

Votorantim S.A.

**Condensed consolidated
interim financial
statements
and independent
auditor's report
March 2021**



(A free translation of the original in Portuguese)

Report on review of condensed consolidated interim financial statements

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

Introduction

We have reviewed the accompanying condensed consolidated interim balance sheet of Votorantim S.A. and its subsidiaries ("Company") as at March 31, 2021 and the related condensed consolidated interim statements of income and comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these 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 consolidated 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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 21, 2021


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	Note	3/31/2021	12/31/2020
Assets			
Current assets			
Cash and cash equivalents	7	11,686	9,783
Financial investments	8	5,017	5,678
Derivative financial instruments	5.1.1 (a)	76	221
Trade receivables	9	3,408	3,209
Inventory	10	5,699	4,724
Taxes recoverable	12	2,217	2,033
Dividends receivable		154	176
Future energy contracts		23	49
Other assets		555	538
		28,835	26,411
Assets classified as held-for-sale		3	25
		28,838	26,436
Non-current assets			
Long-term receivables			
Financial investments	8	20	20
Financial instruments - shares	11	1,774	2,590
Derivative financial instruments	5.1.1 (a)	835	1,945
Derivative financial instruments - put option	5.1.1 (b)	595	252
Taxes recoverable	12	2,813	2,966
Related parties		212	196
Deferred income tax and social contribution	18 (b)	2,921	2,731
Judicial deposits	19 (b)	198	193
Future energy contracts		9	9
Securitization of receivables		276	149
Other assets		771	701
		10,424	11,752
Investments	13 (c)	13,197	12,698
Property, plant and equipment	14 (a)	30,924	30,105
Intangible assets	15 (a)	15,871	14,594
Right-of-use assets		858	797
Biological assets		95	96
		71,369	70,042
Total assets		100,207	96,478

	Note	3/31/2021	12/31/2020
Liabilities and equity			
Current assets			
Borrowing	16 (a)	1,519	1,407
Derivative financial instruments	5.1.1 (a)	662	511
To rent		247	235
Confirming payables		2,529	2,380
Trade payables		5,218	5,404
Salaries and payroll charges		895	1,174
Taxes payable		1,118	760
Advances from clients		217	182
Dividends payable		28	44
Use of public assets		106	97
Financial instruments - firm commitment		82	75
Deferred revenue - silver streaming		136	141
Other liabilities		1,021	924
		13,778	13,334
Liabilities related to assets held-for-sale		2	2
		13,780	13,336
Non-current assets			
Borrowing	16 (a)	25,853	23,658
Derivative financial instruments	5.1.1 (a)	702	2,412
To rent		680	623
Deferred income tax and social contribution	18 (b)	2,531	2,373
Related parties		19	11
Provision	19 (a)	3,842	3,586
Use of public assets		1,442	1,400
Pension plan and post-employment health care benefits		603	524
Financial instruments - firm commitment		202	210
Deferred revenue - silver streaming		742	722
Other liabilities		756	827
		37,372	36,346
Total liabilities		51,152	49,682
Equity			
Share capital		28,656	28,656
Revenue reserves		8,806	8,806
Retained (loss) earnings		519	
Carrying value adjustments	20 (c)	6,281	4,879
Total equity attributable to the owners of the Company		44,262	42,341
Non-controlling interests		4,793	4,455
Total equity		49,055	46,796
Total liabilities and equity		100,207	96,478

	Note	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Continuing operations			
Net revenue from products sold and services rendered	21	10,239	6,829
Cost of products sold and services rendered	22	(7,711)	(6,068)
Gross profit		2,528	761
Operating expenses (income)			
Selling	22	(202)	(224)
General and administrative	22	(654)	(581)
Other operating income (expenses), net	23	478	(1,894)
		(378)	(2,699)
Operating profit (loss) before equity results and finance results		2,150	(1,938)
Results from equity investments			
Equity in the results of investees	13 (c)	97	(133)
		97	(133)
Finance results, net			
	24		
Finance income		208	174
Finance costs		(649)	(592)
Result of derivative financial instruments		263	(19)
Foreign exchange losses, net		(356)	(1,100)
		(534)	(1,537)
Profit (loss) before income tax and social contribution		1,713	(3,608)
Income tax and social contribution			
	18 (a)		
Current		(736)	(138)
Deferred		151	435
Profit (loss) from continuing operations		1,128	(3,311)
Profit (loss) attributable to the owners of the Company		1,018	(2,056)
Profit (loss) attributable to non-controlling interests		110	(1,255)
Profit (loss) for the quarter		1,128	(3,311)
Weighted average number of shares - thousands (to the owners of the Company)		18,278,789	18,278,789
Basic and diluted earnings (loss) per thousand shares, in reais		55.69	(112.48)
From continuing operations			
Basic and diluted earnings (loss) per thousand shares, in reais		55.69	(112.48)

	Note	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Profit for the quarter		1,128	(3,311)
Other components of comprehensive income to be subsequently reclassified to profit or loss			
Attributable to the owners of the Company			
Foreign exchange variations	20 (c)	1,265	3,227
Hedge accounting for net investments abroad, net of taxes	20 (c)	(14)	(392)
Hedge accounting for the operations of subsidiaries	20 (c)	(54)	(661)
Adjustment to fair value of shares, net of tax effects	20 (c)	346	104
Inflation adjustments for hyperinflationary economies	20 (c)	139	62
Realization of comprehensive results on settlement of shares	20 (c)	(265)	
Participation in other comprehensive results of investees	20 (c)	3	(1)
Attributable to non-controlling			
Foreign exchange variations of investees		296	981
		1,716	3,320
Other components of comprehensive income that will not be reclassified to profit or loss			
Attributable to the owners of the Company			
Remeasurement of retirement benefits, net of taxes	20 (c)	1	6
Credit risk of debts measured at fair value		(19)	71
Attributable to non-controlling			
Remeasurement of retirement benefits, net of taxes			1
Other components of comprehensive income for the quarter		1,698	3,398
Continued operations		2,826	87
Comprehensive income attributable to			
Owners of the Company		2,420	360
Non-controlling interests		406	(273)
		2,826	87

Condensed consolidated interim statement of charges in equity

Quarters ended March 31

All amounts in millions of reais unless otherwise stated

VOTORANTIM

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	Note	Attributable to the owners of the Company								
		Revenue reserves						Total	Non-controlling interests	Total equity
		Share capital	Tax incentives	Legal	Profit retention	Retained (loss) earnings	Carrying value adjustments			
At January 1, 2020		28,656	10	1,032	10,123		1,948	41,769	5,138	46,907
Loss for the quarter						(2,056)		(2,056)	(1,255)	(3,311)
Other components of comprehensive income							2,416	2,416	982	3,398
Comprehensive income for the quarter						(2,056)	2,416	360	(273)	87
Distribution of dividends					(401)			(401)	(74)	(475)
Effect of liquidation of related parties on the spin-off of investees					36			36		36
Total contributions and distributions to shareholders					(365)			(365)	(74)	(439)
At March 31, 2020		28,656	10	1,032	9,758	(2,056)	4,364	41,764	4,791	46,555
At January 1, 2021		28,656	10	1,032	7,764		4,879	42,341	4,455	46,796
Profit for the quarter						1,018		1,018	110	1,128
Other components of comprehensive income							1,402	1,402	296	1,698
Comprehensive income (loss) for the quarter						1,018	1,402	2,420	406	2,826
Distribution of dividends	20 (b)					(499)		(499)	(68)	(567)
Total contributions and distributions to shareholders						(499)		(499)	(68)	(567)
At March 31, 2021		28,656	10	1,032	7,764	519	6,281	44,262	4,793	49,055

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

	Note	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Cash flow from operating activities			
Profit (loss) before income tax and social contribution		1,713	(3,608)
Adjustments to items that do not represent changes in cash and cash equivalents			
Depreciation, amortization and depletion	22	847	756
Equity in the results of investees	13 (c)	(97)	133
Interest, indexation and foreign exchange variations		536	1,389
Provisions (reversal) for the impairment of fixed, intangible assets and investments	23	123	2,155
Gain on sales of fixed and intangible assets, net		(99)	
Adjustment to fair value of loans and financing	16 (b)	(65)	(135)
Constitution of provisions		95	70
Derivative financial instruments		224	(161)
Future energy contracts		26	(34)
Net revenue on sale of investments		(629)	
Net gain from financial instrument - put option	5.1.1 (b)	(343)	203
Gain on purchase of investee			(366)
Loss on debt renegotiation		21	
		2,352	402
Decrease (increase) in assets			
Financial investments		834	(415)
Derivative financial instruments		(108)	(1)
Trade accounts receivable		258	538
Inventory		(797)	(78)
Taxes to recover		2	35
Related parties		(16)	(18)
Judicial deposits		(4)	15
Other accounts receivable and other assets		(142)	(11)
Increase (decrease) in liabilities			
Trade payables		(575)	(1,313)
Salaries and social charges		(320)	(225)
Use of public assets		8	(3)
Taxes payable		147	(11)
Advances from customers		32	100
Other obligations and other liabilities		(50)	(283)
Cash provided by (used in) operating activities		1,621	(1,268)
Interest paid on borrowing and use of public assets		(335)	(166)
Income tax and social contribution paid		(546)	(137)
Net cash provided by (used in) operating activities		740	(1,571)

	Note	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Cash flow from investment activities			
Proceeds from disposals of fixed and intangible assets		239	11
Investment sale		1,643	
Dividends received		131	2
Acquisitions of property, plant and equipment	14	(835)	(665)
Increase in biological assets		1	5
Acquisitions of investments		(36)	(228)
Increase in intangible assets	15		(6)
Net cash provided by (used in) investment activities		1,143	(881)
Cash flow from financing activities			
New borrowing	16 (b)	1,149	3,625
Repayment of borrowing	16 (b)	(1,157)	(1,299)
Repayment of leasing contracts		(66)	(65)
Derivative financial instruments		34	103
Dividends paid		(583)	(490)
Net cash provided by (used in) financing activities		(623)	1,874
Increase (decrease) in cash and cash equivalents		1,260	(578)
Effect of companies excluded from consolidation			7
Effect of fluctuations in exchange rates		643	1,088
Cash and cash equivalents at the beginning of the quarter		9,783	6,262
Cash and cash equivalents at end of the quarter		11,686	6,779

1 General considerations

Votorantim S.A. (the "Company", the "parent company", or "VSA"), is a long-term Brazilian holding company. With its headquarters in the city of São Paulo, Brazil, the Company's purpose is to manage assets and companies, as well as to invest in other companies in order to further its objectives.

The Company, through its subsidiaries and associates, operates in the following segments: construction, metals and mining, aluminum, energy, long steel, real estate, agribusiness, and finance.

1.1 Main events during the first quarter of 2021

(a) Prepayment of export credit note – Nexa

On January 22, 2021, the subsidiary Nexa prepaid the outstanding principal and accrued interest on an Export Credit Note in Brazil amounting to R\$ 250 and R\$ 13 of accrued interest.

(b) Sale of Suzano shares – VSA

On January 23, 2021, VSA sold 25,000,000 common shares in Suzano S.A ("Suzano") held by the Company, for R\$ 64.60 each, totaling R\$ 1,615 million. After the sale, VSA held 25,180,059 common shares, corresponding to approximately 1.9% of Suzano's total and voting capital.

Other operating results	629
Revenue from the sale of shares	1,615
Fees	(11)
Cost of selling shares	(1,376)
Realization of other comprehensive results	401
Income tax and social contribution	(214)
Chains	(417)
Deferred	
Reversal	339
Other comprehensive realization	(136)
Net gain on sale	415

(c) Dividend distribution – Nexa

On February 11, 2021, the Board of Directors of Nexa approved the distribution of dividends to shareholders of approximately USD 35 million, which was paid on March 12, 2021.

