



Earnings Release

2Q24

Tijucas, August 14, 2024. PBG SA (B3: PTBL3), "PBG" or "Company", ceramic tile company, releases its results for the second quarter of 2024. The comments reported herein is in Reais, derived from PBG S.A.'s consolidated Quarterly Financial Information, prepared in accordance with Brazilian corporate law and practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS), whose comparisons are based on the same periods of 2023 and/or prior years, as indicated.

● Main Highlights 1Q24

- **Net Revenues** of R\$589 million, increased 7.3% from the second quarter of 2023, with **market share expansion and growth in all business units**;
- **Gross Profit** of R\$215.1 million in 2Q24, in line with the same period last year (+0.3%), with a gross margin of 36.5%;
- **Operating Expenses** of R\$167 million for 2Q24, 28.4% of net revenue;
- **EBITDA** was R\$91.5 million, 44% higher than in 2Q23, with an EBITDA margin of 15.5%;
- **Net result** in 2Q24 was a loss of R\$11.5 million vs. a loss of R\$38.3 million in 2Q23;
- **CapEx investments** in 2Q24 totalled R\$44.7 million from R\$127.0 million in 2Q23, decreased 64.8% from second quarter of 2023. Portobello Shop represented 50.7% of total Capex, invested in new own stores;
- **Net Debt** for Q2 24 of R\$ 1,007 million. Net leverage, net debt/EBITDA ratio, closed at 3.0x, decreased 0.14x from the first quarter of 2024;
- PTBL3 shares ended 2Q24 quoted at R\$4.68. Market value: R\$659.8 million. Number of shares: 140,986,886, excluding treasury shares. Free Float: 38.16%.

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Message from Management

We ended the first half of 2024 with a performance above the ceramic tile market in all Business Units, with sales growth both in industry and retail of the Brazilian market, and in sales from international markets, through Portobello America and exports from Brazil.

In Brazil, we are still face unfavourable macroeconomic factors, influenced by the strong devaluation of the Brazilian currency, inflation, and, sustained high interest rates with no prospect of a reduction in the short term. This scenario is contrary to what was expected by the market at the beginning of the year, when economists indicated a gradual decrease of the *Selic* (Brazilian Interest Rate), increasing challenges for real estate industry and construction materials retailers.

On the other hand, the ceramic tile market is showing recovery in consumption and production compared to 2023. The volumes sold by the segment in 2Q24 were 7.2% higher from the same period of 2023, according to data presented by *Anfacer* (*Brazilian National Association of Ceramic Tile Manufacturers*). Even though volumes are still lower than the pre-pandemic historical average, this recovery scenario is important for the sector, which experienced a sharp drop in demand throughout 2023, generating idleness in much of the country's production. Portobello Grupo, in turn, performed above the market, growing 20.4% in volumes sold in 2Q24 vs. 2Q23 at all its units in Brazil, leading the company to an important market share gain.

Portobello Business Unit posted good results in the second quarter, with volume increase of 9.1% in 2Q24 from 2Q23, especially in the contractors channel (+31.2%) and the resumption of exports, increase of 11.5% from 2Q23, driven by important advances in new markets such as Europe, Asia, the Middle East and Central America.

The group's retail unit, Portobello Shop, reports the second quarter of 2024 with total 156 stores in operation, 29 of which are company owned stores and 127 franchises. Throughout 2024, this business unit has been working mainly on qualifying the B2B sales channel and developing stores with high growth potential in strategic locations. Portobello Shop's results also outperformed the market. In terms of revenues, the business unit accounted for 40.9% of the total Group.

Another highlight of the 2Q24 results was Pointer unit. The business unit increased volumes sold in 50.9% from 2Q23. This is result of the strong regional presence of the brand in the Brazilian Northeast region, which has been through a tougher period than the rest of the country throughout 2022 and 2023, but has good recovery estimates for 2024. Pointer's result represented an increase in market share in 2Q24 vs. 2Q23.

In the United States, we began the quarter with Portobello America's important participation in Coverings, the country's largest coverings fair, held in Atlanta from April 22 to 25 of 2024. Portobello America's presence at the event is fundamental for positioning the brand as a reference in terms of design and innovation, presenting inspiring solutions for the market.

Progress at the Portobello America plant has also been significant as the production process has stabilized, and capacity utilization has evolved. In the second quarter, the business unit achieved consecutive sales records, registering an important 42.2% growth in volumes sold, even in a declining market scenario. The unit showed progress in quality levels, reaching 84%, and improved productivity, with around 80% utilization of the production capacity of the first kiln. In the second quarter, the unit began operations on the special parts production line, which will be an important part of the brand's positioning in the US market, with a view to serve North American consumers with premium portfolio of products.

There are still some important steps ahead to consolidate the plant's productivity, however increasing achievements month after month are satisfactory for the project progress. Portobello America continues to work towards achieving the desired unit cost, with gradual progress as the new product portfolio unfolds with new formats and designs.

Economic and Financial Performance - Consolidated

| | R\$ Million | 2Q24 | 2Q23 | ▲ % | ▲ Abs | 1S24 | 1S23 | ▲ % | ▲ Abs |
|--------------------------------------|---|----------------|---------------|---------------|---------------|----------------|----------------|---------------|-------------|
| Performance | Net Revenue | 589.1 | 548.8 | 7.3% | 40.3 | 1,114.5 | 1,036.6 | 7.5% | 78.0 |
| | Gross Profit | 215.1 | 214.5 | 0.3% | 0.6 | 410.9 | 406.8 | 1.0% | 4.1 |
| | Gross Margin | 36.5% | 39.1% | -2.6 p.p. | | 36.9% | 39.2% | -2.4 p.p. | |
| | Adjusted and Recurring Gross Profit | 215.1 | 214.5 | 0.3% | 0.6 | 410.9 | 406.8 | 1.0% | 4.1 |
| | Adjusted and Recurring Gross Margin | 36.5% | 39.1% | -2.6 p.p. | | 36.9% | 39.2% | -2.4 p.p. | |
| | EBIT | 47.9 | 28.9 | 65.7% | 19.0 | 85.6 | 48.8 | 75.3% | 37 |
| | Ebit Margin | 8.1% | 5.3% | 2.9 p.p. | | 7.7% | 4.7% | 3 p.p. | |
| | Net income (loss) | (11.5) | (38.3) | -69.9% | 26.8 | (32.3) | (53.4) | -39.6% | 21 |
| | Net Margin | -2.0% | -7.0% | 5 p.p. | | -2.9% | -5.1% | 2.3 p.p. | |
| | Adjusted and Recurring Net Income | (19.0) | (20.7) | -8.0% | 1.7 | (39.6) | (38.4) | 3.1% | (1) |
| | Adjusted and Recurring Net Margin | -3.2% | -3.8% | 0.5 p.p. | | -3.6% | -3.7% | 0.2 p.p. | |
| | EBITDA | 91.5 | 63.4 | 44.4% | 28.1 | 172.9 | 113.6 | 52.2% | 59 |
| | EBITDA Margin | 15.5% | 11.6% | 4 p.p. | | 15.5% | 11.0% | 4.6 p.p. | |
| | Adjusted and Recurring EBITDA | 69.8 | 62.1 | 12.4% | 7.7 | 151.4 | 111.5 | 35.8% | 40 |
| Adjusted and Recurring EBITDA Margin | 11.9% | 11.3% | 0.5 p.p. | | 13.6% | 10.8% | 2.8 p.p. | | |
| Indicators | Working Capital (R\$) | 252.1 | 338.3 | -25.5% | (86.2) | | | | |
| | Cash Conversion Cycle (days) | 40 | 58 | -31% | (18) | | | | |
| | Net Debt | 1,007.2 | 859.2 | 17.2% | 148 | | | | |
| | Net debt/EBITDA | 3.0x | 3.0x | 0 x | | | | | |
| | Adjusted and Recurring Net Debt/EBITDA | 3.1x | 3.1x | 0 x | | | | | |
| PTBL3 | Share Price | 4.68 | 6.96 | -32.8% | (2.3) | | | | |
| | Market Value | 659.8 | 981.3 | -32.8% | (321.5) | | | | |
| | Average Trading Volume (12 Months) | 118.7 | 182.0 | -34.8% | (63) | | | | |
| | Average daily trading volume (ADTV) | 3.5 | 7.8 | -55.5% | (4.3) | | | | |

