

# Plascar

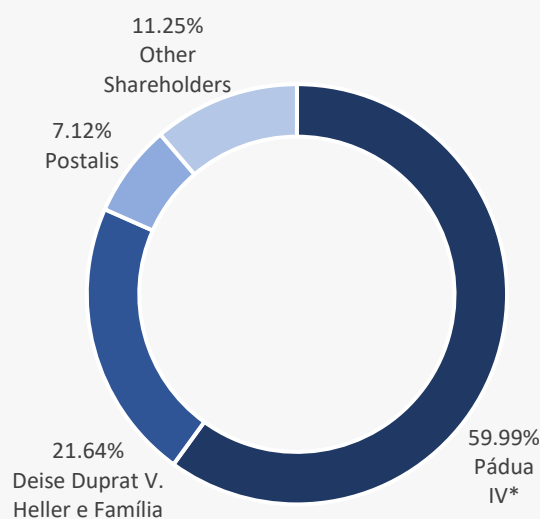
## Earnings Release

3Q | 2023

Plascar Participacoes Industriais S.A. (Bovespa: PLAS3), through its subsidiary Plascar Ltda., is a Brazilian industry that for more than five decades has been operating in the plastic transformation market and development of parts and internal and external finishes for vehicles, being responsible for supplying high quality to most 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:



\*Indirect controlled by Mapa Capital

### Share Price

09/30/2023

PLAS3 – R\$ 7.40

### Share Numbers

Common Shares: 12,425 million

### Market Value on

09/30/23

R\$ 91.95 million

### ADMINISTRATIVE COUNCIL

Andre Luiz Helmeister

Antonio Farina

Daniel Alves Ferreira

João Luís Gagliardi Palermo

Maria Gustavo Heller Brito

Paulo André Porto Bilyk

Paulo Zimath

### FISCAL COUNCIL

Charles Dimetrius Popoff

Francisco Eduardo de Queiroz Ferreira

Marcelo Ferreira do Nascimento

### IR CONTACT

Rodrigo Cartagena do Amaral

CFO and Director of Investor Relations

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# HIGHLIGHTS

## 3Q2023

**R\$ 35.3 million**

-10.5% vs. 3Q2022

**Gross Revenue**

**R\$ 16.95 million**

7.0% margin

**EBITDA**

### Growth above the Market

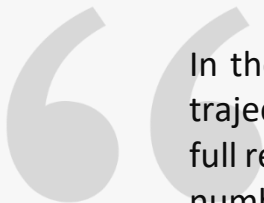
-6.9% in vehicle production<sup>1</sup> in Brazil vs. 3Q22  
+ 7.1% in gross revenue vs. 3Q22

<sup>1</sup> according to data from ANFAVEA

#### Performance in the Period

R\$ thousands	3Q 2023	3Q 2022	Var %	9M 2023	9M 2022	Var %
Gross Revenue	306,143	285,978	7.1%	863,206	764,853	12.9%
Net Revenue	242,399	233,259	3.9%	691,789	622,961	11.0%
Gross Profit	35,337	39,461	(10.5%)	79,600	95,617	-16.8%
Gross Margin %	14.6%	16.9%	-2.3p.p.	11.5%	15.3%	-3.8p.p.
EBITDA	16,950	19,889	(14.8%)	96,039	48,104	99.6%
EBITDA Margin %	7.0%	8.5%	-1.5p.p.	13.9%	7.7%	6.2p.p.
Net losses	(30,833)	(23,516)	31.1%	51,127	(60,363)	184.7%

# Management Comments



In the third quarter of 2023, the Company continued its revenue growth trajectory as observed in previous quarters, reflecting its commitment to its full recovery and sustainable growth. This progress is attributed to the large number of projects initiated in the last 12 months and the high volume of projects in development, which are expected to positively impact results in the coming years.

Despite a 6.8% drop in vehicle production in the country compared to the same period last year, we managed to maintain solid growth in revenues. This highlights the strength of our business strategy and our commitment to meeting customer needs in a challenging economic context.

