Hidrovias do Brasil

3Q21

RESULTS

São Paulo, November 16, 2021 – Hidrovias do Brasil [B3: HBSA3]*, an integrated waterway logistics solutions company listed on B3's Novo Mercado listing segment, announces today the results for the third quarter of 2021 and 9M21. The results presented in this report follow Brazilian and international accounting standards (IFRS) and the comparisons refer to 3Q21 and 3Q20, as well as 9M21 and 9M20, unless otherwise stated.*

Hidrovias do Brasil closes 3Q21 with a consolidated adjusted EBITDA margin over 50%, amidst the challenges faced in 2021. Once again, this performance proves the business's resilience through solid fundamentals of its investment thesis.

3Q21 and 9M21 HIGHLIGHTS

- The Company handled **3.1 million tons** in 3Q21. The highlight is the 158% rise in **iron ore volume** in the South Corridor, and 90.3 thousand tons of **fertilizers** in the North Corridor. The handled volume reached **9.6 million tons** in 9M21, up by 187% in **iron ore** in the South Corridor, and 149% in **fertilizers** in the North Corridor;
- The **Net Operating Revenue** (excluding "OTM" and hedge accounting) totaled **R$338.6 million** in 3Q21, a growth of 3.5% in the North Corridor, even despite the volumes pressured by the corn crop failure in Brazil – proving the strength of the Company's take-or-pay contracts and its ability to generate good results even in adverse situations. The Net Operating Income (ex-OTM and hedge accounting) reached **R$1.0 billion** in 9M21 (+7.4% vs. 9M20);
- The **adjusted EBITDA including JVs** totaled **R$180.2 million** in 3Q21, with a high adjusted EBITDA margin of **53.2%.** Adjusted EBITDA in 9M21 totaled **R$542.6 million,** a growth of 1.2 p.p. in the adjusted EBITDA margin, of **53.1%** - the highlight was the highest EBITDA margin ever reached in a third quarter for the North Corridor.

Consolidated	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Net Revenue	**266.8**	**464.7**	*-42.6%*	**933.3**	**1,104.5**	*-15.5%*
Net Operating Revenue[1]	338.6	364.8	*-7.2%*	1,022.5	951.7	*7.4%*
Net Operating Revenue "Road Transportation (OTM)"[2]	0.7	131.9	*-99.5%*	2.0	312.3	-
Hedge Accounting[3]	(72.5)	(31.9)	*127.0%*	(91.2)	(159.5)	*-42.8%*
Operating Costs	(164.7)	(280.0)	*-41.2%*	(472.4)	(741.9)	*-36.3%*
Operating Costs	(164.8)	(148.2)	*11.2%*	(471.3)	(427.8)	*10.2%*
Operating Costs 'Road Transportation (OTM)"[2]	0.1	(131.7)	-	(1.1)	(314.1)	-
Operating Expenses (Revenues)	(44.0)	(53.8)	*-18.2%*	(103.5)	(113.6)	*-8.9%*
AFRMM, Tax Credits and Other[4]	44.5	5.3	-	76.3	24.9	-
Equity Accounting	(0.2)	(1.8)	*-89.6%*	1.4	(2.3)	-
EBITDA	**102.4**	**134.4**	*-23.8%*	**435.2**	**271.5**	*60.3%*
Margin %	*30.2%*	*36.9%*	*-6.7 p.p.*	*42.6%*	*28.5%*	*14.1 p.p.*
Hedge Accounting	72.5	31.9	*127.0%*	91.2	159.5	*-42.8%*
Equity Accounting	0.2	1.8	*-89.6%*	(1.4)	2.3	*-162.5%*
Non recurring[5]	0.8	29.9	*-97.3%*	1.9	45.1	*-95.9%*
Adjusted EBITDA	**175.8**	**198.1**	*-11.2%*	**526.9**	**478.4**	*10.1%*
Margin %	*51.9%*	*54.3%*	*-2.4 p.p.*	*51.5%*	*50.3%*	*1.2 p.p.*
JV's EBITDA	4.4	3.9	*12.7%*	15.7	15.2	*3.6%*
Adjusted EBITDA Including JVs[6]	**180.2**	**202.0**	*10.5%*	**542.6**	**493.6**	*10.5%*
Margin %	*53.2%*	*55.4%*	*-2.2 p.p.*	*53.1%*	*51.9%*	*1.2 p.p.*

[1] Net Operating Revenue: refers to the net revenue from shipping, transshipment, and lifting of products at the terminals where the Company operates;
[2] Net Operating Revenue| Operating Costs with Road Transportation (OTM): obtained by subcontracting road transportation to customers, providing an integrated logistics solution ("from MT to the ship's hold") for certain customers that need such structure;
[3] Hedge Accounting: The Company's functional currency is the Brazilian real. However, South Corridor and Coastal Shipping agreements are denominated in U.S. dollars. Accordingly, the hedge accounting was used to mitigate the FX exposure, and the existing debt in U.S. dollars hedges part of long-term agreements in foreign currency. This procedure has no cash impact;
[4] AFRMM, Tax Credits and Others: include the positive effect from the Additional Freight for the Renovation of the Merchant Marine, as well as other credits and non-operating revenues. In 3Q21 and 9M21, it includes the positive effect from the advantageous purchase of Imperial Logistics, in the amount of R$37 million;
[5] In 3Q21, the Non-Recurring Items line includes: R$11.5 million in consulting/advisory services related to the IPO, R$14.9 million related to the stock options program, and R$3.5 million related to COVID-19 donations. In 9M20, this line includes: R$22.2 million in consulting/advisory services related to the IPO, R$1.1 million from the reversal of credits, R$16.6 million related to the stock options program, and R$5.1 million related to COVID-19 donations. In 3Q21, this line includes R$0.8 million in consulting/advisory services still related to the IPO, and in 9M21, this line includes R$1.7 million in consulting/advisory services related to the IPO, and R$0.2 million related to COVID-19 donations:
[6] Including the results from the Company's interest in TGM, Limday, and Baden operations.

MESSAGE FROM MANAGEMENT

"The consolidated results from 9 months of 2021 once again show that the Company is prepared to undergo the most different challenges, with a management team committed to the business plan, and a relentless pursuit for innovative processes, which distinguish and position us among the largest integrated logistics players, and focused on Latin America's waterway modal.

The Net Operating Revenue excluding OTM and hedge accounting totaled R$1.0 billion in the period, up by 7.4% YoY, even despite the volumes under pressure due to external challenges related to the corn crop failure in the North Corridor and atypical drafts in the South Courridor.

Even in a more challenging short-term scenario, our business model remains based on solid pillars, with strategic positioning in the value chain where Brazil is highly competitive, development of modern assets that operate more efficiently - allowing for lower operating and maintenance costs, and, finally, development of long-term relationships with first-tier customers, with take-or-pay contracts that ensure the generation of a minimum result even in more challenging situations. These pillars allow the Company to continue recording extremely resilient results in the short term, and open several avenues for growth and future opportunities.

The adjusted EBITDA totaled R$542.6 million in 9M21, a growth of 10.5% YoY. The adjusted EBITDA guidance for 2025 is between R$1.3 and R$1.5 billion, showing the Company's great potential for cash generation and deleveraging.