Business Unit Operating Performance

Portobello

| R\$ million | 2Q24 | 2Q23 | ▲% | ▲Abs | 1S24 | 1S23 | ▲% | ▲Abs |
|---------------------|--------------|--------------|-------------|-------------|--------------|--------------|-------------|-------------|
| Net Revenue | 255.7 | 244.5 | 4.6% | 11.2 | 484.5 | 461.1 | 5.1% | 23.4 |
| (-) COGS | 161.9 | 157.5 | 2.8% | 4.4 | 305.3 | 292.0 | 4.6% | 13.3 |
| Gross Profit | 93.8 | 87.0 | 7.8% | 6.8 | 179.2 | 169.1 | 6.0% | 10.1 |
| Gross Margin | 36.7% | 35.6% | 1.1 p.p. | | 37.0% | 36.7% | 0.3 p.p. | |

The Portobello BU's reports net revenue of R\$256 million in the second quarter 2024, increased 4.6% from the same period last year, with market share gain in the Brazilian market and increase of 11.5% in the volumes of exported, representing an important gain in participation in Brazilian exports.

The BU's gross margin was 36.7% in the quarter, increase of 1.1 p.p. from 2Q23, with progress in the domestic and international markets, mainly due to the 5.8% reduction in unit costs from 2Q23, reflecting the positive effects of efficiency improvement in the Tijucas factory.

In the Brazilian domestic market, highlight for the results of the Builders channel, which grew by 24% in 2Q24 vs. 2Q23. According to ICVA data, which measures the building materials retail sector in Brazil, 2Q24 continues to show a downturn, and in this context the Portobello unit also had an impact on the results of the Resale channel.

In the foreign market, we saw a 0.5% increase in export revenues compared to 2Q23. This increase is due to the expansion of sales to new markets in Central America, Europe, the Middle East and Africa, reflecting the evolution of the company's internationalization strategy. We saw an improvement in sales volumes to Argentina, a market which historically consumes a mix of higher value-added products.

Capacity utilization at the Portobello BU plant in the quarter was 90.4%, 16.3 p.p. above the market, which was 74.1% according to Anfacer data.

Portobello shop

| R\$ million | 2Q24 | 2Q23 | ▲% | ▲Abs | 1S24 | 1S23 | ▲% | ▲Abs |
|---------------------|--------------|--------------|-------------|-------------|--------------|--------------|-------------|-------------|
| Net Revenue | 242.7 | 232.5 | 4.3% | 10.1 | 459.9 | 443.5 | 3.7% | 16.4 |
| (-) COGS | 127.9 | 121.7 | 5.2% | 6.3 | 239.4 | 237.1 | 1.0% | 2.3 |
| Gross Profit | 114.7 | 110.9 | 3.5% | 3.8 | 220.5 | 206.4 | 6.8% | 14.1 |
| Gross Margin | 47.3% | 47.7% | -0.4 p.p. | | 48.0% | 46.5% | 1.4 p.p. | |

In 2Q24, Portobello Shop totaled net revenue of R\$243 million, an increase of 4.3% vs. 2Q23, and a gross margin of 47.3%, in line with the margin in the same period last year.

Owned stores recorded a result of R\$115 million, representing 47.4% of the unit's revenue and boosting the absorption of synergies from the integrated chain. Organic sales growth, i.e. the result of stores that were already in operation in the same period of the previous year, measured by the SSS (Same Store Sales) indicator, showed a positive variation of 1.7%. The unit ended 2Q24 with 156 stores, of which 29 were owned and 127 franchised.

Portobello Shop Franchises posted a 2.0% increase in ROL vs. 2Q23, while the B2B channel grew 47.2% vs. 2Q23. The unit is moving forward with a focus on excellence in customer-centric service, which can be seen in the NPS indicator for the company-owned stores, which reached 86.1 in 2Q24.

POINTER

| R\$ million | 2Q24 | 2Q23 | ▲% | ▲Abs | 1S24 | 1S23 | ▲% | ▲Abs |
|---------------------|-------------|-------------|---------------|-------------|--------------|-------------|--------------|-------------|
| Net Revenue | 56.5 | 42.6 | 32.6% | 13.9 | 104.4 | 86.0 | 21.4% | 18.4 |
| (-) COGS | 47.9 | 38.9 | 23.0% | 9.0 | 91.6 | 76.0 | 20.5% | 15.6 |
| Gross Profit | 8.6 | 3.7 | 133.1% | 4.9 | 12.8 | 10.0 | 28.4% | 2.8 |
| Gross Margin | 15.3% | 8.7% | 6.6 p.p. | | 12.2% | 11.6% | 0.7 p.p. | |

Pointer, Portobello Grupo's democratic design brand, posted net revenue of R\$56.5 million in 2Q24, up 32.6% vs. 2Q23, with higher volumes sold both in the Brazilian market (+52.8% vs. 2Q23) and in exports (+35.6% vs. 2Q23). With this result, the BU gained market share in the North and Northeast regions.

The unit's gross margin ended 2Q24 at 15.3%, 6.6 p.p. higher than 2Q23, mainly due to the improvement in unit costs because of the normalization of production capacity utilization and projects to reduce costs and regain competitiveness.

