Institutional Presentation

2Q 2020

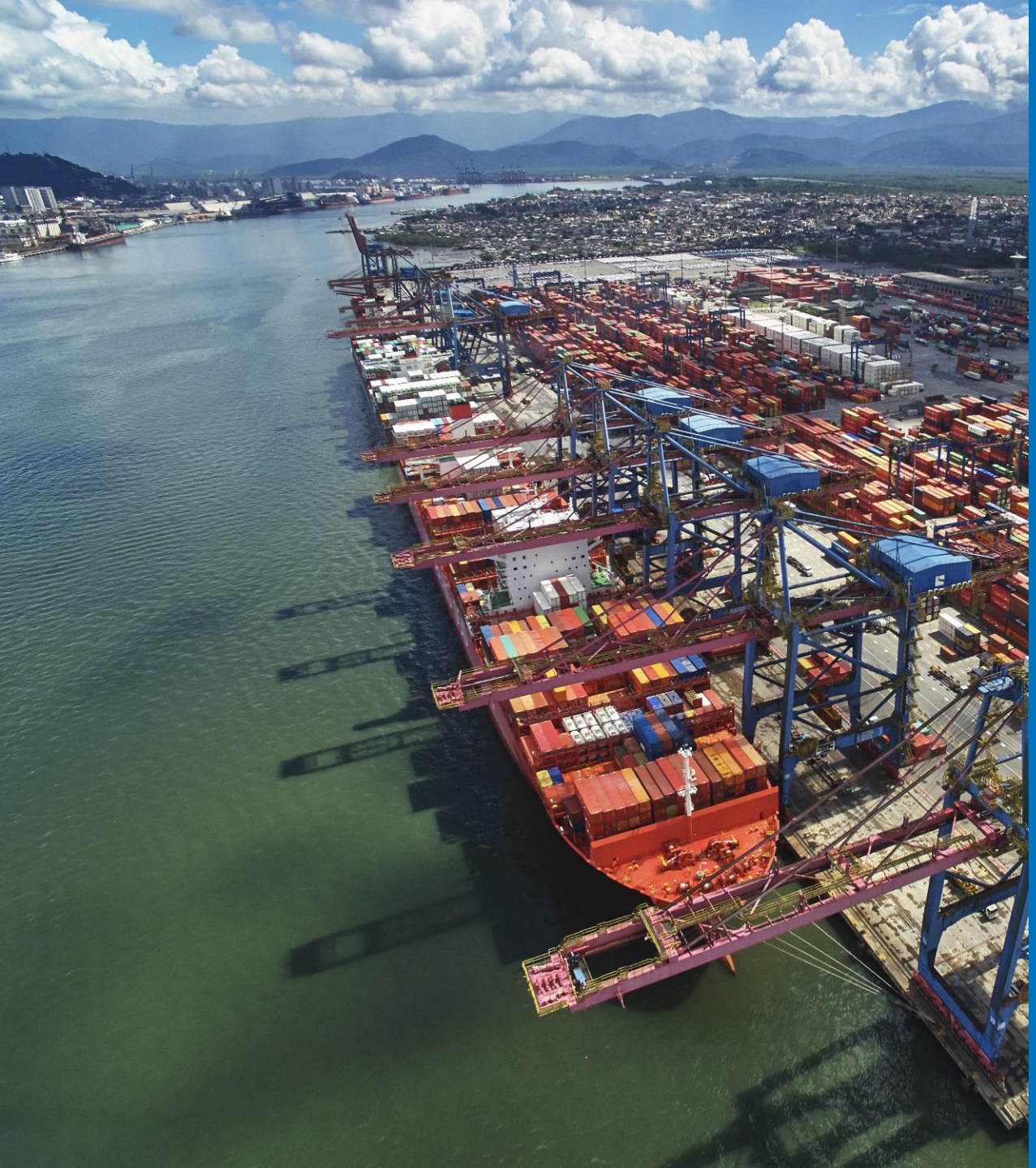
SANTOS BRASIL



STBP3
NOVO MERCADO
BM&FBOVESPA

Content

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SANTOS BRASIL

Environmental, Social e Corporate Governance (ESG)

ESG

ENVIRONMENTAL

- **CO2 emission control** (25% reduction in 6 years)
- **Sustainable water consumption**
- **Waste management**
- **Sustainability Committee**

SOCIAL

- **Work safety and health** (Zero Accident campaign)
- **Social Development** (‘Formare Aprendiz’ program);
- **Individual appreciation** (‘Eu sou voluntário’ program)

GOVERNANCE

- **Transparency** (‘Viva Voz ao Vivo’ – town-hall meetings)
- **Compliance Committee**
- **Independent anonymous tip hotline**
- **Shares listed at ‘Novo Mercado’ - B3**
- **One share, one vote**

Environmental

		2014	2015	2016	2017	2018	2019	2Q19	2Q20
CO2 Emission									
	CO2 Emission (tons)	30,435	30,337	31,437	31,556	32,297	33,515	8,559	6,775
	Port Operation (kgCO2e/TEU[1])	17,32	15,49	15,32	14,85	13,99	13,29	12.51	12.65
	Bonded Warehouses (kgCO2e/TEU)	26,57	27,21	19,81	27,61	25,03	23,62	21.59	23.40
	Truck Transportation (kgCO2e/TEU)	1,03	0,97	1,01	1,02	1,02	1,02	1.04	1.00
	Distribution Center (kgCO2e/TEU)	0,99	1,30	0,63	0,53	0,41	0,36	0.30	0.57
Water									
	Water consuption (m³)	82,611	69,858	84,817	110,041	82,724	74,176	19,449	17,718
	Employees (Own + Fixed third party)	48,645	50,274	48,539	43,587	41,139	42,498	10,494	10,030
	Water consumption (m³) per capita	1,70	1,39	1,75	2,52	2,01	1,75	1.85	1.76
Residues									
	Non-recyclable (tons)	117	119	723	594	627	645	173	129
	Recyclable (tons)	395	156	1,454	1,646	1,552	2,175	408	545
	Total residues (tons)	512	275	2,176	2,239	2,179	2,820	581	674

1. *Twenty-Foot Equivalent Unit* – unit related to a twenty-foot length container;

- ✓ **ESG Report[1] compliant with GRI Standard since 2011;**
- ✓ **20.8% YoY reduction in CO2 Emission in 2Q20;**
- ✓ **Sustainability Committee**
- ✓ **Sustainability Policy**

(1) Website: Santos Brasil - ESG Report

Social

ZEROACIDENTE
Nossa carga mais preciosa é a sua vida.

- ✓ **'ZeroAcidente' (Zero Accident) campaign: dissemination of risk and accident prevention culture;**
- ✓ **34% reduction in the number of accidents in 2019;**
- ✓ **2.616 employees engaged in the 'Safe Attitude Journey';**

Aprendiz FORMARE

- ✓ **10-year anniversary of 'Aprendiz Formare' Education Program in 2019**

  - 13,276 class hours;
  - 271 youngsters graduated;
  - 102 youngsters hired by Santos Brasil;
  - 80 volunteer educators.

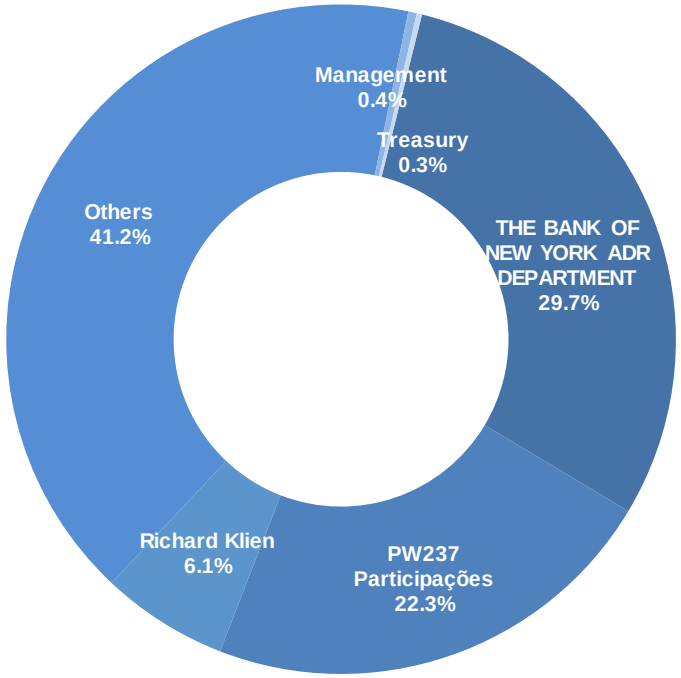
Corporate Governance

"Novo Mercado" listing on B3 – STBP3

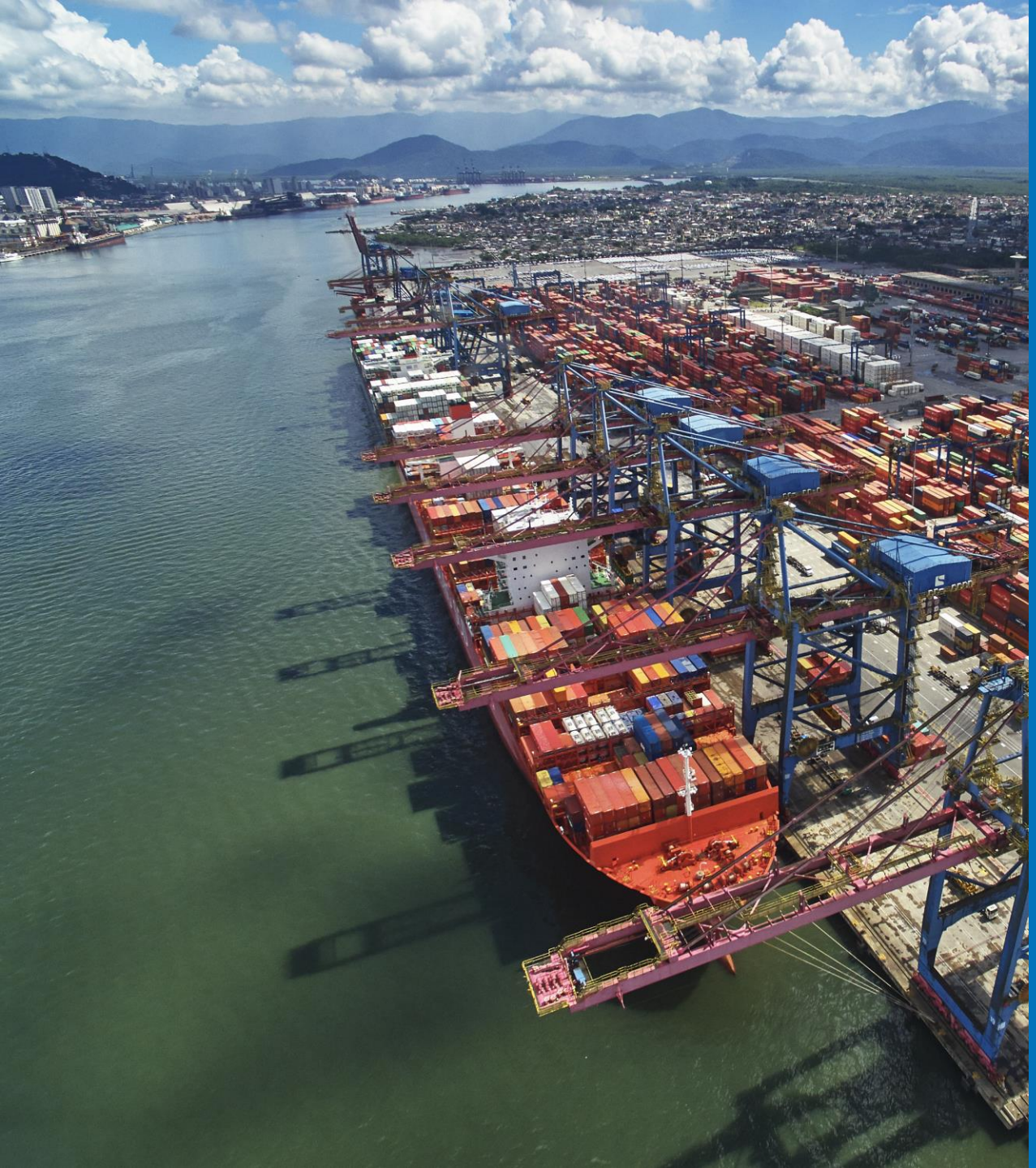
- **100% Tag Along for all minority shareholders**
- **One Share, One Vote (no shareholders agreement)**
- **Board of directors: 7 members formed by shareholders**
- **Permanent Fiscal Board**
- **Compliance Committee**
- **Management:**

  - Stock Options, Performance Shares and Matching for key executives;
  - Compensation program for managers and employees: EBITDA and EVA oriented;
  - Individual performance plans = clear and targets;
  - Progression, promotion and compensation based on meritocracy;

