



2Q24 Earnings Release

August 13, 2024

CSNA
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NYSE



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2Q24 – HIGHLIGHTS



Operational improvements in practically all segments

Adjusted EBITDA

+ 34.5%

2Q24 VS 1Q24

Net Cash

R\$ 16.6 billion

Strong commitment to deleveraging



MINING

Excellent operational performance :
Best performance of own production since 2016

C1 cost reduced by 10% to

USD 21.2/t

Versus USD 23,5 in 1Q24

Adjusted EBITDA Margin of

47.5%

+8.1 p.p, VS 1Q24



STEEL

Sales Volume
+1.1 million/ton
Best result since 3Q22

Average Domestic Price

+ 1.4%

2Q24 VS 1Q24

Adjusted EBITDA

+ 38.8%

2Q24 VS 1Q24



CEMENT

2Q24 SALES RECORD
3.6 mi/ton

Net Revenue

+ 14.7%

2Q24 VS 1Q24

Adjusted EBITDA Margin of

28.0%

+2.2 p.p. VS 1Q24



LOGISTICS

Quarter marked by increased movement and diversification of cargo

Adjusted EBITDA

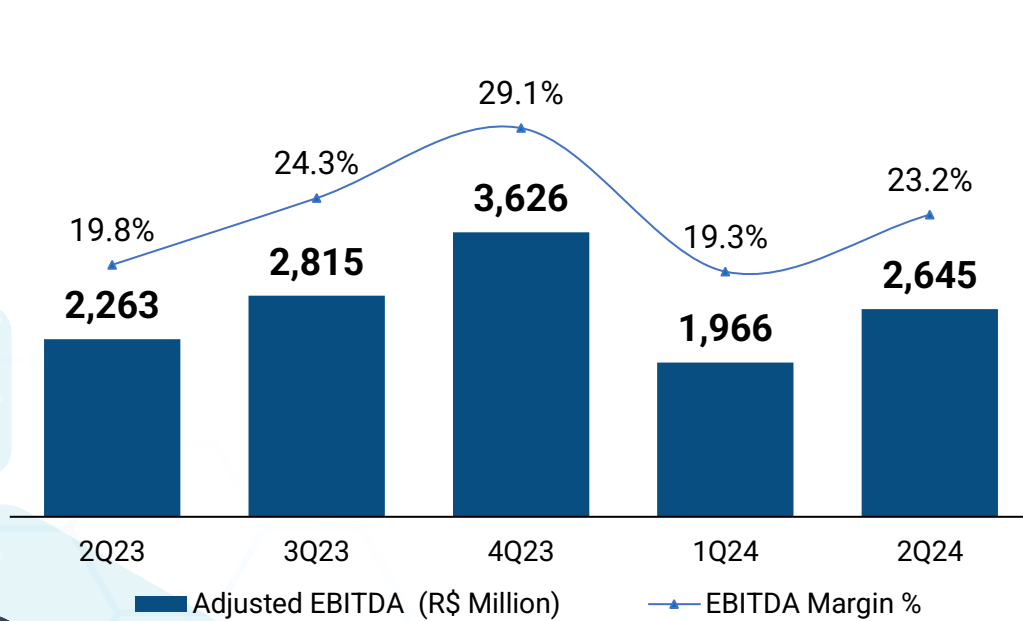
+ 9.2%

2Q24 VS 1Q24

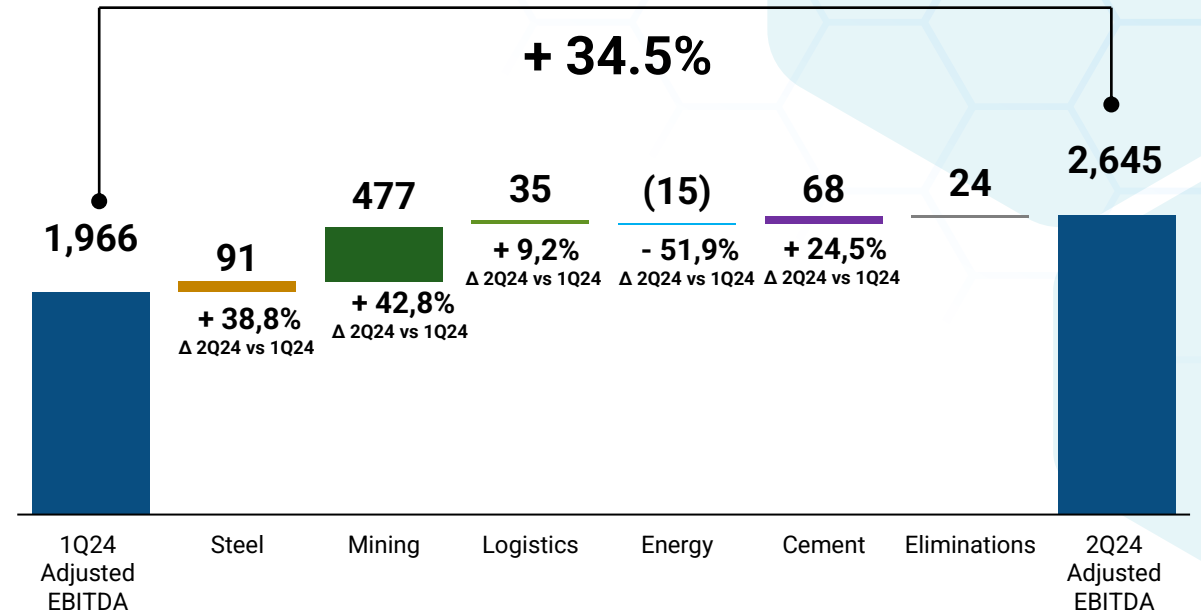


ADJUSTED EBITDA AND EBITDA MARGIN

EBITDA and Margin¹ (R\$ Million / %)



EBITDA Performance (R\$ Million)



1

Quarter marked by the combination of stronger operating results, with records in mining and cement.

2

Significant recovery in the steel industry, which has seen the first signs of improvement, especially when we look at the outlook for volumes and prices.

¹ Includes MRS stake (37.49%)

INVESTMENTS

CAPEX

(R\$ Million)

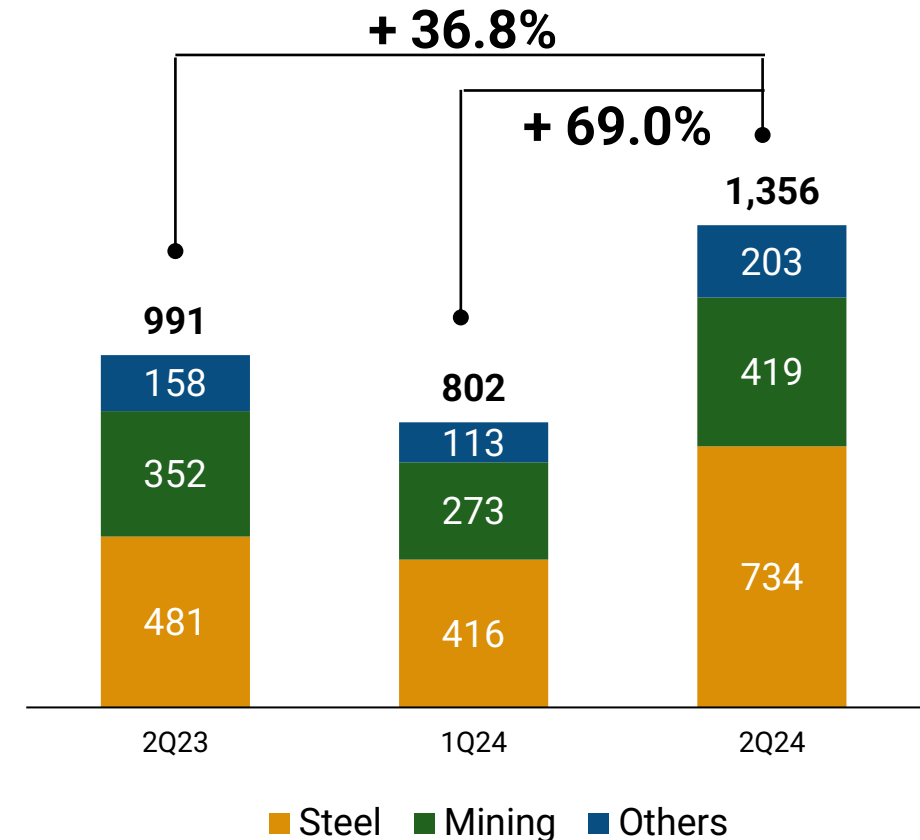
Investments amounted to R\$ 1,356 million in 2Q24, 69.0% higher than at the beginning of the year and +36.8% more than in 2Q23:



