



1Q22 EARNINGS CALL

May 05, 2022

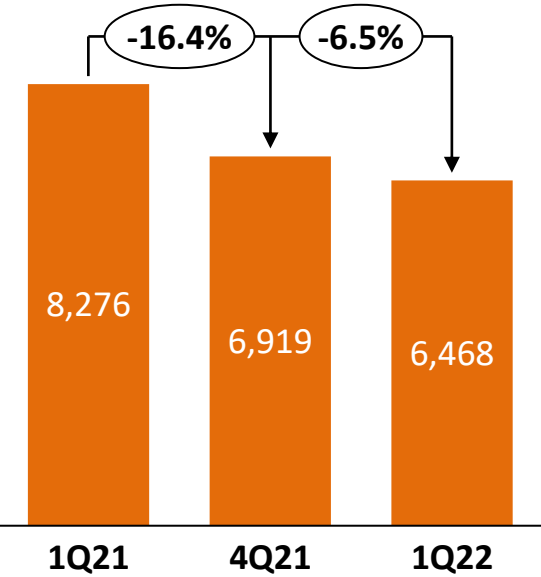


HIGHLIGHTS

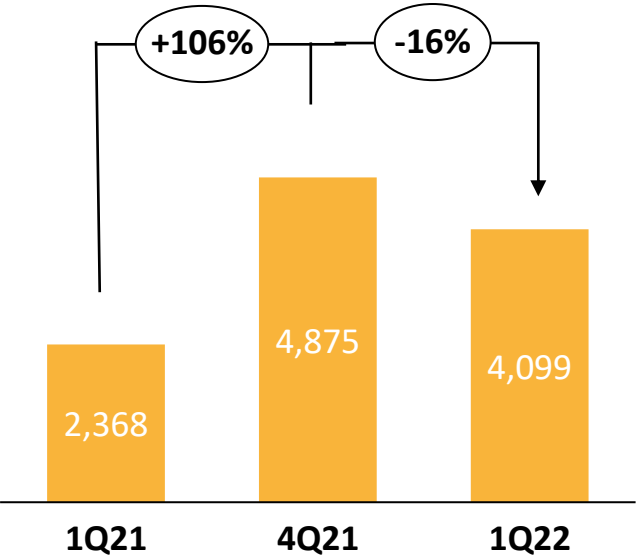
- 1** The strong **price realization** observed in this quarter compensated for the decrease in produced volume, due to the heavy rains recorded at the beginning of the year. EBITDA reached R\$ 2,415 million in 1Q22, with a margin of 63%.
- 2** **Free Cash Flow** was negative in 1Q22 due to specific effects such as the changes in the working capital and the payment of taxes resulting from the record performance recorded in 2021.
- 3** In the GSM held on April 29, the distribution of R\$ 2.5 billion in **dividends** for the year 2021 was approved, which is equivalent to R\$ 0.46/share.
- 4** Agreement signed with SANY to try to make CSN Mineração the first mining company in Brazil to use 100% electric trucks in its fleet.

PRODUCTION VOLUME AND INVENTORY

TOTAL PRODUCTION¹
(Thousand tons)



IRON ORE INVENTORY
(Thousand tons)

