


# 3Q23 EARNINGS PRESENTATION

November 14, 2023

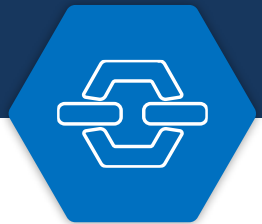
# HIGHLIGHTS

- 
- A photograph of two workers in an industrial setting. They are wearing grey hard hats, blue respirator masks, and orange high-visibility safety vests. The worker on the left is pointing upwards with their right index finger. The worker on the right is holding a clipboard and looking at it. The background is a blurred industrial site with yellow structures.
- 1** CSN's operational diversification secured a solid EBITDA growth in 3Q23, with strong results from mining, logistics and cement, compensating the weaker dynamics in the steel industry. As a result, the Adjusted EBITDA reached R\$2.8 billion, with an Adjusted EBITDA Margin of 24.3% in 3Q23.
  - 2** Adjusted Cash Flow in 3Q23 was R\$1,022 million, as result of a good working capital management.
  - 3** Increased cash position with a downward trend in leverage, reinforcing CSN's commitment to the debt reduction agenda.



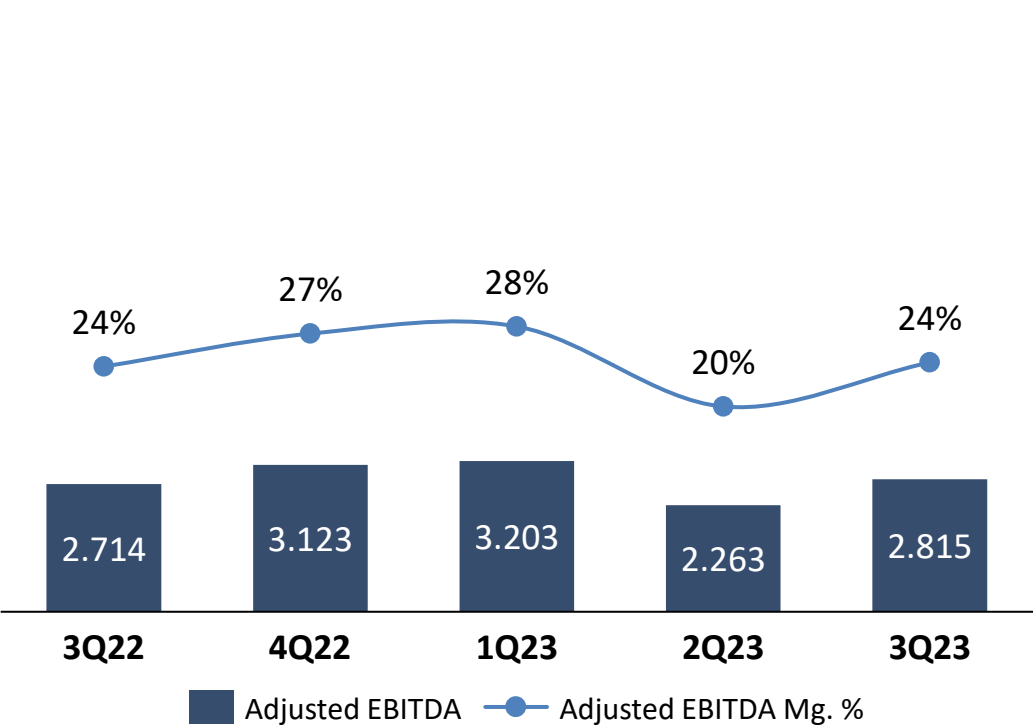


# FINANCIAL PERFORMANCE

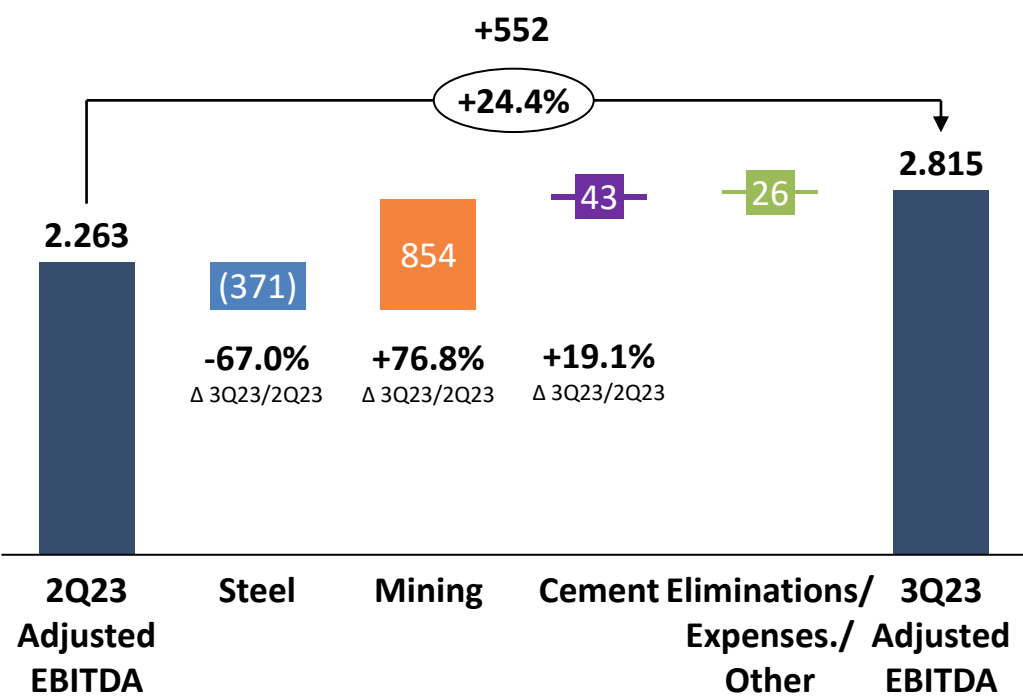


# CONSOLIDATED OPERATING AND FINANCIAL INDICATORS

ADJUSTED EBITDA AND ADJUSTED MARGIN  
(R\$ mm and %)



