

2Q21 INVESTOR RELATIONS REPORT

São Paulo, August 12, 2021 – BRADESPAR [B3: BRAP3 (ON), BRAP4 (PN); LATIBEX: XBRPO (ON), XBRPP (PN)] announces its results for 2Q21.

Investment Structure – 06.30.2021

Since 2017, BRADESPAR's investments have exclusively focused on VALE, a company in which BRADESPAR currently has representatives at the Advisory Committee and Board of Directors, which is a differentiation in terms of investment management.

At June 30, 2021, the market value of BRADESPAR's assets totaled R\$ 33,2 billion.

%V = % Voting Capital
%T = % Total Capital

BRADESPAR

5.73% V/T



BALANCE SHEET

ASSETS	(R\$ thousand)	
	06/30/2021	06/30/2020
CURRENT	779,423	550,544
Cash and Cash Equivalents	748,928	197,082
Interest on Equity and Dividends Receivable	-	353,338
Recoverable Taxes	30,253	-
Despesas Antecipadas	242	124
NON-CURRENT ASSETS	12,698,203	10,931,921
Long Term	168,807	172,961
Recoverable Taxes	161,034	165,059
Judicial Deposits	7,773	7,902
Investments	12,528,294	10,757,042
Fixed Assets	68	92
Intangible	1,034	867
TOTAL	13,477,626	11,481,506

LIABILITIES	(R\$ thousand)	
	30/06/2021	30/06/2020
CURRENT	47,806	503,848
Interest on Equity and Dividends Payable	7,109	247,978
Debentures Payable	-	227,155
Taxes and Contributions Payable	202	118
Provisão para IRPJ e CSLL	10,879	-
Leases - Right of Use	97	67
Other Liabilities	29,519	28,530
NON-CURRENT LIABILITIES	8,092	7,836
Provision and Legal Obligations	7,068	6,979
Leases - Right of Use	1,024	857
SHAREHOLDERS' EQUITY	13,421,728	10,969,822
Capital Stock	4,100,000	4,100,000
Profit Reserve	1,983,625	2,106,573
Adjustment to Equity Evaluation	3,640,594	4,418,683
Results of the Period	3,697,509	344,566
TOTAL	13,477,626	11,481,506

COMMENTS ON THE COMPANY'S PERFORMANCE

The table below shows the Consolidated Income Statement, in accordance with accounting practices adopted in Brazil.

Income Statement	(R\$ thousand)					
	2Q21	2Q20	Chg %	1H21	1H20	Chg %
Equity Income	2,259,191	294,126	668.1%	3,995,510	348,874	1045.3%
Operating Revenue	2,259,191	294,126	668.1%	3,995,510	348,874	1045.3%
Payroll Expenses	(3,567)	(3,440)	3.7%	(7,157)	(5,681)	26.0%
Tax Expenses	(383)	(127)	201.6%	(23,229)	(317)	-
General and Administrative Expenses	(3,548)	(794)	346.9%	(5,315)	(1,545)	244,0%
Other Operational Expenses	-	-	-	(10,031)	-	-
Financial Revenues (Expenses)	5,773	1,045	452.4%	8,626	3,235	166.6%
Operational Result before Income Tax/Social Contribution	2,257,466	290,810	676.3%	3,958,404	344,566	1048.8%
Income Tax / Social Contribution	(15,895)	-	-	(15,895)	-	-
Results for the Period	2,241,571	290,810	670.8%	3,942,509	344,566	1044.2%

Operating Revenue

As an investment company, BRADESPAR's operating revenue originates from the equity income and interest on equity of VALE.

In 2Q21, BRADESPAR posted operating revenue of R\$2.26 billion, the highest for a second quarter in the Company's history. In 1H21, operating revenue was a record of R\$3.99 billion compared to R\$348.9 million reported in the same period of 2020.

We highlight VALE's solid performance in the period, with adjusted EBITDA of US\$11.0 billion, with a focus on the ferrous minerals area (US\$10.7 billion), mainly due to the increase in prices and sales volume, reflecting China's strong demand in the period.

Financial Results

In second quarter of 2021, BRADESPAR's financial result reached a positive R\$5.8 million, mainly due to financial investments and remuneration on Recoverable Taxes. This result was also driven by the total early redemption of the Third Issue of Promissory Notes and the full early amortization of the Seventh Issue of Simple Debentures, occurred in previous years, which eliminated the Company's debt.