Investments in the Steel stand out, with a focus on improving efficiency in the melting shop and sintering, and modernizing the entire UPV;

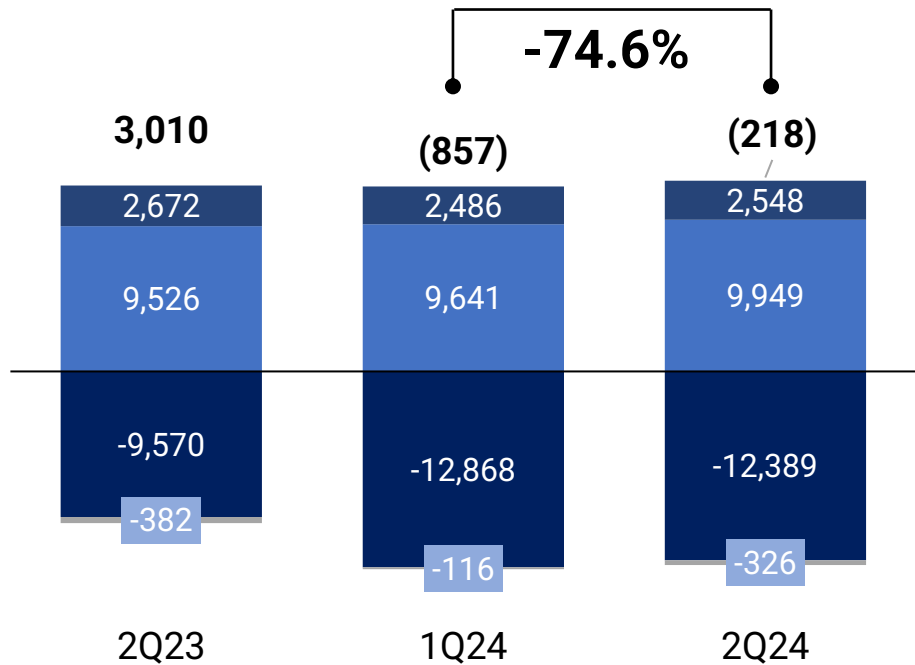


At Mining, ongoing investments to maintain the operating capacity and the progress of expansion projects, mainly related to P15.



WORKING CAPITAL

Net Working Capital (R\$ Million)



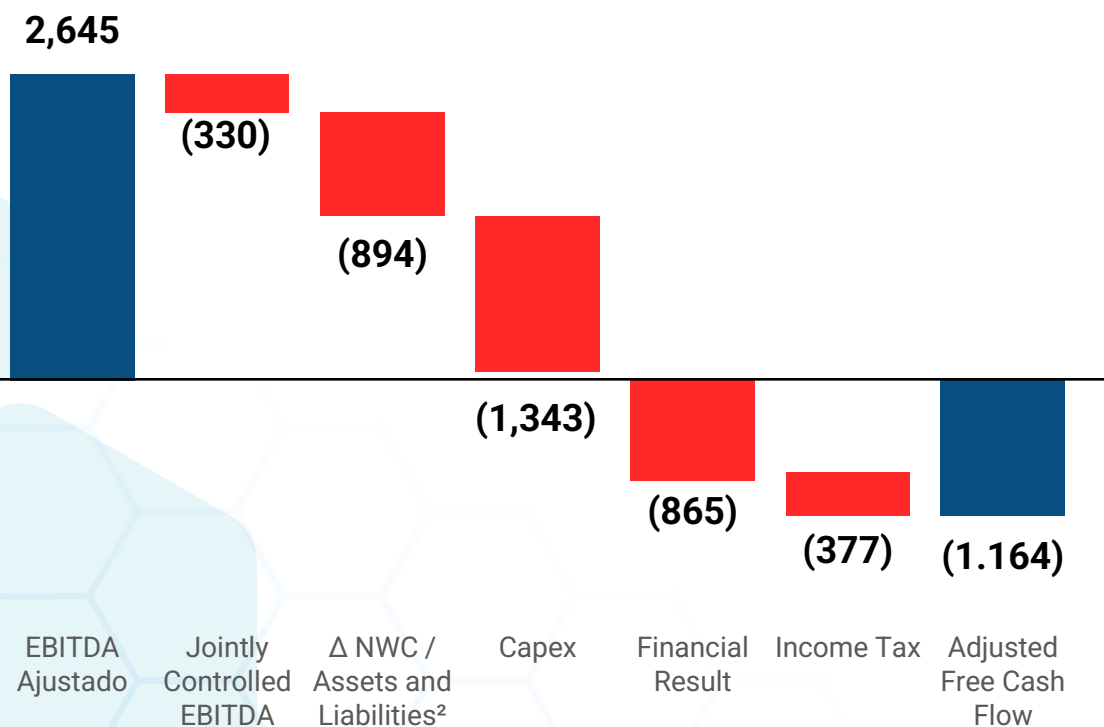
■ Inventories ■ Accounts Receivable ■ Suppliers ■ Others



A 74.6% reduction in Working Capital compared to 1Q24 mainly due to a reduction in suppliers and labor obligations, as well as an increase in accounts receivable.

ADJUSTED CASH FLOW¹

Adjusted Cash Flow (R\$ Million / %)



Adjusted Cash Flow was negative at **R\$ 1,164 million** in 2Q24, despite the strong operating result. This result reflects:

- 01 The consumption of **working capital** due to the increase in inventories and in the supplier line;
- 02 **Increase in investment volume**, with a 71.2% growth compared to the 1Q24
- 03 Impact of **exchange rate variations** on the financial result.



Note: ¹The concept of adjusted cash flow is calculated from Adjusted EBITDA, subtracting EBITDA of Jointly Controlled Companies, CAPEX, Income Tax, Financial Result and changes in Assets and Liabilities², excluding the effect of the Glencore advance..