In the domestic market, we highlight the performance of the Builders channel, which grew 76.1% in 2Q24 vs. 2Q23, and the Perfect Store program, which aims to maintain the base of small and medium-sized stores and the progress of price campaigns that have stimulated the entry of orders.

Export revenues grew by 12.9% vs. 2Q23, accounting for 11.1% of the unit's total revenues.

Capacity utilization at the Pointer BU plant in the quarter was 100% vs. the market average of 74.1%, according to Anfacer data.

Portobello
America

| R\$ million | 2Q24 | 2Q23 | ▲% | ▲Abs | 1S24 | 1S23 | ▲% | ▲Abs |
|---------------------|--------------|-------------|----------------|---------------|--------------|-------------|----------------|---------------|
| Net Revenue | 71.8 | 56.1 | 27.9% | 15.7 | 126.7 | 97.9 | 29.4% | 28.8 |
| (-) COGS | 77.6 | 41.6 | 86.7% | 36.0 | 133.5 | 73.5 | 81.6% | 60.0 |
| Gross Profit | (5.9) | 14.5 | -140.2% | (20.4) | (6.8) | 24.4 | -128.0% | (31.2) |
| Gross Margin | -8.2% | 25.9% | -34.1 p.p. | | -5.4% | 24.9% | -30.3 p.p. | |

In 2Q24, Portobello America posted a 27.9% increase in net revenue vs. 2Q23, with sales more than twice the production in the period. In addition, in April 2024, the second production line, the small formats line, began operating, aimed at manufacturing special pieces, which are high value-added products and represent another important step in the positioning of our brand in the North American market.

On the first line, field tile, the BU continues to evolve in the process of maturing and stabilizing production, with advances in efficiency and quality, with better dilution of fixed costs. The unit's gross margin still reflects the higher costs of the initial plant ramp-up process, due to the natural process of stock turnover.

Portobello America was once again a highlight at Coverings, the largest ceramic tile trade show in the United States, this time with all the launches of collections based on products produced at the Tennessee plant, including the four launches of the new small formats line.

Consolidated Performance

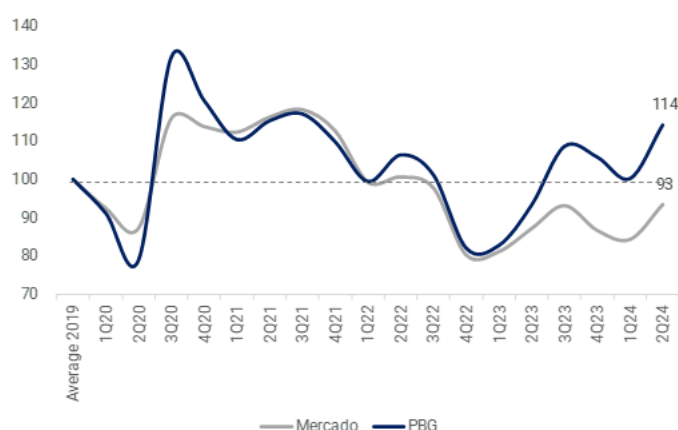
Net Revenue

| R\$ Million | 2Q23 | 2Q24 | ▲ % | ▲ Abs | 1S24 | 1S23 | ▲ % | ▲ Abs |
|----------------------|--------------|--------------|-------------|-------------|----------------|----------------|-------------|-------------|
| Net Revenue | 589.1 | 548.8 | 7.3% | 40.3 | 1,114.5 | 1,036.6 | 7.5% | 78.0 |
| Domestic Market (BR) | 455.7 | 432.1 | 5.5% | 23.6 | 877.8 | 825.7 | 6.3% | 52.1 |
| International Market | 133.4 | 116.7 | 14.3% | 16.6 | 236.7 | 210.9 | 12.3% | 25.8 |
| US\$ million | 2Q23 | 2Q24 | ▲ % | ▲ Abs | 1S24 | 1S23 | ▲ % | ▲ Abs |
| International Market | 25.9 | 21.8 | 19.0% | 4.1 | 45.7 | 39.1 | 16.9% | 6.6 |

Portobello Grupo reported net revenue of R\$589 million in 2Q24, up 7.3% vs. 2Q23, 5.5% of which in the Brazilian domestic market and 14.3% in international markets.

Net revenue in the Brazilian domestic market grew by 5.5% vs. 2Q23, with the Builders channel standing out (+24.0% vs. 2Q23). This quarter, performance was above the market in all business units, with a gain in market share in both the wet and dry channels.

Base 100 evolution of the Brazilian market and PBG volume



¹ Market volume: dry process and wet process, source: Anfacer. ² PBG Brazil sales volume.

Net revenue from international markets was boosted by the 27.9% increase in Portobello America's results vs. 2Q23 and growth in exports, mainly due to the increase in volumes exported by the Portobello BU (+4.7% vs. 2Q23) and Pointer (+21.2% vs. 2Q23). Operations in international markets accounted for +22.6% of the Group's total revenue. According to ANFACER, Brazilian sales to the international market fell by 8.1% in 2Q24 vs. 2Q23, while the Group's exports were up 16.5% vs. 2Q23.

The distribution of the group's total revenues between the Portobello Group's channels was as follows in 2Q24: i) Retail: 40.9% (-2.1 p.p. vs. 2Q23); ii) Builders channel 20.0% (+2.7 p.p. vs. 2Q23); iii) Retail 17.8% (-1.6 p.p. vs. 2Q23); and iv) international markets accounted for 21.3% (+1.5 p.p. vs. 2Q23). With the finishing phase of the strong cycle of construction launches between 2021 and 2022, which, combined with commercial actions and the expansion of the construction base, showed an evolution superior to the other segments, gaining a share in the Group's total revenue. This evolution underscores the importance of the Portobello Group's strategy of geographic and sales channel diversification. The integrated retail and internationalization strategies continue to evolve as avenues of growth for the group, which accounts for more than 60% of the total Portobello Group.

