

Votorantim S.A.

**Condensed consolidated
interim financial
statements
and independent
auditor's report
June 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 (the "Company") as at June, 30, 2021 and the related condensed consolidated interim statements of income and comprehensive income for the quarter and six-month period then ended, and the condensed consolidated interim statements of changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the accounting standard CPC 21 - "Interim Financial Reporting", 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 condensed consolidated 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 information consists in 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 does 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.



Votorantim S.A.

Conclusion on the consolidated condensed interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements referred to above are not prepared, in all materials respects, in accordance with CPC 21 - "Interim Financial Reporting", and IAS 34, as issued by *International Accounting Standards Board* (IASB).

Curitiba, August 6, 2021

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

A handwritten signature in blue ink, appearing to read 'CEM', is written over the printed name of Carlos Eduardo Guaraná Mendonça.

Carlos Eduardo Guaraná Mendonça
Contador CRC 1SP196994/O-2

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	Note	6/30/2021	12/31/2020
Assets			
Current assets			
Cash and cash equivalents	6	10,712	9,783
Financial investments	7	5,125	5,678
Derivative financial instruments	5.1.1 (a)	221	221
Trade receivables	8	3,924	3,209
Inventory	9	6,071	4,724
Taxes recoverable	11	2,107	2,033
Dividends receivable			176
Future energy contracts	12		49
Other assets		595	538
		28,755	26,411
Assets classified as held-for-sale		3	25
		28,758	26,436
Non-current assets			
Long-term receivables			
Financial investments	7	10	20
Financial instruments - shares	10	1,658	2,590
Derivative financial instruments	5.1.1 (a)	775	1,945
Derivative financial instruments - put option	5.1.1 (b)	810	252
Taxes recoverable	11	3,191	2,966
Related parties		179	196
Deferred income tax and social contribution	19 (b)	3,000	2,731
Judicial deposits	20 (b)	197	193
Future energy contracts	12	21	9
Securitization of receivables		251	149
Other assets		549	701
		10,641	11,752
Investments	13	13,211	12,698
Property, plant and equipment		31,674	30,105
Intangible assets	15 (a)	14,413	14,594
Right to use assets arising from leases		1,279	797
Biological assets		98	96
		71,316	70,042
Total assets		100,074	96,478

	Note	6/30/2021	12/31/2020
Liabilities and equity			
Current assets			
Borrowing	16 (a)	1,004	1,407
Derivative financial instruments	5.1.1 (a)	636	511
To rent	17	305	235
Confirming payables	18	2,518	2,380
Trade payables		5,269	5,404
Salaries and payroll charges		999	1,174
Taxes payable		1,379	760
Advances from clients		251	182
Dividends payable		25	44
Use of public assets		117	97
Financial instruments - firm commitment		6	75
Deferred revenue - silver streaming		110	141
Other liabilities		1,317	924
		13,936	13,334
Liabilities related to assets held-for-sale		1	2
		13,937	13,336
Non-current assets			
Borrowing	16 (a)	23,427	23,658
Derivative financial instruments	5.1.1 (a)	602	2,412
To rent	17	1,070	623
Deferred income tax and social contribution	19 (b)	2,327	2,373
Related parties		18	11
Provision	20 (a)	3,857	3,586
Use of public assets		1,519	1,400
Pension plan and post-employment health care benefits		478	524
Financial instruments - firm commitment		43	210
Deferred revenue - silver streaming		610	722
Other liabilities		734	827
		34,685	36,346
Total liabilities		48,622	49,682
Equity			
Share capital		28,656	28,656
Revenue reserves		8,806	8,806
Retained earnings		2,461	
Carrying value adjustments	21 (c)	5,711	4,879
Total equity attributable to the owners of the Company		45,634	42,341
Non-controlling interests		5,818	4,455
Total equity		51,452	46,796
Total liabilities and equity		100,074	96,478

Condensed consolidated interim statement of income
Period ended June 30
All amounts in millions of reais

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	Note	1/4/2021 a 30/6/2021	1/4/2020 a 30/6/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Continuing operations					
Net revenue from products sold and services rendered	22	12,711	7,562	22,950	14,391
Cost of products sold and services rendered	23	(9,423)	(6,531)	(17,134)	(12,599)
Gross profit		3,288	1,031	5,816	1,792
Operating expenses (income)					
Selling	23	(229)	(207)	(431)	(431)
General and administrative	23	(659)	(568)	(1,313)	(1,148)
Other operating income (expenses), net	24	347	(200)	825	(2,094)
		(541)	(975)	(919)	(3,673)
Operating profit (loss) before equity results and finance results		2,747	56	4,897	(1,881)
Results from equity investments					
Equity in the results of investees	13 (c)	369	(79)	466	(212)
		369	(79)	466	(212)
Finance results, net					
Finance income	25	112	242	320	416
Finance costs		(731)	(683)	(1,380)	(1,275)
Result of derivative financial instruments		212	26	475	7
Foreign exchange losses, net		505	(157)	149	(1,257)
		98	(572)	(436)	(2,109)
Profit (loss) before income tax and social contribution		3,214	(595)	4,927	(4,202)
Income tax and social contribution					
Current	19 (a)	(482)	(91)	(1,218)	(229)
Deferred		(458)	50	(307)	485
Profit (loss) from continuing operations		2,274	(636)	3,402	(3,946)
Discontinued operations					
Loss on discontinued operations					(1)
Profit (loss) for the semester attributable to the owners of the Company		2,274	(636)	3,402	(3,947)
Profit (loss) attributable to the owners of the Company		1,942	(413)	2,960	(2,469)
Profit (loss) attributable to non-controlling interests		332	(223)	442	(1,478)
Profit (loss) for the semester		2,274	(636)	3,402	(3,947)
Weighted average number of shares - thousands (to the owners of the Company)		18,278,789	18,278,789	18,278,789	18,278,789
Basic and diluted earnings (loss) per thousand shares, in reais		106.24	(22.59)	161.94	(135.07)
From continuing operations					
Basic and diluted earnings (loss) per thousand shares, in reais		106.24	(22.59)	161.94	(135.02)
From discontinued operations					
Basic and diluted loss per thousand shares, in reais					(0.05)

	Note	1/4/2021 a 30/6/2021	1/4/2020 a 30/6/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Net income (loss) for the period		2,274	(636)	3,402	(3,947)
Other components of comprehensive income to be subsequently reclassified to profit or loss					
Attributable to the owners of the Company					
Foreign exchange variations	21 (c)	(2,589)	771	(1,324)	3,998
Hedge accounting for net investments abroad, net of taxes	21 (c)	99	(11)	85	(403)
Hedge accounting for the operations of subsidiaries	21 (c)	370	(155)	316	(816)
Adjustment to fair value of shares, net of taxes	21 (c)	(70)	38	276	142
Inflation adjustments for hyperinflationary economies	21 (c)	122	60	261	122
Realization of comprehensive results on settlement of shares	21 (c)			(265)	
Effect of dilution of equity interest - acquisition of investee	1.1 (o)	1,484		1,484	
Participation in other comprehensive results of investees	21 (c)	(1)	(2)	2	(2)
Attributable to non-controlling					
Foreign exchange variations of investees		(572)	138	(276)	1,119
Effect of dilution of equity interest - acquisition of investee	1.1 (o)	1,289		1,289	
Participation in other comprehensive results of investees		(13)	12	(13)	12
		119	851	1,835	4,172
Other components of comprehensive income that will not be reclassified to profit or loss					
Attributable to the owners of the Company					
	21 (c)				
Remeasurement of retirement benefits, net of taxes		15	8	16	14
Credit risk of debts measured at fair value			(149)	(19)	137
Attributable to non-controlling					
Remeasurement of retirement benefits, net of tax		2	(1)	2	
Other components of comprehensive income for the period		136	709	1,834	4,323
Of operations					
Continued operations		2,410	73	5,236	377
Discontinued operations					(1)
		2,410	73	5,236	376
Comprehensive income attributable to					
Owners of the Company		1,372	147	3,792	723
Non-controlling interests		1,038	(74)	1,444	(347)
		2,410	73	5,236	376

Condensed consolidated interim statement of charges in equity

Period ended June 30

All amounts in millions of reais unless otherwise stated

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	Note	Attributable to the owners of the Company									
		Revenue reserves						Carrying value adjustments	Total	Non-controlling interests	Total equity
		Share capital	Tax incentives	Legal	Profit retention	Retained (loss) earnings					
At January 1, 2020		28,656	10	1,032	10,123		1,948	41,769	5,138	46,907	
Loss for the semester						(2,469)		(2,469)	(1,478)	(3,947)	
Other components of comprehensive income							3,192	3,192	1,131	4,323	
Comprehensive income for the semester						(2,469)	3,192	723	(347)	376	
Distribution of dividends					(401)			(401)	(103)	(504)	
Effect of liquidation of related parties on the spin-off of investees					36			36		36	
Total contributions and distributions to shareholders					(365)			(365)	(103)	(468)	
At June 30, 2020		28,656	10	1,032	9,758	(2,469)	5,140	42,127	4,688	46,815	
At January 1, 2021		28,656	10	1,032	7,764		4,879	42,341	4,455	46,796	
Profit for the semester						2,960		2,960	442	3,402	
Other components of comprehensive income							832	832	1,002	1,834	
Comprehensive income for the semester						2,960	832	3,792	1,444	5,236	
Distribution of dividends	21 (b)				(499)			(499)	(81)	(580)	
Total contributions and distributions to shareholders					(499)			(499)	(81)	(580)	
At June 30, 2021		28,656	10	1,032	7,764	2,461	5,711	45,634	5,818	51,452	

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

Condensed consolidated interim statement of cash flows
Period ended June 30
All amounts in millions of reais

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(A free translation of the original in Portuguese)

