Rio de Janeiro, June 7, 2022. The Management of MLog S.A. ("MLog" or "Company"), together with its direct or indirect subsidiaries Morro do Pilar (Iron Ore Project), Companhia de Desenvolvimento do Norte Capixaba (Industrial District and Multiple Port Project in Linhares), Asgaard Bourbon Navegação (Offshore Shipping Company) and CNA – Companhia de Navegação da Amazônia (Inland Shipping Company), in compliance with legal and statutory provisions, submits the Management Report and the Consolidated Annual Financial Statements of the Company for your appreciation, accompanied by the Independent Auditors' Report, all referring to the fourth quarter and year 2021, ended on December 31, 2021. All amounts mentioned in this report, referring to the Company's Financial Statements, are presented in thousands of reais, unless otherwise indicated form.

4Q 21 and 2021 Highlights

- **Shipping**
  - ***Operations***
    - Start of operation of new contracts with Petrobras for 4 of the 5 vessels currently operated: Sophia (2Q), Geonísio Barroso (3Q), Yvan Barreto (4Q) and Stim Star Arabian Gulf—SSAG (4Q).
    - Conclusion of the five-year docking of Sophia (3Q) and docking for improvements of Geonísio Barroso (4Q) and Yvan Barreto (4Q).
  - ***Financial***
    - Signing of the agreement to renegotiate 65% of the debt for the acquisition of CNA, currently held by the banks Itaú Unibanco and Bradesco, involving the reduction of the amount payable by R$27 million and maximum maturity in 2028, carried out in 3Q 2021, complementing the agreement signed previously with Rio Alva, totaling 93% of the original liability already renegotiated.

- **Mining**
  - ***Development***
    - ***DSO Project (Phase 1 of the Morro do Pilar Project)*** - New advancements towards the licensing of the Morro do Pilar Project, including Phase 1 (Project DSO), now based on mining of high grade hematite, with a reduction in the initial investments necessary for the implementation of the MOPI Project.
    - **Logistics** - Formalization of the authorization request for two railway sections, one connecting MOPI to the Vitória Minas Railroad - EFVM and the other connecting the EFVM to our land in Linhares (ES), serving as a potential alternative iron ore port.

Message from the Management

MLog had another positive year in 2021 towards the consolidation and development of its assets, whose plan began in 2016.

When this plan started, the Shipping activity was starting its operations, having only one vessel in its portfolio, our OSRV, a vessel with annual revenues of approximately R$22 million.

Since then, we acquired CNA, one of the largest inland shipping companies transporting liquid cargo, especially fuels, in the northern region of the country and closed a partnership with Bourbon, one of the largest offshore shipping groups in the world. As part of this partnership, we acquired the 3 Brazilian AHTS previously owned by Bourbon and converted Asgaard, our offshore shipping company, into Asgaard Bourbon Navegação, in which each of the two groups holds a 50% interest, in an operation formalized in 2022.

In 2021, even with all the dockings and the interval between the OSRV contracts, our Shipping acitivty presented net revenue of R$162 million, considering the partially audited revenue of the AHTS, which means a CAGR of approximately 40% since 2016.

These figures above still have little influence from the revenue of our WSSV vessel, which only started operating in December 2021, indicating the continuation of our revenue growth in 2022, even if we do not consider other new contracts.

The three mentioned dry dockings and the in between contracts period of our OSRV together resulted in a loss of revenue of approximately R$18 million. In addition to the loss of revenue, we invested approximately R$30 million in these drydocks. This combination brought an additional challenge to our management, as it negatively impacted our cash flow by R$48 million.

In addition to these specific impacts, the Company maintains efforts to solve two main challenges: (i) the delivery of the BE 808 to Petrobras, which was negatively impacted by the limitations imposed by COVID on the performance of fundamental works and maintenance for the vessel to be ready to operate and (ii) the extension of our debt, since a significant portion of it is due in the short term, impacting our cash flow and the Company's growth capacity.

In the mining activity, the Company had been looking for alternatives for the phased development of the MOPI Project, aiming at reducing the initial volume of necessary investments and accelerating the project's start-up.

Message from the Management

The discussions for the changes in the MOPI Project, both internal (technical) and with other stakeholders advanced and the Company is currently working with the base case of implementation of the Morro do Pilar Project in 3 phases. The first one, called DSO (Direct Shipping Ore), is focused on resources of 20 million tons of high-grade iron ore, with 63% Iron in the ROM. We hope that this focus on the DSO will reduce the licensing time, complexity and volume of investments required to convert the Morro do Pilar Project into an operational one.

Besides these strategic changes, MOPI took advantage of the changes made by the Federal Government to the regulatory framework for railways to create new and potentially better alternatives for the logistics of iron ore transport in Phases 2 and 3 of our project, requesting two authorizations for construction of rail sections, the first linking MOPI to the Vitória Minas Railroad - EFVM and another linking EFVM to our land in Linhares (ES), serving as a potential alternative port.

In addition to the requests made by MOPI, MRS Logística requested authorization for a section linking the current MRS network to the municipality of Conceição do Mato Dentro, bordering our project, while Vale, the EFVM concessionaire, requested a section linking the EFVM to Serra da Serpentina, which is next to the MOPI. These two authorization requests can also serve as outflow alternatives for MOPI´s iron ore production.

We have also advanced in the environmental licensing of the project, which now includes the filtration of all wet tailings, eliminating the use of dams.

The combination of the new production plan with advances in logistics and environmental licensing puts our asset in an even better position, both from an ESG perspective and by reducing the development risks associated with this type of project.

With the improvement in the macroeconomic scenario resulting from the cooling of the pandemic and the maintenance of iron ore prices at a high level, the Management has been expanding efforts to raise funds for the development or even the sale of the MOPI Project.

The Company's challenges, however, are still many. With most of its assets in the pre-operational stage, especially those related to the Morro do Pilar Project, MLog ended 2021 with a consolidated volume of current assets lower than that of current liabilities.

The Company's ability to combine raising additional capital to adjust its cash flow and executing its business plan, focusing on cash generation from its shipping activities (including the announced operation with BOM) and the conversion of AFRMM in free cash are important so that your operational and pre-operational activities are not compromised.

Message from the Management - COVID-19

The Management of MLog and its subsidiaries, following the guidance of the CVM in CIRCULATORY OFFICE/CVM/SNC/SEP/n.º 02/2020, analyzed the potential risks of the COVID -19 pandemic in its business.

Since the week of March 17, 2020, MLog has implemented operational measures to reduce the risk of contamination by COVID-19 of its employees, including: use of remote work (home office), suspension of face-to-face meetings that may be carried out virtually, communication of preventive measures of contamination, risk questionnaires and joint action with your occupational physicians, test laboratories in case of need and health plan.

These measures have been changed according to the progress of the COVID-19 pandemic. In March 2022, the Company's Management began a regular return to the office, adopting COVID-19 prevention policies according to the virus transmission indicators in each location where it operates.

Although the effects of the COVID-19 pandemic have reduced in recent months due to the advance of mass vaccination in Brazil, Management lists below what it believes to be the main risks associated with this crisis, by business line:

Shipping

MLog's shipping business comprises the offshore shipping activity, with Asgaard Bourbon, and logistics services for the oil industry, with CNA.

Asgaard Bourbon currently operates with firm and longer term contracts, of at least 1 year, with Petrobras, with guaranteed contractual demand and price.

Among the main possible risks associated with the operations of Asgaard Bourbon are:

- Interruption of services to or by Petrobras for reasons of Force Majeure;

- Temporary interruption of Asgaard Bourbon's ability to provide services due to events related to the pandemic, such as sanitary quarantine, lack of duly qualified and authorized technical personnel and essential materials for the provision of services, such as fuel oil, food for the crew and parts for vessel maintenance;

- Increase in operational risks caused by communication, control and management problems, all potentially impacted by the regulatory action of the government.

Message from the Management - COVID-19

CNA operates in the transport of crude oil, derivatives and other fuels with a diversified portfolio of customers, routes and products in the North region of Brazil. Its main customers are Raízen, FS and Petrobras and its main routes are Coari-Manaus and Manaus-Porto Velho, through which crude oil, diesel, gasoline and other derivatives are transported.

Among the main possible risks associated with CNA are:

- Reduction in demand for fuel transportation services in its operating region, which would have a negative impact on transported volume, net revenue and the company's operating result;

- Temporary interruption of the CNA's ability to provide services due to events related to the pandemic, such as sanitary quarantine, lack of duly qualified and authorized technical personnel and essential materials for the provision of services, such as fuel oil, food for the crew and parts for maintenance of the vessel;

- Increase in operational risks caused by communication, control and management problems, all potentially impacted by the regulatory action of the government.

According to Explanatory Note 24 on insurance, both Asgaard and CNA have insurance contracts that include protections in extreme cases, but some scenarios mentioned above may be outside these coverages, with their impacts being more severe on the results of MLog's Navigation activity.

Mining

MLog's mining business, whose main asset is the Morro do Pilar Project, is in a pre-operational stage. With this, the operational risks generated by COVID-19 and associated with the asset are limited. As mentioned in the previous Information and Financial Statements, the Company makes an effort to raise funds for the implementation of the Project and the maintenance of the scenario of volatility and fall in asset prices may impact the value of its assets and the timeline of implementation of the MOPI Project.

Long-Term Impacts

MLog's Management understands that so far, no adjustment is necessary in its Financial Statements due to COVID-19 and its consequences, but it is following the evolution of the pandemic, both globally and locally, and will communicate to its shareholders the Relevant Facts that may be triggered by the situation as new events arise.

Offshore Shipping





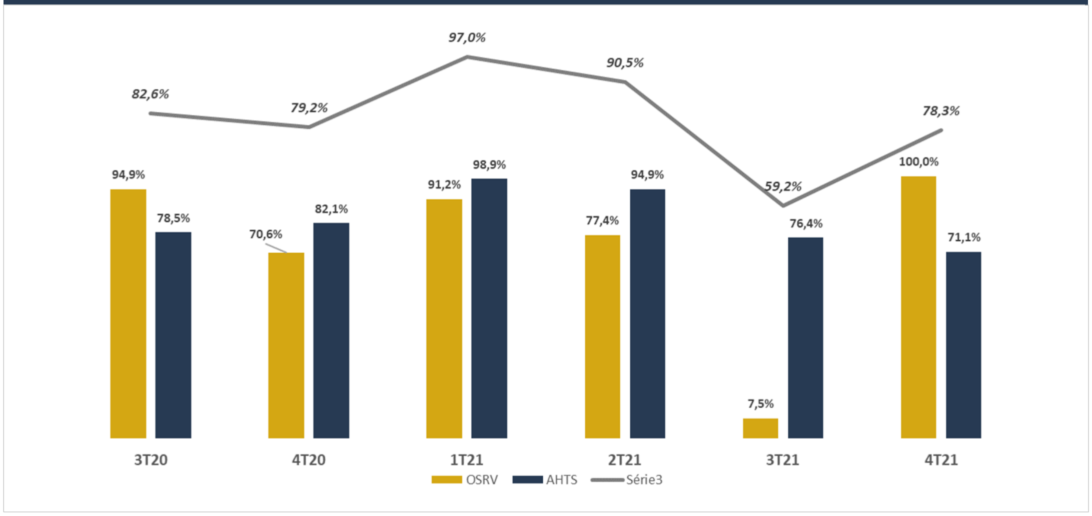
Operational Highlights

Both the quarter and the year 2021 had the biggest operational impacts coming from the drydockings and the contracts intervals, impacting the operationality and, therefore, net revenue and results.

Vessel operation

- AHTS Yvan Barreto docking for entry into a new contract was carried out in the fourth quarter of 2021, with the vessel starting a new contract in mid-December.
- In addition to this docking, two other dockings were carried out throughout 2021, which represented a total investment of approximately R$30 million.
- The SSAG vessel started its contract in December, meaning a delay compared to what was initially planned.
- The BE808 vessel has its delivery date currently under discussion between the Company and Petrobras. If the parties do not agree with delivery on a new date, the contract may even be terminated.
- Since the dockings, the vessels have been operating as expected.

Operationality

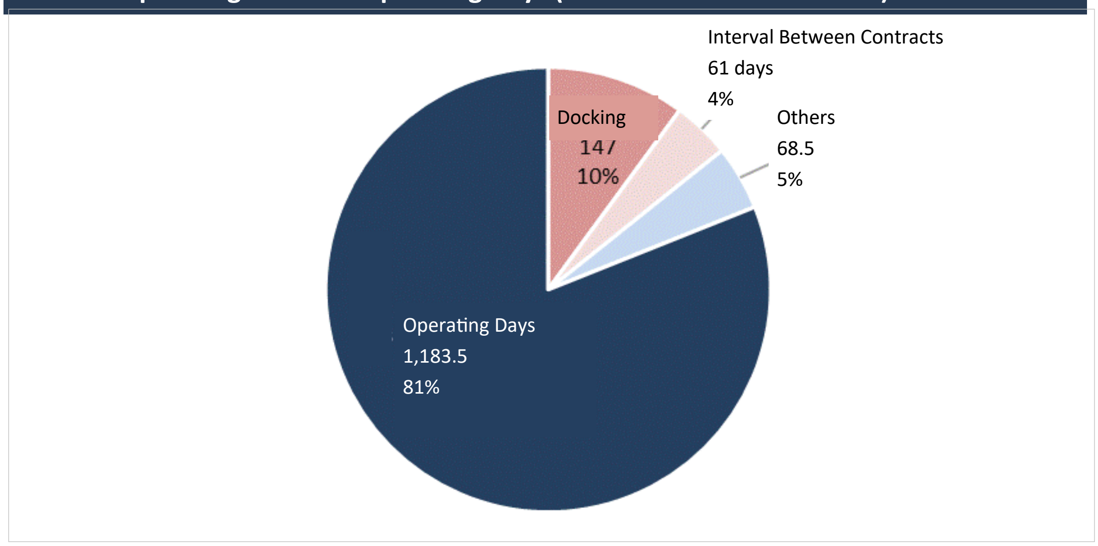


** Data referring to AHTS have not been audited*

Offshore Shipping

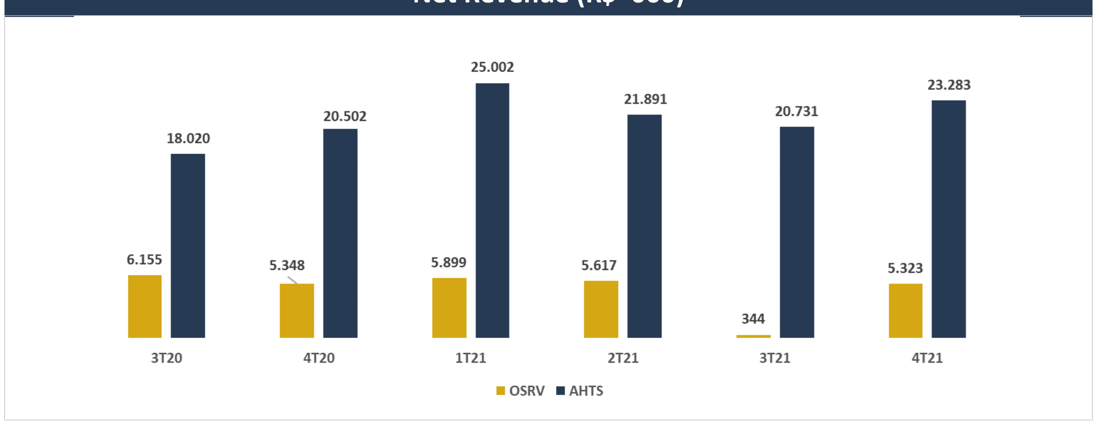
- **Time without revenue** - The table below shows the types of events that meant days without revenue for the 4 vessels (OSRV and 3 AHTS). Events classified as Others are unplanned events, but which have a recurring characteristic, that is, it is expected that we will have days of inactivity or without revenue for various reasons. While Dry Docking and Contract Interval events are part of our business, we do not expect them to have the same impact in the years ahead as they did in 2021. Had we not had Contract Intervals and Dockings in 2021, net revenue from vessels would be approximately 17% higher (R$18 million), with virtually the entire difference being converted into EBITDA.

Operating and Non-Operating Days (with and without revenue) - 2021



** Data referring to AHTS have not been audited*

Net Revenue (R$ '000)



** Data referring to AHTS have not been audited*

Offshore Shipping





Current contract backlog

After signing five new contracts since 2020, the backlog of firm contracts for our shipping activity is shown in the table below.

Current contract backlog

Vessel	Vessel Type	Contract Begin[1]	Firm Contract Due[2]	Backlog (R$ 000)[3]
Asgaard Sophia	OSRV	sep-21	aug-24	60,005
Geonisio Barroso	AHTS	jul-21	dec-24	112,353
Yvan Barreto	AHTS	nov-21	feb-25	123,213
Haroldo Ramos	AHTS	feb-19	feb-23	43,608
Stim Star Arabian Gulf	WSSV	dec-21	sep-24	227,989
			Total	**567,168**
Bourbon Evolution 808[4]	RSV/MPSV	aug-22	Apr-26	317,185
			Total withBE808	**884,353**

1- The effective date of the beginning of the contracts was considered as the beginning of the contracts, when already carried out, or estimated, when in the future.

2- The firm period of the contract is equivalent to their guaranteed minimum term. Our contracts include additional renewal periods in case of mutual agreement between the parties, not considered in the Backlog.

3– The value of the backlog considers the closing exchange rate on December 31, 2021, of R$5.58, for converting the amounts in US$ to R$. On average, our contracts have 60% of their value in US$ and 40% in R$.

4- The BE808 vessel is currently under discussion between the Company and Petrobras. If the parties do not agree with delivery on a new date, the contract may be terminated.

Offshore Shipping





Main types of Offshore vessels

- *Platform Supply Vessel (**PSV**),* vessels capable of transporting liquid and solid cargo between the coast and the platforms and vice versa.
- *ROV Supply Vessel (**RSV**),* specialized or prepared vessels for the operation of one or more ROV (Remote Operate Vehicle).
- *Multi-purpose Platform Supply Vessel (**MPSV**),* multi-purpose vessels, capable of transporting both liquid and solid cargo, capacity to accommodate personnel above PSVs, in addition to the capacity of other operations, including ROVs.
- *Anchor Handling Tug Supply (**AHTS**)*, vessels capable of mooring and towing platforms, cranes and other vessels.
- *Oil Recovery Supply Vessel (**OSRV**)*, vessels that have at sea fire-fighting and oil recovery equipment/capacity.
- *Well Stimulation Supply Vessel (**WSSV**)*, vessels whose equipment is capable of intervening and stimulating oil wells, aiming at improving oil recovery.
- *Dive Support Vessel (**DSV**)*, vessel equipped for activities involving divers.
- *Construction Support Vessel (**CSV**)*, vessels equipped for subsea construction and installation activities, generally including use of ROVs and divers.

Regulatory Overview of the Brazilian Market

- Empresa Brasileira de Navegação (**EBN**) is an entity authorized by regulatory agencies (ANTAQ) to operate in one or several Shipping activities in Brazil.To be an EBN, a company must be Brazilian (even if its capital is held by foreigners) and have at least one Brazilian-flagged vessel operating regularly.

- Brazilian Special Registry (**REB**) is an exclusive regime for Brazilian-flagged vessels operated by Brazilian shipping companies. Vessels built in Brazil, imported (with due payment of taxes) or foreign vessels, with temporary suspension of the original flag, can be registered with the REB. In the latter case, registration depends on the availability of tonnage of Brazilian vessels by the operating EBN (Article 10 of Law 9,432, of January 8, 1997)

- Main types of charter
  - i. **Bareboat** charter: charterer has possession, use and control of the vessel;
  - ii. **Time charter**: charterer receives the armed and manned vessel, or part of it, to operate it.

