed statements of profit or loss, individual.

#### Transaction costs

Debt issue costs of variable income securities totaling R\$12,999 at June 30, 2023 (R\$14,074 at December 31, 2022), referring to outside legal counsel fees and commissions of guarantee were recorded as reduction of liabilities.

### 15. Taxes and contributions payable

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Service Tax (ISS)	4,888	4,534	6,186	7,025
Social Security Tax (INSS) - third parties	408	739	408	739
State Value-Added Tax (ICMS)	334	212	334	213
Withholding tax (IRRF)	1,182	1,394	1,182	1,394
Social Contribution Tax for Intervention in the Economic Order (CIDE) on import	432	757	432	757
Contribution Tax on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS)	5,791	10,039	5,819	10,049
Other	16	29	16	29
	<b>13,051</b>	<b>17,704</b>	<b>14,377</b>	<b>20,206</b>

### 16. Related parties

#### Related parties balance

The assets, liabilities, revenues, and expenses with related parties are summarized as follows:

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
<u>Assets</u>				
Porto Exportação (a)	259,283	80,075	-	-
Mineração Morro do Ipê (a)	130,149	100,045	130,149	100,045
Trafigura PTE (b)	-	-	176,243	310,845
	<b>389,432</b>	<b>180,120</b>	<b>306,392</b>	<b>410,890</b>
<u>Liabilities</u>				
Porto Exportação (a)	77,077	56,670	-	-
Trafigura PTE (c)	4,323	5,242	4,323	5,242
	<b>81,400</b>	<b>61,912</b>	<b>4,323</b>	<b>5,242</b>

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 16. Related parties (Continued)

#### Related parties balance (Continued)

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
<u>Revenue</u>				
Trafigura PTE (b)	-	-	2,255,029	1,922,174
Mineração Morro do Ipê (a)	239,895	169,433	239,895	169,433
Porto Exportação (a)	393,253	268,605	-	-
	<b>633,148</b>	<b>438,038</b>	<b>2,494,924</b>	<b>2,091,607</b>
<u>Expenses</u>				
Trafigura PTE (c)	1,040	3,038	12,562	13,172
	<b>1,040</b>	<b>3,038</b>	<b>12,562</b>	<b>13,172</b>

(a) Port fee service agreements.

(b) Iron ore export sales agreement held with related parties, through the subsidiary Porto Sudeste Exportação.

(c) The Company have an agreement for sharing the cost of IT activities and penalty for non-performance due to the delay in delivery and availability of cargo export, whose payments are made according to agreement signed with Trafigura Pte. Ltd. The costs of activities subject to sharing charged through debit notes, the payments of which are made according to an agreement between the parties.

#### Debt assignment and assumption

As described in Note 13, Itaú Unibanco S/A - Nassau Branch ceded all its rights and obligations arising from the contract and other loan documents to PAV LUX S.À.R.L. From that date PAV LUX S.À.R.L a Company of Mubadala Group which have jointly control of Porto Sudeste. PAV LUX S.À.R.L now owns 46.41% of the total amount of the agreement, totaling US\$341,175 equivalent to R\$1,644,191 in June 30, 2023.

### 17. Income and social contribution taxes

#### a) Deferred income and social contribution taxes

Deferred income and social contribution tax assets were calculated at the rate of 34%. Brazilian tax legislation allows tax losses to be offset against future taxable income for an indefinite term, however, such offset is limited to 30% of the taxable income for each reporting period.

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

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### 17. Income and social contribution taxes (Continued)

#### a) Deferred income and social contribution taxes (Continued)

The table below shows the net deferred credit taxes of the Company, not registered, however, the financial statement considering that Porto is still in its ramp-up period and does not have the expectation of generating taxable income in a short term.

