

Ferroport Logística
Comercial
Exportadora S.A.

**Condensed interim financial
information September 30, 2021**

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Independent auditors' report on review of condensed parent company and consolidated interim financial information

To the Shareholders, Board of Directors and Management of
Ferroport Logística Comercial Exportadora S.A.
Rio de Janeiro – RJ

Introduction

We have reviewed the condensed parent company and consolidated balance sheets of Ferroport Logística Comercial Exportadora S.A. ("Company"), as of September 30, 2021, and the related condensed statements of income, statements of comprehensive income for the three and nine-month periods ended at that date and statements of changes in shareholders' equity and statements of cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation and fair presentation of the condensed parent company and consolidated interim financial information in accordance with standard CPC 21(R1) - Demonstração Intermediária. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Interim Financial Information Review Standards (NBC TR 2410 - Revisão de Informações Intermediárias Executada pelo Auditor da Entidade and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of condensed and individual interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

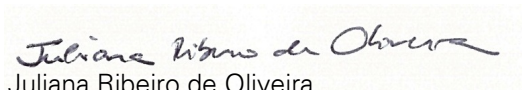
A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the condensed parent company and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed parent company and consolidated interim financial information, as of September 30, 2021, are not prepared, in all material respects, in accordance with CPC 21 (R1) – Interim Financial Reporting.

Rio de Janeiro, October 29, 2021

KPMG Auditores Independentes
CRC SP-014428/O-6 F-RJ



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CRC RJ-095335/O-0

Ferropport Logística Comercial Exportadora S.A.

Condensed balance sheets of September 30, 2021 and December 31, 2020

(In thousands of Reais)

| | Note | Parent Company | | Consolidated | |
|---|------|--------------------|-------------------|--------------------|-------------------|
| | | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 4 | 136,337 | 78,553 | 136,929 | 79,143 |
| Accounts receivable from related parties | 13 | 85,158 | 161,994 | 85,158 | 161,994 |
| Inventories | 5 | 35,562 | 29,064 | 35,562 | 29,064 |
| Recoverable taxes | 7 | 4,588 | 4,227 | 4,687 | 4,324 |
| Income taxes and social contribution recoverable | 7 | - | - | 43 | 42 |
| Prepaid expenses | | 2,741 | 1,322 | 2,741 | 1,324 |
| Other | | 1,772 | 1,612 | 1,772 | 1,613 |
| Total current assets | | 266,158 | 289,487 | 266,892 | 290,219 |
| Noncurrent assets | | | | | |
| Judicial deposits | 8 | 33,296 | 34,409 | 33,296 | 34,409 |
| Related parties - asset to be transferred | 13 | 210,102 | 210,102 | 210,102 | 210,102 |
| Investment in subsidiary | 9 | 731 | 731 | - | - |
| Right of use assets | 10 | 2,919 | 3,067 | 2,919 | 3,067 |
| Property, plant and equipment | 11 | 2,060,245 | 2,101,680 | 2,060,245 | 2,101,680 |
| Intangible assets | 12 | 2,736 | 573 | 2,736 | 573 |
| Deferred charges | | 1,973 | 2,466 | 1,973 | 2,466 |
| Total noncurrent assets | | 2,312,002 | 2,353,028 | 2,311,271 | 2,352,297 |
| Total assets | | 2,578,160 | 2,642,515 | 2,578,163 | 2,642,516 |
| Liabilities and equity | | | | | |
| Trade accounts payable | | 26,864 | 56,230 | 26,865 | 56,231 |
| Payroll and related charges | | 16,142 | 16,449 | 16,142 | 16,449 |
| Taxes payable | 14 | 13,107 | 11,889 | 13,107 | 11,889 |
| Lease liabilities | 10 | 2,114 | 1,890 | 2,114 | 1,890 |
| Income tax and social contribution payable | 14 | 7,091 | 13,439 | 7,093 | 13,439 |
| Related parties - loans | 13 | 145,375 | 142,000 | 145,375 | 142,000 |
| Total current liabilities | | 210,693 | 254,612 | 210,696 | 254,613 |
| Noncurrent liabilities | | | | | |
| Income tax and social contribution payable | 14 | 76,305 | 61,030 | 76,305 | 61,030 |
| Lease liabilities | 10 | 1,059 | 1,400 | 1,059 | 1,400 |
| Deferred income tax and social contribution | 6 | 135,785 | 130,559 | 135,785 | 130,559 |
| Related parties - accounts payable | 13 | 210,102 | 210,102 | 210,102 | 210,102 |
| Related parties - loans | 13 | 61,951 | 412,192 | 61,951 | 412,192 |
| Deferred revenue with related party | 13 | 46,802 | 48,447 | 46,802 | 48,447 |
| Provision for contingencies | 15 | 21,861 | 22,386 | 21,861 | 22,386 |
| Taxes payable | 14 | 33,247 | 32,615 | 33,247 | 32,615 |
| Other | | 19,097 | 19,365 | 19,097 | 19,365 |
| Total noncurrent liabilities | | 606,209 | 938,096 | 606,209 | 938,096 |
| Shareholders' equity | | | | | |
| Share Capital | 16 | 1,197,152 | 803,404 | 1,197,152 | 803,404 |
| Profits to be allocated | | 0 | 393,748 | 0 | 393,748 |
| Capital reserve | | 94,589 | 94,589 | 94,589 | 94,589 |
| Contingencies reserve | | 109,595 | 109,595 | 109,595 | 109,595 |
| Legal reserve | | 48,471 | 48,471 | 48,471 | 48,471 |
| Accumulated Profit | | 311,451 | 0 | 311,451 | 0 |
| Total shareholders' equity | | 1,761,258 | 1,449,807 | 1,761,258 | 1,449,807 |
| Total liabilities and shareholders' equity | | 2,578,160 | 2,642,515 | 2,578,163 | 2,642,516 |

The notes are an integral part of these condensed interim financial information .

Ferroport Logística Comercial Exportadora S.A.

Statements of income

Three and nine-month period ended September 30, 2021 and 2020

(In thousands of Reais)

| | Note | Parent Company | | | |
|--|------|--------------------------|-----------------------|-------------------------|-----------------------|
| | | Three-month period ended | | Nine-month period ended | |
| | | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Net revenue of services | 17 | 224,321 | 228,757 | 679,940 | 662,882 |
| Costs of services | 18 | (50,258) | (70,146) | (168,682) | (163,837) |
| Gross profit | | 174,063 | 158,611 | 511,258 | 499,045 |
| Operating income (expenses) | | | | | |
| General and administrative expenses | 19 | (9,245) | (8,384) | (27,169) | (27,575) |
| Expected Credit Loss | 20 | 150 | 265 | 1,994 | 418 |
| Other operating income (expenses), net | 20 | 4,086 | 1,943 | 9,557 | 6,359 |
| | | (5,009) | (6,176) | (15,618) | (20,798) |
| Income before financial income (expenses) and taxes | | 169,054 | 152,435 | 495,640 | 478,247 |
| Equity income (loss), net | | 5 | (13) | 1 | (113) |
| Financial income (expenses) | | | | | |
| Financial income | 21 | 1,420 | 1,118 | 3,024 | 74,171 |
| Financial expenses | 21 | (5,606) | (16,700) | (26,914) | (47,911) |
| Income before taxes | | 164,873 | 136,840 | 471,751 | 504,394 |
| Income and social contribution taxes | | | | | |
| Current | 6 | (57,301) | (37,665) | (155,073) | (111,427) |
| Deferred | 6 | (7,538) | (9,010) | (5,226) | (62,560) |
| Total income and social contribution taxes | | (64,839) | (46,675) | (160,299) | (173,987) |
| Net income for the period | | 100,034 | 90,165 | 311,451 | 330,407 |

The notes are an integral part of these condensed interim financial information .

Ferropport Logística Comercial Exportadora S.A.