Shareholding Structure (September/2020)



Total of 669,798,378 voting shares
(1) Includes the participation of the fund 'RK Exclusivo FIA'



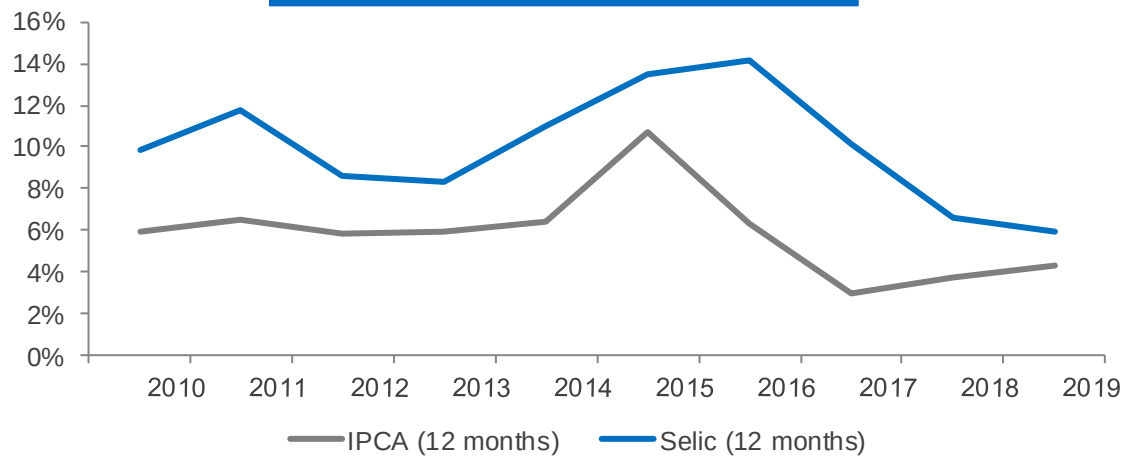
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Macroeconomic Context, Port Sector in Brazil and Its Growth Potential

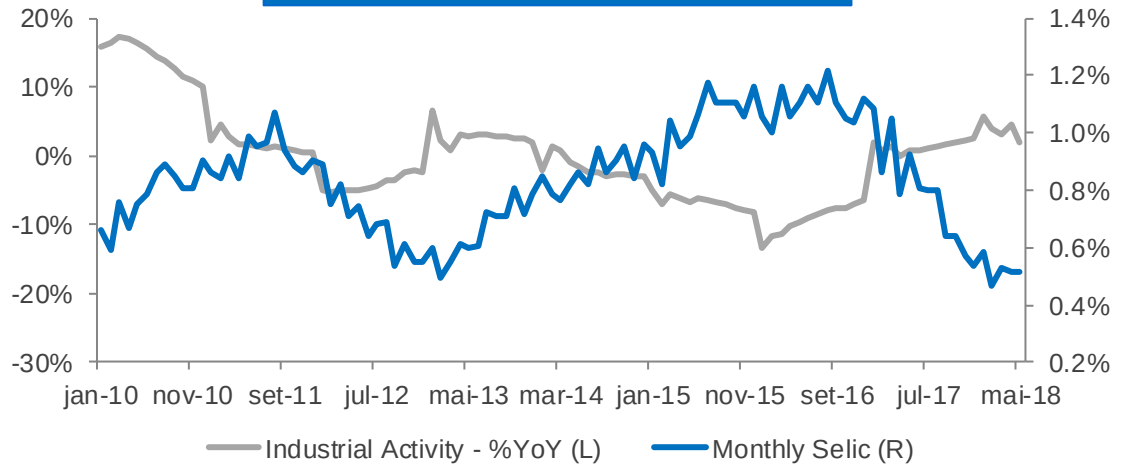
Macroeconomic indicators

Container volume: resiliency amidst slowdown in domestic economy

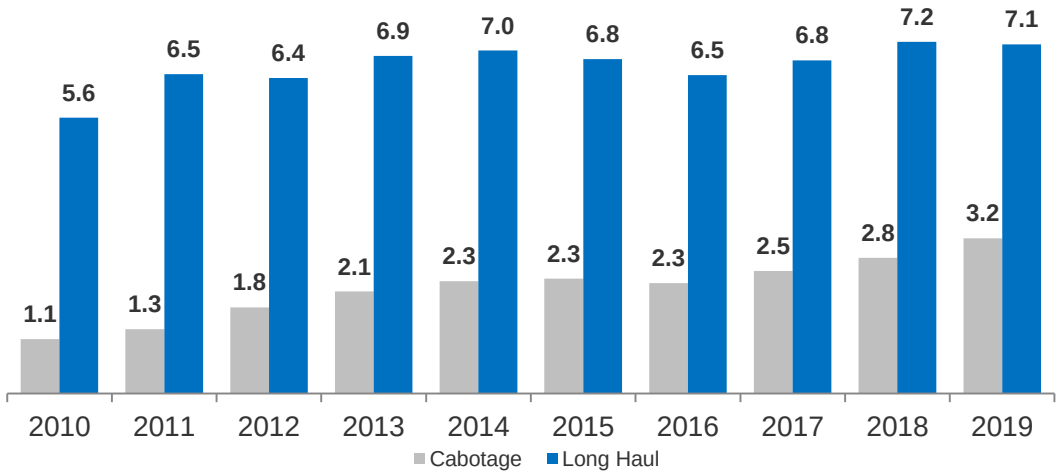
Inflation x Interest Rate



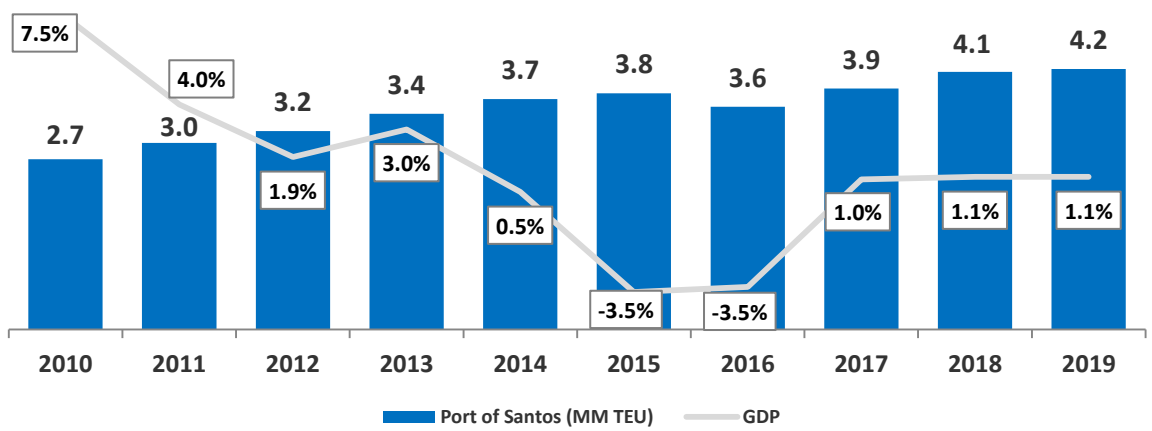
Industrial Activity x Interest Rate



Brazil Container Throughput (MM TEU)



Brazil GDP x Port of Santos Container Throughput (MM TEU)



Source: IBGE, ANTAQ and IPEADATA

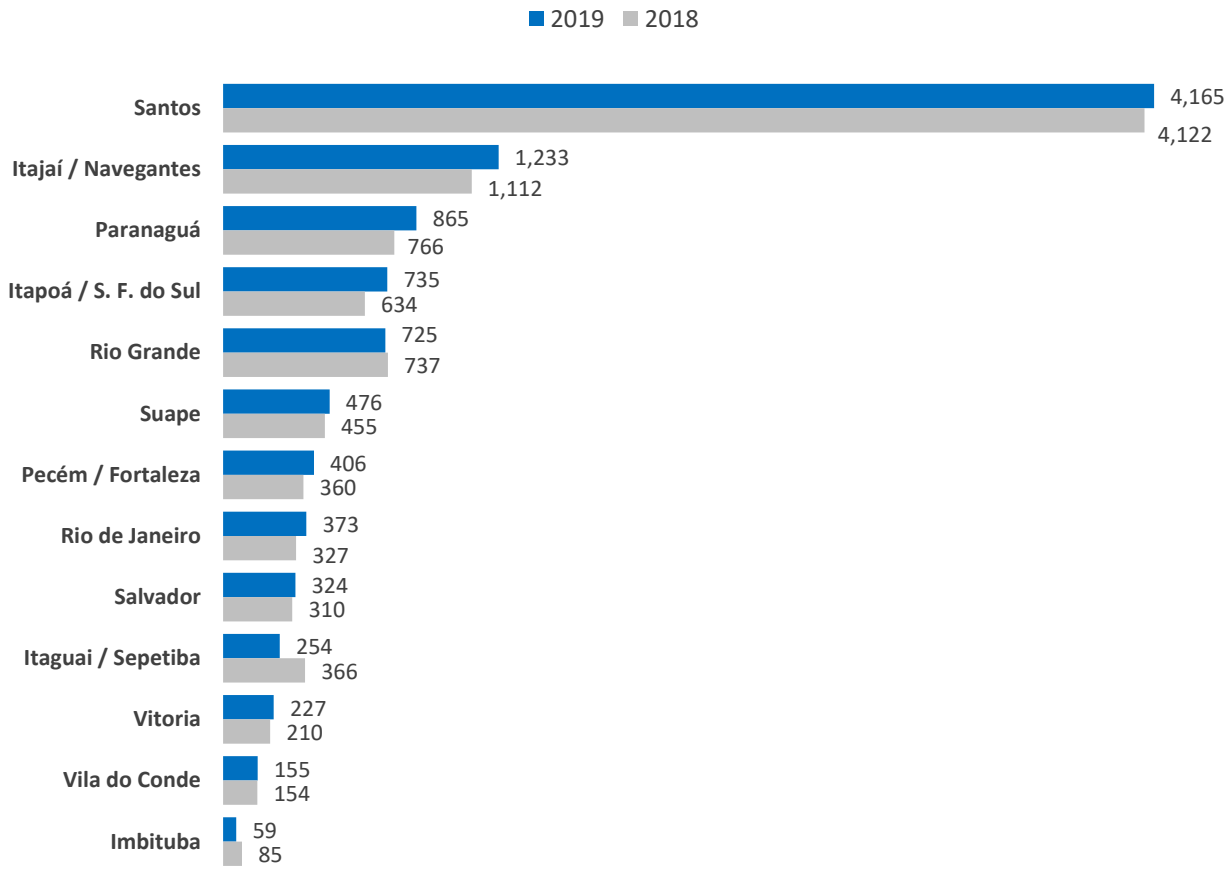
Port sector in Brazil

South and Southeast ports are the largest in volume

	North	Northeast	Southeast	South
% Population	9%	28%	42%	14%
% GDP	6%	15%	53%	17%
% Volume (TEU)	7%	12%	46%	35%



Container throughput - main Brazilian ports ('000TEU)



Source: ANTAQ and IBGE

Upsides in the Brazilian container market

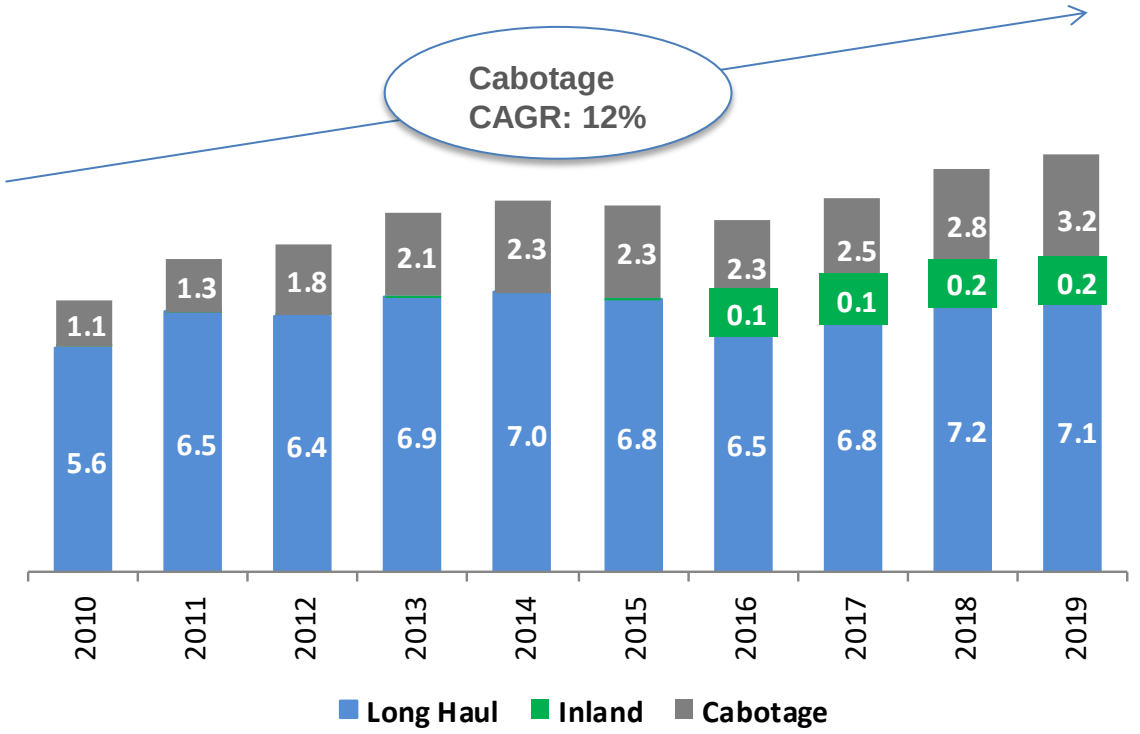
Cabotage (‘*BR do Mar*’)

