Operator

Good morning, everyone. Welcome to Hidrovias do Brasil's earnings conference call for the fourth quarter of 2025. Joining us today are Mr. Décio Amaral, Chief Executive Officer, and Mr. André Hachem, Chief Financial Officer and Investor Relations Officer.

This event is being recorded and will be available on the Company's Investor Relations website. Following management's remarks, there will be a Q&A session, when further instructions will be provided.

Please note that simultaneous translation is available on the platform. To access it, simply click on the "Interpretation" button at the bottom of the screen and select your preferred language.

Before proceeding, we would like to emphasize that forward-looking statements are based on the beliefs and assumptions of Hidrovias' management and on information currently available to the Company. These statements may involve risks and uncertainties, as they relate to future events and therefore depend on circumstances that may or may not occur.

Investors and analysts should consider that events related to the macroeconomic environment, the industry, and other factors may cause actual results to differ materially from those expressed in such forward-looking statements.

With that said, I would now like to turn the call over to Mr. Décio Amaral to begin the presentation.

Décio Amaral

Good morning everyone and thank you for joining our 4Q25 earnings call.

Before discussing the numbers, I would like to start by framing 2025 as a year of structural changes for Hidrovias do Brasil. It was a period of significant transformation that reshaped our governance, capital structure and long-term ambition.

We completed the capital increase and consolidated Ultrapar as the controlling shareholder — a decisive step to ensure long-term corporate stability, strengthen strategic discipline and create the conditions for sustainable value creation over the coming years. This movement was also accompanied by an important renewal of the executive leadership team, reinforcing our execution capabilities and our focus on the core business.

Within this context, during the last quarter we also concluded the sale of the Coastal Shipping operation.

This was an important step in optimizing our portfolio, allowing us to redirect capital and efforts to

businesses with greater operational synergies, higher returns and stronger alignment with our long-term strategy.

From an operational standpoint, 2025 marked a consistent recovery in our results. For the first time we surpassed the R$1 billion threshold in recurring Adjusted EBITDA, reaching R$1.125 billion for the year, representing 95% growth compared to 2024.

We transported nearly 18 million tons, 22% above the previous year, reflecting hydrological normalization, operational improvements and structural advances across our operations.

On the financial side, we also conducted a robust repositioning of our balance sheet. We reduced leverage from 7.0x at the end of 2024 to 2.3x at the end of 2025, following the elimination of FX exposure, reduction

in the cost of debt, the capital increase and the operational recovery.

This marks the beginning of a consistent trajectory of improved returns and reinforces the start of a new cycle for the Company.

André Hachem

Thank you, Décio, and good morning everyone.

Before starting, I would like to highlight that the earnings release is presented on a pro forma basis, including the results of the Coastal Shipping operation through October, since the sale was concluded on November 1st.

Let's begin with the North Corridor results on slide 7.

In the fourth quarter, we transported 1.8 million tons, with recurring EBITDA of R$123 million and a 54% margin, reversing the negative results from the same period last year, reflecting improved navigability conditions.

For the full year, we reached a record volume of 8 million tons, with a higher share of grains, particularly in direct trucking. Recurring EBITDA totaled R$662 million in 2025, 43% above 2024, with a 60% margin.

Looking at the beginning of 2026, despite favorable navigation conditions and strong crop prospects, we are facing relevant challenges in truck reception at the ETC terminal.

The high flow of trucks on the access road, combined with heavy rainfall in recent weeks and road interruptions related to paving works — which represent the structural solution to this bottleneck — have impacted the reception cycle and operational flow.

As a result, we are currently seeing results below those observed in the same period last year.

Moving on to slide 8, the South Corridor.

We operated the quarter with improved navigation conditions on the Paraná-Paraguay Waterway, following the trend seen in the first nine months of the year and reflecting a recovery in volumes compared to 2024, mainly driven by iron ore.

In the quarter, we transported 893 thousand tons, in line with seasonal patterns, with recurring EBITDA of R$36 million and an 18% margin, above last year due to higher volumes and a better mix.

For the full year, volume reached a record level of nearly 5 million tons, 78% above 2024, driven by improved navigation conditions. Recurring EBITDA totaled R$422 million, with a 43% margin, the highest in the Company's history, reflecting the recovery in iron ore volumes and cost dilution from higher asset utilization.

Looking at the beginning of 2026, the South Corridor operated with more normalized navigability conditions. However, some restrictions remain, limiting iron ore loading per convoy.

Given these limitations, and considering a stronger comparison base in the first quarter of 2025, we expect weaker results in 1Q26.

Moving on to slide 9, we present the results of the Santos operation.

In the quarter, we handled 647 thousand tons, 27% above the same period last year, mainly driven by a higher share of fertilizers. Recurring EBITDA totaled R$23 million, with a 45% margin, 10 percentage points above last year, supported by higher volumes and a better mix, as fertilizers have higher tariffs and accounted for 83% of total volume in the fourth quarter, compared to 62% in the prior year.