In 3Q23, Plascar presented an 80% increase in Gross Profit compared to the previous quarter, indicating greater stability in production and a reduction in inefficiencies observed in the first half of 2023. Furthermore, we managed to achieve an EBITDA margin of 7%, reflecting our ability to manage costs efficiently in a dynamic business environment.

The Company's Management remains dedicated to exploring opportunities for growth and innovation, while maintaining a robust financial position. We are optimistic about our business strategy and confident that it will enable us to overcome market challenges and generate long-term sustainable value for our shareholders and business partners.

# Automotive Market

In the third quarter of 2023, vehicle production suffered a reduction of 6.92% compared to the same period of the previous year, as indicated by data from the National Association of Motor Vehicle Manufacturers (ANFAVEA), reaching a total of 619 thousand units produced. It is noted that trucks have contributed significantly to this decrease in production.

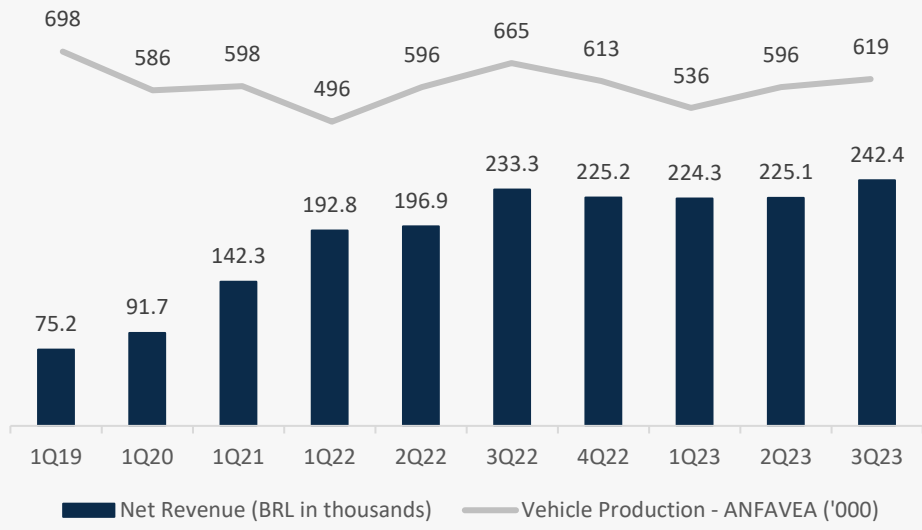
As for sales, there was a growth of 7.86% in 3Q23 compared to 3Q22, totaling a significant increase, even after the end of government incentives. Given these results, ANFAVEA decided to review its projections for the current year. The new forecast points to a total production of 2,732 thousand vehicles, which represents a modest increase of 0.1% compared to 2022, a downward revision when compared to the initial forecast of 2.2% growth.

Breaking down these projections by category, it is observed that growth in the production of light vehicles was adjusted from 4.2% to 3.2%, while truck production showed a more pronounced decline, going from a forecast drop of 20.4% for a drop of 34.2%.

AUTOMOTIVE SCENE	3Q2023	3Q2022	Var %
Vehicle Production	619	665	-6.92%
Vehicle Sales	631	585	7.86%

Source: ANFAVEA – BRASIL

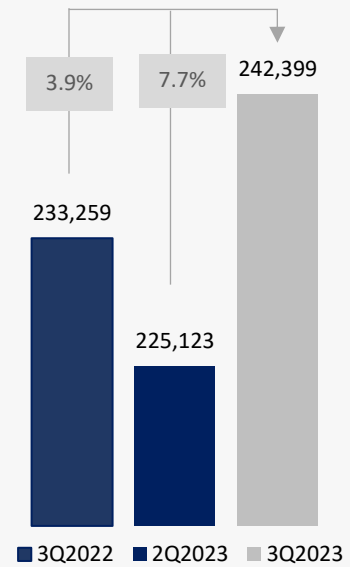
## Plascar Net Revenue x Market Performance



# Net Revenue

Net Revenue growth in the third quarter of 2023 was 3.9% compared to the same period last year, reaching a total of R\$242,399 thousand. This growth also represents an increase of 7.7% in relation to the previous quarter. Two main factors contributed to this positive result: the start of production of new projects and the adjustment in prices negotiated with our customers. Additionally, we highlight the growing contribution of our Caçapava unit which, despite operating at an increasing volume, has not yet reached its maximum capacity, and has had a significant contribution to the increase in Plascar's revenues.