Cabotage growth drivers

Container transportation through cabotage presented a compounded annual growth rate of 12% in 2010 – 2019 period in Brazil. Some of the main drivers were:

- **Lower logistics costs** compared to road transportation for large TKU (high tonnage and long distances);
- **Diversification** in companies’ logistics chain to reduce the dependence on truck freight;
- **Greater security** in cargo transportation - less accidents, damage and theft - compared to road transport;

Container throughput (million TEU)

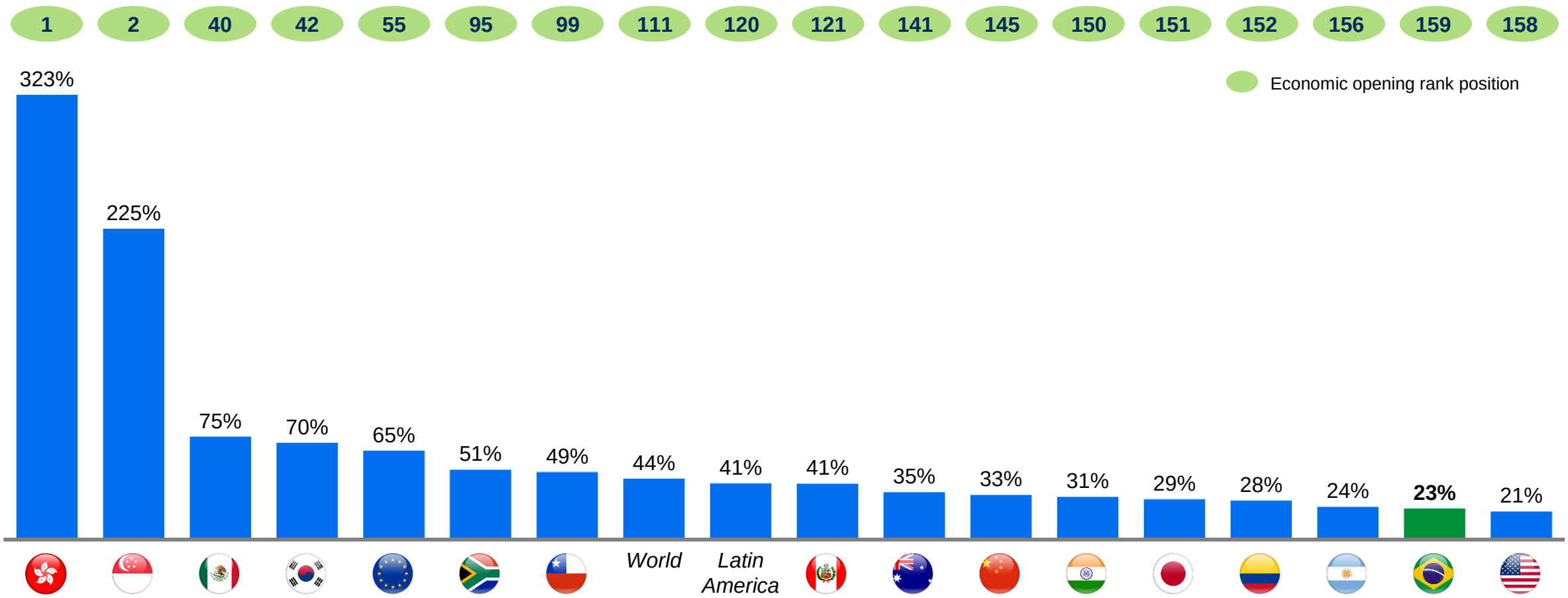


Source: ANTAQ, McKinsey.

Upsides in the Brazilian container market

Wider economic opening

Import + Export / GDP, % (2018)



Source: World Bank, World Trade Service, McKinsey.

Upsides in the Brazilian container market

Low penetration of container transportation in Brazil

Region/Country	2018 Port throughput (MM TEU)	Estimated population in 2018 (MM people)	TEU/'000 people
China	244	1.397	175
UK	10	66	152
North America	68	490	139
Europe	136	1.016	134
World	**784**	**7.447**	**105**
Latin America	48	556	86
Brazil	**10**	**209**	**48**
Russia	5	144	35
Africa	28	1.136	25
India	17	1.327	13

Notes:
- Volume includes transhipment.

Source: Drewry.



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About Santos Brasil

About Santos Brasil

History

1997 — Santos Brasil is founded, and Tecon Santos is acquired in an auction under a 25-year leasing period



2006 — Initial Public Offering

2007 — Mesquita, now Santos Brasil Logística, is acquired



2008 — Tecon Imbituba and Tecon Vila do Conde are acquired

2009 — The Santos Vehicle Terminal - TEV is acquired under a lease



2013 — Tecon Santos operates the vessel with the highest cargo capacity ever to call at the Port of Santos



2015 — Tecon Santos renews its lease for additional 25 years

2016 — Migration to the B3 Novo Mercado

2017 — Tecon Vila do Conde renews its lease for additional 15 years



2018 — Tecon Santos reaches a new productivity record of 243.58 MPH (Moves per Hour)



About Santos Brasil

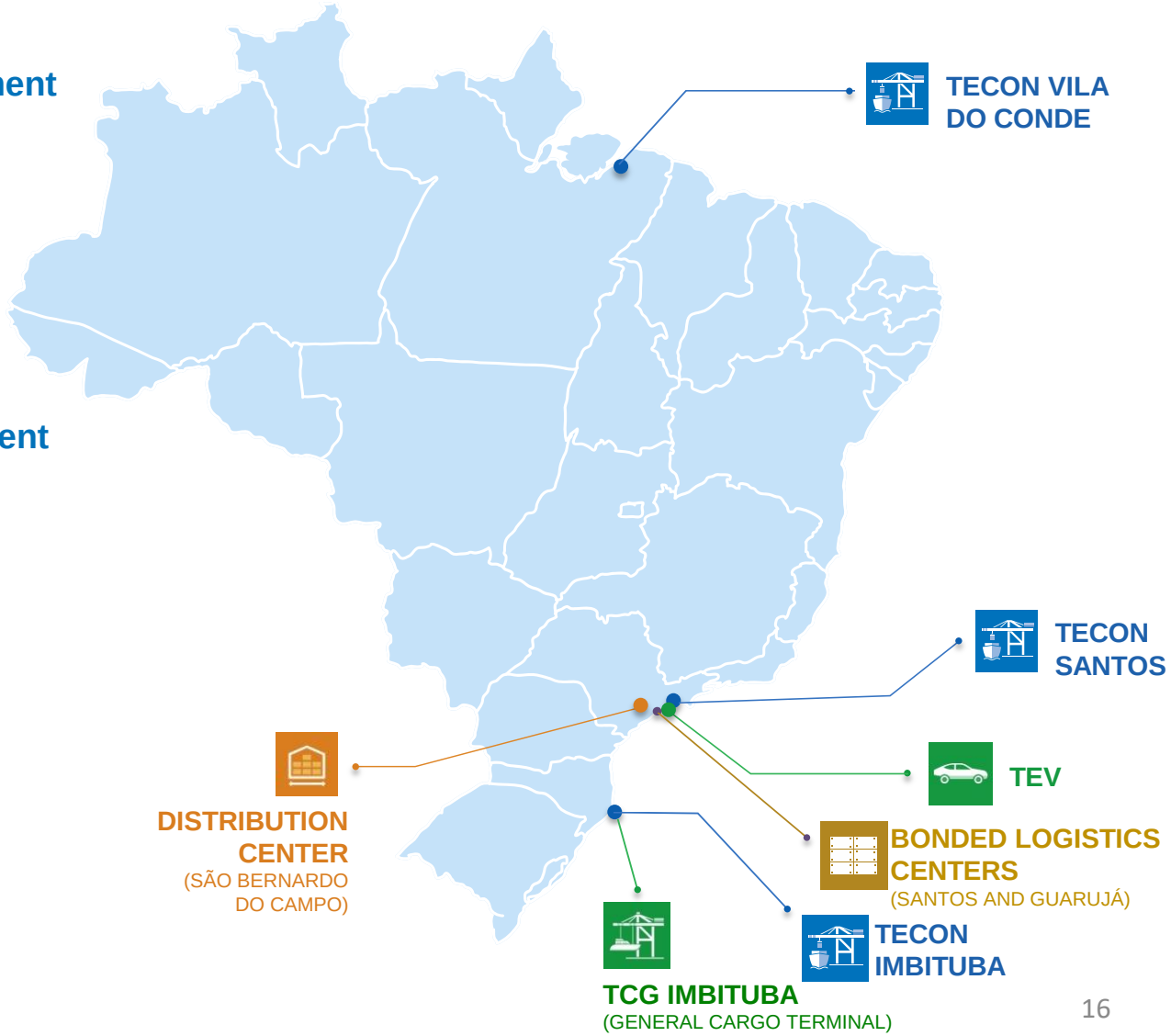
Highlights

- **Publicly-traded company, listed in B3's *Novo Mercado* segment**
- **Five terminals on the Brazilian coast**

  - Three container terminals

  - One vehicle terminal

  - One general cargo terminal
- **Container throughput: 1.87 million TEU (twenty-foot equivalent unit) in 2019**
- **Port-to-Door full logistics solution (SBLog)**
- **18% of the Brazilian container throughput in 2019***



* Source : ANTAQ

About Santos Brasil

Innovation and Technology

Higher productivity, more safety and better customer experience

- **Seal reading with OCR (Optical Character Recognition)**

  - Replaces manually entering container data;

  - Seal reading time reduction from 7 seconds to 1.43 second;

- **Automated Gates**

  - Facial recognition at entrance;

  - Self check in for trucks;

- **ChatBot**

  - Artificial intelligence personal assistant;

  - Optimizing customer and employee attendance service.



Port of Santos Container Terminals

‘Must-call port’ in South America east coast

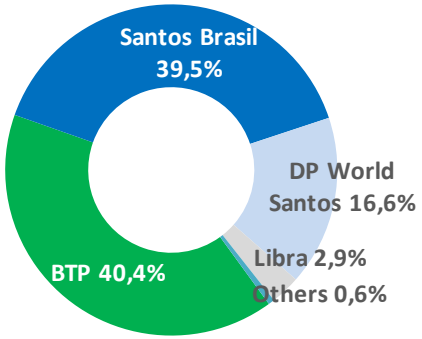
- Largest Port in South America
- > 25% of Brazilian Trade Balance
- Hinterland covers 55% of Brazil’s GDP
- Connected to Brazil’s main roads and railways
- ~90% of São Paulo’s industrial base is located less than 200 kilometers from the Port of Santos



Port of Santos

Tecon Santos' market-share recovery: 39.5% in FY19 vs. 35.4% in FY18

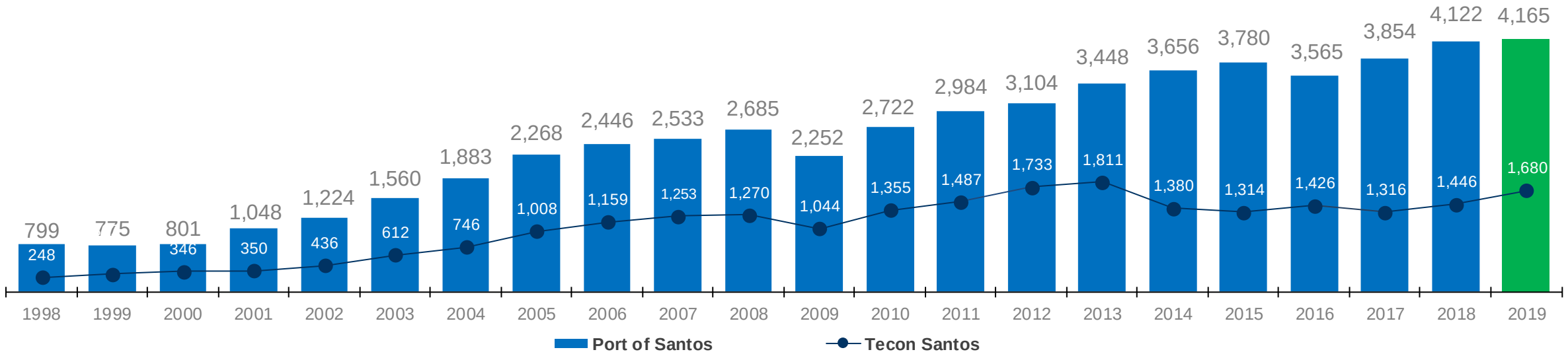
Market share – 2019



Container throughput (TEU x 1,000)

