



SANTOS BRASIL

EA ININGS RELEASE
4Q23



São Paulo, March 20, 2024 - The quarterly financial information (ITR) and standardized financial statements (DFP) are presented in accordance with the accounting practices adopted in Brazil, in compliance with the provisions of Brazilian Corporation Law, International Financial Reporting Standards (IFRS) and the standards issued by the Accounting Pronouncement Committee (CPC).

	4Q23	4Q22	Δ(%)	2023	2022	Δ(%)
Container and General Cargo Terminals – quay operations (containers)	335,133	296,115	13.2%	1,218,580	1,298,597	-6.2%
Container and General Cargo Terminals – warehousing (containers)	41,378	33,629	23.0%	130,130	142,211	-8.5%
Container and General Cargo Terminals – general cargo (tons)	17,949	23,079	-22.2%	88,901	123,745	-28.2%
Logistics – warehousing (containers)	15,703	17,070	-8.0%	62,316	73,494	-15.2%
Logistics – handling (pallets)	202,751	293,359	-30.9%	940,088	1,120,189	-16.1%
TEV (vehicles)	49,079	65,017	-24.5%	210,591	281,014	-25.1%
Net Revenue (R\$ MM)	667.0	468.9	42.3%	2,134.9	1,931.8	10.5%
EBITDA (R\$ MM)	366.8	198.3	85.0%	1,000.1	809.9	23.5%
<i>% EBITDA Margin</i>	<i>55.0%</i>	<i>42.3%</i>	<i>12.7 p.p.</i>	<i>46.8%</i>	<i>41.9%</i>	<i>4.9 p.p.</i>
Net Income (Loss) (R\$ MM)	225.0	135.5	66.0%	504.3	429.5	17.4%
<i>% Net Margin</i>	<i>33.7%</i>	<i>28.9%</i>	<i>4.8 p.p.</i>	<i>23.6%</i>	<i>22.2%</i>	<i>1.4 p.p.</i>
Net Debt (R\$ MM)	56.4	-279.6	-	56.4	-279.6	-
Net Debt/Proforma EBITDA LTM¹	0.07x	-0.43x	-	0.07x	-0.43x	-

¹ EBITDA LTM, excluding IFRS 16 effects.

HIGHLIGHTS | 4Q23

- In 4Q23, Santos Brasil's Container Terminals handled 335,133 units (+13.2% YoY), with emphasis on Long Haul volumes, accounting for 83.5% of the Company's total container throughput in the quarter (vs. 79.4% in 4Q22), which recorded an increase of 19.0% YoY, with growth of (i) 34.6% YoY in imports and (ii) 2.0% YoY in exports. The volume increase was combined with an important improvement in the operational mix, with 257,852 full containers handled (+17.9% YoY), of which 85,948 were imports (+36.8% YoY).
- Tecon Santos operated 287,839 containers in 4Q23 (+10.9% YoY), with an increase of 12.1% YoY in Long Haul, reflecting growth of (i) 28.9% YoY in imports, with recovery in all segments, mainly electronics, machinery, equipment, ores and consumer goods, imported chiefly from China, and (ii) 3.0% YoY in exports, specially shipments of coffee, cotton and pulp & paper, mainly for China and the United States. In 4Q23, Cabotage volume grew 3.4% YoY.
- In 4Q23, Tecon Imbituba container throughput grew by 21.0% YoY, driven by extra calls of services that had Port of Navegantes as destination, whose operation was restricted by the heavy rains that devastated Santa Catarina State throughout the quarter. In turn, Tecon Vila do Conde recorded an increase of 34.0% YoY in containers handled, with emphasis on operations with barges and ships that operated volumes which would have their origin and destination at the Port of Manaus, but had their operations limited due to the drought in the Amazon basin's rivers.
- Santos Brasil Logística recorded in 4Q23 YoY drops of (i) 8.0% in volumes stored in its bonded warehouses and (ii) 30.9% in total pallets operated in its DCs, due to lower demand from its main customers, primarily in the automotive sector. Finally, the Vehicle Terminal recorded another volume decrease in 4Q23 (-24.5% YoY), reflecting lower light vehicle exports to Mercosur countries, e.g. Argentina and Colombia.
- 4Q23 presented another solid growth in the Company's economic and financial results, with 43.3% YoY increase in Net Revenue, which totaled R\$ 667 million, with emphasis on (i) 58.6% YoY increase in Container and General Cargo Terminals Net Revenue, as a result of the larger volume operated and increase in the average ticket. In 2023, consolidated Net Revenue totaled R\$ 2.1 billion (+10.5% YoY).
- In 4Q23, consolidated EBITDA amounted to R\$ 366.8 million, representing a sound growth of 85.0% YoY, with an EBITDA margin of 55.0%, (+12.7 p.p. YoY). Container and General Cargo Terminals' EBITDA was R\$ 335.6 million (+117.5% YoY), with EBITDA margin of 63.0% (+17.0 p.p. YoY). In 4Q23, Liquid Bulk Terminals generated an EBITDA of R\$ 5.2 million (vs. -R\$ 3.2 million in 4Q22). Santos Brasil Logística's EBITDA grew by 21.7% YoY, despite the volume drop, mainly compensated by better operational efficiency and cargo mix (higher value added) coupled with an austere cost and expense management. In 2023, consolidated EBITDA totaled R\$ 1.0 billion (+23.5% YoY), the highest level in the Company's history on a nominal basis.
- Santos Brasil's Net Income reached R\$ 225.0 million in 4Q23 (+66.0% YoY), with a net margin of 33.7% (+4.8 p.p. YoY). In 2023, net income totaled R\$ 504 million.
- The Company invested R\$ 305.7 million in 4Q23 in the expansion and modernization of its assets, of which (i) R\$ 161.0 million in Tecon Santos, mainly in equipment acquisition, and (ii) R\$ 127, 3 million in the Liquid Bulk Terminals, i.e. in the expansion of the brownfield units and the start of the greenfield terminal construction. In 2023, the Company invested a total of R\$ 631 million (+55.3% YoY).

MESSAGE FROM THE MANAGEMENT

In 2023, Santos Brasil successfully progressed in its strategy of capital allocation - based on high-return investments allocated in its portfolio of assets and shareholders' capital remuneration, mainly via earnings distribution – and price recomposing of port and logistics services provided, better balancing them with the efficiency, productivity and operational excellence levels offered to customers.

Throughout the year, Santos Brasil invested R\$ 631.3 million in its assets, of which (i) R\$ 302.3 million in Tecon Santos, (ii) R\$ 236 million in the Liquid Bulk Terminals located at the Port of Itaqui - MA, (iii) R\$ 65.7 million at Tecon Vila do Conde, and (iv) R\$ 24.2 million in Santos Brasil Logística. The investments are intended to expand capacity, acquire technology and equipment, update and modernize the current infrastructure. Such investments will increase the service level and provide a better experience for the company's clients, also guaranteeing that potential demand is met as market grows. The investments in Liquid Bulk Terminals will allow the Company to add 59,000 m³ to its existing capacity (50,000 m³) in 2024, which will be complemented with further 81,000 m³ throughout 2025, totaling 190,000 m³ (≅25% of the aggregate capacity of the Port of Itaqui - MA). Tecon Santos' capacity is expected to reach 2.6 million TEU in 2025 and 3.0 million TEU by 2031.

Moreover, the Company distributed R\$ 479,1 million to its shareholders, of which R\$ 337.0 million as dividends and R\$ 142.1 million as Interest on Own Capital, equivalent to R\$ 0.55 per share and a payout of 95%, based on 2023 Net Income.

R\$ 2.1 billion
Net Revenue 2023

R\$ 1.0 billion
EBITDA 2023

R\$ 631 million
Capex 2023

R\$ 479 million
Dividends and
Interest on Own
Capital

On the other hand, the year of 2023 proved to be challenging regarding volumes handled, with total container throughput down 6.2% year-on-year, totaling 1,218,580 containers handled in the three terminals, while Tecon Santos recorded a drop of 6.9% compared to 2022. The volume path proved to be erratic throughout 2023, with a sharp drop in the first half of the year, both in imports and exports. Indeed, in the Port of Santos, there was a decrease in exports of products such as coffee, pulp and paper, cotton and beef, as well as a decline in imports of industrial inputs, durable consumer goods and capital goods, owing to still high inventories, in addition to uncertainties regarding the domestic economy performance, in an environment of high interest rates, persistent inflation and difficult credit access.

The first indications of improvement came only at the beginning of 3Q23, mainly in exports, at the Port of Santos, but was more solid in 4Q23, the first milestone of year-on-year volume growth, also in imports. In 4Q23, Santos Brasil handled 335,133 containers, an increase of 13.2% compared to 4Q22, with growths of (i) 11% YoY at Tecon Santos, which recorded a significant improvement in all flows, including a larger share of full-imported containers in the mix; (ii) 21% YoY at Tecon Imbituba, which operated Long Haul ships due to inoperability of container terminals located at Itajaí/Navegantes complex, affected by adverse weather conditions; and (iii) 34% at Tecon Vila do Conde, which captured traffic from the Port of Manaus, whose operation was hampered by the drought in the Amazon Basin. Moreover, container warehousing followed the improvement observed in quay operations, increasing 23% year-on-year in 4Q23, driven by Tecon Santos (+2% YoY) and Tecon Imbituba (+11.222% YoY).

Despite the drop in container throughput, Santos Brasil presented a robust economic and financial performance in 2023, with annual growth across the board. Consolidated Net Revenue reached R\$ 2.1 billion, up 10.5% YoY, while EBITDA surpassed the symbolic and historic mark of R\$ 1.0 billion, with an EBITDA margin of 47%, representing an increase of c.7 percentage points year-on-year. Net Income reached R\$ 504 million (+17.4% YoY), while net margin reached 24%.

The Company's financial liquidity remains high, with net debt of R\$ 56.4 million in 12/31/2023. Total debt reached R\$ 423.9 million at the end of 2023, with a cash position of R\$ 367.5 million (i.e. Net Debt/Proforma EBITDA of 0.07x). Santos Brasil, which had maintained a net-cash position since mid-2020, is diligently optimizing its capital structure, in line with its capital allocation strategy and the potential future cash generation arising from its businesses.

The outcome of 2023 gives Santos Brasil the confidence that 2024 brings positive prospects for its businesses, especially considering the improvement in volume dynamics, including at the Port of Santos, efficiency gains arising from high operational leverage of its assets, as well as the delivery of additional capacity to meet growing demand. This favorable scenario couples with Company's values and management pillars, focused on clients and employees experience, financial diligence, and discipline in capital allocation, aiming to maximize return for shareholders, investors, and other stakeholders.



Port of Santos

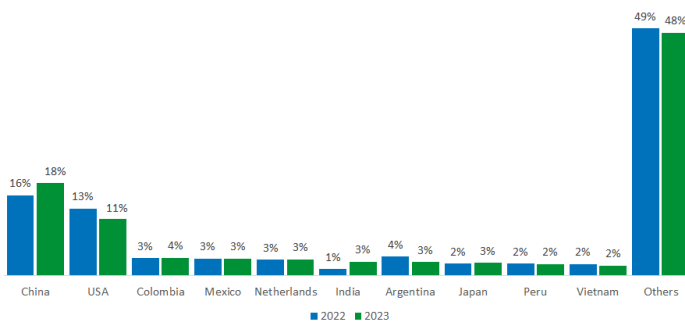
Export and import container volume dynamics in 4Q23 and 2023

Exports

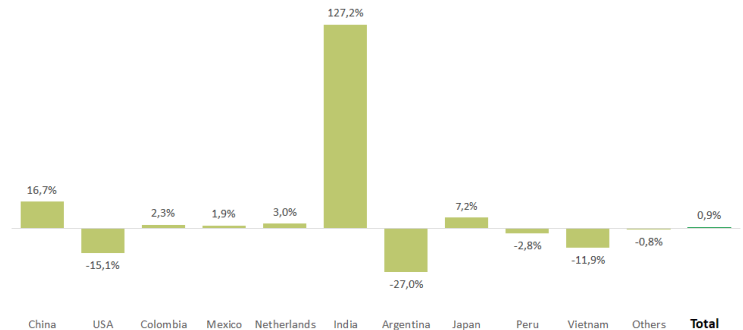
In **4Q23**, exports of full containers at the Port of Santos recorded a 20.3% increase YoY, according to Datamar¹, in line with the recovery trend witnessed since the beginning of the second half of 2023, mainly shipments to: (i) China (+41.0% YoY), a destination that represented 23% of Port of Santos exports in 2023 (vs. 20% in 2022); (ii) Latin American countries, such as Colombia (+41.3% YoY), Peru (+35.1% YoY), and Mexico (+32.2% YoY); and (iii) Asian countries, especially India, which showed a 144.6% increase YoY in imports from Port of Santos, particularly of ores, cement, and rock. The United States, second largest destination, showed a 6.9% decrease YoY in 4Q23, with reduction in its share (10% in 2023 vs. 13% in 2022). Regarding cargo mix, the main exported products grew YoY in 4Q23: (i) sugar (+140.0%), increasing shipments to Middle East, Africa, and South America; (ii) ores (+33.5%); (iii) beef (+33.0%); (iv) cotton (+15.4%); (v) pulp and paper (+10.7%); and (vi) coffee (+4.2%), commodity that had the sharpest drop in 9M23.