(d) Use of a Committed Credit Facility by St. Marys

In January and February 2021, the indirect subsidiary St. Marys withdrew from the revolving credit line, reaching a total equivalent to USD 50.3 million, maturing in August 2024.

The amount of USD 227.9 million remains at the disposal of the Company and its subsidiaries for new withdrawals, if necessary.

(e) Incident at the collecting substation of the jointly controlled company VTRM Energia Participações S.A. ("VTRM")

On February 12, 2021, an incident at the collection substation that links the companies in the Ventos do Araripe III complex, formed by wind farms belonging to the jointly controlled VTRM, caused the remaining power transformer to be disconnected from this substation. This caused a complete interruption in the flow of power generation from the complex, since the other transformer was out of operation due to an accident in June 2020. The park returned to commercial operation on April 29, 2021 the final date of the repair of the transformer related to the first occurrence. In the interim, where there is only one transformer, the generation of the park will be limited.

Concerning the second occurrence, the VTRM Management contacted the manufacturer of the transformer and the main companies in the sector to obtain an opinion on the feasibility of its repair or need for replacement, and, due to a favorable opinion on the likelihood of successful repair, proceeded with its repair, with completion term contracted for October 2021.

The interruption in the flow of power generation from the complex should be reflected in the provision for annual reimbursement that the companies calculate monthly due to the effective generation of energy, with a consequent reduction in the net revenue of the companies, until the situation is normalized. This impact tends to be minimized due to the insurance policy that the subsidiaries have for the main risks associated with the assets, including damage to transformers, with coverage for material damages and loss of profits.

As of the date of approval of these financial statements, the definitive diagnosis from the insurer regarding indemnity in the aforementioned incidents has not been received.

(f) Issue of Certificates of Real Estate Receivables (“CRI”) – Votorantim Cimentos S.A. (“VCSA”)

On February 15, 2021, through RB Capital Companhia de Securitização, the subsidiary VCSA and the indirect subsidiary Votorantim Cimentos N/NE S.A (“VCNNE”) issued Certificates of Real Estate Receivables (“CRI”) in the Brazilian capital market, amounting to R\$ 264 and R\$ 136, respectively. The operation has a 12-year maturity and the cost of IPCA + 4.47% p.a.

The funds raised will be destined to investments and expenses of civil works, either for the renovation, maintenance and / or expansion of our operating units in Brazil, as well as for reimbursement of expenses of this nature that occurred in the last two years. This operation is in line with the strategy to diversify its sources of financing and increase its participation in the local capital market.

On March 9, 2021, the subsidiary VCSA and the indirect subsidiary VCNNE contracted a forward derivative financial instrument (swap), beginning on March 15, 2021, which aims to exchange the exposure of the floating IPCA + rate to floating rate CDI +, resulting in a final cost of CDI + 1.33% p.a.

(g) 12th issue of debentures by VCSA

On February 24, 2021, subsidiary VCSA held its 12th public offering of debentures with restricted placement efforts, totaling R\$ 450 at the cost of CDI + 1.45% p.a. and maturing in February 2026, and the proceeds were released on March 5, 2021. This is the first Sustainability Linked Financing operation in the Brazilian capital market of a company in the civil construction sector, in which the subsidiary has linked sustainability commitments.

The Key Performance Indicators measured for this purpose are the amount of CO2 issued per metric ton of cement and the thermal replacement rate, both of which are important sustainability parameters in the cement industry, and also meet our Sustainability Commitments for 2030, as established in November 2020. Upon meeting the goals established every two years, the Company will be granted benefits relating to the debt pre-payment conditions.

The proceeds from this funding were allocated to the early repayment of the totality of VCNNE’s 1st issue of debentures, maturing in April 2023. The proceeds were transferred through the settlement of the balance between the related parties.

(h) Approval of dividend distribution – VCSA

At the Extraordinary General Meeting of the subsidiary VCSA, held on February 25, 2021, the shareholders approved the intermediate distribution of dividends of R\$ 345. The funds were transferred on February 26, 2021.

(i) Acquisition of shares in Tinka Resources Limited (“Tinka”) – Nexa

On March 17, 2021, the subsidiary Nexa acquired 29,895,754 common shares of Tinka, under market conditions and in a private transaction, for a price of CAD 0.26 per share. As a result, the subsidiary Nexa holds 8.8% of the common shares of Tinka, which is an exploration and development company.

(j) Remensuração ARO – Companhia Brasileira de Alumínio (“CBA”)

In March 2021, the subsidiary CBA updated its environmental obligations for the demobilization of assets, amounting to R\$ 128 for the Niquelândia unit and concomitantly constituted impairment on this increase in fixed assets.

(k) GSF (Generation Scale Factor) - Votorantim Cimentos, CBA and Votorantim Energia (“VE”)

As disclosed in the consolidated financial statements for the year ended December 31, 2020 (Note 1.1 (t)), the Company follows the regulatory process of Law No. 14.052, published on September 9, 2020, which establishes new conditions for the renegotiation of the hydrological risk of electricity generation, providing for the compensation of generators by extending the term of concession of their grants due to the occurrence of non-hydrological risks that negatively influenced the GSF after 2012.

In the first quarter of 2021, the indirect subsidiary VCNNE recognized credit with a gross amount of R\$ 58 and deferred taxes of R\$ 20 related to the renegotiation of the hydrological risk of electricity generation, by extending the concession period for the use of the public asset of the Pedra do Cavalo plant in 7 years.

The subsidiary CBA also recognized this credit, on March 31, 2021, with a total amount of R\$ 142 and deferred taxes of R\$ 48, by extending the concession period for the use of the public assets listed below:

- i. UHE Sobragi: 1 year e 7 months - R\$ 34
- ii. UHE Piraju: 4 years e 11 months - R\$ 37
- iii. UHE Ourinhos: 5 years e 5 months - R\$ 20
- iv. UHE Salto do Rio Verdinho: 7 years - R\$ 51

For the subsidiary VE, on March 1, 2021, the calculations of the extension of the grants of the plants that adhere to the renegotiation of the hydrological risk of the Free Contracting Environment (ACL) were presented and forwarded to ANEEL for analysis and approval, which should take place in up to 30 days (expected March 30, 2021). However, such approval did not take place within this period due to funds claimed by some plants with ANEEL, so that new conditions for the renegotiation of hydrological risk related to the Regulated Contracting Environment (ACR) were included. As a consequence, ANEEL requested that the GSF values be recalculated for a new round of analysis and approval. Given this situation and considering that the figures disclosed are subject to change, the subsidiary's Management awaits the definition of the topic and the final calculations for consideration and deliberation by the governance bodies of the investees that own the plants, which should occur in the second quarter of 2021.

(l) Effects of the pandemic caused by the new Coronavirus (COVID-19)

Given the emergence of the pandemic related to the new Coronavirus, which caused impacts on public health and the economy of Brazil and several countries, the Company informs that it has been taking preventive and risk mitigation measures according to the guidelines established by the health authorities national and international, aiming to minimize impacts on the health and safety of employees, family, partners and communities, as well as the continuity of all its operations. These measures are by the laws in force in the countries in which the Company operates and its internal regulations.

The extent of the impacts of COVID-19 will depend on the duration of the pandemic, possible restrictions imposed by governments, and other possible developments in the countries in which the Company and its subsidiaries operate.

The Company and its subsidiaries constantly evaluate and implement action plans together with customers, suppliers, and other stakeholders involved, according to the current scenario and the best possible projections.

In this scenario, the Company and its subsidiaries have been monitoring the effects on the main critical accounting estimates and judgments, as well as other balances with the potential to generate uncertainties and impacts on the financial information disclosed. Since the consolidated financial statements for the year ended December 31, 2020, we have not identified any additional impact to those disclosed in the annual financial statements, concerning to the following topics:

- (i) Reduction in the recoverable value of non-financial assets;
- (ii) recoverability of deferred tax assets;
- (iii) Compliance with obligations contained in debt contracts;
- (iv) Compliance with obligations assumed with customers and suppliers;
- (v) Risk matrix for calculating the allowance for loan losses;
- (vi) Inventory loss estimate due to low turnover and change in realizable value.

Additionally, the Company has a solid liquidity position. In addition, the subsidiary Votorantim Cimentos has revolving credit facilities available in the amount of USD 728 million. This position provides the Company with conditions to mitigate, even if not fully known, the impacts of this adverse scenario.

Considering the analysis of the information and data mentioned above, until the time of the issuance of these interim consolidated financial statements, the Company and its subsidiaries have not identified other relevant impacts to be disclosed and do not have visibility of impacts or accounting evidence arising from the pandemic caused by COVID- 19 that imply changes in accounting policies, in the main estimates established and in the critical accounting judgments mentioned above.

2 Presentation of the condensed consolidated interim financial statements

2.1 Basis of preparation

(a) Condensed consolidated interim financial statements

The financial statements have been prepared and are being presented following Technical Pronouncement CPC 21 (R1) Interim Statement, and International Accounting Standard IAS 34 - *Interim Financial Reporting*, issued by the *International Accounting Standards Board* (IASB) and disclose all relevant information in the interim financial statements, which is consistent with that used by management in its administration.

For this reason, the condensed consolidated interim financial statements as of March 31, 2021 do not contain all explanatory notes and disclosures required by the accounting standards applicable to annual financial statements, as their purpose is to provide an update on any changes to significant activities, events and circumstances relative to those financial statements. As a consequence, they should be read together with the consolidated financial statements on December 31, 2020, and available on the investor relations website (www.votorantim.com.br/ri).

(b) Approval of the financial statements

The Management approved the consolidated financial statements for issue on May 21, 2021.

3 Changes in accounting policies and disclosures

3.1 New standards issued and amendments to the accounting standards adopted by the Company and its subsidiaries

The following changes to standards issued by the International Accounting Standards Board (IASB) were adopted for the first time for the year beginning January 1, 2021:

- (i) Definition of material: changes to IAS 1 / CPC 26 "Presentation of Financial Statements" and IAS 8 / CPC 23 "Accounting Policies, Change in Estimates and Correction of Errors";
- (ii) Definition of business: changes to IFRS 3 / CPC 15 "Business Combination";
- (iii) IBOR reform: amendments to IFRS 9 / CPC 48, IAS 39 / CPC 38 and IFRS 7 / CPC 40 "Financial Instruments";
- (iv) Revised Conceptual Framework for Financial Reporting;
- (v) Benefits Related to COVID-19 Granted to Leaseholders in Lease Contracts: amendments to IFRS 16 / CPC 06 (R2) "Leases", and;
- (vi) Reform of Interbank offered rates (IBORs): amendments to IFRS 9 / CPC 48 "Financial instruments", IAS 39 / CPC 38 "Financial instruments - recognition and measurement, IFRS 7 / CPC 40" Financial instruments: disclosure ", IFRS 4 / CPC 11 "Insurance contracts" and IFRS 16 / CPC 06 "Leases".

The Company analyzed the amendments to the accounting standards mentioned above and did not identify any impacts on its operating and accounting policies.