Condensed Statements of income

Three and nine-month period ended September 30, 2021 and 2020

(In thousands of Reais)

| | Note | Consolidated | | | |
|--|------|--------------------------|-----------------------|-------------------------|-----------------------|
| | | Three-month period ended | | Nine-month period ended | |
| | | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Net revenue of services | 17 | 224,321 | 228,795 | 679,940 | 663,147 |
| Costs of services | 18 | (50,258) | (70,182) | (168,682) | (164,149) |
| Gross profit | | 174,063 | 158,613 | 511,258 | 498,998 |
| Operating income (expenses) | | | | | |
| General and administrative expenses | 19 | (9,245) | (8,397) | (27,178) | (27,601) |
| Expected Credit Loss | 20 | 150 | 265 | 1,994 | 418 |
| Other operating income (expenses), net | 20 | 4,086 | 1,943 | 9,557 | 6,359 |
| | | (5,009) | (6,189) | (15,627) | (20,824) |
| Income before financial income (expenses) and taxes | | 169,054 | 152,424 | 495,631 | 478,174 |
| Financial income (expenses) | | | | | |
| Financial income | 21 | 1,426 | 1,228 | 3,038 | 74,182 |
| Financial expenses | 21 | (5,606) | (16,807) | (26,915) | (47,937) |
| Income before taxes | | 164,874 | 136,845 | 471,754 | 504,419 |
| Income and social contribution taxes | | | | | |
| Current | 6 | (57,302) | (37,670) | (155,077) | (111,452) |
| Deferred | 6 | (7,538) | (9,010) | (5,226) | (62,560) |
| Total income and social contribution taxes | | (64,841) | (46,680) | (160,303) | (174,012) |
| Net income for the period | | 100,034 | 90,165 | 311,451 | 330,407 |

The notes are an integral part of these condensed interim financial information .

Ferroport Logística Comercial Exportadora S.A.

Condensed statements of comprehensive income

Three and nine-month period ended September 30, 2021 and 2020

(In thousands of Reais)

| | <u>Parent Company and Consolidated</u> | | | |
|---|--|-------------------------------|--------------------------------|-------------------------------|
| | <u>Three-month period ended</u> | | <u>Nine-month period ended</u> | |
| | <u>September 30, 2021</u> | <u>September 30, 2020</u> | <u>September 30, 2021</u> | <u>September 30, 2020</u> |
| Net income for the period | <u>100,034</u> | <u>90,165</u> | <u>311,451</u> | <u>330,407</u> |
| Total comprehensive income for the period | <u>100,034</u> | <u>90,165</u> | <u>311,451</u> | <u>330,407</u> |

The notes are an integral part of these condensed interim financial information .

Ferropport Logística Comercial Exportadora S.A.

Condensed statements of changes in shareholders' equity

Nine-month period ended on September 30, 2021 and 2020

(In thousands of Reais)

| | | Parent Company and Consolidated | | | | | | |
|--|-----------|---------------------------------|-------------------------|-----------------|-----------------------|---------------|-----------------------------|------------------|
| | Note | Share Capital | Profits to be allocated | Capital reserve | Contingencies reserve | Legal reserve | Accumulated profit (losses) | Total |
| Balances as of January 1st, 2020 | 16 | 803,404 | - | 94,589 | 109,595 | 27,756 | - | 1,035,344 |
| Net income for the period | | - | - | - | - | - | 330,407 | 330,407 |
| Balances as of September 30, 2020 | | 803,404 | - | 94,589 | 109,595 | 27,756 | 330,407 | 1,365,751 |
| Balances as of January 1st, 2021 | | 803,404 | 393,748 | 94,589 | 109,595 | 48,471 | - | 1,449,807 |
| Net income for the period | | - | - | - | - | - | 311,451 | 311,451 |
| Capital increase | | 393,748 | (393,748) | - | - | - | - | - |
| Balances as of September 30, 2021 | | 1,197,152 | - | 94,589 | 109,595 | 48,471 | 311,451 | 1,761,258 |

The notes are an integral part of these condensed interim financial information.

Ferroport Logística Comercial Exportadora S.A.

Condensed statements of cash flows

Nine-month period ended September 30, 2021 and 2020

(In thousands of Reais)

| | Parent Company | | Consolidated | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Operating activities | | | | |
| Income before taxes | 471,751 | 504,394 | 471,754 | 504,419 |
| Adjustments to reconcile income before taxes and net cash provided by operating activities: | | | | |
| Depreciation and amortization | 67,671 | 41,613 | 67,671 | 41,613 |
| Monetary variation and interest | 14,059 | 43,955 | 14,059 | 43,955 |
| Tax Provision | 11,780 | 4,032 | 11,781 | 4,032 |
| Amortization of insurance | 4,010 | 3,636 | 4,012 | 3,645 |
| Provision for bonus | 8,261 | 4,324 | 8,261 | 4,327 |
| Provision (reversal) for legal proceeding | (526) | 1,658 | (526) | 1,658 |
| Deferred revenue amortization | (1,645) | (1,645) | (1,645) | (1,645) |
| Shares of results of investee | (1) | 113 | - | |
| Provision (reversal) for expected credit losses | (1,994) | (418) | (1,994) | (418) |
| | 573,366 | 601,662 | 573,373 | 601,586 |
| (Increase) decrease of assets and increase (decrease) of liabilities: | | | | |
| Account receivable from related parties | 76,853 | 285,096 | 76,853 | 285,171 |
| Inventories | (5,694) | (2,260) | (5,694) | (2,260) |
| Recoverable taxes | (876) | 750 | (939) | 692 |
| Prepaid expenses | (465) | (4,666) | (465) | (4,691) |
| Trade accounts payable | (26,566) | 19,433 | (26,566) | 19,446 |
| Taxes payable | (31,933) | 21,896 | (31,874) | 21,837 |
| Payroll and related charges | (8,574) | (4,981) | (8,575) | (4,985) |
| Taxes payable related to intercompany loans | (2,086) | (49,987) | (2,086) | (49,987) |
| Interest paid | (11,820) | (283,262) | (11,820) | (283,262) |
| Income tax and social contribution paid | (125,000) | (130,622) | (125,000) | (130,622) |
| Interest on leases | (316) | (354) | (316) | (354) |
| Other | 2,432 | (382) | 2,431 | (382) |
| Net cash flows generated by operating activities | 439,320 | 452,323 | 439,322 | 452,189 |
| Investing activities | | | | |
| Acquisition of intangible assets | (930) | (588) | (930) | (588) |
| Acquisition of property, plant and equipment | (32,603) | (36,280) | (32,603) | (36,280) |
| Net cash flows used in investing activities | (33,533) | (36,868) | (33,533) | (36,868) |
| Financing activities | | | | |
| Intercompany loans settled | (346,542) | (292,263) | (346,542) | (292,263) |
| Lease payments | (1,461) | (1,196) | (1,461) | (1,196) |
| Net cash flows used in financing activities | (348,003) | (293,459) | (348,003) | (293,459) |
| Increase in cash and cash equivalents | 57,784 | 121,996 | 57,786 | 121,862 |
| Cash and cash equivalents | | | | |
| At beginning of the period | 78,553 | 38,600 | 79,143 | 39,327 |
| At end of the period | 136,337 | 160,596 | 136,929 | 161,189 |
| Increase in cash and cash equivalents | 57,784 | 121,996 | 57,786 | 121,862 |

The notes are an integral part of these condensed interim financial information.

Notes to the interim financial information

(In thousands of Reais, unless otherwise stated)

1 The Company and its operations

In 2007, Ferroport Logística Comercial Exportadora S.A. (“Ferroport” or the “Company”), formerly known as LLX Minas-Rio Logística Comercial Exportadora S.A., located in the state of Rio de Janeiro, Rua da Passagem 123/ 11th floor - Botafogo, was incorporated with the purpose of developing and operating port facilities and providing logistics support services.

Ferroport is the joint owner of an area of 300 hectares in the Açú Port which is responsible for iron ore processing, handling, and storage, and an offshore structure comprising an access bridge, access canal, breakwater and two berths for iron ore loading. The development of the project was established by the Framework Agreement and Asset Allocation Agreement (“Agreement”) which sets forth the operating and commercial relations between the Company, Prumo Participações e Investimentos S.A. (“Prumopar”), Prumo’s subsidiary Açú Petróleo S.A. (“Açú Petróleo”) and Anglo American Minério de Ferro do Brasil S.A. (“AAMFB”).

