

Quarterly Financial Information - ITR

Santos Brasil Participações S.A. and Subsidiaries

September 30, 2021

Contents

Company Information

Capital Composition	1
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Individual Financial Statements

Statement of Financial Position - Assets	2
Statement of Financial Position - Liabilities.....	3
Statement of Profit or Loss	5
Statement of Comprehensive Income (Loss).....	6
Statement of Cash Flows (Indirect Method).....	7
Statement of Changes in Shareholders' Equity	
Statement of Changes in Shareholders' Equity - 01/01/2021 to 09/30/2021.....	9
Statement of Changes in Shareholders' Equity - 01/01/2020 to 09/30/2020.....	10
Statement of Value Added.....	11

Consolidated Financial Statements

Statement of Financial Position - Assets	12
Statement of Financial Position - Liabilities.....	13
Statement of Profit or Loss	15
Statement of Comprehensive Income (Loss).....	16
Statement of Cash Flows (Indirect Method).....	17
Statement of Changes in Shareholders' Equity	
Statement of Changes in Shareholders' Equity - 01/01/2021 to 09/30/2021.....	19
Statement of Changes in Shareholders' Equity - 01/01/2020 to 09/30/2020.....	20
Statement of Value Added.....	21
Comments on Performance.....	22
Notes.....	32
Comments on the Behavior of Business Projections	92
Other Information the Company Deems to be Relevant.....	93

Opinions and Statements

Special Review Report - Unqualified	94
Fiscal Council Opinion or Equivalent Body	96
Statement of the Executive Board on the Financial Statements.....	97
Statement of the Executive Board on the Independent Auditor's Report.....	98

Company Information / Capital Composition

Number of Shares (Thousand)	Current Quarter <u>09/30/2021</u>
Paid-in Capital	
Common	862,831
Preferred	0
Total	862,831
Treasury	
Common	419
Preferred	0
Total	419

Individual Financial Statements / Statement of Financial Position - Assets**(In thousands of reais)**

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
1	Total Assets	4,345,389	3,892,710
1.01	Current Assets	1,086,315	1,010,417
1.01.01	Cash and Cash Equivalents	511,503	460,346
1.01.02	Marketable Securities	414,653	426,598
1.01.02.01	Marketable Securities Measured at Fair Value Through Profit or Loss	414,653	426,598
1.01.02.01.02	Fair Value Securities	414,653	426,598
1.01.03	Accounts Receivable	126,402	89,899
1.01.03.01	Trade Accounts Receivable	126,402	89,899
1.01.04	Inventories	20,175	20,570
1.01.06	Taxes Recoverable	1,142	828
1.01.06.01	Current Taxes Recoverable	1,142	828
1.01.08	Other Current Assets	12,440	12,176
1.01.08.03	Other	12,440	12,176
1.01.08.03.01	Dividends Receivable / Proposed	0	6,120
1.01.08.03.03	Other Accounts Receivable	12,440	6,056
1.02	Non-Current Assets	3,259,074	2,882,293
1.02.01	Long-Term Assets	395,961	388,446
1.02.01.07	Deferred Taxes	61,480	71,128
1.02.01.07.01	Deferred Income and Social Contribution Taxes	61,480	71,128
1.02.01.10	Other Non-Current Assets	334,481	317,318
1.02.01.10.04	Judicial Deposits	309,667	295,734
1.02.01.10.05	Other Assets	24,814	21,584
1.02.02	Investments	420,947	404,677
1.02.02.01	Equity Interest	420,947	404,677
1.02.02.01.02	Interest in Subsidiaries	420,947	404,677
1.02.03	Property, Plant and Equipment	89,132	92,549
1.02.03.01	Property, Plant and Equipment in Use	77,929	82,853
1.02.03.02	Right-of-Use Asset	1,777	2,265
1.02.03.03	Construction in Progress	9,426	7,431
1.02.04	Intangible Assets	2,353,034	1,996,621
1.02.04.01	Intangible Assets	2,353,034	1,996,621
1.02.04.01.01	Concession Agreement	1,906,896	1,709,787
1.02.04.01.02	Other Intangible Assets	446,138	286,834

Individual Financial Statements / Statement of Financial Position - Liabilities**(In thousands of reais)**

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
2	Total Liabilities	4,345,389	3,892,710
2.01	Current Liabilities	336,918	224,699
2.01.01	Social and Labor Obligations	50,071	34,398
2.01.01.01	Social Obligations	5,045	4,884
2.01.01.02	Labor Obligations	45,026	29,514
2.01.02	Suppliers	50,755	39,076
2.01.02.01	Domestic Suppliers	49,939	34,996
2.01.02.02	Foreign Suppliers	816	4,080
2.01.03	Tax Liabilities	22,362	12,150
2.01.03.01	Federal Tax Liabilities	16,605	8,283
2.01.03.01.01	Income and Social Contribution Taxes Payable	9,783	2,434
2.01.03.01.02	Other Federal Tax Liabilities	6,822	5,849
2.01.03.02	State Tax Liabilities	48	24
2.01.03.03	Municipal Tax Liabilities	5,709	3,843
2.01.04	Loans and Financing	73,570	42,333
2.01.04.01	Loans and Financing	40,860	40,142
2.01.04.01.01	In Local Currency	40,860	40,142
2.01.04.02	Debentures	32,710	2,191
2.01.05	Other Liabilities	140,160	96,742
2.01.05.02	Other	140,160	96,742
2.01.05.02.01	Dividends and Interest on Own the Capital Payable	18	18
2.01.05.02.05	Obligations with the Concession Grantor	139,708	96,142
2.01.05.02.06	Lease	388	536
2.01.05.02.07	Other Liabilities	46	46
2.02	Non-Current Liabilities	1,746,485	1,570,801
2.02.01	Loans and Financing	264,356	316,185
2.02.01.01	Loans and Financing	0	20,000
2.02.01.01.01	In Local Currency	0	20,000
2.02.01.02	Debentures	264,356	296,185
2.02.02	Other Liabilities	1,449,455	1,220,264
2.02.02.02	Other	1,449,455	1,220,264
2.02.02.02.04	Actuarial Liabilities - Supplementary Health Care Plan	61,342	58,197
2.02.02.02.05	Suppliers	15,021	15,021
2.02.02.02.06	Taxes on Billing - Bonded Warehouses	62,756	57,836
2.02.02.02.07	Obligations with the Concession Grantor	1,308,910	1,087,476
2.02.02.02.08	Lease	1,426	1,734
2.02.04	Provisions	32,674	34,352
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	32,674	34,352
2.02.04.01.01	Tax Provisions	10,673	10,529
2.02.04.01.02	Social Security and Labor Provisions	20,199	21,061
2.02.04.01.04	Civil Provisions	1,027	2,054
2.02.04.01.05	Other Provisions	775	708
2.03	Shareholders' Equity	2,261,986	2,097,210
2.03.01	Paid-in Capital	1,873,906	1,871,895
2.03.02	Capital Reserves	61,438	58,170
2.03.02.02	Special Goodwill Reserve upon Merger	18,897	18,897

Individual Financial Statements / Statement of Financial Position - Liabilities**(In thousands of reais)**

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
2.03.02.04	Options Granted	70,908	67,603
2.03.02.07	Income (Loss) from Disposal of Treasury Shares	-3,614	-3,577
2.03.02.08	Cost for the Issue of New Shares	-24,753	-24,753
2.03.04	Profit Reserves	194,096	192,548
2.03.04.01	Legal Reserve	55,364	55,364
2.03.04.10	Legal Reserve for Investments	140,088	140,088
2.03.04.11	Repurchase of Shares	-1,354	-2,901
2.03.04.12	Costs in Repurchase of Shares	-2	-3
2.03.05	Retained Earnings / Accumulated Losses	157,949	0
2.03.08	Other Comprehensive Income (Loss)	-25,403	-25,403

Individual Financial Statements / Statement of Profit or Loss

(In thousands of reais)

Account Code	Account Description	Current Quarter 07/01/2021 to 09/30/2021	Accumulated of the Current Year 01/01/2021 to 09/30/2021	Same Quarter of the Prior Year 07/01/2020 to 09/30/2020	Accumulated of the Prior Year 01/01/2020 to 09/30/2020
3.01	Operating Revenues from Sales of Goods and/or Services	268,803	731,577	121,580	392,260
3.02	Cost of Goods and/or Services Sold	-155,179	-430,046	-113,023	-337,728
3.03	Gross Income (Loss)	113,624	301,531	8,557	54,532
3.04	Operating Expenses (Income)	-21,883	-60,895	-8,362	-56,296
3.04.01	Seles Expenses	-13,737	-42,121	-8,702	-29,387
3.04.01.01	Allowance for Expected Credit Losses and Bad Debt Losses	-6,498	-16,589	-3,124	-12,050
3.04.01.02	Other Selling Expenses	-7,239	-25,532	-5,578	-17,337
3.04.02	General and Administrative Expenses	-22,588	-60,629	-15,404	-54,757
3.04.02.01	Amortization of Goodwill	-872	-2,615	-872	-2,615
3.04.02.02	Other General and Administrative Expenses	-21,716	-58,014	-14,532	-52,142
3.04.04	Other Operating Income	447	8,751	4,499	14,629
3.04.05	Other Operating Expenses	-364	-1,488	-79	-1,160
3.04.06	Equity Pickup	14,359	34,592	11,324	14,379
3.05	Income (loss) Before Finance Income (Costs) and Taxes	91,741	240,636	195	-1,764
3.06	Financial Income (Costs)	2,784	-15,378	-14,377	-45,494
3.06.01	Financial Income	15,937	27,956	1,046	2,287
3.06.02	Financial Costs	-13,153	-43,334	-15,423	-47,781
3.07	Income (Loss) Before Income Taxes	94,525	225,258	-14,182	-47,258
3.08	Income and Social Contribution Taxes	-27,900	-67,309	8,736	19,199
3.08.01	Current	-24,276	-57,661	807	0
3.08.02	Deferred	-3,624	-9,648	7,929	19,199
3.09	Net Income (Loss) from Continued Operations	66,625	157,949	-5,446	-28,059
3.11	Income / Loss for the Period	66,625	157,949	-5,446	-28,059
3.99	Earnings (Loss) per Share (Reais / Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	Common Shares	0.07728	0.18322	-0.00809	-0.04169
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Shares	0.07699	0.18251	-0.00805	-0.04149