NET DEBT AND LEVERAGE¹

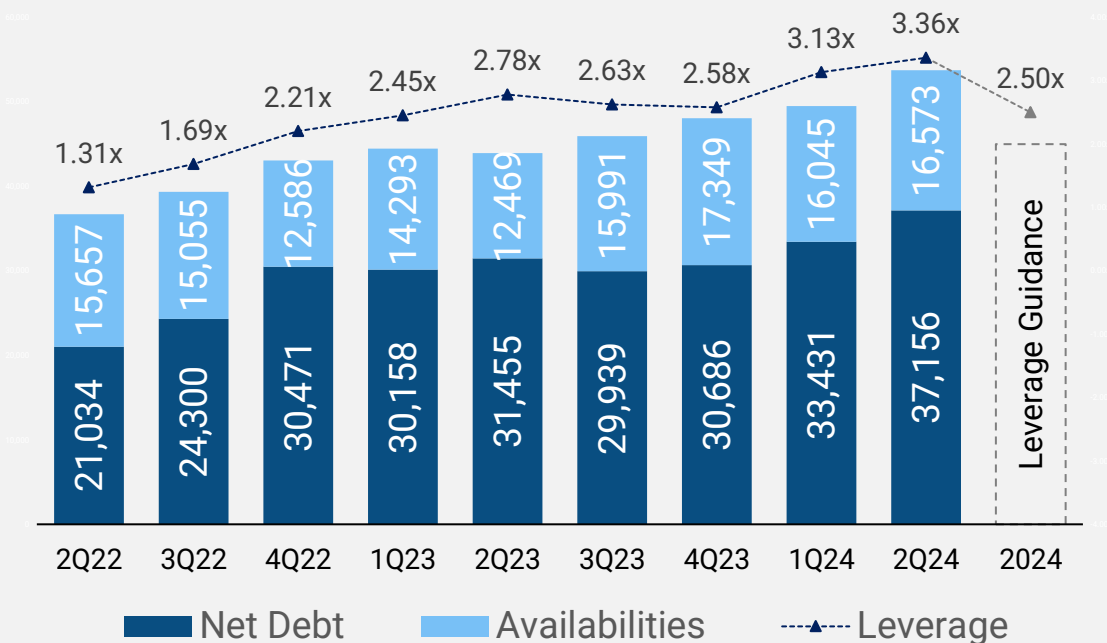


The increase in leverage in 2Q24 reflects the impact of **exchange rate variation** on dollar-denominated debts, offsetting the operational improvement observed in the period.

However, CSN remains firm in its commitment to reducing its debt level and is advancing in initiatives to recycle the group's capital.

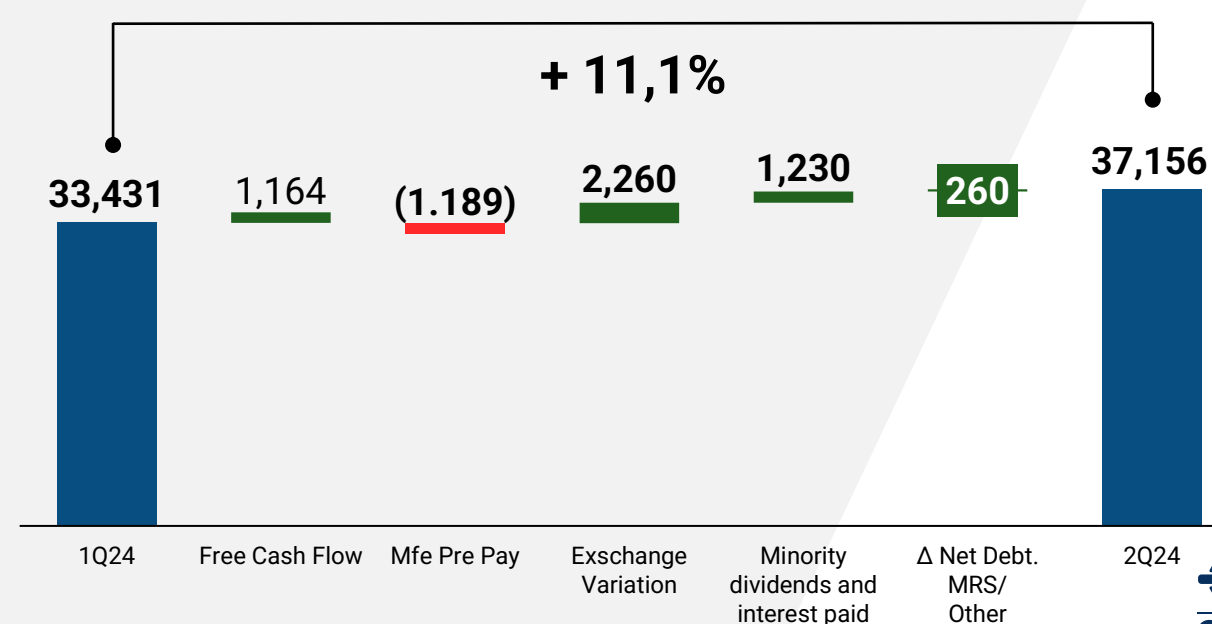
Net Debt and Leverage¹

(R\$ Billion)



Build-up Net Debt

(R\$ Billion)

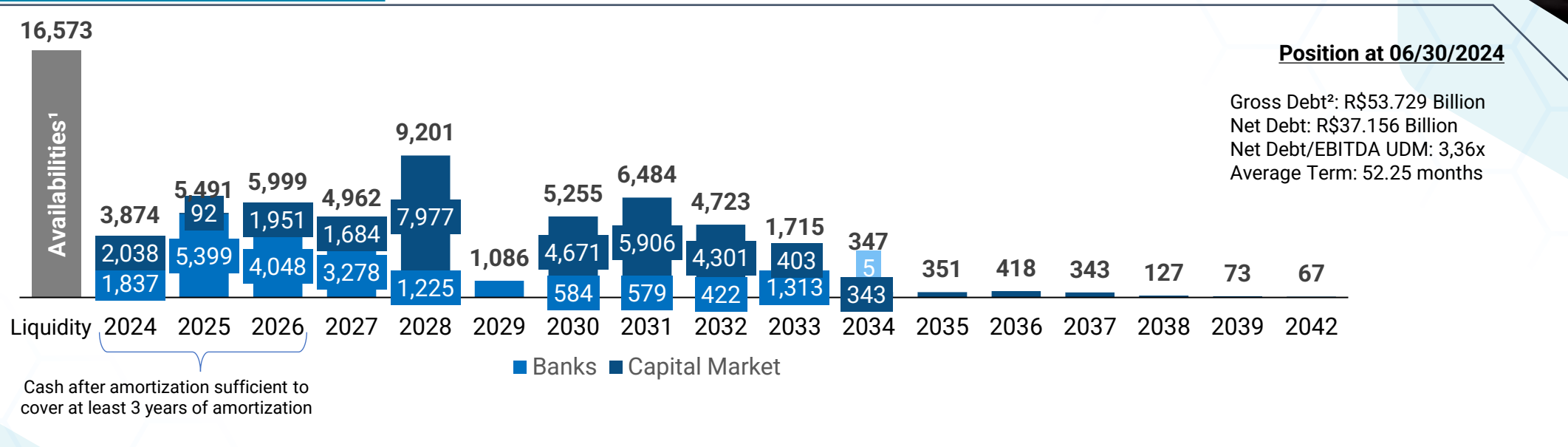


INDEBTEDNESS



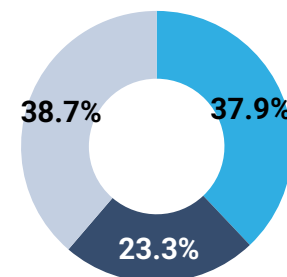
Amortization Schedule

(R\$ Billions)

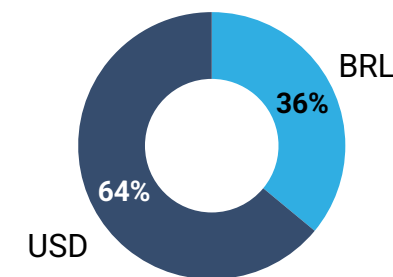


CSN remains actively engaged in its objective of extending its amortization period, with a particular focus on long-term operations and the local capital market. In the second quarter of 2024, the company made principal and interest repayments on debts due in 2024 and 2025.

