



➤ RESULTS RELEASE

1st Quarter 2021



Santos Port Authority (SPA) reaches a growth of 93% on the net profit, reaching BRL 70.8 million in 1Q21. Adjusted Ebitda Margin reaches 54.9% and records an increase of 40% when compared to the 1Q20.

SANTOS, MAY 11th, 2021

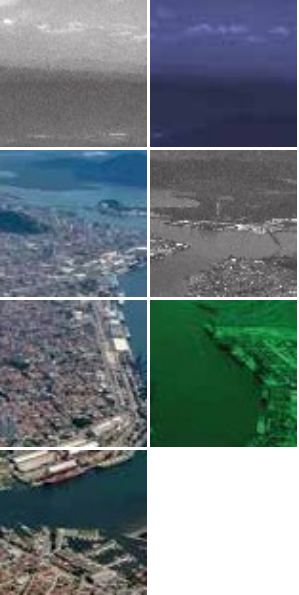
Release 1st quarter 2021

The following operating and financial information, unless otherwise indicated, is presented in Brazilian Reais, prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and is in compliance with the accounting practices adopted in Brazil by the Accounting Pronouncements Committee (CPC), which were approved by the Securities and Exchange Commission (CVM).

About the Port Authority

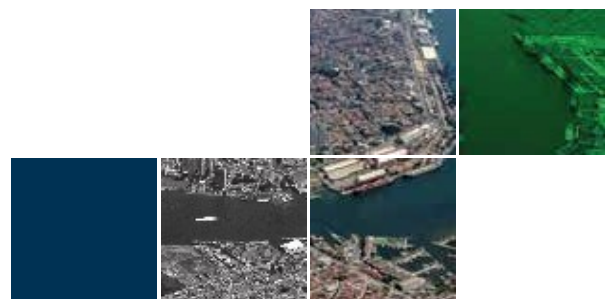
Santos Port Authority (SPA) is a public company bonded to Minfra (Ministry of Infrastructure) and qualified by the Federal Government, so that the studies regarding its privatization process are included in the PPI (Investment Partnership Program) by means of the Decree No. 9.972 from August 14th, 2019 and Resolution No. 69 from August 21st, 2019.

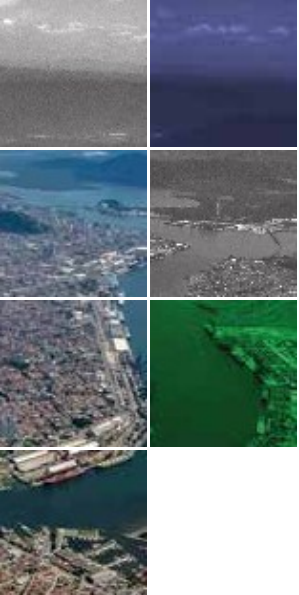
SPA is one of the main links in the country's logistics chain and enables the outflow of approximately 30% of national trades. Its mission is to offer efficient services and infrastructure to its customers and users, as well as to responsibly support public power, trade and economic development.



Operating and Financial Highlights - 1Q21

- **The net income grew 2.8%** when compared to 1Q20, reaching a total of **BRL 253.2 million**, fostered by the increase in cargo handling;
- **Increase of 2.4 p.p. in the gross margin**, which went from 66.4 % in 1Q20 to **68.8%** in 1Q21;
- **Important efficiency gains** reached with actions of austerity and cost rationalization, resulting in a drop of **28.7%** during the 1Q21 in recurring administrative expenses;
- **Adjusted EBITDA reaching BRL 139.0 million (54.9% of margin)**, representing **an increase of 39,9%** on the result of 1Q20;
- Significant improvement on the final revenue, recording a **net income in the Q21 of BRL 70.8 million** when compared to BRL 36.7 million in 1Q20;
- **Advance in studies for the process of destatization**, developed by the BNDES and the consortium of companies hired, together with SPA;
- Proposal to Minfra to perform all investment actions with their own resources, contributing to relief the Federal Government cash and ensuring greater agility when performing investments.





Income Statement (BRL Thousand)	1Q21	1Q20	Var.
Gross Revenue	290.243	282.406	2.8%
Taxes	(37.054)	(36.073)	2.7%
Net Operating Revenue	253.189	246.333	2.8%
Costs of Products and Services Provided	(79.056)	(82.759)	-4.5%
Gross Profit	174.134	163.574	6.5%
Gross Margin	68.8%	66.4%	2.4 pp
Administrative and General Expenses	(27.588)	(36.454)	-24.3%
Legal Claims (Civil and Labor)	(14.683)	(16.089)	-8.7%
Expenses with PORTUS	1.346	(19.931)	-106.8%
Other Operating Expenses	(11.682)	(15.416)	-24.2%
Operating Profit before Financial Res.	121.527	75.684	60.6%
EBITDA	131.862	86.812	51.9%
EBITDA Margin	52.1%	35.2%	16.8 pp
EBITDA Adjustments (Non-Recurring Events/Others)	7.187	12.549	-42.7%
Adjusted EBITDA	139.049	99.361	39.9%
Adjusted EBITDA Margin	54.9%	40.3%	14.6 pp
Financial Result	(14.512)	(1.765)	722.0%
Operating profit	107.015	73.919	44.8%
Income tax and social contribution	(36.226)	(37.252)	-2.8%
Net profit	70.789	36.667	93.1%
Net Margin	28.0%	14.9%	13.1 pp

Table 1 – DRE
Source: SPA - 1Q21 Financial Statements

Covid-19

In view of the scenario of continuity of the pandemic, SPA continues to prioritize actions that can prevent and mitigate the adverse effects on its operations.

Despite the challenging context of the economic impacts caused by the pandemic, operations at the Port of Santos maintained a high level of activity, continuing the performance observed in 2020. Favored both by the good performance of exports and the recovery of imports, cargo flow reached a new record for the period and grew by 11.1% when compared to 1Q20.

The Company continues to guide its action by adopting timely measures that aim to simultaneously preserve, simultaneously, the health of its employees and the activities of the Port of Santos complex. It is worth highlighting the work of the Crisis Cell, which is multidisciplinary and is in direct contact with the main port authorities (São Paulo Port Authority - CPSP, National Health Surveillance Agency - Anvisa, National Waterway Transport Agency - Antaq, Federal Police - PF), aiming at constantly monitoring the risks arising from the development of the pandemic, as well as planning and implementing coordinated actions that are necessary to prevent or mitigate its effects.