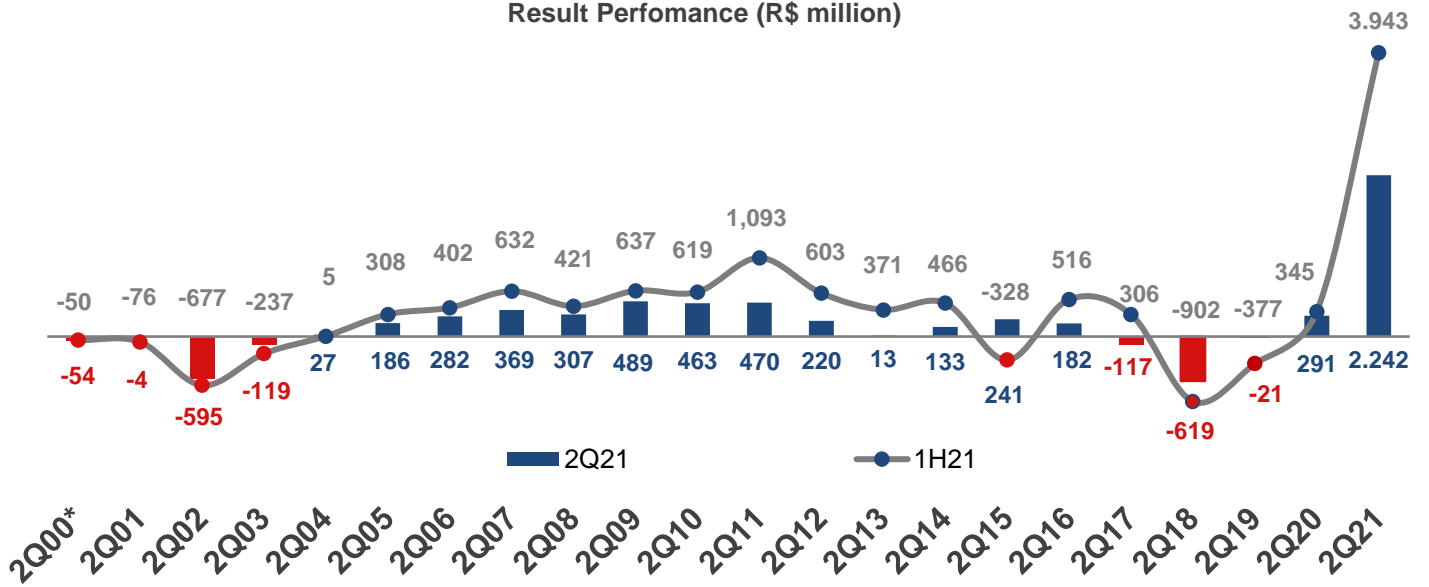
Payroll, General and Administrative Expenses

BRADESPAR's payroll, general and administrative expenses totaled R\$7.1 million in the second quarter of 2021 and R\$12.5 million in the first half of 2021.

Results of the Quarter

In 2Q21, BRADESPAR's net income came to R\$2.24 billion, compared to positive R\$290.8 million recorded in the same period of 2020. This is the highest net income posted for a second quarter in the Company's history due to the impressive result presented by VALE.

Result Performance (R\$ million)



*corresponds to 4 months of operation

COMMENTS ON INVESTEE

VALE

VALE is a Brazilian private company, is present in about 30 countries and is one of the largest mining companies in the world in the production of iron ore, iron and nickel ore pellets. VALE also produces manganese ore, ferroalloy, thermal and metallurgical coal, copper, metal byproducts of the platinum group, gold, silver and cobalt. The Company also operates large logistics systems in Brazil and in other regions worldwide, including railroads, maritime terminals and ports, integrated to its operations.

In 2Q21, the company's net income came to US\$7.59 billion, a positive change of US\$2.04 billion from US\$5.5 billion reported in 1Q21.

In the period, VALE's free cash flow totaled US\$6.3 billion, driven by a solid EBITDA, which was partly offset by the greater need of working capital and higher income tax disbursements. The cash generated from operations allowed the company to distribute US\$2.2 billion worth of dividends to shareholders in June, in addition to the early payment of US\$2.52 billion related to the Nacala Logistics Corridor's project finance.