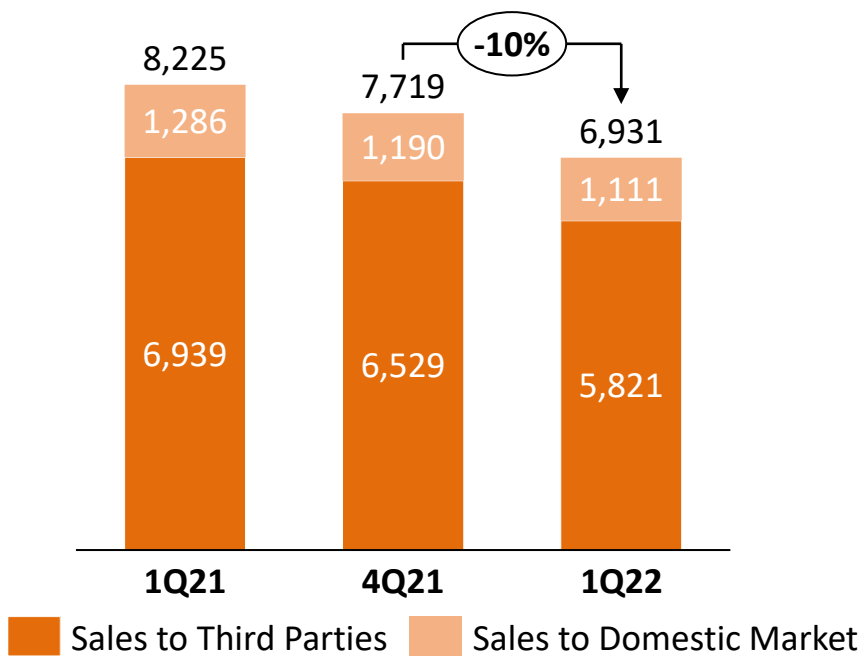


- ⚙ A 6.5% drop in iron ore production compared to the previous quarter is a consequence of the heavy rains that occurred at the beginning of the year, and generated an interruption of approximately one week in the movement of the mine;
- ⚙ To mitigate this effect on sales, there was also a reduction in total available inventories throughout 1Q22.

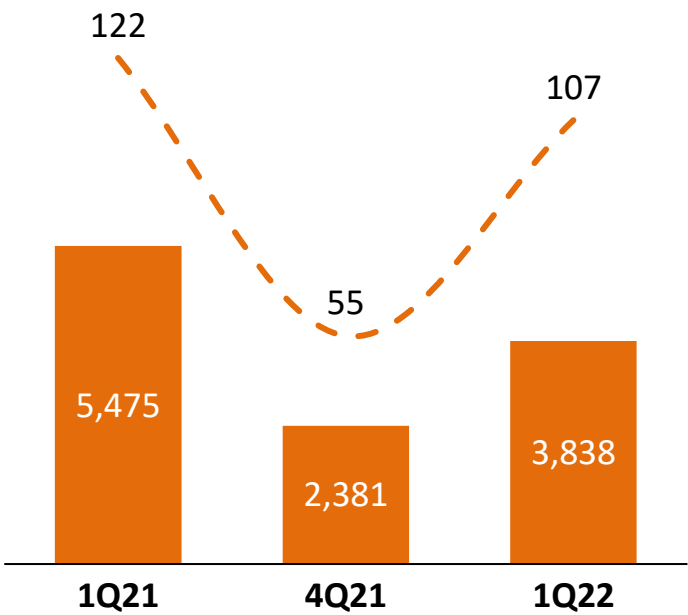
Source: CSN Mining. Note 1 – Total production also includes third-party purchases.

SALES AND FOB NET REVENUE

SALES VOLUME
(Thousand tons)