Inland and Coastal Shipping

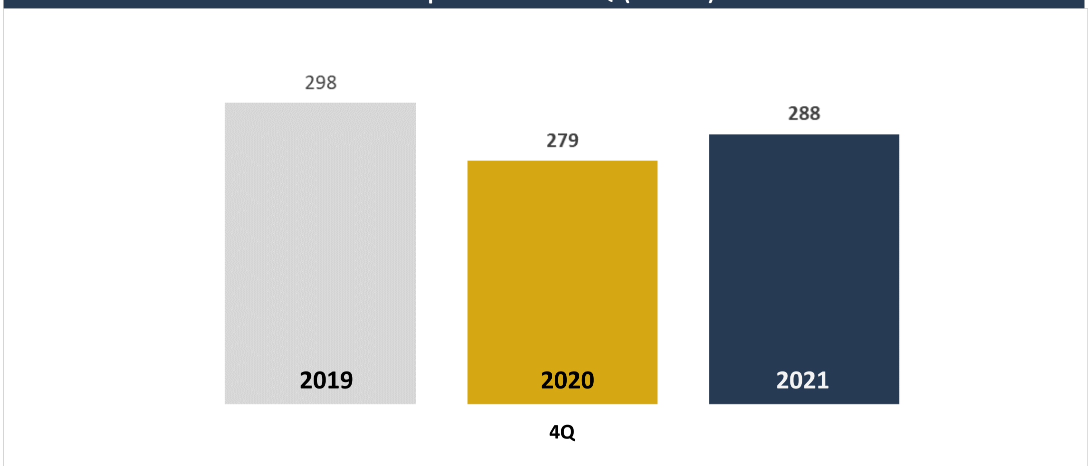
Operational highlights

Volume and Net Revenue

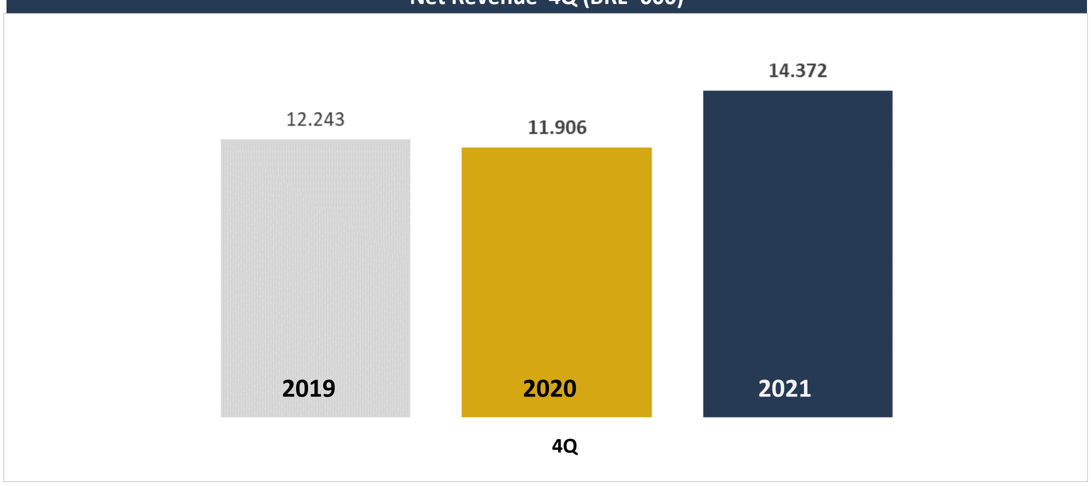
- The fourth quarter of 2021 showed a small increase in volume compared to the same period in 2020 and a small decrease compared to the same period in 2019. We believe that most of the fluctuation is related to second-order effects of the COVID-19 pandemic and the change in the mix of routes.

- Due to price adjustments and the aforementioned changes in the company's route mix, the company's net revenue increased by approximately 20% compared to the same periods in 2020 and 2019.

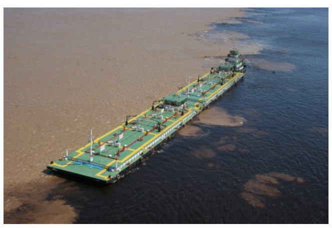
Transported Volume 4Q (´000 m^3)

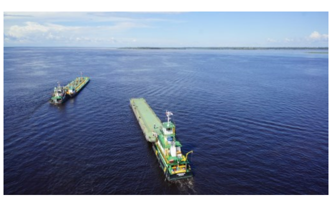


Net Revenue 4Q (BRL ´000)



Inland and Coastal Shipping





Additional Freight for Renewal of the Merchant Marine ("AFRMM")

An important part of the CNA's result is the Additional Freight for Renewal of the Merchant Marine ("AFRMM"), regulated mainly by Law 10,893 of 2004, changed by the Law 14.301 of 2022. The AFRMM is a federal tax levied on maritime freight aimed at supporting the development of the merchant marine and the Brazilian naval construction and repair industry, and is a basic source of Merchant Marine Fund (FMM).

AFRMM rates vary according to the type of product, transport and region of origin or destination. In the activity of river transport of liquid bulk in the North region, the AFRMM rate is 40% on the freight price. The freight surcharge generated by the services provided by CNA is subsequently credited to a linked account of the company with Banco do Brasil and can be used by CNA, its affiliates or its parent company, mainly to:

(i) acquisition of new vessels, for own use, built in Brazilian shipyards;

(ii) for intervention (jumborising, conversion, modernization, docking or repair) of own vessel in a Brazilian shipyard;

(iii) for the payment of the installment of the principal and financing charges granted with FMM resources; and

(iv) to the payment of Brazilian vessels lease.

AFRMM accounting follows the rules of CPC 07 (IAS 20). When the freight service is completed, the amount receivable from AFRMM is recognized simultaneously in long-term assets and in non-current liabilities, as deferred revenue, not initially impacting CNA's results. Currently, within an average period of approximately 90 days, this AFRMM credit is deposited in the CNA's restricted account with Banco do Brasil. At this time the AFRMM is available for use as permitted.

When the AFRMM is used, the non-current liabilities that were the counterpart of its entry and the revenue are affected as follows:

If the company uses R$ 100 to purchase a vessel that will be depreciated over 20 years, its balance sheet will show the initial value of R$100 in the fixed assets and the liabilities will continue to show a value also of R$100 as deferred revenue from AFRMM.

After the vessel's first year of use, property, plant and equipment will indicate R$95 (R$100 – R$5 depreciation). The liability will also be reduced by the same amount as the depreciation, starting to mark R$95. In return for this reduction in liabilities, the amount of R$5 will be recorded in the income statement as Subsidy Income—AFRMM..

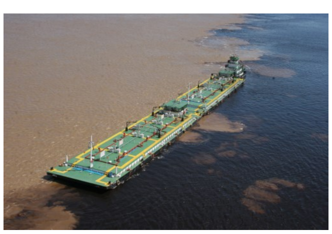
That is, although the cash effect of the use of AFRMM occurs in approximately 30 months and its use does not generate a financial liability for the company, the entry of the amounts of this economic benefit to shareholders takes place, in accounting terms, over the

Shipping (Offshore + Inland/Coastal)









Income Statement - 12 Months (4Q 21)	Shipping	AHTS BOM[1]	Combined
Net Revenue	**109,806**	**52,447**	**162,253**
(-) Cost of Services and Products without Depreciation	-83,779	-40,135	**-123,914**
(-) G&A	-14,077	-9,847	**-23,924**
(+/-) Other Operating Income and Expenses	25,754		**25,754**
EBITDA	**37,704**	**2,465**	**40,169**
(+) New AFRMM Generated	18,395	0	**18,395**
(-) AFRMM Revenue (CPC07/IAS20)	-11,958	0	**-11,958**
(+/-) Non-recurring	-11,929	0	**-11,929**
Adjusted EBITDA[2]	**32,212**	**2,465**	**34,677**

1– The data referring to AHTS BOM vessels are managerial, indicating the additional Net Revenue generated by AHTS vessels and accounted for in the BOM (and not in the Company) as a result of the operational contracts with Petrobras. With the entry into operation of the new contracts of AHTS Geonísio Barroso (third quarter of 2021) and Yvan Barreto (fourth quarter of 2021), these vessels will have their revenues, costs and expenses accounted for by the Company. These values are unaudited and/or revised information.

2– Non-recurring items were considered: (i) the gain of R$26,997 referring to the adjustment of the value of the Investment Acquisition Obligations, (ii) the loss due to the reduction of the recoverable value (impairment) of R$8,142 referring to the OSRV, (iii)) the loss of R$565 from the effect of the Charter account (IFRS 16), (iv) the loss of 4,399 of carry over costs between 2020 and 2021 and (v) the loss of R$1,962 referring to other items.

3– Adjusted EBITDA Metric not reviewed by independent auditors.

MOPI - Morro do Pilar Project

Operational highlights

The MOPI Project is located in one of the least densely populated areas in the iron-bearing region of Minas Gerais and the natural characteristics of the tailings from our production process favor the adoption of safer technological solutions at competitive costs. Due to these factors, we understand that the regulatory changes, although they mean greater investment in studies, are positive for the MOPI Project.

After filing the request for the Installation License ("LI") of the MOPI Project, carried out in August 2019 and updated in 2021, and given the current iron ore price cycle, which is close to historical highs, the Company changed its implementation alternative to one based on the phased development of the MOPI Project.

This alternative will reduce the initial volume of investment required, accelerating the start-up of the project, as explained below.

Logistics of Phases 2 and 3 of the Morro do Pilar Project

On August 30, 2021, the Federal Government published Provisional Measure No. 1,065, amending the railway regulatory framework with the creation of the possibility of building railways or railway sections upon authorization, without the need for a concession.

Taking advantage of this opportunity, MOPI requested the authorization request of two railway sections related to Phases 2 and 3 of our project, the first linking MOPI to the Vitória Minas Railroad - EFVM and another linking EFVM to our land in Linhares (ES), serving as a potential alternative port.

In addition to the requests made by MOPI, (i) MRS Logística, one of the largest railway operators in the country, requested authorization for a stretch linking the current MRS network to the municipality of Conceição do Mato Dentro, which borders our project, and (ii) the Vale, the EFVM concessionaire, requested a stretch linking the EFVM to Serra da Serpentina, which is next to the MOPI. The two requests above could meet the flow of production from MOPI.

Direct Shipping Ore Project - DSO (Phase 1 of the Morro do Pilar Project)

Environmental Licensing

As the DSO Project is located in the same Directly Affected Area (ADA) and its volume of resources was already part of the MOPI Project, the licensing process will move forward with the current Installation License (LI) application for the project as a whole. After the LI issuance and installation of the DSO plant, the Company will apply for a partial DSO Operating License (LO). The implementation of the structures and processing plant of the following phases of the MOPI Project will already be authorized by this LI and will then be the subject of future LO requests.

MOPI - Projeto Morro do Pilar

Direct Shipping Ore Project - DSO (Phase 1 of the Morro do Pilar Project)

Resources

The DSO project is based on the operation of mining resources certified by SRK in 2014. This SRK report certified a total of 1.6 billion tons of resources from the Morro do Pilar Project, with 1.33 billion tons of measured and indicated resources and 0.31 billion tons of inferred resources following Canadian Institute of Mining, Metallurgy and Petroleum (CIM) standards of November 27, 2010 and Canadian National Instrument Form 43-101F (Form NI 43-101F).

Of this total, 20 million tons of resources are of formation characterized as hematite, with a content of natural iron (ROM) of 63%, as shown in the table below. In addition to these resources, the area also contains approximately 10 million tons of canga, which could potentially be converted into a product with satisfactory quality.

Lito	Mass (Mt)	% Fe	% SiO_2	% Al_2O_3	% LoI
HEM	4.0	64.7	4.3	1.96	0.94
HEM	16.7	62.8	6.8	2.06	1.11
Total DSO	**20.7**	**63.1**	**6.33**	**2.04**	**1.08**

Production volume and product

The production volume planned for the DSO Project is up to 5 million tons per year of final product, fine iron ore, with a content of 63% Fe.

Logistics

The logistics for the sale of this product will be by road to Itabira (MG), Ipatinga or through the MRS railroad, where the product will be sold or transported for export.

Investment (Capex)

The Capex estimated by the Company for the complete implementation of the DSO Project is approximately US$40 million, which may be reduced if the Company chooses to rent part of the structure.

Financial Summary

Income Statement - 4Q 2021 (3 months)	Shipping	Mining	Consolidated
Net Revenue	**38,473**	**0**	**38,473**
(-) Cost of Services and Products without Depreciation	-29,754	0	**-29,754**
(-) G&A	-2,813	-4,861	**-7,673**
(+/-) Other Operating Income and Expenses	-9,419	-331	**-9,750**
EBITDA	**-3,513**	**-5,192**	**-8,704**
(+) New AFRMM Generated	4,941	0	**4,941**
(-) AFRMM Revenue (CPC07/IAS20)	-2,959	0	**-2,959**
(+/-) Non-recurring	15,937	4,127	**20,064**
Adjusted EBITDA[1]	**14,407**	**-1,065**	**13,342**
Depreciation/Amortization			**-5,162**
(-) New AFRMM Generated			**-4,941**
Financial income			**5,341**
Financial expenses			**-10,091**
FVA + Financial Expenses Acquisition CNA			**2,398**
(+) AFRMM Revenue (CPC07/IAS20)			**2,959**
(+/-) Non-recurring			**-20,064**
Taxes			**3,917**
Net Result			**-12,301**

The Shipping activity includes the Parent Company's shipping operations, in addition to the CNA and Asgaard investees, while Mining comprises the MOPI Project, Dutovias and CDNC.

1– Adjusted EBITDA metrics not reviewed by independent auditors.

Financial Summary

Income Statement - 4Q 2021 (12 months)	Shipping	Mining	Consolidated
Net Revenue	**109,806**	**0**	**109,806**
(-) Cost of Services and Products without Depreciation	-83,779	0	**-83,779**
(-) G&A	-14,077	-15,045	**-29,122**
(+/-) Other Operating Income and Expenses	25,754	-3,622	**22,132**
EBITDA	**37,704**	**-18,667**	**19,037**
(+) New AFRMM Generated	18,395	0	**18,395**
(-) AFRMM Revenue (CPC07/IAS20)	-11,958	0	**-11,958**
(+/-) Non-recurring	-11,929	4,127	**-7,802**
Adjusted EBITDA[1]	**32,212**	**-14,540**	**17,672**
Depreciation/Amortization			**-20,499**
(-) New AFRMM Generated			**-18,395**
Financial income			**26,491**
Financial expenses			**-20,056**
FVA + Financial Expenses Acquisition CNA			**-4,979**
(+) AFRMM Revenue (CPC07/IAS20)			**11,958**
(+/-) Non-recurring			**7,802**
Taxes			**-2,474**
Net Result			**-2,480**

The Shipping activity includes the Parent Company's shipping operations, in addition to the CNA and Asgaard investees, while Mining comprises the MOPI Project, Dutovias and CDNC.

1– Adjusted EBITDA metrics not reviewed by independent auditors.

Consolidated Financial Information



Net Revenue

The Company presented Consolidated Net Revenue of R$38,473 in the fourth quarter of 2021, totaling R$109,806 in the accumulated of 2021. The Shipping activity showed an increase in revenue compared to the same period in 2020, with the increase mainly caused by revenue from AHTS vessels purchased from BOM. This revenue, however, did not represent all the revenue from the activities of the AHTS, which continued to be partially operated by BOM until December 2021. In December, the last contractual transfer from BOM to Asgaard Bourbon was carried out and, therefore, in 2022 we will have all Net Revenue and results of these vessels accounted for by the Company and its subsidiaries.

Year Result

The Company presented a consolidated loss of R$12,301 in the fourth quarter of 2021 and an accumulated loss of R$2,480 in 2021. In addition to the consolidated operating result, affected by the drydocks, the financial expenses and foreign exchange variations of the debt with BNDES and the financial income from the debt between the Company and its parent company Maverick, of which the Company is a creditor and non-recurring events in the fourth quarter of R$20,064. As explained above, the result of the AHTS purchased from BOM has already impacted the Company's operating result, although part of the revenue from them until December was not being recorded in the Consolidated as it was still earned by BOM.

Cash and cash equivalents

The Company ended the fourth quarter of 2021 with a consolidated cash position of R$1,410.

Commitments Made with the BOM Operation

The Company assumed the indebtedness with BNDES of the AHTS vessels purchased from BOM on December 30, 2020. This loan totaled R$65,955 at the end of 2021.

Loans and Financing

The Company ended the quarter with total loans and financing of R$79,628. Of this total, R$65,955 refers to the indebtedness with BNDES, assumed as part of the transaction for the acquisition of AHTS from BOM.

In addition to bank loans, the Company also has liabilities with related parties of R$50,832 and Obligations for Acquisition of Investments of R$70,512, explained below.

Consolidated Financial Information



Obligations from Investment Acquisition

The amounts payable originally related to the acquisition of CNA are recorded as Obligations for Acquisition of Investments.

On December 26, 2019, in accordance with the approved Judicial Recovery Plan, Grupo Libra made payment to its original creditors of these Obligations in the Acquisition of Investments owed by MLog. With the conclusion of this grant, the creditors originating from Grupo Libra became creditors of these Obligations.

The FIDC Atacado – Non-Standardized (“FIDC Atacado”), as transferee and procedural successor of Banco Santander, held 26.3% of total credits. In March 2020, the FIDC Atacado assigned all of its rights to Geribá Participações SPE-2 Ltda. (“Geribá”) and on 10/30/2020 it assigned these rights to Rio Alva Participações S.A. (“Rio Alva”).

On the latter date, the Company and its subsidiaries Asgaard and CNA entered into an agreement to pay this portion of the credit, which involved: (i) the payment of R$3,000 on the date of the Confession of Debt; (ii) the payment of two additional installments, due in 2021, already paid, totaling R$3,000, in addition to the payment of five CNA operating vessels. The ownership of the aforementioned vessels was transferred to Rio Alva in 2021, with legal actions still pending for the transfer of their effective properties.

The banks Bradesco (29.3%) and Itaú (36.5%) account for approximately 65% of total credits, with the remaining approximately 8% of the total belonging to various creditors who were originally debenture holders of Grupo Libra.

According to the Material Fact disclosed on September 22, 2021, the Company entered into an agreement with the banks Itaú and Bradesco that includes the extension and reduction of these amounts.

The total of these Investment Acquisition Obligations totaled R$70,512 as of December 31, 2021.

Current Assets and Liabilities

With most of its assets in the pre-operational stage, especially those related to the Morro do Pilar Project, MLog ended 2021 with a consolidated volume of current assets (R$43,877) lower than that of current liabilities (R$146,165).

This circumstance is mainly related to the short-term portion of the debt assumed with BNDES, in addition to the amounts payable for the acquisition of CNA (Obligations from Investments Acquisition).

The Company's ability to combine raising additional capital, extending current debt and/or executing its business plan, with a focus on cash generation from its shipping activities (including the announced transaction with BOM) and the of AFRMM in free cash is important so that your operational and pre-operational activities are not compromised.

These events and conditions indicate the existence of a material uncertainty that may raise significant doubt as to the Company's going concern. If the Company is unable to continue operating in the normal course of its business, then there may be impacts (i) on the realization of its assets, including, but not limited to, goodwill for expected future profitability and other intangible assets, and (ii) in compliance with certain obligations for the amounts recognized in its financial statements.

Consolidated Financial Information

Capital structure

Since 2016, when its assets were all in the pre-operating stage, the Company has been increasing its capacity to generate recurring operating results through the acquisition of CNA and the BOM Operation.

As until 2020 the Company did not have consolidated recurring generation of operating income and no relevant cash position, these movements were carried out with the assumption of future payment commitments.

The Company currently has total liabilities of R$461,612. This liability includes R$181,411 of government grants to be appropriated - AFRMM, which, although recognized in liabilities, do not represent a payment obligation by the Company. The existence of this value is related to the methodology for accounting for government subsidies, as determined by CPC 07.

