



EARNINGS RELEASE

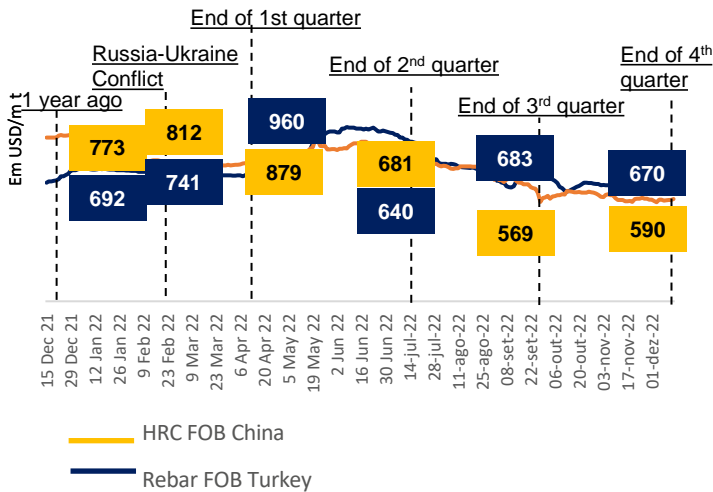


MACRO SCENARIO

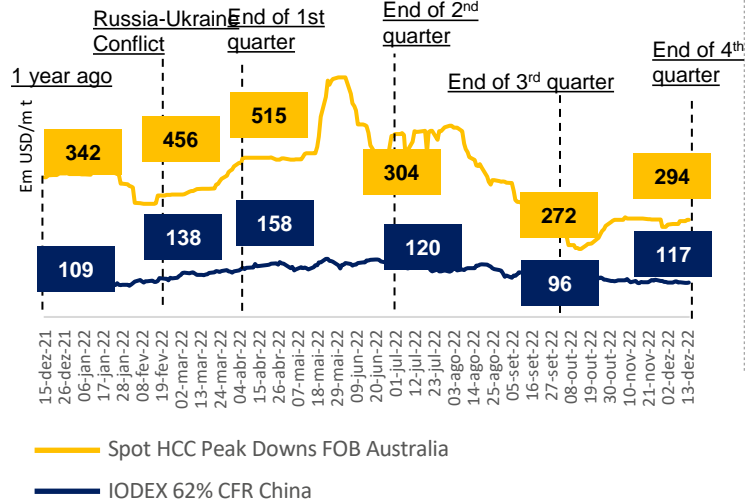
- Decrease in shipments in the last quarter of 2022, influenced by expected seasonally weaker quarter and elections in Brazil;
- Logistical and geopolitical challenges throughout 2022: the global COVID-19 pandemic combined with the conflict between Russia and Ukraine;
- Inflation in the U.S., drop in the country's GDP and increase in energy costs are points of concern;

- High interest rates: pressure on production costs, especially energy costs, affecting demand from more elastic sectors, such as distribution and construction;
- Volatility in scrap and coal prices;
- Reopening of the Chinese market helped replenish chip and semiconductor inventories;
- In addition to heavy vehicles, the oil & gas (U.S.) and auto parts (Brazil) segments may contribute to the recovery of the sector.

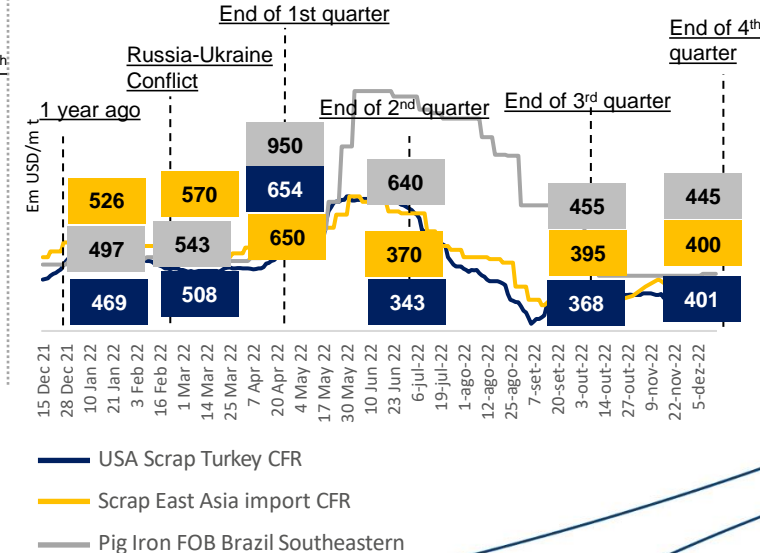
TURKISH REBAR & HRC¹



RAW MATERIALS¹



SCRAP & PIG IRON¹



Source: (1) S&P Global Commodity Insights.

