

USIMINAS

Earnings Release

Live Event on the Results

April 23rd, 2024, Tuesday
11am (Brasília) / 10am (New York)
Simultaneous translation

Portuguese or English

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1Q24

Quarterly Highlights

Iron Ore Sales 2million tons	Steel Sales 1million tons	Steel COGS/t Decrease compared to 4Q23 -11%
Adjusted EBITDA R\$ 416mi	Net Profit R\$ 36mi	Investments (CAPEX) R\$ 268mi
Cash R\$ 5.7bi	Leverage 0.22x	Release of the decarbonization target Emission reduction by 2030 -15%

Belo Horizonte, April 23, 2024

Usinas Siderurgicas de Minas Gerais SA - Usiminas (**B3: USIM3, USIM5 and USIM6; OTC: USDMY and USNZY; Latibex: XUSIO and XUSI**) today announces its first quarter 2024 (1Q24) results. The Company's operating and financial information, except when otherwise stated, is presented based on consolidated numbers in Brazilian Real, in accordance with the IFRS (International Financial Reporting Standards). The comparisons made in this release take into account the fourth quarter of 2023 (4Q23), except stated otherwise. Statements contained in this release regarding business prospects, projections of operational and financial results and references to the Company's growth potential constitute mere predictions, based on Management's expectations regarding its future performance. These expectations are highly dependent on market behavior, the economic situation in Brazil, the industry and international markets, and are therefore subject to change.

Consolidated amounts

R\$ million	1Q24	4Q23	Δ	1Q23	Δ
Steel Sales Volume (thousands of tons)	1,042	1,041	0%	1,028	1%
Iron Ore Sales Volume (thousands of tons)	1,962	2,383	-18%	1,883	4%
Net Revenue	6,223	6,781	-8%	7,255	-14%
Adjusted EBITDA	416	625	-33%	783	-47%
Adjusted EBITDA Margin	7%	9%	-3p.p.	11%	-4p.p.
Net Profit (Loss)	36	975	-96%	544	-93%
Investments (CAPEX)	268	654	-59%	580	-54%
Working Capital	7,003	6,895	2%	9,845	-29%
Cash and cash equivalents	5,743	6,010	-4%	5,837	-2%
Net Debt	310	(89)	-	284	9%
Net Debt/Adjusted EBITDA	0.22x	-0.05x	+0.27x	0.07x	+0.15x

Usiminas' Blast Furnace 3 in Ipatinga has resumed operation and the ramp-up of production level continues according to plan. This modern equipment has higher operating efficiency and environmental controls.



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CENTRAL

Comments and Expectations of Management

In 1Q24, Usiminas reversed the results of previous quarters in the Steel Unit, in line with management expectations, returning to positive EBITDA. This was the result of efficiency gains with the restart of blast furnace 3 at the Ipatinga plant, stable steel sales volumes and a slight drop in net revenue, due to the export mix partially offset by the greater share of sales to the automotive sector in the domestic market.

Data from the *Instituto Aço Brasil* also showed a relatively stable apparent demand for flat steel in 1Q24 when compared to 4Q23 (+1%). The institute's import data showed an increase in the volume of flat steel imports of 18% in 1Q24 compared to the same quarter of the previous year. Furthermore, import data draws attention to the high volume recorded in March, the third highest monthly volume since 2010.

Usiminas expects stability in its steel sales volumes in 2Q24, supported by the good performance of the heavy automotive, oil and gas and white goods segments. The light automotive segment is also showing good sales performance, but pressured by vehicle imports is negatively impacting steel demand in this sector. On the other hand, the agricultural machinery and equipment segment is slowing down due to

reduced investment, as well as constant pressure from high levels of steel imports.

The company expects stable net revenue/ton in the second quarter of the year in the steel segment, as a result of the better sales mix, with a greater share of the automotive segment, offsetting the effects of the new agreements in force for this segment as of April.

Usiminas continues to expect a reduction in crude steel production costs in the second quarter, reflecting the ramp-up of blast furnace 3 and management's efforts to control costs and make efficiency gains. However, with the appreciation of the dollar against the Brazilian real, as well as the better sales mix, the expectation is for a slightly higher COGS/t.

Usiminas therefore expects EBITDA in the Steel segment to be relatively stable.

In the mining segment, there was strong volatility in iron ore prices, impacting net revenue/t in the period and consequently its results, in line with expectations.

For 2Q24, management expects iron ore sales volume to be stable in relation to the previous quarter.

Operational and Economic-Financial Performance



Consolidated Operating Results

R\$ thousand	1Q24	4Q23	Δ	1Q23	Δ
Net Sales Revenue	6,222,819	6,781,493	-8%	7,255,249	-14%
↳ Domestic Market	5,174,679	5,182,868	0%	6,063,131	-15%
↳ Exports	1,048,140	1,598,625	-34%	1,192,118	-12%
Cost of Goods Sold - COGS	(5,823,865)	(6,636,272)	-12%	(6,370,461)	-9%
Gross Profit	398,954	145,221	175%	884,788	-55%
Gross Margin	6.4%	2.1%	+ 4.3 p.p.	12.2%	- 5.8 p.p.
Operating Income and Expenses	(267,907)	227,965	-	(344,341)	-22%
↳ Sales	(124,714)	(125,393)	-1%	(108,638)	15%
↳ General and Administrative	(152,392)	(180,149)	-15%	(139,664)	9%
↳ Other Income and Expenses	(51,588)	453,990	-	(141,086)	-63%
↳ Participation in the results of subsidiaries, jointly controlled and associated	60,787	79,517	-24%	45,047	35%
Operating profit (loss)	131,047	373,186	-65%	540,447	-76%
Operating Margin	2.1%	5.5%	- 3.4 p.p.	7.4%	- 5.3 p.p.
Depreciation and amortization	302,816	289,473	5%	248,670	22%
EBITDA (CVM Instruction 156)	433,863	662,659	-35%	789,117	-45%
EBITDA Margin (CVM Instruction 156)	7.0%	9.8%	- 2.8 p.p.	10.9%	- 3.9 p.p.
Adjusted EBITDA	415,968	624,562	-33%	782,761	-47%
Adjusted EBITDA Margin	6.7%	9.2%	2.5 p.p.	10.8%	- 4.1 p.p.

NET REVENUE

Net revenue in 1Q24 reached R\$6.3 billion, 8.2% lower than 4Q23 (R\$6.8 billion). This variation is mainly due to the decrease in net revenue in the Mining Unit. Sales volume was 18% lower than the previous quarter, due to seasonal effects, and the price of iron ore showed strong volatility throughout the quarter, negatively impacting the pricing mechanism and net revenue/ton in the period.

In the steel unit, the Company presented stable sales. In relation to prices, the Company presented a slight decrease in its net revenue/ton, resulting from the 16% reduction in the foreign market, reflecting the sales mix in the period, while net revenue/ton in the domestic market was stable.

COGS COST OF GOODS SOLD

Cost of goods sold (COGS) in 1Q24 totaled R\$5.8 billion, a 12.2% decrease compared to 4Q23 (R\$6.6 billion).

