

2021
INVESTOR
RELATIONS
REPORT

São Paulo, March 29, 2022 – BRADESPAR [B3: BRAP3 (ON), BRAP4 (PN); LATIBEX: XBRPO (ON), XBRPP (PN)] announces its results for 2021.

MANAGEMENT REPORT

Message to Shareholders

Dear shareholders,

The Brazilian economy is showing signs of recovery, with expansion of the 3 main economic sectors – services, manufacturing and agribusiness. The Brazilian GDP grew, allowing the economy to make up for the drop seen in 2020.

In this context, in 2021, BRADESPAR delivered impressive performance, with net income hitting an all-time high of R\$8.1 million, reflecting the excellent result of the Company's investee – VALE. As a result, in 2021, the Company paid R\$4.1 billion as dividends and interest on equity to shareholders – this is the highest annual amount ever paid.

We highlight that, in September 2021, BRADESPAR's Board of Directors approved an increase in the share capital from R\$4.1 billion to R\$5.8 billion, through 45,062,565 share-based bonuses – 15,818,449 of which common shares, and 29,244,116 preferred shares – which were freely granted to shareholders in the proportion of 1,295 of a new share to every ten (10) shares of the same type issued by BRADESPAR. The transaction aimed at raising the liquidity of shares issued by BRADESPAR in the market and adjusting the price per share, making them more attractive and affordable to more investors.

We also emphasize that, at the Extraordinary Shareholders' Meeting held in October, BRADESPAR's shareholders approved the share capital reduction – a milestone in the Company's history. The share capital reduction of R\$5.3 billion, without cancellation of shares, allowed for the delivery of common shares issued by VALE to shareholders in the proportion of 0.332373453 of a share issued by VALE to each share issued by BRADESPAR, reinforcing our commitment to creating value for our shareholders.

As a result of the Company's good performance in 2021, BRADESPAR's preferred shares (BRAP4) appreciated by 16% in the year, outstripping VALE, its investee.

Despite uncertainties, 2021 was a year of great achievements for BRADESPAR. For this reason, we would like to thank our shareholders for the trust placed in us so far.

São Paulo, SP, March 28, 2022

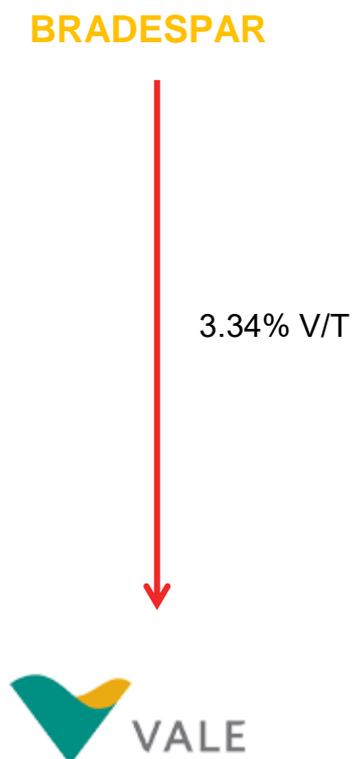
Luiz Carlos Trabucco Cappi
Chairman of the Board of Directors

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 2021, the market value of BRADESPAR's assets totaled R\$12.7 billion.

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



BALANCE SHEET

ASSETS	(R\$ thousand)	
	12/30/2021	12/30/2020
CURRENT	294,709	415,287
Cash and Cash Equivalents	294,709	62,563
Dividends Receivable	-	352,724
NON-CURRENT ASSETS	7,259,115	10,882,559
Long Term	209,689	189,918
Recoverable Taxes	209,689	182,201
Judicial Deposits	-	7,717
PERMANENT	7,049,426	10,692,641
Investments	7,048,401	10,691,742
Fixed Assets	56	80
Intangible	969	819
TOTAL	7,553,824	11,297,846

