



# Hidroviás do Brasil

**3Q21**  
RESULTS

São Paulo, November 16, 2021 – Hidroviás 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.

**Hidroviás 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. %
<b>Net Revenue</b>	<b>266.8</b>	<b>464.7</b>	<b>-42.6%</b>	<b>933.3</b>	<b>1,104.5</b>	<b>-15.5%</b>
Net Operating Revenue <sup>1</sup>	338.6	364.8	-7.2%	1,022.5	951.7	7.4%
Net Operating Revenue "Road Transportation (OTM)" <sup>2</sup>	0.7	131.9	-99.5%	2.0	312.3	-
Hedge Accounting <sup>3</sup>	(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)" <sup>2</sup>	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 <sup>4</sup>	44.5	5.3	-	76.3	24.9	-
Equity Accounting	(0.2)	(1.8)	-89.6%	1.4	(2.3)	-
<b>EBITDA</b>	<b>102.4</b>	<b>134.4</b>	<b>-23.8%</b>	<b>435.2</b>	<b>271.5</b>	<b>60.3%</b>
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 <sup>5</sup>	0.8	29.9	-97.3%	1.9	45.1	-95.9%
<b>Adjusted EBITDA</b>	<b>175.8</b>	<b>198.1</b>	<b>-11.2%</b>	<b>526.9</b>	<b>478.4</b>	<b>10.1%</b>
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%
<b>Adjusted EBITDA Including JVs<sup>6</sup></b>	<b>180.2</b>	<b>202.0</b>	<b>10.5%</b>	<b>542.6</b>	<b>493.6</b>	<b>10.5%</b>
Margin %	53.2%	55.4%	-2.2 p.p.	53.1%	51.9%	1.2 p.p.

<sup>1</sup> Net Operating Revenue: refers to the net revenue from shipping, transshipment, and lifting of products at the terminals where the Company operates;

<sup>2</sup> 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;

<sup>3</sup> 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;

<sup>4</sup> 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;

<sup>5</sup> 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;

<sup>6</sup> 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 Corridor.

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 Hidroviás 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. %
<b>North Corridor</b>	<b>1,177</b>	<b>1,958</b>	-39.9%	<b>4,390</b>	<b>5,451</b>	-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" <sup>1</sup>	224	271	-17.2%	898	890	0.9%

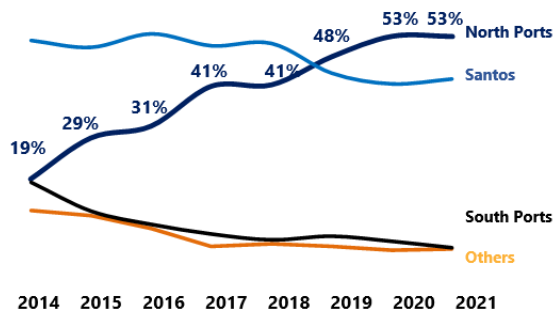
<sup>1</sup> "Direct Road" refers to grain volumes transported by road directly to the Barcarena TUP, and is presented isolated, as it is not part of the Company's integrated system.

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: Comestat \*2021: Jan-Sep

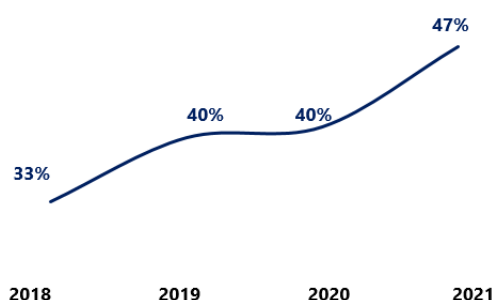


Even amidst so many challenges in the period, the “North Arc (Arco Norte)” is still the most competitive way to ship the export grains produced in the Mato Grosso State, so much so that year after year it has been gaining share of the traditional routes.

Within this context, Hidroviás 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 (3<sup>rd</sup> 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 Hidroviás’ 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%
<b>HBSA's total area of influence</b>	<b>12.1</b>	<b>13.4</b>	<b>13.2</b>	<b>13.8</b>	<b>4.4%</b>
Other region	20.2	22.0	22.8	23.6	3.4%
<b>Total in MT</b>	<b>32.3</b>	<b>35.4</b>	<b>36.0</b>	<b>37.4</b>	<b>3.8%</b>

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 Hidroviás’ 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%
<b>HBSA's total area of influence</b>	<b>14.9</b>	<b>16.6</b>	<b>14.6</b>	<b>18.1</b>	<b>24.0%</b>
Other region	17.5	18.8	18.0	21.5	19.5%
<b>Total in MT</b>	<b>32.4</b>	<b>35.4</b>	<b>32.6</b>	<b>39.6</b>	<b>21.5%</b>

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. %
<b>Net Revenue<sup>1</sup></b>	<b>162.9</b>	<b>288.7</b>	<b>-43.6%</b>	<b>463.3</b>	<b>727.6</b>	<b>-36.3%</b>
Net Operating Revenue	162.2	156.7	3.5%	461.3	415.3	11.1%
Net Operating Revenue "Road Transportation (OTM)" <sup>2</sup>	0.7	131.9	-	2.0	312.3	-
<b>Operating Costs</b>	<b>(53.6)</b>	<b>(184.8)</b>	<b>-71.0%</b>	<b>(161.2)</b>	<b>(471.3)</b>	<b>-65.8%</b>
Operating Costs	(53.7)	(53.1)	1.1%	(160.1)	(157.2)	1.9%
Operating Costs "Road Transportation (OTM)" <sup>2</sup>	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%
<b>EBITDA</b>	<b>96.1</b>	<b>95.4</b>	<b>0.7%</b>	<b>298.9</b>	<b>248.2</b>	<b>20.4%</b>
Margin %	59.3%	60.9%	-1.6 p.p.	64.8%	59.8%	5.0 p.p.
Non recurring <sup>3</sup>	7.8	3.8	104.8%	7.7	5.3	43.8%
<b>Adjusted EBITDA</b>	<b>104.0</b>	<b>99.2</b>	<b>4.8%</b>	<b>306.6</b>	<b>253.6</b>	<b>20.9%</b>
Margin %	64.1%	63.3%	0.8 p.p.	66.5%	61.1%	5.4 p.p.

<sup>1</sup> North Corridor's Net Revenue excludes "intercompany" to facilitate the understanding of the results;

<sup>2</sup> "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");

<sup>3</sup> 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. %
<b>Coastal Navigation (Cabotage)</b>	<b>819</b>	<b>1,040</b>	<b>-21.2%</b>	<b>1,819</b>	<b>2,898</b>	<b>-37.2%</b>
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. %
<b>Net Revenue</b>	<b>52.9</b>	<b>60.1</b>	<b>-11.9%</b>	<b>152.4</b>	<b>153.4</b>	<b>-</b>
Net operating Revenue	58.1	60.1	-3.3%	168.6	158.7	6.3%
Hedge Accounting <sup>1</sup>	(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 <sup>2</sup>	3.6	4.8	-25.7%	7.5	12.5	-39.9%
<b>EBITDA</b>	<b>26.3</b>	<b>38.6</b>	<b>-31.9%</b>	<b>78.2</b>	<b>92.2</b>	<b>-15.2%</b>
Margin %	45.2%	64.2%	-19.1 p.p.	46.4%	58.1%	-11.7 p.p.
Hedge Accounting <sup>1</sup>	5.1	-	-	16.3	5.3	-
Non recurring <sup>3</sup>	1.8	-	-	1.8	-	-
<b>Adjusted EBITDA</b>	<b>33.2</b>	<b>38.6</b>	<b>-14.0%</b>	<b>96.2</b>	<b>97.5</b>	<b>-1.3%</b>
Margin %	57.1%	64.2%	-7.1 p.p.	57.1%	61.4%	-4.3 p.p.

<sup>1</sup> 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.

<sup>2</sup> 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;

<sup>4</sup> 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. %
<b>South Corridor</b>	<b>1,088</b>	<b>798</b>	<b>36.4%</b>	<b>3,039</b>	<b>2,375</b>	<b>27.9%</b>
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 <sup>1</sup>	-	6	-	-	71	-
<b>TOTAL (ex-JV)</b>	<b>840</b>	<b>565</b>	<b>48.7%</b>	<b>2,311</b>	<b>1,659</b>	<b>39.3%</b>
JVs <sup>2</sup>	248	233	6.6%	727	716	1.5%

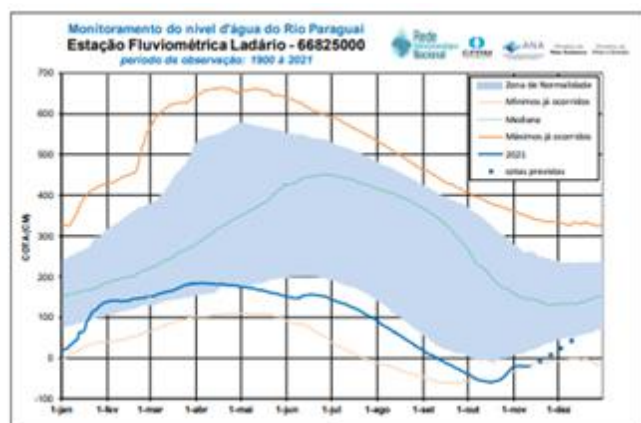
<sup>1</sup> Others: Refers to the transportation of other products such as pulp and coke.

<sup>2</sup> 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. %
<b>Net Revenue<sup>1</sup></b>	<b>51.0</b>	<b>98.6</b>	<b>-48.3%</b>	<b>294.3</b>	<b>198.8</b>	<b>48.1%</b>
Net Operating Revenue	118.3	130.5	-9.3%	369.3	353.0	4.6%
Hedge Accounting <sup>2</sup>	(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 <sup>3</sup>	37.0	-	-	37.5	0.1	-
Equity Accounting	1.2	(1.8)	-	3.1	(2.3)	-
<b>EBITDA</b>	<b>(13.7)</b>	<b>37.5</b>	<b>-</b>	<b>89.9</b>	<b>16.2</b>	<b>456.4%</b>
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 <sup>4</sup>	8.2	1.6	-	15.1	3.0	-
<b>Adjusted EBITDA</b>	<b>60.6</b>	<b>72.8</b>	<b>-16.8%</b>	<b>176.9</b>	<b>175.7</b>	<b>0.7%</b>
Margin %	51.3%	55.8%	-4.5 p.p.	47.9%	49.8%	-1.9 p.p.
JV's EBITDA <sup>5</sup>	4.4	3.9	12.7%	15.7	15.2	3.6%
<b>Adjusted EBITDA Including JVs</b>	<b>65.0</b>	<b>76.8</b>	<b>-15.3%</b>	<b>192.6</b>	<b>190.9</b>	<b>0.9%</b>
Margin %	55.0%	58.8%	-3.8 p.p.	52.2%	54.1%	-1.9 p.p.

<sup>1</sup> The South Corridor's Net Revenue excludes the “Intercompany” effect for the better understand of the result;

<sup>2</sup> 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;

<sup>3</sup> 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 Logistics, in the amount of R\$37 million.

<sup>4</sup> 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.

<sup>5</sup> 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. %
<b>Santos</b>	-	<b>249</b>	-	<b>332</b>	<b>400</b>	-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:

<b>Santos</b>	<b>3Q21</b>	<b>3Q20</b>	<b>Ch. %</b>	<b>9M21</b>	<b>9M20</b>	<b>Ch. %</b>
<b>Net Revenue</b>	-	<b>17.8</b>	-	<b>23.3</b>	<b>25.0</b>	<b>-7.1%</b>
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	-	-	-	-	-	-
<b>EBITDA</b>	<b>0.6</b>	<b>3.9</b>	-	<b>6.7</b>	<b>(1.3)</b>	-
Margin %	-	22.1%	-	29.0%	-	-
Non recurring <sup>1</sup>	0.5	-	-	0.7	0.3	-
<b>Adjusted EBITDA</b>	<b>1.2</b>	<b>3.9</b>	-	<b>7.4</b>	<b>(1.0)</b>	-
Margin %	-	22.1%	-	31.9%	-	-

<sup>1</sup>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 margin** 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

<b>Holding</b>	<b>3Q21</b>	<b>3Q20</b>	<b>Ch. %</b>	<b>9M21</b>	<b>9M20</b>	<b>Ch. %</b>
Operating Expenses (Revenues)	(8.4)	(40.6)	-79.3%	(46.4)	(83.4)	-44.3%
<b>EBITDA</b>	<b>(8.4)</b>	<b>(40.6)</b>	<b>-79.3%</b>	<b>(46.4)</b>	<b>(83.4)</b>	<b>-44.3%</b>
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)	-	-
<b>Adjusted EBITDA</b>	<b>(23.1)</b>	<b>(16.1)</b>	<b>43.5%</b>	<b>(60.3)</b>	<b>(46.9)</b>	<b>28.6%</b>

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	-	-
<b>CAPEX Total</b>	<b>122.9</b>	<b>55.8</b>	<b>120.4%</b>	<b>860.8</b>	<b>203.8</b>	<b>322.4%</b>

<sup>1</sup>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. %
<b>Net Revenue</b>	<b>266.8</b>	<b>464.7</b>	<b>-42.6%</b>	<b>933.3</b>	<b>1,104.5</b>	<b>-15.5%</b>
Net Operating Revenue <sup>1</sup>	338.6	364.8	-7.2%	1,022.5	951.7	7.4%
Net Operating Revenue "Road Transportation (OTM)" <sup>2</sup>	0.7	131.9	-99.5%	2.0	312.3	-99.3%
Hedge Accounting <sup>3</sup>	(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)" <sup>2</sup>	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 <sup>4</sup>	44.5	5.3	-	76.3	24.9	-
Equity Accounting	(0.2)	(1.8)	-89.6%	1.4	(2.3)	-
<b>EBITDA</b>	<b>102.4</b>	<b>134.4</b>	<b>-23.8%</b>	<b>435.2</b>	<b>271.5</b>	<b>60.3%</b>
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%
<b>EBIT</b>	<b>28.0</b>	<b>79.6</b>	<b>-64.8%</b>	<b>188.8</b>	<b>112.4</b>	<b>68.0%</b>
Financial Results	(82.2)	(75.6)	8.7%	(305.5)	(221.7)	37.8%
<b>Net Income before taxes and social contribution</b>	<b>(54.2)</b>	<b>4.0</b>	<b>-</b>	<b>(116.7)</b>	<b>(109.2)</b>	<b>6.8%</b>
Income Tax and Social Contribution	(12.7)	(12.4)	1.8%	(35.4)	(33.4)	6.1%
<b>Net Income/Loss</b>	<b>(66.9)</b>	<b>(8.5)</b>	<b>-</b>	<b>(152.1)</b>	<b>(142.6)</b>	<b>6.6%</b>

<sup>1</sup> Net Operating Revenue: refers to the net revenue from shipping, transshipment, and lifting of products at the terminals where the Company operates;

<sup>2</sup> 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");

<sup>3</sup> 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 long-term agreements in foreign currency. This procedure has no cash impact;

<sup>4</sup> 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)	-
<b>Financial Results</b>	<b>(82.2)</b>	<b>(75.6)</b>	<b>8.7%</b>	<b>(305.5)</b>	<b>(221.7)</b>	<b>37.8%</b>

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.

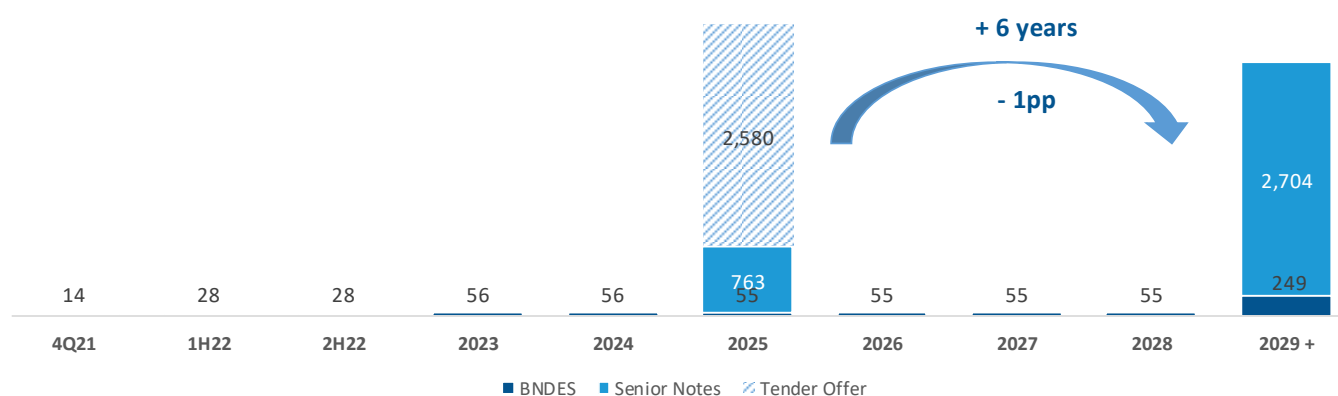
Cash Flow	3Q21	3Q20	Ch. %	9M21	9M20	Ch. %
<b>Cash beginning of the period</b>	<b>547.4</b>	<b>1,132.1</b>	<b>-51.7%</b>	<b>1,045.8</b>	<b>974.5</b>	<b>7.3%</b>
(+) EBITDA	102.4	134.4	-23.8%	435.2	271.5	60.3%
(+/-) Change in working capital	(73.9)	(64.6)	14.4%	(203.1)	(144.7)	40.4%
(+/-) Hedge Accounting	72.5	31.9	127.0%	91.2	159.5	-42.8%
<b>= Operating Cash Flow (OCF)</b>	<b>101.0</b>	<b>101.8</b>	<b>-0.8%</b>	<b>323.3</b>	<b>286.3</b>	<b>12.9%</b>
(-) CAPEX	(120.1)	(54.4)	120.7%	(352.4)	(173.1)	103.6%
Maintenance	(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)	-	-
<b>= Investing Cash Flow (ICF)</b>	<b>(120.1)</b>	<b>(54.4)</b>	<b>120.7%</b>	<b>(836.9)</b>	<b>(173.1)</b>	<b>383.4%</b>
(+/-) 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	-
<b>= Financing Cash Flow (FCF)</b>	<b>(130.0)</b>	<b>(74.4)</b>	<b>74.6%</b>	<b>(35.5)</b>	<b>(264.6)</b>	<b>-86.6%</b>
Impact of exchange rate change on cash balance	(0.7)	61.8	-101.2%	(99.3)	343.7	-
<b>= Cash Generation</b>	<b>(149.8)</b>	<b>34.7</b>	<b>-</b>	<b>(648.4)</b>	<b>192.3</b>	<b>-</b>
<b>= Cash end of the period</b>	<b>397.5</b>	<b>1,166.9</b>	<b>-</b>	<b>397.5</b>	<b>1,166.9</b>	<b>-65.9%</b>

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.**

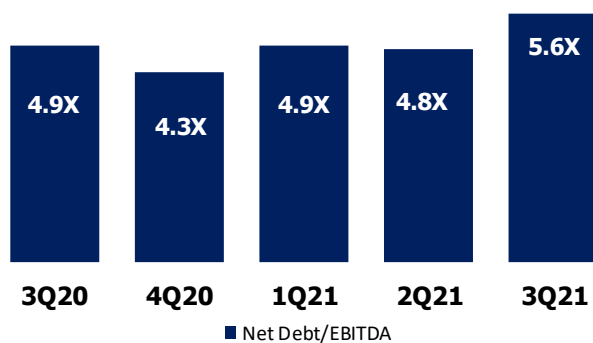
The current amortization schedule is as follows:



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 Hidroviás do Brasil S.A. and its subsidiaries ("Hidroviás" 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 Hidroviás' 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 1<sup>st</sup> 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 Hidroviás 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 tCO<sub>2</sub>e, reaching approximately 2,110 tCO<sub>2</sub>e per month. For the South Operations, each convoy of 16 barges avoids the emission of 242 tCO<sub>2</sub>e, reaching approximately 3,300 tCO<sub>2</sub>e 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\$)

ASSETS	Consolidated	
	<u>09/30/2021</u>	<u>12/31/2020</u>
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	<u>992,476</u>	<u>1,427,511</u>
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	<u>5,182,068</u>	<u>4,286,986</u>
Total assets	<u>6,174,544</u>	<u>5,714,497</u>

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

LIABILITIES AND SHAREHOLDERS' EQUITY	Consolidated	
	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
<b>Cash flow from operating activities</b>		
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)
<b>Net cash (invested in) from operating activities</b>	<b>(71,580)</b>	<b>113,840</b>
<b>Cash flows from investment activities</b>		
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
<b>Net cash generated by (invested in) investment activities</b>	<b>(211,228)</b>	<b>(41,022)</b>
<b>Cash flows from financing activities</b>		
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
<b>Net cash (invested in) generated by financing activities</b>	<b>166,420</b>	<b>(87,220)</b>
Effect of changes in exchange rate on balance of cash and cash equivalents in foreign currency	23,162	10,511
<b>Decrease / increase in cash and cash equivalents</b>	<b>(93,226)</b>	<b>(3,891)</b>
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
<b>Decrease / increase in cash and cash equivalents</b>	<b>(93,226)</b>	<b>(3,891)</b>



KPMG Auditores Independentes Ltda.  
Rua Arquiteto Olavo Redig de Campos, 105, 6º andar - Torre A  
04711-904 - São Paulo/SP - Brasil  
Caixa Postal 79518 - CEP 04707-970 - São Paulo/SP - Brasil  
Telefone +55 (11) 3940-1500  
kpmg.com.br

## **Independent Auditors' Report on Review of Individual and Consolidated Interim Financial Statements**

To the Shareholders, Directors and Management of  
**Hidroviás do Brasil S.A.**  
São Paulo, SP

### **Introduction**

We have reviewed the accompanying individual and consolidated interim financial information of Hidroviás do Brasil S.A. ("Company"), contained in the Quarterly Information – ITR Form for the quarter ended September 30, 2021, comprising the balance sheet as of September 30, 2021 and related statements of income and of comprehensive income, for the three and nine-month period then ended, the statements of changes in equity and cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with Technical Pronouncement CPC 21(R1) Interim Financial Information and the consolidated interim financial statements in accordance with CPC 21 (R1) and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), such as for the presentation of these information in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Quarterly Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (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 financial statements consists of 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 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.