DEBT BREAKDOWN

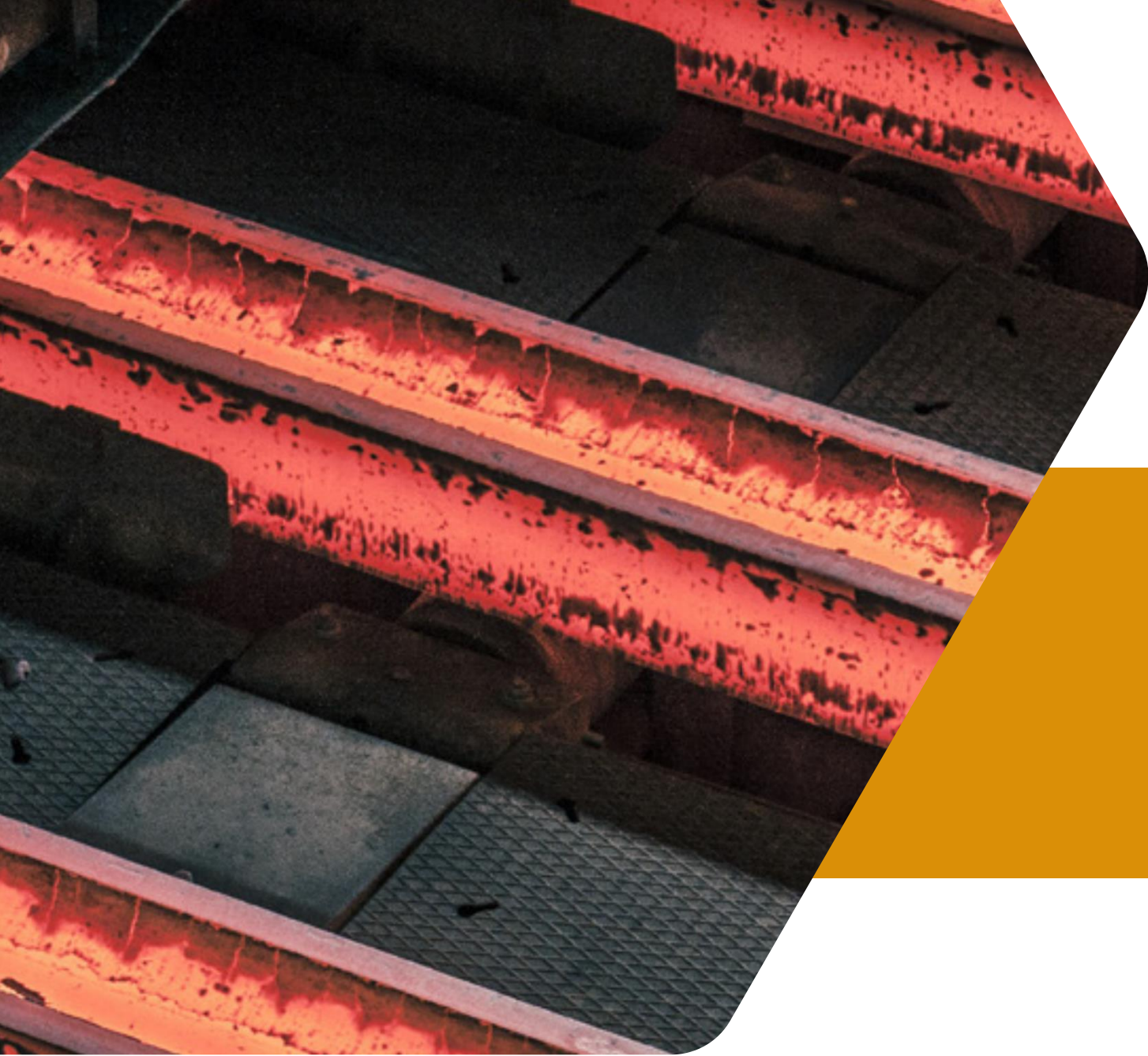


DEBT BY CURRENCY



■ Banks ■ Debentures ■ Bonds

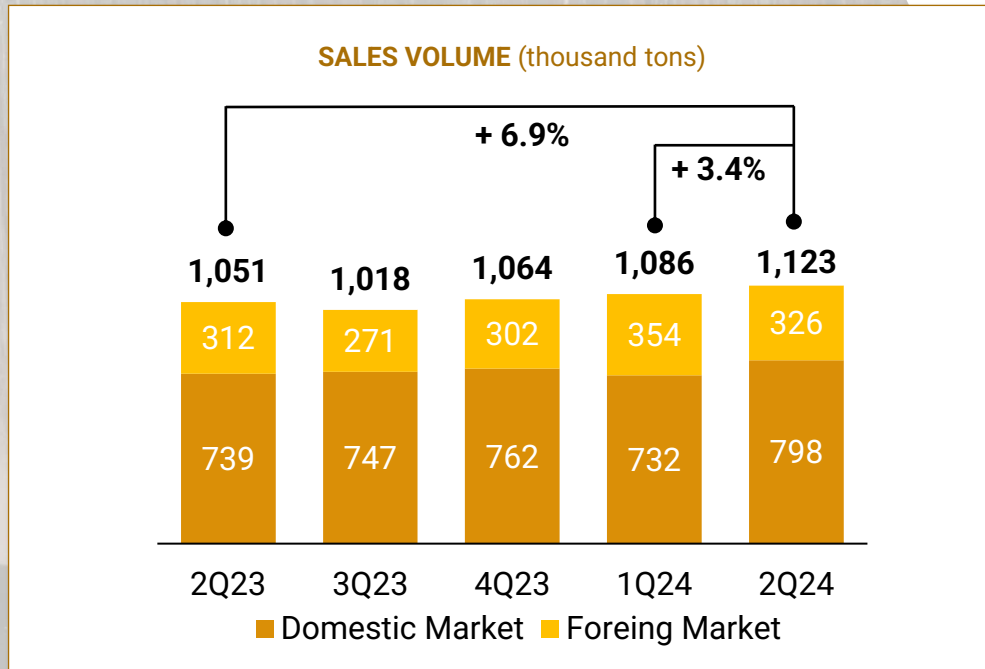
¹Availabilities consider Cash and Cash Equivalents plus Short-Term Investments; ²Gross Debt/Management Net Debt considers stake in MRS (37.49%) without accrued interest; ³Average term after conclusion of the Liability Management Plan.



STEEL



STEEL PERFORMANCE



Sales volume in the steel segment surpassed the 1.1 million tons mark in 2Q24, which signals a normalization of operations and greater dynamism in the domestic market.