- **2019 x 2018**
  - Port of Santos: -0.3% (+1.0% in TEU)
  - Tecon Santos: +11.3% (+15.6% in TEU)
- **CAGR 1998 – 2019**
  - Port of Santos: 8.2%
  - Tecon Santos: 9.5%

Container throughput (TEU x 1,000)



Source: CODESP and Santos Brasil

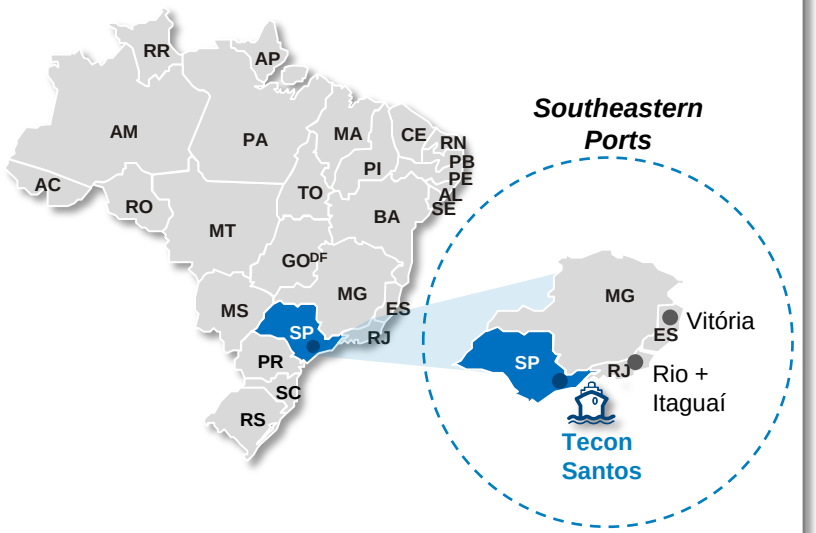

TECON
SANTOS
SANTOS BRASIL
HAMBURG SÜD
HAMBURG SÜD

Tecon Santos

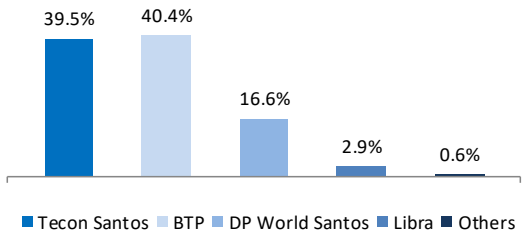
Best solution for containers in South America

- Lease contract renewed until 2047
- CapEx cycle already started: c.R$1.5 billion to be invested in expansion and automation
- Connected to Brazil's main roads and railways
- 4 internal railway tracks
- Automated access gates
- Equipment 100% GPS-controlled

Geographic Footprint



Market Share 2019



Tecon Santos

Infrastructure and other information





General data

- Depth: 13.5m
- Quayline extension: 980m + 310m (TEV)
- Area: 596,000 sqm
- Annual capacity: 2,000,000 TEU