The implementation of the home office for part of administrative employees and all members of risk groups has proved to be effective. Throughout the 1Q21, approximately 16% of employees worked remotely or were on leave. Even in the face of this challenging scenario, the company was able to adjust its



operations and efficiently support the high level of activity and handling in the period. At the same time, we persist in intensifying all health and safety protocols, in addition to communication, awareness and training of information multipliers at workstations.

With regard to accounts receivable, as a result of the analyses, no need to set up additional provisions for operations was identified to date. Default indicators are close to zero and there are no signs of deterioration on the horizon.

Despite the excellent indicators achieved, we remain attentive to any changes in the scenario. The results recorded in the 1st quarter of 2021 continue to reflect the professionalism of a technical management focused on increasing efficiency, the robustness of the national agribusiness, the recovery of import activities and the resilience of the port sector. Container handling (the segment that transports higher value-added cargo) grew by 17.9% when comparing January to March 2021 to the same period in 2020 and reached the historic mark of 1.2 thousand TEU (standard measure for a container of 20 feet).

We remain focused on structuring operations in such a way as to make the necessary infrastructure available with maximum efficiency for the outflow of the diversified portfolio of exports and the reception of imports.

According to Management's estimates and the monitoring of impacts regarding the pandemic, there are no impacts that should be recorded in the information, nor are there any impacts on its operational continuity and/or estimates of the Company that would justify recording provisions, in addition to those already disclosed. SPA will continue to monitor and assess the pandemic impacts.



Detailing of Revenues, Costs and Expenses

EQUITY INCOME

The total equity income presented a small reduction of 0.9% in the 1st quarter of 2021. The positive highlight was the growth of 14.7% in the lease revenue, reflecting contractual adjustments and the constant search for effectiveness in the optimized allocation of port areas for transition contracts and new leases. The leasing revenue linked to cargo handling fell by 21.8%, mainly due to the billing made in 1Q20 in the amount of BRL 5.6 million¹ referring to the minimum contractual handling (MMC) required from the Santos Export Terminal (TES). The respective billing for 2021 awaits the conclusion of the analysis regarding the discussion at the National Secretariat of Ports and Waterways Transport (SNPTA) due to issues related to the execution of infrastructure works in arrears linked to this contract. Another important effect that contributed to the lower performance was the loss of revenue due to the suspension of the cruise ship season.

Table of Equity Income (BRL Thousand)		1Q21	1Q20	Var. %
Type	Billing Drivers			
Leases	Value per m ²	62.972	54.890	14.7%
Handling	MMC / Cargo Handling	30.861	39.449	-21.8%
Standard Site	Formulas established in contract	4.264	4.663	-8.6%
Other (Equip/Events) Contract amount, per event...		479	486	-1.4%
Total		98.576	99.488	-0.9%

¹The amount for 2020, BRL 5.6 million, despite being invoiced, was disputed by the lessee and awaits the conclusion of the SNPTA analysis.

Table 2 - Equity Income
Source: SPA

Equity Income (BRL Thousand)	1Q21	1Q20	Var. %
TOP 20 - LESSEES:			
1 SANTOS BRASIL PARTICIPACOES S/A	16.408	11.704	40.2%
2 TES - TERMINAL EXP DE SANTOS S/A	9.885	15.278	-35.3%
3 PETROBRAS TRANSPORTE S/A TRANSPETRO	7.026	7.026	0.0%
4 BRASIL TERMINAL PORTUARIO S/A	4.883	7.183	-32.0%
5 HIDROVIAS DO BRASIL ADM PORTUARIA	4.352	778	459.4%
6 ADM DO BRASIL LTDA	4.338	3.667	18.3%
7 TEG - GUARUJÁ EXPORT TERMINAL	4.036	3.312	21.9%
8 AGEO (GROUP)	4.013	3.489	15.0%
9 ELEVAÇÕES PORTUARIAS S/A	3.641	3.295	10.5%
10 TERMINAL DE VEICULOS DE SANTOS S.A.	3.427	2.794	22.7%
11 COMPANHIA AUXILIAR DE ARMAZENS GERAIS	3.120	2.798	11.5%
12 TERMINAL DE GRANEIS DO GUARUJA S/A	2.977	2.603	14.4%
13 ECOPORTO SANTOS S.A.	2.784	2.599	7.1%
14 LOCALFRIO S/A ARMAZENS GERAIS FRIGORÍFICOS	2.256	2.071	8.9%
15 TEAG - TERMINAL DE EXPORTACAO DE AÇUCAR	2.147	2.005	7.1%
16 FIBRIA TERM DE CELULOSE DE SANTOS S/A	1.833	2.550	-28.1%
17 MARIMEX DESPACHOS, TRANSPORTES E SERVIÇOS	1.806	1.437	25.7%
18 TERMINAL 12 A S/A	1.628	1.272	28.0%
19 TERMINAL MARITIMO DO GUARUJA S/A	1.613	1.342	20.2%
20 T GRAO CARGO TERMINAL DE GRANEIS S/A	1.491	2.380	-37.4%
Total TOP 20	83.664	79.583	5.1%
Other	14.912	19.905	-25.1%
Grand total	98.576	99.488	-0.9%

Table 3 - Equity Income by Lessee Source: SPA



TARIFF REVENUES

Total tariff revenues grew by 3.6% in 1Q21. In the analysis by type of tariff revenue, we observe that the main growths occurred in the waterway infrastructure (cargo handling), with increase of 7.0%, and in the land infrastructure (tariff per m²), which presented an increase of 32.3%. The berthing fee recorded a reduction of 19.6% in the period, mainly explained by the extraordinary billings that occurred in 1Q20 (BRL 2.9 million), impacting the basis of comparison. It is also worth mentioning that there was no tariff adjustment in the period under review.