*Fábio Schettino - **CEO of Hidrovias do Brasil***

PERFORMANCE BY CORRIDOR

North Corridor

*The **North Corridor** is one of the Company's main operations, where we offer integrated logistics services for the transportation of solid bulks through river shipping. The North Corridor's capacity is represented by the: a) Cargo Transshipment Station (ETC) of Miritituba (PA) – 7.2 million tons of grains; b) Private Use Terminal (TUP) of Barcarena (PA) – 7.2 million tons of grains; and c) Company's fleet of pushers and barges used to handle products.*

Volume:

Volume (kt)	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
North Corridor	**1,177**	**1,958**	*-39.9%*	**4,390**	**5,451**	*-19.5%*
Grains	853	1,677	-49.2%	3,216	4,450	-27.7%
Fertilizers	100	10	888.4%	276	111	149.2%
"Direct Road"[1]	224	271	-17.2%	898	890	0.9%

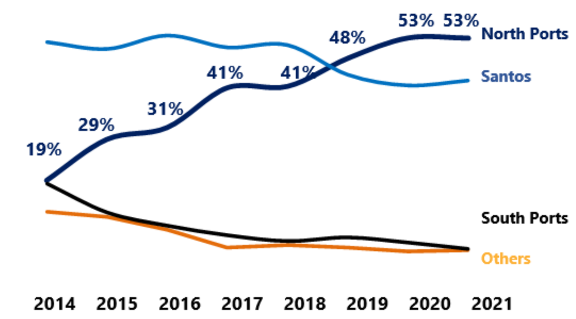
[1] "Direct Road" refers to grain volumes transported by road directly to the Barcarena TUP, and is presented isolated, as it is not part of the Company's integrated system.

The **total volume** handled in the North Corridor came to **1.2 million** tons in 3Q21 (-39.9% vs. 3Q20), highlighting the growth of fertilizers (+888.4% vs. 3Q20), which reflects the higher investments in agricultural production in the region, and the internal efforts to acquire higher volumes. As already communicated by the Company in its 2Q21 earnings release, the volume of handled grains, either through the integrated system or directly received at our port in Barcarena arriving via road transportation, was under pressure when compared to the previous year, reflecting the one-time and non-recurring event related to the corn crop failure in Brazil. It is noteworthy that the pressure on volumes comes from a very strong base, with a record harvest in 2020.

The handled volume totaled **4.4 million** tons in 9M21 (-19.5% vs. 9M20), due to the concentration of soybean shipments and lower export availability due to the loss of quality of soybeans in 1H21, and the corn crop failure, which resulted in a reduction in exports in the second half, not only impacting the Company's volume but also the volume of the entire Brazilian export market.

MARKET SHARE MT EXPORTS (%)

Source: Comexstat *2021: Jan-Sep

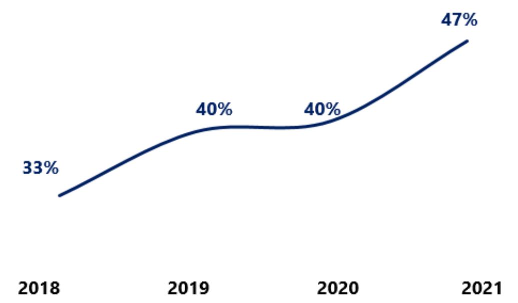


Even amidst so many challenges in the period, the “North Arc (Arco Norte)” is still the most competitive way to ship the export grains produced in the Mato Grosso State, so much so that year after year it has been gaining share of the traditional routes.

Within this context, Hidrovias is still the most relevant market player and has been systematically gaining share in Miritituba, the North Arc’s (Arco Norte) main shipping point. It accounted for 47% of the entire grain volume of the region in 3Q21 (+7.0 p.p. of market share vs. 3Q20), proving the system’s strategic positioning and competitive level.

MIRITITUBA (3rd QUARTER)

Source: ANTAQ and Internal Data



It is worth noting that the impact of volume in 2021 is a one-off event and is not related at all to the harvest expected for the next year. The planting of the 21/22 soybean harvest is nearly finished and happened in advance when compared to 3Q20 and to previous harvests, and, for this reason, we expect an ideal situation for the planting of the 21/22 corn harvest.

IMEA estimates that soybean production in Mato Grosso, which accounts for the largest portion of handled volumes in the first half of every year, should reach 37.4 million tons in the 21/22 harvest – up by 3.8% over the 20/21 harvest, and Hidrovias’ area of influence will continue to record the highest growth (+4.4%).

Soybean Production in MT (M tons)	18/19	19/20	20/21	21/22	Ch. %
Middle-North	10.9	11.9	11.5	11.8	*2.7%*
North	1.3	1.5	1.8	2.0	*16.0%*
HBSA's total area of influence	**12.1**	**13.4**	**13.2**	**13.8**	*4.4%*
Other region	20.2	22.0	22.8	23.6	*3.4%*
Total in MT	**32.3**	**35.4**	**36.0**	**37.4**	*3.8%*

Source: IMEA

According to Agroconsult’s data, the volume of export soybean produced in Mato Grosso for 2022 will grow by around 14% over the same period last year. The Company has been continuously working to benefit from this scenario and further the use of its installed capacity, thus optimizing its operation by increasing the dilution of fixed costs and enhancing its assets.

For the corn harvest, which accounts for the largest portion of handled volumes in the second half of each year, IMEA estimates that growth should come to 21.5% for the 21/22 harvest over the 20/21 harvest, totaling 39.6 million tons, and Hidrovias’ area of influence should also grow above the average (+24.0%).

Corn Production in MT (M tons)	18/19	19/20	20/21	21/22	Ch. %
Middle-North	13.9	15.5	13.5	16.7	*24.5%*
North	0.9	1.1	1.1	1.3	*18.3%*
HBSA's total area of influence	**14.9**	**16.6**	**14.6**	**18.1**	*24.0%*
Other region	17.5	18.8	18.0	21.5	*19.5%*
Total in MT	**32.4**	**35.4**	**32.6**	**39.6**	*21.5%*

Source: IMEA

Agroconsult's data show that export corn should grow even more (around 57%) and that the domestic and foreign markets commercial dynamics should return to normal levels, a very positive scenario for the Company's operations.

Results:

North Corridor	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Net Revenue[1]	**162.9**	**288.7**	*-43.6%*	**463.3**	**727.6**	*-36.3%*
Net Operating Revenue	162.2	156.7	*3.5%*	461.3	415.3	*11.1%*
Net Operating Revenue "Road Transportation (OTM)"[2]	0.7	131.9	-	2.0	312.3	-
Operating Costs	(53.6)	(184.8)	*-71.0%*	(161.2)	(471.3)	*-65.8%*
Operating Costs	(53.7)	(53.1)	*1.1%*	(160.1)	(157.2)	*1.9%*
Operating Costs "Road Transportation (OTM)"[2]	0.1	(131.7)	-	(1.1)	(314.1)	-
Operating Expenses (Revenues)	(14.2)	(8.9)	*60.3%*	(25.0)	(20.3)	*23.4%*
AFRMM, Tax Credits and Other	1.0	0.5	-	21.8	12.3	*77.7%*
EBITDA	**96.1**	**95.4**	*0.7%*	**298.9**	**248.2**	*20.4%*
Margin %	*59.3%*	*60.9%*	*-1.6 p.p.*	*64.8%*	*59.8%*	*5.0 p.p.*
Non recurring[3]	7.8	3.8	*104.8%*	7.7	5.3	*43.8%*
Adjusted EBITDA	**104.0**	**99.2**	*4.8%*	**306.6**	**253.6**	*20.9%*
Margin %	*64.1%*	*63.3%*	*0.8 p.p.*	*66.5%*	*61.1%*	*5.4 p.p.*

[1] North Corridor's Net Revenue excludes "Intercompany" to facilitate the understanding of the results;
[2] "Road Transportation" (OTM) consists of Net Revenue and operating costs related to the subcontracting of road transportation to customers, providing an integrated logistics solution ("from MT to the ship's hold");
[3] In 3Q21, the Non-Recurring Items line includes R$3.4 million in COVID-19 donations, and R$0.4 million from consulting/advisory services related to the IPO. In 3Q21, this line includes: (R$0.1) million from the equity interest of the Marabá unit, and R$8.0 million related to the new classification of corporate expenses ("cost sharing") that were excluded from management analysis for better comparability with the past and to facilitate the understanding of the segment's operating result. In 9M20, this line includes: R$0.8 million from consulting/advisory services related to the IPO, R$4.8 million in COVID-19 donations, and (R$0.3) million related to reversals/provisions. In 9M21, this includes: (R$0.3) million from the equity interest of the Marabá unit, and R$8.0 million related to the new classification of corporate expenses ("cost sharing") that were included for better comparability with the past and to facilitate the understanding of the segment's operating result.