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Deferred tax assets (liabilities)				
Tax losses	1,432,158	831,984	1,461,284	854,758
Social contribution tax losses	515,577	299,514	526,062	307,713
Pre-operating expenses treated as deferred assets for tax purposes	102,231	122,546	102,231	122,546
Amortization of license	114,121	100,794	114,121	100,794
Present value adjustment of royalties	69,599	452,278	69,599	452,278
Effect on property and equipment and intangible assets arising from change of functional currency (a)	(1,060,999)	(1,557,163)	(1,066,676)	(1,561,267)
Exchange gains/losses on royalties and loans (b)	690,535	1,188,870	724,513	1,192,615
Others	(18,404)	18,832	(15,140)	18,832
Provision of unrecognized DTA (a)	1,844,818	1,457,655	1,915,994	1,488,269

(a) Considering the fact that the Company changed its functional currency to the US Dollar and the current increase of the US Dollar against the Brazilian real in 2023, the tax base of property and equipment and intangible assets was significantly lower than the respective accounting base, thus generating a deferred consolidated liability tax.

(b) Although the Company's functional currency is the US Dollar, for tax purposes, the Company recognizes the corresponding foreign exchange differences, whose income, or deductible expense, will be taxed upon settlement of the obligation.

#### b) Conciliation of the expense calculated by the application of the nominal rates versus the expense recorded for the period

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Current income and social contribution taxes	-	-	-	238
Deferred income and social contribution taxes	112,636	94,316	70,502	90,764
	112,636	94,316	70,502	91,002
Gain before income and social contribution taxes	(1,422,787)	(1,043,280)	(1,422,787)	(1,043,042)
Income and social contribution tax assets at statutory rate (34%)	(483,748)	(354,715)	(483,748)	(354,634)
Adjustments for reconciliation of the statutory rate to the effective rate				
Equity pickup	27,853	2,338	-	-
Thin Cap interest	41,479	20,217	41,479	20,217
Adjustments due to the conversion of balances into the functional currency	526,930	426,031	512,471	424,823
Others	122	445	300	834
	-	-	-	(238)
Deferred tax credit not recorded for the year	112,636	94,316	70,502	91,002

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 18. Provision for contingencies

On June 30, 2023, the Company and its subsidiaries have the following contingencies assessed by the legal advisors as probable losses, which were provisioned:

a) Probable

It mainly refers to third-party embargoes filed by Porto Sudeste do Brasil against the Federal Government (Union) to recover a fixed income investment (CDB) with Banco Itaú, which was pledged in a lawsuit filed by the Federal Government against MMX. Such CDB was purchased by Porto Sudeste pursuant to a land purchase agreement entered by Porto Sudeste to serve as collateral for a contingent payment. The amount provisioned for this cause, R\$6,922.

	<b>Consolidated</b>	
	<b>06/30/2023</b>	<b>12/31/2022</b>
Tax contingencies	<b>6,922</b>	6,511
Labour contingencies	<b>1,624</b>	990
Total Probable contingencies	<b>8,546</b>	7,501

b) Possible

There are 135 claims for damages filed against Porto Sudeste and four other companies operating in the region by groups of fishermen residing in the Sepetiba Bay area, claiming environmental damages, due to inspections carried out by the Environment Department of the Itaguaí City Hall at the beginning of the year 2021. The cases were distributed to the 1st and 2nd Civil Courts of the Judicial District of Itaguaí.

In summary, the plaintiffs allege that the activities carried out by the defendants would have caused damage to the environment, in particular to the quality of the water in Sepetiba Bay, which would harm the fishing activities performed by them. Each fisherman claims material damages and moral damages, in addition to other illiquid requests, such as community assistance measures and fishing support. In the event of a decision in favor of the plaintiffs, environmental liability is objective and joint and several among all defendants. The total value of the lawsuits is R\$135 million, considering 5 or 3 defendants in each lawsuit, with approximately R\$40 million being the equivalent of the PSB, if a sentence is handed down condemning all defendants to the requests made by the plaintiffs in the same proportion, which is not guaranteed.

Considering that most of the cases are at a very early stage, since the defendants (Porto Sudeste and other companies) have filed defense only in 10 cases so far and that the cases are being consolidated by the court into smaller blocks of actions, our external lawyers classified the risk as "possible".

