



Financial Statements

Parent company and consolidated condensed interim financial statements at March 31, 2022 and report on review



(A free translation of the original in Portuguese)

Report on review of parent company and consolidated condensed interim financial statements

To the Board of Directors and Stockholders
Votorantim Cimentos S.A.

Introduction

We have reviewed the accompanying condensed interim balance sheet of Votorantim Cimentos S.A. ("Company") as at March 31, 2022 and the related condensed interim statements of income, comprehensive income, statements of changes in equity and cash flows for the quarter then ended, as well as the accompanying consolidated condensed interim balance sheet of Votorantim Cimentos S.A. and its subsidiaries ("Consolidated") as at March 31, 2022 and the related consolidated condensed interim statements of income, comprehensive income, statements of changes in equity and cash flows for the quarter then ended, and explanatory notes.

Management is responsible for the preparation and presentation of these parent company and consolidated condensed interim financial statements in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - Interim Financial Reporting, of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Votorantim Cimentos S.A.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated condensed interim financial statements referred to above are not prepared, in all material respects, in accordance with CPC 21 and IAS 34.

Curitiba, May 6, 2022

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CRC 2SP000160/O-5

Carlos Eduardo Guaraná Mendonça
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Condensed interim balance sheet

All amounts in thousands of reais

Assets	Note	Parent company		Consolidated		Liabilities and stockholders' equity	Note	Parent company		Consolidated	
		3/31/2022	12/31/2021	3/31/2022	12/31/2021			3/31/2022	12/31/2021	3/31/2022	12/31/2021
Current assets						Current liabilities					
Cash and cash equivalents	8	806,044	1,517,774	2,724,139	4,450,030	Borrowing	20(a)	42,352	39,706	255,253	262,383
Financial investments	9	792,664	798,334	936,805	946,264	Derivative financial instruments	6.3.3	164,744	152,182	214,583	198,009
Derivative financial instruments	6.3.3			3,708	4,434	Lease liabilities	19(b)	2,154	3,539	175,493	201,065
Trade receivables	10(a)	659,999	514,608	1,480,701	1,344,298	Confirming payables	21	235,756	238,045	1,435,995	1,547,971
Inventory	11(a)	929,158	781,912	2,893,703	2,862,046	Trade and other payables		1,820,737	1,708,329	3,584,680	3,914,301
Taxes recoverable	12	266,689	332,931	633,125	682,175	Salaries and social charges		176,390	234,890	423,258	628,596
Income tax and social contribution recoverable		63,872	13,753	346,206	356,109	Income tax and social contribution payable				14,110	43,650
Dividends receivable	13(a)	34,282	89,697			Taxes payable		132,776	113,614	299,699	304,959
Other assets		42,230	47,048	221,091	233,010	Advances from customers		20,284	16,299	40,089	39,722
		3,594,938	4,096,057	9,239,478	10,878,366	Dividends payable	13(a)	308,173	845,727	309,439	847,257
						Use of public assets				53,330	50,344
Assets classified as held for sale		25,826	25,149	25,826	25,154	Other liabilities		263,875	254,970	605,260	764,191
Total current assets		3,620,764	4,121,206	9,265,304	10,903,520			3,167,241	3,607,301	7,411,189	8,802,448
						Liabilities related to assets held for sale		11,037	11,037	11,037	12,400
Non-current assets						Total current liabilities		3,178,278	3,618,338	7,422,226	8,814,848
Long-term assets											
Derivative financial instruments	6.3.3	414,876	638,916	553,794	817,912	Non-current assets					
Taxes recoverable	12	91,355	96,643	162,816	179,730	Borrowings	20(a)	3,177,500	3,373,319	10,814,672	12,132,252
Income tax and social contribution recoverable		586,751	586,751	587,077	587,077	Derivative financial instruments	6.3.3	291,182	307,973	391,724	415,229
Deferred income tax and social contribution	22(b)		37,100	791,279	912,382	Lease liabilities	19(b)	69,619	71,099	981,267	1,166,820
Related parties	13(a)	41,262	24,643	35,525	3,739	Deferred income tax and social contribution	22(b)	393		1,179,680	1,365,286
Judicial deposits	14	59,545	58,141	152,010	147,229	Related parties	13(a)	66,430	26,885	60,933	17,500
Securitization of receivables	10(d)			286,966	210,615	Provisions and judicial deposits	23(a)	686,411	667,146	1,246,367	1,291,827
Pension plan benefits				183,942	215,244	Use of public assets				692,393	661,860
Other assets		56,718	51,464	224,224	264,358	Pension plan benefits				341,598	399,178
		1,250,507	1,493,658	2,977,633	3,338,286	Securitization of receivables	10(d)			70,800	93,866
						Other liabilities		211,959	222,452	348,453	385,524
								4,503,494	4,668,874	16,127,887	17,929,342
Investments in associates and joint ventures	16(a)	11,205,227	12,936,567	1,207,391	1,329,101	Total liabilities		7,681,772	8,287,212	23,550,113	26,744,190
Property, plant and equipment	17(a)	4,596,931	4,607,673	16,454,317	18,267,828	Stockholders' equity	24				
Intangible assets	18	653,904	643,469	8,182,339	9,450,110	Share capital		7,708,353	7,708,353	7,708,353	7,708,353
Right-of-use assets	19(a)	70,486	73,143	1,115,051	1,351,592	Income reserves		3,401,890	3,389,173	3,401,890	3,389,173
		17,777,055	19,754,510	29,936,731	33,736,917	Accumulated losses		(281.647)		(281.647)	
						Other comprehensive income		2,887,451	4,490,978	2,887,451	4,490,978
						Total equity attributable to the owners of the Company		13,716,047	15,588,504	13,716,047	15,588,504
						Non-controlling interests				1,935,875	2,307,743
						Total stockholders' equity		13,716,047	15,588,504	15,651,922	17,896,247
		21,397,819	23,875,716	39,202,035	44,640,437	Total liabilities and stockholders' equity		21,397,819	23,875,716	39,202,035	44,640,437

The accompanying notes are an integral part of these parent company and consolidated condensed interim financial statements.

Condensed interim statement of income
Three-month period ended March 31
 All amounts in thousands of reais

	Note	Parent company		Consolidated	
		1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Revenue from contracts with customers	25	2,033,800	1,655,173	4,899,816	4,009,492
Cost of goods sold and services rendered	26	(1,696,521)	(1,236,028)	(4,512,401)	(3,139,749)
Gross profit		337,279	419,145	387,415	869,743
Operating income (expenses)					
Selling	26	(97,974)	(82,096)	(191,348)	(158,483)
General and administrative	26	(128,148)	(113,053)	(285,077)	(245,973)
Other operating income (expenses), net	28	(15,745)	(14,264)	31,387	77,017
		(241,867)	(209,413)	(445,038)	(327,439)
Operating profit before equity results and net financial results		95,412	209,732	(57,623)	542,304
Results of investees					
Equity method investment	16(b)	(294,265)	106,549	29,236	36,049
Financial results, net	29				
Financial income		119,069	94,596	210,607	190,693
Financial expenses		(402,504)	(112,692)	(732,516)	(342,111)
Exchange variations, net		209,808	(74,385)	230,921	(140,501)
		(73,627)	(92,481)	(290,988)	(291,919)
Profit before income tax and social contribution		(272,480)	223,800	(319,375)	286,434
Income tax and social contribution	22(a)	638	(40,410)	2,846	(59,668)
Profit for the period		(271,842)	183,390	(316,529)	226,766
Attributable to the					
Owners of the Company				(271,842)	183,390
Non-controlling interests				(44,687)	43,376
Profit for the period				(316,529)	226,766
Weighted average number of shares, thousands				9,525,614	9,534,937
Basic and diluted results per thousand shares, in reais				(28.54)	19.23

The accompanying notes are an integral part of these parent company and consolidated condensed interim financial statements.

Condensed interim statement of comprehensive income
Three-month periods ended March 31
 All amounts in thousands of reais

	Note	Parent company		Consolidated	
		1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Profit for the period		(271,842)	183,390	(316,529)	226,766
Other components of comprehensive income for the period for subsequent reclassification to the statement of income					
Currency translation of investments in foreign operations	24(b)	(1,744,532)	487,691	(2,074,739)	536,813
Inflation adjustment for hyperinflationary economies	24(b)	126,661	94,027	126,661	94,027
Net investment hedge	24(b)	21,691	33,313	26,134	33,313
Realization of other comprehensive income of investees - subsidiaries	24(b)			(1,381)	
Other components of comprehensive income	24(b)	(7,208)	3,357	(7,208)	3,357
		<u>(1,603,388)</u>	<u>618,388</u>	<u>(1,930,533)</u>	<u>667,510</u>
Other components of comprehensive income not for subsequent reclassification to the statement of income					
Adjustments of financial assets at fair value through other comprehensive income	24(b)	160		193	
Credit risk of debts measured at fair value	24(b)	(299)	(16,323)	(299)	(16,323)
		<u>(139)</u>	<u>(16,323)</u>	<u>(106)</u>	<u>(16,323)</u>
Other comprehensive income for the period		<u>(1,603,527)</u>	<u>602,065</u>	<u>(1,930,639)</u>	<u>651,187</u>
Total comprehensive income for the period		<u>(1,875,369)</u>	<u>785,455</u>	<u>(2,247,168)</u>	<u>877,953</u>
Comprehensive income attributable to					
Owners of the parent				(1,875,369)	785,455
Non-controlling interests				(371,799)	92,498
				<u>(2,247,168)</u>	<u>877,953</u>

The items in statement of comprehensive income are presented net of tax effects. The tax effects of each component of comprehensive income are presented in Note 24(b).

Condensed interim statement of changes in equity
Three-month periods ended March 31
All amounts thousands of reais

	Note	Attributable to owners of the parent company							Non-controlling interests	Total stockholders' equity
		Share capital	Tax incentive	Legal	Profit retention	Other comprehensive income	Retained earnings (accumulated losses)	Total		
At January 1, 2021		7,723,353	1,440,600	572,809	1,535,374	2,246,239		13,518,375	725,931	14,244,306
Comprehensive income for the period							183,390	183,390	43,376	226,766
Profit for the period										
Other components of comprehensive income	24(b)					602,065		602,065	49,122	651,187
						602,065	183,390	785,455	92,498	877,953
Contributions by and distributions to stockholders										
Decrease in non-controlling interest									(279)	(279)
Allocation of profit for the period										
Recognition of tax incentive reserve			8,368				(8,368)	(8,368)		
Dividends approved					(344,780)			(344,780)	(1,292)	(346,072)
			8,368		(344,780)		(8,368)	(344,780)	(1,571)	(346,351)
At March 31, 2021		7,723,353	1,448,968	572,809	1,190,594	2,848,304	175,022	13,959,050	816,858	14,775,908
At January 1, 2022		7,708,353	1,484,375	639,991	1,264,807	4,490,978		15,588,504	2,307,743	17,896,247
Comprehensive income for the period							(271,842)	(271,842)	(44,687)	(316,529)
Loss for the period										
Other components of comprehensive income	24(b)					(1,603,527)		(1,603,527)	(327,112)	(1,930,639)
						(1,603,527)	(271,842)	(1,875,369)	(371,799)	(2,247,168)
Allocation of profit for the period										
Recognition of tax incentive reserve			9,805				(9,805)			
Change of dividends approved in 2021					2,912			2,912		2,912
Dividends approved			9,805		2,912		(9,805)	2,912	(69)	(69)
			9,805		2,912		(9,805)	2,912	(69)	2,843
At March 31, 2022		7,708,353	1,494,180	639,991	1,267,719	2,887,451	(281,647)	13,716,047	1,935,875	15,651,922

The accompanying notes are an integral part of these parent company and consolidated condensed interim financial statements.

Condensed interim statement of cash flows
Three-month periods ended March 31
All amounts in thousands of reais

	Note	Parent company		Consolidated	
		1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Profit (loss) before income tax and social contribution		(272,480)	223,800	(319,375)	286,434
Adjustments to items that do not represent changes in cash and cash equivalents					
Depreciation, amortization and depletion	26	101,193	102,929	461,162	370,507
Equity in the results of investees	16(b)	294,265	(106,549)	(29,236)	(36,049)
Gain on sales of PP&E and intangible assets, net	28	(233)	(1,835)	(17,297)	(77,255)
Allowance (reversal) for doubtful accounts	10(b)	3,304	(2,350)	6,748	(3,741)
Provision (reversal) for obsolete inventory	11(b)	234	3,577	(5,029)	(8,204)
Provision for civil, labor and tax lawsuits	23(a)	23,565	6,124	17,466	17,174
Components of net financial results		94,234	70,560	306,342	368,489
Other non-cash items		(66,791)	(5,222)	(16,728)	(69,477)
		177,291	291,034	404,053	847,878
Decrease (increase) in assets					
Trade receivables		(135,600)	(106,264)	(300,300)	(194,581)
Inventory		(147,480)	(30,487)	(283,248)	(169,905)
Taxes recoverable		58,812	85,189	11,886	79,954
Related parties		(14)		15,523	3,045
Judicial deposits		(4,310)	(1,019)	(8,542)	(2,551)
Securitization of receivables				(138,862)	(85,081)
Other receivables and other assets		(436)	(2,170)	(3,701)	(58,381)
Increase (decrease) in liabilities					
Trade and other payables		142,753	43,083	754	(342,941)
Confirming payables		(2,289)	(7,736)	89,416	(43,640)
Salaries and social charges		(58,500)	(72,716)	(160,744)	(157,629)
Advances from customers		3,985	1,427	2,310	12,737
Taxes payable		16,013	38,222	12,279	19,091
Payments of tax, civil and labor lawsuits		(9,101)	(8,379)	(14,912)	(15,760)
Other accounts payable and other liabilities		(1,588)	17,162	(109,329)	(137,346)
Cash provided by (used in) operating activities		39,536	247,346	(483,418)	(245,110)
Interest paid		(45,101)	(17,373)	(154,118)	(114,976)
Interest received	29	609	321	1,291	2,248
Cost paid on repurchase of bonds	29			(34,310)	
Income tax and social contribution paid				(57,144)	(55,647)
Net cash provided by (used in) operating activities		(4,956)	230,294	(727,699)	(413,485)
Cash flow from investing activities					
Financial investments		(1,569)	(4,600)	(35,358)	(18,631)
Redemption of financial investments		22,884	63,031	59,748	184,924
Proceeds from disposals of PP&E and intangible assets		423	5,354	44,221	92,430
Proceeds from disposals of investments					28,438
Dividends received		55,415	219,999	14,496	56,062
Acquisitions of property, plant and equipment and intangible assets		(92,043)	(38,732)	(254,517)	(201,457)
Amounts paid to related parties		(15,178)	(1,272)		(3,838)
Amounts received from related parties		7	647	11,454	
Cash effect of capital movement in investees	16(b)(iii)	(100,000)			
Net cash provided by (used in) investing activities		(130,061)	244,427	(159,957)	137,928
Cash flow from financing activities					
New borrowing	20(c)		714,000	316,377	1,143,587
Payments of borrowing	20(c)	(1,732)	(401,361)	(159,282)	(862,611)
Lease liability payments	19(b)	(11,019)	(13,318)	(48,049)	(46,879)
Derivative financial instruments	6.3.3	(30,181)	(610)	(34,515)	(1,584)
Increase (decrease) in non-controlling interests					(279)
Dividends paid		(534,643)	(344,780)	(534,643)	(344,780)
Dividends paid to non-controlling stockholders				(69)	(1,661)
Amounts paid to related parties		(10,863)	(489,249)	(856)	(620)
Amounts received from related parties		11,726	1,212		
Net cash used in financing activities		(576,713)	(534,106)	(461,038)	(114,827)
Increase in cash and cash equivalents		(711,730)	(59,385)	(1,348,694)	(390,384)
Effect of exchange rate changes on cash and cash equivalents				(377,197)	155,050
Cash and cash equivalents at the beginning of the period		1,517,774	1,180,913	4,450,030	3,413,026
Cash and cash equivalents at the end of the period		806,044	1,121,528	2,724,139	3,177,692
Main non-cash transactions					
Reduction of capital of parent company by means of loan settlement			290,363		

The accompanying notes are an integral part of these parent company and consolidated condensed interim financial statements.