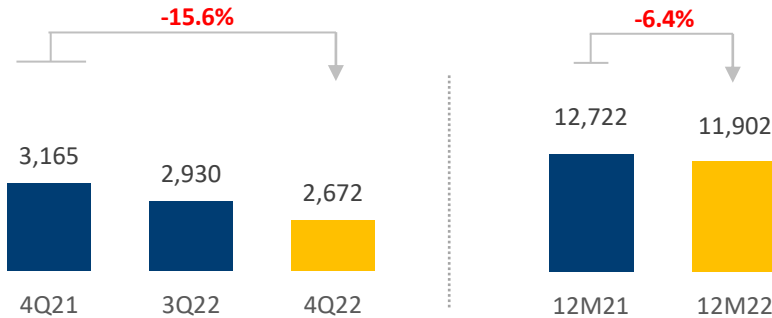


HIGHLIGHTS IN THE PERIOD

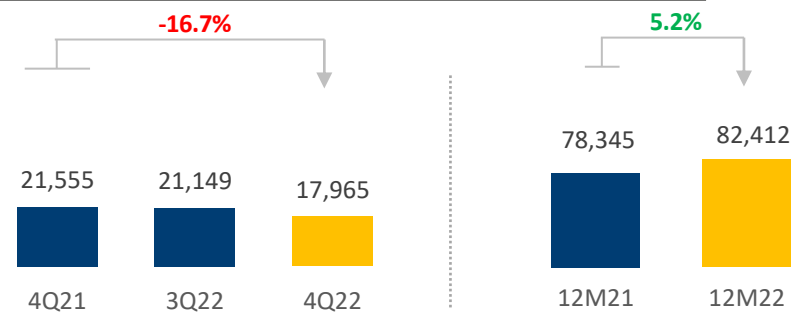
Resilience and Sustainable Value



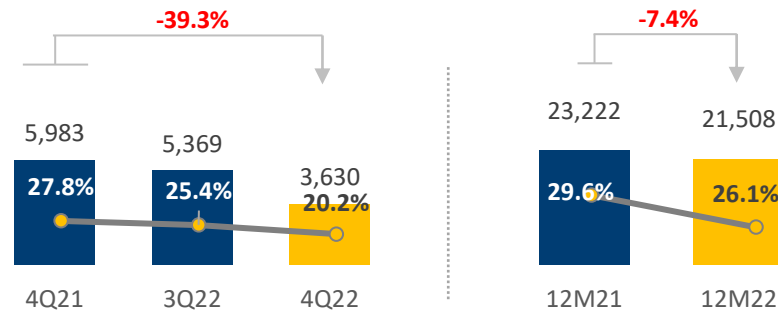
Shipments (1,000 tonnes)



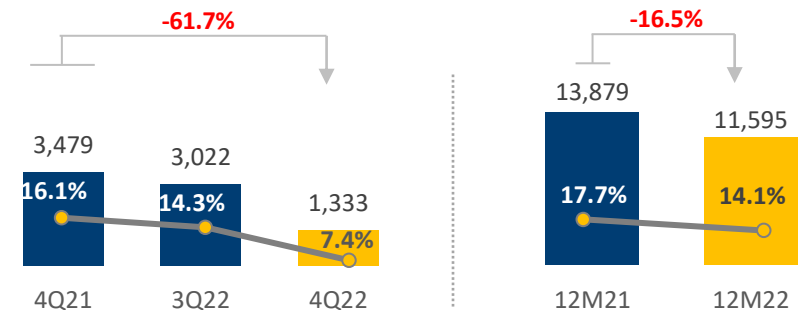
Net Sales (R\$ million)



Adjusted EBITDA and Adjusted EBITDA Margin (R\$ million)



Adjusted Net Income and Adjusted Net Margin (R\$ million)



HIGHLIGHTS IN THE PERIOD

Resilience and Sustainable Value

- 
- **Maintaining our focus on people's safety**, we conclude the year 2022 with an Accident Frequency Rate of 0.76, the lowest level in history;
 - **Highest net sales in the Company's history:** R\$ 82.4 billion, increasing 5% from 2021;
 - Steel shipments came to **11.9 million tonnes** in the year;
 - **Adjusted EBITDA of R\$ 21.5 billion in 2022**, the Company's second highest operating cash generation ever;
 - **Cash flow generation of R\$ 10.5 billion**, the highest in its history;

- **North America BD:** EBITDA of R\$ 10.0 billion and margin of 32.0% in 2022;
- **Strong earnings distribution:** R\$ 6.1 billion (+13.6% vs. 2021), with yield of 13.5% and payout of approximately 70%¹;
- **Gerdau Next and Newave Energia S.A.** signed a share subscription agreement;
- **Capex of R\$ 4.3 billion in 2022.** For 2023, the Investment Plan approved estimates Capex of R\$ 5 billion;
- **Siderperu and Gerdau Summit** became in 2022 the first two steel producers in the world to be certified B Corporations.

(1) Considers Share Buyback

PERFORMANCE BY BUSINESS DIVISION



Shape the future

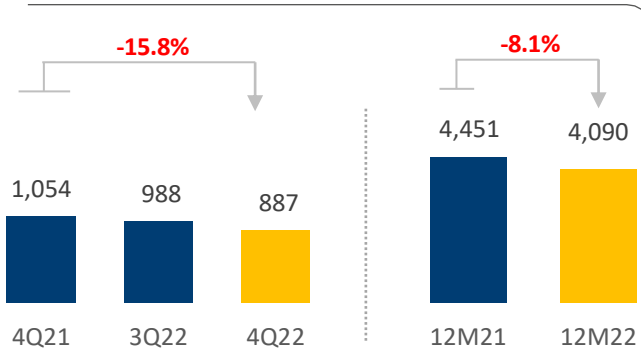


NORTH AMERICA BD

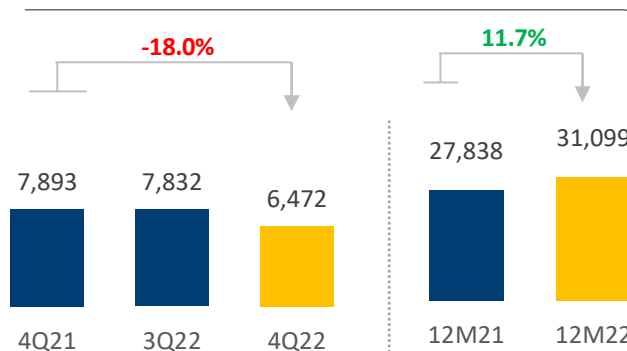
- Solid quarter for the Division (52.7% of EBITDA¹);
- Healthy demand from industrial, infrastructure and non-residential construction sectors;
- Logistics and labor challenges persist as points of concern.