Allows Post-Panamax vessels to dock at the Port

Security

- Scanner (non-invasive inspection)
- Surveillance cameras
- Restricted access

Equipment	#
Ship-to-Shore	13
MHC	1
Reach Stackers	12
RTG	46

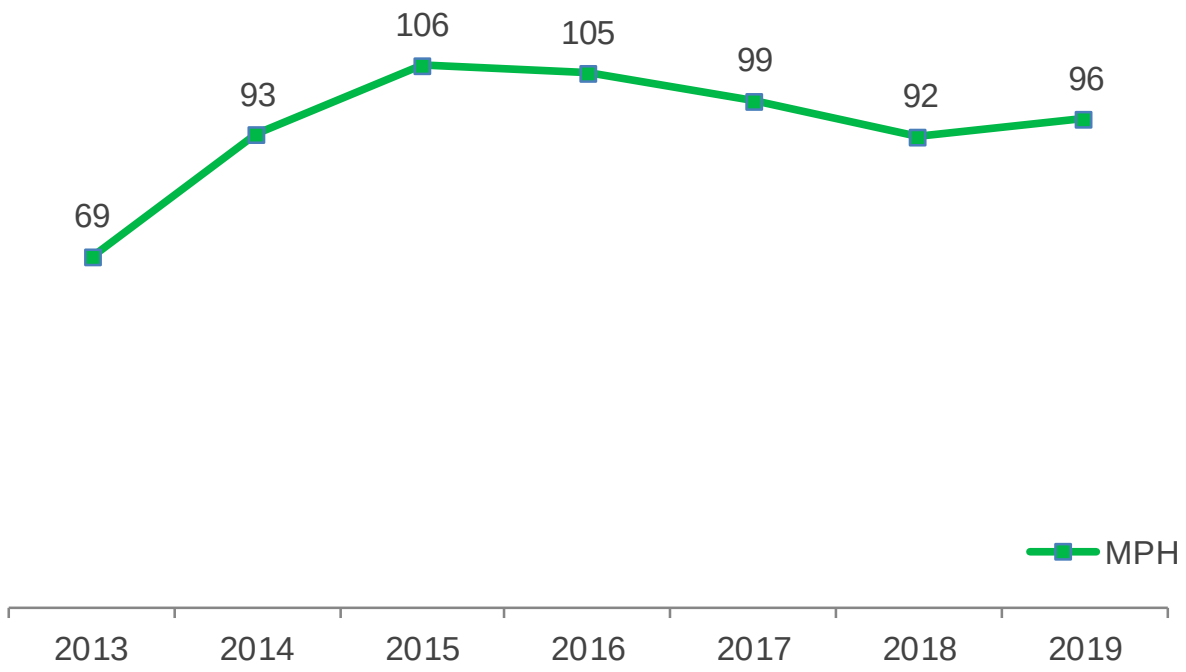


Tecon Santos

R$ 3.0 billion[1] invested to upgrade and expand the terminal

- **High Productivity - movements per hour per vessel (MPH)**

Monthly Average in 2019
96 MPH



Tecon Santos in 1997: 11 MPH



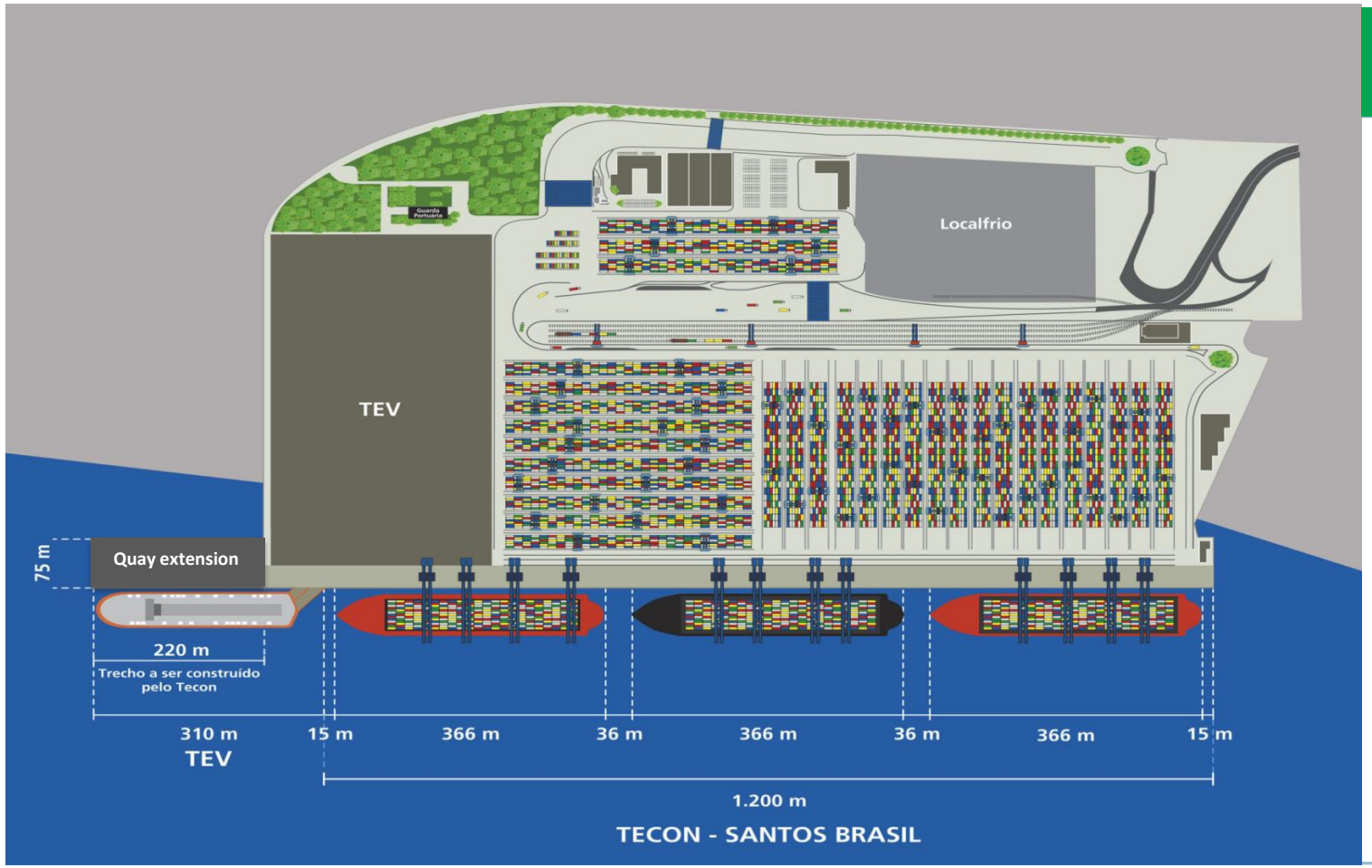
Tecon Santos in 2019: 96 MPH



(1) IGP-M inflation adjusted

Tecon Santos

Investment cycle in progress: cutting-edge technology, modern layout



NEW LAYOUT

Automation

Focus on efficiency

New Capacity

2,400,000 TEU

Estimated CapEx

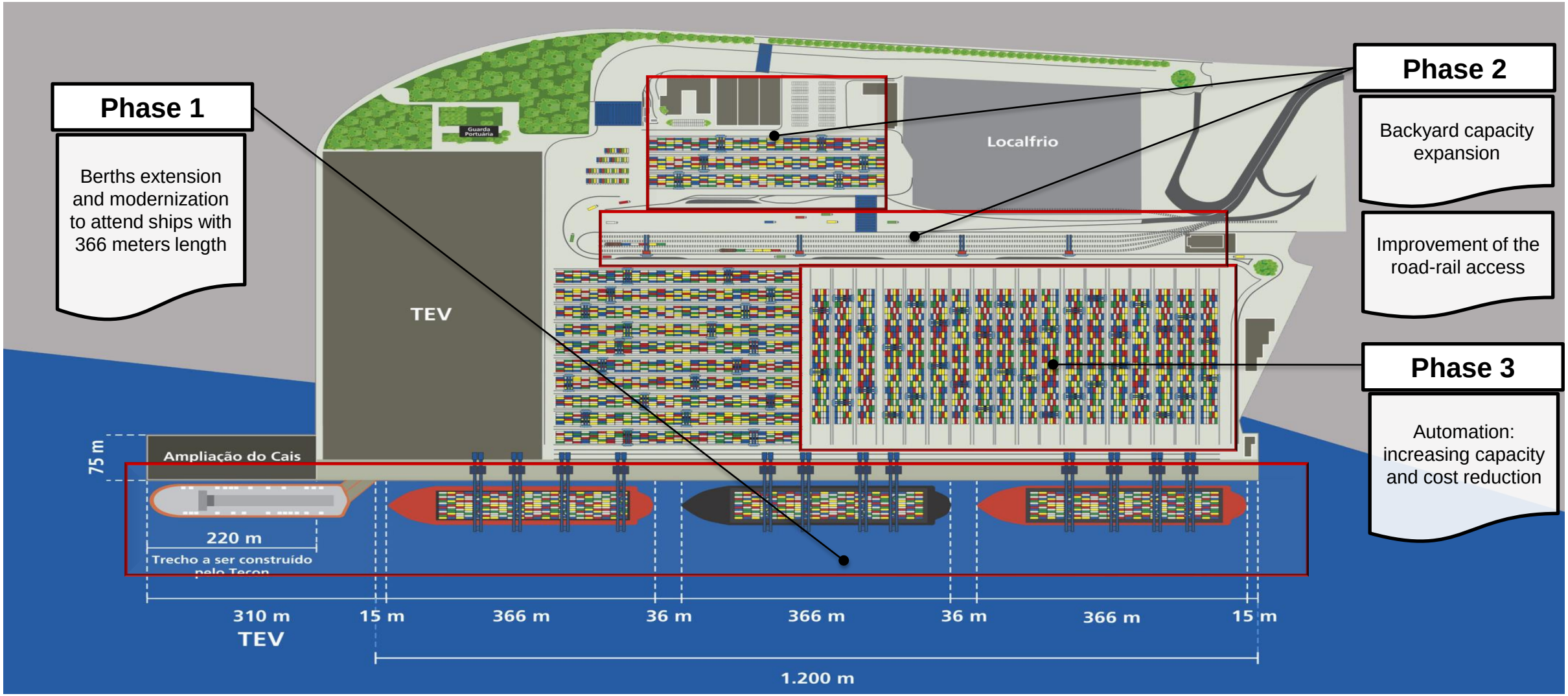
R$ 1.5 billion

Investments in 2018/2019

R$ 128 million

Tecon Santos

Phases of the project



TECON IMBITUBA

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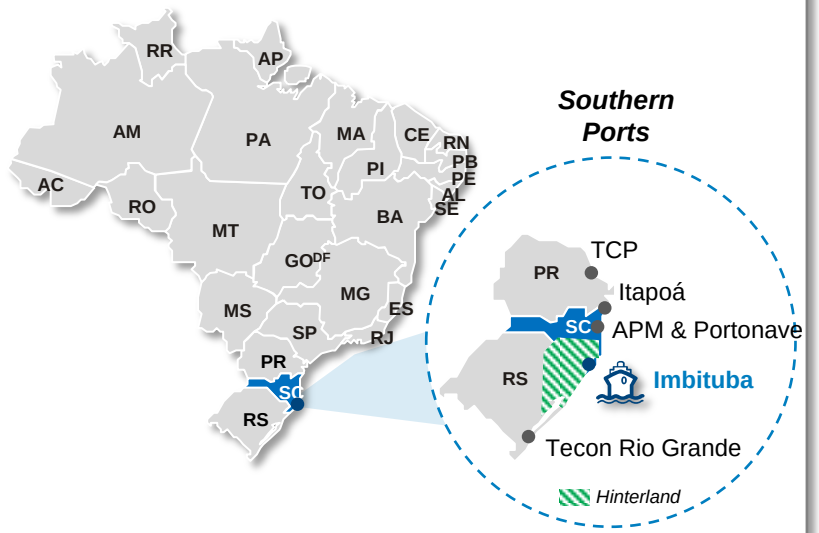


Tecon Imbituba

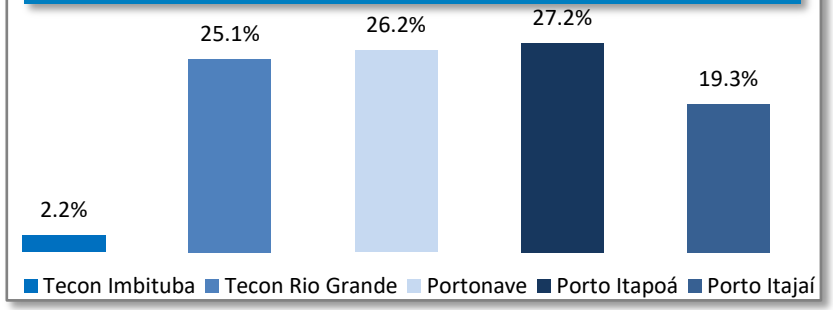
Strategic Location at Southern Region, with developed logistical access

- **14.5m draft: port terminal ready to receive 366-meter-length Super-Post-Panamax vessels**
- **Close to Santa Catarina and Rio Grande do Sul industrial zones**
- **25-year lease contract (starting in 2008), with a renewal option for additional 25 years**
- **Beneficiary of adjacent infrastructure projects:** widening of BR-101 federal highway and the construction of Coastal Railway ("Ferrovia Translitorânea")
- **Favorable meteorological conditions and 24-hour access**
- **Container and general cargo operations**
- **One-stop-shop: ship, DEPOT and container freight station (CFS) operations**

Geographic Footprint



Market Share 2019



Tecon Imbituba

Infrastructure and other information





General data

Depth: 15.0m

Quayline extension: 660m

Area: 207,000 sqm

Annual Capacity: 450,000 TEU

Allows Super-Post-Panamax vessels to dock at the Port

Security

Scanner (non-invasive inspection)

Surveillance cameras

Restricted access

Equipment	#
Ship-to-Shore	2
MHC	2
Reach Stackers	8

STS



MHC



Reach Stacker



Tecon Imbituba

Potential for volume increase

- **Tecon Imbituba and its peer terminals (Itajaí/Navegantes and Rio Grande) are equidistant from the industrial zones and the consumption centers in the Southern region**

Agricultural Export Zone

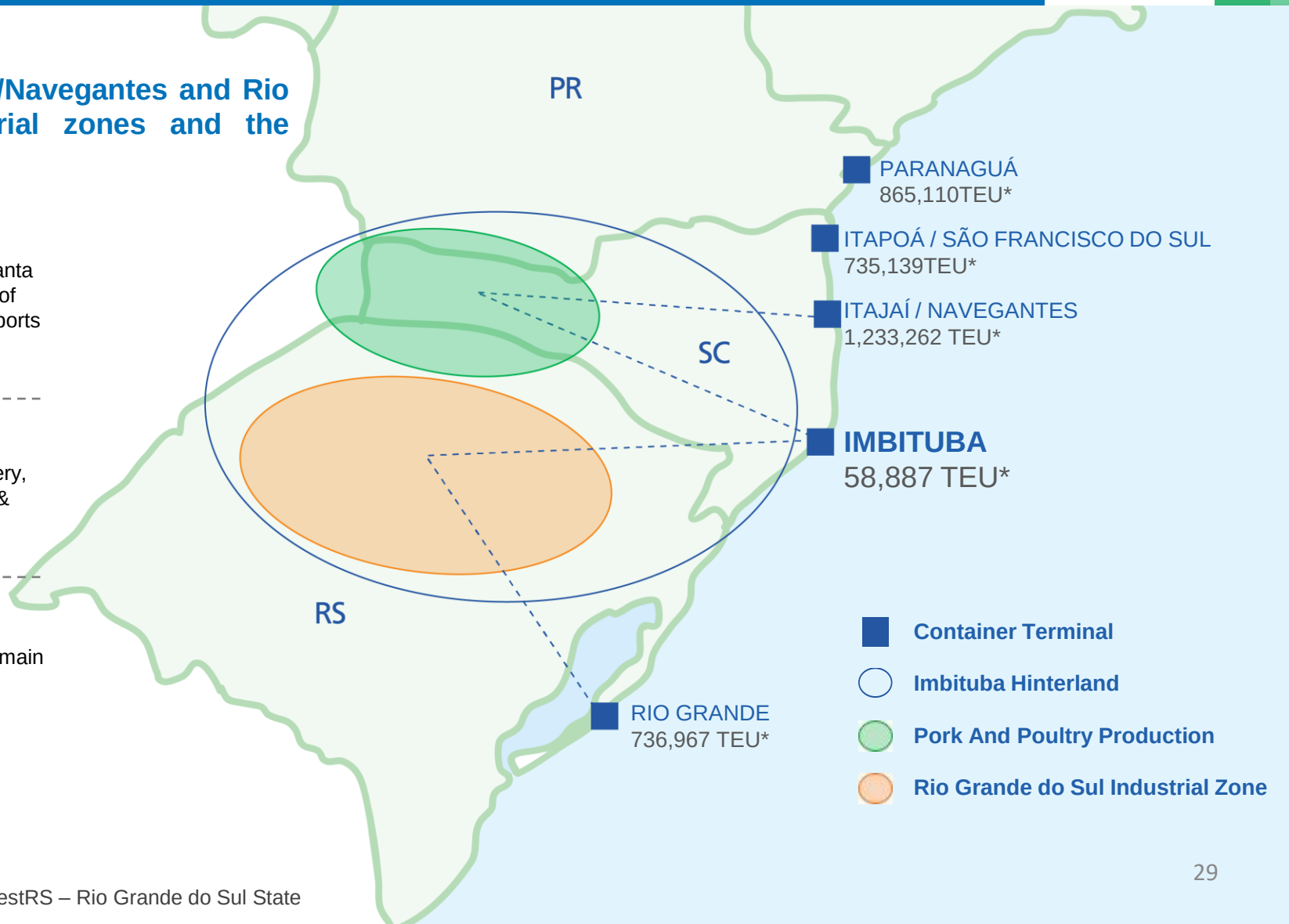
✓ The states of Rio Grande do Sul and Santa Catarina together accounted for 50.4% of Brazilian chicken and 70.6% of pork exports in 2018(1)

Industrial Cluster

✓ Rio Grande do Sul holds the largest concentration of biodiesel, tobacco, automation, agricultural & road machinery, wine, trailers & car bodies, and leather & footwear producers / manufacturers in Brazil(2)

Premium Logistics

✓ Premium transportation logistics with 2 main roads and railways under construction



* Source: Volume in 2019 (ANTAQ)

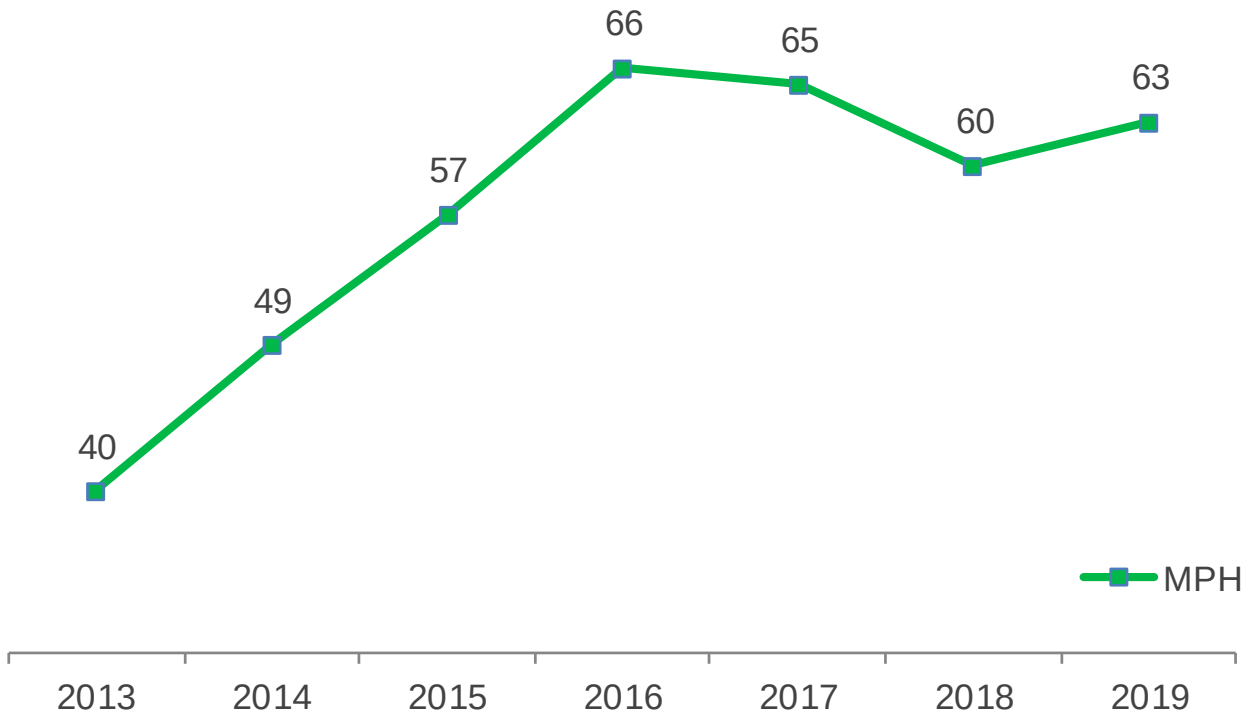
(1) Brazilian Association of Animal Protein 2019 Annual Report; (2) InvestRS – Rio Grande do Sul State

Tecon Imbituba

R$ 965 million(1) invested since 2008

- **Improving Productivity - movements per hour per vessel (MPH)**

Montlhy Average in 2019
63 MPH







(1) IGP-M inflation adjusted. Includes investments in Imbituba General Cargo terminal