The amount of the Company's total liabilities, excluding the amount of government grants to be appropriated - AFRMM, is R$280,201, equivalent to 21.81% of its total assets and 34.0% of its Shareholders' Equity.

Capital Markets and Corporate Governance

MLog is a publicly-held company, registered with the Securities and Exchange Commission (CVM).

The Company's Board of Directors, elected at the Annual Shareholders' Meeting held on June 30, 2021, is currently composed of four members, all with term of office until the next Annual Shareholders' Meeting, reelection being permitted. The current members of this Board are: Luiz Claudio Souza Alves, Chairman of the Board of Directors, Alvaro Piquet, Otavio Paiva and Elias Nigri.
On July 2, 2021, the Company's Board of Directors elected the Executive Board for a term to end after the Company's next Annual Shareholders' Meeting is held.

On January 31, 2022, Elias David Nigri left the Company's Board of Executive Officers, being elected to its Board of Directors.

On March, 31, 2002, Denise Oliveira de Albuquerque resigned from its position as Chief Legal and Compliance Officer.

The current Executive Board is composed of Gustavo Barbeito de Vasconcellos Lantimant Lacerda (Chief Executive and Investor Relations Officer), Luiz Claudio Souza Alves (Vice-President) and Antonio Frias Oliva Neto (CFO).

Arbitration Clause

The Company, its shareholders, managers and members of the Board of Directors undertake to resolve, through arbitration, any dispute or controversy that may arise between them, related to or arising, in particular, from the application, validity, effectiveness , interpretation, violation and its effects of the provisions contained in the Bylaws, in the shareholders' agreements filed at the Company's headquarters, in the Corporate Law, in the rules published by the National Monetary Council, the Central Bank of Brazil or CVM, in the regulations of CVM, in the BM&FBovespa regulations, in the other rules applicable to the functioning of the capital market in general, in the Arbitration Clauses and in the Arbitration Regulation of the Market Arbitration Chamber, conducted in accordance with the latter Regulation.

Capital Market and Corporate Governance

Independent Auditors

In compliance with CVM Instruction No. 381 of 2003, the Company informs that as of the first quarter of 2021, Deloitte Touche Tohmatsu Auditores Independentes provides external audit services for the Company related to the examination of its financial statements.

Rio de Janeiro, June 8, 2022.

The Administration

Relações com Investidores

Gustavo Barbeito

CIO/IR Officer

Contato

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

MLOG S.A.

Individual and Consolidated Financial Statements for the Year Ended December 31, 2021 and Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

Deloitte.

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INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the Management and Shareholders of
MLOG S.A.

Qualified opinion

We have audited the accompanying individual and consolidated financial statements of MLOG S.A. ("Company"), identified as Parent and Consolidated, respectively, which comprise the balance sheet as at December 31, 2021, and the related statements of profit and loss, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the "Basis for qualified opinion" section of our report, the individual and consolidated financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of MLOG S.A. as at December 31, 2021, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards - IFRSs issued by the International Accounting Standards Board - IASB.

Basis for qualified opinion

As described in note 1 to the individual and consolidated financial statements, in July 2019, the Company's Executive Board has entered into the Private Instrument of Termination relating to the acquisition of Mineração Marsil ("Marsil") (company that had been acquired in April 2018), assigning all shares issued by Marsil to Bocaiuva Participações S.A. (former controlling shareholder of Marsil) for the amount of R$50,000 thousand, which payment obligation was assumed by Maverick Holding S.A. ("Maverick"), the Company's controlling shareholder, maturing within up to 30 days and not subject to interest or inflation adjustment due to default, as set forth in said Instrument. However, the Company has been adding to the balance of these receivables fixed interest of 12% per year and the General Market Price Index (IGP-M) fluctuation, as set forth in its Bylaws for subscribed capital payment default events.

The Company filed a collection lawsuit to receive such balance of receivables from its controlling shareholder, without any success up to the date of approval of its financial statements. The analyses and information obtained from the Company's Executive Board, during the performance of our audit procedures on this transaction assume that these receivables, since their initial recognition, will be settled by the controlling shareholder using funds to be generated and made available by the Company itself to its shareholders, without presenting other evidence that demonstrate other form of realization, and do not present evidence of substance for the initial recognition of these receivables, which in our opinion represents a presumed distribution of funds to its controlling shareholder, as its realization depends on the Company generating funds to be distributed to its shareholders.

As at December 31, 2021, the Company recognizes the amount of R$98,359 thousand (R$73,348 thousand as at December 31, 2020), in non-current assets, relating to the balance of receivables from its controlling shareholder Maverick.

Consequently, as at December 31, 2021, the Company's assets and equity are overstated by R$98,359 thousand (R$73,348 thousand as at December 31, 2020) and loss for 2021 is understated by R$25,011 thousand (profit for 2020 overstated by R$19,819 thousand), arising from the adjustment criteria described above.

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("CFC"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Significant uncertainty over the continuity as a going concern

We draw attention to note 1 to the individual and consolidated financial statements, which states that the Company's and its subsidiaries' consolidated current liabilities exceeded consolidated total current assets by R$102,288 thousand (R$89,615 thousand as at December 31, 2020). Additionally, the financial information reflects accumulated losses of R$338,287 thousand (R$335,808 thousand as at December 31, 2020). These events or conditions, together with other matters described in note 1 to the individual and consolidated financial information, indicate the existence of material uncertainty that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the "Basis for qualified opinion" and "Significant uncertainty over the continuity as a going concern" sections of our report, we determined that the matter described below is a key audit matter to be reported in our report.

Recognition of revenue from vessel charter and cargo transportation

As described in note 21 to the individual and consolidated financial statements, the Company's and its subsidiaries' revenue derives mainly from revenue from vessel charter and cargo transportation.

The Company and its subsidiaries account for their revenue from vessel charter and cargo transportation (R$30,352 thousand in the Parent and R$126,792 thousand in the consolidated as at December 31, 2021) considering the contractual conditions negotiated between the Company and its customers and pursuant to the performance obligations of the services provided to the customers, as prescribed by technical pronouncement CPC 47/IFRS 15 - Revenue from Contracts with Customers.

As the recognition of revenue from vessel charter and cargo transportation involves judgment in determining the timing of recognition of revenue from services, considering assumptions such as shipping period and other, contractual conditions negotiated between the parties and the extent of consumption of the benefit from the services provided, and due to their materiality in the context of the individual and consolidated financial statements, we consider this matter a key audit matter.

How the matter was addressed in our audit

Our audit procedures included, but were not limited to: (i) understanding and assessing the internal control environment of the process for recognition of revenue from vessel charter and cargo transportation; (ii) testing, on a sample basis, through the analysis of the supporting documentation on the revenue from vessel charter and cargo transportation in the year ended December 31, 2021, considering their contractual specifications, evidence of the actual provision of the vessel charter and cargo transportation service and consumption of the benefit arising from the service; (iii) inspecting, on a sample basis, the financial settlement by the customers of the receivables recognized deriving from the provision of vessel charter and cargo transportation services in the year ended December 31, 2021; (iv) performing substantive tests, including analysis of the supporting documentation with respect to the measurement of the benefit of the service provided for the respective revenue recorded close to the end of the year ended December 31, 2021 (revenue cut-off); and (v) assessing the appropriateness of the disclosures in the individual and consolidated financial statements in conformity with technical pronouncement CPC 47/IFRS 15.

As a result of these audit procedures, we consider that the amounts recorded for revenue from vessel charter and cargo transportation are acceptable in the context of the individual and consolidated financial statements for the year ended December 31, 2021 taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added - DVA for the year ended December 31, 2021, prepared under the responsibility of the Company's Executive Board and disclosed as supplemental information for purposes of the IFRSs, were subject to audit procedures performed together with the audit of the Company's financial statements. In forming our opinion, we evaluated whether these statements of value added are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 -Statement of Value Added.

In our opinion, except for the effects of the matter described in the "Basis for qualified opinion" section of our report, these statements of value added were appropriately prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Audit of the individual and consolidated financial statements for the year ended December 31, 2020

The individual and consolidated financial statements for the year ended December 31, 2020 were audited by another independent auditor, who issued an unqualified audit report dated May 21, 2021.

Other information accompanying the individual and consolidated financial statements and the independent auditor's report

The Executive Board is responsible for the other information. The other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact.

As described in the "Basis for qualified opinion" section above, the Company recorded receivables from its controlling shareholder and, in our understanding, the receivables recognition requirements were not fully complied with. Such receivables recognition materially affected the presentation of the Company's individual and consolidated financial statements. We concluded that the other information are materially misstated for the same reason in relation to the amounts and other aspects described in the "Basis for qualified opinion" section.

Responsibilities of the Executive Board and those charged with governance for the individual and consolidated financial statements

The Executive Board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and IFRSs issued by the IASB, and for such internal control as the Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the Executive Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Board either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board.

- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The accompanying individual and consolidated financial statements have been translated into English for the convenience of readers outside Brazil.

Rio de Janeiro, June 7, 2022

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Diego Wailer da Silva
Engagement Partner

2022RJ015724

MLog S.A.
Balance sheets as at December 31, 2021 and December 31, 2020
(In thousands of Brazilian reais – R$)

		Parent company		Consolidated	
		2021	2020	2021	2020
Assets	**Note**				
Current assets					
Cash and cash equivalents	**4**	18	12	1,410	14,848
AFRMM deposits in escrow account	**5**	-	-	-	2,476
Trade accounts receivable	**6**	6,287	-	20,326	5,838
Advances to suppliers		832	1,716	3,481	2,024
AFRMM to be released	**5**	-	-	9,726	8,075
Inventories		-	-	368	287
Recoverable income tax and social contribution	**7**	1,313	16	3,529	1,492
Other recoverable taxes	**7**	-	-	1,036	873
Prepaid expenses		277	274	986	856
Other receivables		30	17	3,015	3,557
Total current assets		**8,757**	**2,035**	**43,877**	**40,326**
Non-current assets					
Advances for future capital increase	**8**	401	84	-	-
Judicial deposits		25	483	89	620
Related parties	**13**	99,271	73,618	99,671	74,542
Judicial blocks		1	2	103	2
Other recoverable taxes	**7**	-	-	5,512	4,967
Deferred taxes		-	-	170	-
Rights in the business transaction	**16**	-	-	933	2,990
Investments	**8**	918,180	944,897	-	-
Property, plant and equipment	**9**	127,320	116,096	298,837	309,363
Right of use	**10**	-	-	25,511	-
Intangible assets	**11**	-	-	810,306	806,330
Total non-current assets		**1,145,198**	**1,135,180**	**1,241,132**	**1,198,814**
Total assets		**1,153,955**	**1,137,215**	**1,285,009**	**1,239,140**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MLog S.A.
Balance sheets as at December 31, 2021 and December 31, 2020
(In thousands of Brazilian reais – R$)

		Parent company		Consolidated	
		2021	2020	2021	2020
Liabilities	**Note**				
Current liabilities					
Trade accounts payable	**14**	436	311	16,874	5,767
Loans and financing	**15**	42,175	23,828	47,434	32,558
Salaries and related taxes		320	37	5,415	2,835
Leases payable	**10**	-	-	10,662	-
Related parties	**13**	39,579	-	39,579	-
Income tax and social contribution payable		319	287	2,081	4,359
Other taxes payable		1,599	-	5,552	-
Deferred taxes	**12**	888	1,496	888	2,992
Provisions	**19**	1,033	1,866	2,675	3,508
Payables for acquisition of investments	**16**	11,627	73,792	11,627	75,292
Other		6,616	246	3,378	2,630
Total current liabilities		**104,592**	**101,863**	**146,165**	**129,941**
Non-current liabilities					
Loans and financing	**15**	23,780	56,593	32,194	67,883
Leases payable	**10**	-	-	15,354	-
Related parties	**13**	133,561	126,945	11,253	4,135
Provision for negative equity	**8**	1,643	1,644	-	-
Deferred taxes	**12**	4,864	-	4,864	135
Unearned government subsidies - AFRMM	**5**	-	-	181,411	178,067
Payables for acquisition of investments	**16**	58,885	24,300	58,885	24,300
Provisions	**19**	3,239	-	5,611	2,928
Other		-	-	5,875	5,875
Total non-current liabilities		**225,972**	**209,482**	**315,447**	**283,323**
Equity	**20**				
Capital		1,161,678	1,161,678	1,161,678	1,161,678
Accumulated losses		(338,287)	(335,808)	(338,287)	(335,808)
Equity attributable to controlling shareholders		**823,391**	**825,870**	**823,391**	**825,870**
Non-controlling interests		-	-	6	6
Total equity		**823,391**	**825,870**	**823,397**	**825,876**
Total liabilities and equity		**1,153,955**	**1,137,215**	**1,285,009**	**1,239,140**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MLog S.A.

Statements of profit and loss
Year ended December 31, 2021 and 2020
(In thousands of Brazilian reais – R$, except loss per share expressed in Brazilian reais – R$)

		Parent company		Consolidated	
		2021	2020	2021	2020
	Note				
Net service revenue	**21**	27,544	-	109,806	68,319
Cost of services	**21**	(8,322)	-	(103,875)	(66,287)
Gross profit		**19,222**	**-**	**5,931**	**2,032**
Operating expenses					
Personnel	**27**	(7,179)	(3,248)	(16,736)	(16,843)
Services rendered		(3,633)	(3,295)	(4,322)	(4,069)
General and administrative		(1,265)	(911)	(5,715)	(4,524)
Depreciation and amortization		(113)	(304)	(403)	(414)
Tax		(1,422)	(1,402)	(2,348)	(1,822)
Other operating income (expenses)					
Share of loss (profit) of subsidiaries	**8**	(30,735)	38,065	-	-
Government subsidies - AFRMM	**5**	-	-	11,958	45,634
Impairment	**9**	-	-	(8,142)	-
Other operating income	**28**	24,221	8,059	18,316	20,195
		(20,126)	**36,964**	**(7,392)**	**38,157**
Operating loss (income) before finance financial income (expenses)		**(904)**	**36,964**	**(1,461)**	**40,189**
Financial income (expenses)					
Financial income	**22**	25,657	19,846	26,491	20,716
Financial expenses	**23**	(22,976)	(13,948)	(25,035)	(16,241)
		2,681	**5,898**	**1,456**	**4,475**
Income (loss) before income tax and social contribution		**1,777**	**42,862**	**(5)**	**44,664**
Income tax and social contribution					
Current		-	-	(21)	(467)
Deferred		(4,256)	(1,496)	(2,453)	(2,831)
Profit (loss) for the year		**(2,479)**	**41,366**	**(2,479)**	**41,366**
Earnings (loss) per share (basic and diluted)	**20**	**(0.85)**	**14.27**		

The accompanying notes are an integral part of these individual and consolidated financial statements.

MLog S.A.

Statements of comprehensive income
Year ended December 31, 2021 and 2020
(In thousands of Brazilian reais – R$, unless otherwise stated)

	Parent company		Consolidated	
	2021	2020	2021	2020
Profit (loss) for the year	**(2,479)**	**41,366**	**(2,479)**	**41,366**
Comprehensive income for the year	**(2,479)**	**41,366**	**(2,479)**	**41,366**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MLog S.A.
Statements of changes in equity
Year ended December 31, 2021 and 2020
(In thousands of Brazilian reais – R$, unless otherwise stated)

	Capital							
	Subscribed	Unpaid	Capital reserve	(-) Borrowing costs	Share-based compensation reserve	Accumulated losses	Noncontrolling interests	Total
Note	**20**	**20**		**20**	**13**			
At December 31, 2019	**1,276,193**	**(85,262)**	**7,211**	**(36,464)**	**25,308**	**(402,482)**	**6**	**784,510**
Transfer of share-based compensation reserve	-	-	-	-	(25,308)	25,308	-	-
Profit for the year	-	-	-	-	-	41,366	-	41,366
At December 31, 2020	**1,276,193**	**(85,262)**	**7,211**	**(36,464)**	**-**	**(335,808)**	**6**	**825,876**
Loss for the year	-	-	-	-	-	(2,479)	-	(2,479)
At December 31, 2021	**1,276,193**	**(85,262)**	**7,211**	**(36,464)**	**-**	**(338,287)**	**6**	**823,397**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MLog S.A.

Statements of cash flows

Year ended December 31, 2021 and 2020

(In thousands of Brazilian reais – R$, unless otherwise stated)

	Note	Parent company 2021	Parent company 2020	Consolidated 2021	Consolidated 2020
Cash flows from operating activities					
Profit (loss) for the year		(2,479)	41,366	(2,479)	41,366
Adjustments to reconcile profit (loss) for the year to cash from operating activities					
Depreciation and amortization	21	8,435	304	22,528	12,413
Amortization of chartered vessels		-	-	729	-
Write-off of property, plant and equipment and intangible assets	9	4	22	12,564	1,422
Impairment	9	-	-	8,142	-
Government subsidies - AFRMM	5	-	-	(11,958)	(9,200)
Interest on chartered ships	10	-	-	309	-
Interest payable		13,474	12,383	15,396	13,943
Interest receivable	13	(25,011)	(19,818)	(25,011)	(19,818)
Adjustment to contingent consideration	16	42	7,196	42	7,196
Exchange rate changes		4,542	-	4,030	121
Share of profit (loss) of subsidiaries	8	30,735	(38,065)	-	-
Debt forgiveness	16	(26,997)	(12,572)	(26,997)	(25,144)
Gain from court settlements		-	(2,969)	-	(5,178)
Deferred taxes		4,256	1,496	2,453	2,831
Changes in assets and liabilities					
Income tax and social contribution on profit paid		(1,296)	-	(1,296)	-
Recoverable income tax, contributions and other taxes		(1)	1,557	(1,326)	2,077
Inventories		-	-	(81)	141
Prepaid expenses		(3)	(171)	(130)	(162)
Other receivables		(13)	3	529	(1,899)
Trade accounts receivable		(1,519)	-	(14,488)	677
Judicial deposits		458	(483)	409	427
Judicial blocks		2	-	22	-
Advances to suppliers		883	(1,616)	(1,458)	(1,798)
AFRMM		-	-	19,148	46,704
Trade accounts payable		126	123	10,874	(1,307)
Salaries and related taxes		283	(1,582)	2,580	(1,137)
Income tax, contributions and other taxes payable		1,630	(730)	3,228	700
Interest on loans with related parties		2,207	(590)	586	(82)
Interest on bank loans paid		-	-	(1,922)	(1,129)
Advances from customers		-	-	-	(1,238)
Other payables		(99)	(1,622)	413	(3,808)
Provisions		2,405	-	6,441	207
Cash and cash equivalent, net generated by (used in) operating activities		**12,064**	**(15,768)**	**23,277**	**58,325**
Cash flows from investing activities					
Advances for future capital increase		(4,336)	(84)	-	-
Acquisition of property, plant and equipment		(1,509)	(35)	(35,782)	(42,733)
Additions to intangible assets		-	(7,692)	(3,796)	(7,789)
Cash and cash equivalent, net used in investing activities		**(5,845)**	**(7,811)**	**(39,578)**	**(50,522)**
Cash flows from financing activities					
Payment of loans and financing		(23,785)	-	(31,925)	(8,671)
Debt amortization in the acquisition of investments		(9,152)	(1,500)	(10,652)	(3,000)
Proceeds from new loans		-	-	1,793	15,315
Loans to related parties		(66,722)	(1,075)	(31,341)	(14)
Loans from related parties		93,446	26,148	74,988	1,834
Cash and cash equivalents, net generated by (used in) financing activities		**(6,213)**	**23,573**	**2,863**	**5,464**
Increase (decrease) in cash and cash equivalents		**6**	**(6)**	**(13,438)**	**13,267**
Cash and cash equivalents at the beginning of the year		**12**	**18**	**14,848**	**1,581**
Cash and cash equivalents at the end of the year		**18**	**12**	**1,410**	**14,848**

The accompanying notes are an integral part of these individual and consolidated financial statements.