1 General information

Votorantim Cimentos S.A. ("VCSA" or the "Parent Company") and its subsidiaries ("Company") are principally engaged in the following activities: the production and sale of a wide portfolio of heavy building materials, including cement, aggregates, mortar and others, as well as ready-mix concrete services, transportation, co-processing for energy generation, and holding investments in other companies.

The Company is a corporation headquartered in the City and State of São Paulo, Brazil. It operates in all regions of Brazil, as well as in other countries in South America, North America, Europe, Asia and Africa.

The Company is directly controlled by Votorantim S.A. ("VSA"), a privately held company, which is a Brazilian long-term, family-controlled holding investor.

2 Approval of the financial statements

The issue of these interim financial statements was authorized by the Company's Management on May 6, 2022.

3 Main events occurring during the three-month period ended March 31, 2022

3.1 Impacts of the Russian government's invasion of Ukraine and sanctions on Russia

The Company is monitoring the current situation in Ukraine and the sanctions applied to Russia and Belarus, as well as the implications for its business as a whole. None of the Group's subsidiaries conduct any business in Russia, Belarus or Ukraine, and there is no direct commercial operation with conflict-affected areas. However, there are impacts on global markets that affect our business. In particular, global inflationary pressure due to the risk of potential disruptions in the supply chain and availability of raw materials is a concern.

The main areas of potential impact identified and monitored by the Company are as follows:

(a) Supply chain disruptions

Although we do not have direct suppliers located in Russia, Belarus or Ukraine, the Company is monitoring its main multinational suppliers to identify possible disruptions in its supply chain that could affect our business. So far, we have had manageable impacts on a few suppliers that have indirect sources in conflict-impacted areas. For these cases, we were able to find alternative sources with limited, non-material impact on cost.

In addition, the Company, through its legal advisors, is monitoring the developments of the sanctions on Russia and Belarus. As of the date of issue of these financial statements, the United States, Canada and Spain (through the European Union) are the countries in which the Company operates and that have imposed sanctions on Russia and Belarus; however, none of these sanctions is directly related to our business.

The economic impact of the conflict exposes the Company to global inflationary pressure, through price increases related mainly to the energy and fuel sectors, with impact on the Company's purchases. The conflict has also had a negative impact on global logistics, causing delays in some deliveries. To date, all delays have been managed within the Company, with no material impacts on our projects or operations.

**Notes to the parent company and consolidated
condensed interim financial statements at March 31, 2022**

All amounts in thousands of reais unless otherwise stated

(b) Financial restrictions

The Company does not maintain any relationships with Russian, Ukrainian or Belarusian financial institutions. At the issue of these financial statements, the financial restrictions did not directly impact the Company's business and no risks related to the Company's financial agreements or covenants were identified. In this sense, we do not currently expect any restrictions that may affect the Company's cash availability and liquidity.

(c) Impairment of non-financial assets

The Company did not identify any indication of impairment for its cash generating units (CGUs), therefore the annual impairment test and the conclusions disclosed in the parent company and consolidated financial statements for the year ended December 31, 2021 remain adequate.

3.2 Effects of the Coronavirus pandemic (COVID-19)

The global pandemic declared by the World Health Organization (WHO) related to the Coronavirus (COVID-19), which has been affecting countries around the world, has had serious impacts on public health and the global economy. In accordance with its Risk Management Policy approved by the Board of Directors, and through its Corporate Crisis Committee, the Company implemented a plan in response to this pandemic. Management believes it has mitigated as much as possible the potential impacts of the COVID-19 crisis on the health and safety of its employees, their relatives, associates and communities, as well as the potential impact on its operating business.

Although the impact of COVID-19 may have been mitigated, the Company continues to monitor the development of the pandemic, and new measures may be applied to deal with any adverse developments. It is important to highlight that the Company's solid liquidity position provides a comfortable financial position to help mitigate unexpected impacts.

The analysis disclosed in the parent company and consolidated financial statements at December 31, 2021 remains adequate, as well as the conclusion that no material impacts arising from the COVID-19 crisis were identified during the first quarter of 2022, including any effects that required a change in the Company's critical accounting estimates and judgments.

3.3 Acquisition of equity interest in Ventos de Santo Ângelo Energias Renováveis S.A. ("Ventos de Santo Ângelo") with call option by Auren Energia S.A. ("Auren")

On March 4, 2022, after fulfilling the precedent conditions set out in the purchase agreement signed on December 28, 2020 between VCSA and Auren (related party), the Parent Company concluded the process of acquiring 49% of the total share capital and 98% of the voting capital of Ventos de Santo Ângelo Energias Renováveis S.A. ("Ventos de Santo Ângelo"), whose purpose is to hold the equity interest of 3 (three) special purpose companies ("SPEs") that hold the authorizations to operate wind farms for the generation of electricity ("Wind Farms").

The total purchase price was R\$ 44,360, with four annual equal installments to be paid between 2023 and 2026. These amounts payable were initially recognized at fair value and subsequently measured at the amortized cost using the effective interest rate method, and classified in balances payable to related parties in Note 13(a).

With the conclusion of the operation, the Company reinforces its investments in the renewable energy matrix diversification. The Wind Farms are part of the Ventos do Piauí II complex, located in the State of Piauí, with 55.45 MW of installed capacity, with the energy supply expected to start in 2023, with the Parent Company having signed an energy supply agreement with the SPEs for a period of 10 years.

Additionally, the Parent Company and Auren entered into a shareholders' agreement that provides for a call option by Auren of the equity interest held by the Company in Ventos de Santo Ângelo at the end of the energy supply agreement. This call option, contractually provided for at a price already agreed

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between the parties, and which can be exercised unilaterally by Auren, led to the recording of this call option as a financial instrument at amortized cost. The effects of this option are described in Note 13(a).

Although the Parent Company acquired 98% of the voting capital of Ventos de Santo Ângelo, due to terms of the shareholders' agreement and the call option held by Auren, the Company understands it has little influence over Ventos de Santo Ângelo business and Auren fully owns the risks and benefits associated with the investment. Therefore, the Company does not have the investment, but rather a financial asset that does not represent an equity instrument and that should be measured according to the price of the call option.

4 Supplementary information

4.1 Financial information by reportable segment and entity-wide disclosures

Reportable segments for the three-month period ended March 31, 2022:

	Brazil	North America	Europe, Asia and Africa	Latin America	Other	Consolidated
Revenue from contracts with customers	2,669,870	1,010,286	697,300	188,525	333,835	4,899,816
Profit (loss) for the period	26,751	(364,915)	88,145	(10,688)	(55,822)	(316,529)
Profit (loss) before income tax and social contribution	59,995	(401,038)	79,320	(6,610)	(51,042)	(319,375)
Depreciation, amortization and depletion	147,096	225,430	68,553	19,934	149	461,162
Financial results, net	129,228	54,899	(3,795)	21,045	89,611	290,988
EBITDA	336,319	(120,709)	144,078	34,369	38,718	432,775
Equity in the results of associates and joint ventures	14,949	1,631	(14,898)		(30,919)	(29,237)
Dividends received					14,496	14,496
Adjusted EBITDA items						
Unusual items	8,201	(2,435)	4,055	81	(9,797)	106
Adjusted EBITDA	359,469	(121,513)	133,235	34,450	12,498	418,140
Additions of PP&E and intangible assets ("CAPEX")	108,106	84,233	23,057	39,103	18	254,517
Net debt	2,243,607	3,577,585	257,489	369,758	2,166,107	8,614,546

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Reportable segments for the three-month period ended March 31, 2021:

From the parent company and consolidated financial statements for the year ended December 31, 2021, the Company modified the allocation of certain businesses between the segments as well as altering some criteria in the measurement of the results of the segments. Therefore, we adjusted the comparative balances of the interim period of 2021 to apply the same concepts used in the 2022 information ensuring the comparability of the information presented in these financial statements.

	Brazil	North America	Europe, Asia and Africa	Latin America	Other	Consolidated
Revenue from contracts with customers	2,210,660	814,791	633,927	227,961	122,153	4,009,492
Profit (loss) for the period	193,572	(116,238)	139,573	50,464	(40,605)	226,766
Profit (loss) before income tax and social contribution	263,131	(158,749)	169,631	49,514	(37,094)	286,433
Depreciation, amortization and depletion	144,483	139,487	66,079	20,410	47	370,506
Financial results, net	178,793	27,354	22,456	85	63,230	291,918
EBITDA	586,407	8,092	258,166	70,009	26,183	948,857
Equity in the results of associates and joint ventures	150	3,720	(15,611)		(24,307)	(36,048)
Dividends received					56,062	56,062
Adjusted EBITDA items						
COVID	1,698	1,152	488	100		3,438
Unusual items	6,533	(2,475)	3,888	(1,193)	(8,116)	(1,363)
Adjusted EBITDA	594,788	10,489	246,931	68,916	49,822	970,946
Additions of PP&E and intangible assets ("CAPEX")	139,225	18,541	14,302	29,389		201,457
Net debt	1,917,066	3,304,320	582,988	418,894	2,836,824	9,060,092

The following table reconciles the adjusted EBITDA for the last 3 and 12 months:

	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	4/1/2021 to 3/31/2022	1/1/2021 to 12/31/2021
Profit (loss) for the period	(316,529)	226,765	1,083,418	1,626,712
Profit (loss) before income tax and social contribution	(319,374)	286,433	1,594,304	2,200,111
Depreciation, amortization and depletion	461,162	370,506	1,756,971	1,666,315
Financial results, net	290,987	291,918	1,494,789	1,495,720
EBITDA	432,775	948,857	4,846,064	5,362,146
Equity in the results of associates and joint ventures	(29,236)	(36,048)	(55,853)	(62,665)
Dividends received	14,496	56,062	139,437	181,003
Adjusted EBITDA items				
COVID		3,438	18,686	22,124
Provision for impairment			2,310	2,310
Business combination			(276,698)	(276,698)
Dissolution of investment			16,138	16,138
Unusual items	106	(1,363)	3,630	2,161
Adjusted EBITDA	418,141	970,946	4,693,714	5,246,519

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4.2 Capital management

The leverage ratios as at March 31, 2022 and December 31, 2021 may be summarized as follows:

	Note	Consolidated	
		3/31/2022	12/31/2021
Borrowing	20(a)	11,069,925	12,394,635
Lease liabilities	19(b)	1,156,760	1,367,885
Cash and cash equivalents	8	(2,724,139)	(4,450,030)
Financial investments	9	(936,805)	(946,264)
Derivative financial instruments	6.3.3	48,805	(209,108)
Net debt - (A)		8,614,546	8,157,118
Adjusted EBITDA for the last 12 months - (B)		4,693,714	5,246,519
Financial leverage ratio - (A/B)		1.84	1.55

5 Basis of preparation and presentation of condensed interim financial statements

5.1 Capital management

The parent company and consolidated condensed interim financial statements have been prepared in accordance with Technical Pronouncement CPC 21 - (R1) "Interim Financial Reporting", and with the International Accounting Standard ("IAS") 34 – "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB") and disclose all (and only) the applicable significant information related to the interim financial statements, which is consistent with the information used by Management in the performance of its duties.

The parent company and consolidated condensed interim financial statements as at March 31, 2022 have been prepared in accordance with the accounting practices disclosed in the parent company and consolidated financial statements for the year ended December 31, 2021 and these should be read together, since their purpose is to provide an update on significant activities, events and circumstances in relation to those annual financial statements. Therefore, they focus on new activities, events and circumstances and do not repeat previously disclosed information, except when Management deems it relevant to maintain certain information.

5.2 Critical accounting estimates and judgments

The Company is monitoring its critical accounting estimates and judgments, as well as the related accounting policies. Until March 31, 2022, there were no changes in the estimates and assumptions that presented significant risk, in the carrying amounts of assets and liabilities for the period, in relation to those detailed in Note 7 to the individual and consolidated financial statements for the year ended December 31, 2021.

5.3 Assessment of new standards and interpretations

5.3.1 New standards adopted

New standards, interpretations and amendments to accounting standards became effective in the period from January 1, 2022 to March 31, 2022, but we did not identify impacts on our accounting policies and critical estimates to be disclosed.

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5.3.2 New standards not adopted
(a) Amendments to CPC 32 / IAS 12 “Income taxes” (applicable for periods beginning on January 1, 2023)

The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The Company carried out a preliminary analysis of the applicability of these amendments and identified possible impacts on its accounting policies resulting from these amendments and should now deepen the assessment in accordance with local tax regulations.

(b) Other amendments

Other standards, interpretations and amendments to accounting standards have been published; however, they are not yet effective. We intend to adopt the new standards, interpretations and amendments, if applicable, when they become effective.

5.4 Consolidation

The main changes in interests in subsidiaries and joint ventures included in the consolidation in the three-month period ended March 31, 2022 were as follows:

	Percentage of total and voting capital		Place of operation	Functional currency	Main activity
	3/31/2022	12/31/2021			
Votorantim Cimentos International S.A and subsidiaries					
St. Marys and subsidiaries					
McInnis Cement ULC. (i)		83.00	Canada	CAD - Canadian Dollar	Cement;
Votorantim Cimentos EAA Inversiones S.L and subsidiaries					
Votorantim Macau – Investment Company, Limited (ii)		100.00	China	Pataca - MOP	Holding

- (i) Merger of McInnis Cement ULC into St. Marys Cement Inc. (Canada) in January 2022.
- (ii) Dissolution of Votorantim Macau - Investment Company, Limited in February 2022.

