

2020 INVESTOR RELATIONS REPORT

São Paulo, March 25, 2021 – BRADESPAR [B3: BRAP3 (ON), BRAP4 (PN); LATIBEX: XBRPO (ON), XBRPP (PN)] announces its results for 2020.

MANAGEMENT REPORT

Message to Shareholders

Dear shareholders,

The COVID-19 pandemic marked 2020, bringing social isolation, halt of economic sectors, a drop in household income, postponement of investments and, consequently, a reduction in economic activity. More than just the economic crisis, we also mourn the loss of millions of lives around the world.

Amidst this scenario, BRADESPAR continued to focus on its strategy of monitoring and participating in the management of its investee - VALE, which achieved an excellent financial performance, with increasing sales and prices throughout the year.

As a result, we were able to allocate to our shareholders, as dividends and interest on equity, a total of R\$944.3 million, which is the largest annual distribution made by BRADESPAR in all its history. At the same time, we carried out an early redemption of our Seventh Issue of Simple Debentures, whose maturity was originally scheduled for June 28, 2021, thus fully settling the Company's outstanding debt.

November 2020 also marked the end of the validity period for VALE's Shareholders' Agreement. With that, VALE's shares held by BRADESPAR became tradeable, allowing us to have total liquidity on these assets. Even with the end of the Agreement, we continue with our significant influence, having appointed two members to the Board of Directors and participating in several advisory committees.

During this period, BRADESPAR's Board of Directors approved a Socio-Environmental Policy, which establishes the bases and objectives to guide our investments in terms of sustainability.

The Company's shares appreciated 73.0% (preferred shares) in 2020 and had a 17.0% discount over VALE's market value, one of its historically lowest.

The litigation with Litel is still receiving strong attention as the outcome now depends on rulings from Superior Courts.

2020 brought considerable challenges for the economy and society as a whole. We entered 2021, albeit still under the effects of the pandemic, confident that vaccination programs will be effective in protecting lives and for the revitalization of the economy.

We are grateful to our shareholders for the journey so far.

São Paulo, SP, March 24, 2021

Luiz Carlos Trabucco Cappi
Chairman of the Board of Directors

Investment Structure – 12.31.2020

BRADESPAR's investments are currently concentrated in VALE, a company in which BRADESPAR has a representative on the Board of Directors, in addition to representatives on other of its Advisory Committees.

At the end of 2020, the market value of BRADESPAR's assets totaled BRL 25.7 billion.

%V = % Voting Capital
%T = % Total Capital

BRADESPAR

5.7% V/T



BALANCE SHEET

ASSETS		(R\$ thousand)
	12/31/2020	12/31/2019
CURRENT	415,287	554,523
Cash and Cash Equivalents	62,563	201,185
Interest on Equity and Dividends Receivable	352,724	353,338
NON-CURRENT ASSETS	10,882,559	9,551,579
Long Term	189,918	206,740
Recoverable Taxes	182,201	198,935
Judicial Deposits	7,717	7,805
Investments	10,691,742	9,343,767
Fixed Assets	80	105
Intangible	819	967
TOTAL	11,297,846	10,106,102

LIABILITIES		(R\$ thousand)
	12/31/2020	12/31/2019
CURRENT	35,192	314,389
Interest on Equity and Dividends Payable	5,852	246,886
Taxes and Contributions Payable	279	38,654
Leases and Right of Use	71	66
Other Liabilities	28,990	28,783
NON-CURRENT LIABILITIES	7,843	230,858
Debentures Payable	-	223,017
Provision and Legal Obligations	7,022	6,901
Leases and Right of Use	821	940
SHAREHOLDERS' EQUITY	11,254,811	9,560,855
Capital Stock	4,100,000	4,100,000
Profit Reserve	2,898,625	2,106,573
Adjustment to Equity Evaluation	4,256,186	3,354,282
TOTAL	11,297,846	10,106,102

COMMENTS ON THE COMPANY'S PERFORMANCE

The table below shows the Consolidated Income Statement, in accordance with accounting practices adopted in Brazil.