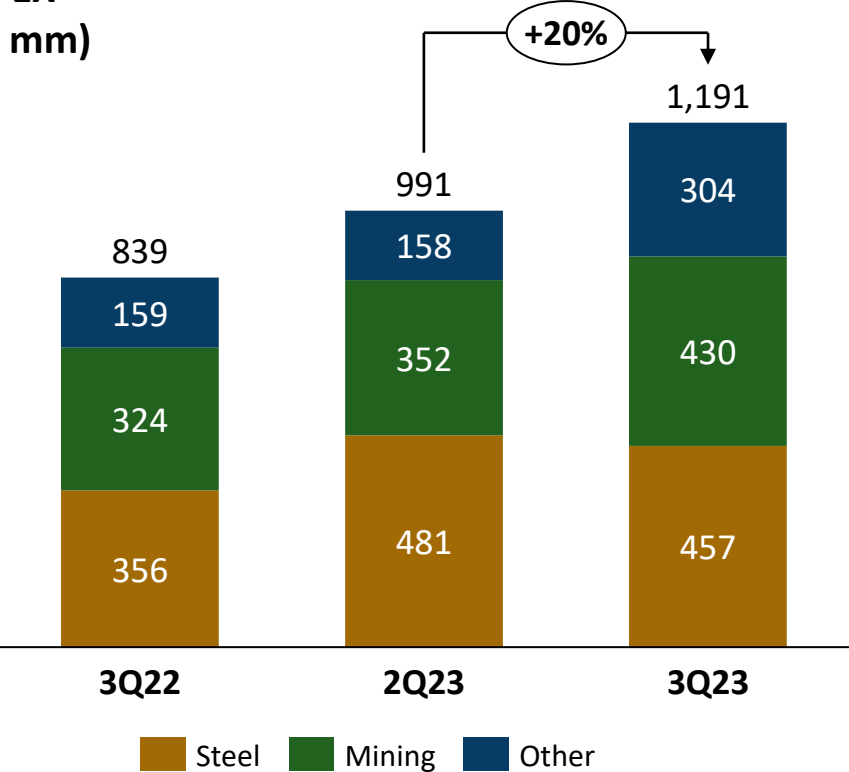
ADJUSTED EBITDA EVOLUTION  
(R\$ mm)



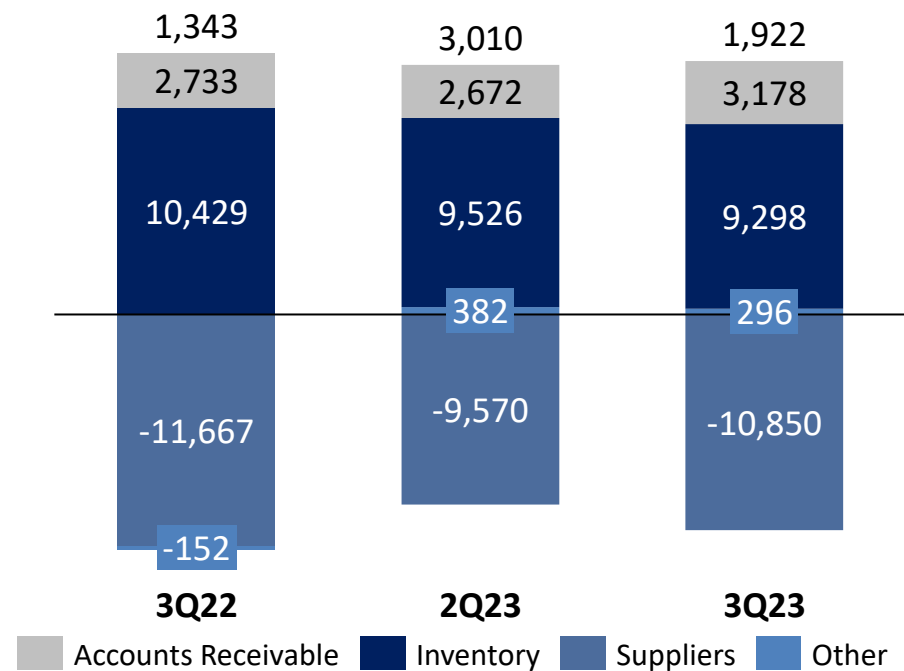
✚ The EBITDA increase in 3Q23 is a direct consequence of the price improvement in the mining industry which, added to the new sales record, ended up offsetting the more challenging conjuncture in the steel segment. Also, cement and logistics segments have positively contributed to the results.

# CONSOLIDATED OPERATING AND FINANCIAL INDICATORS

CAPEX  
(R\$ mm)



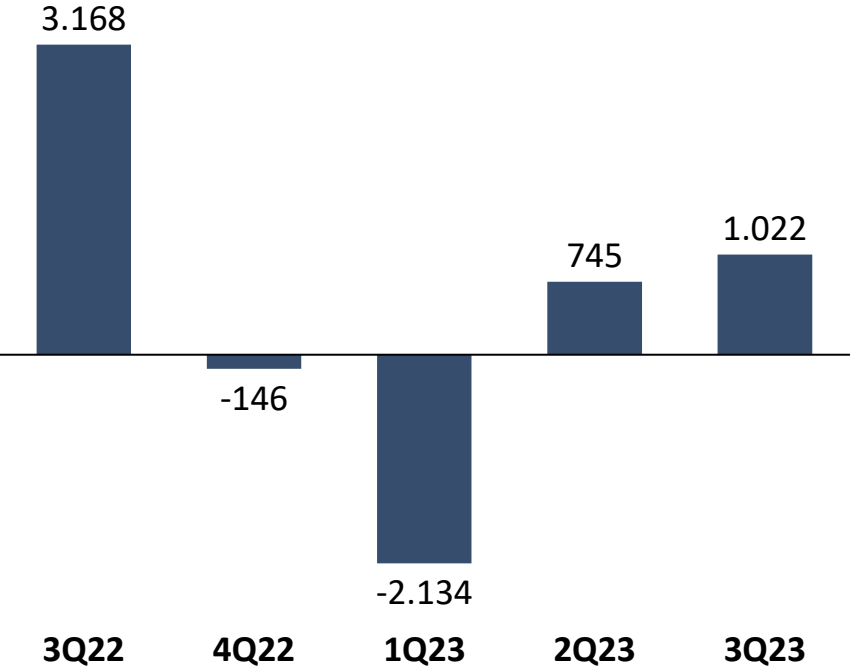
WORKING CAPITAL  
(R\$ mm)