3.2 New standards issued and amendments to accounting standards not yet adopted by the Company and its subsidiaries

The following changes to standards issued by the International Accounting Standards Board (IASB) will be adopted for the first time in periods beginning after March 31, 2021:

- (i) Classification of liabilities between current and non-current: changes to IAS 1 / CPC 26 "Presentation of the Financial Statements";
- (ii) Gains on the sale of inventories produced while the asset is not ready for use: changes to IAS 16 / CPC 27 "Property, plant and equipment";
- (iii) Initial adoption of IFRS in subsidiaries: changes to IFRS 1 / CPC 37 "Initial adoption of international accounting standards";
- (iv) Borrowing costs in the derecognition test of financial liabilities: changes to IFRS 9 / CPC 48 "Financial instruments";
- (v) Lease incentives: changes to IFRS 16 / CPC 06 "Leases";
- (vi) Cost of fulfilling onerous contracts: changes to IAS 37 / CPC 25 "Provision, contingent liabilities and contingent assets, and;
- (vii) Concessions related to COVID-19: amendments to IFRS 17 "Insurance contracts".

The Company analyzed the amendments to the accounting standards mentioned above and did not identify any impacts on its operating and accounting policies to be adopted retrospectively or at the beginning of the year 2021.

4 Critical accounting estimates and judgments

In the quarter ended March 31, 2021, there were no changes in the estimates and assumptions that presented a significant risk of causing material adjustments to the carrying amounts of assets and liabilities for the current fiscal year, compared to those detailed in the most recent annual financial statements.

5 Financial risk management

5.1 Financial risk factors

(a) Foreign exchange risk

The Company and its subsidiaries have certain investments in foreign operations, the net assets of which are exposed to foreign exchange risk. The foreign exchange exposure arising from the participation of the Company and its subsidiaries in foreign operations is mainly hedged by borrowing in the same currency as these investments, classified as net investment hedges.

Presented below are the accounting balances of assets and liabilities indexed to the foreign currency at the closing date of the balance sheets:

	Note	3/31/2021	12/31/2020
Assets denominated in foreign currency			
Cash and cash equivalents	7	9,770	7,992
Financial investments	8	1,280	1,209
Trade receivables	9	1,948	1,875
Derivative financial instruments		364	382
Related parties		108	105
		13,470	11,563
Liabilities denominated in foreign currency			
Borrowing (i)	16	22,719	18,755
Derivative financial instruments		815	1,173
Lease liabilities		734	634
Confirming payables		2,018	1,840
Trade payables		2,854	2,917
Deferred revenue - silver streaming		878	863
		30,018	26,182
Net exposure		(16,548)	(14,619)

(i) It does not consider funding costs.

(b) Hedge of net investments in foreign operations

The investments presented in the following table were designated as hedged objects and the debt portion of the Company and its subsidiaries Companhia Brasileira de Alumínio, Votorantim Cimentos International S.A. (“VCI”) and St. Marys Cement Inc., denominated in euros and dollars.

				3/31/2021
Investment		Debt		
Nexa Resources Cajamarquilla S.A.	979	CBA		819
St. Marys	2,849	St. Marys		2,849
Votorantim Cimentos EAA Inversiones, S.L. (i)		Votorantim Cimentos International S.A. (i)		
	3,828			3,668
				12/31/2020
Investment		Debt		
Nexa Resources Cajamarquilla S.A.	822	CBA		747
St. Marys	1,245	St. Marys		1,245
Votorantim Cimentos EAA Inversiones, S.L.	2,598	Votorantim Cimentos International S.A.		2,598
	4,665			4,590

(i) After the hedge relationship was rebalanced on December 31, 2020, the debts in EUR held by VCI were fully settled and the hedge accounting in question was ended.

The Company and its subsidiaries document and evaluate the effectiveness of the investment hedge operations prospectively, as required by CPC 48 / IFRS 9 - "Financial instruments".

The exchange variation loss on debt conversion, net of income tax and social contribution, recognized as “Equity valuation adjustments” on March 31, 2021, was R\$ 14 (March 31, 2020, a loss of R\$ 392) (Note 20 (c)).

(c) Liquidity risk

The following table analyzes the financial liabilities of the Company and its subsidiaries, by maturity, corresponding to the period remaining from the balance sheet date up to the contractual maturity date. The amounts disclosed in the table represent the undiscounted contractual cash flows, these amounts may not be reconciled with the amounts disclosed in the balance sheet.

	Note	Up to one year	From one to three years	From three to five years	From five to ten years	From ten years	Total
At March 31, 2021							
Borrowing (i)	16	2,440	3,119	11,450	14,953	6,851	38,813
Derivative financial instruments	5.1.1 (a)	663	232	314	118	37	1,364
To rent	0	287	239	192	136	73	927
Confirming payables	0	2,529					2,529
Trade payables		5,218					5,218
Dividends payable		28					28
Related parties	0		19				19
Use of public assets	0	110	190	336	836	1,293	2,765
		11,275	3,799	12,292	16,043	8,254	51,663
At December 31, 2020							
Borrowing	16	2,258	1,869	11,654	13,418	5,998	35,197
Derivative financial instruments	5.1.1 (a)	514	334	635	1,269	171	2,923
To rent	0	253	208	169	173	55	858
Confirming payables	0	2,380					2,380
Trade payables		5,404					5,404
Dividends payable		44					44
Related parties	0		11				11
Use of public assets		100	177	312	828	1,213	2,630
		10,953	2,599	12,770	15,688	7,437	49,447

(i) For "Borrowing" balances, financial charges are projected until the final maturity of the contracts. These figures do not consider an adjustment to the fair value of the operations contracted in Law No. 4131/1962.

5.1.1 Derivatives contracted

(a) Effects of derivative financial instruments on the balance sheet and cash flow

The following are the derivative financial instruments and the objects protected by them:

Programs	Principal Value			12/31/2020		1/1/2021 to 3/31/2021						3/31/2021				Fair value by maturity			
	3/31/2021		12/31/2020	As per unit	Fair value	Inventory	Net revenue from products sold and services rendered	Cost of products sold and services rendered	Other operating income (expenses), net	Finance results, net	Other comprehensive income	Gain (loss) Realized	Fair value	2021	2022	2023	2024+		
Hedges for sale of zinc at a fixed price																			
Zinc forward	14.375	15.695	ton	10					(1)		6	3	3						
				10					(1)		6	3	3						
Hedges for mismatches of quotational period																			
Zinc forward	180.635	204.394	ton	11	(1)	(6)	3	7			12	2	2						
				11	(1)	(6)	3	7			12	2	2						
Operating margin hedging																			
Aluminum forward	189.000	203.130	ton	(350)		(122)					(141)	(95)	(518)	(458)	(60)				
Collars	3	5	USD millions								(1)	(1)							
USD forward	328	337	USD millions	52		(30)					(110)	(30)	(58)	(49)	(9)				
				(298)		(152)					(252)	(126)	(576)	(507)	(69)				
Foreign exchange risk																			
Turkish Lira Term (USD/TRY)	2	1	EUR millions	(1)					1										
				(1)					1										
Interest rates risk																			
LIBOR floating rate vs. CDI floating rate swaps	225	225	USD millions	190					100		(2)	292	(20)	(56)	(12)	380			
IPCA floating rate vs. CDI floating rate swaps	1.213	760	BRL millions	37					(30)		4	3	4	(34)	(45)	78			
USD vs. CDI floating rate swaps	50	50	BRL millions	15					17			32	(4)	(14)	(15)	65			
CDI floating rate swaps vs. USD floating swaps		1.335	BRL millions	(690)		(2)					690	(2)							
IPCA floating rate vs. USD floating rate swaps	320	160	BRL millions	(52)		5			(64)		42	5	(74)	(4)	(6)	(6)	(58)		
BRL vs. USD floating rate swaps	477	477	BRL millions	(2)					(76)			29	(107)		27	23	(157)		
				(502)		3			(53)		732	34	146	(24)	(83)	(55)	308		
Hedge of operational contracts																			
Floating rate swap at IPCA vs. floating rate in USD	823	823	USD millions	25					(28)		(25)		(28)			18	(46)		
				25					(28)		(25)		(28)			18	(46)		
Total value of the derivative instruments				(755)	(1)	(155)	3	6	(80)	455	(74)	(453)	(526)	(152)	(37)	262			

On March 31, 2021, derivative transactions net of taxes recognized in "Equity valuation adjustment" totaled R\$ 37. In addition to these, there are hedge accounting operations net of taxes, with a gain of R\$ 17, in unconsolidated subsidiaries also recognized in "Equity valuation adjustment".

(b) Derivative financial instruments – Put-option

During the year ended on December 31, 2018, a transaction was concluded as a result of which Votorantim Siderurgia S.A. became a subsidiary of ArcelorMittal Brasil S.A. ("AMB"). In accordance with the agreement between the parties, VSA now holds a minority interest of 15% in the AMB combined long steel business which, in compliance with accounting rules, was recognized as a financial instrument, in accordance with CPC 48 - "Financial instruments". The variation in the fair value of this operation in the period resulted in a net gain of R\$ 343 (March 31, 2020, loss of R\$ 203), recorded in the "Net financial result" account.

5.1.2 Estimated fair value

The main financial assets and liabilities are described below, as well as the assumptions for their valuation:

Financial assets - considering the nature and terms, the amounts recorded are close to the realizable values.

Financial liabilities - are subject to interest at usual market rates. The market value was calculated based on the present value of the future cash disbursement, using interest rates currently available for issuing debts with similar maturities and terms.

Future energy contracts - The fair value of these financial instruments is estimated based, in part, on price quotes published in active markets, insofar as such observable market data exist, and, in part, by the use of valuation techniques, which consider: (i) prices established in the purchase and sale operations; (ii) supply risk margin and (iii) projected market price in the availability period. Whenever the fair value at initial recognition for these contracts differs from the transaction price, a gain or loss of fair value is recognized in Other operating income (expenses), net.

The Company and its subsidiaries disclose the fair value measurements by the following hierarchy:

Level 1 - quoted prices (not adjusted) in active markets for identical assets and liabilities;

Level 2 - information, in addition to quoted prices, included in level 1 that are adopted by the market for the asset or liability, either directly (as prices) or indirectly (derived from prices), and;

Level 3 - inserts for assets or liabilities that are not based on data adopted by the market (that is, unobservable insertions).

As of March 31, 2021, financial assets measured at fair value and financial liabilities disclosed at fair value were classified in levels 1 and 2 of hierarchy, see classification below.

				Fair value measured based on	3/31/2021
				Valuation supported by	
				Prices quoted in an	observable prices
				active market (Level 1)	(Level 2)
				Note	Fair value
Assets					
Cash and cash equivalents	7	5,714	5,972	11,686	
Financial investments	8	1,523	3,514	5,037	
Derivative financial instruments (i)	5.1.1 (a)		911	911	
Derivative financial instruments - put option	5.1.1 (b)		595	595	
Financial instruments - shares	11	36	1,738	1,774	
		7,273	12,730	20,003	
Liabilities					
Borrowing (i)	16	17,686	15,425	33,111	
Derivative financial instruments (i)	5.1.1 (a)		1,364	1,364	
To rent			927	927	
Confirming payables	0		2,529	2,529	
Deferred revenue - silver streaming			878	878	
		17,686	21,123	38,809	
Fair value measured based on					
				Fair value measured based on	12/31/2020
				Valuation supported by	
				Prices quoted in an	observable prices
				active market (Level 1)	(Level 2)
				Note	Fair value
Assets					
Cash and cash equivalents	7	4,418	5,365	9,783	
Financial investments	8	1,279	4,419	5,698	
Derivative financial instruments	5.1.1 (a)		2,166	2,166	
Derivative financial instruments - put option	5.1.1 (b)		252	252	
Financial instruments - shares	11		2,590	2,590	
		5,697	14,792	20,489	
Liabilities					
Borrowing	16	16,633	13,377	30,010	
Derivative financial instruments	5.1.1 (a)		2,923	2,923	
To rent	0		858	858	
Confirming payables			2,380	2,380	
Deferred revenue - silver streaming			863	863	
		16,633	20,401	37,034	

(i) The fair value of these financial instruments takes into account the credit risk of the Company and its subsidiaries, the value of the change in the fair value of the financial liability that is attributable to changes in credit risk is recorded in equity in other comprehensive income. If the classification of credit risk in other comprehensive income creates or increases the accounting mismatch in the result, the entity must present all gains or losses in the income for the year. The accumulated amount of changes in credit risk remains in other comprehensive income until the settlement of the financial instrument, when they are reclassified to retained earnings, without affecting the income for the year.

