

Ferropport Logística
Comercial
Exportadora S.A.

**Condensed interim financial
information as of September 30, 2023**

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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, 2023, 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 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 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, 2023, are not prepared, in all material respects, in accordance with CPC 21 (R1) – Interim Financial Reporting.

Rio de Janeiro, October 30, 2023

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 of September 30, 2023 and December 31, 2022

(In thousands of Reais)

	Note	Parent Company		Consolidated	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Assets					
Current assets					
Cash and cash equivalents	4	180,548	167,177	181,253	167,839
Accounts receivable from related parties	15	99,812	121,210	99,815	121,212
Inventories	5	41,184	38,626	41,184	38,626
Recoverable taxes	7	769	55	887	159
Income taxes and social contribution recoverable	7	-	-	43	43
Prepaid expenses		2,946	1,346	2,946	1,346
Other		2,010	1,348	2,012	1,348
Total current assets		327,269	329,762	328,140	330,573
Noncurrent assets					
Judicial deposits	8	36,436	35,140	36,436	35,140
Related parties - asset to be transferred	15	-	210,102	-	210,102
Investments	9	4,604	806	3,740	-
Right of use assets	10	6,756	8,741	6,756	8,741
Property, plant and equipment	11	2,052,574	2,064,241	2,052,574	2,064,241
Intangible assets	12	3,272	2,998	3,272	2,998
Deferred charges		658	1,151	658	1,151
Total noncurrent assets		2,104,300	2,323,179	2,103,436	2,322,373
Total assets		2,431,569	2,652,941	2,431,576	2,652,946
Liabilities and equity					
Trade accounts payable	13	40,618	34,562	40,618	34,563
Payroll and related charges	14	20,831	24,344	20,831	24,344
Taxes payable	16	14,561	14,755	14,561	14,755
Lease liabilities	11	2,277	2,390	2,277	2,390
Income taxes and social contribution payable	16	25,498	25,481	25,504	25,486
Dividends payable	18	97,738	154,689	97,738	154,689
Deferred revenue with related party	15	2,194	2,194	2,194	2,194
Related parties - accounts payable	15	104	10,944	104	10,944
Total current liabilities		203,821	269,359	203,827	269,365
Noncurrent liabilities					
Income taxes and social contribution payable	16	47,122	51,182	47,122	51,182
Lease liabilities	11	4,940	6,607	4,940	6,607
Deferred income tax and social contribution	6	193,026	166,351	193,026	166,351
Related parties - accounts payable	15	-	210,102	-	210,102
Deferred revenue with related party	15	40,220	41,866	40,220	41,866
Provision for contingencies	17	24,058	21,889	24,058	21,889
Taxes payable	16	33,907	34,093	33,907	34,093
Other		18,245	18,802	18,246	18,801
Total noncurrent liabilities		361,518	550,892	361,519	550,891
Shareholders' equity					
Share Capital	18	1,197,152	1,197,152	1,197,152	1,197,152
Profit Reserve		-	337,467	-	337,467
Capital reserve		94,589	94,589	94,589	94,589
Contingencies reserve		109,595	109,595	109,595	109,595
Legal reserve		93,887	93,887	93,887	93,887
Accumulated Profit		371,007	-	371,007	-
Total shareholders' equity		1,866,230	1,832,690	1,866,230	1,832,690
Total liabilities and shareholders' equity		2,431,569	2,652,941	2,431,576	2,652,946

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, 2023 and 2022

(In thousands of Reais)

		Parent Company			
		Three-month period ended		Nine-month period ended	
Note		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	Net revenue of services	250,500	259,164	778,099	749,043
	Costs of services	(67,701)	(63,709)	(188,216)	(211,129)
	Gross profit	182,799	195,455	589,883	537,914
	Operating income (expenses)				
	General and administrative expenses	(11,794)	(12,097)	(38,232)	(35,217)
	Other operating income (expenses), net	1,758	895	4,757	6,086
		(10,036)	(11,202)	(33,475)	(29,131)
	Income before, equity, financial income (expenses) and taxes	172,763	184,253	556,408	508,783
	Equity income net	22	20	57	46
	Financial income (expenses)				
	Financial income	6,442	7,600	18,953	17,042
	Financial expenses	(1,545)	(1,220)	(5,602)	(5,241)
	Income before taxes	177,682	190,653	569,816	520,630
	Income and social contribution taxes				
	Current	(53,133)	(61,192)	(172,134)	(157,950)
	Deferred	(9,865)	(4,116)	(26,675)	(19,945)
	Total income and social contribution taxes	(62,998)	(65,308)	(198,809)	(177,895)
	Net income for the period	114,684	125,345	371,007	342,735

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, 2023 and 2022

(In thousands of Reais)