Gross Profit and Gross Margin

| R\$ Million | 2Q23 | 2Q23 | ▲ % | ▲ Abs | 1S24 | 1S23 | ▲ % | ▲ Abs |
|--|--------------|--------------|-------------|------------|--------------|--------------|-------------|------------|
| Net Operating Revenue | 589.1 | 548.8 | 7.3% | 40.3 | 1,114.5 | 1,036.6 | 7.5% | 78.0 |
| Cost of Goods Sold (COGS) | (374.0) | (328.5) | -13.8% | (45.5) | (703.6) | (619.4) | -13.6% | (84.2) |
| Idleness Costs | (0.0) | (5.8) | -100.0% | 5.8 | - | (10.4) | -100.0% | 10.4 |
| Gross Operating Profit | 215.1 | 214.5 | 0.3% | 0.6 | 410.9 | 406.8 | 1.0% | 4.1 |
| Gross Margin | 36.5% | 39.1% | -2.6 p.p. | | 36.9% | 39.2% | -2.4 p.p. | |
| Non-Recurring Events: | - | - | 0.0% | 0.0 | - | - | 0.0% | 0.0 |
| Adjusted and Recurring Gross Profit | 215.1 | 214.5 | 0.3% | 0.6 | 410.9 | 406.8 | 1.0% | 4.1 |
| Adjusted and Recurring Gross Margin | 36.5% | 39.1% | -2.6 p.p. | | 36.9% | 39.2% | -2.4 p.p. | |

The Portobello Group's gross profit in 2Q24 was R\$215.1 million, +0.3% vs. 2Q23, with a gross margin of 36.5%, -2.6 p.p. vs. 2Q23, with a reduction in margin impacted mainly by the ramp-up of production at the Portobello America plant, which was partially offset by the results of the Brazilian operations, especially productivity at the Portobello unit and the recovery of cost competitiveness at Pointer.

Operating Expenses

| R\$ Million | 2Q24 | %RL | 2Q23 | %RL | ▲ % | ▲ Abs | 1S24 | %RL | 1S23 | %RL | ▲ % | ▲ Abs |
|------------------------------------|----------------|--------------|----------------|--------------|--------------|--------------|----------------|--------------|----------------|--------------|--------------|-------------|
| Operating Expenses | | | | | | | | | | | | |
| Selling | (158.1) | 26.8% | (153.9) | 28.0% | 2.8% | (4.3) | (301.4) | 27.0% | (292.7) | 28.2% | 2.9% | (8.6) |
| General and Administrative | (19.7) | 3.3% | (22.2) | 4.1% | -11.4% | 2.5 | (38.0) | 3.4% | (41.3) | 4.0% | -7.9% | 3.3 |
| Other Revenues (Expenses) | 10.6 | -1.8% | (9.5) | 1.7% | -212.2% | 20.1 | 14.0 | -1.3% | (24.0) | 2.3% | -158.6% | 38.0 |
| Operating Expenses | (167.2) | 28.4% | (185.6) | 33.8% | -9.9% | 18.4 | (325.4) | 29.2% | (358.0) | 34.5% | -9.1% | 32.6 |
| Non-Recurring Revenues | (21.7) | 3.7% | (1.3) | 0.2% | 1579.9% | (20.4) | (21.6) | 1.9% | (2.1) | 0% | 930.4% | (19.5) |
| Adjusted Operating Expenses | (189.0) | 32.1% | (186.9) | 34.1% | 1.1% | (2.1) | (346.9) | 31.1% | (360.1) | 34.7% | -3.7% | 13.2 |

Operating Expenses totaled R\$167.2 million in 2Q24, a reduction of 9.9% compared to 2Q23, with the percentage in relation to net revenue falling from 33.8% in the second quarter of 2023 to 28.4% in 2Q24. This result reflects the company's disciplined management of expenses, with better dilution of fixed costs. Below is a breakdown of the expense headings from a management perspective¹.

Selling expenses: totaled R\$158.1 million (+2.8% vs. 2Q24), representing 26.8% of the group's net revenue, down 1.2 p.p. vs. 2Q23.

General and administrative expenses: a reduction of R\$2.5 million in administrative expenses, representing 3.3% of net revenue, down 0.8 p.p. vs. 2Q23.

Other revenues and expenses: totaled R\$ 10.6 million in revenue, + R\$ 20.1 million vs. 2Q23, the main effect in this item being opportunities with tax optimization of ICMS on the PIS/COFINS base and the reversal of legal expenses, referring to the Mineradora lawsuit, see Interim Financial Information note 16.a.

¹ Management view includes only the sales expenses of the business units. Other corporate expenses Managerial view includes only the sales expenses of the business units. Other corporate expenses are grouped under other income and expenses.

EBITDA and Adjusted EBITDA

| R\$ Million | 2Q24 | 2Q23 | ▲ % | ▲ Abs | 1S24 | 1S23 | ▲ % | ▲ Abs |
|---|---------------|---------------|-----------------|-------------|---------------|---------------|-----------------|--------------|
| Net Income | (11.5) | (38.3) | 69.9% | 26.8 | (32.3) | (53.4) | 39.6% | 21.1 |
| (+) Financial Expenses | 61.1 | 62.1 | -1.6% | (1.0) | 113.5 | 98.8 | 14.9% | 14.7 |
| (+) Depreciation and Amortization | 43.7 | 34.4 | 26.9% | 9.3 | 87.4 | 64.8 | 34.8% | 22.6 |
| (+) Income Taxes | (1.7) | 5.2 | -132.8% | (6.9) | 4.3 | 3.4 | 27.1% | 0.9 |
| EBITDA | 91.5 | 63.4 | 44.4% | 28.1 | 172.9 | 113.6 | 52.2% | 59.3 |
| EBITDA Margin | 15.5% | 11.6% | 4.0 p.p. | | 15.5% | 11.0% | 4.6 p.p. | 5% |
| Non-Recurring Events: | (21.7) | (1.3) | | | (21.6) | (2.1) | | |
| 4) COFINS - Tax optimization | (7.5) | 0.2 | | | (7.3) | (1.4) | | |
| 5) Recognition and Restatements of Lawsuits | (14.2) | (1.5) | | | (14.2) | (1.5) | | |
| 6) Commissions | - | - | | | - | 0.8 | | |
| Adjusted and Recurring EBITDA | 69.8 | 62.1 | 12.4% | -7.7 | 151.4 | 111.5 | 35.7% | -39.9 |
| Adjusted and Recurring EBITDA Margin | 11.8% | 11.3% | 0.5 p.p. | | 13.6% | 10.8% | 2.8 p.p. | |

EBITDA in 2Q24 grew by 44.4% compared to 2Q23, reaching a level of R\$91.5 million in EBITDA and a margin of 15.5%, an increase of 4.0 p.p. vs. 2Q23.