NET Revenue (R\$ thousands)



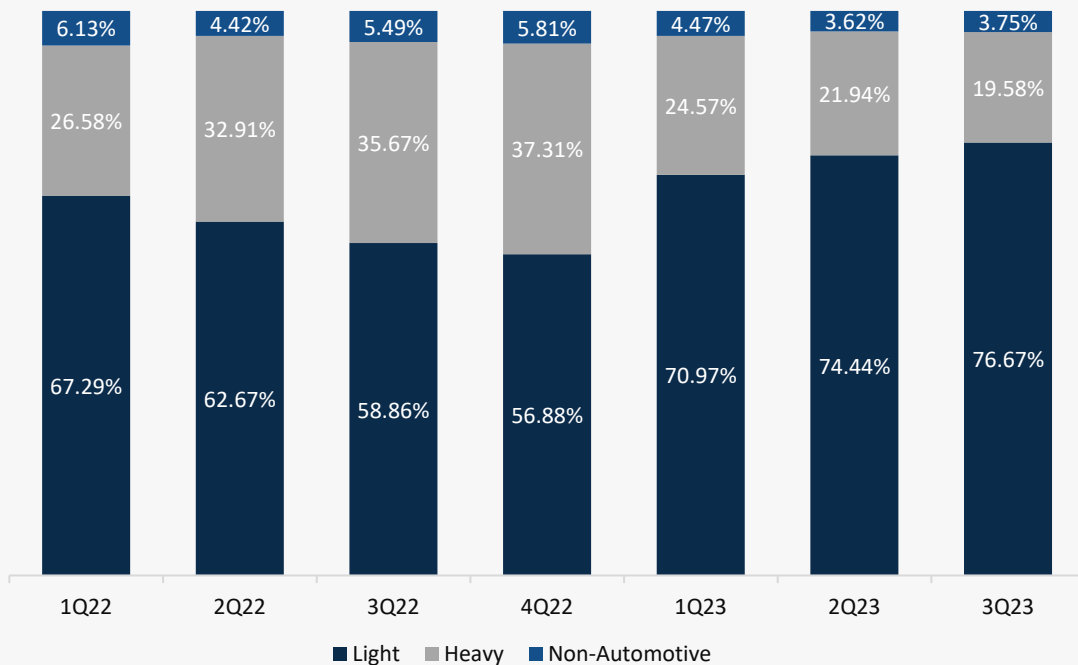
It is important to highlight that, despite these encouraging results, we are adopting several internal strategies with the aim of further boosting our revenue and ensuring a sustainable economic-financial balance for the company. These strategies are essential to mitigate the risks associated with possible interruptions in automakers' production, whether due to a reduction in demand or a shortage of necessary components.

# Performance by Business Area

In 3Q23, the share of each segment remained relatively stable in relation to the previous quarter, with a small increase of 2.36 percentage points in the share of light vehicles and non-automotive products at the expense of the production of heavy vehicles.