MLog
Statements of value added
Year ended December 31, 2021 and 2020
(In thousands of Brazilian reais R$, unless otherwise stated)

		Parent company		Consolidated	
	Note	**2021**	**2020**	**2021**	**2020**
Operating income					
Services	21	30,352	-	126,792	81,352
Inputs acquired from third parties					
Cost of services		(8,322)	-	(69,312)	(44,274)
General and administrative expenses		(4,414)	(4,125)	(9,186)	(7,117)
Other income (expenses)					
Government subsidies - AFRMM	5	-	-	11,958	45,634
Impairment	9	-	-	(8,142)	-
Other income	27	24,221	8,059	18,316	19,348
Depreciation and amortization		(113)	(304)	(403)	(414)
Added value received in transfer					
Financial income (expenses), net	22 e 23	2,681	5,898	1,456	4,475
Share of profit (loss) of subsidiaries	8	(30,735)	38,065	-	-
Total added value for distribution		**13,670**	**47,593**	**71,479**	**99,004**
Distribution of added value					
Salaries and wages		1,245	81	19,869	15,791
Management fees		3,878	2,149	4,277	9,070
Benefits		796	553	16,987	6,849
Severance Pay Fund (FGTS)		158	6	2,476	1,647
		6,077	**2,789**	**43,609**	**33,357**
Tax					
Federal		9,573	3,300	23,365	23,398
State		-	-	5,577	14
Municipal		16	18	534	132
Lenders and lessors					
Rentals		483	120	873	737
Profit (loss) for the attributable year		(2,479)	41,366	(2,479)	41,366
		13,670	**47,593**	**71,479**	**99,004**

The accompanying notes are an integral part of these individual and consolidated financial statements.

Notes to the individual and consolidated financial statements
(In thousands of Brazilian reais – R$, unless otherwise stated)

1. General information

MLog S.A. ("Company") has full control of the companies Morro do Pilar Minerais S.A. ("MOPI"), Companhia de Desenvolvimento do Norte Capixaba ("CDNC"), Dutovias do Brasil S.A. ("Dutovias"), Asgaard Navegação S.A. ("Asgaard"). MLOG also has an indirect stake in Companhia de Navegação da Amazônia - CNA ("CNA") through its subsidiary Asgaard and indirect stake (20%) in Bourbon Offshore Marítima S.A. ("BOM) through CNA.

The subsidiary CDNC is dormant and owns a land in the municipality of Linhares, in Espírito Santo State. The subsidiaries MOPI and Dutovias operate in the mining segments. The subsidiaries Asgaard and CNA operate in the shipping segment by chartering and operating offshore support vessels for the oil and gas industry, in the case of Asgaard, while CNA operates in the inland transport of liquid bulk (crude oil, its derivatives and biofuels).

Shipping

According to the Material Fact of February 19, 2020, the Company entered into a binding commitment with BOM and its parent company involving: (i) the increase in Asgaard's current fleet through the acquisition of 3 (three) Brazilian AHTS vessels owned by BOM, (ii) the use of credits from the Freight Additional for Renewal of the Merchant Marine ("AFRMM") and (iii) a partnership for the operation of Brazilian and foreign offshore support vessels of the Bourbon group and the MLog group in Brazil, through Asgaard's conversion in the operating platform of the groups, which started to be jointly controlled by both.

The full implementation of this operation includes steps already completed up to December 31, 2020, such as the acquisition of the 20% stake in BOM by CNA, the use and conversion into cash of AFRMM, the acquisition and assumption of debt with the BNDES of these 3 AHTSs vessels by MLog, carried out on December 30, 2020, as per Note 8.

Certain future steps already provided for in a contract still need to be taken, such as the inclusion of Bourbon in Asgaard's capital and the completion of the transfer of employees from Bourbon to Asgaard, but since December 30, 2020 those steps no longer require third party approval or have any conditions, as described at Note 8. On January 1, 2022 the transfer of BOM to Asgaard, of the AHTS Haroldo Ramos contract was completed. As disclosed in Note 28, on February 21, 2022, the last step of the operation between Bourbon and MLog was finished, establishing that Bourbon holds 50% stake in Asgaard.

Asgaard is the operator of the OSRV (Oil Spill Recovery Vessel) vessel Asgaard Sophia ("Sophia"), chartered to Petrobras since 2016. Sophia's current contract, signed in 2017, expired in June 2021, after extension. On April 30, 2021, Asgaard signed a new contract with Petrobras to operate the Sophia for 3 years, which term is renewable and started in third quarter of 2021.

Also in 2021, Asgaard signed contracts for the operation of the AHTS (Anchor Handling Tug Supply Vessel) vessels Geonísio Barroso and Yvan Barreto, purchased by MLog from BOM in 2020. The operating contract of Geonísio Barroso started to be effective in the third quarter of 2021, whereas the contract of Yvan Barreto will start to be effective in the fourth quarter of 2021. These contracts have an approximate term of 3.5 years each, which term is renewable.

The contract of AHTS vessel Haroldo Ramos, transferred from BOM to Asgaard on January 1, 2022 have a remaining term of 14 months, which term is renewable.

On December 16, 2021 chartered WSSV (Well Stimulation Supply Vessel) Stim Star Arabian Gulf started to be operated for Petrobras, jointly between Asgaard and Halliburton (which will be responsible for operating the vessel stimulation plant).

In August 2021, a contract was entered into with Petrobras for the operation of a MPSV/ROV (ROV Support Vessel) denominated Bourbon Evolution 808 for a minimum three-year term. The contract is expected to begin in the first half of 2022.

Below a table of all vessels on December 31, 2021:

Vessels	Owner/lessor	Lessee
Asgaard Sophia	Cia. de Navegação da Amazônia	Asgaard Navegação S.A.
Stim Star Arabian Gulf	Halliburton Energy Services, Inc	Asgaard Navegação S.A.
Yvan Barreto	MLog S.A.	Asgaard Navegação S.A.
Geonísio Barroso	MLog S.A.	Asgaard Navegação S.A.
Haroldo Ramos	MLog S.A.	Bourbon Offshore Marítima S.A.

CNA operates in the inland transport of oil, fuels and oil derivatives in the northern region of the country. Acquired in 2016, CNA has been implementing its business plan that includes the search for growth opportunities for its activities and complementary activities, especially in the North and Northeast regions of the country. On January 10, 2022, Law 14.301/22 was approved establishing the Coastal Transportation Development Program which, among other measures, ensures the maintenance of AFRMM rates for CNA for another six years.

As for the iron ore extraction project called "Morro do Pilar", the Company carried out the studies and complied with the conditions of the Preliminary License necessary for the filing of the application for the Operating License. The Operating License application was filed with government agencies in the third quarter of 2019, as per Note 18. The Company has been making efforts to raise the necessary funds for the development of the project.

Capital Increase in Morro do Pilar

At the Extraordinary General Meeting held on 12/18/2020, the capital increase made by the Company in its subsidiary MOPI was approved, through the contribution of certain assets related to the mining right intangibles, whose net value on that date totaled R$267,447, supported by an appraisal report, based on the book values, issued by a specialized company.

	Transaction base date 10/31/2020	Asset and liability changes	Effective date of the transaction 12/18/2020
ASSETS			
PP&E	1,121	(17)	1,104
Intangible assets	267,729	(51)	267,678
TOTAL	**268,850**	**(68)**	**268,782**
LIABILITIES			
Current liabilities	1,403	(257)	1,146
TOTAL NET ASSETS	**267,447**	**189**	**267,636**

Capital Reduction in CNA

At the Extraordinary General Meeting held on March 1, 2021, the capital reduction of CNA was approved, through the contribution of five vessels and their respective unrecognized AFRMM balances, in addition to the cash balance, to a new entity called Newco Participações Ltda. The net amount at that date is R$1, supported by an appraisal report, based on book values, issued by a specialized company. This capital reduction is related to the transaction described in Note 16.

	Transaction base date 12/31/2020	Asset and liability changes	Effective date of the transaction 03/01/2021
ASSETS			
Cash	1	-	1
PP&E	3,235	(91)	3,144
TOTAL	**3,236**	**(91)**	**3,145**
LIABILITIES			
Non-current liabilities (AFRMM)	3,235	(91)	3,144
TOTAL NET ASSETS	**1**	**-**	**1**

Acquisition of Marsil / Debt assumption / Judicial foreclosure

In April 2018, the Company acquired all the shares issued by Mineração Marsil Eireli (“Marsil”), which was controlled by the Bocaiuva Group.

In the acquisition of Marsil, the Bocaiuva Group assumed contractually before MLog the responsibility not only for the payment of all the bank loans of the acquiree, but also for other liabilities of different nature existing at Marsil until the date of its acquisition. The acquisition price recognized at fair value, including a contingent consideration installment, was R$50,000 paid in cash.

In the Private Instrument of Assignment and Definitive Transfer of Shares signed between MLog and Bocaiuva, Bocaiuva was responsible for all of Marsil's debts, as well as for any and all contingencies, either accounted for or not, whose taxable event is prior to the date of acquisition.

On 06/19/2019 due to Bocaiuva's contractual breaches, MLog filed a request for conduction of arbitration proceeding against Bocaiuva before the Market Arbitration Chamber in order to terminate the Marsil Acquisition Agreement.

On 07/16/2019, the Company's Management signed the Private Instrument of Termination with Bocaiuva, which terminates the obligations assumed in the Marsil Acquisition Agreement. This instrument assigns all of Marsil's shares to Bocaiuva for R$50,000. With this Termination, the Company ceased to consolidate Marsil and, consequently, the balances related to the Business Combination - acquisition of Marsil, were fully written off, which includes the amounts of Rights in the business transaction and Bank loans.

The Private Instrument of Termination also includes, among other clauses, (i) assumption of the obligation to pay Bocaiuva's R$50,000 to MLog by shareholder Maverick Holding S.A. (“Maverick Holding”) and (ii) the withdrawal of Bocaiuva Group from the shareholding structure and MLog's indirect controlling group.

After the conclusion of the transaction, Maverick Holding requested the Company to call an Extraordinary General Meeting to approve the possibility of replacing the credit commitment assumed in the amount of R$50,000, adjusted by compensatory interest equivalent to IGPM plus 12% per year, for the Maverick Holding's commitment to pay to the Company an amount corresponding to 11.39% of the net amount to be received by the Company in the event of a total or partial sale of the Morro do Pilar Project. The adjusted amount of the obligation assumed by Maverick Holding is shown in Note 13.

This Meeting was adjourned as requested by a noncontrolling shareholder holding more than 5% of the shares of MLog. The Company is waiting for the progress of the discussions on the matter to take the necessary measures to execute the aforementioned credit and / or its conversion into an alternative instrument, in case the Company's Meeting so determines, as commented in Note 17.

2. Basis of preparation and presentation of the financial statements

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board ("IASB"), and also in accordance with Brazilian accounting standards, which comprise (i) the corporate law, (ii) the Pronouncements, guidelines and Interpretations, issued by the Accounting Pronouncements Committee (CPC), and (iii) the standards issued by the Brazilian Securities and Exchange Commission (CVM).

The Company's individual financial statements have been prepared in accordance with accounting practices adopted in Brazil.

These individual and consolidated financial statements have been prepared based on historical cost, except for certain financial assets and liabilities measured at fair value through profit or loss and measured under the equity method, as described in the accounting practices.

The individual and consolidated financial statements are presented in Reais (R$), which is currency of the economic and environment where the company operates (functional currency).

Management discloses all relevant information reported in the individual and consolidated financial statements, and only this information, is being disclosed, and corresponds to the information used by Management to manage the Company.

Management authorized the disclosure of these individual and consolidated financial statements on June 7, 2022.

2.1 Basis of consolidation and corporate investments

a. Business combination

Business combinations are accounted for using the acquisition method when the set of activities and assets acquired meet the definition of business and control is transferred to the Company. When determining whether a set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at least, an input and substantive process which together significantly contribute to the capacity of generating output.

The Company has the option of applying a "concentration test" which allows a simplified assessment of whether a set of assets and activities acquired is not a business. The optional concentration test is met if substantially the total fair value of the gross assets acquired is concentrated on a single identifiable asset or group of similar identifiable assets.

b. Consolidation

The consolidated financial statements, which include the information of the Company, its subsidiaries and its joint venture, have been prepared using the same reporting period as at December 31 and consistent accounting practices and, when necessary, adjustments are made to the financial statements of these investees to ensure compliance with the accounting policies adopted by the Company.

All intragroup transactions, balances, income and expenses are fully eliminated in the consolidated financial statements.

The equity interests included in the consolidation process are:

Investments	**Equity interests - 12/31/2021**	**Equity interests - 12/31/2020**
Cia de Desenvolvimento do Norte Capixaba	100%	100%
Morro do Pilar Minerais S.A.	100%	100%
Asgaard Navegação S.A.	100%	100%
Dutovias do Brasil S.A.	100%	100%

The Company holds the following indirect interests through subsidiary Asgaard:

Investments	**Equity interests - 12/31/2021**	**Equity interests - 12/31/2020**
Cia de Navegação do Amazonas	100%	100%

The Company holds the following indirect interests through indirect subsidiary CNA:

Investments	**Equity interests - 12/31/2021**	**Equity interests - 12/31/2020**
Bourbon Offshore Maritima S.A.	20%	20%

c. Subsidiaries

Subsidiaries are consolidated from the date control is obtained until the date on which control ceases to exist.

The Company controls the investee when it is exposed or is entitled to variable returns arising from its interest in the investee and has the ability to affect these returns through its power over the investee.

In the Parent's individual financial statements, the financial information on the subsidiaries is recognized under the equity method of accounting.

d. Joint business

Joint business corresponds to the business where two or more parties holds joint control as set forth in an agreement, which can be either a joint operation or joint venture, depending on the parties' rights and obligations.

In a joint operation, the parties have rights on the assets and obligations on the liabilities related to the business, whereas in a joint venture, the parties have rights on the net assets of the business.

The Company recognizes its interest in the income, expenses, assets and liabilities held in the joint operation in the consolidated financial statements. In the individual financial statements, the joint operation, comprised of a vehicle entity with own legal identity, is recognized under the equity method of accounting.

In the individual and consolidated financial statements, investments in joint ventures are recognized under the equity method of accounting.

e. Associate

Associate is the entity over which the Company has significant influence, defined as the power to participate in the decisions on the financial and operating policies of an investee, but without individual or joint control over these policies.

In the individual and consolidated financial statements, investments in associates are accounted for under the equity method of accounting.

f. COVID-19 Impacts

During the operations for year ended December 31, 2021, the results were achieved within Management's expectations, with no permanent and material adverse impacts directly related to the pandemic that would require adjustments or disclosures in these financial statements.

Management continues to monitor the evolution of the pandemic, both globally and locally, and its potential effects on the Company's operations.

Since March 2020, the Company has adopted a series of measures aimed at reducing operational risk and ensuring the safety of its employees, such as:

- Quarantine and testing of operational employees;

- Adoption of Home Office for administrative and operational activities (where possible);

- Suspension of non-essential trips.

As the effects of the pandemic affected the regions where the Company's operations take place, the Company faced cost increases and some operational difficulties mainly related mainly to the workforce. Management has adopted contingency and preventive measures, but without the need to suspend operations.

The Company identified the main economic events to which it would be exposed, and which could impact the financial statements. The summary of these events is presented below:

- Impairment. The Company assessed the circumstances that could indicate the impairment of its nonfinancial assets and concluded that there were no changes in circumstances that would indicate an impairment loss in the Parent or direct investees. There is an allowance for impairment at CNA, the Company's indirect subsidiary. As the pandemic is still ongoing, the financial impact resulting from COVID-19 on the Company's cash-generating units ("CGUs"), estimated at approximately R$325 in revenue losses, arising from resilience measures ("daily rate adjustments") agreed with Petrobras and downtime for suspected cases of COVID-19; and approximately R$5,911 in losses limited to the increase in certain costs and expenses for measures to prevent COVID-19 (amounts not reviewed by the independent auditor). It should be noted, however, that despite the mentioned adverse impacts, the Company positively benefited from the appreciation of the US dollar, which is responsible for the compensatory effect on our revenues in the year ended December 31, 2021. Therefore, the main long-term assumptions applied in the preparation of the cash flow model remain unchanged for purposes of testing noncurrent assets for impairment.

- Liquidity - In year ended December, 31, 2021, the Company reduced its cash position, maintaining, however, a balance in cash and cash equivalents for the payment of its current operational obligations. However, as described below, in the going concern section, the Company maintained negative working capital position.

- Fair value of other assets and liabilities - Currently, the effects of the pandemic did not have a significant impact on the fair value of the Company's assets and liabilities.

The provisions matrix used to recognize expected credit losses on trade accounts receivable was revised by Management, taking into account the potential prospective effects of an increase in the default risk of our customers. No relevant effects have been identified in the current quarter.

The Company has been negotiating with its suppliers, in order to adjust the prices of equipment and services contracts to the current situation. These negotiations, when ended, may have an impact on contracts with suppliers.

Since the beginning of the pandemic its effects were considered uncertain by the Company, making it impossible to predict the final impact it could have on the Brazilian economy and, in turn, on the Company's business. Even though the country is still observing a high volume of new cases and death toll due to COVID-19, the economy overcame the worst scenario and has been showing gradual improvement. Management has been adopting all measures necessary to protect its workforce and continue to operate as a going concern. Management will disclose to its shareholders the Material Facts that can unfold as new events arise.

Continuity as a Going Concern

The financial statements have been prepared based on the continuity as a going concern, which assumes that the Company will be able to meet its payment obligations arising from bank loans and payables for the acquisition of investments, according to the terms disclosed in Notes 15 and 16, respectively.

According to the financial statements, the parent company's balance sheet on that date reflects current liabilities in excess of current assets by R$95,385 (R$99,828 in 2020) and the consolidated balance sheet on that date reflects consolidated current liabilities in excess of total consolidated assets by R$102,288 (R$89,615 in 2020). Additionally, the financial statements reflect accumulated losses of R$338,287 (R$335,808 as at December 31, 2020).

This situation of liquidity and accumulated losses reflects the fact that a significant part of the Company's assets is in a pre-operational stage, especially those related to the Morro do Pilar Project, in addition to short-term commitments related to the amounts payable for the acquisition of CNA (Payables for the Acquisition of Investments) as described in Note 16, class dockage for assets to support offshore shipping, and the costs attributable to COVID prevention measures, in higher volume than expected, in addition to the short-term portion of its bank debt.

As disclosed in Note 16, in the third quarter of 2021, the Company negotiated with its main creditors the amounts to be paid for the acquisition of CNA, resulting in a rescheduling of the liabilities. This financial strategy of the Company, the execution of its business plan with a focus on cash generation from its shipping activities (after BOM operation) combined with the conversion of AFRMM into free cash, and alternatives being evaluated by the Management to raise additional capital are fundamental measures so that its operating and pre-operating activities are not compromised.

These events and conditions described above indicate the existence of material uncertainty that may raise significant doubt as to the Company's continuity as a going concern. If the Company is not successful in the measures described above and, consequently, it is not able to continue operating in the normal course of its business, there may be impacts: (i) on the realization of its assets, including, but not limited to, goodwill on expected future earnings and other intangible assets, and (ii) on the compliance with certain financial liabilities at the amounts recognized in the financial statements.

3. Summary of significant accounting practices

The significant accounting practices used by the Company in the individual and consolidated financial statements are as follows:

a. Financial instruments

CPC 48 establishes, among others, new requirements for: classification and measurement of financial assets, measurement and recognition of impairment of financial assets, modifications in the terms of financial assets and liabilities, and disclosure.

Currently, the Company does not carry out hedge, swap or any other transactions involving derivative financial instruments.

(i) Classification and measurement of financial assets

CPC 48 establishes three categories for classification of financial assets: measured at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. Classification is based on the characteristics of the contractual cash flows and on the business model to manage the asset.