LIABILITIES	(R\$ thousand)	
	12/31/2021	12/31/2020
CURRENT	50,042	35,192
Interest on Equity and Dividends Payable	17,326	5,852
Taxes and Contributions Payable	973	279
Provision Payable on Lease Agreements	102	71
Other Liabilities	31,641	28,990
NON-CURRENT LIABILITIES	972	7,843
Provision and Legal Obligations	-	7,022
Provision Payable on Lease Agreements	972	821
SHAREHOLDERS' EQUITY	7,502,810	11,254,811
Capital Stock	500,125	4,100,000
Profit Reserve	5,257,761	2,898,625
Adjustment to Equity Evaluation	1,744,924	4,256,186
TOTAL	7,553,824	11,297,846

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)					
	4Q21	4Q20	Chg %	2021	2020	Chg%
Equity Income	2,921,095	268,343	988.6%	8,080,515	1,506,379	436.4%
Operating Revenue	2,921,095	268,343	988.6%	8,080,515	1,506,379	436.4%
General and Administrative Expenses	(1,980)	(3,731)	-46.9%	(12,219)	(6,372)	91.8%
Payroll Expenses	(4,433)	(2,990)	48.3%	(15,048)	(11,661)	29.0%
Financial Revenues (Expenses)	48,459	2,234	2069.2%	61,987	6,455	860.3%
Tax Expenses	(2,252)	(157)	1334.4%	(25,943)	(27,749)	-6.5%
Other Operational Expenses	-	-	-	(10,031)	-	-
Operational Result before Income	2,960,889	263,699	1022.8%	8,079,261	1,467,052	450.7%
Tax/Social Contribution						
Income Tax / Social Contribution	-	62,179	-	-	(128)	-
Results for the Period	2,960,889	325,878	808.6%	8,079,261	1,467,052	450.7%

Operating Revenue

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

In 2021, operating revenue was record R\$8.1 million, up by R\$6.6 billion compared to the 12-month period of last year.

It is worth noting VALE's robust performance in 2021, highlighting its significant cash generation driven by the higher prices of products sold, disciplined capital allocation, and better results obtained from the ferrous minerals and copper segments.

