

**1Q21  
INVESTOR  
RELATIONS  
REPORT**

São Paulo, May 13, 2021 – BRADESPAR [B3: BRAP3 (ON), BRAP4 (PN); LATIBEX: XBRPO (ON), XBRPP (PN)] announces its results for 1Q21.

### Investment Structure – 03.31.2021

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

At March, 2021, the market value of BRADESPAR's assets, totaled R\$ 28.8 billion.

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

**BRADESPAR**

5.73% V/T



**BALANCE SHEET**

ASSETS	(R\$ thousand)	
	03/31/2021	03/31/2020
<b>CURRENT</b>	<b>1,301,206</b>	<b>553,142</b>
Cash and Cash Equivalents	1,241,718	199,618
Interest on Equity and Dividends Receivable	-	353,338
Taxes to Compensate and Recover	59,110	
Prepaid Expenses	378	186
<b>NON-CURRENT ASSETS</b>	<b>12,065,787</b>	<b>10,478,545</b>
<b>Long Term</b>	<b>168,253</b>	<b>171,247</b>
Recoverable Taxes	160,514	163,389
Judicial Deposits	7,739	7,858
<b>Investments</b>	<b>11,896,665</b>	<b>10,306,259</b>
<b>Fixed Assets</b>	<b>74</b>	<b>98</b>
<b>Intangible</b>	<b>795</b>	<b>941</b>
<b>TOTAL</b>	<b>13,366,993</b>	<b>11,031,687</b>

LIABILITIES	(R\$ thousand)	
	03/31/2021	03/31/2020
<b>CURRENT</b>	<b>1,194,992</b>	<b>276,072</b>
Interest on Equity and Dividends Payable	1,139,763	248,000
Taxes and Contributions Payable	26,253	194
Leases - Right of Use	72	68
Other Liabilities	28,904	27,810
<b>NON-CURRENT LIABILITIES</b>	<b>7.842</b>	<b>233,261</b>
Debentures Payable	-	225,395
Provision and Legal Obligations	7,040	6,943
Leases - Right of Use	802	923
<b>SHAREHOLDERS' EQUITY</b>	<b>12,164,159</b>	<b>10,522,354</b>
Capital Stock	4,100,000	4,100,000
Profit Reserve	1,983,625	2,106,573
Adjustment to Equity Evaluation	4,624,596	4,262,025
Results of the Period	1,455,938	53,756
<b>TOTAL</b>	<b>13,366,993</b>	<b>11,031,687</b>

## 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)		
	1Q21	1Q20	Chg %
Equity Income	1,736,319	54,748	3071.5%
<b>Operating Results</b>	<b>1,736,319</b>	<b>54,748</b>	<b>3071.5%</b>
Payroll Expenses	(3,590)	(2,241)	60.2%
Tax Expenses	(22,846)	(190)	-
General and Administrative Expenses	(1,767)	(751)	135.3%
Other Operational Expenses	(10,031)	-	-
Financial Revenues (Expenses)	2,853	2,190	30.3%
<b>Operational Result before Income Tax/Social Contribution</b>	<b>1,700,938</b>	<b>53,756</b>	<b>3064.2%</b>
Income Tax/Social Contribution	-	-	-
<b>Results for the Period</b>	<b>1,700,938</b>	<b>53,756</b>	<b>3064.2%</b>

### Operating Revenue

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

In 1Q21, BRADESPAR's operating revenue reached R\$1.74 billion, the best result for a first quarter in the Company's history.

It should be noted that VALE, in the same period, adjusted EBITDA reported totaled US\$8.47 billion, mainly in Ferrous Minerals (US\$7.81 billion), specially due to higher realized prices for commodities, which even offset the seasonally smaller volumes.

### Financial Results

In the quarter, BRADESPAR's financial result reached a positive R\$2.9 million due to financial investments and compensation on Tax Recoverable. This result reflects the fact that, with the total early redemption of the Third Issue of Promissory Notes and the early amortization of the Seventh Issue of Simple Debentures, the Company's debt is now removed.