	Note	Consolidated			
		Three-month period ended		Nine-month period ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net revenue of services	19	250,507	259,171	778,120	749,060
Costs of services	20	(67,701)	(63,709)	(188,216)	(211,129)
Gross profit		182,806	195,462	589,904	537,931
Operating income (expenses)					
General and administrative expenses	21	(11,795)	(12,097)	(38,241)	(35,225)
Other operating income (expenses), net	22	1,759	895	4,758	6,086
		(10,036)	(11,202)	(33,483)	(29,139)
Income before, equity, financial income (expenses) and taxes		172,770	184,260	556,421	508,792
Financial income (expenses)					
Financial income	23	6,463	7,619	19,015	17,094
Financial expenses	23	(1,545)	(1,220)	(5,603)	(5,243)
Income before taxes		177,688	190,659	569,833	520,643
Income and social contribution taxes					
Current	7	(53,139)	(61,198)	(172,151)	(157,963)
Deferred	7	(9,865)	(4,116)	(26,675)	(19,945)
Total income and social contribution taxes		(63,004)	(65,314)	(198,826)	(177,908)
Net income for the period		114,684	125,345	371,007	342,735

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, 2023 and 2022

(In thousands of Reais)

	Parent Company and Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net income for the period	114,684	125,345	371,007	342,735
Total comprehensive income for the period	114,684	125,345	371,007	342,735

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, 2023 and 2022

(In thousands of Reais)

Parent Company and Consolidated								
	Note	Share Capital	Profits reserve	Capital reserve	Contingencies reserve	Legal reserve	Accumulated profit	Total
Balances as of January 1st, 2022	18	1,197,152	413,294	94,589	109,595	70,205	-	1,884,835
Net income for the period		-	-	-	-	-	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
Balances as of January 1st, 2023		1,197,152	337,467	94,589	109,595	93,887	-	1,832,690
Net income for the period		-	-	-	-	-	371,007	371,007
Dividends distribution		-	(337,467)	-	-	-	-	(337,467)
Balances as of September 30, 2023		1,197,152	-	94,589	109,595	93,887	371,007	1,866,230

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, 2023 and 2022

(In thousands of Reais)

	Parent Company		Consolidated	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Operating activities				
Income before taxes	569,816	520,630	569,833	520,643
Adjustments to reconcile income before taxes and net cash provided by operating activities:				
Depreciation and amortization	61,546	52,731	61,546	52,731
Monetary variation and interest	869	1,333	869	1,333
Tax Provision	3,840	4,763	3,840	4,763
Amortization of insurance	4,179	3,988	4,179	3,988
Provision for bonus	5,670	5,382	5,670	5,382
Provision for legal proceeding	2,168	2,640	2,168	2,640
Deferred revenue amortization	(1,645)	(1,645)	(1,645)	(1,645)
Shares of results of investee	(57)	(46)	-	-
	646,386	589,776	646,460	589,835
(Increase) decrease of assets and increase (decrease) of liabilities:				
Account receivable from related parties	28,304	(24,364)	28,304	(24,368)
Inventories	(1,513)	(2,308)	(1,513)	(2,308)
Recoverable taxes	-	30	-	-
Trade accounts payable	(3,561)	11,267	(3,561)	11,267
Prepaid expenses	(5,779)	(5,220)	(5,779)	(5,220)
Taxes payable	(32,433)	(19,602)	(32,448)	(19,582)
Payroll and related charges	(9,315)	(6,158)	(9,315)	(6,158)
Taxes payable related to intercompany loans	-	(232)	-	(232)
Interest paid	-	(1,294)	-	(1,294)
Income tax and social contribution paid	(152,396)	(140,235)	(152,411)	(140,241)
Interest on leases	(737)	(225)	(737)	(225)
Other	(647)	1,941	(648)	1,941
Net cash flows generated by operating activities	468,309	403,376	468,352	403,415
Investing activities				
Acquisition of equity interest	(3,740)	-	(3,740)	-
Acquisition of intangible assets	(894)	(439)	(894)	(439)
Acquisition of property, plant and equipment	(54,106)	(44,510)	(54,106)	(44,510)
Net cash flows used in investing activities	(58,740)	(44,949)	(58,740)	(44,949)
Financing activities				
Intercompany loans settled	-	(96,544)	-	(96,544)
Lease payments	(1,780)	(1,665)	(1,780)	(1,665)
Dividends paid	(394,418)	(239,954)	(394,418)	(239,954)
Net cash flows used in financing activities	(396,198)	(338,163)	(396,198)	(338,163)
Increase in cash and cash equivalents	13,371	20,264	13,414	20,303
Cash and cash equivalents				
At beginning of the period	167,177	139,851	167,839	140,452
At end of the period	180,548	160,115	181,253	160,755
Increase in cash and cash equivalents	13,371	20,264	13,414	20,303

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 2023, the Company loaded 17.3 million tons (unreviewed) of iron ore in 105 vessels (unreviewed) (15.15 million tons (unreviewed) in 94 vessels (unreviewed) during 2022). Since the beginning of operations in October 2014, the Company loaded 153.2 million tons (unreviewed) of iron ore, reaching a mark of 958 vessels (unreviewed) berthing at the port.

