

Ferropport Logística
Comercial
Exportadora S.A.

**Condensed interim financial
information as of September 30,
2022**

Contents

Independent auditors report on review of condensed parent company and consolidated interim financial information	3
Condensed balance sheets	5
Condensed statements of income	6
Condensed statements of comprehensive income	7
Condensed statements of changes in shareholders' equity	8
Condensed statements of cash flows	9
Notes to the condensed interim financial information	10



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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, 2022, 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.

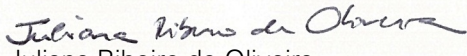
A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an 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, 2022, are not prepared, in all material respects, in accordance with CPC 21 (R1) – Interim Financial Reporting.

Rio de Janeiro, October 31, 2022

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


Juliana Ribeiro de Oliveira
CRC RJ-095335/O-0

Ferroport Logística Comercial Exportadora S.A.

Condensed balance sheets

Nine-month period ended September 30, 2022 and December 31, 2021

(In thousands of Reais)

	Note	Parent Company		Consolidated	
		September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Assets					
Current assets					
Cash and cash equivalents	4	160,115	139,851	160,755	140,452
Accounts receivable from related parties	13	114,942	90,578	114,946	90,578
Inventories	5	37,375	39,381	37,375	39,381
Recoverable taxes	7	55	485	159	626
Income taxes and social contribution recoverable	7	11,645	15,143	11,687	15,143
Prepaid expenses		2,651	1,419	2,651	1,419
Other		814	2,674	815	2,674
Total current assets		327,597	289,531	328,388	290,273
Noncurrent assets					
Judicial deposits	8	34,662	33,499	34,662	33,499
Related parties - asset to be transferred	13	210,102	210,102	210,102	210,102
Investments in subsidiary	9	785	739	-	-
Right of use assets	10	9,178	2,403	9,178	2,403
Property, plant and equipment	11	2,065,085	2,064,262	2,065,085	2,064,262
Intangible assets	12	2,912	3,122	2,912	3,122
Deferred charges		1,315	1,808	1,315	1,808
Total noncurrent assets		2,324,039	2,315,935	2,323,254	2,315,196
Total assets		2,651,636	2,605,466	2,651,642	2,605,469
Liabilities and equity					
Trade accounts payable		35,234	33,883	35,236	33,885
Payroll and related charges		19,498	20,141	19,498	20,141
Taxes payable	14	14,305	13,296	14,305	13,296
Lease liabilities	10	2,158	1,845	2,158	1,845
Income taxes and social contribution payable	14	29,825	25,127	29,830	25,129
Dividends payable	16	173,340	-	173,340	-
Deferred revenue with related party	13	2,194	-	2,194	-
Related parties - accounts payable	13	10,703	-	10,703	-
Related parties - loans	13	-	97,083	-	97,083
Total current liabilities		287,257	191,375	287,264	191,379
Noncurrent liabilities					
Income taxes and social contribution payable	14	52,552	57,428	52,552	57,428
Lease liabilities	10	7,178	805	7,178	805
Deferred income tax and social contribution	6	159,738	139,792	159,738	139,792
Related parties - accounts payable	13	210,102	210,102	210,102	210,102
Deferred revenue with related party	13	42,414	46,254	42,414	46,254
Provision for contingencies	15	25,000	22,360	25,000	22,360
Taxes payable	14	34,288	33,551	34,288	33,551
Other		18,831	18,964	18,830	18,963
Total noncurrent liabilities		550,103	529,256	550,102	529,255
Shareholders' equity					
Share Capital	16	1,197,152	1,197,152	1,197,152	1,197,152
Profits to be allocated		-	413,294	-	413,294
Capital reserve		94,589	94,589	94,589	94,589
Contingencies reserve		109,595	109,595	109,595	109,595
Legal reserve		70,205	70,205	70,205	70,205
Accumulated Profit / Loss		342,735	-	342,735	-
Total shareholders' equity		1,814,276	1,884,835	1,814,276	1,884,835
Total liabilities and shareholders' equity		2,651,636	2,605,466	2,651,642	2,605,469

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, 2022 and 2021

(In thousands of Reais)

		Parent Company			
		Three-month period ended		Nine-month period ended	
Note		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	Net revenue of services	259,164	224,321	749,043	679,940
	Costs of services	(63,709)	(50,258)	(211,129)	(168,682)
	Gross profit	195,455	174,063	537,914	511,258
	Operating income (expenses)				
	General and administrative expenses	(12,097)	(9,245)	(35,217)	(27,169)
	Expected Credit Loss	-	150	-	1,994
	Other operating income (expenses), net	895	4,086	6,086	9,557
		(11,202)	(5,009)	(29,131)	(15,618)
	Income before financial income (expenses) and taxes	184,253	169,054	508,783	495,640
	Equity income, net	20	5	46	1
	Financial income (expenses)				
	Financial income	7,600	1,420	17,042	3,024
	Financial expenses	(1,220)	(5,606)	(5,241)	(26,914)
		6,380	(4,186)	11,801	(23,890)
	Income before taxes	190,653	164,873	520,630	471,751
	Income and social contribution taxes				
	Current	(61,192)	(57,301)	(157,950)	(155,073)
	Deferred	(4,116)	(7,538)	(19,945)	(5,226)
	Total income and social contribution taxes	(65,308)	(64,839)	(177,895)	(160,299)
	Net income for the period	125,345	100,034	342,735	311,452

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

Ferroport Logística Comercial Exportadora S.A.