In 2021, the Company loaded 17.45 million tons (unreviewed) of iron ore in 110 vessels (unreviewed) (17.50 million tons (unreviewed) in 111 vessels (unreviewed) during nine-month period of 2020). Since the beginning of operations in October 2014, the Company loaded 108.9 million tons (unreviewed) of iron ore, reaching a mark of 688 vessels (unreviewed) berthing at the port.

In 2021, Açú Petróleo S.A. performed 65 operations (unreviewed) in 159 vessels (unreviewed), loading 12.5 million metric tons (unreviewed) of oil transshipment. In the same period of 2020, Açú Petróleo S.A. performed 57 operations (unreviewed) in 136 vessels (unreviewed), loading 10.2 million metric tons (unreviewed) of oil transshipment. Since the beginning of operations in August 2016, they carried out 246 operations (unreviewed) in 583 Suezmax and VLCC vessels (unreviewed). According to the port access contract, Ferroport receives monthly variable fees from Açú Petróleo, due to the use of the area to provide the service.

On March 25, 2021, Ferroport started the test operation with AAMFB called “Sinter feed”, which consisted of receiving iron ore by trucks. The test operation lasted about 17 weeks (unreviewed), with approximately 31 trucks (unreviewed) accessing the port per day and handling a total volume of 40,117 tons (unreviewed) of iron ore. This test operation did not generate revenue, only reimbursement of incurred costs. Due to the success of the operation, the shareholders are considering continuing the operation with another test soon, also with 40 thousand tons (unreviewed).

1.1 Subsidiary

See out below the subsidiary of Ferroport Logística:

| Subsidiary/Activity | Ownership interest |
|---|--------------------|
| Ferroport Serviços / Service of maintenance | 100% |

In August 2018, Ferroport Serviços EIRELI (“Ferroport Serviços”), a fully controlled subsidiary of Ferroport Logística, started the operations providing maintenance and engineering services to the companies located in the port terminal.

2 Licenses

| Type | Issue date | Maturity |
|---|-----------------------|-----------------------|
| Permit the management of terrestrial fauna in the port terminal by the company Firjan/Senai Consulting Engineering AA N° IN003173. License in the process of renewal. Protocol 011.10481/2021 | April 04,2019 | April 04, 2021 |
| Permit to Use Water Resources OUT IN05405 authorizes the extraction of raw water through tubular wells, for human consumption, and other applications (in civil construction works and to spray on roads), in the Hydrographic Basin RH-IX – Baixo Paraíba do Sul. | September 27, 2019 | September 27, 2024 |
| INEA (State Institute of Environment): Statutory law for receipts of iron ore, stockyard iron transfer unit, access bridge, loading pier, areas of utilities and repair shop, administrative area, , dredging for maintenance of draught for access and navigation, trans-shipment of waste of vessels and food loading activities, inputs of drinking water on vessels. Statutory Law - Regulatory Procedure 027024.(AVB002815). License renewed for another 6 Years through AVB003584. | September 02, 2015 | December 22, 2023 |
| ANTAQ (Supervising Office for Grants of the National Waterway Agency) authorizes Ferroport to start operating the port terminal. | September 02, 2014 | September 02, 2039 |
| Permit temporary refueling, by using tank trucks, tug boats, and speed boats on Porto do Açú iron ore terminal LI no.IN 047638. | December 13, 2018 | December 13, 2023 |

3 Basis of preparation and presentation of the condensed interim financial information and summary of significant accounting practices

a. Statement of compliance

The condensed parent company and consolidated interim financial information have been prepared in accordance with CPC 21 - Interim Financial Reporting issued by the Accounting Pronouncements Committee (“CPC”).

The condensed consolidated and individual interim financial information do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the financial statements as of December 31, 2020, prepared in accordance with accounting practices adopted in Brazil (“BR GAAP”), which comprise dispositions of the Brazilian Corporate Law, as determined by Law 6,404/76 with updates on Law 11,638/07 and accounting pronouncements, interpretations and orientations issued by the Accounting Pronouncements Committee (CPC) approved by Brazilian CVM.

The accounting policies mentioned adopted in this condensed interim financial information are consistent with those followed in the preparation of the Company’s financial statements for the year ended December 31, 2020 and concluded on March 26, 2021.

The Company's Directors authorized the conclusion of these condensed interim financial information on October 29, 2021.

b. Basis of measurement

The condensed interim financial information has been prepared on the historical cost .

c. Functional and reporting currency

This condensed interim financial information is presented in Brazilian Reais, which is the Company's functional and reporting currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

4 Cash and cash equivalents

| | Parent Company | | Consolidated | |
|--------------------------------|-----------------------|----------------------|-----------------------|----------------------|
| | September 30, 2021 | December 30, 2020 | September 30, 2021 | December 30, 2020 |
| Cash and banks | 736 | 306 | 744 | 474 |
| Cash equivalents | | | | |
| Bank deposit certificate (CDB) | 135,611 | 78,247 | 136,185 | 78,669 |
| | 136,337 | 78,553 | 136,929 | 79,143 |

Highly liquid short-term investments are readily convertible into a known amount of cash and subject to insignificant risk of change in their value. The return of investments was 102,12% of Interbank Deposit (DI) rate in third quarter of 2021 (100.91% in December 30, 2020). The portfolio currently consists of deposits certificates issued by Santander and Banco ABC.

5 Inventories

In September 30, 2021, the individual and consolidated balance of inventories applied to equipment maintenance totaled R\$ 35,562 (R\$ 29,064 in December 30, 2020).

6 Income tax and social contribution

The changes in the deferred income and social contribution taxes assets and liabilities are as follow:

| | Company and Consolidated | | |
|---|---------------------------------|--|-------------------------------|
| | December 31, 2020 | Additional amount/offset (liability) recorded | September 30, 2021 |
| Assets | | | |
| Temporary differences: | | | |
| Provisions of bonus, contingencies and others | 17,760 | (3,632) | 14,128 |
| Other | 1,078 | 479 | 1,557 |
| Total deferred income taxes assets | 18,838 | (3,154) | 15,685 |
| Liabilities | | | |
| Difference between tax basis and book value of depreciation rates | (74,173) | 14,675 | (59,498) |
| Temporary differences: | | | |
| Capitalized interests | (73,851) | (17,023) | (90,874) |
| Judicial deposits | (1,373) | 275 | (1,098) |
| Total deferred income taxes liabilities | (149,397) | (2,073) | (151,470) |
| Net effect | (130,559) | (5,226) | (135,785) |

The reconciliation of the reported income tax and social contribution and the amount determined by applying the nominal rate for the periods ended September 30, 2021 and 2020, are as follows:

| Income Tax and Social Contribution | Parent Company | | | |
|--|---------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Income before income taxes | 164,873 | 136,840 | 471,751 | 504,394 |
| Income tax at the nominal rate 34% | (56,057) | (46,526) | (160,395) | (171,494) |
| Tax adjustments: | | | | |
| Deferred - Capitalized interest | - | - | 21,863 | - |
| Effect of addition depreciation adjustment | - | - | (6,644) | - |
| Effect of addition the fine of the notice of infraction | - | - | (3,325) | - |
| Deferred - Provision and reversal provision | - | - | - | (4,661) |
| Deferred - Tax loss | - | - | - | 1,263 |
| Complementary income tax and social contribution – 2019 and 2020 | (12,386) | - | (12,386) | - |
| Other | 3,604 | (149) | 588 | 905 |
| Total | (64,839) | (46,675) | (160,299) | (173,987) |
| Current income and social contribution tax | (57,301) | (37,665) | (155,073) | (111,427) |
| Deferred income and social contribution tax | (7,538) | (9,010) | (5,226) | (62,560) |
| Total income and social contribution tax | (64,839) | (46,675) | (160,299) | (173,987) |
| Effective rate | 39% | 34% | 34% | 34% |