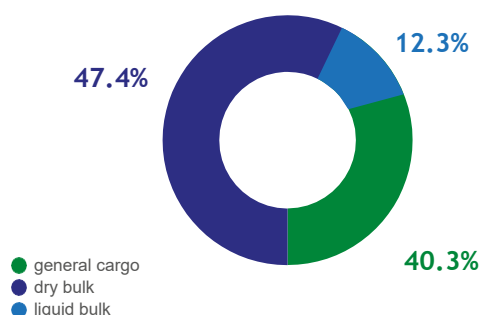
Table of Net Tax Revenue (BRL Thousand)		1Q21	1Q20	Var. %
Type	Billing Drivers			
Waterway Infrastructure	Cargo handling	107.672	100.671	7.0%
Berthing	Berthing periods	11.647	14.491	-19.6%
Land Infrastructure	Operating periods	16.969	17.060	-0.5%
Land Infrastructure	Rate per m ²	9.657	7.301	32.3%
Water	Consumption (m ³)	1.676	2.086	-19.6%
Energy	Consumption (MW)	7.155	7.623	-6.1%
Other	Consumption (RSM)	904	1.039	-13.0%
Total		155.680	150.271	3.6%

Table 4 – Net Tariff Revenue
Source: SPA

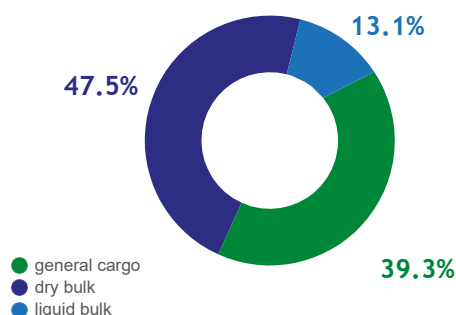
Cargo handling: The 1Q21 result reflected the continuity regarding the good performance of the volume of exports shipped through the Port of Santos, observed since the beginning of 2020, in addition to consolidating an important recovery in imports (mainly in containers). The main highlight of the period was the 13.9% growth in general cargo/container handling. The solid bulk cargo flow, driven especially by the greater movement of soy, sugar and fertilizer, recorded an increase of 10.7%. The liquid bulk cargo handling indicator reached an increase of 4.0%, with emphasis on citrus juices and fuel oil.



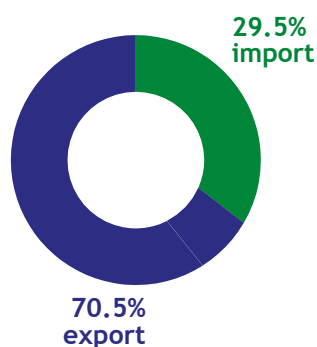
CARGO HANDLING - 1Q21



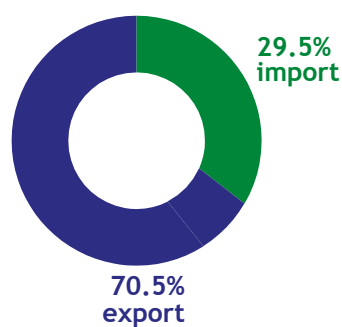
CARGO HANDLING - 1Q20



DIRECTION OF CARGO - 1Q21



DIRECTION OF CARGO - 1Q20



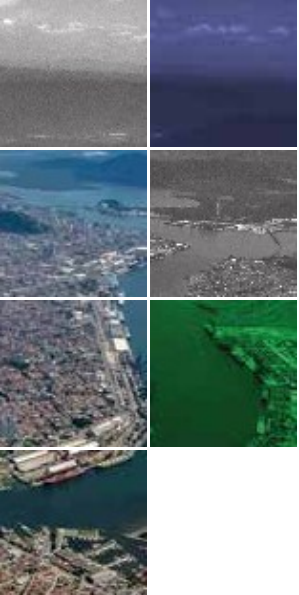
Graph 1 - Cargo Handling
Source: SPA

Number of Ships and Use of Berths: a total of 1.264 ships operated during 1Q21, exceeding the volume of ships in 1Q20 by 4.3%. The berth utilization index increased by 1.7 p.p. during 1Q21, when compared to 1Q20.

Vessel Movement	Cargo Type	1Q21	1Q20	Variation %
Quantity (¹)	General Load	634	624	1.6%
	Dry Bulk	409	359	13.9%
	Liquid Bulk	221	229	-3.5%
	Total	1.264	1.212	4.3%
Stay (in vessels, days) (¹)	General Load	902	779	15.8%
	Dry Bulk	1.386	1.345	3.0%
	Liquid Bulk	520	608	-14.5%
	Total	2.808	2.732	2.8%
Average stay (in days)	General Load	1.42	1.25	14.0%
	Dry Bulk	3.39	3.75	-9.5%
	Liquid Bulk	2.35	2.66	-11.4%
	Average	2.22	2.25	-1.4%
Tonnage Handled	General Load	14.230.495	12.497.018	13.9%
	Dry Bulk	16.709.909	15.096.703	10.7%
	Liquid Bulk	4.336.875	4.171.252	4.0%
	Total	35.277.279	31.764.973	11.1%
Ton. Handled by Vessel	General Load	22,445.6	20,027.3	12.1%
	Dry Bulk	40,855.5	42,052.1	-2.8%
	Liquid Bulk	19,623.9	18,215.1	7.7%
	Average	27,909.2	26,208.7	6.5%
Ton. Handled by Vessel / Day	General Load	15,776.6	16,042.4	-1.7%
	Dry Bulk	12,056.2	11,224.3	7.4%
	Liquid Bulk	8,340.1	6,860.6	21.6%
	Average	12,563.1	11,627.0	8.1%
Number of Berths Available (²)	Total	60	60	0.0%
Use of Berths (²)	Total	51.3%	49.6%	1.7pp

Source: (¹) Statistical Monthly Journal; (²) Data Superhighway.

Table 5 - Vessel Movement
Source: SPA



COSTS AND EXPENSES

Cost of services provided: Total costs for 1Q21 recorded a significant reduction of 4.5% when compared to the same period in 2020, mainly due to the drop in personnel expenses, reflecting the rationalization actions that have been implemented and more than offset the impact of maintenance dredging expenses, which totaled BRL 8.9 million in the period (contract started execution in June 2020).