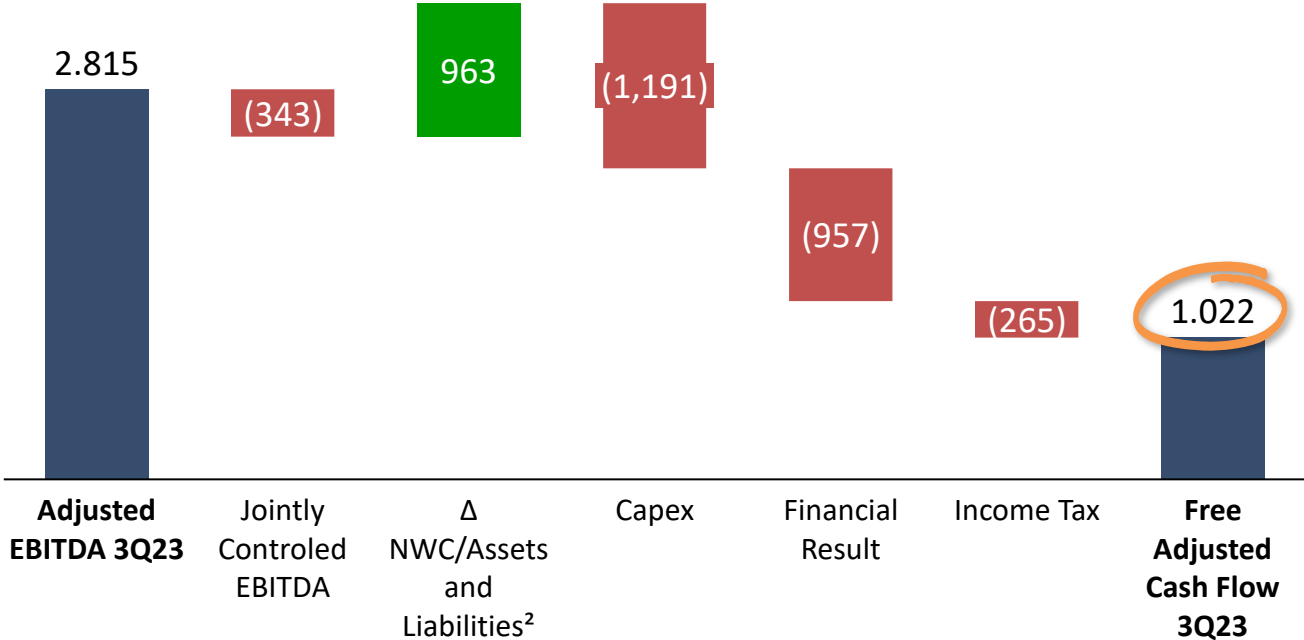
- Capex totaled R\$ 1,191 million in 3Q23, a performance 20.2% higher than that seen in 2Q23, highlighting advances in the mining expansion projects and repairs of coke batteries at UPV.
- Working capital impacted by the increase in accounts receivable and reduction in inventories, in line with the increase in commercial activity seen in the period.

# CONSOLIDATED OPERATING AND FINANCIAL INDICATORS

ADJUSTED CASH FLOW  
(R\$ mm)



FREE ADJUSTED CASH FLOW <sup>1</sup> - 3Q23  
(R\$ mm)

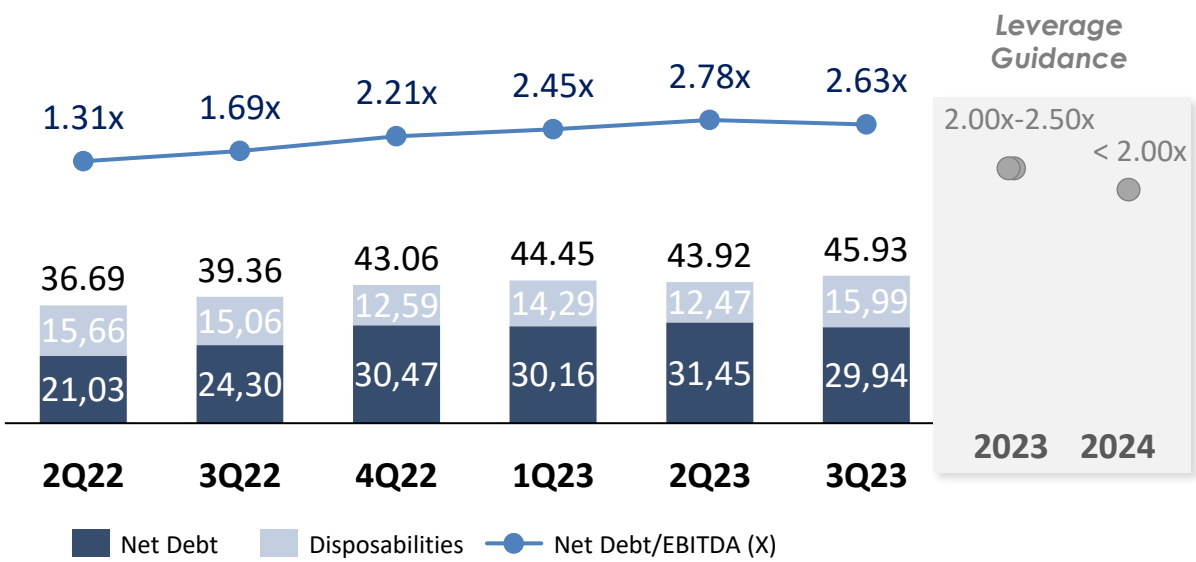


🔗 Adjusted Cash Flow in 3Q23 was positive at R\$1,022 million, as a consequence of the strong operational performance and efficient working capital management, which ended up offsetting the increase in CAPEX and financial expenses in the period.

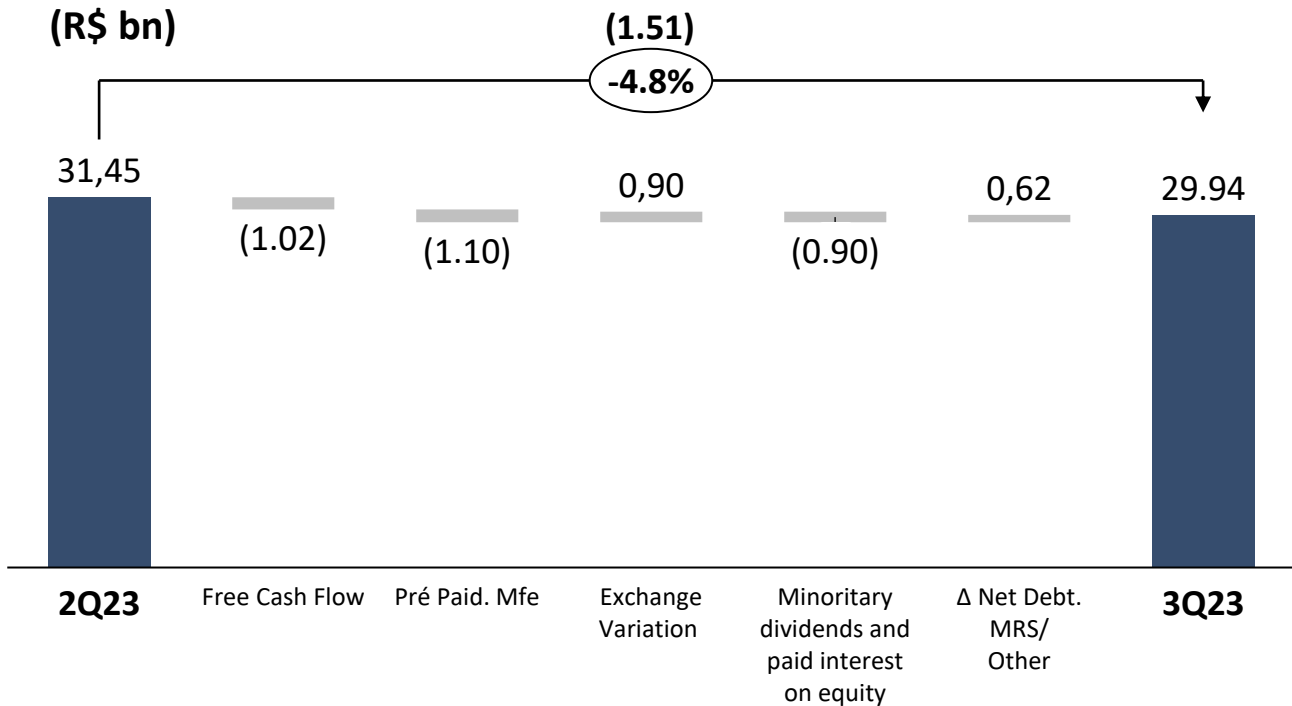
Source: CSN / Note 1: The concept of Free Cash Flow is calculated based on Adjusted EBITDA, subtracting EBITDA from Jointly-Subsidiaries, CAPEX, Income Tax, Financial Result and changes in Net Working Capital<sup>1</sup>, excluding the effect of the Glencore advance. Note 2: The Adjusted Working Capital<sup>2</sup> for the quarter is composed of the change in Net Working Capital, plus the change in long-term Assets and Liabilities, excluding non-cash items.