Income Tax and Social Contribution

Consolidated

Ferroport Logística
Comercial Exportadora S.A.
Condensed interim financial
information September 30, 2021

| | Three-month period ended | | Nine-month period ended | |
|--|--------------------------|-----------------------|-------------------------|-----------------------|
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Income before income taxes | 164.874 | 136.845 | 471.754 | 504.419 |
| Income tax at the nominal rate 34% | (56,057) | (46,609) | (160,396) | (171,502) |
| tax aliquot effect - presumed profit | (4) | 82 | (3) | (17) |
| Tax adjustments: | | | | |
| Deferred - Capitalized interest | - | - | 21,863 | - |
| Effect of addition depreciation adjustment | - | - | (6,644) | - |
| Effect of addition – Infraction notice’s fine | - | - | (3,325) | - |
| Deferred - Provision and reversal of provision | - | - | - | (4,661) |
| Deferred - Tax loss | - | - | - | 1,263 |
| Complementary income tax and social contribution – 2019 and 2020 | (12,386) | - | (12,386) | - |
| Other | 3,606 | (153) | 588 | 905 |
| Total | (64,841) | (46,680) | (160,303) | (174,012) |
| Current income and social contribution tax | (57,303) | (37,670) | (155,077) | (111,452) |
| Deferred income and social contribution tax | (7,538) | (9,010) | (5,226) | (62,560) |
| Total income and social contribution tax | (64,841) | (46,680) | (160,303) | (174,012) |
| Effective rate | 39% | 34% | 34% | 34% |

7 Recoverable taxes

| | Parent Company | | Consolidated | |
|---|-----------------------|----------------------|--------------------------|----------------------|
| | September 30, 2021 | December 31, 2020 | September 30, 2021 | December 31, 2020 |
| PIS and COFINS | 4,172 | 4,175 | 4,201 | 4,204 |
| INSS | 0 | - | 59 | 59 |
| ISS | 48 | 48 | 48 | 48 |
| Other | 368 | 4 | 421 | 13 |
| Subtotal recoverable taxes | 4,588 | 4,227 | 4,729 | 4,324 |
| Income tax | - | - | - | 32 |
| Social contribution | - | - | - | 10 |
| Total income taxes and social contribution recoverable | - | - | - | 42 |
| Total | 4,588 | 4,227 | 4,729 | 4,366 |
| Current | 4,588 | 4,227 | 4,729 | 4,366 |
| Non-current | - | - | - | - |

8 Judicial deposits

| | Parent Company and Consolidated | |
|--|------------------------------------|----------------------|
| | September 30, 2021 | December 31, 2020 |
| Income tax and social contribution (a) | 32,853 | 32,563 |
| Other | 443 | 1,846 |
| | 33,296 | 34,409 |

(a) The Company challenges the payment of income tax and social contribution on net income recognized in its pre-operating phase and filed an injunction in January 2008, making a judicial deposit in the original amount of R\$ 16,403. Ferroport obtained an unfavorable decision and is awaiting decision on its appeal, the amount deposited is fully reserved under "Taxes payable". In December 2020, the 10th federal court of Rio de Janeiro was granted a favorable decision, with partial return of the judicial deposit in the amount of R\$ 3,358. The amount was received on December 4, 2020. The total amount in September 2021 is R\$ 32,853 (R\$32,563 in December 2020).

9 Investment in subsidiary

The investments in subsidiary are as follow:

a. Movement of participation in subsidiary

| | December 30, 2020 | Addition | Equity | September 30, 2021 |
|--------------------------------|----------------------|----------|--------|-----------------------|
| Ferroport Serviços EIRELLI (a) | 731 | - | 1 | 732 |

(a) As mentioned in note 1.1, Ferroport Serviços operations started in August 2018.

b. Relevant information about subsidiary

| As of September 30, 2021 | | | | | | | |
|---------------------------|-----|-----------------------------------|-------|-----------|--------------------------|---------|------------------------------------|
| Direct subsidiaries | % | Number of shares (thousand) | Asset | Liability | Shareholders ' equity | Capital | Profit (loss) for the period |
| Ferroport Serviços EIRELI | 100 | 100 | 735 | (3) | (732) | 100 | 1 |

| As of September 30, 2020 | | | | | | | |
|---------------------------|-----|-----------------------------------|-------|-----------|--------------------------|---------|------------------------------------|
| Direct subsidiaries | % | Number of shares (thousand) | Asset | Liability | Shareholders ' equity | Capital | Profit (loss) for the period |
| Ferroport Serviços EIRELI | 100 | 100 | 737 | (5) | (732) | 100 | (113) |

10 Right-of-use assets/Lease liabilities

The table below shows the contracts within the scope of CPC 06 R2 / IFRS 16, segregated by supplier, with their respective contractual terms and interest rates applied, as of September 30, 2021:

| Suppliers | Assets | Right of use assets | Lease Liabilities | Months | Interest rates |
|------------------|-------------------------|----------------------------|--------------------------|---------------|-----------------------|
| Localiza | Vehicles | 1,505 | 1,628 | 38 | 1,0280% |
| Transbarra | Machinery and equipment | 946 | 1,053 | 36 | 0,9902% |
| Ormec | Machinery and equipment | 223 | 234 | 22 | 0,9902% |
| Solaris | Machinery and equipment | 44 | 51 | 36 | 0,9902% |
| Trimak | Machinery and equipment | 201 | 207 | 36 | 0,9902% |
| | | 2,919 | 3,173 | | |

To obtain the interest rates, the Company simulated obtaining funds from financial institutions for the acquisition of the underlying assets, with similar terms to the respective contracts.

The movements of the right of use assets and lease liabilities, with their respective final balances at September 30, 2021 and December 2020, are as follows:

| Lease Assets | January 01, 2021 | Additions | (-) Depreciation | September 30, 2021 |
|--|-------------------------|------------------|---------------------------|---------------------------|
| Right of use – Vehicles | 1,186 | 984 | (527) | 1,643 |
| Right of use - Machinery and equipment | 1,881 | 360 | (965) | 1,276 |
| | 3,067 | 1,344 | (1,492) | 2,919 |

| Lease Assets | January 01, 2020 | Additions | (-) Depreciation | September 30, 2020 |
|--|-------------------------|------------------|---------------------------|---------------------------|
| Right of use – Vehicles | 1,688 | 135 | (471) | 1,352 |
| Right of use - Machinery and equipment | 2,595 | - | (826) | 1,769 |
| | 4,283 | 135 | (1,297) | 3,121 |

| Parent Company and Consolidated | | | | | | |
|--|-----------------------------|------------------|-----------------|-----------------|-----------------|-------------------------------|
| Lease Liabilities | January 01, 2021 | Additions | Transfer | Interest | Payments | September 30, 2021 |
| Current | 1,890 | 541 | 1,144 | 316 | (1,777) | 2,114 |
| Non-current | 1,400 | 803 | (1,144) | - | - | 1,059 |
| | 3,290 | 1,344 | - | 316 | (1,777) | 3,173 |

| Parent Company and Consolidated | | | | | | |
|--|-----------------------------|------------------|-----------------|-----------------|-----------------|-------------------------------|
| Lease Liabilities | January 01, 2020 | Additions | Transfer | Interest | Payments | September 30, 2020 |
| Current | 1,569 | 62 | 1,234 | 354 | (1,550) | 1,669 |
| Non-current | 2,820 | 73 | (1,234) | - | - | 1,659 |
| | 4,389 | 135 | - | 354 | (1,550) | 3,328 |

| | September 30, 2021 | | | September 30, 2020 | | |
|-------------------------|---------------------------|----------------------------|----------------|---------------------------|----------------------------|----------------|
| | Fixed (Lease) | Variable (Cost) | Total | Fixed (Lease) | Variable (Cost) | Total |
| Payments | | | | | | |
| Vehicles | (637) | - | (637) | (595) | (10) | (605) |
| Machinery and equipment | (1,140) | - | (1,140) | (818) | (22) | (840) |
| | (1,777) | - | (1,777) | (1,550) | (32) | (1,582) |