In 2023, Vast Infraestrutura S.A. performed 117 operations (unreviewed) in 277 vessels (unreviewed), loading 21.48 million metric tons (unreviewed) of oil transshipment. In the same period of 2022, Vast Infraestrutura S.A. performed 88 operations (unreviewed) in 205 vessels (unreviewed), loading 15.37 million metric tons (unreviewed) of oil transshipment. Since the beginning of operations in August 2016, they carried out 514 operations (unreviewed) in 1,208 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.

On December 29, 2022, the Company signed a contract with Grupo Omega Energia to guarantee the supply of energy for 20 years, starting in January 2024, with the objective of guaranteeing long-term operations, sustainable energy, and cost reduction. In July 2023, Ferroport acquired part of the common shares of SPE (Special Purpose Company) Omega Desenvolvimento de Energia 4 S.A., as described in note 9.

In 2021, we began a test period to receive iron ore by truck. 40 thousand tons of ore were moved in six weeks, in an operation called "Sinter Feed". In September 2023, we resumed the second stage of operational tests, now called “Pellet Feed”. We received another 40 thousand tons, ending the test operation on October 10th, totaling 80 thousand since the beginning of the operation. During this period, we broke the record of 106 trucks moved in a single day.

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 to Use Water Resources OUT IN050405 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 for the Environment): Organic Law for the activities of reception and storage of solid mineral bulk, storage yard, access bridge, pier for loading and unloading of solid mineral bulk, utility areas and workshop, administrative area, dredging to maintain the access draft, navigation, turning basin and mooring berth, transshipment of waste from vessels, activities for loading food, inputs and drinking water onto vessels, berthing of platform, semi-submersible and floating vessels in one of the berths for mooring the ore terminal, in addition to supplying, by means of tank trucks, tugboats and support boats at the 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

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, 2022, 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, 2022 and concluded on March 8, 2023.

The Company's Directors authorized the conclusion of these condensed interim financial information on October 30, 2023.

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, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Cash and banks	267	268	281	283
Cash equivalents				
Bank deposit certificate (CDB)	180,281	166,909	180,972	167,556
	180,548	167,177	181,253	167,839

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 103,13% of Interbank Deposit (DI) rate in third quarter of 2023 (102.87% as of December 31, 2022). The portfolio currently consists of deposits certificates issued by Bank Santander, Bank ABC and Bank Bradesco.

5 Inventories

On September 30, 2023, the parent company and consolidated balance of inventories applied to equipment maintenance totaled R\$ 41,184 (R\$ 38,626 on December 31, 2022).

6 Income tax and social contribution

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

	Parent Company and Consolidated		
	December 31, 2022	Additional amount/offset (liability) recorded	September 30, 2023
Assets			
Temporary differences:			
Difference between tax basis and book value - deferred assets	22,806	(3,134)	19,672
Other	2,432	682	3,114
Total deferred income taxes assets	25,238	(2,452)	22,786
Liabilities			
Difference between tax basis and book value of depreciation rates	(71,703)	(7,474)	(79,177)
Temporary differences:			
Capitalized interests	(119,245)	(17,023)	(136,268)
Judicial deposits	(641)	274	(367)
Total deferred income taxes liabilities	(191,589)	(24,223)	(215,812)
Net effect	(166,351)	(26,675)	(193,026)

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, 2023 and December 31, 2022, are as follows:

	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Income Tax and Social Contribution				
Income before income taxes	177,682	190,653	569,816	520,630
Income tax at the nominal rate 34%	(60,412)	(64,822)	(193,737)	(177,014)
Tax adjustments:				
Complementary income tax and social contribution - 2022	(1,768)	-	(4,038)	-
Other	(818)	(486)	(1,034)	(881)
Total	(62,998)	(65,308)	(198,809)	(177,895)
Current income and social contribution tax	(53,133)	(61,192)	(172,134)	(157,950)
Deferred income and social contribution tax	(9,865)	(4,116)	(26,675)	(19,945)
Total income and social contribution tax	(62,998)	(65,308)	(198,809)	(177,895)
Effective rate	35%	34%	35%	34%

	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Income before income taxes	177,688	190,659	569,833	520,643
Income tax at the nominal rate 34%	(60,414)	(64,821)	(193,743)	(177,011)
Tax aliquot effect about presumed profit	-	(3)	-	(8)
Tax adjustments:				
Complementary income tax and social contribution - 2022	(1,768)	-	(4,038)	-
Other	(822)	(490)	(1,045)	(889)
Total	(63,004)	(65,314)	(198,826)	(177,908)
Current income and social contribution tax	(53,139)	(61,198)	(172,151)	(157,963)
Deferred income and social contribution tax	(9,865)	(4,116)	(26,675)	(19,945)
Total income and social contribution tax	(63,004)	(65,314)	(198,826)	(177,908)
Effective rate	35%	34%	35%	34%

7 Recoverable taxes

	Parent Company		Consolidated	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
PIS and COFINS	671	-	702	33
INSS	3	-	63	59
ISS	48	48	48	48
Other	47	7	74	19
Subtotal recoverable taxes	769	55	887	159
Income tax	-	-	33	33
Social contribution	-	-	10	10
Total income taxes and social contribution recoverable	-	-	43	43
Total	769	55	930	202
Current	769	55	930	202

8 Judicial deposits

	Parent Company and Consolidated	
	September 30, 2023	December 31, 2022
Income tax and social contribution (a)	35,794	34,535
Other	642	605
	36,436	35,140

- (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 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 as of September 30, 2023 is R\$ 35,794 (R\$ 34,535 as of December 31, 2022).