	Note	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Cash flow from operating activities					
Profit (loss) before income tax and social contribution		3,214	(594)	4,927	(4,202)
Loss of discontinued operations			(1)		(1)
Adjustments to items that do not represent changes in cash and cash equivalents					
Depreciation, amortization and depletion	23	920	793	1,767	1,549
Equity in the results of investees	13 (c)	(369)	79	(466)	212
Interest, indexation and foreign exchange variations		(1,213)	334	(677)	1,723
Provisions for the impairment of fixed, intangible assets and investments	24	13	273	136	2,428
Loss (gain) on sales of fixed and intangible assets, net		(43)	6	(142)	6
Adjustment to fair value of loans and financing	16 (b)	18	(59)	(47)	(194)
Constitution (reversal) of provisions		233	(18)	328	52
Derivative financial instruments		1,001	5	1,225	(156)
Future energy contracts	12	(225)	37	(199)	3
Net revenue on sale of investments	24			(629)	
Net gain from financial instrument - put option	5.1.1 (b)	(215)	82	(558)	285
Gain on purchase of investee		(236)		(236)	(366)
PIS and COFINS credit recognition on the ICMS calculation basis			(156)		(156)
Loss on debt renegotiation		3		24	
		3,101	781	5,453	1,183
Decrease (increase) in assets					
Financial investments		(249)	40	585	(375)
Derivative financial instruments		(211)	(17)	(319)	(18)
Trade accounts receivable		(1,004)	(71)	(746)	467
Inventory		(504)	230	(1,301)	152
Taxes to recover		171	37	173	72
Related parties		33	(8)	17	(26)
Judicial deposits		(5)	94	(9)	109
Other accounts receivable and other assets		3	(33)	(139)	(44)
Increase (decrease) in liabilities					
Trade payables		556	(191)	(19)	(1,504)
Salaries and social charges		179	186	(141)	(39)
Use of public assets		(20)	(16)	(12)	(19)
Taxes payable		(4)	79	143	68
Advances from customers		50	171	82	271
Other obligations and other liabilities		308	(191)	258	(474)
Cash provided by (used in) operating activities		2,404	1,091	4,025	(177)
Interest paid on borrowing and use of public assets		(391)	(456)	(726)	(622)
Income tax and social contribution paid		(146)	(73)	(692)	(210)
Net cash provided by (used in) operating activities		1,867	562	2,607	(1,009)

Condensed consolidated interim statement of cash flows
Period ended June 30
All amounts in millions of reais

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(A free translation of the original in Portuguese)

	Note	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Cash flow from investment activities					
Proceeds from disposals of fixed and intangible assets		47	25	286	36
Investment sale				1,643	
Dividends received		87	18	218	20
Acquisitions of property, plant and equipment	14	(1,111)	(686)	(1,946)	(1,351)
Increase (reduction) in biological assets		(4)	(8)	(3)	(3)
Acquisitions of investments		191		155	(228)
Increase in intangible assets	15	(61)	(1)	(61)	(7)
Net cash provided by (used in) investment activities		(851)	(652)	292	(1,533)
Cash flow from financing activities					
New borrowing	16 (b)	1,355	5,782	2,504	9,407
Repayment of borrowing	16 (b)	(2,239)	(3,506)	(3,396)	(4,805)
Repayment of leasing contracts		(135)	(47)	(201)	(112)
Derivative financial instruments		(2)	(35)	32	68
Dividends paid		(16)	(70)	(599)	(560)
Net cash provided by (used in) financing activities		(1,037)	2,124	(1,660)	3,998
Increase (decrease) in cash and cash equivalents		(21)	2,034	1,239	1,456
Effect of companies excluded from consolidation		31		31	7
Effect of fluctuations in exchange rates		(984)	299	(341)	1,387
Cash and cash equivalents at the beginning of the semester		11,686	6,779	9,783	6,262
Cash and cash equivalents at end of the semester		10,712	9,112	10,712	9,112

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, and 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 half of 2021

(a) Prepayment of export credit note – Nexa

During the first half of 2021, the subsidiary Nexa prepaid the outstanding principal and accrued interest of an Export Credit Note in Brazil in the amounts of R\$495 and R\$16, respectively.

On June 28, 2021, the subsidiary Nexa prepaid the outstanding principal of a Credit Line in the amount of USD 43 million.

(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

During the first half of 2021, the indirect subsidiary St. Marys made an additional withdrawal from the revolving credit line Committed Credit Facility in the amount of USD 187 million, maturing in August 2024. Additionally, part of the withdrawals were reimbursed for a total amount of USD 43 million.

Of the total available, the investee used the amount of USD 157 million (R\$ 788), with the remaining balance of USD 132.7 million (R\$ 664), available to the Company's subsidiaries for further 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, 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 a 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 at 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 for 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, the 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, 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 8.8% of the issued and outstanding common shares of Tinka, which owns 100% of the Ayawilca zinc-silver project in Peru.

On April 16, 2021, the subsidiary Nexa acquired another 654,758 common shares of Tinka. As a result, after the operations carried out in March and April 2021, the subsidiary Nexa holds a total of approximately 9% of the issued and outstanding common shares of Tinka.

(j) ARO remeasurement – 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) Temporary suspension of the Extreme North Mine of Vazante – Nexa

In March 2021, during a regular inspection of the Extreme North mine in Vazante, operated by the subsidiary Nexa, above-normal ground displacements were identified in the area around the mine's main access and escape route. The Extreme North mine requires aquifer dehydration for its operations, which leads to depressurization and can cause local disturbances in the rock mass surrounding the mine. As a preventive measure, activities in this area were temporarily suspended, which decision prevails until the date of approval of these interim consolidated financial statements.

The subsidiary Nexa, supported by external experts, began a detailed analysis of the geological and geotechnical conditions to ensure the safety of its workers and the resumption of operating activities at the Extreme North mine. Mining activities are expected to resume in August 2021 and the subsidiary Nexa does not expect any material impact on its financial statements associated with this event.

(l) 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 and 7 months - R\$ 34
- ii. UHE Piraju: 4 years and 11 months - R\$ 37
- iii. UHE Ourinhos: 5 years and 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.

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

On April 12, 2021, the Management's proposal was approved for the subsidiary VGE to pay of dividends for the year ended December 31, 2020, in the amount of R\$ 200, of which R\$ 101 is the mandatory minimum dividend and R\$99 is an additional dividend, to be paid in national currency to the Company, until the end of fiscal year 2021, of which R\$100 was paid on April 13, 2021.

(n) Restructuring of financial obligations – Acerías Paz del Río ("APDR")

In April 2021, the subsidiary APDR carried out a resettlement of its financial obligations, settling the principal balance of outstanding loans with Citibank in the amount of COP 86,000 million (R\$ 133) and contracting 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).

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

The indirect subsidiary St. Marys, the indirect subsidiary VCI and VCSA 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 acquisition of McInnis' cement business and combining such businesses with St. Marys' existing business. McInnis is a cement company responsible for the production, distribution and sale of construction materials in the United States of America and Canada, with an annual capacity of 2.2 million tons, as well as a deepwater terminal, adjacent to the plant, and a distribution network that has 10 terminals (marine, rail and road) strategically located in the United States of America and Canada.

Completion of the business combination was subject to the fulfillment of conditions precedent, including approval by regulatory authorities in Brazil, the United States of America and Canada. Such approvals were obtained, other conditions precedent were met, and the business combination was consummated on April 30, 2021. As a result, St. Marys issued 170,000 shares in consideration transferred in exchange for control of the acquired McInnis.

On the date of approval of these condensed consolidated interim financial statements for the semester ended June 30, 2021, the price paid for the acquisition totaled R\$ 2,999 and upon application of the acquisition method in accordance with IFRS 3/CPC 15 (R1), the net assets and liabilities acquired totaled R\$ 3,236, generating a gain on bargain purchase in the amount of R\$ 237, recorded under "Other operating income (expenses), net" (Note 24).

Costs related to the acquisition totaled R\$64 and were recorded in the statement of income in the line Other operating income (expenses), net of income.

(p) Loan agreement with BNDES – Nexa

In July 2020, the subsidiary Nexa contracted a loan approved by BNDES and, during the second quarter of 2021, it made disbursements of the following amounts:

(i) On May 28, 2021, the amount of R\$ 160 (approximately USD 31 million) was used; (ii) On June 18, 2021, the amount of R\$101 (approximately USD 20 million) was used.

Of the total R\$ 750 approved by BNDES, the subsidiary Nexa has already used R\$ 736 (approximately USD 140 million).

This contract is guaranteed by Nexa Recursos Minerais S.A. ("Nexa BR") and Nexa and was contracted at a cost of TLP + 3.39%, maturing in 2040. The resources are being used to finance the Aripuanã project.

(q) Public Offering of Shares – CBA

In 2021, subsidiary CBA evaluated the possibility of accessing the capital market and decided to proceed with a corporate restructuring to make this operation feasible. In this context, CBA's management proceeded with certain corporate actions, with the objective of effecting the primary distribution of shares of its new structure, after registration with the Brazilian Securities Commission ("CVM") and being listed on the Novo Mercado.

The following matters were deliberated and approved:

- the submission by CBA of the application for registration as a publicly-held company in category "A" with the CVM, pursuant to CVM Instruction 480, in which the first protocol took place on May 17, 2021;
- the submission to B3 S.A. – Brasil, Bolsa, Balcão: (a) of CBA's application to join the Novo Mercado; and (b) the request for admission to trading of CBA shares on B3.

The subsidiary is awaiting the pricing process and attracting investors for completion and adhesion to the Novo Mercado.

(r) Capital increase in the investee Janssen Capital B.V. – Janssen

In 2021, the Company carried out a capital increase in the subsidiary Janssen, in the amount of R\$ 1,182, in order to guarantee the management of the Company's assets.

(s) Effects of the pandemic caused by the novel Coronavirus (COVID-19)

Given the emergence of the pandemic related to the novel Coronavirus, which has caused widespread impacts on public health and the economy of Brazil and the rest of the world, the Company has been taking preventive and risk mitigation measures according to the guidelines established by the health authorities both 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 633 million (R\$ 3,718). 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 the information used by management in its administration.

For this reason, the condensed consolidated interim financial statements as at June 30, 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.ri.votorantim.com.br/).

(b) Approval of the financial statements

The Management approved the consolidated financial statements for issue on August 06, 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 January 1, 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

The Company and its subsidiaries reviewed the assumptions used in calculating the fair value of their energy future contracts and, as of July 2021, concluded as appropriate the fair value measurement, until then limited to a 36-month horizon, for until the expiration of the signed contracts, based on the contractual prices established in the purchase and sale operations and the market quotations to measure its exposure, both discounted to present value by the future curve of the IPCA coupon for the respective periods.

The other assumptions used in calculating the fair value of these contracts remained unchanged, with no other changes in estimates and critical judgments when compared to the last annual financial statements as of December 31, 2020.