The table below describes the maturity terms of the lease liabilities, considering the future cash flows of principal and interest payments according to the contractual forecast, with position as of September 30, 2021:

| | Maturity | | | | |
|--------------------------|-----------------------|--------------------------------|------------------------------|----------------------|--------------|
| | up to 6 months | From 6 to 12 months | From 1 to 2 years | Above 2 years | Total |
| Lease Liabilities | 1,052 | 1,062 | 953 | 106 | 3,173 |

11 Property, plant and equipment

*Ferroport Logística
Comercial Exportadora S.A.
Condensed interim financial
information September 30, 2021*

| Parent Company and Consolidated | Annual depreciation rate % | Cost | Accumulated depreciation | Net balance at September 30, 2021 | Net balance at December 31, 2020 |
|---------------------------------|----------------------------|------------------|--------------------------|-----------------------------------|----------------------------------|
| Improvements | 4 | 66,220 | (61,128) | 5,092 | 1,076 |
| Furniture and fixtures | 10 | 1,136 | (559) | 577 | 513 |
| Vehicles | 20 and 25 | 1,332 | (1,141) | 191 | 278 |
| IT equipment | 20 | 10,973 | (6,275) | 4,697 | 5,994 |
| Machinery and equipment | 10, 20 and 50 | 37,216 | (6,410) | 30,806 | 24,080 |
| Electronic equipment | 20 | 2,194 | (770) | 1,424 | 866 |
| Defenses | 10 | 4,031 | (2,634) | 1,397 | 1,716 |
| Breakwater | 2,22 | 854,708 | (128,547) | 726,161 | 738,933 |
| Maritime access canal | 2,22 | 451,987 | (65,118) | 386,869 | 407,334 |
| Pier - Port Terminal | 2,22 | 835,171 | (104,399) | 730,772 | 744,483 |
| Safety equipment | 10 | 22,564 | (11,684) | 10,880 | 12,548 |
| Operational tools and equipment | 5 and 20 | 44,686 | (13,091) | 31,595 | 24,202 |
| Construction in progress | - | 122,315 | - | 122,315 | 127,759 |
| Other equipments | - | 20,505 | (13,036) | 7,469 | 11,898 |
| | | 2,475,038 | (414,792) | 2,060,245 | 2,101,680 |

Changes in property, plant and equipment

| Parent Company and Consolidated | Parent Company and Consolidated | | | | | September 30, 2021 |
|---------------------------------|---------------------------------|-------------------|---------------|----------------|-----------|--------------------|
| | Annual depreciation rate % | December 31, 2020 | Additions | Writte-offs | Transfers | |
| Cost | | | | | | |
| Improvements | 4 | 66,220 | - | - | - | 66,220 |
| Furniture and fixtures | 10 | 1,067 | 69 | - | - | 1,136 |
| Vehicles | 20 | 1,332 | - | - | - | 1,332 |
| IT equipment | 20 | 10,176 | 797 | - | - | 10,973 |
| Machinery and equipment | 10 | 30,038 | 7,178 | - | - | 37,216 |
| Electronic equipment | 20 | 1,396 | 798 | - | - | 2,194 |
| Defenses | 10 | 4,031 | - | - | - | 4,031 |
| Breakwater | 2,22 | 853,058 | 1,650 | - | - | 854,708 |
| Maritime access canal | 2,22 | 451,796 | 191 | - | - | 451,987 |
| Pier - Port Terminal | 2,22 | 830,479 | 1,702 | - | 2,990 | 835,171 |
| Safety equipment | 10 | 20,854 | 1,710 | - | - | 22,564 |
| Operational tools and equipment | 10 and 5 | 33,920 | 10,766 | - | - | 44,686 |
| Construction work in progress | | 127,759 | 3,598 | (4,205) | (2,990) | 122,315 |
| Others equipments | | 17,421 | 3,084 | - | - | 20,505 |
| | | 2,449,547 | 35,748 | (4,205) | - | 2,475,038 |

Parent Company and Consolidated

| Parent Company and Consolidated | Annual depreciation rate % | December 31, 2020 | Additions | Write-offs | September 30, 2021 |
|------------------------------------|----------------------------------|-------------------------|------------------------|-----------------------|-------------------------|
| Depreciation | | | | | |
| Improvements | 4 | (65,144) | (1,154) | 4,210 | (61,128) |
| Furniture and fixtures | 10 | (554) | (67) | 62 | (559) |
| Vehicles | 20 | (1,054) | (87) | - | (1,141) |
| IT equipment | 20 | (4,182) | (2,093) | - | (6,275) |
| Machinery and equipment | 10 | (5,958) | (452) | - | (6,410) |
| Electronic equipment | 20 | (530) | (240) | - | (770) |
| Defenses | 10 | (2,315) | (320) | - | (2,634) |
| Breakwater | 2,22 | (114,422) | (14,422) | - | (128,547) |
| Maritime access canal | 2,22 | (44,462) | (20,656) | - | (65,118) |
| Pier - Port Terminal | 2,22 | (85,996) | (18,403) | - | (104,399) |
| Safety equipment | 5 and 20 | (8,306) | (3,378) | - | (11,684) |
| Operational tools and equipment | 10 | (9,718) | (3,373) | - | (13,091) |
| Others equipments | 10 and 5 | (5,523) | (7,513) | - | (13,036) |
| | | <u>(347,867)</u> | <u>(72,158)</u> | <u>4,272</u> | <u>(414,792)</u> |
| Property and equipment, net | | <u><u>2,101,680</u></u> | <u><u>(36,410)</u></u> | <u><u>(5,985)</u></u> | <u><u>2,060,245</u></u> |

Asset allocation

As aforementioned, the Company, Açú Petróleo and AAMFB signed the Asset Allocation Agreement, which determines that the Company is responsible for the construction of the T1 port terminal and sets out the allocation of assets between the parties, means of payment, transfer of divisible assets and joint ownership rules for the indivisible assets. The divisible assets will be transferred to the parties individually as stated in the Agreement.

As for the indivisible assets, each company has its share of participation in the assets (“condominium agreement”) according to a formula defined in the Agreement at construction cost.

12 Intangible assets

| | | Parent Company and Consolidated | | | |
|----------------------|---------|---------------------------------|--------------|--------------|-----------------------|
| Amortization | | December 31, 2020 | Additions | Write-offs | September 30, 2021 |
| Cost | | | | | |
| Software use license | 5 years | 11,813 | 930 | - | 12,743 |
| Total Cost | | <u>11,813</u> | <u>930</u> | <u>-</u> | <u>12,743</u> |
| Amortization | | | | | |
| Software use license | 5 years | (11,240) | (602) | 1,835 | (10,007) |
| Total Amortization | | <u>(11,240)</u> | <u>(602)</u> | <u>1,835</u> | <u>(10,007)</u> |
| | | <u>573</u> | <u>328</u> | <u>1,835</u> | <u>2,736</u> |

13 Transactions with related parties

Parent Company and
consolidated

| | September 30, 2021 | December 31, 2020 |
|---|-----------------------|----------------------|
| Assets | | |
| Assets to be transferred to AAMFB (a) | 210,102 | 210,102 |
| Accounts receivable from AAMFB (b) | 83,094 | 158,955 |
| Accounts receivable from Açú Petróleo (c) | 1,547 | 2,275 |
| | 294,743 | 371,332 |
| Credit Notes | | |
| AAMFB | 305 | 528 |
| Açú Petróleo | 212 | 236 |
| Current | 85,158 | 161,994 |
| Noncurrent | 210,102 | 210,102 |

| | September 30, 2021 | December 31, 2020 |
|---|-----------------------|----------------------|
| Liabilities | | |
| Advances of the asset allocation | | |
| AAMFB (a) | 210,102 | 210,102 |
| Intercompany loans | | |
| Prumo Participações e Investimentos | 127,906 | 300,376 |
| Withholding income tax on loan | 104 | 153 |
| Anglo American Capital London | 79,316 | 253,663 |
| | 417,428 | 764,294 |
| Deferred revenue | | |
| Deferred revenue with related party (d) | 46,802 | 48,447 |
| Current | 145,375 | 142,000 |
| Noncurrent | 272,053 | 622,294 |

- (a) This refers to the divisible assets that will be transferred to AAMFB, according to the Agreement;
- (b) Receivables from the take-or-pay agreement with AAMFB;
- (c) Receivables from the Port Access agreement related to T-Oil operations.
- (d) In January 2008, an agreement was entered into with Porto do Açú for granting the right of accessing the port facilities to load and unload ships. This contract, amounting to R\$ 62,159, is effective for 35 years, renewable for another 35 years, and was fully paid as of December 31, 2009. The revenue will be recognized over the contract term. After the start-up of operation in October 2014, this amount started to be monthly recognized as other revenues.