5.1.3 Sensitivity analysis

The main risk factors affecting the pricing of cash and cash equivalents, financial investments, loans and financing and derivative financial instruments are exposed to the fluctuation in the US Dollar, Euro, Turkish Lira, New Peruvian Sun, Argentine Peso and Bolivian interest rates, LIBOR, CDI, US Dollar coupon, commodity prices and electricity purchase and sale contracts. The scenarios for these factors are prepared using both market sources and specialized sources of information, in line with the Company's governance.

The scenarios as of March 31, 2021 are described below:

Scenario I - Considers a shock to the market curves and quotations at March 31, 2021, according to the base scenario defined by management as at June 30, 2021;

Scenario II - Considers a shock of + or - 25% in the market curves at March 31, 2021;

Scenario III - Considers a shock of + or - 50% in the market curves at March 31, 2021.

Notes to the condensed consolidated interim financial statements
at March 31, 2021
All amounts in millions of reais unless otherwise stated

Risk factors	Cash and cash equivalents and financial investments (i)	Borrowing and related parties (i)	Derivative financial instruments/As per unit	Changes from 3/31/2021	Impacts on profit (loss)					Impacts on comprehensive income					
					Scenario I		Scenarios II & III			Scenario I		Scenarios II & III			
					Results of scenario I	-25%	-50%	+25%	+50%	Results of scenario I	-25%	-50%	+25%	+50%	
Foreign exchange rates															
USD	8,113	20,207	2,479	USD millions	-4.7%	144	383	767	(383)	(767)	526	3,183	6,367	(3,183)	(6,367)
EUR	214	1,011	2	EUR millions	-2.1%	(1)	(12)	(23)	12	23	18	211	422	(211)	(422)
MAD	174				-3.6%	(6)	(44)	(87)	44	87					
BOB	45	668			-6.7%						42	156	311	(156)	(311)
TRY	8	43	2	EUR millions	-4.9%	2	9	17	(9)	(17)					
CAD	25	306			-6.0%	(1)	(4)	(8)	4	8	18	74	149	(74)	(149)
UYU	47	156			-3.7%						4	27	55	(27)	(55)
TND	163				-2.9%	(5)	(41)	(82)	41	82					
ARS	383				-13.2%						(51)	(96)	(191)	96	191
NAD	14				8.3%						1	(3)	(7)	3	7
PEN	206	15			-2.3%	(4)	(44)	(89)	44	89		(3)	(7)	3	7
COP	156	389			-81.5%	317	97	194	(97)	(194)	(127)	(39)	(78)	39	78
	9,548	22,795	2,483			446	344	689	(344)	(689)	431	3,510	7,021	(3,510)	(7,021)
Interest rates															
BRL - CDI	5,073	3,648	2,261	BRL millions	115 bps	(324)	439	919	(383)	(698)	(7)	8	15	(8)	(15)
BRL - IPCA		1,866	1,533	BRL millions	-85 bps	246	44	100	(36)	(43)					
USD - LIBOR		2,018	3,906	USD millions	2 bps	(171)	327	654	(327)	(654)			1		(1)
Dollar coupon			1,569	USD millions	3 bps	(683)	(160)	(320)	160	320	249	423	847	(423)	(847)
	5,073	7,532	9,269			(932)	650	1,353	(586)	(1,075)	242	431	863	(431)	(863)
Price of commodities															
Zinc			195,010	ton	-1.6%	56	88	175	(88)	(175)	(19)	(30)	(60)	30	60
Aluminium			189,000	ton	-7.6%						455	544	1,088	(544)	(1,088)
			384,010			56	88	175	(88)	(175)	436	514	1,028	(514)	(1,028)
Firm Commitment - electric energy															
Purchase and sale contracts - fair value			253	BRL			1	1	(1)	(1)					
			253				1	1	(1)	(1)					

(i) The balances presented do not reconcile with the explanatory notes, since the analysis performed covered all the most significant currencies and the interest rates include only the principal amount.

6 Credit quality of financial assets

	3/31/2021			12/31/2020		
	Local rating	Global rating	Total	Local rating	Global rating	Total
Cash and cash equivalents						
AAA	2,588		2,588	1,575		1,575
AA+	209		209	309		309
AA	153		153	158		158
AA-	15	146	161	46	136	182
A+		3,024	3,024		2,092	2,092
A		1,904	1,904		2,216	2,216
A-		1,612	1,612		1,790	1,790
BBB+		581	581		687	687
BBB		381	381		300	300
BBB-		173	173		292	292
BB		10	10		13	13
BB-		14	14		10	10
B		54	54		60	60
B-					1	1
CCC+		2	2		2	2
CCC		16	16		30	30
Unrated (i)		804	804		66	66
	2,965	8,721	11,686	2,088	7,695	9,783
Financial investments						
AAA	3,178		3,178	3,639		3,639
AA+	35		35	26		26
AA	98		98	317		317
AA-	426		426	487		487
A+	20	15	35	20	29	49
A		71	71		131	131
CCC+		26	26		4	4
CCC		6	6			
Unrated (ii)		1,162	1,162		1,045	1,045
	3,757	1,280	5,037	4,489	1,209	5,698
Derivative financial instruments						
AAA	548		548	1,688		1,688
AA-				323		323
A+		13	13		10	10
A-	8	83	91		145	145
Unrated (i)	259		259			
	815	96	911	2,011	155	2,166
Financial instruments						
AAA	1,738		1,738	2,590		2,590
Unrated (i)		36	36			
	1,738	36	1,774	2,590		2,590
	9,275	10,133	19,408	11,178	9,059	20,237

The ratings resulting from local and global ratings were extracted from the rating agencies (Standard & Poor's, Moody's and Fitch Ratings). For presentation, the nomenclature standard of Standard & Poor's and Fitch Ratings were considered and the classification as established in the Financial Policies.

- (i) Refers to amounts invested in banks abroad that are not classified by rating agencies.
- (ii) Refers to amounts invested in liquid assets traded abroad that are not classified by rating agencies.

7 Cash and cash equivalents

	3/31/2021	12/31/2020
Local currency		
Cash and banks	21	27
Bank Deposit Certificates - "CDBs"	619	798
Repurchase agreements - private securities	39	11
Repurchase agreements - public securities	1,207	955
Financial Treasury Bills - "LFTs"	30	
	1,916	1,791
Foreign currency		
Cash and banks	4,456	3,409
Time deposits	5,314	4,583
	9,770	7,992
	11,686	9,783

8 Financial investments

	3/31/2021	12/31/2020
Fair value through profit or loss		
Bank Deposit Certificates - "CDBs"	1,828	2,583
Financial Treasury Bills - "LFTs"	1,082	1,169
Repurchase agreements - private securities		290
Repurchase agreements - public securities	441	110
Investment fund quotas	406	337
Financial investments in foreign currency (i)	1,280	1,209
	5,037	5,698
Current	5,017	5,678
Non-current	20	20
	5,037	5,698

(i) Refers substantially to investments in sovereign bonds and ETFs with a low concentration of risk in specific assets.

9 Trade receivables

(a) Breakdown

	3/31/2021	12/31/2020
Trade receivables - Brazil	1,563	1,475
Trade receivables - foreign customers	1,991	1,892
Related parties	65	64
	3,619	3,431
Allowance for doubtful accounts	(211)	(222)
	(211)	(222)
	3,408	3,209

(b) Aging of trade receivables

	3/31/2021	12/31/2020
Current	3,162	2,945
Up to three months past due	152	166
Three to six months past due	13	14
Over six months past due	292	306
	3,619	3,431

10 Inventory

(a) Breakdown

	3/31/2021	12/31/2020
Finished products	1,173	949
Semi-finished products	1,923	1,705
Raw materials	1,072	858
Auxiliary materials and consumables	1,397	1,249
Imports in transit	448	319
Other	183	114
Provision for inventory losses	(497)	(470)
	5,699	4,724

(b) Changes in the estimate of inventory losses

	3/31/2021 3/31/2020						
	Finished products	Semi-finished products	Raw materials	Auxiliary materials and consumables	Other	Total	Total
Balance at the beginning of the quarter	(16)	(58)	(16)	(246)	(133)	(469)	(393)
Addition	(18)	(18)	(34)	(61)	(6)	(137)	(81)
Reversal	15	11	45	61	2	134	79
Exchange variation	(1)	(2)		(11)	(11)	(25)	(53)
Balance at the end of the quarter	(20)	(67)	(5)	(257)	(148)	(497)	(448)

11 Financial Instruments - Shares

The value of financial instruments refers, substantially, to the shares of the company Suzano S.A.

	3/31/2021	12/31/2020
Balance at beginning of quarter	2,590	2,749
Addition (i)	36	
Change in fair value	524	163
Sale of shares	(1,376)	
Balance at the end of the quarter	1,774	2,912

(i) Refers to the acquisition of shares in Tinka, as described in Note 1.1 (i).

12 Taxes recoverable

	3/31/2021	12/31/2020
Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL")	2,024	1,725
Social Contribution on Revenue ("COFINS")	1,376	1,561
State Value-added Tax on Sales and Services ("ICMS")	709	719
Social Integration Program ("PIS")	337	368
Value-added Tax ("VAT") (foreign companies)	239	252
State Value Added Tax on property, plant and equipment ("ICMS")	73	68
Withholding Income Tax ("IRRF")	33	59
State VAT on Sales and Services on PP&E	44	44
Excise Tax ("IPI")	33	32
Social Security Credit	20	20
Service Tax ("ISS")	5	11
Other	137	140
	5,030	4,999
Current	2,217	2,033
Non-current	2,813	2,966
	5,030	4,999

13 Investments

(a) Breakdown

Investing entity	Percentage of total capital	Headquarters		Main activity	
		3/31/2021	12/31/2020		
Main non-consolidated companies					
Associates					
Alunorte - Alumina do Norte S.A.	Companhia Brasileira de Alumínio	3.03	3.03	Brazil	Mining
Mineração Rio do Norte S.A.	Companhia Brasileira de Alumínio	10.00	10.00	Brazil	Mining
Cementos Avellaneda S.A.	Votorantim Cimentos Internacional S.A.	49.00	49.00	Argentina	Cement
IMIX Empreendimentos Imobiliários Ltda.	Silcar Empreendimentos e Participações Ltda.	25.00	25.00	Brazil	Mining
Supermix Concreto S.A.	Silcar Empreendimentos e Participações Ltda.	25.00	25.00	Brazil	Concrete
Cementos Especiales de las Islas S.A.	Votorantim Cimentos Internacional S.A.	50.00	50.00	Spain	Cement
CESP - Companhia Energética de São Paulo	VTRM Energia Participações S.A.	40.00	40.00	Brazil	Electric power
Joint ventures					
Banco Votorantim S.A.	Votorantim S.A.	50.00	50.00	Brazil	Finance
Citrosuco GmbH	Votorantim S.A.	50.00	50.00	Austria	Agribusiness
Citrosuco S.A. Agroindústria	Votorantim S.A.	50.00	50.00	Brazil	Agribusiness
Juntos Somos Mais Fidelização S.A.	Votorantim Cimentos S.A.	45.00	45.00	Brazil	Services
Hutton Transport Ltda.	St. Marys	25.00	25.00	Canada	Transportation
Midway Group, LLC.	St. Marys	50.00	50.00	USA	Cement
RMC Leasing, LLC.	St. Marys	50.00	50.00	USA	Equipment leasing
Superior Materials Holdings, LLC.	St. Marys	50.00	50.00	USA	Cement
VTRM Energia Participações S.A.	Votorantim Geração de Energia S.A.	50.00	50.00	Brazil	Electric power