5 Financial risk management

5.1 Financial risk factors

(a) Foreign-exchange risk

The Company and its subsidiaries have certain investments in foreign operations whose 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	6/30/2021	12/31/2020
Assets denominated in foreign currency			
Cash and cash equivalents	6	8,854	7,992
Financial investments	7	1,324	1,209
Trade receivables		2,265	1,875
Derivative financial instruments		389	382
Related parties		113	105
		12,945	11,563
Liabilities denominated in foreign currency			
Borrowing (i)	16	19,819	18,755
Derivative financial instruments		646	1,173
Lease liabilities		1,159	634
Confirming payables		2,090	1,840
Trade payables		2,734	2,917
		26,448	25,319
Net exposure		(13,503)	(13,756)

(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.

				6/30/2021	
Investment				Debt	
Nexa Resources Cajamarquilla S.A.	800	CBA		698	
St. Marys	2,501	St. Marys		2,501	
	3,301			3,199	

				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. (i)	2,598	Votorantim Cimentos International S.A. (i)		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".

(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, and these amounts may not be reconciled with the amounts disclosed in the balance sheet.

	Up to one year	From one to three years	From three to five years	From five to ten years	From ten years	Total
At June 30, 2021						
Borrowing (i)	1,930	2,611	10,978	13,015	6,160	34,694
Derivative financial instruments	636	234	239	90	39	1,238
To rent	0	308	275	495	51	1,375
Confirming payables	0	2,518				2,518
Trade payables		5,269				5,269
Dividends payable		25				25
Related parties	0		18			18
Use of public assets	0	117	182	321	800	2,047
	10,803	3,320	11,784	14,400	8,297	48,604
At December 31, 2020						
Borrowing	2,258	1,869	11,654	13,418	5,998	35,197
Derivative financial instruments	514	334	635	1,269	171	2,923
To rent	0	253	208	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 6/30/2021							6/30/2021				Fair value by maturity			
	6/30/2021	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, 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	18,397	15,695	ton	10				4			13	1	1						
				10				4			13	1	1						
Hedges for mismatches of quotational period																			
Zinc forward	188,223	204,394	ton	11	(3)	6	(30)	10		(1)	(11)	4	4						
				11	(3)	6	(30)	10		(1)	(11)	4	4						
Operating margin hedging																			
Aluminum forward	158,000	203,130	ton	(350)		(322)					(132)	(280)	(524)	(405)	(119)				
Collars	2	5	USD millions																
USD forward	291	337	USD millions	52		(12)					70	(39)	149	87	62				
				(298)		(334)					(62)	(319)	(375)	(318)	(57)				
Foreign exchange risk																			
Turkish Lira Term (EUR/TRY)		1	EUR millions	(1)					(1)			(2)	(2)	(2)					
Turkish Lira Term (USD/TRY)			USD millions	(2)							(2)	(2)	(2)	(2)					
				(3)					(1)		(2)	(2)	(2)	(2)					
Interest rates risk																			
LIBOR floating rate vs. CDI floating rate swaps	225	225	USD millions	190					(43)		(6)	153	(19)	(61)	(24)	257			
IPCA floating rate vs. CDI floating rate swaps	1,213	760	BRL millions	37					(11)		7	19	(2)	(24)	(28)	73			
USD vs. CDI floating rate swaps			USD millions	15					(35)		(1)	(19)	(10)	(31)	(31)	53			
CDI floating rate swaps vs. USD floating swaps		1,335	BRL millions	(690)		(2)					690	(2)							
IPCA floating rate vs. USD floating rate swaps	160	160	BRL millions	(52)		5			(38)		50	6	(41)	(1)	(3)	(34)			
BRL vs. USD rate swaps	477	477	BRL millions	(2)					(5)		25	(32)		29	26	(87)			
				(502)		3			(132)		740	80	(32)	(90)	(60)	262			
Hedge of operational contracts																			
IPCA floating rate vs. USD floating rate swaps	823	823	USD millions	25					50		(25)	50			23	27			
				25					50		(25)	50			23	27			
				(757)	(3)	(325)	(30)	14	(83)		652	(290)	(242)	(347)	(147)	(37)	289		

On June 30, 2021, derivative transactions net of taxes recognized in "Equity valuation adjustment" totaled R\$ 307. In addition to these, there are hedge accounting operations net of taxes, with a gain of R\$ 111, 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\$ 558 (June 30, 2020, loss of R\$ 285), 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 the 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 at June 30, 2021, financial assets measured at fair value and financial liabilities disclosed at fair value were classified in levels 1 and 2 of hierarchy, as given below.

		Fair value measured based on		6/30/2021
		Valuation supported by		
	Note	Prices quoted in an active market (Level 1)	observable prices (Level 2)	Fair value
Assets				
Cash and cash equivalents	6	6,731	3,981	10,712
Financial investments	7	1,476	3,659	5,135
Derivative financial instruments (i)	5.1.1 (a)		996	996
Derivative financial instruments - put option	5.1.1 (b)		810	810
Financial instruments - shares	10	26	1,632	1,658
		8,233	11,078	19,311
Liabilities				
Borrowing (i)	16	15,615	14,521	30,136
Derivative financial instruments (i)	5.1.1 (a)		1,238	1,238
To rent			1,375	1,375
Confirming payables	0		2,518	2,518
		15,615	19,652	35,267
		Fair value measured based on		12/31/2020
		Valuation supported by		
	Note	Prices quoted in an active market (Level 1)	observable prices (Level 2)	Fair value
Assets				
Cash and cash equivalents	6	4,418	5,365	9,783
Financial investments	7	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	10		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
		16,633	16,633	16,633

(i) The fair value of these financial instruments takes into account the credit risk of the Company and its subsidiaries, and 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 at Jun 30, 2021 are described below:

Scenario I - Considers a shock to the market curves and quotations at June 30, 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 June 30, 2021;

Scenario III - Considers a shock of + or - 50% in the market curves at June 30, 2021.

Notes to the condensed consolidated interim financial statements
at June 30, 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 6/30/2021	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	9,042	17,967	2,544	USD millions	0.2%	(63)	507	1,014	(507)	(1,014)	132	2,111	4,221	(2,110)	(4,220)
EUR	315	625		EUR millions	2.4%	4	(36)	(72)	36	72	(11)	113	227	(113)	(227)
MAD	208				0.5%	1	(52)	(104)	52	104					
BOB	42	582			-0.7%						4	135	270	(135)	(270)
TRY	8	36			3.2%	(1)	7	14	(7)	(14)					
CAD	40	411			-0.1%		(8)	(17)	8	17		101	203	(101)	(203)
UYU	31	114			-0.9%						1	21	42	(21)	(42)
TND	118				2.7%	3	(29)	(59)	29	59					
ARS	130				-5.8%						(8)	(33)	(65)	33	65
NAD	13				-10.3%						(1)	(3)	(6)	3	6
PEN	144	13			0.7%	1	(31)	(61)	31	61		(2)	(4)	2	4
COP	87	273			-78.5%	214	68	136	(68)	(136)	(68)	(22)	(44)	22	44
	10,178	20,021	2,544			159	426	851	(426)	(851)	49	2,421	4,844	(2,420)	(4,843)
Interest rates															
BRL - CDI	5,587	2,287	2,152		92 bps	(38)	336	733	(286)	(532)	(4)	8	16	(8)	(16)
BRL - IPCA		2,163	1,373		-236 bps	328	130	271	(117)	(220)					
USD - LIBOR		1,793	3,618	USD millions	7 bps	(509)	211	421	(211)	(421)					
Dollar coupon			1,569	USD millions	-52 bps	(8)	(206)	(412)	206	412		329	658	(328)	(656)
	5,587	6,243	8,712			(227)	471	1,013	(408)	(761)	(4)	337	674	(336)	(672)
Price of commodities															
Zinc			206,620	ton	-1.6%	42	52	103	(52)	(103)	(15)	(18)	(36)	18	36
Aluminium			158,000	ton	-7.6%						544	444	888	(444)	(888)
			364,620			42	52	103	(52)	(103)	529	426	852	(426)	(852)
Firm Commitment - electric energy															
Purchase and sale contracts - fair value			29				(11)	(22)	11	21					
			29				(11)	(22)	11	21					

(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 Cash and cash equivalents

	6/30/2021	12/31/2020
Local currency		
Cash and banks	42	27
Bank Deposit Certificates - "CDBs"	857	798
Repurchase agreements - private securities	18	11
Repurchase agreements - public securities	880	955
Financial Treasury Bills - "LFTs"	61	
	1,858	1,791
Foreign currency		
Cash and banks	5,748	3,409
Time deposits	3,106	4,583
	8,854	7,992
	10,712	9,783

7 Financial investments

	6/30/2021	12/31/2020
Fair value through profit or loss		
Local currency		
Bank Deposit Certificates - "CDBs"	1,878	2,583
Financial Treasury Bills - "LFTs"	949	1,169
Repurchase agreements - private securities	3	290
Repurchase agreements - public securities	527	110
Investment fund quotas	454	337
	3,811	4,489
Foreign currency		
Assets traded on the market (i)	1,147	1,046
Time deposits	177	163
	1,324	1,209
	5,135	5,698
Current	5,125	5,678
Non-current	10	20
	5,135	5,698

(i) Balance refers to assets traded on the market, being investments with a low concentration of risk in specific assets.