Utilization rate
Rolled steel 85%
Steel 76%

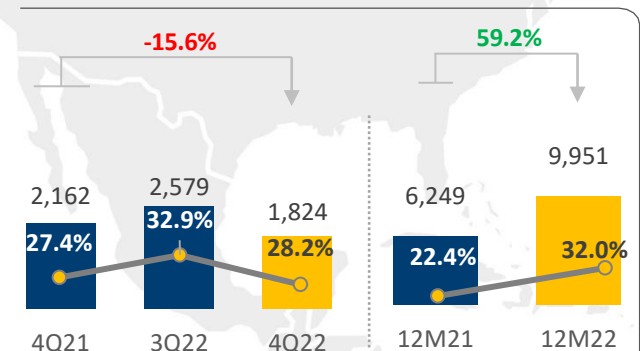
Shipments (1,000 tonnes)



Net Sales (R\$ million)



EBITDA (R\$ million)/EBITDA Margin



(1) The EBITDA percentage of the business divisions is calculated considering the total EBITDA of the 4 divisions.

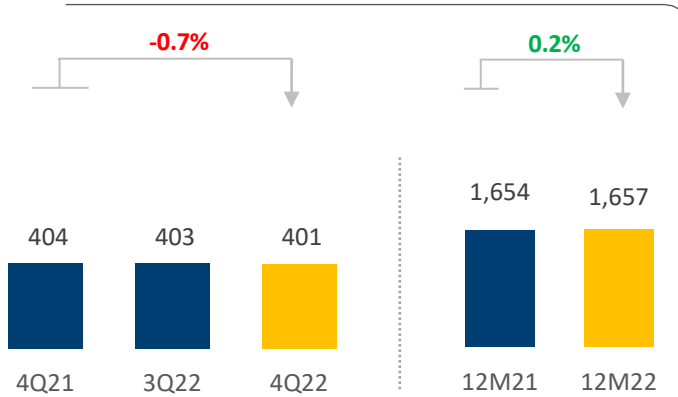


SPECIAL STEEL BD

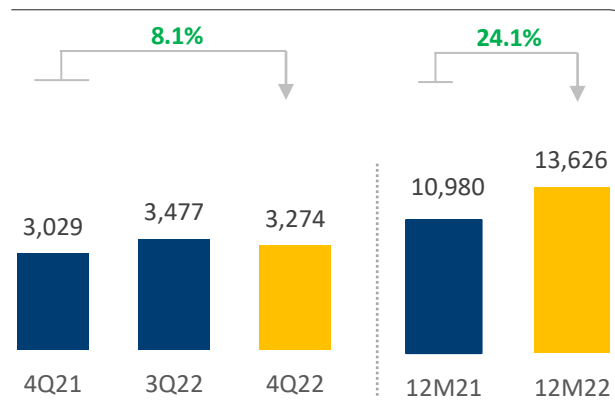
Utilization rate
Rolled steel 60%
Steel 65%

- Strong demand in heavy vehicle and energy sectors, mainly wind power in Brazil and oil & gas in the United States;
- Gradual replenishment of semiconductor inventories drives the recovery of the automotive industry;
- Positive expectations for the light vehicles segment;
- The Chips Act approved by the U.S. government will boost demand for semiconductors in the coming years.

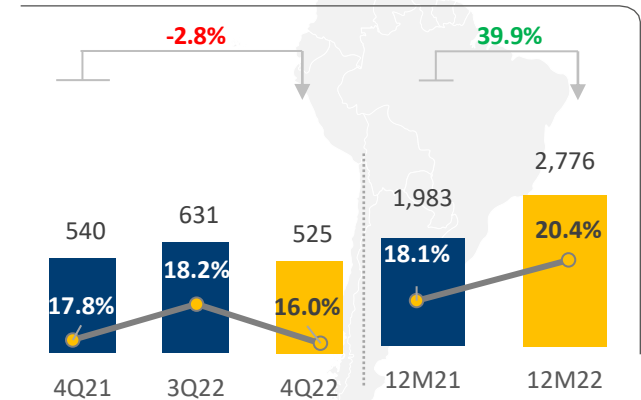
Shipments (1,000 tonnes)



Net Sales (R\$ million)



EBITDA (R\$ million)/EBITDA Margin





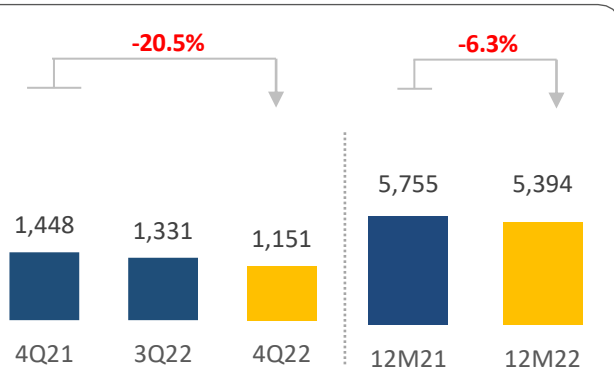
BRAZIL BD

Utilization rate

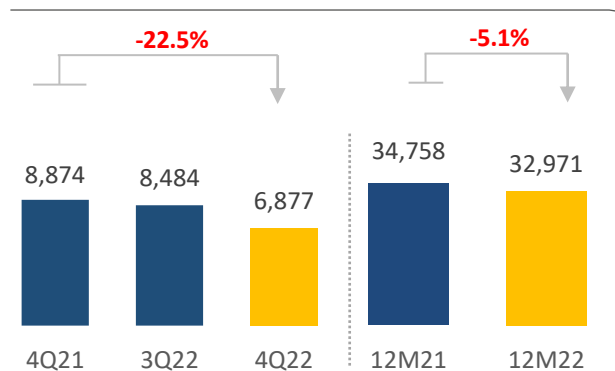
Rolled steel 54%
Steel 63%

- Decrease in shipments in the last quarter of 2022, influenced by the elections in Brazil;
- Demand for steel remains at healthy levels in our sectors of operation;
- Less dependence on retail, enabling the company to seize diverse market opportunities;
- Construction sector remains at healthy levels, with positive expectations in the market about future social projects;
- Industry, especially the machinery and equipment, energy, yellow line and green line segments, remains resilient.