Individual Financial Statements / Statement of Comprehensive Income (Loss)

(In thousands of reais)

Account code	Account Description	Current Quarter	Accumulated of the	Same Quarter of the	Accumulated of the
		07/01/2021 to 09/30/2021	Current Year 01/01/2021 to 09/30/2021	Prior Year 07/01/2020 to 09/30/2020	Prior Year 01/01/2020 to 09/30/2020
4.01	Net Income for the Period	66,625	157,949	-5,446	-28,059
4.03	Comprehensive Income (Loss) for the Period	66,625	157,949	-5,446	-28,059

Individual Financial Statements / Statement of Cash Flows - Indirect Method**(In thousands of reais)**

Account Code	Account Description	Accumulated of the Current Year 01/01/2021 to 09/30/2021	Accumulated of the Prior Year 01/01/2020 to 09/30/2020
6.01	Net Cash from Operational Activities	196,771	47,231
6.01.01	Cash Generated from Operations	359,248	95,169
6.01.01.01	Income (Loss) Before Taxes and Profit Sharing	225,258	-47,258
6.01.01.02	Stock Option Plan / Long-Term Incentive	4,032	1,065
6.01.01.03	Equity pickup	-34,592	-14,379
6.01.01.05	Depreciation and Amortization	101,887	78,876
6.01.01.06	Interest on Debentures	3,450	6,926
6.01.01.07	Calculated Interests on Loans and Borrowings	683	1,762
6.01.01.09	Interest on Marketable Securities	-9,944	1,047
6.01.01.12	Recognition (Reversal) of Provision for Contingencies	12,708	14,057
6.01.01.13	Write-off and Income (Loss) on the Sale of Permanent Assets	665	1,241
6.01.01.14	Interest on Leases - Rents	86	10
6.01.01.18	Post-Employment Benefits - Health Care Plans	3,145	4,120
6.01.01.19	Provision/Reversal of Expected Credit Losses and Bad Debt Losses	16,589	12,050
6.01.01.20	Interest on Obligations with the Concession Grantor	35,281	35,652
6.01.02	Changes in Assets and Liabilities	-41,424	6,825
6.01.02.01	(Increase) Decrease in Accounts Receivable	-53,092	-18,699
6.01.02.02	(Increase) Decrease in Inventories	395	-1,216
6.01.02.03	(Increase) Decrease in Current Tax Assets	-314	-1,406
6.01.02.05	(Increase) Decrease in Judicial Deposits	-13,933	-12,953
6.01.02.07	(Increase) Decrease in Other Assets	-9,614	3,462
6.01.02.08	Increase (Decrease) in Suppliers	11,679	15,498
6.01.02.09	Increase (Decrease) in Wages and Social Charges	15,673	17,059
6.01.02.10	Increase (Decrease) in Taxes, Rates and Contributions	2,862	1,841
6.01.02.12	Increase (Decrease) in Taxes on Billing - Bonded Warehouse	4,920	3,238
6.01.02.13	Increase (Decrease) in Other Liabilities	0	1
6.01.03	Other	-121,053	-54,763
6.01.03.01	Income and Social Contribution Taxes Paid	-50,310	0
6.01.03.03	Write-off of Payment Contingencies	-14,386	-12,453
6.01.03.04	Payments of Obligations with the Concession Grantor	-56,357	-42,310
6.02	Net Cash used in/from Investing Activities	-114,813	-406,100
6.02.01	Acquisition of Property, Plant and Equipment	-7,363	-8,571
6.02.02	Disposal of Property, Plant and Equipment	265	158
6.02.03	Increase in Intangible Assets	-162,434	-148,766
6.02.04	Increase (Decrease) in Investments in Subsidiaries	-40	-130
6.02.06	Marketable Securities	21,889	-266,642
6.02.07	Dividends and Interest on Equity Received	24,482	14,529
6.02.11	Interest on Capitalized Loans	8,388	3,322
6.03	Net Cash used in Financing Activities	-30,801	739,870
6.03.01	Borrowings	-17	-15
6.03.02	Payments on of Debentures, Loans and Financing	-20,038	-57
6.03.03	Dividends and Interest on Equity Paid	0	-11,680
6.03.04	Receipt of Exercised Options	2,794	1,538

Individual Financial Statements / Statement of Cash Flows - Indirect Method**(In thousands of reais)**

Account Code	Account Description	Accumulated of the Current Year 01/01/2021 to 09/30/2021	Accumulated of the Prior Year 01/01/2020 to 09/30/2020
6.03.06	Interest Paid on Debentures, Loans and Financing	-13,058	-15,115
6.03.12	Increase (Decrease) in Capital	0	789,988
6.03.13	Cost for the Issue of New Shares	0	-24,677
6.03.14	Payments of Leases - Rents	-482	-112
6.05	Increase (Decrease) in Cash and Cash Equivalents	51,157	381,001
6.05.01	Opening Balance of Cash and Cash Equivalents	460,346	108,462
6.05.02	Closing Balance of Cash and Cash Equivalents	511,503	489,463

Individual Financial Statements / Statement of Changes in Shareholders' Equity / SCE - 01/01/2021 to 09/30/2021

(In thousands of reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings/ Accumulated Losses	Other Comprehensive Income (Loss)	Shareholders' Equity
5.01	Opening Balances	1,871,895	58,170	192,548	0	-25,403	2,097,210
5.03	Adjusted Opening Balances	1,871,895	58,170	192,548	0	-25,403	2,097,210
5.04	Capital Transactions with Shareholders'	2,011	3,268	1,548	0	0	6,827
5.04.03	Recognized Options Granted	0	3,305	0	0	0	3,305
5.04.08	Stock Options Exercised	2,011	0	1,548	0	0	3,559
5.04.09	Income (Loss) from Disposal of Treasury Shares	0	-37	0	0	0	-37
5.05	Total Comprehensive Income (Loss)	0	0	0	157,949	0	157,949
5.05.01	Net Income for the Period	0	0	0	157,949	0	157,949
5.07	Closing Balances	1,873,906	61,438	194,096	157,949	-25,403	2,261,986

Individual Financial Statements / Statement of Changes in Shareholders' Equity / SCE - 01/01/2020 to 09/30/2020

(In thousands of reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings / Accumulated Losses	Other Comprehensive Income (Loss)	Shareholders' Equity
5.01	Opening Balances	1,081,907	84,458	210,342	0	-24,323	1,352,384
5.03	Adjusted Opening Balances	1,081,907	84,458	210,342	0	-24,323	1,352,384
5.04	Capital Transactions with Shareholders'	789,988	-23,532	-6,575	0	0	759,881
5.04.01	Capital Increases	789,988	0	0	0	0	789,988
5.04.02	Cost for the issue of new shares	0	-24,677	0	0	0	-24,677
5.04.03	Recognized Options Granted	0	850	0	0	0	850
5.04.06	Dividends	0	0	-8,033	0	0	-8,033
5.04.08	Stock Options Exercised	0	0	1,458	0	0	1,458
5.04.13	Income (Loss) from Disposal of Treasury Shares	0	295	0	0	0	295
5.05	Total Comprehensive Income (Loss)	0	0	0	-28,059	0	-28,059
5.05.01	Net Income for the Period	0	0	0	-28,059	0	-28,059
5.07	Closing Balances	1,871,895	60,926	203,767	-28,059	-24,323	2,084,206

Individual Financial Statements / Statement of Value Added**(In thousands of reais)**

Account Code	Account Description	Accumulated of the Current Year 01/01/2021 to 09/30/2021	Accumulated of the Prior Year 01/01/2020 to 09/30/2020
7.01	Operating revenues	814,293	446,113
7.01.01	Sale of Goods, Products and Services	822,131	443,534
7.01.02	Other Revenues	8,751	14,629
7.01.04	Provision/Reversal of Allowance for Doubtful Accounts	-16,589	-12,050
7.02	Inputs Acquired from Third-Parties	-179,659	-138,502
7.02.01	Costs of Products, Goods and Services Sold	-73,713	-54,160
7.02.02	Materials, Energy, Third-Party Services and Other	-104,458	-83,182
7.02.04	Other	-1,488	-1,160
7.03	Gross Value Added	634,634	307,611
7.04	Retentions	-101,887	-78,876
7.04.01	Depreciation, Amortization and Depletion	-101,887	-78,876
7.05	Net Value Added Produced	532,747	228,735
7.06	Value Added Received as Transfer	62,548	16,666
7.06.01	Equity Pickup	34,592	14,379
7.06.02	Financial Income	27,956	2,287
7.07	Total Value Added to be Distributed	595,295	245,401
7.08	Distribution of Value Added	595,295	245,401
7.08.01	Personnel	210,382	172,642
7.08.01.01	Direct Compensation	162,512	129,563
7.08.01.02	Benefits	38,819	35,095
7.08.01.03	Severance Pay Fund (FGTS)	9,051	7,984
7.08.02	Taxes, Duties and Contributions	179,531	50,424
7.08.02.01	Federal	137,558	27,823
7.08.02.02	State	50	54
7.08.02.03	Municipal	41,923	22,547
7.08.03	Third-Party Capital Remuneration	47,433	50,394
7.08.03.01	Interest	43,334	47,781
7.08.03.02	Rentals	4,099	2,613
7.08.04	Remuneration of Own Capital	157,949	-28,059
7.08.04.03	Retained Earnings / Loss for the Period	157,949	-28,059

Consolidated Financial Statements / Statement of Financial Position - Assets**(In thousands of reais)**