Financial Results

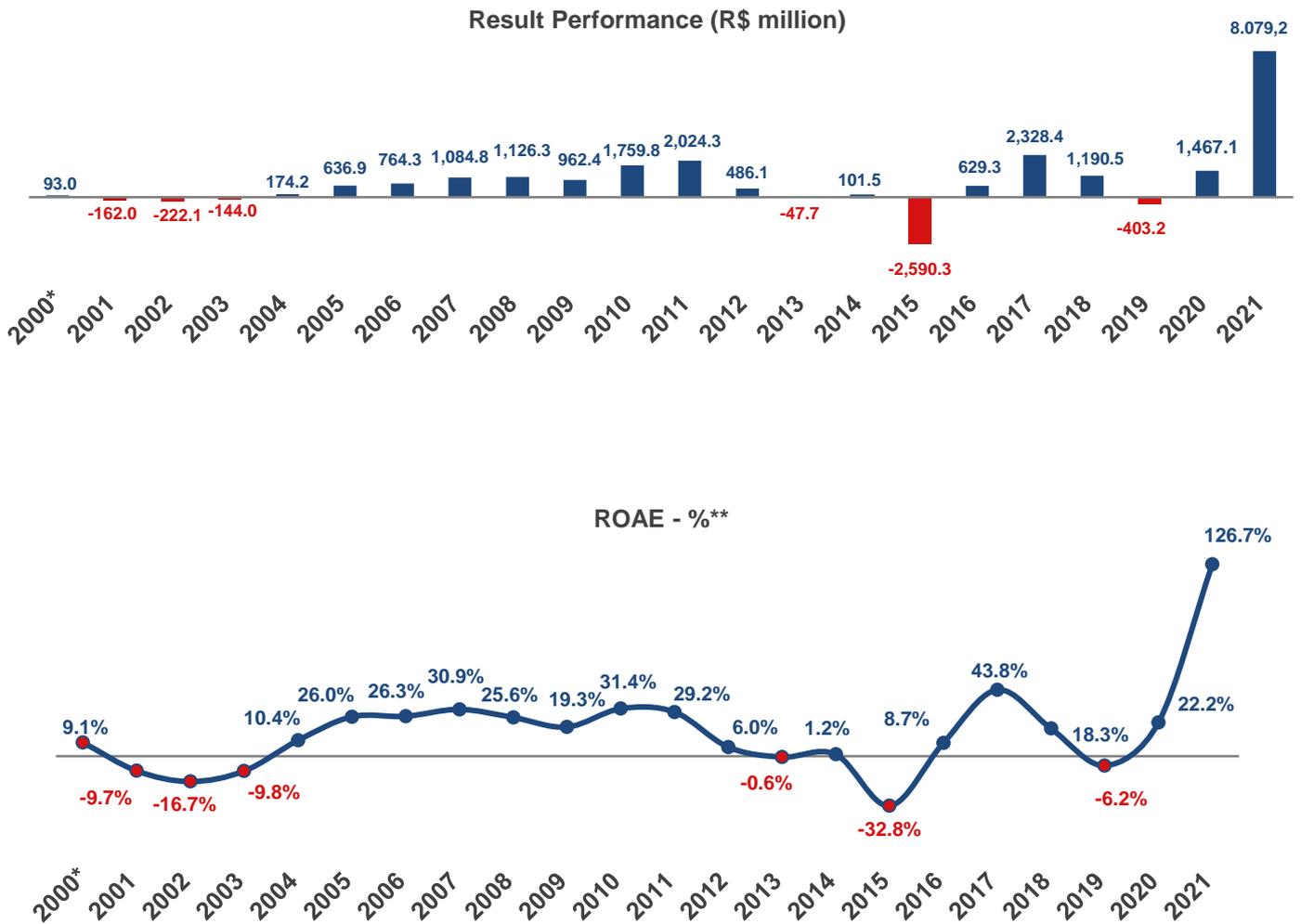
BRADESPAR's financial result for the year reached a positive R\$62.0 million, mainly due to financial investments and remuneration on Recoverable Taxes. This result reflects the Company's continuous net cash position, as it settled all financial debt in previous years.

Payroll, General and Administrative Expenses

BRADESPAR's personnel, general and administrative expenses totaled R\$27.3 million in 2021.

Result for the Fiscal Year

In 2021, BRADESPAR's net income came to R\$8.1 billion, 450.7% higher than of the previous year. The performance, as shown in the chart below, is the best in the Company's history, reflecting the impressive result recorded by VALE. Return on average equity (ROAE) reached 126.7%.



*Corresponds to 10 months of activities

** ROAE = Net Income / Average Shareholders' Equity - Does not consider effects from adjustments in equity valuation recorded in Shareholders' Equity.

COMMENTS ON INVESTEE

VALE

Among Latin America's largest and most valued companies, VALE is present in 25 countries of 5 continents. It engages in mining (production and sale), logistics operations (including railways, maritime terminals and ports), and energy generation.

In 2021, BRADESPAR continued monitoring VALE's activities and definition of strategies through representation on the Board of Directors and several Advisory Committees. And, in this sense, it has continually contributed to improving the Company's Governance, so as to ensure the highest safety, sustainability, profitability and operational efficiency standards.

In the year ended, VALE recorded adjusted EBITDA of R\$168.1 billion, 82.2% higher than in 2020, mainly due to the higher ferrous mineral and copper prices. Net income came to R\$121.2 billion, up 354% over the previous year.

We highlight that after the completion of the buyback program consisted of 270 million shares issued by the Company throughout 2021 (US\$5.3 billion), VALE's Board of Directors approved the new buyback program limited to 200 million shares and their respective ADRs (still ongoing), representing up to 4.1% of the total outstanding shares. Governed by a disciplined capital allocation, the program is carried out in up to 18 months, showing the company's reliable management and its potential to consistently create and distribute value. VALE's Senior Management deems the share buyback program to be one of the best investments available to the Company.