Income Statement				(R\$ thousand)		
	4Q20	4Q19	Chg %	2020	2019	Chg%
Equity Income	268,343	(344,051)	-	1,506,379	(358,760)	-
Operating Revenue	268,343	(344,051)	-	1,506,379	(358,760)	-
General and Administrative Expenses	(3,731)	(784)	375.9%	(6,372)	(3,793)	68.0%
Payroll Expenses	(2,990)	(5,952)	-49.8%	(11,661)	(13,356)	-12.7%
Financial Revenues (Expenses)	2,234	1,474	51.6%	6,455	12,539	-48.5%
Tax Expenses	(157)	(38,660)	-	(27,749)	(39,671)	-30.1%
Other Operational Expenses	-	-	-	-	(38)	-
Operational Result before Income Tax/Social Contribution	263,699	(387,973)	-	1,467,052	(403,079)	-
Income Tax / Social Contribution	62,179	-	-	-	(128)	-
Results for the Period	325,878	(387,973)	-	1,467,052	(403,207)	-

Operating Revenue

As an Investment Company, BRADESPAR's operating revenue originates from the equity income and interest on equity of VALE.

In 2020, it recorded an operating income of BRL 1.5 billion, reversing the negative result of BRL 358.8 million for the 12-month period of the previous year.

We highlight VALE's solid performance in 2020, in which it achieved an Adjusted EBITDA of US\$ 16.6 billion mainly due to the strong performance of ferrous minerals as a result of the increase in prices and sales volume, in addition to higher nickel and copper prices.

Financial Results

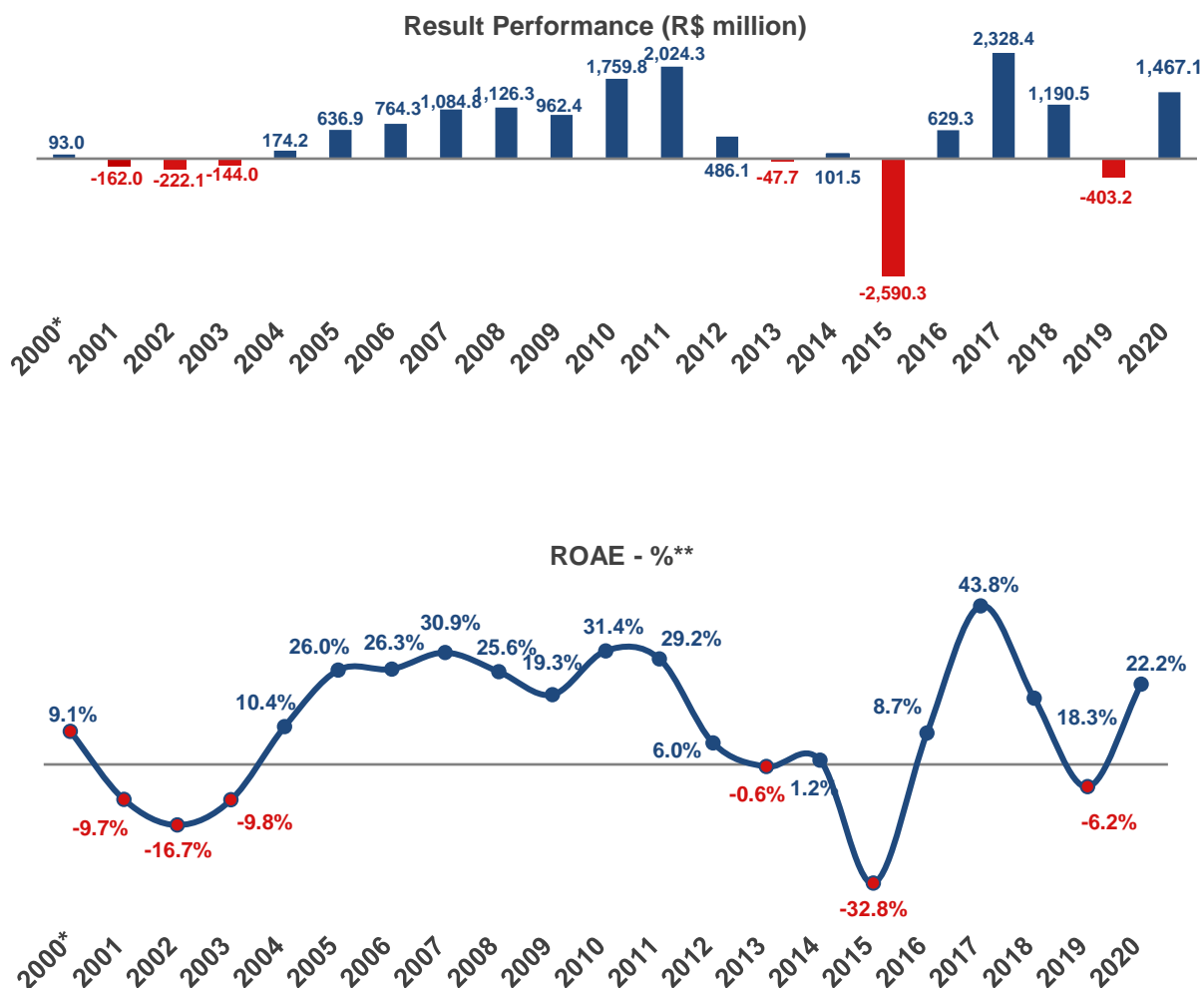
BRADESPAR's financial result for the year reached a positive BRL 6.5 million due to financial investments and compensation on Tax Recoverable. This result reflects the fact that, with the total early redemption of the Third Issue of Promissory Notes and the early amortization of the Seventh Issue of Simple Debentures, the Company's debt is now zero.

