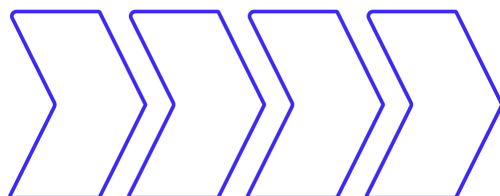




Vast Infraestructura S.A.

Consolidated financial statements as of and for the year ended
December 31, 2023 and 2022



**Opening horizons
for energy**

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Independent Auditor's Report on the Consolidated Financial Statements

**To the Shareholders, Board of Directors and Management of
Vast Infraestrutura S.A.
Rio de Janeiro – RJ**

Introduction

We have audited the consolidated financial statements of Vast Infraestrutura S.A. ("the Company"), which comprise the balance sheet as of December 31, 2023, the related statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the year then ended, and the related notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company, as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board - IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the relevant ethical requirements included in the Accountant Professional Code of Ethics ("Código de Ética Profissional do Contador") and in the professional standards issued by the Brazilian Federal Accounting Council ("Conselho Federal de Contabilidade"), 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 audit opinion.

Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management 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 management either intends to liquidate the Company, or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatements 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 consolidated financial statements.

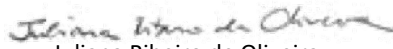
As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the 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 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.

Rio de Janeiro, March 05, 2024

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



Juliana Ribeiro de Oliveira

CRC RJ-095335/O-0

Consolidated balance sheets as of December 31, 2023 and 2022

(In thousands of U.S. Dollars)

	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents	4	44,772	3,184
Marketable securities	5	79,848	83,627
Advances	7	3,738	74
Accounts receivable	8	21,536	17,680
Recoverable income and social contribution taxes	9	-	2,530
Recoverable taxes	9	1,677	1,915
Accounts receivable from related parties	10	12	2,040
Prepaid expenses		404	365
Other current assets		8	-
		<u>151,995</u>	<u>111,415</u>
Non-current assets			
Accounts receivable	8	-	227
Loan receivable from related parties	10	64,805	53,505
Marketable securities	5	567,147	589,262
Escrow accounts	6	39,336	35,282
Property, plant and equipment	11	288,050	304,380
Right-of-use assets		203	195
Intangible assets	12	10,684	11,084
Other non-current assets		64	37
		<u>970,289</u>	<u>993,972</u>
Total assets		<u>1,122,284</u>	<u>1,105,387</u>
Liabilities			
Current liabilities			
Trade payables	13	7,359	6,860
Loans, borrowings and debentures	14	86,272	64,897
Salaries and social charges payable		4,454	2,601
Accounts payable to related parties	10	2,312	2,170
Taxes and contributions payable	15	2,332	1,821
Income tax and social contribution payable	15	775	-
Dividends payable		6,759	896
Lease liabilities		133	100
Provision for Contingencies	16	16	-
Other current liabilities		1	-
		<u>110,413</u>	<u>79,345</u>
Non-current liabilities			
Loans, borrowings and debentures	14	1,099,377	1,139,608
Deferred income taxes	9	42,065	32,374
Lease liabilities		88	72
		<u>1,141,530</u>	<u>1,172,054</u>
Total liabilities		<u>1,251,943</u>	<u>1,251,399</u>
Shareholders' equity (deficit)			
Share capital	17	83,575	83,575
Capital reserve		(232,462)	(232,462)
Profit reserve		21,436	2,875
Accumulated losses		(3,206)	-
Cumulative translation adjustment (CTA)		998	-
		<u>(129,659)</u>	<u>(146,012)</u>
Total liabilities and shareholders' equity (deficit)		<u>1,122,284</u>	<u>1,105,387</u>

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

Consolidated statement of income

Years ended December 31, 2023 and 2022

(In thousands of U.S. Dollars, except earnings per share data)

	Note	2023	2022
Net revenue of services	18	185,590	133,281
Cost of services provided	19	(91,382)	(70,630)
Gross profit		94,208	62,651
Operating expenses			
General and administrative expenses	20	(10,102)	(7,590)
Expected credit losses		(15)	(69)
Other operating expenses		(1,643)	(492)
Income before financial result and taxes		82,448	54,500
Financial income	21	63,219	47,792
Financial expenses	21	(102,389)	(99,992)
Financial result		(39,170)	(52,200)
Profit before taxes		43,278	2,300
Current income and social contribution taxes	9	(12,572)	(1)
Deferred income and social contribution taxes	9	(9,571)	989
Net income for the year		21,135	3,288
Net income per share			
Income per share - basic and diluted (in U.S. Dollars)	22	0.0473	0.0074

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

Consolidated statement of comprehensive income

Years ended December 31, 2023 and 2022

(In thousands of U.S. Dollars)

	2023	2022
Net income for the year	21,135	3,288
Other comprehensive income		
Cumulative translation adjustment (CTA)	998	-
Total comprehensive income for the year	<u><u>22,133</u></u>	<u><u>3,288</u></u>

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

Consolidated statement of changes in shareholders' equity (deficit)

Years ended December 31, 2023 and 2022

(In thousands of U.S. Dollars)

	Share capital	Capital reserve	Profit reserve	Accumulated income (losses)	Cumulative translation adjustment (CTA)	Total shareholders' equity
Balance on January 1, 2022	<u>115,471</u>	<u>7,780</u>	<u>-</u>	<u>483</u>		<u>123,734</u>
Net income for the year	-	-	-	3,288	-	3,288
Appropriations:						
Legal reserve	-	-	189	(189)	-	-
Dividend Distribution	-	-	-	(896)	-	(896)
Transfer to reserves	-	-	2,686	(2,686)	-	-
Capital increase (note 17)	7,780	(7,780)	-	-	-	-
Capital reduction (note 17)	(18,782)	-	-	-	-	(18,782)
Capital reduction – cancellation of shares (note 17)	(20,894)	-	-	-	-	(20,894)
Reverse merger of Newco (note 17)	-	(232,462)	-	-	-	(232,462)
Balance on December 31, 2022	<u>83,575</u>	<u>(232,462)</u>	<u>2,875</u>	<u>-</u>	<u>-</u>	<u>(146,012)</u>
Net income for the year	-	-	-	21,135	-	21,135
Appropriations:						
Legal reserve*	-	-	1,183	(1,183)	-	-
Dividend Distribution*	-	-	-	(5,619)	-	(5,619)
Transfer to reserves*	-	-	16,857	(16,857)	-	-
Others	-	-	521	(682)	-	(161)
Cumulative translation adjustment (CTA)					998	998
Balance on December 31, 2023	<u>83,575</u>	<u>(232,462)</u>	<u>21,436</u>	<u>(3,206)</u>	<u>998</u>	<u>(129,659)</u>

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

* The profit reserves and dividend distribution policy follow the rule of the Brazilian Corporate Law, i.e. based on the financial statements in Brazilian reais, annual distribution.

Statement of cash flows

Years ended as of December 31, 2023 and 2022

(In thousands of U.S. Dollars)

	2023	2022
Cash flows from operating activities		
Profit before taxes	43,278	2,300
Adjustments for:		
Depreciation and amortization	21,098	20,884
Interest on loans	90,044	87,293
Expected credit losses	15	69
Result from variable income operations	(42,607)	(2,148)
Gain on marketable securities	-	(43,790)
Non-current assets write-off	46	492
Amortization of transaction cost	3,961	12,357
Income from escrow accounts	(1,423)	-
Unrealized exchange variation	(8,095)	(598)
	<u>106,317</u>	<u>76,859</u>
Changes in:		
(Increase) decrease in assets and increase (decrease) in liabilities:		
Recoverable taxes	2,339	(125)
Accounts receivable	(3,481)	(11,465)
Accounts receivable from related parties	2,017	(2,028)
Prepaid expenses	(40)	-
Other accounts receivable	(178)	(49)
Trade payables	406	4,575
Accounts payable to related parties	142	925
Taxes and contributions payable	373	917
Salaries and social charges payable	1,669	877
Other current liabilities	39	-
Income and social contribution taxes paid	(11,091)	(2,502)
Net cash generated by operating activities	<u>98,512</u>	<u>67,984</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(4,063)	(8,999)
Acquisition of intangible assets	(203)	(165)
Payment for acquisition of controlled company	(3,433)	-
Loan with related parties	(7,215)	(53,363)
Investment in marketable securities	71,756	(603,361)
Net cash generated by (used in) investing activities	<u>56,842</u>	<u>(665,888)</u>
Cash flows from financing activities		
Escrow accounts	(2,067)	(15,748)
Transaction cost	-	(42,160)
Payment of principal on loans	(22,058)	(226,819)
Payment of interest on loans	(90,803)	(48,985)
Capital reduction	-	(18,782)
Reverse merger - net cash effect	-	2,888
Payment of Lease	(145)	(107)
Loans and borrowings obtained	-	950,000
Net cash generated by (used in) financing activities	<u>(115,073)</u>	<u>600,287</u>
Increase in cash and cash equivalents	40,281	2,383
Cash and cash equivalents at the beginning of year	3,184	764
Cash and cash equivalents at the end of year	44,772	3,184
Effect of exchange rate variation on cash and cash equivalents	(1,307)	(37)
Increase in cash and cash equivalents	<u>40,281</u>	<u>2,383</u>

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

Notes to the consolidated financial statements

(In thousands of U.S. Dollars)

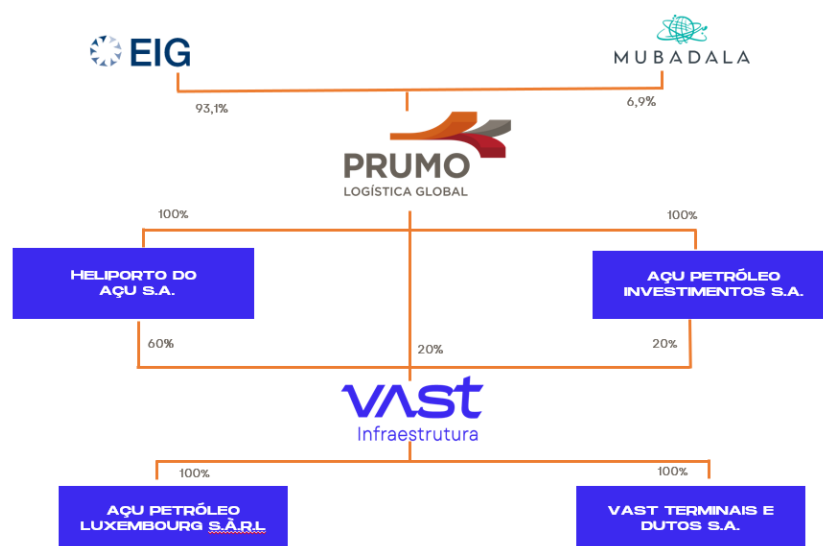
1 Operating context

Vast Infraestrutura S.A, previously named as Açu Petróleo S.A. (“Vast” or the “Company”), is domiciled in Brazil, with headquarters at Rua Lauro Muller - 116, Rio Sul Center building, Botafogo, Rio de Janeiro, RJ. The consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Company”). The Company is engaged in providing logistics service contracts related to double banking transshipment, which occurs when ships are moored at the pier, for the transportation of liquid cargo.