In **2023**, exports of full containers at the Port of Santos grew by 0.9% YoY, with growth recorded in the second half of the year offsetting the decrease in the first half. Regarding destinations, the main markets that had increased shipments YoY were: (i) China (+16.7%), mainly cotton, coffee, and sugar; (ii) Asian countries, with India being the highlight (+127.2%) and, to a lesser extent, Japan (+7.2%); and (iii) Latin America, e.g. Colombia (+2.3%) and Mexico (+1.9%). In the opposite direction, exports to the United States were down 15.1% YoY in 2023, especially coffee (down 31.2% YoY), the main cargo shipped to that destination. In relation to cargo mix, sugar exports grew 79.7% YoY and supported the slight growth in total exports in 2023, as exports of most of the other products dropped.

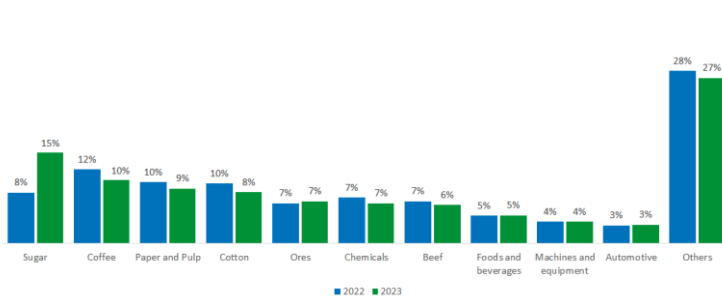
Main export destinations - Port of Santos (%)



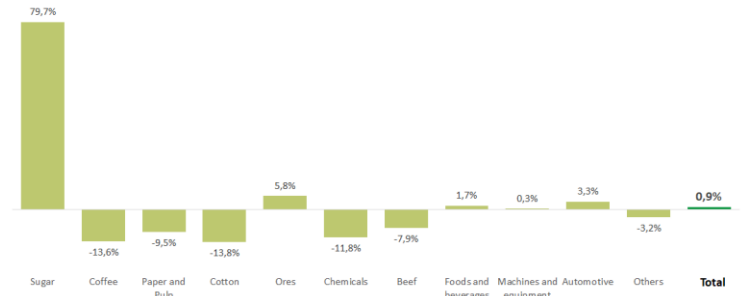
Exports destinations: 2023 vs. 2022 - Port of Santos



Main exported products - Port of Santos (%)



Exported products: 2023 vs. 2022 - Port of Santos



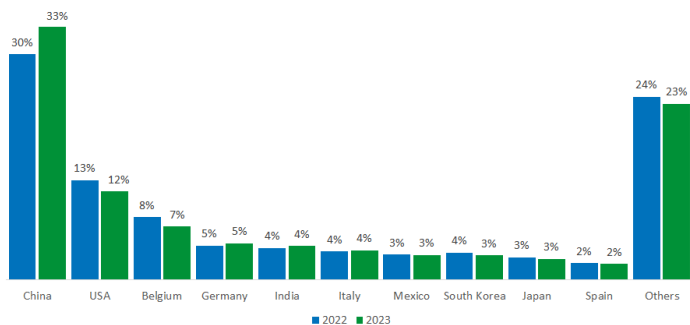
¹ Maritime foreign trade data platform.

Imports

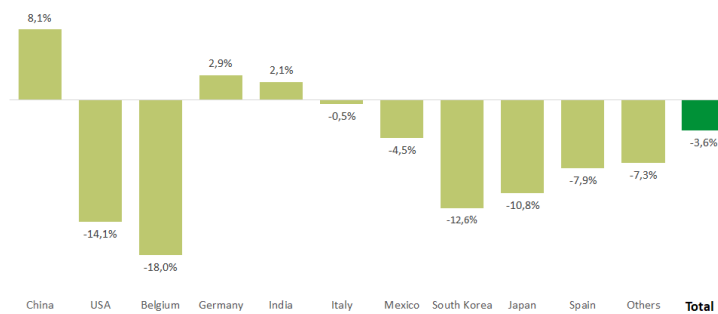
In **4Q23**, the volume of full-imported containers at the Port of Santos grew by 3.0% YoY, after successive drops in the first nine months of the year. The highlight was the larger imports from China (+26.7% YoY), the main country of origin for container imports via the Port of Santos, and which accounted for 38% of total imports in 2023 (vs. 31% in 2022), mainly of electronics, machinery, and equipment. On the other hand, imports from other important markets dropped in 4Q23 YoY, such as the United States (down 15.0%), the second country with the largest share (11% in 2023 vs. 14% in 2022); Belgium (down 10.4%), Italy (down 7.1%); and Mexico (down 26.5%), in addition to lower imports from other less representative countries. When evaluating the cargo mix, imports of the main products grew YoY in 4Q23: (i) electronics (+67.5%); (ii) ores (+37.2%); (iii) capital goods (+23.5%); and (iv) tissue & clothing (+22.4%).

Despite the good performance observed in 4Q23, imports of full containers at the Port of Santos accumulated a 3.6% decrease in **2023** compared to 2022, with YoY reductions observed in general, but mainly from: (i) the United States (down 14.1%); (ii) Europe, mainly Belgium (down 18.0%), and Spain (down 7.9%); and (iii) Asian countries, such as South Korea (down 12.6%) and Japan (down 10.8%). In 2023, only imports of full containers from China registered growth (+8.1% YoY), especially for electronics, machinery, and equipment. Regarding cargo mix, there were YoY declines of: (i) 12.9% in chemicals, which accounted for 19% of full containers imported via the Port of Santos in 2023 (vs. 21% in 2022); (ii) 16.7% in auto parts; and (iii) 18.3% in rubber. On the flipside, there was a significant improvement of 43.4% YoY in electronics imports and +12.1% YoY in machinery and equipment, both led by China.

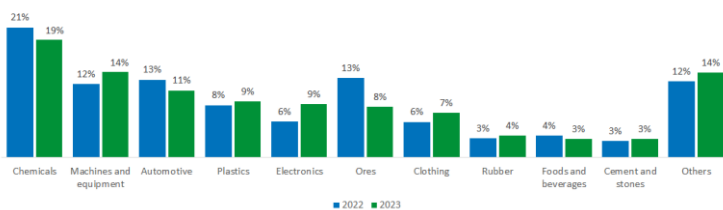
Main origins of imports - Port of Santos (%)



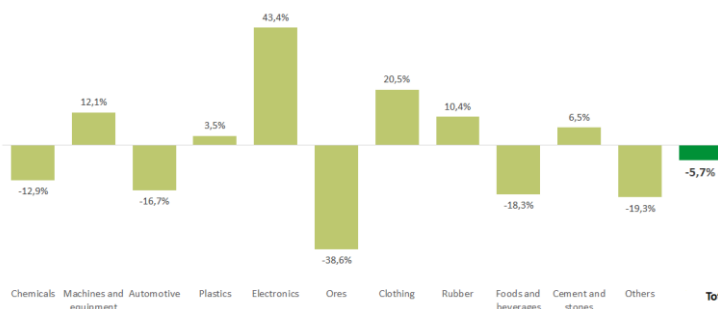
Origins of imports: 2023 vs. 2022 - Port of Santos



Main imported products - Port of Santos (%)



Imported products: 2023 vs. 2022 - Port of Santos





Consolidated

Economic-financial highlights

R\$ million	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Gross Revenue	760.4	539.8	40.9%	2,428.6	2,217.9	9.5%
Container and General Cargo Terminals	601.4	382.5	57.2%	1,791.8	1,587.4	12.9%
Logistics	118.0	126.5	-6.7%	486.4	502.6	-3.2%
Vehicle Terminal	30.5	32.4	-6.0%	121.3	138.8	-12.6%
Liquid Bulk Terminals	13.2	0.8	1599.0%	38.2	0.8	4806.3%
Eliminations	-2.7	-2.3	17.1%	-9.2	-11.7	-21.7%
Net Revenue	667.0	468.9	42.3%	2,134.9	1,931.8	10.5%
Container and General Cargo Terminals	533.1	336.1	58.6%	1,598.2	1,400.8	14.1%
Logistics	99.0	106.8	-7.3%	409.5	423.3	-3.3%
Vehicle Terminal	26.0	27.5	-5.4%	103.3	117.8	-12.3%
Liquid Bulk Terminals	11.3	0.7	1599.0%	32.3	0.7	4741.0%
Eliminations	-2.4	-2.2	12.4%	-8.3	-10.7	-22.2%
Operating Costs	-268.0	-275.7	-2.8%	-1,049.4	-1,055.0	-0.5%
Container and General Cargo Terminals	-221.2	-198.9	11.2%	-788.8	-763.7	3.3%
Logistics	-51.0	-58.1	-12.3%	-199.2	-226.5	-12.1%
Vehicle Terminal	-11.9	-11.4	4.9%	-47.3	-49.2	-3.9%
Liquid Bulk Terminals	13.7	-9.5	-244.5%	-22.6	-26.4	-14.4%
Eliminations	2.4	2.2	12.4%	8.3	10.7	-22.2%
Operating Expenses	-72.3	-49.6	45.8%	-306.4	-274.0	11.8%
Container and General Cargo Terminals	-24.8	-24.3	2.0%	-87.9	-99.6	-11.7%
Logistics	-25.1	-30.4	-17.4%	-115.5	-116.4	-0.7%
Vehicle Terminal	-1.0	-1.3	-24.1%	-4.8	-6.1	-20.4%
Liquid Bulk Terminals	-1.1	-0.8	30.0%	-4.2	-3.8	12.1%
Corporate	-20.4	7.2	-383.3%	-93.9	-48.2	94.8%
EBITDA	366.8	198.3	85.0%	1,000.1	809.9	23.5%
Container and General Cargo Terminals	335.6	154.3	117.5%	894.7	687.0	30.2%
Logistics	27.4	22.5	21.7%	112.3	97.8	14.9%
Vehicle Terminal	17.8	19.1	-6.7%	69.9	79.5	-12.0%
Liquid Bulk Terminals	5.2	-3.2	264.3%	12.9	-10.1	227.0%
Corporate	-19.3	5.5	-448.2%	-89.7	-44.1	-103.3%
EBITDA Margin	55.0%	42.3%	12.7 p.p.	46.8%	41.9%	4.9 p.p.
Container and General Cargo Terminals	63.0%	45.9%	17.0 p.p.	56.0%	49.0%	6.9 p.p.
Logistics	27.7%	21.1%	6.6 p.p.	27.4%	23.1%	4.3 p.p.
Vehicle Terminal	68.5%	69.5%	-0.9 p.p.	67.7%	67.5%	0.2 p.p.
Liquid Bulk Terminals	46.2%	-477.4%	n.a.	39.8%	-1518.1%	n.a.
<i>Non-recurring events</i>	<i>0.0</i>	<i>-31.0</i>	<i>100.0%</i>	<i>0.0</i>	<i>-30.6</i>	<i>100.0%</i>
Recurring EBITDA	366.8	167.3	119.3%	1,000.1	779.4	28.3%
Recurring EBITDA Margin	55.0%	35.7%	19.3 p.p.	46.8%	40.3%	6.5 p.p.

Net Revenue

In 4Q23, Santos Brasil’s Net Revenue summed R\$ 667.0 million (+42.3% YoY); this performance was driven by 58.6% growth YoY in Net Revenue from Container and General Cargo Terminals, resulting from: (i) handling of containers 13.2% higher YoY, with an increase in volumes at Tecon Santos, Tecon Imbituba, and Tecon Vila do Conde, which operated, in an integrated manner, barges and ships to serve cargo originating and terminating at Manaus terminals, hampered by restriction in navigation of ships in the Amazon Basin due to the drought; and (ii) increase in the average ticket, reflecting better operational mix, with a greater share of full imported containers, and the positive impact in the quarter of new contracted prices with shipowner customers throughout the year. Moreover, 4Q23 recorded a positive contribution of R\$ 11.3 million in Net Revenue from the Liquid Bulk Terminals. On the other hand, Santos Brasil Logística had a 7.3% decrease in Net Revenue, consequence of the lower volume operated at its bonded warehouses, while TEV presented Net Revenue down 5.4% YoY, due to lower volumes of vehicles exported and imported in the quarter. Compared to 3Q23, consolidated Net Revenue grew 25.0%, resulting from the good performance of the: (i) Container and General Cargo Terminals (+32.6% QoQ), with growth in volumes, improvement in operational mix, and higher average ticket, mainly in quay operations; and (ii) Liquid Bulk Terminals (+46.4% QoQ).

Operating Costs

Santos Brasil’s Operating Costs totaled R\$ 268.0 million (-2.8% YoY) in 4Q23, with a 12.3% drop YoY at Santos Brasil Logística, with decreases in handling expenses (-8.5%), personnel (-7.8%), outsourced services (-18.3%), and other costs (-24.4%), in line with the lower volume operated at the units and result of an efficient management of costs and expenses. Container and General Cargo Terminals’ costs increased 11.2% YoY in 4Q23 due to (i) higher handling expenses (+18.2%), reflecting the higher volume operated; (ii) increase in personnel costs (+18.4%); and (iii) higher depreciation and amortization (+16.9%), despite reductions observed in maintenance (-5.6%) and other costs (-11.3%). TEV also reported higher costs (+4.9% YoY). However, when compared to 3Q23, the Company’s Operating Costs remained practically stable (+1.0%).