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
1	Total Assets	4,751,086	4,229,264
1.01	Current Assets	1,350,812	1,239,116
1.01.01	Cash and Cash Equivalents	711,959	643,861
1.01.02	Marketable Securities	414,653	426,598
1.01.02.01	Marketable Securities Measured at Fair Value Through Profit or Loss		
		414,653	426,598
1.01.02.01.02	Fair Value Securities	414,653	426,598
1.01.03	Accounts Receivable	181,541	130,883
1.01.03.01	Trade Accounts Receivable	181,541	130,883
1.01.04	Inventories	24,558	24,293
1.01.06	Recoverable Taxes	1,734	4,588
1.01.06.01	Current Taxes Recoverable	1,734	4,588
1.01.08	Other Current Assets	16,367	8,893
1.01.08.03	Other	16,367	8,893
1.01.08.03.02	Other Accounts Receivable	16,367	8,893
1.02	Non-Current Assets	3,400,274	2,990,148
1.02.01	Long-Term Assets	422,272	416,331
1.02.01.07	Deferred Taxes	69,562	81,744
1.02.01.07.01	Deferred Income and Social Contribution Taxes	69,562	81,744
1.02.01.10	Other Non-Current Assets	352,710	334,587
1.02.01.10.04	Judicial Deposits	318,210	304,284
1.02.01.10.05	Court-Ordered Debt Payments Receivable	6,338	5,896
1.02.01.10.06	Other Assets	28,162	24,407
1.02.03	Property, Plant and Equipment	262,770	234,135
1.02.03.01	Property, Plant and Equipment in Use	168,578	177,055
1.02.03.02	Right-of-Use Asset	67,469	39,610
1.02.03.03	Construction in Progress	26,723	17,470
1.02.04	Intangible Assets	2,715,232	2,339,682
1.02.04.01	Intangible Assets	2,715,232	2,339,682
1.02.04.01.01	Concession Agreement	2,227,119	1,998,730
1.02.04.01.02	Other Intangible Assets	488,113	340,952

Consolidated Financial Statements / Statement of Financial Position - Liabilities

(In thousands of reais)

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
2	Total Liabilities	4,751,086	4,229,264
2.01	Current Liabilities	425,865	296,386
2.01.01	Social and Labor Obligations	62,383	43,531
2.01.01.01	Social Obligations	6,868	6,830
2.01.01.02	Labor Obligations	55,515	36,701
2.01.02	Suppliers	84,650	67,822
2.01.02.01	Domestic Suppliers	83,833	63,736
2.01.02.02	Foreign Suppliers	817	4,086
2.01.03	Tax Liabilities	31,667	18,721
2.01.03.01	Federal Tax Liabilities	22,805	12,332
2.01.03.01.01	Income and Social Contribution Taxes Payable	12,229	3,387
2.01.03.01.03	Other Federal Tax Liabilities	10,576	8,945
2.01.03.02	State Tax Liabilities	395	430
2.01.03.03	Municipal Tax Liabilities	8,467	5,959
2.01.04	Loans and Financing	85,422	53,420
2.01.04.01	Loans and Financing	46,343	45,864
2.01.04.01.01	In Local Currency	41,493	40,773
2.01.04.01.02	In Foreign currency	4,850	5,091
2.01.04.02	Debentures	39,079	7,556
2.01.05	Other Liabilities	161,743	112,892
2.01.05.02	Other	161,743	112,892
2.01.05.02.01	Dividends and Interest on Own Capital Payable	18	18
2.01.05.02.08	Obligations with the Concession Grantor	150,599	104,239
2.01.05.02.09	Lease	11,080	8,587
2.01.05.02.10	Other Accounts Payable	46	48
2.02	Non-Current Liabilities	2,063,235	1,835,668
2.02.01	Loans and Financing	323,580	379,774
2.02.01.01	Loans and Financing	7,526	32,955
2.02.01.01.01	In Local Currency	308	20,773
2.02.01.01.02	In Foreign currency	7,218	12,182
2.02.01.02	Debentures	316,054	346,819
2.02.02	Other Liabilities	1,691,208	1,406,874
2.02.02.02	Other	1,691,208	1,406,874
2.02.02.02.07	Actuarial Liabilities - Supplementary Health Care Plan	80,928	76,494
2.02.02.02.08	Suppliers	15,021	15,021
2.02.02.02.09	Taxes on Billing - Bonded Warehouses	62,756	57,836
2.02.02.02.10	Obligations with the Concession Grantor	1,465,457	1,217,857
2.02.02.02.11	Lease	60,707	33,770
2.02.02.02.12	Other Liabilities	6,339	5,896
2.02.03	Deferred Taxes	7,233	7,312
2.02.03.01	Deferred Income and Social Contribution Taxes	7,233	7,312
2.02.04	Provisions	41,214	41,708
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	41,214	41,708
2.02.04.01.01	Tax Provisions	16,391	16,212
2.02.04.01.02	Social Security and Labor Provisions	22,568	22,660
2.02.04.01.04	Civil Provisions	1,047	2,069

Consolidated Financial Statements / Statement of Financial Position - Liabilities

(In thousands of reais)

Account Code	Account Description	Current Quarter 09/30/2021	Prior Year 12/31/2020
2.02.04.01.05	Other Provisions	1,208	767
2.03	Consolidated Shareholders' Equity	2,261,986	2,097,210
2.03.01	Paid-in Capital	1,873,906	1,871,895
2.03.02	Capital Reserves	61,438	58,170
2.03.02.02	Special Goodwill Reserve upon Merger	18,897	18,897
2.03.02.04	Options Granted	70,908	67,603
2.03.02.07	Income (Loss) from Disposal of Treasury Shares	-3,614	-3,577
2.03.02.08	Cost for the Issue of New Shares	-24,753	-24,753
2.03.04	Profit Reserves	194,096	192,548
2.03.04.01	Legal Reserve	55,364	55,364
2.03.04.10	Legal Reserve for Investments	140,088	140,088
2.03.04.11	Repurchase of Shares	-1,354	-2,901
2.03.04.12	Costs in Repurchase of Shares	-2	-3
2.03.05	Retained Earnings / Accumulated Losses	157,949	0
2.03.08	Other Comprehensive Income (Loss)	-25,403	-25,403

Consolidated Financial Statements / Statement of Profit or Loss

(In thousands of reais)

Account Code	Account Description	Current Quarter	Accumulated of the	Same Quarter of the	Accumulated of the
		07/01/2021 to 09/30/2021	Current Year 01/01/2021 to 09/30/2021	Prior Year 07/01/2020 to 09/30/2020	Prior Year 01/01/2020 to 09/30/2020
3.01	Operating Revenues from Sales of Goods and/or Services	396,561	1,090,700	220,268	668,934
3.02	Cost of Goods and/or Services Sold	-232,793	-655,500	-173,420	-522,211
3.03	Gross Income (Loss)	163,768	435,200	46,848	146,723
3.04	Operating Expenses (Income)	-60,108	-166,663	-36,475	-127,172
3.04.01	Sales Expenses	-34,162	-102,049	-25,412	-79,907
3.04.01.01	Allowance for Expected Credit Losses and Bad Debt Losses	-7,082	-18,010	-2,624	-11,596
3.04.01.02	Other Selling Expenses	-27,080	-84,039	-22,788	-68,311
3.04.02	General and Administrative Expenses	-26,453	-73,269	-18,112	-64,448
3.04.02.01	Amortization of Goodwill	-872	-2,615	-872	-2,615
3.04.02.02	Other General and Administrative Expenses	-25,581	-70,654	-17,240	-61,833
3.04.04	Other Operating Income	1,028	10,653	7,444	18,913
3.04.05	Other Operating Expenses	-521	-1,998	-395	-1,730
3.05	Income (loss) Before Finance Income (Costs) and Taxes	103,660	268,537	10,373	19,551
3.06	Financial Income (Costs)	-1,606	-24,869	-18,584	-58,935
3.06.01	Financial Income	18,346	34,557	1,993	5,291
3.06.02	Financial Costs	-19,952	-59,426	-20,577	-64,226
3.07	Income (Loss) Before Income Taxes	102,054	243,668	-8,211	-39,384
3.08	Income and Social Contribution Taxes	-35,429	-85,719	2,765	11,325
3.08.01	Current	-30,567	-73,616	-3,171	-6,352
3.08.02	Deferred	-4,862	-12,103	5,936	17,677
3.09	Net Income (Loss) from Continued Operations	66,625	157,949	-5,446	-28,059
3.11	Consolidated Income / Loss for the Period	66,625	157,949	-5,446	-28,059
3.11.01	Attributable to Parent Company's Shareholders'	66,625	157,949	-5,446	-28,059
3.99	Earnings per Share - (Reais / Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	Common Shares	0.07728	0.18322	-0.00809	-0.04169
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Shares	0.07699	0.18251	-0.00805	-0.04149

Consolidated Financial Statements/ Statement of Comprehensive Income (Loss)

(In thousands of reais)

Account Code	Account Description	Current Quarter 07/01/2021 to 09/30/2021	Accumulated of the Current Year 01/01/2021 to 09/30/2021	Same Quarter of the Prior Year 07/01/2020 to 09/30/2020	Accumulated of the Prior Year 01/01/2020 to 09/30/2020
4.01	Consolidated Net Income (Loss) for the Period	66,625	157,949	-5,446	-28,059
4.03	Consolidated Comprehensive Income (Loss) for the Period	66,625	157,949	-5,446	-28,059
4.03.01	Attributed to Parent Company's Shareholders'	66,625	157,949	-5,446	-28,059

Consolidated Financial Statements / Statement of Cash Flows - Indirect Method

(In thousands of reais)