Condensed statements of income

Three and nine-month period ended September 30, 2022 and 2021

(In thousands of Reais)

		Consolidated			
		Three-month period ended		Nine-month period ended	
	Note	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net revenue of services	17	259,171	224,321	749,060	679,940
Costs of services	18	(63,709)	(50,258)	(211,129)	(168,682)
Gross profit		195,462	174,063	537,931	511,258
Operating income (expenses)					
General and administrative expenses	19	(12,097)	(9,245)	(35,225)	(27,178)
Expected Credit Loss		-	150	-	1,994
Other operating income (expenses), net	20	895	4,086	6,086	9,557
		(11,202)	(5,009)	(29,139)	(15,627)
Income before financial income (expenses) and taxes		184,260	169,054	508,792	495,631
Financial income (expenses)					
Financial income	21	7,619	1,426	17,094	3,038
Financial expenses	21	(1,220)	(5,606)	(5,243)	(26,915)
		6,399	(4,180)	11,851	(23,877)
Income before taxes		190,659	164,874	520,643	471,754
Income and social contribution taxes					
Current	6	(61,198)	(57,303)	(157,963)	(155,077)
Deferred	6	(4,116)	(7,538)	(19,945)	(5,226)
Total income and social contribution taxes		(65,314)	(64,841)	(177,908)	(160,303)
Net income for the period		125,345	100,033	342,735	311,451

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, 2022 and 2021

(In thousands of Reais)

	Parent Company and Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net income for the period	125,345	100,033	342,735	311,451
Total comprehensive income for the year	125,345	100,033	342,735	311,451

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, 2022 and 2021

(In thousands of Reais)

Company and Consolidated								
	Note	Share Capital	Profits to be allocated	Capital reserve	Contingencies reserve	Legal reserve	Accumulated profit	Total
Balances as of January 1st, 2021	16	803,404	393,748	94,589	109,595	48,471	-	1,449,807
Net income for the year		-	-	-	-	-	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
Balances as of January 1st, 2022		1,197,152	413,294	94,589	109,595	70,205	-	1,884,835
Net income for the year		-	-	-	-	-	342,735	342,735
Dividends Distribution		-	(413,294)	-	-	-	-	(413,294)
Balances as of September 30, 2022		1,197,152	-	94,589	109,595	70,205	342,735	1,814,276

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

Ferropport Logística Comercial Exportadora S.A.

Condensed statements of cash flows

Nine-month period ended September 30, 2022 and 2021

(In thousands of Reais)

	Parent Company		Consolidated	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Operating activities				
Income before taxes	520,630	471,751	520,643	471,754
Adjustments to reconcile income before taxes and net cash provided by operating activities:				
Depreciation and amortization	52,731	67,671	52,731	67,671
Monetary variation and interest	1,333	14,059	1,333	14,059
Tax Provision	4,763	11,780	4,763	11,781
Amortization of insurance	3,988	4,010	3,988	4,012
Provision for bonus	5,382	8,261	5,382	8,261
Provision for legal proceeding	2,640	(526)	2,640	(526)
Deferred revenue amortization	(1,645)	(1,645)	(1,645)	(1,645)
Shares of results of investee	(46)	(1)	-	-
Provision for expected credit losses	-	(1,994)	-	(1,994)
	589,776	573,366	589,835	573,373
(Increase) decrease of assets and increase (decrease) of liabilities:				
Account receivable from related parties	(24,364)	76,853	(24,368)	76,853
Inventories	(2,308)	(5,694)	(2,308)	(5,694)
Recoverable taxes	30	(876)	-	(939)
Prepaid expenses	(5,220)	(465)	(5,220)	(465)
Trade accounts payable	11,267	(26,566)	11,267	(26,566)
Taxes payable	(19,602)	(31,933)	(19,582)	(31,874)
Payroll and related charges	(6,158)	(8,574)	(6,158)	(8,575)
Taxes payable related to intercompany loans	(232)	(2,086)	(232)	(2,086)
Interest paid	(1,294)	(11,820)	(1,294)	(11,820)
Income tax and social contribution paid	(140,235)	(125,000)	(140,241)	(125,000)
Interest on leases	(225)	(316)	(225)	(316)
Other	1,941	2,431	1,941	2,431
Net cash flows generated by operating activities	403,376	439,320	403,415	439,322
Investing activities				
Acquisition of intangible assets	(439)	(930)	(439)	(930)
Acquisition of property, plant and equipment	(44,510)	(32,603)	(44,510)	(32,603)
Net cash flows used in investing activities	(44,949)	(33,533)	(44,949)	(33,533)
Financing activities				
Intercompany loans settled	(96,544)	(346,542)	(96,544)	(346,542)
Lease payments	(1,665)	(1,461)	(1,665)	(1,461)
Dividends paid	(239,954)	-	(239,954)	-
Net cash flows used in financing activities	(338,163)	(348,003)	(338,163)	(348,003)
Increase in cash and cash equivalents	20,264	57,784	20,303	57,786
Cash and cash equivalents				
At beginning of the period	139,851	78,553	140,452	79,143
At end of the period	160,115	136,337	160,755	136,929
Increase in cash and cash equivalents	20,264	57,784	20,303	57,786