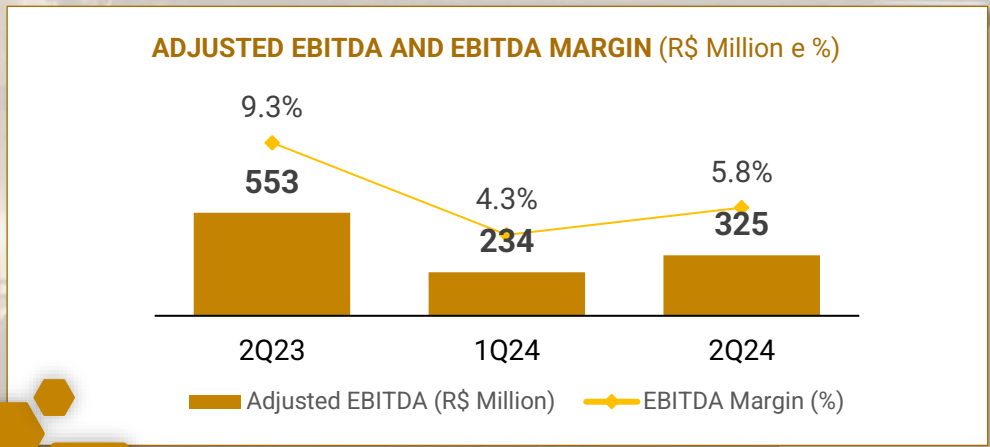
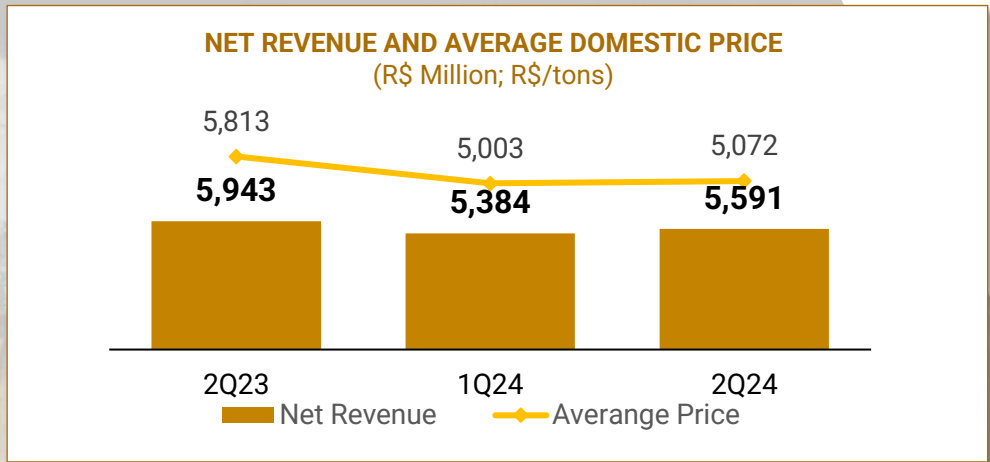
This represents the **highest total sales volume** since 2Q22 with an annual increase of 6.9%.



When examining only the domestic market, growth reached 9.0% in the quarter and 8.0% compared to 2Q23.



STEEL PERFORMANCE



Net Revenue grew 3.8% compared to 1Q24, as a result of the combination of higher sales volume and an improvement in the product mix.



Average Domestic Price increased by 1.4% compared to 1Q24.



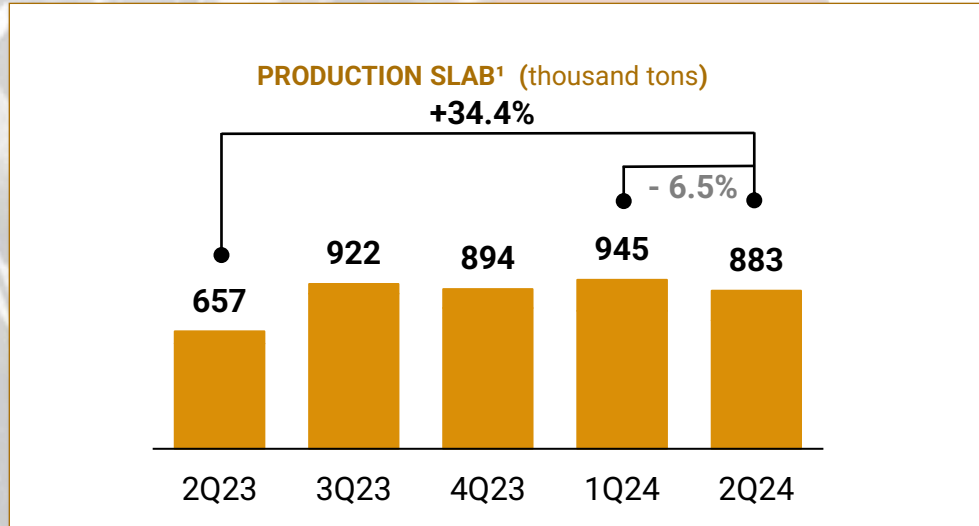
There was a **39% increase in EBITDA** with an EBITDA margin expansion of **1.5 p.p.** when compared to 1Q24.



The results indicate a sign of a gradual recovery in the segment's efficiency, with a more positive environment in relation to the demand for steel and prospects of better prices for the coming months.

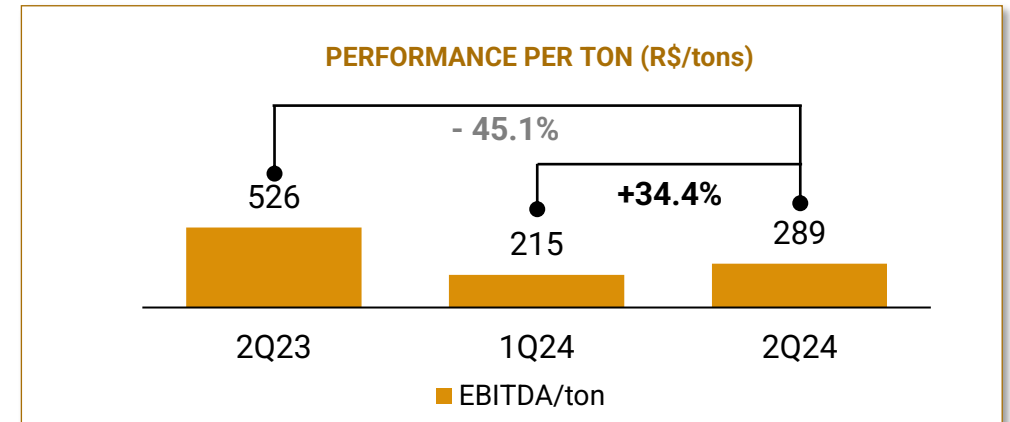
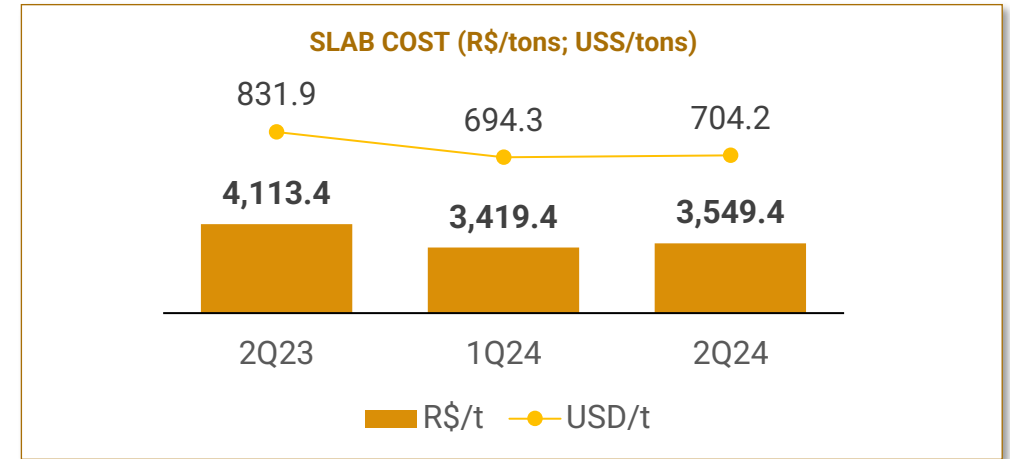


STEEL COMPETITIVENESS



Scheduled maintenance stoppages at the UPV had an impact on **Slab Production** in 2024. However, the strong annual growth already demonstrates the normalization of the operation. The increase in **Slab Cost** this quarter reflects the lower dilution of fixed costs and the increase in the average exchange rate in the period.