The **Net Operating Revenue**, which excludes the result from "Road Transportation (OTM)", totaled **R$162.2 million** in 3Q21 (+3.5% vs. 3Q20), showing that the Company's strategy was correct in such an adverse market scenario, as it managed to increase the contract tariffs in the corridor and protect its profitability through contracts under take or pay model, which more than offset the 39.9% pressure on the volumes of the period. The Net Operating Revenue, excluding "OTM", totaled R$461.3 million in 9M21, a significant YoY growth of 11.1%.

Operating costs excluding "Road Transportation (OTM)" remained flat in 3Q21 over 3Q20, totaling **R$53.7 million,** reflecting the lower dilution of fixed costs. The operating costs ex-OTM totaled R$160.1 million in 9M21 (flat vs. 9M20).

The **adjusted EBITDA** was the highest ever recorded in a third quarter in this corridor, totaling **R$104.0 million**, a YoY growth of 4.8%. The **adjusted EBITDA margin** also reached the highest level ever recorded in a third quarter, of **64.1%** (+0.8 p.p. vs. 3Q20). The adjusted EBITDA came to R$306.6 million in 9M21, up by 20.9 % over 9M20, with an adjusted EBITDA margin of 66.5% (+5.4 p.p.).

The result above proves the **resilience of this corridor** and the **solidity of the Company's strategic pillars,** with strong take-or-pay contracts and sound commercial planning and operational strategies, which enabled growth and EBITDA margin gains even amidst such a challenging scenario of 2021.

Coastal Navigation (Cabotage)

*The **coastal navigation** operation mainly transports Bauxite from the Trombetas Port (PA) to the Barcarena Public Terminal (PA).*

Volume:

Volume (kt)	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Coastal Navigation (Cabotage)	**819**	**1,040**	*-21.2%*	**1,819**	**2,898**	*-37.2%*
Bauxite	819	1,040	-21.2%	1,819	2,898	-37.2%

The **total volume of bauxite** handled reached **819 thousand tons** in 3Q21 (-21.2% vs. 3Q20), reflecting a recovery slower than expected in the customer's operations after an issue on its unloading pier, which has been impacting the volume of this operation since 4Q20 but has been improving every quarter (2Q21 vs. 2Q20: -27.3%, 1Q21 vs. 1Q20: -61.1%).

Aluminum (a product directly derived from bauxite) continues to appreciate in the market. For this reason, the handled volumes in this corridor tend to return to normal contract levels.

The **total volume** handled reached **1.8 million tons** in 9M21 (-37.2% vs. 9M20), mainly reflecting the lower volume recorded in 1Q21 (-61% vs. 1Q20), when the issue on our customer's unloading pier had not been solved yet.

It is worth noting that the pressure put on volumes this year does not impact the result of this operation because of the take-or-pay contract, with quarterly calculation in the result.

Results:

Coastal Navigation	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Net Revenue	**52.9**	**60.1**	*-11.9%*	**152.4**	**153.4**	-
Net operating Revenue	58.1	60.1	*-3.3%*	168.6	158.7	*6.3%*
Hedge Accounting[1]	(5.1)	-	-	(16.3)	(5.3)	*207.7%*
Operating Costs	(28.1)	(26.1)	*7.7%*	(79.2)	(73.3)	*8.1%*
Operating Costs	(28.1)	(26.1)	*7.7%*	(79.2)	(73.3)	*8.1%*
Operating Expenses (Revenues)	(2.2)	(0.2)	-	(2.4)	(0.4)	-
AFRMM, Tax Credits and Other[2]	3.6	4.8	*-25.7%*	7.5	12.5	*-39.9%*
EBITDA	**26.3**	**38.6**	*-31.9%*	**78.2**	**92.2**	*-15.2%*
Margin %	*45.2%*	*64.2%*	*-19.1 p.p.*	*46.4%*	*58.1%*	*-11.7 p.p*
Hedge Accounting[1]	5.1	-	-	16.3	5.3	-
Non recurring[3]	1.8	-	-	1.8	-	-
Adjusted EBITDA	**33.2**	**38.6**	*-14.0%*	**96.2**	**97.5**	*-1.3%*
Margin %	*57.1%*	*64.2%*	*-7.1 p.p.*	*57.1%*	*61.4%*	*-4.3 p.p.*

[1] Hedge Accounting: The Company's functional currency is the Brazilian real. However, Coastal Shipping agreements are denominated in U.S. dollars. Accordingly, the hedge accounting was used to mitigate the FX exposure, and the existing debt in U.S. dollars hedges long-term agreements in foreign currency. This procedure has no cash impact.
[2] AFRMM, Tax Credits and Others: include the positive effect from the Additional Freight for the Renovation of the Merchant Marine, as well as other credits and non-operating revenues;
[4] In 3Q21, the Non-Recurring Items line includes: R$1.8 million related to the new classification of corporate expenses ("cost sharing") that were included for better comparability with the past and to facilitate the understanding of the segment's operating result. This line recorded the same effect in 9M21.

The **Net Operating Revenue,** which excludes the hedge accounting impact, totaled **R$58.1 million** in 3Q21 (-3.3% vs. 3Q20), showing the strength of the take-or-pay contract of this operation, which offset the 21.2% drop in volumes in the quarter. Hedge Accounting totaled (R$5.1) million in 3Q21, and aims to balance the impacts of contracts in foreign currency in the results, given that the Company's functional currency is the Brazilian real. It is worth noting that this hedge accounting effect has no cash impact. The Net Operating Revenue totaled R$168.6 million in 9M21, up by 6.3% YoY. Hedge accounting totaled (R$16.3) million in 9M21, with no cash effect.

Operating costs totaled **R$28.1 million** in 3Q21 (+7.7% vs. 3Q20), reflecting higher fuel costs, offset by the transfer of this increase to the tariff. Operating costs totaled R$79.2 million in 9M21 (+8.1% vs. 9M20), reflecting mainly the costs with the chartering of a vessel in the docking period scheduled for this corridor, in line with the expected for the year

Docking in this operation occurs every 2.5 years (there is a 5-year docking interval alternating two vessels in the fleet).

The **adjusted EBITDA** totaled **R$33.2 million** in 3Q21 (-14.0% vs. 3Q20), reflecting higher one-off costs with the asset's chartering, and the lower positive effect from AFRMM, as it is related to the volume handled in the period. The **adjusted EBITDA margin** remained strong, at **57.1%** in 3Q21 (-7.1 p.p. vs. 3Q20). The adjusted EBITDA totaled R$96.2 million in 9M21 (-1.3% vs. 9M20), maintaining a robust adjusted EBITDA margin of 57.1% in this corridor.

The result presented above also show the **solidity of the Company's strategic pillars** – with a strong take-or-pay contract for this corridor, ensuring the maintenance of results even despite the lower volume scenario as a result of non-recurring operational difficulties experienced by the main customer.