The Company’s terminal has three berths available along the 1.4 km breakwater, two of which, the North and Central berths, have a capacity to receive Very Large Crude Carrier (“VLCC”) export vessels and the South berth, with capacity to operate Suezmax vessels. The terminal (“T-Oil”) is licensed to handle up to 1.2 million barrels of oil per day.

a. Shareholding structure

The Company’s shareholding structure on December 31, 2023 is as follows:



The Company consolidates two subsidiaries in its financial statements, as follows:

Direct subsidiaries	Country	% Equity Interest		Equity	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Açu Petróleo Luxembourg (*)	Luxembourg	100.00%	100.00%	27,735	31,157
Vast Terminais e Dutos S.A. (**)	Brazil	100.00%	-	36,905	-

(*) Subsidiary acquired in December 2021, formed and existing under the laws of the Grand Duchy of Luxembourg for specific purposes of issuing of debt securities on the international capital market. On October 10, 2023, Vast invested in this subsidiary in the amount of US\$ 230 to the special equity reserve account of the Company for payment of operating expenses.

(**) In 2023, Vast constituted, as sole shareholder, Vast Terminais e Dutos S.A. ("Vast Dutos"). Vast Dutos was established to develop projects and currently has no operating activities. In September 2023, Vast made a capital increase in Vast Dutos in the amount of US\$36,000 (R\$ 175,151) through a restricted payment, in accordance with the conditions set out in the Indenture of the January 2022 Bond Issue. Vast utilized resources held in the foreign exchange fund (marketable securities) to make the capital increase in Vast Dutos, which was recognized in cash and cash equivalents in the consolidated balance sheet.

b. Highlights of 2023

Semi-Annual Bond Payment

On January 13, 2023, the Company paid the second semi-annual bond payment of US\$26,172 in line with the loan agreement. This payment included the first amortization of the bond, in line with the target payment schedule.

On July 13, 2023, the Company paid the third semi-annual bond payment of US\$29,719 in line with the loan agreement. This payment included the second amortization of the bond, in line with the target payment schedule.

New contract agreements

New Client - Petronas

On January 12, 2023, the Company signed an agreement for oil transshipment services at the Porto do Açú terminal, with Petronas Petróleo Brasil (PPBL), a subsidiary of Petronas Petróleo Brasil Ltda.

New Client - Petrório

On February 1, 2023, the Company signed an agreement for oil transshipment operation at Porto do Açú terminal with Petrório S.A..

Contract Renewal - Petrobras

On July 3, 2023, the Company signed a contract renewal with Petrobras, for oil handling transshipment operations. The agreement provides for transshipment involving Suezmax, Aframax and VLCC.

Contract Renewal - TotalEnergies

On August 25, 2023, the Company signed a contract renewal with TotalEnergies, for oil handling transshipment operations. The agreement provides for transshipment involving Suezmax and VLCC.

Loan between related parties

On July 14, 2023, The Company made an interest-free and indefinite maturity loan to Prumo Logística, Vast's indirect parent company, in the total amount of US\$ 7,215 (R\$ 34,602).

Future acquisitions

The Company advanced in the process of acquiring 100% of the quotas of Terminal de Combustíveis Marítimos do Açú Ltda. ("TECMA"). In December 2023, a contract was signed

establishing all the terms and conditions for the purchase and sale of TECMA's quotas. As a result, the Company paid the first installment of the transaction into an escrow account, as detailed in note 7. Notice that the closing of the operation is subject to the fulfillment of certain precedent conditions. Although one of the precedent conditions - the approval of the operation by CADE (Conselho Administrativo de Defesa Econômica) - was met on January 2, 2024, this single event is not sufficient for the completion of the closing, which is conditioned on the implementation of other pending precedent conditions.

c. Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to liquidate its liabilities including the mandatory repayment terms of the Loans, borrowings and debentures, as disclosed in note 14.

The Company has a negative shareholders' equity of US\$ 129,659 for the year ended December 31, 2023. However, as at this date, current assets exceed current liabilities by US\$ 41,582 (US\$ 32,070 on December 31, 2022), thus demonstrating the Company's financial capacity to honor its liabilities. Also, the Company generated cash flows from its operations of US\$ 98,512 in the year ended December 31, 2023 (US\$ 67,984 in the year ended December 31, 2022).

As described in note 17, as a result of the accounting effect related to the reverse merger and the Company's inability to recognize goodwill generated on the acquisition of its own shares from non-controlling shareholders, its equity was negatively impacted by the write-off of goodwill on the reverse merger with Newco. However, this had no cash effect on the Company's balance sheet.

The Management believes that the payment of the principal and interest on the bonds will be covered by operational cash flows. The administration is confident in operational growth and that the business will generate sufficient resources to meet cash flow needs.

Based on these factors, the Management has a reasonable expectation that the Company has and will have adequate resources to continue in operational existence in the foreseeable future, as well as to honor the payment schedules of the debt structure, which matures in 2035.

2 Basis for preparation and presentation

a. Statement of compliance

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The Company's board of directors approved the consolidated financial statements for the year ended December 31, 2023 on March 4, 2024. Accordingly, these consolidated financial statements consider subsequent events that could have an effect on them up to that date. All the relevant information pertaining to the consolidated financial statements, and nothing more, is being disclosed and corresponds to that used by Management in its Administration.

b. Basis of measurement

The consolidated financial statements have been prepared based on historical cost, except for marketable securities and escrow accounts onshore, which are measured at fair value through profit or loss.

c. Functional currency

The functional currency of the Company is the currency of the main economic environment in which it is inserted and should be the currency that best reflects the Company’s business and operations. Management concluded that the US dollar ("US\$") is its functional currency. This conclusion is based on the primary and secondary indicators set forth in IAS 21, an accounting standard dealing with the effects of changes in exchange rates and the conversion of financial statements.

For presentation purposes, these consolidated financial statements are presented in US\$ as the Company believes that this is how international investors analyze the financial statements.

Assets, liabilities, income and expenses are accounted at the exchange rates in effect on the dates of the transactions.

Equity and non-monetary items are accounted for at historical formation value.

The main exchange rates used by the Company to translate its operations are as follows:

	Closing rate		Average rate for the period ended	
	2023	2022	2023	2022
Brazilian real ("R\$")	4.8413	5.2177	4.9953	5.1655
Euro ("EUR" or "€")	1.1054	1.0674	1.0817	1.0537

d. Use of judgements and estimates

In preparing these consolidated financial statements, the Company uses estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The Company reviews its assumptions and judgments at least annually. The impacts of these reviews are recognized prospectively.

Information on uncertainties related to assumptions and estimates as of December 31, 2023, that have a significant risk of resulting in a material adjustment to the accounting balances of assets and liabilities in the future are included in the following notes:

- Note 4** – Expected Credit Loss on Cash and Cash Equivalents;
- Note 6** – Expected Credit Loss on Escrow accounts;
- Note 8** – Expected Credit Loss on Accounts Receivable;
- Note 9** – recognition of deferred income and social contribution taxes;
- Note 10** – Expected Credit Loss on Related Parties;
- Note 16** – recognition and measurement of provisions for contingencies.

The information about the judgments made in the application of accounting policies that have significant effects on the amounts recognized in the consolidated financial statements, refer mainly to judgments made for the definition of the U.S. dollar as functional currency, accordingly with IAS 21 - Effects of changes in exchange rates and conversion of financial statements. When indicators for the determination of functional currency is not such an obvious process, Management should use judgment to determine the functional currency that represents with greater reliability the economic effects of transactions, events and underlying conditions. For this judgment, the Company considers the following characteristics:

The currency that most influences the sale prices of goods and services of the Company is the U.S. dollar. The Company understands that a substantial part of the transactions of its operation are based on the prices defined in U.S. dollars, even if they are contracts with domestic customers and suppliers (with the exception of the contract with Petrobras), all other Company contracts are referenced in U.S. dollars, such as the "Take-or-Pay" contracts with the customers mentioned in note 24.

The currency that most influences direct costs for providing goods or services is the U.S. dollar, considering that the Company has costs directly connected to the operation denominated in dollars, such as the port tariff and costs with the port operator "Oiltanking Açú Serviços Ltda".

The Export Credit Note and financing via foreign exchange debentures are denominated in US dollars and represent all loans obtained, which are funds used to finance the Company's operations.

Based on the above definitions and characteristics presented, the Company considers that the definition of the U.S. dollar as a functional currency is appropriate.

3 Summary of significant accounting policies

Significant accounting policies used in the preparation of these consolidated financial statements are disclosed in the respective notes. The accounting policies have been consistently applied to all years presented:

a. *Basis of consolidation*

Subsidiaries

The subsidiaries are entities controlled by the Company. The Company 'controls' an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases. The control of Açú Petróleo Luxembourg by Vast began in December of the year 2021. In 2023, Vast established, as the sole shareholder, Vast Terminais e Dutos S.A. ('Vast Dutos'). Given this context, the Company now has the need to disclose its financial statements on a consolidated basis.

Transactions eliminated on consolidation.

Intra-group balances and transactions are eliminated entirely, except for foreign currency transaction gains or losses realized, arising from intra-group transactions.

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Company and its subsidiaries companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss and presented within finance costs.

b. Financial instruments

Recognition and initial measurement

Accounts receivable from customers are initially recognized on the date they were originated. All other financial assets and liabilities are initially recognized when the Company becomes part of the provisions of the contractual instrument.

A financial asset (unless it is an accounts receivable from customers without a significant financing component) or financial liability is initially measured at fair value, plus, for an item not measured at FVTPL, the transaction costs that are directly attributable to the acquisition or issuance. Accounts receivable from customers without a significant financing component are initially measured at the transaction price.