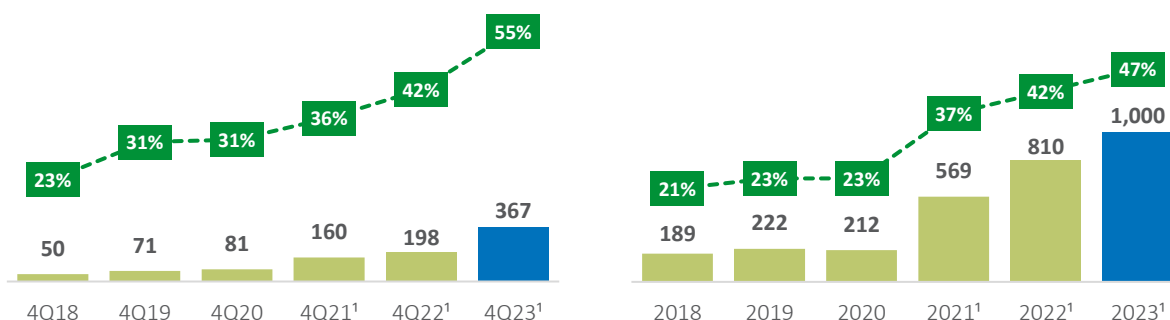
Operating Expenses

In 4Q23, Santos Brasil’s Operating Expenses totaled R\$ 49.6 million (+45.8% YoY), with growth of: (i) 2.0% in Container and General Cargo Terminals, resulting from a 16.1% increase in general and administrative expenses; and (ii) 30.0% in Liquid Bulk Terminals. On the other hand, Santos Brasil Logística and TEV recorded lower expenses (-17.4% and -24.1% YoY, respectively), with drops in sales and general and administrative expenses. Regarding Corporate expenses, the comparison base is distorted due to the sale of a land in Imbituba - SC in 4Q22 that generated a non-recurring gain of R\$ 31.1 million. Disregarding the one-off effect, Corporate Expenses dropped 14.5% YoY in 4Q23, thanks to fewer strategic, economic, and legal consulting firms hired in the period. Compared to 3Q23, there was a 1.2% decrease in consolidated operating expenses, highlighted by lower expenses at Santos Brasil Logística (-13.2%) and TEV (-26.6%).

EBITDA

Santos Brasil’s EBITDA totaled R\$ 366.8 million in 4Q23 (+85.0% YoY), with a 12.7 p.p. increase in EBITDA margin, which reached 55.0%. The positive performance of the quarter was mainly due to the 117.5% growth YoY of Container and General Cargo Terminals’ EBITDA, resulting from (i) higher volumes handled at the container terminals, including Tecon Imbituba and Tecon Vila do Conde, which benefited from additional volumes arising from adverse weather conditions in competing ports,; and (ii) the higher average ticket for quay operations, mainly at Tecon Santos, reflecting better mix of full-imported containers and higher prices on the back of contractual renegotiations carried out throughout 2023. Additionally, EBITDA growth also occurred in (i) Santos Brasil Logística (+21.7% YoY), mainly driven by better cost and expense management and the maintenance of a healthy average ticket, despite the lower warehousing volumes at the Bonded Warehouses and Distribution Centers, and (ii) Liquid Bulk Terminals, which completed their first year of operation and contributed with R\$ 5.2 million (vs. - R\$ 3.2 million in 4Q22). In 4Q23, only TEV showed drop in EBITDA (-6.7% YoY), reflecting the lower volume of vehicle exports and imports. Compared to 3Q23, consolidated EBITDA grew 42.3%, with an increase of 6.7 p.p. QoQ in EBITDA margin.

Evolution of EBITDA (R\$ million) and EBITDA margin (%)



¹ Data for 2021, 2022, and 2023 consider the new accounting methodology due to the adoption of CPC 06.

Net Income (Loss)

R\$ million	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
EBITDA	366.8	198.3	85.0%	1,000.1	809.9	23.5%
Depreciation and Amortization	40.0	54.7	26.0%	221.0	207.1	6.7%
EBIT	326.8	143.6	127.5%	779.1	602.8	29.2%
Financial Result	-21.2	-11.7	82.1%	-86.4	-22.3	286.9%
Financial Revenues	16.2	25.6	-36.5%	65.7	127.9	-48.6%
Financial Expenses	-37.7	-35.8	5.3%	-150.8	-144.3	4.5%
Interest on loans and debentures	-0.9	-1.7	-49.2%	-6.8	-8.1	-16.0%
Leases and rents	-33.9	-32.1	5.8%	-134.1	-122.9	9.1%
Other financial expenses	-2.9	-2.0	46.0%	-10.0	-13.4	-25.3%
Monetary and foreign-exchange variations	0.3	-1.4	-36.9%	-1.3	-5.9	-78.8%
Income and social contribution taxes	-80.5	3.6	-2,354.1%	-188.4	-151.0	24.8%
Net income (loss)	225.0	135.5	66.0%	504.3	429.5	17.4%
Net margin	33.7%	28.9%	4.8 p.p.	23.6%	22.2%	1.4 p.p.

Santos Brasil's Net Profit had another consecutive growth in 4Q23, which totaled R\$ 225.0 million, up 66% YoY, and up 62% when compared to 3Q23. In turn, net margin reached 33.7% (vs. 28.9% in 4Q22 and 26.1% in 3Q23), demonstrating the solid growth in the Company's economic and financial 2023 results. In 2023, Net Profit reached R\$ 504.3 million, with net margin of 23.6%.

Debt, cash, and cash equivalents

R\$ million	Currency	12/31/2023	12/31/2022	Δ (%)
Short-term	Local	48.9	48.8	0.3%
	Foreign	2.1	4.4	-51.8%
Long-term	Local	372.9	279.8	33.3%
	Foreign	0.0	2.1	-100.0%
Total indebtedness		423.9	335.1	26.5%
Cash and investments		367.5	614.6	-40.2%
Net debt		56.4	-279.6	-120.2%
Net Debt / Proforma EBITDA LTM²		0.07x	-0.43x	

Santos Brasil ended 2023 with R\$ 367.5 million in cash and financial investments and a total debt of R\$ 423.9 million. The Company raised R\$ 535.8 million from Banco do Nordeste (BNB) in 2023, which will fund 80% of the investments³ in the Liquid Bulk Terminals. At the end of 4Q23, the Company recorded a Net Debt of R\$ 56.4 million, which resulted in a leverage ratio of 0.07x – calculated by the ratio of Net Debt divided by the Proforma EBITDA of the last twelve months, which is an inflexion point on the Company's capital structure. In line with the capital allocation strategy, the Company continued to remunerate its shareholders' capital through the payment of dividends and Interest on Equity, also keeping the investments in the expansion and modernization of its current port and logistics assets. Based on 2023 results, Santos Brasil announced the distribution of R\$ 479.1 million to its shareholders, being (i) R\$ 337.0 million as dividends, and (ii) R\$ 142.1 million as Interest on Capital (IOC), which represents a payment of R\$ 0.55 per share, and a dividend yield of 6.53%⁴.

² Last-twelve-month EBITDA, excluding effects of IFRS 16.

³ The financing in question has cost of IPCA (CPI) +2.3875%, with a term of 17 years and a grace period of five years for amortization of the principal, with quarterly interest payments.

⁴ Considers STBP3 2023 average closing price of R\$ 8.49

Capex

R\$ million	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
CONTAINER AND GENERAL CARGO TERMINALS	170.6	97.4	75.2%	370.2	283.0	30.8%
Tecon Santos	161.0	84.5	90.5%	302.3	242.1	24.8%
Tecon/TCG Imbituba	0.5	0.7	-26.4%	2.2	2.3	-1.4%
Tecon Vila do Conde	9.2	12.2	-24.7%	65.7	38.6	70.4%
Saboó Terminal	0.0	0.0	-100.0%	0.0	0.0	-100.0%
LOGISTICS	7.4	10.0	-26.1%	24.2	16.0	51.0%
VEHICLE TERMINAL	0.4	0.3	38.5%	0.8	0.4	96.1%
LIQUID BULK TERMINALS	127.3	57.9	119.9%	236.0	100.7	134.4%
CORPORATE	0.1	0.0	n.a.	0.0	6.3	-99.0%
GROSS INVESTMENTS	305.7	165.5	84.7%	631.3	406.4	55.3%
Write-offs	-4.5	-23.5	-80.9%	-7.4	-28.9	-74.4%
NET INVESTMENTS	301.2	142.0	112.2%	623.9	377.5	65.3%

In 4Q23, Santos Brasil carried out the investment strategy in its current port and logistics assets, with the aim of maximizing value creation of each business unit and positioning the Company to capture demand and ensure capacity in its operating markets, reinforcing its competitive advantages. In the quarter, R\$ 305.7 million were invested, with emphasis on (i) expansion and modernization projects of Container and General Cargo Terminals, mainly Tecon Santos and Tecon Vila do Conde, and (iii) the expansion and development of the Liquid Bulk Terminals.

At the Container and General Cargo Terminals, R\$ 170.6 million were invested in 4Q23, of which R\$ 161.0 million in Tecon Santos, represented mainly by the acquisition of two ship-to-shore (STS) cranes and eight electric RTGs, delivered in November 2023, in addition to the acquisition of yard vehicles (terminal tractors). It is worth noting that, in 4Q23, investments in equipment represented around 76% of the total invested, with the remainder distributed among projects of: (i) dredging the terminal berths to standardize the operational draft at 14.5 meters; (ii) expansion of the refrigerated container (reefer) platform, primarily aiming to meet the demand for frozen meat; and (iii) preparation of the terminal's electrical and data network for the operation of new electrical equipment, which features automation modules. Lastly, investments in technology and innovation continued, such as the implementation of a new Terminal Operating System (TOS) in September 2023, and the necessary adjustments to meet new electrical equipment with potential automation, in addition to investments in cybersecurity.

At Tecon Vila do Conde, an amount of R\$ 9.2 million was invested in 4Q23, with the payment of the new Mobile Harbor Crane (MHC) and new reach stackers for removal and container stacking, already operational. As with Tecon Santos, investments in equipment were the most representative for Tecon Vila do Conde and accounted for 82% of the total amount invested in 4Q23. The investments are part of the terminal expansion and modernization project, with a total Capex of R\$ 120 million expected until 2025, which will increase the terminal's annual capacity from 217,000 TEU to 300,000 TEU.

Regarding the Liquid Bulk Terminals, R\$ 127.3 million were invested in 4Q23, earmarked for: (i) the expansion works of the brownfield terminals (TGL 01 and TGL 03), which – by the end of 2024 – will add 59,000 cubic meters (m³) of capacity to the current 50,000 m³; and (ii) the construction work of the greenfield terminal (TGL 02), which will add 81,000 m³ of capacity by the end of 2025, when Santos Brasil will start offering 190,000 m³ of tanking capacity, representing a third of the total capacity expected for liquid bulk storage at the Port of Itaqui - MA.

Lastly, R\$ 7.4 million were invested in Santos Brasil Logística in 4Q23, mostly in technology and systems projects, related to: (i) strengthening the security and surveillance structure; (ii) implementation of the Warehouse Management System (WMS) at the Distribution Centers; and (iii) improvements to the units' wireless and data networks.



Container and General Cargo Terminals

Operating data

	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Containers (units)						
Quay	335,133	296,115	13.2%	1,218,580	1,298,597	-6.2%
Full containers	257,872	218,726	17.9%	883,495	932,458	-5.3%
Empty containers	77,261	77,389	-0.2%	335,085	366,139	-8.5%
Warehousing operations	41,378	33,629	23.0%	130,130	142,211	-8.5%
General Cargo (tons)	17,949	23,079	-22.2%	88,901	123,745	-28.2%

	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Tecon Santos	287,839	259,538	10.9%	1,065,965	1,145,030	-6.9%
Full containers	219,553	198,567	10.6%	786,875	846,652	-7.1%
Empty containers	68,286	60,971	12.0%	279,090	298,378	-6.5%
General Cargo (tons)	15,965	13,198	21.0%	52,805	53,033	-0.4%
Tecon Imbituba	12,517	7,637	63.9%	33,212	29,924	11.0%
Full containers	3,448	5,561	-38.0%	19,593	23,109	-15.2%
Empty containers	17,949	23,079	-22.2%	88,901	121,660	-26.9%
General Cargo (tons)	31,329	23,379	34.0%	99,810	100,534	-0.7%
Tecon Vila do Conde	25,802	12,522	106.1%	63,408	55,882	13.5%
Full containers	5,527	10,857	-49.1%	36,402	44,652	-18.5%
Empty containers	-	-	-	-	2,085	-100.0%

Consolidated: in 4Q23, Santos Brasil's Container Terminals handled 335,133 containers (+13.2% YoY), with higher volumes recorded at (i) Tecon Santos (+10.9% YoY); (ii) Tecon Imbituba (+21.0% YoY), boosted by extra calls that omitted the Port of Navegantes, whose operations were suspended for around 17 days in October and restricted throughout November and December, due to heavy rainfall recorded in the region; and (iii) Tecon Vila do Conde (+34.0% YoY), which, through the transshipment of containers on barges, became the best logistics option for the handling of cargo that has its origin and destination at the Port of Manaus after the drought that affected navigation in the Amazon Basin's rivers.