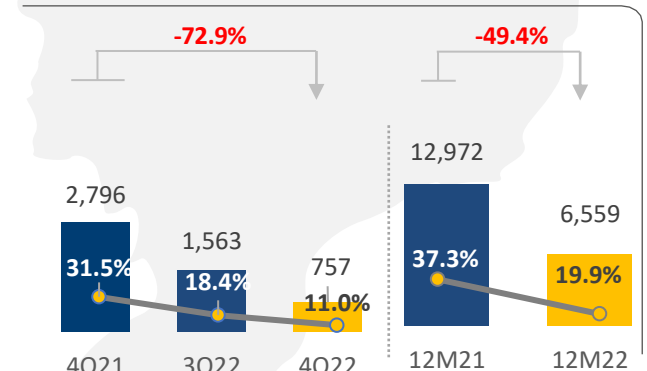
Shipments (1,000 tonnes)



Net Sales (R\$ million)



EBITDA (R\$ million)/EBITDA Margin



Construction GDP
+7.3% (1)(2)



+17.8%
Construction sites
(3)(4)



Real Estate
Inventories 12.3 meses (1)(5)

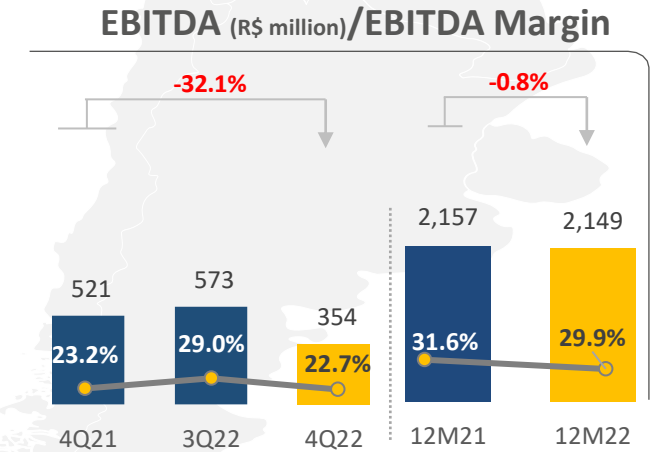
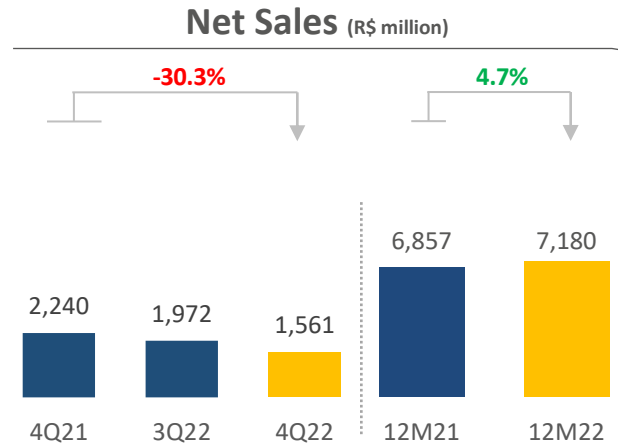
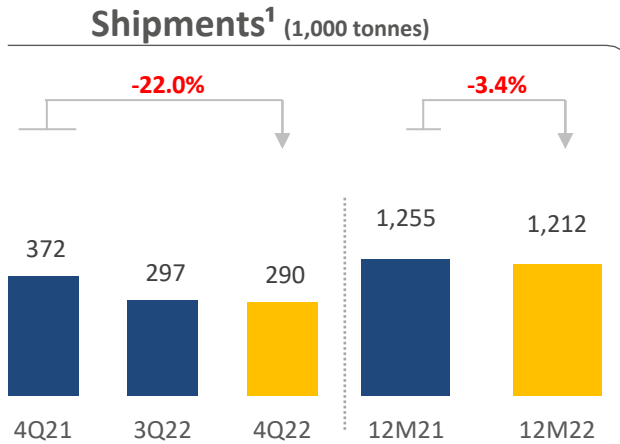
(1) Forecast at feb/23 for end-2022. (2) Source: Tendências. (3) Source : Neoway. (4) Variation between dec/22 and dec/21. (5) Source: Secovi, December 2022.



SOUTH AMERICA BD

Utilization rate
Rolled steel 92%
Steel 84%

- Strong demand in Argentina and Uruguay due to construction and manufacturing sectors;
- Growing volume in Peru, driven by the construction sector.