South Corridor

*The **South Corridor** refers to the fluvial transportation of grains, fertilizers, iron ore, and other bulk materials in the Paraná-Paraguay waterway and pulp in the Uruguay River through a joint venture (Limday). Additionally, it includes the results of port terminals of another two joint ventures, being the first port operation of grains in Montevideo (TGM), the only terminal of the region that can load a Panamax vessel, and the second largest port operation of solid bulks in the region of Concepción, in Paraguay (Baden).*

Volume:

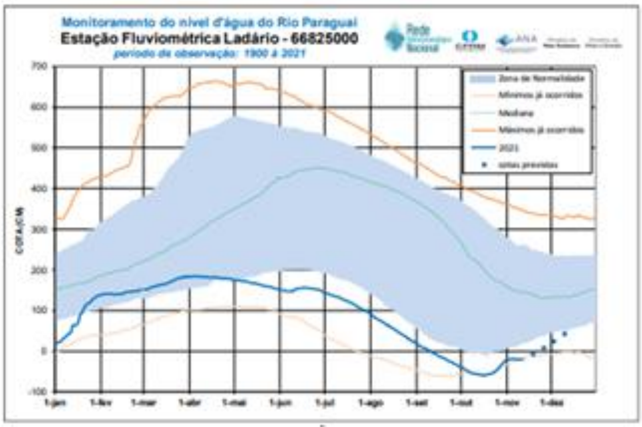
Volume (kt)	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
South Corridor	**1,088**	**798**	*36.4%*	**3,039**	**2,375**	*27.9%*
Iron Ore	514	199	157.9%	1,562	544	187.4%
Grains	320	317	0.9%	716	944	-24.2%
Fertilizers	6	43	-84.9%	33	101	-67.1%
Other[1]	-	6	-	-	71	-
TOTAL (ex-JV)	**840**	**565**	**48.7%**	**2,311**	**1,659**	**39.3%**
JVs[2]	248	233	6.6%	727	716	1.5%

[1] Others: Refers to the transportation of other products such as pulp and coke.
[2] JVs: volume proportional to the interest held in TGM, Limday, and Baden.

The **total volume** handled in the South Corridor was **1.1 million tons** in 3Q21, a substantial growth of 36.4% over 3Q20, with a significant increase in the iron ore volume (+157.9% vs. 3Q20) handled amid highly restricted shipping conditions observed mainly since the beginning of the second half of 2021, reflecting the benefits of the investments in first-tier assets, which allowed us to be among the few companies that managed to operate in these conditions.

As communicated in the Notice to the Market disclosed on October 1, 2021, the Company operated in a very restrictive manner in September in the Corumbá region, where it handles iron ore, facing major shipping limitations that were worsened by the drought season. Nevertheless, the Company continued to stand out and consolidated itself as the **largest logistics player of iron ore** originated in that region, accounting for nearly 85% of all volume handled volume according to Datasur's data, showing its fleet's increased flexibility after the acquisition of Imperial Logistics (which had assets sailing on lower draft than the market's average).

The volume of grains handled in the Paraná-Uruguay waterway was flat over the same period of the previous year, totaling 320 thousand tons, and the Company virtually maintained its share in this operation despite the aforementioned more restrictive sailing conditions due to lack of rain.



The level of rivers where the Company operates in this corridor has shown a recovery trend since the beginning of the rainfall season, in line with what was expected and with existing historical data, as can be observed below.

Therefore, we expect a more positive scenario in later 2021 and early 2022. At the same time, the Company has engaged in several initiatives together with its main customer in the region to develop and/or implement alternatives that can improve iron ore loading conditions and optimize the handled volumes.

The initiatives under analysis include: a) the use of "mooring methodology with buoys" at the iron ore loading pier, which allows vessels to be farther away from the slopes, thus enabling a gain of approximately 2 feet of draft; b) the inclusion of a "transshipment facility" in the region of Asunción, which will allow the storage of a greater quantity of cargo where the draft is less restricted, making the operation faster and more efficient, and enabling the use of lower draft assets above the transshipment facility with higher draft assets in the southernmost region. These initiatives require low investments and will significantly increase operational improvements in the short term, preparing the Company to operate under atypical conditions, maintaining its ability to deliver results and enabling that customers have uninterrupted and competitive operations.

***** *Source: The Geological Survey of Brazil - CPRM - Report released on November 12, 2021*

Results:

South Corridor	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Net Revenue[1]	**51.0**	**98.6**	*-48.3%*	**294.3**	**198.8**	*48.1%*
Net Operating Revenue	118.3	130.5	*-9.3%*	369.3	353.0	*4.6%*
Hedge Accounting[2]	(67.3)	(31.9)	*110.9%*	(75.0)	(154.2)	*-51.4%*
Operating Costs	(84.1)	(55.1)	*52.8%*	(216.7)	(171.6)	*26.3%*
Operating Costs	(84.1)	(55.1)	*52.8%*	(216.7)	(171.6)	*26.3%*
Operating Expenses (Revenues)	(18.8)	(4.3)	-	(28.3)	(8.8)	*219.6%*
AFRMM, Tax Credits and Other[3]	37.0	-	-	37.5	0.1	-
Equity Accounting	1.2	(1.8)	-	3.1	(2.3)	-
EBITDA	**(13.7)**	**37.5**	-	**89.9**	**16.2**	*456.4%*
Margin %	*(11.6%)*	*28.7%*	-	*24.3%*	*4.6%*	*19.7 p.p.*
Hedge Accounting	67.3	31.9	*110.9%*	75.0	154.2	*-51.4%*
Equity Accounting	(1.2)	1.8	-	(3.1)	2.3	-
Non recurring[4]	8.2	1.6	-	15.1	3.0	-
Adjusted EBITDA	**60.6**	**72.8**	*-16.8%*	**176.9**	**175.7**	*0.7%*
Margin %	*51.3%*	*55.8%*	*-4.5 p.p.*	*47.9%*	*49.8%*	*-1.9 p.p.*
JV's EBITDA[5]	4.4	3.9	*12.7%*	15.7	15.2	*3.6%*
Adjusted EBITDA Including JVs	**65.0**	**76.8**	*-15.3%*	**192.6**	**190.9**	*0.9%*
Margin %	*55.0%*	*58.8%*	*-3.8 p.p.*	*52.2%*	*54.1%*	*-1.9 p.p.*

[1] The South Corridor's Net Revenue excludes the "Intercompany" effect for the better understand of the result;
[2]Hedge Accounting: The Company's functional currency is the Brazilian real. However, South Corridor agreements are denominated in U.S. dollars. Accordingly, the hedge accounting was used to mitigate the FX exposure, and the existing debt in U.S. dollars hedges long-term agreements in foreign currency. This procedure has no cash impact;
[3] AFRMM, Tax Credits and Others: include the positive effect from the Additional Freight for the Renovation of the Merchant Marine, as well as other credits and non-operating revenues. In 3Q21 and 9M21 includes the recognition of the advantageous purchase related to the acquisition of Imperial Logistcs, in the amount of R$37 million.
[4]In 3Q21, the Non-Recurring Items line includes: R$2.9 million related to the business combination, which was managerially allocated to the South Corridor, and R$5.2 million related to the new classification of corporate expenses ("cost sharing") that were included for better comparability with the past and to facilitate the understanding of the segment's operating result. In 9M21, this includes: R$9.9 million related to the business combination, which was managerially allocated to the South Corridor, and R$5.2 million related to the new classification of corporate expenses ("cost sharing") that were included for better comparability with the past and to facilitate the understanding of the segment's operating result. In 3Q20, this includes: R$1.6 million in consulting/advisory services related to the IPO, and in 9M20, this line includes: R$1.6 million in consulting/advisory services related to the IPO and R$1.3 million in tax credits.
[5] Including the results from the Company's interest in TGM, Limday, and Baden operations.