Subsequent classification and measurement

Financial assets

Upon initial recognition, a financial asset is classified as measured: (i) at amortized cost, (ii) at fair value through other comprehensive income (FVTOCI) or (iii) at fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to initial recognition, unless the Company changes the business model for the management of financial assets and, in this case, all affected financial assets are reclassified on the first day of the presentation period after the change of the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as measured at FVTPL: (i) it is maintained within a business model whose objective is to maintain financial assets to receive contractual cash flows; and (ii) its contractual terms generate, on specific dates, cash flows that are related only to the payment of principal and interest on the principal amount outstanding.

The Company does not have instruments that qualify as measured at fair value through other comprehensive income (FVTOCI).

All other financial assets, not classified as measured at amortized cost, as described above, are classified as measured at fair value through profit or loss. Upon initial recognition, the

Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI to be measured at FVTPL if this eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss (FVTPL). A financial liability is classified as measured at fair value through profit or loss if it is classified as held for trading, is a derivative or is designated as such on initial recognition. Financial liabilities measured at FVTPL are measured at fair value and the net result, including interest, is recognized in the profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognized in the statement of income. Any gain or loss on derecognition is also recognized in the statement of income.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the asset's cash flows expire, or when the Company transfers the contractual rights to the cash flows on a financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor maintains substantially all the risks and benefits of the ownership of the financial asset and also does not retain control over the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligation is withdrawn, canceled or expires. The Company derecognizes a financial liability when the terms are modified and the cash flows of the modified financial liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. In the derecognition of a financial liability, the difference between the extinguished carrying amount and the consideration paid (including transferred assets that do not pass through the assumed cash or liability) is recognized in the statement of income.

Compensation

Financial assets or liabilities are offset, and the net amount is presented on the balance sheet when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Impairment

Cash and cash equivalents

Cash and cash equivalents are held with banks and financial institutions that are rated between AAA and AA +, based on the main rating agencies, S&P, Moodys and Fitch.

The Company also has fixed income investment funds. These financial assets have immediate liquidity and are presented in current assets.

The estimated impairment model in cash and cash equivalents was calculated based on the expected loss for 12 months and reflected the short maturities of risk exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

Marketable securities

Securities classified as fair value through profit or loss refers to investments in foreign exchange funds, made to protect the cash held in reais from exchange fluctuations in the US dollar, as the Group uses the US dollar as its functional currency and funds in reais held in an exchange fund in Brazil serving as guarantees required for the new debt.

Securities classified as amortized cost refer to the linked credit note ("CLN") held in the subsidiary for the internalization of funds in the Company through the Export Credit Note ("NCE") acquired by Banco Itaú and an exchange debenture subscribed by Banco Santander.

Escrow accounts

These funds serve as collateral required by the agreement in the internalization of funds resulting from the issuance of bonds through the Export Credit Note ("NCE") acquired by Banco Itaú and a currency-linked debenture subscribed by Banco Santander. The Company holds funds denominated in dollars overseas with Citibank and funds in Brazilian reais in a currency fund in Brazil. Due to their low liquidity, these deposits are not classified as cash equivalents and based on their expected realization, are presented in non-current assets.

The estimated loss position in escrow accounts was calculated based on the expected 12-month loss rate and shows the maturity periods of the risk exposures. The Company used an approach similar to that used for cash and cash equivalent in assessing expected credit loss.

Accounts receivable

Loss rates used reflect real credit losses in recent years. These rates were multiplied by factors of scale to reflect differences between economic conditions during the period in which historical data was collected, such as current conditions and the Company's view of economic conditions and the expected life of receivables.

c. *Financial result*

The financial result of the Company includes:

- Interest income;
- Interest expense;
- The net gain or loss on financial assets at FVTPL;
- The foreign currency gain or loss on financial assets and financial liabilities.

When calculating interest revenue and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset does not have credit impairment) or to the amortized cost of the liability. However, for financial assets that have incurred credit impairment after initial recognition, interest revenue is calculated by applying the effective

interest rate to the amortized cost of the financial asset. If the asset is no longer impaired, the calculation of interest revenue will be reverted to the gross basis.

d. *Property, plant and equipment*

Items of fixed asset are measured by historical cost of acquisition or construction deducted from accumulated depreciation and accumulated impairment losses, as described in note 11.

Cost includes expenses that are directly attributable to the acquisition of the asset. The cost of assets built by the Company itself includes: the cost of materials and direct labor; any other costs to place the asset on the premises under conditions necessary for the Company to be able to operate in the manner intended by Management and borrowing costs on qualifying assets.

Gains and losses on disposal of an item of fixed asset (determined by the difference between the proceeds from the sale and the book value of fixed asset), are recognized in other operating income / expenses in the statement of income.

Subsequent expenses are capitalized to the extent that it is probable that future benefits associated with the expenses will be earned by the Company. Recurring maintenance costs and repairs are recognized in the statement of income when incurred.

Depreciation is calculated to amortize the cost of fixed asset 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 the statement of income. The depreciation rates are included in note 11.

The Company classifies as works in progress all civil works from the construction and installation phase to the start of operation, when they are reclassified to the corresponding accounts of assets in operation. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date and adjusted if appropriate.

e. *Intangible assets*

Intangible assets mainly comprise rights of access, as mentioned in Note 12, which have defined useful lives and are measured at cost, less accumulated amortization and impairment losses, if any.

The amortizable amount of an intangible asset with a defined useful life is systematically appropriated over its estimated useful life. Amortization starts as soon as the asset is available for use, that is, when it is in the location and under the conditions necessary for it to function as intended by management. The amortization rates are included in note 12.

The right of access relates to the Port Access Agreement among Porto do Açu and Ferroport (related party company), which an additive was issued in April 2013. On September 17, 2015, the contract was amended passing the right of access from Porto do Açu to Vast Infraestrutura. The main object of the contract is the concession by Ferroport of the right

of access to the port facilities from T1 Terminal (“T1”) to the Company, its representatives and clients.

f. *Impairment of non-financial assets*

On each reporting date, the Company reviews the carrying amount of its non-financial assets to determine whether there is an indication of impairment. If any indication is evident, the asset’s recoverable amount is estimated.

For impairment tests, assets are grouped into cash generating units (CGUs), that is, the smallest possible group of assets that generates cash inflows for their use, which are largely independent of cash inflows from other assets or CGUs. As the Company’s current operation refers to the operation of a single port terminal, for the purpose of assessing any impairment, the assets are considered as a single CGU.

The recoverable amount of an asset is the higher of its value in use and its fair value less costs to sell. The value in use is based on estimated future cash flows, discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the specific risks of the asset.

An impairment loss is recognized if the asset’s carrying amount exceeds its recoverable amount.

Impairment losses are recognized in the statement of income. Impairment losses are reversed only to the extent that the new book value of the asset does not exceed the book value that would have been determined, net of depreciation or amortization, had the impairment not been recognized.

g. *Income tax and social contribution*

In Brazil, the income tax for the current year is calculated based on a 15% rate, plus an additional 10% on annual taxable income exceeding R\$ 240 thousand; and 9% of the taxable income for social contribution and considers the compensation of tax losses and negative basis of social contribution, limited to 30% of the real profit.

In Luxembourg, the income tax (“CIT”) rate is 17%, and municipal business tax (“MBT”) rate is 6.75% in the municipality of Luxembourg. In addition, there is a contribution to the unemployment fund of 7% of the CIT rate. The overall combined corporation tax burden thus currently stands at 24.94%.

Açu Petróleo Luxembourg will be subject to an annual net wealth tax (“NWT”) at a rate of 0.5% for the bracket of net wealth up to EUR 500 million and at a rate of 0.05% for the bracket of net wealth exceeding EUR 500 million. Açu Petróleo Luxembourg will also be subject to a minimum NWT, the amount of which depends on the composition and amount of the balance sheet of Açu Petróleo Luxembourg.

The expense with income tax and social contribution comprises current and deferred income and social contribution taxes. Current tax and deferred tax are recognized in the statement of income unless they are related to items directly recognized in equity or other comprehensive income.

Deferred income and social contribution taxes are recorded to reflect the future tax effects attributable to temporary differences between the tax base of assets, liabilities and their respective book value.

The carrying amounts of the consolidated financial statements are determined in the functional currency (US dollar), while the income tax base on assets and liabilities is determined in local currency (Brazilian real or Euro). Therefore, fluctuations in the exchange rate may significantly affect the amount of deferred income tax and social contribution recognized in each period, mainly due to the impact on non-monetary assets.

Current income tax and social contribution expense

Current tax expense is the tax payable, or receivable estimated on taxable profit or loss for the year and any adjustment to taxes payable in relation to previous years, if applicable. The amount of current taxes payable or receivable is recognized in the balance sheet as a tax asset or liability by the best estimate of the expected amount of taxes to be paid or received that reflects the uncertainties related to their calculation, if any. It is measured based on the expected total annual profit, that is, the estimated average effective annual rate is applied to earnings before taxes in the period.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred income tax and social contribution expense

Deferred tax assets and liabilities are recognized in relation to temporary differences between the carrying amounts of assets and liabilities for the purposes of consolidated financial statements and those used for tax purposes. Changes in deferred tax assets and liabilities in the year are recognized as deferred income tax and social contribution expenses.

A deferred tax asset is recognized in relation to unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they will be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to fully recognize a deferred tax asset, future taxable profits will be considered, adjusted for reversals of existing temporary differences, based on the Company's business plans.

Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that their realization is no longer probable.

Deferred tax assets and liabilities are measured based on the rates that are expected to be applied to temporary differences when they are reversed, based on the estimated average effective annual rate applied to earnings before taxes in the period, and reflects the uncertainty related to the tax on profit, if any. It is measured based on the expected total annual profit, that is, the estimated average effective annual rate is applied to earnings before taxes in the period. Management considers exchange rate fluctuations to be a single event in each period.

The measurement of deferred tax assets and liabilities reflects the tax consequences arising from the manner in which the Company expects to recover or liquidate its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

h. *Foreign currency*

Foreign currency is any currency other than the Company's functional currency and transactions in foreign currency are initially recognized at transaction rate or the average monthly rate.

Monetary assets and liabilities denominated and calculated in foreign currencies on the balance sheet date are converted to the functional currency at the exchange rate on the dates of the respective balance sheets; and exchange gains and losses resulting from the settlement of these transactions and the translation at the year-end exchange rates are recognized in the statement of income in the exchange variation line in the financial result.