9 Investments

The investments areas follow:

Company	Activity	Ownership interest	Classification
Ferroport Serviços Eireli	Maintenance services	100%	Controlled/Subsidiary
SPE Omega Desenvolvimento de Energia 4 S.A.	Energy generation	6,73%	Financial asset

a. Movement of participation

	December 31, 2022	Addition	Equity gain	September 30, 2023
Ferroport Serviços EIRELLI (a)	806	-	58	864
SPE Omega Desenvolvimento de Energia 4 S.A.	-	3,740	-	3,740

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

b. Relevant information about subsidiary

September 30, 2023							
Direct subsidiary	%	Number of shares (thousand)	Asset	Liability	Shareholders' equity	Capital	Profit for the year
Ferroport Serviços EIRELI	100	100	871	(7)	(864)	845	(58)

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

c. Relevant information about minority interests

In July 2023, Ferroport acquired part of the common shares of SPE (Special Purpose Company) Omega Desenvolvimento de Energia 4 S.A., as shown in the table below:

(In thousands of Reais)

Company	Activity	Number of Shares (thousand)	(%)	Nominal Value
SPE Omega Desenvolvimento de Energia 4 S.A.	Energy generation	25.697	6,73%	3,600

**IPCA accumulated from June 2022 to June 2023*

This investment did not attribute control or significant influence to Ferroport Logística Exportadora S.A. and is classified as a financial asset.

10 Right-of-use assets / Lease liabilities

The table below describes 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, 2023:

Parent Company and Consolidated						
Suppliers	Assets	Right of use assets	Lease Liabilities	Months	Interest rates	
Localiza	Vehicles	771	881	68	1,0280%	
Transbarra	Machinery and equipment	5,430	5,731	60	0,9902%	
Ormec	Machinery and equipment	37	38	36	0,9902%	
Solaris (Mills)	Machinery and equipment	490	534	60	0,9902%	
Trimak	Machinery and equipment	28	33	36	0,9902%	
		6,756	7,217			

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, 2023 and December 31, 2022, are as follows:

Parent Company and Consolidated			
Lease Assets	December 31, 2022	(-) Depreciation	September 30, 2023
Right of use - Vehicles	1,539	(631)	908
Right of use - Machinery and equipment	7,202	(1,354)	5,848
	8,741	(1,985)	6,756

Parent Company and Consolidated				
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
	<u>2,403</u>	<u>8,351</u>	<u>(1,576)</u>	<u>9,178</u>

Parent Company and Consolidated					
Lease Liabilities	December 31, 2022	Transfer	Interest	Payments	September 30, 2023
Current	2,390	1,667	736	(2,516)	2,277
Non current	6,607	(1,667)	-	-	4,940
	<u>8,997</u>	<u>-</u>	<u>736</u>	<u>(2,516)</u>	<u>7,217</u>

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
	<u>2,650</u>	<u>8,352</u>	<u>-</u>	<u>225</u>	<u>(1,891)</u>	<u>9,336</u>

Parent Company and Consolidated					
Payments	September 30, 2023		September 30, 2022		
	Fixed (Lease)	Total	Fixed (Lease)	Total	
Vehicles	(766)	(766)	(679)	(679)	
Machinery and equipment	(1,750)	(1,750)	(1,212)	(1,212)	
	<u>(2,516)</u>	<u>(2,516)</u>	<u>(1,891)</u>	<u>(1,891)</u>	

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, 2023:

Parent Company and Consolidated					
Lease Liabilities	Maturity				
	Up to 6 months	From 6 to 12 months	From 1 to 2 years	Above 2 years	Total
	1,182	1,094	1,490	3,451	7,217

11 Property, plant, and equipment

Parent Company and Consolidated	Annual depreciation rate %	Cost	Accumulated depreciation	September 30, 2023	December 31, 2022
Improvements	4	66,619	(65,347)	1,272	1,326
Furniture and fixtures	10	1,545	(785)	760	774
Vehicles	20 and 25	1,760	(1,315)	445	656
IT equipment	20	14,590	(9,153)	5,437	5,351
Machinery and equipment	10, 20 and 50	70,160	(20,923)	49,237	42,059
Electronic equipment	20	3,469	(1,645)	1,824	1,836
Defenses	10	4,031	(3,442)	589	891
Breakwater	2.22	860,090	(166,176)	693,914	714,940
Maritime access canal	2.22	508,015	(86,284)	421,731	428,042
Pier - Port Terminal	2.22	835,788	(141,538)	694,250	708,180
Safety equipment	10	61,264	(16,887)	44,377	42,340
Operational tools and equipment	10 and 5	117,849	(36,416)	81,433	65,940
Construction in progress	-	55,799	-	55,799	46,301
Others equipments	10 and 5	8,382	(6,876)	1,506	5,605
		2,609,361	(556,787)	2,052,574	2,064,241