Net Income

| R\$ Million | 2Q24 | 2Q23 | ▲ % | ▲ Abs | 1S24 | 1S23 | ▲ % | ▲ Abs |
|--|---------------|---------------|-----------------|-------------|---------------|---------------|-----------------|-------------|
| EBITDA | 91.5 | 63.4 | 44.4% | 28.1 | 172.9 | 113.6 | 52.2% | 59.3 |
| (-) Financial Expenses | (61.1) | (62.1) | 1.6% | 1.0 | (113.5) | (98.8) | -14.9% | -14.7 |
| (-) Depreciation and Amortization | (43.7) | (34.4) | -26.9% | -9.3 | (87.4) | (64.8) | -34.8% | -22.6 |
| (-) Income Taxes | 1.7 | (5.2) | 132.8% | 6.9 | (4.3) | (3.4) | -27.1% | -0.9 |
| Net Income | (11.5) | (38.3) | 69.9% | 26.8 | (32.3) | (53.4) | 39.6% | 21.1 |
| Net Margin | -2.0% | -7.0% | 5 p.p. | | -2.9% | -5.1% | 2.3 p.p. | |
| Non-Recurring Events: | (7.5) | 17.6 | | | (7.3) | 15.0 | | |
| (3) Recognition and Restatements of Lawsuits | - | 18.2 | | | - | 16.8 | | |
| (4) Others ¹ | - | (0.7) | | | - | 0.2 | | |
| (6) COFINS - Tax optimization | (7.5) | - | | | (7.3) | (2.1) | | |
| Adjusted and Recurring Net Income | (19.0) | (20.7) | 8.2% | 1.7 | (39.6) | (38.4) | -3.1% | -1.2 |
| Adjusted and Recurring Net Margin | -3.2% | -3.8% | 0.5 p.p. | | -3.6% | -3.7% | 0.2 p.p. | |

The company's net result was a loss of R\$11.5 million, compared to a loss of R\$38.3 million in 2Q23. This evolution is the result of the Group's strategic decisions, together with management actions and increased productivity.

Managerial Cash Flow

| R\$ Million | 2Q24 | 2Q23 | ▲ % | ▲ Abs | 1S24 | 1S23 | ▲ % | ▲ Abs |
|------------------------|--------------|--------------|---------------|----------------|--------------|--------------|---------------|----------------|
| Activities | | | | | | | | |
| Operating | 50.8 | 71.1 | -28.5% | (20.3) | 37.3 | 80.2 | -53.4% | (42.9) |
| Investment | (44.7) | (127.0) | 64.8% | 82.3 | (90.7) | (207.3) | 56.2% | 116.5 |
| Financing | (97.6) | 75.2 | -229.8% | (172.9) | (199.5) | 280.0 | -171.2% | (479.5) |
| Changes in Cash | (91.4) | 19.3 | -572.9% | (110.8) | (252.9) | 152.9 | -265.3% | (405.8) |
| Opening Balance | 325.0 | 389.7 | -16.6% | (64.7) | 486.5 | 256.1 | 90.0% | 230.4 |
| Closing Balance | 233.5 | 409.0 | -42.9% | (175.5) | 233.5 | 409.0 | -42.9% | (175.5) |

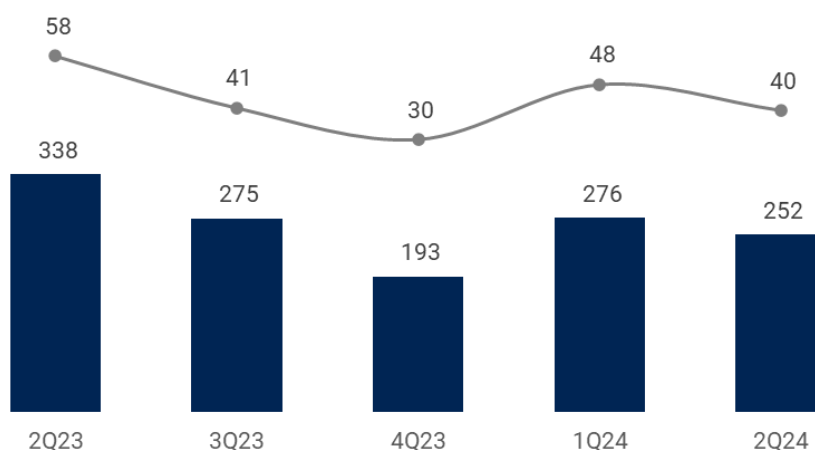
The balances and variations shown in the table above cover the management view of cash flow and the main lines are described below:

Operating activities: include cash generated in operations, plus changes in working capital balances, leases, taxes such as IR and CSLL and other non-cash effects generated in the operation. In 2Q24, this item generated cash of R\$50.8 million.

Working Capital

| | 2Q24 | 2Q23 | ▲ % | ▲ Abs | 1Q24 | ▲ % | ▲ Abs | |
|-------------|------------------------------------|--------------|--------------|---------------|---------------|--------------|---------------|---------------|
| R\$ million | Accounts Receivable | 161.1 | 226.0 | -28.7% | (64.9) | 166.6 | -3.3% | (5.6) |
| | Inventories | 544.8 | 475.0 | 14.7% | 69.8 | 525.9 | 3.6% | 19.0 |
| | Suppliers | (453.8) | (362.7) | 25.1% | (91.1) | (416.2) | 9.0% | (37.6) |
| | Working Capital | 252.1 | 338.3 | -25.5% | (86.2) | 276.3 | -8.8% | (24.2) |
| Days | Accounts Receivable | 18.4 | 28.7 | -35.8% | (10) | 20 | -9.3% | (2) |
| | Inventories | 128.5 | 124.4 | 3.3% | 4 | 135 | -4.9% | (7) |
| | Suppliers | (107.1) | (95.2) | 12.5% | (12) | (107) | 0.1% | (0) |
| | Cash Conversion Cycle (CCC) | 39.9 | 57.9 | -31.2% | (18) | 48 | -17.7% | (9) |

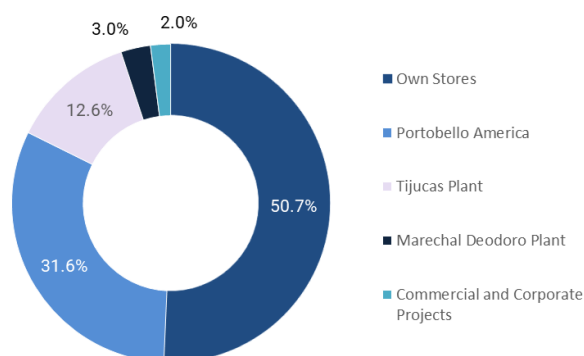
Below we show the evolution of the cash conversion cycle in R\$ million and days.



The company's Working Capital fell by -25.5% in 2Q24 vs. 2Q23, totaling R\$252.1 million. The Cash Conversion Cycle in 2Q24 was 40 days, 18 days lower than in 2Q23, with advances in clients, which showed a reduction of approximately 10 days, suppliers with an increase of 12 days and inventories with an increase of 4 days.

Capex Investment Activities: In 2Q24, Capex investments totaled R\$44.7 million, down 64.8% on 2Q23, mainly concentrated in i) Portobello Shop (50.7%), with advances in the digital transformation and in the structure of its own stores; ii) Portobello America (31.6%), due to the first kiln and special parts and; iii) the Portobello BU (12.6%), with the maintenance and technological updating of the industrial park located in Tijucas-SC. Despite the scenario of reduced CAPEX investments, the group continues to make progress on its strategic growth projects in retail and internationalization.