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5.5 Financial statements of prior periods
(a) Reclassification between “Other operating income (expenses), net” and “Income tax and social contribution” in the statement of income at March 31, 2021

	As originally stated	Income tax incentive (i)	Reviewed
Net revenue from goods sold and services rendered	4,009,492		4,009,492
Cost of goods sold and services rendered	(3,139,749)		(3,139,749)
Gross profit	869,743		869,743
Operating income (expenses)			
Selling	(158,483)		(158,483)
General and administrative	(245,973)		(245,973)
Other operating income (expenses), net	90,227	(13,210)	77,017
Operating profit before equity results and net financial results	555,514	(13,210)	542,304
Results of investees	36,049		36,049
Financial results, net	(291,919)		(291,919)
Profit before income tax and social contribution	299,644	(13,210)	286,434
Income tax and social contribution	(72,878)	13,210	(59,668)
Profit for the period	226,766		226,766
Attributable to the			
Owners of the Company	183,390		183,390
Non-controlling interests	43,376		43,376
Profit for the period	226,766		226,766

- (i) The Company reclassified the amount of R\$ 13,210, previously recorded as “Other operating income (expenses), net” (Note 28), related to the income tax incentive benefit, to “Current and deferred income tax and social contribution” (Note 22 (b)).

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(b) Reclassification between “Cash and cash equivalents” and “Financial investments” in the “Statement of cash flows” at March 31, 2021

The Company reviewed its “Cash and cash equivalents” policy, as mentioned in Note 6.6(c)) to the financial statements at December 31, 2021. As a result of this review, this had the following effects on the statement of cash flows:

	As originally stated	Reclassifications	Reviewed
Cash provided by (used in) operating activities	(258,564)	13,454	(245,110)
Interest received	11,536	(9,288)	2,248
Other items from operating activities	(170,623)		(170,623)
Net cash provided by (used in) operating activities	(417,651)	4,166	(413,485)
Financial investments	618,874	(637,505)	(18,631)
Redemption of financial investments		184,924	184,924
Other items from investing activities	(28,365)		(28,365)
Net cash provided by (used in) investing activities	590,509	(452,581)	137,928
Net cash used in financing activities	(114,827)		(114,827)
Increase (decrease) in cash and cash equivalents	58,031	(448,415)	(390,384)
Effect of exchange rate changes on cash and cash equivalents	155,050		155,050
Cash and cash equivalents at the beginning of the period	2,356,830	1,056,196	3,413,026
Cash and cash equivalents at the end of the period	2,569,911	607,781	3,177,692

(i) As per item (i) of letter (a) above.

6 Financial risk management

6.1 Socioenvironmental risk management

The Company operates in various countries and consequently, its activities are subject to local, state, national and international environmental laws and regulations, treaties and conventions regulating the activities, establishing measures for mitigation, compensation, management, and risk monitoring, including those that regulate the obligations of the owner of the venture and/or activity relating to environmental protection. Violations of the environmental regulations can lead to fines and penalties and may require the implementation of technical measures to ensure the compliance with the mandatory environmental standards.

The Company and its subsidiaries review periodically its environmental risk assessment and address the risks identified either through mitigation actions or provision for future costs.

6.2 Seasonality of cement operations

In markets located in North America, Europe, Asia and Africa demand for cement, concrete, aggregates and other building materials is seasonal due to the cyclical nature of activity in the construction sector, which is affected by weather conditions. This has a direct impact on the operating performance during the year.

Sales generally decline during the first quarter of the year and in December, reflecting the negative effects of winter in the northern hemisphere, followed by an increase in sales in the second and third quarters of the year, reflecting the positive effects of the summer season. This seasonality is particularly visible in years with severe winters.

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6.3 Market risk
6.3.1 Foreign exchange risk

Foreign exchange risk is the exposure of the Company to significant fluctuations in currencies' exchange rates, that comprise commercial, operational and financial relationships and, consequently, have an impact on its cash flows or results. Presented below are the assets and liabilities denominated in foreign currencies (Euro, US dollar, Canadian dollar, Moroccan dirham, Turkish lira and Bolivian and Uruguayan pesos) at the end of the reporting period, expressed in Reais:

		Parent company		Consolidated	
	Note	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Assets denominated in foreign currency					
Cash and cash equivalents	8	6,638		1,798,913	2,821,657
Financial investments	9			60,259	98,928
Derivative financial instruments	6.3.3	226,874	638,916	271,652	822,346
Trade receivables	10(a)			704,021	750,605
Related parties	13(a)	6,595	4,541	6,754	9,192
Securitization of receivables	10(d)			286,966	210,615
		240,107	643,457	3,128,565	4,713,343
Liabilities denominated in foreign currency					
Borrowing (i)	20(a)	1,176,214	1,387,821	8,611,181	9,975,057
Derivative financial instruments	6.3.3	267,008	460,155	314,160	613,238
Lease liabilities	19(b)			1,276,768	1,276,768
Confirming payables	21			1,133,517	1,225,741
Trade and other payables			877	1,201,485	1,664,379
Related parties	13(a)		3,886		
Securitization of receivables	10(d)			70,800	93,866
		1,443,222	1,852,739	12,607,911	14,849,049
Net exposure		1,203,115	1,209,282	9,479,345	10,135,706

(i) Capitalized costs are not considered in these amounts.

Moreover, the Company has investments in foreign operations, in which the net assets expose the Company to foreign exchange risk. The foreign exchange exposure arising from investments in foreign operations is partially hedged by borrowings in the same currency as these investments, which are designated as a hedge of net investments in foreign operations (Note 6.3.4).

6.3.2 Cash flow and fair value associated with interest rate risk

The Company's interest rate risk arises mainly from long-term loans. Loans issued at variable and fixed rates expose the Company to cash flow and fair value risk, respectively, associated with interest rate. See Note 20(a) for the details of borrowings, interest rate exposure and derivative financial instruments held by the Company.

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6.3.3 Derivative financial instruments

												Parent company				
												3/31/2022				
												Fair value by maturity				
												2022	2023	2024	2025	2026 and onwards
Programs	3/31/2022	12/31/2021	Currency	Total (net between assets and liabilities)	Impact on net financial results	Realized loss with cash effects	Total (net between assets and liabilities)									
Hedging of interest rates																
USD fixed rate vs. CDI floating rate swap	100,000	100,000	USD thousands	29,090	(116,102)	(10,858)	(74,500)	(41,623)	(44,990)	(35,271)	16,602	30,782				
IPCA floating rate vs. CDI floating rate swap	615,793	615,793	BRL thousands	(6,645)	687	(5,042)	(916)	(37,508)	(41,538)	(29,122)	(26,033)	133,284				
LIBOR floating rate vs. CDI floating rate swap	150,000	150,000	USD thousands	156,316	(137,775)	(14,281)	34,366	(48,750)	(40,614)	(4,140)	82,511	45,358				
	865,793	865,793		178,761	(253,190)	(30,181)	(41,050)	(127,880)	(127,142)	(68,533)	73,080	209,425				
												Consolidated				
												3/31/2022				
												Fair value by maturity				
												2022	2023	2024	2025	2026 and onwards
Programs	3/31/2022	12/31/2021	Currency	Total (net between assets and liabilities)	Impact on net financial results	Realized gain (loss) with cash effect	Total (net between assets and liabilities)									
Hedging of interest rates																
Turkish Lira forward (TRY/USD)	8,200	4,000	USD thousands	2,118	153		2,271	2,271								
Turkish Lira forward (TRY/EUR)			EUR thousands		812	812										
Hedging of interest rates																
USD fixed rate vs. CDI floating rate swap	100,000	100,000	USD thousands	29,090	(116,102)	(10,858)	(74,500)	(41,623)	(44,990)	(35,271)	15,978	31,407				
IPCA floating rate vs. CDI floating rate swap	1,009,326	1,009,326	BRL thousands	(14,058)	2,435	(6,075)	(5,548)	(57,066)	(63,822)	(45,049)	(40,204)	200,593				
LIBOR floating rate vs. CDI floating rate swap	200,000	200,000	USD thousands	191,958	(183,336)	(18,394)	28,972	(66,792)	(56,972)	(14,554)	121,932	45,358				
	1,317,526	1,313,326		209,108	(296,038)	(34,515)	(48,805)	(163,210)	(165,785)	(94,874)	97,705	277,358				

The total amount (net between assets and liabilities) is measured at the fair value of the financial instruments taking into account the credit risk of the Company and/or the counterparty.

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6.3.4 Hedging of net investments in foreign operations

										1/1/2022 to 3/31/2022
Investor			Hedged item			Instrument			Gain	
Entity	Currency	Investment	Currency	Designated percentage	Designated net amount	Amount in reais	Currency	Original amount	Amount in reais	Other comprehensive income (Note 24(b))
St. Marys	CAD	VCNA US, Inc.	USD	44.96%	500,000	2,368,900	USD	500,000	2,368,900	26,134

										1/1/2021 to 3/31/2021
Investor			Hedged item			Instrument			Gain	
Entity	Currency	Investment	Currency	Designate percentage	Designated net amount	Amount in reais	Currency	Original amount	Amount in reais	Other comprehensive income (Note 24(b))
St. Marys	CAD	VCNA US, Inc.	USD	44.41%	500,000	2,848,650	USD	500,000	2,848,650	33,313

The gain or loss shown above is net of tax effects, which are presented in Note 24 (b). For the balances at March 31, 2022, considering that the Company holds an 83% interest in the subsidiary St. Marys (March 31, 2021 - the Company held 100%), in Note 24(b) only the portion held by the Company in this period is presented.

There was no ineffectiveness of the hedge transactions designated in the year and, therefore, no gain or loss was recognized in the profit or loss.

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6.4 Credit risk

6.4.1 Credit quality of trade receivables

The amounts for analysis represent the balance of trade receivables, excluding overdue receivables, amounts of estimated loss on doubtful accounts and balances with related parties.

	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
High risk	50,086	42,764	130,615	126,822
Medium risk	142,038	115,371	255,921	224,621
Low risk	340,595	227,241	825,758	706,613
AAA	48,401	50,647	152,507	172,993
	<u>581,120</u>	<u>436,023</u>	<u>1,364,800</u>	<u>1,231,049</u>

High risk	Customers with a high risk of default in the market and/or a history of recurring payment delays.
Medium risk	Customers with regular market information and/or a history of occasional payment delays.
Low risk	Customers with good market indicators and/or good payment history.
Customers AAA	Strategic and/or highly relevant customers, whose assignment of this risk class is approved by the credit committee.

The quality of the credit risk is defined according to internal statistical models of risk scoring, according to the risk standards accepted by the Company.

The Company identified the need to adjust the classification of balances distributed by risk level presented in the individual and consolidated financial statements at December 31, 2021, on a consolidated basis, with no impact on the total amount.

6.5 Liquidity risk

The amounts included in the table represent the undiscounted contractual future cash flow; these amounts may not reconcile directly with the amounts in the balance sheet.

							Parent company
			Between one and two years	Between two and five years	Between five and ten years	Over ten years	Total
	Note	Less than one year					
At March 31, 2022							
Borrowing		166,769	252,477	2,308,288	1,431,053	116,025	4,274,612
Derivative financial instruments		164,744	109,248	155,320	26,086	527	455,926
Lease liabilities		39,548	17,570	19,299	773	18	77,207
Confirming payables	21	235,756					235,756
Trade and other payables		1,820,737					1,820,737
Related parties			66,430				66,430
Dividends payable	13(a)	308,173					308,173
		<u>2,735,727</u>	<u>445,725</u>	<u>2,482,907</u>	<u>1,457,912</u>	<u>116,570</u>	<u>7,238,841</u>
At December 31, 2021							
Borrowing		167,360	164,609	2,610,128	1,218,825	207,314	4,368,236
Derivative financial instruments		152,182	114,233	165,073	28,180	487	460,155
Lease liabilities		40,445	21,373	17,540	773	103	80,234
Confirming payables	21	238,045					238,045
Trade payables		1,708,329					1,708,329
Related parties			28,955				28,955
Dividends payable	13(a)	845,727					845,727
		<u>3,152,088</u>	<u>329,170</u>	<u>2,792,741</u>	<u>1,247,778</u>	<u>207,904</u>	<u>7,729,681</u>

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							Consolidated
	Note	Less than one year	Between one and two years	Between two and five years	Between five and ten years	Over ten years	Total
At March 31, 2022							
Borrowing		692,901	746,775	7,711,631	2,930,241	4,239,881	16,321,429
Derivative financial instruments		214,583	143,395	207,340	40,191	799	606,307
Lease liabilities		231,421	152,111	249,820	559,287	26,602	1,219,242
Confirming payables	21	1,435,995					1,435,995
Trade and other payables		3,584,680					3,584,680
Related parties			60,933				60,933
Dividends payable	13(a)	309,439					309,439
Use of public assets		53,330	57,307	194,013	411,799	1,447,883	2,164,332
		<u>6,522,349</u>	<u>1,160,521</u>	<u>8,362,803</u>	<u>3,941,518</u>	<u>5,715,165</u>	<u>25,702,357</u>
At December 31, 2021							
Borrowings		744,140	736,492	5,580,709	6,363,015	5,703,743	19,128,099
Derivative financial instruments		198,009	150,613	220,539	43,339	738	613,238
Lease liabilities		279,673	200,203	319,423	741,166	36,030	1,576,495
Confirming payables	21	1,547,971					1,547,971
Trade and other payables		3,914,301					3,914,301
Related parties			19,570				19,570
Dividends payable	13(a)	847,257					847,257
Use of public assets		50,344	54,293	183,810	390,145	1,414,615	2,093,207
		<u>7,581,695</u>	<u>1,161,171</u>	<u>6,304,481</u>	<u>7,537,665</u>	<u>7,155,126</u>	<u>29,740,138</u>

The table above shows the outstanding principal and interest if applicable at the maturity dates. In the case of the fixed rate liabilities, interest expense was calculated based on the rate established in each debt contract. Interest expense on floating rate liabilities was calculated based on a market forecast for each period.