Non-monetary items are measured at historical cost in foreign currency and are translated using the conversion rate on the date of the transaction.

i. *Provisions*

A provision is recognized based on a past event, where the Company has a legal or constructive obligation that can be reliably estimated, and it is probable that an economic resource will be required to settle the obligation.

The assessment of likelihood of loss includes assessing the available evidence, the hierarchy of laws, available case law, the most recent court decisions and their relevance to the legal system, as well as the evaluation of outside lawyers. Provisions are reviewed and adjusted to take into account changes in circumstances, such as applicable limitation periods, findings of tax inspections or additional exposures identified on the basis of new matters or court decisions.

Settlement of transactions involving these estimates may result in amounts that are significantly different from those recorded in the consolidated financial statements due to the inaccuracies inherent in the determination process. Company's Management reviews its estimates and assumptions at each reporting date.

j. *Revenue from oil transshipment*

The Company evaluated its contracts with customers and verified the performance obligations and the transaction price for each performance obligation. The term "performance obligation", with regard to the accounting standard, refers to the Company's obligation to perform its obligation to pass on control of the good or service to the customer.

The company's contracts, with the exception of Petrobras, have take-or-pay clauses, with variations in the number of operations for each contract. Take-or-pay clauses are contractual mechanisms that ensure receipt of a minimum number of double banking transactions, regardless of their physical performance, if the customer does not exercise

the right to perform them within the established term.

For these cases, the Company recognizes revenue from breakage when the likelihood of the customer exercising its rights becomes remote and regarding the physical *double banking transshipment* operations, performance obligations are considered fulfilled at the time of disconnection of hoses, at the end of each operation, as per contractual provision. In this way, after the conditions of this performance obligation are satisfied, the revenues are recognized according to the price identified for each contract, that is, as each operation is carried out.

Additionally, in compliance with IFRS 15, the Company discloses, separately, the amounts referring to impairment losses (recognized in accordance with IFRS 9) on any receivables or contract assets arising from the entity's contracts with customers; for which the entity must disclose separately from impairment losses under other contracts.

k. *Earnings per share*

Basic earnings per share are calculated by dividing the net profit (loss) for the year attributed to the Company's shareholders by the weighted average number of shares available during the year, excluding treasury shares, if any. Diluted earnings per share are the same as basic for all periods presented, due to the absence of transactions with potential dilutive effects.

l. *Operating Segments*

The Company conducts its business activities considering a single operating segment, oil transshipment, which serves as the basis for entity management and decision-making by Vast Infrastruttura's key decision-makers.

m. *New or changed pronouncements that are in force on December 31, 2023*

The Company evaluated the new pronouncements or changes made to existing pronouncements, and when applicable, implemented them as required by International Financial Reporting Standards ("IFRS").

The new accounting standards or those changed that began to be effective for annual periods started in or after January 1, 2023 are evidenced below and did not result in material changes to the accounting policy currently used by the company:

New or changed pronouncements	Nature of change	In force for annual periods started in or after
Presentation of Financial Statements - IAS 1	Requirements for classification of current and non-circulating liability	January 1, 2023
*Insurance Contracts - IFRS 17	Initial adoption	January 1, 2023

Income Taxes - IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	January 1, 2023
Consolidated Financial Statements - IFRS 10 and Investments in Associates - IAS 28	Provide Guidance to situations involving the sale or contribution of assets between investor and their related companies	Not yet determined by IASB and CFC
Accounting Policies, Changes in Accounting Estimates and Errors - IAS 8	Provide Guidance about distinction between accounting policies and accounting estimates.	January 1, 2023

n. ***Statements that are new or amended but not yet effective***

The following new standards are not expected to have a significant impact on the company's financial statements. If applicable to the company's business, new or changed pronouncements will be adopted as soon as its adoption comes into force.

New or changed pronouncements	Nature of change	In force for annual periods started in or after
Presentation of Financial Statements - IAS 1	Classification of liabilities as current or non-current and non-current liabilities with Covenants	January 1, 2024
*Amendments - IFRS 7	Supplier Financing Agreements ("Drawndown")	January 1, 2024
Amendments - IFRS 16	Lease liability on a sale and leaseback	January 1, 2024
Amendments - IAS 21	Absence of convertibility	January 1, 2025
Consolidated Statements - IFRS 10 and Sale or Contribution of Assets between an Investor and its Affiliate or Joint Venture - IAS 28	Provide guidance for situations involving the sale or contribution of assets between investors and their affiliates.	Not yet determined by the IASB and CFC

These new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements.

* Not applicable to the Company

4 Cash and cash equivalents

	2023	2022
Cash and bank	7,998	3,126
Short-term investments *	36,778	58
(-) Expected credit losses	(4)	-
	<u>44,772</u>	<u>3,184</u>

The amount of cash and cash equivalents includes balances held in banking accounts and short-term investments in fixed income investment fund, with Citibank, which has daily liquidity, and quotas are readily convertible to known amounts of cash and subject to a minimum risk of change in value.

*The increase in short term investments is related to the capital increase made in subsidiary Vast Dutos, as disclosed in note 1a.

5 Marketable securities

	2023	2022
Credit linked promissory notes (a)	609,857	621,290
Foreign exchange fund (b)	37,138	51,599
	<u>646,995</u>	<u>672,889</u>
Current	79,848	83,627
Non-Current	567,147	589,262

- (a) The subsidiary Açu Petróleo Luxembourg used the funds issued by the linked credit note ("CLN") with the banks Itaú and Santander to send funds to Vast, through a linked operation in Brazil and internalization of the resource in Brazil. The banks Itaú and Santander used the funds assigned to them by the Company, through the instruments *Nota de crédito de exportação* (NCE) and Exchange Debenture, as per Note 14. In addition, we do not expect to incur any losses on this investment once the related commitments are paid.

This linked credit note does not oblige banks to use their own resources to carry out any settlement of investment amounts, therefore, payment through the instrument *Nota de crédito de exportação* ("NCE") and foreign exchange debentures is required for the investments to be liquidated.

- (b) The securities are classified as fair value through profit or loss and refer exclusively to the foreign exchange fund with BNP Bank. These financial investments have maturity dates of D+1, are subject to a significant risk of change in value and are presented in current assets according to the expected realization.

6 Escrow accounts

The escrow accounts of Vast refer to funds held for loans guaranteed purpose and their value can only be released according to the requirements of the financing agreements for the debt. Vast constituted a reserve in offshore accounts with Citibank and onshore account with BNP Bank.

The balances of these deposits, as of December 31, 2023 and December 31, 2022 are as below:

	2023	2022
Escrow offshore accounts	25,250	23,827
Escrow onshore accounts	14,089	11,457
(-) Expected credit losses	(3)	(2)
	<u>39,336</u>	<u>35,282</u>

7 Advances

	2023	2022
Advances to NFX (a)	3,511	-
Advances to suppliers	194	52
Other advances	33	22
	<u>3,738</u>	<u>74</u>

(a) In December 2023, the Company made the first payment of R\$ 17,000 (US\$ 3,511) to NFX Combustiveis Marítimos LTDA, as part of the agreement signed for the acquisition of TECMA, which amount is disclosed as an advance in the consolidated balance sheet. The completion of this transaction is subject to the fulfillment of certain precedent conditions – as described in note 1 – Future Acquisitions.

8 Accounts receivable

	2023	2022
Accounts receivable	21,558	17,925
(-) Expected credit losses	(22)	(18)
	<u>21,536</u>	<u>17,907</u>
Current	21,536	17,680
Non-Current	-	227

The information about revenue concentration is demonstrated in the Credit Risk item in note 24.

The following table provides information on the exposure to credit risk and the estimated loss for receivables, broken down into levels, according to the maturity date of these receivables, as of December 31, 2023 and December 31, 2022:

Risk analysis	Rating ⁽ⁱ⁾	2023			2022		
		Gross Balance	Loss rate (i)	Loss Provision	Gross Balance	Loss rate (i)	Loss Provision
Level 1	Not due	19,913	0.1%	(20)	17,925	0.1%	(18)
Level 2	Overdue up to 30 days	1,645	0.1%	(2)	-	-	-
Total		<u>21,558</u>		<u>(22)</u>	<u>17,925</u>		<u>(18)</u>

(i) Company's internal rating and loss rate

The changes in the allowance for expected credit losses were as follows:

	2023	2022
Opening balance	(18)	(7)
Provision recorded during the year	(4)	(11)
	<u>(22)</u>	<u>(18)</u>

9 Taxes

a. Recoverable taxes

	2023	2022
Recoverable income and social contribution taxes		
Income and social contribution taxes ("IRPJ/CSLL")	-	2,530
Withholding income tax ("IRRF")	1,495	1,787
Social contribution on net income ("CSLL")	-	50
Tax on services ("ISS")	90	64
Others	92	14
	<u>1,677</u>	<u>1,915</u>
Total of current recoverable taxes	<u>1,677</u>	<u>4,445</u>

b. Deferred income tax assets and liabilities

As of December 31, 2023, deferred taxes summarize a net liability of US\$ 42,065 (US\$ 32,374 as of December 31, 2022).