2Q24 Investiments



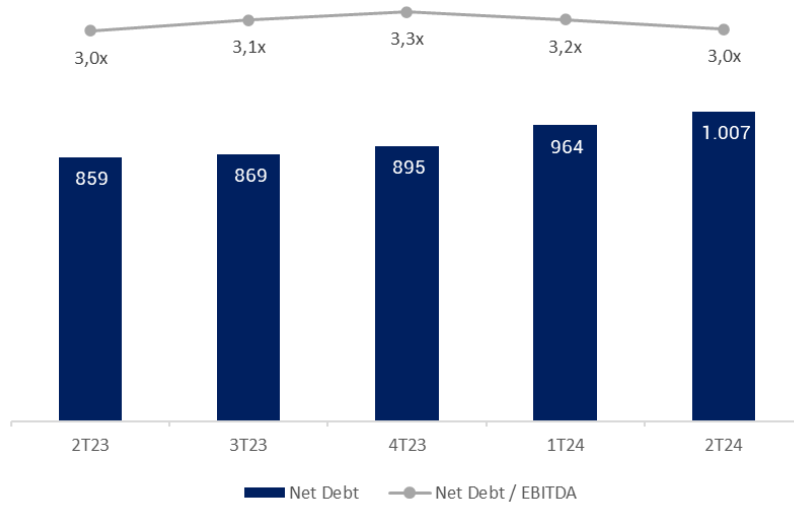
Financing activities: include funding, principal payments, payment of financial expenses and distribution of dividends, if any. In 2Q24, financing activities totaled R\$97.6 million, a variation of R\$172.9 million vs. 2Q23, due to the higher level of settlements of financial operations carried out, in line with the liability management plan, with the aim of lengthening the debt and reducing the cost.

Indebtedness and Capital Structure

Net debt for the quarter closed at R\$1.007 million, reducing the company's leverage level to 3.0x Net Debt/EBITDA. This quarter, the average cost of debt fell by 1.6 p.p. and the average debt maturity lengthened by 1.4 years compared to the same period last year.

| R\$ million | 2Q24 | 1Q24 | 4Q23 | 3Q23 | 2Q23 | 1Q23 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Gross Bank Debt¹ | 1,274.1 | 1,299.1 | 1,381.6 | 1,195.1 | 1,268.2 | 1,127.4 |
| Cash and Cash Equivalents | (266.8) | (335.6) | (486.5) | (325.7) | (409.0) | (389.7) |
| Net Indebtedness | 1,007.2 | 963.5 | 895.2 | 869.4 | 859.2 | 737.7 |
| EBITDA (LTM) | 333.0 | 304.9 | 273.7 | 276.0 | 290.4 | 337.6 |
| Adjusted and Recurring EBITDA (LTM) | 324.2 | 316.5 | 284.3 | 266.5 | 276.7 | 325.4 |
| Net Debt-to-EBITDA ratio | 3.0x | 3.2x | 3.3x | 3.1x | 3.0x | 2.2x |
| Net Debt-to-Adjusted and Recurring EBITDA ratio | 3.1x | 3.0x | 3.1x | 3.3x | 3.1x | 2.3x |

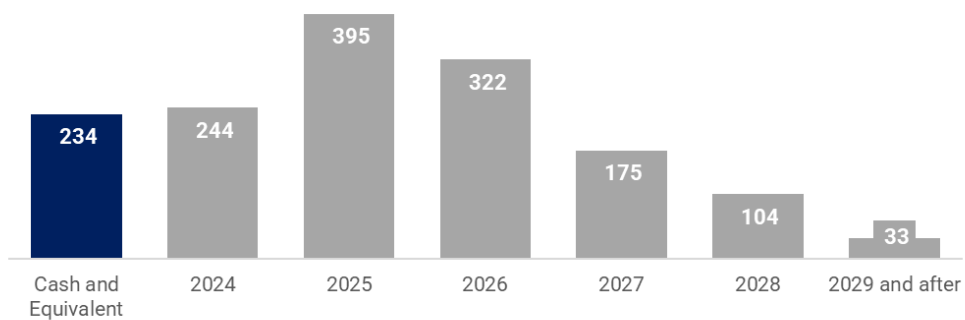
This important result, coupled with the actions to renegotiate and lengthen debts at lower costs, made it possible to begin the cycle of reducing financial leverage to 3.0x. Total cash and cash equivalents in 2Q24 amounted to R\$266.8 million, which includes R\$233.5 million in cash and cash equivalents, R\$10.8 million in restricted financial investments and R\$22.5 million in marketable securities, see Interim Financial Information notes 5.2 and 5.3.



In the quarter, a total of R\$36.3 million was repaid in principal. At the end of 2Q24, the contractual requirements (covenants) relating to the leverage ratio, which could cause the early maturity of financing contracts and debentures, were achieved.

In April 2024, we announced the creation of the Portobello Grupo Receivables Investment Fund (Fundo de Investimento em Direitos Creditórios - FIDC), which represents a significant advance in our financial management, providing various benefits such as greater efficiency, better internal processes and robust corporate governance.

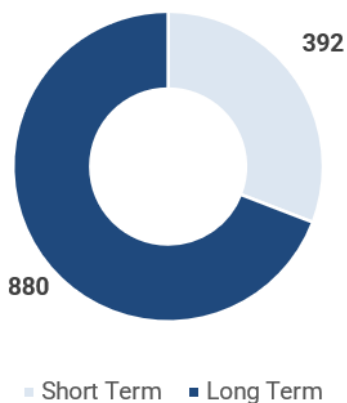
Amortization Schedule (Gross Banking Debt)



Gross Banking Debt maturing in the short term represents 30.8% of the total, with the remainder maturing in the long term, as shown in the amortization schedule above. Most of the Gross Banking Debt (80.9%) is in local currency.