# CONSOLIDATED OPERATING AND FINANCIAL INDICATORS

LEVERAGE, LIQUIDITY AND NET DEBT  
(R\$ bn; Net Debt / EBITDA (x))



NET DEBT BUILD-UP  
(R\$ bn)



🔗 Highlighting leverage reduction this quarter, reinforcing the Company's commitment to reducing its debt by the end of the year.

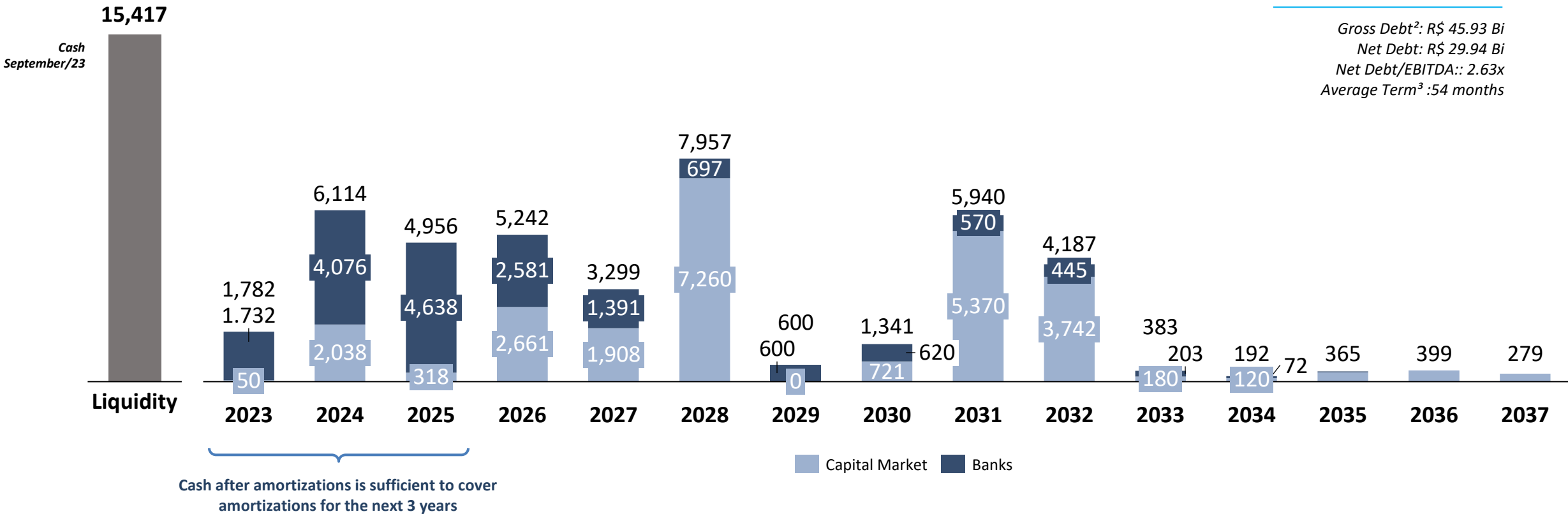
Source: CSN / Note 1: Net Debt / EBITDA: Debt considers the final R\$/US\$ exchange rate of each period; Net Debt and EBITDA considers the average R\$/US\$ exchange rate of the period.

# DEBT AMORTIZATION SCHEDULE

## Profile after completion of the Liabilities Management Plan

Position 09/29/2023

Gross Debt<sup>2</sup>: R\$ 45.93 Bi  
Net Debt: R\$ 29.94 Bi  
Net Debt/EBITDA<sup>3</sup>: 2.63x  
Average Term<sup>3</sup>: 54 months



✚ The increase of the Company's cash flow in this quarter reinforces an even more solid capital structure. Additionally, CSN remains very active in its objective of extending the amortization period, focusing on long-term operations and the local capital market. Among the main movements during the period, the highlight is the settlement of Infrastructure Debentures worthing R\$700 million, backed by investments in the logistics and railway transport sector.

Source: CSN / Note 1: IFRS does not consider participation in MRS (37.27%). Note 2: Gross/Net Managerial Debt considers interest in MRS (37.27%) and accrued interest. Note 3: Average term after conclusion of the Liability Management Plan.