Payroll, General and Administrative Expenses

In the fourth quarter of 2020, BRADESPAR's payroll, general and administrative expenses totaled BRL 6.7 million. For the year, these expenses reached BRL 18.0 million, 5.1% higher than in 2019.

Results of the Period

In 2020, BRADESPAR recorded a net income of BRL 1.47 billion. Return on average equity (ROAE) reached 22.2%, mainly reflecting VALE's excellent performance in the period.



*Corresponds to 10 months of operations

** ROAE = Net Income / Average Equity - does not consider the effect of the equity valuation adjustment recorded in Shareholders' Equity.

COMMENTS ON INVESTEE

VALE

Brazilian Private company, VALE is present in about 30 countries, one of the largest mining companies in the world in the production of iron ore, iron and nickel ore pellets. VALE also produces manganese ore, ferroalloy, thermal and metallurgical coal, copper, metal byproducts of the platinum group, gold, silver and cobalt. The Company also operates large logistics systems in Brazil and in other regions worldwide, including railroads, maritime terminals and ports, integrated to its operations.

Vale is committed to integrating sustainability into its business, building a strong and positive economic, social and environmental legacy to mitigate the impacts of its operations. Thus, it strives to build lasting relationships with its stakeholders, investing in actions that mitigate the effects of its activities, working with high ethical standards and transparent management, in addition to actively contributing to the advances related to the environment, biodiversity and sustainable.

It should be noted that, in February 2021, VALE, the State of Minas Gerais, the Public Defender's Office of the State of Minas Gerais and the Federal and State Prosecutors of the State of Minas Gerais signed a Global Agreement for the Comprehensive Reparation of damages caused by the rupture of Dam I, in the Córrego do Feijão mine, in Brumadinho. The Global Agreement has an economic value of approximately BRL 37.7 billion and puts an end to the public civil actions for socio-environmental damages caused by the disaster, as well as an end to the socio-economic restitutions. The institutions that participated in the construction of the Global Agreement ensured timely, fair and effective solutions, in a process that was conducted with transparency, legitimacy and legal certainty.

In addition, in order to promote increasingly safe and environmentally responsible operations that guarantee the integrity of its assets, VALE's Board of Directors approved measures aimed at reducing risks to enable the company to maintain its focus on its key businesses. We also highlight the studies being carried out to identify a potential buyer for the company's Vale Nova Caledônia ("VNC") operation and the announcement of the intention to divest in the coal segment in Mozambique, in line with its strategic climate change agenda.