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”), 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 Vast Infraestrutura S.A. and Anglo American Minério de Ferro do Brasil S.A. (“AAMFB”).

In 2022, the Company loaded 15.15 million tons (unreviewed) of iron ore in 94 vessels (unreviewed) (17.45 million tons (unreviewed) in 110 vessels (unreviewed) during nine-month period of 2021). Since the beginning of operations in October 2014, the Company loaded 129.7 million tons (unreviewed) of iron ore, reaching a mark of 788 vessels (unreviewed) berthing at the port.

In 2022, Vast Infraestrutura S.A. performed 88 operations (unreviewed) in 205 vessels (unreviewed), loading 15.37 million metric tons (unreviewed) of oil transshipment. In the same period of 2021, Vast Infraestrutura S.A. performed 65 operations (unreviewed) in 159 vessels (unreviewed), loading 12.5 million metric tons (unreviewed) of oil transshipment. Since the beginning of operations in August 2016, they carried out 333 operations (unreviewed) in 791 Suezmax and VLCC vessels (unreviewed). According to the port access contract, Ferroport receives monthly variable fees from Vast Infraestrutura S.A., due to the use of the area to provide the service.

In the first quarter of 2022, outstanding loan balances with Shareholders were fully settled. Signed in June 2015 and effective January 1, 2016, the side agreement to the shareholders’ agreement sets out the terms of the IC Loan, including the maximum settlement period until December 31, 2030. Early settlement is a milestone for the Company, as it reflects the ability to generate cash, in addition to making the operation totally sustainable, subsidized only with equity.

1.1 Subsidiary

See out below the subsidiary of Ferroport Logística:

Subsidiary / Activity	Ownership interest
Ferroport Serviços / Maintenance Services	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 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. Permit temporary refueling, by using tank trucks, tugboats, and speed boats on Porto do Açú iron ore terminal. Statutory Law - Regulatory Procedure 027024. (IN051807).	December 23, 2020	May 29, 2024
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, tugboats, 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 parent company and consolidated 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, 2021, 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, 2021, and concluded on March 10, 2022.

The Company's Directors authorized the conclusion of these condensed interim financial information on October 31 2022.

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, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Cash and banks	401	536	414	544
Cash equivalents				
Bank deposit certificate (CDB)	159,714	139,315	160,341	139,908
	160,115	139,851	160,755	140,452

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 102,87% of Interbank Deposit (DI) rate in third quarter of 2022. The portfolio currently consists of deposits certificates issued by Santander and Banco ABC.

5 Inventories

On September 30, 2022, the parent company and consolidated balance of inventories applied to equipment maintenance totaled R\$ 37,375 (R\$ 39,381 in December 31, 2021).

6 Income tax and social contribution

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

	Company and Consolidated		
	December 31, 2021	Additional amount/offset (liability) recorded	September 30, 2022
Assets			
Temporary differences:			
Difference between tax basis and book value - Deferred assets	17,935	3,594	21,529
Other	1,724	524	2,248
Total deferred income taxes assets	19,659	4,118	23,777
Liabilities			
Difference between tax basis and book value of depreciation rates	(61,897)	(7,314)	(69,211)
Temporary differences:			
Capitalized interest	(96,548)	(17,023)	(113,571)
Judicial deposits	(1,006)	273	(733)
Total deferred income taxes liabilities	(159,451)	(24,064)	(183,515)
Net effect	(139,792)	(19,946)	(159,738)

The recoverability of the deferred income tax assets is supported by a business plan approved by the Executive Board. The Company's Management evaluates the carrying value of the deferred tax assets based on the Company's projected future taxable income and maintain these assets at their expected realization value.