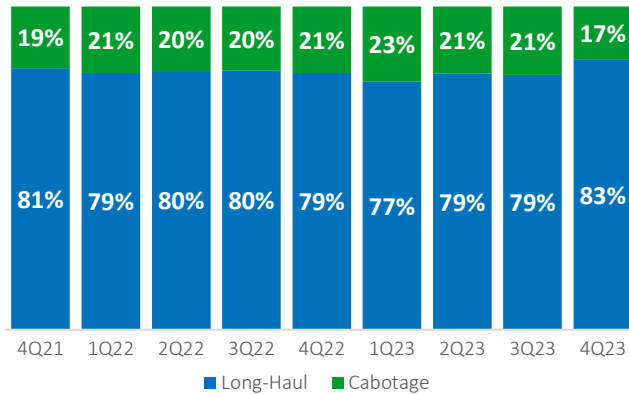
In 4Q23, Long Haul volumes recorded growth of 19.0% YoY, with emphasis on: (i) 34.6% increase YoY in imports, driven by recovery in imported products at Tecon Santos such as electronics, machinery & equipment, ores, and consumer goods, mainly from China, and extraordinary volumes at Tecon Imbituba and Tecon Vila do Conde, as aforementioned; and (ii) 2.0% increase YoY in exports, essentially due to better exports at Tecon Santos, driven by sugar shipments. Long Haul accounted for 83.5% of total container throughput (vs. 79.4% in 4Q22 and 78.8% in 3Q23). Cabotage, in turn, recorded a 9.1% drop YoY in the quarter, reflecting poorer performance at Tecon Vila do Conde and Tecon Imbituba, despite the growth witnessed at Tecon Santos. Lastly, Transshipment operations grew 22.6% YoY, particularly in Long Haul, mainly due to barge operations at Tecon Vila do Conde, and represented 32.1% of total volume (vs. 29.6% in 4Q22 and 34.5% in 3Q23). The positive volume performance in 4Q23, mainly in imports, translated into a significant improvement in the mix of full containers, which accounted for 76.9% of the total volume handled (vs. 73.9% in 4Q22 and 71.8% in 3Q23).

In the quarterly comparison, 4Q23 had another consecutive growth in volumes (+4.0% QoQ), with 10.1% QoQ increase in Long Haul, as a result of: (i) 20.0% higher import volumes compared to 3Q23; and (ii) 6.3% QoQ increase in exports. On the other hand, Cabotage fell 18.9% compared to 3Q23.

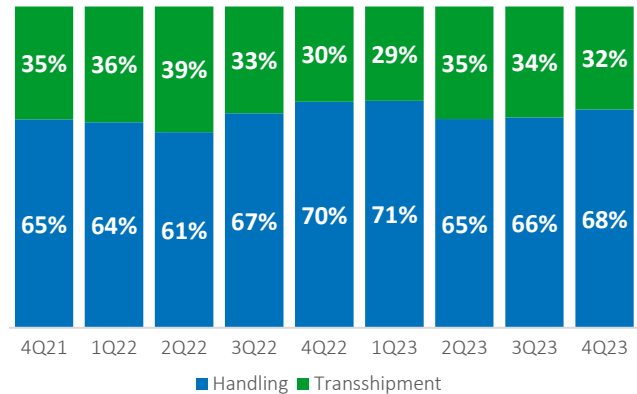


Consolidated mix of container handling (%)

Long-Haul vs. Cabotage



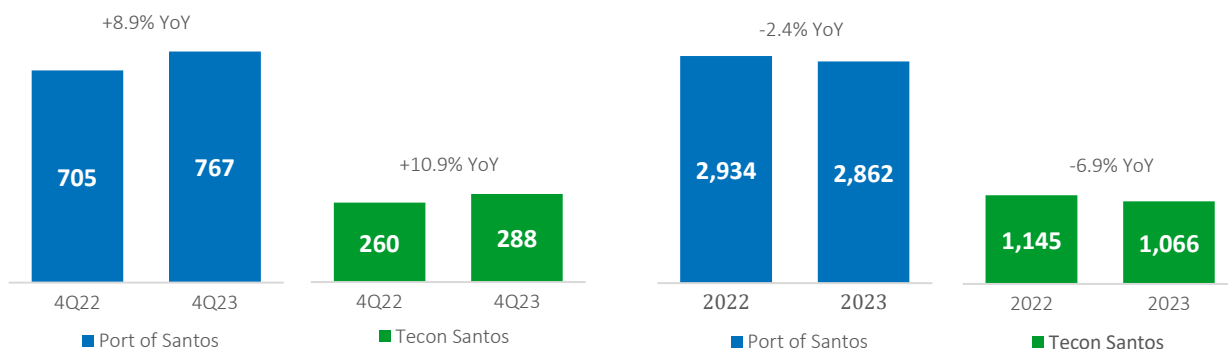
Handling vs. Transshipment



Tecon Santos: in 4Q23, 287,839 containers were handled (+10.9% YoY), with YoY growth in Long Haul volumes (+12.1%) and Cabotage (+3.4%). In the quarter, Long Haul performance reflected the 28.9% YoY growth in imports, with recovery in all segments, but chiefly driven by electronics, machinery & equipment, ores, consumer goods, and to a lesser extent, chemicals, which led imports of full containers at Tecon Santos. Regarding the markets of origin of imports, there was a significant increase in volumes from China, the country with the largest representation, while a drop was recorded in imports from the United States. In 4Q23, Long Haul also benefited from a 3.0% YoY increase in exports, essentially due to greater shipments of sugar, which grew approximately four times in the period, and, with less relevance, pulp and paper; drops in relevant cargoes, e.g. coffee, cotton, and chemicals, were seen as well. As with imports, there was also a recovery in exports to China, and a slight increase in shipments to the United States. The recovery in Long Haul handling volume increased Port of Santos utilization rate, therefore, creating opportunities for Tecon Santos to capture import extra calls, which totaled 35 ships in 4Q23, contributing to a better operational mix. Cabotage, in turn, grew 3.4% YoY due to the weak comparison basis, since the drought in the Amazon River in 4Q22 caused a call omission in Tecon Santos in December 2022. In 4Q23, Tecon Santos higher container throughput was accompanied by a major improvement in mix, with 219,553 full containers handled (+10.6% YoY), of which 78,860 were imports (+27.8% YoY) and 60,115 exports (+10.9% YoY). Lastly, Tecon Santos had a market share of 36.9% in the Port of Santos in 4Q23 (vs. 36.6% in 4Q22 and 39.0% in 3Q23).

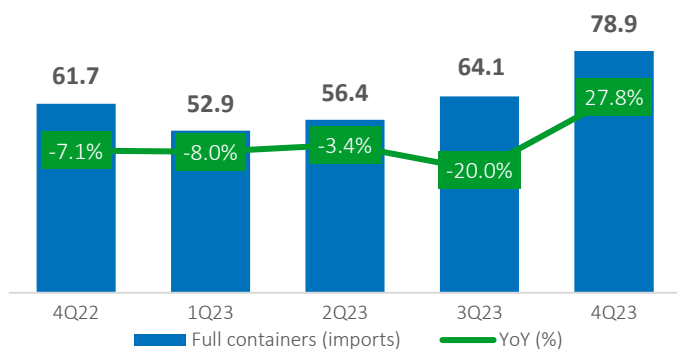
In the quarterly comparison, Tecon Santos container throughput remained flat (+0.1%), a positive performance considering 3Q23 seasonality, i.e. peak season for imports. Long Haul volumes maintained a recovery trend, with a 4.2% growth QoQ, driven by increases of 14.7% in imports and 9.4% in exports. Cabotage, in turn, had a 20.8% QoQ drop, as result of the drought in the Amazon Basin that generated omissions in services that call the Port of Santos. Mix improved in comparison to 3Q23, with an increase of 2.8 p.p. in the share of full containers (76.3% in 4Q23 vs. 73.5% in 3Q23), both in imports (+5.1 p.p.) and exports (+2.1 p.p.).

Port of Santos⁵ vs. Tecon Santos ('000 containers handled)



⁵ Data published by the Santos Port Authority (APS).

Tecon Santos full-import container throughput ('000 containers)



Tecon Imbituba: 15,965 containers handled in 4Q23 (+21.0% YoY); driven by the operation of ten extra calls of long-haul services, which represented 40.1% of the total volume operated in the quarter (vs. 0.6% in 4Q22 and 0.8% in 3Q23). In turn, Cabotage, represented by Aliança's ALCT2 service, accounted for 59.8% of total handling and had a 27.1% YoY decrease in volume, a result of a call omission. The volume of full containers handled totaled 12,517 containers in 4Q23, a growth of 63.9% YoY, explained by the extra calls and, consequently, the unloading of 5,393 full containers of imports.

Compared to 3Q23, Tecon Imbituba recorded a 38.9% increase in volumes operated, with significant growth in Long Haul, due to the extra calls, despite the 16.1% QoQ drop in Cabotage volumes. The share of full containers increased 21.2 p.p. compared to 3Q23; up 32.9 p.p. when considering only full-imported containers.

Lastly, regarding the General Cargo Terminal, 17,949 tons were operated in 4Q23 (-22.2% YoY), the drop explained by lower capture of cargo due to the high utilization rate of the terminal to operate the Long-Haul extra calls. Compared to 3Q23, there was a 32.9% increase in general cargo volume.

Tecon Vila do Conde: 31,329 containers handled in 4Q23 (+34.0% YoY), explained by 92.1% YoY growth in Long Haul volumes, especially transshipment and removal operations, driven by the handling of containers with origin and destination to the Port of Manaus, whose terminals were affected by the drought in the Amazon Basin. Tecon Vila do Conde prepared itself and organized an operation to serve customers with barges coming from Manaus, which require a shallower draft, for subsequent reloading on Cabotage and/or Long-Haul vessels, with the reverse flow being carried out for cargo with Manaus as destination. In 4Q23, 44 barges were operated, which translated into c.7,000 containers. In the quarter, Long Haul accounted for 74.4% of total container handling in Tecon Vila do Conde (vs. 51.9% in 4Q22 and 60.6% in 3Q23), while Cabotage dropped 28.7% YoY in 4Q23. Compared to 3Q23, terminal handling volume grew 34.8%, with a 65.5% QoQ increase in Long Haul volumes and a 12.4% QoQ drop in Cabotage.

Warehousing: in 4Q23, warehousing volume at the Container Terminals totaled 41,378 containers (+23.0% YoY), driven by higher imports of full containers at: (i) Tecon Santos, which had a larger volume in the main product segments; and (ii) at Tecon Imbituba, which operated a significant volume in 4Q23 due to extra calls. Compared to 3Q23, warehousing volume grew 39.4%, as a result of the aforementioned factors.

In 4Q23, the retention rate of imported containers at Tecon Santos was 46% (vs. 52% in 4Q22 and 46% in 3Q23), with an average dwell ⁶time of 10.4 days (vs. 12.6 days in 4Q22 and 10.4 days in 3Q23). The "On the Water Clearance for AEOs" regime, which enables registration of import declarations before the container is unloaded at the port of destination, had an impact of 0.70 day on the dwell time of full import containers at Tecon Santos in 4Q23.

⁶ Average dwell time for containers and vehicles stored.



Economic-financial data

R\$ million	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Gross Revenue	601.4	382.5	57.2%	1,791.8	1,587.4	12.9%
Quay operations	390.8	214.8	82.0%	1,149.1	907.7	26.6%
Warehousing operations	210.6	167.8	25.5%	642.7	679.7	-5.5%
Net Revenue	533.1	336.1	58.6%	1,598.2	1,400.8	14.1%
Quay operations	355.2	192.7	84.3%	1,053.6	823.9	27.9%
Warehousing operations	177.9	143.4	24.1%	544.6	576.9	-5.6%
Operating Costs	-221.2	198.9	11.2%	-788.8	-763.7	3.3%
Handling Costs	-36.6	-31.0	18.2%	-126.1	-132.9	-5.1%
Fuels, lubricants, and electricity	-16.8	-15.4	9.1%	-56.5	-65.8	-14.1%
Outsourced labor	-8.0	-5.3	51.8%	-23.7	-22.8	3.9%
Other Handling costs	-11.8	-10.3	14.6%	-46.0	-44.3	3.7%
Personnel costs	-91.6	-77.4	18.4%	-335.0	-321.7	4.1%
Maintenance	-16.4	-17.4	-5.6%	-57.7	-60.4	-4.5%
Depreciation and amortization	-48.4	-41.4	16.9%	-173.0	-149.2	16.0%
Other costs	-28.2	-31.8	-11.3%	-96.9	-99.4	-2.5%
Operating Expenses	-24.8	-24.3	2.0%	-87.9	-99.6	-11.7%
Selling	-9.0	-10.7	-15.8%	-32.5	-52.1	-37.7%
General and administrative	-15.7	-13.5	16.1%	-55.2	-47.2	16.9%
Depreciation and amortization	0.0	0.0	4.3%	-0.2	-0.2	0.0%
EBITDA	335.6	154.3	117.5%	894.7	687.0	30.2%
EBITDA Margin	63.0%	45.9%	17.0 p.p.	56.0%	49.0%	6.9 p.p.