	2023	2022
Deferred taxes		
Tax losses	5,222	8,586
Negative basis of social contribution	2,158	3,249
Temporary difference		
Provision for profit sharing	426	234
Expected credit losses	3	24
Lease provision	14	13
Provisions	1,808	590
Loss on investment fund	994	519
Other	398	254
Total of deferred tax assets	<u>11,023</u>	<u>13,469</u>
Temporary difference in depreciation rate	(2,857)	(2,388)
Exchange variation - cash taxation	(28,103)	(12,614)
Effect of functional currency on non-monetary assets (a)	(22,128)	(30,841)
Total of deferred tax liabilities	<u>(53,088)</u>	<u>(45,843)</u>
Total tax liabilities, net	<u>(42,065)</u>	<u>(32,374)</u>

- (a) Under IAS 12, temporary differences arise when changes in exchange rates cause changes in the tax base rather than in the accounting basis. This situation usually occurs when an entity has a functional currency different from the currency of the country in which it is domiciled. As described in Note 2.c, the functional currency of the Company is the US dollar, which is different from the currency of the locality where Vast Infraestrutura is established, which is the Brazilian Real.

c. Effect on statement of income

The reconciliation of the expense calculated by applying the combined tax rates and income tax and social contribution expenses recorded in income is shown as follows:

	2023	2022
Profit before Income tax and social contribution	43,278	2,300
Income tax and social contribution at nominal rate (34%)	(14,715)	(782)
Adjustments to derive the effective rate		
Permanent adjustments to the tax base	(770)	(1,268)
Functional currency effects over property, plant and equipment	7,423	6,929
Functional currency effects over intangible assets	254	234
Functional currency effects over right of use	9	10
Functional currency effects over transaction cost	171	822
Difference between presentation and fiscal basis	(14,522)	(5,322)
Others	7	365
Total income and social contribution for the year	(22,143)	988
Effective income tax rate	(51%)	43%
Current income tax and social contribution	(12,572)	(1)
Deferred income tax and social contribution	(9,571)	989
Total income and social contribution for the year	(22,143)	988

10 Related parties

The main balances on December 31, 2023 and 2022 related to transactions with related parties, as well as the transactions that influenced the result for the year, are due to transactions of the Company, as follows:

Amounts receivable

	2023	2022
Current		
Accounts receivable from related parties:		
NFX Combustiveis Maritimos S.A (b)	9	-
Ferroport Logística Comercial Exportadora S.A. (c)	-	2,042
Prumo Logística S.A. (d)	3	-
Non-current		
Intercompany Loan with related parties:		
Prumo Logística S.A. (a)	64,870	53,559
(-) Expected credit losses	(65)	(56)
	64,817	55,545
Current	12	2,040
Non-current	64,805	53,505

- a) Vast agreed, under the terms and conditions of the agreement between the parties, to make interest-free, indeterminate maturity loans to Prumo (denominated in Brazilian Reais).
- b) Refers to reimbursable expenses to Vast by NFX.
- c) The amount refers to reimbursements of 66% of the total fuel costs used in the 2022 dredging.
- d) Refers to reimbursable expenses to Vast, by Prumo.

Amounts payable

	2023	2022
Account payable to related parties		
Ferroport Logística Comercial Exportadora S.A. (a)	2,239	2,044
Reserva Caruara (b)	28	-
Consórcio Dome Serviços Integrados (c)	-	13
Porto do Açú Operações S.A. (d)	44	64
Prumo Logística S.A. (e)	1	49
	<u>2,312</u>	<u>2,170</u>

- (a) Joint venture of the controlling shareholder - The amount refers to costs with port tariffs, reimbursement of property security expenses and SSO.
- (b) The value refers to costs with the forest restoration process with seed collection and plantation maintenance.
- (c) Consortium jointly controlled by the controlling shareholder. The amount refers to a provision for costs with support for the maintenance of pneumatic fenders and cargo handling.
- (d) Entity controlled by the Company's controlling shareholder - the amount refers to reimbursement of costs for shared services.
- (e) Controlling shareholder - The amount refers to reimbursement of costs for shared services.

Effect on statement of income

	<u>Costs and expenses</u>	
	2023	2022
Ferroport Logística Comercial Exportadora S.A. (a)	18,226	8,464
Gás natural do Açú - GNA (b)	-	12
Consórcio Dome Serviços Integrados (b)	-	13
Porto do Açú Operações S.A. (b)	162	119
Prumo Logística S.A. (c)	176	207
	<u>18,564</u>	<u>8,815</u>

- (a) The amount refers to costs with port tariffs, reimbursement of property security expenses, SSO and reimbursement of repairs on Ferroport assets. Regarding the repair of assets, in July 2023 the Company and Ferroport signed an agreement to settle the reimbursement of all costs paid by Ferroport (R\$ 20,800) related to the repair of the terminal structure affected by an accident, when a third-party service provider collided with the structure of the terminal. This amount was paid by the Company in August 2023.
- (b) The amount refers to reimbursement of costs for shared services.
- (c) Controlling shareholder - the amount refers to reimbursement of shared service costs.

The Company's Corporate Governance Policy requires that the members of the Board of Directors must monitor and manage potential conflicts of interests of executives, members of the Board in order to avoid inappropriate use of Company assets and, in particular, abuses in transactions between related parties.

The amounts related to the remuneration of the key management personnel are presented below:

	2023	2022
Remuneration / Salaries (*)	1,512	1,423
Bonus	1,408	1,125
Benefits and charges	851	557
	<u>3,771</u>	<u>3,105</u>

(*) Includes compensation for members of management, board of directors and committees.

Asset Allocation Agreement

The Asset Allocation Agreement originally dated July 15, 2011, between Anglo Brazil, Vast Infraestrutura and Ferroport (related party company) called “Port Operator” and certain other parties, provides for the transfer of title and ownership from the Port Operator to Anglo Brazil of certain assets, including materials and equipment, and, while the asset is owned by Anglo Brazil, it gives the Port Operator the right to operate and maintain the assets. Additionally, the Asset Allocation Agreement governs the ownership of the Shared Facilities (the access trestle, iron ore pier, breakwater, access channel, turning basin and mooring area), which are owned jointly (condomínio pro indiviso) by Vast Infraestrutura, Port Operator (Ferroport) and Anglo-American Brasil due to the funding arrangements established in the Framework Agreement.

The Company may operate, at the port facilities, cargoes that are foreseen in its authorization obtained before ANTAQ (National Waterway Transportation Agency), excluding iron ore. The priority of access and use of port facilities by Ferroport covers the receipt, storage, handling and loading of iron ore from a mine that is owned directly or indirectly by Anglo American and its affiliates. In consideration of the right of access and use of the port facilities, such as access channel and breakwater, Vast Infraestrutura shall pay Ferroport a monthly fee.

Parent company share-based payment

With the delisting in 2018 of Prumo Logística S.A., the controlling shareholder of the Company, the share-based payment plan was replaced in the second quarter of 2019, offering the rights to value shares, with cash settlement, duly approved by the Board of Directors of Prumo. For the Company, the mentioned plan is applicable only to one executive. In this compensation plan based on cash-settled shares (“Phantom Options”) for executive retention, payable in the event of a liquidity event, the Company receives the services as consideration for the rights granted. The conditions for the acquisition of share appreciation rights include a period of 5 years to reach 100% of the rights and on December 31, 2023, there was 91% of vesting (on December 31, 2022, 56% of vesting). There was no exercise of rights during the period.

The Company considered the terms and conditions of the plan, which require expected cash returns, to calculate the fair value of these rights and concluded that there are no material effects to be recorded in its financial statements.

11 Property, plant and equipment

The breakdown of the Company's property, plant and equipment as of December 31, 2023 and December 31, 2022 is as follows:

	Annual weighted depreciation rate %	Cost	Accumulated depreciation	Net 2023	Net 2022
Breakwater - T1	1.67	104,864	(14,258)	90,606	92,393
Pier - T1	1.67	54,487	(8,379)	46,108	47,157
Canal - T1	6.67	155,210	(57,491)	97,719	109,219
Improvements	4	207	(167)	40	82
Facilities	10	1,484	(273)	1,211	1,293
Furniture and fixtures	10	305	(123)	182	146
Computer equipment	20	1,396	(1,106)	290	225
Machinery and equipment	10	57,402	(40,862)	16,540	21,989
Land		22,963	-	22,963	22,963
		398,318	(122,659)	275,659	295,467
Construction in progress and equipment under construction		12,391	-	12,391	8,913
		12,391	-	12,391	8,913
		410,709	(122,659)	288,050	304,380

	Annual weighted depreciation rate %	Cost	Accumulated depreciation	Net 2022	Net 2021
Breakwater - T1	1.67	104,864	(12,471)	92,393	94,180
Pier - T1	1.67	54,487	(7,330)	47,157	48,205
Canal - T1	6.67	155,036	(45,817)	109,219	115,450
Improvements	4	207	(125)	82	124
Facilities	10	1,484	(191)	1,293	949
Furniture and fixtures	10	237	(91)	146	167
Computer equipment	20	1,244	(1,019)	225	138
Machinery and equipment	10	57,252	(35,263)	21,989	26,951
Land		22,963	-	22,963	22,963
		397,774	(102,307)	295,467	309,127
Construction in progress and equipment under construction		8,913	-	8,913	6,978
		8,913	-	8,913	6,978
		406,687	(102,307)	304,380	316,105

All Property, plant and equipment are located in Brazil.

Changes in Cost

	<u>2022</u>	<u>Movement</u>			<u>2023</u>
	Cost	Additions	Write-off	Transfers	Cost
Breakwater - T1	104,864	-	-	-	104,864
Pier - Port Terminal - T1	54,487	-	-	-	54,487
Canal T1	155,036	174	-	-	155,210
Improvement	207	-	-	-	207
Facilities	1,484	-	-	-	1,484
Furniture and fixtures	237	68	-	-	305
Computer equipment	1,244	152	-	-	1,396
Machinery and equipment	57,252	150	-	-	57,402
Land	22,963	-	-	-	22,963
	<u>397,774</u>	<u>544</u>	<u>-</u>	<u>-</u>	<u>398,318</u>
Construction in progress and equipment under construction	8,913	3,519	(41)	-	12,391
	<u>8,913</u>	<u>3,519</u>	<u>(41)</u>	<u>-</u>	<u>12,391</u>
	<u>406,687</u>	<u>4,063</u>	<u>(41)</u>	<u>-</u>	<u>410,709</u>
	<u>2021</u>	<u>Movement</u>			<u>2022</u>
	Cost	Additions	Write-off	Transfers	Cost
Breakwater - T1	104,864	-	-	-	104,864
Pier - Port Terminal - T1	54,487	-	-	-	54,487
Canal T1	149,860	-	-	5,176	155,036
Improvement	207	-	-	-	207
Facilities	1,090	3	(69)	460	1,484
Furniture and fixtures	236	32	(31)	-	237
Computer equipment	1,126	184	(66)	-	1,244
Machinery and equipment	57,118	935	(1,060)	259	57,252
Land	22,963	-	-	-	22,963
	<u>391,951</u>	<u>1,154</u>	<u>(1,226)</u>	<u>5,895</u>	<u>397,774</u>
Construction in progress and equipment under construction	6,978	7,845	-	(5,910)	8,913
	<u>6,978</u>	<u>7,845</u>	<u>-</u>	<u>(5,910)</u>	<u>8,913</u>
	<u>398,929</u>	<u>8,999</u>	<u>(1,226)</u>	<u>(15)</u>	<u>406,687</u>

Changes in accumulated depreciation

	Depreciation 2022	Additions	Write-off	Depreciation 2023
Breakwater - T1	(12,471)	(1,787)	-	(14,258)
Pier - Port Terminal - T1	(7,330)	(1,049)	-	(8,379)
Canal - T1	(45,817)	(11,674)	-	(57,491)
Improvements	(125)	(42)	-	(167)
Facilities	(191)	(82)	-	(273)
Furniture and fixtures	(91)	(32)	-	(123)
Computer equipment	(1,019)	(87)	-	(1,106)
Machinery and equipment	(35,263)	(5,599)	-	(40,862)
	(102,307)	(20,352)	-	(122,659)

	Depreciation 2021	Additions	Write-off	Depreciation 2022
Breakwater - T1	(10,684)	(1,787)	-	(12,471)
Pier - Port Terminal - T1	(6,282)	(1,048)	-	(7,330)
Canal - T1	(34,410)	(11,407)	-	(45,817)
Improvements	(83)	(42)	-	(125)
Facilities	(141)	(85)	35	(191)
Furniture and fixtures	(69)	(41)	19	(91)
Computer equipment	(988)	(81)	50	(1,019)
Machinery and equipment	(30,167)	(5,726)	630	(35,263)
	(82,824)	(20,217)	734	(102,307)

Impairment

In accordance with IAS 36 - Impairment of Assets, the Company reviews annually if there are potential losses due to the inability to recover the carrying amount of assets. In the year ended December 31, 2022 and 2023, the Company had evaluated and did not identify any indications of impairment of property, plant and equipment.