**Conclusion on the individual interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the individual interim financial information included in the Quarterly Financial Information (ITR) referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of Quarterly Financial Information (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

**Conclusion on the consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information included in the Quarterly Financial Information (ITR) referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, issued by IASB, applicable to the preparation of Quarterly Financial Information (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

**Other matters - Statements of value added**

The individual and consolidated statements of value added for the nine-month period ended September 30, 2021, prepared under the responsibility of Company's management and presented as supplementary information for IAS 34, were subjected to review procedures performed in connection with the review of the individual and consolidated interim financial statements of the Company. To form our conclusion, we evaluated whether these statements reconciled with the interim financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the these individual and consolidated statements of value added, were not prepared, in all material respects, consistently with the individual and consolidated interim financial statements taken as a whole.

São Paulo, November 16, 2021

KPMG Auditores Independentes Ltda.  
CRC 2SP014428/0-6

*Original report in Portuguese signed by*

Wagner Petelin  
Contador CRC 1SP142133/O-7

HIDROVIAS DO BRASIL S.A.  
BALANCE SHEETS AT SEPTEMBER 30, 2021 AND DECEMBER 31, 2020  
(In thousands of reais – R\$)

ASSETS	Note	Parent company		Consolidated	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020
Current assets					
Cash and cash equivalents	4	881	1,441	122,155	214,848
Securities	5.1	1,223	87,728	262,284	816,044
Trade accounts receivable	6.1	-	-	263,492	147,852
Inventories		-	-	88,127	57,051
Recoverable taxes	7	848	97	30,649	44,912
Income tax and social contribution	7.1	7,914	-	51,365	42,986
Advances to suppliers	9	440	1,249	82,005	34,593
Prepayments		8,061	2,483	49,009	32,149
Related party credits	18	12,439	15,603	-	-
Dividends receivable	18	1,654	14,090	-	-
Other receivables		213	160	43,390	37,076
Total current assets		<u>33,673</u>	<u>122,851</u>	<u>992,476</u>	<u>1,427,511</u>
Non-current assets					
Linked securities	5.2	-	-	13,108	14,952
Related party credits	18	5,439	5,197	5,509	3,820
Trade accounts receivable	6.1	-	-	6,400	6,400
Judicial deposits	17	32,383	32,383	42,388	40,774
Guarantees and pledge deposits	8	8,944	9,100	8,976	9,491
Deferred tax assets	26	22,022	8,543	181,215	148,862
Recoverable taxes	7	-	-	82,958	77,588
Income tax and social contribution	7.1	-	-	38,745	37,373
Advances to suppliers	9	-	-	-	8,358
Prepayments		3,732	3,789	51,991	29,256
Investments	10	1,375,617	1,435,557	88,275	74,479
Property, plant and equipment	11	9,203	8,140	4,106,486	3,355,604
Right-of-use asset	12	1,478	-	232,012	157,114
Intangible assets	13	34,291	24,419	324,005	322,915
Total non-current assets		<u>1,493,109</u>	<u>1,527,128</u>	<u>5,182,068</u>	<u>4,286,986</u>
Total assets		<u><u>1,526,782</u></u>	<u><u>1,649,979</u></u>	<u><u>6,174,544</u></u>	<u><u>5,714,497</u></u>

HIDROVIAS DO BRASIL S.A.  
BALANCE SHEETS AT SEPTEMBER 30, 2021 AND DECEMBER 31, 2020  
(In thousands of reais – R\$)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Parent company		Consolidated	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020
<b>Current liabilities</b>					
Suppliers	14	5,214	9,229	128,038	68,506
Loans and financing	15	-	-	101,782	185,954
Social charges and labor legislation obligation	16	18,738	17,824	49,410	39,460
Lawsuits	17	-	-	14,516	9,794
Taxes payable		5,217	5,217	27,419	26,241
Income tax and social contribution		-	18,856	54,065	67,622
Accounts payable with related parties	18	38,093	63,481	-	-
Advance from clients		-	-	3,992	7,315
Dividends payable	18	-	-	281	237
Lease liabilities	12	894	180	73,991	14,446
Obligation with concession - grant	13	-	-	21,466	18,547
Other accounts payable		10,093	9,365	42,416	7,841
<b>Total current liabilities</b>		<b>78,249</b>	<b>124,152</b>	<b>517,376</b>	<b>445,963</b>
<b>Non-current liabilities</b>					
Loans and financing	15	-	-	4,017,085	3,537,180
Accounts payable with related parties	18	20,233	-	-	-
Lease liabilities	12	625	-	171,149	150,301
Obligation with concession - grant	13	-	-	41,259	55,226
<b>Total non-current liabilities</b>		<b>20,858</b>	<b>-</b>	<b>4,229,493</b>	<b>3,742,707</b>
<b>SHAREHOLDERS' EQUITY</b>					
Capital	19	1,334,584	1,334,584	1,334,584	1,334,584
Capital reserves		34,176	34,176	34,176	34,176
Retained earnings (loss)		(173,138)	(21,046)	(173,138)	(21,046)
Equity valuation adjustment		232,053	178,113	232,053	178,113
<b>Total shareholders' equity</b>		<b>1,427,675</b>	<b>1,525,827</b>	<b>1,427,675</b>	<b>1,525,827</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,526,782</b>	<b>1,649,979</b>	<b>6,174,544</b>	<b>5,714,497</b>

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)

	Note	Parent company				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	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	23	-	-	-	-	266,810	933,290	464,738	1,104,455
Cost of services rendered	24.1	-	-	-	-	(221,679)	(634,703)	(329,208)	(884,840)
Gross income		-	-	-	-	45,131	298,587	135,530	219,615
<b>OPERATING EXPENSES</b>									
General and administrative expenses	24.1	(9,285)	(49,790)	(41,836)	(88,610)	(61,032)	(186,649)	(59,475)	(129,768)
Provision for expected credit losses	24.1					(374)	(868)		
Equity in net income of subsidiaries	10	(63,720)	(130,644)	33,280	(53,745)	(188)	1,434	(1,819)	(2,294)
Other revenues	24.2	3,507	9,871			44,454	76,304	5,291	24,853
Operating income (loss) before financial income (loss) and taxes		(69,498)	(170,563)	(8,556)	(142,355)	27,991	188,808	79,527	112,406
Financial revenues	25	(139)	8,493	1,074	2,337	20,622	52,018	1,906	66,434
Financial expenses	25	(520)	(3,361)	(1,041)	(2,622)	(102,853)	(357,489)	(77,522)	(288,089)
Financial income (loss)	25	(659)	5,132	33	(285)	(82,231)	(305,471)	(75,616)	(221,655)
Operating income (loss) before income tax and social contribution		(70,157)	(165,431)	(8,523)	(142,640)	(54,240)	(116,663)	3,911	(109,249)
<b>Income tax and social contribution</b>									
Current	26	(140)	(140)	-	-	(22,735)	(54,361)	(9,260)	(39,329)
Deferred	26	3,404	13,478	-	-	10,082	18,931	(3,174)	5,938
Net income (loss) for the period		<u>(66,893)</u>	<u>(152,093)</u>	<u>(8,523)</u>	<u>(142,640)</u>	<u>(66,893)</u>	<u>(152,093)</u>	<u>(8,523)</u>	<u>(142,640)</u>
Basic earnings per share - R\$	20	(0.088000)	(0.200000)	(0.011300)	(0.190200)	(0.088000)	(0.200000)	(0.011330)	(0.190220)
Diluted earnings per share - R\$	20	(0.088000)	(0.200000)	(0.011200)	(0.188500)	(0.088000)	(0.200000)	(0.011240)	(0.188520)

HIDROVIAS DO BRASIL S.A.

STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020  
(In thousands of reais – R\$)

	Parent company				Consolidated			
	07/01/2021-09/30/2021	01/01/2021-09/30/2021	07/01/2020-09/30/2020	01/01/2020-09/30/2020	07/01/2021-09/30/2021	01/01/2021-09/30/2021	07/01/2020-09/30/2020	01/01/2020-09/30/2020
Loss for the period	(66,893)	(152,093)	(8,523)	(142,640)	(66,893)	(152,093)	(8,523)	(142,640)
Other comprehensive income:					-	-	-	-
Items that may be reclassified in the statement of income:								
Foreign exchange difference in the translation of foreign operations in subsidiaries and joint ventures	63,876	37,737	31,670	296,290	63,876	37,737	31,670	296,290
Hedge accounting of non-derivative financial instruments	(85,634)	2,782	(25,568)	(438,119)	(85,634)	2,782	(25,568)	(438,119)
Deferred income tax and social contribution	31,897	13,422	11,997	127,578	31,897	13,422	11,997	127,578
Total	10,139	53,941	18,099	(14,251)	10,139	53,941	18,099	(14,251)
Comprehensive income for the period	<u>(56,754)</u>	<u>(98,152)</u>	<u>9,576</u>	<u>(156,891)</u>	<u>(56,754)</u>	<u>(98,152)</u>	<u>9,576</u>	<u>(156,891)</u>

HIDROVIAS DO BRASIL S.A.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020 - PARENT COMPANY AND CONSOLIDATED  
(In thousands of reais – R\$)

	Capital	Cost for the issue of shares	Capital reserves		Profit reserves			Accumulated loss	Equity valuation adjustment		Total
			Goodwill in the issue of shares	Options granted	Tax incentive reserve	Legal reserve	Additional dividends proposed		Accumulated translation adjustments	Adjustment of non-derivative financial instruments	
BALANCES AT JANUARY 1, 2020	1,307,683	(24,885)	4,401	12,726	37,636	11,036	35,827	-	285,664	(126,517)	1,543,571
Capital increase	51,786	-	-	-	-	-	-	-	-	-	51,786
Recognized options granted	-	-	-	16,646	-	-	-	-	-	-	16,646
Income for the period	-	-	-	-	-	-	-	(142,640)	-	-	(142,640)
Dividend distribution	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	296,290	(310,541)	(14,251)
BALANCES AT SEPTEMBER 30, 2020	1,359,469	(24,885)	4,401	29,372	37,636	11,036	35,827	(142,640)	581,954	(437,058)	1,455,112
BALANCES AT JANUARY 1, 2021	1,359,469	(24,885)	4,401	29,775	-	-	-	(21,046)	508,246	(330,133)	1,525,827
Capital transactions with partners	-	-	-	-	-	-	-	(152,093)	-	-	(152,093)
Loss for the period	-	-	-	-	-	-	-	-	37,737	16,204	53,941
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
BALANCES AT SEPTEMBER 30, 2021	1,359,469	(24,885)	4,401	29,775	-	-	-	(173,139)	545,983	(313,929)	1,427,675

STATEMENTS OF CASH FLOWS  
FOR THE PERIODS ENDED SEPTEMBER 30, 2021 AND 2020  
(In thousands of reais – R\$)

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
<b>Cash flow from operating activities</b>				
Loss for the period	(152,093)	(142,640)	(152,093)	(142,640)
Adjustments to reconcile loss for the year with net cash generated by (invested in) in operating activities:				
Provision for bonus	11,727	16,681	13,091	18,548
Adjustment to present value of lease and concession	-	-	7,824	-
Current and deferred income tax and social contribution	(13,339)	-	35,430	33,391
Bargain purchase income (loss)	(9,835)	-	-	-
(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	115	69	8,431	1,467
Surplus of acquired assets	-	-	(37,832)	-
Yield of interest earning bank deposit	(4,487)	(180)	(24,874)	(64,162)
Depreciation and amortization	2,705	4,414	170,469	152,602
Amortization from right-of-use asset	886	826	71,248	6,507
Equity in net income of subsidiaries	130,644	53,745	(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	-	16,646
Inst. loss	-	(10)	-	-
(Increase) decrease in operating assets:				
Accounts receivable	-	-	(102,400)	(71,433)
Inventories	-	-	(22,863)	(16,563)
Recoverable taxes	(8,665)	(821)	12,930	(35,578)
Advances to suppliers	809	435	(35,356)	(280)
Prepayments	(5,521)	(49)	(45,322)	(11,219)
Judicial deposits	-	-	(1,614)	(1,504)
Guarantees and pledge deposits	156	(2,557)	515	(2,557)
Other receivables	(53)	1,218	(4,844)	2,868
Increase (decrease) in operating liabilities:				
Suppliers	(4,015)	6,623	22,888	34,141
Risk payment (drawee)	-	-	-	-
Social charges and labor legislation obligations	(10,813)	(9,152)	(7,068)	(490)
Taxes payable	-	22	847	4,289
Advances from clients	-	-	(7,505)	(26,284)
Other accounts payable	728	5,975	16,349	10,301
Payment of interest on loans and financing	-	-	(213,819)	(188,303)
Income tax and social contribution paid	(18,996)	(3,412)	(73,765)	(34,733)
<b>Net cash (invested in) from operating activities</b>	<b>(80,047)</b>	<b>(52,167)</b>	<b>(71,580)</b>	<b>113,840</b>
<b>Cash flows from investment activities</b>				
Acquisition of fixed assets	(1,624)	(1,352)	(338,639)	(162,238)
Acquisition of intangible assets	(11,712)	(10,981)	(13,785)	(10,727)
Acquisition of subsidiary, net of acquired cash in consolidated	(20,779)	-	(468,201)	-
Securities (investment)	(38,350)	(149,915)	(1,559,938)	(1,508,395)
Securities (redemptions)	129,342	90,833	2,166,573	1,612,593
Dividends received	25,983	4,000	2,762	6,316
Loan granted between related parties	2,922	(1,274)	-	(4,145)
Capital increase (decrease) in subsidiaries	-	4,432	-	-
Advances to suppliers	-	-	-	25,574
<b>Net cash generated by (invested in) investment activities</b>	<b>85,782</b>	<b>(64,257)</b>	<b>(211,228)</b>	<b>(41,022)</b>
<b>Cash flows from financing activities</b>				
Borrowings	-	-	2,848,650	-
Funding cost	-	-	(113,441)	-
Concession lease	-	-	(18,141)	-
Lease paid	(1,140)	(802)	(73,088)	(7,041)
Amortization of principal - loans	-	-	(2,468,397)	(22,850)
Pledged financial investments	-	-	-	(4,655)
Payment of dividends	-	(363)	-	(4,359)
Bond repurchase	-	-	-	(100,101)
Loan granted between related parties	20,233	-	-	-
Other accounts payable with related parties	(25,388)	58,479	(9,163)	-
Capital contribution from shareholders	-	51,786	-	51,786
<b>Net cash (invested in) generated by financing activities</b>	<b>(6,295)</b>	<b>109,100</b>	<b>166,420</b>	<b>(87,220)</b>
Effect of changes in exchange rate on balance of cash and cash equivalents in foreign currency	-	-	23,162	10,511
<b>Decrease / increase in cash and cash equivalents</b>	<b>(560)</b>	<b>(7,324)</b>	<b>(93,226)</b>	<b>(3,891)</b>
Cash and cash equivalents at the beginning of the period	1,441	9,179	214,848	45,166
Cash and cash equivalents at the end of the period	881	1,855	121,622	41,275
<b>Decrease / increase in cash and cash equivalents</b>	<b>(560)</b>	<b>(7,324)</b>	<b>(93,226)</b>	<b>(3,891)</b>

## HIDROVIAS DO BRASIL S.A.

STATEMENTS OF ADDED VALUE  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020  
(In thousands of reais – R\$)

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
<b>REVENUES</b>				
Revenue from services		-	933,290	1,145,662
Revenues from construction of own assets	13,336	12,327	374,831	173,841
Other revenues	9,871	-	76,304	24,853
Inputs acquired from third parties:				
Cost of services rendered	-		(343,914)	(632,342)
Material, electric power, outsourced services and other	(10,017)	(28,410)	(52,957)	(49,785)
Construction of own assets	(13,336)	(12,327)	(374,831)	(173,841)
Gross added value (consumed)	<u>(146)</u>	<u>(28,410)</u>	<u>612,723</u>	<u>488,388</u>
Depreciation and amortization	(3,592)	(5,239)	(242,168)	(159,109)
Net added value (consumed) generated by the Company	<u>(3,738)</u>	<u>(33,649)</u>	<u>370,555</u>	<u>329,279</u>
Added value (consumed) received as transfer:				
Equity in net income of subsidiaries	(130,644)	(53,745)	1,434	(2,294)
Financial revenues	8,493	2,337	52,018	66,434
Total added value payable (consumed)	<u>(125,889)</u>	<u>(85,057)</u>	<u>424,007</u>	<u>393,419</u>
Distribution - Added value (consumed)	(125,889)	(85,057)	424,007	393,419
Personnel:	<u>36,182</u>	<u>54,961</u>	<u>183,181</u>	<u>173,371</u>
Direct remuneration	26,494	30,219	171,293	146,980
Benefits	3,096	19,556	4,127	20,016
FGTS	6,584	5,140	7,761	6,330
Other	8	46	-	45
Taxes	<u>(13,339)</u>	<u>-</u>	<u>35,430</u>	<u>74,599</u>
Federal	(13,339)	-	35,430	59,157
Other	-	-	-	15,442
Third-party capital remuneration	<u>3,361</u>	<u>2,622</u>	<u>357,489</u>	<u>288,089</u>
Interest on loans	481	(5)	263,661	161,118
Inflation adjustments and exchange-rate changes	-	1,804	39,318	113,701
Other financial	2,880	823	54,510	13,270
Remuneration of own capital	<u>(152,093)</u>	<u>(142,640)</u>	<u>(152,093)</u>	<u>(142,640)</u>
Minimum dividend	-	-	-	-
Retained earnings (losses)	(152,093)	(142,640)	(152,093)	(142,640)

## HIDROVIAS DO BRASIL S.A.

Notes to the interim financial information  
For the period ended September 30, 2021  
(In thousands of reais - R\$, unless otherwise indicated)

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### 1. Operations

Hidrovias do Brasil S.A. (“Company” or “Hidrovias”), is a publicly-held company, and its shares are traded at B3 S.A. – Brasil, Bolsa, Balcão (“B3”), under the “HBSA3” code. It was set up on August 18, 2010 and is headquartered in the city and state of São Paulo, at Rua Gilberto Sabino, 215 - 7º andar - Pinheiros, and may, by resolution of the Board of Directors, open branches, agencies and establishments anywhere in Brazil or abroad. The Company's business purpose consists of waterway, road and multimodal logistics and infrastructure activities, in Brazil and abroad, including those listed below, as well as an ownership interest in companies that carry out such activities:

- a) Transportation of goods.
- b) Construction and exploration of ports, cargo terminals, dockyards, workshops and warehouses.
- c) River and sea navigation, cabotage and storage of goods.
- d) Provision of logistic services, directly or through third parties.
- e) Other correlated activities or activities that are somehow related to its business purpose.

The Company is authorized to increase its capital by up to R\$ 2,320,000 by resolution of the Board of Directors and regardless of statutory reform, pursuant to article 168 of Law 6404/76.

As of September 25, 2020, the Company carried out its secondary public offering (IPO) of 399,426,570 common shares, held by the Selling Shareholders (as defined in the IPO documents). The price was R\$ 7.56 per common share. Note 19 shows the effects on the shareholding structure. The Company's shares are listed on the Novo Mercado (New Market) segment of Bolsa de Valores de São Paulo – B3 S.A. – Brasil, Bolsa, Balcão, under the ticker HBSA3.

#### 1.1 Business combination

The Company, together with the subsidiaries Cikelso S.A and Pricolpar S.A. (“Acquirers”), acquired the logistics operation segment of Imperial Logistics operating in the southern region through Paraguai and Paraná rivers.

Business combination took place on April 16, 2021. The Company and aforementioned subsidiaries acquired control through the acquisition of 100% of shareholding structure of Imperial Shipping Paraguay S.A. (“ISP”) and Imperial South America BV (“ISA”), as well as through the acquisition of property, plant and equipment held by Imperial Logistics, which are essential for logistics operation held by ISP.

The logistics operation acquired will provide Grupo Hidrovias with the possibility of expanding its business in the South region, as well as increasing the fleet's capacity to operate in this region.

Expenses incurred with this acquisition were recognized in income (loss) for the period.

##### 1.1.1 Transferred contra entry

The consideration transferred to Imperial Logistics to acquire control of the companies and assets mentioned above is shown in thousands of dollars below:

Acquisition of 100% of shares from Imperial Shipping Paraguay	41
Acquisition of 100% of shares from Imperial South America	1,509
Acquisition of necessary assets for operation	82,313
<b>Total</b>	<b>83,863</b>

## HIDROVIAS DO BRASIL S.A.

Notes to the interim financial information  
For the period ended September 30, 2021  
(In thousands of reais - R\$, unless otherwise indicated)

The acquisition price, converted into reais at the average rate on the acquisition date, was R\$ 472,363, which is used to allocate the price paid for the acquisition of the business.

### 1.1.2 Assets acquired and liabilities assumed combined and recognized at their fair value on the acquisition date

ASSETS	04/16/2021	LIABILITEIS	04/16/2021
Cash and cash equivalents	16,208	Suppliers	9,576
Accounts receivable	17,583	Social charges and labor legislation obligations	3,330
Inventories	6,104	Taxes payable	116
Recoverable taxes	6,471	Other accounts payable	18,367
<b>Current assets</b>	<b>46,366</b>	<b>Current liabilities</b>	<b>31,389</b>
Other assets	3,172		
Pushers	263,038		
Barges	238,424		
<b>Non-current assets</b>	<b>504,634</b>	<b>Non-current liabilities</b>	<b>-</b>
		<b>Shareholders' equity</b>	<b>519,611</b>
<b>Total assets</b>	<b>551,000</b>	<b>Total liabilities</b>	<b>551,000</b>

The fair value and allocation of the consideration transferred on the acquisition date recognized herein are provisional and represent in all respects the information obtained up to the date of issue of this interim financial information. The Company is in the process of completing the required reports and any and all necessary adjustments will be made as required by CPC 15 (R1).

#### (a) Allocation of consideration transferred:

Financial consideration	472,363
(+) Shareholders' equity at fair value on acquisition date	(519,611)
<b>Bargain purchase gain</b>	<b>47,248</b>
Recorded in the Parent Company	9,835
Recorded in subsidiaries*	37,413

\* Refers to the recognition of the bargain purchase gain in the indirect subsidiary Pricolpar and the change in the fair value of the assets acquired in the business combination by its subsidiary Cikelsol.