Financial assets and financial liabilities are recognized when the Company becomes a party to the underlying contract.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities - except for financial assets and financial liabilities recognized at fair value through profit or loss - are added to or deducted from the fair value of the financial assets or financial liabilities, if applicable, after initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial assets

Financial assets are generally classified as subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss based either on the entity's business model to manage financial assets and the contractual cash flow characteristics of the financial asset.

The classification depends on the purpose of the financial assets and is determined upon initial recognition. All regular way purchases or sales of financial assets are recognized or derecognized on the trade date. Income is recognized on an effective interest basis for instruments not characterized as financial assets at fair value through profit or loss.

(ii) Amortized cost

Financial asset (debt instrument) which contractual cash flow results solely from the payment of principal and interest on principal on specified dates and, which business model is designed to maintain the asset for the purpose of receiving its contractual cash flows.

(iii) Fair value through other comprehensive income

Financial asset (financial debt instrument) whose contractual cash flows result only from the receipt of principal and interest on principal on specific dates and whose business model aims both at collecting contractual cash flows from the asset and its sale, as well as investments in equity instruments not held for trading nor contingent consideration, which on initial recognition, the Company irrevocably elected for presenting subsequent changes in the fair value of the investment in other comprehensive income.

(iv) Financial assets at fair value through profit or loss

Assets held for trading are classified in this category. These financial assets are stated at fair value, and any resulting gains or losses are recognized in profit or loss. A financial asset is classified as held for trading if: (a) it is acquired mainly for being sold in the short term; (b) on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or (c) it is a derivative that has not been designated as an effective hedge instrument.

Financial liabilities

Financial liabilities are recognized when the entity becomes a party to the underlying contract and initially measured at fair value. If it is not classified as measured at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance reduce or increase this amount.

(v) Modification of the contractual cash flow of financial liabilities

CPC 48 establishes that the book balances of financial liabilities measured at amortized cost, which contractual terms were not substantially modified, must reflect the present value of their cash flows under the new terms, using the original effective interest rate. The difference between the book balance of the instrument remeasured at the time of the non-substantial modification of its terms and its book balance immediately before such modification, must be recognized as a gain or loss in profit or loss for the year.

(vi) Expected credit losses

The Company measures expected credit losses, taking into consideration all possible loss events over the life of its receivables, such as: the history of customers, financial condition and possible default indicators to estimate expected credit losses.

The probability of default is an important data for measuring expected credit losses, which is an estimate of the probability of default during a specific period of time, which considers historical data, assumptions and expected future conditions, therefore containing a certain level of uncertainty.

b. Cash equivalents

The Company considers as cash equivalent any short-term investment immediately convertible into a known amount of cash and subject to an insignificant risk of change in value. An investment is normally qualified as a short-term security when it has a short-term maturity of, for example, three months or less counted from the acquisition date.

c. Investments in subsidiaries

Investments in subsidiaries are accounted for under the equity method in the Parent's individual financial statements and eliminated for purposes of preparation of the consolidated financial statements.

d. Property, plant and equipment

Property, plant and equipment are stated at acquisition cost, less accumulated depreciation and impairment losses, when applicable. When significant parts of a property, plant and equipment item have different useful lives, such parts are recognized as separate (key components) property, plant and equipment items.

Any gains and losses on disposal of an item of property, plant and equipment are recognized in profit or loss. Subsequent costs are capitalized only when it is probable that the Company will earn future economic benefits associated to such costs.

Depreciation is calculated to amortize the cost of property, plant and equipment items, net of their estimated residual values, using the straight-line method based on the estimated useful life of the items. Depreciation is recognized in profit or loss. Land is not depreciated.
The estimated useful lives of property, plant and equipment items are disclosed in note 9.

The depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted if necessary.

e. Intangible assets

Intangible assets comprise mainly mining rights, exploration costs and assessment of mineral resources and obtainment of licenses and are stated at acquisition cost less, when applicable, accumulated amortization and impairment.

Exploration costs and assessment of mineral resources and obtainment of licenses are capitalized only if the future economic benefits are probable and the Company has the intention to complete development and use or sell the asset.

Other intangible assets acquired by the Company and with finite useful lives are stated at cost, less accumulated amortization and accumulated impairment losses.

Subsequent expenditures are capitalized only when they increase the future economic benefit embodied in the specific asset to which they relate. All other costs are recognized in profit or loss when incurred.

Amortization is calculated using the straight-line method based on the estimated useful life of the items, net of their estimated residual values. Amortization is recognized in profit or loss. Goodwill is not amortized.

The estimated useful lives of intangible assets are disclosed in note 10.

The depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted if necessary.

f. Impairment of assets

The carrying amount of assets are, for impairment purposes, annually reviewed or whenever there is indication of potential impairment.

Assets with indefinite useful lives, such as goodwill, are not subject to amortization and are annually tested for impairment. Assets subject to amortization and/or depreciation, such as property, plant and equipment, are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognized at the amount by which an asset's carrying amount exceeds its recoverable amount. The latter is the higher of an asset's fair value less costs to sell and its value in use. For impairment testing purposes, assets are grouped at their lowest levels for which there are separately identifiable cash flows (cash-generating units, or CGUs).

	Mining	**Shipping**
Measurement of recoverable value	Discounted cash flow	Discounted cash flow or assessment or assets, as the case may be
Cash flow projection	Entire useful life of the asset	Entire expected useful life for each asset
Gross margin	Based on technical studies, market data and expectation of the internal operating team involved	Adjustment of the gross margin based on budget, history of business and market trend

	Mining	Shipping
Costs	Based on technical studies and market data	Based on budget, history of business and market trend
Growth rate in perpetuity	No perpetuity	No growth
Discount rate	The discount rate was based on the weighted average cost of capital ("WACC") in dollars that reflects the specific risk and leverage structure of the segment, being 12.3% for Shipping and 11.8% for Mining.	

g. Leases

The Company assesses whether the contract is or contains a lease when the contract is entered into. Lease is characterized when, in exchange for monthly payments, there is the lease or transfer of the right of use for definite period of time pf a clearly specified leased asset.

The lease term used in measuring the right of use and lease liability occurs upon initial recognition. The lease term will be reassessed when there is a significant event or significant change in the circumstances controlled by the lessee. As set forth in the standard, the lessee can adopt the exemption from recognition for contracts with terms below twelve months, or which underlying contract asset has low value.

h. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

i. Income tax and social contribution

Income tax and social contribution are calculated under the taxable income regime. The tax basis for calculating taxes considers the additions and deductions set forth in the prevailing legislation. Management only recognizes deferred income tax and social contribution assets arising from tax losses upon evidence of utilization in future taxable income.

j. Accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of estimates and the exercise of judgment by Management in applying the Company's accounting policies. These estimates are based on Management's experience and knowledge in the information available at the balance sheet date and other factors, including expectation of future events that are believed to be reasonable under normal circumstances. Changes in facts and circumstances can result in the revision of these estimates. Future actual result may differ from estimates.

Significant estimates and judgments applied by the Company in the preparation of these financial statements are shown in the following notes:

Accounting estimates and judgments	**Note**
Freight Additional for Renewal of the Merchant Marine ("AFRMM")	5
Expected credit losses	6
Business combination	8
Determination of the useful life of property, plant and equipment	9
Assumptions for impairment tests of property, plant and equipment	9
Estimates related to lawsuits and contingencies	17

k. Statement of value added

The presentation of the statements of value added is required by the Brazilian Corporate Law for publicly-held companies and is presented as supplemental information for purposes of IFRS.

l. Earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing profit or loss for the year attributable to the holders of the Parent's common shares and the weighted average number of common shares outstanding in the year.

Diluted earnings (loss) per share are calculated by dividing profit or loss for the year attributable to the holders of the Parent's common shares by the weighted average number of common shares outstanding in the year plus the weighted average number of common shares that would be issued if all potential diluted common shares were actually converted into common shares.

m. Share-based payment

The share-based compensation of the executive officers is measured and recognized at fair value on the date in which options were granted, in a specific line item in equity and in the statement of profit and loss, as contractual conditions are met. The cost of transactions settled using equity instruments is recognized during the in which the service performance and/or condition is met, ending on the date in which the executive acquires the full right to the premium (vesting date). The cumulative expense recognized until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will be acquired.

n. Freight Additional for Renewal of the Merchant Marine (AFRMM)

Subsidiary CNA, mentioned in note 1, is the beneficiary, pursuant to Law 10,893/2004 of 100% of the AFRMM benefit arising from its fluvial shipping activities and transferred as government grant. The use of these funds, extendable to associates, subsidiaries or the Parent of CNA, is contingent on the acquisition of new vessels, jumboisation, conversion, modernization, docking or repair of own vessels and payment of interest and amortization of financing relating to these uses.

The contra entry to the benefit to be used recorded in assets is recognized as deferred revenue in liabilities. This liability is recognized in profit or loss proportionally to the recognition of the amounts above in profit or loss, through depreciation and cost of repair or upon the levy of interest or amortization of financing. The right of use of the benefit extinguishes in case of non-use within three years, counted from the deposit of the AFRMM generated in a restricted account in the name of the CNA.

In conformity with art. 30 of Law 12,973/2014, grants recognized in profit or loss, up to the limit of profit for the year, are not taxed provided that they are held in an earnings reserve (tax incentive reserve), the use of this reserve being exclusively contingent on the absorption of losses or capital increase.

The balance of grants recognized in profit or loss not transferred to the aforementioned earnings reserve, as a result of the limitation of profit, must be transferred when there is sufficient profit in subsequent years.

As mentioned in note 1, Law 14,301/22, which establishes the coastal shipping promotion program ensures the maintenance of the current AFRMM rate for another six years.

o. Service revenue

Revenue from vessel charter, cargo transportation and maritime support is measured at the fair value of the amount received, or receivable, net of trade discounts and taxes on sales.

Revenue is measured based on the consideration set out in the contract with the customer.

The Company recognizes revenue when it transfers control over the good or service to the customer.

Revenue is recognized over time as services are provided. The percentage-of-completion to determine the amount of revenue to be recognized is determined based on the work progress. If services under one single contract are provided in different periods, the consideration will be allocated based on their individual sales prices. The individual sales price is determined based on the prices the Company sells the services in separate transactions.

p. Segment reporting

Income and expenses from segments reported to the Company's Management include items directly attributable to each segment, as well as those that can be allocated on reasonable basis.

3.1 New standards, revisions and interpretations

a. *New and revised IFRS/CPC effective for the current year*

The following new and revised standards are effective as from January 1, 2021:

- Amendments to IFRS 4 (CPC 11), IFRS 7 (CPC 40(R1)), IFRS 9 (CPC 48), IFRS 16 (CPC 06(R2)) and IAS 39 (CPC 38) - Interest Rate Benchmark Reform - Phase 2.

The adoption of these new and revised standards did not result in significant impacts on the individual and consolidated financial statements for the year ended December 31, 2021 and comparative periods.

b. *New and revised IFRS/CPC issued but not yet effective*

The Company did not adopt the following new and revised standards, already issued but not yet effective on the date of authorization of these financial statements:

- **IFRS 17 (CPC 50)** - Insurance Contracts.

The standard is effective for annual periods beginning on or after January 1, 2023.

- **IFRS 10 (CPC 36 (R3))** - Consolidated Financial Statements and IAS 28 (amendments) (CPC 18 (R2)) - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;

- **Amendment to IAS 1 (CPC 26(R1))** – Classification of Liabilities as Current or Non-current;
- **Amendments to IFRS 3 (CPC 15 (R1))** - Reference to the Conceptual Framework;
- **Amendments to IAS 16 (CPC 27)** - Property, Plant and Equipment - Proceeds before Intended Use;
- **Amendments to IAS 37 (CPC 25)** – Onerous Contracts – Cost of Fulfilling a Contract;
- **Annual improvements to IFRSs 2018 – 2020 cycle – Amendments to IFRS 1 (CPC 27(R1) and CPC 43(R1))** – First-time Adoption of International Financial Reporting Standards, IFRS 9 (CPC 48), IFRS 16 (CPC 06(R2)) and IAS 41 (CPC 29);
- **Amendments to IAS 1 (CPC 26(R1)) and practical expedient 2 of IFRS** – Disclosure of Accounting Policies;
- **Amendments to IAS 8 (CPC 23)** - Definition of Accounting Estimates; and
- **Amendments to IAS 12 (CPC 32)** - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The effective date of the amendments has not yet been defined by the IASB; however, early adoption is permitted.

Management does not expect the adoption of the standards listed above to have a material impact on the Company's individual and consolidated financial statements in future periods.

4. Cash and cash equivalents

	Parent company		**Consolidated**	
	12/31/2021	**12/31/2020**	**12/31/2021**	**12/31/2020**
Cash	12	12	12	12
Cash equivalents	6	-	1,398	14,836
	18	**12**	**1,410**	**14,848**

The Company's Management defines "Cash and cash equivalents" as the amounts held for the purpose of meeting short-term operating commitments and not for investment or other purposes. The balance as at December 31, 2021 of cash equivalents refers mostly to available funds held in cash or credit against financial institutions.

5. Freight Additional for Renewal of Merchant Marine ("AFRMM")

The table below shows the changes in the line items related to AFRMM for the consolidated balance sheet for the year ended December 31, 2021:

	Asset accounts			Liability account
	Current		Non-current	Non-current
	AFRMM deposits in escrow account	AFRMM to be released	AFRMM to be released	Unearned government grants – AFRMM (1)
Balance as at 12/31/2020	**2,476**	**8,075**	**-**	**178,067**
AFRMM generated	-	-	18,395	18,395
Deposits in escrow account	16,744	(16,744)	-	-
Income from escrow account	47	-	-	47
Receipt related to Parent	(19,113)	-	-	-
Compensation for repairs	(35)	-	-	-
1% BNDES Commission and Income Tax	(123)	-	-	-
Recognition in profit or loss	-	-	-	(11,958)
AFRMM transferred to related company	-	-	-	(3,144)
Others (breakdown - reversal)	4	18,395	(18,395)	4
Balance as at 12/31/2021	**-**	**9,726**	**-**	**181,411**

(*) AFRMM transferred to related party is described in note 1

The table below shows the changes in the line items related to AFRMM for the consolidated balance sheet for the year ended December 31, 2020:

	Asset accounts			Liability account
	Current		Non-current	Non-current
	AFRMM deposits in escrow account	AFRMM to be released	AFRMM to be released	Unearned government subsidies – AFRMM (1)
Balance as at 12/31/2019	**69,278**	**-**	**9,126**	**208,789**
AFRMM generated	-	-	15,596	15,596
Deposits in escrow account	16,550	(16,550)	-	-
Judicial Block Return	372	-	-	-
Income from escrow account	125	-	-	125
AFRMM used by associate	(78,812)	-	-	-
Receipt related to Parent	(711)	-	-	(711)
Capitalized Jumboisation (2)	(1,898)	-	-	-
Compensation for repairs	(1,546)	-	-	(1,546)
BNDES commission and Income Tax	(882)	-	-	-
Recognition in profit or loss	-	-	-	(44,088)
Others (breakdown)	-	24,625	(24,722)	(98)
Balance as at 12/31/2020	**2,476**	**8,075**	**-**	**178,067**

(1) Despite the existence of this amount in non-current liabilities, the use of AFRMM within its legal purpose does not result in a financial liability or obligation of any kind for the Company, which may at any time cease to operate said asset and / or sell it.

(2) Increase the size of the vessel in terms of length, modernization, including the conversion and adaptation.

6. Trade accounts receivable

On December 31, 2021, the amounts of R$3,247 and R$10,792 (R$4,646 and R$1,192 as at December 31, 2020) refer to the regular businesses of the subsidiaries CNA and Asgaard respectively, observing that on December 31, 2020 Asgaard was operating only OSRV Sophia, and on December 31, 2021 Asgaard operates other four additional vessels, totaling five vessels in contract fleet; and R$6,287 for 2021 related to MLog.

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Trade accounts receivable	6,287	-	20,499	5,964
Allowance for expected losses	-	-	(173)	(126)
	6,287	**-**	**20,326**	**5,838**

The provision contemplates 100% of the amounts that are being collected at courts regarding former customers when the Company did not adopt a policy of only negotiating with customers that had sufficient credit capacity and collaterals to mitigate the credit risk.

The amounts of trade accounts receivable mature as follows:

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Current	6,287	-	19,761	3,883
Past due:				
Up to 30 days	-	-	565	1,858
31 to 90 days	-	-	-	97
91 to 180 days	-	-	-	-
181 to 360 days	-	-	-	-
Over 360 days	-	-	173	126
	6,287	**-**	**20,499**	**5,964**

7. Recoverable income tax, contributions and other taxes

Recoverable income tax (IR) and social contribution (CSLL)

	Parent company		Consolidated	
Current	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Withheld at source				
Income tax on short-term investments	17	16	20	16
Income tax on services rendered	-	-	1,537	958
Social contribution (CSLL) on services rendered	-	-	247	195
Credits				
Recoverable IRPJ and CSLL	1,296	-	1,725	323
	1,313	**16**	**3,529**	**1,492**

Other recoverable taxes

	Consolidated	
	12/31/2021	12/31/2020
Current		
Withheld at source		
PIS and COFINS on services rendered	554	393
Social security tax (INSS) on services rendered	-	76
State VAT (ICMS) for offset	-	-
Refund request		
Taxes on revenue (PIS and COFINS)	178	85
Credits		
Taxes on revenue (PIS and COFINS) on inputs	-	-
Taxes on revenue (PIS and COFINS) on acquisition of vessels	-	-
Others	304	319
	1,036	**873**
Non-current		
Refund request		
PIS and COFINS	3,714	3,527
Credits		
PIS and COFINS on inputs	1,798	1,440
	5,512	**4,967**

The amounts recorded in non-current assets refer to the refund of overpaid taxes on imports under the temporary customs clearance regime for foreign vessels, the amount of which, when received, must be transferred to the service taker. The obligation to the customer is recorded under "Other non-current liabilities".

8. Investments in subsidiaries

The changes in investments in the exercise in the parent company were as follows:

Investments	Interest	12/31/2020	Capital increase	Share of loss of subsidiaries	12/31/2021
Cia de Desenvolvimento do Norte Capixaba	100%	21,107	85	(114)	21,078
Morro do Pilar Minerais S.A.	100%	748,864	3,926	(1,522)	751,268
Asgaard Navegação S.A. [2]	100%	174,926	-	(29,092)	145,834
Investment Balance		**944,897**	**4,011**	**(30,728)**	**918,180**
Dutovias do Brasil S.A.	100%	(1,644)	8	(7)	(1,643)
Balance of the provision for negative equity[1]		**(1,644)**	**8**	**(7)**	**(1,643)**
		943,253	**4,019**	**(30,735)**	**916,537**

(1) The recognition of this liability is due to the fact that the Company is jointly liable for the debts of its subsidiary Dutovias.

(2) Includes indirect investment in CNA and BOM

The changes in advances for future capital increases in the year ended December 31, 2021 are shown below:

	Morro do Pilar Minerais S.A.	Cia de Desenvolvimento do Norte Capixaba	Dutovias do Brasil S.A.	Total
Balances as at 12/31/2020	44	38	2	**84**
Funds contributed	4,214	116	6	**4,336**
Capitalizations	(3,926)	(85)	(8)	**(4,019)**
Balances as at 12/31/2021	**332**	**69**	**-**	**401**

These balances are capitalized annually, when the Ordinary General Meetings of the subsidiaries are held.

For comparison purposes, we present below the changes in investments in the same year ended December 31, 2020:

Investments	Interest	12/31/2019	Capital increase	Share of loss of subsidiaries	Transfer	Balance sheet variations	12/31/2020
Cia de Desenvolvimento do Norte Capixaba	100%	21,125	18	(36)	-	-	21,107
Morro do Pilar Minerais S.A.	100%	7,948	249,341	(37)	491,423	189	748,864
Asgard Navegação S.A. [2]	100%	136,786	-	38,140	-	-	174,926
Investment Balance		**165,859**	**249,359**	**38,067**	**491,423**	**189**	**944,897**
Dutovias do Brasil S.A.	100%	(1,643)	1	(2)	-	-	(1,644)
Balance of the provision for negative equity[1]		**(1,643)**	**1**	**(2)**	**-**	**-**	**(1,644)**
		164,216	**249,360**	**38,065**	**491,423**	**189**	**943,253**

(1) The recognition of this liability is due to the fact that the Company is jointly liable for the debts of its subsidiary Dutovias.