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, 2022 and 2021, are as follows:

*Ferroport Logística
Comercial Exportadora S.A.
Condensed interim financial
information September 30, 2022*

Income Tax and Social Contribution	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Income before income taxes	190,653	164,873	520,630	471,751
Income tax at the nominal rate 34%	(64,822)	(56,057)	(177,014)	(160,395)
Tax adjustments:				
Defferred - Capitalized interest	-	-	-	21,863
Effect of Additions - infraction notice's fine	-	-	-	(3,325)
Effect of Additions - depreciation adjustments	-	-	-	(6,644)
Complementary income tax and social contribution - 2019 and 2020	-	(12,386)	-	(12,386)
Other	(486)	3,604	(881)	588
Total	(65,308)	(64,839)	(177,895)	(160,299)
Current income and social contribution tax	(61,192)	(57,301)	(157,950)	(155,073)
Deferred income and social contribution tax	(4,116)	(7,538)	(19,945)	(5,226)
Total income and social contribution tax	(65,308)	(64,839)	(177,895)	(160,299)
Effective rate	34%	39%	34%	34%

(a) Effect of the adjustment in the tax amortization period of capitalized interest (from 45 years to 25 years, according to the Brazilian IRS depreciation table).

	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Income before income taxes	190,659	164,874	520,643	471,754
Income tax at the nominal rate 34%	(64,821)	(56,053)	(177,011)	(160,393)
tax aliquot effect about presumed profit	(3)	(4)	(8)	(3)
Tax adjustments:				
Defferred - Capitalized interest	-	-	-	21,863
Effect of Additions - infraction notice's fine	-	-	-	(3,325)
Effect of Additions - depreciation adjustment	-	-	-	(6,644)
Complementary income tax and social contribution - 2019 and 2020	-	(12,386)	-	(12,386)
Other	(490)	3,602	(889)	585
Total	(65,314)	(64,841)	(177,908)	(160,303)
Current income and social contribution tax	(61,198)	(57,303)	(157,963)	(155,077)
Deferred income and social contribution tax	(4,116)	(7,538)	(19,945)	(5,226)
Total income and social contribution tax	(65,314)	(64,841)	(177,908)	(160,303)
Effective rate	34%	39%	34%	34%

(a) Effect of the adjustment in the tax amortization period of capitalized interest (from 45 years to 25 years, according to the Brazilian IRS depreciation table).

7 Recoverable taxes

	Parent Company		Consolidated	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
PIS and COFINS	-	430	33	460
INSS	-	-	59	59
ISS	48	48	48	48
Other	7	7	19	59
Subtotal recoverable taxes	55	485	159	626
Income tax (a)	8,562	11,202	8,592	11202
Social contribution (a)	3,083	3,941	3,095	3941
Total income taxes and social contribution recoverable	11,645	15,143	11,687	15143
Total	11,700	15,628	11,846	15,769
Current	11,700	15,628	11,846	15,769

(a) Negative balance of income tax and social contribution constituted due to the tax loss calculated in the year 2018.

8 Judicial deposits

	Company and Consolidated	
	September 30, 2022	December 31, 2021
Income tax and social contribution (a)	34,142	33,051
Other	520	448
	34,662	33,499

(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 2022 is R\$ 34,142 (R\$33,051 in December 2021).

9 Investment in subsidiary

The investments in subsidiary are as follows:

a. Movement of participation in subsidiary

	December 31, 2021	Addition	Equity	September 31, 2022
Ferroport Serviços EIRELLI (a)	739	-	46	785

(a) As mentioned in note 1,1, Ferroport Serviços operations started in August 2018.

b. Relevant information about subsidiary

As of September 30, 2022							
Direct subsidiaries	%	Number of shares (thousand)	Asset	Liability	Shareholders ' equity	Capital	Profit for the period
Ferroport Serviços EIRELI	100	100	792	(6)	(786)	100	46

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

10 Right-of-use assets/Lease liabilities

The table below shows the contracts within the scope of CPC 06 R2, segregated by supplier, with their respective current values, contractual terms and interest rates applied as of September 30, 2022:

Parent Company and Consolidated						
Suppliers	Assets	Right of use assets	Lease Liabilities	Months	Interest rates	
Localiza	Vehicles	1,612	1,735	68	1.0280%	
Transbarra	Machinery and equipment	6,787	6,787	60	0.9902%	
Ornec	Machinery and equipment	31	35	24	0.9902%	
Solaris (Mills)	Machinery and equipment	633	653	60	0.9902%	
Trimak	Machinery and equipment	115	126	36	0.9902%	
		9,178	9,336			

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 on September 30, 2022 and December 31, 2021, are as follows:

Lease Assets	December 31, 2021	Additions	(-) Depreciation	September 30, 2022
Right of use - Vehicles	1,459	848	(559)	1,748
Right of use - Machinery and equipment	944	7,503	(1,017)	7,430
	2,403	8,351	(1,576)	9,178

Lease Assets	December 31, 2020	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

Parent Company and Consolidated

Lease Liabilities	December 31, 2021	Additions	Transfer	Interest	Payments	September 30, 2022
Current	1,845	1,626	353	225	(1,891)	2,158
Non-current	805	6,726	(353)	-	-	7,178
	2,650	8,352	-	225	(1,891)	9,336

Parent Company and Consolidated

Lease Liabilities	December 31, 2020	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

Payments	September 30, 2022	September 30, 2021
	Fixed (Lease)	Fixed (Lease)
Vehicles	(679)	(637)
Machinery and equipment	(1,212)	(1,140)
	(1,891)	(1,777)