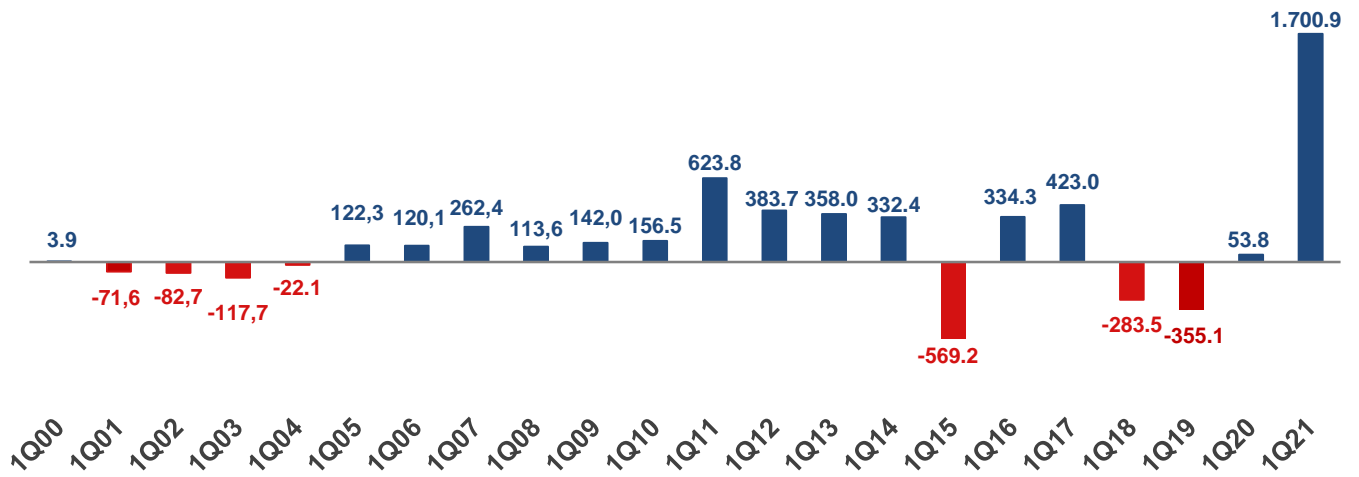
### Payroll, General and Administrative Expenses

BRADESPAR's payroll, general and administrative expenses totaled R\$5.4 million in the first quarter of 2021.

## Results of the Quarter

In the first quarter of 2021, BRADESPAR's net profit totaled R\$1.7 billion, compared to a positive result of R\$53.8 million at the end of the first three months of 2020, reflecting VALE's excellent result, with the highest profit for a first quarter in the Company's history.

Result Performance (R\$ million)



## COMMENTS ON INVESTEE

### VALE

Brazilian Private company, VALE is present in about 30 countries, 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.

It should be noted that, in February 2021, later certified by a court decision from April, VALE, the State of Minas Gerais, the Public Defender's Office of the State of Minas Gerais and the Federal and State Prosecutors of the State of Minas Gerais signed a Global Agreement for the Comprehensive Reparation of damages caused by the rupture of Dam I, in the Córrego do Feijão mine, in Brumadinho, MG. The Global Agreement has an economic value of approximately R\$ 37.7 billion and puts an end to the public civil actions for socio-environmental damages caused by the disaster, as well as an end to the socio-economic restitutions. The institutions that participated in the construction of the Global Agreement ensured timely, fair, and effective solutions, in a process that was conducted with transparency, legitimacy and legal certainty.

In addition, in order to promote increasingly safe and environmentally responsible operations that guarantee the integrity of its assets, VALE's Board of Directors approved measures aimed at reducing risks to enable the company to maintain its focus on its key businesses. It's worth noting the conclusion of the sale of the Vale Nova Caledônia ("VNC"), an important milestone in the divestment of no-core assets, in line with its climate agenda's strategy.