**Notes to the parent company and consolidated
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All amounts in thousands of reais unless otherwise stated

7 Financial instruments by category
(a) Analysis

				Parent company
				3/31/2022
	Note	Amortized cost	Fair value through profit or loss	Total
Assets				
Trade receivables	10(a)	659,999		659,999
Related parties	13(a)	41,262		41,262
		<u>701,261</u>		<u>701,261</u>
Cash and cash equivalents (i)	8		806,044	806,044
Financial investments	9		792,664	792,664
Derivative financial instruments	6.3.3		414,876	414,876
			<u>2,013,584</u>	<u>2,013,584</u>
Liabilities				
Borrowing	20(a)	2,517,761		2,517,761
Confirming payables	21	235,756		235,756
Lease liabilities	19(b)	71,773		71,773
Trade and other payables		1,820,737		1,820,737
Salaries and social charges		176,390		176,390
Related parties	13(a)	66,430		66,430
		<u>4,888,847</u>		<u>4,888,847</u>
Borrowings	20(a)		702,091	702,091
Derivative financial instruments	6.3.3		455,926	455,926
			<u>1,158,017</u>	<u>1,158,017</u>

				Parent company
				12/31/2021
	Note	Amortized cost	Fair value through profit or loss	Total
Assets				
Trade receivables	10(a)	514,608		514,608
Related parties	13(a)	24,643		24,643
		<u>539,251</u>		<u>539,251</u>
Cash and cash equivalents (i)	8		1,517,774	1,517,774
Financial investments	9		798,334	798,334
Derivative financial instruments	6.3.3		638,916	638,916
			<u>2,955,024</u>	<u>2,955,024</u>
Liabilities				
Borrowing	20(a)	2,583,652		2,583,652
Confirming payables	21	238,045		238,045
Lease liabilities	19(b)	74,638		74,638
Trade and other payables		1,708,329		1,708,329
Salaries and social charges		234,890		234,890
Related parties	13(a)	26,885		26,885
		<u>4,866,439</u>		<u>4,866,439</u>
Borrowing	20(a)		829,373	829,373
Derivative financial instruments	6.3.3		460,155	460,155
			<u>1,289,528</u>	<u>1,289,528</u>

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				Consolidated
				3/31/2022
	Note	Amortized cost	Fair value through profit or loss	Total
Assets				
Trade receivables	10(a)	1,480,701		1,480,701
Related parties	13(a)	35,525		35,525
		1,516,226		1,516,226
Cash and cash equivalents (i)	8		2,724,139	2,724,139
Financial investments	9		936,805	936,805
Derivative financial instruments	6.3.3		557,502	557,502
Securitization of receivables	10(d)	286,966		286,966
		286,966	4,218,446	4,505,412
Liabilities				
Borrowing	20(a)	10,127,497		10,127,497
Confirming payables	21	1,435,995		1,435,995
Lease liabilities	19(b)	1,156,760		1,156,760
Trade and other payables		3,584,680		3,584,680
Salaries and social charges		423,258		423,258
Related parties	13(a)	60,933		60,933
Use of public assets		745,723		745,723
Securitization of receivables	10(d)	70,800		70,800
		17,605,646		17,605,646
Borrowing	20(a)		942,428	942,428
Derivative financial instruments	6.3.3		606,307	606,307
			1,548,735	1,548,735

				Consolidated
				12/31/2021
	Note	Amortized cost	Fair value through profit or loss	Total
Assets				
Trade receivables	10(a)	1,344,298		1,344,298
Related parties	13(a)	3,739		3,739
		1,348,037		1,348,037
Cash and cash equivalents (i)	8		4,450,030	4,450,030
Financial investments	9		946,264	946,264
Derivative financial instruments	6.3.3		822,346	822,346
Securitization of receivables	10(d)	210,615		210,615
		210,615	6,218,640	6,429,255
Liabilities				
Borrowing	20(a)	11,286,129		11,286,129
Confirming payables	21	1,547,971		1,547,971
Lease liabilities	19(b)	1,367,885		1,367,885
Trade and other payables		3,914,301		3,914,301
Salaries and social charges		628,596		628,596
Related parties	13(a)	17,500		17,500
Use of public assets		712,204		712,204
Securitization of receivables	10(d)	93,866		93,866
		19,568,452		19,568,452
Borrowing	20(a)		1,108,506	1,108,506
Derivative financial instruments	6.3.3		613,238	613,238
			1,721,744	1,721,744

Notes to the parent company and consolidated condensed interim financial statements at March 31, 2022

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- (i) In practice, the fair value and the amortized cost are equivalent, considering, by definition, the characteristics of the cash equivalents items.

(b) Fair value of financial instruments and derivatives

The Company discloses fair value measurements based on the hierarchy level of the main assets and liabilities, as shown below:

		Fair value		Parent company
				3/31/2022
		Price quoted in an active market	Valuation technique supported by observable prices	
	Note	Level 1	Level 2	Fair value
Assets				
Cash and cash equivalents	8	187,863	618,182	806,044
Financial investments	9	638,706	153,958	792,664
Derivative financial instruments	6.3.3		414,876	414,876
		826,569	1,187,016	2,013,584
Liabilities				
Borrowing	20(a)		3,154,066	3,154,066
Derivative financial instruments	6.3.3		455,926	455,926
			3,609,992	3,609,992

		Fair value		Parent company
				12/31/2021
		Price quoted in an active market	Valuation technique supported by observable prices	
	Note	Level 1	Level 2	Fair value
Assets				
Cash and cash equivalents	8	289,122	1,228,652	1,517,774
Financial investments	9	622,969	175,365	798,334
Derivative financial instruments	6.3.3		638,916	638,916
		912,091	2,042,933	2,955,024
Liabilities				
Borrowing	20(a)		3,398,244	3,398,244
Derivative financial instruments	6.3.3		460,155	460,155
			3,858,399	3,858,399

		Fair value		Consolidated
				3/31/2022
		Price quoted in an active market	Valuation technique supported by observable prices	
	Note	Level 1	Level 2	Fair value
Assets				
Cash and cash equivalents	8	1,890,830	833,309	2,724,139
Financial investments	9	638,706	298,099	936,805
Derivative financial instruments	6.3.3		557,502	557,502
		2,529,536	1,688,910	4,218,446
Liabilities				
Borrowing	20(a)	5,691,404	5,778,477	11,469,881
Derivative financial instruments	6.3.3		606,307	606,307
		5,691,404	6,384,784	12,076,188

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			Consolidated	
			Fair value	12/31/2021
			Valuation technique supported by observable prices	
	Note	Price quoted in an active market Level 1	Level 2	Fair value
Cash and cash equivalents	8	3,080,773	1,369,257	4,450,030
Financial investments	9	624,749	321,515	946,264
Derivative financial instruments	6.3.3		822,346	822,346
		3,705,522	2,513,118	6,218,640
Borrowing	20(a)	7,413,476	6,229,822	13,643,298
Derivative financial instruments	6.3.3		613,238	613,238
		7,413,476	6,843,060	14,256,536

The other financial instruments not included above are measured at amortized cost, and the Company understands that the carrying amounts approximate their fair values. The fair values of these financial instruments are determined based on the observable prices (Level 2) of arm's length transactions between market participants or in equivalent conditions, in the case of transactions between related parties.

8 Cash and cash equivalents

	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Local currency				
Cash and banks	248	2,341	5,449	8,239
Bank Deposit Certificates ("CDBs")	618,181	1,228,652	677,537	1,275,080
Committed operations - Government notes	180,977	286,781	242,240	345,054
	799,406	1,517,774	925,226	1,628,373
Foreign currency				
Cash and banks	6,638		1,643,141	2,587,968
Time deposits			155,772	233,689
	6,638		1,798,913	2,821,657
	806,044	1,517,774	2,724,139	4,450,030

The average return for the amounts allocated to cash and cash equivalents in local currency is equivalent to 101.80% p.a. of CDI (December 31, 2021 - 101.27% p.a. of CDI),

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9 Financial investments

Local currency investments include bonds issued by the government or financial institutions, indexed to the interbank deposit rate. Foreign currency investments are mainly fixed-income financial instruments in local currency (time deposits).

	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Fair value through profit or loss				
Local currency				
Treasury Financial Bill (<i>Letras Financeiras do Tesouro</i> - "LFTs")	444,179	449,128	444,179	449,128
Bank Deposit Certificate ("CDBs")	8,223	23,464	42,937	40,600
Committed operations - Government notes	194,527	173,842	194,527	173,842
Investment fund shares (i)	145,296	151,480	194,464	183,346
Certificates of Real Estate Receivables	439	421	439	421
	<u>792,664</u>	<u>798,334</u>	<u>876,546</u>	<u>847,337</u>
Foreign currency				
Time deposits			60,259	98,928
	<u>792,664</u>	<u>798,334</u>	<u>936,805</u>	<u>946,264</u>
Current	<u>792,664</u>	<u>798,334</u>	<u>936,805</u>	<u>946,264</u>

- (i) Investment fund portfolios consist of financial investments in repurchase operations in private securities, repurchase operations in government securities and Treasury Financial Bills (LFTs).

The average return for the amounts allocated to financial investments in local and foreign currency (USD) is equivalent to 101.66% p.a. of CDI and 0.28% p.a., respectively (December 31, 2021 - 100,61% p.a. of CDI and 0.24% p.a.).

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10 Trade receivables and securitization of receivables
(a) Analysis

	Note	Parent company		Consolidated	
		3/31/2022	12/31/2021	3/31/2022	12/31/2021
Local customers (Brazil)		630,726	496,264	767,976	609,084
Foreign customers				751,521	797,810
Related parties	13(a)	49,976	48,838	37,555	34,030
		680,702	545,102	1,557,052	1,440,924
Allowance for doubtful accounts	10(b)	(20,703)	(30,494)	(76,351)	(96,626)
		659,999	514,608	1,480,701	1,344,298

(b) Changes in the allowance for doubtful accounts

	Parent company		Consolidated	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Balance at the beginning of the period	(30,494)	(88,915)	(96,626)	(154,248)
Additions	(3,929)	(1,666)	(8,604)	(3,542)
Reversals	625	4,016	1,856	7,283
Receivables written off during the period as uncollectable	13,095	1,743	19,012	12,846
Exchange rate variations			8,011	(2,886)
Balance at the end of the period	(20,703)	(84,822)	(76,351)	(140,547)

(c) Aging of trade receivables

The aging of the balances below does not include the allowance for doubtful accounts.

	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Current due	631,096	484,861	1,402,355	1,265,079
Up to three months past due	8,389	8,889	61,005	71,344
From three to six months past due	2,394	7,281	14,544	14,206
Over six months past due	38,823	44,071	79,148	90,295
	680,702	545,102	1,557,052	1,440,924

The credit risk of trade receivables from third parties that are not past due and do not have a provision for impairment is presented in Note 6.4.1.

(d) Securitization of receivables

	Consolidated	
	3/31/2022	12/31/2021
Notes receivable from the SPE	259,989	166,903
Capital contribution in the SPE	26,977	43,712
Total assets	286,966	210,615
Security guarantee	(52,559)	(78,291)
Junior note guarantee losses	(18,241)	(15,575)
Total liabilities	(70,800)	(93,866)
Net carrying amount of the involvement	216,166	116,749

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11 Inventory

(a) Analysis

	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Finished products	48,726	46,535	175,188	283,861
Semi-finished products	299,046	298,758	952,385	907,210
Raw materials	65,504	67,360	315,232	403,172
Fuels	352,237	229,013	714,313	511,842
Auxiliary materials and consumables	47,766	46,758	98,247	188,758
Maintenance materials	153,627	143,329	719,969	682,308
Imports in transit	1,264	345	70,347	84,070
Other	14,164	2,756	72,637	59,354
Provision for inventory losses (i)	(53,176)	(52,942)	(224,615)	(258,529)
	<u>929,158</u>	<u>781,912</u>	<u>2,893,703</u>	<u>2,862,046</u>

(i) The provision for inventory losses refers mainly to slow-moving materials.

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(b) Changes in the provision for inventory losses

						Parent company	
						1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
	Finished products	Semi-finished- products	Raw materials and fuels	Auxiliary materials and consumables	Maintenance materials and other	Total	Total
Balance at the beginning of the period	(447)	(20,698)	(1,141)	(3,982)	(26,674)	(52,942)	(66,591)
Additions	(155)	(369)	(1,022)	(623)	(1,017)	(3,186)	(7,598)
Reversals and write-offs	129	1,436	193	407	787	2,952	4,021
Balance at the end of the period	(473)	(19,631)	(1,970)	(4,198)	(26,904)	(53,176)	(70,168)

						Consolidated	
						1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
	Finished products	Semi-finished- products	Raw materials and fuels	Auxiliary materials and consumable	Maintenance materials and other	Total	Total
Balance at the beginning of the period	(5,747)	(40,160)	(19,194)	(35,043)	(158,385)	(258,529)	(236,259)
Additions	(281)	(1,995)	(1,061)	(1,162)	(6,221)	(10,720)	(15,933)
Reversals and write-offs	588	4,314	231	540	10,076	15,749	7,729
Exchange rate variations	390	2,451	120		25,924	28,885	(12,277)
Balance at the end of the period	(5,050)	(35,390)	(19,904)	(35,665)	(128,606)	(224,615)	(256,740)

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12 Taxes recoverable

	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Social Contribution on Revenue ("COFINS") (i)	185,466	217,612	398,134	438,394
Social Integration Program ("PIS") (i)	49,078	89,223	89,508	131,983
State Value-added Tax on Sales and Services ("ICMS")	28,142	40,715	61,855	68,718
Value-added Tax ("VAT") (foreign companies) (ii)			84,178	82,271
State Value-added Tax on Sales and Services on PP&E	20,947	25,073	27,062	31,620
Excise Tax ("IPI")	46,443	27,168	55,252	33,189
Other (ii)	27,968	29,783	79,952	75,730
	<u>358,044</u>	<u>429,574</u>	<u>795,941</u>	<u>861,905</u>
Current	266,689	332,931	633,125	682,175
Non-current	91,355	96,643	162,816	179,730
	<u>358,044</u>	<u>429,574</u>	<u>795,941</u>	<u>861,905</u>

- (i) The balances refer mainly to tax credits related to the exclusion of ICMS from the calculation basis of PIS and COFINS once the Company was made aware of a final and unappealable decision in a lawsuit filed by the Company;
- (ii) At December 31, 2021, the amount of R\$12,760 in the consolidated, previously presented as "Other", is now presented in the line "Value Added Tax - VAT".