(2) Includes indirect investment in CNA and BOM.

As mentioned in the shareholder's acquisition agreement signed between Bourbon Marine & Logistics ("BML") – holder of 80% of BOM shares – CNA and BOM, CNA and its controlling shareholders are not held liable for any damage, contingency, obligation or responsibility of BML and/or affiliates prior or after January 06, 2020 (signature date of shareholder's acquisition agreement), regardless of BML's knowledge or not.

On December, 31 2021, BOM presents negative equity and loss for the twelve-month period ended December 31, 2021, therefore, CNA does not record those losses in its balance sheet as it has not incurred legal or constructive obligations on these losses, neither have any obligations in past losses, prior to transaction, incurred by BOM. Therefore even after transaction the Company achieve positive results, until those results compensate past losses, turning the equity positive again, CNA will not record those gains.

The changes in advances for future capital increases in the exercise ended December 31, 2020 are shown below:

	Morro do Pilar Minerais S.A.	Cia de Desenvolvimento do Norte Capixaba	Dutovias do Brasil S.A.	Total
Balances as at 12/31/2019	527	17	1	**545**
Funds contributed	43	39	2	**84**
Capitalizations	(526)	(18)	(1)	**(545)**
Balances as at 12/31/2020	**44**	**38**	**2**	**84**

As mentioned in Note 1, on 12/18/2020, the Company increased the capital of its subsidiary MOPI, with the payment of net assets in the amount of R$267,447, net of impairment of R$18,632, in addition to R$527 referring to advances for future capital increase, whose payment was approved at the Ordinary General Meeting held on 07/15/2020.

Acquisition of stake in Bourbon Offshore Marítima S.A. (Associate) ("Bourbon Operation")

On January 6, 2020, MLog entered into, together with its associates Asgaard and CNA, a binding commitment with Bourbon Offshore Marítima S.A. ("BOM") and its parent company involving: (i) the increase in the current fleet of Asgaard through the acquisition of 3 (three) Brazilian AHTS vessels owned by BOM, (ii) the use of credits from the Freight Additional for Renewal of the Merchant Marine ("AFRMM") and (iii) a partnership for the operation of Brazilian and foreign maritime support vessels of the Bourbon group and MLog group in Brazil.

The full implementation of this operation contains steps already completed, such as the acquisition of the 20% stake in BOM by CNA, the use and conversion into cash of AFRMM, the acquisition and obligation to pay the installments of the BNDES debt for these three AHTS vessels by MLog.

As described in Note 1, certain future corporate steps inherent to the shareholders' agreement between the parties already entered into will still have to be taken, in particular the transformation of Asgaard into an entity jointly controlled by MLog and BOM. Since December 30, 2020, however, these steps no longer depend on third-party approval for their feasibility. As disclosed in note 29, on February 21, 2022, the last step relating to the transaction between MLog e Bourbon was completed.

Asset Acquisition - AHTS Vessels

As detailed above, as part of Bourbon Operation, the Company acquired three AHTS vessels and obtained control of these vessels on December 30, 2020.

The Company applied the concentration test, detailed in paragraph B7B of CPC 15 - Business Combination, to assess whether the set of activities and assets acquired are a business or not. The Company considered that the test was met, since the fair value of the gross assets acquired was concentrated on a group of similar assets (Vessels acquired). Consequently, the transaction was classified as an acquisition of assets, outside the scope of CPC 15 and following the provisions of CPC 27 - Property, Plant and Equipment.

The amounts involved in this transaction are as follows:

R$115,848: Cost of the asset acquired
R$82,722: Amount of debt assumption
R$33,126: Consideration transferred

9. Property, plant and equipment

As described in Note 1, the Company assessed the circumstances that could indicate potential impairment of its non-current assets (including property, plant and equipment) and concluded that there were no changes in circumstances that would indicate an impairment loss in the Parent or direct subsidiaries, except for the indirect subsidiary CNA, as shown below:

Parent company

Cost		**12/31/2020**	**Addition**	**Write-offs**	**12/31/2021**
Construction in progress		-	18,154	-	18,154
Vessels		115,848	1,509	-	117,357
Buildings		4	-	(4)	-
Furniture and fixtures		842	-	-	842
IT equipment		541	-	-	541
Communication equipment		144	-	-	144
Leasehold improvements		115	-	-	115
		117,494	**19,663**	**(4)**	**137,153**
Depreciation	**Rate**				
Vessels	**7%**	(23)	(8,322)	-	(8,345)
Furniture and fixtures	**10%**	(601)	(87)	-	(688)
IT equipment	**20%**	(516)	(25)	-	(541)
Communication equipment	**20%**	(143)	(1)	-	(144)
Leasehold improvements	**22%**	(115)	-	-	(115)
		(1,398)	**(8,435)**	**-**	**(9,833)**
		116,096	**11,228**	**(4)**	**127,320**

The addition of R$18,154, stated in line item construction in progress, refers to the docking costs of the vessels Geonisio Barroso and Yvan Barreto.

Cost		**12/31/2019**	**Addition**	**Write-offs**	**Transfer to controller**	**12/31/2020**
Construction in progress		-	22	(22)	-	-
Vessels		-	115,848	-	-	115,848
Buildings		289	-	-	(285)	4
Machinery and equipment		1,782	-	-	(1,782)	-
Furniture and fixtures		842	-	-	-	842
IT equipment		528	13	-	-	541
Communication equipment		144	-	-	-	144
Leasehold improvements		1,431	-	-	(1,316)	115
		5,016	**115,883**	**(22)**	**(3,383)**	**117,494**
Depreciation	**Rate**					
Vessels	**7%**	-	(23)	-	-	(23)
Buildings	**4%**	(67)	(11)	-	78	-
Machinery and equipment	**10%**	(722)	(163)	-	885	-
Furniture and fixtures	**10%**	(517)	(84)	-	-	(601)
IT equipment	**20%**	(509)	(7)	-	-	(516)
Communication equipment	**20%**	(138)	(5)	-	-	(143)
Leasehold improvements	**22%**	(1,431)	-	-	1,316	(115)
		(3,384)	**(270)**	**-**	**2,279**	**(1,398)**
		1,632	**115,613**	**(22)**	**(1,104)**	**116,096**

There is an allowance for impairment in CNA, the Company's indirect subsidiary, in the amount of R$8,142 in the year ended December 31, 2021, which effect is recorded in line item "Impairment of assets".

Consolidated

Cost		**12/31/2020**	**Addition**	**Transfers**	**Impairment**	**Write-offs**	**12/31/2021**
Construction in progress		2,529	26,321	(2,828)	-	(7,830)	18,192
Vessel in construction		5,688	3,678	(5,162)	-	(526)	3,678
Artworks		97	-	-	-	-	97
Land		30,480	-	-	-	-	30,480
Properties		1,645	-	-	-	-	1,645
Buildings		322	-	-	-	(4)	318
Machinery and equipment		4,745	76	433	-	(26)	5,228
Furniture and fixtures		1,244	16	413	-	(103)	1,570
IT equipment		831	82	108	-	-	1,021
Communication equipment		710	2	192	-	-	904
Vessels		319,942	5,642	52,570	(8,142)	(16,177)	353,835
Vehicles		426	-	278	-	(26)	678
Leasehold improvements		1,431	-	2,828		-	4,259
		370,090	**35,817**	**48,832**	**(8,142)**	**(24,692)**	**421,905**
Depreciation	**Rate**						
Buildings	**4%**	(112)	(10)	-	-	-	(122)
Machinery and equipment	**10%**	(3,264)	(258)	(414)	-	-	(3,936)
Furniture and fixtures	**10%**	(814)	(132)	(405)	-	99	(1,252)
IT equipment	**20%**	(702)	(83)	(135)	-	24	(896)
Communication equipment	**20%**	(351)	(62)	(192)	-	-	(605)
Vessels	**5% to 7%**	(53,643)	(20,274)	(47,408)	-	8,836	(112,489)
Vehicles	**20%**	(410)	(12)	(278)	-	26	(674)
Leasehold improvements	**22%**	(1,431)	(1,663)	-	-	-	(3,094)
		(60,727)	**(22,494)**	**(48,832)**	**-**	**8,985**	**(123,068)**
		309,363	**13,323**	**-**	**(8,142)**	**(15,707)**	**298,837**

The addition of R$26,321, presented under construction in progress, refers mainly to expenditure on the docking of the vessels Geonisio Barroso and Yvan Barreto in the parent company, in the total amount of R$18,154, in addition to R$8,167 arising from subsidiary Asgaard, related to expenditures on vessel Asgaard Sophia, of which R$7,811 were transferred to CNA as it is the owner of the vessel.

The write-offs of property, plant and equipment are as follows:

	Assets	**Equity**	**Profit**
Vessels docked at Newco (Note 1)	-	3,144	-
Deemed cost (ICPC 10) related to vessels docked at Newco	-	-	1,043
Transfer to recoverable taxes	526	-	-
Transfer to advance to supplier	19	-	-
Write-off of engine Asgaard Sophia	-	-	3,152
Intercompany transfer	7,811	-	-
Other property, plant and equipment write-offs	-	-	12
	8,356	**3,144**	**4,207**

In addition to the amount of R$4,207 relating to the property, plant and equipment write-offs, revenue from the sale of property, plant and equipment amounting to R$52 was also recognized, generating a net effect of R$4,155, as shown in Note 28.

Assets pledged as collateral:

- Asgaard Sophia vessel sold as fiduciary collateral for the obligations assumed by the CNA acquisition contract.

- CNA property located at Rua Professor Nelson Ribeiro, nº 307, Telegrafo, Belém, registered under record # 441 and # 442: pledge in tax execution No. 0000284-58.2004.8.14.0301 (former No. 200410009995) and Tax execution No. 0020201-92.2004.8.14.0301, and in the latter case there was a final and unappealable decision favorable to CNA and clearance of the property is being arranged.

- Pledge on Mining Rights registered with the ANM (National Mining Agency) under No. 832.240/2009.

- Vessels Geonísio Barroso, Yvan Barreto and Haroldo Ramos with mortgage in favor of BNDES as collateral for the contract.

Cost		**12/31/2019**	**Additions**	**Transfers/ Write-offs**	**12/31/2020**
Construction in progress		-	2,551	(22)	2,529
Vessel in construction		2,622	6,926	(3,860)	5,688
Artworks		97	-	-	97
Land		30,480	-	-	30,480
Properties		1,645	-	-	1,645
Buildings		322	-	-	322
Machinery and equipment		4,759	59	(73)	4,745
Furniture and fixtures		1,248	10	(14)	1,244
IT equipment		775	58	(2)	831
Communication equipment		790	5	(85)	710
Vessels		201,759	115,848	2,335	319,942
Vehicles		426	-	-	426
Leasehold improvements		1,431	-	-	1,431
		246,354	**125,457**	**(1,721)**	**370,090**
Depreciation	**Rate**				
Buildings	**4%**	(100)	(12)	-	(112)
Machinery and equipment	**10%**	(3,029)	(271)	36	(3,264)
Furniture and fixtures	**10%**	(691)	(131)	8	(814)
IT equipment	**20%**	(646)	(57)	1	(702)
Communication equipment	**20%**	(313)	(73)	35	(351)
Vessels	**5%**	(42,040)	(11,830)	227	(53,643)
Vehicles	**20%**	(398)	(12)	-	(410)
Leasehold improvements	**22%**	(1,431)	-	-	(1,431)
		(48,648)	**(12,386)**	**307**	**(60,727)**
		197,706	**113,071**	**(1,414)**	**309,363**

10. Rights of use and Lease

Right of use variation on 2021 refers to charter, paid by Asgaard, of WSSV Stim Star Arabian Gulf, as below:

	Right of use
Balance as at 12/31/2020	-
Addition	26,240
Amortization	(729)
Balance as at 12/31/2021	**25,511**

Company estimated discount rates based on contracted debt interest rates, aligned with market debt transactions, excluding subsidized debt rates.

As at December 31, 2021, the changes are as follows:

	Leases payable
Balance as at 12/31/2020	-
Addition	26,240
Interest	309
Exchange rate changes	(533)
Balance as at 12/31/2021	**26,016**
Current	10,662
Non-current	15,354

Estimated future minimum payments for lease contract:

	12/31/2021		
	Up to one year	From one to three years	Total
Lease contracts	10,941	19,924	30,865
Adjustment to present value	(279)	(4,570)	(4,849)
	10,662	15,354	26,016

The estimated potential right to PIS/COFINS credits, included in the lease consideration, according to expected payment periods are as follows:

	12/31/2021	
Cash flow	Nominal	Adjustment to present value
Lease consideration	30,553	26,016
PIS/COFINS potential (9.25%)	2,826	2,407

11. Intangible assets

As described in note 1, the Company assessed the circumstances that could indicate potential impairment of its non-current assets (including intangible assets) and concluded that there were no changes in circumstances that would indicate an impairment loss in the year ended December 31, 2021.

Consolidated

Cost		**12/31/2020**	**Additions**	**12/31/2021**
Expenditures related to exploration and evaluation of mineral resources and prospecting rights		261,273	3,885	265,158
Expenditures related to licensing phase		6,404	-	6,404
Management system (ERP)		1,268	125	1,393
Software		930	-	930
Intangible assets acquired in business combination		472,791	-	472,791
Goodwill on acquisition		65,768	-	65,768
		808,434	**4,010**	**812,444**
Amortization	**Rate**			
Management system (ERP)	**20%**	(1,174)	(34)	(1,208)
Software	**20%**	(930)		(930)
		(2,104)	**(34)**	**(2,138)**
		806,330	**3,976**	**810,306**

Cost		**12/31/2019**	**Additions**	**Write-offs**	**12/31/2020**
Expenditures related to exploration and evaluation of mineral resources and prospecting rights		259,295	1,978	-	261,273
Expenditures related to licensing phase		6,404	-		6,404
Management system (ERP)		1,180	96	(8)	1,268
Software		930	-	-	930
Intangible assets acquired in business combination		472,791	-	-	472,791
Goodwill on acquisition		65,768	-	-	65,768
		806,368	**2,074**	**(8)**	**808,434**
Amortization	**Rate**				
Management system (ERP)	**20%**	(1,158)	(16)	-	(1,174)
Software	**20%**	(919)	(11)	-	(930)
		(2,077)	**(27)**	**-**	**(2,104)**
		804,291	**2,047**	**(8)**	**806,330**

(i) These items, in line with IFRS 6 - Exploration For and Evaluation of Mineral Rights, refer to expenses incurred by the Company with exploration and evaluation activities of its Morro do Pilar iron ore project.

(ii) The balance of intangible assets acquired in a business combination and goodwill on acquisition refer to the excess amount paid to acquire MOPI, allocated to intangible assets acquired, net of impairment.

(iii) Goodwill on acquisition refers to expected future earnings recognized upon the acquisition of CNA.

12. Income tax and social contribution

As at December 31, 2021, the amount of tax loss carryforwards of the Company is approximately R$424 million (R$398 million as at December 31, 2020), on which Management, in view of the lack of profitability history and, currently, the lack of expected future earnings, does not record deferred income tax and social contribution assets.

The reconciliation between the nominal and effective rate is shown below:

	Parent company		Consolidated	
	2021	**2020**	**2021**	**2020**
Profit (loss) before income tax and social contribution	1,777	42,861	(5)	44,664
Income tax and social contribution calculated at the rate of 34%	(604)	(14,573)	2	(15,186)
Effects of additions and deductions				
Share of profit (loss) of subsidiaries	(10,450)	6,607	-	-
Temporary differences	6,832	6,068	2,745	3,613
Permanent differences	8,664	2,040	7,101	14,510
	4,442	**142**	**9,848**	**2,937**
Deferred income tax and social contribution	(4,256)	(1,496)	(2,760)	(2,992)
Use of tax loss carryforwards	-	-	-	(216)
Deferred assets not recognized due to the lack of expected future earnings	(4,442)	(142)	(9,562)	(3,027)
Income tax and social contribution in profit or loss	**(4,256)**	**(1,496)**	**(2,474)**	**(3,298)**

(i) Temporary differences refer basically to operating provisions and provisions for contingencies.

(ii) Permanent differences basically comprise depreciation of deemed cost (ICPC 10), AFRMM taxed in another entity and AFRMM not taxed for social contribution purposes.

13. Related parties

Transactions between related parties

The balances of transactions with related parties on the date of these financial statements are listed below:

Creditor	Debtor	12/31/2021	12/31/2020
Asset amounts in the parent company[1]			
MLog S.A.	Patrícia Tendrich Pires Coelho	**296**	**270**
MLog S.A.	Maverick Holding S.A.	**98,359**	**73,348**
		98,655	**73,618**
Asset amounts in the consolidated			
Asgaard Navegação S.A.	Maverick Holding S.A.	**883**	**805**
Asgaard Navegação S.A.	Patrícia Tendrich Pires Coelho	**115**	**105**
Asgaard Navegação S.A.	Bourbon Offshore Marítima	**18**	**14**
		99,671	**74,542**

Liability amounts in the parent company [1]			
Bourbon Offshore Marítima S.A.	MLog S.A.	**5,937**	**2,301**
Fjords Limited	MLog S.A.	**39,579**	**-**
		45,516	**2,301**

Liability amounts in the consolidated			
Bourbon Offshore Marítima S.A.	Asgaard Navegação S.A.	**5,316**	**-**
Bourbon Offshore Marítima S.A.	Companhia de Navegação da Amazônia	**-**	**1,834**
		5,316	**1,834**

Amounts eliminated on consolidation			
Asgaard Navegação S.A.	MLog S.A.	**31,507**	**45,239**
Companhia de Navegação da Amazônia	Asgaard Navegação S.A.	**21,024**	**27,123**
Companhia de Navegação da Amazônia	MLog S.A.	**96,117**	**79,407**
MLog S.A.	Morro do Pilar Minerais S.A.	**616**	**-**

[1]Does not include eliminated amounts in consolidation, when considering the amounts eliminated the total amount is comprised of R$99,271 in assets (R$73,618 on December 31, 2020) and R$173,140 (R$126,947 on December 31, 2020) in the Parent's liabilities.

The loan between MLog and Patrícia Tendrich Pires Coelho (holder of indirect interest in the Company) in the amount of R$296 is adjusted at the CDI rate plus 5% per year. Due to the lack of maturity date, this balance is recorded in non-current.

The loan between Asgaard and Maverick Holding S.A. (shareholder of MLog) in the amount of R$883, is adjusted at the CDI rate plus 5% per year. Due to the lack of maturity date, this balance is recorded in non-current.

The loan between Asgaard and Patrícia Tendrich Pires Coelho (holder of indirect interest in the Company) in the amount of R$115 is adjusted at the CDI rate plus 5% per year. Due to the lack of maturity date, this balance is recorded in non-current.

MLog's board of directors approved the execution of an intercompany foreign loan, in conformity with Law 4.131/62, with Fjords Limited (MLog's shareholder) in the total principal amount of US$6,950, adjusted at the interest rate of 12% per year, which as at December 31, 2021 totals R$39,579, with 181-day term. The intercompany loan is collateralized by the fiduciary assignment related to the following receivables:

- RSV Bourbon Evolution 808: charter contract for defined term, entered into between Asgaard and Petrobras;
- OSRV Asgaard Sophia: bareboat charter contract entered into between CNA and Asgaard;
- AHTS Geonisio Barroso and Yvan Barreto: bareboat charter contracts entered into between MLog and Asgaard;
- AHTS Haroldo Ramos: bareboat charter contract entered into between MLog and BOM.