In 2020, the company recorded a Net Income of BRL 26.7 billion, a positive change of BRL 33.4 billion in relation to the loss of BRL 6.7 billion reported in 2019.

With the expiration of the Shareholders' Agreement and after the Company's Board of Directors set up the Nomination Committee aimed at proposing improvements to the structure, size and competencies of the Board of Directors, which are fundamental to select the candidates to be presented at the 2021 General Meeting, VALE also approved the Appointment Policy, which establishes principles, criteria and procedures to regulate the choice of candidates to hold the position of members of the Board of Directors, Advisory Committee and Executive Board, taking into consideration several aspects, including professional experience, technical knowledge, diversity and independence.

All implementations carried out in VALE's Governance had the support, initiative and approval of the former shareholders that belonged to the control block, particularly BRADESPAR, and this ends the cycle, which started in 2017, of transforming the company into a True Corporation.

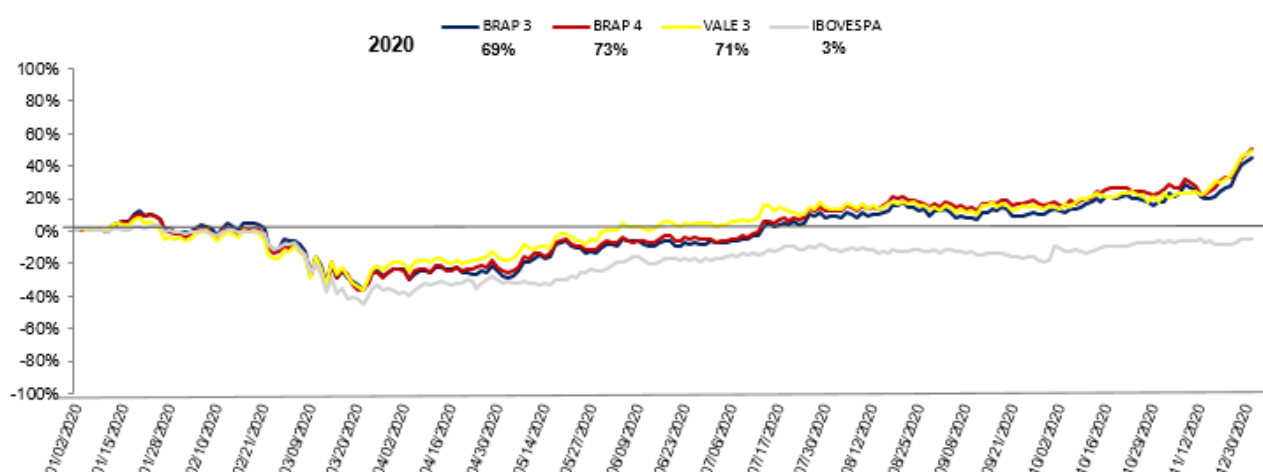
Capital Market

Since its inception, BRADESPAR's shares are listed on B3 – Brasil, Bolsa, Balcão, under tickers BRAP3 (ON) and BRAP4 (PN), and its securities are traded on LATIBEX, the Madrid Stock Exchange's Latin American Companies Market, in Spain, in Euros, through the Depositary Receipt Program (GDRs).

Moreover, BRADESPAR's shares participate in two leading indexes: IBOVESPA, which includes the most liquid companies in the Brazilian market, and the Corporate Governance Index (IGC), composed of the companies that have committed to high standards of corporate governance, since 2001, when it adhered to B3's Level I of Corporate Governance.

In 2020, the Company's shares appreciated by 73% (BRAP4) and 69% (BRAP3), while the IBOVESPA increased by 3% and the shares of its investee, VALE, appreciated by 71%.