Parent Company and Consolidated						
Cost	Annual depreciation rate %	December 31, 2022	Additions	Writte-offs	Transfers	September 30, 2023
Improvements	4	66,619	-	-	-	66,619
Furniture and fixtures	10	1,462	83	-	-	1,545
Vehicles	20 and 25	1,760	-	-	-	1,760
IT equipment	20	13,359	1,351	(7)	(113)	14,590
Machinery and equipment	10, 20 and 50	55,287	16,999	-	(2,126)	70,160
Electronic equipment	20	3,188	654	-	(373)	3,469
Defenses	10	4,031	-	-	-	4,031
Breakwater	2.22	867,128	172	(6,679)	(531)	860,090
Maritime access canal	2.22	506,347	1,571	-	97	508,015
Pier - Port Terminal	2.22	835,788	-	-	-	835,788
Safety equipment	10	56,864	6,692	-	(2,292)	61,264
Operational tools and equipment	10 and 5	83,760	15,032	(5)	19,062	117,849
Construction work in progress	-	46,301	10,878	-	(1,380)	55,799
Others equipments	10 and 5	20,720	6	-	(12,344)	8,382
		2,562,614	53,438	(6,691)	-	2,609,361

Parent Company and Consolidated						
	Annual depreciation rate %	December 31, 2022	Additions	Write-offs	Transfers	September 30, 2023
Depreciation						
Improvements	4	(65,293)	(54)	-	-	(65,347)
Furniture and fixtures	10	(688)	(97)	-	-	(785)
Vehicles	20 and 25	(1,104)	(211)	-	-	(1,315)
IT equipment	20	(8,008)	(1,089)	-	(56)	(9,153)
Machinery and equipment	10, 20 and 50	(13,228)	(8,254)	-	559	(20,923)
Electronic equipment	20	(1,352)	(399)	-	106	(1,645)
Defenses	10	(3,140)	(302)	-	-	(3,442)
Breakwater	2.22	(152,188)	(13,988)	-	-	(166,176)
Maritime access canal	2.22	(78,305)	(7,979)	-	-	(86,284)
Pier - Port Terminal	2.22	(127,608)	(13,930)	-	-	(141,538)
Safety equipment	10	(14,524)	(2,171)	-	(192)	(16,887)
Operational tools and equipment	10 and 5	(17,820)	(9,522)	3	(9,077)	(36,416)
Others equipments	10 and 5	(15,115)	(421)	-	8,660	(6,876)
		(498,373)	(58,417)	3	-	(556,787)
Property and equipment, net		2,064,241	(4,979)	(6,688)	-	2,052,574

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.

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, 2022	Additions	September 30, 2023
Cost				
Software use license	5 years	14,052	896	14,948
Total Cost		14,052	896	14,948
Amortization				
Software - use license	5 years	(11,054)	(622)	(11,676)
Total Amortization		(11,054)	(622)	(11,676)
		2,998	274	3,272

13 Trade accounts payable

On September 30, 2023 the balance payable to the suppliers is R\$ 40,618 (R\$ 34,562 on December 31, 2022) and represents company's obligations arising from the purchase of products and services for the development of the Company's activities, as described below:

	Parent Company and consolidated	
	September 30, 2023	December 31, 2022
Environmental services	4,747	5,255
Energy consumption	2,668	2,860
Property security	381	341
Administrative services	6,193	4,498
Law services	1,006	1,278
Operational services	19,067	14,249
I.T.	803	854
Others	5,753	5,227
	40,618	34,562

14 Payroll and related charges

	Parent Company and consolidated	
	September 30, 2023	December 31, 2022
Net profit sharing (NPS/Bonus)	11,583	17,698
Provision for vacations and 13th salary	7,553	3,610
Payroll charges	1,690	3,034
Others	5	2
	20,831	24,344

Salaries are paid within the current month, up to the last working day of the month.

15 Transactions with related parties

	Parent Company		Consolidated	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Assets				
Assets to be transferred to AAMFB (a)	-	210,102	-	210,102
Accounts receivable from AAMFB (b)	90,080	91,931	90,083	92,264
Accounts receivable from Vast infraestrutura (c)	4,403	8,510	4,403	8,512
	94,483	310,543	94,486	310,878
Credit Note				
AAMFB	2,126	441	2,126	441
Vast infraestrutura (d)	3,203	20,328	3,203	20,328
Current	99,812	121,210	99,815	121,545
Noncurrent	-	210,102	-	210,102

	Parent Company		Consolidated	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Liabilities				
Advances of the asset allocation				
AAMFB (a)	-	210,102	-	210,102
Debit Note				
Vast infraestrutura (e)	37	10,703	37	10,703
Prumo Participações	1	15	1	15
Porto do Açú	66	226	66	226
	104	221.046	104	221.046
Deferred revenue				
Deferred revenue with related party (f)	42,414	44,060	42,414	44,060
Current	2,298	13,138	2,298	13,138
Noncurrent	40,220	251,968	40,220	251,968