Excluding hedge accounting, the **Net Operating Revenue** totaled **R$118.3 million** in 3Q21 (-9.3% vs. 3Q20), impacted by higher operational restrictions imposed in the Corumbá region mainly in September. Additionally, there is a mismatch between the presented volume and the recognized revenue, as part of the volume was loaded but did not make it to its final destination within the accounting period ("cut-off" effect, which tends to be normalized in the next quarter results). Excluding hedge accounting, the Net Operating Revenue totaled R$369.3 million in 9M20 (+4.6% vs. 9M20), reflecting the higher iron ore volume in the period and Vale's accounting, which is now recognized together with the volume actually handled rather than on a straight-line basis over the months.

Hedge accounting impacted Net Revenue by (R$67.3) million in 3Q21 and by (R$75.0) million in 9M21, both with no cash effect.

Operating Costs totaled **R$84.1 million** in 3Q21 (+52.8% vs. 3Q20), due to the greater composition of the fleet after the Imperial's acquisition and the higher volume handled, as well as higher costs to operate under the current draft, that remains below the historical averages, with barges operating with reduced capacity and fractioned and, therefore, transporting a significant lower amount of cargo per trip. Operating costs totaled R$216.7 million in 9M21 (+26.3% vs. 9M20).

The **EBITDA adjusted with JVs** totaled **R$65.0 million** in 3Q21 (-15.3% vs. 3Q20), with an **adjusted EBITDA margin** at a healthy level amidst all atypical and non-recurring challenges faced in this corridor, of **55.0%** (vs. 58.8% in 3Q20). The adjusted EBITDA with JVs totaled R$192.6 million in 9M21, with an adjusted EBITDA margin of 52.2%.

The result of this corridor in 3Q21 proves the **Company's great advantage** over other waterway players of the region, as it was able to **operate through its modern and low-draft vessels for at least two months more than the market average**, consolidating itself as the most efficient logistics player for transportation of iron ore in the Corumbá region.

Santos | Salt

We started two new projects in the last two years, which are still under implementation: the operation in the Santos Terminal and the logistics operation of Salt.

The **Santos** project consists of a 25-year lease for a terminal to handle and store solid bulk in the largest port in South America, located in Santos. The operation partially started in 2020, while we started to renovate and adjust the terminal, as provided for in the bidding notice. The renovation advanced in 2021 and for this reason, the terminal will not operate in 2H21, resuming its activities in mid-2022.

The **Salt** project consists of a salt transshipment and transportation agreement in Brazil's northeastern region. The Company has been dealing with regulatory procedures for the start of this operation and has a pending lawsuit with a view to obtaining the necessary authorizations to proceed with the project. As is usual for the Company, it developed a modern and efficient asset for the operation, which would increase the competitiveness of the salt market in the region. As it is an asset that would function as a "floating port", the Company can also redirect it to another region and optimize the investment already made in the case of the maintenance of the current regulatory restriction.

Volume:

Volume (kt)	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Santos	**-**	**249**	-	**332**	**400**	*-17.1%*
Total	-	249	-	332	400	-17.1%

Following the Company's business plan, we suspended the Santos operation at the beginning of 2Q21 to modernize the terminal's structures and "rebuild" one of the warehouses.

As a result, no volume was handled in Santos in 3Q21. We closed 9M21 with **332 thousand tons** of transported fertilizers and expect no additional volume for this operation for the rest of the year, and expect to resume activities in 2022.

Results:

Santos	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Net Revenue	**-**	**17.8**	**-**	**23.3**	**25.0**	**-7.1%**
Net Operating Revenue	-	17.8	-	23.3	25.0	-7.1%
Operating Costs	1.1	(14.0)	-	(15.2)	(25.7)	-40.8%
Operating Costs	1.1	(14.0)	-	(15.2)	(25.7)	-40.8%
Operating Expenses (Revenues)	(0.5)	0.1	-	(1.3)	(0.7)	92.2%
AFRMM, Tax Credits and Other	-	-	-	-	-	-
EBITDA	**0.6**	**3.9**	-	**6.7**	**(1.3)**	-
Margin %	-	*22.1%*	-	*29.0%*	-	-
Non recurring[1]	0.5	-	-	0.7	0.3	-
Adjusted EBITDA	**1.2**	**3.9**	-	**7.4**	**(1.0)**	-
Margin %	-	*22.1%*	-	*31.9%*	-	-

[1]In 9M21, the Non-Recurring Item line includes: R$0.3 million in COVID-19 donations, and, in 3Q21, it includes: R$0.5 million related to the new classification of corporate expenses ("cost sharing") that were excluded from management expenses for better comparability with the past and to facilitate the understanding of the segment's operating result, and in 9M21, this line includes: R$0.2 million in COVID-19 donations and it includes: R$0.5 million related to the new classification of corporate expenses ("cost sharing") that were excluded from management expenses for better comparability with the past and to facilitate the understanding of the segment's operating result.

Santos' **Net Operating Revenue** totaled **R$23.3 million** in 9M21 (-7.1% vs. 9M20), since we did not have operations in 3Q21, as explained above.

In 9M21**, operating costs** totaled R$15.2 million (-40.8% vs. 9M20), mainly reflecting the lower volume handled in the period.

The adjusted EBITDA totaled **R$7.4 million** in 9M21 (vs. -1.0 million in 9M20), with an **adjusted EBITDA margi**n of **31.9%** – still not representing the full potential of the operation, as it is undergoing renovations and implementation.

As already stated, Santos did not operate in 3Q21, and the results presented in the table above only show the accounting of costs and expenses of the nonoperational terminal, which were treated as CAPEX, according to the guidelines of CPC 27 that regulates Fixed Assets.

Holding Company's Results

Holding	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Operating Expenses (Revenues)	(8.4)	(40.6)	-79.3%	(46.4)	(83.4)	-44.3%
EBITDA	**(8.4)**	**(40.6)**	-79.3%	**(46.4)**	**(83.4)**	-44.3%
Advisory and Consultancy	0.8	9.6	-	1.7	19.8	-91.6%
Stock Options Plan	-	14.9	-	-	16.6	-
Cost sharing	(15.5)	-	-	(15.5)	-	-
Adjusted EBITDA	**(23.1)**	**(16.1)**	43.5%	**(60.3)**	**(46.9)**	28.6%

The **holding company's expenses adjusted for non-recurring effects** totaled **R$23.1 million,** up 43.5% YoY, reflecting structural adjustments to go public (IPO in September 2020) with the creation of support areas and the development of structured processes that allowed the Company to achieve a higher level of corporate governance.

The holding company's adjusted expenses totaled R$60.3 million in 9M21 (+28.6% vs. 9M20), reflecting the same effects mentioned above.

CONSOLIDATED RESULTS

CAPEX

Consolidated CAPEX was **R$122.9 million** in 3Q21, R$24.1 million of which allocated to **maintenance**, already including the impact of the scheduled maintenance of a bauxite vessel that occurs every five years on an interim basis and the accounting of costs of the non-operational terminal in Santos, which were treated as maintenance CAPEX, according to the rules of CPC 27. Excluding the two above-mentioned effects, the Company's maintenance CAPEX would have remained at a level lower than that of 3Q20, accounting for around 5% of total CAPEX, showing that the **need for investments in maintenance is structurally low.**

In 3Q21, CAPEX used for expansion totaled R$98.8 million and includes the acquisition of navigation assets that will be used mainly to expand the North Corridor navigation operation, which includes the Porto Velho project, including, for example, auxiliary electric pushers and trunk pushers.

In 9M21, the consolidated CAPEX, including amounts related to the Santos Grant and the acquisition of Imperial Logistics, totaled R$860.8 million, with only R$59.3 million allocated to maintenance.