Finally, in 2021, shareholder compensation was record US\$23.0 billion, in addition to the US\$3.5 billion approved in February 2022. The payment was made in March of the current year.

Capital Market

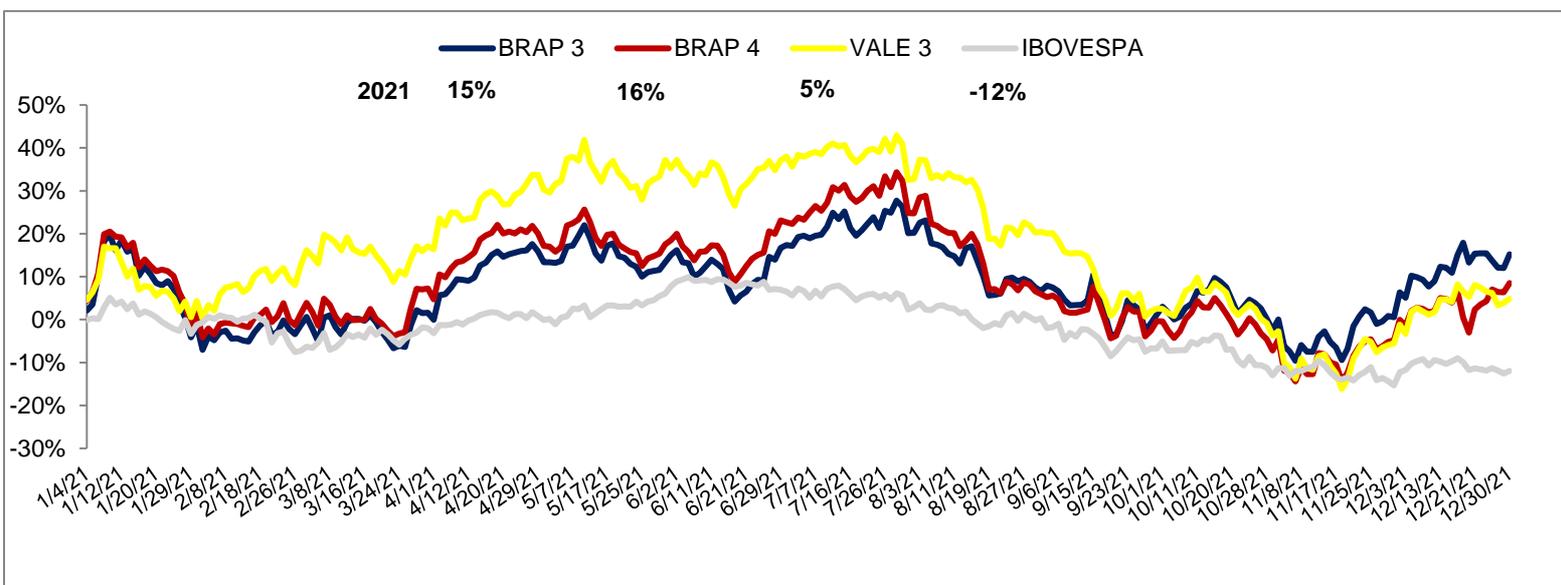
Since its inception, BRADESPAR's shares are listed on B3 – Brasil, Bolsa, Balcão, under tickers BRAP3 (common shares) and BRAP4 (preferred shares), and its securities are traded on LATIBEX, the Madrid Stock Exchange's Latin American Companies Market, in Spain, in Euros, through the Depositary Receipt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

Moreover, BRADESPAR's shares are listed 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 corporate governance standards, since 2001, when it adhered to B3's Level I of Corporate Governance.

In July 2021, BRADESPAR received the Broadcast Empresas Award in the Small Cap special category.

In 2021, the Company's shares appreciated by 16% (BRAP4) and by 15% (BRAP3), while the IBOVESPA depreciated by 12%, and the shares of its investee, VALE, appreciated by 5%.

