



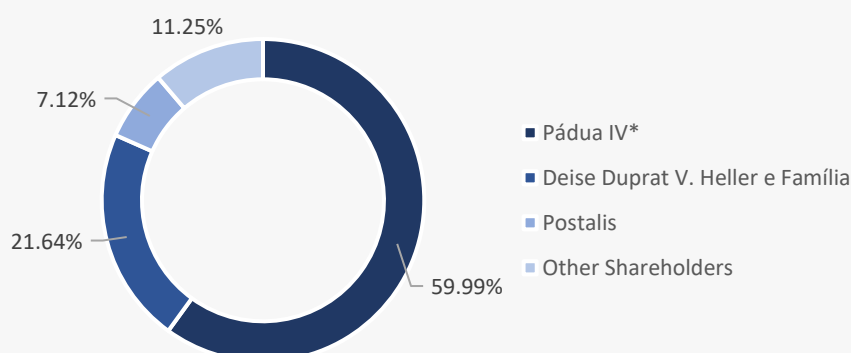
EARNINGS RELEASE 2Q | 2023

About Plascar

Plascar Participacoes Industriais S.A. (Bovespa: PLAS3), through its subsidiary Plascar Ltda., is a Brazilian industry that in 2023 completes sixty years of history and operates in the plastic transformation market and development of parts and internal and external finishes for vehicles, being responsible for supply high quality products to most of automakers installed in Brazil.

Currently, Plascar has four plants strategically positioned in the states of São Paulo and Minas Gerais, where it houses a range of injection molding machines with a closing force capacity of 70 to 3,200 tons, automatic and manual painting lines, chrome plating, injection, metal plating, welding and SMC presses, in addition to having its own tooling for mold construction.

Plascar's shareholding control is divided as follows:



*controlada indiretamente pela Mapa Capital

Share Price

06/30/2023

PLAS3 – R\$ 7.80

Share numbers

Ordinárias: 12,425 million

Market Value on

06/30/23

R\$ 96.92 milhões

ADMINISTRATIVE COUNCIL

Andre Luiz Helmeister
Antonio Farina
Daniel Alves Ferreira
Maria Gustavo Heller Brito
Paulo André Porto Bilyk
Paulo Zimath
João Luiís Gagliardi Palermo

FISCAL COUNCIL

Charles Dimetrius Popoff
Francisco Eduardo de Queiroz Ferreira
Marcelo Ferreira do Nascimento

IR CONTACT

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HIGHLIGHTS OF 2Q2023

Plascar Participações Industriais S.A.

R\$ 225.1 million (+14.3% vs. 2Q22)

Net Revenue in 2Q23

R\$ 281.8 million of Gross Revenue

R\$ 72.8 million of EBITDA* (342.2% vs. 2Q22)

R\$ 123.3 million of net profit in the period*



R\$ 19.6 million

-35.6% vs. 2Q2022

Gross Profit*



R\$ 72.8 milhões

32.3% of margin

EBITDA*



Market share gains above the market

+0.1% % in vehicle productionⁱ in Brazil vs. 2Q22
+ 17% of gross sales vs. 2Q22



* Significantly influenced by the
**conclusion of the tax negotiation with the Attorney
General of the National Treasury** see below

ⁱ According to ANFAVEA

Performance in the Period

R\$ mil	2T 2023	2T 2022	Var %	1S 2023	1S 2022	Var %
Gross Revenue	281,845	240,833	17.0%	557,063	478,875	16.3%
Net Revenue	225,123	196,940	14.3%	449,390	389,702	15.3%
Gross Profit	19,602	30,439	(35.6%)	44,263	56,156	-21.2%
Gross Margin %	8.7%	15.5%	-6.8p.p.	9.8%	14.4%	-4.6p.p.
EBITDA	72,816	16,467	342.2%	79.089	28.215	180.3%
EBITDA Margin %	32.3	8.4%	23.9p.p.	17.6%	7.2%	10.4p.p.
Net Profit	123,256	(16,736)	736.5%	81,960	(36,847)	322.4%



Comentário da Administração

Even with a growing revenue, the second quarter was still impacted by the great volatility of the national and global scenario, mainly due to the constant sudden stoppages of the automakers. Despite this, “operating” EBITDA remained positive, reaching the amount of R\$ 72.816 million and net income of R\$ 123.3 million because of the tax transaction.