(1) Includes the resale of imported products from Brazil BD

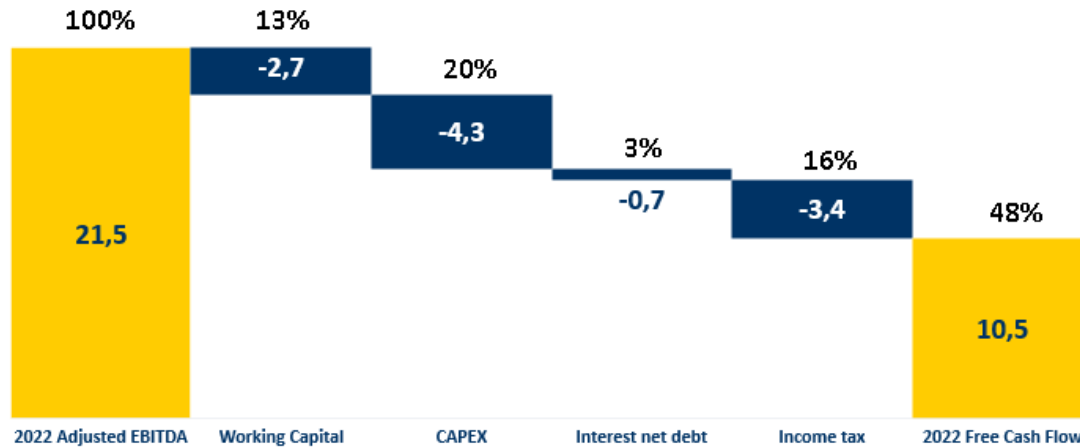


FINANCIAL PERFORMANCE



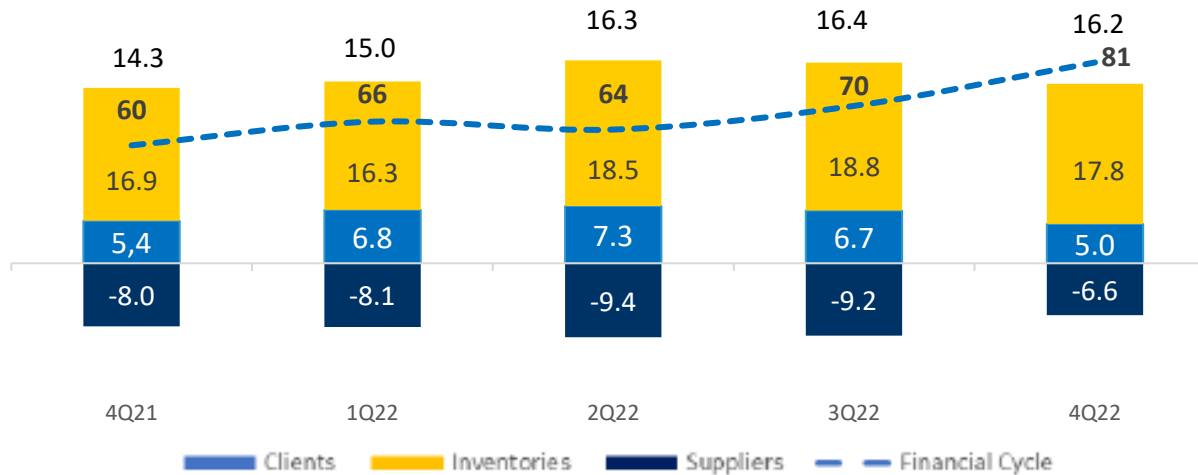
CASH FLOW & WORKING CAPITAL

FREE CASH FLOW
(R\$ BILLION)



Highest free cash flow ever

WORKING CAPITAL & CASH CONVERSION CYCLE
(R\$ BILLION)

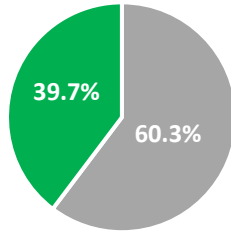
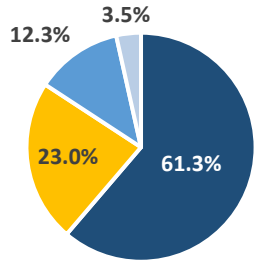


Increase in cash conversion cycle due to seasonal adjustments in demand and lower net sales



INVESTMENTS (CAPEX)

2022 – R\$ 4.3 billion



ADD VALUE through discipline and assertiveness

Technological Updating Whitby Mini-Mill

Add ~200 kt of steel by modernizing mini-mill in Canada

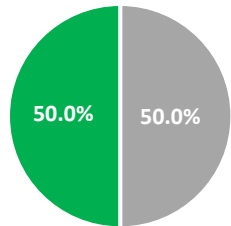
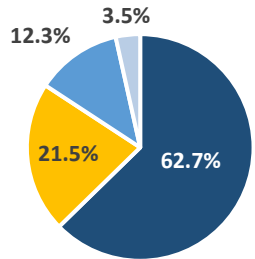
CAPEX
~R\$ 350 M

EBITDA¹
R\$ 100 M à
R\$ 150 M

STARTUP
2Q23



2023E – R\$ 5.0 billion



Increase **PRODUCTION CAPACITY** and the capacity to serve our costumers

Expand coil production in Ouro Branco

Add ~250 kt of coils and reduce operating costs

CAPEX
~R\$ 1,000 M

EBITDA¹
R\$ 200 M à
R\$ 300 M

STARTUP
2024



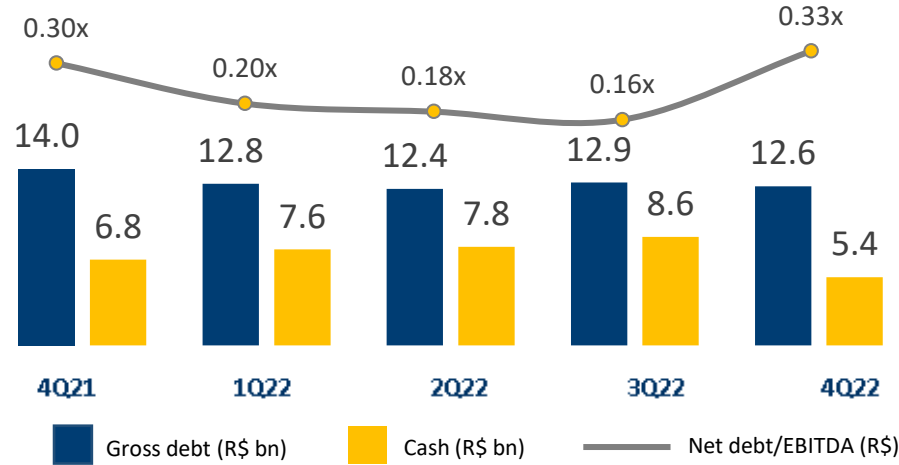
- Brazil BD
- Special Steel BD
- Maintenance
- North America BD
- South America BD
- Expansion & Technological Updating