12 Intangible assets

The breakdown of the Company's intangible assets as of December 31, 2023 and 2022 is as follows:

	Annual amortization rate (%)	Net Cost 2022	Additions	Write- off	Amortization	Net Cost 2023
Cost						
Right of access	3.54	14,402	-	-	-	14,402
Software license	20	616	203	(5)	-	814
Brands and patents		11	-	-	-	11
Others		6	-	-	-	6
		15,035	203	(5)	-	15,233
Accumulated amortization						
Right of access		(3,789)	-	-	(529)	(4,318)
Software license		(162)	-	-	(69)	(231)
		(3,951)	-	-	(598)	(4,549)
		11,084	203	(5)	(598)	10,684

	Annual amortization rate (%)	Net Cost 2021	Additions	Write- off	Amortization	Net Cost 2022
Cost						
Right of access	3.54	14,402	-	-	-	14,402
Software license	20	411	205	-	-	616
Brands and patents		11	-	-	-	11
Others		6	-	-	-	6
		<u>14,830</u>	<u>205</u>	<u>-</u>	<u>-</u>	<u>15,035</u>
Accumulated amortization						
Right of access		(3,260)	-	-	(529)	(3,789)
Software license		(116)	-	-	(46)	(162)
		<u>(3,376)</u>	<u>-</u>	<u>-</u>	<u>(575)</u>	<u>(3,951)</u>
		<u>11,454</u>	<u>205</u>	<u>-</u>	<u>(575)</u>	<u>11,084</u>

Right of access

The intangible asset that comprises the "right of access", has a defined useful life of 27 years and is measured at cost, less accumulated amortization and impairment losses, if any.

The amortization of this intangible asset started in October 2014 with the operation of the T1 terminal. On September 17, 2015, the contract was amended passing Porto do Açú's right of access to Vast Infraestrutura.

Impairment

In accordance with IAS 36 - Impairment of Assets, the Company reviews annually if there are potential losses due to the inability to recover the carrying amount of assets. In the year ended December 31, 2022 and 2023, the Company had evaluated and did not identify any indications of impairment of intangible assets.

13 Trade payables

The balance payable to suppliers of US\$ 7,359 (US\$ 6,860 on December 31, 2022) represents the Company's obligations arising from the purchase of products and services necessary for the development of the Company's activities. Thus, this amount represents the obligations arising from services, materials and operational and administrative equipment.

14 Loans, borrowings and debentures

		Maturity	Rates %	2023			2022
				Principal	Interest	Total	Total
BOND	(i)	07/13/2035	Dollar + 7.50% yr.	588,972	20,614	609,586	621,000
Itaú – NCE	(ii)	07/10/2035	Dollar + 7.50% yr.	343,566	12,184	355,750	362,419
Santander – Debentures	(iii)	07/10/2035	Dollar + 8.01% yr.	245,404	9,282	254,686	259,420
(-) Transaction costs				(34,373)	-	(34,373)	(38,334)
				<u>1,143,569</u>	<u>42,080</u>	<u>1,185,649</u>	<u>1,204,505</u>

Current	86,272	64,897
Non-current	1,099,377	1,139,608

- (i) The subsidiary Açú Petróleo Luxembourg issued, in January 2022, debt securities in the international capital markets, in the form of Bonds, in the total amount of US\$600,000, at a rate of 7.5% p.a. and maturity in July 2035, through Goldman Sachs & Co. LLC. Interest is amortized semi-annually, in January and July of each year.
- (ii) The proceeds from the Bond Issue were internalized by Vast through an Export Credit Note (Notas de crédito de Exportação "NCE") acquired by Itaú Unibanco S.A. which were linked to credit notes acquired by Açú Petróleo Luxembourg as per note 5. Funding by Export Credit Note allowed for the internalization of US\$350,000 with a financing maturing in July 2035, with an interest rate of 7.5% per year. Interest is amortized semi-annually, in January and July of each year.
- (iii) Foreign exchange debenture subscribed by Banco Santander, which was linked to credit notes acquired by Açú Petróleo Luxembourg as per note 5. Funding via foreign exchange debentures represented an internalization in the amount of US\$250,000.

Net debt

The Company evaluates the net debt with the objective of ensuring the continuity of its business in the long term.

	2023	2022
Loans, borrowings and debentures*	1,220,022	1,242,839
(-) Cash and cash equivalents	(44,772)	(3,184)
(-) Marketable securities	(646,995)	(672,889)
Net debt	528,255	566,766

*Excluding transaction costs

Reconciliation of loans, borrowings, and debentures movements with cash flows from financing activities:

	Cash Flow			No Cash Effect				
	Beginning balance	Funding / (Settlement)	Payment of interest	Adding Transaction Costs	Interest	Amortization of Transaction Cost	Funding / (Settlement) Other	Ending balance
2023	1,204,505	(22,058)	(90,803)	-	90,044	3,961	-	1,185,649
2022	222,422	723,181	(48,985)	(42,160)	89,840	12,357	(2,150) 250,000	1,204,505

Reconciliation of Escrows accounts movements with cash flows from financing activities:

	Beginning balance	Cash flow		No Cash Effect			Ending balance
		Additions	Write-off	Gains (losses)	Exchange Variation	Other	
2023	35,282	2,067	-	1,043	911	33	39,336
2022	19,395	35,145	(19,395)	-	139	(2)	35,282

Guarantees provided

Until full compliance with the obligations of the Notes by Açú Petróleo Luxembourg, the Notes will be guaranteed by the following guarantee package:

- Guarantee from Vast within the scope of the Notes (Notes Guarantee);

- Fiduciary Sale of Shares and Conditional Usufruct of Vast Shares;
- Mortgage of property owned by Vast;
- Fiduciary Assignment of Credit Rights relating to certain Vast assets and receivables as well as certain bank accounts held by Vast;
- Direct Agreement (governed by Brazilian law), signed between Vast, Oiltanking Açú Serviços Ltda. and Citibank to establish a conditional assignment relating to the Operation and Maintenance Agreement signed on November 24, 2015 with Oiltanking;
- Certain Vast bank accounts;
- Pledge of AP Lux Shares (Share Pledge Agreement), governed by Luxembourg law

Also, the Company established as collateral a reserve amount of US\$ 25,247 in offshore account with Citibank and an amount of US\$ 14,089 (equivalent to R\$ 68,206) in onshore accounts, totaling US\$ 39,336. Such reserves are held in guarantee accounts (escrow) and can only be released as required by the financing contracts.

Covenants

The debt securities issued in the international capital markets, in the total amount of US\$ 600,000 are subject to certain affirmative and negative covenants and informational requirements typical of senior secured notes.

In the period ended December 31, 2023, the Company was not in breach of any affirmative or negative covenants or informational requirements.

15 Taxes and contributions payable

	2023	2022
Tax on services (ISS)	420	366
Retention of withholding taxes (PIS/COFINS/CSLL)	120	88
Non-cumulative credit PIS/COFINS	1,792	1,367
Taxes and contributions payable	<u>2,332</u>	<u>1,821</u>
Income and social contribution taxes (IRPJ/CSLL)	<u>775</u>	<u>-</u>
	<u>775</u>	<u>-</u>

16 Contingencies

The Company is part to certain legal and administrative proceedings. Provisions must be made for all judicial and administrative proceedings for which it is probable that there will be an outflow of funds to settle the contingency / obligation and a reasonable estimate can be made. The assessment of the likelihood of loss includes the assessment of the available evidence, the hierarchy of laws, the case law available, the most recent court decisions and their relevance in the legal system, as well as the assessment of outside lawyers.

a. Provision for contingencies

Provisions for losses resulting from lawsuits are estimated and updated by the Company, based on analysis from the Company's legal consultants. As of December 31, 2023 the

Company has only one process that involves a probable labor risk of loss already recognized in the amount of US\$ 16 (equivalent to R\$ 78). The Company did not have any provision recorded in 2022.

b. Contingent liabilities

The Company also has contingent liabilities where claims are debated in both administrative and judicial claims and whose expected loss is classified as possible, and for which the recognition of a provision is not considered necessary by the Company. Based on legal opinions, the processes classified with expected loss as possible are presented as follow:

	2023	2022
Tax litigations	451	352
Labor litigations	6	35
Civil demand (a)	-	3,820
Civil demand (b)	-	832
Total	<u>457</u>	<u>5,039</u>

- a) Amount arising from Ferroport's claims, in which it requested reimbursement by Vast for expenses incurred by Ferroport in repair to the terminal structure due to damage caused by a third party, for which Vast was jointly responsible. Due to the possible probability of cash outflow at the time, this amount was disclosed as a contingent liability in the financial statements as of December 31, 2022. Negotiations on this question evolved and in July 2023 an agreement was signed to settle the reimbursement of all costs paid by Ferroport, in the amount of approximately R\$ 20,800, which was fully paid by Vast in August 2023. It should be noted that of the total paid, about R\$ 18,200 was reimbursed to Vast in November 2023, by the third party that caused the damage to the terminal.
- b) Contingent liability disclosed in the financial statements as of December 31, 2022 related to a claim by Ferroport to partially allocate to the Company costs incurred by them at the time of the construction of the terminal. Negotiations on this question evolved and in July 2023 an agreement was signed for reimbursement to Ferroport, in the amount of BRL 4,341, which was paid by Vast between September and November 2023.