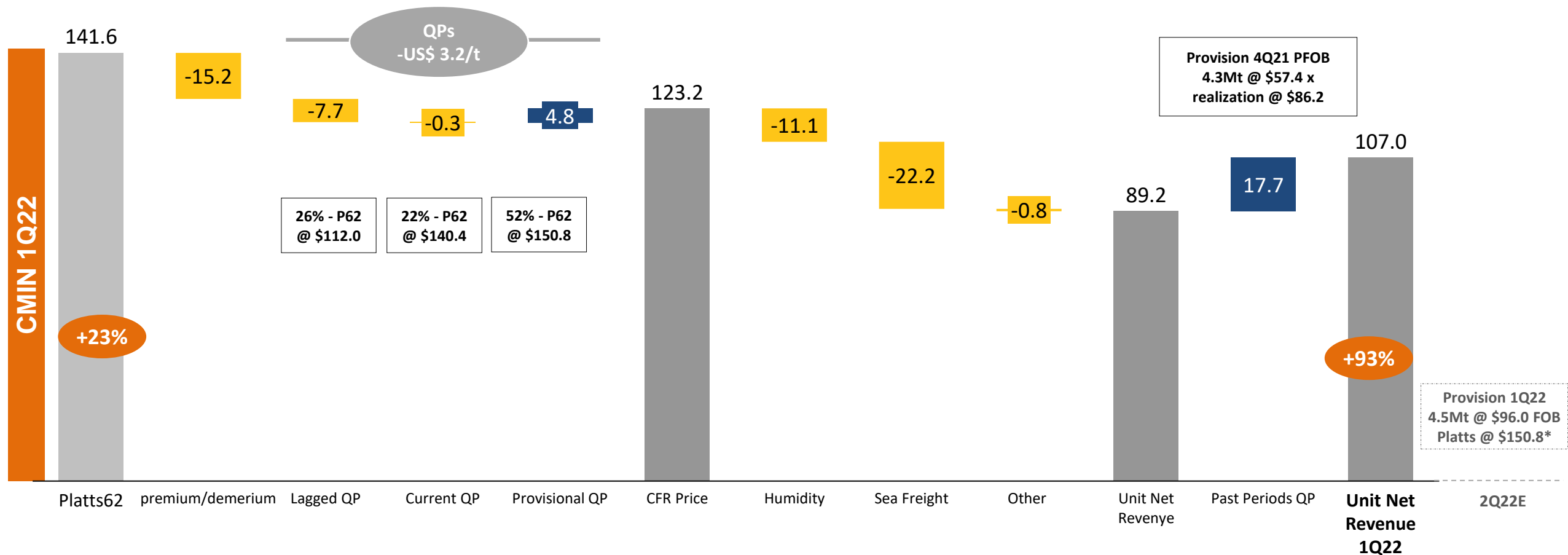
FOB NET REVENUE
(R\$ MM and Unit US\$)¹



- ⚙ In addition to the lower produced volume, sales were also impacted by heavy rains and lower shipments due to a scheduled halt at the port terminal.
- ⚙ FOB adjusted net revenue of \$107/t, nearly double that seen in the previous quarter due to Platts' 29% increase and the positive effect that the price provision of previous quarters had on pricing in the period.

Source: CSN Mineração./ Note 1: Net Revenue is a composition of the FOB Itaguaí export price and the domestic market price FCA Casa de Pedra.

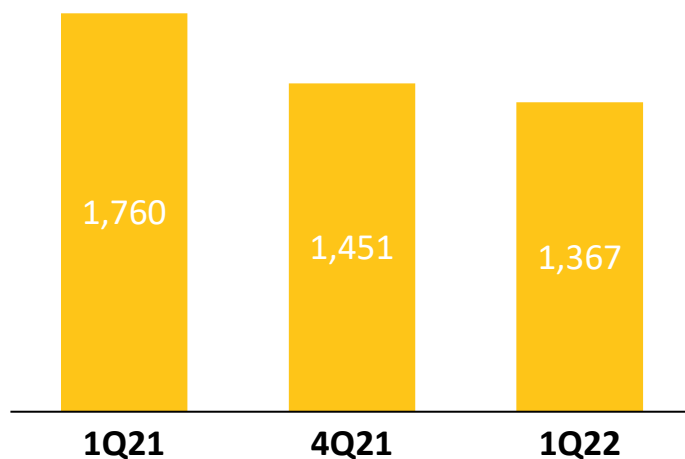
PRICE REALIZATION



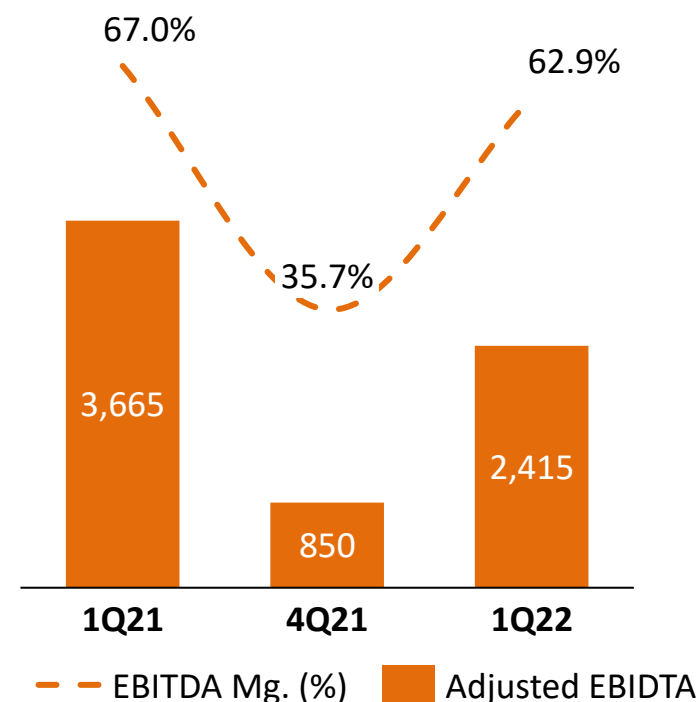
Platts 62: Jan-21 @ US\$ 131,15/dmt; Fev-21 @ US\$ 141,99/dmt; Mar-21 @ US\$ 150,84/dmt
* Platts reference value