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13 Related parties

(a) Asset and liability balances

	Parent company															
	Cash, financial investment and derivatives, net		Trade receivable		Dividends receivable		Other assets		Trade payables		Lease liabilities		Dividends payable (iv)		Other liabilities	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Parent																
Votorantim S.A.									7,716	5,919	6,634	6,922	308,173	845,727		
Subsidiaries, associates or joint ventures																
Banco Votorantim S.A.	39,941	364,758														
Calmit Mineração e Participações Ltda.							2,192	2,192								
Citrosuco S.A. Agroindústria			14	14												
Companhia Brasileira de Alumínio			391	470					1,216	11					14,513	15,371
Fazenda São Miguel Ltda.									491	613						
Itacamba Cimentos S.A.			654	622												
Juntos Somos Mais Fidelização S.A.									2,228	2,223						
Auren Energia S.A. (i)							31,786								44,289	
Motz Transporte Ltda. (ii)								15,173	21,119	12,393						
Nexa Resources S.A.			726	311											2,130	2,130
Pedreira Pedra Negra Ltda.									988	988					5,498	5,498
Supermix Concreto S.A.			26,301	19,873												
Votener - Votorantim Comercializadora de Energia Ltda.									48,335	38,363						
Votorantim Cimentos EAA Inversiones, S.L.			1,890	1,890												2,657
Votorantim Cimentos N/NE S.A.			16,157	23,986	34,282	89,697	6,600	6,600	1,470	1,165						
Votorantim Cement Trading S.L.			2,369	338												
Other			1,474	1,334			684	678	2,034	1,069						1,229
	39,941	364,758	49,976	48,838	34,282	89,697	41,262	24,643	85,597	62,744	6,634	6,922	308,173	845,727	66,430	26,885
Current liabilities	39,941	364,758	49,976	48,838	34,282	89,697			85,597	62,744						
Non-current assets							41,262	24,643			6,634	6,922	308,173	845,727	66,430	26,885
	39,941	364,758	49,976	48,838	34,282	89,697	41,262	24,643	85,597	62,744	6,634	6,922	308,173	845,727	66,430	26,885

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	Consolidated											
	Cash, financial investments and derivatives, net		Trade receivables		Other assets		Trade payables		Dividends payable (iv)		Other liabilities	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Parent												
Votorantim S.A.					3,319	3,319	8,811	6,069	308,300	845,855		
Associates or joint ventures												
Banco Votorantim S.A.	36,526	378,014										
Auren Energia S.A. (ii)					31,786						44,289	
Cementos Avellaneda S.A.			2,406	2,825			166	261				
Cementos Especiales de las Islas, S.A.							88	45				
Cementos Granadilla			2,722	2,535			2,204	1,969				
Citrosuco S.A. Agroindústria			14	14								
Companhia Brasileira de Alumínio			391	470			1,229	23			14,514	15,370
Juntos Somos Mais Fidelização S.A.							2,228	2,223				
Midway Group LLC			369	3,022			472	5,388				
Nexa Resources S.A.			726	311							2,130	2,130
Supermix Concreto S.A.			29,912	24,448								
VCNA SPE, LCC (iii)					286,966	210,615					70,800	93,866
Votener - Votorantim Comercializadora de Energia Ltda.							48,335	54,674				
Other			1,015	405	420	420	1,612	1,653				
	36,526	378,014	37,555	34,030	322,491	214,354	65,145	72,305	308,300	845,855	131,733	111,366
Total non-controlling interests									1,139	1,402		
Current liabilities	39,438	380,954	37,555	34,030			65,145	72,305	309,439	847,257		
Non-current assets	(2,912)	(2,940)			322,491	214,354					131,733	111,366
	36,526	378,014	37,555	34,030	322,491	214,354	65,145	72,305	309,439	847,257	131,733	111,366

- (i) Refers to the acquisition of 49% of the total share capital of Ventos de Santo Ângelo Energias Renováveis S.A. ("Ventos de Santo Ângelo"), described in Note 3.3.
- (ii) The balances of other assets with Motz Transportes Ltda. (formerly MOV C Transportes Ltda.) refer to advances for general cargo loading, unloading and road transport services. At March 31, 2022, the balance is zero considering that advances have been offset against invoices.
- (iii) Other assets and other liabilities with VCNA SPE, LCC are related to the securitization of receivables (Note 10(d)).
- (iv) On December 13, 2021, the Company's Board of Directors approved the distribution of dividends in the amount of R\$534,643 from the retained earnings reserve account, which were paid to shareholders in February 2022.

Notes to the parent company and consolidated condensed interim financial statements at March 31, 2022

All amounts in thousands of reais unless otherwise stated

(b) Profit or loss balances

	Parent company					
	Sales		Purchases		Financial income (expenses)	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Parent						
Votorantim S.A. (i)			14,322	4,409		
Subsidiaries, associates or joint ventures						
Companhia Brasileira de Alumínio					(275)	(77)
Fazenda São Miguel Ltda.			1,657	1,222		
Juntos Somos Mais Fidelização S.A.			6,937	5,235		
Motz Transporte Ltda. (ii)			214,781	123,890		
Nexa Resources S.A.		38				
Supermix Concreto S.A. (iii)	73,341	53,983				
Votener - Votorantim Comercializadora de Energia Ltda. (iv)			37,866	59,370		
Votorantim Cimentos N/NE S.A.	13,577	14,217	2,009	4,998	(349)	(3,175)
VCNA SPE, LCC					6,231	
Other	1,231	653	2,187	2,272	7	1
	<u>88,149</u>	<u>68,891</u>	<u>279,759</u>	<u>201,396</u>	<u>5,614</u>	<u>(3,251)</u>

	Consolidated					
	Sales		Purchases		Financial income (expenses)	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Parent						
Votorantim S.A. (i)			17,035	5,248		
Associates or joint ventures						
Cementos Especiales de las Islas, S.A.	5,395	5,608	320	271		
Cementos Granadilla	6,528	6,198		45		
Companhia Brasileira de Alumínio					(275)	(77)
Juntos Somos Mais Fidelização S.A.			6,937	5,235		
Midway Group LLC	2,276	3,749				
Nexa Resources S.A.		38				
Superior Materials Holdings, LLC (v)		24,206				
Supermix Concreto S.A. (iii)	85,849	66,999				
Votener - Votorantim Comercializadora de Energia Ltda. (iv)	26,955	3,884	61,741	91,079		
VCNA SPE, LCC					(7,611)	22,730
Other	3,533	722	3,139	1,892	3	(543)
	<u>130,536</u>	<u>111,404</u>	<u>89,172</u>	<u>103,770</u>	<u>(7,883)</u>	<u>22,110</u>

- (i) Refers to shared activities by the Excellence Center of VSA related to administrative activities, human resources, accounting, taxes, technical assistance and IT. These activities are provided to all Votorantim Group companies, and VSA is reimbursed based on the proportion of the cost of the activities performed to the Company.
- (ii) Refers to the provision of cargo loading, unloading and cargo road transport services in general.
- (iii) Refers to sale of cement and aggregates to Supermix Concreto S.A
- (iv) Refers to purchases of electric power from Votener - Votorantim Comercializadora de Energia Ltda.
- (v) Refers to sale of cement and aggregates to Superior Materials. This entity became a subsidiary of the Company in July 2021, and has been fully consolidated since that date.

Notes to the parent company and consolidated condensed interim financial statements at March 31, 2022
All amounts in thousands of reais unless otherwise stated

14 Judicial deposits

	3/31/2022			Parent company 12/31/2021		
	Judicial deposits classified in assets without provision	Judicial deposits classified in liabilities with provision	Total Judicial deposits	Judicial deposits classified in assets without provision	Judicial deposits classified in liabilities with provision	Total Judicial deposits
Tax	57,174	81,578	138,752	55,816	80,603	136,419
Civil	1,488	11,948	13,436	1,455	11,805	13,260
Labor		56,112	56,112		55,638	55,638
Environmental	883	545	1,428	870	541	1,411
	59,545	150,183	209,728	58,141	148,587	206,728

	3/31/2022			Consolidated 12/31/2021		
	Judicial deposits classified in assets without provision	Judicial deposits classified in liabilities with provision	Total Judicial deposits	Judicial deposits classified in assets without provision	Judicial deposits classified in liabilities with provision	Total Judicial deposits
Tax	148,693	98,396	247,089	144,017	97,224	241,241
Civil	2,251	13,719	15,970	2,139	13,553	15,692
Labor	156	69,271	69,427	176	69,137	69,313
Environmental	910	545	1,455	897	541	1,438
	152,010	181,931	333,941	147,229	180,455	327,684

15 Business combination

During 2021, the Company completed the acquisition of four new businesses: (i) McInnis Cement Inc., a Canadian cement producer, (ii) Superior Materials, a concrete company located in Detroit, United States of America ("USA"), in which the Company already held 50% as a joint venture, (iii) the aggregates business of Valley View Industries located in Chicago, USA, and (iv) Cementos Balboa, a cement producer located in southern Spain. The details of these business combinations, as well as the provisional balances of fair value of the assets and liabilities acquired, were disclosed in Note 17 to the individual and consolidated financial statements for the year ended December 31, 2021.

The exercise of the purchase price allocation for each of the business combinations is still being completed, and to date the provisional balances previously disclosed have not been subject to adjustment, therefore, no impact has been accounted for in these condensed interim financial statements as a result of these business combinations.

It is important to note that, considering that all Business Combinations occurred after the first quarter of 2021, some notes to these consolidated financial statements present significant variations when comparing the first quarter of 2022 with the first quarter of 2021.

**Notes to the parent company and consolidated
condensed interim financial statements at March 31, 2022**

All amounts in thousands of reais unless otherwise stated

16 Investments
(a) Analysis

	Information as at March 31, 2022			Investments accounted for using the equity method		Parent company	
				Balance		3/31/2022	12/31/2021
	Net equity	Profit (loss) for the period	Percentage of voting and total capital	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021		
Investments accounted for using equity method							
Subsidiaries and associates							
Votorantim Cimentos International S.A.	9,105,207	(293,613)	100.00	(293,613)	(9,654)	9,105,207	10,901,536
Votorantim Cimentos N/NE S.A.	1,906,058	2,256	100.00	2,256	111,254	1,906,058	1,837,887
Silcar Empreendimentos Comércio e Participações Ltda.	93,796	593	100.00	593	3,825	93,796	93,203
Motz Transporte Ltda.	52,614	9,781	100.00	9,781	5,425	52,614	42,816
Other investments				2,072	(527)	18,195	16,413
Joint venture							
Juntos Somos Mais Fidelização S.A.	53,994	(34,120)	45.00	(15,354)	(3,774)	24,297	39,651
Investments accounted for at cost						5,060	5,061
				(294,265)	106,549	11,205,227	12,936,567

Notes to the parent company and consolidated condensed interim financial statements at March 31, 2022

All amounts in thousands of reais unless otherwise stated

							Consolidated
	Information as at March 31, 2022			Investments accounted for using the equity method		Balance	
	Net equity	Profit (loss) for the period	Percentage of voting and total capital (%)	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	3/31/2022	12/31/2021
Investments accounted for using equity method							
Associates							
Votorantim Cimentos Internacional S.A.							
Cementos Avellaneda S.A. (i)	1,289,032	79,529	49.00	30,919	24,307	631,626	676,367
Cementos Especiales de las Islas S.A.	225,212	29,404	50.00	14,702	15,438	112,606	119,617
Silcar Empreendimentos Comércio e Participações Ltda.							
Supermix Concreto S.A.	282,616	(21)	25.00	(5)	3,257	70,654	70,659
Imix Empreendimentos Imobiliários Ltda.	10,451	1,639	25.00	410	368	2,613	3,403
Joint ventures - St. Marys							
Superior Materials Holdings, LLC (ii)					(2,654)		
Hutton Transport Limited	45,868	881	25.00	220	449	11,467	17,910
Midway Group, LLC	68,268	(4,113)	50.00	(2,057)	(1,587)	34,134	42,398
RMC Leasing LLC	43,826	410	50.00	205	73	21,913	25,592
Joint venture - VCSA							
Juntos Somos Mais Fidelização S.A.	53,994	(34,120)	45.00	(15,354)	(3,774)	24,297	39,651
Other investments				196	172	55,697	65,236
				29,236	36,049	965,007	1,060,833
Goodwill							
Cementos Avellaneda S.A.						231,098	255,505
Hutton Transport Limited						11,286	12,763
				29,236	36,049	1,207,391	1,329,101

- (i) There was an effect due to the exchange rate on the remittance of dividends received by VC Latam from its associate Avellaneda, in the amount of R\$ 8,051 (December 31, 2021- R\$ 98,468), which were assumed by the subsidiary VC Latam and accounted for in the statement of income under "Equity method investments". This financial cost should be considered when reconciling the equity in the results of this investee for 2021.
- (ii) As described in Note 17.3 to the individual and consolidated financial statements for the year ended December 31, 2021, Superior Materials became a subsidiary in July 2021, therefore, the aforementioned amounts include the equity in the results of this entity up to the date of its consolidation.

Notes to the parent company and consolidated condensed interim financial statements at March 31, 2022

All amounts in thousands of reais unless otherwise stated

(b) Changes

	Note	Parent company		Consolidated	
		1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Balance at the beginning of the period		12,936,567	9,501,107	1,329,101	1,235,947
Equity in the results of the investees		(294,265)	106,549	29,236	36,049
Approved dividends (i)			(244,301)	(21,572)	(75,674)
Currency translation of investments in foreign operations	24(b)	(1,744,532)	487,691	(263,524)	36,314
Exchange variation on hedge accounting of net investments in foreign operations	24(b)	21,691	33,313		
Inflation adjustment for hyperinflationary economies(ii)	24(b)	126,661	94,027	126,099	93,417
Change in the opening balance of VCNNE's equity for 2021 (iii)		66,214			
Capital increase - Votorantim Cimentos International S.A. (iv)		100,000			
Effect on subsidiaries of the financial instruments classified at fair value through "Other comprehensive income" of investees		160	4,371		
Effect on subsidiaries of the credit risk of the debt measured at fair value recorded in other comprehensive income of investee		(537)	(7,401)		
Financial costs assumed by VC Latam on conversion of approved dividends in local currency by investee in Argentina	17(a)(i)			8,051	14,799
Other		(6,732)	(3,983)		11,235
Balance at the end of the period		<u>11,205,227</u>	<u>9,971,373</u>	<u>1,207,391</u>	<u>1,352,087</u>

The main dividends approved were as follows:

- (i) The management of the associate Avellaneda approved the distribution of dividends from the profits for prior years, which total R\$ 34,152 (ARS 800,000), with the portion due to its holding, the subsidiary VC Latam, amounting to R\$16,734, equivalent to its interest in the investee. This total amount of dividends distributed does not include the financial costs of transfer presented separately in the note above, in the consolidated column, and explained in Note 16 (c) (ii).

The management of the associate Imix Empreendimentos Imobiliários Ltda. approved the distribution of profits to its shareholders, related to prior years, totaling R\$ 4,800.

The management of the associate Hutton Transport Limited approved the distribution of profits to its shareholders, related to prior years, in the total amount of R\$ 15,022 (USD 3,171).

- (ii) The hyperinflationary economy adjustments include the variations of goodwill of associate Avellaneda and the other effects of hyperinflation in the balance sheets of this investee located in Argentina.
- (iii) In 2021, the subsidiary VCNNE deliberated several interim dividends based on provisional balances for the same year. At the time of preparation of the subsidiary's individual financial statements and based on the final result for the year 2021, which occurred after the issue of the Company's financial statements, we identified that the dividends distributed exceeded the amounts determined in the bylaws, and (i) the amount of R\$ 55,414, initially constituted, was distributed in the form of minimum mandatory dividends and, (ii) the amount of R\$ 10,800 distributed in the form of interim dividends was reversed in the form of a loan.
- (iv) During the three-month period ended March 31, 2022, the Company increased the capital of the subsidiary Votorantim Cimentos International S.A. (VCI) through monetary contribution in the total amount of R\$ 100,000 (USD 19,436). The total amount was accounted for as an increase in equity in VCI's premium share account, without the issuance of new shares.