This Revenue growth scenario was due to the new projects that went into production over the last 12 months, and which contributed to reaching such levels, despite the market evolution.

Following the trend of the last quarters, in 2Q23 gross revenue increased by 17% when compared to the same period of 2022. When comparing this growth with the performance of Brazilian automotive production (+0.1%) despite all the adversities, we continued to gain market share, as a result of the commitment of the entire Company in the pursuit of growth.

From the point of view of profitability, the Company went through a challenging semester, given the recurring stoppages and unpredictability of the market, which contribute to the increase in production inefficiency and drop in margins, in addition to the start of new projects of relevant volume in our new operating unit.

For the next semester, Management believes that, with the beginning of the basic interest rate decline cycle, the market should show a gradual improvement in its performance and an increase in vehicle sales and, consequently, production for the Company.



Automotive Market

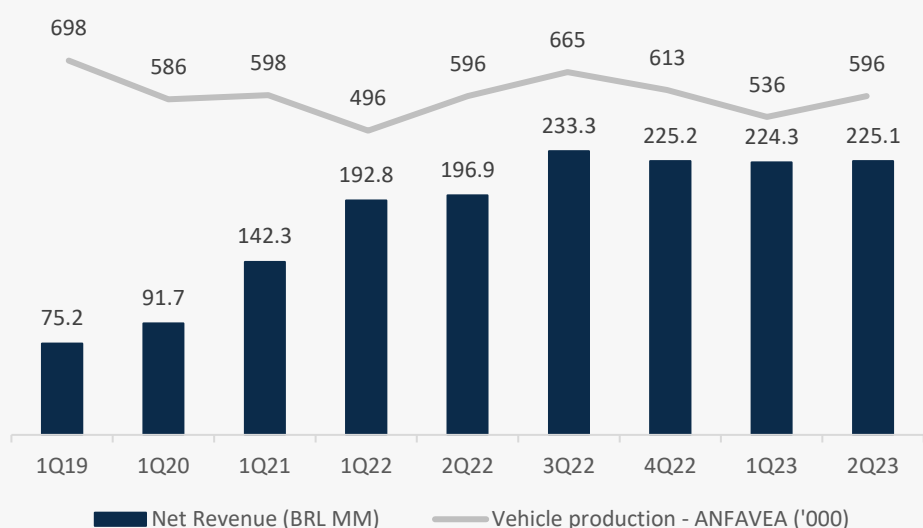
Vehicle production in 2Q23 according to ANFAVEA was 596 thousand units, an increase of only 0.1% compared to the same period of the previous year. This increase was mainly due to the production of light vehicles, since the production of trucks had a drop of 39.4%, compared to the same period of the previous year. This drop was the result of the anticipation of production carried out by automakers in the last quarter of 2022, as a sales strategy in anticipation of the introduction of the Euro 6, which has a higher cost due to its technical specificities.

Vehicle sales had a positive variation of 2.9% compared to 2Q22. Government actions such as incentives for vehicle sales ended up not having the expected effect, since the implementation of the program was preceded by a waiting period for consumers and the end of the regime came quickly given the low amount available for the program. For the next semester, an increase in vehicle sales is expected given the depletion of truck inventories and the need to renew fleets, in addition to the incentive arising from the expected declines in the basic interest rate.

AUTOMOTIVE MARKE	2Q2023	2Q2022	Var %
Vehicle Production	596	595	0.1%
Vehicle Sales	527	512	2.9%