The main reduction comes from the Steel segment, which reported a reduction in COGS/t of 11% in 1Q24, reflecting efficiency gains with the return of blast furnace 3 at the Ipatinga plant, as well as a reduction in the cost of slabs purchased.

ADJUSTED EBITDA

Usiminas recorded a Consolidated Adjusted EBITDA of R\$416 million, representing a 33% reduction compared to the previous quarter. Disregarding the non-recurring effects reported in 4Q23, Usiminas would report an EBITDA 29% higher than the previous quarter.

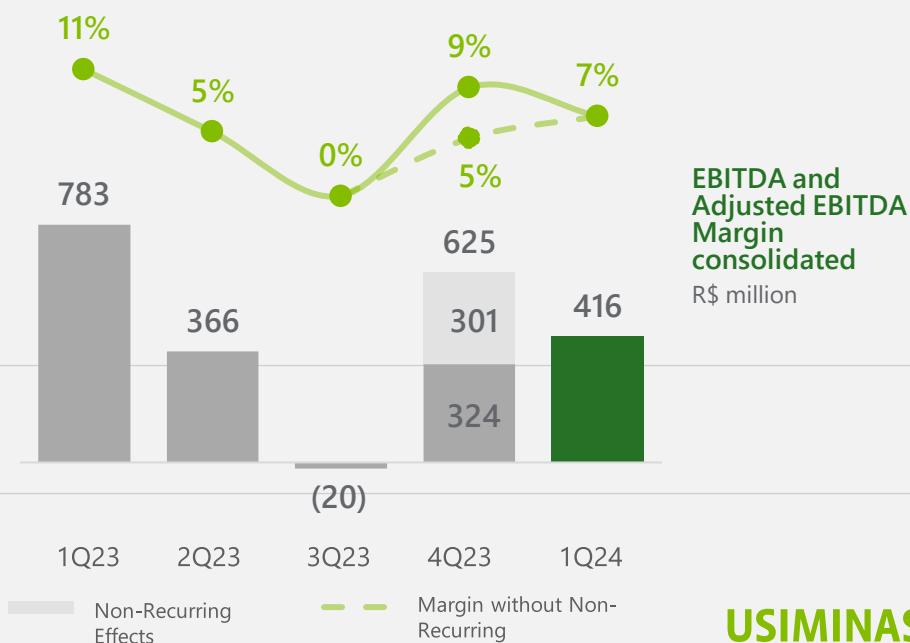
The EBITDA Margin was 6.7%, compared to a margin of 9.2% in 4Q23. When disregarding the non-recurring effects of the previous quarter, an expansion in the recurring margin was observed (6.7% in 1Q24 compared to 4,8% in 4Q23).



ADJUSTED EBITDA

R\$ thousand	1Q24	4Q23	1Q23
Net Income (loss) for the Year	35,645	974,521	544,076
Income tax and social contribution	(60,302)	(536,047)	189,815
Financial result	155,704	(65,288)	(193,444)
Depreciation, amortization and depletion	302,816	289,473	248,670
EBITDA CVM Instruction 156	433,863	662,659	789,117
(-) Participation in the results of subsidiaries, jointly controlled and associated	(60,787)	(79,517)	(45,047)
(+) Proportional EBITDA of jointly controlled companies	42,892	41,420	38,691
(-) Impairment of non-financial assets net of realization	-	-	-
Adjusted EBITDA	415,968	624,562	782,761
ADJUSTED EBITDA MARGIN	6.7%	9.2%	10.8%

Adjusted EBITDA is calculated based on the net profit (loss) for the year, reversing: (a) income tax and social contribution; (b) the financial result; (c) depreciation, amortization and depletion; (d) share in the results of jointly controlled and associated companies; (e) impairment of assets; and including a proportional EBITDA of 70% of Unigal and other jointly controlled companies.



Consolidated Financial Results

The Financial Result for 1Q24 was negative R\$156 million, R\$221 million lower than the result presented in the previous quarter (4Q23: negative R\$65 million). This result was a reflection of net exchange losses of R\$98 million recorded in the quarter, compared to exchange gains of R\$112 million in the previous quarter, consequence of the effect of the devaluation of the Real against the Dollar recorded at the end of the period, negatively impacting the Company's dollar-denominated liabilities.

R\$ thousand	1Q24	4Q23	Δ	1Q23	Δ
Financial income	165,569	225,558	-27%	302,175	-45%
Financial expenses	(222,978)	(272,511)	-18%	(189,464)	18%
Net Foreign Exchange Gains and Losses	(98,295)	112,241	-	80,733	-
Exchange variation on assets	56,375	(54,680)	-	(51,008)	-
Exchange variation on liabilities	(154,670)	166,921	-	131,741	-
FINANCIAL RESULT	(155,704)	65,288	-	193,444	-
+Appreciation/-Devaluation Exchange^{R\$/US\$}	-3.2%	3.3%	-6.5 p.p.	2.6%	-5.8 p.p.

Net Profit (Loss)

In 1Q24, the Company recorded net profit of R\$36 million, 96.3% lower than the net profit presented in the previous quarter (4Q23: R\$975 million). In 4Q23, there was a reversal of provisions related to actuarial liabilities in the amount of R\$532 million, with no similar effect in the current quarter. Thus, the Company recorded operating expenses of R\$268 million, against operating revenues of R\$228 million in 4Q23. Furthermore, in 4Q23, the amount of R\$495 million was recorded related to greater recoverability of tax losses.

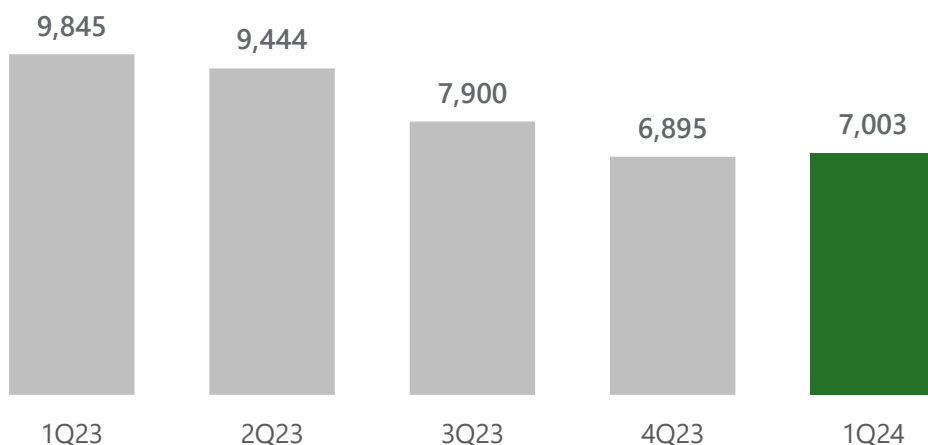
R\$ thousand	1Q24	4Q23	Δ	1Q23	Δ
Operating profit (loss)	131,047	373,186	-65%	540,447	-76%
Operating margin	2.1%	5.5%	- 3.4 p.p.	6.8%	- 4.7 p.p.
Financial result	(155,704)	65,288	-	193,444	-
Profit (loss) before income tax and social contribution	(24,657)	438,474	-	733,891	-
↪ Income tax and social contribution	60,302	536,047	-89%	(189,815)	-
Net Income (loss) for the Period	35,645	974,521	-96%	544,076	-93%
Net margin	0.6%	14.4%	- 13.8 p.p.	7.5%	- 6.9 p.p.