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 19. Judicial deposits

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Taxes	<b>54,004</b>	32,705	<b>54,004</b>	32,705
Civil	-	602	<b>389</b>	990
Labour	<b>1,263</b>	1,166	<b>1,263</b>	1,166
Freezing order of assets	<b>7,934</b>	21,241	<b>7,934</b>	21,241
	<b>63,201</b>	55,714	<b>63,590</b>	56,102

- a) Monthly escrow deposit relating to the incidence of ICMS on energy tariffs TUSD (Tariff for use of the electricity distribution system and TUST (Tariff for use of the electricity transmission system), since the Company, with the help of the external advisors understand that this tax is not due. These deposits amount to R\$31 million.
- b) Escrow deposit to discuss the non-inclusion of ISS in the PIS and COFINS calculation basis, as well as the illegality of the payments made. The company made monthly deposits as determined to keep the amounts safeguarded, pursuant to art. 151, II, of the CTN. These deposits amount to R\$20 million

### 20. Equity

#### a) Capital

Porto Sudeste's capital is broken down as follows on June 30, 2023, and December 31, 2022:

Shareholders	Number of shares	R\$	%
PSA Fundo de Investimentos e Participações	1,077,149,358	3,086,322	99,33
Porto Sudeste Participações S.A. ("Grupo MMX")	6,336,766	18,157	0,59
Gaboard Participações Ltda.	876,275	2,511	0,08
Total	<u>1,084,362,399</u>	<u>3,106,990</u>	<u>100</u>

#### b) Cumulative Translation Adjustments (CTA)

Represented by the accounting record of the foreign exchange of the financial position prepared in the functional currency (US dollars) in compliance with Accounting Pronouncement CPC 02.

#### c) Advance for future capital increase

In November 2021, the shareholder Mubadala made a capital contribution amounting to R\$12,810 through PSA Fundo de Investimentos e Participações in the Company as an advance for future capital increase.

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 20. Equity (Continued)

#### d) Advance for future capital increase (Continued)

In February 2022, the shareholder Trafigura made a capital contribution amounting to R\$12,810 through PSA Fundo de Investimentos e Participações in the Company as an advance for future capital increase.

In October 2022, the shareholder Mubadala made a capital contribution amounting to R\$20,800 through PSA Fundo de Investimentos e Participações in the Company as an advance for future capital increase, the capital will be increase in up to 12 months.

In November 2022, the shareholder Trafigura made a capital contribution amounting to R\$20,800 through PSA Fundo de Investimentos e Participações in the Company as an advance for future capital increase, the capital will be increase in up to 12 months.

#### d) Capital increase

In July 2022, a capital increase of R\$25,620 received as advances for future capital increase in November 2021 and February 2022, through the PSA Fundo de Investimento e Participações. After the referred capital increase, the interest of Porto Sudeste Participações in the Company (MMX Group) was reduced from 0.60% (31 December 2021) to 0.59%.

### 21. Revenue

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>06/30/2023</u>	<u>06/30/2022</u>	<u>06/30/2023</u>	<u>06/30/2022</u>
Gross revenue	<b>947,226</b>	651,709	<b>2,809,002</b>	2,305,278
(-) Sales deductions				
Service Tax (ISS)	<b>(38,754)</b>	(30,195)	<b>(38,754)</b>	(30,195)
Contribution Tax for Social Integration Program (PIS)	<b>(12,149)</b>	(9,465)	<b>(12,149)</b>	(9,465)
Contribution Tax for Social Security Financing (COFINS)	<b>(55,960)</b>	(43,598)	<b>(55,960)</b>	(43,598)
Net revenue	<b>840,363</b>	568,451	<b>2,702,139</b>	2,222,020

## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 22. Costs of sales and services

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Costs of sales (*)	-	-	<b>(1,851,098)</b>	(1,659,808)
Depreciation and amortization	<b>(154,964)</b>	(118,952)	<b>(152,968)</b>	(118,951)
Payroll	<b>(39,878)</b>	(32,346)	<b>(39,878)</b>	(32,346)
Third-party services	<b>(27,705)</b>	(14,626)	<b>(27,705)</b>	(14,626)
Cost of materials	<b>(15,641)</b>	(11,923)	<b>(15,641)</b>	(11,923)
Utilities	<b>(14,804)</b>	(10,338)	<b>(14,804)</b>	(10,338)
Rent of equipment	<b>(14,656)</b>	(13,678)	<b>(14,656)</b>	(13,678)
Demurrage	-	-	<b>(11,521)</b>	(10,134)
Insurance	<b>(7,282)</b>	(6,556)	<b>(7,282)</b>	(6,556)
Other	<b>(4,704)</b>	(3,099)	<b>(5,183)</b>	(1,606)
	<b>(279,634)</b>	(211,518)	<b>(2,142,736)</b>	(1,879,966)

(\*) This substantially refers to iron ore purchased for resale plus direct costs, such as freight.