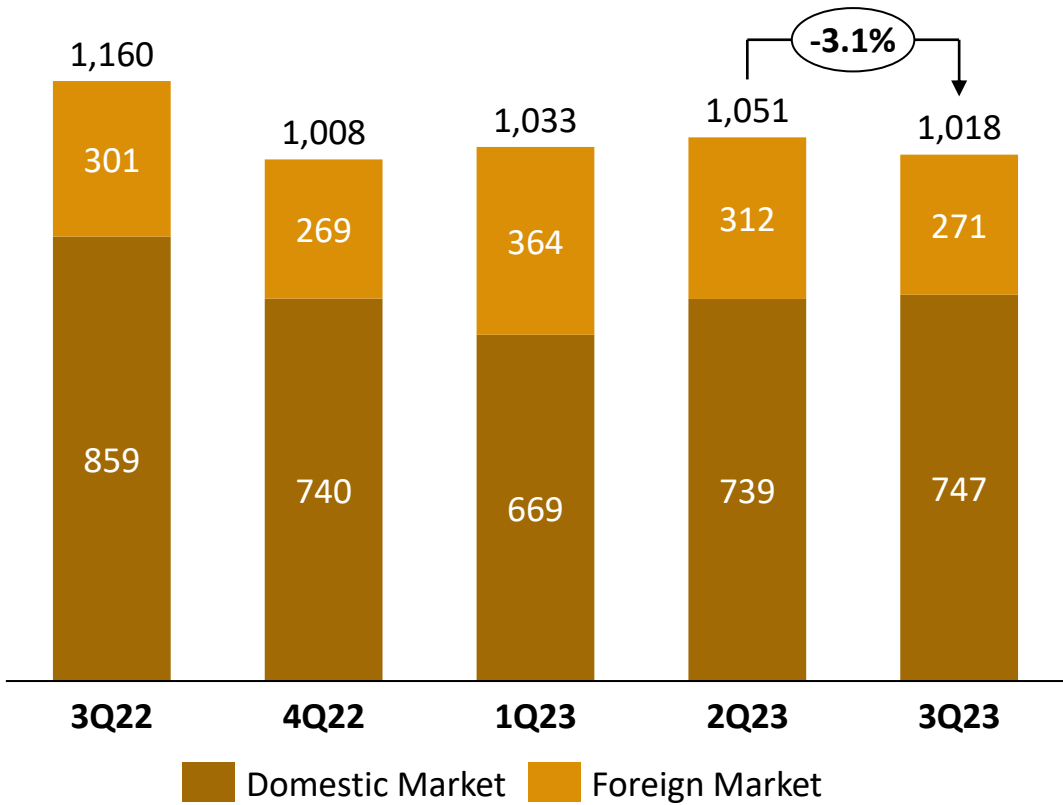


# STEEL

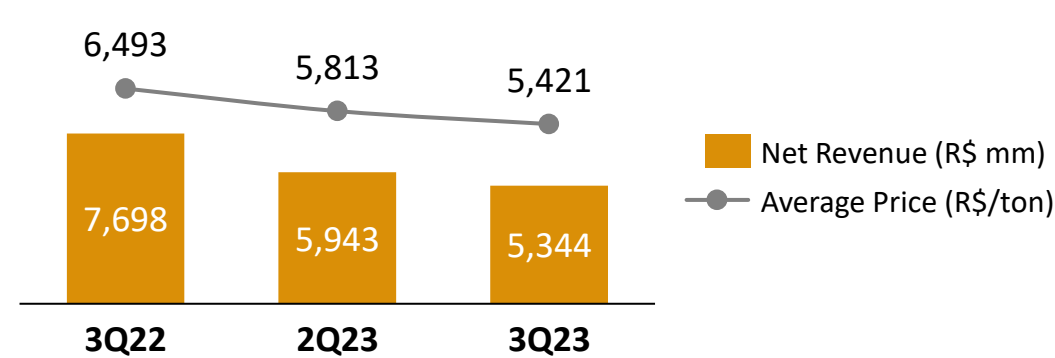


# STEEL PERFORMANCE

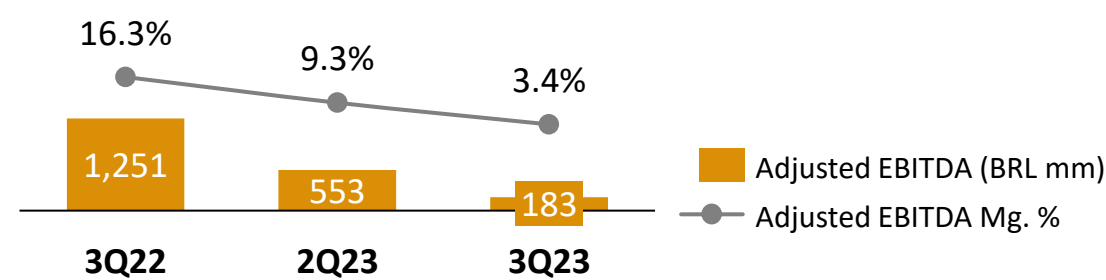
SALES VOLUME  
(Thousand ton.)



NET REVENUE AND DOMESTIC MARKET AVERAGE PRICE <sup>1</sup>  
(R\$ mm; R\$/ton.)



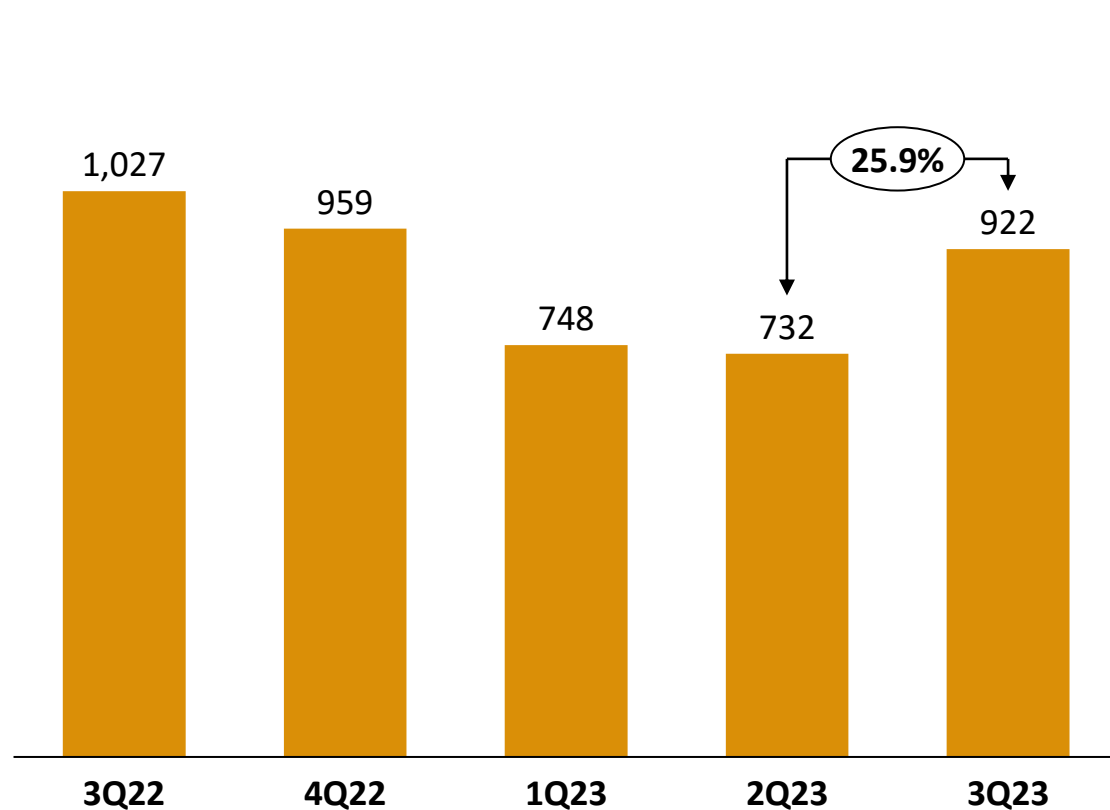
ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN  
(R\$ mm; %)