According to: ANFAVEA – BRASIL

Placar's Net Revenue x Market Production



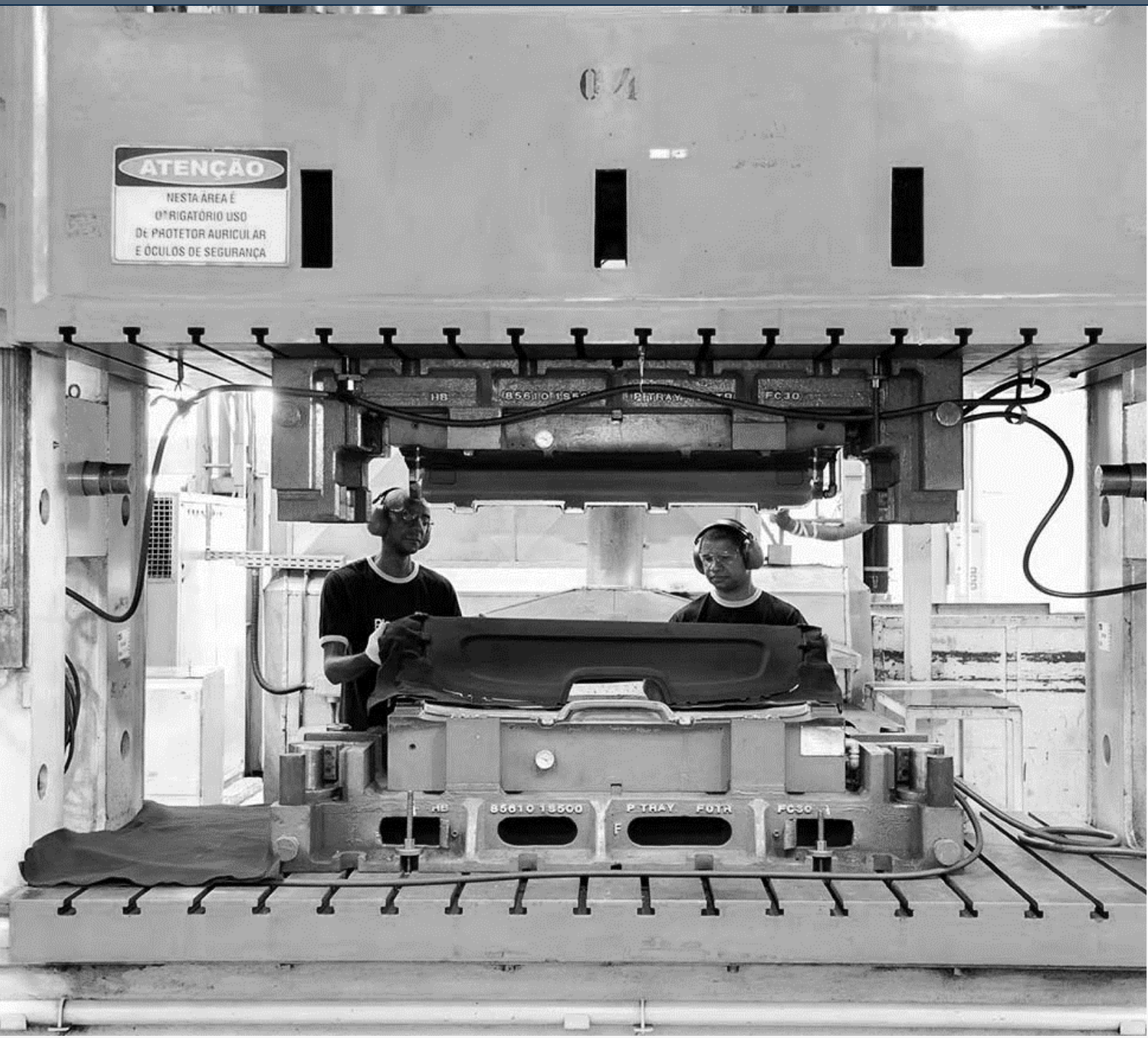
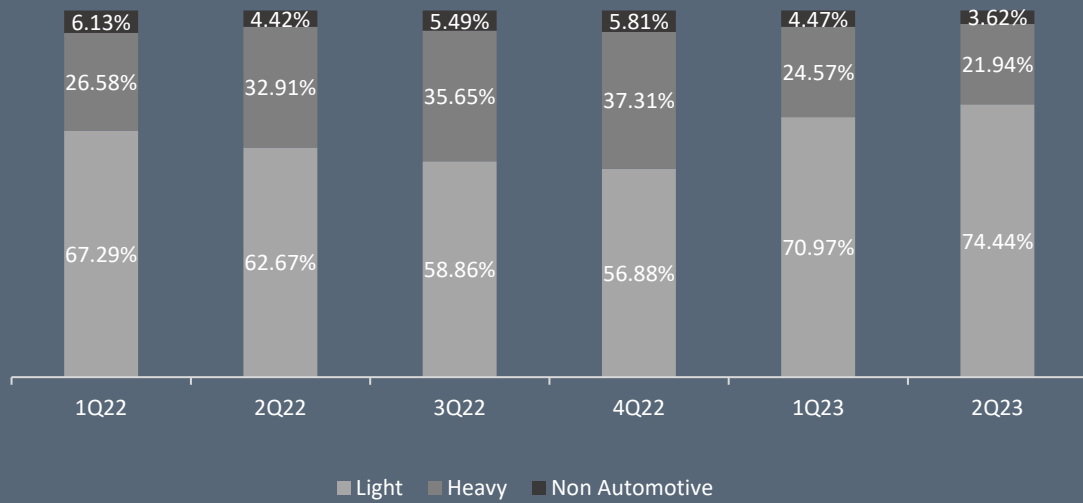
Finally, it is possible to notice a consistent and gradual recovery of the Company's volumes when comparing the increase in vehicle production disclosed by ANFAVEA and net revenue, since while Plascar's net revenue was 14.3% higher compared to 2022, the production had an increase of only 0.1% in the compared quarters.