Account Code	Account Description	Accumulated of the Current Year 01/01/2021 to 09/30/2021	Accumulated of the Prior Year 01/01/2020 to 09/30/2020
6.01	Net Cash from Operational Activities	271,099	108,165
6.01.01	Cash Generated from Operations	466,672	166,108
6.01.01.01	Income (Loss) Before Taxes and Profit Sharing	243,668	-39,384
6.01.01.02	Inflation Adjustment and Exchange Rate Change	3,942	7,633
6.01.01.03	Depreciation and Amortization	137,196	110,844
6.01.01.05	Recognition / (Reversal) of Provision for Contingencies	15,447	15,597
6.01.01.06	Stock Option Plan / Long-Term Incentive	4,032	1,065
6.01.01.07	Write-off and Income (Loss) on the Sale of Permanent Assets	415	-1,012
6.01.01.08	Interest on Debentures	5,446	8,920
6.01.01.09	Calculated Interest on Loans and Borrowings	1,237	2,457
6.01.01.10	Interest on Marketable Securities	-9,944	1,047
6.01.01.14	Post-Employment Benefits - Health Care Plans	4,434	5,847
6.01.01.15	Provision / Reversal for Expected Credit Losses and Bad Debt Losses	18,010	11,596
6.01.01.16	Interest on Obligations with the Concession Grantor	39,216	39,725
6.01.01.17	Interest on Lease - Rentals	3,573	1,773
6.01.02	Changes in Assets and Liabilities	-46,533	14,002
6.01.02.01	(Increase) Decrease in Accounts Receivable	-68,668	-20,611
6.01.02.02	(Increase) Decrease in Inventories	-265	-1,282
6.01.02.03	(Increase) Decrease in Current Tax Assets	2,854	-2,469
6.01.02.05	(Increase) Decrease in Judicial Deposits	-13,926	-12,067
6.01.02.06	(Increase) Decrease in Other Assets	-11,671	3,442
6.01.02.08	Increase (Decrease) in Suppliers	16,828	17,141
6.01.02.09	Increase (Decrease) in Wages and Social Charges	18,852	21,457
6.01.02.10	Increase (Decrease) in Taxes, Rates and Contributions	4,102	5,019
6.01.02.11	Increase (Decrease) in Accounts Payable	442	133
6.01.02.12	Increase (Decrease) in Taxes on Billing - Bonded Warehouse	4,920	3,238
6.01.02.13	Increase (Decrease) in Other Liabilities	-1	1
6.01.03	Other	-149,040	-71,945
6.01.03.01	Income and Social Contribution Taxes Paid	-64,771	-5,126
6.01.03.03	Write-off of Payment Contingencies	-15,941	-14,966
6.01.03.04	Payments of Obligations with the Concession Grantor	-68,328	-51,853
6.02	Net Cash used in/from Investing Activities	-151,510	-432,076
6.02.01	Acquisition of Property, Plant and Equipment	-19,793	-19,693
6.02.02	Disposal of Property, Plant and Equipment	753	3,845
6.02.03	Increase in Intangible Assets	-162,747	-152,908
6.02.04	Marketable Securities	21,889	-266,642
6.02.05	Interest on Capitalized Loans	8,388	3,322
6.03	Net Cash used in Financing Activities	-51,491	721,669
6.03.01	Receipt of Exercised Options	2,794	1,538
6.03.02	Borrowings	-27	-317
6.03.03	Payments of Debentures, Loans and Financing	-28,162	-7,533
6.03.04	Dividends and Interest on Equity Paid	0	-11,680
6.03.07	Interest Paid on of Debentures, Loans and Financing	-15,016	-17,067

Consolidated Financial Statements / Statement of Cash Flows - Indirect Method

(In thousands of reais)

Account Code	Account Description	Accumulated of the Current Year 01/01/2021 to 09/30/2021	Accumulated of the Prior Year 01/01/2020 to 09/30/2020
6.03.10	Payments of Leases - Rents	-11,080	-8,583
6.03.11	Increase (Decrease) in Capital	0	789,988
6.03.12	Cost for the Issue of New Shares	0	-24,677
6.05	Increase (Decrease) in Cash and Cash Equivalents	68,098	397,758
6.05.01	Opening Balance of Cash and Cash Equivalents	643,861	266,376
6.05.02	Closing Balance of Cash and Cash Equivalents	711,959	664,134

Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / SCE - 01/01/2021 to 09/30/2021

(In thousands of reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings/ Accumulated Losses	Other Comprehensive Income (Loss)	Shareholders' Equity	Non-Controlling Interest	Consolidated Shareholders' Equity
5.01	Opening Balances	1,871,895	58,170	192,548	0	-25,403	2,097,210	0	2,097,210
5.03	Adjusted Opening Balances	1,871,895	58,170	192,548	0	-25,403	2,097,210	0	2,097,210
5.04	Capital Transactions with Shareholders'	2,011	3,268	1,548	0	0	6,827	0	6,827
5.04.03	Recognized Options Granted	0	3,305	0	0	0	3,305	0	3,305
5.04.08	Stock Options Exercised	2,011	0	1,548	0	0	3,559	0	3,559
5.04.09	Income (Loss) from Disposal of Treasury Shares	0	-37	0	0	0	-37	0	-37
5.05	Total Comprehensive Income (Loss)	0	0	0	157,949	0	157,949	0	157,949
5.05.01	Net Income for the Period	0	0	0	157,949	0	157,949	0	157,949
5.07	Closing Balances	1,873,906	61,438	194,096	157,949	-25,403	2,261,986	0	2,261,986

Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / SCE - 01/01/2020 to 09/30/2020

(In thousands of reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings / Accumulated Losses	Other Comprehensive Income (Loss)	Shareholders' Equity	Non-Controlling Interest	Consolidated Shareholders' Equity
5.01	Opening Balances	1,081,907	84,458	210,342	0	-24,323	1,352,384	0	1,352,384
5.03	Adjusted Opening Balances	1,081,907	84,458	210,342	0	-24,323	1,352,384	0	1,352,384
5.04	Capital Transactions with Shareholders'	789,988	-23,532	-6,575	0	0	759,881	0	759,881
5.04.01	Capital Increases	789,988	0	0	0	0	789,988	0	789,988
5.04.02	Cost for the issue of new shares	0	-24,677	0	0	0	-24,677	0	-24,677
5.04.03	Recognized Options Granted	0	850	0	0	0	850	0	850
5.04.06	Dividends	0	0	-8,033	0	0	-8,033	0	-8,033
5.04.08	Stock Options Exercised	0	0	1,458	0	0	1,458	0	1,458
5.04.13	Income (Loss) from Disposal of Treasury Shares	0	295	0	0	0	295	0	295
5.05	Total Comprehensive Income (Loss)	0	0	0	-28,059	0	-28,059	0	-28,059
5.05.01	Net Income (Loss) for the Period	0	0	0	-28,059	0	-28,059	0	-28,059
5.07	Closing Balances	1,871,895	60,926	203,767	-28,059	-24,323	2,084,206	0	2,084,206

Consolidated Financial Statements / Statement of Value Added**(In thousands of reais)**

Account Code	Account Description	Accumulated of the Current Year 01/01/2021 to 09/30/2021	Accumulated of the Prior Year 01/01/2020 to 09/30/2020
7.01	Operating revenues	1,230,561	774,977
7.01.01	Sales of Goods, Products and Services	1,237,918	767,660
7.01.02	Other Revenues	10,653	18,913
7.01.04	Provision / Reversal of Allowance for Doubtful Accounts	-18,010	-11,596
7.02	Inputs Acquired from Third-Parties	-362,480	-280,845
7.02.01	Costs of Products, Goods and Services Sold	-147,200	-107,129
7.02.02	Materials, Energy, Third-Party Services and Other	-213,282	-171,986
7.02.04	Other	-1,998	-1,730
7.03	Gross Value Added	868,081	494,132
7.04	Retentions	-137,196	-110,844
7.04.01	Depreciation, Amortization and Depletion	-137,196	-110,844
7.05	Net Value Added Produced	730,885	383,288
7.06	Value Added Received as Transfer	34,557	5,291
7.06.02	Financial Income	34,557	5,291
7.07	Total Value Added to be Distributed	765,442	388,579
7.08	Distribution of Value Added	765,442	388,579
7.08.01	Personnel	278,730	237,370
7.08.01.01	Direct Compensation	208,678	173,031
7.08.01.02	Benefits	55,657	53,473
7.08.01.03	Severance Pay Fund (FGTS)	14,395	10,866
7.08.02	Taxes, Duties and Contributions	260,316	108,934
7.08.02.01	Federal	195,248	67,875
7.08.02.02	State	3,999	4,109
7.08.02.03	Municipal	61,069	36,950
7.08.03	Third-Party Capital Remuneration	68,447	70,334
7.08.03.01	Interest	59,426	64,226
7.08.03.02	Rentals	9,021	6,108
7.08.04	Remuneration of Own Capital	157,949	-28,059
7.08.04.03	Retained Earnings / Loss for the Period	157,949	-28,059

Comments on Performance

OPERATIONAL AND FINANCIAL PERFORMANCE (summary table)

R\$ million, except when specified	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
Port Terminals - quay operations (no. of containers)	321,448	254,211	26.4%	979,772	776,257	26.2%
Port Terminals - warehousing (no. of containers)	41,145	26,750	53.8%	124,715	89,305	39.7%
SBLog – warehousing (no. of containers)	19,282	10,144	90.1%	50,076	32,473	54.2%
Vehicle Terminal (no. of vehicles)	42,169	38,701	9.0%	152,447	101,020	50.9%
Net Revenue	396.6	220.3	80.0%	1,090.6	668.9	63.0%
EBITDA	152.0	49.7	205.8%	405.8	130.4	211.2%
% EBITDA margin	38.3%	22.6%	15.8 p.p.	37.2%	19.5%	17.7 p.p.
Net Income / Loss	66.6	-5.4	1,333.3%	157.9	-28.0	-663.9%
Net Debt	-717.5	-655.0				
Net Debt/Proforma EBITDA LTM	-2.04x	-7.04x				

¹ EBITDA of the last 12 months, ex-IFRS 16.