COGS AND EBITDA

COGS (EX-DEPRECIATION)
(R\$ MM)

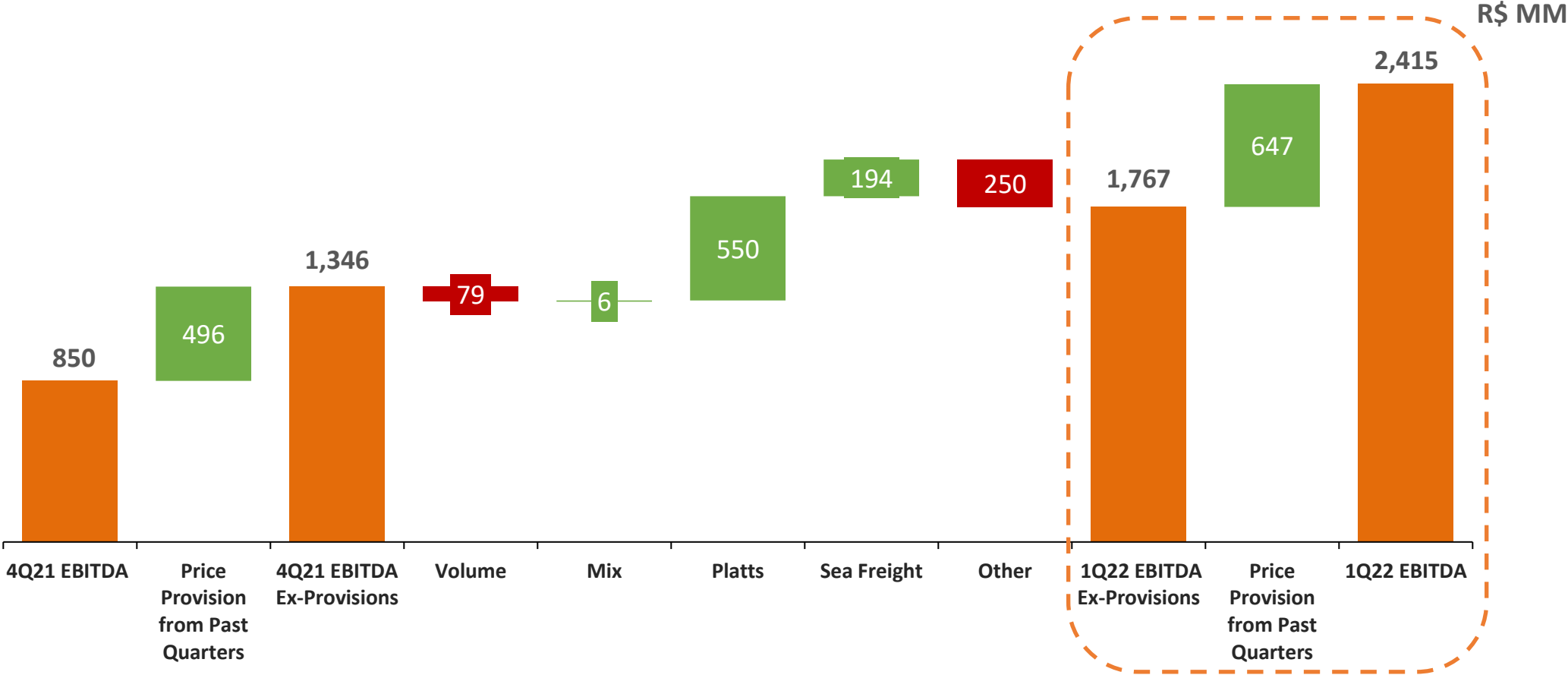


ADJUSTED EBITDA AND ADJUSTED MARGIN
(R\$ MM e %)



- ⚙ The 5.8% reduction in COGS against the previous quarter is the result of the lower volume recorded in the period that ended up compensating for the higher unit production costs.
- ⚙ Adjusted EBITDA margin reached 62.9% in the quarter or 27.2 p.p. higher than in 4Q21. The increase in prices was the main lever of the result, helping to compensate for the operational challenges faced due to the heavy rains of the beginning of the year.