Operating Costs (BRL Thousand)	1Q21	1Q20	Var.
- Personnel	39.055	48.573	-19.6%
- Material	308	146	110.8%
- Outsourced Serv. - Dredging	8.887	-	-
- Outsourced Serv. - Bathymetry, Signaling, Monit. Dredging	1.392	1.169	19.1%
- Outsourced Serv. - Safety and environment	1.352	664	103.6%
- Outsourced Serv. - Vessel Traffic Monitoring	1.766	1.766	0.0%
- Outsourced Serv. - Surveillance and Security	1.063	794	33.9%
- Outsourced Serv. - Maintenance of Facilities and Equipment	5.506	4.858	13.3%
- Outsourced Serv. - Operation and Maint. of Itatinga/Substations (*)	4.667	6.019	-22.5%
- Outsourced Serv. - Cleaning and Final Disposal of Garbage	4.077	6.029	-32.4%
- Outsourced Serv. - Vehicle Driving	92	95	-3.3%
- Outsourced Serv. - Others	2	396	-99.6%
- Utilities	2.493	2.686	-7.2%
- Rentals	1.762	348	406.9%
- Depreciation / Amortization	10.335	11.128	-7.1%
- Credits - PASEP/COFINS	(3.701)	(1.913)	93.5%
Total	79.056	82.759	-4.5%

(*) Itatinga: Expenses related to the maintenance of the Itatinga Hydroelectric Power Plant, owned by SPA, which supplies part of the energy for its own consumption and to supply some lessees installed in the Port area.

Table 6 - Operating Costs
Source: SPA

Performance Indicators

Performance Indicators - Operational	1Q21	1Q20	Var. %
Staff (qty.) - Operational (*)	712	884	-19.5%
Cost with active personnel / Net operating revenue (**)	0.154	0.197	-21.8%
Operating cost / Net operating revenue (**)	0.312	0.336	-7.1%

(*) end of period table

Table 7 - Performance Indicators - Operating Costs
Source: SPA

The relative productivity indicators mirrored the cost rationalization measures and showed an important improvement. The indicator of costs regarding personnel/net revenue presented a reduction of 21.8% in the period and index measured by the total operational cost/net revenue showed a decrease of 7.1%.

General and administrative expenses: General and administrative expenses, excluding non-recurring events, resulted in a relevant decrease of 28.7%, from BRL 36.5 million in 1Q20 to BRL 26.0 million in 1Q21, as a result of the various actions implemented to rationalize SPA expenses, in particular the reduction of personnel expenses.

General and adm. Expenses (BRL thousand)	1Q20	1Q20	Var. %
- Active personnel	18.796	23.869	-21.3%
- Extraordinary Terminations	1.222	-	-
- Inactive Personnel	1.853	4.075	-54.5%
- Outsourced Serv. - Administrative Personnel	179	-	-
- Outsourced Serv. - Office / Pantry Cleaning	412	1.449	-71.6%
- Outsourced Serv. - Computer Services	117	476	-75.3%
- Outsourced Serv. - Equipment Maint. Install.	322	427	-24.6%
- Outsourced Serv. - Others	349	575	-39.2%
- Utilities	420	445	-5.5%
- Rentals	138	1.701	-91.9%
- Transport	473	741	-36.1%
- Collegiate Bodies	936	907	3.2%
- Ogmo., Agreement Reimbursement (*)	363	-	-
- Other	2.006	1.789	12.1%
Total	27.588	36.454	-24.3%

Total without Extraordinary/Non-Recurring Events	26.002	36.454	-28.7%
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(*) Ogmo (MPME - Manpower Management Entity): According to Ordinance No. 46 from May 08, 2020 of the Ministry of Infrastructure, SPA entered into an agreement with Ogmo

to reimburse lessees and port operators for the amounts spent as compensation to individual port workers prevented from being escalated due to the pandemic caused by the new coronavirus.

In Jan/21, the last payment related to this agreement was made.

Table 8 - General and Administrative Expenses
Source: SPA

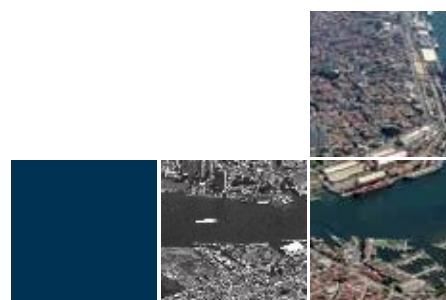
Performance Indicators

Performance Indicators - Administrative	1Q21	1Q20	Var. %
Staff (qty.) - Administrative (*)	298	386	-22.8%
Expenses with active personnel / Net operating revenue (**)	0.074	0.097	-23.4%
Operating Expense / Net Operating Revenue (**)	0.103	0.148	-30.6%

(*) period end table (**) no extraordinary/non-recurring events

Table 9 - Administrative Performance Indicators
Source: SPA

Relative productivity indicators once again demonstrated an important progress, with a drop of 30.6% in 1Q21 in the ratio of total recurring operating expenses on net revenue.



Other operating expenses: During 1Q21, the main factors that impacted other operating expenses were actuarial expenses with post-employment health plan benefits and the provision made for the TES MMC invoice in the amount of BRL 5.6 million. Meanwhile, during the 1Q20, the main record was the amount of BRL 15.7 million due to the PIDV (Voluntary Termination Incentive Program).

Other Operating Expenses (BRL Thousand)	1Q20	1Q20	Var. %
- Provision and Expense with PIDV	0	15.676	-100.0%
- Provision for Benef. Post-employment	5.601	0	-
- Allowance for Doubtful Accounts	5.569	0	-
- Other Operating Expenses	769	93	723.9%
- Other Operating Income	-258	-354	-27.0%
Total	11.682	15.416	-24.2%

Table 10 – Other Operating Expenses
Source: SPA

Adjusted EBITDA

Adjusted Ebitda for 1Q21 reached BRL 139.0 million (54.9% margin), presenting an increase of 39.9% when compared to the result for 1Q20 (40.3% margin). For the purpose of measuring adjusted Ebitda, we mainly exclude the non-recurring impacts related to PIDV (1Q20), scrap auctions, extraordinary terminations and expenses arising from the Ogmo agreement. (1Q21).