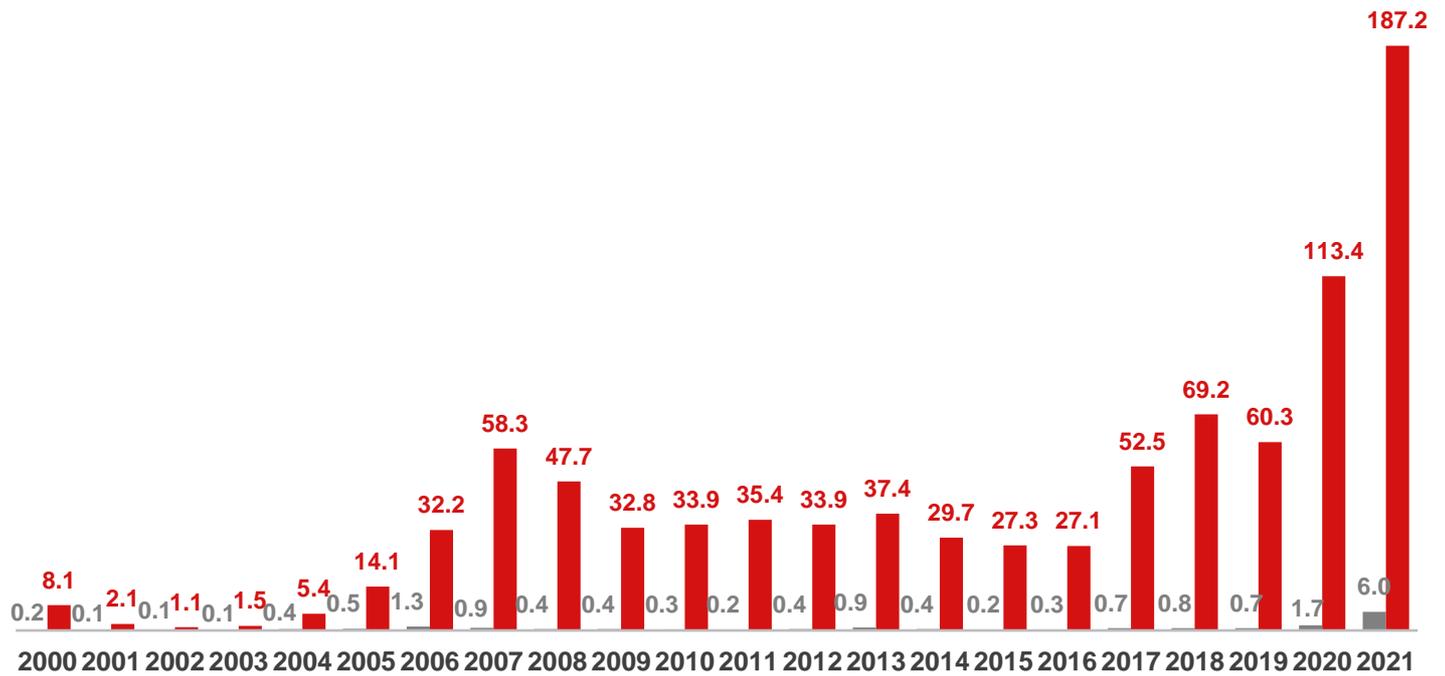
Shares Performance on B3 in 2021



Liquidity

The average daily trading volume of BRADESCAR preferred shares (BRAP4) in 2021 was R\$187.2 million, while the daily average of trades with BRAP4 on B3 was 15,222.

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



Source: Economatica.

■ BRAP3

■ BRAP4

Premium / Discount

At the end of 2021, the market value of BRADESPAR's assets totaled R\$12.7 billion. The market value of BRADESPAR, in relation to VALE, was a discount of 27.9%, that is, BRADESPAR's market capitalization corresponds to 72.1% of the net value of its assets.