Finally, we highlight the Company's share buyback program limited to 270 million common shares and their respective ADRs, representing up to 5.3% of the total outstanding shares, based on the ownership structure of February 28, 2021. Governed by a disciplined capital allocation, the program is carried out in a period of up to 12 months, demonstrating VALE's reliable management and the potential to create and distribute value in a consistent way. By the end of July of the current year, VALE had already injected approximately US\$2.6 billion into the program, totaling around R\$122 million shares, or 45% of the program effectively completed.

We also highlight the consistent evolution of VALE's governance, which had the support and approval of the shareholders that are part of the former controlling block, especially BRADESPAR, which ended the cycle started in 2017 of transforming the company into a true corporation.

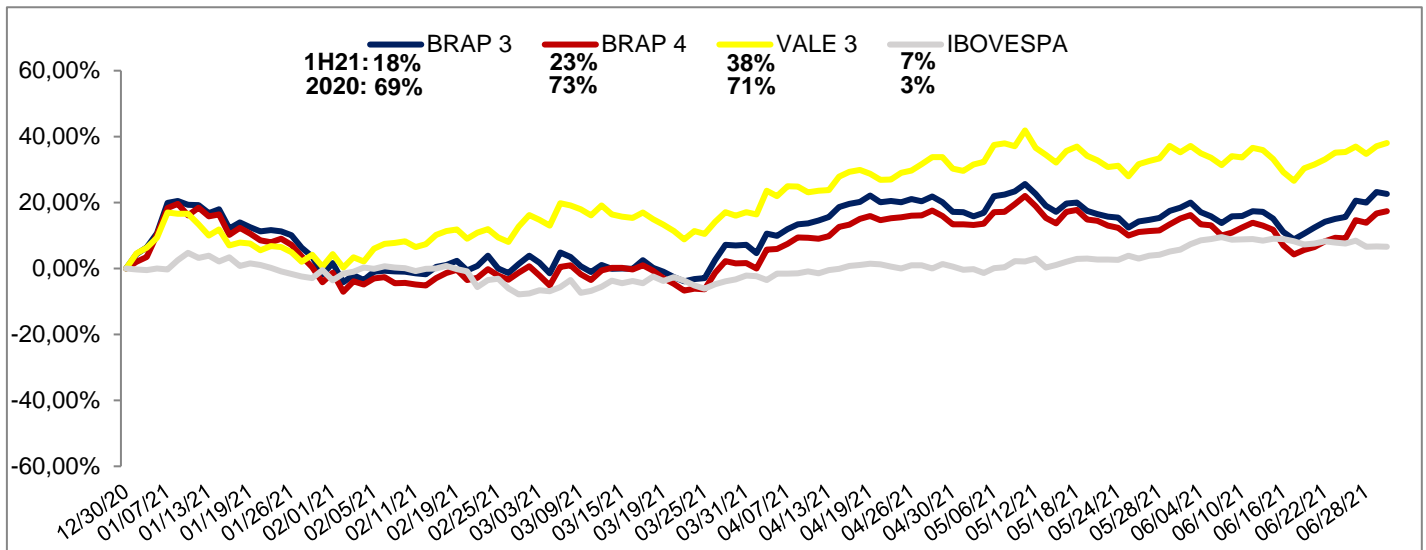
Capital Market

Desde a sua constituição, as ações do capital social da BRADESPAR estão listadas na B3, sob os códigos BRAP3 (ON) e BRAP4 (PN), e seus títulos são negociados no Latibex – Mercado de Empresas Latino-Americanas da Bolsa de Valores de Madri, na Espanha –, em Euros, por meio do Programa de Depositary Receipts (GDRs).

Adicionalmente, a BRADESPAR integra dois índices de destaque: o Ibovespa, que inclui as companhias mais líquidas do mercado brasileiro, e o Índice de Governança Corporativa (IGC), composto pelas companhias que assumiram compromisso com elevados padrões de governança corporativa, desde 2001, quando aderiu ao Nível I de Governança Corporativa da B3.

In 1H21, the Company's shares appreciated by 23.0% (BRAP4) and by 18.0% (BRAP3). The IBOVESPA index rose 7.0%, and the shares of Bradespar's investee (VALE) appreciated by 38%.