Net Revenue

In 4Q23, Container and General Cargo Terminals' Net Revenue was R\$ 533.1 million (+58.6% YoY), led by a 84.3% increase YoY in quay operations revenues, as reflection of (i) higher container throughput in all terminals, highlighting the resumption of imports at Tecon Santos and the extra calls operated at Tecon Imbituba and Tecon Vila do Conde, and (ii) higher prices, mainly with shipping lines, especially at Tecon Santos, which leveraged the positive effect of higher volume in the quarter. Moreover, there was major growth in Net Revenue from warehousing (+24.1% YoY), explained by the higher volumes of full-imported containers at Tecon Imbituba and, to a lesser extent, at Tecon Santos, despite the lower retention rate and shorter dwell time. Compared to 3Q23, Net Revenue from the Container and General Cargo Terminals grew 32.6%, with increases of 23.9% in Net Revenue from quay operations and 54.0% from warehousing, reflecting the larger volume handled in the quarter, with a significant mix improvement, in addition to contractual renegotiations with shipping lines.

In 4Q23, Tecon Santos' Net Revenue grew 48.5% YoY and accounted for 79.9% of Net Revenue from the Container and General Cargo Terminals (vs. 85.4% in 4Q22 and 86.4% in 3Q23). Tecon Imbituba's Net Revenue, in turn, recorded a 347.5% growth YoY in 4Q23, with an emphasis on warehousing net revenue, whose performance resulted from the volume of full-imported containers from extra calls. Net Revenue from quay operations also benefited from the operation of Long-Haul vessels in the quarter, and recorded strong growth compared to 4Q22. Lastly, Tecon Vila do Conde's Net Revenue grew 52.1% YoY in 4Q23, driven by the operation with barges and ships to meet volumes whose origin and destination were the Port of Manaus.

Operating Costs

In 4Q23, Operating Costs of Container and General Cargo Terminals totaled R\$ 221.2 million (+11.2% YoY), with an increase in handling costs of 18.2% YoY, reflecting higher expenses with (i) outsourced labor (+51.8% YoY), mainly at Tecon Imbituba and Tecon Vila do Conde, required to meet the higher volumes in the quarter and to maintain a high service level and productivity to clients, (ii) fuels, lubricants and electric power (+9.1% YoY), also reflecting the higher volume in 4Q23 in all terminals, and (iii) other handling costs (+14.6% YoY), resulting from the higher port fee payment as a result of growth in the number of containers handled, mainly at Tecon Imbituba and Tecon Vila do Conde. Moreover, there were increases of (i) 18.4% YoY in personnel costs, reflecting the greater provision for profit sharing (PPR) to employees, growth in expenses with overtime, especially at Tecon Santos, and higher payroll expenses, and (ii) 16.9% YoY in depreciation and amortization, reflecting higher depreciation of assets, vehicles, and equipment. On the other hand, maintenance costs dropped 5.6% YoY in 4Q23, as a result of a reduction in outsourced services for the operations and in expenses with materials for administrative departments, initiatives aligned with the Company's cost optimization and efficiency agenda. Finally, there was a decrease of 11.3% YoY in other costs, mainly in (i) taxes, as a result

of lower IPTU tax payments at the Saboó Terminal and the higher accounting of PIS/COFINS credits on lease agreements for container terminals, especially at Tecon Santos, (ii) technology, reflecting savings generated by software licensing at the expense of in-house systems development and (iii) insurance and damage to own and third-party assets.

Compared to 3Q23, there was a 13.2% increase in Operating Costs, due to higher expenses with (i) handling (+11.2% QoQ), (ii) personnel (+8.4% QoQ), (iii) maintenance (+30.0% QoQ), (iii) depreciation and amortization (+10.0% YoY) and (iv) other costs (+31.6% YoY), in line with the higher volume handled in the quarter.

Operating Expenses

In 4Q23, Container and General Cargo Terminals Operating Expenses totaled R\$ 24.8 million (+2.0% YoY), mainly due to a 16.1% YoY increase in general and administrative expenses, as a result of higher expenses with (i) administrative and/or legal proceedings, and, therefore, payment of legal fees; (ii) shared services and (iii) technology, with greater expenditure on software licensing and software-as-a-service (SaaS). On the other hand, there was a 15.8% YoY drop in sales expenses, owing to the reversal of bad debt losses.

Compared to 3Q23, Operating Expenses grew 12.7%, with a 24.3% QoQ increase in general and administrative expenses, despite a 2.0% QoQ drop in sales expenses.

EBITDA

In 4Q23, EBITDA from Container and General Cargo Terminals totaled R\$ 335.6 million (+117.5% YoY), with an increase of 17.0 p.p. in the EBITDA margin, which reached a record level of 63.0%. The positive performance is explained by (i) higher volumes, with the resumption of Long-Haul flow at Tecon Santos and additional volumes at Tecon Imbituba and Tecon Vila do Conde, and (ii) higher average ticket, owing to the better operational mix, with growth in the number of full-imported containers, which improved the profitability of the terminals due to the positive impact on warehousing revenues, and the higher average ticket in quay operations.

Compared to 3Q23, the EBITDA of Container and General Cargo Terminals increased 46.7%, with an increase of 6.1 p.p. in the EBITDA margin, due to the factors mentioned above.


Santos Brasil Logística
Operating Data

	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Bonded warehousing						
Containers stored	15,703	17,070	-8.0%	62,316	73,494	-15.2%
Distribution Centers						
Pallets handled	202,751	293,359	-30.9%	940,088	1,120,189	-16.1%

Bonded Warehousing: in 4Q23, Santos Brasil Logística stored 15,703 containers in its bonded warehouses, down 8.0% YoY, explained by lower container capture base by CLIA Santos, located on the right bank of the Port of Santos, due to a migration of volume to the left bank, mainly due to of extra calls operated by Tecon Santos, which stored a large part of the migrated volume at its backyard. Compared to 3Q23, there was a 4.2% decrease in the number of containers stored.

Distribution Centers: in 4Q23, 202,751 pallets were handled at Santos Brasil Logística's Distribution Centers (-30.9% YoY), located in the city of of São Bernardo do Campo (SP), mainly reflecting lower volumes operated for clients in the auto industry.

Economic-financial data

R\$ million	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Gross Revenue	118.0	126.5	-6.7%	486.4	502.6	-3.2%
Bonded Warehousing	90.4	96.6	-6.4%	373.1	391.4	-4.7%
Distribution Centers	11.4	14.2	-19.5%	49.9	51.1	-2.4%
Other	16.2	15.7	3.3%	63.5	60.1	5.6%
Net Revenue	99.0	106.8	-7.3%	409.5	423.3	-3.3%
Bonded Warehousing	76.7	82.4	-6.8%	317.5	332.2	-4.4%
Distribution Centers	10.0	12.4	-19.5%	43.8	44.8	-2.4%
Other	12.3	12.0	2.0%	48.3	46.3	4.3%
Operating Costs	-51.0	-58.1	-12.3%	-199.2	-226.5	-12.1%
Handling Costs	-16.2	-17.7	-8.5%	-60.8	-83.1	-26.9%
<i>Fuels, lubricants, and electricity</i>	-2.9	-3.9	-25.8%	-11.8	-15.9	-25.8%
<i>Freight</i>	-10.7	-10.8	-0.2%	-37.9	-45.5	-16.8%
<i>Other Handling costs</i>	-2.5	-3.0	-15.8%	-11.1	-21.7	-49.0%
Personnel costs	-13.0	-14.1	-7.8%	-53.8	-54.4	-1.1%
Outsourced services	-8.2	-10.0	-18.3%	-32.0	-32.9	-2.8%
Depreciation and amortization	-4.5	-4.2	6.0%	-17.4	-17.3	0.5%
Other costs	-9.2	-12.1	-24.4%	-35.3	-38.9	-9.2%
Operating Expenses	-25.1	-30.4	-17.4%	-115.5	-116.4	-0.7%
Selling	-22.5	-26.5	-15.1%	-100.5	-103.9	-3.3%
General and administrative	-2.6	-3.9	-33.0%	-14.9	-12.4	20.3%
Depreciation and amortization	0.0	0.0	42.1%	-0.1	-0.1	51.4%
EBITDA	27.4	22.5	21.7%	112.3	97.8	14.9%
<i>EBITDA Margin</i>	<i>27.7%</i>	<i>21.1%</i>	<i>6.6 p.p.</i>	<i>27.4%</i>	<i>23.1%</i>	<i>4.3 p.p.</i>

Net Revenue

In 4Q23, Santos Brasil Logística's Net Revenue Totaled R\$ 99.0 million (-7.3% YoY), with a decrease of 6.8% YoY in Net Revenue from Bonded Warehouses, due to the lower volumes, in addition to the shorter dwell time, an important variable in warehousing revenue. In turn, Distribution Centers recorded a Net Revenue 19.5% lower YoY, reflecting the decrease in the number of pallets handled in the quarter, despite higher average ticket in the annual comparison, as result of contractual renegotiations carried out throughout the first half of 2023 and the better LCL (less-than-container load) mix. The "other revenue" line recorded a 2% growth YoY, driven by the K10 Logistics Terminal, an in-house logistics operation that Santos Brasil runs inside the plant of an important client of the chemical sector.

Compared to 3Q23, Santos Brasil Logística's Net Revenue remained stable (+0.2%), with an increase of 26.9% QoQ in "other revenues", in which the good performance of the Transport segment stood out, i.e. Road transportation and Port transportation, in addition to the K10 Logistics Terminal, offsetting the drops of (i) 2.0% in Net Revenue from bonded warehouses, resulting from the decline in the number of containers stored, and (ii) 7.7% in Net Revenue from Distribution Centers, despite the larger handling of pallets in the quarterly comparison.

Operating Costs

In 4Q23, Santos Brasil Logística's Operating Costs totaled R\$ 51.0 million (-12.3% YoY), with decreases in almost all cost lines. In the quarter, handling costs dropped 8.5% YoY, driven by (i) lower expenses with fuel, lubricants, and electric power (-25.8% YoY), reflecting the lower volume handled in the warehouses and (ii) a savings observed in other handling costs, mainly less use of external storage, in addition to (iii) a marginal impact of 0.2% YoY reduction in freight costs. In turn, personnel costs dropped 7.8% YoY, due to (i) lower provision for profit sharing (PPR) to employees, (ii) reduction in expenses with labor indemnities and (iii) lower overtime pay. Outsourced services recorded a reduction of 18.3% YoY, mainly due to a drop in operational services subcontracting, such as equipment rental and, to a lesser extent, surveillance, drivers and administrative services, reflecting lower volumes and improvements in asset management. Finally, there was a decrease of 24.4% YoY in other costs, because of lower expenses with (i) general services, (ii) social and cultural incentives and (iii) hardware and software, including the licensing of new systems and adoption of software-as-a-service (SaaS) model at the expense of in-house development. In 4Q23, only depreciation and amortization costs increased (+6.0% YoY), with larger depreciation/amortization of assets and rentals.

Compared to 3Q23, there was a 5.4% increase in Operating Costs, due to higher expenses with (i) handling (+11.9%), (ii) outsourced services (+3.0%), (iii) depreciation and amortization (+1.6%) and (iv) other costs (+10.8%), with a decrease only in personnel costs (-2.5%).

Operating Expenses

In 4Q23, Santos Brasil Logística's Operating Expenses totaled R\$ 25.1 million (-17.4% YoY), with a 15.1% YoY drop in sales expenses, driven by lower volumes, in addition to other savings generated by an efficient management of costs and expenses, such as lower expenses with shared services. In turn, general and administrative expenses dropped 33.0% YoY, due to reduction in (i) expenses with post-employment benefits, (ii) provision for profit sharing (PPR) to employees and (iii) expenses related to labor proceedings.

Compared to 3Q23, Operating Expenses dropped 13.2% QoQ, with reductions of 9.9% in sales expenses and 34.1% in G&A expenses.

EBITDA

In 4Q23, Santos Brasil Logística's EBITDA totaled R\$ 27.4 million (+21.7% YoY), with an EBITDA margin of 27.7% (+6.6 p.p. YoY). The result is explained by the continuity of initiatives to increase efficiency in costs and expenses management, in addition to a higher average ticket, mainly in the Distribution Centers operations, offsetting the drop in volumes.

Compared to 3Q23, EBITDA grew 6.0%, with an increase of 1.5 p.p. in the EBITDA margin, as a result of more pallets handled in the Distribution Centers and the factors listed in the annual comparison.



Vehicle Terminal (TEV)

Operating Data

	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Vehicles (units)	49,079	65,017	-24.5%	210,591	281,014	-25.1%
Export	42,337	56,867	-25.6%	190,188	250,759	-24.2%
Imports	6,742	8,150	-17.3%	20,403	30,255	-32.6%
Light	42,277	58,390	-27.6%	184,108	257,673	-28.5%
Heavy	6,802	6,627	2.6%	26,483	23,341	13.5%

Vehicles handled: in 4Q23, TEV handled 49,079 vehicles, down 24.5% YoY as reflection of (i) 25.6% YoY drop in vehicle exports, due to lower demand in South American countries, e.g. Argentina, Colombia, and Chile, despite the higher vehicle shipments to Mexico and the United States, and (ii) 17.3% YoY decrease in imported vehicles, still impacted by a lackluster domestic consumption. In 4Q23, the volume drop was mainly in light vehicles, while heavy vehicles volume increased 2.6% YoY, with positive performance in imports and exports. Heavy vehicles represented 13.9% of the total volume of vehicles handled by TEV in 4Q23 (vs. 10.2% in 4Q22 and 14.3% in 3Q23).