CAPEX - Consolidated	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Maintenance	24.1	7.5	*223.6%*	59.3	23.8	*148.7%*
Expansion	98.8	48.3	*104.5%*	319.8	151.8	*110.6%*
STS20 Grant	-	-	-	18.1	28.1	*(35.6%)*
M&A	-	-	-	463.6	-	-
CAPEX Total	**122.9**	**55.8**	*120.4%*	**860.8**	**203.8**	*322.4%*

[1]Includes CAPEX related to the acquisition of the Imperial Logistics operation in South America, totaling US$86 million.
Note: In 3Q21, the R$2.8 million difference between CAPEX presented in the table above and the cash flow from investments is due to the divergence between cash activation and disbursement for payment of suppliers, as described in Note 31. The difference came to R$24.0 million in 9M21.

Consolidated P&L

Consolidated	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Net Revenue	**266.8**	**464.7**	*-42.6%*	**933.3**	**1,104.5**	*-15.5%*
Net Operating Revenue[1]	338.6	364.8	*-7.2%*	1,022.5	951.7	*7.4%*
Net Operating Revenue "Road Transportation (OTM)"[2]	0.7	131.9	*-99.5%*	2.0	312.3	*-99.3%*
Hedge Accounting[3]	(72.5)	(31.9)	*127.0%*	(91.2)	(159.5)	*-42.8%*
Operating Costs	(164.7)	(280.0)	*-41.2%*	(472.4)	(741.9)	*-36.3%*
Operating Costs	(164.8)	(148.2)	*11.2%*	(471.3)	(427.8)	*10.2%*
Operating Costs 'Road Transportation (OTM)"[2]	0.1	(131.7)	-	(1.1)	(314.1)	-
Operating Expenses (Revenues)	(44.0)	(53.8)	*-18.2%*	(103.5)	(113.6)	*-8.9%*
AFRMM, Tax Credits and Other4	44.5	5.3	-	76.3	24.9	-
Equity Accounting	(0.2)	(1.8)	*-89.6%*	1.4	(2.3)	-
EBITDA	**102.4**	**134.4**	*-23.8%*	**435.2**	**271.5**	*60.3%*
Margin %	*30.2%*	*36.9%*	*-6.7 p.p.*	*42.6%*	*28.5%*	*14.1 p.p.*
Depreciation & Amortization	(74.4)	(54.9)	*35.6%*	(246.4)	(159.1)	*54.8%*
EBIT	**28.0**	**79.6**	*-64.8%*	**188.8**	**112.4**	*68.0%*
Financial Results	(82.2)	(75.6)	*8.7%*	(305.5)	(221.7)	*37.8%*
Net Income before taxes and social contribution	**(54.2)**	**4.0**	-	**(116.7)**	**(109.2)**	*6.8%*
Income Tax and Social Contribution	(12.7)	(12.4)	*1.8%*	(35.4)	(33.4)	*6.1%*
Net Income/Loss	**(66.9)**	**(8.5)**	-	**(152.1)**	**(142.6)**	*6.6%*

[1] Net Operating Revenue: refers to the net revenue from shipping, transshipment, and lifting of products at the terminals where the Company operates;
[2] Net Operating Revenue and Operating Costs with Road Transportation (OTM): obtained by subcontracting road transportation to customers, providing an integrated logistics solution ("from MT to the ship's hold");
[3] Hedge Accounting: The Company's functioal currency is the Brazilian real. However, South Corridor and Coastal Shipping agreements are denominated in U.S. dollars. Accordingly, the hedge accounting was used to mitigate the FX exposure, and the existing debt in U.S. dollars hedges long-term agreements in foreign currency. This procedure has no cash impact;
[4] AFRMM, Tax Credits and Others: include the positive effect from the Additional Freight for the Renovation of the Merchant Marine, as well as other credits and non-operating revenues. In 3Q21 and 9M21, it includes the positive effect from the advantageous purchase of Imperial Logistics, in the amount of R$37 million;

Financial Result

Consolidated	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Financial Income	20.6	1.9	-	52.0	66.4	*(21.7%)*
Financial Expenses	(64.2)	(63.9)	*0.5%*	(318.3)	(174.4)	*82.5%*
Recurring financial expenses	(64.2)	(63.9)	*0.5%*	(222.8)	(174.4)	*27.7%*
Non-recurring financial expenses (debt restructuring: premium and fees)	-	-	-	(95.5)	-	-
Exchange rate variation	(38.6)	(13.6)	*183.1%*	(39.2)	(113.7)	-
Financial Results	**(82.2)**	**(75.6)**	*8.7%*	**(305.5)**	**(221.7)**	*37.8%*

The consolidated financial result totaled (**R$ 82.2) million** in 3Q21, up by R$6.6 million YoY, mainly due to:

i) **Financial Income:** an increase of R$18.7 million in income from financial investments in 3Q21, due to the larger allocation of investments in FX funds, which benefited from the effect of the depreciation of the real in the period;

ii) **Financial Expense:** flat when compared to the same period of last year;

iii) **FX Variation:** worsening of R$25.0 million YoY, as a result of the depreciation of the Real, with no cash effect.

The financial result for 9M21 was impacted by one-off and non-recurring events resulting from the debt extension that generated a negative effect in 1Q21 but also led to a lower average cost of the Company's debt. Excluding this non-recurring effect, the financial result would have been (R$210.0) million in 9M21, improvement of R$11.7 million over 9M20.

Net Income/Loss

According to the explanations given in this report, the Company ended 3Q21 with a net loss of (R$66.9) million, mainly due to the negative effect of hedge accounting and exchange rate variation, which has no cash effect. Excluding these effects, the Company would have posted net income for the period.

The loss came to (R152.1) million in 9M21, impacted by non-cash items, hedge accounting and FX variation, as previously mentioned (vs. - R$142.6 million in 9M20).

Cash Generation

In 3Q21, operating cash generated totaled **R$101.0 million** (flat vs. 3Q20), due to the lower EBITDA of the period from the non-recurring and non-structural situations already mentioned in this report, as well as the higher one-off working capital requirements, due to higher receivables related to the take-or-pay contracts, which, due to their nature, are received after the end of the accounting period.

Including investments for expansion and maintenance and the financial cash flow, cash consumed totaled R$149.8 million in 3Q21, as a result of higher investments in the period and other one-off impacts related to adjustments for the atypical draft operation

We closed the quarter with R$397.5 million in cash, **compatible with the Company's future obligations**.

Operating cash generated in 9M21 totaled R$323.3 million (+12.9% vs. 9M20), mainly due to the strong EBITDA increase in 1H21.

Including investments for expansion and maintenance, as well as the financial cash flow, R$648.3 million was consumed in 9M21 (vs. R$192.3 million generated in 9M20), mainly reflecting the disbursement for the acquisition of Imperial Logistics, which complemented the Company's operation with vessels that sail on drafts even lower than the market's average.