The business combination resulted in a bargain purchase, and the Company and its subsidiaries performed the necessary analyses to identify and preliminarily determine the fair value of assets acquired and liabilities assumed. This preliminary assessment corroborated the allocation of the consideration transferred and the bargain purchase result, which in turn was recognized proportionally to the acquirees that participated in the acquisition according to their percentage share of the consideration granted.

### 1.1.3 Contingent price determination clause

The purchase agreement provides for a clause of a possible additional payment limited to USD 5,000 (five million dollars). This payment is directly related to external factors, the determination of which considers operational factors of navigation levels in the Paraná and Paraguai rivers. Thus, once the

## **HIDROVIAS DO BRASIL S.A.**

Notes to the interim financial information  
For the period ended September 30, 2021  
(In thousands of reais - R\$, unless otherwise indicated)

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allocation of the price paid is final, the determination of the earn-out will be appropriately reflected in the price paid allocation process.

### **1.2 Acquisition of ownership interest**

On April 16, 2021, the Company acquired 50% of the interest in Baden S.A., a joint-stock company, whose shareholding is composed of two shareholders through joint control. The company is in the city of Asunción, Paraguay. As a joint-stock company, its main purpose is the administration and concession of the operating license in the port of Asunción in Paraguay.

The consideration transferred to acquire 50% of the interest was R\$ 12,046. The incorporation of Baden results in a joint-controlled venture, with decisions being taken together and none of the shareholders can take unilateral decisions to direct the business.

### **1.3 COVID-19**

Impacts on the financial conditions of the Company

The year 2020 and first nine months of 2021 were marked by the COVID-19 pandemic, which resulted in the initial operational impact on different sectors of the global economy. Our operations, as well as the operations of companies directly or indirectly controlled by us, did not suffer major impacts due to the measures to restrict the circulation of people which were adopted as a result of the COVID-19 pandemic. The Company's activities, linked to the food supply chain and base metals, are considered essential businesses in the locations where we operate and have not been subject to operating restrictions so far. The nature of our business makes the implementation of restrictive measures to the operation unlikely since they would have the potential to cause disruptions in the supply chains of food and basic inputs. However, we believe that the extent of the pandemic impacts on our results for the coming quarters will depend on future developments, which are highly uncertain and unpredictable.

Impacts arising from the COVID-19 pandemic are continuous and, therefore, we will gradually assess evolution of its effects on our revenues, assets, income (loss), businesses and prospects, including any possible changes in our ability to continue operating. Our analyses will be carried out in line with CVM/SNC/SEP Circular Letter 02/2020, issued by the Brazilian Securities and Exchange Commission (CVM) on March 10, 2020, which guides into the impacts of the COVID-19 in the business and sets forth reporting rules in the financial statements or interim financial information for the main risks and uncertainties arising from this analysis, in line with the applicable accounting standards.

From a management point of view, we have adopted measures of social distancing, monitoring of health conditions and prevention with our employees. The activities of strictly administrative offices have been taking place on a teleworking basis since March 2020. For onshore operations, we have adopted the removal of employees belonging to risk groups, rotations in face-to-face workstations, and testing. For crews, we have adopted testing and quarantine measures before and after boarding, in addition to restricting access to vessels for non-crew members. With these measures, there were no major impacts of the pandemic on our business.

We continuously monitor the billing of our operations, which allows us to foresee, to a certain extent, the impact of the COVID-19 pandemic on our activities.

We are monitoring pandemic developments due to the global spread of COVID-19, with the purpose of preserving our safety, that of our employees, suppliers and clients, as well as mapping the effects of the pandemic on our businesses. We have no way of predicting when social distancing measures will no longer be necessary. Furthermore, in our view, the resumption of administrative activities in the offices should happen gradually, once such social distancing measures are reduced and gradually disappear. We believe that the current restrictions do not cause losses to the Company's operation or revenue generation so far.

We have not identified significant risks to our operation, to the flow of new businesses or to the payment

## **HIDROVIAS DO BRASIL S.A.**

Notes to the interim financial information

For the period ended September 30, 2021

(In thousands of reais - R\$, unless otherwise indicated)

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capacity of our clients. Nevertheless, the social isolation measures impacted some of our suppliers, causing delays in the delivery of some projects, notably in the implementation of the new Salt business unit in the State of Rio Grande do Norte. The vessel that will be used for this operation (HB Potiguar) is being modified at a shipyard in Rio de Janeiro, a State greatly affected by the pandemic, thus causing delays in the maintenance and repair work of said vessel, with consequences in the beginning of our transport operation and salt loading in Rio Grande do Norte.

Measurements adopted by the Company

Aiming to guarantee the integrity of our employees and our operations, the Company established several preventive measures to reduce the risks arising from the COVID-19 pandemic and to reduce the risks to the operation. These measures are detailed below:

- Creation of a Corporate Crisis Committee, formed by HBSA Directors, with weekly meetings to monitor risks and deliberate on mitigation actions. The Company's operation bases also have local Crisis Committees focused on spreading the resolutions of the Corporate Committee, improving the communication, ensuring the implementation of action plans and monitoring of suspected and effective cases.
- Preventive actions to reduce the risks of contamination: distribution of adequate PPE, adequacy of cafeterias and offices for distancing measures, intensive prevention campaigns, social distancing protocols, remote work for administrative offices, and rotation in operational workstations on land, when possible, removal of employees in risk groups, and disinfection of environments.
- Monitoring actions: Control of the health status of all employees, control of those vaccinated (1<sup>st</sup> and 2<sup>nd</sup> doses), monitoring of suspected and confirmed cases (employees and family members).
- Specific actions for crews: pre- and post-boarding testing and quarantine, monitoring of health conditions, distribution of PPE and CPEs, complete disinfection of vessels, prohibition of access to non-crew, extension of on-board crew shifts, increase in the supply of food and fuel and contracting of insurance to cover potential infections on board.
- Participation in Vaccination Campaigns promoted by Municipal Governments: some functional categories were included by the Federal Government as priority groups in the PNI, among them port and waterway operators. Thus, until September 30, 2021, around 93% of our workforce in Brazil received the first dose of the COVID-19 vaccine, of which around 54% received full immunization (two doses or a single dose).

Through the Hidrovias Institute, HBSA's Private Social Investment branch, until September 30, 2021, food baskets were donated to communities in the municipalities of Itaituba and Barcarena, in the State of Pará, and Santos, in the State of São Paulo, affected by our operations, totaling the equivalent of R\$ 254.

## HIDROVIAS DO BRASIL S.A.

Notes to the interim financial information  
For the period ended September 30, 2021  
(In thousands of reais - R\$, unless otherwise indicated)

The Company has direct and indirect shareholdings in, and joint ownership of, the following companies:

Subsidiaries	Main activity	Country	Type of consolidation	09/30/2021		12/31/2020	
				% Interest		% Interest	
				Direct	Indirect	Direct	Indirect
Hidroviias do Brasil - Holding Norte S.A.	Holding interest in other companies	Brazil	Full	100.00%	-	100.00%	-
Hidroviias do Brasil - Vila do Conde S.A.	Cargo storage and lifting	Brazil	Full	-	100.00%	-	100.00%
Hidroviias do Brasil - Marabá S.A.	Land - Pre-operating	Brazil	Full	100.00%	-	100.00%	-
Hidroviias do Brasil - Intermediação e Agenciamento de Serviços Ltda.	Intermediation and agency services	Brazil	Full	99.00%	1.00%	99.00%	1.00%
Hidroviias do Brasil - Cabotagem Ltda.	Cabotage sea transport	Brazil	Full	99.00%	1.00%	99.00%	1.00%
Hidroviias do Brasil – Participação Portuária de Santos S.A.	Changes and warehousing	Brazil	Full	-	100.00%	-	100.00%
Obrinel S.A.	Specialized cargo terminal	Uruguay	Equity in net income of subsidiaries	-	49.00%	-	49.00%
Hidroviias del Sur S.A.	Holding interest in other companies	Uruguay	Full	100.00%	-	100.00%	-
Baloto S.A.	Holding interest in other companies	Uruguay	Full	4.95%	95.05%	4.95%	95.05%
Girocantex S.A.	Fluvial transportation	Uruguay	Full	-	100.00%	-	100.00%
Hidroviias del Paraguay S.A.	Fluvial transportation	Paraguay	Full	0.01%	99.99%	0.01%	99.99%
Pricolpar S.A.	Fluvial transportation	Paraguay	Full	0.01%	99.99%	0.01%	99.99%
Cikelsol S.A.	Fluvial transportation	Uruguay	Full	-	100.00%	-	100.00%
Limday S.A.	Fluvial transportation	Uruguay	Equity in net income of subsidiaries	-	44.55%	-	44.55%
Resflir S.A.	Lease of navigation assets	Uruguay	Full	-	100.00%	-	100.00%
Hidroviias International Finance S.à.r.l.	Agency of financial operations	Luxembourg	Full	100.00%	-	100.00%	-
Imperial Shipping Paraguay S.A.	Fluvial transportation	Paraguay	Full	95.00%	5,00%	-	-
Imperial South America BV	Fluvial transportation	Holland	Full	100.00%	-	-	-
Baden S.A.	Port administration	Paraguay	Equity in net income of subsidiaries	50.00%	-	-	-

## **HIDROVIAS DO BRASIL S.A.**

Notes to the interim financial information  
For the period ended September 30, 2021  
(In thousands of reais - R\$, unless otherwise indicated)

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### History

The Company's history is detailed in the Financial Statements for the year ended December 31, 2020. There were no changes for the nine-month period ended September 30, 2021.

## **2. Preparation basis**

The consolidated interim financial information was prepared in accordance with the International Financial Reporting System - IFRS issued by the International Accounting Standards Board (IASB) and in accordance with the accounting practices adopted in Brazil, but specifically IAS 34 and CPC 21, respectively.

The parent company's individual interim financial information was prepared in accordance with accounting practices adopted in Brazil, but specifically the CPC 21.

Management declares that all relevant information specific to the interim financial information, and only such information, is being evidenced and corresponds to the information used by the Management in its administration.

The accounting policies adopted in the preparation of the interim financial information, as well as the measurement basis, the functional and the presentation currency, and the main judgments and uncertainties associated with the estimates used in the application of the accounting practices, are consistent with those presented in the financial statements for the year ended December 31, 2020, filed with the Brazilian Securities and Exchange Commission (CVM) and disclosed on the Company's website. This interim financial information should be read together with financial statements for the year ended December 31, 2020.

The issue of interim financial information was authorized by the Company's Executive Board on November 16, 2021.

## **3. Significant accounting policies**

There were no changes in the main accounting policies in this quarter compared to those disclosed in the financial statements for the year ended December 31, 2020.

### (a) Business combination

The accounting policy for business combinations has not changed, however, we did not mention this policy when issuing the financial statements for the year ended December 31, 2020.

On April 16, 2021, the Company acquired the logistics operation in the Southern Corridor of Imperial Fleet Services GmbH. The Group's accounting policy for acquisitions meets the premises and guidelines issued by the CPC and IASB, through CPC 15 and IFRS 03.

Assets acquired and liabilities assumed were valued at fair value upon their initial recognition, and the amount paid is allocated according to the intangibles identified during the allocation process, when the amount paid is greater than the acquiree's equity value.

When the net value of assets acquired and liabilities assumed is less than the financial consideration granted for the control of the acquirees, and the Company and its subsidiaries believe that all identifiable assets and liabilities were duly met and recognized in the process of allocation of the price paid, a bargain purchase is recognized.

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### 4. Cash and cash equivalents

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Current Account - Domestic	881	1,441	12,662	18,297
Current Account - Foreign	-	-	109,493	196,551
	<u>881</u>	<u>1,441</u>	<u>122,155</u>	<u>214,848</u>

They refer to cash, banks, and short-term highly-liquid financial investments maturing in 90 days, promptly convertible into a known cash amount, with an insignificant risk of change in value.

### 5. Interest earning bank deposits

#### 5.1 Securities

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
JP Morgan (d)	-	-	48,556	423,064
Itaú Fundo FICFI 311 (b)	1,000	86,506	68,778	225,298
Fundo Itaú PP Portfólio (a)	200	1,200	2,599	11,833
Santander Vip Cambial (c)	23	22	23,608	22,439
FIDC (Fundo Invest Dir Credit) (f)	-	-	115,299	98,369
CDB ABC (e)	-	-	1,524	14,641
Banco do Brasil (g)	-	-	1,920	20,400
Total	<u>1,223</u>	<u>87,728</u>	<u>262,284</u>	<u>816,044</u>

a) Interest earning bank deposits that represent investments in Fundo Itaú PP Portfólio, referenced to the change of the Interbank Deposit Certificate (CDI) rate, with an average remuneration of 88.25% of CDI as of September 30, 2021 (89.49% as of December 31, 2020). The fund's portfolio consists exclusively of fixed income securities, distributed among federal government bonds, Repurchase and resale agreements, Fund quotas, and other securities of financial institutions.

b) Interest earning bank deposits comprising investments in the "Fundo Itaú Cambial FICFI 311" fund, referenced to the exchange-rate change of the US dollar – Ptax800, with average yield of 5.18% as of September 30, 2021 (29.61% as of December 31, 2020). The fund's portfolio is comprised of federal government bonds and repurchase and resale agreements backed by Federal government bonds.

c) Interest earning bank deposits comprising investments in the Fundo Santander Vip Cambial, referenced to the exchange-rate change of the US dollar – Ptax800, with average yield of 5.21% as of September 30, 2021 (29.02% as of December 31, 2020). The fund's portfolio is comprised of federal government bonds and repurchase and resale agreements backed by Federal government bonds.

d) Interest earning bank deposits representing investments in a foreign fund with Banco JP Morgan, linked to changes in the U.S. treasury which had a yield of 0.01% p.m. in September 2021 (0.03% p.m. in December 2020). The portfolio consists of fixed income securities and US Treasury Bonds.

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e) Interest earning bank deposits that represent investments in Bank Deposit Certificates - CDB at Banco ABC Brasil, referenced to the change of Interbank Deposit Certificate - CDI rate, with a remuneration of 99% of CDI as of September 30, 2021 (100% as of December 31, 2020).

f) Interest earning bank deposits comprising investments in “FIDC Upside”, with an average return of 16.58% as of September 30, 2021 (5.08% as of December 31, 2020) and FIDC Aruanã had a return of 6.95% as of September 30, 2021 (-4.36% as of December 31, 2020). The funds’ portfolio consist of credit receivables’ assignment and fund quotas exclusively comprised of fixed income securities, distributed among federal government bonds and repurchase and resale agreements backed by Federal government bonds.

g) Interest earning bank deposits comprising investments in Banco do Brasil, with an average return of 41.39% as of September 30, 2021 (17.89% of CDI as of December 31, 2020). The fund’s portfolio is comprised of fixed income securities, including repurchase and resale agreements backed by public and Federal government bonds.

### 5.2 Linked securities

	Consolidated	
	09/30/2021	12/31/2020
Hidrovias do Brasil - Cabotagem Ltda. BNP PARIBAS SOBERANO FIC FI RF,	13,108	14,952
Total	<u>13,108</u>	<u>14,952</u>

They represent investments in the BNP PARIBAS SOBERANO FIC FI RF fund, subject to changes in the SELIC interest rate, average remuneration of 95.38% of the Selic rate on September 30, 2021 (81.39% as of December 31, 2020). The fund’s portfolio consists of federal government bonds issued by Brazil’s National Treasury and/or Central Bank of Brazil, pre-fixed or indexed to changes in CDI rate, or by repurchase and resale agreements backed by federal government bonds.

These interest earning bank deposits presented in non-current assets and are linked to loans, as mentioned in Note 15. The contractual clause provides that an equivalent balance should be maintained in a restricted account during the contract’s entire effectiveness, an equivalent balance to the previously agreed upon.

## 6. Trade accounts receivable

### 6.1 Breakdown of balances per company

	Consolidated	
	09/30/2021	12/31/2020
Receivables recorded by overseas Subsidiaries	129,553	69,081
provision for expected credit losses	(4,586)	(2,750)
	<u>124,967</u>	<u>66,331</u>
Receivables recorded by domestic Subsidiaries	<u>144,925</u>	<u>87,921</u>
Total	<u>269,892</u>	<u>154,252</u>
Current assets	263,492	147,852
Non-current assets	6,400	6,400

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As disclosed in Note 23, there is a concentration of operating revenues in a small number of clients, which, in turn, may eventually affect the Company's credit risk. For further information related to credit risk, see note 27.4.

The provision for expected credit losses is recorded on a prospective basis, through the analysis of the credit risk of clients with a low probability of realization.

### 6.2 Breakdown of accounts receivable per maturity age

	Consolidated	
	09/30/2021	12/31/2020
Falling due	245,166	138,954
Overdue (days):		
up to 30	17,475	11,938
30-60	633	520
60-90	-	214
90-120	-	4
120-180	19	1,083
>180	6,599	1,539
Total	<u>269,892</u>	<u>154,252</u>

Map of changes in provision for estimated losses:

	Consolidated
Balance at December 31, 2020	(2,750)
Business combination	(1,763)
Formation of provision for expected credit losses	(868)
Cumulative translation adjustment	795
<u>Balance at September 30, 2021</u>	<u>(4,586)</u>

## 7. Recoverable taxes

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
IRRF (withholding income tax) on interest earning bank deposit (a)	725	57	4,063	2,825
Pis / Cofins (b)	117	35	70,162	90,909
ICMS	-	-	-	1,205
ISS	6	5	1,643	1,320
VAT (c)	-	-	37,739	26,241
Total	<u>848</u>	<u>97</u>	<u>113,607</u>	<u>122,500</u>
Current assets	848	97	30,649	44,912
Non-current assets	-	-	82,958	77,588

The recoverable taxes are recorded by the accrual basis, according to the withholdings and/or payments

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made, in such a way that the Company and its subsidiaries present the following situations:

- (a) Income Tax withholdings incurred as a result of income from fixed income financial investments made by the Company and its subsidiaries are recognized in Assets according to information provided by financial institutions on a periodic basis;
- (b) The PIS and COFINS contributions derive from credits appropriated in the navigation operation and subcontracting of road service. These credits are calculated, mainly, on acquisitions of fuel and subcontracting of shipping companies in the road transport operation. The credits are offset monthly against debits on provision of services or quarterly against debits of other federal taxes through offset via PER/DCOMP within a maximum term of five years.
- (c) The Value Added Tax is a consequence of the purchase of inputs for the operation of the companies Hidrovias Del Paraguay and Pricolpar, and both are located in Paraguay.

### 7.1 Income tax and social contribution

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Income tax and social contribution	7,914	-	90,110	80,359
Total	7,914	-	90,110	80,359
Current assets	7,914	-	51,365	42,986
Non-current assets	-	-	38,745	37,373

Income Tax and Social Contribution are reported in Assets, according to the early payments made under current tax legislation, and Taxable Income, as well as withholdings incurred as a result of payment of services rendered by the Company and its subsidiaries.

Part of the corporate income tax (IRPJ) and social contribution (CSLL) credit arises from tax prepayments that occurred in previous years that were higher than the taxes due calculated at the end of each year, thus generating an actual balance to be offset against other federal taxes or to be refunded in accordance with current legislation.

### 8. Guarantees and escrow deposits

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Obrinel project (a)	8,638	8,253	8,638	8,253
Other	306	847	338	1,238
Total	8,944	9,100	8,976	9,491

- (a) On July 25, 2014, the Company granted funds to jointly-controlled subsidiary Obrinel whose the amount on September 30, 2021, of R\$ 8,638 (R\$ 8,253 as of December 31, 2020) shall remain as escrow deposit until the financial conclusion of Obrinel Project, and the term is December 15, 2027. Changes in values are due to foreign exchange and not due to changes in the nominal value of the guarantee.

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Regarding the Obrinel Project and in addition to the guarantee deposit mentioned in the note, on June 24, 2014 the Company (as Sponsor of the Obrinel Project) and its direct subsidiary Hidrovias del Sur granted, on behalf of DEG and BROU banks: (i) joint surety on the first demand up to the amount of US\$ 9.8 million, as a guarantee for any breaches by Obrinel with the terms of the Project's financing; (ii) corporate guarantee up to the amount of US\$ 10 million, to cover any financial deficiencies or excess costs of the Project; and (iii) corporate guarantee up to the amount of US\$ 45 million to cover some specific Project risks. The shares of Baloto (direct shareholder in Obrinel) were also pledged in favor of DEG and BROU banks as of June 13, 2014. Said guarantees remained in effect until the financial conclusion of the Obrinel Project.

### Covenant

In addition to a standard list of requirements, under the terms of the financing obtained for the Obrinel Project, Obrinel has been committed to maintaining the following financial ratios: (i) not exceeding a 70/30 ratio regarding total debt/equity; (ii) current ratio not lower than 1; and (iii) debt coverage greater than or equal to 1.15.

As of September 30, 2021, Obrinel meets its covenants without any default.

## 9. Advances to suppliers

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Advances to domestic suppliers	440	1,249	70,128	35,816
Advances to foreign suppliers	-	-	11,877	7,135
Total	440	1,249	82,005	42,951
Current	440	1,249	82,005	34,593
Non-current	-	-	-	8,358

The balance of advances to suppliers is composed of: R\$ 5,674 (R\$ 494 as of December 31, 2020) referring to advances for vessel construction; R\$ 3,410 (R\$ 5,128 as of December 31, 2020) referring to the purchase of fuel; R\$ 59,808 (R\$ 15,173 as of December 31, 2020) referring to the implementation of the project at the Santos terminal and R\$ 13,113 (R\$ 22,156 as of December 31, 2020) referring to advances to other suppliers inherent to the Company's operation.