In addition to the transactions above, but not involving intercompany loans and promissory notes, Management discloses below the following transactions with related parties:

- MLog's parent company, Maverick Holding, is the guarantor of the debt referred to CNA acquisition. The existence of this guarantee was fundamental to the conclusion of the transaction and Maverick Holding agreed not to charge the Company for this guarantee.

- As disclosed in Note 1, Maverick Holding assumed the payment obligation of R$98,358 to MLog for reselling Marsil to Bocaiuva according to the private termination instrument signed by both parties. The Company filed a judicial execution against Maverick Holding, the reason for the balance in non-current assets. This judicial execution has the total amount of R$259,277, and also comprises subscribed and unpaid portions of the Company's capital.

Financial income (expenses)

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Patrícia Tendrich Pires Coelho	26	20	36	24
Maverick Holding S.A.	25,011	19,819	25,089	19,877
Asgaard Navegação S.A.	(549)	(298)	-	-
Bourbon Offshore Marítima S.A.	(36)	-	(74)	-
Companhia de Navegação da Amazônia	(1,028)	(180)	-	-
Morro do Pilar Minerais S.A.	6	-	-	-
Fjords Limited	(795)	-	(795)	-
	22,635	**19,361**	**24,256**	**19,901**

Compensation of key management personnel

The Company considers all current officers and members of the board of directors as key management personnel. In the twelve-month period ended December 31, 2021, the compensation of these officers and members of the board of directors was R$5,332 and R$1,102, respectively (R$4,886 and R$971 as at December 31, 2020).

Management's overall compensation, for the period from 5/1/2021 to 4/30/2022, of up to R$10,100, was approved at the Annual General Meeting held on June 30, 2021.

Share-based compensation (stock options)

The Company's shareholders approved, at the Extraordinary Shareholders' Meeting held on July 21, 2011, the adoption of a compensation plan for officers, directors and employees by means of a stock option plan. The options of the Company's stock option plan would be of the primary type, therefore, they involved the issuance of new shares. In the last quarter of the year ended December 31, 2020, all rights to exercise these options expired. For this reason, the balance of the reserve account for share-based payment was transferred to accumulated losses, in compliance with the provisions of CPC 10, on December 31, 2020.

14. Trade accounts payable

The consolidated balance of R$16,874 on December 31, 2021 (R$5,767 on December 31, 2020) basically refers to providers of services and suppliers of materials used by the group companies in their operations.

15. Loans and Financing

CURRENT				Consolidated	
Company	**Financial Institution**	**Type**	**Interest Rate (p.a.)**	**12/31/2021**	**12/31/2020**
MLog	BNDES	Financing	Fixed	42,175	23,828
CNA	Banco BASA	Working capital	Floating	1,123	1,186
CNA	Banco Itaú	Working capital	Fixed	985	1,565
Asgaard	Banco Itaú	Working capital	Fixed	-	289
CNA	Banco do Brasil	Working capital	Floating	651	3,975
CNA	Banco Sifra	Working capital	Fixed	735	-
CNA	Banco ABC	Working capital	Fixed	1,765	1,715
				47,434	**32,558**
NON-CURRENT					
Company	**Financial Institution**	**Type**	**Interest Rate (p.a.)**		
MLog	BNDES	Financing	Fixed	23,780	56,593
CNA	Banco BASA	Working capital	Floating	4,571	5,472
CNA	Banco Itaú	Working capital	Fixed	-	913
CNA	Banco do Brasil	Working capital	Floating	-	619
CNA	Banco ABC	Working capital	Fixed	3,843	4,286
				32,194	**67,883**
				79,628	**100,441**

The parent company's loan and financing refer to the balances identified as MLog in the table above.

As mentioned in Note 1, as a result of the acquisition of the three AHTSs, the Company assumed the debt related to the financing of these vessels with the BNDES. This financing is adjusted based on the fluctuation of the US dollar, bears fixed interest of 5% per year, and will mature in July 2023.

The other loans are denominated in reais, subject to interest at an average annual rate of 7.01%. The interest of loans subject to floating rates are indexed to the CDI.

Subsidiary Asgaard is the third guarantor of the loan raised by CNA with Banco ABC. This guarantee was provided through the collateral assignment of Asgaard receivables related to the contract for the provision of services to its customer Petrobras.

The Company and its indirect subsidiary CNA have collateralized loans and financing that do not contain restrictive covenants, but only restrictive covenants with subsidiary obligations as described below, among others:

- Prohibition of share amortization, debenture issuance, new loans that are out for complying with the Company's ordinary activities, dividend or interest on capital distribution above minimum legal amount in 2020 and 2021, and capital reduction in 2020 and 2021 – all of them fully complied with on December 31, 2021. In addition, there is a prohibition of intercompany loans in 2020 and 2021, which was not observed, but communicated to BNDES, that has not issued any statement about it.

- Obligation of opening of a bank account with the Company's related party Fjords, creditor of intercompany loans contracted in September and December 2021. This obligation will be performed with the financial institution.

Among other accessory obligation clauses.

16. Payables for acquisition of investments

This line item refers to payment obligations assumed in connection with the acquisition of all shares of subsidiary CNA.

Libra Group, the creditor of these payables for the acquisition of investments and also responsible for potential liabilities of CNA, is in Court-Ordered Reorganization. Libra Group's credit with MLog was part of its approved Court-Ordered Reorganization Plan (Notes 17 and 19).

On December 26, 2019, according to the approved Court-Ordered Reorganization Plan, Libra Group entered into an accord and satisfaction instrument with its original creditors for these Payables for the acquisition of Investments due by MLog. The Libra Group's Accord and Satisfaction Instrument with its creditors contained a suspensive clause that subjected the execution of this accord and satisfaction to the approval of MLog, which took place in January 2020. After this approval, the original creditors from Libra Group became creditors of these Payables.

Bradesco (29.3%) and Itaú (36.5%) make up approximately 65% of total credits.

On 03/31/2020, the Fundo de Direitos Creditórios Atacado – Não Padronizado (FIDC Atacado), as assignee and procedural successor of Banco Santander, holder of 26.3% of the right to MLog's debt through the acquisition of CNA, assigned its total right to Geribá Participações SPE-2 Ltda. (Geribá) and the latter, on 10/30/2020, assigned the right to the credits to Rio Alva Participações S.A. (Rio Alva). On the same date, the Company and its subsidiaries Asgaard and CNA entered into a payment agreement with this creditor which involved: (i) payment of R$3,000 on the date of the Acknowledgment of Debt, (ii) payment of two additional installments, maturing on April 30, 2021 and October 30, 2021, totaling R$3,000, in addition to the accord and satisfaction for five CNA operational vessels.

The ownership of these vessels was transferred to Rio Alva between March 3 and April 2, 2021, whose net book balance of depreciation amounted to R$4,187, with legal measures not preventing the transfer of their effective ownerships still pending (notes 1 and 9 – CNA capital reduction and property, plant and equipment).

On September 22, 2021, the Company released a relevant fact disclosing the signature of debt acknowledgment instruments entered into with two banks (Itaú and Bradesco) for the renegotiation of the debt arising from CNA’s acquisition. The renegotiation resulted in a payment of 64 and 44 installments, the last installment due on 02/28/2028 for both. Those debts will incur compensatory interest equivalent to the Interbank Deposit (DI) rate plus 2% per year, and will be collateralized by:

- Second degree mortgage (as first degree mortgage is also provided on behalf of BNDES) of three AHTS vessels;

- Fiduciary assignment of receivables arising from service contracts between Asgaard and Petrobras related to the three AHTS vessels, after the settlement of the BNDES debt, currently collateralized by those receivables;

- Fiduciary assignment of certain receivables of CNA related to fluvial shipping services; and

- Balance of receivables after payment of debt services with Banco ABC S.A. (Note 15), arising from the service contract entered into between Asgaard and Petrobras, relating to the vessel Asgaard Sophia.

Due to the agreement entered into with Itaú and Bradesco, the Company recorded a gain of R$26,997 in "Other Operating Income / Expenses" (Note 28).

In the acquisition of CNA, Libra Group contractually assumed to the Company the responsibility for the payment of liabilities of various nature existing in CNA up to the date of its acquisition, in the amount of R$933 (R$2,990 on 12/31/2020).

The table below shows the changes in the debt on the date of these financial statements:

Breakdown of Acquisition price	Balance on 12/31/2020	Interest, fines and additions	Adjustment to contingent consideration	Agreement with creditor	Amortization	Balance on 12/31/2021	Current	Non-current
Initial installment	52,877	1,841	-	-	-	**54,718**	54,460	258
Additional installment	35,886	1,537	-		-	**37,423**	36,339	1,084
Earn out installment	38,971	1,601	42	-	-	**40,614**	30,186	10,428
Agreement with creditor	(28,142)	3,548	-	(26,997)	(10,652)	**(62,243)**	(109,358)	47,115
	99,592	**8,527**	**42**	**(26,997)**	**(10,652)**	**70,512**	**11,627**	**58,885**

The amount originally defined for the earn out portion (contingent consideration), calculated for the AFRMM credit deposits generated after the acquisition of CNA and realized in the restricted account until January 8, 2022, was reached still in the year ended December 31, 2020. Therefore, as provided for by CPC 15, it was necessary to adjust the fair value of the contingent consideration outside the measurement period, which must be recognized in profit or loss for the year. The amount of the adjustment calculated was R$7,196, based on the expectation of the Company's Management based on the history of AFRMM releases verified in the past two years and the monitoring of ongoing lawsuits against the Merchant Marine Fund and their impact on profit or loss was recorded in 'Other operating income (expenses)', in the last quarter of the year ended December 31, 2020. Due to the monitoring of the expected realization of the amount of these new AFRMM credits during the twelve-month period ended December 31, 2021, the initial estimate was increased by R$42, and the contra entry to this impact was recognized in "Operating income (expenses)" (Note 28).

For comparative purposes, the changes for the year ended December 31, 2020 are shown below.

Breakdown of Acquisition price	Balance on 12/31/2019	Transfer	Interest, fines and additions	Adjustment to contingent consideration	Balance on 12/31/2020	Current	Non-current
Initial installment	47,726	1,116	4,035	-	**52,877**	52,878	-
Additional installment	38,392	(5,318)	2,812	-	**35,886**	31,432	4,454
Earn out installment	22,037	4,202	5,536	7,196	**38,971**	19,124	19,846
Agreement with creditor	-	-	-	-	**(28,142)**	(28,142)	-
	108,155	**-**	**12,383**	**7,196**	**99,592**	**75,292**	**24,300**

17. Litigation

On December 31, 2021, the Company, together with its subsidiaries Asgaard and CNA, are parties to certain lawsuits. Legal proceedings assessed with probable likelihood of loss are recorded in the books and refer to certain civil and labor lawsuits due by subsidiary CNA, as disclosed in Note 19.

Below is a table with the total amount of other lawsuits with respect to which the legal advisors assess the likelihood of loss as possible. The total amount of the lawsuit may not be directly related to the Company's risk, as per the individual explanation of the main lawsuits below.

	Parent company		Consolidated	
Nature	**12/31/2021**	**12/31/2020**	**12/31/2021**	**12/31/2020**
Labor	-	-	667	434
Tax	-	-	21	50
Environmental	-	-	14,406	14,408
Civil	18,402	12,898	37,627	12,985
Administrative	-	-	19,551	15,507
	18,402	**12,898**	**72,272**	**43,384**

Among these possible lawsuits, Management highlights below the main legal proceedings involving the Company and its subsidiaries, which were not recorded in the individual and consolidated financial statements:

Number	Type	Plaintiff	Nature	Value (R$)	Likelihood of loss
10283.721485/2012-45	Administrative	Brazilian Federal Revenue Service Office in Manaus - AM/DRF/AM	Federal	2,713	Possible
10283.720968/2013-11	Administrative	Brazilian Federal Revenue Service Office in Manaus - AM/DRF/AM	Federal	12,754	Possible
0078416-72,2014,4,01,3800	Environmental	Federal Attorneys' Office	Civil Class Action	14,405	Possible
02044.010011/2016-92	Administrative	ICMBIO	Infraction Notice	682	Possible
5178718-92.2018.8.13.0024	Civil	Boa Sorte Ltda,	Execution of Extrajudicial Instrument	18,402	Possible
0032202-20.2008.814.0301	Civil	Odete Cunha Lobato Benchimol E Elias Isaac Benchimol	Civil	19,225	Possible
0000378-51.2021.5.11.0013	Labor	SMSB	Labor	304	Possible
0000379-36.2021,5.11.0013	Labor	CABL	Labor	237	Possible

- Administrative Proceeding No. 10283.720968/2013-11 refers to the infraction notice issued by the Federal Revenue Service in Manaus arising from the subsidiary CNA having allegedly calculated a lower IRPJ and CSLL in calendar year 2010, as well as the underpayment of PIS and COFINS in calendar years 2009, 2010 and 2011. The subsidiary CNA filed an objection, which was accepted, on 08.07.2019, to cancel the infraction notice issued. The decision by the CARF of the *ex-officio* appeal filed on 08.28.2019 is still pending. According to the CNA acquisition agreement, this proceeding, in the event of definitive loss by MLOG Group, must be reimbursed by Libra Group.

- The execution of Extrajudicial Instrument No. 5178718-92.2018.8.13.0024 was proposed by Boa Sorte Ltda., which intends to receive a contractual installment related to the Mining Rights Assignment Agreement entered into by the parties. On September 11, 2020, the courts awards a ruling dismissing the execution without a decision on of the merits of the lawsuit, in view of the disagreement of the parties regarding the amount owed and the existence of an Arbitration Clause. Judgment of the appeal is still pending. In 2021, an arbitration proceeding was initiated by the parties. On May 17, 2021, the effects of the lower court ruling were suspended and the execution continued. On June 6, 2021, the Superior Court of Justice (STJ) suspended the execution once again.

18. Commitments assumed

As a result of the Preliminary License for the Morro do Pilar Project granted by the Regional Superintendence of Environmental Regularization (SUPRAM) on 11/6/2014, a series of conditions and other legal obligations should be satisfied by November 2019, for the formalization of the application for the granting of the Operating License (LI). These conditions and studies required for the LI Protocol were completed in 2019 and the Company formalized the LI application with government agencies.

After the protocol and before the effective granting of the Operating License (LI), the Company will incur additional expenses and investments such as land purchase, environmental compensation and others, the final values of which will depend on negotiations between the Company and third parties.

As for the compensation referred to in article 36 of Law No. 9,985/2000 (National System of Environmental Conservation Units (SNUC)), the amount of resources to be allocated by the entrepreneur for this purpose is limited to 0.5% (half a percent) of the total estimated costs for the implementation of the project.

Thus, the final amount to be paid is linked to the total investments in the implementation of the mine, depending on the project design intended by the company with respect to the estimated annual gross production. Once the compensation is defined, the amount must be paid in up to 4 monthly installments, the first one up to 30 days after the granting of the Operating License (LI), according to State Decree No. 45.175/2009. Based on the legal documentation related to this matter, the Company estimates the amount of this compensation to be approximately R$30,000.

On 02/07/2019, the Company entered into an Instrument of Agreement with the Municipality of Morro do Pilar, which purpose is the performance by both parties of the obligations established in said Instrument, in order to prepare the municipality for the implementation of the Company's mineral project. The total amount involved is R$47,500, with disbursements already made by the Company in the amount of R$15,923 in 2020. The remaining portion of disbursement determined in the agreement of approximately R$32 million will be made only after the granting of the Operating License (LI), when this will become due and recorded as an obligation.

On 08/08/2019, the Company entered into an Instrument of Agreement with the Municipality of Santo Antônio do Rio Abaixo (SARA), which purpose is the performance by both parties of the obligations established in said Instrument, in order to prepare the municipality for the implementation of the Company's mineral project. The total amount involved is R$10,200, with disbursements already made in 2020 of R$1,465. The remaining portion of disbursements determined in the agreement of approximately R$9 million will only be made after the granting of the Operating License (LI), when this will become due and recorded as an obligation.

19.Provisions (consolidated)

The provision amounts as at December 31, 2021 refer to: (i) second installment of ore pipeline easement agreements, in the amount of R$1,642 (R$1,642 on 12/31/2020), due upon the notary regularization by the owners of the easement properties and (ii) recovery of squares and accesses for geological survey in the region of the Morro do Pilar Project in the amount of R$30 (R$30 on 12/31/2020) and (iii) provisions for labor contingencies of R$1,003 (R$1,836 on 12/31/2020).

Of the total amount of R$5,611 (R$2,928 on 12/31/2020) recorded in non-current liabilities on December 31, 2021, R$1,038 (R$2,928 on 12/31/2020) refers to civil and labor lawsuits in subsidiary CNA, which likelihood of loss was assessed as probable R$3,239 recorded in MLog, R$888 recorded in Morro do Pilar and R$446 recorded in Asgaard, refer to Operational Provisions (Note 17).

20. Equity

Capital

On December 31, 2021 and 2020, the Company's subscribed capital is represented by 2,899,712 common shares as detailed below:

	12/31/2021		12/31/2020	
Shareholders	**Common shares**	**%**	**Common shares**	**%**
Maverick Holding S.A.	1,539,186	53.08	1,539,186	53.08
Fjords Limited	781,646	26.96	536,737	18.51
Korea Investment Corporation	-	-	244,909	8.45
Fábrica Holding S.A.	154,072	5.31	154,072	5.31
Other	424,808	14.65	424,808	14.65
	2,899,712	**100.00**	**2,899,712**	**100.00**

Pursuant to the amendment to the Bylaws, approved at the Extraordinary General Meeting held on August 26, 2015, the Company's capital may be increased upon resolution adopted by the Board of Directors, regardless of amendment to the Bylaws, until it reaches 6,000,000 (six million) common shares. The Board of Directors may determine the number of shares to be issued, the issue price and the conditions for subscription, payment, and issue.

In the third quarter of 2021, the shareholder Korea Investment Corporation sold its shares to Fjords Limited, already a shareholder of MLog. Prior to this operation, Fjords used to have a 18.51% interest in MLog, and after the transaction Fjords holds 26.96% interest in MLog.

Earnings (loss) per share

The table below shows the earnings and share data used to calculate the basic and diluted earnings (loss) per share in the years ended December 31, 2021 and 2020:

	12/31/2021	12/31/2020
Profit (loss) attributable to the shareholders	(2,479)	41,366
Outstanding shares	2,899,712	2,899,712
Earnings (loss) per share - basic and diluted in Reais (*)	**(0.85)**	**14.27**

(*) The Company has no dilutive financial instruments and profit (loss) for the year does not generate a dilutive effect.

Unpaid capital

As described in Note 13, refers to the subscribed, unpaid portions of the Company's capital, in amount of R$85,262 which, as they are past due, were subject to judicial execution.

Borrowing cost

The costs on lawyers', advisors, advertising, and other services cost and taxes levied thereon (tax on financial transactions, or IOF) were paid by the Company and recognized as borrowing costs in equity.