Conversely, the performance per ton increased by 34.3% to **R\$289/ton** due to the recovery of the domestic market, with improved prices and volumes.

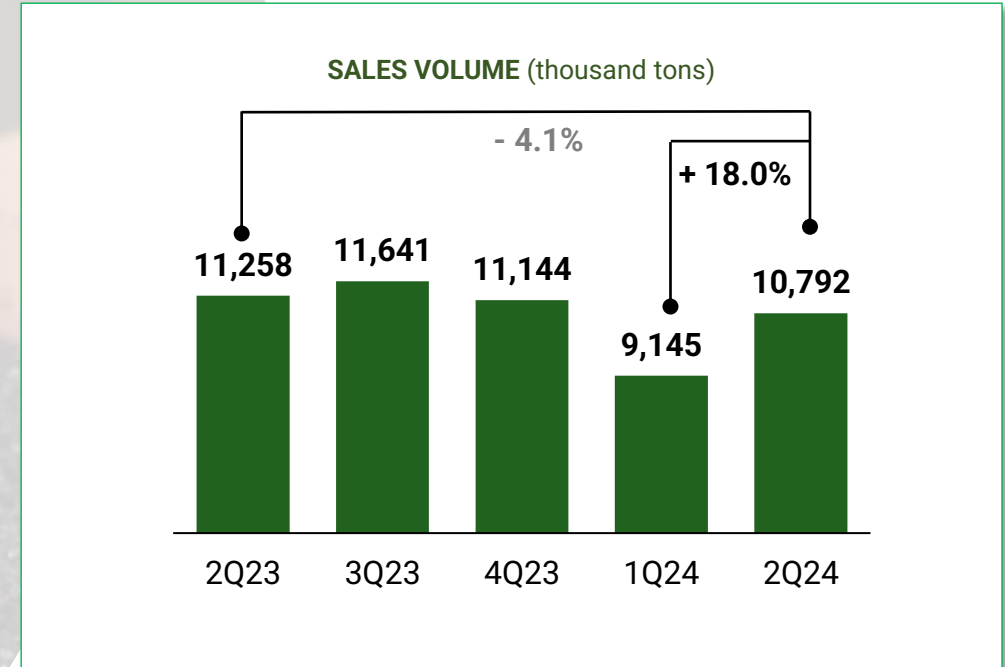
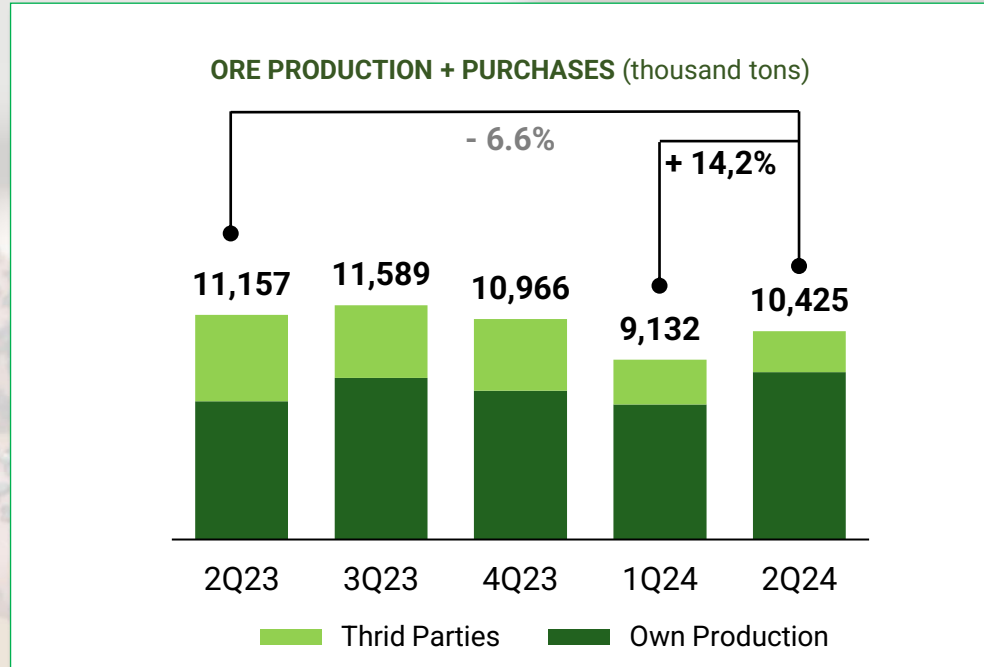




MINING



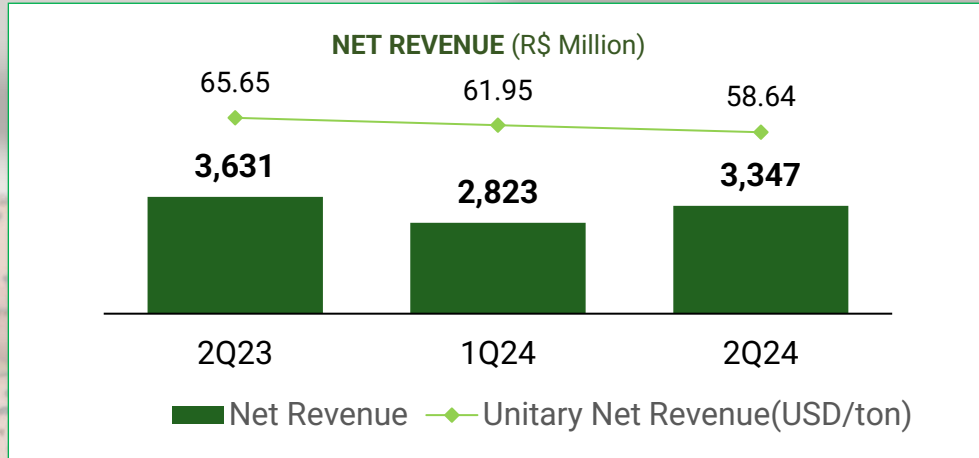
MINING PERFORMANCE



In 2Q24, the strong growth in **iron ore production** reflects seasonality with the drier period and the increase in operational efficiency, with the Company recording **the second highest production volume in its history** and a record when considering the current configuration of the plants. On a year-over-year basis, the decrease in total production is solely due to lower iron ore purchases from third parties.

Sales volumes reached 10,792 thousand tons in 2Q24, **representing a growth of 18%** compared to 1Q24, reflecting higher shipment volumes and operational improvements in the business.

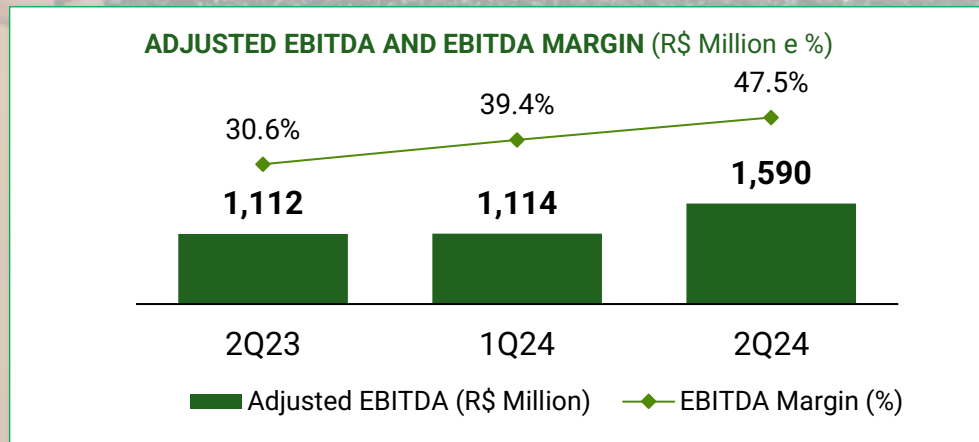
MINING PERFORMANCE



Net Revenue increased by 19% compared to the 1Q24, as a direct result of the seasonality of operations, with a higher volume of shipments in the quarter.