Operational and Financial Performance

The Company presented another quarter with revenue growth, with a 17.0% increase in its gross revenue compared to the same period of 2022. Such growth is mainly due to the start of production of new projects and evolution of prices of sales, as the market did little to contribute to this growth.

In this quarter, it was also possible to observe an increase in the share of production of items for light vehicles to the detriment of other items produced, where the main variation was in the production of items for heavy vehicles, with a drop of 2.63p.p.. This decrease in participation was due to the low production of heavy vehicle manufacturers due to the adoption of Euro 6, in addition to the start of relevant projects in the light vehicle segment.

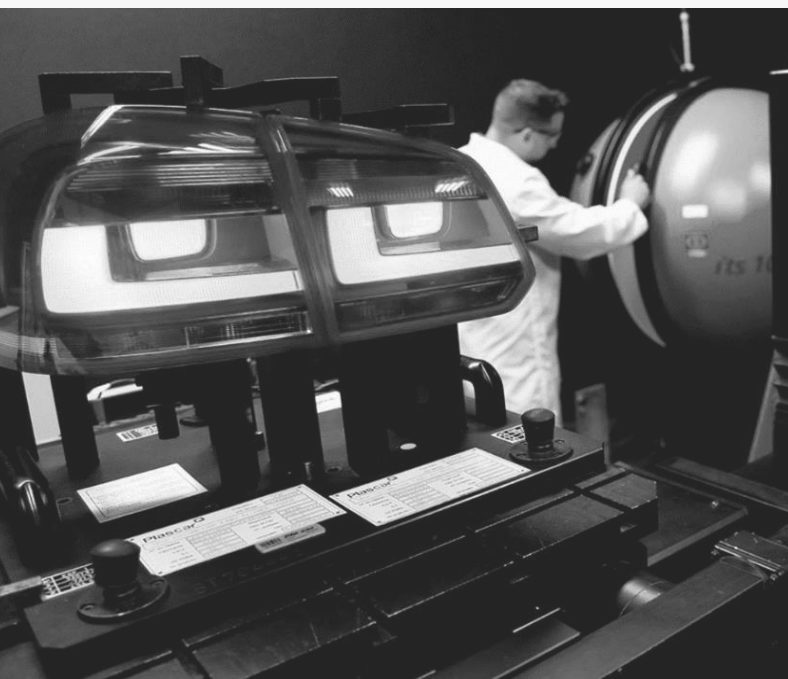
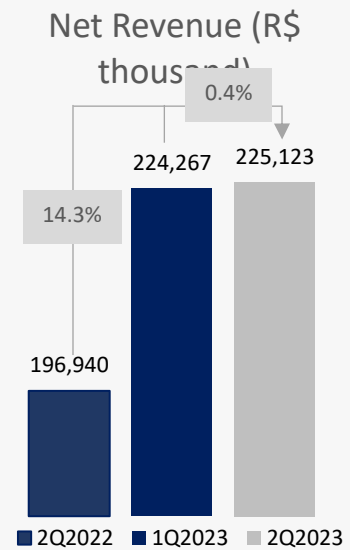
Gross Sales



Net Revenue

In the second quarter of 2023, the Company added a Net Revenue of R\$ 225,123 thousand, an increase of 0.4% when compared to the same period of 2022. Despite presenting an increase in relation to 2Q22, this was mainly affected by the partial stoppages by automakers announced throughout the quarter.