EBITDA (BRL thousand)	1Q21	1Q20	Var.
Net Operating Revenue	253.189	246.333	2.8%
Net profit	70.789	36.667	93.1%
Additions (Exclusions):			
Net Financial Result	14.512	1.765	722.0%
Income tax and social contribution	36.226	37.252	-2.8%
EBIT	121.527	75.684	60.6%
Depreciation, Amortization and Depletion	10.335	11.128	-7.1%
EBITDA	131.862	86.812	51.9%
EBITDA Margin	52.1%	35.2%	16.8 pp
EBITDA adjustments (Non-recurring events/Others)	7.187	12.549	-42.7%
Adjusted EBITDA	139.049	99.361	39.9%
Adjusted EBITDA Margin	54.9%	40.3%	14.6 pp

Table 11 - Ebitda
Source: SPA - 1Q21 Financial Statements



EBITDA 1st QUARTER 2020/2021

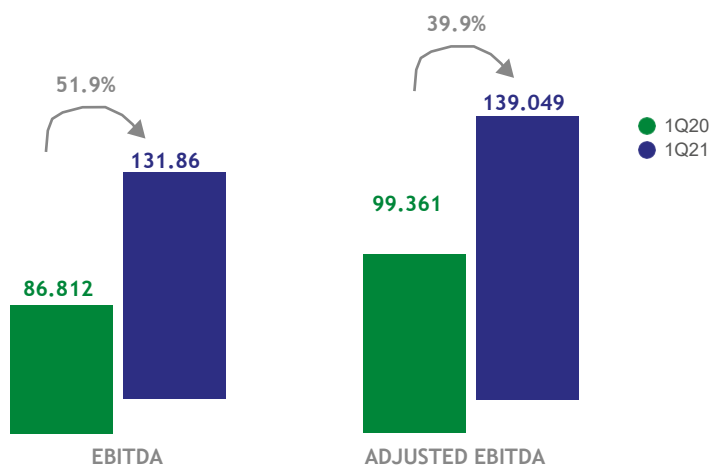


Chart 2 – EBITDA
Source: SPA

Financial result: There was an increase in net financial expenses, which went from BRL 1.8 million in 1Q20 to BRL 14.5 million in 1Q21. This effect mainly reflects the impact of expenses with the monetary restatement of the debt assumed in June 2020 within the scope of the Portus Supplementary Pension settlement plan, in addition to the contractual readjustment (IGPM) related to the reimbursement of works carried out by the lessee Brasil Terminal Portuário (BTP), in accordance with the provisions of the respective lease agreement. On the other hand, in 1Q21, the amount of BRL 9.7 million was recognized in financial income related to monetary variation related to the grants of STS 14 and STS 14A areas, auctioned in August 2020.

Financial Result (BRL Thousand)	1Q21	1Q20	Var.
Financial Expenses	(26.798)	(11.537)	132.3%
Interest on AFAC	(4.130)	(8.472)	-51.3%
Interest on Default Site	(7.417)	(2.930)	153.1%
Interest on Pension Plan	(15.210)	-	-
Interest Other	(41)	(135)	-69.7%
Financial Income	12.286	9.772	25.7%
Income from Financial Investments	753	9.269	-91.9%
Monetary Var. of Grants ref. STS14 and STS14-A areas	9.673	-	-
Monetary Variation without Collection Agreement	1.670	-	-
Income Court Deposits	174	32	450.6%
Interest Other	16	472	-96.7%
Net Financial Result	(14.512)	(1.765)	722.0%

Table 12 – Financial Result
Source: SPA - 1Q21 Financial Statements

Management result by tariff table: With regard to the results accumulated according to the type of service provided by the Port Authority, we may note that the Table I remains in surplus, in accordance with the criteria for the allocation of costs and expenses currently practiced and submitted to Antaq for assessment and validation.

It is worth mentioning that SPA sent to Antaq at the beginning of Jan/21 the studies to comply with Resolution 32 of Antaq aiming at correcting the historical gap in its tariff table.



Managerial DRE for Table - 1Q21 (BRL Thousand)	Table I	Table II	Table III	Table V	Equity/Oct	Total
Operating net revenue (*)	107.672	11.647	26.626	9.735	114.165	269.845
Direct and indirect costs (management)	(29.708)	(16.997)	(9.810)	(10.165)	6.881	(59.800)
Other current costs and expenses	(63.113)	(6.373)	(13.986)	(5.045)	-	(88.517)
Operating Profit	14.850	(11.723)	2.830	(5.476)	121.046	121.527
Financial Result	-	-	-	-	-	(14.512)
Financial Income	-	-	-	-	-	12.286
Financial Expenses	-	-	-	-	-	(26.798)
Earnings Before Taxes (LAIR)	-	-	-	-	-	107.015
IRPJ / CSLL	-	-	-	-	-	(36.226)
Net profit	-	-	-	-	-	70.789

(*) Considering other operating revenues (BRL 16.656)

Table 13 - Management DRE per Table
Source: SPA

Cash position: The Port Authority's final cash position was BRL 939.6 million at the end of 1Q21, indicating a significant growth of 45.9% when compared to the position verified at the end of 1Q20.

Cash Flow (BRL Thousand)	1Q21	1Q20	Var. %
Initial Cash	859.864	561.669	53.1%
Operating Cash Flow	81.776	82.504	-0.9%
Inputs	306.785	284.091	8.0%
Collection	294.465	268.028	9.9%
Other	12.320	16.063	-23.3%
Outputs	(225.009)	(201.587)	11.6%
Staff	(64.394)	(81.139)	-20.6%
Portus	12.259	(3.876)	216.3%
PIDV + Extraordinary Terminations	(1.222)	(2.062)	-40.7%
Tax	(62.616)	(53.191)	17.7%
Other	(84.517)	(61.318)	37.8%
Cash Flow from Investments	(2.025)	(340)	495.6%
Acquisition of Fixed Assets/Intangibles	(2.025)	(340)	495.6%
Disposal of fixed assets	-	-	-
Cash Flow from Financing	-	1	-100.0%
Shareholder resources	-	1	-100.0%
Final Cash	939.615	643.834	45.9%
SIAFI cash	12.567	12.567	0.0%

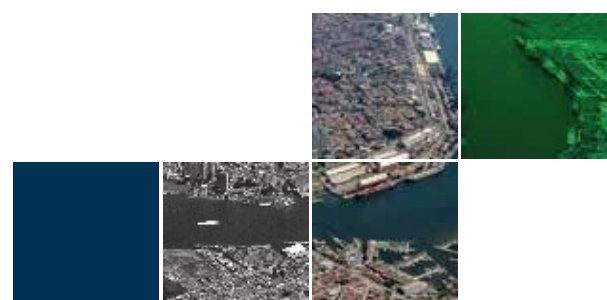
Table 14 - Cash Flow Source: SPA - Financial Statements 2020

Indebtedness (Net Cash/Adjusted EBITDA): SPA presented a net cash position at the end of 1Q21, with the cash position and cash equivalents BRL 332.5 million higher than the total debt, demonstrating a net cash/Ebitda ratio of 0.6x. The main difference when compared with these 1Q20 indicators is the Financial Commitment Term signed in Jun/20 to settle the Pension Plan.