Working Capital and CAPEX

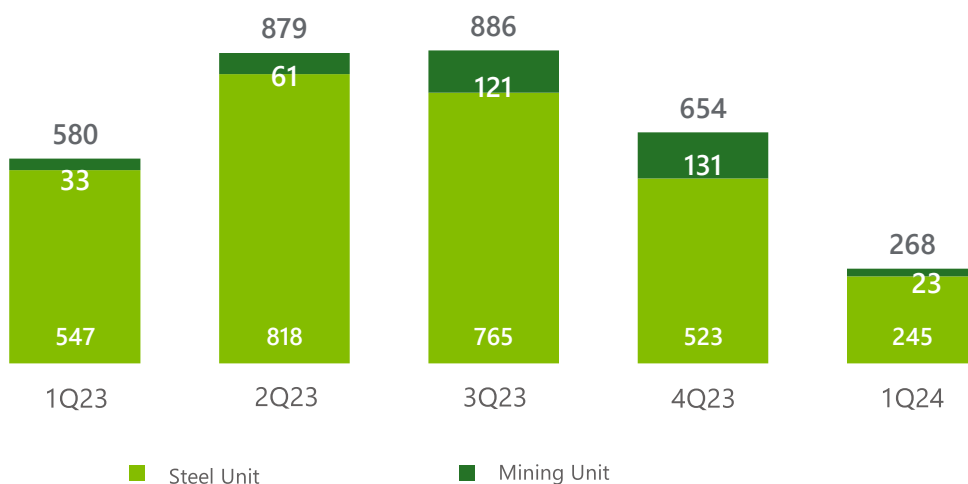
In 1Q24, **Working Capital** was R\$7.0 billion, 1.6% higher than 4Q23 (R\$6.9 billion):

- Reduction in **Suppliers** by R\$679 million, mainly due to the reduction of Forfeiting operations by R\$704 million;
- Reduction of **Inventories** by R\$459 million, mainly due to the reduction in raw material and steel inventory volumes, as well as lower raw material prices;
- Reduction in **Accounts Receivable** by R\$123 million, mainly at Mineração Usiminas, with price adjustments for the external market.

Working Capital R\$ million



CAPEX R\$ million

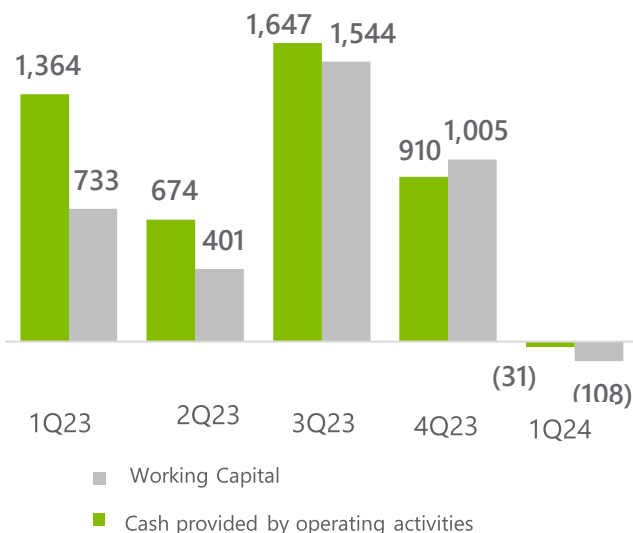


■ Steel Unit

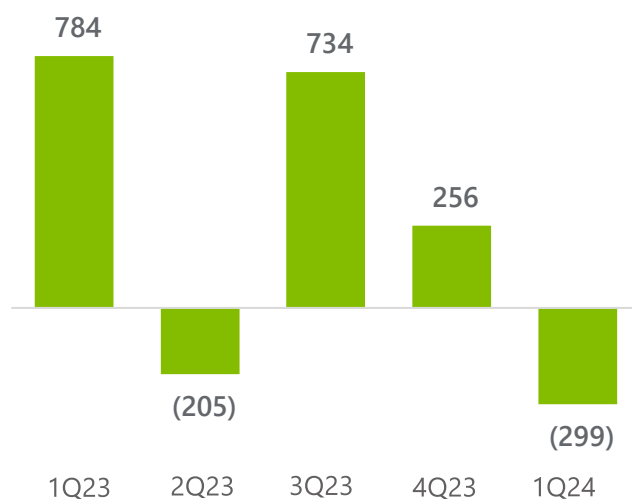
■ Mining Unit

Cash and Indebtedness

Cash Flow from operational activities and var. of Working Capital R\$ million



Free Cash Flow* (R\$ million)



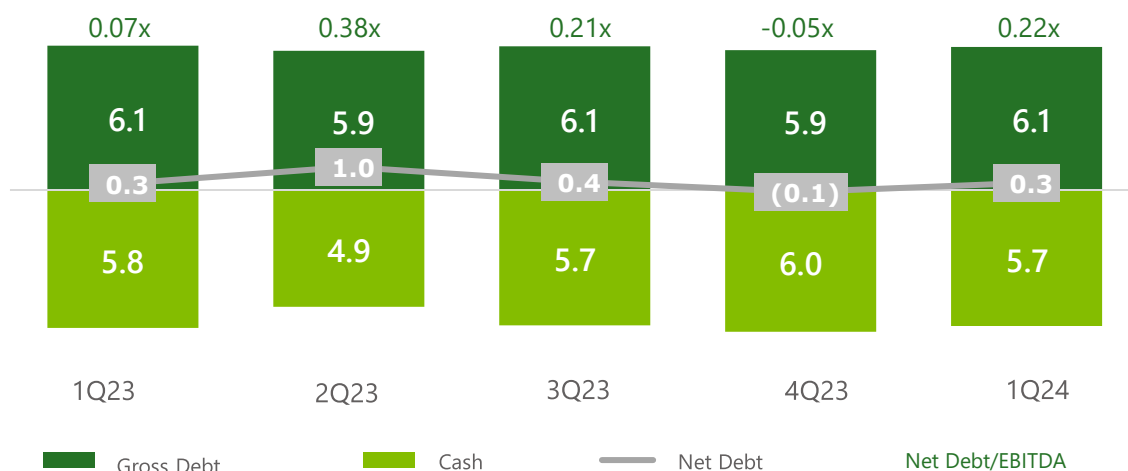
*Change in cash and cash equivalents, excluding CAPEX and other investment and financing activities.

*Free cash flow calculated from the sum of "Net cash from operating activities" and "CAPEX".

Usiminas ended the quarter with **Consolidated Cash and Cash Equivalents** of R\$5.7 billion, down 4.4% on the previous quarter (R\$6.0 billion). In the quarter, we highlight the increase in Working Capital of R\$108 million and **CAPEX** of R\$268 million, 59.0% lower than the previous quarter, impacted by investments in the refurbishment of AF3.