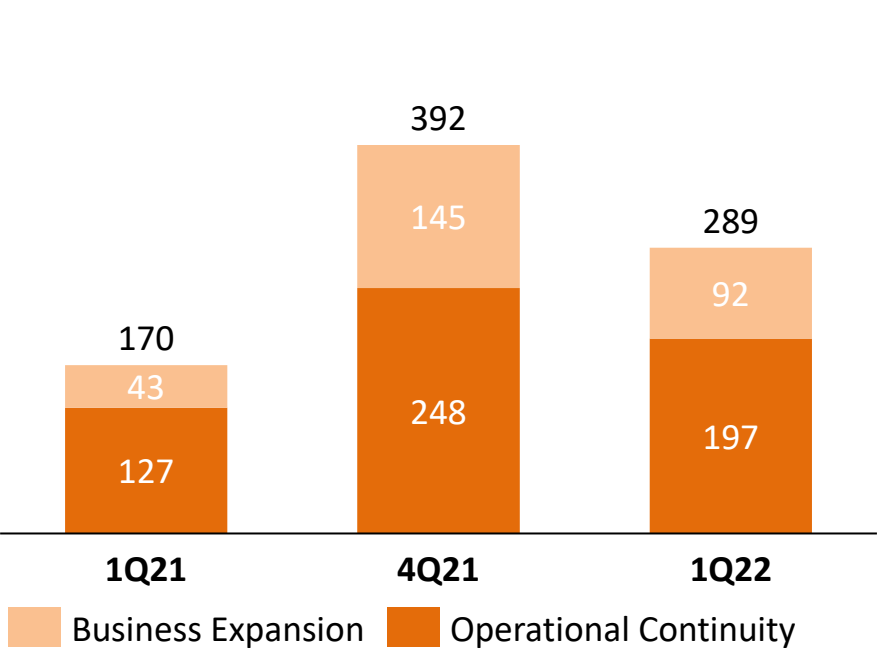
EBITDA ADJUSTED BY PROVISIONS



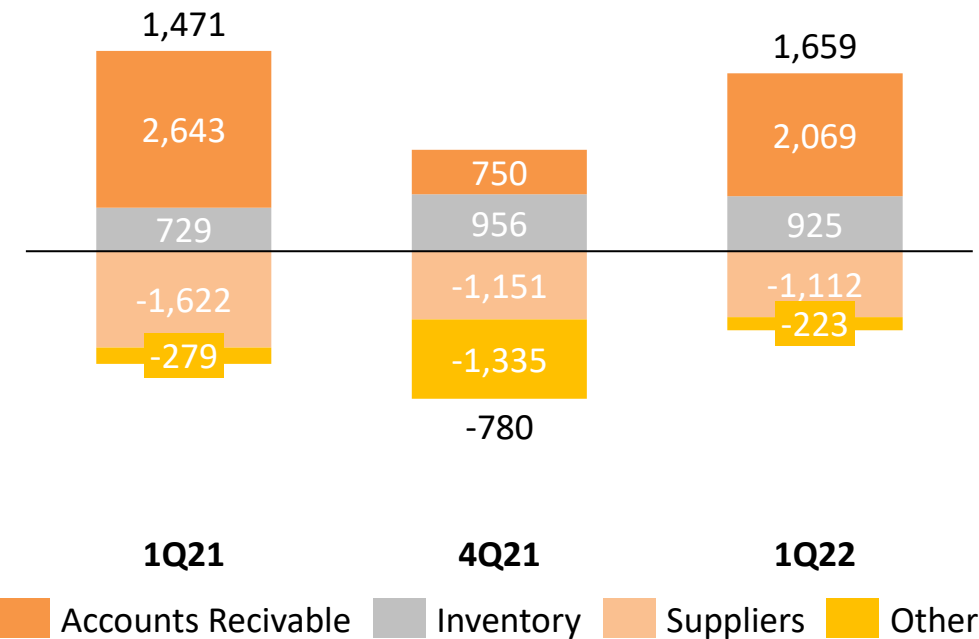
EBITDA marked by the strong appreciation of Platts in the period. Additionally, the provisional price of previous quarters ended up favorably impacting the result in a situation opposite to what was observed in the last 2 quarters.