Shares Performance on B3 in 1H21



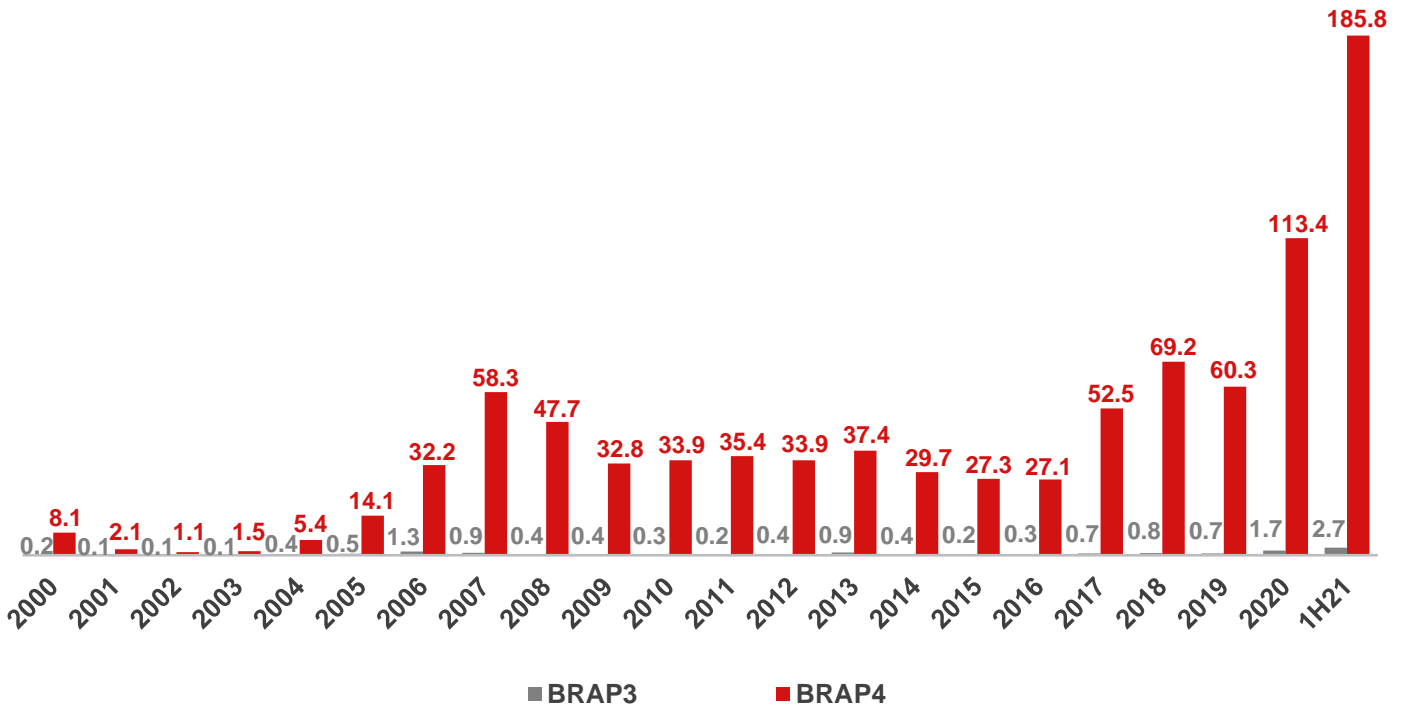
Prices adjusted for shareholder payments, including Dividends and/or Interest on Equity.

Source: Economatica.

Liquidity

The average daily trading volume of BRADESPAR preferred shares (BRAP4), traded in 1H21, was R\$ 185.8 million. The average number of trades for BRAP4 on B3 was 15.200 in the same period.

Financial Volume Average Daily Traded Shares (R\$ million)



Source: Economatica.

Premium / Discount

At the end of 2Q21, the market value of BRADESPAR's interest in VALE reached R\$ 33.2 billion. The market value of BRADESPAR, in relation to VALE, was a discount of 27,8%, that is, BRADESPAR's market capitalization corresponds to 72,2% of the net value of its assets.