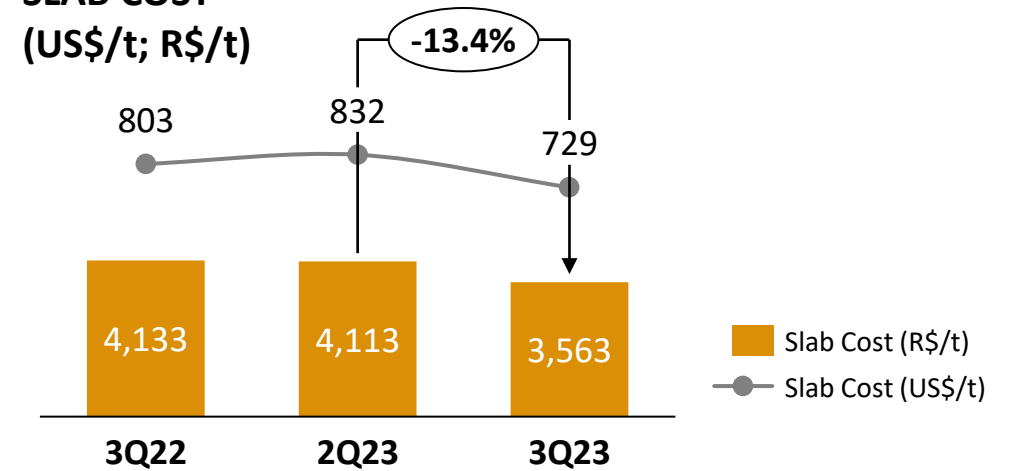
- ⚙ The drop in total sales volume this quarter reflects the seasonality and a weaker dynamics in the European market. On the other hand, the increase in sales in the domestic market reinforces the normalization of operations and the Company's resilience.
- ⚙ In relation to EBITDA, the weak price dynamics ended up weighing on the segment's profitability.

# STEEL COMPETITIVENESS

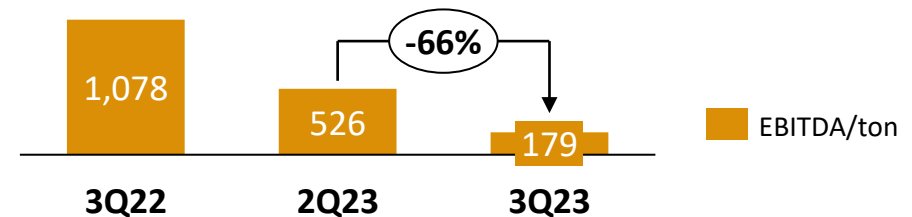
SLAB PRODUCTION VOLUME (Thousand ton.)



SLAB COST (US\$/t; R\$/t)



PERFORMANCE PER TON (R\$/ton)



- ⚙ The 26% increase in the volume of slabs produced in 3Q23 reflects the normalization of operations after a series of operational challenges seen in the first half of the year.
- ⚙ Also noteworthy is the strong reduction in production costs, due to the greater dilution of fixed costs.