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, 2022:

	Maturity				Total
	Up to 6 months	From 6 to 12 months	From 1 to 2 years	Above 2 years	
Lease Liabilities	1,065	1,093	2,238	4,940	9,336

11 Property, plant and equipment

Parent Company and Consolidated	Annual depreciation rate %	Cost	Acumulated depreciation	September 30, 2022	December 31, 2021
Improvements	4	66,619	(65,275)	1,344	999
Furniture and fixtures	10	1,374	(658)	716	679
Vehicles	20 and 25	1,760	(1,027)	733	965
IT equipment	20	12,655	(7,659)	4,996	4,486
Machinery and equipment	10, 20 and 50	53,209	(11,275)	41,934	30,052
Electronic equipment	20	2,963	(1,212)	1,751	1,324
Defenses	10	4,031	(3,039)	992	1,294
Breakwater	2.22	866,829	(147,447)	719,382	722,443
Maritime access canal	2.22	505,074	(75,496)	429,578	384,358
Pier - Port Terminal	2.22	835,788	(122,964)	712,824	726,133
Safety equipment	10	52,621	(13,906)	38,715	11,522
Operational tools and equipment	10 and 5	75,294	(15,365)	59,929	45,733
Construction in progress	-	45,265	-	45,265	119,889
Other equipments	10 and 5	21,598	(14,672)	6,926	14,385
		2,545,080	(479,995)	2,065,085	2,064,262

Changes in property, plant and equipment

Parent Company and Consolidated	Company and Consolidated					September 30, 2022
	Annual depreciation rate %	December 31, 2021	Additions	Writte-offs	Transfers	
Cost						
Improvements	4	66,220	-	-	399	66,619
Furniture and fixtures	10	1,263	125	(14)	-	1,374
Vehicles	20	1,760	-	-	-	1,760
IT equipment	20	11,118	1,298	-	239	12,655
Machinery and equipment	10	38,057	6,793	(4)	8,363	53,209
Electronic equipment	20	2,187	776	-	-	2,963
Defenses	10	4,031	-	-	-	4,031
Breakwater	2.22	855,692	4,350	-	6,787	866,829
Maritime access canal	2.22	451,987	541	-	52,546	505,074
Pier - Port Terminal	2.22	835,171	-	-	617	835,788
Safety equipment	10	23,704	27,294	-	1,623	52,621
Operational tools and equipment	10 and 5	55,347	11,139	(3)	8,811	75,294
Construction work in progress	-	119,889	4,977	(300)	(79,301)	45,265
Others equipments	10 and 5	27,818	165	(6,301)	(84)	21,598
		2,494,244	57,458	(6,622)	(-)	2,545,080

Company and Consolidated

Parent Company and Consolidated	Annual depreciation rate %	December 31, 2021	Additions	Write-offs	Transfers	September 30, 2022
Depreciation						
Improvements	4	(65,221)	(54)	-	-	(65,275)
Furniture and fixtures	10	(584)	(85)	11	-	(658)
Vehicles	20	(795)	(232)	-	-	(1,027)
IT equipment	20	(6,632)	(1,027)	-	-	(7,659)
Machinery and equipment	10	(8,005)	(3,271)	4	(3)	(11,275)
Electronic equipment	20	(863)	(349)	-	-	(1,212)
Defenses	10	(2,737)	(302)	-	-	(3,039)
Breakwater	2.22	(133,249)	(14,198)	-	-	(147,447)
Maritime access canal	2.22	(67,629)	(7,867)	-	-	(75,496)
Pier - Port Terminal	2.22	(109,038)	(13,927)	-	1	(122,964)
Safety equipment	10	(12,182)	(1,724)	-	-	(13,906)
Operational tools and equipment	10 and 5	(9,614)	(5,689)	2	(64)	(15,365)
Others equipments	10 and 5	(13,433)	(1,305)	-	66	(14,672)
		(429,982)	(50,030)	17	-	(479,995)
Property and equipment, net		2,064,262	7,428	(6,605)	-	2,065,085

Asset allocation

As aforementioned, the Company, Vast Infraestructura S.A. 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

		Company and Consolidated		
		December 31, 2021	Additions	September 30, 2022
Cost				
Software use license	5 years	13,328	439	13,767
Total Cost		13,328	439	13,767
Amortization				
Software use license	5 years	(10,206)	(649)	(10,855)
Total Amortization		(10,206)	(649)	(10,855)
		3,122	(210)	2,912