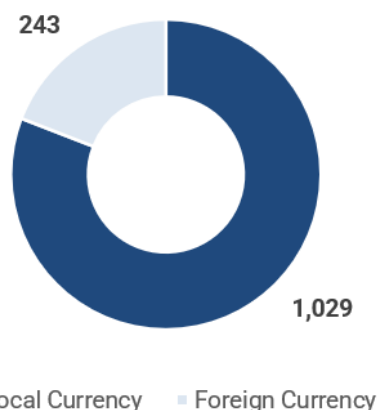
Bank Debt Term

R\$ million



Origin of Bank Debt

R\$ million

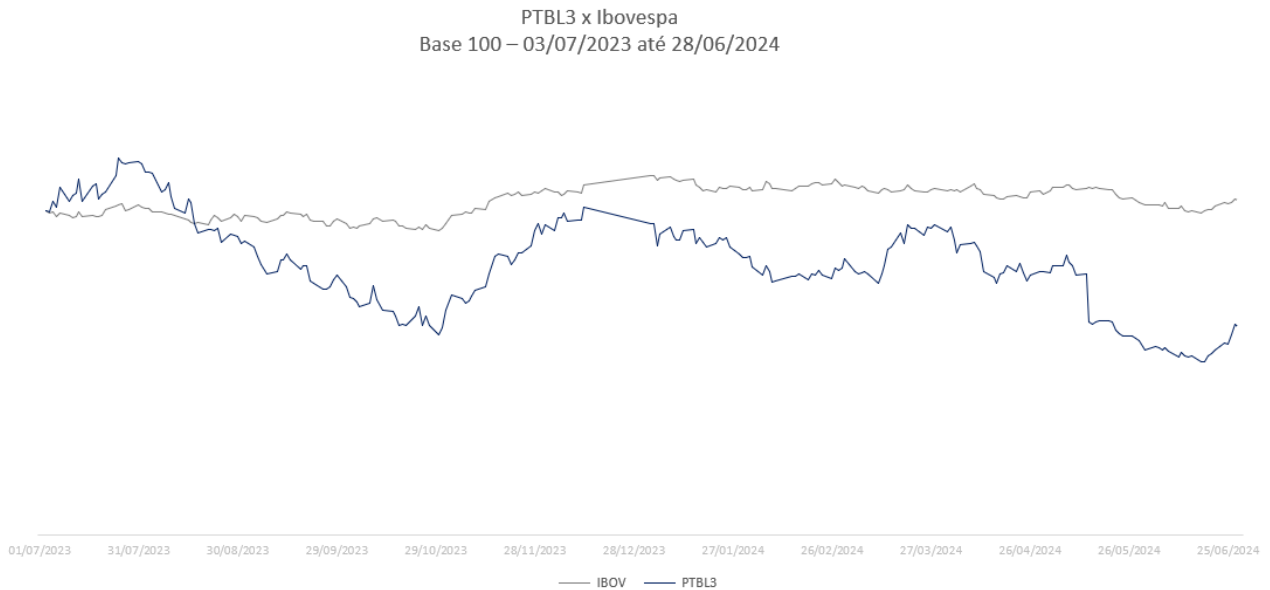


Outlook

- The company expects gradual recovery of the market to continue throughout the second half of this year, although this will be affected by the slower process of reducing interest rates.
- Even with market sales volume growth, the Company has felt the impact of prices and competitiveness. Portobello Grupo will continue to focus on strategies to achieve results.
- The Company must maintain strict discipline in its expense management.
- With regard to investments, the guideline continues at a lower level than the previous year, with a focus on the profitability of the projects already carried out in the 2022-2023 cycle, maintaining a perspective only of investments necessary for the maintenance and continuity of operations in 2024..
- The outlook is for a continued reduction in the level of net leverage over the quarters (ratio of net debt to adjusted and recurring EBITDA over the last 12 months).
- **Portobello America:** Progress in sales and factory ramp-up, seeking profitability and preparation for the next stages of the project.
- **Portobello Shop:** Progress in the expansion of the unit with a return to the highest levels of growth, with growth in sales in the B2B channel and the maturing of new stores.
- **Portobello:** Growth in all channels, progress in internationalization, with evolution in the product mix and gain in market share.
- **Pointer:** Advancing the strategy for the small and medium-sized reseller market and strengthening the home center channel, with a recovery in industrial competitiveness.

PTBL3 Stock Performance

In 2Q24, PTBL3 shares closed at R\$4.68. The average daily trading volume (ADTV) in 2Q24 was R\$3.5 million. At the end of the quarter, the company had a market value equivalent to R\$659.8 million.



Independent Audit

The policy of the Company in relation to its independent auditors, regarding the provision of services not related to the external audit of financial statements, is based on the principles that preserve professional independence. These principles assume that the auditor should not audit their own work, perform managerial functions, or act as a lawyer for their client.

Financial Statements

Balance Sheet

| Assets | 2024 | AV % | 4Q23 | AV % | Var% |
|---|----------------|---------------|----------------|---------------|---------------|
| Current assets | 1,174.3 | 35.3% | 1,331.8 | 40.4% | -11.8% |
| Cash and cash equivalents | 233.5 | 7.0% | 486.5 | 14.8% | -52.0% |
| Trade Receivables | 287.3 | 8.6% | 269.0 | 8.2% | 6.8% |
| Inventories | 544.8 | 16.4% | 489.0 | 14.8% | 11.4% |
| Advances to suppliers | 8.1 | 0.2% | 11.1 | 0.3% | -27.1% |
| Other | 100.5 | 3.0% | 76.1 | 2.3% | 32.1% |
| Non-current assets | 2,155.0 | 64.7% | 1,964.3 | 59.6% | 9.7% |
| Long-term assets | 302.1 | 9.1% | 259.9 | 7.9% | 16.2% |
| Judicial deposits | 7.5 | 0.2% | 7.1 | 0.2% | 5.5% |
| Judicial assets | 117.0 | 3.5% | 115.1 | 3.5% | 1.6% |
| Guarantee deposit | 15.4 | 0.5% | 19.9 | 0.6% | -22.8% |
| Related party credits | 10.8 | 0.3% | 10.3 | 0.3% | 4.5% |
| Receivables - Eletrobrás | 89.7 | 2.7% | 69.6 | 2.1% | 28.8% |
| FIDC - Mezzanine Quotas | 22.5 | 0.0% | - | 0.0% | 0.0% |
| Restricted financial investments | 39.3 | 1.2% | 37.9 | 1.1% | 3.9% |
| Recoverable taxes and deferred tax | 1,852.9 | 55.7% | 1,704.3 | 51.7% | 8.7% |
| Intangible Assets, Fixed Assets and Investments | 1,200.1 | 36.0% | 1,141.7 | 34.6% | 5.1% |
| Lease assets | 652.8 | 19.6% | 562.7 | 17.1% | 16.0% |
| Others investments | - | 0.0% | - | 0.0% | #DIV/0! |
| Total assets | 3,329.2 | 100.0% | 3,296.0 | 100.0% | 1.0% |
| Passive | 2T24 | AV % | 4T23 | AV % | Var% |
| Current | 1,344.1 | 40.4% | 1,321.2 | 40.1% | 1.7% |
| Loans and Debentures | 392.5 | 11.8% | 456.0 | 13.8% | -13.9% |
| Suppliers and credit assignment | 461.9 | 13.9% | 459.7 | 13.9% | 0.5% |
| Fixed asset accounts payable | 86.2 | 2.6% | 89.4 | 2.7% | -3.5% |
| Lease obligations | 75.7 | 2.3% | 40.3 | 1.2% | 87.9% |
| Tax obligations | 49.5 | 1.5% | 48.8 | 1.5% | 1.3% |
| Social and labor obligations | 95.0 | 2.9% | 76.6 | 2.3% | 24.0% |
| Customer advance | 126.3 | 3.8% | 116.7 | 3.5% | 8.2% |
| Others | 57.1 | 1.7% | 33.7 | 1.0% | 69.6% |
| Non-current | 1,596.2 | 47.9% | 1,588.9 | 48.2% | 0.5% |
| Loans and Debentures | 879.8 | 26.4% | 884.9 | 26.8% | -0.6% |
| Fixed asset accounts payable | 116.8 | 3.5% | 107.0 | 3.2% | 9.2% |
| Debts with related people | 56.3 | 1.7% | 56.3 | 1.7% | 0.0% |
| Provisions | 59.7 | 1.8% | 80.0 | 2.4% | -25.3% |
| Deferred income tax and social contribution | 6.4 | 0.2% | 6.4 | 0.2% | 0.0% |
| Lease obligations | 422.8 | 12.7% | 404.3 | 12.3% | 4.6% |
| Others | 54.4 | 1.6% | 50.0 | 1.5% | 8.8% |
| Net worth | 388.9 | 11.7% | 385.9 | 11.7% | 0.8% |
| Share capital | 250.0 | 7.5% | 250.0 | 7.6% | 0.0% |
| Profit reserves | 160.1 | 4.8% | 191.8 | 5.8% | -16.5% |
| Asset valuation adjustment | (21.2) | -0.6% | (55.9) | -1.7% | -62.0% |
| Total liabilities | 3,329.2 | 100.0% | 3,296.0 | 100.0% | 1.0% |