BRADESPAR's Net Asset Value vs. Market Cap (closing prices on December 30, 2021)

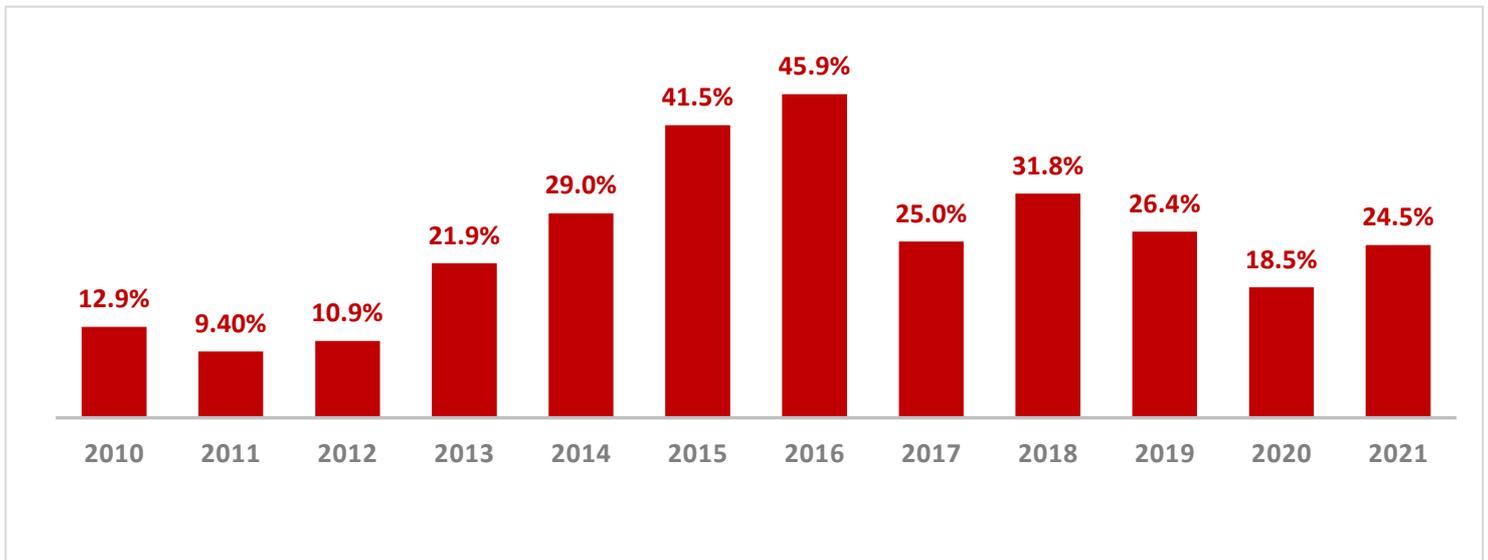
Companies	BRADESPAR's stake					
	Price (R\$/share)					
VALE ON	77.96	163,252,389	3.34%	12,727,156	2,282,366	2,014,267
Bradespar's Total Assets Value (A)				12,727,156	2,282,366	2,014,267
Bradespar's Net Cash (B) ⁽¹⁾				291,441	12,359	10,048
Bradespar's Net Asset Value (C) = (A) + (B)				13,018,597	4,975,561	4,045,008
Bradespar's Market Capitalization (D)				9,380,537	4,129,109	3,356,863
Common Shares (BRAP3)	21.78	137,989,898		3,005,420	538,963	475,654
Preferred Shares (BRAP4)	24.99	255,106,712		6,375,117	1,143,252	1,008,960
Difference between net asset value and market capitalization (C) - (D)				3,638,060	652,415	575,778
DISCOUNT ⁽²⁾				27.9%		

(1) Net Cash on 12/30/2021.