Shares Performance on B3 in 2020



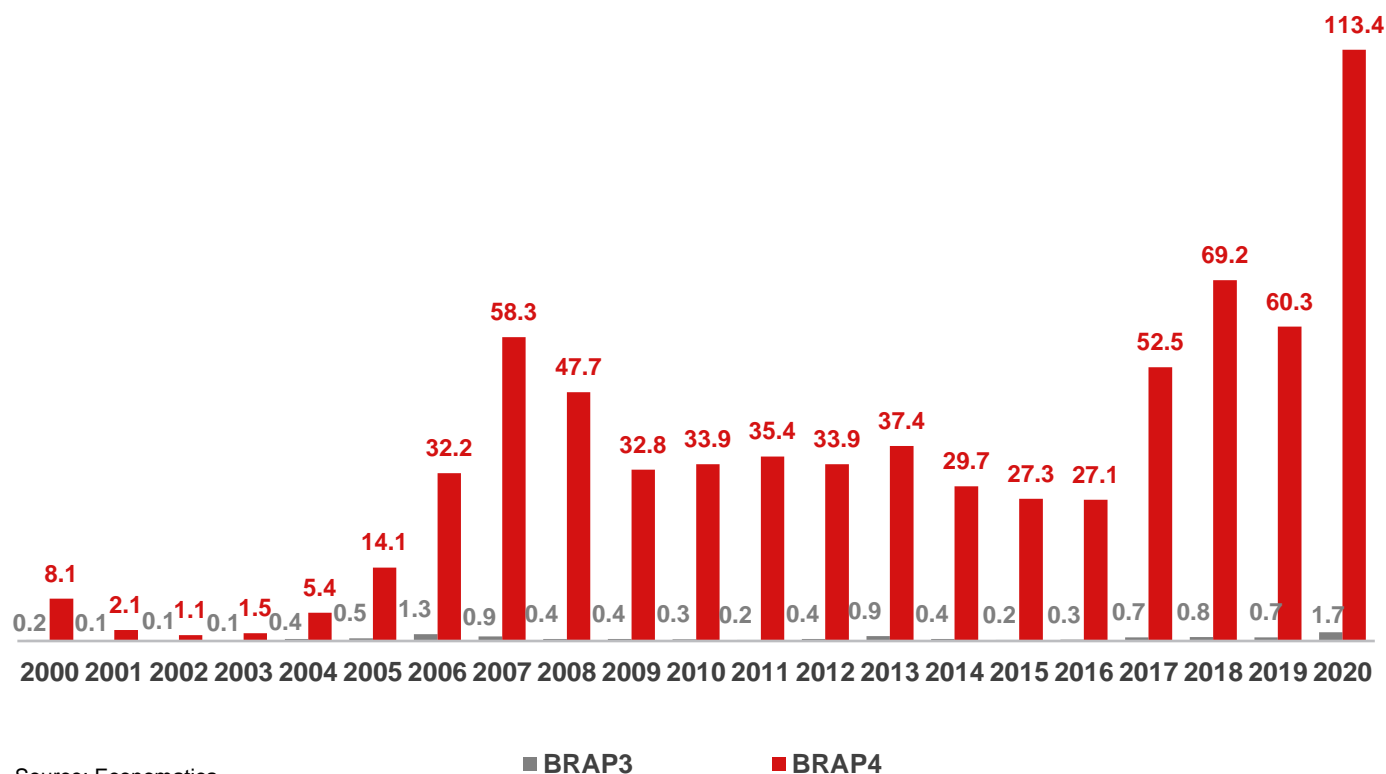
Prices adjusted for shareholder payments, including Dividends and/or Interest on Equity.

Source: Economatica

Liquidity

The average daily trading volume of BRADESPAR preferred shares (BRAP4) in 2020 was BRL 113.4 million. The daily average number of transactions for BRAP4 at B3 was 12,378.

Financial Volume Average Daily Traded Shares (R\$ million)



Source: Economatica.

Premium / Discount

At the end of 2020, the market value of BRADESPAR's assets totaled BRL 25.7 billion. The market value of BRADESPAR, in relation to VALE, was a discount of 17%, that is, BRADESPAR's market capitalization corresponds to 83% of the net value of its assets.