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17 Property, plant and equipment

(a) Analysis

								Parent company	
								1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
	Land and improvements	Buildings	Machinery, equipment and facilities	Vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total	Total
Balance at the beginning of the period									
Amortized	376,259	1,380,915	7,063,503	272,874	58,957	265,317	43,078	9,460,903	9,300,928
Accumulated depreciation	(48,062)	(638,932)	(3,847,923)	(242,699)	(53,913)		(21,701)	(4,853,230)	(4,577,758)
Net balance	328,197	741,983	3,215,580	30,175	5,044	265,317	21,377	4,607,673	4,723,170
Acquisitions			1,267			63,761		65,028	38,730
Disposals			(185)	(5)				(190)	(2,998)
Depreciation	(676)	(5,929)	(64,018)	(3,183)	(571)		(525)	(74,902)	(75,321)
Reclassification of assets held for sale	(678)							(678)	
Transfers to intangible									(11,928)
Transfers	10	(10)	7,643	772		(8,415)			(26,428)
Balance at the end of the period	326,853	736,044	3,160,287	27,759	4,473	320,663	20,852	4,596,931	4,645,225
Amortized	375,591	1,380,905	7,070,959	273,413	58,935	320,663	43,078	9,523,544	9,297,386
Accumulated depreciation	(48,738)	(644,861)	(3,910,672)	(245,654)	(54,462)		(22,226)	(4,926,613)	(4,652,161)
Net balance at the end of the period	326,853	736,044	3,160,287	27,759	4,473	320,663	20,852	4,596,931	4,645,225
Average annual depreciation rates - %	1	2	5	20	10		2		

**Notes to the parent company and consolidated
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All amounts in thousands of reais unless otherwise stated

									Consolidated
									1/1/2021 to 3/31/2021
									1/1/2022 to 3/31/2022
	Land and improvements	Buildings	Machinery, equipment and facilities	Vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Other	Total
Balance at the beginning of the period									Total
Amortized	1,603,343	7,996,069	27,990,863	1,747,959	260,677	1,273,979	818,752	85,888	41,777,530
Accumulated depreciation	(68,009)	(3,992,161)	(17,448,110)	(1,181,481)	(223,897)		(534,893)	(61,151)	(23,509,702)
Net balance	1,535,334	4,003,908	10,542,753	566,478	36,780	1,273,979	283,859	24,737	18,267,828
Acquisitions	718	96	2,902		36	215,735		649	220,136
Disposals	(16,018)	(102)	(4,889)	(12)	(36)				(21,057)
Depreciation	(1,171)	(44,780)	(245,054)	(29,205)	(2,927)		(8,843)		(331,980)
Exchange variation	(152,712)	(421,006)	(842,333)	(77,711)	(4,465)	(118,875)	(35,865)		(1,652,967)
Reclassification of assets held for sale	(678)								(678)
Transfer to intangible						(26,965)			(26,965)
Transfers	2,811	3,733	96,281	20,600	(978)	(122,770)	323		(25,995)
Balance at the end of the period	1,368,284	3,541,849	9,549,660	480,150	28,410	1,221,104	239,474	25,386	16,454,317
Amortized	1,437,464	7,078,437	25,287,008	1,549,728	228,395	1,221,104	709,259	86,537	37,597,932
Accumulated depreciation	(69,180)	(3,536,588)	(15,737,348)	(1,069,578)	(199,985)		(469,785)	(61,151)	(21,143,615)
Net balance at the end of the period	1,368,284	3,541,849	9,549,660	480,150	28,410	1,221,104	239,474	25,386	16,454,317
Average annual depreciation rates - %	1	3	6	15	12		9		

**Notes to the parent company and consolidated
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All amounts in thousands of reais unless otherwise stated

(b) Construction in progress

The balance of construction in progress relates to projects for the expansion and optimization of the Company's industrial units.

	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
<i>Sustaining (i)</i>	129,806	120,957	540,730	612,504
Industrial modernization (ii)	40,724	33,756	276,094	325,475
Environment and safety	38,468	32,903	75,728	77,395
New unit in Sobral - CE			69,513	69,513
Coprocessing lines (iii)	43,971	43,381	55,735	54,718
Expansion (iv)	7,387	6,971	18,187	10,752
<i>Hardware and software</i>	8,161	8,007	85,959	75,024
Geology and mining rights	25,253	9,433	58,367	15,388
Cement milling in Pécem - CE (v)				1,695
Other	26,893	9,909	40,792	31,515
	<u>320,663</u>	<u>265,317</u>	<u>1,221,104</u>	<u>1,273,979</u>

- (i) Investments in sustaining represents the acquisition or replacement of industrial machinery and equipment linked to the operation of factories and mines, with the purpose of guaranteeing the continuity of the plants using the same or new technologies.
- (ii) Investments in industrial modernization are mainly made to generate financial benefits through the use of new technologies or the optimization of equipment and processes leading to reductions in costs and/or the leveraging of revenue.
- (iii) Investments in co-processing were related to a technology for the use of industrial waste, used tires and other inputs or materials as fuel for cement plants properly licensed for this purpose. This technology is also a form of final disposal of waste, eliminating various environmental liabilities.
- (iv) Expansion investments consist of building, adding or improving the Company's assets, with a view to increasing installed capacity, launching new products or entering new markets.
- (v) The reduction of the project balance is due to the reclassification of ready-to-use assets to the classes of property, plant and equipment corresponding to their nature. A new cement grinding unit in Pécem-CE started the pre-operation phase in July 2021, with an additional capacity of 800 thousand tons of production, totaling 1 million tons of cement per year. The plant has state-of-the-art equipment, which prioritizes energy efficiency, safety, and industrial automation.

During the three-month period ended March 31, 2021, borrowing costs capitalized as part of construction in progress totaled R\$1,320 in the parent company (March 31, 2021 - R\$136) and R\$5,524 in the consolidated (March 31, 2021 - R\$1,573).

For companies located in Brazil, the capitalization rate used was 8.23% p.a. (4.14% - March 31, 2021). For the project described in Note 3.1 to the financial statements at December 31, 2021 in Uruguay, as it has a specific loan to carry out the project, the capitalization of interest on borrowings is directly recognized in construction in progress.

Notes to the parent company and consolidated
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18 Intangible assets

							Parent company	
							1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
	Exploration rights over natural resources	Goodwill	ARO and terms of commitment	Software	Intangible assets In progress	Other	Total	Total
Balance at the beginning of the period								
Amortized	1,014,037	75,882	98,618	265,124		2,987	1,456,648	1,408,055
Accumulated amortization and depletion	(560,272)		(43,764)	(208,841)		(302)	(813,179)	(750,431)
Net balance	453,765	75,882	54,854	56,283		2,685	643,469	657,624
Additions (i)					27,015		27,015	2
Disposals								(521)
Amortization and depletion	(10,465)		(647)	(5,209)		(259)	(16,580)	(17,221)
Provision for impairment								(2)
Transfers from property, plant and equipment								11,928
Transfers				8,768	(8,768)			
Balance at the end of the period	443,300	75,882	54,207	59,842	18,247	2,426	653,904	651,810
Amortized	1,014,037	75,882	98,618	273,893	18,247	2,987	1,483,664	1,419,453
Accumulated amortization and depletion	(570,737)		(44,411)	(214,051)		(561)	(829,760)	(767,643)
Net balance at the end of the period	443,300	75,882	54,207	59,842	18,247	2,426	653,904	651,810
Average annual amortization and depletion rates - %	3		3	20				

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									Consolidated
									1/1/2022 to 3/31/2022
	Exploration rights over natural resources	Goodwill	Use of public asset and renegotiation of hydrological risk	ARO and terms of commitment	Contractual customer relationships and agreements	Software	Intangible assets in progress	Other	Total
									Total
Balance at the beginning of the period									
Amortized	4,831,954	5,349,707	256,171	610,501	713,913	528,284		257,499	12,548,029
Accumulated amortization and depletion	(1,899,779)		(105,599)	(236,973)	(407,463)	(425,601)		(22,504)	(3,097,919)
Net balance	2,932,175	5,349,707	150,572	373,528	306,450	102,683		234,995	9,450,110
Additions (i)						103	39,679	123	39,905
Disposals	(5,727)			(140)					(5,867)
Amortization and depletion	(31,872)		(1,685)	(3,259)	(11,549)	(10,924)		(398)	(59,687)
Exchange variations	(313,681)	(815,264)		(44,552)	(42,403)	(8,519)	(1,073)	(36,580)	(1,262,072)
Review of provision due to change in estimate				(7,015)					(7,015)
Provision for impairment									(2)
Transfers from property, plant and equipment							26,965		26,965
Transfers	(6,339)			11,219	(3,617)	34,119	(35,735)	353	
Balance at the end of the period	2,574,556	4,534,443	148,887	329,781	248,881	117,462	29,836	198,493	8,182,339
Amortized	4,301,186	4,534,443	256,171	542,357	605,503	521,273	29,836	218,058	11,008,827
Accumulated amortization and depletion	(1,726,630)		(107,284)	(212,576)	(356,622)	(403,811)		(19,565)	(2,826,488)
Net balance at the end of the period	2,574,556	4,534,443	148,887	329,781	248,881	117,462	29,836	198,493	8,182,339
Average annual amortization and depletion rates - %	4		3	9	7	21			

(i) The additions in "Intangible assets in progress" refer mainly to the removal of stripping costs to access new deposits in operating mines and software projects.

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19 Right-of-use assets on lease agreements
(a) Analysis and changes of right-of-use asset

					Parent company
					1/1/2021 to 3/31/2021
				1/1/2022 to 3/31/2022	
	Buildings	Machinery and equipment	Vehicles	Total	Total
Balance at the beginning of the period					
Amortized	117,037	69,945	6,654	193,636	160,049
Accumulated amortization	(71,497)	(44,505)	(4,491)	(120,493)	(80,264)
Net balance	45,540	25,440	2,163	73,143	79,785
Additions	7,054			7,054	2,700
Amortization	(5,172)	(4,178)	(361)	(9,711)	(10,387)
Balance at the end of the period	47,422	21,262	1,802	70,486	72,098
Amortized	124,091	69,946	6,653	200,690	162,749
Accumulated amortization	(76,669)	(48,684)	(4,851)	(130,204)	(90,651)
Net balance at the end of the period	47,422	21,262	1,802	70,486	72,098
Average annual amortization rates - %	16	25	33		

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							1/1/2022 to 3/31/2022	Consolidated 1/1/2021 to 3/31/2021
	Lands	Buildings	Machinery and equipment	Vehicles	Vessels	IT equipment	Total	Total
Balance at the beginning of the period								
Cost (i)	570,192	163,003	265,918	231,006	855,566	1,097	2,086,782	871,839
Accumulated amortization	(68,088)	(93,498)	(156,558)	(150,858)	(265,893)	(295)	(735,190)	(337,850)
Net balance	502,104	69,505	109,360	80,148	589,673	802	1,351,592	533,989
Additions	1,090	8,529	12,813	642			23,074	64,165
Amortization	(6,767)	(6,938)	(19,344)	(9,661)	(26,736)	(49)	(69,495)	(44,319)
Exchange variations	(69,919)	(2,986)	(6,871)	(6,204)	(104,010)	(130)	(190,120)	39,559
Balance at the end of the period	426,508	68,110	95,958	64,925	458,927	623	1,115,051	593,394
Amortized	480,119	166,434	241,970	183,575	627,112	912	1,700,122	997,562
Accumulated amortization	(53,611)	(98,324)	(146,012)	(118,650)	(168,185)	(289)	(585,071)	(404,168)
Net balance at the end of the period	426,508	68,110	95,958	64,925	458,927	623	1,115,051	593,394
Average annual amortization rates - %	4	13	25	23	9	34		

- (i) As a result of the Purchase Price Allocation ("PPA") of the business combination disclosed in Note 17.1 to the individual and consolidated financial statements for the year ended December 31, 2021, the subsidiary St. Marys reclassified from the initial cost of the "Vessels" class the amounts of R\$ 193,013 to the "Land" class and R\$ 1,714 to the "Machinery and equipment" class. Additionally, the amount of R\$ 16,648 was reclassified from the "Vehicles" class to the "Machinery and equipment" class. These reclassifications did not generate changes in the total closing balance at the beginning of the period, but only between classes.

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(b) Analysis and changes of lease liabilities

	Parent company		Consolidated	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Balance at the beginning of the period	74,638	83,615	1,367,885	554,193
Additions	7,054	2,700	23,074	64,165
Payments	(11,019)	(13,318)	(48,049)	(46,879)
Present value adjustments	1,100	1,270	2,163	2,603
Exchange variations			(188,313)	41,942
Balance at the end of the period	<u>71,773</u>	<u>74,267</u>	<u>1,156,760</u>	<u>616,024</u>
Current	2,154	2,936	175,493	130,218
Non-current	69,619	71,331	981,267	485,806
	<u>71,773</u>	<u>74,267</u>	<u>1,156,760</u>	<u>616,024</u>

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20 Borrowings

(a) Analysis and fair value

								Parent company	
		Current		Non-current		Total		Fair value (ii)	
Type	Average annual cost	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Local currency									
Debentures	112.00% CDI/CDI + 1.50%	30,744	27,722	1,311,614	1,311,070	1,342,358	1,338,792	1,337,891	1,370,416
Debentures CRI	IPCA + 4.08%	4,244	3,661	689,968	673,949	694,212	677,610	641,261	630,940
FINAME	2.99% Pre BRL	5,955	6,856	1,116	1,948	7,071	8,804	6,687	8,327
		40,943	38,239	2,002,698	1,986,967	2,043,641	2,025,206	1,985,839	2,009,683
Foreign currency									
Loans - Law 4,131/1962 (i)	LIBOR + 1.01%/1.90% Pre USD	1,409	1,467	1,174,802	1,386,352	1,176,211	1,387,819	1,168,227	1,388,561
		42,352	39,706	3,177,500	3,373,319	3,219,852	3,413,025	3,154,066	3,398,244
Interest on borrowing		40,028	36,401						
Current portion of long-term borrowing (principal)		2,324	3,305						
		42,352	39,706						