8 Trade receivables

(a) Composition

	6/30/2021	12/31/2020
Trade receivables - Brazil	1,628	1,475
Trade receivables - foreign customers	2,394	1,892
Related parties	86	64
	4,108	3,431
Allowance for doubtful accounts	(184)	(222)
	(184)	(222)
	3,924	3,209

(b) Aging of trade receivables

	6/30/2021	12/31/2020
Current	3,586	2,945
Up to three months past due	272	166
Three to six months past due	20	14
Over six months past due	230	306
	4,108	3,431

9 Inventory

(a) Breakdown

	6/30/2021	12/31/2020
Finished products	1,422	949
Semi-finished products	1,816	1,705
Raw materials	1,111	858
Auxiliary materials and consumables	1,451	1,249
Imports in transit	563	319
Other	187	114
Provision for inventory losses	(479)	(470)
	6,071	4,724

(b) Changes in the estimate of inventory losses

						1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
	Finished products	Semi-finished products	Raw materials	Auxiliary materials and consumables	Other	Total	Total
Balance at the beginning of the semester	(17)	(57)	(17)	(246)	(133)	(470)	(393)
Addition	(34)	(37)	(39)	(131)	(22)	(263)	(154)
Reversal	19	28	49	132	9	237	139
Exchange variation	2	1		8	6	17	(74)
Balance at the end of the semester	(30)	(65)	(7)	(237)	(140)	(479)	(482)

10 Financial Instruments - Shares

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

	6/30/2021	12/31/2020
Balance at beginning of semester	2,590	2,749
Addition (i)	37	
Change in fair value	407	216
Sale of shares	(1,376)	
Balance at the end of the semester	1,658	2,965

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

11 Taxes recoverable

	6/30/2021	12/31/2020
Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL")	1,980	1,725
Social Contribution on Revenue ("COFINS")	1,216	1,561
State Value-added Tax on Sales and Services ("ICMS")	690	719
Investment Tax Credit - ITC (i)	506	
Social Integration Program ("PIS")	295	368
Value-added Tax ("VAT") (foreign companies)	188	252
State Value Added Tax on property, plant and equipment ("ICMS")	74	68
Withholding Income Tax ("IRRF")	48	59
Excise Tax ("IPI")	40	32
Social Security Credit	20	20
Service Tax ("ISS")	7	11
Other	234	184
	5,298	4,999
Current	2,107	2,033
Non-current	3,191	2,966
	5,298	4,999

(i) It refers to the business combination of the indirect subsidiary St. Marys, arising from the acquisition of McInnis. This tax credit (Investment Tax Credit - ITC) comes from investments made by McInnis, mainly in CAPEX and Research and Development. The ITC is segregated into federal and state, and both can be offset against local income tax. The expectation of credit compensation is between 2028 and 2030, respectively.

12 Future energy contracts

	ACL			Total	
	Votorantim Cimentos	CBA	Votorantim Energia	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Realization	37	185	(51)	171	(43)
Recognition		28		28	40
	37	213	(51)	199	(3)

	ACL			Total	
	CBA	Votorantim Energia	Votorantim Cimentos	6/30/2021	12/31/2020
Assets					
Current					49
Non-current		21		21	9
		21		21	58
Liabilities					
Current	(3)	(15)	12	(6)	(75)
Non-current	(3)		(40)	(43)	(210)
	(6)	(15)	(28)	(49)	(285)

13 Investments

(a) Breakdown

	Information on June 30, 2021		Equivalence result		Balance	
	Equity	Net income (loss) for the semester	6/30/2021	6/30/2020	6/30/2021	12/31/2020
Investments accounted for under the equity method - Associates						
Cementos Avellaneda S.A.	1,210	76	(13)	23	692	717
Alunorte - Alumina do Norte S.A.	3,648	76	2	(5)	111	107
IMIX Empreendimentos Imobiliários Ltda.	11	3	1	1	3	3
Mineração Rio do Norte S.A.	878	(28)	(3)	(13)	88	92
Supermix Concreto S.A.	261	31	8	(3)	65	63
Jaguatirica Empreendimento Imobiliário SPE S.A.	213	7	4	2	112	112
Cementos Especiales de las Islas S.A.			20	14	123	113
Others				(2)	108	92
Joint ventures						
Citrosuco GmbH	5,226	229	90	11	3,582	3,628
Banco Votorantim S.A.	6,313	372	376	192	6,319	5,871
Citrosuco S.A. Agroindústria	(1,287)	14	(4)	(473)	(387)	(357)
Juntos Somos Mais Fidelização S.A.	103	(17)	(8)		47	8
VTRM Energia Participações S.A.	4,134	(38)	(21)	37	2,201	2,076
Others			14	4	147	173
			<u>466</u>	<u>(212)</u>	<u>13,211</u>	<u>12,698</u>

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

	Goodwill		Added value	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Citrosuco GmbH	145	145	824	879
Citrosuco S.A. Agroindústria	194	194	62	73
Cementos Avellaneda S.A.	99	193		
Jaguatirica Empreendimento Imobiliário SPE S.A.	5	5		
VTRM Energia Participações S.A.			134	136

(b) Information about the companies' investees

Investing entity		Percentage of total capital		Headquarters	Main activity
		6/30/2021	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
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

(c) Changes in investees

	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Opening balance for the semester	12,698	11,720
Equity in the results of investees	466	(212)
Foreign exchange variations	(235)	1,156
Increase	45	4
Dividends	(42)	(53)
Cash flow hedge	154	(227)
Hyperinflationary economy	125	77
Closing balance for the semester	13,211	12,465

14 Property, plant, and equipment

(a) Breakdown and changes

										1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
	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 semester											
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 semester	2,324	6,511	15,276	467	55	4,464	502	281	225	30,105	27,148
Additions	16	4	23			1,663	159		81	1,946	1,351
Disposals	(18)	(6)	(42)	(4)		(1)			(3)	(74)	(38)
Depreciation	(2)	(248)	(951)	(58)	(7)		(26)	(19)	(14)	(1,325)	(1,174)
Foreign exchange variation	(57)	(206)	(385)	(9)	(2)	(86)	(8)	(5)	(39)	(797)	3,075
Effect of subsidiaries included in consolidation (i)	6	1,644	453	2					2	2,107	215
Reversal (constitution) for impairment (ii)	(1)	(2)	4				(142)		5	(136)	(728)
Revision of estimated cash flow							(19)			(19)	
Reclassification to assets classified as held-for-sale	3									3	(6)
Write off by corporate transaction			(2)							(2)	
Transfers (iii)	3	134	633	45	1	(971)		21		(134)	(11)
Closing balance for the semester	2,274	7,831	15,009	443	47	5,069	466	278	257	31,674	29,832
Cost	2,349	15,418	45,439	1,718	265	5,069	1,149	749	609	72,765	67,167
Accumulated depreciation	(75)	(7,587)	(30,430)	(1,275)	(218)		(683)	(471)	(352)	(41,091)	(37,335)
Net closing balance for the semester	2,274	7,831	15,009	443	47	5,069	466	278	257	31,674	29,832
Average annual depreciation rates - %	1	4	9	20	10		5	9			

(i) Refers to the business combination operation of indirect subsidiary St. Marys, as described in Note 1.1 (o).

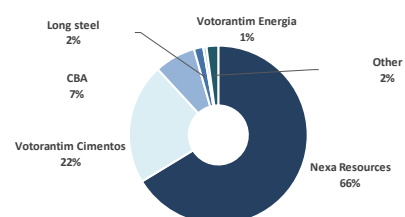
(ii) Refers substantially to the remeasurement of the ARO of the subsidiary CBA, as described in Note 1.1 (j).

(iii) 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	6/30/2021	12/31/2020
Nexa Resources	3,361	2,741
Votorantim Cimentos	1,108	1,021
CBA	377	475
Long steel	85	97
Votorantim Energia	30	22
Other	108	108
	5,069	4,464



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

Nexa Resources	6/30/2021	12/31/2020
Expansion and modernization projects	2,651	2,006
Sustaining	578	605
Security, health and environment projects	115	112
Information technology	14	16
Other	3	2
	3,361	2,741

Votorantim Cimentos	6/30/2021	12/31/2020
Sustaining	441	357
Cement grinding - Pecém - Brazil	228	182
Modernization industry	154	135
New production line in Sobral - CE	72	72
Hardware and software	51	63
Geology and mining rights	48	41
New lines of co-processing	40	35
Environment and security	31	31
Other	43	105
	1,108	1,021

CBA	6/30/2021	12/31/2020
Rondon projects	17	121
Furnace refurbishment	109	115
Alumina factory project	76	66
Casting Projects	31	33
Plastic transformation projects	28	28
Security, health and environment projects	19	24
Mining projects	16	13
Projects oven rooms	16	13
Revitalization and adequacy of the plant	1	1
Other	64	61
	377	475
Long steel	6/30/2021	12/31/2020
Sustaining	44	86
Security projects, health and environment projects - Colombia	11	8
Mining projects	21	
Other	9	3
	85	97
Energy	6/30/2021	12/31/2020
Corumba - GO projects	30	21
Information technology		1
	30	22

15 Intangible assets

(a) Breakdown and changes

										1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
	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 semester											
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 semester	6,056	6,579	327	304	85		207	29	1,007	14,594	13,283
Additions	1					58	1	1		61	7
Disposals							(2)			(2)	(4)
Amortization and depletion	(206)		(13)	(9)	(13)	(4)	(40)	(2)	(5)	(292)	(242)
Foreign exchange variation	(206)	(337)	(15)		(3)		(4)		(37)	(602)	3,843
Effect of subsidiaries included in consolidation (i)	300		86		4		1			391	5
Impairment											(1,700)
Changes in the interest rate			1	4						5	
Hydrological risk renegotiation						141				141	
Transfers	6						45		66	117	35
Closing balance for the semester	5,951	6,242	386	299	73	195	208	28	1,031	14,413	15,227
Cost	13,434	6,242	604	558	392	199	807	85	1,651	23,972	24,182
Accumulated amortization	(7,483)		(218)	(259)	(319)	(4)	(599)	(57)	(620)	(9,559)	(8,955)
Net closing balance for the semester	5,951	6,242	386	299	73	195	208	28	1,031	14,413	15,227
Average annual amortization and depletion rates - %	6		5	7	7		20				

(i) Refers to the business combination operation of indirect subsidiary St. Marys, as described in Note 1.1 (o).