BRADESPAR's Net Asset Value vs. Market Cap (closing prices on December 30, 2020)

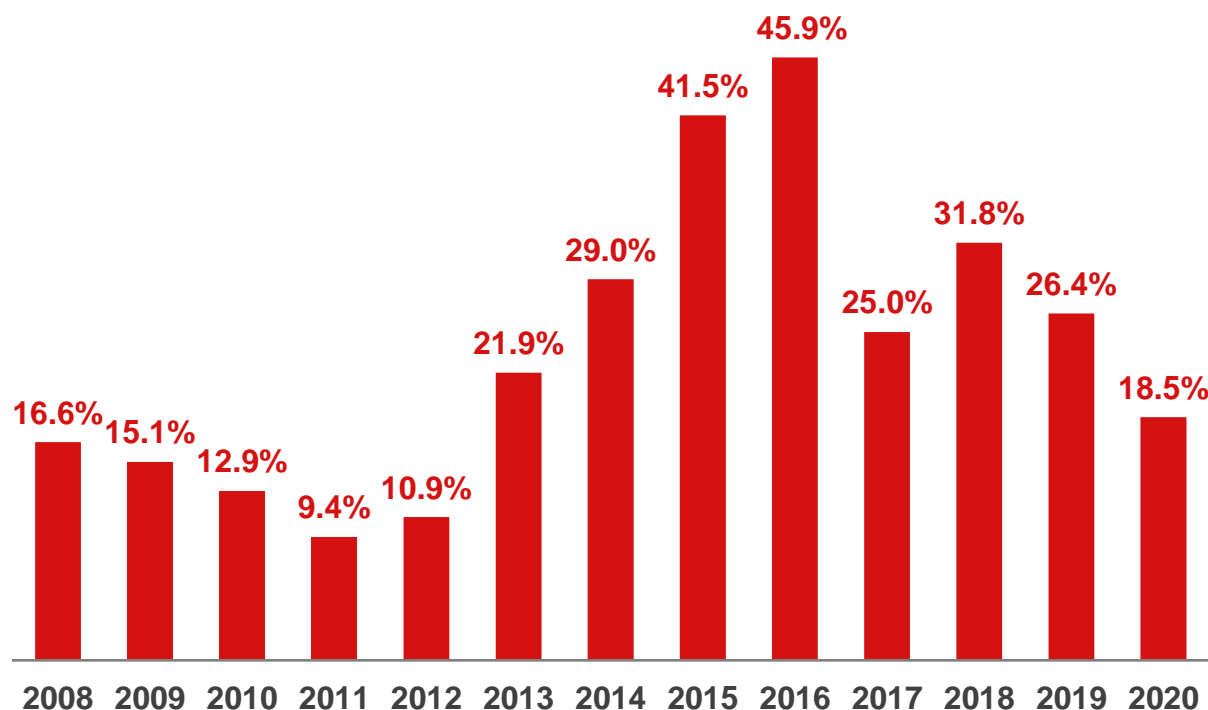
Companies	BRADESPAR's stake					
	Price (R\$/share)	Price (R\$/share)	Price (R\$/share)	Price (R\$/share)	Price (R\$/share)	Price (R\$/share)
VALE ON	87.45	293,907,266	5.73%	25,702,190	4,963,202	4,034,960
Bradespar's Total Assets Value (A)				25,702,190	4,963,202	4,034,960
Bradespar's Net Cash (B) ⁽¹⁾				60,138	12,359	10,048
Bradespar's Net Asset Value (C) = (A) + (B)				25,762,328	4,975,561	4,045,008
Bradespar's Market Capitalization (D)				21,382,800	4,129,109	3,356,863
Common Shares (BRAP3)	57.24	122,171,449		6,993,094	1,350,396	1,097,838
Preferred Shares (BRAP4)	63.71	225,862,596		14,389,706	2,778,713	2,259,025
Difference between net asset value and market capitalization (C) - (D)				4,379,528	846,452	688,145
DISCOUNT ⁽²⁾				17.0%		

(1) Net Cash on 12/30/2020.