13 Transactions with related parties

	Parent Company		Consolidated	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Assets				
Assets to be transferred to AAMFB (a)	210,102	210,102	210,102	210,102
Accounts receivable from AAMFB (b)	94,370	85,249	94,374	85,249
Accounts receivable from Vast infraestrutura (c)	3,131	1,662	3,131	1,662
	307,603	297,013	307,607	297,013
Credit Note				
AAMFB	476	322	476	322
Vast infraestrutura (d)	16,965	3,345	16,965	3345
Current	114,942	90,578	114,946	90,578
Noncurrent	210,102	210,102	210,102	210,102
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Liabilities				
Advances of the asset allocation				
AAMFB (a)	210,102	210,102	210,102	210,102
Debit Note				
Vast infraestrutura	10,703	-	10,703	-
Intercompany loans				
Prumo Participações e Investimentos	-	73,355	-	73,355
Withholding income tax on loan	-	84	-	84
Anglo American Capital London	-	23,644	-	23,644
	220,805	307,185	220,805	307,185
Deferred revenue				
Deferred revenue with related party (e)	44,608	46,254	44,608	46,254
Current	10,703	97,083	10,703	97,083
Noncurrent	210,102	210,102	210,102	210,102

- (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) Receivables related to the repair of the pier piles (incident involving Dracares);
- (e) 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 are 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.

On March 31, 2022, due to the company's cash generating capacity, shareholder loans were fully repaid, as described in note 1.

The transactions that affect the condensed income statements are as follows:

	Revenues (expenses)			
	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Revenue				
AAMFB - take-or-pay agreement	250,243	219,065	726,589	667,529
Vast infraestrutura - T-Oil	1,201	7,180	17,208	17,545
Cost				
Vast infraestrutura	(10,703)	-	(10,703)	-
Financial expenses				
Interest on loans				
Prumo Participações e Investimentos	-	(2,607)	(874)	(7,733)
Anglo American Capital London	-	(1,776)	(113)	(5,849)
	240,741	221,862	732,107	671,492

	Revenues (expenses)			
	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Revenue				
AAMFB - take-or-pay agreement	250,243	219,065	726,589	667,529
Vast - T-Oil	1,201	7,180	17,208	17,545
Vast - Services	6	-	17	-
Cost				
Vast infraestrutura	(10,703)	-	(10,703)	-
Financial expenses				
Interest on loans				
Prumo Participações e Investimentos	-	(2,607)	(874)	(7,733)
Anglo American Capital London	-	(1,776)	(113)	(5,849)
	240,747	221,862	732,124	671,492

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

	Liabilities
	Intercompany loans
Opening balances on January 1, 2022	96,999
Variations in cash	
Interest paid	(1,294)
Intercompany loans settled	(96,544)
Total variations in financing cash flows	(97,838)
Other variations	
Related liabilities	
Income tax on intercompany loans	(145)
Interest expense	984
Total other variations related liabilities	839
Closing balances on September 30, 2022	-

	September 30, 2022	September 30, 2021
Key management compensation was as follows:		
Payroll and related charges	3,168	2,929

14 Taxes payable

	Parent Company		Consolidated	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
PIS and COFINS	29,014	30,465	29,014	30,465
ISS	177	142	177	142
ICMS	18,820	15,753	18,820	15,753
Income tax and social contribution (*)	81,967	81,437	81,972	81,437
Other	992	1,605	992	1,605
	130,970	129,402	130,975	129,402
Current	44,130	38,423	44,135	38,423
Noncurrent (*)	86,840	90,979	86,840	90,979

(*) This refers mainly to the judicial deposit for income tax and social contribution described in Note 8, and parcellation of taxes.

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:

	Parent Company and Consolidated	
	September 30, 2022	December 31, 2021
Labor claims	6,303	6,633
Civil claims	18,697	15,727
	25,000	22,360

- (a) In 2018, ARG/Civilport filed a litigation related to services claimed as rendered in the amount of R\$ 10,890 classified as probable loss, As of September 30, 2022, the amount is R\$ 17,659 (R\$ 15,302 on December 31, 2021),

Provision movements

	Parent Company and Consolidated			
	December 31, 2021	Additions	write-offs	September 30, 2022
Labor	6,633	818	(1,148)	6,303
Civil	15,727	2,970	-	18,697
	22,360	3,788	(1,148)	25,000

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

	Parent Company and Consolidated	
	September 30, 2022	December 31, 2021
Labor claims	4,647	5,031
Tax claims (a)	268,034	257,489
Civil claims (b)	320,321	292,973
	593,002	555,493

- (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\$ 263,788 (R\$ 242,941 in December, 2021).

- (b) Impacted mainly by ARG/Civilport litigation in the amount of R\$ 211,979 (R\$ 193,879 in December 31, 2021) and Arcoenge R\$ 67,114 (R\$ 61,383 in December 31, 2021). 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, 2022 and December 31, 2021, is as follows:

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

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 capital stock.

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, 2022, the contingency reserve has the amount of R\$ 109,595 (R\$ 109,595 on December 31, 2021).

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 the capital reserve. As of September 30, 2022 the capital reserves total R\$ 94,589 (R\$ 94,589 on December 31, 2021).

Dividends

On April 29, 2022, at the Annual Shareholders' Meeting, the Board of Directors approved the proposal for the distribution of dividends related to profits for the year 2021, in the amount of R\$ 413,294.

In June 2022, the first payment of dividends to shareholders was made, in the amount of R\$116,752. In September 2022, was made payment in the R\$ 123,202 to shareholders.