Notes to the condensed consolidated interim financial statements
at June 30, 2021

All amounts in millions of reais unless otherwise stated

VOTORANTIM

16 Borrowing

(a) Breakdown

Type	Average annual charges	Current		Non-current		Total		Fair value	
		6/30/2021	12/31/2020	6/30/2021	12/31/2020	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Local currency									
Debentures	110,91% CDI / CDI + 1,45%	81	53	2,280	2,511	2,361	2,564	3,736	3,214
Export credit notes (i)	134,20% CDI	3	267	252	1,825	255	2,092	370	2,827
BNDES	TJLP + 2,76% / 1,86% Pré BRL / SELIC + 3,10% / IPCA + 5,35%	93	66	1,253	1,037	1,346	1,103	2,646	1,829
Development promotion agency	1,54% Pré TND / TJLP + 0,71%	3	1	64	34	67	35	95	47
FINAME	3,65% Pré BRL	9	10	9	14	18	24	18	25
Working capital	7,39% Pré BRL	3				3		3	
Syndicated loan/bilateral agreements	8,49% Pré BRL	15	38	522	553	537	591	538	591
Others	5,62% Pré BRL	13	18	12	13	25	31	24	34
National Total		220	453	4,392	5,987	4,612	6,440	7,430	8,567
Foreign currency									
Eurobonds - USD	6,04% Pré USD	207	231	12,803	13,315	13,010	13,546	15,224	16,225
Export credit notes	LIBOR + 1,54% / 4,71% Pré USD	16	4	2,330	697	2,346	701	2,869	725
Loans - Law 4.131/1962 (ii)	LIBOR + 0,66% / 1,90% Pré USD	2	2	1,609	1,387	1,611	1,389	1,625	1,389
Eurobonds - BOB	5,38% Pré BOB	1	1	390	407	391	408	391	408
Syndicated loan/bilateral agreements	LIBOR + 0,96% / 0,96% CDOR / 5,54% Pré BOB / 9,47% Pré UYU	83	90	1,664	1,320	1,747	1,410	1,871	1,535
Export prepayments	LIBOR + 1,27%	201	209	200	312	401	521	407	530
Working capital	IBR + 2,51% / 5,89% Pré COP / 0,98% Pré PEN	267	368	18	29	285	397	291	368
Development promotion agency			40		181		221		229
Other	5,90% Pré BOB	7	9	21	23	28	32	28	34
Foreign Total		784	954	19,035	17,671	19,819	18,625	22,706	21,443
Total		1,004	1,407	23,427	23,658	24,431	25,065	30,136	30,010
Current portion of long-term borrowing		469	488						
Interest on borrowing		321	358						
Short-term borrowing		214	561						
		1,004	1,407						

- (i) Some loan contracts are in the form of Export Credit Notes, 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.
- (ii) Loans related to Law 4131/1962 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).
BOB	– Bolivian peso.
CAD	– Canadian dollar.
CDI	– Interbank Deposit Certificate.
CDOR	– Canadian Dollar Offered Rate.
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.
PEN	– Novo sol peruano.
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 6/30/2021	1/1/2020 to 6/30/2020
Opening balance for the semester	25,065	19,755
New borrowing	2,504	9,407
Interest	679	660
Addition of borrowing fees, net of amortization	5	(9)
Fair value adjustment	(47)	(194)
Foreign exchange variation	(809)	5,253
Payments - interest	(707)	(609)
Payments - principal	(3,396)	(4,805)
Effect of subsidiary included in consolidation (i)	733	
Adjustment through other comprehensive income (ii)	404	
Closing balance for the semester	24,431	29,458

(i) Refers to the business combination operation of indirect subsidiary St. Marys, as described in Note 1.1 (o).

(ii) 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.

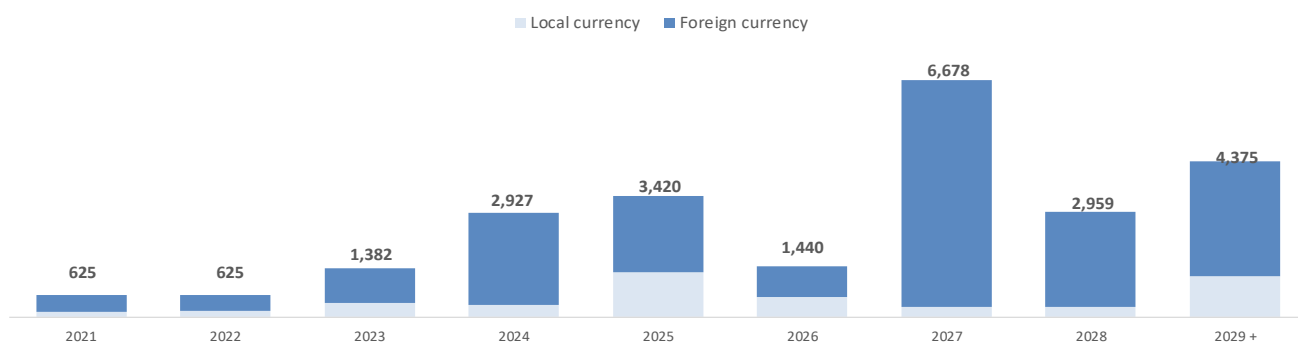
The main funding operations carried out during the year were as follows:

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%
Abr-21	St Marys Cement Inc.	Syndicated loan/bilateral agreements	CAD	(60)	(265)	2024	CDOR 03M + 0,99%
Abr-21	St Marys Cement Inc.	Syndicated loan/bilateral agreements	USD	(80)	(432)	2024	LIBOR 03M + 0,99%
Mai-21	Mineração Dardanelos Ltda	BNDES	BRL	(160)	(160)	2040	IPCA + 5,52%
Jun-21	Mineração Dardanelos Ltda	BNDES	BRL	(101)	(101)	2040	IPCA + 5,52%
Jun-21	Votorantim Cimentos S.A.	Loans - Law 4.131/1962	USD	(50)	(267)	2026	CDI + 1,50%

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
Abr-21	Acerías Paz Del Río, S.A.	Working capital	COP	(86,000)	(129)	2021	Pre payment
Abr-21	McInnis Cement Inc	Syndicated loan/bilateral agreements	CAD	(37)	(162)	2021	Pre payment
Abr-21	McInnis Cement Inc	Syndicated loan/bilateral agreements	USD	(106)	(570)	2021	Pre payment
Mai-21	Nexa Resources	Pre payment export	USD	(20)	(106)	2023	-
Mai-21	St Marys Cement Inc.	Syndicated loan/bilateral agreements	CAD	(25)	(109)	2024	Pre payment
Jun-21	Nexa Recursos Minerais S.A.	Export Credit Note	BRL	(245)	(245)	2022	Pre payment
Jun-21	Votorantim Cimentos EAA Inversiones S.L.	Syndicated loan/bilateral agreements	EUR	(45)	(264)	2025	Pre payment
Jun-21	Votorantim Cimentos S.A.	Debentures	BRL	(267)	(267)	2023	Pre payment
Jun-21	Nexa Resources	Development promotion agency	USD	(43)	(212)	2026	Pre payment

(d) Maturity



(e) Breakdown by currency

	Current		Non-current		Total	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020	6/30/2021	12/31/2020
USD	426	488	17,343	15,892	17,769	16,380
Real	220	453	4,392	5,987	4,612	6,440
Euro	2	3	620	954	622	957
Bolivian	36	26	546	577	582	603
Colombian peso	261	364	12	19	273	383
Turkish lire	18	22	18	29	36	51
Other	41	51	496	200	537	251
	1,004	1,407	23,427	23,658	24,431	25,065

(f) Breakdown by index

	Current		Non-current		Total	
	6/30/2021	12/31/2020	6/30/2021	12/31/2020	6/30/2021	12/31/2020
Local currency						
CDI	73	321	1,570	3,796	1,643	4,117
TJLP	24	19	87	99	111	118
TLP	50	48	1,037	795	1,087	843
Fixed rate	30	54	538	575	568	629
SELIC	26	11	133	148	159	159
IPCA	17		1,027	574	1,044	574
	220	453	4,392	5,987	4,612	6,440
Foreign currency						
Fixed rate	538	565	16,253	14,621	16,791	15,186
LIBOR	204	252	2,149	2,077	2,353	2,329
Euribor	2	3	620	954	622	957
Other	40	134	13	19	53	153
	784	954	19,035	17,671	19,819	18,625
	1,004	1,407	23,427	23,658	24,431	25,065

(g) Collateral

As at June 30, 2021, the Company guaranteed or provided guarantees for the following balance of loans and financing.

Company	6/30/2021	12/31/2020
Companhia Brasileira de Alumínio	848	907
Votorantim Cimentos International S.A.	3,105	3,226
Other	13	13
	<u>3,966</u>	<u>4,146</u>

In addition to these guarantees, the Company provides guarantee for the R\$ 1,315 debt balance of the joint venture VTRM Energia e Participações S.A. (December 31, 2020, R\$ 1,344).

As at June 30, 2021, the amount of R\$ 1,129 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 Lease

Change in lease obligations - IFRS 16

	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Opening balance for the semester	858	841
Initial adoption IFRS 16		
Remeasurement of principal	(2)	(1)
New contracts	203	12
Amortization	(201)	(112)
Fair value adjustment	11	(2)
Renegotiation of contracts		(1)
Effect of subsidiaries included in consolidation (i)	574	1
Foreign exchange variation	(68)	183
Closing balance for the semester	<u>1,375</u>	<u>921</u>
Current	305	246
Non-current	1,070	675
	<u>1,375</u>	<u>921</u>

(i) Refers to the business combination operation of the indirect subsidiary St. Marys, as described in Note 1.1 (o).

18 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	6/30/2021	12/31/2020
Domestic market	428	540
Foreign market	2,090	1,840
	2,518	2,380

19 Current and deferred income tax and social contribution

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

The amounts of income tax and social contribution shown in the result for the semesters ended on June 30 show the following reconciliation based on the Brazilian nominal rate:

	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Profit (loss) before income tax and social contribution	4,927	(4,202)
Standard rates	34%	34%
Income tax and social contribution at standard rates	(1,675)	1,429
Adjustments for the calculation of income tax and social contribution at effective rates		
Equity	159	(72)
Difference related to the rate of companies abroad	136	(142)
Tax loss and negative basis without deferred tax constitution	(121)	(140)
Impairment of goodwill without deferred constitution	13	(338)
Recognition of deferred charges on exchange variation of fixed assets	(42)	(122)
Permanent additions (exclusions), net	5	(359)
Income tax and social contribution calculated	(1,525)	256
Current	(1,218)	(229)
Deferred	(307)	485
Income tax and social contribution expenses	(1,525)	256
Effective rate - %	31%	6%

(b) Breakdown of deferred tax balances

	6/30/2021	12/31/2020
Tax credits on tax losses	2,375	1,843
Tax credits on temporary differences		
Estimation for losses on investments, fixed and intangible assets	954	990
Tax, civil and labor provision	617	640
Tax benefit on goodwill	503	503
Deferred of gains on derivative instruments	471	726
Asset retirement obligation	233	228
Foreign exchange	178	318
Use of public assets	137	143
PPR - Provision for profit sharing	124	197
Estimation for inventory losses	119	118
Environmental liabilities	103	98
Provision for energy charges	66	57
Provision for social security obligations	55	57
Provision for loans	45	67
Financial instruments - firm commitment	10	77
Estimated asset disposals	10	14
Other tax credit	235	236
Tax debts on temporary differences		
Adjustment of useful lives of PP&E (depreciation)	(2,349)	(2,472)
Market value assets	(1,651)	(1,728)
Adjustment to fair value - financial instruments	(426)	(623)
Goodwill amortization	(344)	(343)
Capitalized interest	(134)	(136)
Adjustment to present value	(133)	(151)
Fair value adjustments	(54)	(50)
Hydrological risk renegotiation (i)	(19)	
Other tax debts	(452)	(451)
Net	673	358
Net deferred tax assets related to the same legal entity	3,000	2,731
Net deferred tax liabilities related to the same legal entity	(2,327)	(2,373)

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

(c) Effect of deferred income tax and social contribution on the result for the semester and on the result

	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Opening balance for the semester	358	1,254
Effects on the results for the semester - continuing operations	(307)	485
Effect on other components of comprehensive income	(150)	18
Deferred income tax from subsidiary included in consolidation (i)	772	
Closing balance for the semester	673	1,757

(i) It refers to the tax included in the consolidation for the business combination with McInnis Cement Inc ("McInnis"), as described in Note 1.1(o).

