

Samarco reaches an agreement with financial creditors for approval of the judicial recovery plan

Consensual solution contemplates the interests of all parties

Belo Horizonte, May 31, 2023 - Samarco, in keeping with its commitment to achieving a definitive solution for its capital structure, has reached an agreement with some of its financial creditors and with its shareholders, which will be the basis of a Judicial Reorganization Plan to be considered by creditors and if approved by the majority of creditors, ratified by the JR Court.

The court-supervised settlement process presided over by the judge of the Court of Justice of Minas Gerais (TJMG), desembargador Moacyr Lobato, has concluded with an agreement that represents the first negotiating document that will define the parameters for a new Judicial Reorganization Plan, to be presented by Samarco and certain financial creditors.

“This is undeniably an achievement of the Judiciary, especially the judiciary of Minas Gerais, from the performance in the court of 1st instance to the successful consummation of the conciliation, fully developed within the scope and dependencies of the Court of Justice of Minas Gerais”, pointed out the judge.

This is a balanced agreement, which takes into account the interests of all parties, with important concessions made by all those involved in favor of the company's economic and financial health. The conditions negotiated allow for the continuity of investments in the resumption of full operations, with a sustainable level of indebtedness and alignment with the expected cash generation, which ensures the feasibility of Samarco's operations in the long term. The consensual solution, as well as the discharge terms for each class of creditors, protects and reinforces Samarco's commitment to the remediation actions of the damages resulting from the collapse of the Fundão dam.

“In order to reach this agreement, efforts were made by all parties, with important concessions to allow for a balanced and lasting plan. This agreement serves all those involved and ensures the maintenance of jobs and the social role of Samarco, a company that shares value with the territories where it has operated for over 45 years,” said Chief Restructuring Officer Luiz Fabiano Saragiotto.

In the agreement, Samarco's shareholders have reinforced their commitment to maintain their support for remediation. This is a way to preserve the company's cash and allow the fulfillment of all its obligations. The documents related to the agreement, which contain details of the terms of payment of the financial debt and will be reflected in the Judicial Reorganization Plan, are available on the company's website.

The Company must now reflect the terms agreed with the group of financial creditors and with the shareholders of Samarco in a Judicial Reorganization Plan that will need to be approved by the majority of creditors of all classes and, subsequently, ratified by the JR Court. It is important to emphasize that the payment conditions for employees and strategic suppliers will be in full following the Court's confirmation.