## 10. Investments

Changes in investments of parent company and consolidated in the period ended September 30, 2021 are shown below:

Composition of investments	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Ownership interest valued under the equity method	1,369,727	1,429,363	72,157	58,033
Concession contract	5,890	6,194	5,890	6,194
Goodwill	-	-	10,228	10,252
Total	1,375,617	1,435,557	88,275	74,479

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	12/31/2020	09/30/2021							
	Opening balance	Value of acquisition	Bargain purchase	Equity valuation adjustment - Hedge	Equity valuation adjustment - Income (loss) translation adjustment (CTA)	Dividends	Amortization	Equity in net income of subsidiaries	Closing balance
<b>Parent company</b>									
Baloto S.A.	2,126	-	-	-	102	-	-	(41)	2,187
Baden	-	12,046	-	-	595	-	-	(332)	12,309
Hidroviás Del Sur S.A.	956,472	-	-	-	38,250	(13,547)	-	(200,057)	781,118
Hidroviás BR - Marabá S.A.	10,094	-	-	-	-	-	-	97	10,191
Hidroviás Holding Norte Ltda.	271,699	-	-	24,689	-	-	-	5,494	301,882
Hidroviás Cabotagem Ltda.	165,914	-	-	(8,485)	-	-	-	25,462	182,891
Hidroviás – Intermediação Ltda.	22,796	-	-	-	-	-	-	8,746	31,542
Imperial South America BV and Imperial Shipping Paraguay S.A.	-	8,733	9,835	-	(1,221)	-	-	33,772	51,119
Pricolpar	2	-	-	-	16	-	-	(2)	16
Subtotal	1,429,103	20,779	9,835	16,204	37,742	(13,547)	-	(126,861)	1,373,255
Concession contract	6,194	-	-	-	-	-	(304)	-	5,890
Subtotal – Investments	1,435,297	20,779	9,835	16,204	37,742	(13,547)	(304)	(126,861)	1,379,145
Hidroviás International Finance	260	-	-	-	(5)	-	-	(3,783)	(3,528)
Total	1,435,557	20,779	9,835	16,204	37,737	(13,547)	(304)	(130,644)	1,375,617

### Parent company

	12/31/2019	12/31/2020						
	Opening balance	Capital increase/decrease	Equity valuation adjustment - Hedge	Equity valuation adjustment - Income (loss) translation adjustment (CTA)	Dividends	Amortization of goodwill	Equity in net income of subsidiaries	Closing balance
Baloto S.A.	4,972	(3,670)	-	1,307	-	-	(483)	2,126
Hidroviás Del Sur S.A.	731,967	6	-	222,562	(63,405)	-	65,342	956,472
Hidroviás BR - Marabá S.A.	9,322	250	-	-	-	-	522	10,094
Hidroviás Holding Norte Ltda.	502,475	-	(111,306)	-	-	-	(119,470)	271,699
Hidroviás Cabotagem Ltda.	205,692	(859)	(92,310)	-	-	-	53,391	165,914
Hidroviás – Intermediação Ltda.	16,686	(128)	-	-	(4,000)	-	10,238	22,796
Pricolpar	-	5	-	-	-	-	(3)	2
Subtotal	1,471,114	(4,396)	(203,616)	223,869	(67,405)	-	9,537	1,429,103
Concession contract	6,601	-	-	-	-	(407)	-	6,194
Subtotal – Investments	1,477,715	(4,396)	(203,616)	223,869	(67,405)	(407)	9,537	1,435,297
Hidroviás del Paraguay	-	13	-	-	-	-	(13)	-
Hidroviás International Finance	(3,652)	-	-	(1,287)	-	-	5,199	260
Total	1,474,063	(4,383)	(203,616)	222,582	(67,405)	(407)	14,723	1,435,557

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	Consolidated					
	12/31/2020	09/30/2021				
	Opening balance	Addition (dividends paid)	Income translation adjustment (CTA)	Equity in net income of subsidiaries	Amortization	Closing balance
Limday	14,573	(2,762)	609	2,657	-	15,077
Obrinel	43,460	-	2,201	(890)	-	44,771
Baden	-	12,046	595	(333)	-	12,308
Subtotal	58,033	9,284	3,405	1,434	-	72,156
Concession contract (b)	6,194	-	-	-	(304)	5,890
Goodwill (a)	10,252	-	479	-	(502)	10,229
Total	74,479	9,284	3,884	1,434	(806)	88,275

	Consolidated					
	12/31/2019	12/31/2020				
	Opening balance	Dividends paid	Income (loss) from translation adjustment (CTA)	Equity in net income of subsidiaries	Amortization	Closing balance
Limday	15,570	(6,839)	2,396	3,446	-	14,573
Obrinel	41,106	-	11,162	(8,808)	-	43,460
Subtotal	56,676	(6,839)	13,558	(5,362)	-	58,033
Concession contract (b)	6,601	-	-	-	(407)	6,194
Goodwill (a)	7,669	-	3,225	-	(642)	10,252
Total	70,946	(6,839)	16,783	(5,362)	(1,049)	74,479

The dividends received are being presented in the statement of cash flow in the investment activity.

The translation effects of the statements prepared in foreign currency, known as CTA (currency translation adjustments), are presented in the Statement of Comprehensive Income.

- (a) Goodwill generated in the acquisition of 44.55% of shares representing the capital of Limday. Limday's goodwill of R\$ 10,229 (R\$ 10,252 on December 31, 2020) is based on studies conducted on the future profitability of operations.
- (b) Concession contract

The amount of R\$ 5,890 (R\$ 6,194 as of December 31, 2020) refers to the Baloto's right of concession in the acquisition of Obrinel, and is based on studies developed by the Company on the future profitability of Obrinel's operations.

By means of Resolution 307/4039, dated June 17, 2020, the National Port Administration of Uruguay approved some changes to the concession terms, including an extension in the concession term (for further 20 years, until November 2051), along with an authorization to build an additional pier. These changes were approved by the Executive Branch of Uruguay on September 4, 2020, and are reflected in an amendment signed on November 24, 2020 to the current concession agreement.

The main information on the directly, indirectly and jointly-controlled subsidiaries is presented below:

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	09/30/2021					
	Number of shares	Total assets	Total liabilities	Shareholders' equity	Income (loss) of companies in the year	Net revenues
<u>Direct subsidiaries</u>						
Hidroviás del Sur	4,330,646,74€	905,121	123,990	781,131	(200,057)	-
Hidroviás International Finance S.à r.l.	12,000	3,596,460	3,599,988	(3,528)	(3,783)	-
HB Marabá	20,000,000	11,550	1,359	10,191	97	-
HB Cabotagem	220,475,382	884,167	699,398	184,769	25,720	152,371
HB Intermediação	2,500,000	38,084	6,179	31,905	8,834	21,171
Imperial South America	1,000,000	42,338	8,311	34,027	9,165	60,376
Imperial Shipping Paraguay	442	64,246	46,258	17,988	25,902	91,038
Hidroviás do Norte	512,989,094	347,508	45,626	301,882	30,183	392,166
<u>Indirect subsidiaries</u>						
Girocantex	2,442,140,008	1,430,115	1,040,322	389,793	(154,693)	-
Baloto	599,999,999	48,404	4,214	44,190	(943)	-
HB Vila do Conde	519,596,445	2,236,151	1,909,449	326,702	39,547	443,874
Hidroviás do Brasil Operação Portuária Santos	43,904,863	392,326	373,338	18,988	(9,389)	23,276
Cikelsol	800,000	783,917	768,335	15,582	(22,859)	83,516
Hidroviás del Paraguay	266,377	121,427	104,901	16,526	7,585	123,047
Resflir	20,000	106,243	73,237	33,006	5,943	14,398
Pricolpar	17,910	285,411	127,755	157,656	(22,649)	64,513
<u>Joint ventures</u>						
Obrinel	587,999,999	344,710	299,940	44,770	(500)	17,415
Limday	42,902,541	16,630	1,552	15,078	2,653	10,396
Baden	17.5000.000	12,642	332	12,310	(332)	1,555
	12/31/2020					
	Number of shares	Total assets	Total liabilities	Shareholders' equity	Income (loss) of companies in the year	Net revenues
<u>Direct subsidiaries</u>						
Hidroviás del Sur S.A.	4,330,646,746	1,083,630	127,158	956,472	65,375	-
Hidroviás International Finance S.à r.l.	12,000	3,171,915	3,171,655	260	5,199	-
Hidroviás do Brasil - Marabá S.A.	20,000,000	11,197	1,103	10,094	522	-
Hidroviás do Brasil - Cabotagem Ltda	220,475,382	871,721	704,186	167,535	54,153	214,628
Hidroviás do Brasil - Intermediação e Agenciamento de Serviços Ltda	2,500,000	31,585	8,514	23,071	10,386	23,587
Hidroviás do Brasil - Holding Norte S.A.	512,989,094	317,320	45,621	271,699	(230,776)	-
<u>Indirect subsidiaries</u>						
Girocantex S.A.	2,442,140,008	1,434,914	912,489	522,425	132,665	398,747
Hidroviás del Paraguay S.A.	266,377	97,248	88,528	8,720	(47,351)	90,030

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Pricolpar S.A.	17,910	224,564	51,782	172,782	(17,680)	42,894
Cikelsol S.A.	800,000	302,011	262,286	39,725	(2,507)	110,536
Resflir S.A.	20,000	88,611	62,935	25,676	14,558	18,561
Hidrovias do Brasil - Vila do Conde S.A.	519,596,445	2,091,668	1,804,512	287,156	(215,312)	834,551
Hidrovias do Brasil Administração Portuaria Santos S.A.	43,904,863	316,315	287,938	28,377	(15,460)	39,761
Baloto S.A.	599,999,999	46,759	3,803	42,956	(8,813)	-
<u>Jointly-controlled subsidiaries</u>						
Limday S.A.	42,902,541	16,507	1,935	14,572	3,445	13,844
Obrinel S.A.	587,999,999	188,388	144,928	43,460	(8,808)	20,313

### Balance sheet and statement of income - jointly-controlled subsidiaries:

	Limday	Limday	Obrinel	Obrinel	Baden*
	09/30/2021	12/31/2020	09/30/2021	12/31/2020	09/30/2021
Current assets	17,345	13,210	291,002	11,398	5,893
Non-current assets	19,983	23,844	412,488	638,428	19,391
Total assets	37,328	37,054	703,490	649,826	25,284
Current liabilities	3,483	4,343	44,098	26,685	665
Non-current liabilities	-	-	568,025	534,448	-
Quotaholders' equity	33,845	32,711	91,367	88,693	24,619
Total liabilities	37,328	37,054	703,490	649,826	25,284
Net revenue	23,335	31,075	35,541	41,455	3,110
Cost and expenses	(17,381)	(23,341)	(36,562)	(59,430)	(3,775)
Net income (loss) for the period/year	5,954	7,734	(1,021)	(17,975)	(665)

\*Income (loss) for the period from April 16, 2021 to September 30, 2021, as evidenced in acquisition of shareholding interest in a jointly-controlled subsidiary note.

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### 11. Property, plant and equipment

Breakdown and changes in property, plant and equipment as of September 30, 2021 and December 31, 2020:

Parent company	Facilities and improvements	Furniture and fixtures	Machinery and equipment	Electronic and IT equipment	Property, plant and equipment in progress	Total
Balance at 12/31/2020	676	27	156	564	6,717	8,140
Additions	-	-	-	-	1,624	1,624
Depreciation	(296)	(7)	(31)	(227)	-	(561)
Balance at 09/30/2021	380	20	125	337	8,341	9,203
Historical cost	2,538	168	421	1,779	8,341	13,247
Accumulated depreciation	(2,158)	(148)	(296)	(1,442)	-	(4,044)
Annual depreciation rate – %	10	10	10	25		
Parent company	Facilities and improvements	Furniture and fixtures	Machinery and equipment	Electronic and IT equipment	Property, plant and equipment in progress	Total
Balance at 12/31/2019	1,070	43	198	873	3,552	5,736
Additions	-	-	-	-	3,165	3,165
Depreciation	(394)	(16)	(42)	(309)	-	(761)
Balance at 12/31/2020	676	27	156	564	6,717	8,140
Historical cost	2,538	168	421	1,778	6,717	11,622
Accumulated depreciation	(1,862)	(141)	(265)	(1,214)	-	(3,482)
Annual depreciation rate – %	10	10	10	25		

## HIDROVIAS DO BRASIL S.A.

### Notes to interim financial information

For the period ended September 30, 2021

(In thousands of reais - R\$, unless otherwise indicated)

Consolidated	Land	Buildings	Facilities and improvements	Furniture and fixtures	Machinery and equipment	Electronic and IT equipment	Vehicles	Pushers, barges, ships	Property, plant and equipment in progress (b)	Total
Balance at 12/31/2020	85,452	487,487	9,604	369	239,680	1,984	207	2,181,256	349,565	3,355,604
Additions	-	-	44	220	2,115	372	721	501,461 (a)	361,144	866,077
Depreciation	-	(17,881)	(1,272)	(59)	(32,833)	(632)	(77)	(104,068)	-	(156,822)
Translation adjustment	-	-	182	13	504	21	7	44,058	(3,158)	41,627
Balance at 09/30/2021	85,452	469,606	8,558	543	209,466	1,745	858	2,622,707	707,551	4,106,486
Historical cost	85,452	594,885	15,370	1,080	414,139	5,838	1,637	3,201,963	707,551	5,027,915
Accumulated depreciation	-	(125,279)	(6,812)	(537)	(204,673)	(4,093)	(779)	(579,256)	-	(921,429)
Annual depreciation rate – %	-	4	10	10	10	25	20	4	-	-

(a) The increase shown for the assets of pushers, barges, and ships are due to the business combination process shown in the business combination note; and

(b) With respect to construction in progress, the increase comes from projects such as the Santos terminal and assets needed to use the barges, such as tops.

Consolidated	Land	Buildings	Facilities and improvements	Furniture and fixtures	Machinery and equipment	Electronic and IT equipment	Vehicles	Pushers, barges, ships	Property, plant and equipment in progress	Total
Balance at 12/31/2019	84,091	511,328	10,138	359	279,175	2,322	184	1,908,317	132,550	2,928,464
Additions	1,361	-	13	7	1,259	425	-	295	284,463	287,823
Transfers	-	-	-	-	-	-	-	68,140	(68,140)	-
Depreciation	-	(23,841)	(1,657)	(71)	(43,562)	(840)	(25)	(119,567)	-	(189,563)
Translation adjustment	-	-	1,110	74	2,808	77	48	324,071	692	328,880
Balance at 12/31/2020	85,452	487,487	9,604	369	239,680	1,984	207	2,181,256	349,565	3,355,604
Historical cost	85,452	594,885	14,895	822	411,123	5,361	863	2,654,473	349,565	4,117,439
Accumulated depreciation	-	(107,398)	(5,291)	(453)	(171,443)	(3,377)	(656)	(473,217)	-	(761,835)
Annual depreciation rate – %	-	4	10	10	10	25	20	4	-	-

## HIDROVIAS DO BRASIL S.A.

Notes to interim financial information

For the period ended September 30, 2021

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### Asset impairment

According to accounting practices adopted in Brazil and IFRSs, the fixed asset items that exhibit signs that their recorded costs are higher than their recoverable values are reviewed in detail to determine the need to form a provision for reduction of the book balance to its realizable value. The cash flow projections were prepared considering the useful life of assets.

The main assumptions adopted for estimating the recoverable value are as follows. The amounts attributed to the main assumptions represent the evaluation of future trends by Management in relevant sectors and were based on historical data from internal and external sources.

The cash flow projections were prepared considering the useful life of the assets of each CGU.

Projected income (loss) was estimated considering past experience. The projected revenue growth took into account long-term take-or-pay contracts. Price of services increases in line with inflation expected for the next years as provided in the contracts. Costs vary by volume and are monetarily restated by the projected inflation rate.

During the year ended December 31, 2020, Management carried out a study and determined that there is no need to record a provision for impairment of the book balance. Management understands that the test assumptions are valid for September 30, 2021 and there was no need to update the test.

## 12. Right-of-use asset and lease liability

Breakdown and changes in right-of-use asset as of September 30, 2021 and December 31, 2020:

Parent company	Real estate	Total
Net balances at December 31, 2020	-	-
Additions	2,364	2,364
Amortization	(886)	(886)
Net balances at September 30, 2021	1,478	1,478

Parent company	Real estate	Total
Net balances at December 31, 2019	1,101	1,101
Amortization	(1,101)	(1,101)
Net balances at December 31, 2020	-	-

Consolidated	Real estate	Vessels	Total
Net balances at December 31, 2020	131,229	25,885	157,114
Formation	14,190	137,498	151,688
Amortization	(5,652)	(65,596)	(71,248)
Translation adjustment	313	(5,855)	(5,542)
Net balances at September 30, 2021	140,080	91,932	232,012

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Notes to interim financial information  
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Consolidated	Real estate	Vessels	Total
Net balances at December 31, 2019	5,954	26,580	32,534
Formation	130,733	5,796	136,529
Amortization	(7,272)	(6,491)	(13,763)
Translation adjustment	1,814	-	1,814
Net balances at December 31, 2020	131,229	25,885	157,114

Changes in lease liability as of September 30, 2021 and December 31, 2020 are as follows:

	Parent company	Consolidated
Balance at December 31, 2020	180	164,747
Formation	2,364	151,688
Interest and inflation adjustment	115	4,245
Payment of principal	(1,140)	(73,088)
Realization of adjustment to present value	-	4,918
Translation adjustment	-	(7,370)
Balance at September 30, 2021	1,519	245,140

Current	894	73,991
Non-current	625	171,149

	Parent company	Consolidated
Balance at December 31, 2019	1,149	32,775
Formation	-	136,528
Interest and inflation adjustment	91	3,467
Payment of principal	(1,060)	(18,675)
Realization of adjustment to present value	-	8,016
Translation adjustment	-	2,636
Balance at December 31, 2020	180	164,747

Current	180	14,446
Non-current	-	150,301

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Maturity schedule of leases:

Year	Parent company	Consolidated
2021	320	25,369
2022	1,279	81,258
2023	-	20,463
2024	-	20,550
2025	-	20,497
≥2026	-	336,189
Total	1,599	504,326
Interest and adjustment to present value	(80)	(259,186)
Lease liability	1,519	245,140

The average discount rate for leased assets is 9.4% for the period ended September 30, 2021 and December 31, 2020.

The Company and its subsidiaries have the potential right to recover Pis/Cofins embedded in the lease consideration. Tax credits were not highlighted in the measurement of cash flows from leases, and the potential Pis/Confis effects are presented in the table below:

Cash flow	Parent company and Consolidated	
	Nominal	Adjusted at present value
Lease consideration with levy of tax (a)	415,998	167,919
Lease consideration without levy of tax (b)	88,328	77,221
Total	504,326	245,140
Pis/Cofins (9.25%)	38,480	15,232

(a) Lease considerations in Brazil with tax incidence.

(b) Lease considerations in Uruguay and Paraguay without tax incidence.

### 13. Intangible assets

Parent company	Software	Agreements	Intangible in progress	Total
Balance at 31de December 2020	3,526	1,148	19,745	24,419
Additions	-	-	11,712	11,712
Amortization	(1,717)	(123)	-	(1,840)
Balance at September 30, 2021	1,809	1,025	31,457	34,291
Annual amortization rate – %	20	(*)	-	-
Historical cost	26,983	1,711	31,457	60,151
Accumulated amortization	(25,174)	(686)	-	(25,860)

## HIDROVIAS DO BRASIL S.A.

Notes to interim financial information  
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Parent company	Software	Agreements	Intangible in progress	Total
Balance at 31 de December 2019	8,515	1,312	2,379	12,206
Additions	-	-	17,366	17,366
Amortization	(4,989)	(164)	-	(5,153)
Balance at December 31, 2020	3,526	1,148	19,745	24,419
Annual amortization rate – %	20	(*)	-	-
Historical cost	26,983	1,711	19,745	48,439
Accumulated amortization	(23,457)	(563)	-	(24,020)

(\*) Amortization for the term of the respective contracts

Consolidated	Trademarks and patents	Software	Contracts (b)	Goodwill (a)	Intangible in progress	Total
Balance at December 31, 2020	-	8,309	218,426	73,121	23,059	322,915
Additions	98	-	-	-	13,687	13,785
Amortization	(24)	(3,121)	(9,696)	-	-	(12,841)
Translation adjustment	(1)	142	-	-	5	146
Balance at September 30, 2021	73	5,330	208,730	73,121	36,751	324,005
Annual amortization rate – %	20	20	(*)	-	-	-
Historical cost	98	37,121	259,227	73,121	36,751	406,318
Accumulated amortization	(25)	(31,791)	(50,497)	-	-	(82,313)

Consolidated	Software	Contracts (b)	Goodwill (a)	Intangible in progress	Total
Balance at December 31, 2019	14,611	135,656	73,121	4,741	228,129
Additions	46	95,710	-	18,473	114,229
Amortization	(6,440)	(12,940)	-	-	(19,380)
Translation adjustment	92	-	-	(155)	(63)
Balance at December 31, 2020	8,309	218,426	73,121	23,059	322,915
Annual amortization rate – %	20	(*)	-	-	-
Historical cost	36,568	258,645	73,121	23,059	391,393
Accumulated amortization	(28,259)	(40,219)	-	-	(68,478)

(\*) Amortization for the term of the respective contracts

(a) Goodwill

Goodwill generated on the acquisition of assets and liabilities of “Log-In” in the amount of R\$ 73,121, by the subsidiary Cabotagem, based on future profitability of operations.

As of December 31, 2020, using the assumption of calculation of the future cash flows in the period of the

## HIDROVIAS DO BRASIL S.A.

Notes to interim financial information

For the period ended September 30, 2021

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concession agreement and applying the discount rate, we did not identify any need to record a provision for impairment. Management believes to comply with the assumption that a market participant would use and understands that the assumptions have not been changed to September 30, 2021.

For impairment test purposes, goodwill was allocated to a cash generating unit (UGC) from its source.

The recoverable value of this CGUs was based on the fair value, estimated based on the discounted cash flows. Measurement of fair value was classified as Level 3 based on inputs used in evaluation technique.

The main assumptions adopted for estimating the recoverable value are as follows. The amounts attributed to the main assumptions represent the evaluation of future trends by Management in relevant sectors and were based on historical data from internal and external sources.

The discount rate was estimated after the taxes, using the weighted average rate of capital cost for each CGU which is 5.4% (5.4% as of December 31, 2020), considering market parameters.

The cash flow projections were prepared considering the useful life of the assets of each CGU. Growth rate in perpetuity was not considered.