20 Provision

(a) Breakdown and changes

						1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
	Legal claims						
	Asset retirement obligation	Tax	Labor	Civil	Other	Total	Total
Opening balance for the semester	2,185	766	311	264	60	3,586	3,137
Additions	159	90	107	35	14	405	132
Reversals		(16)	(60)	(10)	(8)	(94)	(64)
Judicial deposits, net of write-offs							(1)
Settlement in cash	(41)	(20)	(33)	(23)	(3)	(120)	(58)
Settlements with judicial deposits			(5)			(5)	(4)
Effect of subsidiaries included in consolidation (i)	97					97	
Present value adjustment	33					33	46
Monetary restatement		17	28	2	(1)	46	14
Foreign exchange variation	(64)	(2)	(3)	(3)	(2)	(74)	297
Revision of estimated cash flow	(17)					(17)	
Closing balance for the semester	2,352	835	345	265	60	3,857	3,499

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

	6/30/2021			12/31/2020				
	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)	Judicial deposits	Provision	Net amount	Outstanding judicial deposits (i)
Tax	(123)	958	835	149	(123)	889	766	145
Labor	(123)	468	345	21	(123)	434	311	22
Civil	(17)	282	265	4	(17)	281	264	3
Other	(1)	61	60	23	(1)	61	60	23
	(264)	1,769	1,505	197	(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.

	6/30/2021	12/31/2020
Tax	12,626	12,581
Civil	7,738	7,988
Environmental	524	527
Labor and social security	353	367
	21,241	21,463

21 Equity

(a) Share capital

On June 30, 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.

(c) Carrying value adjustments

	Attributable to the owners of the Company									Total
	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, net of taxes	Adjustment for hyperinflationary economies	Other comprehensive income		
At January 1, 2020	6,415	(4,992)	(15)	235	(121)	(187)		613	1,948	
Currency translation of investees located abroad	3,998								3,998	
Hedge accounting for net investments abroad, net of taxes		(403)							(403)	
Hedge accounting for the operations of subsidiaries, net of taxes			(816)						(816)	
Remeasurement of retirement benefits, net of taxes						14			14	
Fair value of financial assets through other comprehensive income				(2)					(2)	
Adjustment for hyperinflationary economies							122		122	
Adjustment to the fair value of shares, net of taxes					142				142	
Fair value - measurement of the credit risk of investees								137	137	
At June 30, 2020	10,413	(5,395)	(831)	233	21	(173)	122	750	5,140	
At January 1, 2021	9,492	(5,281)	(651)	210	418	(356)	1,185	(138)	4,879	
Currency translation of investees located abroad	(1,324)								(1,324)	
Hedge accounting for net investments abroad, net of taxes		85							85	
Hedge accounting for the operations of subsidiaries, net of taxes			316						316	
Adjust the fair value of the shares, net of the tax					276				276	
Remeasurement of retirement benefits, net of taxes						16			16	
Adjustment for hyperinflationary economies							261		261	
Fair value - measurement of the credit risk of investees								(19)	(19)	
Realization of other comprehensive results on the sale of investments					(265)				(265)	
Effect of dilution of equity interest - acquisition of investee								1,484	1,484	
Participation in other comprehensive results of investees								2	2	
At June 30, 2021	8,168	(5,196)	(335)	210	429	(340)	1,446	1,329	5,711	

(i) Refers to the dilution effect resulting from the business combination of the indirect subsidiary St. Marys, as described in Note 1.1 (o).

22 Net revenue from products sold and services rendered

	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Gross revenue				
Sales of products - domestic market	6,541	3,583	12,484	7,321
Sales of products - foreign market	7,079	4,219	12,217	7,432
Supply of electrical energy	600	645	1,242	1,461
Services provided	212	153	397	292
	14,432	8,600	26,340	16,506
Taxes on sales, services and other deductions	(1,721)	(1,038)	(3,390)	(2,115)
Net revenue	12,711	7,562	22,950	14,391

23 Expenses by nature

				1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
	Cost of products sold and services rendered	Selling	General and administrative	Total	Total
Raw materials, inputs and consumables	10,510	15	7	10,532	7,167
Employee benefit expenses (a)	1,591	237	701	2,529	2,475
Depreciation, amortization and depletion	1,662	24	81	1,767	1,549
Transportation expenses	1,430	30	2	1,462	1,049
Outsourced services	851	36	376	1,263	1,025
Other expenses	1,090	89	146	1,325	913
	17,134	431	1,313	18,878	14,178

				4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020
	Cost of products sold and services rendered	Selling	General and administrative	Total	Total
Raw materials, inputs and consumables	5,965	8	5	5,978	3,829
Employee benefit expenses (a)	799	120	360	1,279	1,366
Depreciation, amortization and depletion	858	12	36	906	793
Transportation expenses	789	18	1	808	527
Outsourced services	457	19	196	672	480
Other expenses	555	52	61	668	311
	9,423	229	659	10,311	7,306

(a) Employee benefit expenses

	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Salaries and bonuses	839	841	1,572	1,511
Payroll charges	295	359	595	641
Benefits	145	166	362	323
	1,279	1,366	2,529	2,475

24 Other operating expenses, net

	Note	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Constitution of impairment of property, plant and equipment and intangible assets	14 e 15	(13)	(274)	(136)	(2,428)
Expenses on not activatable projects		(106)	(49)	(299)	(119)
Judicial provisions, net		(125)	(47)	(194)	(95)
Gain (loss) on sale of fixed and intangible assets, net		43	(6)	142	(6)
Royalties on natural resources		(7)	(15)	(12)	(42)
Future energy contracts		225	(37)	199	(3)
Hedge gain		9	18	16	(34)
Income from rentals and leasing		24	15	32	27
Net income from waste sale		20	15	40	32
Tax recovery			103	1	105
Tax benefits		56	29	102	55
Gain on investment sale	1.1 (b)		22	629	22
Gain on purchase of investee	1.1 (o)	236		236	366
Other income, net		(15)	26	69	26
		347	(200)	825	(2,094)

25 Finance results, net

	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020
Finance income				
Interest on financial assets	9	111	24	128
Income from financial investments	49	58	84	131
Fair value of borrowing and financing	(16)	31	64	55
Monetary updating of assets	10	7	18	53
Reversal of monetary restatement of provision	26	6	40	11
Discounts obtained	6	5	12	9
Other finance income	28	24	78	29
	112	242	320	416
Finance costs				
Interest on borrowing	(369)	(375)	(739)	(667)
Capitalization of borrowing costs	25	10	47	24
Award paid in bond buyback (tender offer)		(39)		(103)
Monetary restatement of provision	(81)	(21)	(132)	(47)
Fair value of borrowing and financing	(22)	(29)	(50)	(97)
Borrowing fees	(9)	(26)	(21)	(36)
Interest and monetary restatement - Use of public assets	(108)	(40)	(170)	(65)
Interest on anticipation of receivables				(8)
Adjustment to present value CPC 12	(29)	(31)	(55)	(58)
Commissions on financial operations	(24)	(20)	(49)	(21)
Debt renegotiation charges	(3)		(24)	
Charges on discount transactions	(13)	(5)	(27)	(18)
Interest on silver streaming	(7)	(8)	(15)	(15)
"PIS/COFINS" on financial results	(3)	(13)	(9)	(27)
Income tax on remittances of interest abroad	(8)	(12)	(11)	(15)
Other finance costs	(80)	(74)	(125)	(122)
	(731)	(683)	(1,380)	(1,275)
Results of derivative financial instruments	212	26	475	7
	212	26	475	7
Foreign exchange variation, net	505	(157)	149	(1,257)
Finance results, net	98	(572)	(436)	(2,109)

26 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	
		7/1/2020 to 6/30/2021	1/1/2020 to 12/31/2020
Adjusted EBITDA (unreviewed)			
Net income (loss) for the semester		4,281	(3,066)
Plus (less):			
Continuing operations			
Equity in the results of investees		(1,394)	(715)
Net financial results		1,863	3,536
Income and social contribution taxes		3,379	1,599
Depreciation, amortization and depletion		3,511	3,293
EBITDA before other additions and exceptional items		11,640	4,647
Plus :			
Dividends received		222	142
Extraordinary items			
Gain on sale of investments, net		(1,056)	(427)
Impairment of property, plant, equipment and intangible assets		369	2,802
Net gain from the advantageous purchase of an investee		(236)	(366)
Other		243	119
Adjusted annualized EBITDA (A)		11,182	6,917
Net debt			
Borrowing	16	24,431	25,065
Lease liabilities		1,375	858
Cash and cash equivalents, financial investments and derivative financial instruments		(15,542)	(14,662)
Net debt (B)		10,264	11,261

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(b) Balance sheet - business segments