17 Net revenue from services

	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Gross revenue	292,007	252,741	843,970	766,296
Shipment of iron ore (Take or Pay)	281,283	244,840	817,409	746,825
Oil transshipment (T-Oil)	10,724	7,901	26,561	19,471
Taxes	(32,843)	(28,420)	(94,927)	(86,356)
Taxes on gross revenue - PIS/COFINS	(27,010)	(23,376)	(78,067)	(71,009)
Tax on services – ISS	(5,833)	(5,044)	(16,860)	(15,347)
Net revenue from services	259,164	224,321	749,043	679,940

	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Gross revenue	292,014	252,741	843,988	766,296
Shipment of iron ore (Take or Pay)	281,283	244,840	817,409	746,825
Oil transshipment (T-Oil)	10,724	7,901	26,561	19,471
Port services	7	-	18	-
Taxes	(32,843)	(28,420)	(94,928)	(86,356)
Taxes on gross revenue - PIS/COFINS	(27,011)	(23,376)	(78,068)	(71,009)
Tax on services – ISS	(5,832)	(5,044)	(16,860)	(15,347)
Net revenue from services	259,171	224,321	749,060	679,940

18 Costs of services

	Parent Company and Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Payroll and related charges	(13,333)	(12,256)	(37,830)	(35,906)
Depreciation and amortization	(12,885)	(13,284)	(38,358)	(59,442)
Third-parties services	(19,493)	(8,235)	(69,193)	(25,164)
Leases and rents	(1,896)	(849)	(5,944)	(2,513)
Insurance	(1,288)	(1,305)	(3,674)	(3,955)
Consumables spare parts	(11,592)	(11,090)	(47,358)	(33,778)

Environmental expenses	(488)	(603)	(1,582)	(1,662)
Depreciation of right of use assets	(484)	(469)	(1,433)	(1,349)
Other	(2,250)	(2,167)	(5,757)	(4,913)
	(63,709)	(50,258)	(211,129)	(168,682)

19 General and administrative expenses

	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Payroll and related charges	(4,476)	(4,466)	(11,685)	(12,273)
Third party services	(2,177)	(1,886)	(4,905)	(5,818)
Depreciation and amortization	(4,608)	(137)	(12,814)	(6,745)
Insurance	(20)	(19)	(59)	(57)
Travel expenses	(71)	(44)	(165)	(100)
Leases and rents	(103)	(76)	(354)	(227)
Depreciation of right of use assets	(47)	(47)	(143)	(143)
Contingencies	104	(844)	(2,640)	526
Other	(699)	(1,726)	(2,452)	(2,332)
	(12,097)	(9,245)	(35,217)	(27,169)

	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Payroll and related charges	(4,476)	(4,466)	(11,685)	(12,273)
Third party services	(2,177)	(1,886)	(4,905)	(5,818)
Depreciation and amortization	(4,608)	(137)	(12,814)	(6,745)
Insurance	(20)	(19)	(59)	(66)
Travel expenses	(71)	(44)	(165)	(100)
Leases and rents	(103)	(76)	(354)	(227)
Depreciation of right of use assets	(47)	(47)	(143)	(143)
Contingencies	104	(844)	(2,640)	526
Other	(699)	(1,726)	(2,460)	(2,332)
	(12,097)	(9,245)	(35,225)	(27,178)

20 Other operating income (expenses)

	Parent Company and Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Non-consumed electric energy (a)	1,178	3,475	5,608	7,903
Reversal for expected credit losses - Non-consumed electric energy (a)	-	150	-	1,994
Deferred revenue - right of use	498	497	1,493	1,493
Impairment loss - inventories	(849)	-	(849)	-
Other	68	114	(166)	161

	895	4,236	6,086	11,551
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- (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 with the power trading, regarding the CCEE, to which Ferroport is an agent, which means, Company is associated with 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, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Financial expenses				
Tax on financial transactions (IOF)	(279)	(144)	(719)	(526)
Interest - intercompany loan	-	(4,385)	(983)	(13,584)
Interest on leases	(64)	(106)	(226)	(316)
Penalty due to tax parcellation	-	-	-	(11,439)
Interest on tax parcellation	(198)	-	(474)	-
Update - Selic interest rate	(672)	-	(2,426)	-
Other	(7)	(971)	(413)	(1,049)
	(1,220)	(5,606)	(5,241)	(26,914)
Financial income				
Exchange and monetary variation	-	10	-	10
Interest income	7,600	1,410	17,042	3,014
	7,600	1,420	17,042	3,024
Financial results, net	6,380	(4,186)	11,801	(23,890)

Consolidated				
	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Financial expenses				
Tax on financial transactions (IOF)	(279)	(144)	(719)	(526)
Interest - intercompany loan	-	(4,385)	(983)	(13,584)
Interest on leases	(64)	(106)	(226)	(316)
Penalty due to tax parcellation	-	-	-	(11,439)
Interest on tax parcellation	(198)	-	(474)	-
Update - Selic interest rate	(672)	-	(2,426)	-
Other	(7)	(971)	(415)	(1,050)
	(1,220)	(5,606)	(5,243)	(26,915)
Financial income				

Exchange and monetary variation	-	10	-	10
Interest income	7,619	1,416	17,094	3,028
	7,619	1,426	17,094	3,038
Financial results, net	6,399	(4,180)	11,851	(23,877)

22 Commitments

The Company undertook future purchase commitments amounting to R\$ 271,902 on September 30, 2022 (R\$ 210,248 on December 31, 2021) and these should be fulfilled in the course of the operations.