- (a) In June 2023, the divisible assets were transferred to AAMFB, according to the free lease agreement. Ferroport will continue operating these assets such as ship loader, reclaimer, stacker, conveyor belts and others. The free lease agreement is not part of the scope of CPC 06/IFRS 16 as it does not meet certain requirements, including the definition of right to control and there are no payments;
- (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) Payables from the fuel consumed by the dredger during the dredging process carried out during the year 2022. As agreed between the parties, the fuel will be fully paid by Vast Infraestrutura, and shared with Ferroport;
- (f) 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.

The transactions that affect the income statements are as follows:

	Revenues (expenses)			
	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Revenue				
AAMFB - take-or-pay agreement	239,357	250,243	732,110	726,589
Vast infraestrutura - T-Oil	11,926	1,201	48,338	17,208
Cost				
Prumo Participações	-	(10,703)	(15)	(10,703)
Porto do Açú	(58)	-	(58)	-
Financial Expenses				
Prumo Participações e Investimentos	-	-	-	(874)
Anglo American Capital London	-	-	-	(113)
	251,225	240,741	780,375	732,107

	Revenues (expenses)			
	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Revenue				
AAMFB - take-or-pay agreement	239,357	250,243	732,110	726,589
Vast - T-Oil	11,926	1,201	48,338	17,208
Vast - Services	8	6	22	17
Cost				
Prumo Participações	-	(10,703)	(15)	(10,703)
Porto do Açu	(58)	-	(58)	-
Financial Expenses				
Prumo Participações e Investimentos	-	-	-	(874)
Anglo American Capital London	-	-	-	(113)
	251,233	240,747	780,397	732,124

Key management compensation was as follows:	September 30, 2023	September 30, 2022
Payroll and related charges	2,976	3,168

16 Taxes payable

	Parent Company		Consolidated	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
PIS and COFINS	25,912	28,624	25,912	28,625
ISS	164	111	164	111
ICMS	21,697	19,479	21,697	19,479
Income tax and social contribution (*)	72,167	75,681	72,172	75,686
Other	1,148	1,616	1,149	1,615
	121,088	125,511	121,094	125,516
Current	40,059	40,236	40,065	40,241
Noncurrent (*)	81,029	85,275	81,029	85,275

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

17 Provision for contingencies

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

Probable:	Parent Company and Consolidated	
	September 30, 2023	December 31, 2022
Labor claims	3,232	2,943
Tax claims	-	21
Civil claims(a)	20,826	18,925
	24,058	21,889

- (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, 2023, the amount is R\$ 19,803 (R\$ 17,909 on December 31, 2022).

Provision movements

	Parent Company and Consolidated			
	December 31, 2022	Additions	Write-offs	September 30, 2023
Labor	2,943	945	(656)	3,232
Tax	21	1	(22)	-
Civil	18,925	1,901	-	20,826
	21,889	2,847	-678	24,058

According to the legal counsel and management assessment, the main proceedings classified as possible loss are demonstrated below:

Possible:	September 30, 2023	December 31, 2022
Labor claims	7,226	5,075
Tax claims (a)	154,517	276,457
Civil claims (b)	322,600	320,321
	484,343	601,853

- (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\$ 259,462 (R\$ 272,078 on December 31, 2022). In July 2023, the Federal Revenue of Brazil (“RFB”) partially considered the challenge made by Ferroport to be valid, considerably reducing the value of the notice.
- (b) Impacted mainly by ARG/Civilport litigation in the amount of R\$ 213,487 (R\$ 211,979 on December 31, 2022) and Arcoenge R\$ 67,591 (R\$ 67,114 on December 31, 2022). The claims are due to breach of the contract (Lump Sum and Turnkey contracts) and the costs related to decommissioning.

18 Shareholders' equity

Capital

The Company's shareholding structure as of September 30, 2023 and December 31, 2022, is as follows:

Shareholders	Number of shares		%
	September 30, 2023	December 31, 2022	
Prumo Participações e Investimentos S.A.	875,617	875,617	50
Anglo American Investimentos - Minério de Ferro Ltda.	875,617	875,617	50
	<u>1,751,234</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, 2023, the contingency reserve has the amount of R\$ 109,595 (R\$ 109,595 on December 31, 2022).

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, 2023 the capital reserves total R\$ 94,589 (R\$ 94,589 on December 31, 2022).

Dividends

In December 2022, mandatory minimum dividends were recognized as a liability, corresponding to 25% of adjusted net income, in accordance with law 6404/76, in the amount of R\$ 112,489.