3Q21 HIGHLIGHTS

- Santos Brasil's three port terminals registered container throughput of 321,448 units in 3Q21 (+26.4% YoY), despite the challenges in global supply and logistics chains.
- Logistics bottlenecks in containerized cargo supply and transportation, intensified by resilient demand in most global markets, led to shocks in the supply of ships and containers used to distribute goods, which weighed on potential volume in the quarter. Moreover, given the strong increase in maritime trade on premium routes (China, USA, and Europe), ships were redirected to those markets at the expense of secondary routes, such as South America.
- Despite the weaker-than-expected peak season, due to the above factors, Tecon Santos registered container throughput growth of 30.7% YoY, outpacing throughput growth at the Port of Santos¹ (13.5% YoY), led by growth in full import containers (+69.1% YoY).
- At Tecon Vila do Conde, container throughput grew 11.1% YoY on strong growth in cabotage cargo (+30.3% YoY) and good performance of long-haul volumes (+3.4% YoY). At Tecon Imbituba, container throughput fell 13.0% YoY, reflecting lower cabotage volumes.
- Regarding the three liquid bulk port terminals in Itaqui, Maranhão state, following the signing of contracts in August, the Company has already submitted the Basic Installation Plan to the port authority (EMAP) for analysis and is contracting basic engineering and concept services, which are required for obtaining permits and for registering with the National Petroleum Agency (ANP), the regulator for fuel handling and storage. The Company continues to execute its strategy for starting operations at its 2 brownfield terminals in 2022, accelerating the existing business plan.
- Net Revenue in the quarter was R\$ 396.6 million (+80.0% YoY), supported by volume growth and better mix in all operating units, as well as higher average ticket, especially at Tecon Santos, due to contractual renegotiations with shipowners. In relation to 3Q19, a comparison base free of Covid-19 impacts, Net Revenue advanced by 58.5%.
- EBITDA came to R\$ 152.0 million (+205.8% YoY), with EBITDA margin of 38.3%. Compared to 3Q19, a period with no Covid-19 impacts, EBITDA grew 156.3%. Excluding nonrecurring items, 3Q21 EBITDA was R\$ 155.6 million, with EBITDA margin of 39.2%.
- The Company recorded Net Income of R\$ 66.6 million in 3Q21, reversing the net loss of R\$ 5.5 million in 3Q20. In 9M21, Net Income was R\$ 157.9 million, representing a substantial turnaround from the net loss in 9M20.
- In 3Q21, CAPEX came to R\$ 88.1 million, of which R\$ 42.4 million was allocated to lease fees for the bulk liquid terminals in Itaqui, whose auctions were held in April and contracts signed in August, and R\$ 37.3 million to capacity expansion and modernization projects at Tecon Santos.
- The Company maintains its 2021 guidance for quay volumes (1.3 - 1.4 million containers), EBITDA (R\$ 530 - R\$ 580 million) and CAPEX (R\$ 250 - R\$ 300 million).

¹ Considering only container volumes.

Comments on Performance

OPERATIONAL INDICATORS

Consolidated information

UNITS	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
PORT TERMINALS						
Quay operations (containers)	321,448	254,211	26.4%	979,772	776,257	26.2%
Full containers	251,871	185,389	35.9%	757,540	577,660	31.1%
Empty containers	69,577	68,822	1.1%	222,232	198,597	11.9%
Warehousing operations (no. of containers)	41,145	26,750	53.8%	124,715	89,305	39.7%
Quay operations - general cargo (ton)	71,794	84,802	-15.3%	251,919	182,613	38.0%
LOGISTICS						
Warehousing operations	19,282	10,144	90.1%	50,076	32,473	54.2%
VEHICLE TERMINAL						
Vehicle handled	42,169	38,701	9.0%	152,447	101,020	50.9%
Exports	38,065	36,726	3.6%	135,087	87,573	54.3%
Imports	4,104	1,975	107.8%	17,360	13,447	29.1%

Port terminals

UNITS	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
PORT TERMINALS						
Tecon Santos	280,851	214,857	30.7%	862,057	668,998	28.9%
Full containers	229,209	162,656	40.9%	690,609	514,304	34.3%
Empty containers	51,642	52,201	-1.1%	171,448	154,694	10.8%
General cargo (ton)	0	0	-	0	0	-
Tecon Imbituba	11,319	13,005	-13.0%	32,356	34,005	-4.8%
Full containers	6,959	7,417	-6.2%	20,882	20,298	2.9%
Empty containers	4,360	5,588	-22.0%	11,474	13,707	-16.3%
General Cargo (ton) ¹	71,794	84,802	-15.3%	251,866	182,586	37.9%
Tecon Vila do Conde	29,278	26,349	11.1%	85,359	73,254	16.5%
Full containers	15,703	15,316	2.5%	46,049	43,058	6.9%
Empty containers	13,575	11,033	23.0%	39,310	30,196	30.2%
General cargo (ton)	-	-	-	54	27	100.0%

¹ Imbituba General Cargo Terminal (TCG Imbituba).

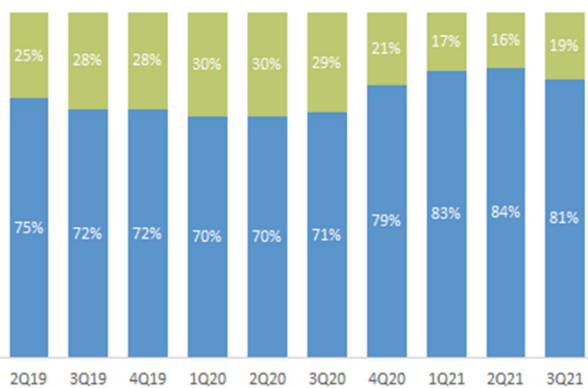
Port Terminals

Consolidated: throughput of 321,448 containers in 3Q21 (+26.4% YoY), record for a third quarter since 2012, led by 44.2% growth in long-haul volume, which accounted for 80.7% of total throughput in the quarter (vs. 70.8% in 3Q20). Long-haul performance reflects the sound import container volume (+45.0% YoY), driven by the recovery in industrial activity and strong demand for consumer goods in Brazil and the world, as well as resilience of Brazilian exports (+14.0% YoY). Other maritime transport segments also delivered positive results, with cabotage volumes up 14.1% and transshipment volumes advancing 24.0% YoY. The better container mix contributed to better results in quay and warehousing operations, with full containers accounting for 78.4% of consolidated throughput in 3Q21 (vs. 72.9% in 3Q20).

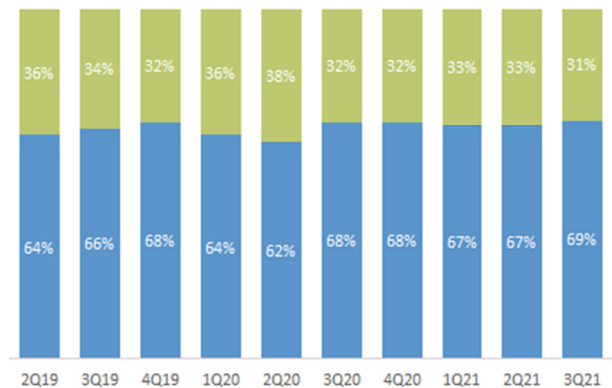
Comments on Performance

Consolidated container mix (%)

Long Haul vs. Cabotage



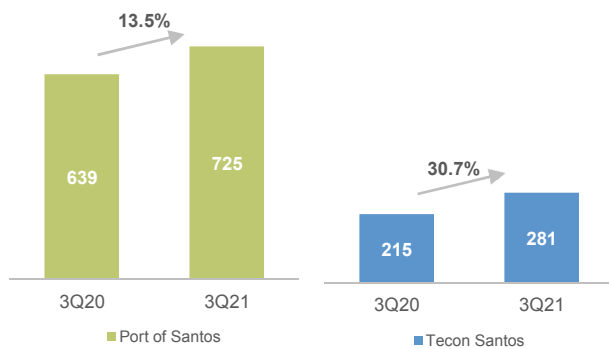
Handling vs. Transshipment



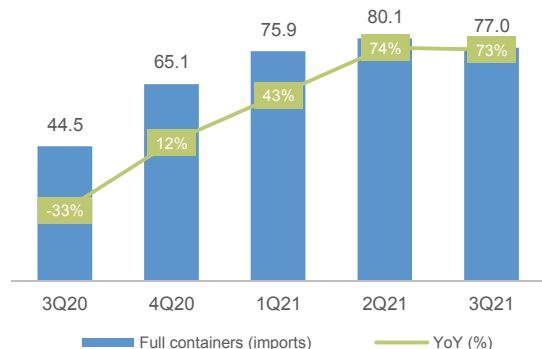
Tecon Santos: 280,851 containers handled in 3Q21 (+30.7% YoY), the highest volume for a quarter since 2013, with growth outpacing that of the Port of Santos in the same period (+13.5% YoY). As observed in recent quarters, Tecon Santos' positive performance was driven by (i) import volumes (+52.0% YoY), reflecting the ongoing industry and retail restocking, supported by domestic consumption, especially in the automotive, chemical, pharmaceutical and consumer goods segments, and (ii) solid growth in exports (14.1% YoY). In this context, Tecon Santos operated 18 extra calls in 3Q21, of a total of 32 extra calls in the Port of Santos (i.e., 56.3% of extra calls) to reach 40.0% market share in the quarter, up from 34.8% in 3Q20.

In terms of container mix, the terminal handled 229,209 full containers (+40.9% YoY), 77,046 of which were import containers (+73.0% YoY) and 50,695 export containers (+4.9% YoY). Meanwhile, empty containers registered a slight decline of 1.1% YoY.

Throughput: Port of Santos vs. Tecon Santos – '000 containers



Full import container throughput (Tecon Santos) – '000 containers



Tecon Imbituba: 11,319 containers handled in 3Q21 (-13.0% YoY), reflecting lower cabotage operations at the terminal, represented by ALCT2 service operated by Aliança, which accounted for 98.8% of total throughput in the quarter (vs. 98.9% in 3Q20). The throughput decline occurred in both full (-6.2% YoY) and empty containers (-22.0% YoY). In 3Q21, general cargo throughput at TCG Imbituba amounted to 71,794 tons (-15.3% YoY), represented mainly by pulp and food commodities exports.