Income Statement

| R\$ Million | 2Q24 | 2Q23 | 1S24 | 1S23 |
|---|----------------|----------------|----------------|----------------|
| Net Sales Revenue | 589.1 | 548.8 | 1,114.5 | 1,036.6 |
| Cost of goods sold | (374.0) | (334.3) | (703.6) | (629.8) |
| Gross Operating Profit | 215.1 | 214.5 | 410.9 | 406.8 |
| Operating Income (Expenses), Net | (167.2) | (185.6) | (325.4) | (358.0) |
| Selling | (162.0) | (163.9) | (312.2) | (307.7) |
| General and Administrative | (35.1) | (33.2) | (66.0) | (57.0) |
| Other Operating Income (Expenses), Net | 29.9 | 11.5 | 52.8 | 6.7 |
| Operating Profit before Financial Income | 47.9 | 28.9 | 85.6 | 48.8 |
| Financial Result | (61.1) | (62.1) | (113.5) | (98.8) |
| Financial Revenues | 5.3 | 10.5 | 11.4 | 18.5 |
| Financial Expenses | (49.3) | (72.3) | (106.0) | (113.3) |
| Net exchange rate change | (17.2) | (0.3) | (19.0) | (4.0) |
| Income (loss) before income taxes | (13.3) | (33.2) | (28.0) | (49.9) |
| Income Tax and Social Contribution | 1.7 | (5.2) | (4.3) | (3.4) |
| Net income (loss) for the Period | (11.5) | (38.4) | (32.2) | (53.3) |

Cashflow

| R\$ Million | 2Q24 | 2Q23 | 1S24 | 1S23 |
|--|---------------|----------------|----------------|----------------|
| Net cash from operating activities | 31.0 | 20.7 | (31.7) | 8.9 |
| Cash generated from operations | 72.9 | 75.4 | 153.4 | 135.9 |
| Changes in assets and liabilities | 14.1 | (23.3) | (82.8) | (58.0) |
| Interest and taxes on profit paid | (56.0) | (31.5) | (102.3) | (69.0) |
| Net cash used in investment activities | (66.3) | (119.0) | (97.1) | (204.1) |
| Acquisition of fixed assets (net of accounts payable) | (31.2) | (108.1) | (32.4) | (185.3) |
| Acquisition of intangible assets | (10.2) | (10.9) | (25.1) | (18.9) |
| Acquisition of lease asset - goodwill | (2.4) | - | (17.1) | - |
| FIDC mezzanine quotas | (22.5) | - | (22.5) | - |
| Net cash provided by (used in) financing activities | (56.1) | 117.6 | (124.1) | 348.2 |
| Obtaining loans and financing | - | 150.0 | 172.8 | 412.6 |
| Payment of loans and financing and debentures | (36.3) | (14.6) | (258.4) | (34.5) |
| Rental amortization | (19.8) | (17.8) | (38.5) | (29.9) |
| Increase/(Decrease) in Cash for the period/year | (91.4) | 19.3 | (252.9) | 152.9 |
| Opening Balance | 325.0 | 389.7 | 486.5 | 256.1 |
| Closing Balance | 233.5 | 409.0 | 233.5 | 409.0 |

*Indirect Cash Flow considers opening according to a corporate view.

Expenses - Accounting view

| R\$ Million | 2Q24 | %RL | 2Q23 | %RL | ▲ % | ▲ Abs | 1S24 | %RL | 1S23 | %RL | ▲ % | ▲ Abs |
|------------------------------------|----------------|--------------|----------------|--------------|--------------|------------|----------------|--------------|----------------|--------------|--------------|-------------|
| Operating Expenses | | | | | | | | | | | | |
| Selling | (162.0) | 27.5% | (163.9) | 29.9% | 12.6% | (18.1) | (312.2) | 28.0% | (307.7) | 29.7% | 1.5% | (4.5) |
| General and Administrative | (35.1) | 6.0% | (33.2) | 6.0% | 47.5% | (11.3) | (66.0) | 5.9% | (57.0) | 5.5% | 15.8% | (9.0) |
| Other Revenues (Expenses) | 29.9 | -5.1% | 11.5 | -2.1% | -736.3% | 34.6 | 52.8 | -4.7% | 6.7 | -0.7% | -682.8% | 46.1 |
| Operating Expenses | (167.2) | 28.4% | (185.6) | 33.8% | -3.0% | 5.2 | (325.4) | 29.2% | (358.0) | 34.5% | -9.1% | 32.6 |
| Non-Recurring Revenues | (21.7) | 3.7% | (1.3) | 0.2% | -119.3% | 1.0 | (21.6) | 1.9% | (2.1) | 0% | 930.4% | (19.5) |
| Adjusted Operating Expenses | (189.0) | 32.1% | (186.9) | 34.1% | -3.6% | 6.2 | (346.9) | 31.1% | (360.0) | 34.7% | -3.6% | 13.1 |

The breakdown of accounting operating expenses is different from management view. The administrative expenses of the CBC and PBtech entities are considered sales expenses in the management view. Furthermore, administrative expenses in Mineração and participation of non-minority shareholders are considered in other income (expenses) in the management view.