The total dividends paid until September 2023 was R\$ 394,418, as shown in the table below:

Shareholders	March 31, 2023	June 30, 2023	September 30, 2023	Total
AAMFB	75,583	55,050	66,576	197,209
Prumo Participações	75,583	55,050	66,576	197,209
	<u>151,166</u>	<u>110,100</u>	<u>133,152</u>	<u>394,418</u>

On September 30, 2023, the Company has a balance of R\$ 97,738 of additional dividends payable, whose allocation was approved at the Annual General Meeting, on April 30, 2023.

19 Net revenue from services

	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Gross revenue	283,842	292,007	881,644	843,970
Shipment of iron ore (Take or Pay)	270,386	281,283	828,327	817,409
Oil transshipment (T-Oil)	13,456	10,724	53,317	26,561
Taxes	(33,342)	(32,843)	(103,545)	(94,927)
Taxes on gross revenue - PIS/COFINS	(26,255)	(27,010)	(81,552)	(78,067)
Tax on services – ISS	(7,087)	(5,833)	(21,993)	(16,860)
Net revenue from services	250,500	259,164	778,099	749,043

	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Gross revenue	283,849	292,014	881,666	843,988
Shipment of iron ore (Take or Pay)	270,386	281,283	828,327	817,409
Oil transshipment (T-Oil)	13,456	10,724	53,317	26,561
Port services	7	7	22	18
Taxes	(33,342)	(32,843)	(103,546)	(94,928)
Taxes on gross revenue - PIS/COFINS	(26,255)	(27,011)	(81,553)	(78,068)
Tax on services – ISS	(7,087)	(5,832)	(21,993)	(16,860)
Net revenue from services	250,507	259,171	778,120	749,060

20 Costs of services

	Parent Company and Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Payroll and related charges	(15,550)	(13,333)	(46,837)	(37,830)
Depreciation and amortization	(15,310)	(12,885)	(43,886)	(38,358)
Third-parties services	(11,997)	(19,493)	(30,773)	(69,193)
Leases and rents	(1,336)	(1,896)	(4,715)	(5,944)
Insurance	(1,413)	(1,288)	(4,120)	(3,674)
Consumables spare parts	(14,868)	(11,592)	(39,945)	(47,358)
Environmental expenses	(616)	(488)	(1,847)	(1,582)
Depreciation of rights of use assets	(607)	(484)	(1,821)	(1,433)
Other	(6,004)	(2,250)	(14,272)	(5,757)
	(67,701)	(63,709)	(188,216)	(211,129)

21 General and administrative expenses

	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Payroll and related charges	(4,813)	(4,476)	(9,705)	(11,685)
Third party services	(2,778)	(2,177)	(6,018)	(4,905)
Depreciation and amortization	(5,293)	(4,608)	(15,645)	(12,814)
Insurance	(21)	(20)	(61)	(59)
Travel expenses	(130)	(71)	(279)	(165)
Leases and rents	(116)	(103)	(354)	(354)
Depreciation of rights of use assets	(55)	(47)	(165)	(143)
Contingencies	(38)	104	(2,659)	(2,640)
Other	1,450	(699)	(3,346)	(2,452)
	(11,794)	(12,097)	(38,232)	(35,217)

	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Payroll and related charges	(4,813)	(3,177)	(9,705)	(7,209)
Third party services	(2,778)	(1,287)	(6,018)	(2,728)
Depreciation and amortization	(5,293)	(4,273)	(15,645)	(8,206)
Insurance	(21)	(20)	(61)	(39)
Travel expenses	(130)	(58)	(279)	(94)
Leases and rents	(116)	(150)	(354)	(251)
Depreciation of rights of use assets	(55)	(48)	(165)	(96)
Contingencies	(38)	(743)	(2,659)	(2,744)
Other	1,449	(1,229)	(3,355)	(1,760)
	(11,795)	(10,985)	(38,241)	(23,127)

22 Other operating income (expenses)

	Parent Company and Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Non-consumed electric energy (a)	1,524	1,178	4,017	5,608
Deferred revenue - right of use	498	498	1,493	1,493
Impairment - Inventories	-	(849)	-	(849)
Other	(263)	68	(752)	(166)
	1,759	895	4,758	6,086

(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, which Ferroport is an agent, which means, Company associated to the CCEE, participating with rights and duties in its operations.

23 Financial income (expenses)

	Parent Company			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Financial expenses				
Tax on financial transactions (IOF)	(18)	(279)	(615)	(719)
Interest - intercompany loan	-	-	-	(983)
Interest on leases	(228)	(64)	(737)	(226)
Interest on tax installment	(338)	(198)	(951)	(474)
Update - Selic interest rate	(919)	(672)	(2,552)	(2,426)
Other	(42)	(7)	(747)	(413)
	(1,545)	(1,220)	(5,602)	(5,241)
Financial income				
Update - Selic interest rate	428	-	1,259	-
Interest income	5,768	7,600	17,349	17,042
Other	246	-	345	-
	6,442	7,600	18,953	17,042
Financial results, net	4,897	6,380	13,351	11,801