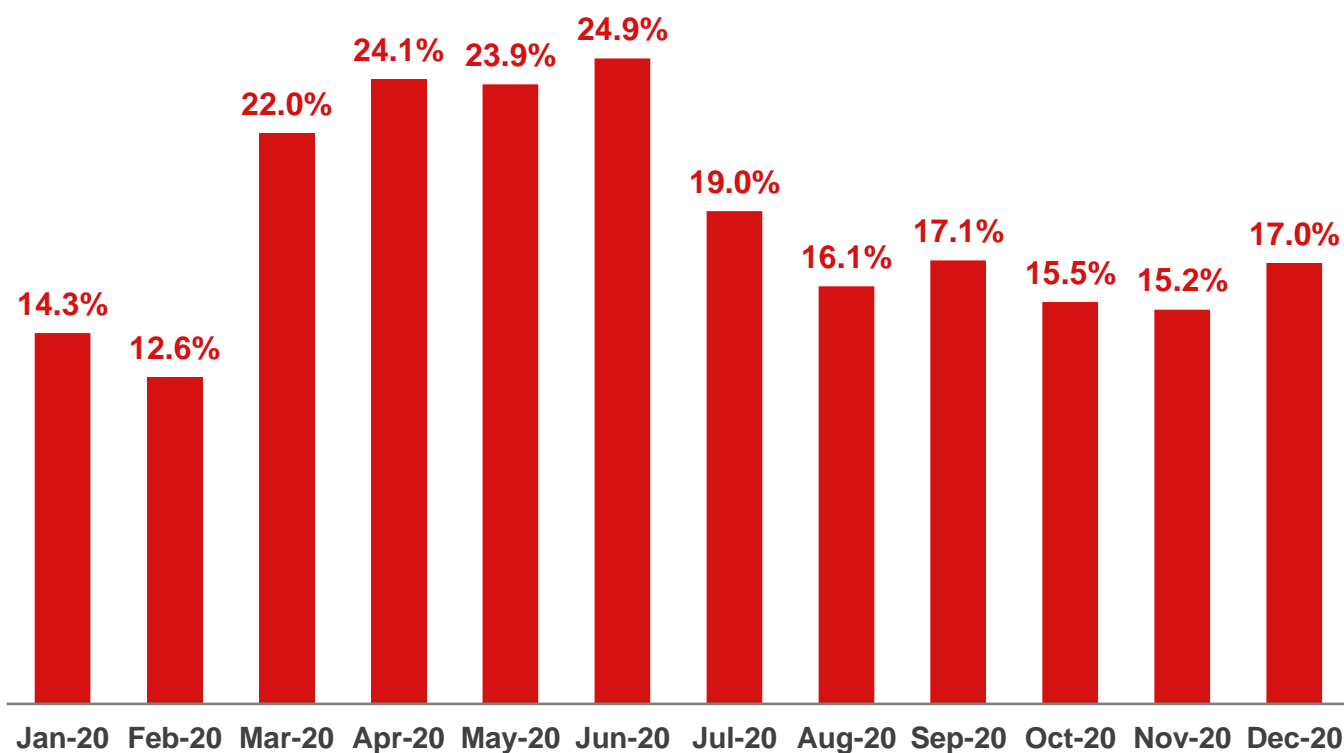
(2) ((BRADESPAR's Market Cap)/(Asset Value + Net Cash)) - 1

(3) Excluding treasury shares

Historical Discount between BRADESPAR's Net Asset Value and Market Capitalization



Note: Average discount at the end of each month.



Note: Discount on last business day of the month.