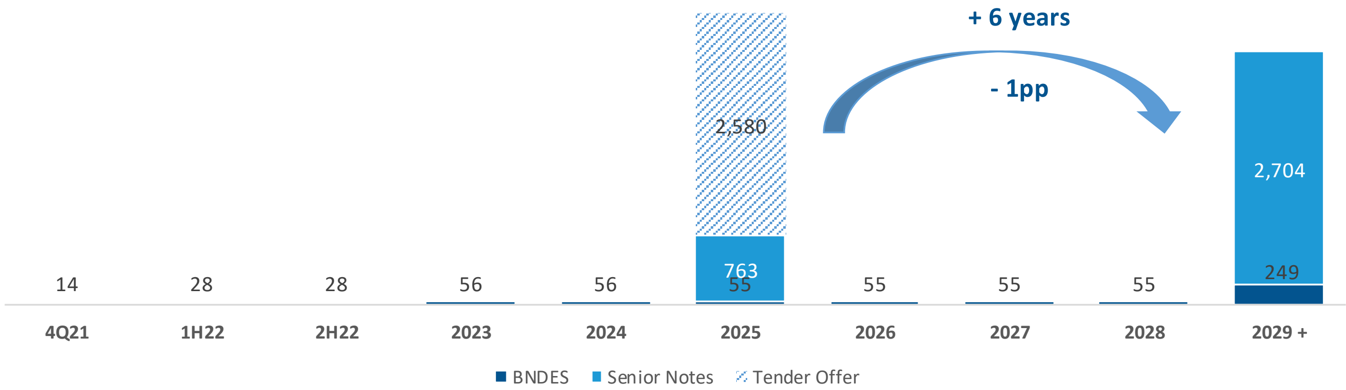
Cash Flow	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
Cash beginning of the period	**547.4**	**1,132.1**	*-51.7%*	**1,045.8**	**974.5**	*7.3%*
(+) EBITDA	102.4	134.4	*-23.8%*	435.2	271.5	*60.3%*
(+/-) Change in working capital	(73.9)	(64.6)	*14.4%*	(203.1)	(144.7)	*40.4%*
(+/-) Hedge Accounting	72.5	31.9	*127.0%*	91.2	159.5	*-42.8%*
= Operating Cash Flow (OCF)	**101.0**	**101.8**	*-0.8%*	**323.3**	**286.3**	*12.9%*
(-) CAPEX	(120.1)	(54.4)	*120.7%*	(352.4)	(173.1)	*103.6%*
Maintanence	(24.9)	*(6.1)*	*306.2%*	*(60.0)*	*(21.3)*	*181.8%*
Expansion	(95.2)	*(48.3)*	*97.2%*	*(292.4)*	*(151.8)*	*92.6%*
(-) M&A	-	-	-	*(484.4)*	-	-
= Investing Cash Flow (ICF)	**(120.1)**	**(54.4)**	*120.7%*	**(836.9)**	**(173.1)**	*383.4%*
(+/-) Debt Issuance/Amortization	(14.5)	(1.5)	-	380.3	(22.9)	-
(-) Interest Payments	(90.7)	(93.5)	*-3.0%*	(213.8)	(188.3)	*13.6%*
(-) Lease Payments	(27.5)	(2.9)	-	(91.2)	(7.0)	-
(-) Bond repurchase	-	(28.3)	-	(113.4)	(100.1)	*13.3%*
(-/+) Dividends Paid/Received	2.8	-	-	2.8	2.0	*41.1%*
(+/-) Contributions of capital	-	51.8	-	-	51.8	-
= Financing Cash Flow (FCF)	**(130.0)**	**(74.4)**	*74.6%*	**(35.5)**	**(264.6)**	*-86.6%*
Impact of exchange rate change on cash balance	(0.7)	61.8	*-101.2%*	(99.3)	343.7	-
= Cash Generation	**(149.8)**	**34.7**	-	**(648.4)**	**192.3**	-
= Cash end of the period	**397.5**	**1,166.9**	-	**397.5**	**1,166.9**	*-65.9%*

Note: In 3Q21, the R$2.8 million difference between CAPEX presented in the cash flow from investments and the CAPEX table presented in this earning release is due to the divergence between cash activation and disbursement for payment of suppliers, as described in Note 31. The difference came to R$24.0 million in 9M21.

Debt

The Company restructured its debt in early 2021, buying back US$425 million in bonds maturing in 2025, replacing them with new bonds maturing in 2031. In addition to lengthening maturity from 4 to 10 years, the Company issued a new debt at 4.950% per year, a significant saving of 100 bps when compared to the previous debt. As a result, the **Company's amortization flows have become even smaller for the coming years, with no significant maturity.**

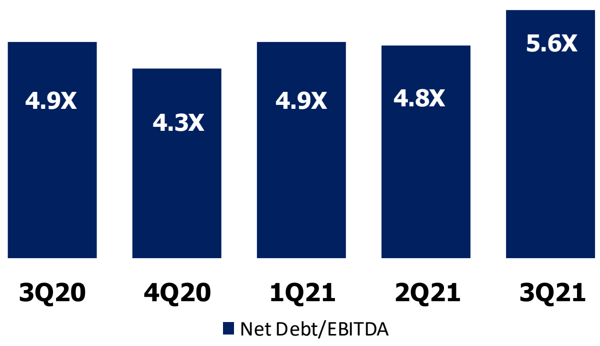
The current amortization schedule is as follows:



The Company's leverage, considering the adjusted EBITDA, stood at 5.6x in 3Q21 (vs. 4.9x in 3Q20), reflecting the challenging and non-manageable scenarios related to the corn crop failure and the atypical draft in the Corumbá region, which supported a cash generation below the potential of these corridors in 3Q21.

It is worth noting that the Company amortized around US$3 million of its debt in 3Q21, and its net debt was higher than in 3Q20, due to the acquisition of Imperial Logistics' operation in the South Corridor, which was fully performed with the Company's cash position, the expected results of which have not yet been observed due to the major draft restrictions in this region.

One of the subsequent events in the quarter was the issue of the first incentive debentures (Law 12.431/2011), totaling R$380 million and maturing between 7 and 10 years – destined to finance the construction of the Santos terminal, reinforcing and providing higher flexibility to its cash position, and which will be reflected in the upcoming earnings release.



**Considers Adjusted EBITDA of last 12 months, which excludes the impact of hedge accounting, equity pickup, and non-recurring items in the quarter.*
NOTE: Due to the Company's debt restructuring, we now analyze the covenant on a consolidated basis and, consequently, the indicator above changed and is calculated based on the Net Debt excluding FX variation adjustments.

DISCLAIMER

This report has forward-looking statements and prospects based on strategies and beliefs for growth opportunities of Hidrovias do Brasil S.A. and its subsidiaries ("Hidrovias" or "Company"), based on the Management's analyses. This means that statements included herein, based on a thorough study of public information made available to the market in general, although considered reasonable by the Company, may not materialize and/or may have imperfections and/or inaccuracies. This disclaimer on the information shown indicates the existence of adverse situations that may impact the expected results so that our expectations might not materialize within the reporting period, as these factors go beyond Hidrovias' control. Therefore, the Company does not guarantee the performance in this presentation and, as a result, does not represent a material offering the purchase and/or subscription of its securities.

SUSTAINABILITY

Inventory of Greenhouse Gases

In October/2021, HBSA completed its 1st inventory of Greenhouse Gases, prepared with the support of Way Carbon and audited by Totum Group. HBSA now has its emissions calculation for Scopes 1 (Operations), 2 (Acquired inputs) and 3 (Associated third party operations). Opportunities for the decarbonization of operations were also proposed and are under study. If those opportunities prove technically and economically viable, we would be able to reduce GHG emissions by up to 50% by 2030. It is worth mentioning the calculation of the Carbon Equivalent Avoided by Hidrovias operations in comparison with the flow of the same cargoes on the road route. For the North Operations, each convoy of 25 barges avoids the emission of 211 tCO2e, reaching approximately 2,110 tCO2e por month. Four the South Operations, each convoy of 16 barges avoids the emission of 242 tCO2e, reaching approximately 3,300 tCO2e per month.

These data demonstrate our contribution to the decarbonization of its customers' supply chain and reinforce our commitment to a low carbon economy, in line with the commitments that have been adopted recently.