(1) Estimated incremental annual EBITDA of the project after its maturation



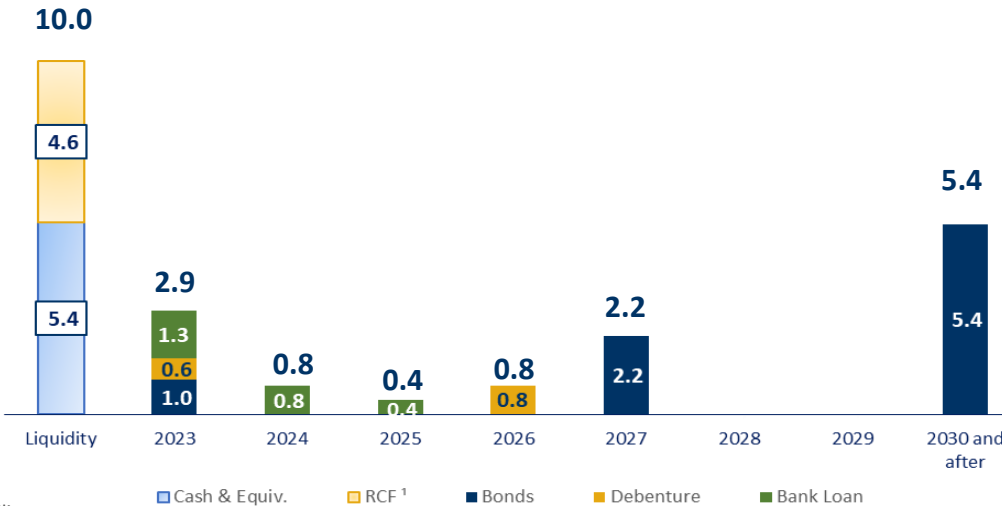
LIQUIDITY & DEBT

DEBT AND LEVERAGE



Financial Policy:
 Gross debt below R\$ 12 billion (-11% YoY)
 Leverage below 1.5x

DEBT PAYMENT FLOW (R\$ BILLION)



Average term: 7.4 years
Average cost: 7.2% p.a.

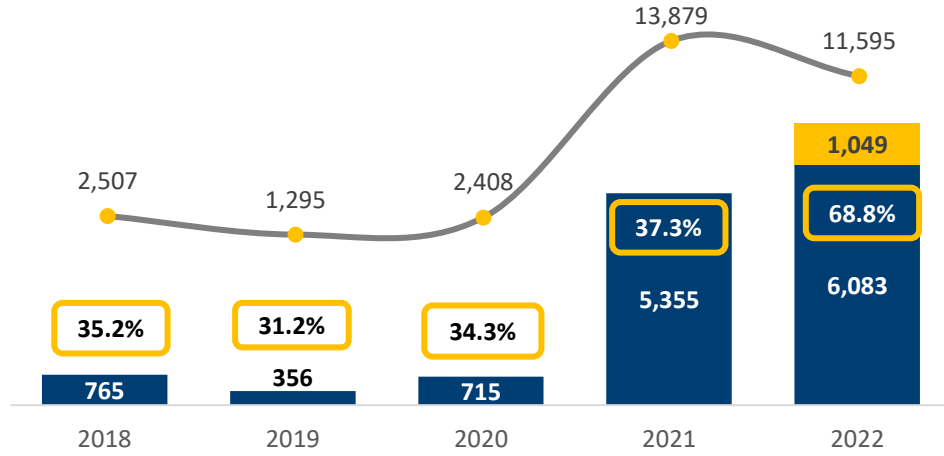
(1) Global Revolving Credit Facility



SOLID SHAREHOLDER RETURNS

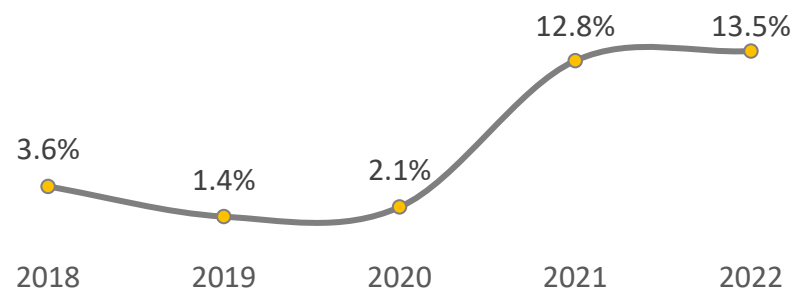
Earnings 2022
Dividends
 Per GGBR share Per GOAU share
R\$ 3.63 **R\$ 1.25**

NET INCOME AND DIVIDENDS DISTRIBUTED



- Adjusted net income (R\$ million)
- Dividends distributed (R\$ million)
- Repurchase (R\$ million)
- Payout ⁽¹⁾

DIVIDEND YIELD GGBR4 ⁽²⁾



Share buyback program⁽³⁾
 Repurchases made until December 31, 2022



44,564,000 GGBR4 or 81.0%
of the program



48,279,200 GOUA4 or 69.9%
of the program

(1) Payout: Earnings / Net income of the parent company after accrual of reserves envisaged in the Bylaws