Compared to 3Q23, there was a slight recovery in the number of vehicles handled (+3.2%), reflecting a 58.6% increase in imports, despite a 2.3% drop in exports. Different from what was observed in the annual comparison, the handling of light vehicles grew 3.7% QoQ, with stability in the operation of heavy vehicles (-0.1% QoQ).

Economic-financial data

R\$ million	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Gross Revenue	30.5	32.4	-6.0%	121.3	138.8	-12.6%
Net Revenue	26.0	27.5	-5.4%	103.3	117.8	-12.3%
Operating Costs	-11.9	-11.4	4.9%	-47.3	-49.2	-3.9%
Handling costs	-5.7	-5.9	-3.3%	-23.0	-26.8	-14.2%
Depreciation and amortization	-4.7	-4.2	11.0%	-18.8	-17.0	10.3%
Other costs	-1.5	-1.2	24.2%	-5.5	-5.4	2.0%
Operating Expenses	-1.0	-1.3	-24.1%	-4.8	-6.1	-20.4%
Selling	-0.7	-0.7	-6.5%	-3.6	-4.7	-23.5%
General and administrative	-0.3	-0.5	-48.8%	-1.2	-1.3	-9.6%
Depreciation and amortization	0.0	0.0	-	0.0	0.0	-
EBITDA	17.8	19.1	-6.7%	69.9	79.5	-12.0%
EBITDA Margin	68.5%	69.5%	-0.9 p.p.	67.7%	67.5%	0.2 p.p.

Net Revenue

In 4Q23, TEV's Net Revenue totaled R\$ 26.0 million (-5.4% YoY), reflecting the lower volume handled in the quarter, despite the better mix of heavy vehicles and the positive impact of contractual renegotiations carried out in 2023 in the average ticket.

Compared to 3Q23, TEV's Net Revenue dropped 2.7%, mainly due to the slight worse mix of heavy vehicles (-0.5 p.p. QoQ), despite larger volume of light vehicles handled.

Operating Costs

In 4Q23, TEV's Operating Costs totaled R\$ 11.9 million (+4.9% YoY), accounting for an increase in (i) depreciation/amortization (+11.0% YoY), and (ii) other costs, in which the insurance and damages line stands out, greater provision for profit sharing (PPR) to employees, in addition to other diverse and dispersed items. In the quarter, there was a 3.3% YoY decrease in handling costs, in line with the lower volume operated.

Compared to 3Q23, Operating Costs came 8.5% higher, with (i) handling costs up 11.6%, given higher volumes and (ii) other costs up 28.9%.



Operating Expenses

In 4Q23, TEV's Operating Expenses totaled R\$ 1.0 million (-24.1% YoY), due to (i) sales expenses down 6.5% YoY, in line with the lower volume handled and, thus, less payment of commercial commissions, and (ii) a 48.8% decrease in G&A expenses.

Compared to 3Q23, there was a 26.6% decrease in TEV's Operating Expenses, with decreases of 31.8% in selling expenses and 9.1% in G&A expenses.

EBITDA

In 4Q23, with the reduction in the volume of vehicles handled, TEV's EBITDA dropped 6.7% YoY, totaling R\$ 17.8 million, but with a marginal drop of 0.9 p.p. in the EBITDA margin, which remained at a high level of 68.5%.

Compared to 3Q23, EBITDA dropped 6.9%, with a decrease of 3.1 p.p. in EBITDA margin.



Liquid Bulk Terminals

Economic-financial data

R\$ million	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Gross Revenue	13.2	0.8	1.599.0%	38.2	0.8	4.806.3%
Warehousing operations	13.2	0.8	1.599.0%	38.2	0.8	4806.3%
Net Revenue	11.3	0.7	1.599.0%	32.3	0.7	4.741.0%
Warehousing operations	11.3	0.7	1.599.0%	32.3	0.7	4741.0%
Operating Costs	13.7	-9.5	-244.5%	-22.6	-26.4	-14.4%
Handling costs	-1.2	-0.1	1742.4%	-3.6	-0.1	5312.1%
Personnel costs	-2.4	-1.7	40.6%	-8.2	-4.3	92.5%
Depreciation and amortization	18.8	-6.4	-391.9%	-7.1	-19.4	-63.5%
Other costs	-1.5	-1.3	19.9%	-3.7	-2.7	38.9%
Operating Expenses	-1.1	-0.8	30.0%	-4.2	-3.8	12.1%
Selling	-0.3	-0.2	43.5%	-1.1	-0.7	50.8%
General and administrative	-0.7	-0.6	12.9%	-2.9	-3.1	-6.6%
Depreciation and amortization	-0.1	0.0	-	-0.3	0.0	-
EBITDA	5.2	-3.2	264.3%	12.9	-10.1	227.0%
EBITDA Margin	46.2%	-	-	39.8%	-	-

Net Revenue

In 4Q23, Liquid Bulk Terminals' Net Revenue reached R\$ 11.3 million, mainly generated by fuel storage (i.e. diesel, gasoline, and ethanol) for distributors, in addition to the provision of ancillary services. 4Q23 marked the first year of operations of the business unit, with a high level of service provided to clients, and the start of the works to build the greenfield terminal (TGL 02), which will add 81,000 m³ to the liquid bulk system of Santos Brasil by the end of 2025. It is worth mentioning that the brownfield expansion of TGL 01 and TGL 03 terminals is ongoing and will add 59,000 m³ to tanking capacity by the end of 2024. It is also planned for 2024 the bonded licensing of the terminals, which will enable them to operate imported liquid bulk, broadening the addressable market, potentially including trading companies and other importers of oil derivatives in the client base. In relation to 3Q23, Net Revenue recorded an increase of 46.4%.

Operating Costs

In 4Q23, Operating Costs totaled a positive amount of R\$ 13.7 million (vs. a negative amount of R\$ 9.5 million in 4Q22 and a negative amount of R\$ 12.3 million in 3Q23), due to an adjustment in the amortization/depreciation methodology related to the payment of grants of the terminals lease agreements, which will be depreciated/amortized during the period of the leases (20 years), being the effects fully recognized in December 2023. However, there was a 40.6% YoY increase in personnel costs, mainly due to larger provision for profit sharing (PPR) to employees. Other costs increased 19.9% YoY, reflecting higher expenses with (i) outsourced services, mainly surveillance and cleaning, (ii) employee transportation, (ii) technology, mainly maintenance of support software, (iii) utilities, particularly electric power for administrative facilities, and (iv) telecommunications infrastructure. Finally, there was an increase in handling costs, totaling R\$ 1.2 million in 4Q23, a natural trend considering that the terminals operations had started on November 25, 2022.

Operating Expenses

In 4Q23, Operating Expenses totaled R\$ 1.1 million (+30.0% YoY), with an increase of (i) 12.9% YoY in G&A expenses, despite the inaccurate comparison basis due to the reversal of legal expenses in 4Q22, and (ii) 43.5% YoY in sales expenses, with higher personnel expenses. Compared to 3Q23, Operating Expenses grew 5.1%.

EBITDA

In 4Q23, EBITDA reached R\$ 5.2 million, with an EBITDA margin of 46.2%. Compared to 3Q23, EBITDA grew 83.3%, with an increase of 9.3 p.p. QoQ in EBITDA margin, reflecting the business ramp-up.



Corporate

Economic-financial data

R\$ million	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
Corporate Expenses	-20.4	7.2	-383.3%	-93.9	-48.2	94.8%
General and administrative	-19.3	5.5	-448.2%	-89.7	-44.1	103.3%
Depreciation and amortization	-1.1	1.6	-165.1%	-4.2	-4.1	3.1%
EBITDA	-19.3	5.5	-448.2%	-89.7	-44.1	-103.3%

Corporate Expenses

In 4Q23, Santos Brasil's Corporate Expenses totaled R\$ 20.4 million, being the year-over-year comparison distorted by the sale of a land located in Imituba - SC in 4Q22, which generated a net non-recurring gain of R\$ 31.1 million in 2022. Disregarding this effect, Corporate Expenses dropped 14.5% YoY in 4Q23.

Compared to 3Q23, Corporate Expenses grew 2.1%, reflecting higher expenses with marketing and social and cultural incentives.

EBITDA

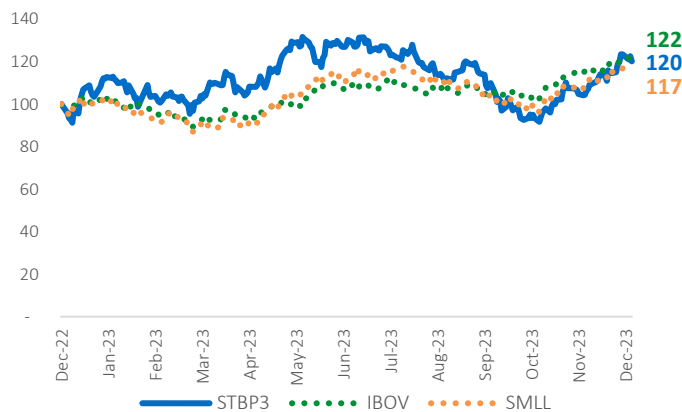
Corporate EBITDA, represented by Corporate Expenses, totaled -R\$ 19.3 million in 4Q23, compared to +R\$ 5.5 million recorded in 4Q22 (or -R\$ 23.8 million on a recurring basis) and -R\$ 18.9 million in 3Q23.



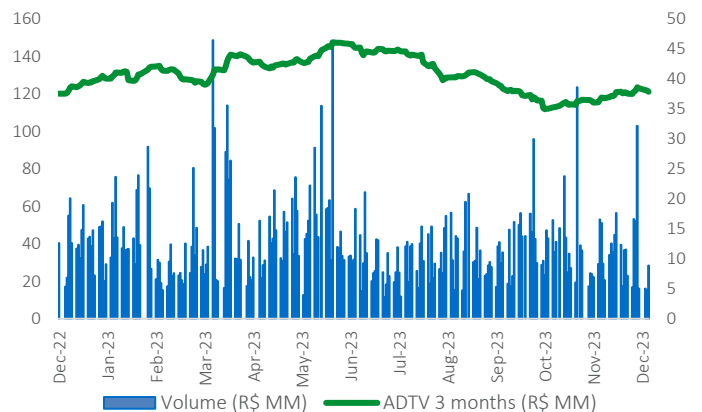
Capital Markets

Santos Brasil shares (STBP3) appreciated 9.3% in 4Q23, underperforming Ibovespa (IBOV), which registered an increase of 15.1%, and the Small Caps Index (SMLL), which increased 11.5%. In terms of liquidity, Santos Brasil shares registered an average daily trading volume (ADTV) of R\$ 39.5 million in 4Q23, an increase of 20.4% compared to 3Q23. In 2023, the Company's shares appreciated 20.0%, recording a lower performance than IBOV, which registered an increase of 22.3%, but outperforming SMLL, which appreciated 17.1%. ADTV in 2023 was R\$ 40.4 million, up 24.0% YoY.

Stock Performance (base = 100 on 12/29/2022)



Trading Volume (R\$ MM)



Earnings Distribution

The table below shows the distribution of earnings to shareholders in recent years:

Fiscal Year	Event	Amount per share (R\$) ⁷	Total amount distributed (R\$ MM)	Date of payment	Payout ⁸
2015	IOC	0.032268	4.3	04/08/2016	N.A.
2017	Dividends	0.002966	2.0	09/05/2018	N.A.
2018	Dividends	0.004260	2.8	05/02/2019	94%
2019	Dividends	0.017500	11.7	05/12/2020	75%
2021	Dividends	0.146988	126.8	12/30/2021	
2021	IOC	0.112966	97.4	05/10/2022	95%
2021	Dividends	0.039376	34.0	03/31/2022	
2022	Dividends	0.378066	326.5	09/16/2022	
2022	Dividends	0.075488	65.2	11/23/2022	
2022	IOC	0.151297	130.6	11/30/2022	136%
2022	IOC	0.014695	12.7	01/16/2023	
2022	Dividends	0.035873	31.0	05/15/2023	
2022	Dividends	0.014979	12.9	05/15/2023	
2023	Dividends	0.007434	6.4	07/31/2023	
2023	IOC	0.042985	37.1	07/31/2023	
2023	Dividends	0.061318	53.0	08/31/2023	
2023	IOC	0.042458	36.7	08/31/2023	95%
2023	Dividends	0.112023	96.8	11/13/2023	
2023	IOC	0.040823	35.3	11/13/2023	
2023	Dividends	0.045590	39.4	01/05/2024	
2023	IOC	0.038216	33.0	01/08/2024	
2023	Dividends	0.163767	141.4	04/04/2024	

⁷ Until fiscal year 2015, the amount refers to the unit (1 voting share + 4 preferred shares). The Company's shareholders' equity is composed of voting shares only.

⁸ The payout is calculated by dividing dividends/IOC by net income for the fiscal year. N.A.: fiscal years in which the Company recorded net loss.