Tecon Vila do Conde: 29,278 containers handled (+11.1% YoY), explained by (i) 3.4% YoY increase in long-haul services, driven by 13.9% YoY growth in exports, led by shipments of frozen beef, manganese, and kaolin, and (ii) higher cabotage volumes (+30.3% YoY), accounting for 33.8% of the terminal's container throughput (vs. 28.8% in 3Q20), although with a higher concentration of empty container throughput. In terms of container mix in the quarter, there was a sharp increase in the empty container volume (+23.0% YoY), with an atypical surge in exports, reflecting the repositioning of empty containers for primary routes by shipowners, while full container handling increased 2.5% YoY.

Comments on Performance

Warehousing: containers stored reached 41,145 units (+53.8% YoY), driven by strong growth in full import container throughput at Tecon Santos. The retention rate at the terminal was 55% (vs. 54% in 2Q21 and 3Q20), while dwell time² expanded to 10.2 days, from 9.5 days in 3Q20 (10.8 days in 2Q21). Moreover, the “On the Water Clearance for AEOs” regime, which enables the registration of import declarations before the container is unloaded at the port of destination, had an impact of 0.5 day on the dwell time of full import containers stored at Tecon Santos in 3Q21.

Logistics

In 3Q21, SBLog stored 19,282 containers (+90.1% YoY), reflecting higher imports at the Port of Santos, considering the capture of containers from other terminals for storage, mainly at the bonded warehouses (CLIAs). The positive impact from imports at SBLog was driven by bonded warehousing and various other services integrated with clients' supply chains, such as special bonded warehousing, cross-docking, inventory management, distribution, transportation, etc. Compared to 2Q21, containers stored by SBLog increased by 16.3%.

Vehicle Terminal

In 3Q21, TEV handled 42,169 vehicles (+9.0% YoY), with 38,965 units exported (+3.6% YoY), led by light vehicle shipments to Argentina, and 4,104 units imported (+107.8% YoY). In addition to the better mix of imports, heavy vehicles also increased their share in TEV's total volume in 3Q21, to 13.4% (vs. 9.3% in 2Q21 and 9.0% in 3Q20). Imports of agricultural equipment and tractors were the highlight, since generate higher margins.

² Average dwell time of containers or vehicles stored.

Comments on Performance

GROSS AND NET REVENUE

Gross Revenue

R\$ million	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
PORT TERMINALS	343.3	179.0	91.8%	952.3	548.3	73.7%
Quay operations	207.6	97.1	113.8%	535.7	288.3	85.8%
Warehousing operations	135.8	81.9	65.8%	416.5	259.9	60.3%
LOGISTICS	95.6	68.8	39.0%	256.0	205.7	24.5%
VEHICLE TERMINAL	22.9	12.1	89.3%	61.2	35.3	73.4%
Eliminations	-3.2	-2.7	18.5%	-8.6	-8.2	4.9%
CONSOLIDATED	458.6	257.2	78.3%	1,260.9	781.1	61.4%

Net Revenue

R\$ million	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
PORT TERMINALS	299.6	156.4	91.6%	832.8	478.7	74.0%
Quay operations	187.4	86.8	115.9%	482.4	258.3	86.8%
Warehousing operations	112.1	69.7	60.8%	350.5	220.4	59.0%
LOGISTICS	80.6	56.1	43.7%	213.8	167.7	27.5%
VEHICLE TERMINAL	19.3	10.3	87.4%	51.8	29.9	73.2%
Eliminations	-2.9	-2.5	16.0%	-7.8	-7.4	5.4%
CONSOLIDATED	396.6	220.3	80.0%	1,090.6	668.9	63.0%

Port Terminals

In 3Q21, Net Revenue from quay operations increased 115.9% YoY, to R\$ 187.4 million. Net Revenue from warehousing operations was R\$ 112.1 million, up 60.8% on 3Q20, reflecting higher import container throughput at the Port of Santos, higher warehousing average ticket, and longer dwell time at Tecon Santos (10.2 days).

Tecon Santos accounted for 85% of Port Terminals' Net Revenue (quay + warehousing), registering strong growth of 124.3% YoY, driven by (i) higher container throughput, (ii) a better mix of full import containers and (iii) higher average ticket due to contract renegotiations with shipowners. Tecon Imbituba registered Net Revenue growth of 46.4% YoY, reflecting a higher average ticket in the quarter, which offset the lower volume. Lastly, at Tecon Vila do Conde, Net Revenue fell 11.7% YoY, mainly due to lower revenue from project cargo. However, project cargo was unloaded in 3Q21 (equipment imported by mining companies in the North region) that should generate warehousing revenue at Tecon Vila do Conde in 4Q21, when this cargo should be taken and consequently invoiced.

Logistics

In 3Q21, SBLog recorded Net Revenue of R\$ 80.6 million (+43.7% YoY), reflecting (i) higher container warehousing volume, driven by the strong import growth at the Port of Santos; (ii) higher average ticket due to comprehensive contract renegotiations and better mix of high-value logistics services, and (iii) higher share of integrated logistics services, especially under the Third-Party Logistics model (3PL), provided at the distribution centers and in-house operations.

Vehicle Terminal

TEV's Net Revenue amounted to R\$ 19.3 million in 3Q21 (+87.4% YoY), driven by higher vehicle throughput and, mainly, better mix of imported and heavy vehicles, chiefly agro machines and tractors.

Comments on Performance

OPERATIONAL COSTS

R\$ million	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
PORT TERMINALS						
Handling costs	27.0	20.7	30.4%	78.4	58.2	34.7%
Personnel costs	73.5	56.7	29.6%	208.5	175.5	18.8%
Depreciation and amortization	39.3	29.9	31.4%	107.7	83.4	29.1%
Other costs	37.0	22.9	61.6%	94.4	71.1	32.8%
Total	176.8	130.3	35.7%	489.0	388.1	26.0%
LOGISTICS						
Handling costs	20.4	12.3	65.9%	55.5	41.8	32.8%
Personnel costs	12.9	13.2	-2.3%	41.7	41.1	1.5%
Depreciation and amortization	3.2	4.3	-25.6%	12.3	12.5	-1.6%
Other costs	12.4	7.1	74.6%	33.9	22.0	54.1%
Total	48.9	37.1	31.8%	143.5	117.3	22.3%
VEHICLE TERMINAL						
Handling costs	3.9	3.3	18.2%	13.2	8.8	50.0%
Personnel costs	4.7	4.0	17.5%	13.9	12.0	15.8%
Other costs	1.3	1.2	8.3%	3.7	3.3	12.1%
Total	9.9	8.6	15.1%	30.9	24.2	27.7%
Eliminations	-2.9	-2.5	16.0%	-7.8	-7.4	5.4%
CONSOLIDATED	232.8	173.4	34.3%	655.5	522.2	25.5%

Port Terminals

In 3Q21, Port Terminals registered operating costs of R\$ 176.8 million (+35.7% YoY), 41.5% of which refers to personnel costs, which increased 29.6% YoY due to workforce resizing, with hiring for additional work shifts³ at Tecon Santos given the growth in volumes handled. This resize brings efficiency gains for meeting growing demand in the short and medium term, reducing and better managing overtime pay. Other costs also rose, with increases in: (i) throughput (+30.4% YoY), pressured by the higher volumes handled and price hikes in fuels and electricity, (ii) depreciation and amortization (+31.4% YoY), reflecting the higher amortization of port lease rights, and (iii) other costs (+61.6% YoY), due to higher equipment maintenance costs at Tecon Santos.

Logistics

SBLog registered operating costs of R\$ 48.9 million (+31.8% YoY), reflecting the increase of 65.9% YoY in handling costs, such as for freight, vehicle maintenance and fuel, necessary to meet the higher volume handled in the quarter. As reported in 2Q21, personnel costs decreased due to a restructuring carried out in early 2021, which outsourced truck drivers operating road freight services. The increase in other costs (+74.6% YoY) reflects higher use of outsourced services, such as for road transportation, as well as higher volume of containers captured from other terminals in the Port of Santos.

Vehicle Terminal

TEV's costs, essential variable, summed to R\$ 9.9 million (+15.1 YoY), reflecting the growth in vehicles handled in the quarter.

³ Equipment and employees needed to load or unload containers from ships.

Comments on Performance

OPERATIONAL EXPENSES

R\$ million	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
PORT TERMINALS						
Selling expenses	14.3	8.8	62.5%	44.3	30.1	47.2%
General and administrative expenses	11.8	2.5	372.0%	24.4	11.9	105.0%
Depreciation and amortization	0.1	0.1	0.0%	0.2	0.2	0.0%
Total	26.2	11.4	129.8%	68.9	42.2	63.3%
LOGISTICS						
Selling expenses	19.1	16.2	17.9%	55.6	48.0	15.8%
General and administrative expenses	2.3	1.0	130.0%	6.8	3.9	74.4%
Depreciation and amortization	-	-	-	0.1	0.1	0.0%
Total	21.4	17.2	24.4%	62.5	52.0	20.2%
VEHICLE TERMINAL						
Selling expenses	0.7	0.4	75.0%	2.1	1.7	23.5%
General and administrative expenses	0.4	0.2	100.0%	0.9	0.6	50.0%
Depreciation and amortization	-	-	-	-	-	-
Total	1.1	0.6	83.3%	3.0	2.3	30.4%
CORPORATE						
General and administrative expenses	10.4	6.4	62.5%	29.3	28.0	4.6%
Depreciation and amortization	1.0	0.9	11.1%	3.0	2.7	11.1%
Total	11.4	7.3	56.2%	32.3	30.7	5.2%
CONSOLIDATED	60.1	36.5	64.7%	166.7	127.2	31.1%

Port Terminals

In 3Q21, port terminal operating expenses amounted to R\$ 26.2 million (+129.8% YoY), pressured by higher general and administrative expenses (+372.0% YoY), with the comparison base in 3Q20 affected by the recognition of nonrecurring revenues in the amount of R\$ 3.0 million related to equipment and material sales and adjustment in the Accident Prevention Factor (FAP). Excluding the nonrecurring items, general and administrative expenses in 3Q21 increased by 115% YoY, mainly due to higher expenses with legal services and an accounting reclassification of income from inflation adjustment of asset accounts, which in 3Q21 began to be recognized under financial result. Selling expenses rose 62.5% YoY, with an increase in allowance for bad debt.