INVESTMENTS AND NWC

INVESTMENTS¹ (R\$ MM)



NET WORKING CAPITAL (R\$ MM)

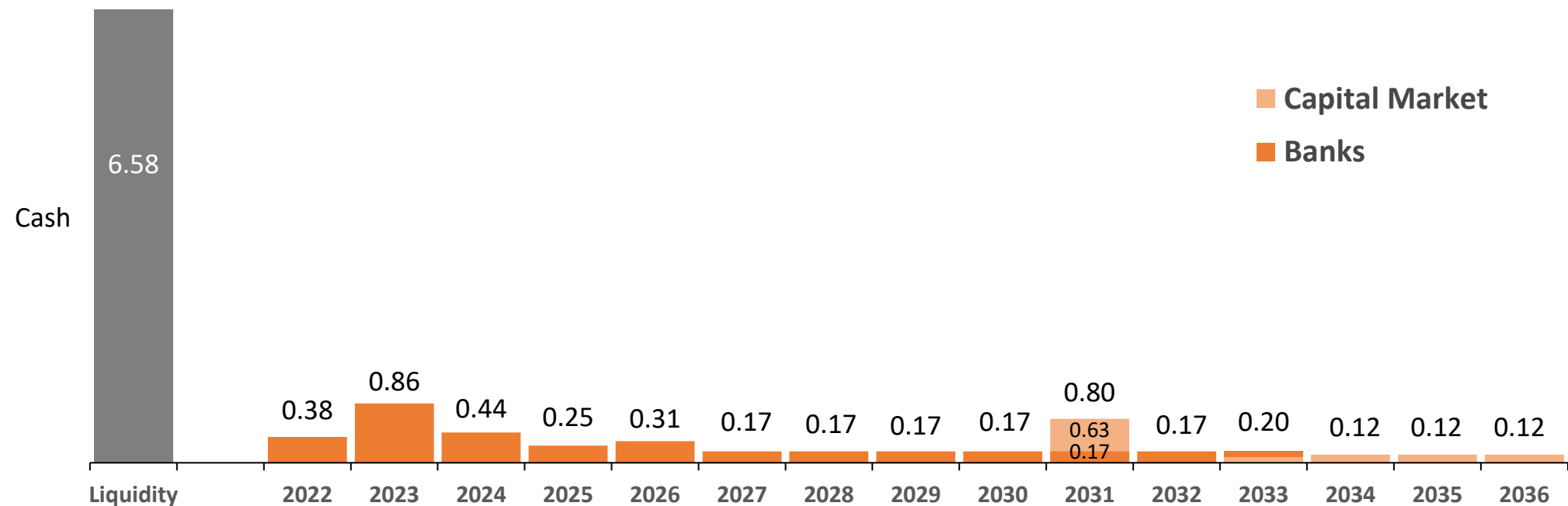


- Investments totaled R\$ 289 million in 1Q22, especially in projects related to quality improvement, port expansion and expansion of processing capacity.
- In relation to net working capital, we can see a strong increase in accounts receivable, in addition to the decrease in the advance line of customers due to the increase in the price of Platts.

Source: CSN Mining/ Note 1 - Investments include acquisitions through loans and financing.