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

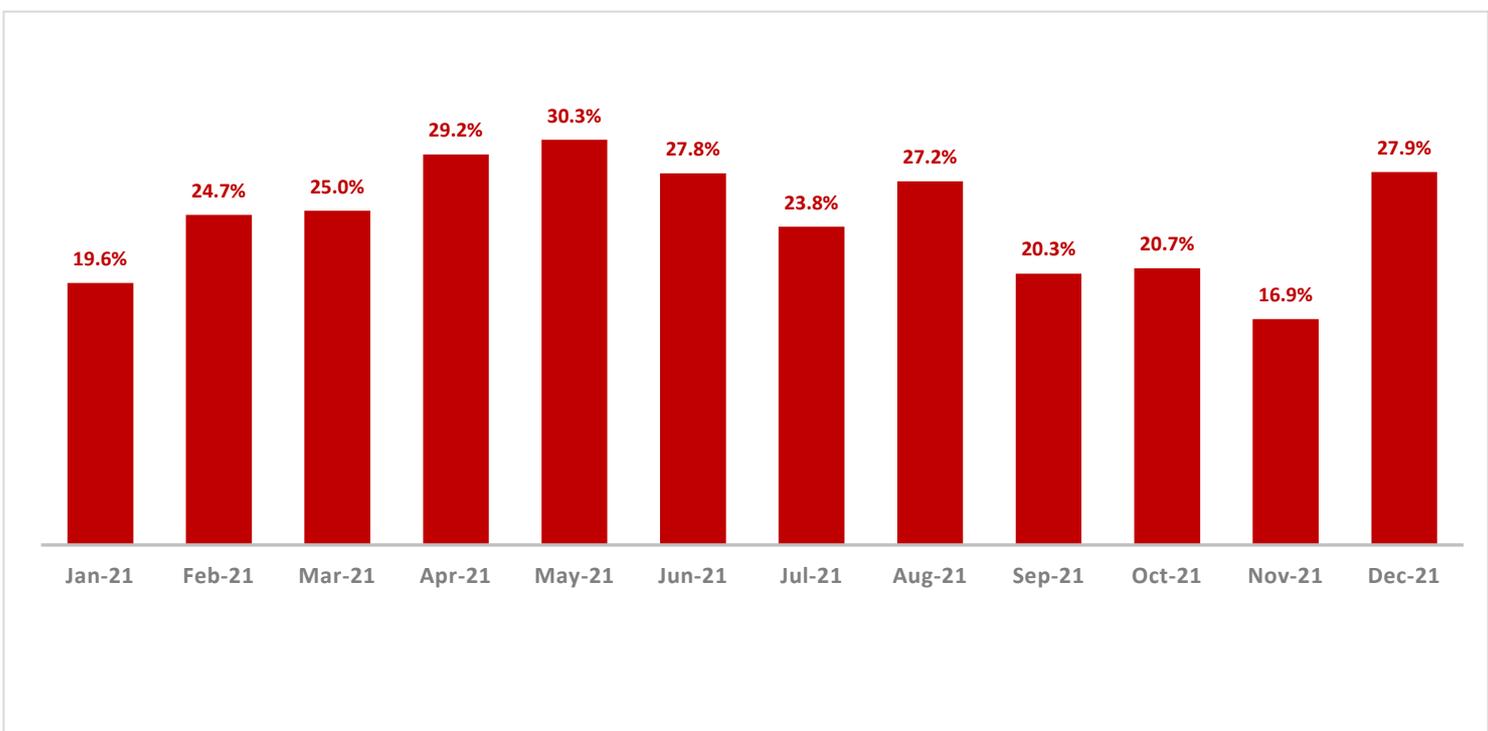
(3) Excluding treasury shares

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



Note: Average of discounts at the end of each year.

Discount history throughout 2021



Note: Discount on last business day of the month.