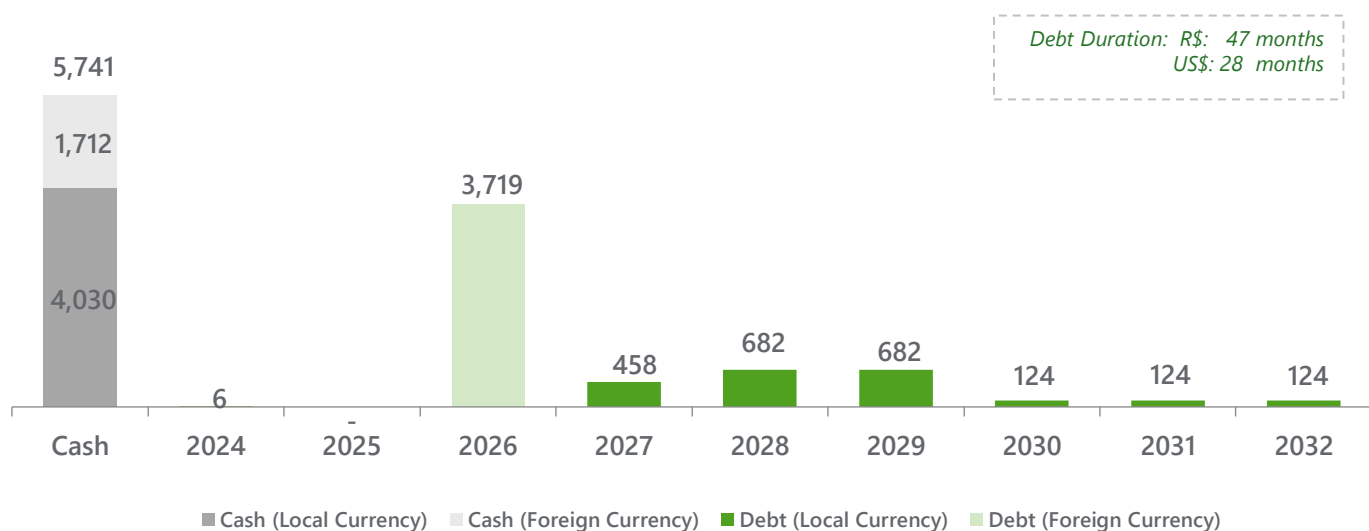
Usiminas ended the quarter with **net debt** of R\$310 million, compared to net cash of R\$89 million on 12/31/23. The variation between the periods is mainly due to the reduction in cash, as a result of the reduction in Forfeiting operations by R\$704 million and the effect of the exchange rate variation on the company's debt. The Net Debt/EBITDA indicator closed 1Q24 at 0.22x (4Q23: -0.05x).

Cash, gross debt, net debt and consolidated leverage



Gross Debt R\$ million

principal only



Issue	Series	Value (millions)		Rate	Maturity
Bonds	-	USD	750	5.875%	2026
8th Issue of Debentures	1st Series	BRL	300	CDI + 1.50%	2027
	2nd Series	BRL	400	CDI + 1.70%	2028 e 2029
9th Issue of Debentures	1st Series	BRL	160	CDI + 1.45%	2027
	2nd Series	BRL	966	CDI + 1.65%	2028 e 2029
	3rd Series	BRL	374	CDI + 1.95%	2030, 2031 e 2032

Consolidated Debt

R\$ thousand	31-mar-24				31-dec-23	Δ mar24/dec23	31-mar-23	Δ mar24/mar23
	Short Term	Long Term	Total	%	TOTAL		TOTAL	
Local Currency	92,598	2,193,114	2,285,712	38%	2,218,438	2,300,300	-1%	
CDI	86,394	2,193,114	2,279,508	-	2,211,730	2,291,631	-1%	
Others	6,204	0	6,204	-	6,708	8,669	-28%	
Foreign Currency*	46,878	3,719,472	3,766,350	62%	3,702,676	3,820,613	-1%	
Gross Debt	139,476	5,912,586	6,052,062	100%	5,921,114	6,120,913	-1%	
Cash and Cash Equivalents	-	-	5,742,501	-	6,009,833	5,836,793	-2%	
Net Debt	-	-	309,561	-	(88,719)	284,120	9%	
Gross Debt (Principal Only)	-	-	5,918,787	-	5,799,927	6,018,958	-2%	

*100% of Foreign Debt in US Dollar

Operational Performance - Business Units

	Mining		Steel		Adjustments		Consolidated	
R\$ million	1Q24	4Q23	1Q24	4Q23	1Q24	4Q23	1Q24	4Q23
Net Sales Revenue	649	1,049	5,784	5,890	(211)	(158)	6,223	6,781
↳ Domestic Market	230	184	5,155	5,156	(211)	(158)	5,175	5,183
↳ Exports	419	865	629	734	-	-	1,048	1,599
Cost of Goods Sold	(535)	(655)	(5,464)	(6,136)	175	155	(5,824)	(6,636)
Gross Profit (Loss)	114	393	320	(245)	(35)	(3)	399	145
Operating Income (Expenses)	(77)	(114)	(162)	522	(29)	(180)	(268)	228
↳ Sales	(78)	(76)	(46)	(49)	-	-	(125)	(125)
↳ General and Administrative Expense	(14)	(14)	(143)	(171)	5	5	(152)	(180)
↳ Other Income and Expenses	(22)	(65)	(29)	520	(0)	(1)	(52)	454
↳ Share in the results of subsidiaries, jointly controlled companies and associates	37	41	57	222	(33)	(184)	61	80
Operating profit (loss) before financial expenses	37	280	158	277	(64)	(183)	131	373
Depreciation and amortization	81	88	231	212	(10)	(10)	303	289
EBITDA (CVM INSTRUCTION 156)	118	368	390	488	(74)	(193)	434	663
EBITDA MARGIN	18.2%	35.0%	6.7%	8.3%	35.1%	122.4%	7.0%	9.8%
ADJUSTED EBITDA	83	327	334	267	(0)	31	416	625
ADJUSTED EBITDA MARGIN	12.7%	31.2%	5.8%	4.5%	0.2%	-19.4%	6.7%	9.2%

Intercompany transactions are on an arm's length basis (market prices and conditions), and sales between Business Units are carried out as sales between independent parties.

Business Unit

Mining

Operational and Sales Performance

In 1Q24, **production volume** reached 1.9 million tons, a reduction of 17.0% compared to 4Q23 (2.3 million tons), due to the rainy season, the temporary shutdown of the Leste ore treatment facility and scheduled preventive maintenance at plants. **Sales volume** reached 2.0 million tons in 1Q24, 17.7% lower than the 4Q23 of 2.4 million tons, following the lowest production volume of the period.

In 1Q24, export sales totaled 1.3 million tons (equivalent to eight shipments), 27.5% lower than 4Q23 in which 1.7 million were sold (equivalent to ten shipments). In relation to Incoterms, the share of exports with sea freight totaled 56%, the remainder without sea freight (51% with sea freight and 49% without sea freight in 4Q23).