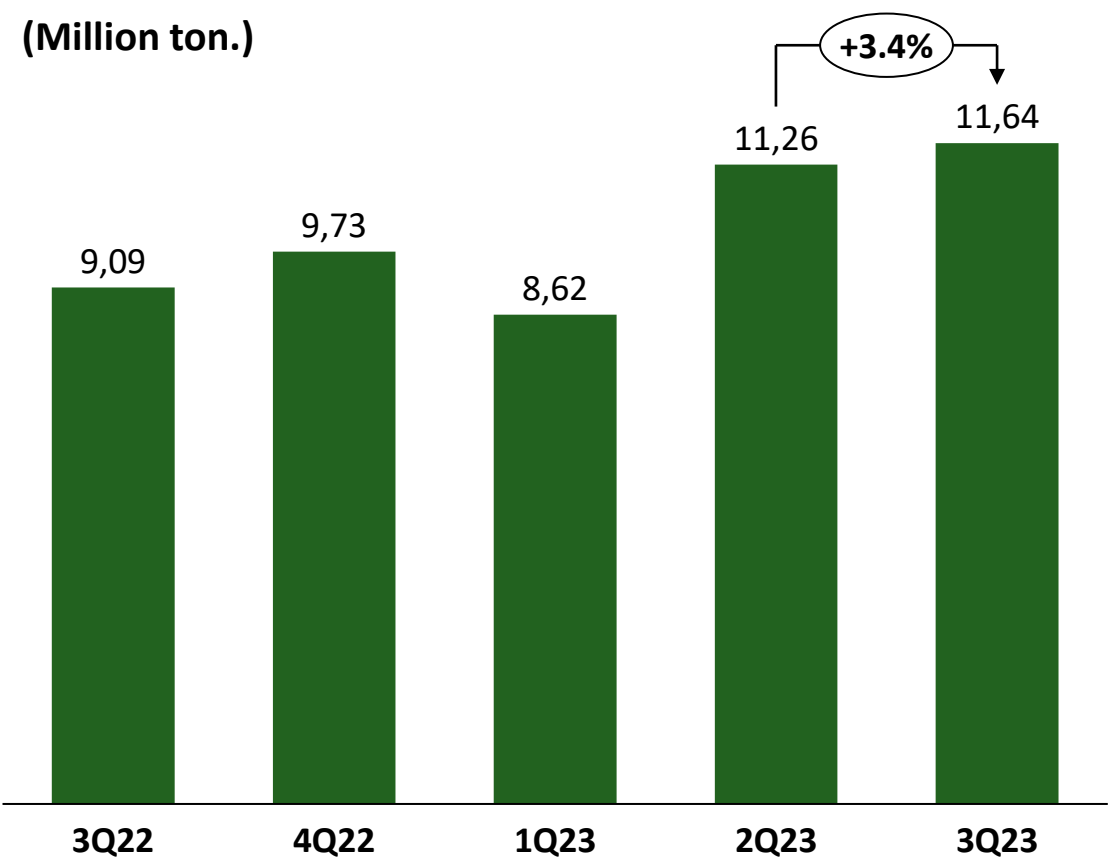
# MINING



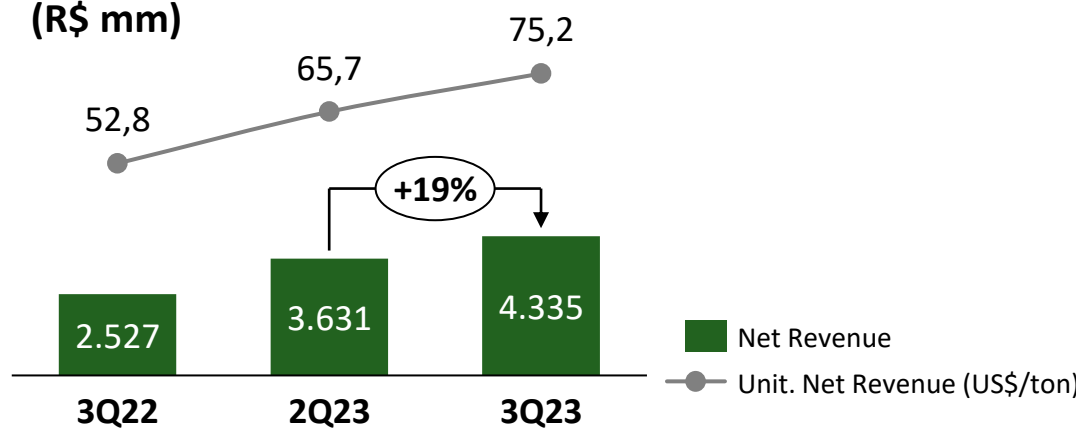


# MINING PERFORMANCE

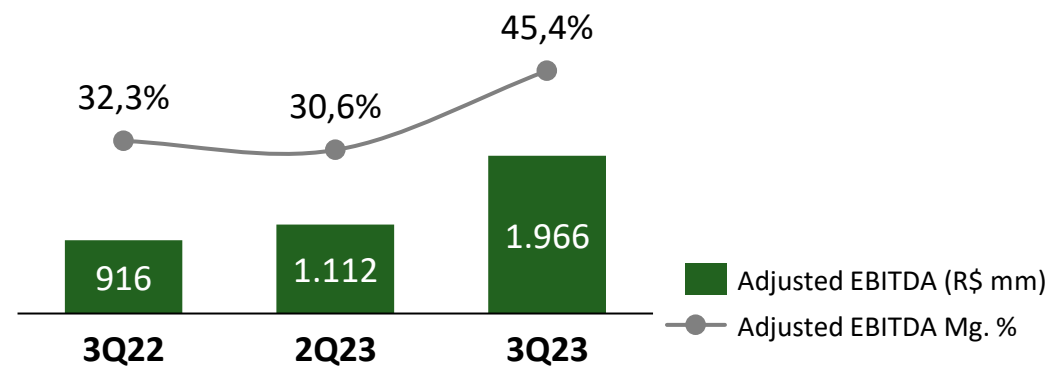
TOTAL SALES VOLUME  
(Million ton.)



NET REVENUE  
(R\$ mm)

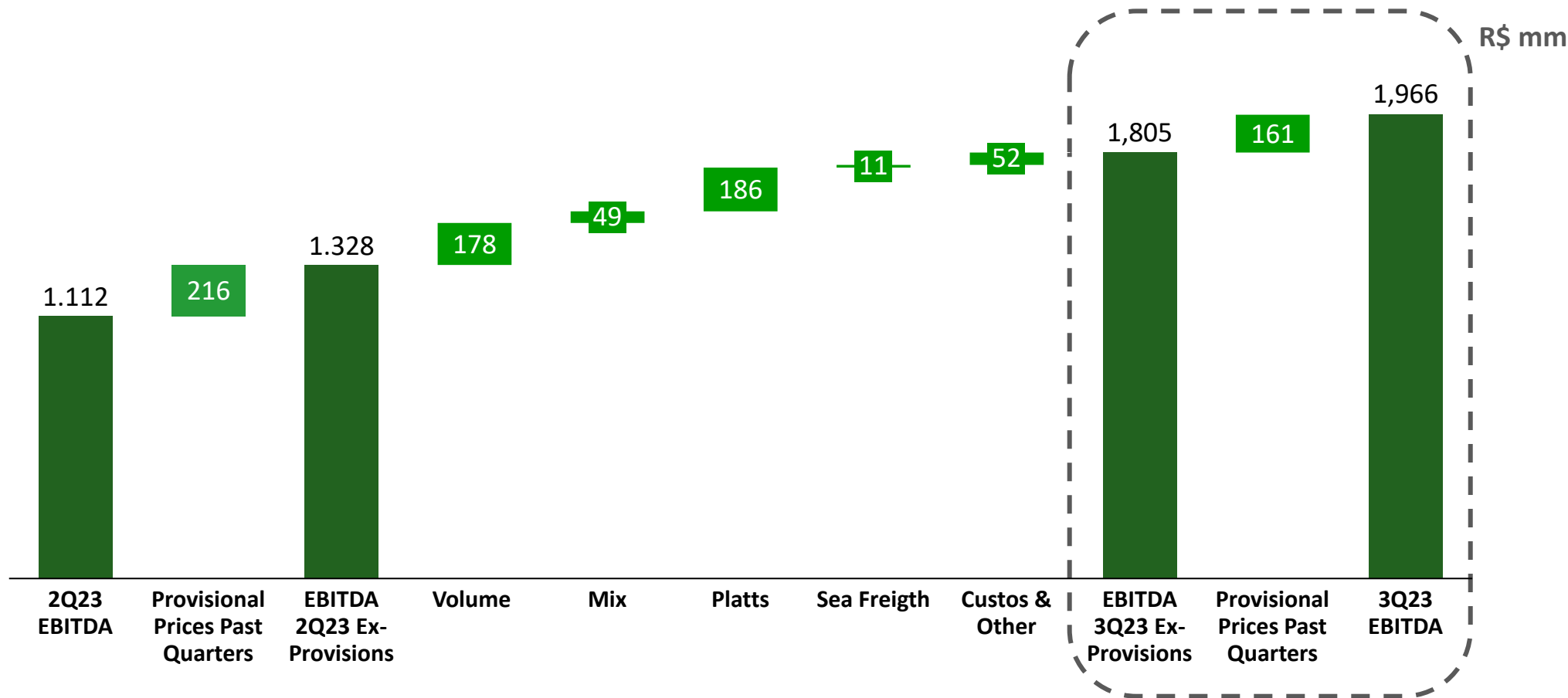


ADJUSTED EBITDA AND ADJUSTED MARGIN  
(R\$ mm; %)



🔗 New historical record of iron ore sales in the quarter, reaching the mark of 11.6 million tons. Added to this, the combination of the ore prices increase, and the positive impact of provisional prices ended up significantly increasing the mining's Adjusted EBITDA.

# ADJUSTED EBITDA



⚙ The EBITDA in 3Q23 was positively impacted by (i) increase in sales volume, (ii) improvement in ore prices and (iii) positive adjustment in provisional prices.