Maturity and interest

Intercompany loans are determined in Brazilian Reais (BRL) and subject to annual interest of 100% of the CDI plus 2% p.a. Intercompany loans have no covenants or guarantees.

The Company shall repay all amounts outstanding, including any outstanding interest thereon, under all shareholder loans by no later than December 31, 2030.

The transactions that affect the profit or loss are as follows:

Revenues (expenses)

Ferroport Logística
Comercial Exportadora S.A.
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| | Parent Company | | | |
|-------------------------------------|---------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Revenue | | | | |
| AAMFB - take-or-pay agreement | 219,065 | 223,066 | 667,529 | 640,897 |
| Açu Petróleo | 7,180 | 6,201 | 17,545 | 23,633 |
| Ferroport Serviços | - | 38 | - | 265,00 |
| Expenses/Costs | | | | |
| Anglo American | - | (89) | - | (186) |
| Financial expenses | | | | |
| Interest on loans | | | | |
| Prumo Participações e Investimentos | (2,607) | (3,966) | (7,733) | (19,382) |
| Anglo American Capital London | (1,776) | (3,495) | (5,849) | (17,685) |
| | 221,862 | 221,755 | 671,492 | 627,542 |

| | Consolidated | | | |
|-------------------------------------|---------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Revenues (expenses) | | | |
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Revenue | | | | |
| AAMFB - take-or-pay agreement | 219,065 | 223,066 | 667,529 | 640,897 |
| Açu Petróleo | 7,180 | 6,201 | 17,545 | 23,633 |
| Expenses/Costs | | | | |
| Anglo American | - | (90) | - | (186) |
| Financial expenses | | | | |
| Interest on loans | | | | |
| Prumo Participações e Investimentos | (2,607) | (3,966) | (7,733) | (19,382) |
| Anglo American Capital London | (1,776) | (3,495) | (5,849) | (17,685) |
| | 221,862 | 221,716 | 671,492 | 627,277 |

Reconciliation of assets and liabilities to cash flows from financing activities:

| | Liabilities | |
|--|-------------------------------|-------------------------------|
| | Intercompany loans | |
| Opening balances on January 1, 2021 | 764,142 | |
| Variations in cash | | |
| Interest paid | (11,820) | |
| Intercompany loans settled | (346,542) | |
| Total variations in financing cash flows | (358,362) | |
| Other variations | | |
| Related liabilities | | |
| Income tax on intercompany loans | (2,037) | |
| Interest expense | 13,582 | |
| Total other variations related liabilities | 11,545 | |
| Closing balances on September 30, 2021 | 417,325 | |
| | September 30, 2021 | September 30, 2020 |
| Key management compensation was as follows: | | |
| Payroll and related charges | 2,929 | 2,856 |

14 Taxes payable

| | Company and consolidated | |
|--|---------------------------------|------------------------------|
| | September 30, 2021 | December 31, 2020 |
| PIS and COFINS | 31,402 | 31,866 |
| ISS | 103 | 588 |
| ICMS | 14,419 | 11,327 |
| Income tax and social contribution (*) | 83,021 | 73,674 |
| Other | 805 | 1,518 |
| | 129,750 | 118,973 |
| Current | 20,198 | 25,328 |
| Noncurrent (*) | 109,552 | 93,645 |

(*) This refers mainly to the judicial deposit for income tax and social contribution described in Note 8. In addition, there are R\$ 46,312 referring to the instalments of income tax and social contribution, signed with the RFB.

15 Provision for contingencies

Contingent liabilities

The Company is subject to legal proceedings involving civil and administrative matters arising from the ordinary course of business, the Company classified as probable risk of loss the following amounts:

| | September 30, 2021 | December 31, 2020 |
|------------------|-------------------------------|------------------------------|
| Probable: | | |
| Labor claims | 6,433 | 8,235 |
| Civil claims (a) | <u>15,428</u> | <u>14,151</u> |
| | <u>21,861</u> | <u>22,386</u> |

(a) In 2018, ARG/Civilport filed a new litigation related to services claimed as rendered in the amount of R\$ 10,890 classified as probable loss. As of September 30, 2021, the amount is R\$ 15,074 (R\$ 12,328 in December 31, 2020).

Provision movements

| | December 31, 2020 | Additions | write-offs | September 30, 2021 |
|-------|------------------------------|------------------|-------------------|-------------------------------|
| Labor | 8,235 | 424 | (2,226) | 6,433 |
| Civil | 14,151 | <u>1,407</u> | <u>(130)</u> | 15,428 |

| | | | |
|---------------|--------------|----------------|---------------|
| 22,386 | 1,831 | (2,356) | 21,861 |
|---------------|--------------|----------------|---------------|

According to the legal counsel, the main proceedings classified as possible risk of loss are demonstrated below:

| | September 30, 2021 | December 31, 2020 |
|------------------|-------------------------------|------------------------------|
| Labor claims | 3,129 | 2,313 |
| Tax claims (a) | 253,615 | 248,866 |
| Civil claims (b) | 291,052 | 246,906 |
| | 547,796 | 498,085 |

- (a) Impacted mainly by the tax assessment of the Federal Revenue of Brazil (“RFB”) referring to the deduction of capitalized interest in the calculation of income tax and social contribution, and amortization of deferred tax on the merger goodwill, both from 2015 to 2017, in the amount of R\$ 239,289 (R\$ 215,760 in December, 2020). The additional exposure of the period 2018 to 2019 is R\$33,106 (R\$ 33,106 in December, 2020).
- (b) Impacted mainly by ARG/Civilport litigation in the amount of R\$ 192,608 (R\$ 163,394 in December 31, 2020) and Arcoenge R\$ 60,981 (R\$ 51,732 in December 31, 2020). The claims are due to breach of the contract (Lump Sum and Turn Key contracts) and the costs related to decommissioning.

16 Shareholders’ equity

Capital

The Company’s shareholding structure at September 30, 2021 and December 31, 2020, is as follows:

| | Number of shares | % |
|---|-----------------------------|------------|
| Shareholders | | |
| Prumo Participações e Investimentos S.A | 875,617 | 50 |
| Anglo American Investimentos - Minério de Ferro Ltda. | 875,617 | 50 |
| | 1,751,234 | 100 |

Reserves

In accordance with the Brazilian Corporate Law, the legal reserve, which is intended to ensure the integrity of capital and may only be used to offset losses or increase the capital stock, is set up on an annual basis at 5% of the net income for the year and it cannot exceed 20% of the Share Capital. On September 30, 2021 the legal reserve has the amount of R\$ 48,471 (R\$ 48,471 on December 31, 2020).

On April 30, 2020, the capital increase in the amount of R\$ 393,747 was approved at the annual general meeting, without the issue of new shares, fully subscribed by the two shareholders Anglo American Investimentos - Minério de Ferro Ltda and Prumo Participações e Investimentos SA. After the capital increase, Ferroport’s capital increased to R\$ 1,197,152 (R\$ 803,404 on December 31, 2020).

The general meeting may, at the proposal of the management bodies, allocate part of the net profit to the formation of a contingency reserve, with the purpose of offsetting, in a future year, the decrease in profit resulting from a loss deemed probable, the amount of which can be

estimated. On September 30, 2021, the contingency reserve has the amount of R\$ 109,595 (R\$ 109,595 on December 31, 2020).