Thousand ton	1Q24	4Q23	Δ	1Q23	Δ
Iron ore production	1,911	2,303	-17%	1,821	5%
Total sales	1,962	2,383	-18%	1,883	4%
↳ Exports	1,255	1,730	-27%	1,238	1%
↳ Intern market USIMINAS	538	431	25%	497	8%
↳ Domestic market - 3rd parties	169	222	-24%	148	15%

Types of ore sold

DOMESTIC MARKET

EXPORTS

Sales volume

36%

64%

↳ Sinter Feed

63%

92%

↳ Granulate

28%

8%

↳ Pellet Feed/Concentrate

9%

0%

COMMENTS ON THE RESULTS - MINING

Net revenue totaled R\$649 million in 1Q24, 38.1% lower than 4Q23 (R\$1.0 billion). This reduction occurred as a result of the combination of a lower sales volume in the quarter and lower invoiced prices. The average IODEX 62% Fe CFR China reference price for the quarter registered a variation of -3.7% compared to the previous quarter (US\$/t 123.6 vs 4Q23: US\$/t 128.3). The quarter showed significant volatility, starting with a reference price of US\$/t 143.2 and ending the period at US\$/t 102.8, a variation of -28.2% end to end, negatively affecting sales pricing of export. Finally, in the quarter there were greater sales of products with greater discounts based on quality, also affecting the average value.

The **Total Cash Cost** of production per ton was R\$132.9/t or US\$26.8/t in 1Q24 against R\$113.3/t (US\$22.9/t) in 4Q23, an increase of 17.3% between periods, mainly due to the operational stoppage of the Leste ore treatment facility, generating less dilution of fixed costs, higher costs with material handling services and scheduled preventive maintenance.

The **Cost of Goods Sold** – COGS in 1Q24 was R\$535 million, 18.3% lower than in 4Q23 (R\$655 million), mainly due to lower sales volume.

In unit terms, **COGS/ton** in 1Q24 (R\$272.9/t) was slightly lower than in 4Q23 (R\$275.1/t) mainly due to lower freight costs.

Sales Expenses totaled R\$78 million in 1Q24, an increase of 2.6% compared to the previous quarter (4Q23: R\$76 million).

General and Administrative Expenses totaled R\$14 million in 1Q24, similar to the previous quarter.

Other Operating Income (Expenses) presented a negative result of R\$22 million in the quarter compared to a negative result of R\$65 million in 4Q23. Lower provision for contingencies for legal proceedings explains the variation.

Adjusted EBITDA reached R\$83 million in 1Q24, representing a reduction of 74.8% compared to 4Q23 (R\$327 million). The **Adjusted EBITDA margin** was 12.7% in 1Q24 (4Q23: 31.2%).

INVESTMENTS (CAPEX)

In 1Q24, **CAPEX** carried out by the Mining Unit totaled R\$23 million (R\$131 million in the previous quarter), a reduction of 82.4%. Progress in the projects was limited mainly by climatic factors, a fact estimated in the annual plan.

Business Unit

Steel

Operational and Sales Performance

In 1Q24, **crude steel production** at the Ipatinga plant was 700 thousand tons, 19.7% higher in relation to 4Q23 (585 thousand tons), reflex of the operational return of BF3 after conclusion of the renovation in 2023. In 4Q23 the equipment was in the of ramping-up process.

Rolled products production at the Ipatinga and Cubatão plants totaled 1.0 million tons in 1Q24, in line with the previous quarter.

Thousand ton	1Q24	4Q23	Δ	1Q23	Δ
Crude Steel Production	700	585	20%	717	-2%
Total Rolled Products Production	1,023	1,017	1%	971	5%
Sales volume	1,042	1,041	0%	1,028	1%
↳ Domestic market	919	920	0%	927	-1%
↳ Export Market	123	121	2%	101	22%


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Comments on sales and steel

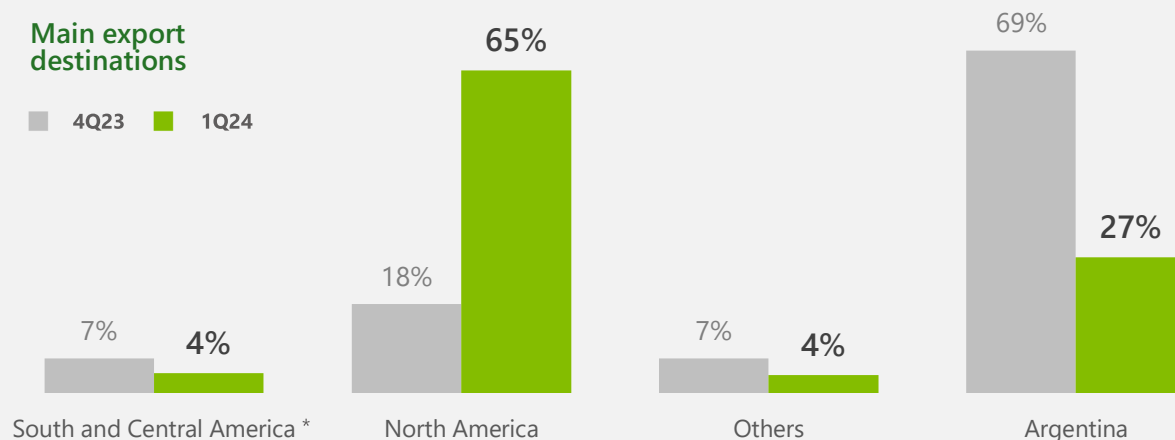
Usiminas presented stable sales in 1Q24 of 1,042 thousand tons, also stable in the Domestic Market and Exports.

In terms of Usiminas' sales by segment, the quarter saw a greater share of sales to the automotive segment. Sales to the distribution segment had a lower share than in 4Q23, while the industrial segment was relatively stable.

Net revenue/ton in the domestic market was stable, reflecting lower prices for the automotive segment offset by higher prices for the distribution segment.

Domestic market	1Q24	4Q23	Δ	1Q23	Δ
Automotive	35.0%	29.9%	+5 p.p.	34.5%	+0 p.p.
Distribution Network	26.7%	31.1%	-4 p.p.	25.8%	+1 p.p.
Industry	38.3%	39.0%	-1 p.p.	39.7%	-2 p.p.

Regarding exports, Usiminas showed a 2% growth in sales volumes, reaching 123 thousand tons in the quarter. However, there was a significant change in relation to destinations and types of products sold, resulting in a 16% reduction in net revenue/ton recorded in the period, mainly due to the reduction in sales of high value-added products for projects in Argentina.



*Excluding sales to Argentina.

Cash cost per ton was R\$3,952/t in 1Q24, 8.1% lower than in 4Q23 (R\$4,301/t), highlighted by lower prices of raw materials (mainly slabs), higher production volume of crude steel (4T23 585 Kt x 1T24 700 Kt) and better efficiency.