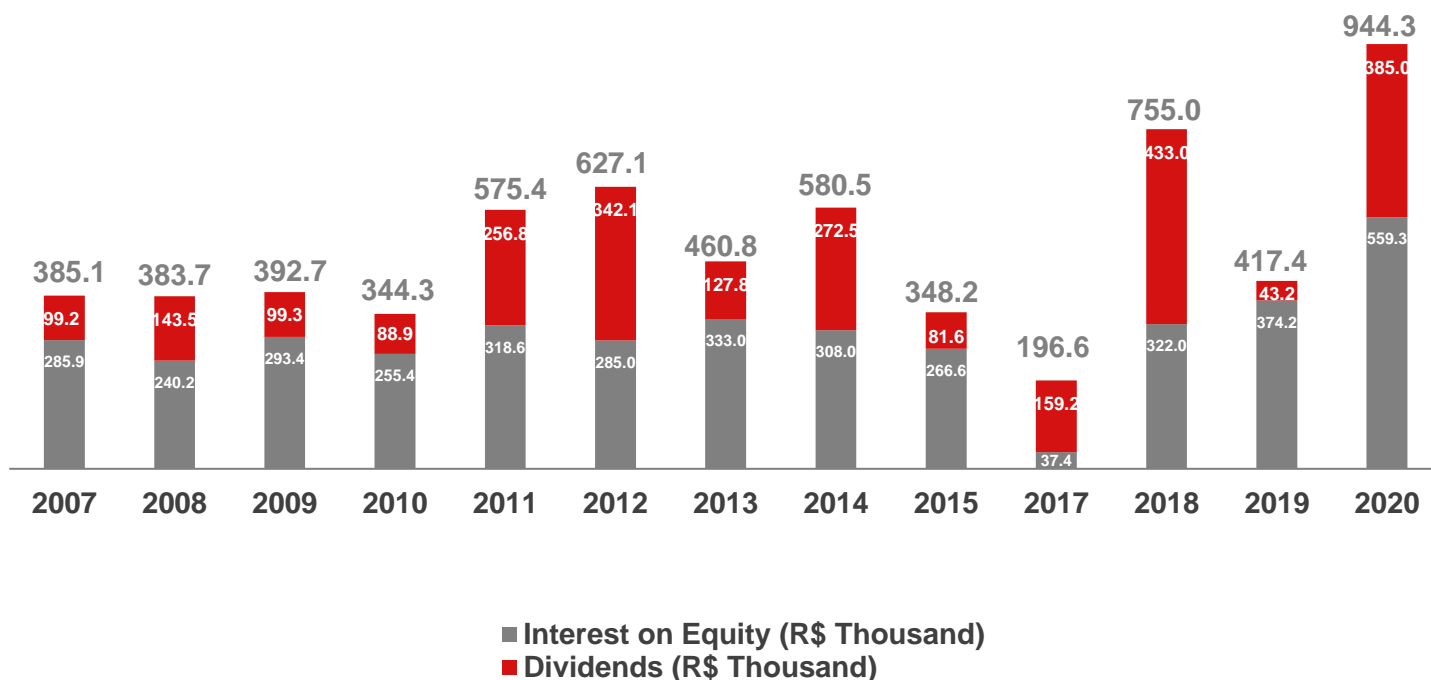
DIVIDENDS AND INTEREST ON EQUITY

In line with its Annual Compensation Indicative Policy to Shareholder, BRADESPAR's Board of Directors approved, on November 11, 2020, Management's proposal to pay dividends and interest on equity to the Company's shareholders, in the amount of BRL 675.0 million, as follows:

- Dividends, in the amount of BRL 385.0 million, of which BRL 1.038798995 per common share and BRL 1.142678895 per preferred share, with no Withholding Income Tax, pursuant to Article 10 of Law 9,249/95; and
- Interest on Equity, in the amount of BRL 290.0 million, of which BRL 0.782471970 per common share and BRL 0.860719168 per preferred share, corresponding to a net amount of BRL 0.665101175 per common share and BRL 0.731611293 per preferred share after the deduction of 15% (fifteen percent) of withholding Income Tax, except for legal entity shareholders exempt from this tax, paid on November 19, 2020.

Interest on equity and dividends paid in 2020 reached a total of BRL 944.3 million, being the highest annual amount ever paid by BRADESPAR.

Payment History of Interest on Equity and Dividends



CONTACT

For further information, please contact the Investor Relations Department:

Fernando Buso - CEO

Gustavo Bonetti

Daniel Picerni Sarmento

Phone: +55 (11) 2178-6300

Fax: +55 (11) 2178-6315

E-mail: bradespar@bradespar.com

Website: www.bradespar.com