TECON VILA DO CONDE

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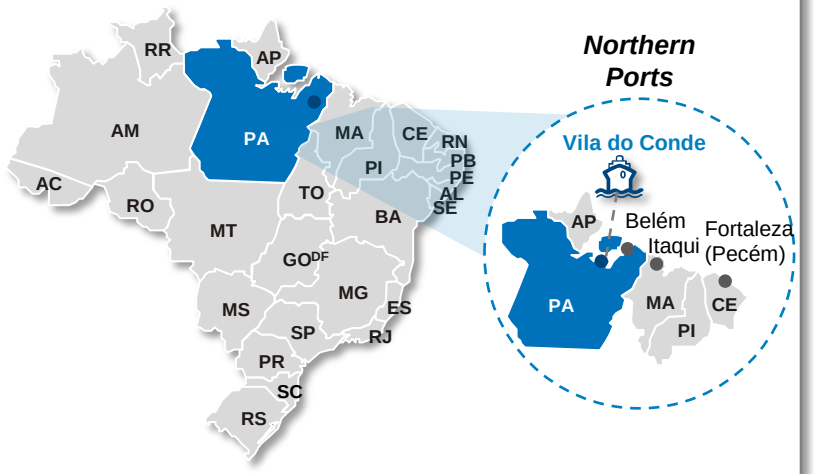


Tecon Vila do Conde

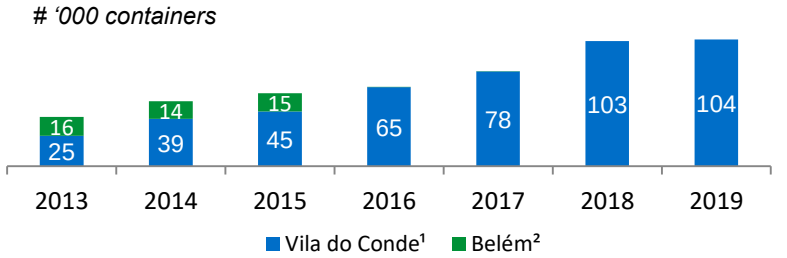
Located in the delta of Amazon River

- Located in the North region of Brazil, with no physical constraints to receive long haul vessels
- Dominant container terminal in Pará state, well connected to other Brazilian ports via cabotage
- Connected to all continents, directly, through Caribbean hub ports and Panama Canal
- Offers container stuffing and unstuffing services, as well as refrigerated warehousing
- Capacity expanded in 2018: investments in new equipment and infrastructure modernization
- Lease contract recently renewed for an additional 15-year period (by 2033)
- Important commodity export hub in the region (e.g. timber, frozen meat, pepper, agricultural products, metals, minerals and fruits)

Geographic Footprint



Market Share 2019



(1) Santos Brasil; (2) ANTAQ;

Tecon Vila do Conde

Infrastructure and other information





General data

Depth: 13.5m

Quayline extension: 254m

Area: 86,615 sqm

Annual Capacity: 217,000 TEU

Allows Post-Panamax vessels to dock at the Port

Security

Scanner (non-invasive inspection)

Surveillance cameras

Restricted access

Equipment	#
MHC	3
Reach Stackers	11

MHC



Reach Stacker



Tecon Vila do Conde

North Region: inland waterway cargo transportation



Tecon Vila do Conde

Recent upgrade and capacity expansion to 217,000 TEU annual capacity











TEV - Vehicle Terminal

Largest vehicle terminal in Brazil

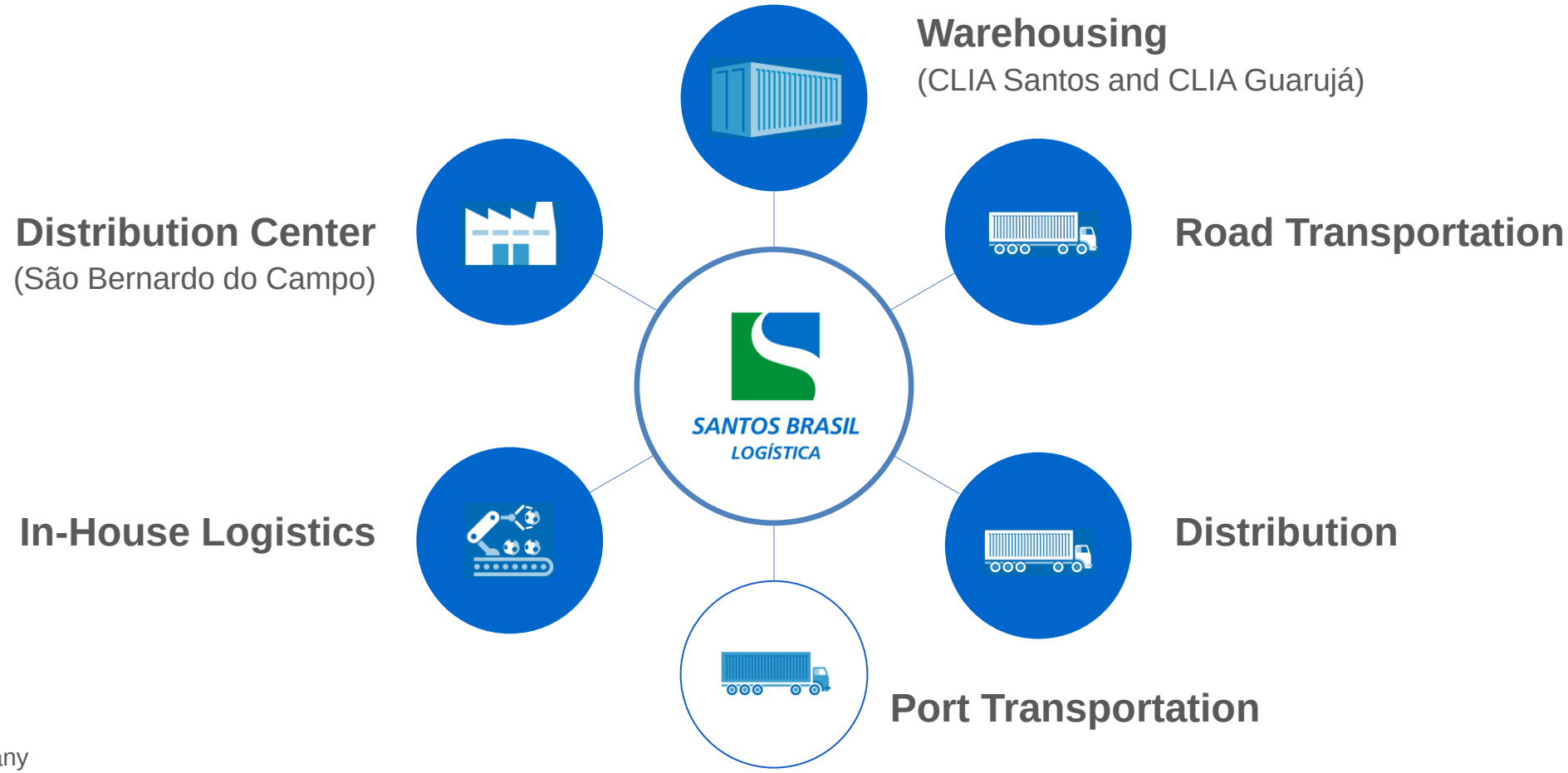
- **Neighbor to Tecon Santos**
- **Handling of different types of cargo:** trains, dismantled industrial plants, power transformers, dismantled machinery, large sculptures etc
- **Annual capacity: 300,000 vehicles**

  - Quay line extension: 310 meters
  - Static capacity: 10,000 vehicles
  - FY19 throughput: 177,699 vehicles
  - Total area: 164,000 sqm



Santos Brasil Logística (SBLog)

Business units



Intercompany

External clients

Santos Brasil Logística (SBLog)

3PL vertical integration

- **Synchronizing maritime transportation with exporters' and importers' supply chain**
- **Increase customers' competitiveness providing Taylor-made logistics services**
- **Scope of provided services**
  - ✓ Receiving
  - ✓ Inventory management
  - ✓ Picking
  - ✓ Expedition
  - ✓ Transportation
- **Infrastructure**
  - ✓ CLIA Santos (bonded warehouse - 64,755 sqm in total area)
  - ✓ CLIA Guarujá (bonded warehouse - 52,900 sqm in total area)
  - ✓ Distribution Center in São Bernardo do Campo (105,000 sqm in total area)
  - ✓ Truck fleet (~130 vehicles)



Main clients

Port terminals and Logistics

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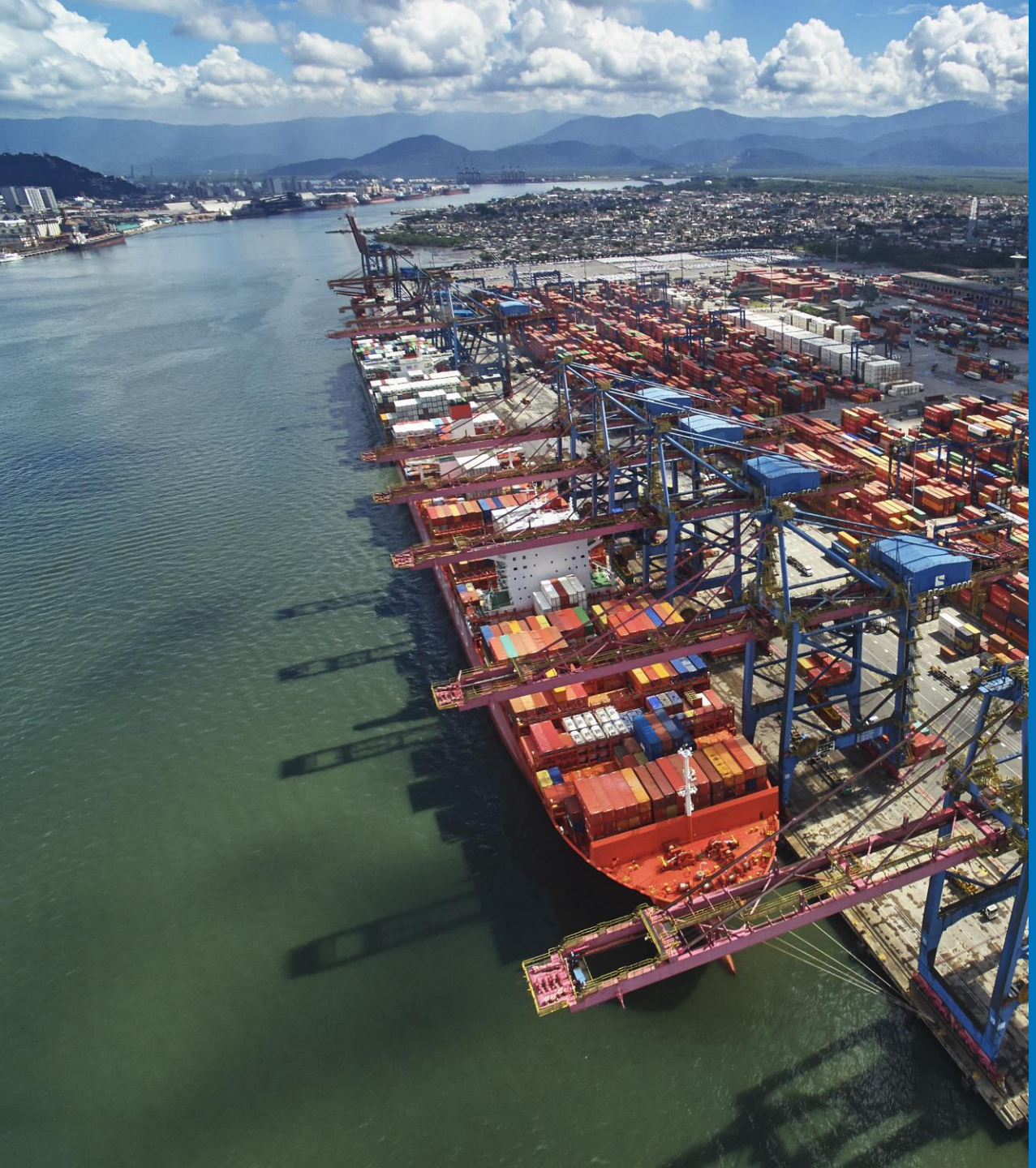