In the year's first three months, the company's net income reached US\$5.55 billion, a positive variation of US\$5.30 billion compared to the positive result of US\$239.0 million in the first quarter of 2020.

Finally, it is worth noting the Company's share buyback program limited to 270 million common shares and their ADRs, representing up to 5.3% of the total shares outstanding, based on the shareholding structure of February 28, 2021. Governed by the capital allocation, the program will be carried out over up to 12 months, showing the trust of VALE's management and the potential to consistently create and distribute value.

All implementations carried out in VALE's Governance had the support, initiative and approval of the shareholders that belonged to the former control block, particularly BRADESPAR, and this ends the cycle, which started in 2017, of transforming the company into a True Corporation.

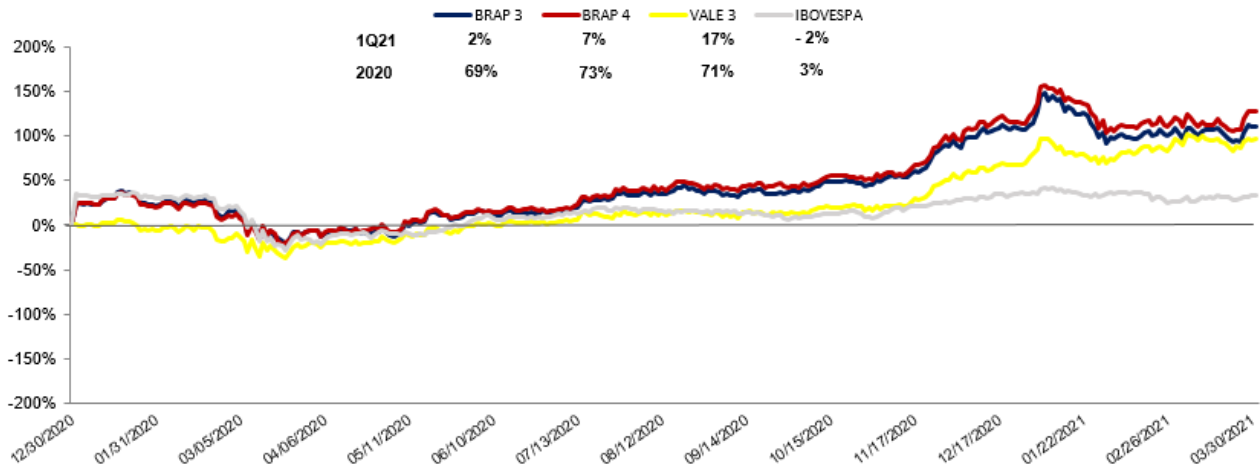
### Capital Market

Since its inception, BRADESPAR's shares are listed on B3 under tickers BRAP3 (ON) and BRAP4 (PN), and its securities are traded on LATIBEX, the Madrid Stock Exchange's Latin American Companies Market, in Spain, in Euros, through the Depositary Receipt Program (GDRs).

Moreover, BRADESPAR's shares participate in two leading indexes: IBOVESPA, which includes the most liquid companies in the Brazilian market, and the Corporate Governance Index (IGC), composed of the companies that have committed to high standards of corporate governance, since 2001, when it adhered to B3's Level I of Corporate Governance.

In 1Q21, the Company's shares appreciated by 7% (BRAP4) and 2% (BRAP3), while IBOVESPA decreased 2% and the shares of its investee, VALE, appreciated 17%.