In 2023, Santos Brasil moved forward in its commitments to the preservation of the environment, human development, health and safety, ethical and responsible management, and a high-level Corporate Governance. In 4Q23, the Company has speed up its goals of decarbonization with the arrival of two new **STS quay cranes** and eight **electric RTGs** (rubber-tyred gantry cranes) at Tecon Santos, state-of-the-art equipment that comprises one of the initiatives for Santos Brasil to become **carbon neutral by 2040**. The arrival of the equipment, as part of the terminal's expansion and modernization project, is in line with the **low carbon economy** concept and **sustainability** in the development of port activities. Moreover, it is important observing that replacing a diesel-powered RTG by an electric model reduces emissions of approximately 21 tons of CO₂ per month. In this sense, the Company's plan is to gradually replace the current 39 diesel-powered RTGs with electrical equipment over the next few years. Finally, electric RTGs offer the possibility of being conducted remotely, which allows better safety and comfort conditions for the operator.

In relation to projects on the environmental front, Santos Brasil carried out actions to raise awareness on **waste** and **conscious consumption**, holding the event **No More Waste!** in October, organized by the Environment and Facilities teams in the cafeterias of Tecon Santos, Tecon Vila do Conde, Itaqui and Santos Brasil Logística. The objective was to raise awareness about the importance of reducing the disposal of food waste, since 39 tons of preparation leftovers and meal waste were discarded in the Tecon Santos cafeteria alone in 2022. During this initiative, it was possible to save around 55% of food waste from cafeteria users' plates, which demonstrates the importance of education on the topic.

Also in October, the **Conscious Consumption Day** was celebrated, and Santos Brasil took advantage of the date to stress some imperative attitudes in building a more balanced society: avoid purchasing unnecessary products, reuse items and/or recycle materials, separate waste correctly and donate items instead of throwing them away. The Company also reinforced the important role of companies in adopting sustainable practices that contribute to the preservation of the environment, such as the project **No More Plastic!** with the replacement of plastic cups with bottles and mugs, the **recycling** of waste generated in business units, including scrap, tires and uniforms, the management of water resources through **telemetry**, water treatment in **treatment plants** inside the terminals and, among others, the purchase of **Renewable Energy Certificates (I-REC)**.

Finally, the **Voice of the Oceans Festival** was held in November, a project led by the Schurmann family and sponsored by Santos Brasil, which brought the results of environmental education actions carried out through dance, sports, music, fashion and theater presentations, in addition to the distribution of educational materials and interactive activities, workshops for making toys and Christmas decorations from reusable materials.

On the health, safety and well-being front, 4Q23 was marked by **Pink October** and **Blue November** campaigns, with awareness and prevention being two essential tools for the early diagnosis of breast and prostate cancer. Therefore, Santos Brasil, in partnership with Unimed, made available mammography exam guides, free of charge, for all employees over 40 years old and PSA exam guides for all employees and dependents over 45 years old. The campaigns also included important communications about the main symptoms and signs of diseases, as well as the importance of always consulting the health service. Prevention is the first step towards embracing health!

In 4Q23, the Company once again reaped the good results of the **Zero Accident** campaign: 1,500 days without lost-time accidents at Tecon Vila do Conde and 1,900 days at TEV, a unit that celebrated the milestone of 3 million vehicles handled at the Port of Santos! The records were celebrated with a special meal for the units' employees, as they are the protagonists in correctly complying with safety procedures.

Still on the initiative of valuing life and individuals, 4Q23 was marked by important advances in the **Diversity and Inclusion** topic. In December, it was held the **2nd Santos Brasil Diversity Journey**, which featured virtual conversation circles about minority groups, in which employees can share personal experiences and learnings, with distribution of buttons for minority groups, a question-and-answer game about diversity and a lecture on the importance of diversity and inclusion in professional development. The week ended with important advances for the Company: the **extension of maternity leave** from 120 to 180 days, effective as of January 2024, and the inauguration of another **breastfeeding room**, now at CLIA Santos. The initiatives are part of a robust action plan to make Santos Brasil a pleasant place to work for everyone and increasingly inclusive!

Moreover, in 4Q23, the results of the **Diversity Census** were published and, concurrently, an intense communication campaign was carried out on the Diversity and Inclusion topic, with the presentation of important concepts, such as minority groups, intersectionality, place of speech, representation, and unconscious bias, in addition to ableist, fatphobic, racist and xenophobic expressions that are not acceptable in

building a fair and diverse society. Furthermore, important discussions were included on the agenda about sexism and homophobia and the important role of all employees in combating prejudice.

In relation to the social projects implemented, Santos Brasil started 4Q23 by carrying out the first social responsibility action in São Luis (MA), with the sponsorship of the first **Embracing the Ocean** program of environmental education and encouragement to reading, which aims to preserve the seas and oceans. The project took place in ten public schools within the city, in which 37 educators were trained in biodiversity and read the book “Lua, Colar, Coral, Mar” to 540 students from Junior High School, with the donation of 340 books. In 2023, the project was also carried out at Santos Brasil units in São Paulo (SP) and Barcarena (PA).

In another initiative aimed at young audiences, the Company participated in the **Children's Week**, carried out in partnership with Instituto Arte em Movimento Ana Zucchi and Instituto Arte no Dique, which received 228 children from the cities of Santos and Guarujá for the distribution of snacks and drinks, with educational and recreational activities over two days.

Finally, Santos Brasil ended 2023 by spreading joy to over 5,000 children at Christmas! **Ação do Bem** initiative took place in São Bernardo do Campo, Imbituba, Vila do Conde and Itaqui, which brought toys and personal hygiene items to people served at local institutions, such as Associação de Moradores Renascer em Cristo, in Pará, APAE, in Imbituba, Instituição Assistencial Meimei, in São Bernardo do Campo, and ACIB, in Itaqui. The 5th edition of **Contêiner do Bem**, a joint action between the four terminals at the Port of Santos, was carried out in Baixada Santista, collecting more than 3,000 toys for children and communities within the region. The items were delivered by volunteers from the Company, other terminals, and partner institutions.

The Company starts the year of 2024 aware of its role in protecting the climate, in energy transition, and in building a fairer and more diverse and inclusive society. Initiatives can also be followed on the [Sustainability Report](#).

The following table shows the evolution in the Company’s key ⁹environmental indicators:

	2016	2017	2018	2019	2020	2021	2022	2023	4Q22	4Q23
CO₂ emissions										
CO ₂ emissions (tons)	31,437	31,556	32,297	33,515	29,452	34,269	27,891	25,024	6,580	7,148
Port operations (kgCO ₂ e/TEU)	15.32	14.85	13.99	13.29	13.14	11.50	11.15	9.93	11.71	10.38
Bonded warehouses (kgCO ₂ e/TEU)	19.81	27.61	25.03	23.62	21.99	17.39	19.65	16.21	17.99	16.40
Road transportation (kgCO ₂ e/Km)	1.01	1.02	1.02	1.02	1.05	0.92	0.93	0.97	0.95	1.20
Distribution Centers (kgCO ₂ e/pallet)	0.63	0.53	0.41	0.36	0.90	0.18	0.34	0.30	0.23	0.26
Water (m³)										
Water consumption	84,817	110,041	82,724	74,176	67,776	65,224	58,884	57,923	18,680	13,534
Water consumption <i>per capita</i> ¹⁰	1.75	2.52	2.01	1.75	1.71	1.50	1.34	1.13	1.67	1.06
Waste (tons)										
Non-recyclable	723	594	627	645	508	646	696	481	183	110
Recyclable	1,454	1,646	1,552	2,175	1,675	3,059	4,215	2,917	1,038	486
Total waste	2,176	2,239	2,179	2,820	2,183	3,705	4,911	3,397	1,221	596

⁹ The indicators are subject to retroactive changes due to: (i) CO₂ emissions: recalculation of the government emissions factor (retroactive) and receipt of late electricity bills; (ii) water: receipt of late water bills; and (iii) waste: receipt of late certificates of final disposal.

¹⁰ Considers own employees and permanent outsourced workers.



Consolidated Income Statement by business unit – 4Q23 (R\$ thousand)

	Container and General Cargo Terminals	Logistics	TEV	Liquid Bulk Terminals	Corporate	Eliminations	Consolidated
Gross operating revenue	601,437	118,013	30,451	13,229	-	(2,743)	760,388
(-) Deductions	(68,330)	(19,002)	(4,446)	(1,885)	-	313	(93,351)
Net operating revenue	533,107	99,011	26,005	11,344	-	(2,430)	667,037
(-) Operating costs	221,153	50,980	11,948	(13,672)	-	(2,430)	267,979
<i>Variable/fixed costs</i>	<i>172,795</i>	<i>46,529</i>	<i>7,231</i>	<i>5,113</i>	-	<i>(2,430)</i>	<i>229,238</i>
<i>Depreciation/amortization</i>	<i>48,358</i>	<i>4,451</i>	<i>4,717</i>	<i>(18,785)</i>	-	-	<i>38,741</i>
Gross profit	311,954	48,031	14,057	25,016	-	-	399,058
(-) Operating expenses	24,754	25,124	954	1,078	20,370	-	72,280
<i>Selling expenses</i>	<i>9,019</i>	<i>22,484</i>	<i>685</i>	<i>277</i>	-	-	<i>32,465</i>
<i>G&A expenses</i>	<i>15,686</i>	<i>2,613</i>	<i>268</i>	<i>718</i>	<i>19,296</i>	-	<i>38,581</i>
<i>Depreciation/amortization</i>	<i>49</i>	<i>27</i>	-	<i>83</i>	<i>1,075</i>	-	<i>1,234</i>
EBIT	287,200	22,907	13,103	23,938	(20,370)	-	326,778
Depreciation/amortization	48,407	4,478	4,717	(18,702)	1,075	-	39,975
EBITDA	335,605	27,385	17,820	5,238	(19,296)	-	366,752
EBITDA proforma¹¹	298,182	24,634	13,393	3,666	(19,365)	-	320,510
(+) Financial result	-	-	-	-	(21,234)	-	(21,234)
(-) Income and social contribution taxes	-	-	-	-	(80,538)	-	(80,538)
Net Income	N/A	N/A	N/A	N/A	N/A	N/A	225,006

Consolidated Income Statement by business unit – 4Q22 (R\$ thousand)

	Container and General Cargo Terminals	Logistics	TEV	Liquid Bulk Terminals	Corporate	Eliminations	Consolidated
Gross operating revenue	382,547	126,470	32,381	779	-	(2,342)	539,836
(-) Deductions	(46,475)	(19,667)	(4,888)	(111)	-	180	(70,961)
Net operating revenue	336,072	106,803	27,493	668	-	(2,161)	468,875
(-) Operating costs	198,887	58,122	11,388	9,461	-	(2,161)	275,696
<i>Variable/fixed costs</i>	<i>157,532</i>	<i>53,924</i>	<i>7,138</i>	<i>3,026</i>	-	<i>(2,161)</i>	<i>219,458</i>
<i>Depreciation/amortization</i>	<i>41,355</i>	<i>4,198</i>	<i>4,250</i>	<i>6,435</i>	-	-	<i>56,238</i>
Gross profit	137,185	48,682	16,105	(8,793)	-	-	193,179
(-) Operating expenses	24,275	30,401	1,257	829	(7,191)	-	49,571
<i>Selling expenses</i>	<i>10,714</i>	<i>26,480</i>	<i>733</i>	<i>193</i>	-	-	<i>38,120</i>
<i>G&A expenses</i>	<i>13,514</i>	<i>3,902</i>	<i>524</i>	<i>636</i>	<i>(5,542)</i>	-	<i>13,034</i>
<i>Depreciation/amortization</i>	<i>47</i>	<i>19</i>	-	-	<i>(1,649)</i>	-	<i>(1,583)</i>
EBIT	112,910	18,281	14,848	(9,622)	7,191	-	143,609
Depreciation/amortization	41,402	4,217	4,250	6,435	(1,649)	-	54,655
EBITDA	154,311	22,498	19,098	(3,188)	5,542	-	198,261
EBITDA proforma¹¹	117,190	19,887	15,532	(3,188)	5,477	-	154,898
(+) Financial result	-	-	-	-	(11,658)	-	(11,658)
(-) Income and social contribution taxes	-	-	-	-	3,573	-	3,573
Net Income	N/A	N/A	N/A	N/A	N/A	N/A	135,523

¹¹ With the adoption of IFRS 16, the EBITDA of port terminals and Santos Brasil Logística no longer reflects expenses with leases and rents. Aiming at maintaining the comparative analysis with prior periods and more accurately reflecting the operating “cash” result of the Company, we calculated the “proforma EBITDA”, which subtracts the lease and rent expenses from the reported EBITDA.