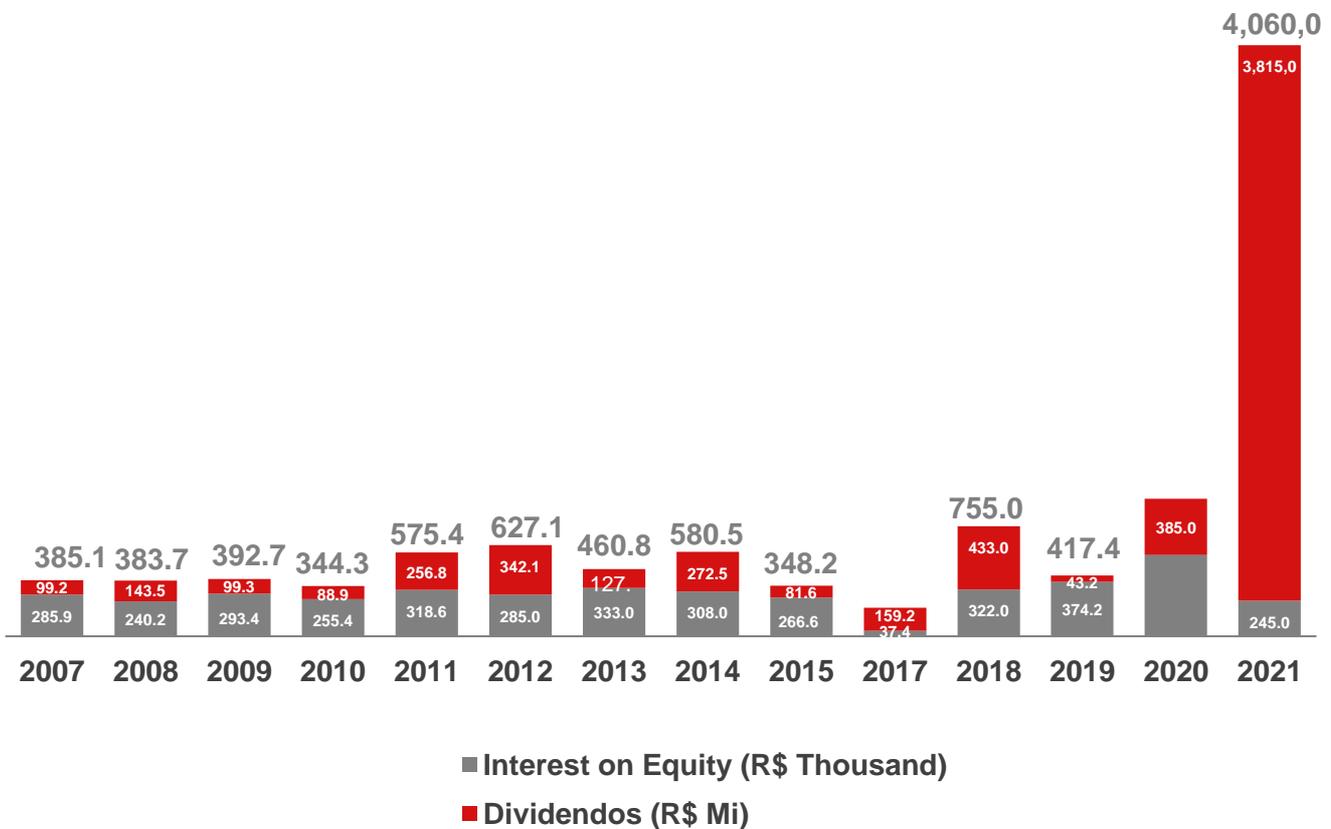
DIVIDENDS AND INTEREST ON EQUITY

In compliance with its Annual Shareholder Compensation Policy, on October 29, 2021, BRADESPAR announced a dividend payment in the amount of R\$2,300,000,000.00, of which R\$5.494409924 per common share and R\$6.043850916 per preferred share, which were paid for the declared amounts without withholding income tax, as per Article 10 of Law 9,249/95.

The aforementioned dividends benefited shareholders of record on December 16, 2021 and were paid on December 29, 2021.

Interest on equity and dividends paid in 2021 totaled R\$4.1 billion, the highest annual volume 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