### 23. General and administrative expenses

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Payroll	<b>(23,962)</b>	(20,634)	<b>(23,974)</b>	(20,634)
Third-party services	<b>(11,746)</b>	(13,395)	<b>(12,066)</b>	(15,786)
Depreciation and amortization	<b>(400)</b>	(337)	<b>(400)</b>	(345)
Maintenance	<b>(1,250)</b>	(22)	<b>(1,250)</b>	(105)
Rent and leasing	<b>(416)</b>	(465)	<b>(416)</b>	(486)
Materials	<b>(374)</b>	(238)	<b>(374)</b>	(245)
Communication	-	(115)	-	(136)
Fuel	<b>(54)</b>	(264)	<b>(54)</b>	(270)
Other	<b>(1,993)</b>	(4,650)	<b>(2,240)</b>	(5,712)
	<b>(40,195)</b>	(40,120)	<b>(40,774)</b>	(43,719)



## Porto Sudeste do Brasil S.A.

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

### 24. Finance income

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Financial costs				
Interest	<b>(240,142)</b>	(212,006)	<b>(277,330)</b>	(216,537)
Present value adjustment on royalties	<b>(774,181)</b>	(1,065,750)	<b>(774,181)</b>	(1,065,750)
Foreign exchange	<b>(431,533)</b>	(705,572)	<b>(469,838)</b>	(726,590)
Guarantee fees	<b>(19,841)</b>	(18,325)	<b>(19,841)</b>	(18,325)
Cost of transaction	<b>(8,106)</b>	(5,747)	<b>(8,106)</b>	(5,747)
Tax on Financial Transactions	<b>(1,050)</b>	(437)	<b>(1,236)</b>	(597)
Other	<b>(4,325)</b>	(2,383)	<b>(4,507)</b>	(2,456)
	<b>(1,479,178)</b>	(2,210,220)	<b>(1,555,039)</b>	(2,036,002)
Finance income				
Foreign exchange	<b>311,739</b>	570,881	<b>339,234</b>	592,666
Short-term investment yield	<b>1,548</b>	1,269	<b>4,548</b>	4,973
Other	<b>372</b>	306	<b>556</b>	336
	<b>313,659</b>	572,456	<b>344,338</b>	597,975
Finance income (costs), net	<b>(1,166,519)</b>	(1,437,764)	<b>(1,210,701)</b>	(1,438,027)

(\*) The effect of foreign exchange on P&L refers to the debt denominated in Brazilian reais, considering that the Company's functional currency was changed to the US Dollar.

### 25. Subsequent events

On July 7, 2023, the payment of capital in the amount of R\$41,600 was approved through the issuance of 26,496,815 registered common shares with no par value, so the capital stock, fully subscribed and paid in, is R\$3,148.589,661.96 (three billion, one hundred and forty-eight million, five hundred and eighty-nine thousand, six hundred and sixty-one reais and ninety-six centavos), divided into 1,110,741,491 (one billion, one hundred and ten million, seven hundred and forty-one thousand, four hundred and ninety-one) common shares, nominative and without par value.

## **Porto Sudeste do Brasil S.A.**

Notes to individual and consolidated interim condensed financial information (Continued)

June 30, 2023

(In thousands of reais, unless otherwise stated)

<b>Board of Directors</b>	<b>Executive Board</b>
Oscar Pekka Fahlgren - Chairman	Jayme Nicolato - Chief Executive Officer
William Kenneth Loughnan - Vice Chairman	Guilherme Caiado - Chief Operations Officer
Jesus Fernandes Lopez - Board Member	Thiago Roldão - Chief Financial Officer
Hani Barhoush - Board Member	
Carlos Bernardo Pons Navazo - Board Member	
Kelly Michelle Thomson - Board Member	

Alexandre Carvalho de Andrade  
Accountant  
CRC-RJ114354/O-4