Projected income (loss) was estimated considering past experience. The projected revenue growth took into account long-term take-or-pay contracts. Price of services increases in line with inflation expected for the next years as provided in the contracts. Costs vary by volume and are monetarily restated by the projected inflation rate.

The estimated recoverable value of CGUs was higher than their book value. Thus, the need to record a provision for impairment was not identified.

### (b) Contracts

- Contract with clients acquired by the subsidiary Cabotagem in December 2016, had a 18-year duration for the rendering of navigation service for transport of Bauxite. The contract value is amortized based on the agreement period.
- The lease contract acquired by the subsidiary Hidroviás do Brasil - Administração Portuária Santos S.A for a period of 25 years as of the date of assumption of March 3, 2020 in the amount of R\$ 112,500 related to the Grant and adjustment at present value in the amount of R\$ 19,379 for the handling and storage of solid mineral bulk, especially fertilizers and salts, located inside the Port of Santos. The average discount rate for these assets is 9.4% for the period ended September 30, 2021. The contract value is amortized based on the agreement period. The table below shows the changes in obligation recorded, due to the Obligation with ANTAQ (National Water Transport Agency):

	<u>Consolidated</u>
Balance at December 31, 2020	73,773
Payment	(18,141)
Inflation adjustment	4,186
Realization of adjustment to present value	2,907
<hr/> <hr/>	<hr/> <hr/>
Balance at September 30, 2021	62,725
Current	21,466
Non-current	41,259

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	<u>Consolidated</u>
Balance at December 31, 2019	-
Formation	85,685
Adjustment to present value	(19,379)
Inflation adjustment	4,237
Realization of adjustment to present value	3,230
<b>Balance at December 31, 2020</b>	<b>73,773</b>
Current	18,547
Non-current	55,226

### 14. Suppliers

Breakdown of balance of suppliers is in the chart below:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>09/30/2021</u>	<u>12/31/2020</u>	<u>09/30/2021</u>	<u>12/31/2020</u>
Domestic suppliers	5,214	9,229	82,166	56,342
Foreign suppliers	-	-	45,872	12,164
<b>Total</b>	<b>5,214</b>	<b>9,229</b>	<b>128,038</b>	<b>68,506</b>

### 15. Loans and financing

Loans and financing held by the Parent Company and its subsidiaries are shown in the table below:

	Type	Final maturity	Interest rate - p.a.	<u>Consolidated</u>	
				<u>09/30/2021</u>	<u>12/31/2020</u>
<u>HB International Finance:</u>					
	Bond 2025	Jan 2025	5.95%	829,053	3,054,182
	Bond 2031	Feb 2031	4.95%	2,637,156	-
<u>HB Cabotagem:</u>					
BNDES	Bank Credit Bill	Mar 2033	2.5-3.9% + Ptax 800 BCB (USD)	652,484	666,485
<u>HB Vila do Conde:</u>					
Santander	Project financing	Aug 2025	5%	174	2,467
<b>Total</b>				<b>4,118,867</b>	<b>3,723,134</b>
Classified as:					
Current				101,782	185,954
Non-current				4,017,085	3,537,180

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Changes in consolidated loans and financing are as follows:

	Balance at 12/31/2020	Funding	Interest	Addition of funding cost	Amortization of funding cost	Payment of principal	Interest payment	Translation adjustment	Hedge effect	Balance at 09/30/2021
Luxembourg (c)	3,054,182	2,848,650	137,816	(113,441)	29,301	(2,423,988)	(192,233)	125,922	-	3,466,209
Vila do Conde (d)	2,467	-	3,410	-	-	-	(4,729)	(974)	-	174
Cabotage (a)	666,485	-	16,930	-	-	(44,409)	(16,858)	-	30,336	652,484
	<u>3,723,134</u>	<u>2,848,650</u>	<u>158,156</u>	<u>(113,441)</u>	<u>29,301</u>	<u>(2,468,397)</u>	<u>(213,820)</u>	<u>124,948</u>	<u>30,336</u>	<u>4,118,867</u>

	Balance at 12/31/2019	Interest	Reversion/Funding Cost	Payment of principal	Interest payment	Bond repurchase	Translation adjustment	Exchange-rate change	Hedge effect	Balance at 12/31/2020
Luxembourg (c)	2,454,044	184,132	5,336	-	(184,132)	(100,101)	694,903	-	-	3,054,182
Vila do Conde (d)	1,952	3,096	-	-	-	-	(2,581)	-	-	2,467
Cabotage (a)	529,073	22,239	-	(25,563)	(10,398)	-	-	2,438	148,696	666,485
Resflir (b)	5,440	150	-	(6,943)	(164)	-	1,517	-	-	-
	<u>2,990,509</u>	<u>209,617</u>	<u>5,336</u>	<u>(32,506)</u>	<u>(194,694)</u>	<u>(100,101)</u>	<u>693,839</u>	<u>2,438</u>	<u>148,696</u>	<u>3,723,134</u>

### Description of loan and financing agreements

- a) On December 23, 2016, the Company assumed – through its indirect subsidiary HB Cabotagem, in negotiation with Log-In – a Financing Contract through credit facility with BNDES in the total amount of US\$ 144,644 thousand, equivalent to R\$ 491,601, referring to the acquisition of two bulk carrier vessels, the payments of which will occur monthly, with the final settlement scheduled for March 10, 2033. The assets acquired are Tucunaré and Tambaqui.

As of May 15, 2017, the subsidiary Hidrovias do Brasil – Cabotagem Ltda. obtained a Finame credit facility, with transfer of funds by Banco Safra, for the purchase of front-end loaders, in the total amount of US\$ 588,000 (equivalent to R\$ 1,823). As of September 15, 2020, the Company settled this debt.

- b) On March 15, 2017, the indirect subsidiary Resflir contracted financing in foreign currency with Banco ABC, equivalent to R\$ 15,449 (US\$ 5,000 thousand), with settlement carried out on July 14, 2020.
- c) On January 24, 2018, the company obtained, through its subsidiary in Luxembourg, a Bond in the amount of US\$ 600,000 thousand, maturing on January 24, 2025. The amount recorded is net of the funding cost, US\$ 5,100 thousand, and will be amortized according to the contract period.

As of February 8, 2021, the Company, through its subsidiary in Luxembourg, issued a Bond in the amount of US\$ 500,000 thousand, maturing on February 8, 2031. The proceeds from this issue were used to repurchase of approximately 75% of 2025 Bond issued on January 24, 2018. The amount recorded is net of the funding cost and will be amortized over the term of the agreement. This transaction is structured to be settled at any time, due to the mere liberality of being settled with securities, bonds, or other assets pledged as a guarantee. Said note is fully guaranteed by a linked credit note of equal value, term, and maturity, against the same counterparty. Both instruments can be redeemed in a binding manner and at any time by the Company.

- d) As of March 22, 2018, the Company raised, through its subsidiaries Hidrovias do Brasil – Vila do Conde S.A., Hidrovias do Brasil – Miritituba S.A. and Hidrovias do Brasil – Navegação Norte S.A. (the last two, later

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merged by Hidrovias do Brasil – Vila do Conde S.A.) NCEs (Export Credit Note) with Banco Santander in the amount of R\$ 1,120,734, with payment of semiannual interest of 6.3% p.a., maturing on January 21, 2025, this amount is eliminated in the consolidation process. In May 2021, the Company amended this agreement and the note started bearing interest of 4.99% p.a. and maturing on August 5, 2025.

### Guarantees

Loans and financing are guaranteed by Hidrovias do Brasil through sureties, promissory notes or deposits in bank accounts.

The Bond 2025 and Bond 2031 have been approved by the companies Hidrovias do Brasil S.A., Hidrovías del Sur S.A., Cikelso S.A., Pricolpar S.A., Hidrovias del Paraguay S.A., Girocantex S.A., Hidrovias do Brasil – Vila do Conde S.A., and Hidrovias do Brasil – Holding Norte S.A.

### Covenants

The Company, through its subsidiaries, has contractual covenants linked to certain financing, which may, in case of non-compliance, lead to early maturity of the debt. These covenants are related to financial indices such as coverage of debt service, indebtedness, liquidity and operational obligations. In addition to these, there are other non-financial clauses.

Subsidiary Cabotagem has the following clause: (i) maintain the capitalization ratio greater or equal to 25%. The price-earnings ratio is given by adjusted shareholders' equity on total assets. The adjusted shareholders' equity is the shareholders' equity less the foreign exchange losses and (ii) keep the debt service coverage ratio equal to or higher than 1.3. The ICSD (Index of debt service coverage) is the EBITDA less Income Tax and Social Contribution on Net income in working capital, excluding cash and debt and effects of exchange-rate change, on debt service. As of December 31, 2020, the clauses of Subsidiary Cabotagem were fully met, as well as on September 30, 2021.

On the other hand, the subsidiary Hidrovias International Finance has the financial covenant related to Leverage Bond 2031 ("Net debt/EBITDA" ratio), which shall be lower than 4.5x in 2021 and 2022, lower than 4.0x in 2023 and lower than 3.5x as of 2024, so that extraordinary dividend payments and new debts may be contracted.

As of September 30, 2021, the clauses of the Subsidiary Hidrovias International Finance were not met (ceiling of 4.5x versus 5.7x achieved). The breach of the covenant does not accelerate debt repayment and does not cause any default. However, the Company will not be able to raise new debts in addition to those allowed by the covenants of Bond 2031 or pay extraordinary dividends (above the minimum amount). Despite the aforementioned breach of covenant, the Company does not expect short- and medium-term impacts on its operations and believes that it will not need loans or working capital, in addition to the permissions of Bond 2031 covenants to meet its obligations.

With the repurchase of 2025 Bond, this bond no longer has financial covenants.

### Bond repurchase

As approved at a meeting of the Company's Board of Directors held on June 27, 2018, the Company may carry out Bond 2025 repurchases on a timely manner when the opportunity is adequate and provided that it does not exceed the total amount of US\$ 50,000,000. This amount does not represent a market repurchase offer and provides a liquidity opportunity for bondholders who may need liquidity.

As a result of the current market circumstances with the coronavirus pandemic, the Company's bond had its price reduced in the secondary market, which allowed the evaluation of possible repurchases. Therefore, due to the high volatility of the market, until September 30, 2021, the Company carried out repurchases of USD 24,850,000.

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### Maturity of long-term installments - consolidated

As of September 30, 2021 and December 31, 2020, the long-term portion maturities have the following breakdown:

Months:	Consolidated	
	09/30/2021	12/31/2020
13-24	144,320	51,018
25-36	144,561	53,608
37-48	1,101,014	54,492
49-60	97,943	3,110,445
>61	2,529,247	267,617
Total	4,017,085	3,537,180

### 16. Social charges and labor legislation obligations

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Provision for bonus	12,239	13,709	21,987	23,284
Vacations and social security charges	2,595	1,569	11,548	8,782
INSS payable	1,861	1,072	7,177	2,865
IRRF payable	131	1,137	797	2,873
FGTS payable	600	337	1,181	1,259
13th salary payable	1,282	-	6,078	-
Other	30	-	642	397
Total	18,738	17,824	49,410	39,460

### 17. Lawsuits

The Company and its subsidiaries are parties to administrative and legal lawsuits arising from the normal course of their operations. These lawsuits involve labor and civil matters. Based on the information of its internal and external legal advisors, Management measured and recognized provisions for contingencies in an estimated amount of the value of obligation and which reflect the expected outflow of funds.

As of September 30, 2021, the provisions for probable contingencies were recognized in the amount of R\$ 14,516 (R\$ 9,794 as of December 31, 2020). The breakdown of the provision for contingencies is detailed below:

	Consolidated			
	12/31/2020	Additions	Write-offs	09/30/2021
Labor	9,791	4,818	(126)	14,483
Civil	3	35	(5)	33
	9,794	4,853	(131)	14,516

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	Consolidated			
	12/31/2019	Additions	Write-offs	12/31/2020
Labor	5,884	4,320	(413)	9,791
Civil	-	3	-	3
	<u>5,884</u>	<u>4,323</u>	<u>(413)</u>	<u>9,794</u>

Labor lawsuits represent labor claims of various natures (additional shipping fees, salary differences, severance pay, among other indemnities).

### Possible contingencies

The Company and its subsidiaries are parties to other lawsuits for which management, based on the assessment of its internal and external legal advisors, considered the risk of loss as possible. Liabilities arising from these lawsuits are considered to be contingent liabilities since is not likely that an outflow of funds that incorporate economic benefits will be required to settle such obligations. The nature of the main contingent liabilities are:

Processes	Nature
Labor	Labor claims of various natures (payment of additional shipping fees, salary differences, severance pay, among other indemnities) that are in the judicial sphere and in different procedural stages. As of September 30, 2021, the total possible labor claims is R\$ 14,998 (R\$ 10,065, on December 31, 2020).
Civil	On September 30, 2021, the Company and its subsidiaries had a total of R\$ 4,638 in civil lawsuits, represented by collection and indemnity lawsuits. (R\$ 4,553 as of December 31, 2020).
Tax	The Company informs that, on April 14, 2021, it was notified by SEFA/PA about the issuance of a Tax Assessment Notice 062021510000007-1, for allegedly having applied the ICMS [State VAT] deferral without legal support, in relation to transportation services of bauxite provided by the Company to Alunorte Alumina do Norte do Brasil S.A. However, Alunorte Alumina do Norte do Brasil S.A. has the benefit of deferring ICMS for transportation in the State of Pará, which has been repeatedly granted since 1993, initially through Law 5758 of 08/30/1993 of the State of Pará, amended by Law 6307 of 07/17/2000 and finally, through Resolution 14 of July 10, 2015, but the text of said resolution does not expressly indicate the transportation companies that provide the services, as is the case with the Company. Accordingly, as Alunorte does not carry out the transportation activity, SEFA/PA's interpretation of the aforementioned resolution would render the benefit harmless, as it has already been renewed a few times and there has never been any question about its applicability. On June 21, 2021, the Company was notified of a fully favorable decision, in its favor, at the lower court. As a result, the Company believes that it has strong arguments to challenge the aforementioned tax assessment. The amount related to the tax assessment notice is R\$ 5,090 on September 30, 2021.

As of September 30, 2021, the Company and its subsidiaries had judicial deposits related to the payment of PIS and COFINS and ICMS according to a writ of mandamus, in the amount of R\$ 15,348 (R\$ 13,734 as of December 31, 2020) and R\$ 27,040, and referring to income tax and INSS, and the same amount on December 31, 2020 per lawsuit discussing tax liabilities within the scope of Stock Options.

## 18. Related parties

### (a) Remuneration of key management personnel

On September 30, 2021, the remuneration of key management personnel, which includes the Executive Board and Board members, amounted to R\$ 12,414 (R\$ 10,466 as of September 30, 2020), referring to salaries and variable benefits, of which R\$ 12,051 refers to short-term employee benefits (R\$ 10,134 as of September 30, 2020) and R\$ 363 for medical benefits (R\$ 332 on September 30, 2020).

The success in implementing the Company's strategy was based, among other factors, to the experience and services performed by its controlling shareholder, without exclusive dedication to advisory activity or exclusive remuneration.

The amounts of related parties basically refer to financial transactions under specific conditions, defined internally

## HIDROVIAS DO BRASIL S.A.

Notes to interim financial information

For the period ended September 30, 2021

(In thousands of reais - R\$, unless otherwise indicated)

by the Company and its subsidiaries.

- (b) Transactions between related parties involving controlling shareholders, entities under common control or significant influence

	Parent company			
	Assets		Liabilities	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Credits from parent company				
Girocantex S.A. (a)	-	-	(313)	(734)
Hidrovias del Sur S.A. (b)	9,640	10,271	-	(509)
Hidrovias do Brasil – Holding Norte S.A (h)	6,547	8,928	-	(6,104)
Hidrovias do Brasil – Interm. e Agenc. Serv. Ltda. (e)	-	-	-	(68)
Hidrovias do Brasil Adm Portuária Santos S.A. (f)	1,691	1,601	(16)	(36)
Hidrovias International Finance S.à.r.l	-	-	(528)	(46)
Vila do Conde S.A (i)	-	-	(6,209)	-
Cikelsol S.A. (i)	-	-	(109)	-
Hidrovias do Brasil Cabotagem (i)	-	-	(35)	-
Pricolpar S.A.	-	-	(4)	-
Dividends	1,654	14,090	-	-
Loan (g)	-	-	(51,112)	(55,984)
Subtotal	19,532	34,890	(58,326)	(63,481)
Current	14,093	29,693	(38,093)	(63,481)
Non-current	5,439	5,197	(20,233)	-

- (c) Transactions between related parties involving jointly controlling shareholders:

	Consolidated			
	Assets		Liabilities	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Credits with Joint Venture				
Obrinel	1,511	3,820	-	-
Limday	3,998	-	-	-
Current	-	-	-	-
Non-current	5,509	3,820	-	-

- (d) Guarantees, pledge deposits and dividends payable

	Consolidated			
	Assets		Liabilities	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Guarantees and escrow deposit (d)	7,944	8,253	-	-
BNDES (c)	-	-	652,484	666,485
Dividends payable	281	237	-	-
Subtotal	8,225	8,490	652,484	666,485

- (e) Income (loss) from operations with related parties:

## HIDROVIAS DO BRASIL S.A.

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(In thousands of reais - R\$, unless otherwise indicated)

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Revenues (expenses):				
Exchange rate change on security deposit (d)	1,003	(2,557)	1,003	(2,557)
Exchange-rate change on loan	(3,180)	(1,417)	(3,180)	(1,417)
Subtotal	(2,177)	(3,974)	(2,177)	(3,974)
BNDES (c)	-	-	(16,927)	(17,090)
Subtotal	-	-	(16,927)	(17,090)
Total	(2,177)	(3,974)	(19,104)	(21,064)

- (a) Refer to reimbursable expenditures on structuring of the financing for Project Vale with the indirect subsidiary Girocantex in Brazil.
- (b) Refers to interest on loans with the indirect subsidiary Girocantex.
- (c) Refers to interest from loans with the indirect subsidiary Hidrovias do Brasil Cabotagem.
- (d) As mentioned in note 8, refer to financial resources granted to Obrinel without interest, which will be settled after proof of performance of the assets and completion of the port facilities. The financial income (loss) from exchange-rate change are recognized in the income (loss) for the period.
- (e) Refers to operating expenses with the direct subsidiary Hidrovias do Brasil – Interm. e Agenc. Serv. Ltda.
- (f) Refers to expenses with the management project of its subsidiary Hidrovias do Brasil Administração Portuária Santos S.A.
- (g) The balance on September 30, 2021, refers to the loan agreement with Hidrovias do Brasil Vila do Conde S.A. in the amount of R\$ 30,837 maturing on December 31, 2021, and R\$ 20,027 with Luxembourg maturing on February 2031, R\$ 140 with Hidrovias do Brasil Cabotagem, R\$ 65 with Hidrovias do Brasil Administração Portuária Santos S.A. and R\$ 43 with Imperial Shipping Paraguay
- (h) Refers to operating expenses with the direct subsidiary Hidrovias do Brasil – Holding Norte S.A., not providing for any settlement term or inflation adjustment.
- (i) It refers to the apportionment of expenses between the group companies

## 19. Capital

As of September 30, 2021, capital totals R\$ 1,359,469 (R\$ 1,359,469 as of December 31, 2020), and is represented by 760,382,643 (760,382,643 as of December 31, 2020) common, nominative shares with no par value.

Shareholding structure on September 30, 2021 and December 31, 2020 is detailed as follows:

Shareholders	09/30/2021		12/31/2020	
	Common shares	%	Common shares	%
Pátria Infraestrutura - Fundo de Investimento em Participações Multiestratégia	153,484,062	20.2	153,484,062	20.2
Pátria Infraestrutura Brasil Fundo de Investimento em Participações Multiestratégia	8,745,834	1.2	8,745,834	1.2
Pátria Infraestrutura IV FIP Multiestratégia	78,500,846	10.3	-	-
Sommerville Investments B.V.	63,517,842	8.4	63,517,842	8.4
HBSA Co-Investimento – Fundo de Investimento em Participações Multiestratégia	32,621,750	4.3	32,621,750	4.3
Verde Asset Management S.A.	41,558,190	5.4	-	-
Other (*)	381,954,119	50.2	502,013,155	66.0
Total	760,382,643	100	760,382,643	100

## HIDROVIAS DO BRASIL S.A.

Notes to interim financial information  
For the period ended September 30, 2021  
(In thousands of reais - R\$, unless otherwise indicated)

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(\*) No other group of shareholders owns over 5% of the Company's total capital

### Legal reserve

Pursuant to article 193 of Law 6404/76, five percent (5%) of net income for the year shall be used to establish a legal reserve, which may not exceed 20% of the capital.

### Tax incentive reserve

Pursuant to the Company's bylaws, we recorded the tax incentive as described in Note 30.

### Dividends

Pursuant to Company's Bylaws, determine minimum mandatory shareholders are entitled to the minimum mandatory dividend of 1% of net income, adjusted pursuant to the terms of item I, Article 202 of Law 6404/76.

## 20. Earnings per share

The diluted earnings per share was calculated with a basis on the result of the period attributable to the controlling shareholders of the Company as of September 30, 2021 and 2020 and the respective average quantity of outstanding common shares in the period as follows:

	07/01/2021- 09/30/2021	01/01/2021- 09/30/2021	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020
Loss for the period	(66,893)	(152,093)	(8,523)	(142,640)
Weighted average of basic shares	760,383	760,383	752,404	749,861
Loss for the period per thousand basic shares	(0.0880)	(0.2000)	(0.0113)	(0.1902)
	07/01/2021- 09/30/2021	01/01/2021- 09/30/2021	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020
Loss for the period	(66,893)	(152,093)	(8,523)	(142,640)
Weighted average of diluted shares	760,383	760,383	752,404	749,861
Diluted effect (*)	-	-	6,149	6,761
Weighted average of diluted shares	760,383	760,383	758,553	756,622
Loss for the period per thousand diluted shares	(0.0880)	(0.2000)	(0.0112)	(0.1885)

(\*) This dilutive effect includes the stock option plans described in Note 21.

Diluted losses per share adjusts the amounts used in determining basic earnings per share to consider the weighted average number of additional common shares that would be outstanding, assuming the conversion of all potential diluting common shares.