	Consolidated			
	Three-month period ended		Nine-month period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Financial expenses				
Tax on financial transactions (IOF)	(18)	(279)	(615)	(719)
Interest - intercompany loan	-	-	-	(983)
Interest on leases	(228)	(64)	(737)	(226)
Interest on tax parcellation	(338)	(198)	(951)	(474)
Update - Selic interest rate	(919)	(672)	(2,552)	(2,426)
Other	(42)	(7)	(748)	(415)
	(1,545)	(1,220)	(5,603)	(5,243)
Financial income				
Update - Selic interest rate	428	-	1,259	-
Interest income	5,789	7,619	17,411	17,094
Other	246	-	345	-
	6,463	7,619	19,015	17,094
Financial results, net	4,918	6,399	13,412	11,851

24 Commitments

The Company undertook future purchase commitments amounting to R\$ 648,411 as of September 30, 2023 (R\$ 480,094 as of December 31, 2022) and these should be fulfilled in the course of the operations:

Asset	September 30, 2023	December 31, 2022	Description
Property, plant and equipment / Intangible / Right of use assets			
Construction in progress	10,736	14,892	Structural reform to adapt the facilities
Right of use assets - Lease	15,802	20,054	Leasing of vehicles, machinery and equipment
Intangible	50	90	Systems licenses
Total asset	26,588	35,036	
Result			
Cost/Expenses	335,681	232,603	Electricity purchase agreement*
	-	831	Pier piling repair
	25,423	36,200	Industrial cleaning and facilities services
	34,150	7,519	Support for navigation and underwater activities
	2,662	3,035	Transport of employees
	7,234	3,798	Vigilance and Security
	7,100	262	Health and medical services plan
	10,698	11,697	Legal and financial consultancy
	4,389	4,916	Reforestation and waste management
	1,805	4,916	Employee benefits
	2,217	3,831	IT Services
	30,946	18,277	Preventive and corrective maintenance
	1,071	2,180	Medical services and occupational health
	111,110	85,831	Maintenance dredging
	7,100	7,554	Catering
	40,237	21,608	Others
Total Results	621,823	445,058	
Total	648,411	480,094	

* Signed in December 2022 with Omega, the agreement provides for a new energy supply source, effective from January 1, 2024 to December 31, 2043. The total estimated cost is R\$ 177,884.

25 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 as of September 30, 2023 and December 31, 2022 are as follows:

Classifications	Parent Company						
	September 30, 2023				December 31, 2022		
	Book Value	Amortized cost	Fair value through other comprehensive income	Fair value measurement hierarchy	Book Value	Amortized cost	Fair value measurement hierarchy
Assets							
Cash and cash equivalents	180,548	180,548	-	2	167,177	167,177	2
Accounts receivable from related parties	99,812	99,812	-	2	121,210	121,210	2
Investments - others participations	3,740	-	3,740	3	-	-	-
Liabilities							
<i>Other financial liabilities</i>							
Lease liabilities	7,217	7,217	-	2	8,997	8,997	2
Trade accounts payable	40,618	40,618	-	2	34,562	34,562	2
Related parties - accounts payable	104	104	-	2	221,046	221,046	2
Classifications	Consolidated						
	September 30, 2023				December 31, 2022		
	Book Value	Amortized cost	Fair value through other comprehensive income	Fair value measurement hierarchy	Book Value	Amortized cost	Fair value measurement hierarchy
Assets							
Cash and cash equivalents	181.253	181.253	-	2	167.839	167.839	2
Accounts receivable from related parties	99.815	99.815	-	2	121.212	121.212	2
Investments - others participations	3.740	-	3.740	3	-	-	-
Liabilities							
<i>Other financial liabilities</i>							
Lease liabilities	7.217	7.217	-	2	8.997	8.997	2
Trade accounts payable	40.618	40.618	-	2	34.562	34.562	2
Related parties - accounts payable	104	104	-	2	221.046	221.046	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 consider 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 the Real. The currency in which these transactions are primarily denominated is the Dollar.

Liquidity risk

The table below provides the Company's main financial liabilities at September 30, 2023. 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	-	40,618	40,618
Related parties - accounts payable	-	104	104
Total by maturity range	-	40,722	40,722

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 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 follow 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\$ 174,897 on September 30, 2023 (R\$ 167,839 on 31 December 2022). The cash and cash equivalents are held with bank and financial institution counterparties, which is rated AAA based on rate S&P agency rating.

At the exposure to credit risk are the following:

Financial instruments	September 30, 2023	December 31, 2022
Cash equivalents	181,253	167,839
Accounts receivable (Related parties)	99,815	121,545
	281,068	289,384

For the period ended on September 30, 2023 and December 31, 2022, the Company's service revenue is entirely related to services provided to the related parties and 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.

26 Insurance coverage

The Company's policy consists of entering 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, 2023 and December 31, 2022, the insurance coverage was as follows:

	September 30, 2023	December 31, 2022
Property and equipment damages	3,924,158	3,524,108
Civil liability	250,350	260,885
Environmental Liability	30,000	30,000
Directors & Management	70,000	70,000

* * *

Carsten Bosselmann
Chief Executive Officer

Alessandra Maia Marinho Basile
Chief Financial Officer

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