The balances of goodwill and surplus value are shown below, which are included in investment balances:

	Goodwill		Added value	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Citrosuco GmbH	159	145	951	879
Citrosuco S.A. Agroindústria	194	194	68	73
Cementos Avellaneda S.A.	111	193		
Jaguatirica Empreendimento Imobiliário SPE S.A.	5	5		
VTRM Energia Participações S.A.			135	136

(b) Information about the companies' investees

	Information on March 31, 2021		Equivalence result		Balance	
	Equity	Net income (loss) for the quarter	3/31/2021	3/31/2020	3/31/2021	12/31/2020
Investments accounted for under the equity method - Associates						
Cementos Avellaneda S.A.	1,300	90	24	28	810	717
Alunorte - Alumina do Norte S.A.	3,191	(177)	(5)	1	97	107
IMIX Empreendimentos Imobiliários Ltda.	9	1		(2)	3	3
Mineração Rio do Norte S.A.	779	(118)	(12)	2	78	92
Supermix Concreto S.A.	243	13	3	(5)	61	63
Jaguatirica Empreendimento Imobiliário SPE S.A.	213	3	2	(6)	106	112
Cementos Especiales de las Islas S.A.	269	31	15	(20)	39	
Others			2		231	205
Joint ventures						
Citrosuco GmbH	5,806	93	34	(249)	4,013	3,628
Banco Votorantim S.A.	6,059	130	130	(719)	6,058	5,871
Citrosuco S.A. Agroindústria	(1,619)	(198)	(99)	602	(548)	(357)
Juntos Somos Mais Fidelização S.A.	18	(8)	(4)	4	8	8
VTRM Energia Participações S.A.	3,905	33	17	(308)	2,087	2,076
Others			(5)	(55)	154	173
			102	(727)	13,197	12,698

(c) Changes in investees

	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Opening balance for the quarter	12,698	11,720
Equity in the results of investees	97	(133)
Foreign exchange variations	328	943
Increase		4
Dividends	(109)	(7)
Cash flow hedge	62	(239)
Hyperinflationary economy	121	65
Closing balance for the quarter	13,197	12,353

14 Property, plant, and equipment

(a) Breakdown and changes

										1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
	Land and improvements	Buildings and construction	Machinery, equipment and facilities	Vehicles	Furniture and fittings	Construction in progress	Asset retirement obligation	Leasehold improvements	Other	Total	Total
Opening balance for the quarter											
Cost	2,396	12,753	43,573	1,739	282	4,464	1,247	742	574	67,770	57,552
Accumulated depreciation	(72)	(6,242)	(28,297)	(1,272)	(227)		(745)	(461)	(349)	(37,665)	(30,404)
Net opening balance for the quarter	2,324	6,511	15,276	467	55	4,464	502	281	225	30,105	27,148
Additions	20		7	2		782	23		1	835	665
Disposals	(5)	(6)	(14)			(114)				(139)	(7)
Depreciation	(1)	(119)	(467)	(27)	(4)		(12)	(9)	(1)	(640)	(561)
Foreign exchange variation	65	172	438	34	2	90	28	26	34	889	2,345
Reversal (constitution) for impairment (i)			5				(129)		1	(123)	(459)
Revision of estimated cash flow							82			82	41
Transfers (ii)	7	83	380	16		(571)				(85)	2
Closing balance for the quarter	2,410	6,641	15,625	492	53	4,651	494	298	260	30,924	29,394
Cost	2,483	13,276	45,648	1,862	283	4,651	1,300	815	609	70,927	64,698
Accumulated depreciation	(73)	(6,635)	(30,023)	(1,370)	(230)		(806)	(517)	(349)	(40,003)	(35,304)
Net closing balance for the quarter	2,410	6,641	15,625	492	53	4,651	494	298	260	30,924	29,394
Average annual depreciation rates - %	1	4	9	20	11		5		9		

(i) Refers substantially to the remeasurement of the ARO of the subsidiary CBA, as described in Note 1.1 (j).

(ii) Transfers include the reclassification of “Works in progress” in the group of property, plant, and equipment to “Software”, “Rights over natural resources”, as well as regularization between classes of property, plant and equipment.

(b) Construction in progress

The balance is composed mainly of expansion and optimization projects related to the industry.

Segment	3/31/2021	12/31/2020
Nexa Resources	3,038	2,741
Votorantim Cimentos	1,030	1,021
CBA	303	475
Long steel	135	97
Votorantim Energia	30	22
Other	115	108
	4,651	4,464

The main projects in progress by business segment are as follows:

Nexa Resources	3/31/2021	12/31/2020
Expansion and modernization projects	2,407	2,006
Sustaining	514	605
Security, health and environment projects	110	112
Information technology	5	16
Other	2	2
	3,038	2,741

Votorantim Cimentos	3/31/2021	12/31/2020
Sustaining	370	357
Cement grinding - Pecém - Brazil	206	182
Modernization industry	153	135
New production line in Sobral - CE	72	72
Hardware and software	57	63
Geology and mining rights	52	41
New lines of co-processing	38	35
Environment and security	40	31
Other	42	105
	1,030	1,021

CBA	3/31/2021	12/31/2020
Rondon projects	8	121
Furnace refurbishment	57	115
Alumina factory project	71	66
Casting Projects	31	33
Plastic transformation projects	27	28
Security, health and environment projects	22	24
Mining projects	15	13
Projects oven rooms	11	13
Revitalization and adequacy of the plant	1	1
Other	60	61
	303	475

Long steel	3/31/2021	12/31/2020
Sustaining	114	86
Security projects, health and environment projects - Colombia	12	8
Other	9	3
	135	97

Energy	3/31/2021	12/31/2020
Corumba - GO projects	30	21
Information technology		1
	30	22

15 Intangible assets

(a) Breakdown and changes

										1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
	Rights over natural resources	Goodwill	Asset retirement obligation	Use of public assets	Contracts, customer relationships and agreements	Hydrological risk renegotiation	Software	Rights over trademarks and patents	Other	Total	Total
Opening balance for the quarter											
Cost	13,078	6,579	535	540	403		770	86	1,639	23,630	19,389
Accumulated amortization	(7,022)		(208)	(236)	(318)		(563)	(57)	(632)	(9,036)	(6,106)
Net opening balance for the quarter	6,056	6,579	327	304	85		207	29	1,007	14,594	13,283
Additions											6
Disposals							(1)			(1)	(4)
Amortization and depletion	(100)		(7)	(5)	(7)		(20)			(139)	(133)
Foreign exchange variation	493	550	17		5		5		86	1,156	3,065
Effect of subsidiaries included in Impairment											5
Hydrological risk renegotiation						200				200	(1,696)
Transfers	5						25		27	57	24
Closing balance for the quarter	6,454	7,129	337	303	83	200	216	29	1,120	15,871	14,550
Cost	14,189	7,129	564	558	439	200	816	90	1,808	25,793	22,753
Accumulated amortization	(7,735)		(227)	(255)	(356)		(600)	(61)	(688)	(9,922)	(8,203)
Net closing balance for the quarter	6,454	7,129	337	303	83	200	216	29	1,120	15,871	14,550
Average annual amortization and depletion rates - %	6		5	7	7		20				

16 Borrowing

(a) Breakdown

Type	Average annual charges	Current		Non-current		Total		Fair value	
		3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Local currency									
Debentures	108,18% CDI / CDI + 4,08%	60	53	2.526	2.511	2.586	2.564	4.124	3.214
Export credit notes (i)	122,68% CDI	245	267	252	1.825	497	2.092	639	2.827
BNDES	TJLP + 2,76% / 1,86% Pré BRL / SELIC + 3,10% / IPCA + 5,30%	79	66	1.014	1.037	1.093	1.103	2.073	1.829
Development promotion agency	1,54% Pré TND / TJLP + 0,71%	1	1	52	34	53	35	80	47
FINAME	3,62% Pré BRL	10	10	12	14	22	24	23	25
Syndicated loan/bilateral agreements	8,49% Pré BRL	4	38	515	553	519	591	519	591
Others	6,22% Pré BRL	16	18	11	13	27	31	25	34
National Total		415	453	4.382	5.987	4.797	6.440	7.483	8.567
Foreign currency									
Eurobonds - USD	6,04% Pré USD	285	231	14.578	13.315	14.863	13.546	17.234	16.225
Export credit notes	LIBOR + 1,54% / 3,60% - USD	35	4	2.656	697	2.691	701	3.245	725
Loans - Law 4131/1962 (ii)	LIBOR + 0,66% / 1,65% Pré USD	2	2	1.533	1.387	1.535	1.389	1.534	1.389
Eurobonds - BOB	5,38% Pré BOB	7	1	445	407	452	408	452	408
Syndicated loan/bilateral agreements	LIBOR + 0,99% / CDOR 0,99% / 5,54% Pré BOB / 9,83% Pré UYU / 15,40%	111	90	1.669	1.320	1.780	1.410	1.884	1.535
Export prepayments	LIBOR + 1,27%	231	209	342	312	573	521	581	530
Working capital	IBR + 2,66% / 6,24% Pré COP / 0,99% Pré PEN	378	368	26	29	404	397	413	368
Development promotion agency	LIBOR + 1,10%	45	40	198	181	243	221	251	229
Other	5,90% Pré BOB / 0,85% Pre CAD / 2,33% Euribor	10	9	24	23	34	32	34	34
Foreign Total		1.104	954	21.471	17.671	22.575	18.625	25.628	21.443
Total		1.519	1.407	25.853	23.658	27.372	25.065	33.111	30.010
Current portion of long-term borrowing		789	488						
Interest on borrowing		413	358						
Short-term borrowing		317	561						
		1.519	1.407						

- (i) Some loan contracts in the form of Export Credit Note, which aim to finance export-related operations, and have linked swap contracts (derivative financial instrument), which aim to exchange exposure to the floating rate CDI in reais for a fixed rate in the US dollars, with the exchange of currency from reais to dollars.
- (i) Loans related to Law 4,131/1962 have swaps (derivative financial instruments) aimed at both the exchange of floating rates in LIBOR and pre-fixed to floating rates in CDI, as well as the exchange of currency, dollar to real. These swaps were contracted with the financial institution in conjunction with the loan (dollar-denominated debt + swap to reais in% of CDI). The terms and conditions of the loan and derivative are configured as a matched operation, so that economically the resulting is a debt in% of the CDI in reais. The difference in measurement between the two instruments (loan at amortized cost x derivative at fair value) generates an “accounting mismatch” in the result and to eliminate this effect, contracts made as of August 2015, were designated as “fair value”, the effect of this designation being the measurement of debt at fair value through profit or loss as per Note 20.

Key:

BNDES – National Bank for Economic and Social Development.

BRL – Brazilian currency (Real).

CDI – Interbank Deposit Certificate.

COP – Colombian Peso.

EUR – European Union currency (Euro).

EURIBOR – Euro Interbank Offered Rate.

FINAME – Government Agency for Machinery and Equipment Financing.

IBR – Interbank Rate (Colombia).