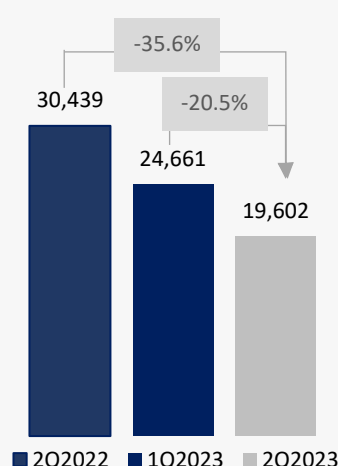
With a view to increasing revenue, the Company continues to seek new projects and negotiate prices with customers, aiming at the economic and financial balance of the business, thus continuing the restructuring of Plascar, as well as coping with the impacts caused by the country's economic situation. In addition, these measures also seek to balance the impact of unforeseen stoppages by automakers caused by both a decrease in demand and a lack of components.



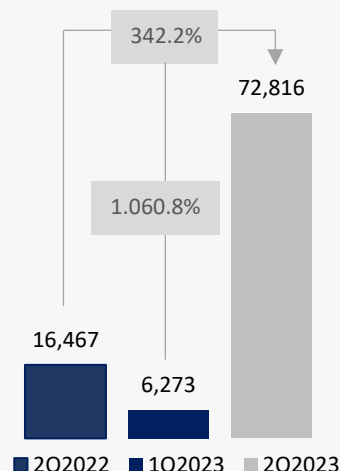
Net Revenue

In 2Q23, the gross margin worsened by 6.8pp and the EBITDA margin improved by 23.9pp. The worsening of the gross margin was, once again, mainly the result of several stoppages by automakers, as this scenario of constant uncertainty led to an increase in the Company's operational inefficiency due to the difficulty in planning production. The Gross Profit, therefore, again showed a drop, closing the quarter with a result of 20.5% compared to 1Q23.

Gross Profit (R\$ thousand)

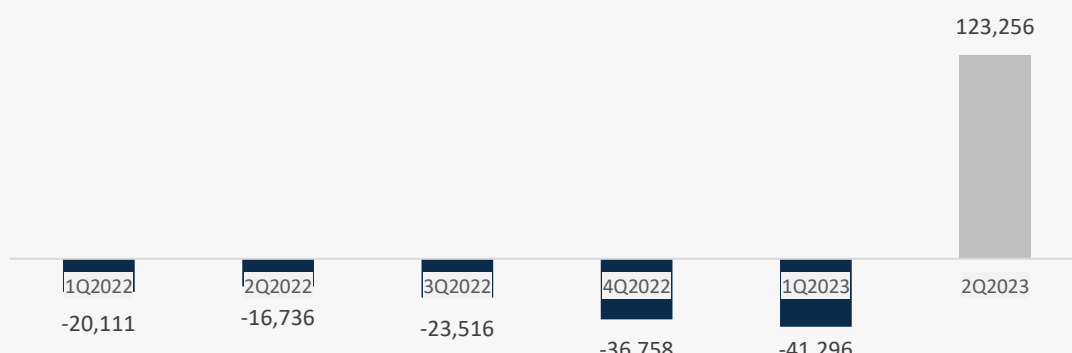


EBITDA (R\$ thousand)