### Shares Performance on B3 in 1Q21

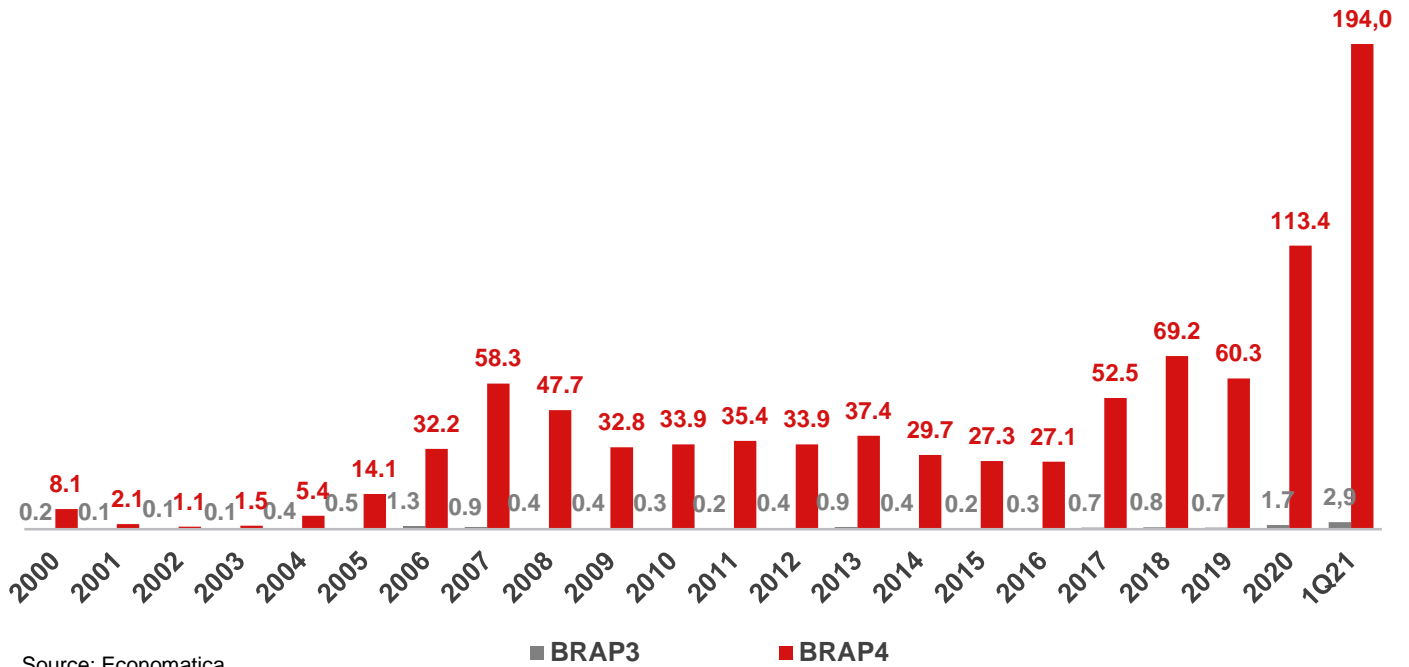


Prices adjusted for shareholder payments, including Dividends and/or Interest on Equity.  
 Source: Economática.

## Liquidity

The average daily trading volume of BRADESPAR preferred shares (BRAP4), traded in 1Q21, was R\$ 194.0 million. The average number of trades for BRAP4 on B3 was 16,589 in the same period.

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





## Premium / Discount

At the end of 1Q21, the market value of BRADESPAR's interest in VALE reached R\$28.8 billion. The market value of BRADESPAR, in relation to VALE, was a discount of 25.0%, that is, BRADESPAR's market capitalization corresponds to 75.0% of the net value of its assets.