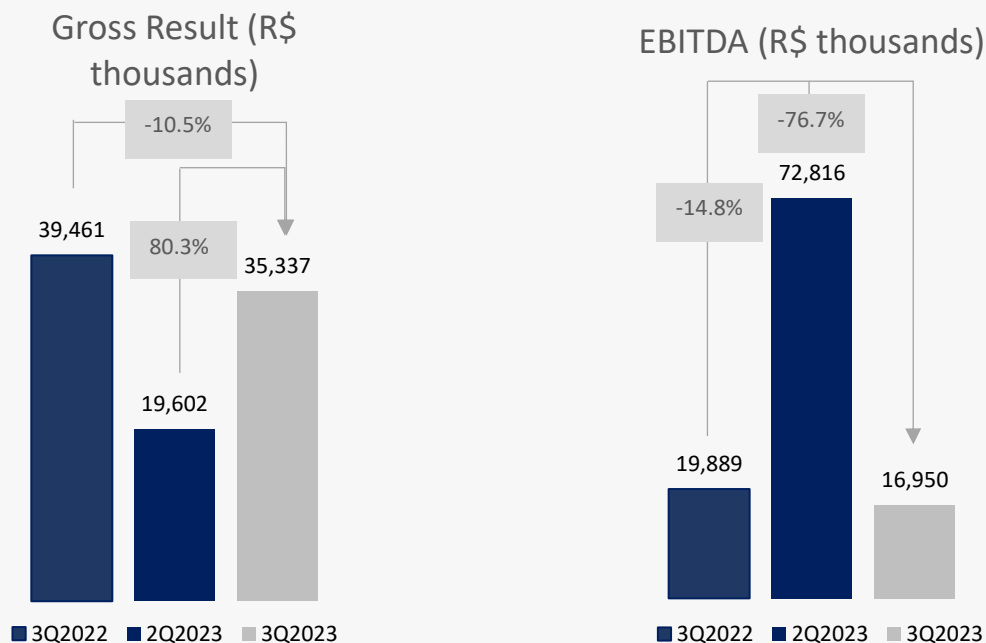
This decrease was already predicted due to the new Euro 6 rule that led to an increase in costs, causing automakers to adopt the strategy of increasing inventories last year while the rule was not yet in force. What also contributed to the increase in other areas was the start of relevant light vehicle projects and the export of non-automotive products, as well as the resumption of production stability after the decrease in inventories, causing September to have the highest daily average of production for the year.

## Gross Revenue

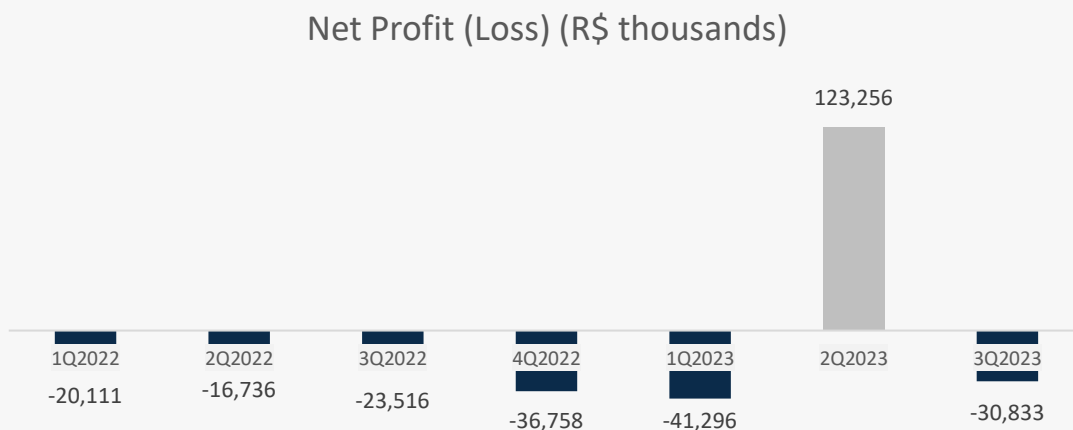


# Profitability

The worsening of Gross Result and EBITDA in 3Q23 was 10.5% and 14.8%, respectively, compared to the same period of the previous year. This drop in margins was caused by the increase in production inefficiency in the face of a scenario of macroeconomic uncertainty and difficulties in production scheduling on the part of car manufacturers increase the unpredictability of production, making planning more difficult and, consequently, leading to a drop in margins.



In a comparison with the previous quarter, we can observe a positive result in Gross Profit, reflecting greater production stability. EBITDA fell, as the effects of the tax transaction with PGFN had an impact on Net Profit in the previous quarter.