17 Shareholder's equity

a. Share capital

The share capital composition of the Company as of December 31, 2023 and December 31, 2022 is as follows:

Shareholder	<u>2023</u>		<u>2022</u>	
	Number of common shares	%	Number of common shares	%
Prumo Logística S.A.	89,408,462	20.00	89,408,462	20.00
Heliporto do Açú S.A.	268,225,386	60.00	268,225,386	60.00
Açú Petróleo Investimentos S.A.	89,408,462	20.00	89,408,462	20.00
	<u>447,042,310</u>	<u>100.00</u>	<u>447,042,310</u>	<u>100.00</u>

On January 11, 2022, the shareholders of the Company increased capital from US\$ 115,471 to US\$ 123,251, representing an increase in the amount of US\$ 7,780, using the capital reserve balance and maintaining unchanged the participation of each shareholder in the Company's share capital.

On January 14, 2022, the shareholders of the Company decided to adjust the capital structure of the Company and approved a capital reduction in the amount of US\$ 18,782, reducing the share capital of the Company from US\$ 123,251 to US\$ 104,469.

On February 11, 2022, the wholly owned subsidiary of Prumo Logística S.A. ("Prumo"), CL RJ 012 Empreendimentos e Participações S.A. ("NewCo") acquired the 89,408,462 common shares of the then shareholder Oiltanking, equivalent to 20% of the total shares of Vast. The acquisition of shares previously held by Oiltanking generated a goodwill.

On March 19, 2022, the Company's shareholders decided to adjust the Company's capital structure and carry out a reverse merger of Newco and resulted in a capital reduction in the amount of US\$ 20,894, reducing the share capital of the Company from US\$ 104,469 to \$83,575.

The purpose of all the operations mentioned above was to adjust the Company's capital structure to a more appropriate structure in line with the shareholders objectives.

b. Capital Reserve

Based on this reverse merger mentioned above, the goodwill generated on the acquisition of shares in the amount of US\$ 232,462 was written off against the capital reserve, generating a negative accounting effect on shareholders' equity.

c. Dividends distribution

According to the current Company's Bylaws approved on April 29, 2022, the allocation of net income for the year ended December 31, 2023 was as follow:

- a) 5% for the formation of the Legal Reserve, which may be waived if its balance exceeds 20% of the Capital Stock; or exceeds 30% of the amount of the legal reserve or capital reserve. As of December 31, 2023, the legal reserve balance is R\$ 6,889 (equivalent to US\$ 1,406*).
- b) 25% of the remaining net income for the period, adjusted under the terms of article 202 of Law 6,404/76, is annually distributed to shareholders as a mandatory dividend, which will be distributed pro rata among the Company's shareholders; As December 31, 2023, the balance payable in dividends is R\$ 32,723 (equivalent to US\$ 6,677*).
- c) up to 70% of the net income will be allocated to a special reserve to cover capital expenditure and related costs included in the annual investment plan and budgets for other projects, in both cases provided they are approved by the Board of Directors. The balance of this reserve, considered together with the balance of the legal reserve, cannot exceed the amount equivalent to the Company's share capital. As of December 31, 2023, the special reserve amount is R\$ 98,168 (equivalent to US\$ 20,031*);
- d) up to the amount corresponding in Reais to US\$3 million for the payment of operating costs and selling, administrative and general expenses (SG&A), will be allocated to the minimum capital reserve;

- e) 100% of the remaining net income will be allocated to the payment of supplementary dividends, which will be distributed pro rata among the Company's shareholders.

* The profit reserves and dividend distribution policy follows the rule of the Brazilian Corporate Law, i.e. based on the financial statements in Brazilian reais, annual distribution. Furthermore, the Board of Directors may declare dividends, to the account of accumulated profits or profit reserves existing in the last annual balance sheet.

18 Net revenue of services

The Company's contracts are related to double banking transshipment services.

	2023	2022
Revenue from double banking transshipment	206,700	149,044
Taxes on services rendered (PIS / COFINS / ISS)	(21,110)	(15,763)
Net revenue of services	<u>185,590</u>	<u>133,281</u>

The revenues are adjusted mostly by the index of the U.S. PPI, and the invoices are issued for receipt within 30 days after each transshipment operation performed at the Oil Terminal.

Revenue increase is mainly supported by the expansion of our customer base, higher volumes, contract renewals and contract readjustments.

19 Costs of services provided

	2023	2022
Salaries and social charges	(1,570)	(1,056)
Third-party services	(2,546)	(2,143)
Surveillance and Security	(348)	(291)
Leases	(537)	(510)
Depreciation and amortization	(20,731)	(20,605)
Miscellaneous insurance	(931)	(907)
Port services	(64,441)	(44,724)
Taxes and fees	(224)	(347)
Support materials	(54)	(47)
	<u>(91,382)</u>	<u>(70,630)</u>

20 General and administrative expenses

	2023	2022
Salaries and social charges	(7,422)	(5,574)
Third-party services	(1,216)	(772)
Rental and leases	(91)	(74)
Representations and events	(102)	(31)
Consumables	(60)	(16)
Travel and stay	(86)	(46)
Software License	(152)	(216)
Depreciation and amortization	(367)	(279)
Taxes and fees	(45)	(19)
Shared costs	(229)	(212)
Other expenses	(332)	(351)
	<u>(10,102)</u>	<u>(7,590)</u>

21 Financial result

	2023	2022
Financial income		
Income from financial investments	2,595	20
Interest receivable	564	128
Gains from variable income operations	50,100	45,326
Exchange variation	9,960	2,318
	<u>63,219</u>	<u>47,792</u>
Financial expenses		
Interests on loans	(90,044)	(87,293)
Bank expenses	(4)	(3)
IOF (Tax on financial operations)	(87)	(231)
Commissions and brokerage and borrowing costs	(4,296)	(12,415)
Losses from variable income operation	(7,922)	-
Fine and interests	(14)	(31)
Interests on leases	(22)	(19)
	<u>(102,389)</u>	<u>(99,992)</u>
Net financial result	<u>(39,170)</u>	<u>(52,200)</u>

22 Income per share

The calculation of income per share was based on the net profit attributed to holders of common shares and the weighted average number of outstanding common shares. Diluted income per share is equal to basic income per share due to the absence of potentially dilutive effects in the periods presented:

	2023	2022
Income attributed to holders of common shares	21,135	3,288
Weighted average number of common shares outstanding during the year	447,042,310	447,042,310
Income per share - basic and diluted (in US\$)	<u>0.0473</u>	<u>0.0074</u>

23 Commitments

The Company has assumed future purchase commitments in the amount of US\$ 6,718 (US\$ 10,411 on December 31, 2022), which must be fulfilled in the continuity of the Company's activities. The commitments are segregated by currency according to the following table:

Commitments 2023:

	2024	2025	2026	2027	2028	After 2029	Total
Brazilian reais							
Administrative	1,065	326	136	-	-	-	1,527
Financial	156	43	43	42	42	333	659
Operational	2,237	1,079	571	-	-	-	3,887
Other	37	35	-	-	-	-	72
	<u>3,495</u>	<u>1,483</u>	<u>750</u>	<u>42</u>	<u>42</u>	<u>333</u>	<u>6,145</u>

	2024	2025	2026	2027	2028	After 2029	Total
U.S. Dollar							
Administrative	11	-	-	-	-	-	11
Financial	47	47	47	47	47	327	562
	<u>58</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>327</u>	<u>573</u>
Total 2023	<u>3,553</u>	<u>1,530</u>	<u>797</u>	<u>89</u>	<u>89</u>	<u>660</u>	<u>6,718</u>

Commitments 2022:

	2023	2024	2025	2026	2027	After 2028	Total
Brazilian Reais							
Administrative	881	-	-	-	-	-	881
Financial	302	195	121	36	36	323	1,013
Operational	3,344	3,030	1,488	-	-	-	7,862
Commercial	5	-	-	-	-	-	5
	<u>4,532</u>	<u>3,225</u>	<u>1,609</u>	<u>36</u>	<u>36</u>	<u>323</u>	<u>9,761</u>

	2023	2024	2025	2026	2027	After 2028	Total
U.S. Dollar							
Financial	47	47	47	47	47	379	614
Operational	1	1	1	1	1	31	36
	<u>48</u>	<u>48</u>	<u>48</u>	<u>48</u>	<u>48</u>	<u>410</u>	<u>650</u>
Total 2022	<u>4,580</u>	<u>3,273</u>	<u>1,657</u>	<u>84</u>	<u>84</u>	<u>733</u>	<u>10,411</u>

Also, in accordance with the disclosure requirements of IAS 16 - Property, plant and equipment, the values of commitments assumed referring to property and equipment are highlighted in the table below 4,159 (US\$ 3,462 on December 31, 2022):

	2024	2025	2026	2027	2028	After 2029	Total
Brazilian Reais							
Financial	470	448	-	-	-	-	918
Operational	723	398	395	321	321	1,083	3,241
	<u>1,193</u>	<u>846</u>	<u>395</u>	<u>321</u>	<u>321</u>	<u>1,083</u>	<u>4,159</u>

It should be noted that the table of commitments assumed does not include the values of commitments assumed for fixed assets presented above.

24 Financial instruments and risk management

The Company maintains operations with financial instruments. The management of these instruments is carried out through operational strategies and internal controls aimed at ensuring liquidity, profitability and security. The control policy consists of the periodic monitoring of contracted rates versus those prevailing in the market. The Company does not make investments of a speculative nature, in derivatives or any other risky assets.

Estimated realizable values of financial assets and liabilities were determined through market information and appropriate valuation methodologies. As a consequence, the following estimates do not necessarily indicate the amounts that may be realized in the current exchange market. The use of different market methodologies may have a material effect on the estimated realization values.

The table below shows the accounting balances and the respective classifications of financial instruments:

	2023			2022		
	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss
Assets						
Cash and cash equivalents	44,772	-	-	3,184	-	-
Marketable securities	609,857	-	37,138	621,290	-	51,599
Escrow accounts	25,247	-	14,089	23,827	-	11,457
Accounts receivable	21,536	-	-	17,925	-	-
Accounts receivable/ loan with related parties	64,817	-	-	55,545	-	-
Other current assets	8	-	-	74	-	-
	766,237	-	51,227	721,845	-	63,056
Liabilities						
Trade payables	7,359	-	-	6,860	-	-
Loans, borrowings, and debentures	1,185,649	-	-	1,204,505	-	-
Accounts payable to related parties	2,312	-	-	2,170	-	-
Lease liabilities	221	-	-	172	-	-
Other current liabilities	1	-	-	-	-	-
	1,195,542	-	-	1,213,707	-	-

Fair value

The concept of “fair value” provides for the valuation of assets and liabilities based on market prices, when dealing with liquid assets, or mathematical pricing methodologies, otherwise. The level of fair value hierarchy gives priority to unadjusted quoted prices not adjusted in an active market, as defined below.