Indebtedness (BRL Thousand)	1Q21	1Q20	Var. %
Refund of Improvements in Leased Areas:	-128.729	-117.989	9.1%
- Current	-23.541	-18.467	27.5%
- Non-current	-105.187	-99.522	5.7%
Term of Financial Commitment - Portus (1):	-490.914	0	-
- Current	-34.450	0	-
- Non-current	-456.464	0	-
Gross Debt	-619.643	-117.989	425.2%
Cash and Banks	9.482	9.298	2.0%
Financial Applications	930.101	634.339	46.6%
Values Linked to the Application in Infrastructure	12.598	12.764	-1.3%
Cash and Financial Investments	952.182	656.401	45.1%
Net Cash	332.539	538.411	-38.2%
Short-Term Debt without Total	9%	16%	-6 pp
Long-Term Debt without Total	91%	84%	6 pp
Adjusted EBITDA (last 12 months)	542.349	329.951	64.4%
Net Cash / Adjusted EBITDA	0.6 x	1.6 x	-1.0x

(1) Debt assumed in June 2020, referring to the Equation of the Portus Pension Benefit Plan.

Table 15 – Net Debt Source: SPA - 1Q21 Financial Statements





Global Expenditure Program (PDG)

The PDG is the Federal Government's budgetary and control instrument. In the 1Q21 performance assessment, we observed an important growth on the revenue (+19.3%). The current expenditures reflected the rationalization measures regarding expenses and presented a decrease of 26.7%.

The increase in taxes and charges is directly related to the higher level of revenue and income tax and social contribution as a result of profit growth when compared to the forecast. The

provisions registered an increase in relation to the forecast due to the provision constituted for the TES MMC invoice in the amount of BRL 5.6 million.

Financial income was lower than forecast due to the poor performance of financial investments in Banco do Brasil's and Caixa's Extramercado funds, which had an average performance of just 18% over the CDI for the period. Financial expenses exceeded expectations due to the impact of the monetary restatement of the debt assumed to settle Portus and the effect of the contractual readjustment (IGPM) related to the reimbursement of works carried out by the BTP lessee, in accordance with the provisions in the respective lease agreement.

PDG (BRL thousand)	1Q21		
Description	Limit	Executed	Var. %
Gross Revenue	268.327	320.214	19.3%
Other Revenue	700	13.362	-
Current Expenditures	-179.645	-131.630	-26.7%
Taxes	-47.238	-74.294	57.3%
Depreciation and Amortization	-11.110	-10.335	-7.0%
Provisions	-14.144	-20.482	44.8%
Financial Income	9.934	753	-92.4%
Financial Expenses	-1.816	-26.798	-
Treasury Contribution	0	0	-
Investments (Capital Expenditures)	-56.170	-2.025	-96.4%
Result	-31.164	68.764	-320.7%

Table 16 - PDG
Source: SPA



Investment budget (Capital expenditures)

The main action carried out in the period was the investment in the recovery of the pier on Barnabé Island, in the amount of BRL 1.6 million. Management recognizes the importance of quickly reversing the scenario of low budget execution of investments.

Even in the face of exogenous factors that are often beyond SPA's control, such as environmental licensing, expropriations, judicialization and even bankruptcy of subcontractors, as well as obstacles inherent to bureaucratic aspects of public administration, we are aware of the need to find ways that enable the performance of the investments necessary for the maintenance and expansion of port infrastructures in a long term.

In this sense, we revisited all planned investment actions, in order to readjust priorities and more realistically assess the physical and financial feasibility, which resulted in an adjusted forecast that will be submitted to the appreciation of Minfra, as indicated in the table below, column "Revised Limit". We appointed a multidisciplinary work group, with follow up performed by the project office, aiming at improving the management and governance so that we can pursue with greater focus the budget execution of such investments.

It is worth mentioning that we have made efforts and succeeded in working together with the terminals and other private agents that operate in the Port of Santos, enabling, with agility and efficiency, the execution of relevant investments in common areas of the Porto, that is, outside the leased area of the terminals. The total value of investments, adding the projects recently concluded with the works expected to be concluded in the coming years, reach approximately BRL 2.3 billion, not counting the investments foreseen in the next leases, whose studies have already been qualified in the PPI or are under analysis by the control bodies. We have also developed studies for the inclusion of important investments in road and rail land access infrastructure so that they are incorporated into the scope of new concessions and auctions for port areas.

Combined with this set of works, we will have important investments in information technology, focused on the automation of processes, simplification of services and optimization of logistic chain and cargo monitoring.



Independence of Federal Government resources for investment actions

Considering the significant economic and financial evolution of the SPA built as of 2019:

- Entry of the new management and implementation of a culture of transparency and governance, with a focus on efficiency, austerity and rationalization of resources;
- Record of net income in 2020, ending the year with a cash position of BRL 860 million and comfortable liquidity ratios;
- Unequivocal demonstration that SPA has the capacity to generate sustainable and sufficient operating cash flow to meet all its expenditures and the needs for investment actions planned for the coming years;
- Cash flow projections indicating a high level of liquidity and full capacity to carry out with own resources the entire investment agenda foreseen in accordance with the implementation of the Development and Zoning Plan (PDZ) for the period from 2021 to 2025;
- Resources from grants from port terminal concession auctions are being transferred to the Port Authority's cash since 2020;

SPA will propose to Minfra the "cancellation" of all amounts included in "Remainders payable" for investment actions in progress, bearing in mind that expenditures from now on will be honored with funds generated by the company. Thus, the SPA facilitates the concrete and effective economy of more than BRL 238 million to Federal Government in the next years, due to the cancellation of the current Remaining Payables, in addition to return around BRL 10.6 million related to the amounts sent by the Federal Government for investment actions pending of execution. Additionally, the SPA expects that all future investment actions will be performed, as of this date, using own resources arising from operating cash generation and the potential inflow of resources arising from the next grants of lease auctions.