Logistics

SBLog registered operating expenses of R\$ 21.4 million in 3Q21 (+24.4% YoY), with selling expenses rising 17.9% YoY on the back of higher sales commissions. General and administrative expenses, which accounted for 11% of the total, increased by 130.0% YoY, as result of higher labor expenses.

Vehicle Terminal

In 3Q21, TEV registered operating expenses of R\$ 1.1 million (+83.3% YoY), with higher commissions, whose effect is observed at selling expenses, and higher expenses with legal services, impacting general and administrative expenses.

Corporate

Corporate expenses amounted to R\$ 11.4 million in 3Q21 (+56.2% YoY), explained by higher general expenses and increase in provision for variable compensation.

Comments on Performance

EBITDA AND EBITDA MARGIN

R\$ million	3Q21	Margin (%)	3Q20	Margin (%)	Δ (%)
Port Terminals	136.0	45.4%	44.7	28.6%	204.3%
Logistics	13.5	16.7%	6.2	11.0%	117.7%
Vehicle Terminal	12.9	67.0%	5.2	50.3%	148.1%
Corporate	-10.4	0.0%	-6.4	0.0%	62.5%
CONSOLIDATED	152.0	38.3%	49.7	22.5%	205.8%
<i>Non-recurring items</i>	3.6	-	-3.2	-	-
CONSOLIDATED (RECURRING)	155.6	39.2%	46.5	21.1%	234.6%

R\$ million	9M21	Margin (%)	9M20	Margin (%)	Δ (%)
Port Terminals	382.9	46.0%	132.0	27.6%	190.1%
Logistics	20.3	9.5%	10.9	6.5%	86.2%
Vehicle Terminal	31.9	61.5%	15.5	51.7%	105.8%
Corporate	-29.3	0.0%	-28.0	0.0%	4.6%
CONSOLIDATED	405.8	37.2%	130.4	19.5%	211.2%
<i>Non-recurring items</i>	-3.5	-	-5.8	-	-
CONSOLIDATED (RECURRING)	402.3	36.9%	124.6	18.6%	222.6%

In 3Q21, consolidated EBITDA amounted to R\$ 152.0 million, increase of 205.8% in relation to 3Q20, with EBITDA margin of 38.3%. Compared to 3Q19, period with no Covid-19 effects, EBITDA increased 156.3%, representing margin expansion of 14.6 p.p. Nonrecurring items in the quarter had a negative effect of R\$ 3.6 million, namely: (i) R\$ 2.5 million in expenses with consulting services and (ii) R\$ 1.1 million from write-offs of obsolete equipment and inventory. Excluding nonrecurring items, EBITDA was R\$ 155.6 million in 3Q21, with EBITDA margin of 39.2% (+234.6% YoY).

Port Terminals

Port terminals posted recurring EBITDA of R\$ 139.5 million (+234.5% YoY), with EBITDA margin of 46.6%, explained by increase in the average ticket after the comprehensive renegotiations with shipowners at Tecon Santos, higher container throughput at port terminals and better cargo mix, reflecting higher import volumes.

Logistics

SBLog posted EBITDA of R\$ 13.5 million (+125.0% YoY), with EBITDA margin of 16.7%, reflecting solid operational improvements, with higher container throughput, growth in logistics services provided to customers (share of wallet) and higher average ticket, consequence of an efficient contract management.

Vehicle Terminal

In 3Q21, TEV posted recurring EBITDA of R\$ 13.0 million (+152.5% YoY), with EBITDA margin of 67.1%. EBITDA growth in the quarter was mainly driven by higher volumes and better mix, with a higher share of imports and heavy vehicles.

Corporate

Corporate EBITDA, represented by corporate expenses, came to negative R\$ 10.4 million (+62.5 YoY), explained by increase in personnel expenses, higher provision for variable compensation, the creation of new corporate departments (e.g. M&A & Strategic Planning and Management Excellence), which involved hiring new executives.

Comments on Performance

NET INCOME

R\$ million	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
EBITDA	152.0	49.6	206.5%	405.7	130.4	211.1%
Depreciation and amortization	48.3	39.3	22.9%	137.2	110.8	23.8%
EBIT	103.7	10.3	906.8%	268.5	19.6	1269.9%
Financial result	-1.6	-18.6	-91.4%	-24.9	-58.9	-57.7%
Financial revenues	18.3	2.0	815.0%	32.8	5.3	518.9%
Financial expenses	-17.7	-18.5	-4.3%	-53.7	-56.6	-5.1%
Interest on loans and debentures	-2.2	-2.9	-24.1%	-6.7	-11.4	-41.2%
Interest on obligations w/ concession grantor and rent	-14.0	-14.3	-2.1%	-42.6	-41.4	2.9%
Other financial expenses	-1.6	-1.3	23.1%	-4.4	-3.8	15.8%
Monetary and foreign-exchange variations	-2.2	-2.1	4.8%	-3.9	-7.6	-48.7%
Income and social contribution taxes	-35.4	2.8	-1.364.3%	-85.7	11.3	-858.4%
Net income (Loss)	66.6	-5.4	1.333.3%	157.9	-28.0	663.9%

Net Income in 3Q21 amounted to R\$ 66.6 million, reversing the net loss of R\$ 5.5 million in 3Q20. In the year to date (9M21), net income was R\$ 157.9 million (663.9% YoY).

DEBT, CASH AND CASH EQUIVALENTS

R\$ million	Currency	09/30/2021	09/30/2020	Δ (%)
Short term	BRL	80.6	27.5	193,1%
	Foreign	4.9	5.1	-3,9%
Long term	BRL	316.4	388.6	-18,6%
	Foreign	7.2	12.6	-42,9%
Total debt		409.1	433.8	-5,7%
Cash and cash equivalents		1,126.6	1,088.8	3,5%
Net debt		-717.5	-655.0	9,5%
Net debt / pro forma LTM¹ EBITDA		-2.04x	-7.04x	

¹ Last twelve months EBITDA, ex-IFRS 16.

Santos Brasil ended 3Q21 with R\$ 1.1 billion in cash and financial investments. Discounting gross debt from this amount, net cash summed to R\$ 717.5 million. The substantial increase in cash and financial investments reflects the R\$790 million in proceeds from the follow-on offering in September 2020 and the positive cash flow in the quarter. The leverage ratio (net debt/pro forma EBITDA LTM) ended the quarter at negative 2.04x.

As reported in prior quarters, the Company expects to gradually reduce its cash positions by allocating excess capital to projects aligned with its growth strategy via opportunities in mergers and acquisitions in 3PL logistics, in new port assets and/or in new port leases.

Comments on Performance

CAPEX

R\$ million	3Q21	3Q20	Δ (%)	9M21	9M20	Δ (%)
PORT TERMINALS	82.9	59.1	40.3%	175.1	167.6	4.5%
Tecon Santos	37.3	51.6	-27.7%	126.4	157	-19.5%
Tecon Imbituba	0.9	0.0	-	1	0.0	-
Tecon Vila do Conde	2.3	7.2	-68.1%	5.3	10.3	-48.5%
Terminal do Saboó	-	0.3	-100.0%	-	0.3	-100.0%
Liquid Bulk Terminals	42.4	0.0	-	42.4	0.0	-
LOGISTICS	5.1	3.7	37.8%	6.9	4.9	40.8%
VEHICLE TERMINAL	0.1	0.0	-	0.5	0.0	-
CORPORATE	0.0	0.0	-	0.0	0.0	-
GROSS CAPEX	88.1	62.8	40.3%	182.5	172.5	5.8%
Fixed and intangible asset write-off	-2.5	-7.2	65.3%	-28.3	-50.4	43.8%
NET CAPEX	85.6	55.6	54.0%	154.2	122.1	26.3%

In 3Q21, capital expenditures amounted to R\$ 88.1 million (+54.0% YoY), 94.1% of which was allocated to port terminals. At Tecon Santos, investments amounted to R\$ 37.3 million, related to contractual obligations for the early renewal of the lease agreement, such as (i) expanding, deepening, and reinforcing quay infrastructure; (ii) automating terminal operations, and (iii) administrative structures and investments in operational maintenance. The quay expansion project at Tecon Santos, which will increase the terminal's current capacity (2.0 million TEUs) by at least 20%, is in the final stage and should be concluded in 4Q21. The new berth will be ready to receive ships in the first half of 2022, after concluding dredging operations and obtaining the applicable authorizations and permits.

The liquid bulk terminals at the Port of Itaqui, whose lease contracts were signed in August 2021, received investments of R\$ 42.4 million, nearly all of which was allocated to paying 25% of the total lease fee for the three assets. The remaining 75% of the fee will be paid in five annual installments, starting in 2022.

At Tecon Vila do Conde, the R\$ 2.3 million invested in the quarter was also related to the early renewal of the lease agreement, including the continuity of yard monitoring and automation systems implementation. The investments are part of the terminal's capacity expansion and modernization project initiated in 2018 and nearly concluded.

Investments at SBLog came to R\$ 5.1 million, which were allocated to (i) acquiring trucks to expand the fleet in the road transportation segment and (ii) IT systems.

Notes**SANTOS BRASIL PARTICIPAÇÕES S.A. AND SUBSIDIARIES**

NOTES TO THE CONDENSED QUARTERLY INFORMATION
INDIVIDUAL AND CONSOLIDATED
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(In thousands of reais - R\$)

1. Corporate Information

Santos Brasil Participações S.A. (the “Company”), domiciled in Brazil and headquartered in São Paulo state, is engaged in holding interest, as a member or shareholder, in the capital of other Brazilian or foreign entities and in consortia, as well as in the commercial operation of port and bonded warehouse facilities and integrated logistics solutions, and handling of containers and the like. Such activities are performed by its operational branches Tecon Santos, Tecon Imbituba and Saboó.