### BRADESPAR's Net Asset Value vs. Market Cap (closing prices on March 31, 2021)

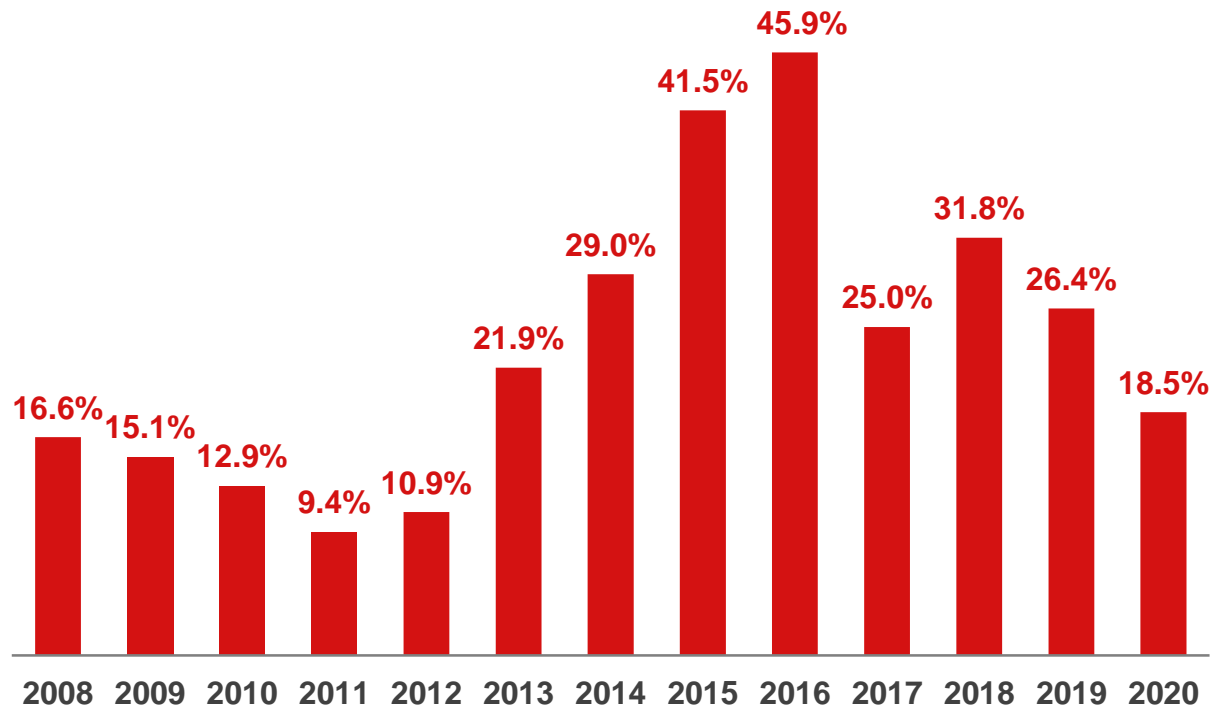
Companies	BRADESPAR's stake					
	Price (R\$/share)	Price (R\$/share)	Price (R\$/share) <sup>(3)</sup>	Price (R\$/share)	Price (R\$/share)	Price (R\$/share)
VALE ON	97.97	293,907,266	5.73%	28,794,095	5,102,622	4,341,548
<b>Bradespar's Total Assets Value ( A )</b>				<b>28,794,095</b>	<b>5,102,622</b>	<b>4,341,548</b>
<b>Bradespar's Net Cash ( B ) <sup>(1)</sup></b>				<b>1,238,377</b>	<b>219,454</b>	<b>186,721</b>
Bradespar's Cash and Cash Equivalents				1,238,377	219,454	186,721
<b>Bradespar's Net Asset Value ( C ) = ( A ) + ( B )</b>				<b>30,032,472</b>	<b>5,322,076</b>	<b>4,528,269</b>
<b>Bradespar's Market Capitalization ( D )</b>				<b>22,534,165</b>	<b>3,993,295</b>	<b>3,397,682</b>
Common Shares (BRAP3)	58.16	122,171,449		7,105,491	1,259,169	1,071,360
Preferred Shares (BRAP4)	68.31	225,862,596		15,428,674	2,734,126	2,326,322
<b>Difference between net asset value and market capitalization ( C ) - ( D )</b>				<b>7,498,307</b>	<b>1,328,781</b>	<b>1,130,587</b>
<b>DISCOUNT <sup>(2)</sup></b>				<b>25.0%</b>		