For the full year, Santos handled 2 million tons, 17% above 2024, with recurring EBITDA of R$58 million, representing a modest 4% increase year-over-year, reflecting the consolidation of the salt operation, with higher volumes but lower tariffs compared to fertilizers.

Looking at the beginning of 2026, we remain positive on Santos, expecting slightly better results compared to the last quarter, driven by both internal improvement initiatives and a more competitive logistics environment for fertilizers.

Briefly discussing the Coastal Shipping operation, please move to slide 10.

As Décio mentioned, we completed the sale of this operation in early November. Therefore, the figures presented here reflect results only through October.

In the quarter, we transported 224 thousand tons, and 2.7 million tons for the full year. Recurring adjusted EBITDA totaled R$13 million in the quarter and R$88 million for the year, reflecting the impact of dry docking, lower operational capacity during the period, and non-recurring items associated with the sale process.

With that, we now move on to the Company's consolidated results. Please turn to slide 12.

In the quarter, we handled 3.6 million tons, a 65% increase year-over-year, mainly driven by higher volumes in the North and South Corridors. Net operating revenue totaled R$509 million, compared to R$265 million in 4Q24, reflecting higher volumes, a better mix in both corridors, and the contribution from higher volumes in Santos, which more than offset the impact of the divestment of the coastal shipping operation.

Recurring adjusted EBITDA totaled R$160 million in the quarter, reflecting the same factors mentioned earlier.

For the full year 2025, net operating revenue reached R$2.5 billion, up 41%, and recurring adjusted EBITDA reached a record R$1.1 billion, a 95% increase year-over-year, mainly reflecting improved navigation conditions and operational improvements implemented throughout the year.

Moving on to slide 13, in 4Q25 we reported a net loss of R$361 million. This result was impacted by non-recurring items, mainly accounting write-offs related to the Coastal Shipping operation, as well as client indemnities and compensations.

It is important to highlight that these write-offs and impairments are purely accounting effects, with no cash impact and no relation to the operational cash generation of the period.

For the full year, net loss totaled R$141 million, a 75% improvement compared to 2024, reflecting the operational recovery and normalization of navigation conditions.

Cash generation from operations reached R$1.1 billion in 2025, the highest level ever recorded by the Company, following improved results, ongoing corporate reorganization, and better financial and tax planning.

Finally, on slide 14, we present the financial results for the period, with net debt/EBITDA at 2.3x, a reduction of 4.7x compared to 2024.

This deleveraging reflects the capital increase completed in May, improved operating results, and the sale of the Coastal Shipping operation. We also remain committed to reducing FX exposure and extending the debt maturity profile, with an average tenor of 4.9 years and a cost of 106% of CDI.

For the first time, we closed the year below our debt covenants, reinforcing the consolidation of Hidrovias' new capital structure.

With that, I conclude my remarks and, together with Décio, remain available for the Q&A session. Thank you very much.

Operator

We will now begin the Q&A session. If you would like to ask a question, please click on the Q&A icon at the bottom of your screen and type your question. If you prefer to ask a question via microphone, please click on "Raise Hand".

Our first question comes from João Ramiro from XP. João, your microphone is now open.

João Ramiro

Good morning, Décio. Good morning, Hachem. Good morning, everyone. Thank you for taking my question.Hachem mentioned client indemnities during the quarter — could you provide more color on what that refers to? Also, regarding the access road, we've seen this driving significant pressure on trucking freight rates, and we would like to understand how this affects the Company's competitive positioning for 2026 in terms of tariffs and volumes. Lastly, on dredging, we've seen news about the government suspending dredging activities on the Tapajós River — do you see this as a structural risk? And regarding capital allocation, how are the modular projects progressing, and how are you thinking about the balance between advancing more structural projects, such as the "Dobra TUP", versus potentially paying dividends? Thank you very much.

Décio Amaral

Good morning, João. Thank you for your question.

Regarding the access road and dredging, as we've mentioned before, the definitive solution for the access road is the construction of a new road — a fully paved and better-designed route — which is currently under execution and expected to be completed by the end of this year. So, this is a transition year, and we expect a somewhat better situation compared to last year. We are paving two of the main slopes to improve traffic flow, and at the same time, we have implemented a joint scheduling system among the main operators in the region — this started about 15 days ago. Unfortunately, these works have been slightly delayed compared to our original expectations, so we are entering the harvest season with ongoing construction, which is causing some road interruptions. As a result, the beginning of the year should still be somewhat challenging, but conditions should gradually improve over the coming months, with a definitive solution expected by the end of the year, ahead of the next harvest. In the short term, this does create tariff pressure. We have been mindful of this and are working closely with our clients to preserve the competitiveness of our corridor.