Consolidated Income Statement by business unit – 2023 (R\$ thousand)

	Container and General Cargo Terminals	Logistics	TEV	Liquid Bulk Terminals	Corporate	Eliminations	Consolidated
Gross operating revenue	1,791,779	486,425	121,345	38,203	-	(9,158)	2,428,594
(-) Deductions	(193,582)	(76,925)	(18,093)	(5,880)	-	811	(293,669)
Net operating revenue	1,598,197	409,500	103,251	32,323	-	(8,346)	2,134,925
(-) Operating costs	788,777	199,175	47,262	22,583	-	(8,346)	1,049,450
<i>Variable/fixed costs</i>	<i>615,769</i>	<i>181,817</i>	<i>28,511</i>	<i>15,507</i>	-	<i>(8,346)</i>	<i>833,258</i>
<i>Depreciation/amortization</i>	<i>173,008</i>	<i>17,357</i>	<i>18,751</i>	<i>7,076</i>	-	-	<i>216,193</i>
Gross profit	809,420	210,325	55,989	9,740	-	-	1,085,475
(-) Operating expenses	87,896	115,521	4,836	4,248	93,897	-	306,397
<i>Selling expenses</i>	<i>32,562</i>	<i>100,536</i>	<i>3,630</i>	<i>1,069</i>	-	-	<i>137,797</i>
<i>G&A expenses</i>	<i>55,144</i>	<i>14,873</i>	<i>1,206</i>	<i>2,876</i>	<i>89,681</i>	-	<i>163,780</i>
<i>Depreciation/amortization</i>	<i>190</i>	<i>112</i>	-	<i>303</i>	<i>4,216</i>	-	<i>4,821</i>
EBIT	721,524	94,804	51,154	5,492	(93,897)	-	779,078
Depreciation/amortization	173,198	17,469	18,751	7,379	4,216	-	221,013
EBITDA	894,723	112,274	69,904	12,872	(89,681)	-	1,000,092
EBITDA proforma¹²	748,617	101,306	52,416	6,725	(89,957)	-	819,106
(+) Financial result	-	-	-	-	(86,361)	-	(86,361)
(-) Income and social contribution taxes	-	-	-	-	(188,413)	-	(188,413)
Net Income	N/A	N/A	N/A	N/A	N/A	N/A	504,304

Consolidated Income Statement by business unit – 2022 (R\$ thousand)

	Container and General Cargo Terminals	Logistics	TEV	Liquid Bulk Terminals	Corporate	Eliminations	Consolidated
Gross operating revenue	1,587,408	502,613	138,831	779	-	(11,700)	2,217,930
(-) Deductions	(186,570)	(79,308)	(21,069)	(111)	-	969	(286,089)
Net operating revenue	1,400,839	423,304	117,761	668	-	(10,731)	1,931,841
(-) Operating costs	763,669	226,524	49,205	26,383	-	(10,731)	1,055,050
<i>Variable/fixed costs</i>	<i>614,512</i>	<i>209,255</i>	<i>32,209</i>	<i>7,015</i>	-	<i>(10,731)</i>	<i>852,259</i>
<i>Depreciation/amortization</i>	<i>149,157</i>	<i>17,269</i>	<i>16,997</i>	<i>19,367</i>	-	-	<i>202,791</i>
Gross profit	637,170	196,780	68,556	(25,715)	-	-	876,791
(-) Operating expenses	99,564	116,369	6,076	3,788	48,193	-	273,990
<i>Selling expenses</i>	<i>52,137</i>	<i>103,934</i>	<i>4,743</i>	<i>709</i>	-	-	<i>161,523</i>
<i>G&A expenses</i>	<i>47,237</i>	<i>12,361</i>	<i>1,334</i>	<i>3,079</i>	<i>44,104</i>	-	<i>108,114</i>
<i>Depreciation/amortization</i>	<i>190</i>	<i>74</i>	-	-	<i>4,089</i>	-	<i>4,353</i>
EBIT	537,606	80,411	62,480	(29,503)	(48,193)	-	602,801
Depreciation/amortization	149,347	17,343	16,997	19,367	4,089	-	207,144
EBITDA	686,953	97,755	79,477	(10,136)	(44,104)	-	809,944
EBITDA proforma¹¹	545,417	87,411	65,214	(10,136)	(44,365)	-	643,540
(+) Financial result	-	-	-	-	(22,322)	-	(22,322)
(-) Income and social contribution taxes	-	-	-	-	(151,027)	-	(151,027)
Net Income	N/A	N/A	N/A	N/A	N/A	N/A	429,451

¹² With the adoption of IFRS 16, the EBITDA of port terminals and Santos Brasil Logística no longer reflects expenses with leases and rents. Aiming at maintaining the comparative analysis with prior periods and more accurately reflecting the operating “cash” result of the Company, we calculated the “proforma EBITDA”, which subtracts the lease and rent expenses from the reported EBITDA.



Consolidated Balance Sheet (R\$ thousand)

ASSETS	12/31/2023	09/30/2023	06/30/2023	03/31/2023	12/31/2022
Total assets	4,707,845	4,587,471	4,394,438	4,325,961	4,348,678
Current assets	716,816	874,232	777,208	800,697	857,825
Cash and cash equivalents	367,481	569,561	474,548	540,517	614,631
Accounts receivable	302,674	236,393	220,504	173,832	179,722
Inventories	31,150	31,258	31,129	31,406	28,647
Other	15,511	37,020	51,027	54,942	34,825
Non-current assets	3,991,029	3,713,240	3,617,231	3,525,264	3,490,853
Judicial deposits	341,081	337,610	334,440	330,336	345,565
Other	116,283	479,130	107,599	106,765	110,353
Property, plant, and equipment	3,373,703	3,102,273	3,012,703	2,927,876	2,871,831
Intangible assets	159,962	156,281	162,489	160,287	163,104
LIABILITIES	12/31/2023	09/30/2023	06/30/2023	03/31/2023	12/31/2022
Total liabilities	4,707,845	4,587,472	4,394,438	4,325,961	4,348,678
Current liabilities	767,725	646,174	622,054	567,463	610,469
Social and labor obligations	68,725	76,715	67,859	53,222	70,195
Suppliers	147,062	121,999	103,780	107,638	123,525
Fiscal obligations	59,166	47,569	44,720	31,499	31,310
Loans and financing	51,024	42,560	51,572	44,218	53,138
Leases	365,766	355,257	341,059	328,813	314,147
Obligations with concession grantor	6,159	1,736	6,361	1,727	6,152
Other	69,823	337	6,703	346	12,002
Non-current liabilities	1,723,102	1,749,671	1,593,659	1,617,454	1,645,326
Loans and financing	372,862	279,661	245,449	247,832	281,929
Deferred taxes	20,308	18,480	18,753	19,184	17,032
Provisions	40,374	41,259	42,563	38,749	38,688
Actuarial liabilities	14,391	28,456	27,751	27,047	26,342
Leases	1,173,137	1,181,458	1,160,650	1,187,258	1,172,521
Other	102,030	100,358	98,493	97,384	108,814
Shareholders' equity	2,217,018	2,191,627	2,178,725	2,141,044	2,092,883
Paid-in capital	1,879,484	1,879,484	1,879,484	1,879,484	1,876,956
Capital reserves	63,047	60,925	61,820	66,603	66,974
Profit reserves	109,772	90,542	88,958	121,534	121,391
Other comprehensive income (loss)	23,344	14,626	14,626	14,626	14,626
Additional proposed dividends	141,371	0	0	12,936	12,936
Earnings/loss accumulated	0	146,050	133,837	45,861	0

Statement of Cash Flows (R\$ thousand)

	4Q23	4Q22	Δ (%)	2023	2022	Δ (%)
OPERATING CASH FLOW	272,899	179,740	51.8%	798,866	733,837	8.9%
Cash from operations	385,477	199,554	93.2%	1,087,234	935,120	16.3%
Income (loss) before taxes and interest	305,543	131,951	131.6%	692,717	580,479	19.3%
Monetary and foreign-exchange variations	(234)	1,430	-116.4%	1,325	5,718	-76.8%
Depreciation and amortization	39,973	54,651	26.9%	221,013	207,143	6.7%
Formation (reversal) of provision for contingencies	3,832	6,560	-41.6%	19,387	21,351	-9.2%
Share purchase option plan	2,122	1,782	19.1%	8,517	6,850	24.3%
Write-offs and income in the sale of permanent assets	(798)	(35,518)	-97.8%	(765)	(34,724)	-97.8%
Interest on debentures	794	1,629	-51.3%	6,467	7,545	-14.3%
Recognized Interest on Loans	77	88	-12.5%	309	521	-40.7%
Interest on financial investments	(111)	1	n,a	(118)	(10,265)	-98.9%
Post-employment benefit – Health care plans	(856)	835	-202.5%	1,258	3,411	-63.1%
Allowance (reversal) for doubtful accounts and bad debt losses	(1,041)	1,947	-153.5%	(6,572)	16,107	-140.8%
Interest on obligations with the concession grantor	243	111	118.9%	488	372	31.2%
Interest on lease - rents	35,933	34,087	5.4%	143,208	130,612	9.6%
Changes in assets and liabilities	(21,868)	15,130	-244.5%	(80,235)	15,670	-612.0%
(Increase) decrease in accounts receivable	(65,240)	39,954	-263.3%	(116,380)	14,160	-921.9%
(Increase) decrease in inventories	108	(415)	-126.0%	(2,503)	(4,256)	-41.2%
(Increase) decrease in current tax assets	14,398	(8,495)	-269.5%	24,771	(5,300)	-567.4%
(Increase) decrease in judicial deposits	(3,471)	(15,851)	-78.1%	4,484	(27,044)	-116.6%
(Increase) decrease in other assets	7,204	7,814	-7.8%	(4,609)	8,427	-155%
Increase (decrease) in suppliers	25,555	18,148	41%	41,022	28,503	43.9%
Increase (decrease) in suppliers - drawee risk	(0)	(5,117)	-100.0%	(15,393)	5,370	-386.6%
Increase (decrease) in salaries and social charges	(7,990)	(12,689)	-37.0%	(1,470)	2,438	-160.3%
Increase (decrease) in taxes, rates, and contributions	6,388	(10,517)	-160.7%	(2,744)	(17,950)	-84.7%
Increase (decrease) in accounts payable	34	48	-29.2%	311	800	-61.1%
Increase (decrease) in taxes on billing - TRA	1,147	2,252	-49.1%	(7,724)	10,523	-173.4%
Increase (decrease) in other liabilities	(1)	(2)	n,a	-	(1)	-100%
Other	(90,710)	(34,944)	159.6%	(208,133)	(216,953)	-4.1%
Income tax and social contribution paid	(81,058)	(21,530)	276.5%	(171,614)	(173,267)	-1.0%
Write-off of payment contingencies	(4,716)	(8,731)	-46.0%	(17,701)	(25,886)	-31.6%
Payments - Obligations with the concession grantor	(4,936)	(4,683)	5.4%	(18,818)	(17,800)	5.7%
INVESTMENT CASH FLOW	(294,738)	(98,515)	199.2%	(601,161)	(62,709)	858.7%
Acquisition of property, plant, and equipment/intangible assets	(305,732)	(165,485)	84.7%	(631,270)	(406,402)	55.3%
Disposal of property, plant, and equipment	1,440	58,429	-97.5%	1,705	59,542	-97.1%
Interest on capitalized loans	9,555	8,541	11.9%	32,423	32,588	-0.5%
Financial investments	(1)	-	-	(4,019)	251,563	-101.6%
CASH FLOW FROM FINANCING	(180,241)	(222,739)	-19.1%	(444,855)	(879,837)	-49.4%
Loans obtained	(4,310)	-	-	129,566	(22)	n,a
Payments of debentures, loans, and financing	(3,195)	(3,202)	-0.2%	(43,987)	(64,177)	-31.5%
Receipt of exercised share purchase options	-	-	-	2,206	1,720	28.3%
Interest paid to debentures, loans, and financing	(1,690)	(1,220)	38.5%	(38,254)	(36,306)	5.4%
Dividends and interest on own capital paid	(128,783)	(184,264)	-30.1%	(310,882)	(655,707)	-52.6%
Receipt (payment) in swap operations	(1,656)	(2,102)	-21.2%	(3,499)	(2,407)	45.4%
Payment lease - rentals	(34,622)	(31,951)	8.4%	(162,049)	(122,938)	31.8%
Payment for repurchase of shares	(5,981)	-	-	(17,941)	-	-
Costs of repurchase of shares	(4)	-	-	(15)	-	-
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(202,080)	(141,514)	42.8%	(247,150)	(208,709)	18.4%
Opening balance of cash and cash equivalents	569,561	756,145	-24.7%	614,631	823,340	-25.3%
Closing balance of cash and cash equivalents	367,481	614,631	-40.2%	367,481	614,631	-40.2%



SANTOS BRASIL

4Q23 | EARNINGS RELEASE

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EARNINGS CONFERENCE CALL

(with simultaneous translation to English and Brazilian Sign Language)

March 21, 2024

10:00 (Brasília) | 9:00 (EST) | 13:00 (London)

Dial-in information:

Zoom: <https://shorturl.at/wxRT5>

Replay:

Recording will be made available on Investor Relations website: ri.santosbrasil.com.br/en

Disclaimer

We make statements on future events that are subject to risks and uncertainties. These statements are based on our Management's beliefs and assumptions and on information to which the Company has current access. Forward-looking statements include information on our current plans, beliefs or expectations, as well as those of the Board of Directors and Executive Officers.

The reservations concerning forward-looking statements include information related to presumed or possible operating results, as well as declarations preceded, followed by, or including such expressions as "believe", "may", "will", "continue", "expect", "forecast", "intend", "plan", "estimate" or similar wording.

Statements and information on the future are not guarantees of performance. They involve risks, uncertainties and assumptions because they refer to future events, thus depending on circumstances that may or may not occur. Future results and the creation of value for shareholders may significantly differ from those expressed or suggested by statements on the future. Many of the factors that will determine these results and values are beyond Santos Brasil control or foresight capacity.