(1) Net Cash on 03/31/2021

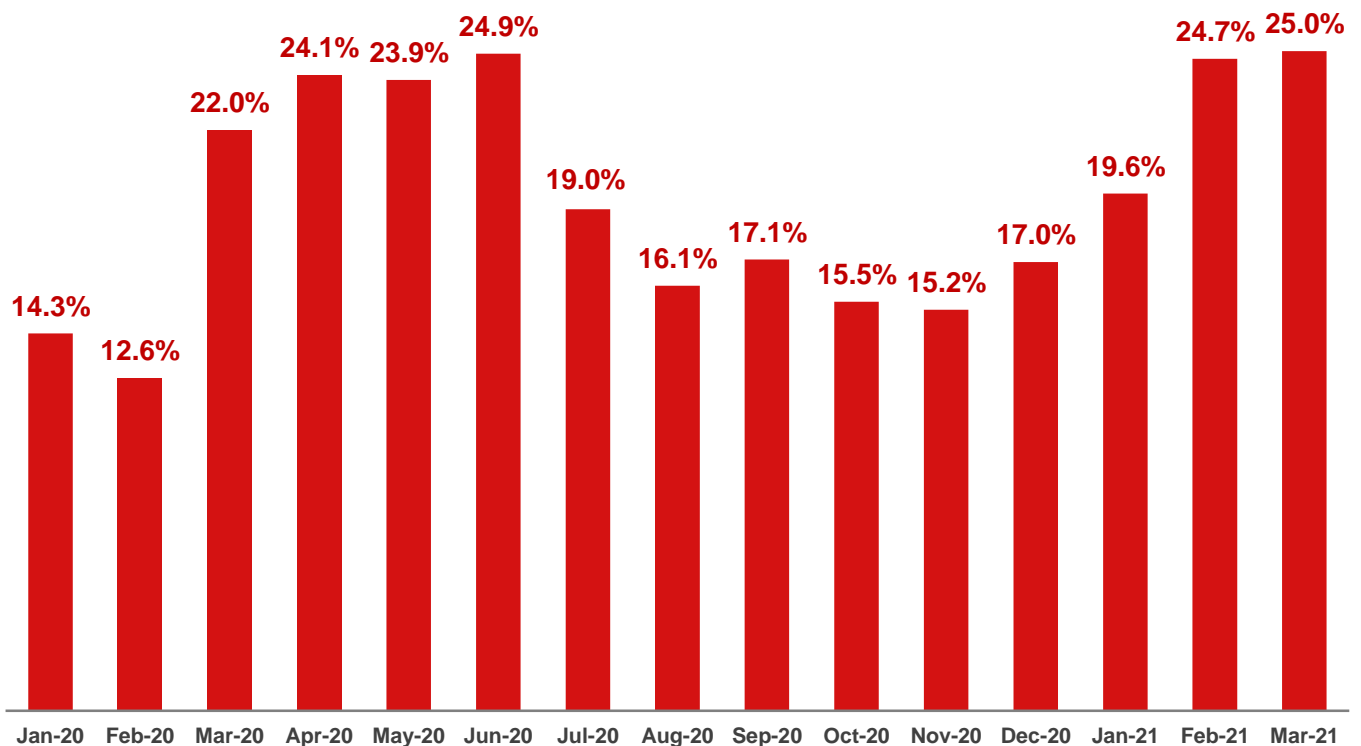
(2) ((BRADESPAR's Market Cap)/(Asset Value + Net Cash)) - 1