BRADESPAR's Net Asset Value vs. Market Cap (closing prices on June 30, 2020)

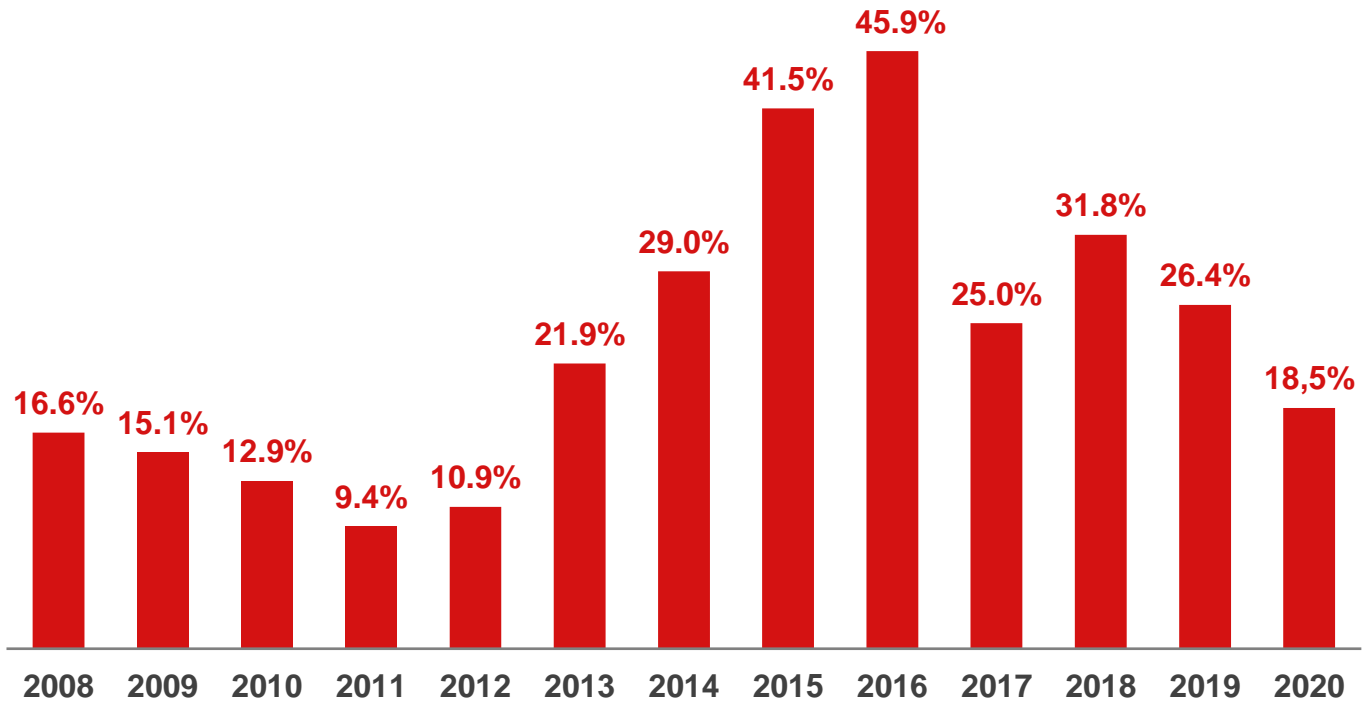
Companies	BRADESPAR's stake					
	Price (R\$/share)	Number of Shares	Number of Shares ⁽³⁾	Market Value (R\$ thousand)	Market Value (US\$ thousand)	Market Value (EURO thousand)
VALE ON	113.25	293,907,266	5.73%	33,284,998	6,633,319	5,593,488
Bradespar's Total Assets Value (A)				33,284,998	6,633,319	5,593,488
Bradespar's Net Cash B) ⁽¹⁾				746,393	148,748	125,430
Bradespar's Net Asset Value (C) = (A) + (B)				34,031,391	6,782,067	5,718,918
Bradespar's Market Capitalization (D)				24,570,688	4,896,656	4,129,063
Common Shares (BRAP3)	63.70	122,171,449		7,782,321	1,550,927	1,307,806
Preferred Shares (BRAP4)	74.33	225,862,596		16,788,367	3,345,729	2,821,257
Difference between net asset value and market capitalization (C) - (D)				9,460,703	1,885,411	1,589,855
DISCOUNT ⁽²⁾				27.8%		