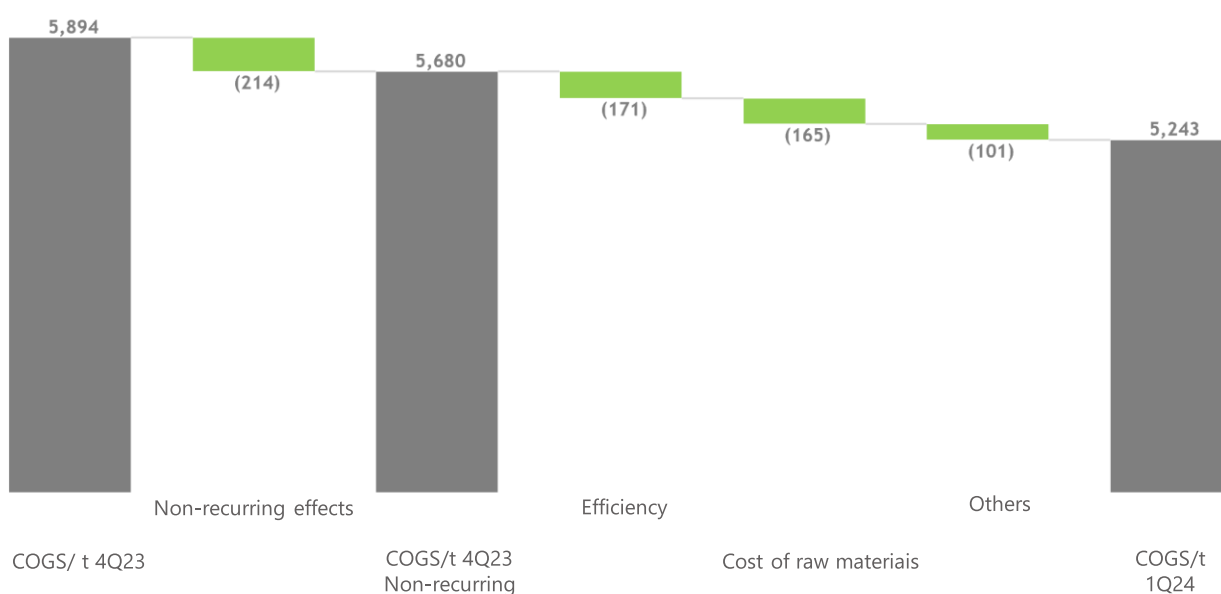
The **Cost of Products Sold** per ton was R\$5,243/t in 1Q24, 11.1% lower than the previous quarter (4Q23: R\$5,894/t). This variation was a reflection of efficiency gains, lower raw material prices, higher production volume (greater absorption of fixed costs), as well as non-recurring effects and inventory adjustments (composing the "others" account) that impacted the COGS in 4Q23. When disregarding these effects, the reduction in COGS/ton was 7.7% in 1Q24, as shown in the graph below.

Thus, the **Cost of Goods Sold** in 1Q24 was R\$5.4 billion, 10.9% lower than the COGS of the previous quarter (4Q23: R\$6.1 billion).

Sales expenses totaled R\$46 million in 1Q24, 5.4% lower than 4Q23 (R\$49 million), mainly due to lower expenses with distribution and commissions in the period.

General and administrative expenses totaled R\$143 million in 1Q24, 16.3% lower than 4Q23 (R\$171 million), with lower expenses with software renewals, usually concentrated at the end of the year.

Other operating income (expenses) were R\$29 million negative in 1Q24, expenses R\$549 million higher than the previous quarter (4Q23: R\$520 million positive), mainly due to the non-recurring effects recorded in the previous quarter. In addition, lower expenses were recorded with stopped equipment in the amount of R\$35 million, related to the return of equipment refurbished by the Company in 2023.



Thus, Adjusted EBITDA reached R\$334 million in 1Q24, with the main variations in relation to 4Q23 being:

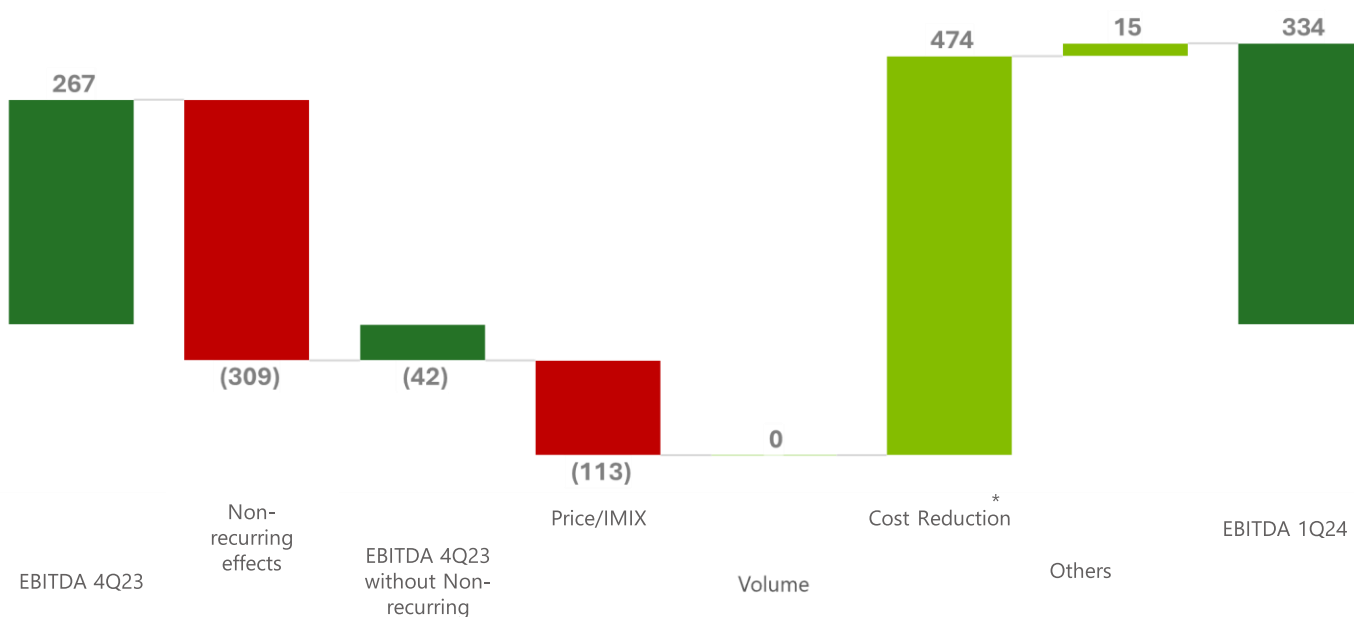
- Reduction of R\$309 million in non-recurring effects recorded in the previous quarter;
- Reduction of R\$113 million in Price/Mix, reflecting lower export prices;
- Cost decrease of R\$455 million, reflecting the operational return of BF3 at the Ipatatinga Plant, as well as a reduction in the cost of the purchased plate and efficiency gains in the production process;

Adjusted EBITDA margin was 5.8% in 1Q24, compared to a margin of 4.5% in 4Q23 (negative margin 0.7% when disregarding non-recurring effects).