											6/30/2021
	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	4,150	5,449	871	216	207	5,102		15,995	63		16,058
Trade receivables	1,713	1,078	667	311	297	54	(196)	3,924			3,924
Inventory	2,275	1,681	1,579	532		4		6,071			6,071
Taxes recoverable	367	358	441	107	13	744		2,030	77		2,107
Dividends receivable					104	180	(284)				
Other assets	200	199	64	74	1	57		595			595
	8,705	8,765	3,622	1,240	622	6,141	(480)	28,615	140		28,755
Assets classified as held-for-sale	3							3			3
	8,708	8,765	3,622	1,240	622	6,141	(480)	28,618	140		28,758
Non-current assets											
Long-term receivables											
Financial investments and derivative financial instruments	570	50	165					785			785
Financial instruments - Shares		26				1,632		1,658			1,658
Derivative financial instruments - put option						810		810			810
Taxes recoverable	1,899	257	779	29	1	226		3,191			3,191
Related parties	4		12			178	(15)	179			179
Deferred income tax and social contribution	980	1,018	56	147		775		2,976	24		3,000
Judicial deposits	137	28	16	1		15		197			197
Financial instruments - firm commitment					21			21			21
Other assets	616	73	10	69		86	(54)	800			800
	4,206	1,452	1,038	246	22	3,722	(69)	10,617	24		10,641
Investments	1,082	4	197		3,104	36,867	(28,050)	13,204	6,319	(6,312)	13,211
Property, plant and equipment	15,564	9,275	4,942	1,261	33	599		31,674			31,674
Intangible assets	8,291	6,389	668	28	5	39	(1,007)	14,413			14,413
Right to use assets arising from leases	1,021	84	42	117	4	11		1,279			1,279
Biological assets			1	5		92		98			98
	30,164	17,204	6,888	1,657	3,168	41,330	(29,126)	71,285	6,343	(6,312)	71,316
Total assets	38,872	25,969	10,510	2,897	3,790	47,471	(29,606)	99,903	6,483	(6,312)	100,074

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

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	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	239	434	60	261		10		1,004			1,004
Lease liabilities	182	86	23	8	3	3		305			305
Derivative financial instruments	78	31	527					636			636
Confirming payable	1,018	886	614					2,518			2,518
Trade payables	2,233	1,982	523	414	301	15	(199)	5,269			5,269
Salaries and payroll charges	473	268	131	49	18	60		999			999
Taxes payable	411	299	79	164	15	411		1,379			1,379
Advances from customers	76	8	45	99	9	14		251			251
Dividends payable	87	118	60	1	100		(341)	25			25
Use of public assets	48	17	52					117			117
Financial instruments - firm commitment	(12)		3		15			6			6
Deferred revenue - silver streaming		110						110			110
Other	823	235	100	44	1	113		1,316	1		1,317
	5,656	4,474	2,217	1,040	462	626	(540)	13,935	1		13,936
Liabilities related to assets held-for-sale	1							1			1
	5,657	4,474	2,217	1,040	462	626	(540)	13,936	1		13,937
Non-current liabilities											
Borrowing	11,506	9,144	2,752	12		13		23,427			23,427
Lease liabilities	892	33	21	112	1	11		1,070			1,070
Derivative financial instruments	338	110	154					602			602
Deferred income tax and social contribution	798	1,024	6	35	36	259		2,158	169		2,327
Related parties	21	2	4		2	6	(17)	18			18
Provision	1,275	1,300	978	117	2	185		3,857			3,857
Use of public assets	666	104	749					1,519			1,519
Pension plan	352			126				478			478
Financial instruments - firm commitment	41		2					43			43
Deferred revenue - silver streaming		610						610			610
Other	289	244	52	71	23	55		734			734
	16,178	12,571	4,718	473	64	529	(17)	34,516	169		34,685
Total liabilities	21,835	17,045	6,935	1,513	526	1,155	(557)	48,452	170		48,622
Equity											
Total equity attributable to owners of the Company	15,013	7,238	3,404	1,039	3,264	46,316	(30,655)	45,619	6,313	(6,298)	45,634
Non-controlling interests	2,024	1,686	171	345			1,606	5,832		(14)	5,818
Total equity	17,037	8,924	3,575	1,384	3,264	46,316	(29,049)	51,451	6,313	(6,312)	51,452
Total liabilities and equity	38,872	25,969	10,510	2,897	3,790	47,471	(29,606)	99,903	6,483	(6,312)	100,074

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

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VOTORANTIM

(c) Statement of income – business segments

	1/1/2021 to 6/30/2021										
	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	9,819	6,935	3,706	1,757	1,562	33	(862)	22,950			22,950
Cost of products sold and services rendered	(7,504)	(4,776)	(2,876)	(1,343)	(1,480)	(17)	862	(17,134)			(17,134)
Gross profit	2,315	2,159	830	414	82	16		5,816			5,816
Operating income (expenses)											
Selling	(334)	(61)	(18)	(15)		(3)		(431)			(431)
General and administrative	(535)	(343)	(151)	(100)	(55)	(122)		(1,306)	(7)		(1,313)
Other operating income (expenses), net	379	(191)	(96)	37	(52)	748		825			825
	(490)	(595)	(265)	(78)	(107)	623		(912)	(7)		(919)
Operating profit (loss) before equity results and finance results	1,825	1,564	565	336	(25)	639		4,904	(7)		4,897
Result from equity investments											
Equity in the results of investees	61	(2)	(1)		63	2,190	(1,848)	463	376	(373)	466
	61	(2)	(1)		63	2,190	(1,848)	463	376	(373)	466
Finance results, net											
Finance income	144	80	17	31	3	43		318	2		320
Finance costs	(691)	(385)	(194)	(83)	(7)	(20)		(1,380)			(1,380)
Results of derivative financial instruments	(93)	(2)	11			558		474			474
Foreign exchange gains (losses), net	37	72	53	28		(41)		149			149
	(603)	(235)	(113)	(24)	(4)	540		(439)	2		(437)
Profit (loss) before income tax and social contribution	1,283	1,327	451	312	34	3,369	(1,848)	4,928	371	(373)	4,926
Income tax and social contribution											
Current	(226)	(410)	(78)	(96)	(6)	(402)		(1,218)			(1,218)
Deferred	(99)	(74)	(110)	(31)	13	(8)		(309)	2		(307)
Profit (loss) for the quarter from continuing operations	958	843	263	185	41	2,959	(1,848)	3,401	373	(373)	3,401
Profit (loss) attributable to the owners of the Company	803	730	234	124	41	2,959	(1,931)	2,960	373	(374)	2,959
Profit (loss) attributable to non-controlling interests	155	113	29	61			83	441		1	442
Profit (loss) for the semester	958	843	263	185	41	2,959	(1,848)	3,401	373	(373)	3,401

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	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	6,624	3,779	2,355	819	1,652	26	(864)	14,391			14,391
Cost of products sold and services rendered	(5,584)	(3,438)	(2,143)	(667)	(1,618)	(13)	864	(12,599)			(12,599)
Gross profit	1,040	341	212	152	34	13		1,792			1,792
Operating income (expenses)											
Selling	(346)	(59)	(14)	(11)		(1)		(431)			(431)
General and administrative	(474)	(296)	(114)	(77)	(41)	(139)		(1,141)	(7)		(1,148)
Other operating income (expenses), net	(256)	(2,313)	375	20	77	3		(2,094)			(2,094)
	(1,076)	(2,668)	247	(68)	36	(137)		(3,666)	(7)		(3,673)
Operating profit (loss) before equity results and finance results	(36)	(2,327)	459	84	70	(124)		(1,874)	(7)		(1,881)
Result from equity investments											
Equity in the results of investees	37	(2)	(18)		120	(2,183)	1,830	(216)	193	(189)	(212)
Finance results, net											
Finance income	136	48	111	14	10	103	(8)	414	2		416
Finance costs	(552)	(440)	(146)	(63)	(15)	(67)	8	(1,275)			(1,275)
Results of derivative financial instruments	292	(1)				(285)	1	7			7
Foreign exchange gains (losses), net	(378)	(637)	(267)			25		(1,257)			(1,257)
	(502)	(1,030)	(302)	(49)	(5)	(224)	1	(2,111)	2		(2,109)
Profit (loss) before income tax and social contribution	(501)	(3,359)	139	35	185	(2,531)	1,831	(4,201)	188	(189)	(4,202)
Income tax and social contribution											
Current	(76)	(91)	(25)	(32)		(5)		(229)			(229)
Deferred	45	431	(37)	(7)	(24)	75		483	2		485
Profit (loss) for the semester from continuing operations	(532)	(3,019)	77	(4)	161	(2,461)	1,831	(3,947)	190	(189)	(3,946)
Continued operations											
Loss from discontinued operations	(1)							(1)			(1)
Profit (loss) for the semester attributed to shareholders	(533)	(3,019)	77	(4)	161	(2,461)	1,831	(3,948)	190	(189)	(3,947)
Profit (loss) attributable to the owners of the Company	(459)	(2,552)	55	(16)	161	(2,461)	2,803	(2,469)	189	(189)	(2,469)
Profit (loss) attributable to non-controlling interests	(74)	(467)	22	12			(972)	(1,479)	1		(1,478)
Profit (loss) for the semester	(533)	(3,019)	77	(4)	161	(2,461)	1,831	(3,948)	190	(189)	(3,947)

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	4/1/2021 to 6/30/2021										
	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	5,810	3,638	1,913	992	785	14	(441)	12,711			12,711
Cost of products sold and services rendered	(4,364)	(2,464)	(1,527)	(746)	(755)	(8)	441	(9,423)			(9,423)
Gross profit	1,446	1,174	386	246	30	6		3,288			3,288
Operating income (expenses)											
Selling	(176)	(35)	(10)	(7)		(1)		(229)			(229)
General and administrative	(289)	(162)	(82)	(30)	(30)	(64)		(657)	(3)		(660)
Other operating income (expenses), net	289	(73)	135	(30)	(25)	51		347			347
	(176)	(270)	43	(67)	(55)	(14)		(539)	(3)		(542)
Operating profit (loss) before equity results and finance results	1,270	904	429	179	(25)	(8)		2,749	(3)		2,746
Result from equity investments											
Equity in the results of investees	25		16		4	1,873	(1,550)	368	244	(243)	369
	25		16		4	1,873	(1,550)	368	244	(243)	369
Finance results, net											
Finance income	49	16	9	11	2	24		111	1		112
Finance costs	(359)	(197)	(122)	(40)	(5)	(8)		(731)			(731)
Results of derivative financial instruments	(179)	72	103			215		211			211
Foreign exchange gains (losses), net	178	279	142	27		(121)		505			505
	(311)	170	132	(2)	(3)	110		96	1		97
Profit (loss) before income tax and social contribution	984	1,074	577	177	(24)	1,975	(1,550)	3,213	242	(243)	3,212
Income tax and social contribution											
Current	(170)	(200)	(60)	(61)	(1)	10		(482)			(482)
Deferred	(82)	(199)	(121)	(21)	10	(46)		(459)	1		(458)
Profit for the semester from continuing operations	732	675	396	95	(15)	1,939	(1,550)	2,272	243	(243)	2,272
Continuing operations											
Profit (loss) from continuing operations											
Profit for the semester	732	675	396	95	(15)	1,939	(1,550)	2,272	243	(243)	2,272
Profit (loss) attributable to the owners of the Company	620	582	383	61	(15)	1,939	(1,629)	1,941	243	(244)	1,940
Profit (loss) attributable to non-controlling interests	112	93	13	34			79	331		1	332
Profit for the quarter	732	675	396	95	(15)	1,939	(1,550)	2,272	243	(243)	2,272