(1) Net Cash on 06/30/2021

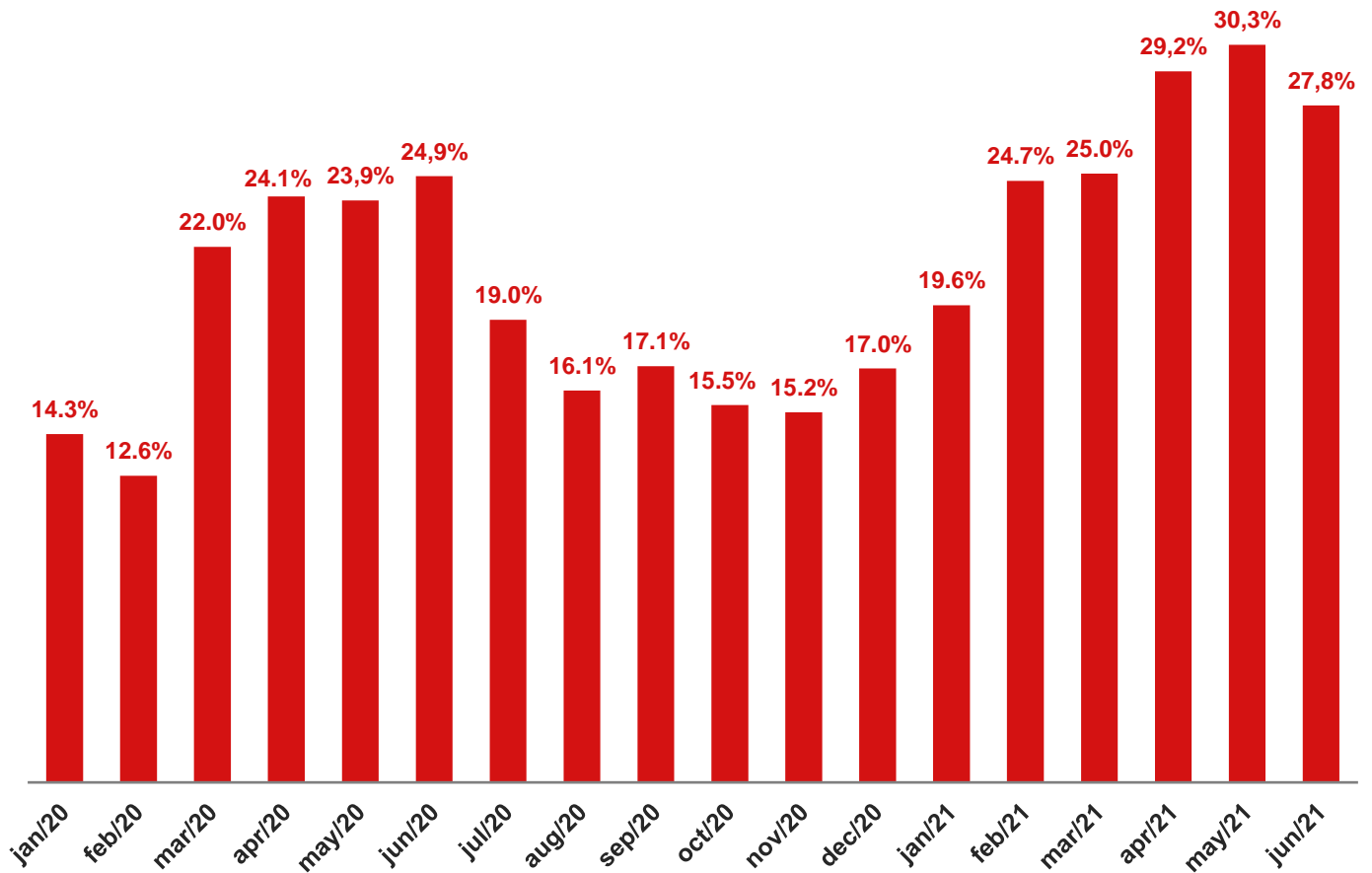
(2) ((BRADESPAR's Market Cap)/(Asset Value + Net Cash)) - 1

(3) Excluding treasury shares

Historical Discount between BRADESPAR's Net Asset Value and Market Capitalization



Note: Average discount at the end of each month.