INVESTMENTS (CAPEX)

In the 1Q24, CAPEX totaled R\$245 million, 59% lower than in the 4Q23 (R\$523 million).

QUARTERLY EBITDA VARIATION R\$ million



* Excluding the non-recurring effects that impacted COGS in 4Q23 and depreciation.

ESG Agenda Sustainability Themes



Decarbonization Plan

Usiminas announced its Decarbonization Plan, an integral part of its ESG agenda, with the objective of reducing greenhouse gas emissions in its operations. The plan aims for a 15% reduction in intensity **of emissions per ton of crude steel by 2030**, considering 2019 as the base year.

Usiminas structured the decarbonization plan into four main areas of action. The main one, already underway, is energy efficiency. In this pillar, the highlight is the revamp of Blast Furnace 3, the company's largest, completed at the end of 2023.

The total renewal of the equipment has already brought gains in fuel consumption and productivity, enabling a reduction in CO2 emissions.

Still within the energy efficiency axis, the company will continue to promote the best use of gases from the steelmaking process, as fuel, and advance in the management of global energy consumption in all operations, reducing losses and optimizing processes.

The other axes include optimizing the mix of raw materials for processes, with an increase in the use of metal scrap in steel manufacturing; application of biomass to partially replace coal and steel coke and greater use of renewable energy.



Find out more at:
<https://bit.ly/3Jd15lk>



Usiminas implements technology for automatic emission detection



Find out more at:
<https://bit.ly/3xltlIE>

Usiminas implemented an advanced technology for automatic detection of atmospheric emissions, based on artificial intelligence, which uses images from existing cameras to identify and analyze characteristics such as duration, opacity and intensity of emissions in real time.

The new technology operates 24 hours a day, establishing a data-based standard for managing environmental occurrences, eliminating subjective criteria and reducing the risk of emissions recording failures.

Usiminas invests R\$950 million to increase operational efficiency at the Coke Plant

Find out more at:
<https://bit.ly/4d4T8LE>



In line with the Material Fact released in August 2022, Usiminas began definitive repairs aimed at improving the operational efficiency of Coke Plant 2's battery 3 through a hot repair, with an estimated investment of R\$950 million, generating 600 direct jobs at the site. The new investment will allow the recovery of the equipment's nominal capacity.

The project began in February 2024 and will continue until 2026, with a repair model that will not interrupt the the equipment's production, alternating the operation of the furnaces between production and interventions.

In addition to the internal benefits, the investment will also have a positive impact on the local economy of the *Vale do Aço*, since around 60% of the workforce will come from the region.



Attachments



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BALANCE SHEET – ASSETS IFRS R\$ thousand	31 Mar 2024	31 Dec 2023	31 Mar 2023
CURRENT ASSETS	17,131,213	17,931,648	20,216,136
Cash and Cash Equivalents	5,742,501	6,009,833	5,836,793
Trade Accounts Receivable	3,385,869	3,509,027	3,538,479
Taxes Recoverable	760,729	721,365	782,337
Inventories	7,033,693	7,492,964	9,864,655
Advances to suppliers	3,413	5,613	1,329
Other Securities Receivables	205,008	192,846	192,543
NON-CURRENT ASSETS	22,313,241	22,230,103	19,987,624
Long-Term Receivable	6,003,957	5,933,300	5,440,894
↳ <i>Deferred Taxes</i>	3,182,384	3,100,369	2,328,349
↳ <i>Deposits at Law</i>	526,805	514,476	525,778
↳ <i>Taxes Recoverable</i>	1,648,073	1,712,432	1,717,387
↳ <i>Accounts Receiv - Gasometer</i>	63,413	54,886	353,732
↳ <i>Others</i>	583,282	551,137	515,648
Equity Investments	1,359,607	1,303,981	1,253,005
Investment Property	149,144	149,550	141,425
Property, Plant and Equipment	12,847,292	12,878,818	11,176,254
Intangible	1,953,241	1,964,454	1,976,046
TOTAL ASSETS	39,444,454	40,161,751	40,203,760

BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY IFRS R\$ thousand	31 Mar 2024	31 Dec 2023	31 Mar 2023
Current Liabilities	4,820,660	5,514,389	5,180,871
Loans and Financing and Taxes Payable in Installments	139,476	127,891	154,633
Suppliers, Subcontractors and Freight	2,649,117	2,623,848	2,415,618
Wages and Social Charges	243,926	256,818	259,752
Taxes and Taxes Payables	154,976	188,571	301,174
Accounts Payable Forfaiting	873,454	1,577,209	1,233,989
Dividends Payable	362,441	362,460	470,580
Customers Advances	83,395	81,362	52,731
Others	313,875	296,230	292,394
LONG-TERM LIABILITIES	8,065,440	8,097,925	8,572,437
Loans and Financing and Taxes Payable in Installments	5,912,586	5,793,223	5,966,280
Actuarial Liability	801,707	774,637	961,182
Provision for Legal Liabilities	982,627	1,014,223	868,162
Environmental Protection Provision	179,793	290,795	286,619
Others	188,727	225,047	490,194
SHAREHOLDERS' EQUITY	26,558,354	26,549,437	26,450,452
Capital	13,200,295	13,200,295	13,200,295
Reserves & Revenues from Fiscal Year	10,642,960	10,655,355	10,442,549
Non-controlling shareholders participation	2,715,099	2,693,787	2,807,608
TOTAL LIABILITIES	39,444,454	40,161,751	40,203,760