Capital reserves are constituted with amounts received by the Company and which do not pass through the result, do not refer to the delivery of goods or services by the company. On March 31, 2014, Ferroport approved at the Extraordinary General Meeting the merger of Centennial Asset Participações Minas-Rio SA and part of the spun off assets of Anglo American Participações Ltda. With the merger, Ferroport recorded a tax benefit of R\$ 94,589, arising from the acquisition of equity interest in the Company, against capital reserve. As of September 30, 2021 the capital reserves total R\$ 94,589 (R\$ 94,589 on December 31, 2020).

Dividends

The Shareholder's Agreement determines that dividends will be distributed after loans and financings with related parties are fully settled.

17 Net revenue from services

| | Parent Company | | | |
|-------------------------------------|--------------------------|-----------------------|-------------------------|-----------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Gross revenue | 252,741 | 257,571 | 766,296 | 746,978 |
| Shipment of iron ore (Take or Pay) | 244,840 | 250,763 | 746,825 | 720,898 |
| Oil transshipment (T-Oil) | 7,901 | 6,808 | 19,471 | 26,080 |
| Taxes | (28,420) | (28,814) | (86,356) | (84,096) |
| Taxes on gross revenue - PIS/COFINS | (23,376) | (23,668) | (71,009) | (69,197) |
| Tax on services – ISS | (5,044) | (5,146) | (15,347) | (14,899) |
| Net revenue from services | 224,321 | 228,757 | 679,940 | 662,882 |

| | Consolidated | | | |
|------------------------------------|--------------------------|-----------------------|-------------------------|-----------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Gross revenue | 252,741 | 257,612 | 766,296 | 747,260 |
| Shipment of iron ore (Take or Pay) | 244,840 | 250,763 | 746,825 | 720,898 |

| | | | | |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Oil transshipment (T-Oil) | 7,901 | 6,808 | 19,471 | 26,080 |
| Port services | | 41 | - | 282 |
| Taxes | (28,420) | (28,817) | (86,356) | (84,113) |
| Taxes on gross revenue - PIS/COFINS | (23,376) | (23,669) | (71,009) | (69,207) |
| Tax on services – ISS | (5,044) | (5,148) | (15,347) | (14,906) |
| Net revenue from services | 224,321 | 228,795 | 679,940 | 663,147 |

18 Costs of services

| | Parent Company | | | |
|--------------------------------------|--------------------------|-----------------------|-------------------------|-----------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Payroll and related charges | (12,256) | (11,188) | (35,906) | (31,333) |
| Depreciation and amortization | (13,284) | (11,681) | (59,442) | (34,956) |
| Third-parties services | (8,235) | (32,617) | (25,164) | (53,893) |
| Leases and rents | (849) | (1,401) | (2,513) | (3,016) |
| Insurance | (1,305) | (1,526) | (3,955) | (3,799) |
| Consumables spare parts | (11,090) | (9,200) | (33,778) | (27,376) |
| Environmental expenses | (603) | (483) | (1,662) | (1,525) |
| Depreciation of rights of use assets | (469) | (410) | (1,349) | (1,205) |
| Other | (2,167) | (1,640) | (4,913) | (6,734) |
| | (50,258) | (70,146) | (168,682) | (163,837) |

| | Consolidated | | | |
|--------------------------------------|--------------------------|-----------------------|-------------------------|-----------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Payroll and related charges | (12,256) | (11,222) | (35,906) | (31,641) |
| Depreciation and amortization | (13,284) | (11,681) | (59,442) | (34,956) |
| Third-parties services | (8,235) | (32,619) | (25,164) | (53,893) |
| Leases and rents | (849) | (1,401) | (2,513) | (3,018) |
| Insurance | (1,305) | (1,526) | (3,955) | (3,799) |
| Consumables spare parts | (11,090) | (9,200) | (33,778) | (27,376) |
| Environmental expenses | (603) | (483) | (1,662) | (1,525) |
| Depreciation of rights of use assets | (469) | (410) | (1,349) | (1,205) |
| Other | (2,167) | (1,640) | (4,913) | (6,736) |
| | (50,258) | (70,182) | (168,682) | (164,149) |

19 General and administrative expenses

| | Parent Company | | | |
|--------------------------------------|---------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Payroll and related charges | (4,466) | (3,666) | (12,273) | (9,721) |
| Third party services | (1,886) | (1,113) | (5,818) | (7,632) |
| Depreciation and amortization | (137) | (1,920) | (6,745) | (5,360) |
| Insurance | (19) | (19) | (57) | (57) |
| Travel expenses | (44) | (9) | (100) | (121) |
| Leases and rents | (76) | (79) | (227) | (275) |
| Depreciation of rights of use assets | (47) | (31) | (143) | (93) |
| Contingencies | (844) | (305) | 526 | (2,192) |
| Other | (1,726) | (1,242) | (2,332) | (2,124) |
| | (9,245) | (8,384) | (27,169) | (27,575) |

| | Consolidated | | | |
|--------------------------------------|---------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Payroll and related charges | (4,466) | (3,666) | (12,273) | (9,728) |
| Third party services | (1,886) | (1,113) | (5,818) | (7,632) |
| Depreciation and amortization | (137) | (1,920) | (6,745) | (5,360) |
| Insurance | (19) | (22) | (59) | (66) |
| Travel expenses | (44) | (9) | (100) | (121) |
| Leases and rents | (76) | (79) | (227) | (275) |
| Depreciation of rights of use assets | (47) | (31) | (143) | (93) |
| Contingencies | (845) | (305) | 525 | (2,192) |
| Other | (1,725) | (1,252) | (2,338) | (2,134) |
| | (9,245) | (8,397) | (27,178) | (27,601) |

20 Other operating income (expenses)

| | Parent Company and Consolidated | | | |
|---|--|-------------------------------|--------------------------------|-------------------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Non-consumed electric energy (a) | 3,475 | 1,444 | 7,903 | 4,864 |
| Provision for expected credit losses - Non-consumed electric energy (a) | 150 | 265 | 1,994 | 418 |
| Deferred revenue - right of use | 497 | 497 | 1,493 | 1,493 |
| Other | 114 | 2 | 161 | 2 |
| | 4,236 | 2,208 | 11,551 | 6,777 |

- (a) Refers to the sale of non-consumed electric energy with CCEE - *Câmara de Comércio de Energia Elétrica* and other energy traders. The income is associated to the power trading, regarding the CCEE, to which Ferroport is an agent, which means, Company associated to the CCEE, participating with rights and duties in its operations.

21 Financial income (expenses)

| | Parent Company | | | |
|-------------------------------------|--------------------------|-----------------------|-------------------------|-----------------------|
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Financial expenses | | | | |
| Tax on financial transactions (IOF) | (144) | (240) | (526) | (467) |
| Interest - intercompany loan | (4,385) | (7,461) | (13,584) | (37,067) |
| Interest on leases | (106) | (109) | (316) | (354) |
| Penalty due to tax parcellation | - | (8,740) | (11,439) | (8,740) |
| Other | (971) | (150) | (1,049) | (1,283) |
| | (5,606) | (16,700) | (26,914) | (47,911) |
| Financial income | | | | |
| Exchange and monetary variation | 10 | 248 | 10 | 70,282 |
| Interest income | 1,410 | 870 | 3,014 | 3,889 |
| | 1,420 | 1,118 | 3,024 | 74,171 |
| Financial results, net | (5,596) | (16,452) | (23,890) | 26,260 |
| | | | | |
| | Consolidated | | | |
| | Three-month period ended | | Nine-month period ended | |
| | September 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Financial expenses | | | | |
| Tax on financial transactions (IOF) | (144) | (241) | (526) | (468) |
| Interest - intercompany loan | (4,385) | (7,461) | (13,584) | (37,067) |
| Interest on leases | (106) | (109) | (316) | (354) |
| Penalty due to tax parcellation | 2,623 | (8,740) | (8,816) | (8,740) |
| Other | (3,594) | (256) | (3,673) | (1,308) |
| | (5,606) | (16,807) | (26,915) | (47,937) |
| Financial income | | | | |
| Exchange and monetary variation | 10 | 248 | 10 | 70,282 |
| Interest income | 1,416 | 980 | 3,028 | 3,900 |
| | 1,426 | 1,228 | 3,038 | 74,182 |
| Financial results, net | (4,180) | (15,579) | (23,877) | 26,245 |