Note: Discount on last business day of the month

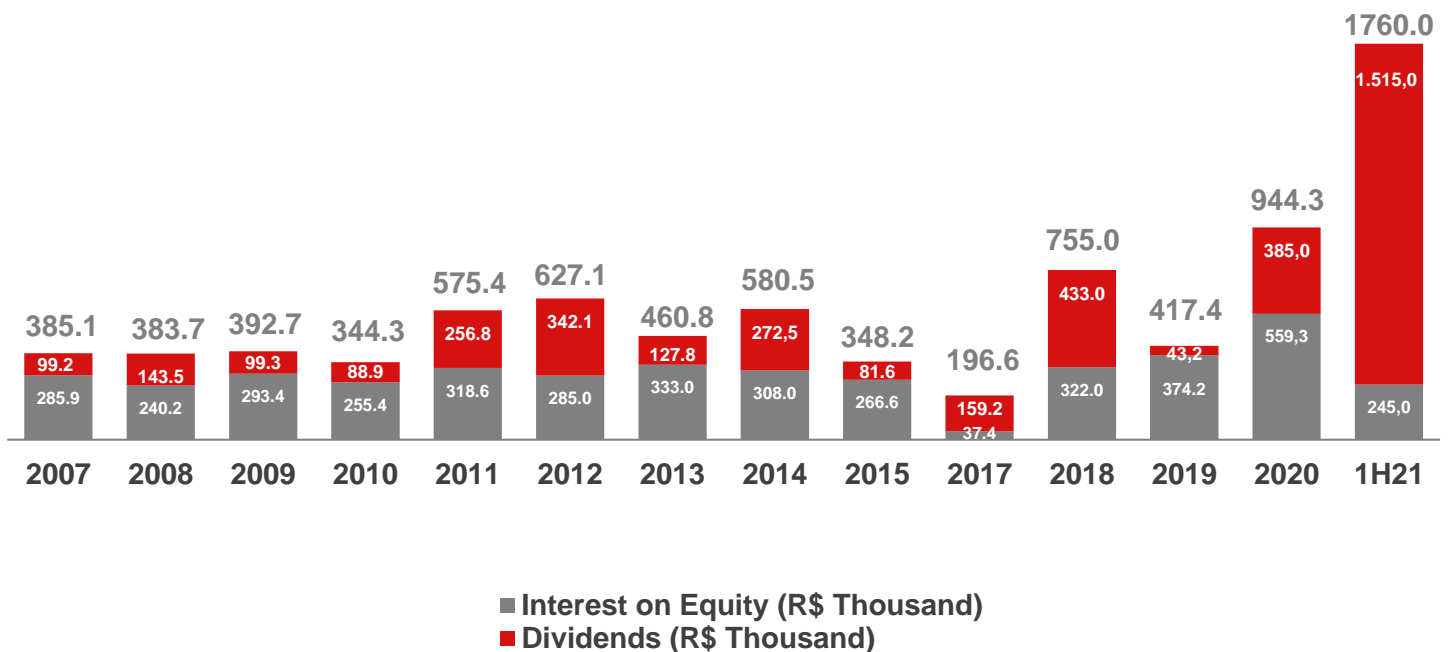
DIVIDENDS AND INTEREST ON EQUITY

In line with its Annual Compensation Indicative Policy to Shareholder, on July 12 of the current year, BRADESPAR announced the payment of extraordinary dividends in the amount of R\$600,000,000.00, as follows:

- R\$323,500,000.00, using part of the balance of the “Profit Reserves - Statutory” account; and
- R\$276,500,000.00 to be calculated in the mandatory dividends for the 2021FY, as provided for in the Bylaws.

Said dividends were paid to shareholders of record as of July 15, 2021, who received the amount of R\$1.618907527 per common share and R\$1.780798280 per preferred shares on July 26, 2021, with no income tax withheld, under Article 10 of Law 9,249/95.

Payment History of interest on Equity and Dividends



CONTACT

For further information, please contact the Investor Relations Department

Fernando Buso - CEO

Gustavo Bonetti

Daniel Picerni Sarmento

Phone: +55 (11) 2178-6300

Fax: +55 (11)1 2178-6315

E-mail: bradespar@bradespar.com

Website: www.bradespar.com