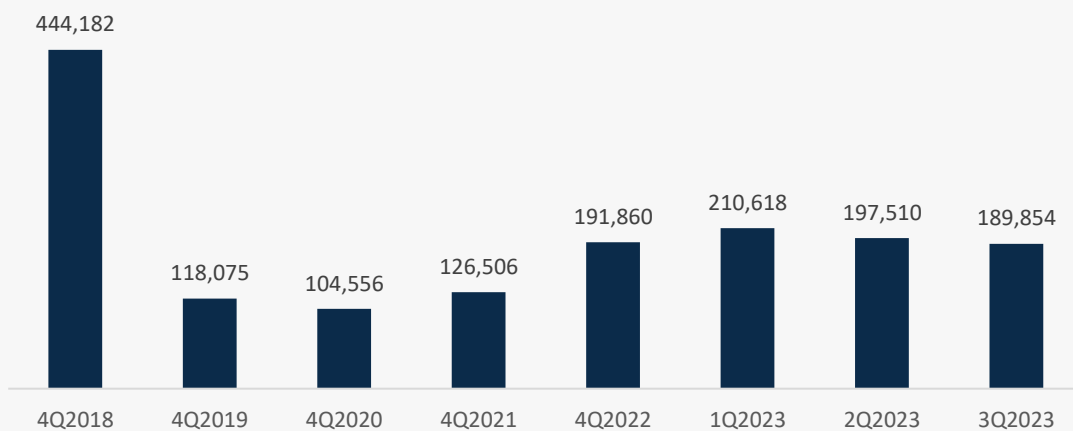




# Net Debt

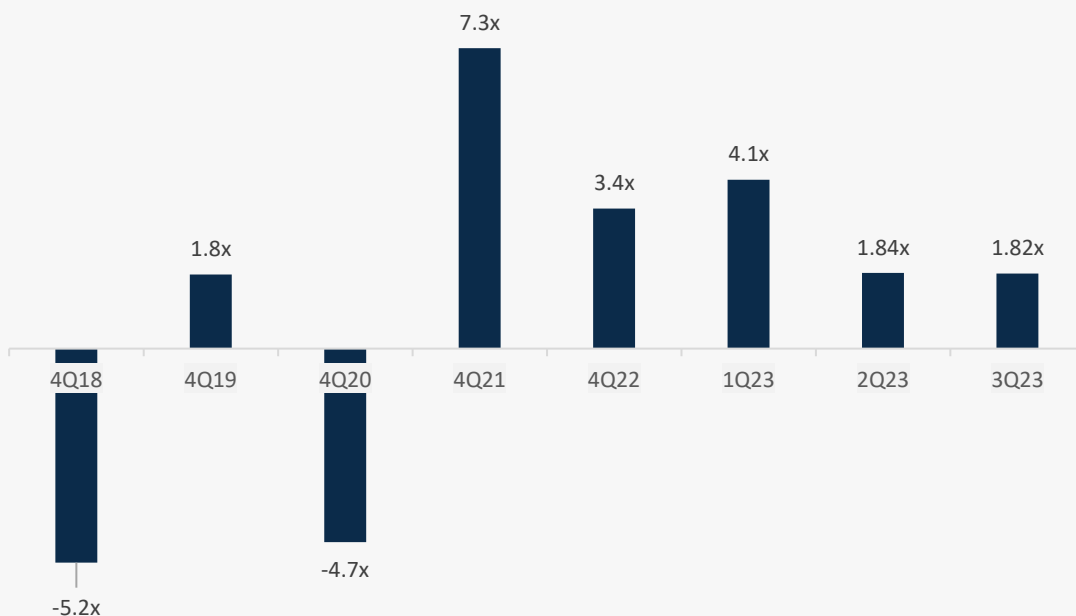
Net Debt remains stable, reaching its best result since 3Q22. This improvement was due to the amortization of debts made throughout the quarter in accordance with the payment schedules.

Net Debt (R\$ thousands)



The Net Debt and EBITDA ratio remained in line with the previous quarter, showing stability in the Company's leverage level.