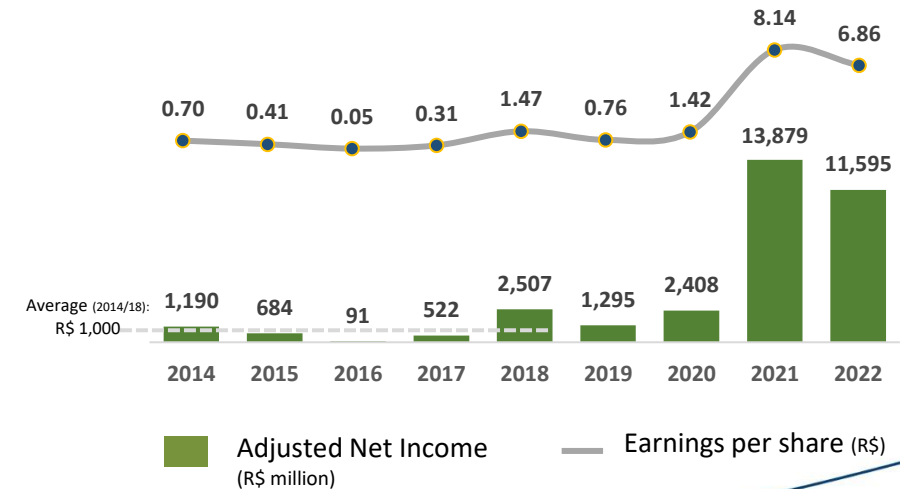
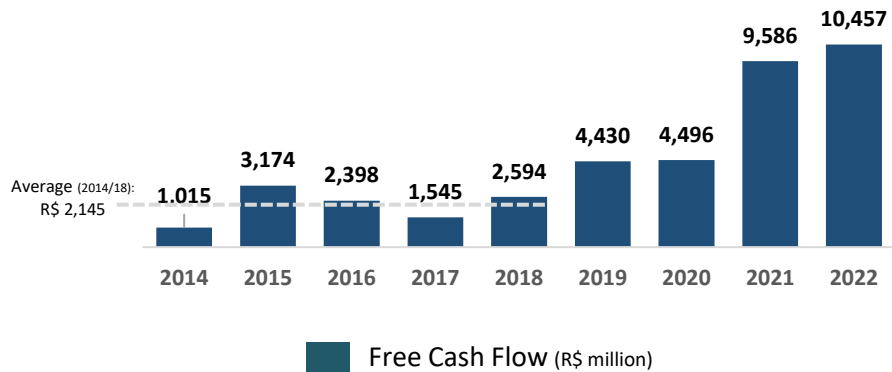
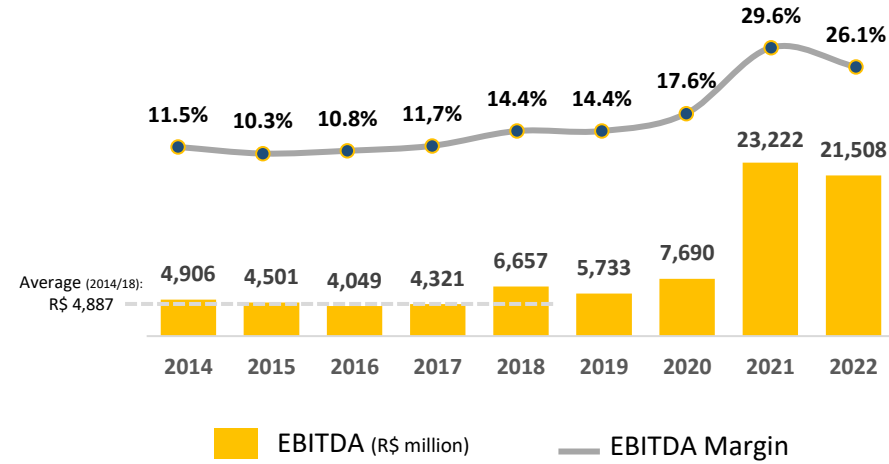
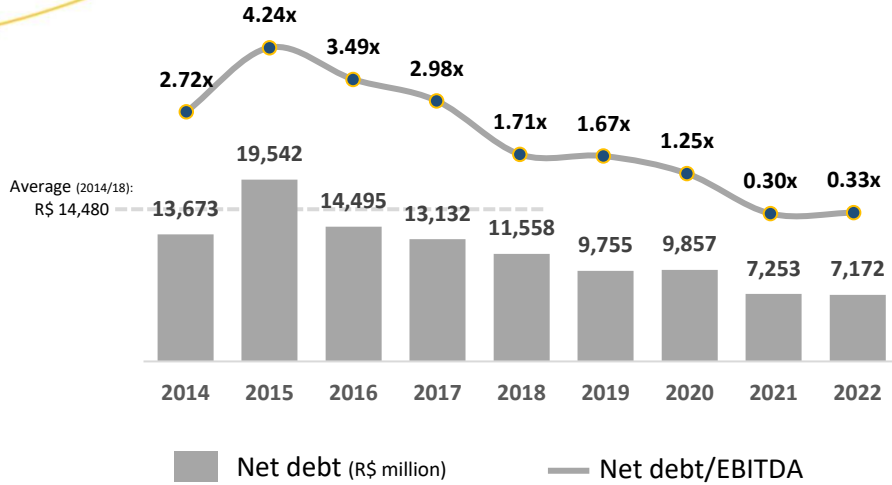
(2) Dividends paid/share price at start of period - Prices (R\$/share): 2018: 12.38; 2019: 14.82; 2020: 20.00; 2021: 24.45; LTM3Q22: 25.66.

(3) Up to 55,000,000 or 5% of preferred shares (GGBR4) and up to 69,000,000 or 10% of preferred shares (GOAU4) outstanding. When announced in March 2022: approximately GGBR4 1,102 million shares | GOAU4: 699 million shares.