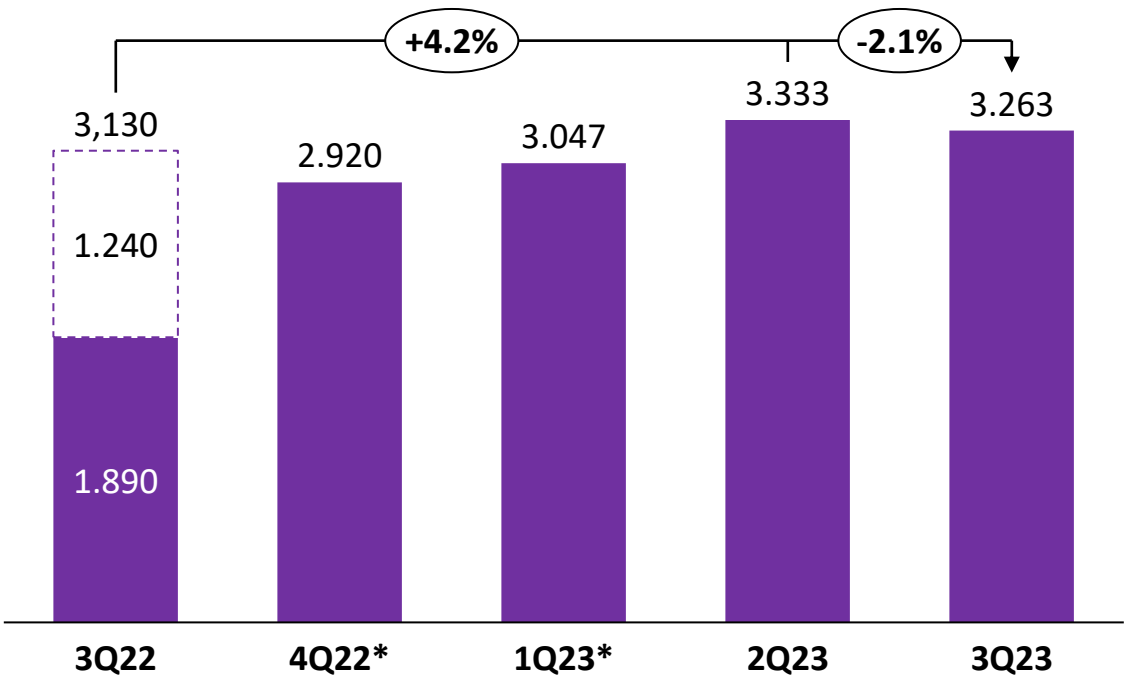
# CEMENT



# CEMENT PERFORMANCE

## SALES VOLUME

(Thousand ton.)



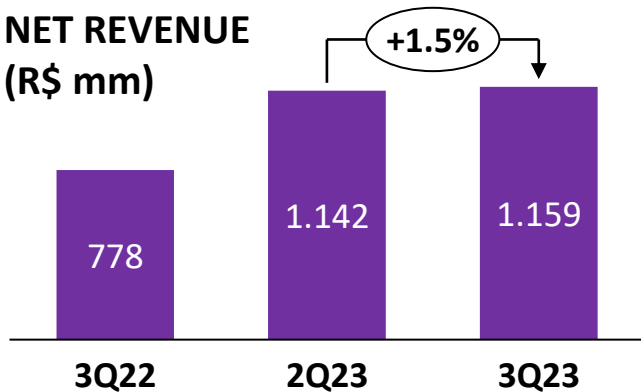
■ Domestic Market    ▨ Proform volume considering LH

\* Volume adjustment due to intercompany eliminations effect

- Net Revenue growth in the 3Q23 reinforces the more assertive commercial strategy and the better price level realized in the period, mainly for the structured and bulk cement markets. This ended up compensating for the lower sales volume.
- In addition to the price improvements, the expansion of margins reflects all the capture of synergies achieved in the period.

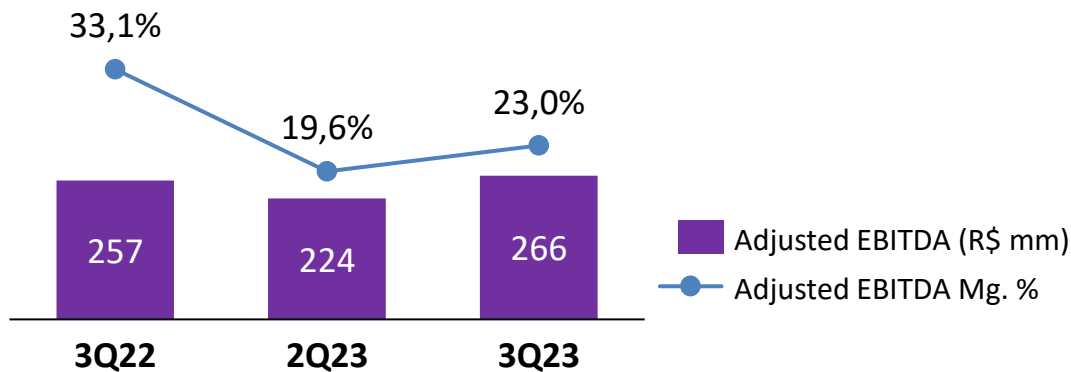
## NET REVENUE

(R\$ mm)



## ADJUSTED EBITDA AND ADJUSTED MARGIN

(R\$ mm; %)



■ Adjusted EBITDA (R\$ mm)  
● Adjusted EBITDA Mg. %



# ESG



# ESG PERFORMANCE

## DAMS MANAGEMENT

- ✓ Completion of the decharacterization civil works **for the Vigia Dam**
- ✓ **Stability declarations renewed** in September 2023 for all dams owned by CMIN
- ✓ In July 2023, the B2A dam **evolved from emergency level 2 to level 1**.

## GOVERNANCE

- ✓ Transaction of **500 million BRL in the first Sustainable-Linked Finance** operation of the CSN Group with Banco do Brasil
- ✓ **Climate Action Report 2022**, published in August/23
- ✓ **Gold Seal in GHG Protocol** for 9th year running
- ✓ Recertification of **ISO 14.001 Porto Real** and certification **da CBSI na 14.001 e 9.001**

## SOCIAL AND DIVERSITY

- ✓ **+15% Women Representation** in the CSN Group compared to 9M22
- ✓ Publication of the **First Impact Report by the CSN Foundation**
- ✓ **Inauguration of three Garoto Cidadão** units in Rio Acima (MG), Moeda (MG), and Belo Vale (MG)
- ✓ We are **6k women** in CSN Group

## HEALTH AND SAFETY

- ✓ **-13% in the Accident Frequency Rate** (LTI + No-LTI – own and third parties) compared to 9M22.
- ✓ **-8% in the Accident Severity Rate** (own and third parties) compared to 2022.
- ✓ **-44% in the number lost days of work** due to accidents involving own employees

## ENVIRONMENTAL MANAGEMENT

- ✓ **-7% in kgCO2e/t of cementitious** emissions against the 2020 baseline, with the introduction of new assets starting from 1Q23
- ✓ **-19% in water consumption** for the CSN Group compared to 9M22.
- ✓ Implementation of mitigating controls for particulate emissions at UPV resulting in a **15% reduction in particulate matter** emissions compared to 3Q22.
- ✓ **+4% in waste allocation to sustainable treatments**, compared to 9M22, reaching a rate of 97%
- ✓ **Preliminary License for the Floriano Photovoltaic Complex** in Piauí





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**Companhia Siderúrgica Nacional**