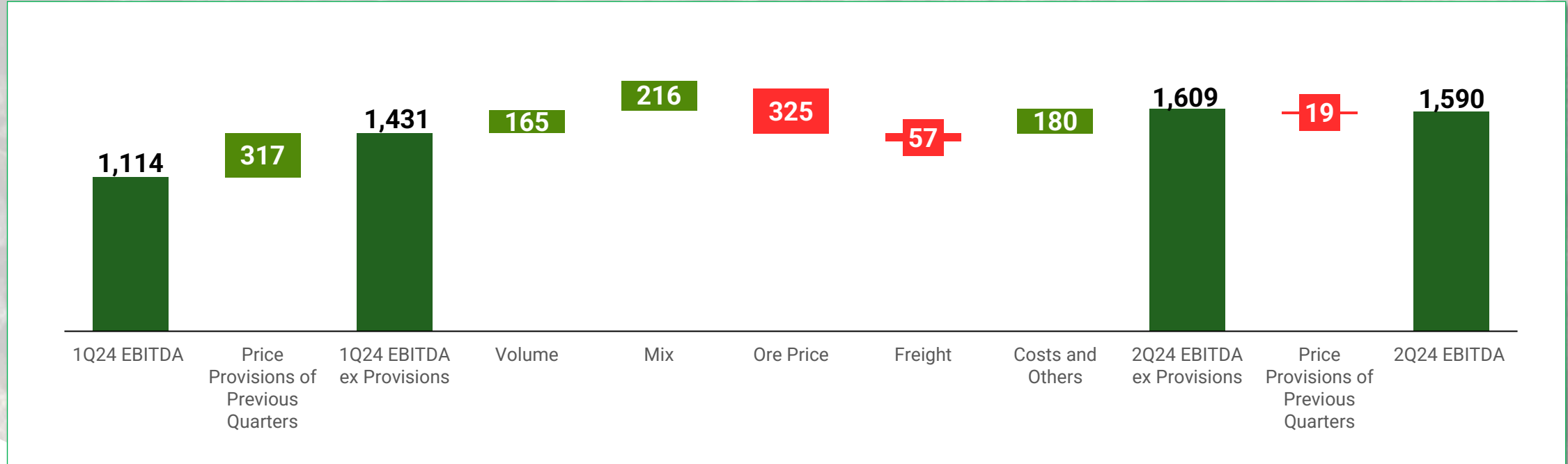


Unit Net Revenue was US\$ 58.64, representing a 5.4% decrease compared to the previous quarter. This was due to a downward trend in the iron ore average price and a higher demerit of the exported product.



The combination of stronger sales and strict cost control resulted in an **Adjusted EBITDA margin of 48%** in the quarter, representing an **8.1 p.p.** expansion when compared to 1Q24.

ADJUSTED EBITDA



The improvement in results, even in a period of decreasing realized prices and freight pressure, is a direct consequence of **the operational excellence** the Company has achieved by combining solid sales volumes with improved mix, logistics network optimization and cost reductions.

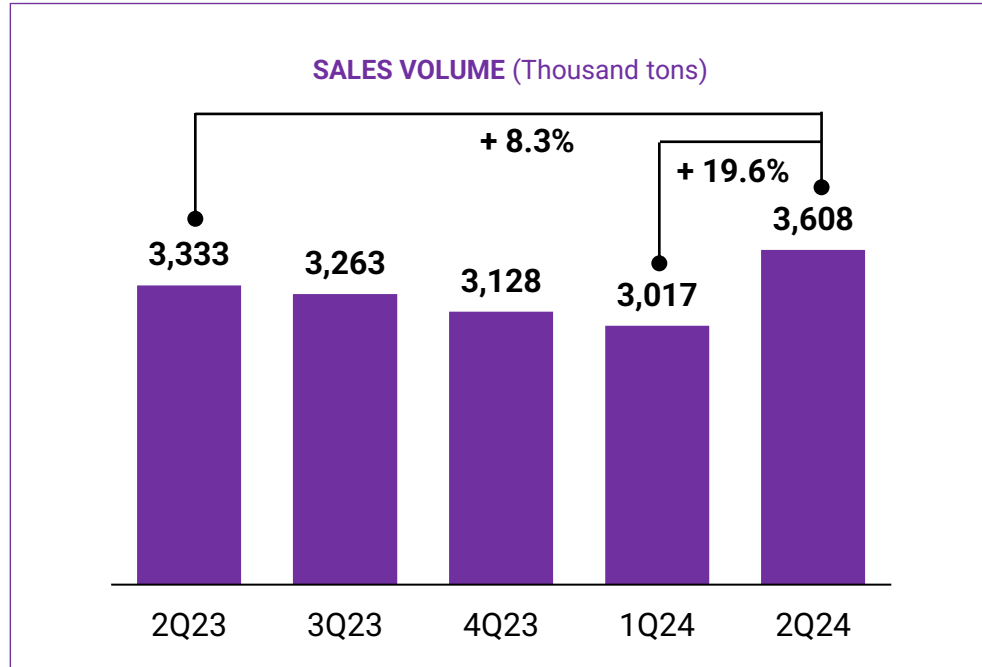
In addition, compared to the previous quarter, the lower volatility of the iron ore price during 2Q24 had a much smaller impact on the provisional price.



CEMENT

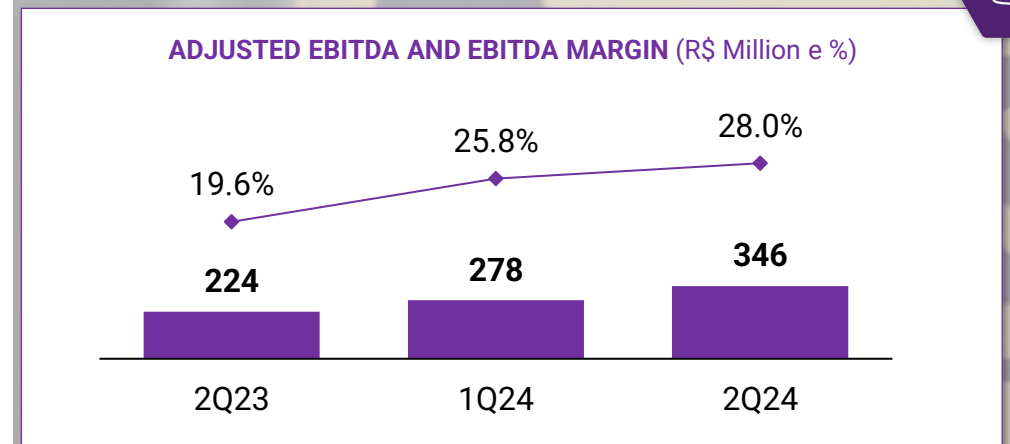
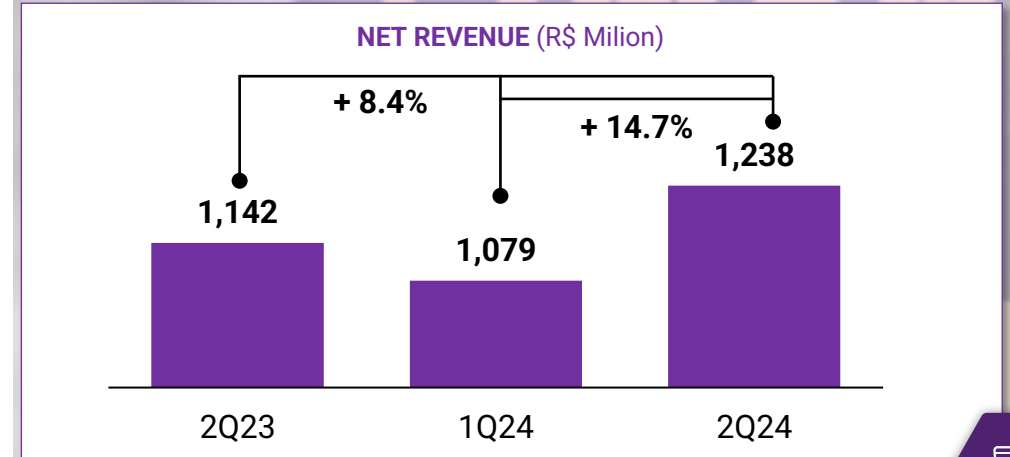