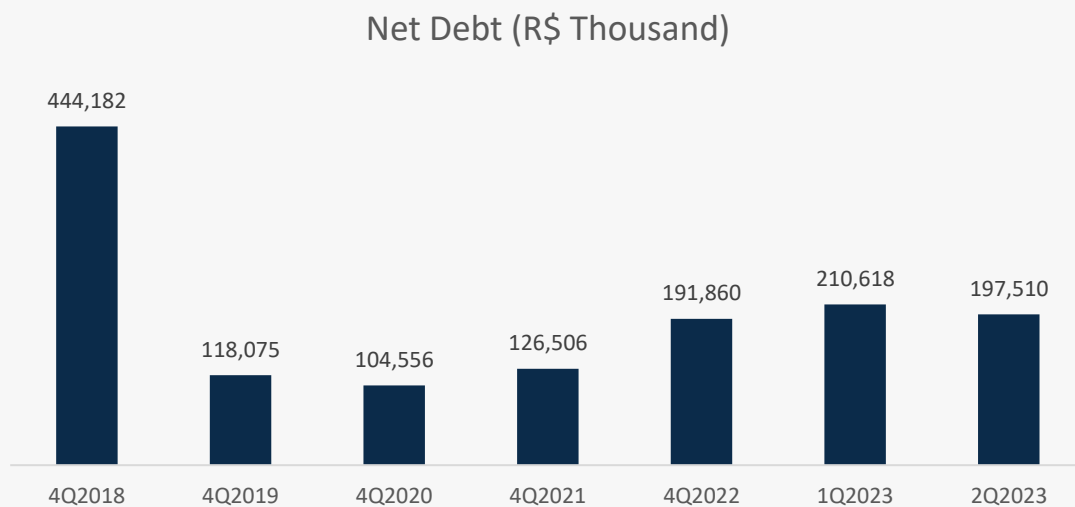
Regarding the EBITDA and Net Income, we had a very positive effect due to the finalization of the negotiation of the tax liability with PGFN. This negotiation was a very important step towards the continuation of the restructuring process, in addition to leading to an improvement in the Company's liquidity, through a substantial reduction in tax liabilities. The benefits of this transaction will be felt in the future, translated into a decrease in financial expenses and extended terms for paying the principal of the debt.

Net Profit (Loss) (R\$ Thousand)

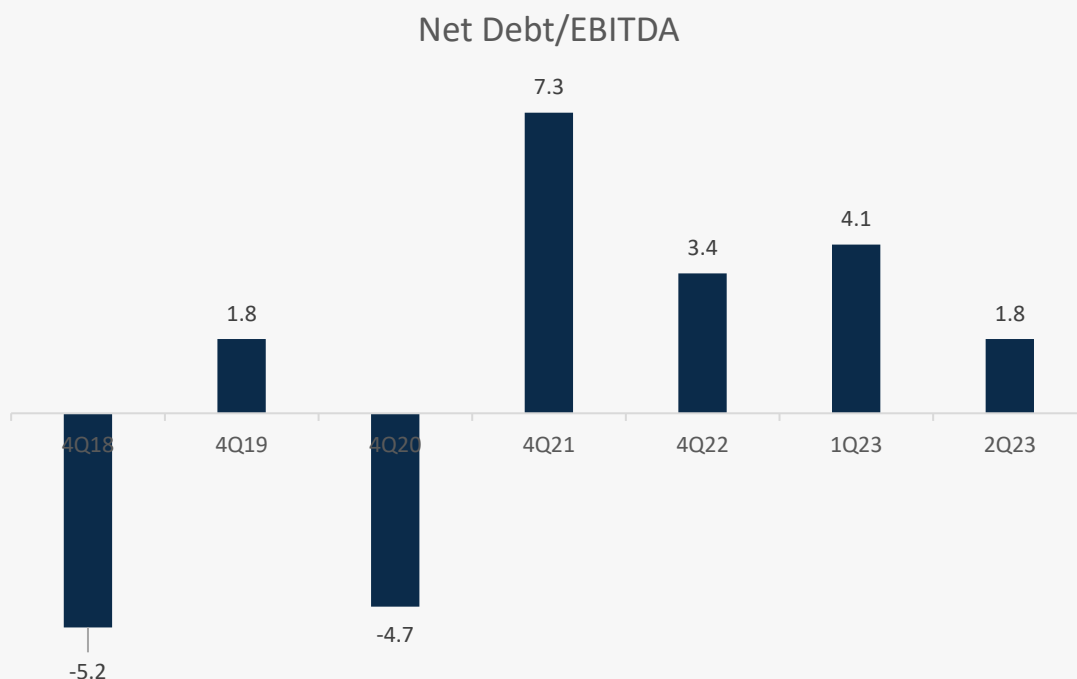


Net Debt

In 2Q23, the Company's net debt decreased due to the amortization of debt carried out throughout the quarter, following the original payment schedules.