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								Consolidated	
		Current		Non-current		Total		Fair value (ii)	
Type	Average annual cost	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Local currency									
Debentures	112.00% CDI/CDI + 1.50%	30,744	27,722	1,311,614	1,311,070	1,342,358	1,338,792	1,337,891	1,370,416
Debentures CRI	IPCA + 4.08%	6,406	5,524	1,045,249	1,020,973	1,051,655	1,026,497	971,428	955,784
BNB	IPCA + 1.54%	10,716	8,747	70,457	69,223	81,173	77,970	80,537	79,711
FINAME	3.78% Pre BRL	7,252	8,154	2,665	3,820	9,917	11,974	9,324	11,295
Other		4,978	5,108	7,530	7,223	12,508	12,331	12,304	12,226
		60,096	55,255	2,437,515	2,412,309	2,497,611	2,467,564	2,411,484	2,429,432
In foreign currency									
Eurobonds - USD	6.54% Pre USD	108,229	115,453	4,930,209	5,945,646	5,038,438	6,061,099	5,691,404	7,413,476
Loans - Law 4,131/1962 (i)	LIBOR + 0.97%/1.90% Pre USD	2,211	2,168	1,414,336	1,664,781	1,416,547	1,666,949	1,408,564	1,667,693
	5.55% Pre BOB/14.65% Pre TRY/CDOR + 0.96%/9.41% Fixed rate UYU/EURIBOR + 1.62%/								
Syndicated loans/Bilateral agreements	LIBOR + 0.96%/1.65% Pre EUR	72,624	81,190	1,652,383	1,654,412	1,725,007	1,735,602	1,657,302	1,762,082
Local issuance in Bolivia - BOB	5.38% Pre BOB	5,885	1,045	371,719	437,226	377,604	438,271	286,670	345,844
Other		6,208	7,272	8,510	17,878	14,718	25,150	14,457	24,771
		195,157	207,128	8,377,157	9,719,943	8,572,314	9,927,071	9,058,397	11,213,866
		255,253	262,383	10,814,672	12,132,252	11,069,925	12,394,635	11,469,881	13,643,298
Interest on borrowing		176,558	175,809						
Current portion of long-term borrowing (principal)		72,881	74,272						
Short-term borrowing (principal)		5,814	12,302						
		255,253	262,383						

CDI	- Interbank Deposit Certificate.
IPCA	- Extended Consumer Price Index.
FINAME	- Financing of new machinery and equipment manufactured in Brazil at subsidized rates
LIBOR	- London Interbank Offered Rate.
R\$	- Reais.
BOB	- Boliviano.
EUR	- Euro.
USD	- US Dollar.
TRY	- Turkish Lira.
CAD	- Canadian Dollar.
CDOR	- Canadian Dollar Offered Rate.
UYU	- Uruguayan Peso.

- (i) Borrowing under Law 4,131/1962 includes a swap agreement (derivative financial instruments) aimed at exchanging a floating LIBOR rate for a floating CDI rate, and US Dollars for Brazilian Reais. The accounting policy for these instruments is described in Note 22(a) to the financial statements at December 31, 2021.

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- (ii) The fair value of bonds is the unit price on the last trading day at the end of the reporting period multiplied by the quantity issued for other loans and financing, fair value is based on the amount of contractual cash flows and the discount rate used is based on the rate for contracting of a new transaction in similar conditions or in the lack thereof, on the future curve for the flow of each obligation.

(b) Maturity profile

The balances presented below do not reconcile with the balances presented in the previous table (Note 20(a)), considering that funding costs, fair value adjustment and credit risk adjustment are not included.

	2022	2023	2024	2025	2026	2027	2028	2029	2030 onwards	Parent company Total
In local currency										
Debentures	32,678			366,890	450,000		500,000			1,349,568
Debentures CRI	5,931					137,045	137,045	137,045	292,706	709,772
FINAME	5,122	1,894	55							7,071
	43,731	1,894	55	366,890	450,000	137,045	637,045	137,045	292,706	2,066,411
% amortized per year	2.12%	0.09%	0.01%	17.75%	21.78%	6.63%	30.83%	6.63%	14.16%	100.00%
In foreign currency										
Loans - Law 4,131/1962 (i)	1,197		94,756	615,914	473,780					1,185,647
% amortized per year	0.10%		7.99%	51.95%	39.96%					100.00%
	44,928	1,894	94,811	982,804	923,780	137,045	637,045	137,045	292,706	3,252,058
% amortized per year	1.38%	0.06%	2.92%	30.22%	28.41%	4.21%	19.59%	4.21%	9.00%	100.00%

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										Consolidated
	2022	2023	2024	2025	2026	2027	2028	2029	Over 2030	Total
Local currency										
Debentures	32,678			366,890	450,000		500,000			1,349,568
Debentures CRI	8,986					207,644	207,644	207,644	443,493	1,075,411
FINAME	6,097	3,179	641							9,917
BNB	8,233	9,946	9,945	9,946	9,955	9,942	9,935	9,962	3,325	81,189
	55,994	13,125	10,586	376,836	459,955	217,586	717,579	217,606	446,818	2,516,085
% amortized per year	2.23%	0.52%	0.42%	14.98%	18.28%	8.65%	28.52%	8.65%	17.75%	100.00%
In foreign currency										
Eurobonds - USD	114,749					2,368,900			2,590,293	5,073,942
Loans - Law 4,131/1962 (i)	1,777		94,756	852,804	473,780					1,423,117
Syndicated loans/Bilateral agreements	62,988	61,871	547,671	49,494	633,763	390,407	1,315			1,747,509
Local issuance in Bolivia - BOB	5,885	12,053	32,141	50,727	58,273	101,978	58,273	58,273		377,603
Other	8,613	10,053	5,710	2,850						27,226
	194,012	83,977	680,278	955,875	1,165,816	2,861,285	59,588	58,273	2,590,293	8,649,397
% amortized per year	2.24%	0.97%	7.87%	11.05%	13.48%	33.08%	0.69%	0.67%	29.95%	100.00%
	250,006	97,102	690,864	1,332,711	1,625,771	3,078,871	777,167	275,879	3,037,111	11,165,482
% amortized per year	2.24%	0.87%	6.19%	11.94%	14.56%	27.57%	6.96%	2.47%	27.20%	100.00%

(i) As per item (i) in letter (a) above.

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(c) Changes

	Note	Parent company		Consolidated	
		1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Balance at the beginning of the period		3,413,025	2,591,856	12,394,635	11,598,906
New borrowing			714,000	316,377	1,143,587
Exchange variations		(195,459)	82,872	(1,507,669)	848,923
Accrued interest		49,061	15,122	161,336	141,693
Interest paid		(45,101)	(17,373)	(142,254)	(105,927)
Amortization of funding costs, net of additions		976	(6,303)	4,332	(10,488)
Fair value adjustments	29	(4,385)	(9,752)	(2,243)	(14,180)
Credit risk of debts measured at fair value		3,558	12,264	4,784	22,401
Payments		(1,732)	(401,361)	(159,282)	(862,611)
Gain on renegotiation of debts, net amortization	29	(91)	20,663	(91)	20,663
Balance at the end of the period		3,219,852	3,001,988	11,069,925	12,782,967

The main funding and amortizations carried out in the period were as follows:

(a) Repurchase of Voto 41 bonds by VCI

During the first quarter of 2022, the Company repurchased and canceled the balance of USD 25,173 (R\$ 131,984) of principal referring to its bonds due in 2041.

(b) Use of committed credit facility by St. Marys Cement Inc.

During the first quarter of 2022, the subsidiary St. Marys made new withdrawals on the committed credit facility. At March 31, 2022, the amount used from this credit facility was equivalent to USD 103,146 million (R\$ 488,685), considering the exchange rate on the withdrawal dates for Canadian dollar amounts. The amount of USD 186,854 million (R\$ 885,277) remains available to the Company's subsidiaries for further withdrawals.

(d) Analysis by currency

	Parent company					
	Current		Non-current		Total	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Real	40,943	38,239	2,002,698	1,986,967	2,043,641	2,025,206
US Dollar	1,409	1,467	1,174,802	1,386,352	1,176,211	1,387,819
	42,352	39,706	3,177,500	3,373,319	3,219,852	3,413,025

	Consolidated					
	Current		Non-current		Total	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021
US Dollar	110,544	117,621	6,534,057	7,777,843	6,644,601	7,895,464
Real	60,096	55,255	2,437,515	2,412,309	2,497,611	2,467,564
Euro	2,443	(1,509)	950,765	1,147,018	953,208	1,145,509
Boliviano	34,654	35,090	503,102	599,957	537,756	635,047
Canadian Dollar	6,880	7,170	311,415	106,066	318,295	113,236
Uruguayan Pesos	33,841	40,114	74,475	80,594	108,316	120,708
Turkish Lira	6,795	8,642	3,343	8,465	10,138	17,107
	255,253	262,383	10,814,672	12,132,252	11,069,925	12,394,635

(e) Guarantees

At March 31, 2022, R\$ 2,681,582 (December 31, 2021 - R\$ 3,246,774) of the balance of borrowing of the Company was guaranteed by sureties from related parties, as shown in Note 20 (g), while R\$ 252,020 (December 31, 2021 - R\$ 296,844) was collateralized by liens on property, plant and equipment items and mortgages.

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(f) Committed credit facilities

						USD thousands
Credit facilities	Companies	Contract date	Maturity	Contract amount	Released amount	Available amount
Global Revolving Credit Facility	VCSA / VCI / VCEAA / St. Marys	Sept/21	Sept/26	250,000		250,000
Committed Credit Facility	VCI / VCEAA / St. Marys	Aug/19	Aug/24	290,000	(103,146)	186,854
				540,000	(103,146)	436,854

(g) Guarantees of indebtedness of the Company granted by related parties

Instrument	Guarantor	3/31/2022	12/31/2021
Eurobonds - USD (Voto 41)	VSA (100%) / VCSA (100%)	2,681,582	3,246,774

21 Confirming payables

Confirming payables	Deadline	Parent company		Consolidated	
		3/31/2022	12/31/2021	3/31/2022	12/31/2021
Payables - Local suppliers	Up to 180 days	235,756	238,045	302,478	322,230
Payables - Foreign suppliers	Up to 180 days			728,606	643,890
Payables - Foreign suppliers	Up to 360 days			404,911	581,851
		235,756	238,045	1,435,995	1,547,971

22 Current and deferred income tax and social contribution

(a) Reconciliation of income tax and social contribution expenses

The income tax and social contribution amounts presented in the statement of income for the three-month periods ended March 31 are reconciled with their Brazilian statutory rates as follow:

	Parent company		Consolidated	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Profit before taxes	(272,480)	223,800	(319,375)	286,434
Standard rate	34%	34%	34%	34%
Income tax and social contribution at standard rates	92,643	(76,092)	108,588	(97,388)
Adjustment for the calculation of income tax and social contribution at the effective rate				
Equity in the results of investees	(100,050)	36,227	9,940	12,257
Donations and grants for investment	3,334	2,298	12,387	10,939
Realizable portion of deferred taxes on impairment			2,577	6,408
Tax incentives (i)		2,177	1,562	25,439
Credits from CIT/Social Contribution on monetary correction (SELIC) of undue payments (ii)	7,515		(21,243)	
Tax rate difference			(72,407)	505
Tax losses without the creation of deferred tax assets			(61,971)	(32,419)
Other permanent exclusions (additions) net	(2,804)	(5,020)	23,413	14,591
Income tax and social contribution	638	(40,410)	2,846	(59,668)
Current	38,254	(10,427)	(25,060)	(42,995)
Deferred	(37,616)	(29,983)	27,906	(16,673)
Income tax and social contribution in the income statement	638	(40,410)	2,846	(59,668)
Effective rate - %	0.23	18.06	0.89	20.83

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- (i) As per the changes presented in Note 5.5 (a) (iii). These changes reflected changes in the disclosure of the effective rate from 18.64% to 18.06% in the parent Company and from 24.32% to 20.83% in consolidated.
- (ii) The Company and its direct subsidiary VCNNE recorded, in accordance with accounting standards CPC 32 /IAS 12 "Income Taxes" and Technical Interpretation ICPC 22/IFRIC 23 "Uncertainty over Income Tax Treatments", a provision for credits referring to the non-levy of IRPJ and CSLL on the amounts related to the Special System for Settlement and Custody (SELIC) rate received due to the recovery of undue payment. The Company clarifies that this provision refers only to the recovery of the undue payment of claims addressing the exclusion of ICMS from the PIS and COFINS calculation basis. The decision of the Special Appeal (RE) judged by the Federal Supreme Court (STF) on September 24, 2021 is not yet final and unappealable; appeals may yet be filed. The Company and its subsidiary have filed proceedings regarding the subject, for which favorable outcomes are considered probable. In the first quarter of 2022, the analysis of the potential impact of the application of this thesis was carried out, considering all the Company's undue tax payments, for the period from 2017 to 2021, resulting in a addition to the provision in the amount of R\$ 7,515 in the parent company and a reversal in the amount of R\$ 21,243 in the consolidated. Additionally, the Company reclassified the amount of R\$38,254 in the parent company and R\$ 53,829 in the consolidated to the line item "Recoverable income tax and social contribution", and R\$ 157,643 in the parent company and R\$ 177,137 in the consolidated to "Tax credits on tax losses" in deferred taxes.

For periods prior to 2017, the Company has not yet finalized the impact analysis, which is expected to be completed in the second half of 2022, although it is not expected to have material impacts. Also, on April 29, 2022, the motion for clarification of said RE was judged, which is being analyzed by the Company to assess possible impacts.

(b) Analysis of deferred tax balances

	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Tax credits on tax losses	608,292	429,646	1,574,847	1,370,696
Credit referring to non-levy of income tax and social contribution on SELIC of undue payment (I)		188,382		252,209
Tax credits on temporary differences				
Judicial provisions	149,742	144,482	207,821	209,219
Use of public assets			71,213	72,234
Provision for electricity charges	69,908	66,269	70,945	67,238
Provision for profit-sharing, bonuses and collective bargaining agreements	51,527	77,078	63,992	124,588
Provision of CO2			57,399	19,987
Provision for inventory losses	11,866	11,794	52,187	59,108
Deferred exchange variations - effect on profit or loss	32,218	103,769	46,179	132,244
Asset retirement obligation	28,563	27,703	39,241	39,070
Asset impairment provision	35,743	35,743	36,448	36,469
Social security obligations provision			35,708	43,218
Deductions – Legislation in Morocco and Spain (government benefit)			29,033	34,915
Fair value adjustment			24,889	30,606
Financial instrument - firm commitment	19,877	19,012	24,152	23,101
Deferred loss on derivative agreements	13,792		17,084	
Allowance for doubtful accounts	7,039	10,368	15,532	20,882
Fair value adjustment - Law 4,131/1962	2,763	4,285	5,779	6,573
Social benefits				3,200
Other credits	25,435	28,767	47,096	67,931
Tax debts on temporary differences				
Adjustments to the useful lives of property, plant and equipment (depreciation)	(710,989)	(700,465)	(2,052,958)	(2,155,853)
Goodwill on assets incorporated into the cost of property, plant and equipment	(9,652)	(9,927)	(345,281)	(409,892)
Tax amortization of goodwill	(288,912)	(288,912)	(294,682)	(293,600)
Interest capitalized	(26,615)	(27,588)	(50,193)	(51,876)
Renegotiation of hydrological risk			(18,744)	(18,956)
Effect of deferred income tax on hedge accounting - St.Marys			(16,871)	(14,383)
Adjustment to present value	(10,233)	(10,394)	(14,370)	(14,590)
Deferral on credit risk of debts measured at fair value	(5,434)	(5,557)	(7,386)	(7,785)
Deferred gains on derivative agreements		(62,031)		(71,888)
Other debts	(5,323)	(5,324)	(7,461)	(27,569)
Net	(393)	37,100	(388,401)	(452,904)
Net deferred tax assets of the same legal entity		37,100	791,279	912,382
Net deferred tax liabilities of the same legal entity	(393)		(1,179,680)	(1,365,286)

- (i) As per item (ii) in letter (a) above.