21. Net revenue and cost of services

Revenue and corresponding costs incurred by the subsidiary Asgaard referring to the vessel Asgaard Sophia, by the subsidiary CNA and by the Company regarding the charter of the three AHTS acquired on December 30, 2020 are shown below:

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Revenue				
Chartering of vessels	30,352	-	67,163	26,820
Cargo transportation	-	-	59,629	54,532
Gross revenue	**30,352**	**-**	**126,792**	**81,352**
Deductions				
Taxes on revenue (PIS and COFINS)	(2,808)	-	(10,722)	(5,853)
State VAT (ICMS)	-	-	(5,564)	(5,786)
Other	-	-	(700)	(1,394)
Net revenue	**27,544**	**-**	**109,806**	**68,319**
Cost of services				
Personnel	-	-	(34,471)	(23,130)
Chartering	-	-	(2,181)	(1,037)
Depreciation	(8,322)	-	(22,125)	(11,999)
Rentals	-	-	(484)	(288)
Materials	-	-	(30,495)	(19,210)
Insurance	-	-	(2,876)	(2,827)
Services	-	-	(7,051)	(5,811)
Amortization of leases	-	-	(729)	-
Other	-	-	(3,463)	(1,985)
	(8,322)	**-**	**(103,875)**	**(66,287)**
Gross profit	**19,222**	**-**	**5,931**	**2,032**

Information on the nature of expenses recognized in the consolidated statements of profit and loss is presented below:

	Parent company		Consolidated	
	12/31/2021	**12/31/2020**	**12/31/2021**	**12/31/2020**
Personnel	(7,179)	(3,248)	(51,207)	(39,973)
Chartering			(2,181)	(1,037)
Depreciation	(8,435)	(304)	(22,528)	(12,413)
Rentals	(483)	(120)	(1,259)	(1,025)
Materials	-	-	(30,495)	(19,210)
Insurance	-	-	(2,876)	(2,828)
Services	(3,633)	(3,295)	(11,373)	(9,880)
Debt forgiveness (Note 16)	26,997	12,572	26,997	25,144
Contingent consideration adjustment	(42)	(7,196)	(42)	(7,196)
Amortization of leases	-	-	(729)	-
Operating provision	(3,239)	-	(4,573)	-
Write-off of property, plant and equipment	(22)	-	(4,207)	-
Other	(1,677)	490	(10,610)	(5,346)
	2,287	**(1,101)**	**(115,083)**	**(73,764)**
Costs of services provided	(8,322)	-	(103,875)	(66,287)
Operating expenses	(13,612)	(9,160)	(29,524)	(27,672)
Other operating income (Note 28)	24,221	8,059	18,316	20,195
	2,287	**(1,101)**	**(115,083)**	**(73,764)**

During 2021, subsidiary Asgaard, which already operates OSRV Asgaard Sophia, started to operate AHTS vessels Geonísio Barroso and Yvan Barreto, and also the WSSV Stim Star Arabian Gulf, which required higher use of materials in its operations when compared to 2020.

22. Financial Income

	Parent company		Consolidated	
	12/31/2021	**12/31/2020**	**12/31/2021**	**12/31/2020**
Income from financial investments	6	-	100	184
Inflation adjustment of recoverable taxes	-	4	39	74
Interest on loans	25,043	19,839	25,211	20,454
Discounts obtained	-	2	-	3
Exchange rate changes	608	1	1,141	1
	25,657	**19,846**	**26,491**	**20,716**

Line item “Interest on loans” basically refers to the adjustment of the debt of the parent company Maverick Holding with MLog, as described in Notes 1 and 13.

23. Financial Expenses

	Parent company		Consolidated	
	12/31/2021	**12/31/2020**	**12/31/2021**	**12/31/2020**
Interest on loans and financing	(4,947)	-	(6,869)	(1,129)
Interest on acquisition of investment	(8,527)	(12,383)	(8,527)	(12,383)
Exchange rate changes	(6,179)	-	(6,224)	(172)
Present value adjustment - interest on leases	-	-	(309)	-
Bank charges	(36)	(29)	(335)	(293)
Fine and interest on arrears	(2,567)	(1,292)	(2,035)	(1,961)
Other	(720)	(244)	(736)	(303)
	(22,976)	**(13,948)**	**(25,035)**	**(16,241)**

24.Financial Instruments

Classification per category

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

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets and liabilities.
- **Level 2:** inputs, except for the quoted prices included in Level 1, which are observable for the asset or liability, directly (price) or indirectly (derived from price).
- **Level 3:** inputs, for assets or liabilities, that are not based on observable market data (unobservable inputs)

The main financial instruments of the Company as at December 31, 2021 and December 31, 2020 are listed below:

	12/31/2021		12/31/2020		
Financial assets and liabilities	**Book value**	**Category**	**Book value**	**Category**	**Hierarchy**
Assets					
Cash and cash equivalents	**1,410**	Amortized cost	14,848	Amortized cost	
AFRMM deposits in restricted account	**-**	Amortized cost	2,476	Amortized cost	
Trade accounts receivable	**20,326**	Amortized cost	5,838	Amortized cost	
Related parties	**99,671**	Amortized cost	74,542	Amortized cost	
Rights in the business transaction	**933**	Amortized cost	2,990	Amortized cost	
Other receivables	**3,015**	Amortized cost	3,557	Amortized cost	
Liabilities					
Trade accounts payable	**16,874**	Amortized cost	5,767	Amortized cost	
Loans and financing	**79,628**	Amortized cost	100,441	Amortized cost	
Lease payable	**26,016**		-	Amortized cost	
Payables for acquisition of investments	**70,512**	Fair value through profit or los	99,592	Fair value through profit or los	Level 3

In assessing the financial instruments, the Company did not identify significant differences between the amount measured and the fair value of its financial assets and liabilities

Market Risk and Risk Management

Market risks are potential changes in market variables such as exchange rates and interest rates, as well as credit and liquidity risks. Market fluctuations will affect the results, liquidity and value of the Company's financial instruments.

Among its responsibilities, Management seeks to manage and control exposures to market risks, within acceptable parameters, while at the same time optimizing the return to its shareholders. The Company's financial transactions are carried out through the financial area in accordance with a conservative strategy, aiming at obtaining security, profitability and liquidity, in line with the treasury and cash management policy. The policy establishes criteria for protection against financial risks arising from the contracting of obligations, whether in foreign or domestic currency, in order to manage the exposure to risks associated with exchange rate and interest rate fluctuations.

The main risk factors that could affect the business of the Company are summarized below:

Credit risk

Credit risk is the Company's risk of incurring financial losses if a customer or a counterparty in a financial instrument fails to comply with its contractual obligations. The financial instruments subject to credit risks refer to cash and cash equivalents (with financial institutions) and trade accounts receivable (commercial customers).

Trade accounts receivable

The Company's exposure to credit risk is mainly influenced by the individual characteristics of each customer. However, Management also considers factors that could influence the credit risk of its customer base, including the risk of default by the industry and the country in which the customer operates.

The Company limits its exposure to the credit risk of trade accounts receivable, by adopting as policy only negotiating with customers who have sufficient credit capacity.

The Group's main customer, which on December 31, 2021 accounted for 85% of the receivables and 40% of net sales revenue (50% and 36% on December 31, 2020, respectively) has been operating with the Company for a long time, and none of these receivables was written off or had recovery problems.

Additionally, there is no history of securitization of our receivables.

Cash and Cash Equivalent

As disclosed in Note 4, the balance on December 31, 2021 of cash and cash equivalents mostly refers to available funds held in cash or credit against financial institutions that have a national scale rating between AA - and AA +, based on the rating agency S&P.

The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. Therefore, there are no indications of impairment based on such risk exposure.

All transactions are carried out with institutions with recognized liquidity and in line with the Company's treasury and cash management policy.

Interest rate risk

This risk arises from the possibility of incurring losses due to negative fluctuations in interest rates that increase the financial expenses related to its financial obligations.

On December 31, 2021, around 92% of loans and financing were indexed to fixed interest rates, as shown in note 15. Currently, the Company does not carry out hedge, swap or any other transactions involving derivative financial instruments.

Additionally, there is a risk that the drop in interest rate indexed to the CDI rate will also negatively impact the Company's cash and cash equivalents position (Note 4), thus generating a reduction in the level of income from short-term investments.

Liquidity risk

Represents the risk of shortage and difficulty for the Company to honor its liabilities (mainly debts). The Company and its subsidiaries seek to align the maturity of their debts with the period of cash generation to avoid mismatches and thus give rise to the need for greater financial leverage. However, we draw attention to Note 1, where Management discloses the situation of negative working capital. its potential impacts on operations and treasury management, as well as the measures adopted to improve them.

The table below details the maturity of the main financial liabilities of the Company and its subsidiaries on the date of these consolidated financial statements:

	Consolidated			
	Up to one year	**From one to three years**	**Over three years**	**Total**
Loans and financing	47,434	32,194	-	**79,628**
Trade accounts payable	16,874	-	-	**16,874**
Lease agreements	10,662	15,354	-	**26,016**
Payables for acquisition of investments	11,627	15,391	43,494	**70,512**
	86,597	**62,939**	**43,494**	**193,030**

For comparative purposes, the changes on December 31, 2020 are as follows:

	Consolidated			
	Up to one year	**From one to three years**	**Over three years**	**Total**
Loans and financing	32,558	67,883	-	**100,441**
Trade accounts payable	5,767	-	-	**5,767**
Payables for acquisition of investments	75,292	19,768	4,532	**99,592**
	113,617	**87,651**	**4,532**	**205,800**

Sensitivity Analysis

The table below shows the sensitivity analysis for exchange rate and interest rate risks, considering the closing on December 31, 2021. This analysis considered a probable scenario as assessed by Management.

The assumptions used for the probable scenario determined by Management were based on information available in the market, such as: Dollar 5.00 (Focus report of 05/02/2022) and CDI 9.15% (BM&F).

		12/31/2021	**Effect on equity on 12/31/2022**
BNDES Financing	US$	65,955	6,861
Payables for acquisition of investment	CDI	70,512	(13,925)
	US$	5,5805	5,0000
	CDI	9,15%	13,25%

25. Non-cash transactions

Transactions below do not have a cash impact on the Company or any investee:

Investing activities	**Parent company**		**Consolidated**	
	2021	**2020**	**2021**	**2020**
Acquisition of property, plant and equipment	(6,520)	(115,848)	6	(82,723)
Acquisition of intangible assets in installments	-	-	(795)	-
	(6,520)	**(115,848)**	**(789)**	**(82,723)**
Financing activities				
Loans and financing paid with AFRMM	(19,113)	-	(19,113)	-
Related parties	16,737	-	7,863	-
	(2,376)	**-**	**(11,250)**	**-**
Total non-cash transactions	**(8,896)**	**(115,848)**	**(12,039)**	**(82,723)**

26. Insurance

The Company and its subsidiaries have several insurance policies in order to protect their operation and assets. In Shipping activities, the subsidiaries Asgaard and CNA take insurance for their vessels (hull insurance), in addition to protection and indemnity coverage (P&I).

The main coverages as at December 31, 2021 are:

Hull Insurance:

- CNA: Total coverage of R$101 million
- Asgaard: Total coverage of US$32.6 million
- MLog: Total coverage of US$24.9 million

Protection and Indemnity Insurance (P&I):

- CNA: Coverage limited to US$8.2 billion per event and occurrence.
- Asgaard: Maximum Indemnity Limit. International P&I Group limit - greater than US$8.2 billion.
- MLog: Maximum Indemnity Limit. International P&I Group limit - greater than US$8.2 billion.

On 7/4/2021, the civil liability insurance for directors and officers (D&O) of the parent company and its subsidiaries was renewed, effective until 07/04/2022, at the insured amount of up to R$50 million.

27. Personnel expenses

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Compensation & charges	(5,123)	(2,230)	(10,815)	(10,834)
Social Security Charges	(1,260)	(465)	(3,008)	(2,641)
Benefits	(796)	(553)	(2,873)	(3,361)
Other	-	-	(40)	(7)
	(7,179)	**(3,248)**	**(16,736)**	**(16,843)**

28. Other Operating Income (Expenses)

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Reversal (recognition) of provisions	(2,405)	6,122	(3,925)	10,963
Judicial agreement	(503)	(3,439)	(503)	(9,793)
Adjustment to contingent consideration - Libra	(42)	(7,196)	(42)	(7,196)
Debt forgiveness	26,997	12,572	26,997	25,144
Write-off of investment and property, plant and equipment	(4)	-	(4,155)	(253)
Repair reimbursement	-	-	-	848
Insurance Reimbursements	178	-	226	501
Other	-	-	(282)	(19)
	24,221	**8,059**	**18,316**	**20,195**

Comments referring to the adjustment to contingent consideration and debt forgiveness are described in Note 16 and write-off of property, plant and equipment in Note 9.

29. Information by Business Segment

The segment information must be prepared in accordance with CPC 22 (Segment Information), equivalent to IFRS 8, and must be presented in relation to the business of the Company and its subsidiaries, identified based on its management structure and internal managerial information.

MLog uses segments, as described below, that correspond to its strategic business units, which offer different services and products and are managed separately. The following summary describes the operations in each of the reportable segments.

• Mining

Covers pre-operating iron ore mining activities in Minas Gerais consolidating all operations related to the studies and research of the work necessary for the protocol of the Operating License (“LI”) and implementation of the Morro do Pilar Project (“MOPI Project”).

The subsidiaries Dutovias do Brasil S.A and Companhia de Desenvolvimento do Norte Capixaba have a scope related to the logistics segment, linked to mining, both being at the pre-operating stage.

• Shipping

The shipping segment consolidates the operations of Asgaard, CNA and the Company. Asgaard has been operating in the maritime support sector since March 2016, providing services with the OSRV Asgaard Sophia vessel to Petrobras. CNA transports oil and derivatives in the northern region of Brazil, operating its assets at levels close to the limit given the current regional conditions, both climate and warehousing infrastructure. The Company earns charter revenue from the three AHTS that operate in the offshore support sector, providing services to Petrobras through BOM (a CNAs associate).

Statements of profit and loss - Segments
as at December 31, 2021
(In thousands of Brazilian reais – R$)

	Mining	Shipping	Consolidated
Net service revenue	-	109,806	109,806
Cost of services	-	(103,875)	(103,875)
Gross profit	**-**	**5,931**	**5,931**
Operating expenses			
Personnel	(9,258)	(7,478)	(16,736)
Services rendered	(3,453)	(869)	(4,322)
General and administrative	(797)	(4,918)	(5,715)
Depreciation and amortization	(287)	(116)	(403)
Taxes	(1,536)	(812)	(2,348)
Other operating income (expenses)			
Government subsidies – AFRMM	-	11,958	11,958
Impairment of assets	-	(8,142)	(8,142)
Other operating income	(3,622)	21,938	18,316
	(18,953)	**11,561**	**(7,392)**
Operating profit (loss) before financial income (expenses)	**(18,953)**	**17,492**	**(1,461)**
Financial income and expenses			
Financial income			26,491
Financial expenses			(25,035)
			1,456
Loss before income tax and social contribution			**(5)**
Income tax and social contribution			
Current			(21)
Deferred			(2,453)
Loss for the year			**(2,479)**

Statements of profit and loss - Segments
as at December 31, 2020
(In thousands of Brazilian reais – R$)

	Mining	Shipping	Consolidated
Net service revenue	-	68,319	68,319
Cost of services	-	(66,287)	(66,287)
Gross profit	**-**	**2,032**	**2,032**
Operating expenses			
Personnel	(4,133)	(12,710)	(16,843)
Services rendered	(3,298)	(771)	(4,069)
General and administrative	(946)	(3,578)	(4,524)
Depreciation and amortization	(298)	(116)	(414)
Taxes	(1,408)	(414)	(1,822)
Other operating income (expenses)			
Government subsidies – AFRMM		45,634	45,634
Other operating income	2,683	17,512	20,195
Operating profit (loss) before financial income (expenses)	**(7,400)**	**45,557**	**38,157**
Operating profit (loss) before financial income (expenses)	**(7,400)**	**47,589**	**40,189**
Financial income and expenses			
Financial income			20,716
Financial expenses			(16,241)
			4,475
Profit before income tax and social contribution			**44,664**
Income tax and social contribution			
Current			(467)
Deferred			(2,831)
Profit for the year			**41,366**

Assets and Liabilities
Segment Information as at December 31, 2021
(In thousands of Brazilian reais – R$)

	Corporate	Mining	Shipping	Consolidated
Assets				
AFRMM	-	-	9,726	9,726
Rights in the business transaction	-	-	933	933
Related parties	99,271	-	400	99,671
PP&E	-	30,729	293,619	324,348
Intangible assets	-	744,352	65,954	810,306
Other	1,646	995	37,384	40,025
	100,917	**776,076**	**408,016**	**1,285,009**
Liabilities				
Trade accounts payables	448	233	16,193	16,874
Loans and financing	-	-	79,628	79,628
Related parties	39,579	-	11,253	50,832
Provisions	-	6,802	1,484	8,286
Payables for acquisition of investments	-	-	70,512	70,512
AFRMM	-	-	181,411	181,411
Other	760	593	52,716	54,069
	40,787	**7,628**	**413,197**	**461,612**

Assets and Liabilities
Segment Information as at December 31, 2020
(In thousands of Brazilian reais – R$)

	Mining	**Shipping**	**Consolidated**
Assets			
AFRMM	-	10,551	10,551
Rights in the business transaction	-	2,990	2,990
Related parties	73,618	924	74,542
PP&E	31,020	278,343	309,363
Intangible assets	740,468	65,862	806,330
Other	2,520	32,844	35,364
	847,626	**391,514**	**1,239,140**
Liabilities			
Trade accounts payables	425	5,342	5,767
Loans and financing	-	100,441	100,441
Related parties	-	4,135	4,135
Provisions	3,508	2,928	6,436
Payables for acquisition of investments	-	99,592	99,592
AFRMM	-	178,067	178,067
Other	3,348	15,478	18,826
	7,281	**405,983**	**413,264**

30. Subsequent events

On January 1, 2022 the transfer of AHTS Haroldo Ramos contract with Petrobras from BOM to Asgaard was completed, being Asgaard the operator of the vessel.

On January 21, 2022 a final arbitration award was handed down upon agreement between the parties thus settling the arbitration proceeding between Korea Investment Company (KIC), MLog and Company shareholders.

On February 14, 2022 and May 06, 2022 company signed debt confession instruments with creditors in the amount of R$3,400, to be paid as from May 2022 and deferral up to October 2028. This transaction resulted in a gain of R$1.3 million in relation to the original debt amount, as discount agreed upon between the parties. These debts were originally a receivable from Libra Infraestrutura before MLog S.A. for ’s acquisition. These receivables were given in payment for several Libra creditors due to the court-ordered reorganization plan. The total amount renegotiated reaches 93% of the original debt amount.

On February 17, 2022, Asgaard Navegação held a general extraordinary meeting authorizing a capital reduction and, thereafter, a capital increase to support the corporate arrangement of the transaction with Bourbon. This meeting also authorized the change of company name from Asgaard Navegação S.A. to Asgaard Bourbon Navegação S.A., and other transaction-related matters.

On February 21, 2022, the Company released a material fact communicating the conclusion of last step of operation between MLog and Bourbon, which will result in the following:

(i) Asgaard Navegação S.A. (“Asgaard”) became MLog’s and Bourbon’s platform for operation of offshore supply vessels.

(ii) Asgaard will undergo a reorganization, where most of its assets and liabilities will be assumed by MLog, including 100% of ’s shares.
(iii) After and as from the completion of such reorganization Bourbon will become Asgaard’s shareholder holding 50% of Asgaard’s shares, including right of vote.
(iv) MLog and Bourbon entered into a shareholders’ agreement governing, among others, certain rights, duties and obligations as Asgaard’s shareholders;
(v) The shareholders’ agreement does not provide for any management or financial privilege for any of the parties, being the shareholding structure equal, the initial conclusion is that after the consummation of the transaction Asgaard, which will be named Asgaard Bourbon, will be jointly controlled by Bourbon and MLog, not being consolidated by MLog, with its share of profit (loss) proportionally recognized by the latter.
(vi) A General Shareholders Meeting of Asgaard was held and approved, among other topics, the reorganization, redesign of Asgaard’s bylaws, election of the Board of Directors and change of the corporate name from Asgaard to Asgaard Bourbon Navegação S.A.

The consolidation of this transaction will take place on the first half of 2022, the Company still defining the accounting consolidation structure regarding the holding of control of the new Company called Asgaard Bourbon, resulting from the transaction described above.

Gustavo Barbeito de Vasconcellos Lantimant Lacerda
Chief Executive Officer and (as from 02/01/2022) Investor Relations Officer

Elias David Nigri
Chief Executive Officer
(up to 01/31/2022)

Antônio Frias Oliva Neto
Chief Financial Officer

Yury Gazen Dimas
Accountant - CRC RJ
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