ATTACHMENTS

HIDROVIAS DO BRASIL S.A.
STATEMENTS OF INCOME
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020
(In thousands of reais - R$, except earnings/loss per share)

	Consolidated			
	01/07/21 a 30/09/21	01/01/2021 a 30/09/2021	01/07/2020 a 30/09/2020	01/01/2020 a 30/09/2020
Net operating revenue	266,810	933,290	464,738	1,104,455
Cost of services rendered	(221,679)	(634,703)	(329,208)	(884,840)
Gross income	45,131	298,587	135,530	219,615
OPERATING EXPENSES				
General and administrative expenses	(61,032)	(186,649)	(59,475)	(129,768)
Provision for expected credit losses	(374)	(868)		
Equity in net income of subsidiaries	(188)	1,434	(1,819)	(2,294)
Other revenues	44,454	76,304	5,291	24,853
Operating income (loss) before financial income (loss) and ta	27,991	188,808	79,527	112,406
Financial revenues	20,622	52,018	1,906	66,434
Financial expenses	(102,853)	(357,489)	(77,522)	(288,089)
Financial income (loss)	(82,231)	(305,471)	(75,616)	(221,655)
Operating income (loss) before income tax and social contribution	(54,240)	(116,663)	3,911	(109,249)
Income tax and social contribution				
Current	(22,735)	(54,361)	(9,260)	(39,329)
Deferred	10,082	18,931	(3,174)	5,938
Net income (loss) for the period	(66,893)	(152,093)	(8,523)	(142,640)

HIDROVIAS DO BRASIL S.A.
BALANCE SHEETS AT SEPTEMBER 30, 2021 AND
(In thousands of reais – R$)

	Consolidated	
ASSETS	09/30/2021	12/31/2020
Current assets		
Cash and cash equivalents	122,155	214,848
Securities	262,284	816,044
Trade accounts receivable	263,492	147,852
Inventories	88,127	57,051
Recoverable taxes	30,649	44,912
Income tax and social contribution	51,365	42,986
Advances to suppliers	82,005	34,593
Prepayments	49,009	32,149
Related party credits	-	-
Dividends receivable	-	-
Other receivables	43,390	37,076
Total current assets	992,476	1,427,511
Non-current assets		
Linked securities	13,108	14,952
Related party credits	5,509	3,820
Trade accounts receivable	6,400	6,400
Judicial deposits	42,388	40,774
Guarantees and pledge deposits	8,976	9,491
Deferred tax assets	181,215	148,862
Recoverable taxes	82,958	77,588
Income tax and social contribution	38,745	37,373
Advances to suppliers	-	8,358
Prepayments	51,991	29,256
Investments	88,275	74,479
Property, plant and equipment	4,106,486	3,355,604
Right-of-use asset	232,012	157,114
Intangible assets	324,005	322,915
Total non-current assets	5,182,068	4,286,986
Total assets	6,174,544	5,714,497

HIDROVIAS DO BRASIL S.A.
BALANCE SHEETS AT SEPTEMBER 30, 202
(In thousands of reais – R$)

	Consolidated	
LIABILITIES AND SHAREHOLDERS' EQUITY	09/30/2021	12/31/2020
Current liabilities		
Suppliers	128,038	68,506
Loans and financing	101,782	185,954
Social charges and labor legislation obligati	49,410	39,460
Lawsuits	14,516	9,794
Taxes payable	27,419	26,241
Income tax and social contribution	54,065	67,622
Accounts payable with related parties	-	-
Advance from clients	3,992	7,315
Dividends payable	281	237
Lease liabilities	73,991	14,446
Obligation with concession - grant	21,466	18,547
Other accounts payable	42,416	7,841
Total current liabilities	517,376	445,963
Non-current liabilities		
Loans and financing	4,017,085	3,537,180
Accounts payable with related parties	-	-
Lease liabilities	171,149	150,301
Obligation with concession - grant	41,259	55,226
Total non-current liabilities	4,229,493	3,742,707
SHAREHOLDERS' EQUITY		
Capital	1,334,584	1,334,584
Capital reserves	34,176	34,176
Retained earnings (loss)	(173,138)	(21,046)
Equity valuation adjustment	232,053	178,113
Total shareholders' equity	1,427,675	1,525,827
Total liabilities and shareholders' equity	6,174,544	5,714,497

HIDROVIAS DO BRASIL S.A.
STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED SEPTEMBER 30, 2021 AND 2020
(In thousands of reais – R$)

	Consolidated	
	09/30/2021	09/30/2020
Cash flow from operating activities		
Loss for the period	(152,093)	(142,640)
Adjustments to reconcile loss for the year with		
net cash generated by (invested in) in operating activities:		
Provision for bonus	13,091	18,548
Adjustment to present value of lease and concession	7,824	-
Current and deferred income tax and social contribution	35,430	33,391
Bargain purchase income (loss)	-	-
(Formation) Reversal of provision for contingency	4,721	188
Interest incurred on loans	158,156	161,118
Reversal of loan funding costs	29,301	3,541
Inflation adjustments and exchange-rate changes	14,894	102,186
Earned interest - lease and concession	8,431	1,467
Surplus of acquired assets	(37,832)	-
Yield of interest earning bank deposit	(24,874)	(64,162)
Depreciation and amortization	170,469	152,602
Amortization from right-of-use asset	71,248	6,507
Equity in net income of subsidiaries	(1,434)	2,294
Formation of provision for losses	868	-
Revenue realized from hedge	91,247	159,499
Stock option plan with equity securities	-	16,646
Inst. loss	-	-
(Increase) decrease in operating assets:		
Accounts receivable	(102,400)	(71,433)
Inventories	(22,863)	(16,563)
Recoverable taxes	12,930	(35,578)
Advances to suppliers	(35,356)	(280)
Prepayments	(45,322)	(11,219)
Judicial deposits	(1,614)	(1,504)
Guarantees and pledge deposits	515	(2,557)
Other receivables	(4,844)	2,868
Increase (decrease) in operating liabilities:		
Suppliers	22,888	34,141
Risk payment (drawee)	-	-
Social charges and labor legislation obligations	(7,068)	(490)
Taxes payable	847	4,289
Advances from clients	(7,505)	(26,284)
Other accounts payable	16,349	10,301
Payment of interest on loans and financing	(213,819)	(188,303)
Income tax and social contribution paid	(73,765)	(34,733)
Net cash (invested in) from operating activities	(71,580)	113,840
Cash flows from investment activities		
Acquisition of fixed assets	(338,639)	(162,238)
Acquisition of intangible assets	(13,785)	(10,727)
Acquisition of subsidiary, net of acquired cash in consolidated	(468,201)	-
Securities (investment)	(1,559,938)	(1,508,395)
Securities (redemptions)	2,166,573	1,612,593
Dividends received	2,762	6,316
Loan granted between related parties	-	(4,145)
Capital increase (decrease) in subsidiaries	-	-
Advances to suppliers	-	25,574
Net cash generated by (invested in) investment activities	(211,228)	(41,022)
Cash flows from financing activities		
Borrowings	2,848,650	-
Funding cost	(113,441)	-
Concession lease	(18,141)	-
Lease paid	(73,088)	(7,041)
Amortization of principal - loans	(2,468,397)	(22,850)
Pledged financial investments	-	(4,655)
Payment of dividends	-	(4,359)
Bond repurchase	-	(100,101)
Loan granted between related parties	-	-
Other accounts payable with related parties	(9,163)	-
Capital contribution from shareholders	-	51,786
Net cash (invested in) generated by financing activities	166,420	(87,220)
Effect of changes in exchange rate on balance of cash and cash equivalents in foreign currency	23,162	10,511
Decrease / increase in cash and cash equivalents	(93,226)	(3,891)
Cash and cash equivalents at the beginning of the period	214,848	45,166
Cash and cash equivalents at the end of the period	121,622	41,275
Decrease / increase in cash and cash equivalents	(93,226)	(3,891)