Relação Dívida Líquida/EBITDA



# Income Statements

## Income statements for the years ending September 30, 2023 and 2022

(in thousands of reais)

	Individual		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Net operating revenue	-	-	691,789	622,961
Cost of goods sold	-	-	(612,189)	(527,344)
<b>Gross profit / (loss)</b>	-	-	<b>79,600</b>	<b>95,617</b>
<b>Operating (expenses) and income</b>				
Selling expenses	-	-	(39,575)	(26,008)
General and administrative expenses	(1,446)	(1,360)	(60,592)	(60,378)
Equity pick-up	52,367	(59,145)	-	-
Other operating income/(expenses), net	-	-	72,961	(159)
<b>Resultado operacional</b>	<b>50,921</b>	<b>(60,505)</b>	<b>(27,206)</b>	<b>(86,545)</b>
<b>Operating income before finance income (expenses)</b>	<b>50,921</b>	<b>(60,505)</b>	<b>52,394</b>	<b>9,072</b>
<b>Financial result</b>				
Finance income	(102)	(34)	(68,455)	(79,124)
Finance costs	308	176	7,958	10,468
	<b>206</b>	<b>142</b>	<b>(60,497)</b>	<b>(68,656)</b>
<b>Loss before income and social contribution taxes</b>	<b>51,127</b>	<b>(60,363)</b>	<b>(8,103)</b>	<b>(59,584)</b>
Deferred taxes	-	-	59,230	(779)
	-	-	<b>59,230</b>	<b>(779)</b>
<b>Net loss for the period</b>	<b>51,127</b>	<b>(60,363)</b>	<b>51,127</b>	<b>(60,363)</b>
<b>Loss attributable to:</b>				
Controlling shareholders	-	-	51,127	(60,363)
	-	-	<b>51,127</b>	<b>(60,363)</b>

# Balance Sheet

## Assets

**Balance Sheet**  
(in thousands of reais)

	Individual		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
<b>Current Assets</b>				
Cash and cash equivalents	7,036	18,156	12,076	24,815
Accounts receivable	-	-	71,363	58,971
Inventories	-	-	99,679	120,288
Taxes recoverable	19	41	6,007	29,718
Other assets	-	17	3,333	4,246
<b>Total Current</b>	<b>7,055</b>	<b>18,214</b>	<b>192,458</b>	<b>238,038</b>
<b>Non current assets</b>	<b>09/30/2023</b>	<b>12/31/2022</b>	<b>09/30/2023</b>	<b>12/31/2022</b>
Taxes recoverable	-	-	62,994	67,917
Judicial deposits	-	-	1,313	1,398
Other assets	-	-	87	110
Investment property	-	-	8,205	8,272
Property, plant and equipment in operation	7	7	322,922	330,485
Rights-of-use assets	-	-	78,938	79,271
<b>Total Non current</b>	<b>7</b>	<b>7</b>	<b>474,459</b>	<b>487,453</b>
<b>Total Assets</b>	<b>7,062</b>	<b>18,221</b>	<b>666,917</b>	<b>725,491</b>

# Balance Sheet

## Liabilities

### Balance Sheet

(in thousands of reais)