PROGRESS IN PERFORMANCE

...2014-2022





ENVIRONMENTAL
SOCIAL
GOVERNANCE



ESG

Environmental
Social
Governance

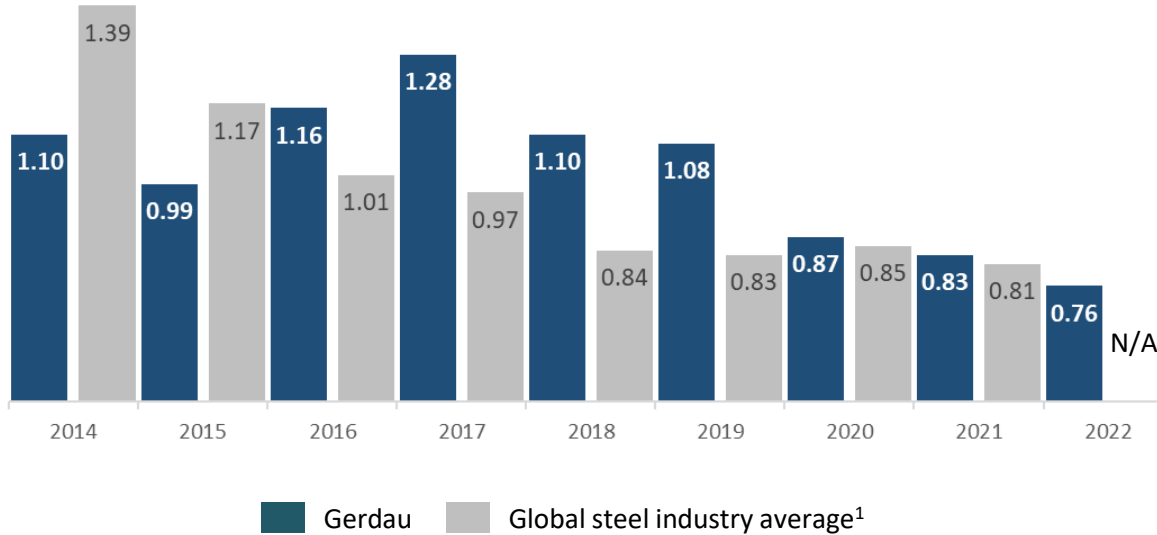


SAFETY

PRIORITY №1

SAFETY INITIATIVES

ACCIDENT FREQUENCY RATE



ANALYTICS – ARTIFICIAL INTELLIGENCE FOR ANALYSIS OF REPORTS AND PREDICTION OF EVENTS

INDUSTRY 4.0 – SMART, INTERCONNECTED GUARDRAILS

PROACTIVITY – HANDLING HIGH-POTENTIAL EVENTS

MANAGEMENT – STRONG MANAGEMENT SYSTEM FOR OWN AND THIRD-PARTY STAFF

PSYCHOLOGICAL SAFETY

Source: (1) World Steel



ESG

Environmental
Social
Governance



SIDERPERU

CERTIFICATION AS B COMPANY

SIDERPERU, our largest industrial operation in South America after Brazil, joins Gerdau Summit as the world's first and only steel companies with the **B Certification**;



B CERTIFICATION IS AN
INTERNATIONAL
RECOGNITION OF AN
ORGANIZATION'S HIGH
ESG STANDARDS.



COMMITMENTS





ESG Environmental
Social
Governance

NEWAVE ENERGIA, NEW INVESTMENT OF GERDAU NEXT, HAS NEWAVE CAPITAL AS A PARTNER, with the purpose of developing electric power generation projects, with a focus on solar and wind sources;

33.33% INTEREST in Newave Energia;

ENERGY OFFTAKE WITH SELF-PRODUCTION BENEFITS: 30% of the energy generated by Newave Energia will be consumed by Gerdau's mills.

Gerdau Next will invest up to R\$ 1.5 billion in two phases: R\$ 500 million in 2023; and in the second phase up to R\$ 1 billion conditioned on the achievement of certain targets.

NEWAVE ENERGIA

Joint Venture



**WE BELIEVE IT'S POSSIBLE TO
SHAPE A MORE SUSTAINABLE
FUTURE WITH CLEAN AND
RENEWABLE ENERGY**



ESG Environmental
Social
Governance

THE TOWN, the new music, culture and art festival in São Paulo, organized by the same group that organizes Rock in Rio, presents Favela 3D, a pioneering partnership that will transform lives.

Joining forces can make a huge difference in people's lives.



THE TOWN



GERANDO FALCÕES



GERDAU



SANITATION



**PIPED
WATER**

OVER

290

**FAMILIES
BENEFITED**

ASPHALT



**REPAIRS INSIDE
AND ON THE
FACADE OF
HOUSES**



FAVELA 3D

DIGITAL - DIGNIFIED - DEVELOPED



Q&A INSTRUCTIONS

- To ask questions, click on the icon #Q&A# using the button at the bottom of your screen.
- If you want to ask a question live, mention your name via the icon #Q&A#, which will be announced for you to proceed.
- At that time, a request to turn on your microphone will appear on your screen. You can also enable your camera.



SAVE THE DATE

MAY 3, 2023

EARNINGS RELEASE

1st QUARTER OF 2023



GERDAU

Shape the future

THANK YOU!

Disclaimer

This document may contain forward-looking statements. These statements are based on estimates, information or methods that may be incorrect or inaccurate and that may not occur. These estimates are also subject to risks, uncertainties, and assumptions that include, among other factors: general economic, political, and commercial conditions in Brazil and in the markets where we operate, as well as existing and future government regulations. Potential investors are cautioned that these forward-looking statements do not constitute guarantees of future performance, given that they involve risks and uncertainties. Gerdaud does not undertake, and expressly waives, any obligation to update any of these forward-looking statements, which are valid only on the date on which they were made.



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Shape the future