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(c) Effects of deferred income tax and social contribution on income for the three-month period ended March 31 and on comprehensive income

	Note	Parent company		Consolidated	
		1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Balance at the beginning of the period		37,100	8,927	(452,904)	(466,445)
Effect on income		(37,616)	(29,983)	27,906	(16,673)
Effect on other components of comprehensive income - hedge accounting	24(b)			(3,784)	(4,781)
Effect on other components of comprehensive income - credit risk of debts measured at fair value	24(b)	123	4,597	399	8,409
Effect of exchange variations on other components of comprehensive income				41,093	(34,406)
Other				(1,111)	1,375
Balance at the end of the period		<u>(393)</u>	<u>(16,459)</u>	<u>(388,401)</u>	<u>(512,521)</u>

**Notes to the parent company and consolidated
condensed interim financial statements at March 31, 2022**

All amounts in thousands of reais unless otherwise stated

(b) Lawsuits with a likelihood of loss considered possible

The Company is party to lawsuits with an expectation of loss classified as possible, and for which the recognition of a provision is not considered necessary by Management, based on legal advice.

The nature of the main lawsuits is described in Note 25 (e) to the parent company and consolidated financial statements for the year ended December 31, 2021.

Nature of the lawsuits	Parent company		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Civil				
Administrative Proceeding (PA) from Brazilian antitrust agency (CADE) and Annulment Action	2,193,592	2,166,587	2,193,592	2,166,587
Civil class actions (ACPs) – from PA	5,712,182	5,587,587	5,712,182	5,587,587
Other lawsuits	402,248	389,594	690,468	647,305
	8,308,022	8,143,768	8,596,242	8,401,479
Tax				
Tax assessment notices - IRPJ/CSLL	1,817,258	1,784,008	1,817,258	1,784,008
Financial Compensation for the Exploration Of Mineral Resources ("CFEM")	264,474	261,289	443,693	438,166
IRPJ/CSLL – Profits earned abroad	260,941	255,869	260,941	255,869
Other lawsuits	1,572,165	1,545,380	2,579,074	2,515,214
	3,914,838	3,846,546	5,100,966	4,993,257
Environmental	23,490	22,733	44,970	44,363
	12,246,350	12,013,046	13,742,178	13,439,099

24 Stockholders' equity
(a) Capital

As at March 31, 2022 and December 31, 2021, the Company's fully subscribed and paid-up capital is R\$ 7,708,353, consisting of 9,225,042,782 common shares and 300,571,428 preferred shares.

Notes to the parent company and consolidated condensed interim financial statements at March 31, 2022

All amounts in thousands of reais unless otherwise stated

(b) Other comprehensive income

		Attributable to owners of the parent company					
	Note	Exchange variations of investments in foreign operations	Hedge of net investments (Note 6.3.4) e (I)	Inflation adjustment for hyperinflationary economies	Actuarial losses and rereasurement of retirement benefits	Transactions with non-controlling interest	Other components of comprehensive income
At January 1, 2021		3,773,527	(2,390,663)	928,151	(88,092)		23,316
Currency translation of investments in foreign operations	16(b)	487,691					
Net investment hedge	16(b)		38,094				
Inflation adjustment for hyperinflationary economies	16(b)			94,027			
Interest in other comprehensive income of investee							3,357
Credit risk of the debt measured at fair value							(24,732)
Deferred taxes	22(c)		(4,781)				8,409
At March 31, 2021		4,261,218	(2,357,350)	1,022,178	(88,092)		10,350
At January 1, 2022		4,118,698	(2,361,324)	1,265,958	(44,556)	1,513,187	(985)
Currency translation of investments in foreign operations	16(b)	(1,744,532)					
Net investment hedge	16(b)		25,475				
Inflation adjustment for hyperinflationary economies	16(b)			126,661			
Interest in other comprehensive income of investee							(7,048)
Realization of other comprehensive income of investees - Effect on subsidiaries							(698)
Credit risk of debts measured at fair value							399
Deferred taxes	22(c)		(3,784)				
At March 31, 2022		2,374,166	(2,339,633)	1,392,619	(44,556)	1,513,187	(8,332)

- (i) For the balances at March 31, 2022, considering that the Company holds an 83% interest in the subsidiary St. Marys (March 31, 2021 - the Company held 100%), the table above shows only the portion of the balance of Note 6.3.4 that the Company holds in this period.

**Notes to the parent company and consolidated
condensed interim financial statements at March 31, 2022**

All amounts in thousands of reais unless otherwise stated

25 Revenue from contracts with customers

	Parent company		Consolidated	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Gross revenue				
Local customers	2,710,700	2,211,364	3,890,993	3,090,853
Foreign customers	2,472		1,932,027	1,692,551
	2,713,172	2,211,364	5,823,020	4,783,404
Taxes on sales and services and other deductions	(679,372)	(556,191)	(923,204)	(773,912)
	2,033,800	1,655,173	4,899,816	4,009,492

26 Expenses by nature

	Parent company		Consolidated	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Employee benefit expenses	259,841	215,404	785,943	695,194
Raw materials and consumables used (i)	274,411	192,023	583,779	367,987
Freight costs	353,834	271,378	790,346	553,942
Depreciation, amortization and depletion	101,193	102,929	461,162	370,507
Electric power	250,293	169,327	475,151	270,211
Fuel costs (i)	334,383	197,315	879,915	545,441
Maintenance and upkeep	158,701	111,391	472,199	291,428
Services, miscellaneous	90,709	85,604	260,745	219,437
Packaging materials	47,999	42,265	93,704	77,214
Taxes, fees and contributions	8,263	8,831	51,720	45,070
Commercial and marketing expenses	4,794	13,418	20,810	26,022
Rents and leases	8,614	5,814	26,953	16,270
Insurance	2,352	1,699	21,325	12,044
Other expenses (i)	27,256	13,779	65,074	53,438
	1,922,643	1,431,177	4,988,826	3,544,205
Reconciliation				
Cost of goods sold and services rendered	1,696,521	1,236,028	4,512,401	3,139,749
Selling	97,974	82,096	191,348	158,483
General and administrative	128,148	113,053	285,077	245,973
	1,922,643	1,431,177	4,988,826	3,544,205

- (i) In the consolidated statement referring to the balances at March 31, 2021, expenses previously presented as "Raw materials and consumables used" in the amount of R\$ 246,491, and "Other", in the amount of R\$ 7,336, were reclassified to the line "Fuel costs".

27 Employee benefit expenses

	Parent company		Consolidated	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Direct remuneration	142,713	113,093	516,409	440,235
Social charges	67,096	62,026	169,724	160,648
Benefits	50,032	40,285	99,810	94,311
	259,841	215,404	785,943	695,194

Notes to the parent company and consolidated condensed interim financial statements at March 31, 2022

All amounts in thousands of reais unless otherwise stated

28 Other operating income (expenses), net

	Parent company		Consolidated	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Tax benefits - investments (i)	9,805	6,760	36,432	32,172
Gain on sales of PP&E and intangible assets, net	233	1,835	17,297	77,255
Net gain on sales of scrap	1,529	2,040	2,078	2,396
Revenue from co-processing	3,715	3,051	4,326	3,592
Income from rents and leases	1,084	49	2,663	1,880
Judicial provisions, net	(25,063)	(9,634)	(23,424)	(22,423)
Fair value of financial instrument - firm commitment	(2,544)	(8,079)	(3,092)	(9,817)
Expenses with inactive units	(4,576)	(4,116)	(4,647)	(4,379)
Other operating income (expenses), net	72	(6,170)	(246)	(3,659)
	<u>(15,745)</u>	<u>(14,264)</u>	<u>31,387</u>	<u>77,017</u>

(i) As amended in Note 5.5(a)(i).

29 Financial results, net

Note	Parent company		Consolidated	
	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021	1/1/2022 to 3/31/2022	1/1/2021 to 3/31/2021
Financial income				
Gain on settlement of Co2 borrowing (i)			53,747	
Income from financial investments			50,561	11,536
Fair value of borrowing 20(c)	44,884	8,753	19,100	26,985
Reversal of inflation adjustment of provisions	13,152	8,969	18,770	9,840
Interest on financial assets	11,089	4,001	17,937	7,970
Inflation adjustment of assets	10,558	1,486	12,594	2,498
Discounts obtained	10,731	4,608	10,731	4,608
Reversal of guarantee on securitization, net of provisions			7,187	22,441
Securitization commissions 13(b)			(296)	5,766
Derivative financial instruments 6.3.3		46,885	2,961	96,200
Gain on renegotiation of debts, net of amortization	830	288	830	288
Interest on related party transactions 13(b)	7	1	11,454	
Income from collateralized loans of related parties 13(b)	11,726			
Other financial income			5,031	2,561
	<u>119,069</u>	<u>94,596</u>	<u>210,607</u>	<u>190,693</u>
Financial expenses				
Derivative financial instruments 6.3.3	(253,190)	(5,185)	(298,999)	(9,787)
Interest payable on borrowing and other	(64,658)	(25,221)	(205,178)	(158,916)
Capitalization of interest on borrowing 17(b)	1,320	136	5,524	1,573
Interest and charge for use of public assets			(43,138)	(57,979)
Inflation adjustment of provisions and other liabilities	(31,717)	(32,448)	(37,019)	(37,052)
Cost paid on repurchase of bonds (tender offer)			(34,310)	
Interest expenses	(21,924)	(3,552)	(27,092)	(6,518)
Commissions on financial transactions			(18,824)	(8,533)
Fair value of borrowing 21(c)	(11,707)	(9,853)	(16,857)	(12,805)
Securitization charges 13(b)			(26,228)	(5,477)
Borrowing costs	(1,521)	(3,738)	(4,944)	(7,747)
PIS and COFINS on financial income	(3,149)	(827)	(3,588)	(1,172)
Interest on taxes payable	(2,746)	(977)	(2,781)	(1,019)
Income tax on remittances of interest abroad	(853)	(574)	(975)	(979)
Loss on renegotiation of debts, net of amortization	(739)	(20,951)	(739)	(20,951)
Expense with collateralized borrowing of related parties 13(b)	(5,495)			
Charges on discount transactions		(2,186)		(4,679)
Interest on related party transactions 13(b)	(624)	(3,252)		(620)
Other Financial expenses	(5,501)	(4,064)	(17,368)	(9,450)
	<u>(402,504)</u>	<u>(112,692)</u>	<u>(732,516)</u>	<u>(342,111)</u>
Foreign exchange gain (loss), net	209,808	(74,385)	230,921	(140,501)
	<u>(73,627)</u>	<u>(92,481)</u>	<u>(290,988)</u>	<u>(291,919)</u>

- (i) This gain was generated in the settlement of the CO2 emission rights borrowing, which took place in January 2022 in the Spanish operations.

30 Environmental, Social and Governance (“ESG”) Agenda

Sustainability is one of the Company's strategic pillars. In the first quarter of 2022, the Integrated Report for the year 2021 was released, highlighting the Company's evolution in relation to the ESG agenda. The report was prepared based on the guidelines of the International Integrated Reporting Council (IIRC), the GRI Sustainability Reporting Standards, the guidelines of the Global Cement and Concrete Association (GCCA), the standards of the Sustainability Accounting Standards Board (SASB) for the construction materials and the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD), following the best practices of transparency and accountability in the market. The Company continues to advance on the ESG journey, putting into practice its Sustainability commitments for 2030 based on seven pillars: integrity and transparency, safety, health and well-being, innovation, diversity and inclusion, environmental footprint, circular economy and shared value.

As the leader in the construction materials industry in Brazil and with operations in nine more countries, climate change is at the heart of the Company's strategy and guides every step of innovation initiatives and current and future investments. In August 2021, the Board of Directors approved the Company's adhesion to the Business Ambition for 1.5°C campaign, committing to move towards a low carbon economy and, in line with the strategy and sustainability commitments for 2030, establish science-aligned CO2 emission reduction targets – Science Based Targets Initiative (SBTi). In addition, the Company joined the UN's Race to Zero campaign, which promotes and encourages companies, governments, financial institutions and the educational area to work for a healthier planet with zero carbon emissions. The Company's ability to face environmental, social and governance risks is evaluated by specialized ESG rating agencies, as well as by the Carbon Disclosure Project (CDP), an organization that gathers, analyzes and discloses information on atmospheric emissions, climate and water. For the fourth consecutive year, the Company was recognized by CDP as one of the companies evaluated in the Climate Change Program, with an A- score. In addition, together with several companies in the sector, the Company made a global commitment to carbon neutral concrete by 2050, endorsing the permanent commitment to the ESG agenda.

31 Events after the reporting period

(a) Capital increase in subsidiary Votorantim Cimentos International S.A. - (“VCI”)

On April 14, 2022, the Company approved a capital increase in its subsidiary VCI in the amount of R\$200 million, without issuing new shares.

(b) Amendment to borrowing agreement in accordance with Law 4,131/1962 by VCSA and VCNNE

On April 25, 2022, the Company renegotiated the contractual conditions of the borrowing under Law 4,131/1962, contracted in January 2020, in the amount of USD 100 million (R\$ 493,300 million). The Company extended the maturity from 2025 to 2028 and contracted a new swap (derivative financial instrument) at a cost of CDI + 1.4950%. The prior swap of 107.00% of the CDI was extinguished at the time of the renegotiation of the main borrowing agreement.

On April 25, 2022, the subsidiary VCNNE renegotiated the contractual conditions of the borrowing under Law 4,131/1962, contracted in September 2020, in the amount of USD 50 million (R\$ 246,650). The Company extended the maturity from 2025 to 2028 and contracted a new swap (derivative financial instrument) at a cost of CDI + 1.4950%. The prior swap of 111.00% of the CDI was extinguished at the time of the renegotiation of the main borrowing agreement.

The swaps linked to the operations were contracted in conjunction with the same financial institution as the borrowing and are aimed at exchanging exposure from a fixed rate in US dollars to a floating rate CDI, as well as exchanging currency from US dollar to Brazilian real (debt in USD+ swap to BRL in CDI+).



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