22 Commitments

The Company undertook future purchase commitments amounting to R\$ 202,581 at September 30, 2021 (R\$ 209,475 on December 31, 2020) and these should be fulfilled in the course of the operations.

| | September 30, 2021 | December 31, 2020 | Description |
|--|-----------------------|----------------------|--|
| Asset | | | |
| Property, plant and equipment / Intangible / Right of use assets | | | |
| Construction in progress | 1,976 | 3,818 | Repowering and emergency routes |
| | 4,436 | 1,813 | Structural reform to adapt the facilities |
| Right of use assets - Lease | 3,194 | 5,677 | Leasing of vehicles, machinery and equipment |
| Intangible | 326 | 439 | Systems licenses |
| Total asset | 9,932 | 11,747 | |
| Result | | | |
| Cost/Expenses | 49,535 | 77,136 | Electricity purchase agreement |
| | 34,157 | 23,034 | Industrial cleaning and facilities services |
| | 9,950 | 11,447 | Support for navigation and underwater activities |
| | 5,734 | 7,835 | Transport of employees |
| | 4,628 | 5,966 | Vigilance and Security |
| | 5,139 | 8,674 | Health and medical services plan |
| | 12,153 | 11,985 | Legal and financial consultancy |
| | 10,128 | 12,585 | Reforestation and waste management |
| | 3,530 | 7,144 | Employee benefits |
| | 2,607 | 3,668 | IT Services |
| | 37,458 | 11,550 | Preventive and corrective maintenance |
| | 4,337 | 6,550 | Medical services and occupational health |
| | 13,293 | 10,154 | Others |
| Total Results | 192,649 | 197,728 | |
| Total | 202,581 | 209,475 | |

23 Financial instruments

The estimated realizable values of the financial assets and liabilities of the Company were determined based on available market information and proper valuation methodologies. However, considerable judgment was required in interpreting market data to develop the most adequate estimate of realizable value. Consequently, the estimates do not necessarily indicate the values that could be realized in the current exchange market.

Financial assets and liabilities at September 30, 2021 and December 31, 2020 are as follows:

| Classifications | Parent Company | | | | | |
|------------------------------------|--------------------|----------------|----------------------------------|-------------------|----------------|----------------------------------|
| | September 30, 2021 | | | December 31, 2020 | | |
| | Book Value | Amortized cost | Fair value measurement hierarchy | Book Value | Amortized cost | Fair value measurement hierarchy |
| Assets | | | | | | |
| Cash and cash equivalents | 136,337 | 136,337 | 2 | 38,600 | 38,600 | 2 |
| Accounts receivable | 85,158 | 85,158 | 2 | 373,440 | 373,440 | 2 |
| Liabilities | | | | | | |
| <i>Other financial liabilities</i> | | | | | | |
| Lease Liabilities | 3,173 | 3,173 | 2 | 3,290 | 3,290 | 2 |
| Trade accounts payable | 26,864 | 26,864 | 2 | 22,884 | 22,884 | 2 |
| Related parties - accounts payable | 210,102 | 210,102 | 2 | 210,102 | 210,102 | 2 |
| Related parties loans | 207,326 | 207,326 | 2 | 554,192 | 554,192 | 2 |
| | | | | | | |
| Classifications | Consolidated | | | | | |
| | September 30, 2021 | | | December 31, 2020 | | |
| | Book Value | Amortized cost | Fair value measurement hierarchy | Book Value | Amortized cost | Fair value measurement hierarchy |
| Assets | | | | | | |
| Cash and cash equivalents | 136,929 | 136,929 | 2 | 38,600 | 38,600 | 2 |
| Accounts receivable | 85,158 | 85,158 | 2 | 373,521 | 373,521 | 2 |
| Liabilities | | | | | | |
| <i>Other financial liabilities</i> | | | | | | |
| Lease Liabilities | 3,173 | 3,173 | 2 | 3,290 | 3,290 | 2 |
| Trade accounts payable | 26,865 | 26,865 | 2 | 22,284 | 22,284 | 2 |
| Related parties - accounts payable | 210,102 | 210,102 | 2 | 210,102 | 210,102 | 2 |
| Related parties loans | 207,326 | 207,326 | 2 | 554,192 | 554,192 | 2 |

- **Level 1:** quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2:** valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

- **Level 3:** valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Considering the financial assets and liabilities, due to their characteristics and due dates, Management understands that their fair values does not differ relevantly from their booking values.

Currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales are denominated and the Group's functional currency. The Group's functional currency is mainly the Real. The currency in which these transactions are primarily denominated is the Dollar.

The Group's sales expectation from October to December 2021 is at US\$ 46,676 and may be impacted by exchange rate variations.

Liquidity risk

The table below provides the Company's main financial liabilities at September 30, 2021. These amounts are gross and are not discounted and include payments of estimated interest and exclude the impact of the offsetting agreements.

| | No maturity | Up to 6 months | From 1 year to 5 years | Total |
|--------------------------------|----------------|----------------|---------------------------|----------------|
| Financial liabilities | | | | |
| Trade accounts payable | - | 26,864 | - | 26,864 |
| Asset Allocation | 210,102 | - | - | 210,102 |
| Related parties - loans | - | 205,859 | 1,467 | 207,326 |
| Total by maturity range | 210,102 | 232,723 | 1,467 | 444,292 |

The Company's shareholders have supported the implementation of the business plan. The remaining Capex to completion will be funded by Company's cash generation and the shareholders when required by the Agreement.

Credit risk

This risk arises from the possibility of the Company incurring in losses arising from default of their counterparties or financial institutions depository of funds.

The Company uses rating analysis of the financial institutions through rating reports provided by the risk agencies, for the purpose of classifying and systematically following up on the risk and performance of each bank.

The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of customer base, including the default risk associated with the industry in which customers operate.

The Company held consolidated cash and cash equivalents of R\$ 136,929 thousand at September 30, 2021 (R\$ 79,143 thousand at December 31, 2020). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated AAA, based on rate

S&P agency rating.

At the exposure to credit risk are the following:

| Financial instruments | September 30, 2021 | December 31, 2020 |
|---------------------------------------|-------------------------------|------------------------------|
| Cash and cash equivalents | 136,929 | 79,143 |
| Accounts receivable (Related parties) | 85,158 | 161,994 |
| | <u>222,087</u> | <u>241,137</u> |

For the period ended on September 30, 2021 and December 31, 2020, the Company's services revenue is entirely related to services provided to the related parties. Cash and cash equivalents are invested in banks with at least A- rating.

Capital Management

The Company's funds to develop its business plan have been entirely funded through capital contributions and loans from the shareholders. The Company started its operations in October 2014 and started generating operating cash since then; the additional funds needed for the conclusion of the port construction will also be funded by its shareholders through additional loans when required by the Agreement, and operational cash generation.

24 Insurance coverage

The Company's policy consists of entering into insurance coverage for assets subject to risks at amounts deemed sufficient by management to cover claims, if any, considering the nature of its activity. The policies are in force and the premiums were duly paid.

As of September 30, 2021 and December 31, 2020, the insurance coverage was as follows:

| | September 30, 2021 | December 31, 2020 |
|--------------------------------|-------------------------------|------------------------------|
| Property and equipment damages | 2,642,100 | 2,642,100 |
| Civil liability | 271,970 | 259,835 |
| Environmental Liability | 30,000 | 30,000 |
| Directors & Management | 60,000 | 60,000 |

Carsten Bosselmann
Chief Executive Officer

Marcelo Amaral Palladino
Chief Financial Officer

Douglas dos Santos Guimarães
Accountant CRC-RJ-110416/O-0