(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

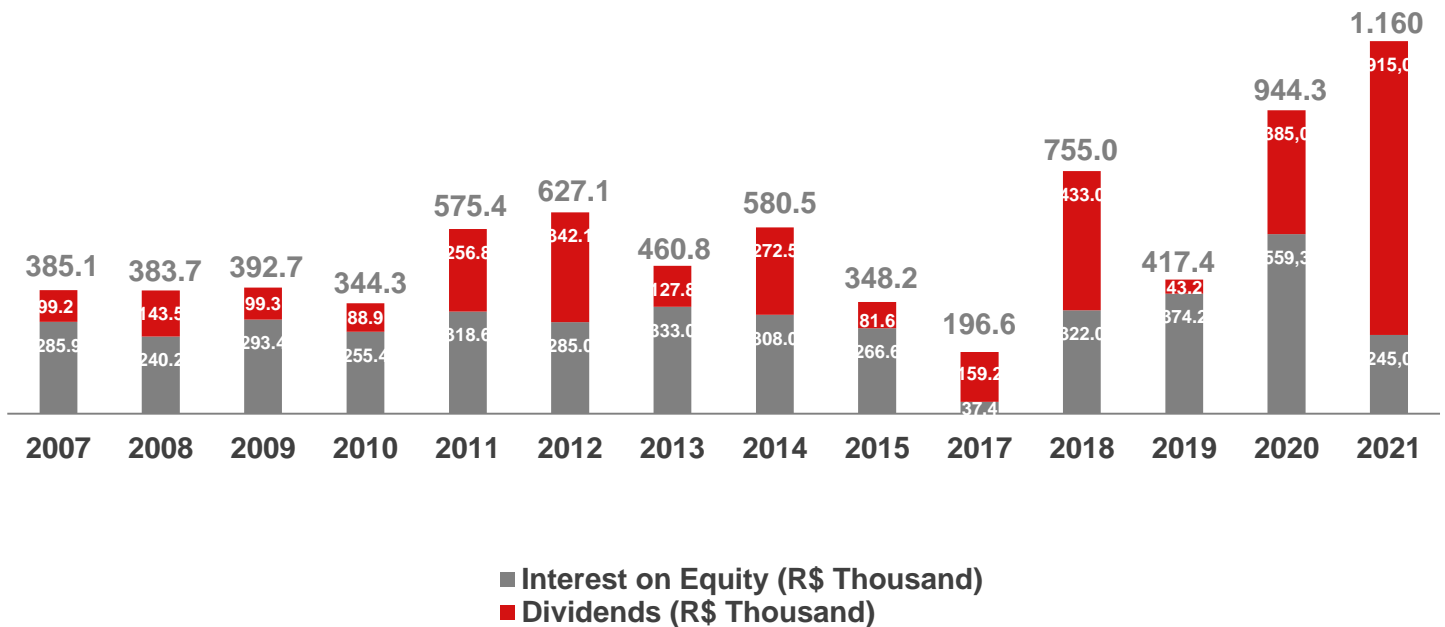
In line with its Annual Compensation Indicative Policy to Shareholder, on March 25th of the current year, BRADESPAR announced the payment of dividends and interest on equity (JCP) totaling R\$1.160 billion, as follows:

- Dividends, using part of the balance of the “Profit Reserves - Statutory” account, totaling R\$915.0 million, with R\$2.468833979 per common share and R\$2.715717377 per preferred share, with no Withholding Income Tax, pursuant to Article 10 of Law 9249/95;

- Interest on Equity, to be included in the calculation of the mandatory dividends for the 2021 fiscal year, totaling BRL 245.0 million, with BRL 0.661053907 per common share and BRL 0.727159298 per preferred share, paid in the net amount of BRL 0.561895821 per common share and BRL 0.618085403 per preferred share after the deduction of 15% (fifteen percent) of withholding Income Tax, except for legal entity shareholders exempt from this tax.

Dividends and interest on equity were paid on May 12th, the largest earnings distribution in BRADESPAR’s history, as shown in the table below:

Payment History of Interest on Equity and Dividends



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