Regarding dredging, I was personally in Brasília last week, meeting with ministries and members of Congress. There was broad disappointment with the government's decision to revoke the decree, but let me provide some context. First, the decree does not pose any short-term risk to the concession project. All required studies will continue, as already confirmed by the Ministry. In a moment of heightened pressure — including related to the Cargill area — this decision was taken. As for dredging itself, there seems to have been some miscommunication. The dredging that had been tendered is routine maintenance dredging, which is regularly carried out on rivers. Notably, dredging on the Madeira River was not canceled. We will continue to monitor river levels together with the government and regulatory agencies, and if dredging becomes necessary — which was not the case in 2025 — the process should be resumed promptly. So, structurally, there is no interruption to concession studies or long-term dredging efforts. Monitoring remains in place, and dredging will be resumed if needed. At this point, we do not see any major risks.

I will now turn it over to Hachem to address client indemnities and capital allocation.

André Hachem

Hi João, how are you?

Regarding non-recurring items, throughout 2025 we identified issues related to a specific client operation. As a result, we decided to compensate this client.

This was mainly related to the product within our system — it was a wetter harvest, and the issue was quite localized. This is expected to be limited to this single client, and from a long-term perspective, we chose to reach an agreement. We are also pursuing recovery through other avenues — part of these items may be covered by insurance, so we expect to recover a portion of these amounts going forward.

On capital allocation, we have seen deleveraging throughout the year, supported by improved results and the capital increase. We are now at 2.3x net debt/EBITDA, which we view as a more comfortable level going forward. There are still some uncertainties regarding draft conditions, so we may remain slightly below this level. Once we have greater visibility on dredging effectiveness and climate resilience, we believe we can move back toward a 2.0x–2.5x range.

Regarding investments, we commissioned Cábrea in 4Q — commissioning started in late December, and we are currently running tests. It should be fully operational over the coming months. As for the Tipper, construction remains ongoing. Our investment plan is largely concentrated on this project. Commissioning is expected to begin in the second half of the year, likely in the third quarter, with full ramp-up expected by late 4Q or early 2027. This will complement both TUP capacity and ETC reception capacity.

João Ramiro

Very clear, thank you very much.

Operator

Our next question comes from Pedro Tineo from Itaú BBA:

Pedro Tineo

Good morning, everyone. Could you provide more details on the main drivers behind the strong volume performance in 4Q25? Should this be considered the "new normal" for the fourth quarter (excluding Cábrea for now)? Also, how could the constraints at the ETC impact volumes in 2026? Are there ways to mitigate this issue? And if I may add one more question — could you provide more details on the non-recurring items in the North Corridor?

Décio Amaral

Pedro, thank you for your question.

I believe 4Q was a quarter where, given the challenges brought by the new corn dynamics — particularly due to reference prices set by the corn ethanol industry — we were able to negotiate well with our clients, offering value in exchange for differentiated volumes that allowed us to operate more efficiently. We also had very favorable conditions at the access road during the quarter, and we took the opportunity to test new operational configurations that we believed would improve productivity — and from that perspective, it was successful. That said, it is still too early to say this represents a new normal in the short term. However, we are confident that the productivity initiatives we are developing will materialize, and as we remove some operational bottlenecks — such as the access road — we should see a new level of normalized volumes over time.

Regarding the ETC, as mentioned in the previous answer, we are implementing short-term measures, including temporary paving of two key ramps, a joint scheduling system among operators to better coordinate truck inflows, and leasing third-party capacity. There will be some cost increase in the short term, but this also provides greater flexibility to our clients, allowing us to partially bypass the access road constraints. In summary, we have contingency measures in place for this year, but as mentioned earlier, the definitive solution will come in time for the next harvest.

Operator

Our next question comes from Gabriel Frazão from BofA. Sir, your microphone is now open:

Gabriel Frazão

Good morning, Décio and Hachem. Thank you for taking my question.

Could you comment on the current status of tariff negotiations for this year? In recent years, the Company has entered the year fully contracted — should we expect the same dynamic this year? Also, is it still feasible to deliver real tariff increases even with additional capacity coming online? And as a follow-up on indemnities — were any of these allocated to the North Corridor revenue line? Would that help explain part of the tariff decline in that segment, despite the price adjustments you implemented and the higher share of integrated system volumes?

André Hachem

Thank you for your questions.

The indemnities do not flow through revenue. What you are seeing is mainly what Décio mentioned — a strategy we adopted to capture higher corn volumes, which explains the revenue dynamics in the fourth quarter and was the main driver behind the volume recovery.

Regarding our commercial strategy, as we've mentioned in previous calls, we do not comment on specific client negotiations. What we can say is that the Company historically operated under a fully contracted model, but we are revisiting parts of this approach. As a result, it should not be expected that Hidrovias will enter every year fully contracted, as it did in the past, as we are adopting greater flexibility in this regard.

Gabriel Frazão

Perfect, very clear. Thank you.

Operador

This concludes today's Q&A session. I would now like to invite Mr. Décio Amaral to proceed with his closing remarks. Please go ahead.

Décio Amaral

I would like to thank everyone for your participation and for your questions. I hope we have been clear and have addressed your main points. We look forward to speaking with you again next quarter to discuss our first quarter 2026 results. Thank you all and have a great day.

Operador

This concludes today's conference. Thank you all for your participation, and have a great day.