

BRAZIL COMPANY REPORTS

Detailed Summary of Data, Sources & FAQs



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OUR DATA SOURCES

Please find below the main original sources of information (e.g., Chambers of commerce, local courts, etc). This should apply to registered companies and sole traders/non-registered companies.

Financial data: Official Brazilian Journal & company's websites.

Negative data: Notaries, Local Courts, Official Brazilian Journal, Central Bank of Brazil, Boa Vista's clients.

Demographic data:

Payment Data: Supplier's clients through exchange data.

Collection data: Supplier's clients through exchange data.

Shareholder's data: State Board of Trade.

Group Structure/Corporate hierarchy: State Board of Trade.

Other key information: We work with official sources and severely approved private suppliers, meeting quality, suitability requirements, data traceability, Information Security, technical capacity and mainly, adherence to current laws – particularly the LGPD.

Our entire data acquisition and management process is certified and complies with the LGPD.

How often the above data is updated e.g., daily, weekly etc.? Each type of data/attribute has a different update rule, based on its characteristics, source availability and algorithms that prioritize their updating according to current accuracy indicators relevant to their purpose of use. The specific rules for updating each data and which suppliers we use are protected by strategy and business secret.

Do you contact companies via a telephone interview or site visits at regular intervals e.g., once a year?

NEGATIVE DATA

What type of negative data is available?

Bankruptcies/Insolvencies: Yes

Court Cases/ Actions: Yes

Debt Collection cases: Yes

How often is this negative data updated? The specific rules for updating each data and which suppliers we use are protected by strategy and business secret.



CREDIT SCORES & LIMITS

Do you give a credit score & limit on all companies?

Yes.

Are there any exceptions?

Yes. The return of a local score of 2 is designated to large companies (Share Capital above R\$50Million and specific Legal Nature such as Corporations, Investment Funds and companies linked to government agencies), for which mass analyses such as predictive models can hardly be applied given the outlier behaviour.

What is the credit score intended to predict?

Business Score:

Our Business Score is a tool that, based on behavioural information, registration, and consultations of companies and their partners, intelligently supports credit decisions.

Developed by the statistical modelling area, this product estimates the future behaviour of customers, indicating the probability of default in the next 12 months.

The result of the consultations is presented on a numerical scale ranging from 1 to 1,000, and the lower the score, the higher the risk of the consulted company becoming delinquent and, the higher the score, the lower the risk.

This model was developed to indicate the risk of medium and small companies. We do not recommend its use for companies of higher sizes.

The Score is a risk rating tool, but the assessment and final credit decision are the responsibility of the customer.

Is payment data included in your credit scoring model?

Yes, this intelligence assesses the company's payment behaviour with the market in the last 12 months for after some calculations and associations, predicting the probability of the company making payments on time in the coming months.

What does the credit limit represent?

This is the result of a calculation that presents the maximum value to be practiced with the company in question. To this do so, we evaluate the payment capacity that the company has.

How is the credit limit calculated?

Like the score, we analysed the company's behaviour in recent months, combined with analytical intelligence to indicate a safe limit to be negotiated.

What other company ratings are available?



LOCAL ACTIVITY CODES & VAT NUMBERS

What version of activity codes are used in the reports?

The activity codes used in the reports are the National Classification of Economic Activities. Classifications are used as language systems in the production of statistical information. The standardization of this language is a key condition not only to the consistency of the time series and of the regional and international comparisons, but also to the articulation between information systems or different sources, which are basic assumptions about the quality of the statistical system.

What company ID numbers are available? (e.g., the local registration number, VAT number, etc.)

CNPJ (Brazilian Tax Corporation Registration number) – provided by Brazilian Secretariat of the Federal Revenue of Brazil (RFB).

State registration number– provided by the Secretariat of Finance.

NIRE (Registered Identification Number) – provided by the State Board of Trade.

How are the company ID numbers formatted?

Are companies obliged to file a VAT number?