## HIDROVIAS DO BRASIL S.A.

Notes to interim financial information

For the period ended September 30, 2021

(In thousands of reais - R\$, unless otherwise indicated)

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### 21. Stock option program

On July 27, 2016, the terms of the Stock Option Plan (“Plan”) were approved through the Extraordinary General Meeting, the purpose of which is the granting of options to purchase shares issued by the Company to Company managers and strategic professionals, with the main objective of attracting and retaining them. The Plan replaced the Stock Option Plan originally approved in Extraordinary General Meeting held on December 07, 2010. The participants indicated, subject to the rules and conditions defined for each program, received the stock option offer defined by the Board of Directors, and each purchase option assigns to its holder the right to acquire one common share issued of the Company, under the terms and conditions of the Plan and the approved programs.

On October 18, 2018, the Company’s Extraordinary General Meeting approved an amendment to the Stock Option Plan originally approved at the Extraordinary General Meeting held on July 27, 2016, aiming to promote changes in the exercise price rules, in the calculation of the updating of the Strike Price and other changes. Those programs were granted in February 2019.

The Company recognized the stock options granted in its Shareholders’ Equity, with a corresponding contra entry in income (loss) for the year. The recognition occurred proportionally to the terms of the respective vesting periods (grace period) of the lots granted, recording the accumulated amount of R\$ 29,775.

As required by Technical Pronouncement CPC 10 (R1) - Share-based Payment, the fair value of options was determined on the granting date (concession date) based on “Black-Scholes” pricing model for options.

The following definitions were used as calculation assumptions in 2017, 2018 and 2019 programs:

- Weighted average share price on the granting date: R\$ 4.70
- Strike price of the options: Defined according to the program (see table below).
- Expected volatility: 35.35%. The expected volatility was calculated at the standard deviation of the average daily returns for the shares of a group of comparable companies. This group includes Rumo, Taesa, Alupar, Isa CTEEP, Kirby, SITC, Pacific Basin and Evergreen Marine. The history of trading sessions used is similar to the maturity date of the options:
- Lifetime of the option: 5 years, according to the contractually defined term
- Expected dividends: it is not necessary to include the effect of dividends, since the distribution of dividends reduces the exercise price of the options.
- Expected inflation: to calculate the exercise price correction, an inflation estimate of 4.2% p.a. was used based on the NTN-B maturing close to the option’s maturity.
- Risk-free interest rate: a rate of 8.31% was estimated based on the projection of the DI curve for the options maturity date.

As of August 31, 2020, the Long-Term Incentive Plan (“LIP”) for Hidrovias do Brasil S.A. was approved at the Company’s General Meeting. The Board of Directors will have the authorization to grant Restricted Shares to the participants, establishing all the conditions for the acquisition of rights related to the Restricted Shares to be granted, as well as the amendment of such conditions when necessary or convenient. The granting of Restricted shares must be made through the signing of grant agreements between the Company and the participants.

As of September 1, 2020, 11,771,978 new common shares were subscribed, through the payment of R\$ 51,786. The options were exercised at an Average Exercise Price of R\$ 4.40, accounting for a total of 41% of the shares vested so far, which are an integral part of the granted plans detailed below:

## HIDROVIAS DO BRASIL S.A.

### Notes to interim financial information

For the period ended September 30, 2021

(In thousands of reais - R\$, unless otherwise indicated)

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (*)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2010/1 <sup>st</sup>	12/07/2011	03/31/2024	1.00	500,000	-	259,500	240,500	1.13
2010/1 <sup>st</sup>	12/07/2012	03/31/2024	1.00	500,000	-	259,500	240,500	1.27
2010/1 <sup>st</sup>	12/07/2013	03/31/2024	1.00	500,000	-	259,500	240,500	1.43
2010/1 <sup>st</sup>	12/07/2014	03/31/2024	1.00	500,000	-	259,500	240,500	1.61
Total Plan of 2010				2,000,000	-	1,038,000	962,000	

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (*)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2011/1 <sup>st</sup>	05/10/2012	03/31/2024	1.00	25,000	-	12,975	12,025	1.17
2011/1 <sup>st</sup>	05/10/2013	03/31/2024	1.00	25,000	-	12,975	12,025	1.31
2011/1 <sup>st</sup>	05/10/2014	03/31/2024	1.00	25,000	-	12,975	12,025	1.47
2011/1 <sup>st</sup>	05/10/2015	03/31/2024	1.00	25,000	-	12,975	12,025	1.65
Total Plan of 2011				100,000	-	51,900	48,100	

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (*)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2012/1 <sup>st</sup>	05/26/2013	03/31/2024	1.14	338,750	125,000	82,593	131,157	1.37
2012/1 <sup>st</sup>	05/26/2014	03/31/2024	1.14	338,750	125,000	82,593	131,157	1.54
2012/1 <sup>st</sup>	05/26/2015	03/31/2024	1.14	338,750	125,000	82,594	131,156	1.73
2012/1 <sup>st</sup>	05/26/2016	03/31/2024	1.14	338,750	157,500	82,595	98,655	1.93
2012/2 <sup>nd</sup>	08/10/2013	03/31/2024	1.28	100,000	-	60,000	40,000	1.56
2012/2 <sup>nd</sup>	08/10/2014	03/31/2024	1.28	100,000	-	60,000	40,000	1.75
2012/2 <sup>nd</sup>	08/10/2015	03/31/2024	1.28	100,000	-	60,000	40,000	1.98
2012/2 <sup>nd</sup>	08/10/2016	03/31/2024	1.28	100,000	-	60,000	40,000	2.23
Total Plan of 2012				1,755,000	532,500	570,375	652,125	

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (*)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2013/1 <sup>st</sup>	03/31/2014	03/31/2024	1.41	275,234	30,090	93,460	151,684	1.77
2013/1 <sup>st</sup>	03/31/2015	03/31/2024	1.41	275,234	30,090	93,460	151,684	2.01
2013/1 <sup>st</sup>	03/31/2016	03/31/2024	1.41	275,233	35,400	93,460	146,373	2.25
2013/1 <sup>st</sup>	03/31/2017	03/31/2024	1.41	275,233	76,110	93,360	105,763	2.54
Total Plan of 2013				1,100,934	171,690	373,740	555,504	

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (*)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2014/1 <sup>st</sup>	03/31/2015	03/31/2024	1.68	555,750	-	219,034	336,716	2.20
2014/1 <sup>st</sup>	03/31/2016	03/31/2024	1.68	555,750	4,500	219,034	332,216	2.47
2014/1 <sup>st</sup>	03/31/2017	03/31/2024	1.68	555,750	58,500	218,884	278,366	2.80
2014/1 <sup>st</sup>	03/31/2018	03/31/2024	1.68	555,750	58,500	218,884	278,366	3.15
Total Plan of 2014				2,223,000	121,500	875,836	1,225,664	

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Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (*)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2016 A/1 <sup>st</sup>	07/27/2016	03/31/2024	3.64	889,295	-	386,076	503,219	0.00
2016 A/1 <sup>st</sup>	03/31/2017	03/31/2024	3.64	889,295	78,642	385,976	424,677	0.93
2016 A/1 <sup>st</sup>	03/31/2018	03/31/2024	3.64	889,295	78,642	385,976	424,677	1.06
2016 A/1 <sup>st</sup>	03/31/2019	03/31/2024	3.64	889,295	134,520	382,993	371,782	1.14
Total Plan of 2016 A				3,557,180	291,804	1,541,021	1,724,355	

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (*)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2016 B/1 <sup>st</sup>	03/31/2017	03/31/2024	3.48	720,330	55,675	305,281	359,374	1.06
2016 B/1 <sup>st</sup>	03/31/2018	03/31/2024	3.48	720,330	55,675	305,281	359,374	1.17
2016 B/1 <sup>st</sup>	03/31/2019	03/31/2024	3.48	720,330	86,206	304,420	329,704	1.24
2016 B/1 <sup>st</sup>	03/31/2020	03/31/2024	3.48	720,330	122,125	292,370	305,835	1.30
Total Plan of 2016 B				2,881,320	319,681	1,207,352	1,354,287	

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (***)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2017	03/31/2018	03/31/2024	3.62	793,750	-	380,751	412,999	1.66
2017	03/31/2019	03/31/2024	3.62	793,750	-	380,751	412,999	1.66
2017	03/31/2020	03/31/2024	3.62	793,750	56,250	359,815	377,685	1.66
2017	03/31/2021	03/31/2024	3.62	793,750	56,250		737,500	1.66
Total Plan of 2017				3,175,000	112,500	1,121,317	1,941,183	

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (***)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2018	02/01/2019	03/31/2024	4.70	1,400,000	-	712,781	687,219	1.33
2018	02/01/2020	03/31/2024	4.70	1,400,000	62,500	687,781	649,719	1.33
2018	50% through liquidity event	03/31/2024	4.70	2,800,000	125,000	1,375,563	1,299,437	1.33
Total Plan of 2018				5,600,000	187,500	2,776,125	2,636,375	1.33

Plan/Program	“Vesting”	Limit date for the year	Strike price (in R\$) (***)	Granted	Canceled / Expired	Exercised on 09/01/2020	Outstanding	Fair value (in R\$) (**)
2019	02/13/2020	03/31/2024	4.70	1,500,000	-	738,770	761,230	1.37
2019	02/13/2021	03/31/2024	4.70	1,500,000	-		1,500,000	1.37
2019	50% through	03/31/2024	4.70	3,000,000	-	1,477,542	1,522,458	1.37

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liquidity  
event

Total Plan of 2019	6,000,000	-	2,216,312	3,783,688	1.37
Total	28,392,434	1,737,175	11,771,978	14,883,281	

(\*) Strike price in the grant date. The strike price is adjusted by the IPCA price index plus 7% per year.

(\*\*) Fair value in the grant date.

(\*\*\*) Strike price on the grant date. The strike price is adjusted by the IPCA.

Current plan approved by the Company's Board of Directors with an exercise deadline as of March 31, 2024.

## 22. Commitments and guarantees

As part of our business strategy, we have entered into long-term contracts with our customers with minimum volume requirements and fixed freight rates. The execution of new long-term contracts with customers tends to have a significant positive effect on our net revenue, whereas the loss of an existing material contract may have the opposite effect.

The Company and its subsidiaries have long-term contracts with the following clients:

1. VALE, in the South Corridor, with a duration of 25 years starting from May 2014.
2. SODRU, in the South Corridor, with a duration of 8 years starting from March 2014.
3. SODRU, in the North Corridor, with a duration of 10 years starting from February 2019 (extended to 2029).
4. COFCO, in the South Corridor, with an initial duration of 5 years starting from February 2014, extended to December 2024.
5. COFCO, in the North Corridor, with a duration of 15 years starting from 2016 (extended to 2031).
6. ALLUNORTE, in the North Corridor, with a duration of 25 years starting from 2010 (acquired in 2016)..
7. FERTILIZANTES TOCANTINS, in the North Corridor, with a duration of 3 years starting from 2019.
8. SALINOR, in the North Corridor, with a duration of 20 years as of start-up date estimated for 2021.
9. SIDERAR, South corridor, valid for 11 years (acquired in 2014) – refers to contracts arising from acquisitions related to Imperial Logistics.
10. SIDERAR, South corridor, valid for 06 years (acquired in 2018) – refers to contracts arising from acquisitions related to Imperial Logistics.
11. VETORIAL MINERAÇÃO, South corridor, valid for 02 years (acquired in 2021) – refers to contracts arising from acquisitions related to Imperial Logistics.

As of September 17, 2018, the former HB Navegação Norte, currently merged into the indirect subsidiary HB Vila do Conde, entered into operating lease agreements with the pushers Don Antonio and HB Draco, owned, respectively, by the indirect subsidiaries Pricolpar S.A. and Cikelsol S.A., for a term of 64 months, as of February 11, 2019.

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On December 1, 2020, the indirect subsidiary HB Vila do Conde entered into operating lease agreements for the HB Perseus and HB Taurus pushers owned by the indirect subsidiary Resflir S.A., for a period of 36 months, starting on January 1, 2021.

HB Navegação Norte and HB Miritituba were incorporated on January 1, 2019 by HB Vila do Conde. The company and its subsidiaries have guarantees related to guarantees with regulatory bodies, maintenance and docking of some assets and for other operating activities recorded in financial institutions with whom the company and its subsidiaries have a relationship.

### 23. Net operating revenue

	Consolidated			
	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2020– 09/30/2020	01/01/2020– 09/30/2020
<b>South Corridor:</b>				
Transportation services	118,316	369,328	130,506	354,371
<b>North Corridor:</b>				
Lifting Services	63,633	166,259	77,119	181,066
Transshipment services	16,290	52,306	20,817	56,083
Transportation services*	88,891	249,534	217,843	528,077
Intermediation services	7,647	24,737	818	13,421
Pushing services	11	11	-	-
<b>Cabotage:</b>				
Cabotage services	63,807	187,859	64,928	172,143
<b>Santos:</b>				
Lifting, quay and storage services	-	27,494	-	-
Total gross revenue	358,595	1,077,528	512,031	1,305,161
ISS	(3,725)	(12,553)	(4,932)	(12,635)
PIS	(1,726)	(5,805)	(1,670)	(4,558)
COFINS	(13,716)	(33,450)	(7,777)	(21,208)
ICMS	(142)	(1,183)	(984)	(2,806)
Subtotal taxes	(19,309)	(52,991)	(15,363)	(41,207)
Realization of hedge accounting	(72,476)	(91,247)	(31,930)	(159,499)
Total net revenue	266,810	933,290	464,738	1,104,455

\*The Company creates customized logistical solutions for its customers and, as a way to make the flow of grains to smaller and less structured players easier, it subcontracts road transportation and fully transfers this cost to them, generating a neutral result. As these customers grow and become more structured, there is less demand for this service and, as a result, Net Operating Revenue from “Road Transportation (OTM)” decreased along with the related costs.

The amount of the revenue presented in the chart above includes the Take or Pay in the amount of R\$ 119,364 as of September 30, 2021 (R\$ 218,066 as of September 30, 2020). See further details in Note 29. The highest revenues per customer of the Company are represented by: i) A 32.2% (20.2% as of September 30, 2020); ii) B 25.8% (11.7% as of September 30, 2020, iii) C 24.4% (22% as of September 30, 2020) iv) D 7.8% (1.3% as of September 30, 2020); and represent approximately 90.3% of the total net revenue (55.2% as of September 30, 2020). No other client accounts for over 10% of consolidated net revenue.

## HIDROVIAS DO BRASIL S.A.

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### 24. Costs and expenses by nature

#### 24.1 Costs of services rendered and general and administrative expenses

	Parent company				Consolidated			
	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2020– 09/30/2020	01/01/2020– 09/30/2020	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2020– 09/30/2020	01/01/2020– 09/30/2020
Salaries, social charges and benefits	(8,545)	(35,060)	(28,803)	(54,914)	(62,081)	(183,182)	(72,629)	(173,325)
Depreciation and amortization	(1,037)	(3,591)	(1,288)	(5,240)	(74,335)	(242,168)	(54,905)	(159,109)
Maintenance	(6)	(20)	177	139	(13,374)	(38,538)	(7,387)	(30,872)
Fuel	-	-	-	-	(53,702)	(136,794)	(34,650)	(103,108)
Third party services	1,547	(8,168)	(11,217)	(25,058)	(20,326)	(55,339)	(27,251)	(57,776)
Rentals	(311)	282	(102)	(246)	(3,529)	(23,050)	(15,343)	(41,663)
Freight	-	-	-	-	(1)	(1,055)	(131,740)	(314,131)
Travel and tickets	(210)	(460)	(85)	(779)	(1,510)	(5,153)	(1,248)	(4,475)
Mooring	-	-	-	-	(8,044)	(18,448)	(6,146)	(20,956)
Kitchen and pantry	-	(10)	-	(15)	(1,954)	(5,843)	(1,655)	(5,328)
Agents	-	-	-	-	(3,863)	(11,015)	(2,633)	(10,721)
Operational and safety	-	-	-	-	(3,063)	(10,419)	(4,451)	(11,829)
Sundry fees	(93)	(285)	(122)	(794)	(2,837)	(6,338)	(1,773)	(4,778)
Operational materials	(12)	(18)	(5)	(52)	(36)	(120)	(32)	(132)
Lawsuits	-	-	-	-	(434)	(4,293)	282	(704)
Outdoor Pilotage	-	-	-	-	(9,831)	(22,779)	(7,968)	(23,419)
Other expenses	(618)	(2,460)	(391)	(1,651)	(23,791)	(56,818)	(19,154)	(52,282)
<b>Total</b>	<b>(9,285)</b>	<b>(49,790)</b>	<b>(41,836)</b>	<b>(88,610)</b>	<b>(282,711)</b>	<b>(821,352)</b>	<b>(388,683)</b>	<b>(1,014,608)</b>
Classified as:								
Cost of services rendered	-	-	-	-	(221,679)	(634,703)	(329,208)	(884,840)
General and administrative expenses	(9,285)	(49,790)	(41,836)	(88,610)	(61,032)	(186,649)	(59,475)	(129,768)
<b>Total</b>	<b>(9,285)</b>	<b>(49,790)</b>	<b>(41,836)</b>	<b>(88,610)</b>	<b>(282,711)</b>	<b>(821,352)</b>	<b>(388,683)</b>	<b>(1,014,608)</b>

#### 24.2 Other revenues

	Parent company				Consolidated			
	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2020– 09/30/2020	01/01/2020– 09/30/2020	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2020– 09/30/2020	01/01/2020– 09/30/2020
Extempore credit	-	-	-	-	-	2,243	-	-
AFRMM (a)	-	-	-	-	3,552	7,116	4,788	12,488
Sweeping (b)	-	-	-	-	-	16,387	920	13,700
Bargain purchase income (loss) (c)	3,511	9,834	-	-	39,954	47,247	-	-
Other	(4)	37	-	-	948	3,311	(417)	(1,335)
<b>Total</b>	<b>3,507</b>	<b>9,871</b>	<b>-</b>	<b>-</b>	<b>44,454</b>	<b>76,304</b>	<b>5,291</b>	<b>24,853</b>

- (a) The AFRMM is a benefit available to all Brazilian shipping companies operating with own or chartered vessels, and is regulated by Law No. 10.893/2004 and other specific legislation applicable to the industry. See further details in Note 30.
- (b) Sweeping revenue resulting from surplus of goods at port terminals.
- (c) Result of bargain purchase arising from the business combination process evidenced in the business combination note (note 1.1.2).

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### 25. Financial income (loss)

	Parent company				Consolidated			
	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2020– 09/30/2020	01/01/2020– 09/30/2020	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2020– 09/30/2020	01/01/2020– 09/30/2020
<b>Revenues:</b>								
Revenues from interest earning bank deposits	12	31	86	182	775	2,341	1,306	7,864
(-) PIS/COFINS on financial revenue	(4)	(13)	(44)	(83)	(27)	(132)	(105)	(213)
Inflation adjustments and exchange-rate changes	(451)	1,325	-	-	-	-	-	-
Earnings with investments	219	6,898	169	169	19,788	49,655	(578)	57,114
Other	85	252	863	2,069	86	154	1,283	1,669
<b>Total</b>	<b>(139)</b>	<b>8,493</b>	<b>1,074</b>	<b>2,337</b>	<b>20,622</b>	<b>52,018</b>	<b>1,906</b>	<b>66,434</b>
<b>Expenses:</b>								
Interest on loans	(367)	(481)	-	5	(49,956)	(158,156)	(54,117)	(161,118)
Late payment	-	-	(1)	(1)	(13)	(325)	(4)	(385)
Amortization of funding cost	-	-	(203)	(203)	(2,894)	(29,301)	(1,770)	(3,541)
Bond repurchase cost	-	-	-	-	(1,260)	(76,204)	-	-
Inflation adjustments and exchange-rate changes	-	-	(422)	(1,804)	(38,738)	(39,319)	(13,649)	(113,701)
Tax on Financial Operations - IOF	(11)	(158)	(3)	(73)	(650)	(2,028)	(284)	(1,064)
Investment losses	(1)	(2,441)	(159)	(159)	(258)	(26,019)	-	-
Other	(141)	(281)	(253)	(387)	(9,084)	(26,137)	(7,698)	(8,280)
<b>Total</b>	<b>(520)</b>	<b>(3,361)</b>	<b>(1,041)</b>	<b>(2,622)</b>	<b>(102,853)</b>	<b>(357,489)</b>	<b>(77,522)</b>	<b>(288,089)</b>
<b>Net financial income (loss)</b>	<b>(659)</b>	<b>5,132</b>	<b>33</b>	<b>(285)</b>	<b>(82,231)</b>	<b>(305,471)</b>	<b>(75,616)</b>	<b>(221,655)</b>

### 26. Income tax and social contribution

Taxes on income comprise income tax and social contribution. Income tax is computed on taxable income at the nominal rate of 15%, plus a 10% surtax for income exceeding R\$ 240 in the 12-month period, whereas social contribution is computed at the nominal rate of 9% on taxable income, recognized on the accrual basis.

In 2018, the Company joined with the SUDAM (Superintendency for the Development of Amazon) Tax Incentive Program, which provides a 75% reduction of corporate income tax through Exploration Profit for the company Hidrovias do Brasil – Vila do Conde S.A., which is presented as tax income, is likely to benefit from the Government Grant.

Income tax and social contribution are recognized in the statement of income, except for the proportion related to items directly recognized in other comprehensive income. In that case, the tax is also recorded in shareholders' equity or comprehensive income.

The current income and social contribution tax charges are calculated based on enacted, or substantially enacted, tax acts, at the balance sheet date. Management periodically evaluates the positions taken in the Company's tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Company establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Prepayments or amounts that can be offset are presented in current assets, in accordance with their expected realization.

For the year 2021, the Company opted for the determination of Taxable Income by means of Annual methodology, as presented in the Statements of Federal Tax Debts and Credits sent to the Brazilian Federal Revenue Service.

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Thus, the following table presents the calculation of IRPJ and CSLL regarding the consolidation on the first six months of the referred calendar year.