AMORTIZATION SCHEDULE

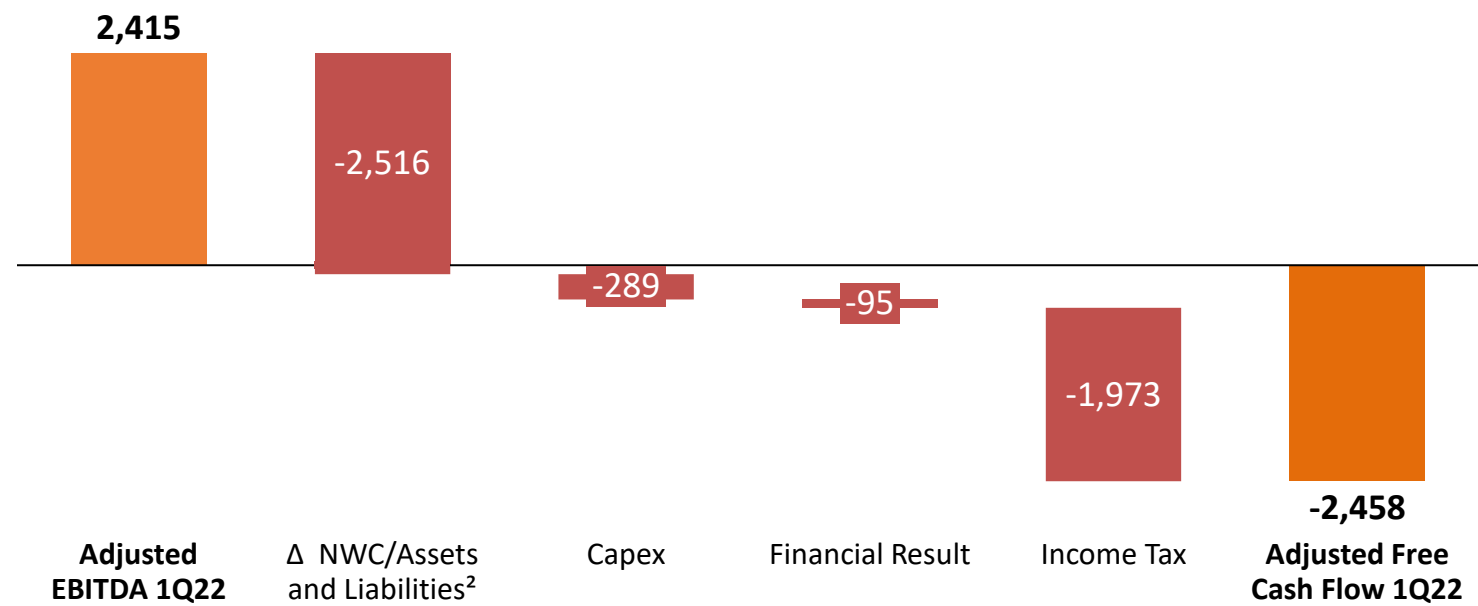
AMORTIZATION SCHEDULE
(R\$ BI)



CSN Mineração ended the quarter with cash of R\$ 6.6 billion (net cash of R\$ 2.1 billion) and an extended schedule of financial obligations.

FREE CASH FLOW

FREE CASH FLOW
(R\$ MM)



✚ Free Cash Flow in 1Q22 was negative at R\$ 2,458 million, a performance that is explained by the increase in the Company's working capital and the payment of income tax and NWC for the record 2021 result.

Source: CSN Mineração / Note 1 - The concept of adjusted cash flow is calculated from adjusted Ebitda, subtracting CAPEX, IR, Financial Results and changes in Assets and Liabilities, excluding the effect of the Glencore advance. Note 2 - The ΔCCL/Assets and Liabilities² is composed of the change in Net Working Capital, plus the change in accounts of long-term assets and liabilities and disregarding the net change in IR and CS.



ENVIRONMENTAL AND SOCIAL MANAGEMENT



COMMUNICATION AND CLIMATE ACTION

- ✓ Agreement signed with SANY to be Brazil's first mining company using **100% electric trucks in its fleet**;
- ✓ Conclusion of the **accounting assessment of risks and opportunities** related to climate change - **TCFD** (Task Force for Climate Related Financial Disclosures).

DAMs and WATER

- ✓ **Stability Statement renewed** in March/21 with all dams at zero emergency level;
- ✓ Updated **decharacterization schedule** of dams, in agreement with ANM.

BIODIVERSITY

- ✓ **1.74 hectares** re-planted in 1Q22;
- ✓ **5,733 seedlings** of Atlantic Forest species planted in 1Q22.

SOCIAL AND DIVERSITY

- ✓ **ZERO** serious accidents in 1Q22 (own and third parties);
- ✓ **10.7% reduction** in frequency rate (CAF+SAF+FT) compared to 2021;
- ✓ Increase of **12%** in the Female participation in the Company, from 18% in 2021 to **20%** in March/22;
- ✓ Offer of **160 scholarships** for technical study in the **Future Trails** program provided by the CSN Foundation.



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