How is the VAT Number derived?

If they are not obliged to file and you have this data where has this data come from?

How often is the VAT number updated?

LOCAL BUSINESS CLASSIFICATIONS



FINANCIAL DATA & FILING REQUIREMENTS

Which types of company must file financial data?

Registered Corporate Companies (named as “Sociedade Anônima de Capital Aberto”).

Are there any filing exemptions and thresholds?

The balance sheets can be different depending on the company's line of business. There are specific fields to each line of business such as: Banks, Financial Institutions, Industries, Services, Security, Publicity, and Insurance.

How long after the financial year end do companies have to file financials?

According to the federal law 10406/2002 it is established that a balance sheet needs to be published till the fourth month after the ending of the social fiscal year. Therefore, companies registered in the system of real profit can published their balance sheets till June of the upcoming year.

Registered Corporate Companies are also obliged by law to publish their Balance Sheets into the Official Brazilian Journal.

What is the penalty for not filing the financial data, and is it likely a company would prefer the penalty rather than filing them?

According to the law #6.404 of December 15, 1976, there is no penalty for not filing the financial data. Therefore, there are some articles into this law related to actions/shares that can apply a penalty to the company if it is not published or if it is published incorrectly.

Further details source: http://www.planalto.gov.br/ccivil_03/leis/l6404consol.htm

How did you collect the accounts?

What is the number of companies that must publish accounts?

What is the number of companies that can decide to publish or not publish accounts?

Are the accounts free in this country?



REGISTERED & LAW INFORMATION

Source: http://conteudo.cvm.gov.br/export/sites/cvm/subportal_ingles/menu/investors/anexos/Law-6.404-ing.pdf

FAQS REGARDING UNAVAILABLE INFORMATION

Why does the local score show as inactive, however the report status shows as active?

Why are the headquarters of companies not rated?

The Companies receive classification, we need to analyse the return in question.

Why is there no shareholders information?

Our products return information about shareholders, but there is a limit to be presented, in case there is divergence in this return will be necessary our analysis.

Why are some reports not available instantly on-line?

Reports should be submitted instantly online.



COUNTRY POPULATION & TRADE DATA

Population

214,510,436

Source - <https://www.worldometers.info/world-population/brazil-population/>

GDP

Brazil is holding the 12 positions by nominal GDP. Its national debt in 2020 was (1,420,065 million of dollars), (98.94% debt-to-GDP ratio) and its public debt per capita is 6,757\$ dollars per inhabitant.

The last annual rate of CPI published in Brazil was in September of 2021 and it was 10.8%.

In terms of the human development index (HDI) of Brazil, which is the index used by the United Nations to measure the progress of a country, was 0.765 points in 2019, leaving it in 84th place in the table of 189 countries published.

Source - <https://countryeconomy.com/countries/brazil>

The Gross Domestic Product (GDP) in Brazil was worth 1444.73 billion US dollars in 2020, according to official data from the World Bank. The GDP value of Brazil represents 1.28 percent of the world economy.

Source: <https://tradingeconomics.com/brazil/gdp>

Import / Export

Export goods	aircraft, steel, machinery, transport equipment, automobiles, vehicle parts, soybeans, iron ore, pulp (cellulose), maize, beef, chicken meat, soybean meal, sugar, coffee, tobacco, cotton, orange juice, footwear, gold, ethanol, semi-finished iron	Import goods	machinery, electrical and transport equipment, chemical products, oil, automotive parts, electronics
Main export partners	China(-) 21.8% European Union(+) 16% United States(+) 12.3% Argentina(+) 8% Japan(+) 2.4% Other 39% ^[20]	Main import partners	European Union(+) 21.2% China(-) 18.1% United States(+) 16.5% Argentina(+) 6.2% South Korea(+) 3.4% Other 35% ^[20]

Source - https://en.wikipedia.org/wiki/Economy_of_Brazil

IMF Economy and Response to COVID-19

Source - <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#Brazil>