INR – Indian Rupee

IPCA – Extended Consumer Price Index.

LIBOR – London Interbank Offered Rate.

SELIC – Special System for Clearance and Custody.

TJLP – Long-term interest rate set by the National Monetary Council. Until December 2017, the TJLP is the BNDES basic cost of financing. As of January 2018, the Long Term Rate (TLP) became the main financial cost of BNDES financing.

USD – US Dollar.

(b) Changes

	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Opening balance for the quarter	25,065	19,755
New borrowing	1,149	3,625
Interest	426	279
Addition of borrowing fees, net of amortization	(4)	
Fair value adjustment	(65)	(135)
Foreign exchange variation	1,736	4,287
Payments - interest	(316)	(153)
Payments - principal	(1,157)	(1,299)
Adjustment through other comprehensive income (i)	487	
Credit risk of debts measured at fair value	30	
Debt renegotiation charges	21	
Others		4
Closing balance for the quarter	27,372	26,363

(i) Refers to the curve value of the combined financial instruments designated as hedge accounting.

(c) New borrowing and amortizations

Through the funding and prepayment of certain debts, the Company seeks to extend the average maturities, as well as to balance the exposure to different currencies for loans and financing against cash generation in these currencies.

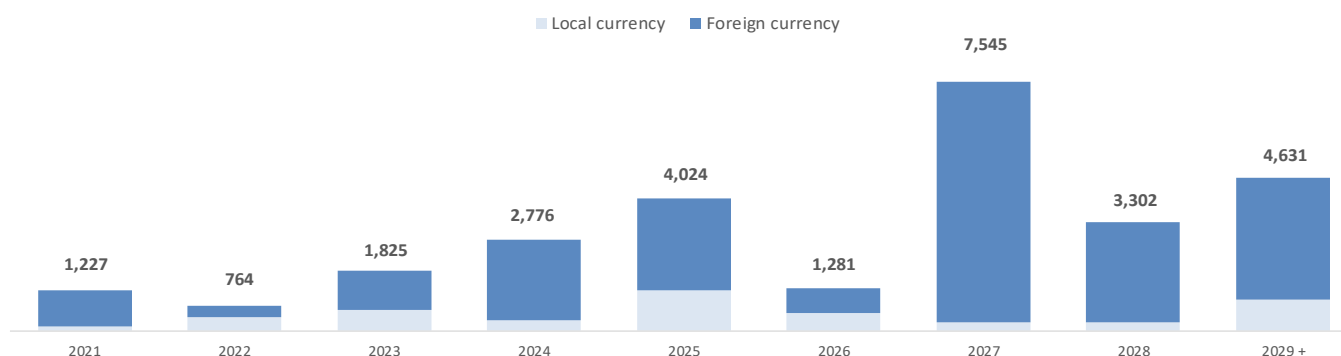
The main funding operations carried out during the year were as follows:

Date	Company	Type	Currency	Principal	Principal BRL	Maturity	Cost
Fev-21	St Marys Cement Inc.	Syndicated loan/bilateral agreements	CAD	(25)	(107)	2024	CDOR 03M + 0,99%
Mar-21	Votorantim Cimentos S.A.	Debentures	BRL	(450)	(450)	2026	CDI + 1,45%
Mar-21	Votorantim Cimentos N/NE S.A.	Debentures CRI	BRL	(136)	(136)	2033	IPCA + 4,47%
Mar-21	Votorantim Cimentos S.A.	Debentures CRI	BRL	(264)	(264)	2033	IPCA + 4,47%

The main amortizations made during the year were as follows:

Date	Company	Type	Currency	Principal	Principal BRL	Maturity	Observation
Jan-21	Nexa Recursos Minerais S.A.	Export Credit Note	BRL	(250)	(250)	2021	Pre payment
Mar-21	Votorantim Cimentos N/NE S.A.	Debentures	BRL	(450)	(450)	2023	Pre payment
Mar-21	Votorantim Cimentos S.A.	Debentures	BRL	(120)	(120)	2025	Pre payment
Mar-21	Votorantim Cimentos S.A.	Debentures	BRL	(280)	(280)	2023	Pre payment

(d) Maturity



(e) Breakdown by currency

	Current		Non-current		Total	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020
USD	599	488	19,392	15,892	19,991	16,380
Real	415	453	4,382	5,987	4,797	6,440
Euro	7	3	1,001	954	1,008	957
Bolivian	44	26	624	577	668	603
Turkish lire	21	22	21	29	42	51
Colombian peso	372	364	17	19	389	383
Other	61	51	416	200	477	251
	1,519	1,407	25,853	23,658	27,372	25,065

(f) Breakdown by index

	Current		Non-current		Total	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Local currency						
CDI	301	321	1.836	3.796	2.137	4.117
TJLP	21	19	92	99	113	118
TLP	48	48	785	795	833	843
Fixed rate	21	54	534	575	555	629
SELIC	19	11	141	148	160	159
IPCA	5		994	574	999	574
National Total	415	453	4.382	5.987	4.797	6.440
Foreign currency						
Fixed rate	680	565	18.073	14.621	18.753	15.186
LIBOR	279	252	2.380	2.077	2.659	2.329
Euribor	7	3	1.001	954	1.008	957
Other	138	134	17	19	155	153
Foreign total	1.104	954	21.471	17.671	22.575	18.625
	1.519	1.407	25.853	23.658	27.372	25.065

(g) Collateral

As of March 31, 2021, the Company guaranteed or provided guarantees for the following balance of loans and financing.

Company	3/31/2021	12/31/2020
Companhia Brasileira de Alumínio	959	907
Votorantim Cimentos International S.A.	3,600	3,226
Other	13	13
	4,572	4,146

In addition to these guarantees, the Company provides guarantee for the R\$ 1,332 debt balance of the joint venture VTRM Energia e Participações S.A. (December 31, 2020, R\$ 1,344).

As of March 31, 2021, the amount of R\$ 903 was guaranteed by fixed assets due to the chattel mortgage (December 31, 2020, R\$ 879).

(h) Covenants/financial ratios

Certain borrowing items are subject to compliance with certain financial ratios ("covenants"). Where applicable, such obligations are standardized for all loan and financing agreements.

The Company and its subsidiaries complied with all of these covenants, as applicable.

17 Confirming payables

The Company and its subsidiaries signed contracts with financial institutions, intending to allow suppliers in the domestic and foreign markets to anticipate their receipts. In these operations, suppliers transfer the right to receive the securities from the sale of goods to financial institutions.

Operations - Confirming payables	3/31/2021	12/31/2020
Domestic market	511	540
Foreign market	2,018	1,840
	2,529	2,380

18 Current and deferred income tax and social contribution

(a) Reconciliation of Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL") expenses

The income tax and social contribution amounts presented in the statements of income for the quarters ended on March 31 are reconciled with their Brazilian standard rates as follows:

	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Profit (loss) before income tax and social contribution	1.713	(3.608)
Standard rates	34%	34%
Income tax and social contribution at standard rates	(582)	1.227
Adjustments for the calculation of income tax and social contribution at effective rates		
Equity	33	(45)
Difference related to the rate of companies abroad	16	(166)
Tax loss and negative basis without deferred tax constitution	(77)	(112)
Impairment of goodwill without deferred constitution		(515)
Temporary additions without constitution of deferred charges	(14)	
Permanent additions (exclusions), net	39	(92)
Income tax and social contribution calculated	(585)	297
Current	(736)	(138)
Deferred	151	435
Income tax and social contribution expenses	(585)	297
Effective rate - %	34%	8%

(b) Breakdown of deferred tax balances

	3/31/2021	12/31/2020
Tax credits on tax losses	1,896	1,843
Tax credits on temporary differences		
Estimation for losses on investments, fixed and intangible assets	1,036	990
Foreign exchange	457	318
Deferred of gains on derivative instruments	663	726
Tax, civil and labor provision	648	640
Tax benefit on goodwill	503	503
Asset retirement obligation	237	228
Use of public assets	142	143
Estimation for inventory losses	126	118
Environmental liabilities	110	98
PPR - Provision for profit sharing	129	197
Provision for loan	52	67
Provision for social security obligations	61	57
Financial instruments - firm commitment	86	77
Provision for energy charges	62	57
Estimated asset disposals	10	14
Other tax credit	265	236
Tax debts on temporary differences		
Adjustment of useful lives of PP&E (depreciation)	(2,566)	(2,472)
Adjustment to fair value - financial instruments	(462)	(623)
Goodwill amortization	(344)	(343)
Market value assets	(1,840)	(1,728)
Adjustment to present value	(145)	(151)
Capitalized interest	(135)	(136)
Fair value adjustments	(49)	(50)
Hydrological risk renegotiation (i)	(68)	
Other tax debts	(484)	(451)
Net	390	358
Net deferred tax assets related to the same legal entity	2,921	2,731
Net deferred tax liabilities related to the same legal entity	(2,531)	(2,373)

(i) Refers to the recognition of the renegotiation of the hydrological risk, according to the operation described in Note 1.1 (k).

(c) Effects of deferred income tax and social contribution on the profit for the quarter and comprehensive income

	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Opening balance for the quarter	358	1,254
Effects on the results for the quarter - continuing operations	151	435
Effect on other components of comprehensive income	(119)	(6)
Closing balance for the quarter	390	1,683

19 Provision

(a) Breakdown and changes

						1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
	Legal claims						
	Asset retirement obligation	Tax	Labor	Civil	Other	Total	Total
Opening balance for the quarter	2,185	766	311	264	60	3,586	3,137
Additions	23	52	47	21	5	148	82
Reversals		(16)	(31)	(4)	(5)	(56)	(24)
Judicial deposits, net of write-offs			1			1	(4)
Settlement in cash	(10)	(16)	(13)	(5)		(44)	(31)
Settlements with judicial deposits							(3)
Effect of subsidiaries included in consolidation							3
Present value adjustment	12					12	19
Monetary restatement		9	7	2		18	1
Foreign exchange variation	91	1	1		2	95	231
Revision of estimated cash flow	82					82	40
Closing balance for the quarter	2,383	796	323	278	62	3,842	3,451

(b) Provision for tax, civil, labor, other contingencies, and outstanding judicial deposits

	3/31/2021			12/31/2020				
	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)
Tax	(123)	919	796	146	(123)	889	766	145
Labor	(122)	445	323	22	(123)	434	311	22
Civil	(17)	295	278	3	(17)	281	264	3
Other	(1)	63	62	27	(1)	61	60	23
	(263)	1,722	1,459	198	(264)	1,665	1,401	193

(i) The Company and its subsidiaries have balances deposited in lawsuits classified by Management, following the indications of the legal advisors of the Company and its subsidiaries as of remote or possible loss, therefore, without the respective provision.

(c) Litigation in process with a likelihood of loss considered possible

The Company and its subsidiaries were party to litigations representing a risk of possible losses, for which no provision has been made, as detailed below.

	3/31/2021	12/31/2020
Tax	12,871	12,581
Civil	7,836	7,988
Environmental	532	527
Labor and social security	372	367
	21,611	21,463

20 Equity

(a) Share capital

On March 31, 2021 and December 31, 2020, the share capital the fully subscribed and paid-up capital of the Company was R\$ 28,656, consisting of 18,278,789 thousand common shares.

(b) Dividends

During the first quarter of 2021, the Company resolved to pay to its parent company Hejoassu Administração S.A. the amount of R\$ 499 corresponding to dividends related to the portion of the balance of the "Profit reserves" account, accumulated up to December 31, 2020.