1Q24 Earnings Release

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INCOME STATEMENT IFRS R\$ mil	1Q24	4Q23	Δ	1Q23	Δ
Net Revenues	6,222,819	6,781,493	-8%	7,255,249	-14%
↳ Domestic Market	5,174,679	5,182,868	0%	6,063,131	-15%
↳ Exports	1,048,140	1,598,625	-34%	1,192,118	-12%
COGS	(5,823,865)	(6,636,272)	-12%	(6,370,461)	-9%
Gross Profit	398,954	145,221	175%	884,788	-55%
GROSS MARGIN	6.4%	2.1%	+ 4.3 p.p.	12.2%	- 5.8 p.p.
Operating Income and Expenses	(267,907)	227,965	-	(344,341)	-22%
↳ Selling Expenses	(124,714)	(125,393)	-1%	(108,638)	15%
↳ General and Administrative	(152,392)	(180,149)	-15%	(139,664)	9%
↳ Participation in the Results of Associate and Jointly-controlled	60,787	79,517	-24%	45,047	35%
↳ Other Operating Income and Expenses	(51,588)	453,990	-	(141,086)	-63%
Inventories Adjustments	(1,615)	1,591	-	2,088	-
Legal charges	(9,221)	(23,539)	-61%	(16,293)	-43%
Expenses with Idle Equipments (includes depreciation)	(32,961)	(67,982)	-52%	(18,432)	79%
Retirement plans and health benefits	(17,653)	507,840	-	(24,468)	-28%
Provision for tax credit (ICMS)	(13,409)	(15,940)	-16%	(10,864)	23%
Provision for tax contingencies	31,625	(42,577)	-	(33,427)	-
Tax Recovery	-	117,726	-	-	-
Results of the non-operating asset sale/ write-off	166	(2,748)	-	(45)	-
Other Operating Income and Expenses, Net	(8,520)	(20,381)	-58%	(39,645)	-79%
EBIT	131,047	373,186	-65%	540,447	-76%
EBIT MARGIN	2.1%	5.5%	- 3.4 p.p.	7.4%	- 5.3 p.p.
Financial Result	(155,704)	65,288	-	193,444	-
↳ Financial Income	165,569	225,558	-27%	302,175	-45%
Income from financial investments	133,165	149,794	-11%	161,033	-17%
ICMS in the PIS and COFINS calculation base	1,355	1,662	-18%	4,506	-70%
Interest from clients	5,127	9,038	-43%	7,492	-32%
Reversal of provision / restatement of deposits and legal claims	5,004	16,871	-70%	8,098	-38%
Other financial income	20,918	48,193	-57%	121,046	-83%
↳ Financial Expenses	(222,978)	(272,511)	-18%	(189,464)	18%
Interest and monetary effects on loans, financing and other obligations	(129,997)	(125,066)	4%	(99,045)	31%
Interest, commissions and late payment expenses	(6,374)	(7,139)	-11%	(13,808)	-54%
Commissions and other costs on financing	(7,167)	(6,914)	4%	(6,048)	19%
Interest on contingent liabilities	(23,352)	(40,174)	-42%	(26,144)	-11%
Other financial expenses	(56,088)	(93,218)	-40%	(44,419)	26%
Foreign exchange gains and losses, net	(98,295)	112,241	-	80,733	-
↳ Operating Profit or Loss	(24,657)	438,474	-	733,891	-
↳ Income Tax/ Social Contribution	60,302	536,047	-89%	(189,815)	-
Net Income or Loss	35,645	974,521	-96%	544,076	-93%
NET MARGIN	0.6%	14.4%	- 13.8 p.p.	7.5%	- 6.9 p.p.
Shareholders	14,381	874,551	-98%	474,132	-97%
Minority Shareholders	21,264	99,970	-79%	69,944	-70%
EBITDA (Instruction CVM 156)	433,863	662,659	-35%	789,117	-45%
EBITDA MARGIN (Instruction CVM 527)	7.0%	9.8%	- 2.8 p.p.	10.9%	- 3.9 p.p.
Adjusted EBITDA – Jointly-controlled subsidiaries proportional	415,968	624,562	-33%	782,761	-47%
ADJUSTED EBITDA MARGIN	6.7%	9.2%	- 2.5 p.p.	10.8%	- 4.1 p.p.
Depreciation and Amortization	302,816	289,473	5%	248,670	22%

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CASH FLOW IFRS R\$ thousand	1Q24	4Q23	1Q23
Operating Activities Cash Flow			
Net Income (Loss) in the Period	35,645	974,521	544,076
Financial Expenses and Monetary Var, / Net Exchge Var,	84,471	(60,763)	(37,047)
Interest Expenses	128,509	111,824	66,992
Depreciation and Amortization	302,816	289,135	248,670
Losses/(gains) on Sale of Property, Plant and Equipment	(166)	2,748	45
Equity in the Results of Subsidiaries/Associated Companies	(60,787)	(79,517)	(45,047)
Income tax and social contribution in tax year	21,796	52,342	132,540
Difered Income Tax and Social Contribution	(82,098)	(588,389)	57,275
Constitution (reversal) of Provisions	(13,132)	142,411	(115,107)
Actuarial Gains and losses	17,651	(508,215)	24,468
Derivative financial instruments	(19,076)	(161)	98,022
TOTAL	415,629	335,936	974,887
(Increase)/Decrease of Assets			
Accounts Receivables Customer	89,979	50,227	84,949
Inventories	495,620	1,062,217	178,962
Recovery of Taxes	(161,276)	(5,960)	(8,128)
Judicial Deposits	(5,703)	559	(6,150)
Advances to suppliers	2,200	(1,117)	622,052
Others	(9,093)	48,498	21,583
TOTAL	411,727	1,154,424	893,268
Increase /(Decrease) of Liabilities			
Suppliers, Contractors and Freights	(17,553)	50,511	(453,559)
Amounts Owed to Affiliated Companies	(26,794)	1,697	(26,077)
Customers Advances	2,033	(296,766)	(56,082)
Tax Payable	166,977	7,598	244,917
Securities Payable Forfeiting	(703,755)	32,765	298,614
Actuarial Liability Payments	(17,469)	(62,971)	(14,026)
Others	(101,130)	(81,300)	(153,690)
TOTAL	(697,691)	(348,466)	(159,903)
Cash Generated from Operating Activities	129,665	1,141,894	1,708,252
Interest Paid	(113,935)	(159,850)	(121,618)
Income Tax and Social Contribution	(32,858)	(44,054)	(124,053)
Settlement of Derivative Financial Instrument Transactions	(13,648)	(28,428)	(98,328)
Net Cash Generated from Operating Activities	(30,776)	909,562	1,364,253
Financial Activities Cash Flow			
↪ Marketable Securities	(17,557)	53,174	(28,578)
↪ Fixed Asset Acquisition	(263,404)	(610,030)	(575,609)
↪ Fixed Asset Sale Receipt	206	(192)	-
↪ Dividends Received	5,820	147,246	3,378
↪ Purchase of Software	(4,760)	(28,579)	(4,857)
Net Cash Employed on Investments Activities	(279,695)	(438,381)	(605,666)
Financial Activities Cash Flow			
↪ Payment of Loans, Financ, & Debent,	(560)	(564)	(823)
↪ Lease Liabilities	(11,962)	(12,039)	(12,056)
↪ Dividends and Interest on Capital	(19)	(75,288)	(19)
Net Cash Generated from (Employed on) Financial Activities	(12,541)	(87,891)	(12,898)
Exchange Variation on Cash and Cash Equivalents	38,123	(40,579)	(9,835)
Net Increase (Decrease) of Cash and Cash Equivalents	(284,889)	342,711	735,854
Cash and Cash Equivalents at the Beginning of the Period	5,323,851	4,981,140	4,257,959
Cash and Cash Equivalents at the End of The Period	5,038,962	5,323,851	4,993,813
RECONCILIATION WITH BALANCE SHEET			
Cash and Cash Equivalents at the Beginning of the Period	5,323,851	4,981,140	4,257,959
Marketable Securities at the Beginning of the Period	685,982	739,156	814,402
Cash and Cash Equivalents at the Beginning of the Period	6,009,833	5,720,296	5,072,361
Net Increase (Decrease) of Cash and Cash Equivalents	(284,889)	342,711	735,854
Net Increase (Decrease) of Marketable Securities	17,557	(53,174)	28,578
Cash and Cash Equivalents at the End of the Period	5,038,962	5,323,851	4,993,813
Marketable Securities at the End of the Period	703,539	685,982	842,980
Cash and Cash Equivalents at the End of the Period	5,742,501	6,009,833	5,836,793

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