Level 1 - Prices negotiated (without adjustments) in active markets for identical assets or liabilities.

Level 2 - Inputs other than prices traded in active markets included in Level 1 that are observable for the asset or liability, directly (as prices) or indirectly (derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market variables (unobservable inputs).

For the year ended December 31, 2023 and 2022, only financial instruments classified as Level 2 were observed and there were no relevant transfers of levels for this same period.

Loans and borrowings are measured at amortized cost. The fair values calculated by Management, for reference only, are US\$ 1,220,022 as of December 31, 2023 (US\$ 1,242,839

as of December 31, 2022). For the other financial assets and liabilities, given their characteristics and the maturity dates, the fair values do not differ significantly from the accounting balances.

Risk management objectives and strategies

The security guidelines are applied according to the type of exposure. The decision on the risk of interest rates and inflation arising from the liabilities acquired will be evaluated in the economic and operational context and will occur when Management considers the relevant risk. The Company did not hold derivative contracts on December 31, 2023 and 2022.

Market risk

Market risk is the risk that changes in market prices - such as exchange rates and interest rates - will affect the company's earnings or the value of its financial instruments. The Company manages and controls exposure to market risks within acceptable parameters, while optimizing return.

Credit risk

The Company allocates a credit risk score for each exposure based on data it considers to be able to predict the risk of loss and the credit assessment based on its experience. Credit risk scores are defined using qualitative and quantitative factors indicative of default risk, consistent with the definitions of external credit ratings.

The credit risk arises from the possibility of the Company suffering losses due to the default of its counterparties or financial institutions depository of resources or financial investments. This risk factor may come from commercial operations and cash administration.

To mitigate the risks, the Company adopts as practice the analysis of the financial and equity situation, as well as the permanent monitoring of the outstanding positions.

For the evaluation of the financial institutions with which it has operations, the reference is the ratings of the main risk agencies used in the market: S & P, Moody's and Fitch, using the long-term national risk assessment.

The financial instruments subject to credit risk are listed below:

Financial assets	2023	2022
Cash and cash equivalents	44,776	3,184
Marketable securities	609,857	621,290
Escrow accounts	25,250	23,827
Accounts receivable	21,558	17,925
Accounts receivable from related parties	12	2,042
Loan receivable from related parties	64,870	53,559
Other current assets	8	74
Total	<u>766,331</u>	<u>721,901</u>

The expected credit loss amounts regarding the financial instruments mentioned on the table above can be seen in notes 4, 5, 6, 8 and, 10.

The credit risk in accounts receivable is generally not diversified due to the limited number of clients that the Company works with. Due to operations of the Company, the concentration of accounts receivable and revenue are also variable on each balance sheet date. The following table represents a breakdown of the concentrations in relation to the total revenue at each balance sheet date:

Percentage of revenue:	2023	2022
Shell	55%	57%
Total	9%	16%
Galp	9%	10%
CNOOC	8%	4%
Petronas	4%	-
PRIO	4%	-
Others	11%	13%

Exchange risk

The Company works in the management of currency risk to identify and resolve the risks associated with the fluctuation of the value of the currencies to which global assets and liabilities are associated.

The objective is to identify or create natural hedges, in order to minimize (or even avoid) the use of hedge derivatives, managing the exchange rate risk on the net exposure. Derivative instruments can be used in cases where it is not possible to use the natural hedge strategy.

As the functional currency of the Company is the US dollar, which is different from the currency in which Vast Infraestruturas is established, which is the Real, a reasonably possible appreciation (devaluation) of the Real against the US Dollar would have affected the measurement of financial instruments, shareholders' equity and the Company's income.

This risk analysis for the fluctuation in exchange rates to which the Company's assets and liabilities may be associated, considers that all other variables, especially interest rates, remain constant and ignore any impact of the forecast of sales and purchases.

Liquidity risk

The Company monitors its level of liquidity considering the expected cash flows against the available amount of cash and cash equivalents. The management of liquidity risk implies maintaining sufficient cash, marketable securities and the ability to settle liabilities and market positions.

The following are the contractual maturities of financial liabilities existing as of December 31, 2023:

Financial liabilities	Up to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
Trade payables	7,359	-	-	-	-	7,359
Loans, borrowings and debentures (*)	29,807	37,324	79,404	282,858	412,259	841,652
Bond (*)	29,238	36,762	78,376	280,143	410,850	835,369
Lease Liabilities	94	54	67	28	-	243
Total by maturity range	<u>66,498</u>	<u>74,140</u>	<u>157,847</u>	<u>563,029</u>	<u>823,109</u>	<u>1,684,623</u>

* The amounts of Loans, borrowings and debentures including Bonds presented above need to be analyzed in terms of their exposure to liquidity risk offset by credit linked notes (CLN), as shown below.

Financial Assets	Up to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
Credit linked notes (CLN) (*)	<u>(29,239)</u>	<u>(36,763)</u>	<u>(78,327)</u>	<u>(280,172)</u>	<u>(410,817)</u>	<u>(835,318)</u>
Total by maturity range	<u>(29,239)</u>	<u>(36,763)</u>	<u>(78,327)</u>	<u>(280,172)</u>	<u>(410,817)</u>	<u>(835,318)</u>

For comparison purposes, the contractual maturities of financial liabilities existing on December 31, 2022 are as follows:

Financial liabilities	Up to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
Trade payables	6,860	-	-	-	-	6,860
Loans, borrowings and debentures (*)	26,714	30,257	67,057	263,784	508,316	896,128
Bond (*)	26,172	29,719	66,000	261,094	508,138	891,123
Lease Liabilities	56	56	75	-	-	187
Total by maturity range	<u>59,802</u>	<u>60,032</u>	<u>133,132</u>	<u>524,878</u>	<u>1,016,454</u>	<u>1,794,298</u>

Financial Assets	Up to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	More than 5 years	Total
Credit linked notes (CLN) (*)	<u>(26,173)</u>	<u>(29,719)</u>	<u>(66,001)</u>	<u>(261,096)</u>	<u>(508,270)</u>	<u>(891,259)</u>
Total by maturity range	<u>(26,173)</u>	<u>(29,719)</u>	<u>(66,001)</u>	<u>(261,096)</u>	<u>(508,270)</u>	<u>(891,259)</u>

Sensitivity analysis of financial instruments

Market risk is the risk that changes in market prices - such as exchange rates - will affect the company's earnings or the value of its financial instruments. The Company manages and controls exposure to market risks within acceptable parameters, while optimizing return.

	Risk Factor	Amounts in US\$ 2023	Scenario 25% (i)	Scenario 50% (ii)	Scenario 25% (iii)	Scenario 50% (iv)
Assets						
Cash and cash equivalents	BRL	44,772	35,818	29,848	59,696	89,544
Accounts receivable	BRL	21,536	17,229	14,357	28,715	43,072
Accounts receivable from related parties	BRL	64,817	51,854	43,211	86,423	129,634
Other assets	BRL	8	6	5	11	16
Total assets		<u>131,133</u>	<u>104,907</u>	<u>87,421</u>	<u>174,845</u>	<u>262,266</u>
Liabilities						
Trade payables	BRL	7,359	5,887	4,906	9,812	14,718
Accounts payable (to related parties)	BRL	2,312	1,850	1,541	3,083	4,624
Lease liabilities	BRL	221	177	147	295	442
Total liabilities		<u>9,892</u>	<u>7,914</u>	<u>6,594</u>	<u>13,190</u>	<u>19,784</u>

Assumptions adopted:

U.S. dollar rate	4.8413	6.0516	7.2620	3.6310	2.4207
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- (i) Increase of 25% in the exchange rate of the U.S. dollar, in relation to the exchange rate as of December 31, 2023.
- (ii) Increase of 50% in the exchange rate of the U.S. dollar, in relation to the exchange rate as of December 31, 2023.

- (iii) Decrease of 25% in the exchange rate of the U.S. dollar, in relation to the exchange rate as of December 31, 2023.
- (iv) Decrease of 50% in the exchange rate of the U.S. dollar, in relation to the exchange rate as of December 31, 2023.

25 Insurance

The Company takes out insurance policies to cover its assets, loss of profit and risks of possible damages caused to third parties by its operations, in amounts considered adequate by Management to cover any claims, based on the nature of its activity.

The policies are in place and the premiums have been duly paid. The Company believes that insurance coverage is consistent with other similar sized companies operating in the industry.

As of December 31, 2023, the main risks covered were:

Operational Risks	2023
Property damages	89,072
Civil Liability	202,066
Loss of profits	93,000
Environment Impairment Liability	50,000

26 Subsequent events

Semi-Annual Payment of Bonds

On January 16, 2024, the Company made the fourth semi-annual payment of debt securities of US\$29,238 pursuant to the loan agreement. This payment included the third amortization of the principal amount, in line with the payment schedule provided through the target curve.

New Businesses

In January 2024, CADE published in the Federal Official Gazette the approval of the acquisition of 100% of TECMA's shares by Vast, which transaction is subject to the implementation of other precedent conditions that remain pending at the date of this report. For further details, see note 1b.

* * *

Composition of the Board of Directors

On December 31, 2023

Pedro Pullen Parente

Chairman

Rogerio Sekeff Zampronha

Vice-Chairman

Jorge Marques de Toledo Camargo
Board Member

Carlos Tadeu da Costa Fraga
Board Member

Flavio Bernardo Luna do Valle
Board Member

Gabriel de Sá Meira de Araújo
Board Member (Alternate)

Patricia Helena Fonseca Garcia
Independent Board Member

Composition of Management

Victor Jorge Snabaitis Bomfim
Chief Executive Officer

Nicholas John Burridge
Chief Financial Officer and Investor Relations officer

Eduardo Pereira Goulart
Commercial Officer

Alfredo Nilton Lafuente Covarrubias
Engineering, Maintenance and Operations Officer

Adriano Truffi Lima
Quality, Health, Environment & Safety Officer

Accountant

Mariana Begossi
Controllership Manager
CRC RJ 094602/O