Notes to the condensed consolidated interim financial statements
at March 31, 2021

All amounts in millions of reais unless otherwise stated

VOTORANTIM

(c) Carrying value adjustments

	Attributable to the owners of the Company								
	Currency translation of investees located abroad	Hedge accounting for net investments abroad, net of taxes	Hedge accounting for the operations of subsidiaries, net of taxes	Fair value of available-for-sale financial assets	Shares fair value	Remeasurement of retirement benefits	Adjustment for hyperinflationary economies	Other comprehensive income	Total
At January 1, 2020	6,415	(4,992)	(15)	235	(121)	(187)		613	1,948
Currency translation of investees located abroad	3,227								3,227
Hedge accounting for net investments abroad, net of taxes		(392)							(392)
Hedge accounting for the operations of subsidiaries, net of taxes			(661)						(661)
Remeasurement of retirement benefits						6			6
Adjustment for hyperinflationary economies							62		62
Adjustment to the fair value of shares, net of tax effects					104				104
Loss on investee's capital contribution								71	71
Other comprehensive income								(1)	(1)
At March 31, 2020	9,642	(5,384)	(676)	235	(17)	(181)	62	683	4,364
At January 1, 2021	9,492	(5,281)	(651)	210	418	(356)	1,185	(138)	4,879
Currency translation of investees located abroad	1,265								1,265
Hedge accounting for net investments abroad, net of taxes		(14)							(14)
Hedge accounting for the operations of subsidiaries, net of taxes			(54)						(54)
Adjust the fair value of the shares, net of the tax					346				346
Remeasurement of retirement benefits						1			1
Adjustment for hyperinflationary economies							139		139
Fair value - measurement of the credit risk of investees								(19)	(19)
Realization of other comprehensive results on the sale of investments					(265)				(265)
Participation in other comprehensive results of investees								3	3
At March 31, 2021	10,757	(5,295)	(705)	210	499	(355)	1,324	(154)	6,281

21 Net revenue from products sold and services rendered

	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Gross revenue		
Sales of products - domestic market	5,943	3,739
Sales of products - foreign market	5,138	3,213
Supply of electrical energy	642	816
Services provided	185	138
	<u>11,908</u>	<u>7,906</u>
Taxes on sales, services and other deductions	(1,669)	(1,077)
Net revenue	10,239	6,829

22 Expenses by nature

				1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
	Cost of products sold and services rendered	Selling	General and administrative	Total	Total
Raw materials, inputs and consumables	4.545	7	2	4.554	3.338
Employee benefit expenses (a)	793	117	341	1.251	1.185
Depreciation, amortization and depletion	804	12	45	861	756
Transportation expenses	641	12	1	654	522
Outsourced services	394	17	180	591	545
Other expenses	534	37	85	656	527
	<u>7.711</u>	<u>202</u>	<u>654</u>	<u>8.567</u>	<u>6.873</u>

(a) Employee benefit expenses

	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Salaries and bonuses	735	716
Payroll charges	300	312
Benefits	216	157
	<u>1,251</u>	<u>1,185</u>

23 Other operating expenses, net

	Note	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Constitution of impairment of property, plant and equipment and intangible assets	14 e 15	(123)	(2,155)
Expenses on not activatable projects		(193)	(70)
Judicial provisions, net		(69)	(48)
Gain on sale of fixed and intangible assets, net		99	
Royalties on natural resources		(5)	(27)
Future energy contracts		(26)	34
Hedge gain		7	(52)
Income from rentals and leasing		8	12
Net income from waste sale		20	17
Tax recovery		1	2
Tax benefits		46	26
Gain on investment sale		629	
Gain on purchase of investee			366
Other income, net		84	1
		478	(1,894)

24 Finance results, net

	1/1/2021 to 3/31/2021	1/1/2020 to 3/31/2020
Finance income		
Interest on financial assets	15	17
Income from financial investments	35	73
Fair value of borrowing and financing	80	24
Monetary updating of assets	8	46
Reversal of monetary restatement of provision	14	5
Discounts obtained	6	4
Other finance income	50	5
	208	174
Finance costs		
Interest on borrowing	(370)	(292)
Capitalization of borrowing costs	22	14
Award paid in bond buyback (tender offer)		(64)
Monetary restatement of provision	(51)	(26)
Fair value of borrowing and financing	(15)	(68)
Borrowing fees	(12)	(10)
Interest and monetary restatement - Use of public assets	(62)	(25)
Interest on anticipation of receivables		(8)
Adjustment to present value CPC 12	(26)	(27)
Commissions on financial transactions	(25)	(1)
Loss on debt renegotiation	(21)	
Charges on discount operations	(14)	(13)
Interest on silver streaming	(8)	(7)
"PIS/COFINS" on financial results	(6)	(14)
Income tax on remittances of interest abroad	(3)	(3)
Other finance costs	(58)	(48)
	(649)	(592)
Results of derivative financial instruments		
Revenue	469	345
Expenses	(206)	(364)
	263	(19)
Foreign exchange variation, net	(356)	(1,100)
Finance results, net	(534)	(1,537)

25 Supplementary information – Business segments

To provide a higher level of information, the Company opted to disclose financial information by business segments, considering the elimination of balances and transactions between companies in the same segment, before: (i) the eliminations between business segments; and (ii) the elimination of investments held by holding companies. Additionally, the eliminations and reclassifications between the companies are highlighted, so that the net result corresponds to the consolidated financial information of the VSA, disclosed as supplementary information.

Additionally, the eliminations and reclassifications between the companies are highlighted, so that the net result corresponds to the consolidated financial information of the VSA, disclosed as supplementary information. This supplementary information is not intended to be in accordance and is not required by accounting practices adopted in Brazil or by IFRS.

(a) Capital management

The financial leverage ratios are calculated according to the information of the industrial segments, considering the accumulated results for 12 months, as loan covenants, and are summarized as follow:

	Note	Industrial segments	
		4/1/2020 to 3/31/2021	1/1/2020 to 12/31/2020
Adjusted EBITDA (unreviewed)			
Net income (loss) for the quarter		1,504	(3,066)
Plus (less):			
Continuing operations			
Equity in the results of investees		(945)	(715)
Net financial results		2,532	3,536
Income and social contribution taxes		2,549	1,599
Depreciation, amortization and depletion		3,398	3,293
EBITDA before other additions and exceptional items		9,038	4,647
Plus :			
Dividends received		194	142
Extraordinary items			
Gain on sale of investments, net		(1,056)	(427)
Impairment of property, plant, equipment and intangible assets		643	2,802
Other		(14)	(247)
Adjusted annualized EBITDA (A)		8,805	6,917
Net debt			
Borrowing	16	27,372	25,065
Lease liabilities		927	858
Cash and cash equivalents, financial investments and derivative financial instruments		(16,205)	(14,662)
Net debt (B)		12,094	11,261
Gearing ratio (B/A)		1.37	1.63

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(b) Balance sheet - business segments

											3/31/2021
	Votorantim Cimentos	Nexa Resources	CBA	Long steels (*)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Assets											
Current											
Cash and cash equivalents, financial investments and derivative financial instruments	4,005	5,947	870	281	248	5,363		16,714	65		16,779
Trade receivables	1,292	1,007	644	315	283	62	(195)	3,408			3,408
Inventory	2,220	1,767	1,244	467		1		5,699			5,699
Taxes recoverable	496	328	432	94	7	783		2,140	77		2,217
Dividends receivable					174	195	(215)	154	14	(14)	154
Financial instruments - firm commitment					23			23			23
Other assets	241	172	45	48	1	51		558		(3)	555
	8,254	9,221	3,235	1,205	736	6,455	(410)	28,696	156	(17)	28,835
Assets classified as held-for-sale	3							3			3
	8,257	9,221	3,235	1,205	736	6,455	(410)	28,699	156	(17)	28,838
Non-current assets											
Long-term receivables											
Financial investments and derivative financial instruments	788	46	21					855			855
Financial instruments - Shares		36				1,738		1,774			1,774
Derivative financial instruments - put option						595		595			595
Taxes recoverable	1,380	368	814	23	1	227		2,813			2,813
Related parties	3		17			239	(47)	212			212
Deferred income tax and social contribution	279	1,287	322	195		839	(24)	2,898	23		2,921
Judicial deposits	137	29	15	1		16		198			198
Financial instruments - firm commitment					9			9			9
Other assets	730	117	17	82	1	100		1,047			1,047
	3,317	1,883	1,206	301	11	3,754	(71)	10,401	23		10,424
Investments	1,135	(1)	173		3,052	35,335	(26,502)	13,192	6,064	(6,059)	13,197
Property, plant and equipment	14,520	9,389	4,937	1,442	33	603		30,924			30,924
Intangible assets	8,869	7,272	674	34	6	50	(1,034)	15,871			15,871
Right-of-use assets	593	91	20	136	5	13		858			858
Biological assets			1	6		88		95			95
	28,434	18,634	7,011	1,919	3,107	39,843	(27,607)	71,341	6,087	(6,059)	71,369
Total assets	36,691	27,855	10,246	3,124	3,843	46,298	(28,017)	100,040	6,243	(6,076)	100,207

(*) Relates to long steel operations abroad (Argentina and Colombia).

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3/31/2021

	Votorantim Cimentos	Nexa Resources	CBA	Long steels (*)	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Liabilities and equity											
Current liabilities											
Borrowing	290	760	90	372		7		1,519			1,519
Lease liabilities	130	89	11	12	3	2		247			247
Derivative financial instruments	48	20	594					662			662
Confirming payable	1,034	905	590					2,529			2,529
Trade payables	2,223	1,979	511	373	262	15	(145)	5,218			5,218
Salaries and payroll charges	415	259	111	46	12	52		895			895
Taxes payable	310	182	37	148	15	426		1,118			1,118
Advances from customers	65	9	43	76	8	16		217			217
Dividends payable	87	66	29	1	101		(256)	28	14	(14)	28
Use of public assets	46	12	48					106			106
Related parties			16				(16)				
Financial instruments - firm commitment	19		63					82			82
Deferred revenue - silver streaming		136						136			136
Other	485	200	104	58	1	172		1,020	1		1,021
	5,152	4,617	2,247	1,086	402	690	(417)	13,777	15	(14)	13,778
Liabilities related to assets held-for-sale	2							2			2
	5,154	4,617	2,247	1,086	402	690	(417)	13,779	15	(14)	13,780
Non-current liabilities											
Borrowing	12,493	10,213	3,117	17		13		25,853			25,853
Lease liabilities	486	42	10	129	2	11		680			680
Derivative financial instruments	407	184	111					702			702
Deferred income tax and social contribution	792	1,189	6	37	45	294		2,363	168		2,531
Related parties	22	2	14		2	9	(31)	18		1	19
Provision	1,205	1,403	914	140	1	179		3,842			3,842
Use of public assets	631	104	707					1,442			1,442
Pension plan	439			164				603			603
Financial instruments - firm commitment	57		145					202			202
Deferred revenue - silver streaming		742						742			742
Other	235	264	53	88	22	94		756			756
	16,767	14,143	5,077	575	72	600	(31)	37,203	168	1	37,372
Total liabilities	21,921	18,760	7,324	1,661	474	1,290	(448)	50,982	183	(13)	51,152
Equity											
Total equity attributable to owners of the Company	13,953	7,319	2,731	1,111	3,369	45,008	(29,226)	44,265	6,060	(6,063)	44,262
Non-controlling interests	817	1,776	191	352			1,657	4,793			4,793
Total equity	14,770	9,095	2,922	1,463	3,369	45,008	(27,569)	49,058	6,060	(6,063)	49,055
Total liabilities and equity	36,691	27,855	10,246	3,124	3,843	46,298	(28,017)	100,040	6,243	(6,076)	100,207

(*) Relates to long steel operations abroad (Argentina and Colombia).