Investment (BRL thousand)	1Q21	% of Exec.	Previous Limit	Revised Limit
-Deployment Av. Perimetral ME	92	0.1%	99.680	300
-Deployment Av. Perimetral MD	109	0.3%	38.996	16.000
-VTMIS System - Traffic Control	0	0.0%	25.402	100
-Barnabé Island Berth Reinforcement	1.551	8.6%	17.946	13.000
-Procurement of Computer Equipment	263	1.8%	15.000	15.000.
- Adequacy of Facilities	0	0.0%	13.000	6.000
-Redevelopment of the Channel 4 Basin	0	0.0%	9.167	100
- Cargo Monitoring	0	0.0%	7.506	1.500
-Purchase of Movable Assets	11	0.2%	5.000	1.500
-Solid Waste Management	0	0.0%	4.871	300
-Expansion road access to Barnabé Island	0	0.0%	4.033	100
TOTAL	2.025	0.8%	240.600	53.900
TREASURY RESOURCES	0	0.0%	132.313	-
OWN RESOURCES	2.025	1.9%	108.287	53.900

Table 17 - Investments
Source: SPA



Internal Railway of the Port of Santos (FIPS)

On 02/10/21, SPA held a public hearing on the new exploitation model of the Internal Railway of the Port of Santos (FIPS), a rail system that integrates the port infrastructure.

The Public hearing 01/2021 is part of Public Consultation 01/2020, whose objective is to discuss the management, operation, maintenance and expansion of FIPS. The consultation was opened at the end of last year, aim at signing a new contract for the exploration of the internal network of the Port, ensuring investments around BRL 2 billion, necessary for the expansion of the railway capacity, in view of the expected increase in demand for the short term.

With an offer for 50 million tons, the internal railroad of the Port currently moves approximately 45 million tons. Port's PDZ foresees a 91% increase in rail movement by 2040, to 86 million tons per year. In order to deal with this demand, it is estimated that approximately BRL 2 billion will be necessary in expansion works such as new branches, a railway pear (circular shaped area for maneuvering trains) on the right bank (Santos), a new rail yard on the left bank (Guarujá), in addition to the elimination of level crossings and construction of pedestrian walkways in the Organized Port. The current contract ends in 2025.

Port of Santos is approved to receive 366-meter vessels

The Port of Santos was approved by the Brazilian Navy, on 02/23/21, to receive 366-meter vessels, the largest vessels planned for the East Coast of South America (the previous limit in Santos was vessels of up to 340 meters). SPA, in a process that also involved Pilotage of São Paulo and the University of São Paulo (USP), studied and carried out maneuverability drills, hydrodynamic interaction and mooring plans, proving the viability of these vessels' traffic in the navigation channel.

This authorization significantly favors the conditions for increasing productivity and expanding handling capacity, in particular, containerized cargo, in addition to consolidating Santos' vocation as a hub port in South America. With almost 30% of the national trade flow, the Santos port complex is already preparing itself for greater container handling, with the planned expansion of the existing terminals and the planning of the destination of two other areas, in line with the context of growth and development foreseen in the PDZ of the Port of Santos, approved last year.

Auctions for new terminals

SPA's Management has made efforts together with Antaq and other control agencies involved, to make the schedule for the next leasing auctions of new port terminals feasible with speed and quality, as shown in the table below.

Areas:	STS 08 and STS 08A	STS 11	STS 10	STS 53	SSZ 16E	SSZ 41E
Cargo Type	Liquid Bulk	Vegetal Bulk	Containerized General Cargo	Mineral Bulk	Containerized General Cargo	Containerized General Cargo
Location	Alamoá	Paquetá	Saboó	Outeirinhos	Left bank	Right bank
Status	Release of tendering	Public Consultation	Classified in CPPI;	Modelling sent to EPL	Modelling sent to EPL	Modelling sent to EPL
Auction Forecast	3 rd quarter 2021	1 st quarter 2022	1 st quarter 2022	2 nd quarter 2022	1 st quarter 2022	1 st quarter 2022

Table 18 - Auctions
Source: SPA

Destatization Program

During 1Q21, the consortium of companies hired to support the Brazilian Development Bank (BNDES) in executing the privatization worked intensely together with SPA to develop this important stage of the studies, comprising several multidisciplinary work fronts that are evaluating, a) market prospects for the port complex (market study); b) infrastructure diagnosis and improvement proposal (operational technical study); c) SPA's accounting, equity and legal status (diligences); and d) the regulatory framework and appropriate models for private participation in the management of the Port of Santos (regulatory institutional study).

The objective is for the Ministry of Infrastructure, BNDES and the contracted consortium to move forward together with SPA's management team to define the best possible model to ensure that the private sector participates in this management, ensuring an increase in efficiency in the largest port complex in Latin America and enabling the necessary investments to be made to modernize and expand the national logistics capacity.



SUBSEQUENT EVENTS

Deployment of underwater tunnel between Santos and Guarujá

On 4/6/21, SPA launched a public call for projects to be donated for the implementation and management of the subsea tunnel connecting Santos and Guarujá. The project is crucial for urban mobility in the region and better use of the Port of Santos navigation channel.

The studies must take into account the urban mobility needs between the two municipalities to serve pedestrians, cyclists, cars and public transport (intercity buses and VLT, for example).

The projects received will be part of the modeling of the privatization/destatization of the SPA so that the tunnel will be built by the future concessionaire, according to the existing understanding between the BNDES and Minfra.

The undertaking will provide a more rational logistics for the region, redistributing the traffic of vehicles and trucks in the urban network. In addition, with the increase in the flow and size of ships in the navigation channel, recently approved for vessels of 366 meters, the perspective is that in the medium term there will be a reduction in the interval between maneuvers. In this sense, the underwater tunnel will play a strategic role, significantly contributing to ensuring safe navigation in this new scenario and a good relationship between the Port and the surrounding cities.