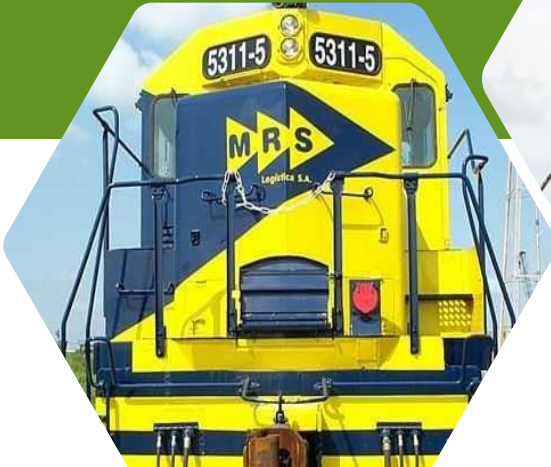
CEMENT PERFORMANCE



The second quarter was marked by another **sales record**, with **3,608 thousand tons of cement sold**, representing a 19.6% increase over the first quarter.

In 2Q24, **EBITDA reached R\$346 million**, with an EBITDA margin of 28%. This reflects the success of capturing synergies from acquisitions and the efficiency of the commercial strategy adopted by CSN.

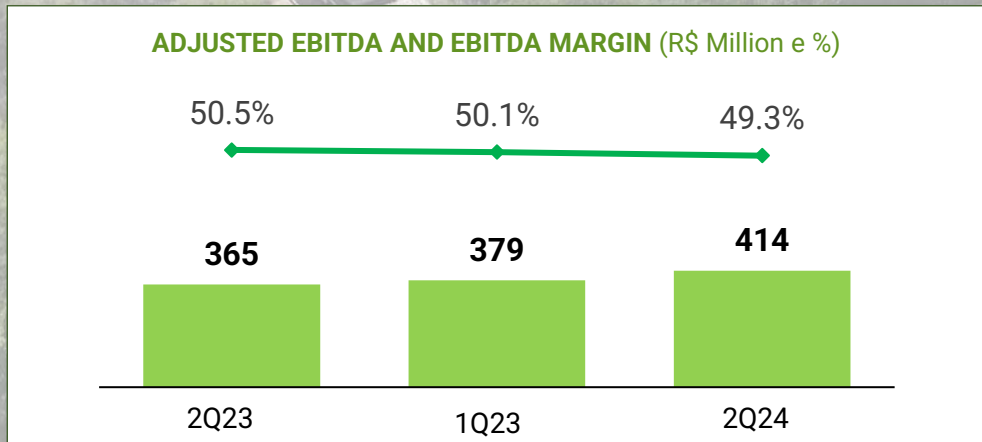
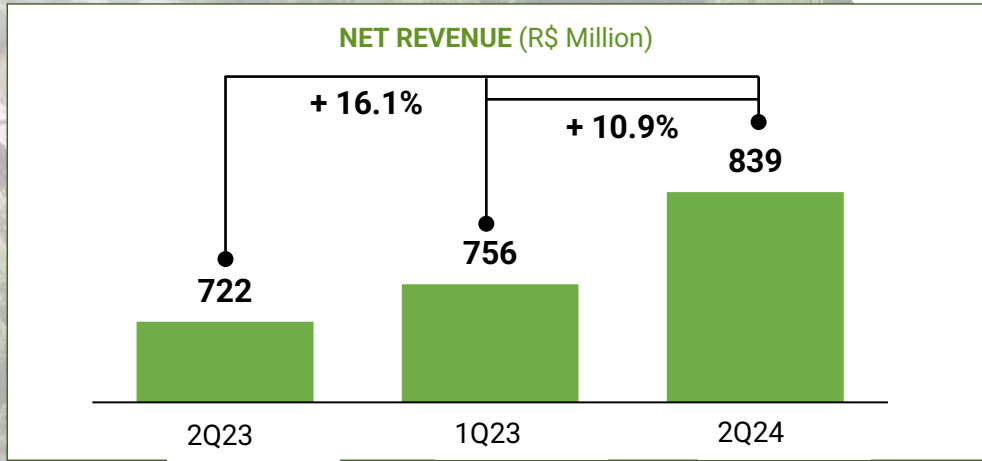




LOGISTICS



LOGISTICS PERFORMANCE



2Q24 was once again marked by a robust performance in the logistics segment, with **Adjusted EBITDA up 9%** compared to 1Q24 and **13% compared to 2Q23**.



The Railroad Segment has demonstrated consistent excellence, with a notable rise in cargo handling.



In Port Logistics, the company has successfully expanded its cargo portfolio and achieved solid financial outcomes



ESG

ESG HIGHLIGHTS

GOVERNANCE

- ✓ CSN Cimentos' decarbonization target approved by the **Science Based Targets Initiative (SBTI)**
- ✓ Publication in May of the **2023 Integrated Report** of CSN and CMIN
- ✓ Once again selected to be part of the **FTSE4Good Index portfolio**.

SOCIAL AND DIVERSITY

- ✓ +63% in women representation in the CSN Group compared to the 2020 baseline
- ✓ +34% **representation of women in leadership** at the CSN Group, compared to 2020
- ✓ +21% of workforce with some type of disability compared to 6M23
- ✓ +28% of trained employees compared to 6M23
- ✓ +11 thousand participants in the **National Day** Against Child and Adolescent Sexual Abuse and Exploitation event

ESG

HEALTH AND SAFETY

- ✓ -12% **Accident Frequency Rate** (LTI+NoLTI- own and third-party) compared to 6M23 (1.88)
- ✓ **The AGIR Program** contributes to a **76% reduction** in the **accident severity rate** compared to the year 2024
- ✓ -63% in the number of **days lost** (own + third parties) compared to 2023
- ✓ +37% in **readiness test licenses** compared to 2023

ENVIRONMENTAL MANAGEMENT

- ✓ -8% in **tCO2e / t steel emissions** compared to 2023
- ✓ -8% in **kgCO2/t iron ore emissions** compared to the target base year (2020)
- ✓ -4% in **tCO2e/t cementitious emissions** compared to the target base year (2020)
- ✓ -27% in **particulate matter** emissions in steelmaking compared to 6M23

DAMS MANAGEMENT

- ✓ Declarations of stability condition renewed in March, 2024 with all **dams considered stable**



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Do **well**,
do **more**,
do **forever**