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(c) Statement of income – business segments

	1/1/2021 to 3/31/2021										
	Votorantim Cimentos	Nexa Resources	CBA	Long steels	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Continuing operations											
Net revenue from products sold and services rendered	4,009	3,297	1,793	765	777	19	(421)	10,239			10,239
Cost of products sold and services rendered	(3,140)	(2,312)	(1,349)	(597)	(725)	(9)	421	(7,711)			(7,711)
Gross profit	869	985	444	168	52	10		2,528			2,528
Operating income (expenses)											
Selling	(158)	(26)	(8)	(8)		(2)		(202)			(202)
General and administrative	(246)	(181)	(69)	(70)	(25)	(59)		(650)	(4)		(654)
Other operating income (expenses), net	90	(118)	(231)	67	(27)	697		478			478
	(314)	(325)	(308)	(11)	(52)	636		(374)	(4)		(378)
Operating profit (loss) before equity results and finance results	555	660	136	157		646		2,154	(4)		2,150
Result from equity investments											
Equity in the results of investees	36	(2)	(17)		59	317	(298)	95	132	(130)	97
	36	(2)	(17)		59	317	(298)	95	132	(130)	97
Finance results, net											
Finance income	95	64	8	20	1	19		207	1		208
Finance costs	(332)	(188)	(72)	(43)	(2)	(12)		(649)			(649)
Results of derivative financial instruments	86	(74)	(92)			343		263			263
Foreign exchange gains (losses), net	(141)	(207)	(89)	1		80		(356)			(356)
	(292)	(405)	(245)	(22)	(1)	430		(535)	1		(534)
Profit (loss) before income tax and social contribution	299	253	(126)	135	58	1,393	(298)	1,714	129	(130)	1,713
Income tax and social contribution											
Current	(56)	(210)	(18)	(35)	(5)	(412)		(736)			(736)
Deferred	(17)	125	11	(10)	3	38		150	1		151
Profit (loss) for the quarter from continuing operations	226	168	(133)	90	56	1,019	(298)	1,128	130	(130)	1,128
Profit (loss) attributable to the owners of the Company	183	148	(149)	63	56	1,019	(302)	1,018	130	(130)	1,018
Profit (loss) attributable to non-controlling interests	43	20	16	27			4	110			110
Profit (loss) for the quarter	226	168	(133)	90	56	1,019	(298)	1,128	130	(130)	1,128

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1/1/2020 to 3/31/2020

	Votorantim Cimentos	Nexa Resources	CBA	Long steels	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Eliminations	Total, consolidated
Continuing operations											
Net revenue from products sold and services rendered	2,747	1,968	1,253	421	912	12	(484)	6,829			6,829
Cost of products sold and services rendered	(2,452)	(1,740)	(1,105)	(344)	(907)	(4)	484	(6,068)			(6,068)
Gross profit	295	228	148	77	5	8		761			761
Operating income (expenses)											
Selling	(175)	(35)	(7)	(6)		(1)		(224)			(224)
General and administrative	(239)	(158)	(57)	(44)	(22)	(57)		(577)	(4)		(581)
Other operating income (expenses), net	4	(2,301)	340	8	70	(15)		(1,894)			(1,894)
	(410)	(2,494)	276	(42)	48	(73)		(2,695)	(4)		(2,699)
Operating profit (loss) before equity results and finance results	(115)	(2,266)	424	35	53	(65)		(1,934)	(4)		(1,938)
Result from equity investments											
Equity in the results of investees	22	(2)	(27)		46	(2,047)	1,873	(135)	148	(146)	(133)
Finance results, net											
Finance income	62	19	14	2	9	76	(9)	173	1		174
Finance costs	(234)	(227)	(67)	(29)	(11)	(33)	9	(592)			(592)
Results of derivative financial instruments	183	(1)				(201)		(19)			(19)
Foreign exchange gains (losses), net	(359)	(529)	(227)	(2)		17		(1,100)			(1,100)
	(348)	(738)	(280)	(29)	(2)	(141)		(1,538)	1		(1,537)
Profit (loss) before income tax and social contribution	(441)	(3,006)	117	6	97	(2,253)	1,873	(3,607)	145	(146)	(3,608)
Income tax and social contribution											
Current	(17)	(92)	(12)	(15)		(2)		(138)			(138)
Deferred	79	367	(59)	(4)	(17)	68		434	1		435
Profit (loss) for the quarter from continuing operations	(379)	(2,731)	46	(13)	80	(2,187)	1,873	(3,311)	146	(146)	(3,311)
Profit (loss) attributable to the owners of the Company	(391)	(2,299)	35	(18)	80	(2,187)	2,724	(2,056)	146	(146)	(2,056)
Profit (loss) attributable to non-controlling interests	12	(432)	11	5			(851)	(1,255)			(1,255)
Profit (loss) for the quarter	(379)	(2,731)	46	(13)	80	(2,187)	1,873	(3,311)	146	(146)	(3,311)

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(d) Adjusted EBITDA - business segments

1/1/2021 to 3/31/2021

	Votorantim Cimentos	Nexa Resources	CBA	Long steel	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
Net revenue from products sold and services rendered	4,009	3,297	1,793	765	777	19	(421)	10,239		10,239
Cost of products sold and services rendered	(3,140)	(2,312)	(1,349)	(597)	(725)	(9)	421	(7,711)		(7,711)
Gross profit	869	985	444	168	52	10		2,528		2,528
Operating income (expenses)										
Selling	(158)	(26)	(8)	(8)		(2)		(202)		(202)
General and administrative	(246)	(181)	(69)	(70)	(25)	(59)		(650)	(4)	(654)
Other operating income (expenses), net	90	(118)	(231)	67	(27)	697		478		478
	(314)	(325)	(308)	(11)	(52)	636		(374)	(4)	(378)
Operating profit (loss) before equity results and finance results	555	660	136	157		646		2,154	(4)	2,150
Plus:										
Depreciation, amortization and depletion - continuing operations	371	323	113	46	1	7		861		861
EBITDA	926	983	249	203	1	653		3,015	(4)	3,011
Plus:										
Dividends received	56							56		56
Exceptional items										
Impairment of property, plant and equipment and intangible assets			123					123		123
Net gain on sale of investments						(629)		(629)		(629)
Other	(12)					(17)		(29)		(29)
Adjusted EBITDA	970	983	372	203	1	7		2,536	(4)	2,532

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	1/1/2020 to 3/31/2020									
	Votorantim Cimentos	Nexa Resources	CBA	Long steel	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
Net revenue from products sold and services rendered	2,747	1,968	1,253	421	912	12	(484)	6,829		6,829
Cost of products sold and services rendered	(2,452)	(1,740)	(1,105)	(344)	(907)	(4)	484	(6,068)		(6,068)
Gross profit	295	228	148	77	5	8		761		761
Operating income (expenses)										
Selling	(175)	(35)	(7)	(6)		(1)		(224)		(224)
General and administrative	(239)	(158)	(57)	(44)	(22)	(57)		(577)	(4)	(581)
Other operating income (expenses), net	4	(2,301)	340	8	70	(15)		(1,894)		(1,894)
	(410)	(2,494)	276	(42)	48	(73)		(2,695)	(4)	(2,699)
Operating profit (loss) before equity results and finance results	(115)	(2,266)	424	35	53	(65)		(1,934)	(4)	(1,938)
Plus:										
Depreciation, amortization and depletion - continuing operations	329	300	91	27	1	8		756		756
EBITDA	214	(1,966)	515	62	54	(57)		(1,178)	(4)	(1,182)
Plus										
Dividends received	7				4		(4)	7	12	19
Exceptional items										
Impairment of property, plant and equipment and intangible assets	(3)	2,158						2,155		2,155
Other	15		(366)			17		(334)		(334)
Adjusted EBITDA	233	192	149	62	58	(40)	(4)	650	8	658

26 Subsequent events

(a) Approval and payment of dividends by Votorantim Geração de Energia S.A. ("VGE")

On April 12, 2021, the General and Extraordinary Shareholders' Meeting approved the proposal of the Management of the subsidiary VGE for payment of dividends for the year ended December 31, 2020, amounting to R\$ 200, of which R\$ 101 was a minimum mandatory dividend and R\$ 99 an additional dividend, to be paid in national currency for the Company by the end of the year 2021, of which R\$ 100 had already been paid on April 13, 2021.

(b) Acquisition of Tinka Resources Limited ("Tinka") shares – Nexa

On April 16, 2021, the subsidiary Nexa acquired 654,758 common shares of Tinka, a company involved in the acquisition and exploration of minerals from properties located in Peru, in a private transaction at a price of CAD 0, 26 per share. As a result, Nexa owns approximately 9% of the issued and outstanding common shares of Tinka, which owns 100% of the Ayawilca zinc-silver project in Peru.

(c) Use of a revolving credit facility (Committed Credit Facility) by St Marys

In April 2021, the indirect subsidiary St. Marys made new withdrawals on the available revolving credit line, with a total amount of USD 127.7 million, maturing in August 2024.

The approximate amount of USD 99.5 million remains at the disposal of the Company and its subsidiaries for new withdrawals, if necessary.

(d) Restructuring of financial obligations - Acerías Paz del Río ("APDR")

In April 2021, the subsidiary APDR underwent a restructuring of its financial obligations, settling the balance of outstanding loans with Citibank in the amount of COP 86 billion (R\$ 133) and taking out new loans with Davivienda banks in the amount of COP 25,000 million (R\$ 39) and Itaú, in the amount of COP 21,000 million (R\$ 33), resulting in a reduction of COP 40,000 million (R\$ 62).

(e) Business combination with McInnis Cement Inc ("McInnis") – VCSA

The indirect subsidiary St. Marys, the indirect subsidiary VCI, and the direct subsidiary VCSA have entered into a business combination agreement with Caisse de dépôt et placement du Québec ("CDPQ"), a long-time institutional investor, through its subsidiary McInnis Holding Limited Partnership ("McInnis Holding"), for the purpose of acquiring the cement business from McInnis and combining these businesses with St. Marys's current business. With capacity to produce 2.2 million metric tons of cement per year, a deep-water terminal adjacent to the plant, and a distribution network comprised of 10 terminals (sea, railway and road) strategically distributed throughout the United States and Canada, the cement-producing company McInnis produces, distributes, and sells construction materials across the United States of America and Canada.

The completion of the business combination was subject to fulfillment of conditions precedent, which included the approval by regulatory authorities in Brazil, the United States of America, and Canada. After these approvals were obtained and other conditions precedent were complied with, the business combination agreement was signed on April 30, 2021. St. Marys issued 170 shares, to be transferred in exchange for the control over acquiree McInnis.

On the date of approval of these condensed consolidated interim financial statements for the quarter ended March 31, 2021, the other disclosures required by CPC 15 / IFRS 3 - Business combination, including the initial accounting for the business combination itself, are in the process of elaboration and are not available for dissemination. Accordingly, the full disclosure will be presented in the condensed consolidated interim financial statements for the semester ended June 30, 2021.

(f) IPO Preparation – Companhia Brasileira de Alumínio (“CBA”)

In 2021, the subsidiary CBA evaluated the possibility of access to the capital market. The company's Board of Directors resolved and approved:

- The submission of the application for registration as a publicly held company in category “A” before the Brazilian Securities and Exchange Commission (“CVM”), pursuant to CVM Instruction 480, in which the first protocol occurred on May 17, 2021 and;
- Submission to B3 S.A. - Brasil, Stock exchange, Counter of requests: (a) CBA's adhesion to the New Market; and (b) admission to trading of CBA shares in B3.