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Loss before IRPJ and CSLL	(165,431)	(142,640)	(116,663)	(109,249)
Nominal rate	34%	34%	34%	34%
Corporate income tax (IRPJ) and Social contribution on net income (CSLL) at nominal rate	56,247	48,498	39,665	37,145
<b>Permanent adjustments:</b>				
Equity in net income of subsidiaries	(44,420)	(18,273)	1,435	(780)
Profits abroad	-	-	10,973	16,164
Non-deductible expenses	1,513	(2,015)	1,522	(2,235)
<b>Other Adjustments:</b>				
Government grant	-	-	16,496	10,584
Deferred tax on temporary differences and unrecognized tax losses	-	(28,210)	(98,196)	(82,405)
Rate difference on the measurement of deferred taxes	-	-	(4,862)	(12,578)
Workers' Meal Program (PAT)	-	-	635	711
Maternity Leave program	-	-	19	3
Taxes paid abroad	-	-	(3,117)	-
Income tax and social contribution	13,339	-	(35,430)	(33,391)
Current taxes	(140)	-	(54,361)	(39,329)
Deferred taxes	13,478	-	18,931	5,938
	13,338	-	(35,430)	(33,391)
Effective rate	8.0%	-	-	-

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### Deferred tax credits

	Consolidated			Consolidated
	09/30/2021			12/31/2020
	Amount Net	Deferred tax assets	Deferred tax liabilities	Amount Net
Provision for bonus	5,191	5,191	-	5,691
Provision for suppliers	442	442	-	548
Provision for fuel	172	172	-	329
Other provisions	1,362	1,362	-	1,179
Other operating provisions	5,168	5,168	-	4,896
Labor contingencies	2,203	2,203	-	1,493
Judicial contingencies	5	5	-	-
PIS - Enforceability suspended	242	242	-	242
COFINS - Enforceability suspended	1,300	1,300	-	1,300
Loss on variable income	537	537	-	537
Provision for expected credit losses	15	15	-	-
Tax loss	10,370	10,370	-	190
Negative basis	4,031	4,031	-	-
Exchange-rate change	190,257	190,257	-	173,971
Financial lease	236	236	-	272
Property damage	(40,316)	-	(40,316)	(41,786)
Tax Assets (Liabilities) before offset	181,215	221,531	(40,316)	148,862
Offset of tax		(40,316)	(40,316)	
Net balances presented in Assets/Liabilities		181,215	-	

Deferred income tax and social contribution were recognized in 2021 on the accumulated balances of temporary differences and tax loss up to September 30, 2021 to the company Hidrovias do Brasil – Holding S.A. (parent company) and companies Hidrovias do Brasil – Vila do Conde S.A., Hidrovias do Brasil – Intermediação e Agenciamento de Serviços Ltda. and Hidrovias do Brasil - Cabotagem Ltda., are the subsidiaries of this Company.

Deferred income tax and social contribution are measured based on temporary differences, tax loss and negative basis of social contribution on net income at the rate of 6.25% for IRPJ (reduction of 75%) and 9% for CSLL totaling a nominal rate of 15.25%, based on income from exploration which is a tax incentive from SUDAM – Superintendency for Development of the Amazon claimed by the company Hidrovias do Brasil – Vila do Conde S.A and to the companies Hidrovias do Brasil – Holding S.A., Hidrovias do Brasil – Intermediação e Agenciamento de Serviços Ltda. e Hidrovias do Brasil - Cabotagem Ltda are recognized at the rate of 25% of IRPJ and 9% of CSLL totaling 34%, in compliance with the legislation in force.

The exchange-rate change caption is presented as a consequence of the adoption of taxation of exchange-rate changes using the cash methodology, to which the effect of such adjustments in the Taxable Income Control Register (LALUR) and the Social Contribution Calculation Book (LACS) is the recognition of deferred assets in the subsidiaries Hidrovias do Brasil – Vila do Conde S.A. and Hidrovias do Brasil - Cabotagem Ltda. The subsidiary Hidrovias do Brasil – Vila do Conde S.A also has deferred liabilities recorded for a property damage received in 2018.

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Part of Deferred Taxes, in the amount of decrease of R\$ 13,422, was not recognized in income (loss) since the Company and its subsidiaries have non-derivative financial instrument, for which the portion corresponding to deferred IRPJ and CSLL is accounted for in the Other Comprehensive Income, in Shareholders' Equity.

For other group companies, the Company understands that currently the group companies that hold tax losses and negative calculation bases of social contribution on net income and temporary adjustments, still do not have history of tax offsets, therefore it is not possible to recognize deferred IRPJ and CSLL.

Deferred income tax and social contribution assets and liabilities are reviewed on a monthly basis, and they are changed as their respective offsets or if their realization is no longer probable.

The changes in the net balance of deferred IRPJ and CSLL are as follows:

	Consolidated	
	09/30/2021	12/31/2020
Opening balance	148,862	46,718
Deferred IRPJ (Corporate income tax) and CSLL (social contribution on net income) recognized in the income (loss) for the period/year	18,931	11,111
Deferred Corporate income tax (IRPJ) and social contribution on net income (CSLL) recognized in other comprehensive income	13,422	91,033
Closing balance	<u>181,215</u>	<u>148,862</u>

The Company estimates that the balances of deferred tax assets will be realized in the periods shows below. The provisions and tax losses will be realized from the 1st to the 2nd year, while the balances from the exchange-rate change arising from the loan to be settled in this period will be realized from the 5th to the 10th year, as follows:

in R\$ thousand	Consolidated
Years:	
up to 1	28,761
1-2	552
2-3	1,778
3-5	-
5-10	<u>190,449</u>
Total deferred tax assets of IRPJ (Corporate income tax) and CSLL (Social contribution on net income)	<u>221,540</u>

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### 27. Financial instruments

#### 27.1. Financial instruments by category

All the operations with financial and derivative instruments are recognized in interim financial information of the Company and its subsidiaries, estimated fair values of instruments are the same as the calculated amounts for loans and financing, as follows:

		Parent company		Consolidated	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020
<b>Assets</b>					
<b>Fair value through profit or loss:</b>					
Securities	Level 2	1,223	87,728	262,284	816,044
<b>Amortized cost</b>					
Cash and cash equivalents	Level 1	881	1,441	121,155	214,848
Linked securities	Level 2	-	-	13,108	14,952
Guarantee and escrow deposit	Level 2	8,944	9,100	8,976	9,491
Accounts receivable	Level 2	-	-	269,892	154,252
Related party credits	Level 2	17,878	20,800	5,509	3,820
Dividends	Level 2	1,654	14,090	-	-
<b>Liabilities</b>					
<b>Liabilities at amortized cost:</b>					
Suppliers	Level 2	5,214	9,229	128,038	68,506
Accounts payable with related parties	Level 2	58,314	63,481	-	-
Loans and financing	Level 2	-	-	4,118,867	3,723,134
Dividends payable	Level 2	-	-	281	237

Note: The Management periodically reviews unobservable data considered significant and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair value, the Management analyzes evidence obtained to support the conclusion that such valuations meet the accounting requirements, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring fair value of an asset or liability, the Company uses observable data as much as possible. Fair values are classified at different levels according to hierarchy based on information (inputs) used in valuation techniques, as follows:

- Level 1: prices quoted (not adjusted) in active markets for identical assets and liabilities.
- Level 2: except for quoted prices, included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices); and
- Level 3: for assets or liabilities, which are not based on observable market data (non-observable inputs).

#### 27.2. Criteria, assumptions and limitations used in the calculation of market value

The financial instruments of the Company and its subsidiaries are segregated between assets classified as fair value through profit or loss and at amortized cost, and liabilities classified through amortized cost. They are mostly paid at market rates.

Fair values of these financial instruments are close to the book values as of September 30, 2021, except for loans and financing with hedge accounting and presented as follows:

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		Fair value		Book value	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020
<b>Assets</b>					
Cash and cash equivalents	Level 1	122,155	214,848	122,155	214,848
Securities	Level 2	262,284	816,044	262,284	816,044
Linked securities	Level 2	13,108	14,952	13,108	14,952
Guarantee and escrow deposit	Level 2	8,976	9,491	8,976	9,491
Accounts receivable	Level 2	269,892	154,252	269,892	154,252
<b>Liabilities</b>					
Suppliers	Level 2	128,038	68,506	128,038	68,506
Loans and financing	Level 2	4,131,108	3,891,633	4,118,867	3,723,134
Dividends payable	Level 2	281	237	281	237

### 27.3. Derivative and non-derivative financial instruments

These instruments are managed through operational strategies, aimed at the predictability of operations and minimizing possible mismatches that may bring additional volatilities to those already covered by the Business Plan of the Company and its subsidiaries. The control policy consists of permanent follow-up of the rates engaged versus those in force in the market. The Company and its subsidiaries do not carry out transactions or any other financial instruments on a speculative basis.

### 27.4. Risk management

#### Financial risk management

##### *Overview*

The economic and financial risks mainly reflect the behavior of macroeconomic variables such as exchange and interest rates as well as the characteristics of the financial instruments that the Company and its subsidiaries use. These risks are managed by means of monitoring by Management that actively participates in the operating management.

The Company and its subsidiaries have the practice of managing its existing risks in a conservative manner, aiming to preserve the value and liquidity of financial assets and to guarantee financial resources for the smooth running of business. The main financial risks considered by Top Management are:

- Credit risk
- Liquidity risk
- Exchange rate risk
- Hedge activity
- Interest rate risk

We present the information on the Company and its subsidiaries' exposure to each of these risks, as well as objectives, policies, practices and processes for risk measurement and management, and capital management.

#### Risk management framework

##### *Credit risk*

As Note 22, it is the risk that the Company and its subsidiaries will suffer financial losses if a counterparty does not fulfill an obligation provided for in the contract. The company is mainly exposed to operating activities (with

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trade accounts receivable) and investment activities (through interest earning bank deposits).

As mentioned in note 6, the Company, after analyzing and applying the accounts receivable policies, has no material loss to be presented in its financial statements.

Overall, business conduction is addressed in Committee's meetings for decision making and financial investments are carried out by the company's Treasury department in accordance with the established Policy, aiming to reduce the company's financial risk. Results are followed up and established strategies are adjusted to maintain expected results. Regarding the Financial Instruments, the Company is exposed mainly to Cash and Cash Equivalents and Securities and, thus, restricts its exposure to prime line Financial Institutions, rated as investment grade by risk rating agencies widely accepted in the market, in addition to reducing risk through diversification of counterparties.

Book values of financial instruments that represent the maximum exposure to credit risk on interim financial information dates are as follows:

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Cash and cash equivalents	881	1,441	122,155	214,848
Accounts receivable	-	-	269,892	154,252
Securities	1,223	87,728	262,284	816,044
Linked securities	-	-	13,108	14,952
Related party credits	17,878	20,800	5,509	3,820
Guarantee and escrow deposit	8,944	9,100	8,976	9,491
Dividends receivable	1,654	14,090	-	-
Total	30,580	133,159	681,924	1,213,407

### Liquidity risk

It is the risk of the Company and its subsidiaries may encounter difficulties in performing the obligations associated with its financial liabilities that are settled with cash payments.

The approach in the management of liquidity risk is to guarantee the payment of obligations, for which reason it aims to maintain cash available (Cash and cash equivalents and Securities) for the performance of short-term obligations, making every effort to ensure that there is always sufficient liquidity to honor its obligations, under normal and stress conditions, without causing unacceptable losses or with the risk of blemishing the reputation of the Company and its subsidiaries.

The Company and its subsidiaries align funds availability and generation so as to comply with its obligations under agreed-upon terms.

Maturity is based on the most recent date when the Company and its subsidiaries have the related obligations:

	Consolidated			
	09/30/2021			
Liquidity risk	Next 12 months	13-24 months	25-36 months	>37 months
Suppliers (Note 14)	128,038	-	-	-
Loans and financing (*)	353,552	352,260	348,642	5,162,321

(\*) The amount bears contractual interest according to the opening of note 15.

### Exchange rate risk

Derives from the oscillations of the exchange rates of foreign currencies used by the Company and its subsidiaries. The transactions subject to change are related to the portion of the Bond destined to the operation of the north corridor and operations and financing of HB Cabotagem.

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Management analyses and follows up its exposures in order to make decisions on the contracting of hedge instruments for respective foreign currency exposures. Hedge instruments used to manage exposures are established by Management, shared and approved by the Board of Directors to avoid speculative instruments or instruments that may possibly generate any additional risk inherent to those originally proposed.

Pursuant to IFRS 9 (equivalent to CPC 48), the purpose of the hedge accounting is to represent in the financial statements, the effect of the risk management activities of the entity that uses financial instruments to manage exposures resulting from specific risks that could affect the income (loss). The purpose of this approach is to transmit the context of hedge instruments for which the hedge accounting should be applied to permit the understanding of its purposes and effects.

### **Hedge Accounting (Bond)**

- Structuring of the Hedge accounting operation

In order to structure the operation, the Company defined as risk to be hedged, the exchange-rate change of part of its future revenues from a sea freight Take or Pay agreement, denominated in U.S. dollar, originated from its indirect subsidiary Girocantex.

The Company is also exposed to an exchange-rate change derived from the issuance of Bonds in the amount of US\$ 600,000 thousand with semi-annual yield of 5.95% p.a. and maturity term of 7 years as of May 02, 2018, through its direct subsidiary Hidrovias Internacional. In 2020, the Company repurchased a total of US\$ 24,850 thousand and, in February 2021, through a public offering, repurchased further US\$ 426,521 thousand, totaling US\$ 451,371 thousand repurchased that reduce its gross debt by the same amount.

The company is also exposed to exchange-rate change from the issue of the Bonds in 2021, in the amount of US\$ 500,000 thousand, with semiannual remuneration of 4.95% p.a. and maturing in 10 years as of February 08, 2021, by means of its subsidiary Hidrovias International Finance.

Both revenues in foreign currency as well as debts derived from the issuance of Bonds are exposed to risk of same nature, and accordingly, the exchange risk of future revenues would be naturally covered by the exchange risk of the debts. However, despite the economic coverage of the risk of exchange-rate change, the Company's income (loss) is affected by the timely mismatch between the accounting recognition of the revenue and debt. Accordingly, the Company will use part of the principal value of the Bond issued in USD as hedge instrument to cover part of its future revenue in USD, which is highly probable.

- Purpose and strategy of the risk management

Estimated and highly-probable future revenues, derived from Girocantex's Take or Pay operation exposes the Company to market risks involving changes in the Real (BRL) x U.S. dollar (USD) exchange rate, since the functional currency of the Company is the Real (BRL).

The Financial Risk Management Policy permits the structuring of hedge accounting, using derivative and non-derivative financial instruments with the purpose of minimizing the effects of the USD changes on the income (loss) of the Company.

In order to meet the Risk Strategy, management decided to designate as hedge accounting instrument, part of the principal value of the debt in foreign currency (Bonds) so as to protect the counterparty from USD rate changes derived from its Take or Pay agreement with Girocantex.

- Hedge relation

The Company will adopt the cash flow hedge, as defined in IFRS 9, whose nature of the covered risk is the

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Notes to interim financial information

For the period ended September 30, 2021

(In thousands of reais - R\$, unless otherwise indicated)

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exchange-rate change.

- Nature of hedged risk

Foreign currency risk: variability of the exchange rates of estimated revenues in U.S. dollar, in connection with the Take or Pay agreement with Girocantex.

- Identification of the hedged item

Risk of exchange-rate change of part of estimated revenues in foreign currency (minimum of 25% of quarterly revenue), in connection with the Take or Pay agreement with Girocantex, for a period of 7 years beginning on May 02, 2018.

- Identification of hedge accounting instrument

The hedge instrument is part of the principal value of the Bond issued, with the following characteristics:

Type	Bond
Start date of Contract	01/24/2018
Maturity date	01/24/2025
Amount denominated in USD	244,520,320
Initial Parity USD x REAIS	3.5424
Start date of hedge	05/02/2018

- Effectiveness of the hedge accounting relationship

Hedge effectiveness is measured based on the changes in the fair value or in the cash flows of the hedge instrument that offset the changes in the fair value or cash flows of the hedged item. The non-effectiveness of hedge occurs as the changes in the fair value or cash flows of the hedge instrument are higher or lower than those of the hedged item.

To qualify to hedge accounting, the following requirements of effectiveness should be satisfied:

The requirement so that there is economic relation means that the hedge instrument and the hedged item must have amounts that generally move in opposite directions due to the same risk, which is the hedged risk.

The hedge instrument and the hedged item have values that move in opposite directions. The increase of exchange rate generates a devaluation in the recognition of revenue in the income (loss), which is recognized upon delivery of the product transported to its destination. Likewise, the increase in the exchange rate causes the increase in the debt represented by the Bond, generating an expense in the result. In the same way as an increase in the exchange rate generates an opposite movement between hedge instrument and hedged item. These changes occur in different moments, since the debt is an item recognized in the balance sheet and the revenue until the date of recognition is an off-balance sheet item. With the benefit of hedge accounting, the exchange-rate change of the debt will be recognized in other comprehensive income, under Cash Flow Hedge reserve, and reclassified to reclassification adjustment in the same period or periods during which the expected future cash flows covered by hedge affect the income (loss), that is, upon the actual recognition of revenue.

### Hedge Accounting - Cabotage

- Structuring of the Hedge accounting operation

In order to structure the operation, the Company defined as risk to be hedged, the exchange-rate change of part of its future revenues derived from a service agreement, denominated in U.S. dollar, with Alunorte.

The Company is also exposed to an exchange-rate change derived from loans in foreign currency in the amount of

## HIDROVIAS DO BRASIL S.A.

Notes to interim financial information

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US\$ 121,541.

Both revenues in foreign currency as well as debts are exposed to risk of same nature, and accordingly, the exchange risk of future revenues would be naturally covered by the exchange risk of the debts. However, despite the economic coverage of the risk of exchange-rate change, the Company's income (loss) is affected by the timely mismatch between the accounting recognition of the revenue and debt. Accordingly, the Company will use part of the principal value of the loan in USD as hedge instrument to cover part of its future revenue in USD, which is highly probable.

- Risk management strategy

HB Cabotagem has the strategy to hedge part of its estimated revenue in foreign currency against risks of exchange-rate changes.

- Risk management objectives

HB Cabotagem intends to hedge the risk of exchange-rate change of at least 6% of the flow of receipt, derived from the service agreement with Alunorte. The hedged flows of receipt begin on April 02, 2018 and are expected to end in February 2033.

The Company will use the principal value of the loan in foreign currency, contracted with the BNDES as hedge instrument of the estimated revenues.

The hedge accounting instrument is the principal value of the debt in foreign currency contracted with the BNDES, with the following characteristics:

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Type	Debt in foreign currency (*)
Start date of Contract	12/23/2016
Maturity date	03/15/2033
Amount in USD	142,807,564
Initial Parity USD x REAIS	3.3104
Start date of hedge	04/02/2018

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(\*) contracted with the BNDES

- Effectiveness of the hedge accounting relationship

Hedge effectiveness is measured based on the changes in the fair value or in the cash flows of the hedge instrument that offset the changes in the fair value or cash flows of the hedged item. The non-effectiveness of hedge occurs as the changes in the fair value or cash flows of the hedge instrument are higher or lower than those of the hedged item.

To qualify to hedge accounting, the following requirements of effectiveness should be satisfied:

The requirement so that there is economic relation means that the hedge instrument and the hedged item must have amounts that generally move in opposite directions due to the same risk, which is the hedged risk.

The hedge instrument and the hedged item have values that move in opposite directions. The increase of exchange rate generates a devaluation in the recognition of revenue in the income (loss), which is recognized upon delivery of the product transported to its destination. Likewise, the increase in the exchange rate causes the increase in the debt represented by the loan, generating an expense in the income (loss). In the same way as an increase in the exchange rate generates an opposite movement between hedge instrument and hedged item. These changes occur in different moments, since the debt is an item recognized in the balance sheet and the revenue until the date of recognition is an off-balance sheet item. With the benefit of hedge accounting, the exchange-rate change of the debt will be recognized in other comprehensive income, under Cash Flow Hedge reserve, and reclassified to reclassification adjustment in the same period or periods during which the expected future cash flows covered by

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hedge affect the income (loss), that is, upon the actual recognition of revenue.

### Hedge Accounting (Bond)

Hedged object	Hedged risk	Production period	Principal value in US\$	Hedge instrument value	
Exchange-rate change of part of its future revenues	Foreign exchange rate R\$ - USD	05/02/2018-05/02/2025	244,520,320	244,520,320	
Realization estimate – USD					
2018	2019	2020	2021	2022-2025	Total
24,150,155	36,225,233	36,225,233	36,225,233	111,694,466	244,520,320
				09/30/2021	09/30/2020
Exchange-rate change - Income (loss)				59,345	393,678

### Hedge Accounting (Cabotage)

Hedged object	Hedged risk	Production period	Principal value in US\$	Hedge instrument value	
Exchange-rate change of part of its future revenues	Foreign exchange rate R\$ - USD	04/02/2018-02/2033	142,807,564	142,807,564	
Realization estimate - USD					
2018	2019	2020	2021	2022-2033	Total
3,129,018	10,261,948	5,202,740	10,692,544	113,521,314	142,807,564
				09/30/2021	09/30/2020
Exchange-rate change - Income (loss)				29,120	204,457

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### Interest rate risk

Book value of financial instruments that represent the exposure to interest rate risk is as follows:

<u>Interest rate risk</u>	<u>Parent company</u>		<u>Consolidated</u>	
	<u>09/30/2021</u>	<u>12/31/2020</u>	<u>09/30/2021</u>	<u>12/31/2020</u>
Assets:				
Cash and cash equivalents	881	1,441	122,155	214,848
Securities	1,223	87,728	262,284	816,044
Linked securities	-	-	13,108	14,952
Loans and financing	-	-	4,118,867	3,723,134

Interest rates are disclosed in notes 5 and 15.

### Sensitivity analysis

The Company and its subsidiaries make sensitivity analysis of main risks to which its financial instruments are exposed, basically represented by exchange rate and interest rate changes.

Changes in interest rate and foreign exchange rates;

To verify the sensitivity of the indices in the investments to which the Company and its subsidiaries were exposed on the base date of September 30, 2021 and December 31, 2020, three different scenarios were defined.

The Company prepared three sensitivity analysis scenarios, namely: Scenario I considers the future interest rates observed on the base date of interim financial information and scenarios II and III consider a decrease of 25% and 50%, respectively, in the risk variable considered.