	September 30, 2022	December 31, 2021	Description
Asset			
Property, plant and equipment / Intangible / Right of use assets			
Construction in progress	-	1,976	Repowering and emergency routes
	43	3,082	Structural reform to adapt the facilities
Right of use assets - Lease	21,126	2,933	Leasing of vehicles, machinery and equipment
Electric equipments	-	7,304	Purchase of electrical panels
Intangible	190	174	Systems licenses
Total asset	21,359	15,469	
Result			
Cost/Expenses	34,068	56,174	Electricity purchase agreement
	3,875	2,765	Pier piling repair
	37,684	31,072	Industrial cleaning and facilities services
	5,278	7,220	Support for navigation and underwater activities
	3,905	5,000	Transport of employees
	2,453	4,109	Vigilance and Security
	1,544	3,914	Health and medical services plan
	12,369	11,747	Legal and financial consultancy
	5,544	8,620	Reforestation and waste management
	1,871	2,729	Employee benefits
	4,025	2,106	IT Services
	23,468	31,923	Preventive and corrective maintenance
	2,101	3,727	Medical services and occupational health
	86,921	-	Maintenance dredging
	8,574	410	Cataring
	23,418	23,263	Others
Total Results	257,098	194,779	
Total	278,457	210,248	

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 currency exchange market.

Financial assets and liabilities on September 30, 2022 and December 31, 2021 are as follows:

Classifications	Parent Company					
	September 30, 2022			December 31, 2021		
	Book Value	Amortized cost	Fair value measurement hierarchy	Book Value	Amortized cost	Fair value measurement hierarchy
Assets						
Cash and cash equivalents	160,115	160,115	2	139,851	139,851	2
Accounts receivable	114,942	114,942	2	90,578	90,578	2
Liabilities						
<i>Other financial liabilities</i>						
Lease liabilities	9336	9,336	2	2,650	2,650	2
Trade accounts payable	35,234	35,234	2	33,883	33,883	2
Related parties - loans	-	-	2	97,083	97,083	2
Related parties - accounts payable	220,805	220,805	2	210,102	210,102	2
Classifications	Consolidated					
	September 30, 2022			December 31, 2021		
	Book Value	Amortized cost	Fair value measurement hierarchy	Book Value	Amortized cost	Fair value measurement hierarchy
Assets						
Cash and cash equivalents	160,755	160,755	2	140,452	140,452	2
Accounts receivable	114,946	114,946	2	90,578	90,578	2
Liabilities						
<i>Other financial liabilities</i>						
Lease liabilities	9,336	9,336	2	2,650	2,650	2
Trade accounts payable	35,236	35,236	2	33,885	33,885	2
Related parties - loans	-	-	2	97,083	97,083	2
Related parties - accounts payable	220,805	220,805	2	210,102	210,102	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.

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

The valuation technique used by the Company considers discounted cash flows, The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.

The Company's financial transactions are subject to the following risk factors:

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 September to December 2022 is at US\$ 53,265 and may be impacted by exchange rate variations.

Liquidity risk

The table below provides the Company's main financial liabilities on September 30, 2022. 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	Total
Financial liabilities			
Trade accounts payable	-	35,234	35,234
Related parties - accounts payable	-	10,703	10,703
Asset Allocation	210,102	-	210,102
Total by maturity range	210,102	45,937	256,039

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 the 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 the customer base, including the default risk associated with the industry in which customers operate.

The Company held consolidated cash and cash equivalents of R\$ 160,755 on September 30, 2022 (R\$ 140,452 on December 31, 2021). The cash and cash equivalents are held with the bank and financial institution counterparties, which are rated AAA, based on rate S&P agency rating.

The exposures to credit risk are the following:

Financial instruments	September 30, 2022	December 31, 2021
Cash equivalents	160,755	140,452
Accounts receivable (Related parties)	114,946	90,578
	<u>275,701</u>	<u>231,030</u>

For the period ended on September 30, 2022 and December 31, 2021, 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 an 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, 2022 and December 31, 2021, the insurance coverage was as follows:

	September 30, 2022	December 31, 2021
Property and equipment damages	3,524,108	3,094,000
Civil liability	270,330	279,025
Environmental Liability	30,000	30,000
Directors & Management	70,000	60,000

Carsten Bosselmann
Chief Executive Officer

Marcelo Amaral Palladino
Chief Financial Officer

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