	Individual		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
<b>Current Liabilities</b>				
Loan and financing	-	-	107,297	91,711
Lease liabilities	-	-	30,712	25,168
Trade accounts payable	-	-	81,262	87,088
Taxes payable	65	185	20,641	4,347
Installment tax obligations	-	-	47,743	97,551
Payroll, vacation pay and social charges payable	-	-	107,959	221,829
Advances from customers	-	-	27,730	33,736
Other liabilities	-	-	27,929	43,041
<b>Current liabilities</b>	<b>65</b>	<b>185</b>	<b>451,273</b>	<b>604,471</b>
<b>Non Current Liabilities</b>	<b>09/30/2023</b>	<b>12/31/2022</b>	<b>09/30/2023</b>	<b>12/31/2022</b>
Loans and financing	-	-	94,633	124,964
Lease liabilities	-	-	65,136	62,896
Related parties	24,410	34,209	7,388	7,329
Payroll, vacation pay and social charges payable	-	-	-	-
Taxes payable	-	-	164,431	96,866
Deferred income and social contribution taxes	-	-	21,977	20,502
Contingencies	-	-	7,736	7,129
Provision for capital deficiency	340,027	392,394	-	-
Other accounts payable	-	-	211,783	209,901
<b>Non current liabilities</b>	<b>364,437</b>	<b>426,603</b>	<b>573,084</b>	<b>529,587</b>
	364,502	426,788	1,024,357	1,134,058
<b>Equity</b>				
Capital	931,455	931,455	931,455	931,455
Equity adjustments	312	316	312	316
Accumulated losses	(1,289,207)	(1,340,338)	(1,289,207)	(1,340,338)
<b>Attributed to the participation of the controllers</b>	<b>(357,440)</b>	<b>(408,567)</b>	<b>(357,440)</b>	<b>(408,567)</b>
<b>Total equity</b>	<b>(357,440)</b>	<b>(408,567)</b>	<b>(357,440)</b>	<b>(408,567)</b>
<b>Total equity and liabilities</b>	<b>7,062</b>	<b>18,221</b>	<b>666,917</b>	<b>725,491</b>

# Cash flow statements

## Cash flow statements for the years found on September 30, 2023 and 2022

(in thousands of reais)

### Cash flows from operating activities

	Individual		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Net loss for the period before income and social contribution taxes	51,127	(60,363)	(8,103)	(59,584)
<b>Adjustments to reconcile net income to cash from (used in) operating activities:</b>				
Depreciation	-	-	24,278	25,267
Amortization	-	-	15,694	13,734
Loss (gain) on disposal of PP&E	-	-	1,986	7,527
Interest and monetary variation, net	-	-	101,517	70,275
Interest discount and fines on individual PGFN transaction	-	-	(116,507)	-
Use of tax losses and CSLL negative basis in the transaction individual	-	-	-	-
Provision for legal claims	-	-	3,741	5,164
Provision for adjustment of inventories at market value and obsolescence	-	-	440	1,193
Contitution (reduction) of provision for doubtful claims	-	-	655	(121)
Equity pick-up	(52,367)	59,145	-	-
<b>(Increase)/decrease in asset and liability accounts:</b>				
Accounts receivable from customers	-	-	(13,048)	(29,052)
Inventories	-	-	20,169	957
Taxes to recover	22	(30)	28,634	18,671
Judicial Deposits	-	-	85	349
Other asset accounts, net	-	-	1,003	155
Suppliers	-	-	(6,844)	4,795
Obligations with staff and social charges	-	-	32,282	44,754
Advance of customers	-	-	(6,006)	(19,777)
Taxes, contributions and installments to be collected	(121)	156	20,023	(11,583)
Provision for legal claims (payments)	-	-	(3,134)	(4,515)
Other accounts payable	18	-	(14,946)	(9,038)
Interest paid	-	-	(48,825)	(26,352)
<b>Net cash from (applied in) operating activities</b>	<b>(1,321)</b>	<b>(1,092)</b>	<b>33,094</b>	<b>32,819</b>
<b>Cash flows from investment activities</b>				
Acquisitions of fixed assets and intangible assets	-	-	(18,701)	(56,956)
<b>Net cash used in investment activities</b>	<b>-</b>	<b>-</b>	<b>(18,701)</b>	<b>(56,956)</b>
<b>Cash flows from financing activities</b>				
Borrowings	-	-	87,978	98,726
Payment of loans, financing and leasing (principal)	-	-	(115,169)	(68,057)
Net increase in receivables from related parties	(9,799)	2,041	59	(725)
<b>Net cash from (used in) financing activities</b>	<b>(9,799)</b>	<b>2,041</b>	<b>(27,132)</b>	<b>29,944</b>
<b>(Reduction) in cash and cash equivalents</b>	<b>(11,120)</b>	<b>949</b>	<b>(12,739)</b>	<b>5,807</b>
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	7,036	8,333	12,076	18,294
<b>(Reduction) in cash and cash equivalents</b>	<b>(11,120)</b>	<b>949</b>	<b>(12,739)</b>	<b>5,807</b>