In addition to the decrease in net debt, the net debt and EBITDA ratio, where it is possible to assess the Company's leverage level, also decreased as a result of the increase in EBTIDA in the last 12 months.



Other Informations

Individual Transaction – PGFN

Crédito Exclusão do ICMS da base de cálculo do PIS/COFINS

PGFN

After 2 years of intense negotiations, the Company signed the renegotiation of a significant amount of its tax liability with the PGFN, through the Individual Tax Transaction program established by Law 14,375/2022, whose regulatory ordinance was published on 08/01/2022. The signing of said transaction took place on July 7, 2023 and all effects, discounts of fines and interest, as well as use of tax loss and CSLL negative basis, were recognized in the 2nd Quarter of 2023

In 2010, the Company distributed a Writ of Mandamus aiming at the exclusion of ICMS from the PIS and COFINS calculation bases. In 2019, after the favorable decision, the Company started a procedure to collect amounts unduly paid as of 2005 and claim their respective reimbursement. On August 19, 2019, the Company obtained a favorable decision for the use of the ICMS highlighted in the invoices to calculate the credit. In the fourth quarter of 2019, based on the opinion and report prepared by its advisors, the Company recorded the amount of R\$ 179,069 under recoverable taxes in the balance sheet to offset current taxes administered by the Federal Revenue of Brazil in future periods. The principal amount of credits, net of attorneys' fees, was recognized as other operating income and the amount of monetary restatement was recognized under financial income in the statement of income for the year.

The ratification and qualification of R\$ 123,396 related to part of said credit with the Federal Revenue of Brazil for future tax compensation, took place on January 3, 2020, and the remaining amount of the credit in the amount of R\$ 55,673 will be subject to analysis by the Federal Revenue Service of Brazil for refund or future compensation of taxes previously paid in installments. Management is also considering the use of this amount in the tax renegotiation under negotiation with the PGFN.

Up to June 30, 2023, the Company offset the accumulated amount of R\$128,501 and during the first half of 2023 the amount of R\$25,116.

Income Statements

Income Statments

(In thousands of reais)

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Net operating revenue	-	-	449,390	389,702
Cost of goods sold	-	-	(405,127)	(333,546)
Gross profit / (loss)	-	-	44,263	56,156
Operating (expenses) and income				
Selling expenses	-	-	(25,931)	(16,227)
General and administrative expenses	(902)	(921)	(40,471)	(37,785)
Equity pick-up	82,733	(35,941)	-	-
Other operating income/(expenses), net	-	-	72,986	246
Operating Revenue	81,831	(36,862)	6,584	(53,766)
Operating income before finance income (expenses)	81,831	(36,862)	50,847	2,390
Financial result				
Finance income	(76)	(8)	(34,815)	(45,878)
Finance costs	205	23	6,145	7,031
	129	15	(28,670)	(38,847)
Profit (Loss) before income and social contribution taxes	81,960	(36,847)	22,177	(36,457)
Deferred taxes	-	-	59,783	(390)
	-	-	59,783	(390)
Net Profit (loss) for the period	81,960	(36,847)	81,960	(36,847)
Controlling shareholders	-	-	81,960	(36,847)
	-	-	81,960	(36,847)

Balance Sheet

Assets

Balance Sheet

(In thousand of reais)

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current Assets				
Cash and cash equivalents	3,463	18,156	7,093	24,815
Accounts receivable	-	-	63,870	58,971
Inventories	-	-	99,967	120,288
Taxes recoverable	75	41	6,070	29,718
Other assets	17	17	2,431	4,246
Total Current Assets	3,555	18,214	179,431	238,038
Non current assets	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Taxes recoverable	-	-	67,940	67,917
Judicial deposits	-	-	1,269	1,398
Other assets	-	-	91	110
Investment property	7	7	8,227	8,272
Property, plant and equipment in operation			325,989	330,485
Right-of-use assets			75,864	79,271
Total Non current assets	7	7	479,380	487,453
Total Assets	3,562	18,221	658,811	725,491