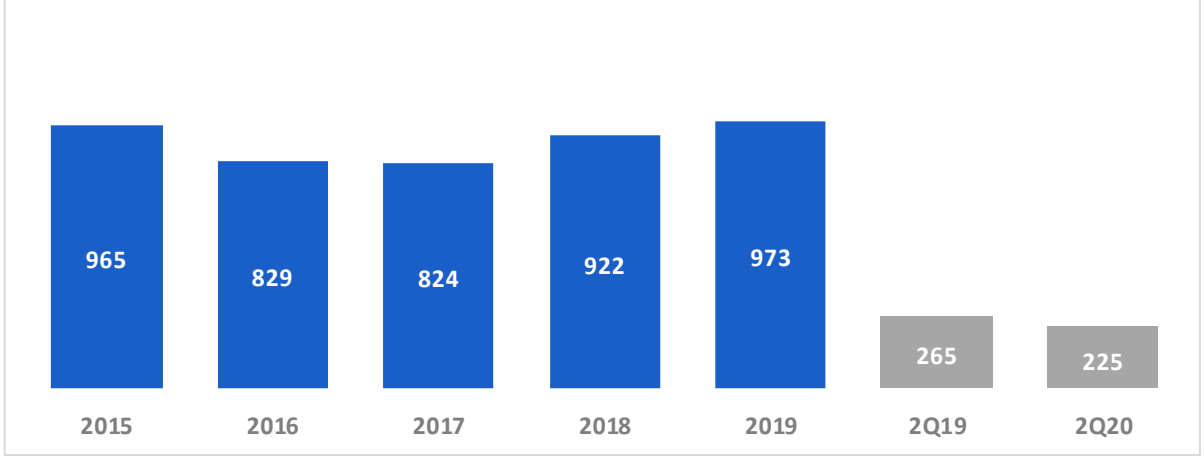


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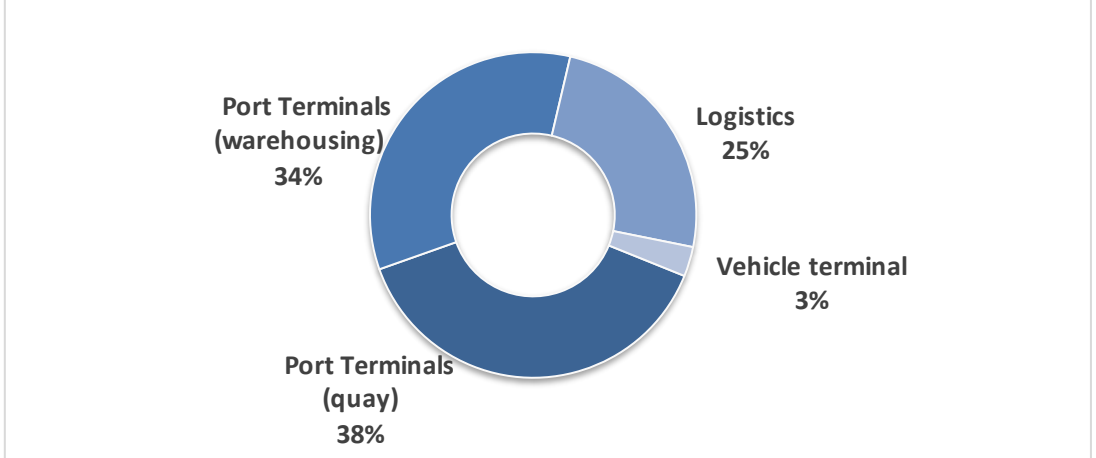
Financial Highlights

Financial Highlights

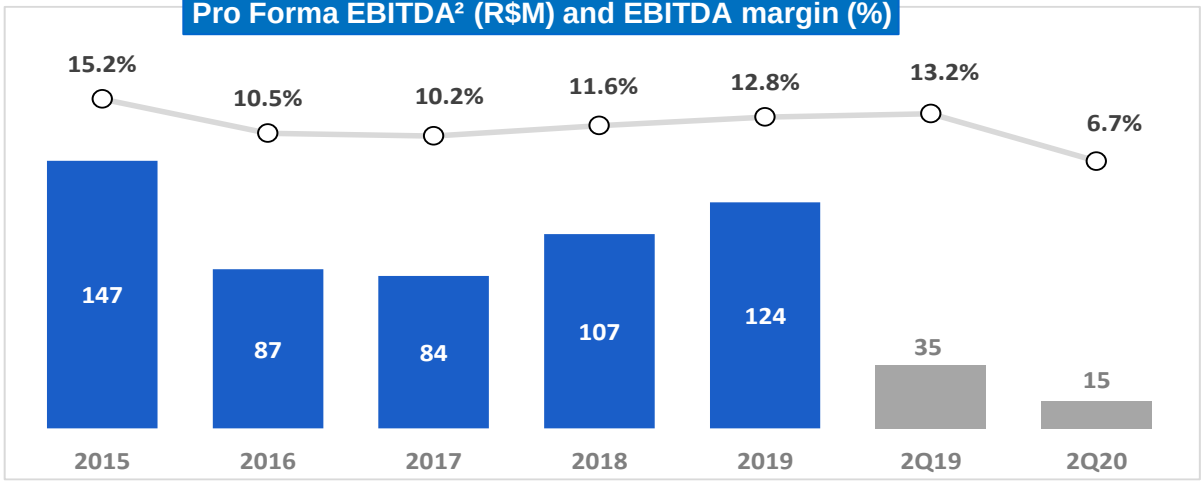
Net Revenue (R$M)



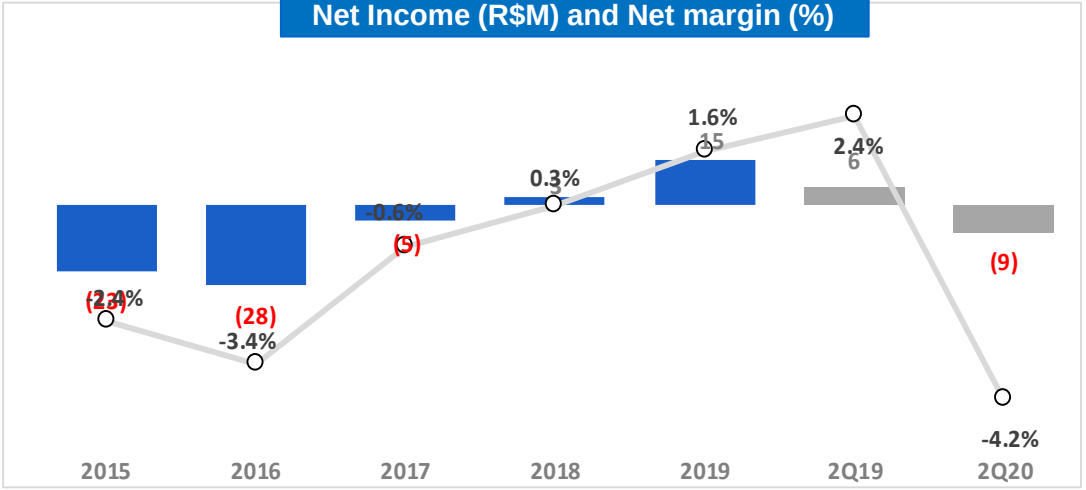
Net Revenue Breakdown (2Q20)



Pro Forma EBITDA² (R$M) and EBITDA margin (%)



Net Income (R$M) and Net margin (%)

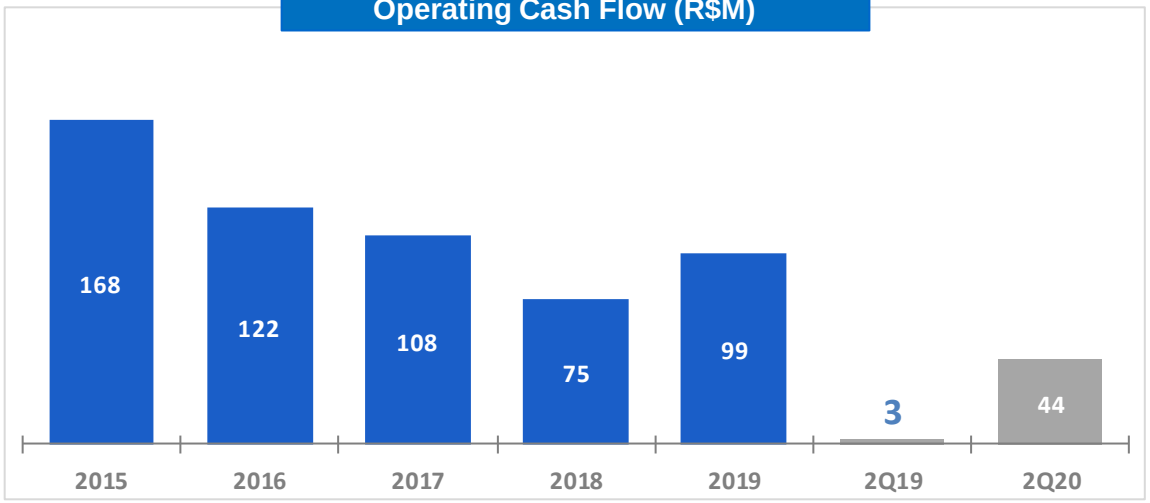


(1) Does not consider intracompany eliminations;
(2) Pro-forma EBITDA adds leasing and rent expenses;

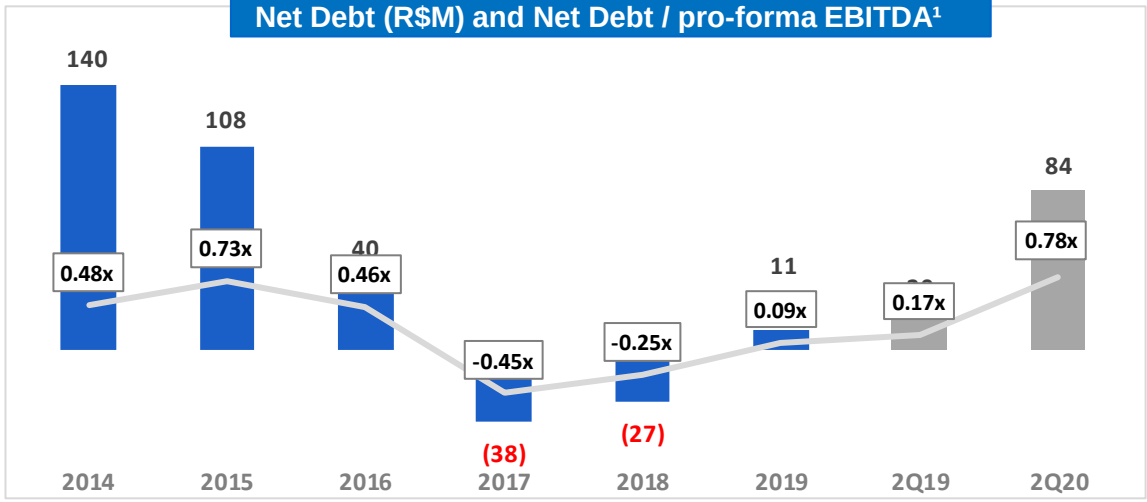
Debt Leverage and Cash Flow

S&P – Corporate rating in national scale: brAAA

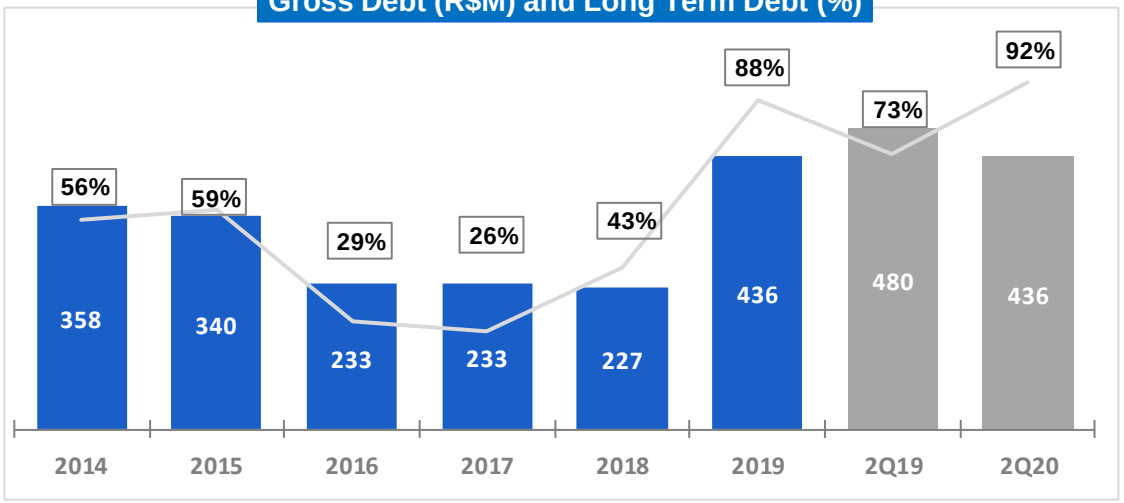
Operating Cash Flow (R$M)