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	4/1/2020 to 6/30/2020										
	Votorantim Cimentos	Nexa Resources	CBA	Long steels	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finançs	Eliminations	Total, consolidated
Continuing operations											
Net revenue from products sold and services rendered	3,877	1,811	1,102	398	740	14	(380)	7,562			7,562
Cost of products sold and services rendered	(3,132)	(1,698)	(1,038)	(323)	(711)	(9)	380	(6,531)			(6,531)
Gross profit	745	113	64	75	29	5		1,031			1,031
Operating income (expenses)											
Selling	(171)	(24)	(7)	(5)				(207)			(207)
General and administrative	(236)	(138)	(57)	(33)	(19)	(82)		(565)	(3)		(568)
Other operating income (expenses), net	(260)	(12)	35	12	7	18		(200)			(200)
	(667)	(174)	(29)	(26)	(12)	(64)		(972)	(3)		(975)
Operating profit (loss) before equity results and finance results	78	(61)	35	49	17	(59)		59	(3)		56
Result from equity investments											
Equity in the results of investees	15		9		74	(136)	(43)	(81)	45	(43)	(79)
	15		9		74	(136)	(43)	(81)	45	(43)	(79)
Finance results, net											
Finance income	74	29	97	12	1	27	1	241	1		242
Finance costs	(318)	(213)	(79)	(34)	(4)	(34)	(1)	(683)			(683)
Results of derivative financial instruments	109					(83)	1	26			26
Foreign exchange gains (losses), net	(19)	(108)	(40)	2		7		(157)			(157)
	(154)	(292)	(22)	(20)	(3)	(83)	1	(573)	1		(572)
Profit (loss) before income tax and social contribution	(61)	(353)	22	29	88	(278)	(42)	(595)	43	(43)	(595)
Income tax and social contribution											
Current	(59)	1	(13)	(17)		(3)		(91)			(91)
Deferred	(34)	64	22	(3)	(7)	7		49	1		50
Profit (loss) for the semester from continuing operations	(154)	(288)	31	9	81	(274)	(42)	(637)	44	(43)	(636)
Continuing operations											
Profit from continuing operations											
Profit (loss) for the semester	(154)	(288)	31	9	81	(274)	(42)	(637)	44	(43)	(636)
Profit (loss) attributable to the owners of the Company	(68)	(253)	22	2	81	(274)	79	(413)	43	(43)	(413)
Profit (loss) attributable to non-controlling interests	(86)	(35)	11	7			(121)	(224)	1		(223)
Profit (loss) for the quarter	(154)	(288)	33	9	81	(274)	(42)	(637)	44	(43)	(636)

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(d) Adjusted EBITDA - business segments

1/1/2021 to 6/30/2021

	Votorantim Cimentos	Nexa Resources	CBA	Long steel	Votorantim Energia	Holding and other	Eliminations	Total, industrial segments	Votorantim Finanças	Total, consolidated
	9,819	6,935	3,706	1,757	1,562	33	(862)	22,950		22,950
	(7,504)	(4,776)	(2,876)	(1,343)	(1,480)	(17)	862	(17,134)		(17,134)
Gross profit	2,315	2,159	830	414	82	16		5,816		5,816
Operating income (expenses)										
Selling	(334)	(61)	(18)	(15)		(3)		(431)		(431)
General and administrative	(535)	(343)	(151)	(100)	(55)	(122)		(1,306)	(7)	(1,313)
Other operating income (expenses), net	379	(191)	(96)	37	(52)	748		825		825
	(490)	(595)	(265)	(78)	(107)	623		(912)	(7)	(919)
Operating profit (loss) before equity results and finance results	1,825	1,564	565	336	(25)	639		4,904	(7)	4,897
Plus:										
Depreciation, amortization and depletion - continuing operations	781	651	239	80	3	13		1,767		1,767
EBITDA	2,606	2,215	804	416	(22)	652		6,671	(7)	6,664
Plus:										
Dividends received	91				34		(34)	91		91
Exceptional items										
Impairment of property, plant and equipment and intangible assets			136					136		136
Net gain on sale of investments						(629)		(629)		(629)
Gain from the advantageous purchase of an investee	(236)							(236)		(236)
Other	52		(3)			16		65		65
Adjusted EBITDA	2,513	2,215	937	416	12	39	(34)	6,098	(7)	6,091

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	1/1/2020 to 6/30/2020									
	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	6,624	3,779	2,355	819	1,652	26	(864)	14,391		14,391
Cost of products sold and services rendered	(5,584)	(3,438)	(2,143)	(667)	(1,618)	(13)	864	(12,599)		(12,599)
Gross profit	1,040	341	212	152	34	13		1,792		1,792
Operating income (expenses)										
Selling	(346)	(59)	(14)	(11)		(1)		(431)		(431)
General and administrative	(474)	(296)	(114)	(77)	(41)	(139)		(1,141)	(7)	(1,148)
Other operating income (expenses), net	(256)	(2,313)	375	20	77	3		(2,094)		(2,094)
	(1,076)	(2,668)	247	(68)	36	(137)		(3,666)	(7)	(3,673)
Operating profit (loss) before equity results and finance results	(36)	(2,327)	459	84	70	(124)		(1,874)	(7)	(1,881)
Plus:										
Depreciation, amortization and depletion - continuing operations	690	580	202	60	3	14		1,549		1,549
EBITDA	654	(1,747)	661	144	73	(110)		(325)	(7)	(332)
Plus										
Dividends received	9				38	2	(38)	11	12	23
Exceptional items										
Impairment of property, plant and equipment and intangible assets	272	2,156						2,428		2,428
Gain from the advantageous purchase of an investee			(366)					(366)		(366)
Other	32					53		85		85
Adjusted EBITDA	967	409	661	144	111	(55)	(38)	2,199	5	2,204

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	4/1/2021 to 6/30/2021									
	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	5,810	3,638	1,913	992	785	14	(441)	12,711		12,711
Cost of products sold and services rendered	(4,364)	(2,464)	(1,527)	(746)	(755)	(8)	441	(9,423)		(9,423)
Gross profit	1,446	1,174	386	246	30	6		3,288		3,288
Operating income (expenses)										
Selling	(176)	(35)	(10)	(7)		(1)		(229)		(229)
General and administrative	(289)	(162)	(82)	(30)	(30)	(64)		(657)	(3)	(660)
Other operating income (expenses), net	289	(73)	135	(30)	(25)	51		347		347
	(176)	(270)	43	(67)	(55)	(14)		(539)	(3)	(542)
Operating profit (loss) before equity results and finance results	1,270	904	429	179	(25)	(8)		2,749	(3)	2,746
Plus:										
Depreciation, amortization and depletion - continuing operations										
EBITDA	1,270	904	429	179	(25)	(8)		2,749	(3)	2,746
Plus:										
Dividends received	35				34		(34)	35		35
Exceptional items										
Impairment - fixed assets			13					13		13
Net gain on sale of investments	(236)							(236)		(236)
Other	(7)					33		26		26
Adjusted EBITDA	1,062	904	442	179	9	25	(34)	2,587	(3)	2,584

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	4/1/2020 to 6/30/2020									
	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	3,877	1,811	1,102	398	740	14	(380)	7,562		7,562
Cost of products sold and services rendered	(3,132)	(1,698)	(1,038)	(323)	(711)	(9)	380	(6,531)		(6,531)
Gross profit	745	113	64	75	29	5		1,031		1,031
Operating income (expenses)										
Selling	(171)	(24)	(7)	(5)				(207)		(207)
General and administrative	(236)	(138)	(57)	(33)	(19)	(82)		(565)	(3)	(568)
Other operating income (expenses), net	(260)	(12)	237	12	7	18		2		2
	(667)	(174)	173	(26)	(12)	(64)		(770)	(3)	(773)
Operating profit (loss) before equity results and finance results	78	(61)	237	49	17	(59)		261	(3)	258
Plus:										
Depreciation, amortization and depletion - continuing operations	361	280	111	33	2	6		793		793
EBITDA	439	219	348	82	19	(53)		1,054	(3)	1,051
Plus										
Dividends received	2				34	2	(34)	4		4
Exceptional items										
Net gain on sale of investments			12					12		12
Impairment - fixed assets	276	(2)						274		274
Other	17					36		53		53
Adjusted EBITDA	734	217	360	82	53	(15)	(34)	1,397	(3)	1,394

27 Subsequent events

(a) Loan settlement – Nexa

On July 9, 2021, indirect subsidiary Nexa Peru prepaid the outstanding principal amount of a bank loan of R\$477 (approximately USD 91 million) and accrued interest of R\$13 (approximately USD 2 million). The cross-currency swap contracted associated with this debt was also closed at USD 12 million. Thus, the total value of this transaction was USD 105 million.

As this debt is being accounted for using the fair value option, all market-to-market effects and related credit risk will be reversed, with no impact on income.

(b) Public offering of shares – Companhia Brasileira de Alumínio (“CBA”)

On July 16, 2021, the subsidiary CBA announced the price of its initial public offering and began trading on the São Paulo Stock Exchange, under the ticker name "CBAV3" after the conclusion of its initial public offering, with the issuance of 62,500,000 of the subsidiary's common shares at a price of R\$ 11.20 per share, resulting in a net funding of R\$ 663.

On the same date, the Company sold 62,500,000 shares held in CBA for the net amount of R\$663, at the cost of R\$402, generating an accounting gain net of taxes and fees in the amount of R\$ 192.

(c) Capital increase in the investee Janssen Capital B.V. – Janssen

In July 19, 2021, the Company carried out a capital increase in its subsidiary Janssen Capital B.V., in the amount of R\$ 591, in order to allocate the Company's investments in international strategies.