Balance Sheet

Liabilities

Balance sheet

(In thousands of reais)

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current liabilities				
Loans and financing	-	-	106,371	91,711
Lease liabilities	-	-	29,991	25,168
Trade accounts payable	-	-	85,549	87,088
Taxes payable	41	185	9,593	4,347
Installment tax obligations	-	-	51,869	97,551
Payroll, vacation pay and social charges payable	-	-	83,837	221,829
Advances from customers	-	-	24,139	33,736
Other liabilities	72	-	27,730	43,041
Total Current liabilities	113	185	419,079	604,471
Non current liabilities	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Loans and financing	-	-	98,232	124,964
Lease liabilities	-	-	58,221	62,896
Related parties	20,395	34,209	7,160	7,329
Installment tax obligations	-	-	159,469	96,866
Deferred income and social contribution taxes	-	-	21,422	20,502
Contingencies	-	-	7,327	7,129
Provision for capital deficiency	309,661	392,394	-	-
Other accounts payable	-	-	214,508	209,901
Total Non current liabilities	330,056	426,603	566,339	529,587
	330,169	426,788	985,418	1,134,058
Equity				
Capital	931,455	931,455	931,455	931,455
Equity adjustments	313	316	313	316
Accumulated losses	(1,258,375)	(1,340,338)	(1,258,375)	(1,340,338)
Attributed to the participation of the controllers	(326,607)	(408,567)	(326,607)	(408,567)
Total Equity	(326,607)	(408,567)	(326,607)	(408,567)
Total equity and liabilities	3,562	18,221	658,811	725,491

Cash Flow Statements

Cash flow statements

(In thousands of reais)

Cash flows from operating activities

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Net loss for the period before income and social contribution taxes	81,960	(36,847)	22,177	(36,457)
Adjustments to reconcile net income to cash from (used in) operating activities:				
Depreciation	-	-	15,913	16,716
Amortization	-	-	10,005	9,088
Loss (gain) on disposal of PP&E	-	-	1,876	5,487
Interest and monetary variation, net	-	-	70,120	39,164
Discount of interest and fines on individual PGFN transactions	-	-	(116,507)	-
Provision for legal claims	-	-	2,238	3,106
Provision for adjustment of inventories at market value and obsolescence	-	-	277	511
Constitution (reduction) of provision for doubtful claims	-	-	(1,013)	(185)
Equity pick-up	(82,733)	35,941	-	-
(Increase)/decrease in asset and liability accounts	-	-	-	-
Accounts receivable from customers	-	-	(3,887)	(16,037)
Inventories	-	-	20,044	8,691
Taxes to recover	39	-	23,625	14,894
Judicial Deposits	-	-	129	8
Other asset accounts, net	-	-	1,879	981
Suppliers	-	-	(2,296)	(1,525)
Obligations with staff and social charges	-	-	11,860	29,684
Advance of customers	-	-	(9,597)	(12,215)
Taxes, contributions and installments to be collected	(145)	114	16,856	(12,963)
Provision for legal claims (payments)	-	-	(2,040)	(3,408)
Other accounts payable	-	-	(12,082)	807
Interest paid	-	-	(33,072)	(15,203)
Net cash from (applied in) operating activities	(879)	(792)	16,505	31,144
Cash flows from investment activities				
Acquisitions of fixed assets and intangible assets	-	-	(13,293)	(43,505)
Net cash used in investment activities	-	-	(13,293)	(43,505)
Cash flows from financing activities				
Borrowings	-	-	56,415	53,921
Payment of loans, financing and leasing (principal)	-	-	(77,180)	(42,068)
Net increase in receivables from related parties	(13,814)	(1,242)	(169)	(251)
Net cash from (used in) financing activities	(13,814)	(1,242)	(20,934)	11,602
(Reduction) in cash and cash equivalents	(14,693)	(2,034)	(17,722)	(759)
Cash and cash equivalents at the beginning of the period	18,156	7,384	24,815	12,487
Cash and cash equivalents at the end of the period	3,463	5,350	7,093	11,728
(Reduction) in cash and cash equivalents	(14,693)	(2,034)	(17,722)	(759)