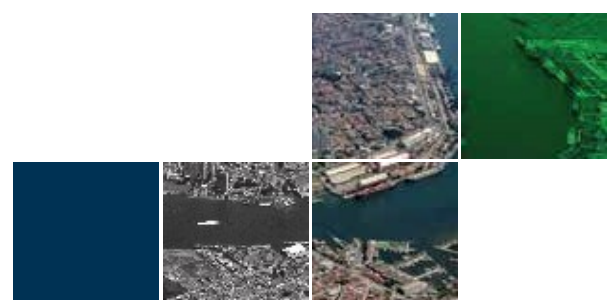
ANNEXES

PDG (BRL Thousand)				Year Total		
	1Q21					
<u>Resources</u>	Limit	Performed	% Exec	Limit(*)	Foreseen	% Exec
<u>Revenues</u>	278.960	334.329	119.8	1.147.910	1.299.216	113.2
Tax	173.274	182.943	105.6	729.340	775.694	106.4
Equity	95.053	107.300	112.9	377.882	454.538	120.3
Financial	9.934	753	7.6	38.475	18.677	48.5
Reversal of Provisions	0	29.971	-	0	29.971	-
Other	700	13.362	-	2.213	20.337	919.0
<u>Treasury Resources</u>	0	0	-	0	0	-
Total Resources	278.960	334.329	119.8	1.147.910	1.299.216	113.2
<u>Expenditures</u>	Limit	Performed	% Exec.	Limit (*)	Expected	% Exec
<u>Capital Expenditures</u>	56.170	2.025	3.6	265.600	103.900	39.1
Treasury Resources	39.725	0	0.0	177.954	0	0.0
Own resources	16.445	2.025	12.3	62.646	53.900	86.0
Dividends	0	0	-	25.000	50.000	-
<u>Current Expenditures</u>	253.954	263.539	103.8	1.041.927	1.108.415	106.4
Staff	82.858	86.417	104.3	338.933	304.169	89.7
Salaries, Charg. and Benef.	62.927	85.195	135.4	259.209	297.617	114.8
Portus	19.931	0	0.0	79.724	5.330	6.7
Extraordinary Terminations	0	1.222	-	0	1.222	-
Materials	650	470	72.3	2.600	1.108	42.6
Third-Party Services	84.602	38.274	45.2	340.084	289.533	85.1
Tax	47.238	74.294	157.3	197.553	237.594	120.3
Financial Expenses	1.816	26.798	1.475,5	6.336	98.277	1,551.0
Deprec. / Amortization	11.110	10.335	93.0	44.440	41.326	93.0
Provisions	14.144	20.482	144.8	58.959	58.936	100.0
Other current exp.	11.536	6.470	56.1	53.022	77.473	146.1
Total Expenditures	310.124	265.565	85.6	1.307.527	1.212.315	92.7
Result	-31.164	68.764	220.7	-159.617	86.901	54.4

(*) Limit: Decree 10.1698 12/10/19.

Table 19 - Monitoring of Budget execution

Source: SPA



ANNEXES

ASSET	03/31/21	12/31/20	03/31/20	LIABILITIES AND EQUITY	12/31/20	03/31/20	
CURRENT	<u>1.047.160</u>	<u>963.434</u>	<u>720.250</u>	CURRENT	<u>568.367</u>	<u>562.589</u>	<u>523.901</u>
Cash and cash equivalents.....	939.584	859.861	643.637	Salaries, provision and social charges.....	44.097	43.798	55.054
Values linked to app. infrastructure.....	12.598	12.589	12.764	Suppliers and Service Providers.....	29.203	42.734	6.781
Net Accounts Receivable	83.236	82.627	49.588	Taxes and contributions to collect.....	29.562	30.055	28.909
Inventories	432	398	415	Pension plan - monthly contribution.....	2.442	953	1.794
Tax credits	9.458	6.227	6.145	Pension Plan - TCF.....	34.450	33.615	0
Other credits.....	1.852	1.732	7.701	Works carried out by lessees.....	23.541	22.255	18.467
				Provision for labor and civil risks.....	379.716	367.773	372.429
				Provision for PIDV - Voluntary Separation Incentive Plan.....	0	0	16.386
				Other obligations.....	25.356	21.406	24.081
NON-CURRENT	<u>2.657.221</u>	<u>2.670.422</u>	<u>2.366.555</u>	NON-CURRENT	<u>2.767.663</u>	<u>2.834.753</u>	<u>2.474.306</u>
LONG TERM REALIZABLE	<u>1.030.771</u>	<u>1.035.271</u>	<u>684.951</u>	Provision for labor and civil risks.....	104.119	103.926	120.265
Net Accounts Receivable	34.178	47.190	36.013	Deferred revenue.....	782.326	791.270	305.551
Contractual lease rights - Grant.....	400.152	390.480	0	Works carried out by lessees.....	105.187	104.625	99.522
Related parties.....	1.076	5.953	6.955	Pension Plan - actuarial deficit provision	372.441	433.745	1.098.050
Judicial deposits - resources.....	147.661	134.670	156.766	Pension Plan - TCF.....	456.464	453.801	0
Assets destined for disposal.....	192	181	243	Benefit to employees.....	76.916	81.307	0
Deferred income tax and social contribution.....	447.162	456.509	484.644	Federal Government credits for capital increase	870.209	866.079	850.918
Other credits.....	349	288	330				
Fixed.....	1.623.337	1.631.347	1.675.700	NET EQUITY	<u>368.351</u>	<u>236.514</u>	<u>88.597</u>
Intangible	3.113	3.804	5.905	Capital stock.....	1.414.100	1.414.100	1.414.100
				Accumulated losses.....	- 1.061.704	-1.132.493	-1.132.493
				Other comprehensive income.....	15.955	-45.093	-102.961
TOTAL ASSET	<u>3.704.381</u>	<u>3.633.856</u>	<u>3.086.805</u>	TOTAL LIABILITIES AND NET EQUITY	<u>3.704.381</u>	<u>3.633.856</u>	<u>3.086.805</u>

Table 20 - Annex: Balance sheet Source: SPA -
1Q21 Financial Statements

For more information, see the Financial Statements for 1Q21, with the respective explanatory notes, on the website: www.portodesantos.com.br.