The base date of portfolio used was September 30, 2021 and December 31, 2020 projecting indices for one year and verifying the sensitivity in each scenario. The tables below present the ratios considered for the feasibility analysis and its effect on the result:

<u>Change in interest rates</u>	Risk	Rate	Estimated rate			Balance at 09/30/2021	Probable scenario	Possible scenario	Remote scenario
			Probable scenario	Possible scenario, 25%	Remote scenario, 50%				
Financial instruments									
Securities	CDI U.S.	6.15%	2.15%	1.61%	1.07%	12,618	(505)	(573)	(640)
Securities	Treasury	0.07%	0.07%	0.05%	0.05%	48,556	-	(8)	(17)
Securities	FX - Ptax 800	5.4394	5.2000	3.9000	2.6000	201,110	(8,851)	(56,916)	(104,981)
Interest earning bank deposit - pledged	Selic	6.25%	8.25%	6.19%	4.13%	13,108	262	(8)	(279)
Total						275,392	(9,094)	(57,505)	(105,917)

### Exchange rate change

To verify the sensitivity of the net foreign exchange exposure to which the Company and its subsidiaries were exposed on September 30, 2021 and December 31, 2020, different scenarios were defined, classified as probable, possible and remote. The variables considered are described in the table below, followed by sensitivity. Scenario I considers the future foreign exchange rates observed on the base date of interim financial information and scenarios II and III consider an increase of 25% and 50%, respectively, in the risk variable considered.

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	Risk	Rate	Probable scenario	Possible scenario	Remote scenario	Balance at 09/30/2021	Probable scenario	Possible scenario	Remote scenario
Loan - Project financing	USD	5.4394	5.2000	6,5000	7.8000	652,484	28,717	(127,225)	(283,167)
Export credit note	USD	5.4394	5.2000	6,5000	7.8000	174	8	(34)	(76)
Loan - Bond	USD	5.4394	5.2000	6,5000	7.8000	3,466,209	152,556	(675,858)	(1,504,271)
<b>Total</b>						<b>4,118,867</b>	<b>181,281</b>	<b>(803,117)</b>	<b>(1,787,514)</b>

### 27.5. Capital management

The policy of the Management of the Company is to maintain a solid capital base to maintain the confidence of investors, creditors and market clients, maintaining the development of the business.

Company's Management strives to maintain a balance between the highest possible returns with adequate levels of financial leveraging (loans) and the advantages and the assurance afforded by a balanced capital position.

The Company's net debt to the final shareholders' equity ratio of September 30, 2021 and December 31, 2020 is as follows:

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Total liabilities current and non-current	(99,107)	(124,152)	(4,746,068)	(4,188,670)
Cash and cash equivalents	881	1,441	122,155	214,848
Securities	1,223	87,728	262,284	816,044
Interest earning bank deposit - pledged	-	-	13,108	14,952
(Insufficiency) net cash surplus	(97,003)	(34,983)	(4,349,322)	(3,142,826)
Shareholders' equity	1,425,678	1,525,827	1,425,678	1,525,827
Relationship between shareholders' equity and net insufficiency of cash	(1470%)	(4362%)	(33%)	(49%)

### 28. Insurance

The Company and its subsidiaries adopt the policy of contracting insurance coverage for assets subject to risks to cover possible claims, considering the nature of its activities involving its operational facilities, vessels and barges, and for engineering and construction risks of projects. The insured amount as of September 30, 2021 is as follows:

	Consolidated 09/30/2021
<b>Operational risks</b>	
Fire, lightning, explosion, electrical damage, windstorms and flood	90,671
Cyber risks	10,000
Engineering Risk	229,183
Hull and Machine (bare hull vessels)	1,044,441
<b>Total in BRL</b>	<b>1,374,295</b>
Hull and Machine (bare hull vessels) - in USD	277,571
Hull and Machine (bare hull vessels) - in EUR	140,665

The group also has insurance coverage for civil liability risks (such as civil liability of the Port Operator – RCOP, risks of works, material damage, and civil liability of shipowners).

### 29. Segment information

Segregation of the Company's operating segments is based on the internal structure of the interim financial

**HIDROVIAS DO BRASIL S.A.**

Notes to interim financial information

For the period ended September 30, 2021

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information and of Company Management, and is carried out through business segmentation.

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For the period ended September 30, 2021  
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	North Corridor		South Corridor		Cabotage		Santos		Other		Eliminations*		Consolidated	
	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021	07/01/2021– 09/30/2021	01/01/2021– 09/30/2021
<b>Net revenue from services</b>	162,886	<b>463,298</b>	<b>53,807</b>	<b>302,982</b>	52,941	152,372	-	23,276	-	-	(2,824)	(8,638)	<b>266,810</b>	933,290
Operating revenues	162,210	461,265	118,315	369,328	58,085	168,635	-	23,276	-	-	-	-	338,610	1,022,504
Intercompany	-	-	2,824	8,638	-	-	-	-	-	-	(2,824)	(8,638)	-	-
Revenue – Hedge Accounting	-	-	(67,332)	(74,984)	(5,144)	(16,263)	-	-	-	-	-	-	(72,476)	(91,247)
OTM	676	2,033	-	-	-	-	-	-	-	-	-	-	676	2,033
<b>Cost of services rendered</b>	<b>(56,376)</b>	<b>(169,797)</b>	<b>(84,203)</b>	<b>(220,956)</b>	(28,086)	(79,216)	1,105	(15,224)	-	-	2,824	8,638	-164,736	(476,555)
Operating costs	(53,675)	(160,140)	(84,194)	(223,920)	(28,086)	(79,216)	1,105	(15,224)	-	-	-	-	-164,850	(475,500)
OTM	114	(1,055)	-	-	-	-	-	-	-	-	-	-	114	(1,055)
Intercompany	(2,815)	(8,602)	(9)	(36)	-	-	-	-	-	-	2,824	8,638	-	-
<b>Operating expenses</b>	<b>(14,237)</b>	<b>(25,031)</b>	<b>(18,752)</b>	<b>(28,271)</b>	<b>(2,156)</b>	<b>(2,439)</b>	<b>(468)</b>	<b>(1,308)</b>	<b>(8,401)</b>	<b>(46,449)</b>	-	-	<b>(44,014)</b>	<b>(103,498)</b>
<b>Depreciation and amortization</b>	<b>(18,088)</b>	<b>(69,355)</b>	<b>(42,489)</b>	<b>(133,301)</b>	<b>(8,481)</b>	<b>(25,366)</b>	<b>(4,127)</b>	<b>(10,064)</b>	<b>(1,150)</b>	<b>(4,082)</b>	-	-	<b>(74,335)</b>	<b>(242,168)</b>
Depreciation and amortization (cost)	(20,764)	(62,235)	(27,572)	(69,993)	(7,391)	(22,172)	(1,159)	(3,476)	(103)	(312)	-	-	(56,989)	(158,188)
Depreciation and amortization (expense)	2,676	(7,120)	(14,917)	(53,308)	(1,090)	(3,194)	(2,968)	(6,588)	(1,047)	(3,770)	-	-	(17,346)	(83,980)
<b>Other expenses</b>	<b>889</b>	<b>21,462</b>	<b>37,049</b>	<b>37,455</b>	<b>3,560</b>	<b>7,509</b>	<b>4</b>	<b>4</b>	<b>2,952</b>	<b>9,874</b>	-	-	<b>44,454</b>	<b>76,304</b>
Other revenues (expenses)	889	21,462	37,049	37,455	3,560	7,509	4	4	2,952	9,874	-	-	44,454	76,304
<b>Financial income (loss)</b>	<b>(40,114)</b>	<b>(87,341)</b>	<b>(35,858)</b>	<b>(198,141)</b>	<b>(3,740)</b>	<b>(16,272)</b>	<b>(3,292)</b>	<b>(6,073)</b>	<b>773</b>	<b>2,356</b>	-	-	<b>(82,231)</b>	<b>(305,471)</b>
<b>Equity pick-up on subsidiaries</b>	<b>134</b>	<b>345</b>	<b>1,150</b>	<b>3,111</b>	-	-	-	-	<b>(63,720)</b>	<b>(130,644)</b>	<b>62,248</b>	<b>128,622</b>	<b>(188)</b>	<b>1,434</b>
<b>Income tax</b>	<b>(10,945)</b>	<b>(34,786)</b>	<b>(1,181)</b>	<b>(2,852)</b>	<b>(3,793)</b>	<b>(10,866)</b>	-	-	<b>3,266</b>	<b>13,074</b>	-	-	<b>(12,653)</b>	<b>(35,430)</b>
<b>Income (loss) for the year</b>	<b>24,149</b>	<b>98,795</b>	<b>(90,477)</b>	<b>(239,973)</b>	<b>10,245</b>	<b>25,722</b>	<b>(6,778)</b>	<b>(9,389)</b>	<b>(66,280)</b>	<b>(155,871)</b>	<b>62,248</b>	<b>128,622</b>	<b>(66,893)</b>	<b>(152,093)</b>

\*On September 30, 2021, the table above was prepared considering the elimination of transactions between related parties of the same segment in the column of the segment itself (that is, the amounts presented are already net of their respective eliminations). The “Eliminations” column only includes transactions between companies from different segments.

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	North Corridor		South Corridor		Cabotage		Santos		Other		Eliminations		Consolidated	
	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020	07/01/2020- 09/30/2020	01/01/2020- 09/30/2020
Net revenue from services	288,662	727,612	130,506	354,371	60,096	158,675	17,787	25,046	-	-	-	-	497,050	1,265,704
Intercompany	83	957	2,904	8,231	-	-	-	-	-	-	(3,370)	(10,938)	(383)	(1,750)
Revenue – Hedge Accounting	-	-	(31,929)	(154,213)	-	(5,286)	-	-	-	-	-	-	(31,929)	(159,499)
Cost of services rendered (*)	(184,840)	(471,348)	(55,069)	(171,585)	(26,087)	(73,262)	(13,964)	(25,702)	-	-	-	-	(279,960)	(741,897)
Intercompany	(3,370)	(10,938)	-	-	-	-	-	-	-	-	3,370	10,938	-	-
Operating expenses (a)	(8,883)	(20,287)	(4,263)	(8,849)	(222)	(415)	102	(680)	(40,551)	(83,371)	-	-	(53,817)	(113,602)
Depreciation and amortization	(21,578)	(64,001)	(22,440)	(62,113)	(8,442)	(25,320)	(1,157)	(2,439)	(1,289)	(5,236)	-	-	(54,906)	(159,109)
- Depreciation and amortization (cost)	(20,242)	(60,280)	(20,390)	(57,973)	(7,390)	(22,168)	(1,156)	(2,706)	(70)	184	-	-	(49,248)	(142,943)
- Depreciation and amortization (expense)	(1,336)	(3,721)	(2,050)	(4,140)	(1,052)	(3,152)	(1)	267	(1,219)	(5,420)	-	-	(5,658)	(16,166)
Other expenses	461	12,270	43	93	4,787	12,488	-	2	-	-	-	-	5,291	24,853
- Other revenues (expenses)	461	12,270	43	93	4,787	12,488	-	2	-	-	-	-	5,291	24,853
Financial revenue	10,744	62,545	938	5,664	3,063	6,956	46	185	36,382	130,834	(49,267)	(139,750)	1,906	66,434
Financial expenses	(52,204)	(197,933)	(26,314)	(75,673)	(10,949)	(22,269)	(802)	(2,219)	(36,520)	(129,745)	49,267	139,750	(77,522)	(288,089)
Equity in net income of subsidiaries	427	691	(1,822)	(2,294)	-	-	-	-	33,280	(53,745)	(33,704)	53,054	(1,819)	(2,294)
Income tax	(6,592)	(20,271)	-	-	(5,842)	(13,120)	-	-	-	-	-	-	(12,434)	(33,391)
Income (loss) for the year	22,910	19,297	(7,446)	(106,368)	16,403	38,447	2,012	(5,807)	(8,698)	(141,263)	(33,704)	53,054	(8,523)	(142,640)

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	09/30/2021						
	North Corridor	South Corridor	Cabotage	Santos	Other	Eliminations	Consolidated
Current assets	321,208	570,357	181,604	65,562	175,494	(321,749)	992,476
Non-current assets	1,780,210	2,417,203	702,563	326,764	4,947,748	(4,992,420)	5,182,068
Total assets	2,101,418	2,987,560	884,167	392,326	5,123,242	(5,314,169)	6,174,544
Current liabilities	89,208	399,866	107,765	153,419	87,831	(320,713)	517,376
Non-current liabilities	1,687,220	1,752,343	591,632	219,919	3,611,264	(3,632,885)	4,229,493
Shareholders' equity	324,990	835,351	184,770	18,988	1,424,147	(1,360,571)	1,427,675
Total liabilities and shareholders' equity	2,101,418	2,987,560	884,167	392,326	5,123,242	(5,314,169)	6,174,544

	12/31/2020						
	North Corridor	South Corridor	Cabotage	Santos	Other	Elimination	Consolidated
Current assets	349,852	550,921	178,116	70,052	470,039	(191,469)	1,427,511
Non-current assets	1,785,951	1,752,409	693,605	246,263	4,351,855	(4,543,097)	4,286,986
Total assets	2,135,803	2,303,330	871,721	316,315	4,821,894	(4,734,566)	5,714,497
Current liabilities	216,870	109,079	95,358	65,964	150,161	(191,469)	445,963
Non-current liabilities	1,642,447	1,235,652	608,828	221,974	3,145,647	(3,111,841)	3,742,707
Shareholders' equity	276,486	958,599	167,535	28,377	1,526,086	(1,431,256)	1,525,827
Total liabilities and shareholders' equity	2,135,803	2,303,330	871,721	316,315	4,821,894	(4,734,566)	5,714,497

### 30. Grant, government assistance and other benefits

The Company uses the benefits. Namely:

- AFRMM

The AFRMM is a benefit available to all Brazilian shipping companies operating with own or chartered vessels, and is regulated by Law No. 10.893/2004 and other specific legislation applicable to the industry.

The Company receives an additional 10% surcharge on the amount of cabotage freight from its clients via the Merchant Marine Fund, based on each transportation made. These funds are restricted and can only be used exclusively in the construction, docking, repairs, maintenance of vessels and amortization of financing granted for the acquisition of vessels. In the period as of September 30, 2021, the Company recognized the benefits of AFRMM in Operating revenue (expenses) in the amount of R\$ 7,116 (R\$ 12,488 as of September 30, 2020).

- SUDAM

Exploration Profit – SUDAM is a tax incentive granted to legal entities holding infrastructure development projects that foster the economy, as well as being fully established in the states covered by the Amazon Development Authority (to which the state of Pará is included). This benefit grants a reduction of 75% in the Income Tax and its additional charges (25% to 6.25%), for a term of 10 years. This benefit resulted in an adjustment of R\$ 14,076 (R\$6,338 as of September 30, 2020).

- Deferral of ICMS

The subsidiary Hidrovias do Brasil Cabotagem Ltda. enjoys the ICMS deferral on transportation service operations in the State of Pará.

## **HIDROVIAS DO BRASIL S.A.**

Notes to interim financial information

For the period ended September 30, 2021

(In thousands of reais - R\$, unless otherwise indicated)

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### **31. Items not affecting cash**

During the period ended September 30, 2021, the amount of R\$ 25,977 was recognized, and it refers respectively to suppliers for the acquisition of property, plant and equipment and they did not affect cash.

### **32. Subsequent events**

#### **(a) Issue of simple debentures**

On October 15, 2021, the Company's Board of Directors approved the 1<sup>st</sup> issue of simple, non-convertible, unsecured debentures, in up to two series, for public distribution with restricted distribution efforts, with a unit nominal value of R\$ 1 thousand on the issue date, totaling R\$ 380 million on the issue date, with a maturity of 7 years from the issue date for the first series debentures and 10 years from the issue date for the second series debentures ("Debentures").

The issue of Debentures shall be subject to a public offering with restricted distribution efforts, with a firm placement guarantee for the total amount of the issue. Also, the issue of Debentures will be encouraged, pursuant to Article 2 of Law 12431, of June 24, 2011, as amended, and Decree 8874, of October 11, 2016. The funds raised with the issuance will be used for future financing or reimbursement of expenses, expenses, or debts related to the project to implement and adapt the infrastructure of the STS20 Terminal at the Port of Santos/SP, which is undergoing renovations and modernization and should have its operations started in 2022.

The remuneration of the Debentures will occur as follows:

- First Series Debentures: on the Updated Nominal Value of the First Series Debentures, there will be compensatory interest of 6,0029%. The First Series Remuneration will be calculated according to the formula contained in the Indenture and is subject to market conditions. The other terms and conditions of said remuneration are set out in the Indenture and in the Distribution Agreement, as applicable;
- Second Series Debentures: on the Updated Nominal Value of the Second Series Debentures, there will be compensatory interest of 6,0444%. The Second Series Remuneration will be calculated according to the formula contained in the Indenture and is subject to market conditions. The other terms and conditions of said remuneration are set out in the Indenture and in the Distribution Agreement, as applicable.

#### **(b) Agreement with Método Engenharia S/A**

Método Engenharia S/A ("Método") and Hidrovia do Brasil Administração Portuária Santos S.A. ("HB Santos"), a subsidiary of the Company, entered into an agreement for the procurement and construction of a turn-key EPC system in the port of Santos.

On July 13, 2021, Método and HB Santos entered into the Fifth Amendment to the Agreement for Engineering, Procurement and Construction under the Turn-Key EPC (Engineering, Procurement, and Construction) Modality by Global Price ("Fifth Amendment"), to agree for the joint withdrawal of arbitration previously instituted, to waive the claims previously existing and to continue the contractual relationship between the parties, with the resumption of activities related to the work, the maintenance of the initially agreed delivery terms and the renegotiation of certain contractual conditions.

## **HIDROVIAS DO BRASIL S.A.**

Notes to interim financial information

For the period ended September 30, 2021

(In thousands of reais - R\$, unless otherwise indicated)

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Notwithstanding the execution of the Fifth Amendment, HB Santos faced a scenario of non-compliance with the provision of services by Método, as agreed in the Fifth Amendment. In view of this scenario, HB Santos (i) notified Método for the termination of the agreement between the parties; and (ii) continued with the proper communication to the insurance companies concerning the agreement, for the proper regulation of insurance.

In this way, HB Santos works to continue the works and, in parallel, to obtain its rights upon termination, as provided for in the agreement and the Fifth Amendment.

**(c) Salt logistics**

In the context of preparation for the new salt logistics operation in Rio Grande do Norte, the administrative appeal filed by the Company to reformulate the decision that rejected the request to obtain the registration of an anchored floating facility to operate the transshipment of salt in the region, had its provision denied by the collegiate board of ANTAQ on 10/20/2021, with the publication of the respective Decision in the Official Gazette of 10/21/2021. Regardless of this decision, in August 2021, the Company had already filed a lawsuit with an injunction to obtain such registration, pursuant to ANTAQ Resolution No. 13, in an attempt to enable the operation of the HB Potiguar floating anchored facility. This preliminary injunction is still pending judgment.

Faced with this scenario, the Company continues to seek the appropriate measures to continue its project to make Brazilian salt logistics more competitive in the global chain.

**HIDROVIAS DO BRASIL S.A.**  
Publicly-held Company  
CNPJ/ME nº 12.648.327/0001-53  
NIRE 35.300.383.982

**OPINION OF THE NON-STATUTORY AUDIT COMMITTEE**

The non-statutory Audit Committee of Hidrovias do Brasil S.A. ("Committee") in the exercise of its duties, examined the interim financial statements of Hidrovias do Brasil S.A. ("Company") for the period ended September 30, 2021, the management report and the report issued, without reservations, by KPMG Auditores Independentes ("Independent Auditors").

The Company's Management is responsible for the correct preparation of the Company's interim financial statements and consolidated interim financial statements, prepared in accordance with the International Financial Reporting Standards - IFRS, issued by the International Accounting Standards Board - IASB, and in accordance with accounting practices adopted in Brazil, IAS 34 and CPC 21 (R1), respectively, and by the Brazilian Securities and Exchange Commission – CVM, as well as for the implementation and maintenance of internal control and risk management systems consistent with the size and structure of the Company. Management is also responsible for establishing procedures that guarantee the quality of the processes that generate financial information.

The Independent Auditors are responsible for auditing the interim financial statements and must ensure that they adequately represent, in all material respects, the Company's equity and financial position, and that they have been prepared in accordance with International Financial Reporting Standards- IFRS, issued by the International Accounting Standards Board - IASB, and in accordance with accounting practices adopted in Brazil and rules and procedures determined by the Brazilian Securities and Exchange Commission - CVM.

In carrying out its duties, the analysis and evaluations carried out by the Committee are based on information received from Management and the Independent Auditors.

The Audit Committee, based on the examined documents described in the first paragraph and on the information provided by the Management and the Independent Auditors, considering its responsibilities and the limitations resulting from the scope of its performance, understands that the interim financial statements of Hidrovias do Brasil S.A. referring to the period ended on September 30, 2021, were prepared in accordance with accounting practices adopted in Brazil and with the international financial reporting standards (IFRS), and, therefore, recommends, unanimously and without remarks, its approval by the Company's Board of Directors.

São Paulo, November 16, 2021.

**PEDRO JAIME CERVATTI**  
Member and Coordinator of the  
Audit Committee

**RICARDO ANTONIO WEISS**  
Member of the Audit Committee

**ANTONIO MARY ULRICH**  
Member of the Audit Committee

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**STATEMENT OF THE EXECUTIVE OFFICERS ON THE INTERIM FINANCIAL STATEMENTS AND ON THE INDEPENDENT AUDITORS REPORT**

As members of the Executive Office of Hidrovias do Brasil S.A., we declare, in compliance with article 25, paragraph 1, items V and VI of CVM Instruction 480 of December 7, 2009, as amended, that we have reviewed, discussed and agreed with the terms of the interim financial statements and the independent auditors report on the interim financial statements related to the period ended on September 30, 2021.

Sao Paulo, November 16, 2021.

**FABIO SCETTINO**  
Chief Executive Officer

**ANDRÉ KUBOTA**  
Chief Financial and Investor Relations Officer

**TERESA FALEIRO**  
Officer with no specific designation