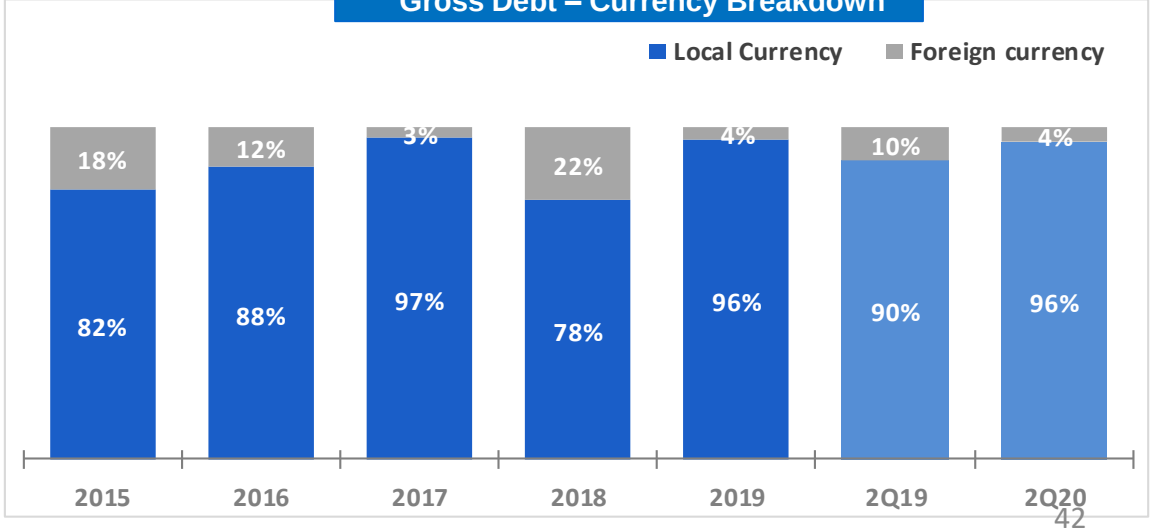
Net Debt (R$M) and Net Debt / pro-forma EBITDA[1]



Gross Debt (R$M) and Long Term Debt (%)



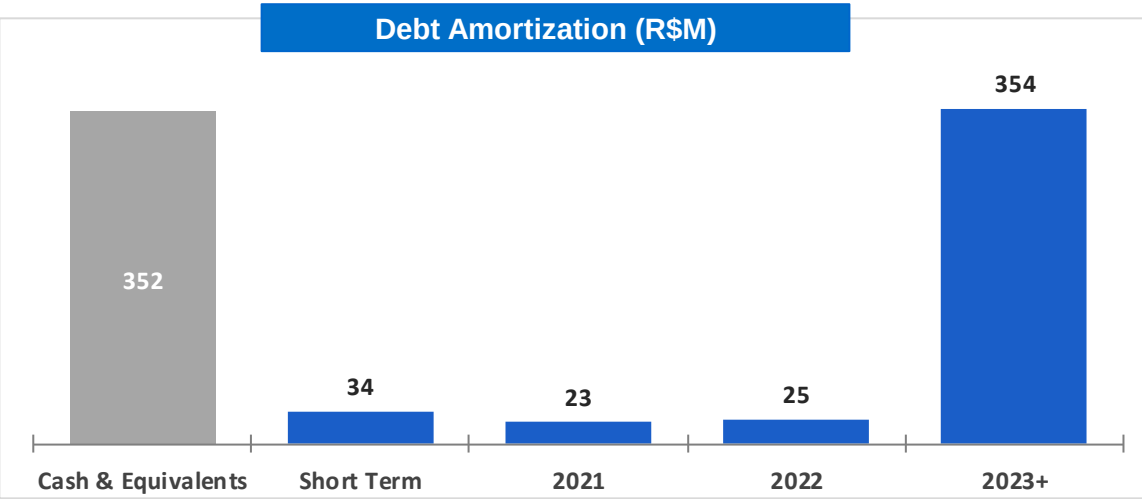
Gross Debt – Currency Breakdown



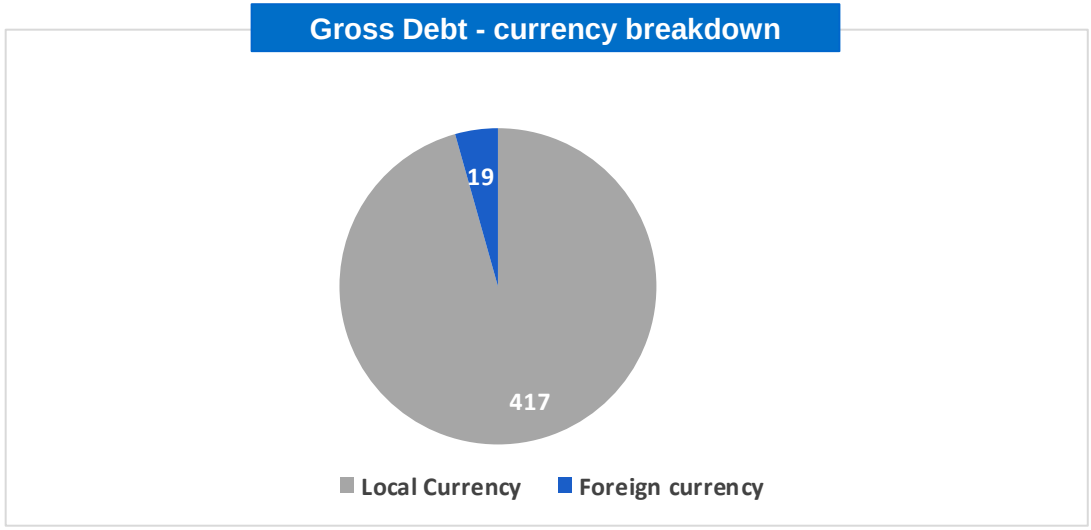
(1) Last-twelve-month pro-forma EBITDA;

Debt highlights and financial ratios

Net debt of R$ 83.9 million in 06/30/2020



Debt	Currency	Outstanding (R$M)	%
NCE	BRL	60.1	13.8%
Finimp	USD/EUR	19.0	4.4%
Finame	BRL	1.8	0.4%
Debentures	BRL	355.0	81.4%
Total		**435.9**	**100.0%**



Financial indicators – 2Q20		
Debt leverage	0.78x	net debt / pro-forma EBITDA LTM
Coverage ratio	1.3	pro-forma EBITDA LTM / interest expenses LTM
Current ratio	2.1	current assets / current liabilities
Quick ratio	2.0	(current assets - inventories) / current liabilities
Cash ratio	1.4	cash & equivalents / current liabilities

Investments

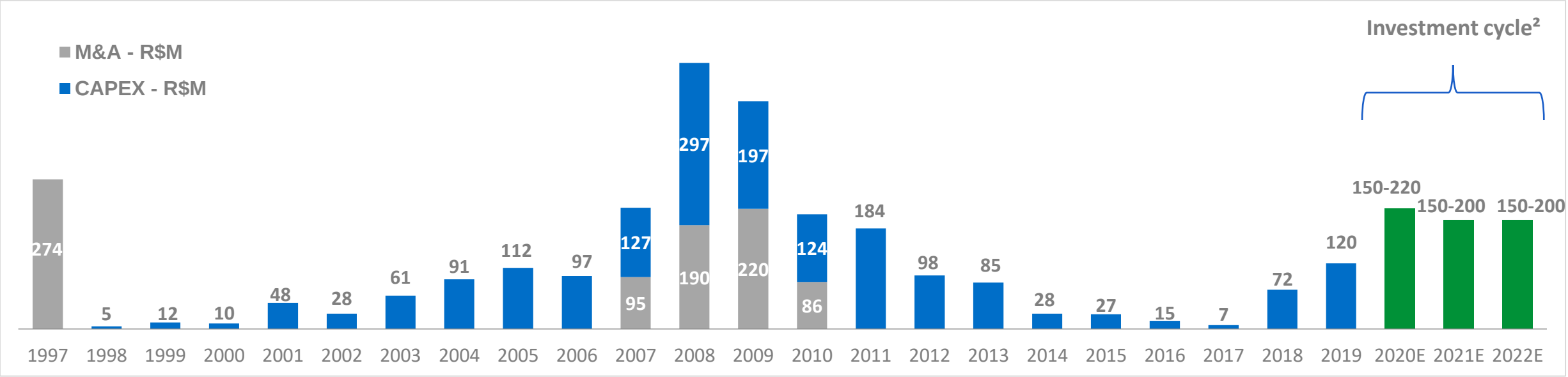
R$ 5 billion(1) in 22 years

M&A

- **1997 –** Tecon Santos bidding
- **2006 –** Santos Brasil IPO
- **2007 –** Santos Brasil Logística acquisition
- **2008 –** Tecon Imbituba bidding & Tecon Vila do Conde acquisition
- **2009 –** Vehicles terminal bidding

CAPEX

- **2004/2006** – Tecon Santos first expansion
- **2008/2010** – Tecon Santos second expansion
- **2008/2011** – Tecon Imbituba expansion
- **2018/2019 –** Tecon Santos and Tecon Vila do Conde capacity expansion and infrastructure upgrade

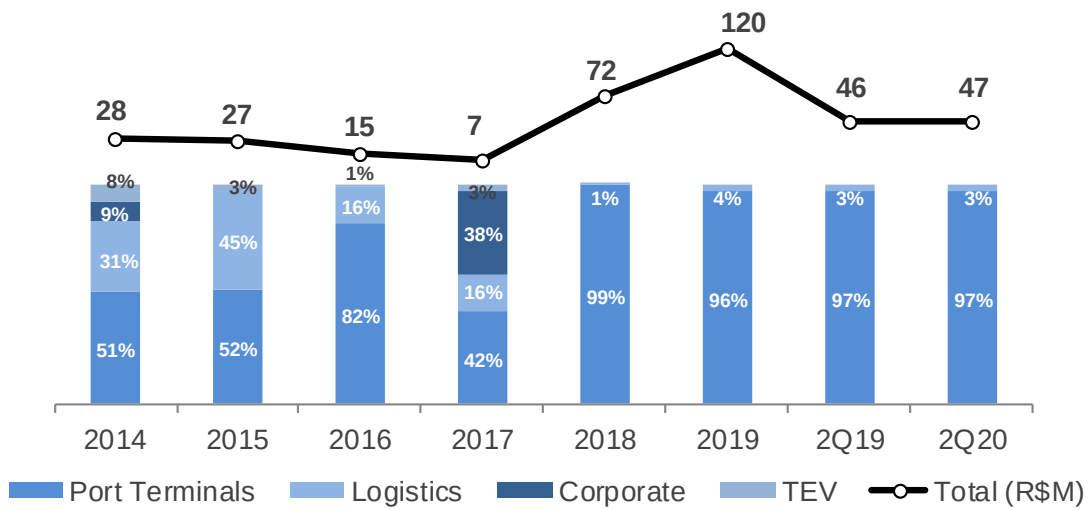


1. IGP-M inflation adjusted; 2. Company's projection.

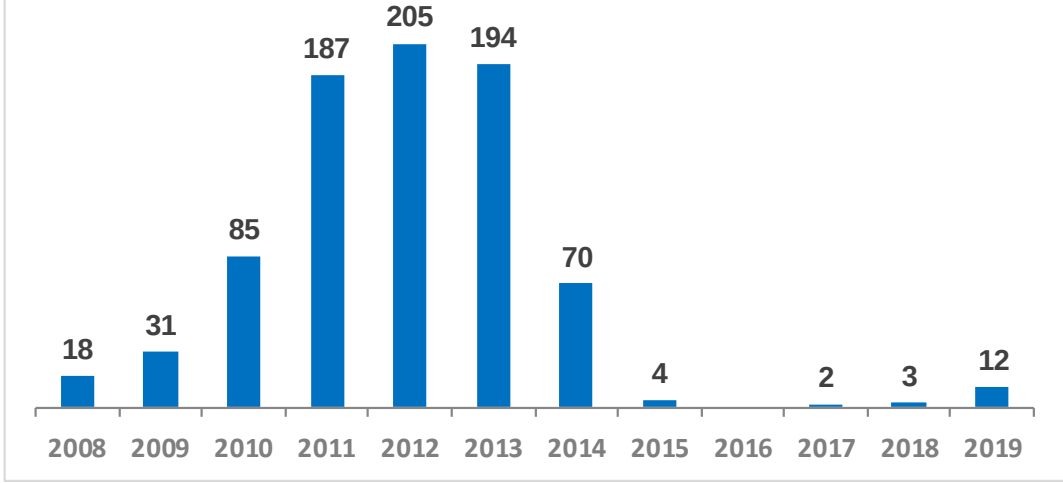
CapEx and Dividends

R$ million

Capital Expenditures



Dividends and Interest on Equity paid



IR contact, Web and Social Medias

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Índice de Ações com Governança Corporativa Diferenciada IGC

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