The consolidated condensed quarterly information includes information on the Company and the following wholly owned subsidiaries:

	Interest - %	
	09.30.2021	12.31.2020
Direct subsidiaries:		
Numeral 80 Participações S.A. (“Numeral 80”) *	100	100
Pará Empreendimentos Financeiros S.A. (“Pará Empreendimentos”) **	100	100
Santos Brasil Logística S.A. (“Santos Brasil Logistics”)	100	100
Terminal Portuário de Veículos S.A. (“TPV”)	100	100
Terminal de Veículos de Santos S.A. (“Vehicles Terminal/TEV”)	100	100
Indirect subsidiary:		
Convicon Contêineres de Vila do Conde S.A. (“Tecon Vila do Conde”)	100	100

* Dormant company;

** Holding.

Biddings for Concession Notices No. 06/2020, No. 07/2020 and 08/2020 for Liquid Fuel Bulks in the Itaqui port complex

On April 9, 2021, the Commission Responsible for Biddings referring to the Concession Notices No. 06/2020, No. 07/2020 and 08/2020, promoted by Brazil's National Waterway Transportation Agency - ANTAQ, declared winners the proposals submitted by the Company related to the lease of three port terminals designated for handling, storage and distribution of liquid fuel bulks at the Itaqui Port Complex, in the state of Maranhão, called IQI03, IQI11 and IQI12, which together add up to 190,000 m³ of static capacity.

The Company won the bid by offering the highest amount as payment for the concession, totaling R\$61,300 for the IQI03 terminal; R\$56,000 for the IQI11 terminal; and R\$40,000 for the IQI12 terminal. The auctions of the Port of Itaqui terminals is the beginning of the Company's liquid bulk port business, in a strategic region close to the Gulf of Mexico, a port of entry for the import of fuels for the Midwest, North and Northeast regions of Brazil. The Port of Itaqui offers a competitive maritime access infrastructure, with a draught of up to 18.5 meters and specialized berths, and wide land access, such as the connection with the Norte Sul Railway (VLI), Transnordestina and the Carajás Railways, ensuring the flow of liquid bulks, including to important agribusiness regions.

Notes

On July 26, 2021, the Company made the concessions' initial payments referring to leased areas in Port of Itaqui, which were subject to the bidding processes under Notices No. 06/2020, No. 07/2020 and No. 08/2020, promoted by Brazil's National Waterway Transportation Agency - ANTAQ. The amounts paid by the Company were as follows: R\$15,325 for IQI03; R\$14,000 for IQI11; and R\$10,000 for IQI12.

On August 13, 2021, the Company entered into the Lease Agreements No. 05/2021, No. 08/2021 and No. 07/2021 with the Federal Government, through the Ministry of Infrastructure ("Granting Authority"), with the intervention and agreement of Brazil's National Waterway Transportation Agency - ANTAQ and the Maranhão State Port Authority (Empresa Maranhense de Administração Portuária - EMAP). The lease terms are twenty (20) years and are extendable for a maximum period of seventy (70) years. The lease term, as well as the enforcement of the liabilities assumed by the Company, such as payment of the port lease, will begin on the date of execution of the Instrument of Provisional Acceptance and Permission to Use Assets, which is conditional on the acceptance by the Granting Authority of the Basic Implementation Plan - PBI presented by the Company. On September 30, 2021, the PBIs were awaiting approval by EMAP - the Port Authority of Port of Itaqui and by the Granting Authority; consequently, the Company has not yet recognized the Right of Use and the corresponding Liability with the Granting Authority.

Economic-financial balance of the Tecon Imbituba Lease Agreement

On July 1, 2016, Santos Brasil Participações S.A. filed the request to restore the economic-financial balance of the Tecon Imbituba lease agreement with the Brazilian Ministry of Transportation, Ports and Civil Aviation. The Company's request was reviewed by the current Ministry of Infrastructure, which replaced the former Ministry of Transportation. On April 7, 2017, Brazil's National Waterway Transportation Agency - ANTAQ was designated to examine the request for suspension of the obligation to pay the Contract Minimum Handling - MMC, until the merits of the request for economic-financial balance was concluded. ANTAQ conducted the discovery phase of the administrative proceeding and the Agency's technical department (Management of Organized Ports) concluded that the request for adjustment of the MMC should be granted to the Company. However, before ANTAQ's Board reached a decision, the Ministry of Infrastructure issued Administrative Decision No. 2/2019/SNPTA on August 8, 2019, in which it rejects the request to restore the economic-financial balance. Subsequently, ANTAQ issued Decision No. 92 of October 29, 2019. In the decision issued by a panel, the rapporteur of the case voted to review the obligation to pay the MMC, pursuant to the Opinion of the Agency's Technical Department; however the other attending directors decided to archive the records without judgment on the merits, claiming that the case became moot due to the above-mentioned Administrative Decision No. 2/2019/SNPTA. On April 28, 2020, the Company filed a lawsuit against the Federal Government, ANTAQ and SCPAR Porto de Imbituba S.A., initially requesting the suspension of the MMC and, on the merits, that the Company's right to restore the economic-financial balance in relation to MMC be recognized. On May 4, 2020, a decision was handed down by the 1st Federal Court of the Judicial District of the Federal District, granting a preliminary injunction to determine the suspension of the MMC charges during the lawsuit. At September 30, 2021, the Company awaited the beginning of the discovery phase of the lawsuit.

DIPRE/DINEG/11.2021 Transition Agreement - Saboó area of 42,000 m²

On May 10, 2021, the Company entered into the DIPRE/DINEG/12.2021 Transition Agreement, whose contractual purpose is the temporary lease of the port facility of 42,000 m² located on the right bank of the Port of Santos, which will continue to be operated by the Company temporarily, for an additional period of 180 days from May 11, 2021, according to Notes 12 and 16.

Notes

Simplified Selection Process Notice No. 02/2020 - Saboó area of 64,412 m²

As disclosed in Note 33 to the financial statements for the year ended December 31, 2020, on January 18, 2021, the Company's offer to temporarily explore an area of 64,412 m², on the Saboó dock, on the right bank of the Port of Santos, was considered the most advantageous offer for the Port of Santos and, therefore, the best ranked.

On May 13, 2021, the Company entered into the DIPRE/DINEG/11.2021 Transition Agreement with Santos Port Authority - SPA, for temporary operation for a period of 180 days, whereby the Company will handle empty containers, in addition to general and project cargo, strengthening its presence in the Port of Santos and expanding the services offered to its current and potential customer base on the right bank of the Port of Santos according to Notes 12 and 16.

Coronavirus (COVID-19)

Since the beginning of the quarantine period in Brazil, in March 2020, the Company has adopted measures in various areas to face the effects of COVID-19, since it considers as its first priority to preserve the health of its employees and other stakeholders. The Company reiterates that the actions and strategic decisions already made and those in progress are intended to mitigate the operational and financial impacts caused by the pandemic, as well as to prevent and minimize its effects on the people with whom the Company has a relationship, including employees, customers, suppliers and other partners.

Internally, the main actions taken by the Company involving its employees were based on four pillars: hygiene, distancing, tests and isolation.

Regarding the actions directly related to the Company's businesses, management maintains the work streams launched in 2Q20 intended to seek new sources of revenue, control and reduce costs and expenses, and review the investment plan, prioritizing the continuity of strategic projects. Regarding revenue, the Company aims at diversifying the business and increasing the share-of-wallet in the customer value chain through the following actions: (i) increase the DEPOT activities (container repair and maintenance service) for shipowner customers at Tecon Santos and Tecon Vila do Conde; (ii) source new cargo at the Imbituba General Cargo Terminal (i.e. pulp and food); (iii) new agreements in the logistics operations of the CLIA's, of the São Bernardo do Campo Distribution Center and the Imigrantes Distribution Center; (iv) source project cargo at Tecon Vila do Conde; and (v) source new volumes at TEV - Vehicles Terminal.

Regarding actions to reduce costs and expenses, based on the assumption of increasing operating and administrative efficiency, the Company seeks to continue obtaining savings through: (i) renegotiation and scope review of agreements with suppliers; (ii) reduction of administrative expenses with trips, space occupation, marketing, among others; and (iii) full automation of the entrance gates of Tecon Santos.

In terms of continuing as a going concern, the preservation and strengthening of consolidated cash and investments (R\$1.1 billion as of September 30, 2021) continued to be the main focus of the Company's actions, with management of working capital by increasing the average payment term and controlling late payment receipts, as well as deferral and suspension of taxes and replacement of judicial deposits with other guarantees. In September 2020, the Company raised R\$790 million in a primary offering of shares (follow-on). These funds will be allocated to the growth of the Company's business.

Notes

Until the issue date of this condensed quarterly information, the operations of the Company and its subsidiaries have continued on a regular basis, with no interruptions or stoppages.

In addition, no conditions were identified that would justify the recognition of additional provisions for impairment losses on assets, mainly related to impairment of property and equipment, intangible assets, and realization of deferred income and social contribution taxes.

2. Basis of preparation

Compliance statement

The Company's individual and consolidated condensed quarterly information have been prepared in accordance with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting, in accordance with the accounting practices adopted in Brazil.

All significant information included in the condensed quarterly information, and only such information, is being disclosed and corresponds to that used to manage the Company's operations.

The issue of this individual and consolidated condensed quarterly information was authorized by the Executive Board on November 3, 2021.

There were no changes in the basis of measurement, functional and presentation currency or in the use of estimates and judgments, compared with those presented in the financial statements for the year ended December 31, 2020, disclosed on March 8, 2021.

The individual and consolidated condensed quarterly information does not include all information and disclosures required for annual financial statements; therefore, this interim condensed quarterly information should be read together with the financial statements for that year.

3. Significant accounting policies

During the period ended September 30, 2021, there were no changes in the accounting policies applied by the Company and its subsidiaries, as detailed in the financial statements as of December 31, 2020, and the same consistency was maintained for the period presented in this condensed quarterly information, except for the adoption of new standards in force as of January 1, 2021. The Company and its subsidiaries have not early adopted any standard, interpretation or amendment that has been issued and is not yet in force.

4. Related parties disclosures

a) Dividends receivable - Individual

	<u>09.30.2021</u>	<u>12.31.2020</u>
Current assets:		
Dividends receivable:		
Direct subsidiaries:		
Pará Empreendimentos Financeiros S.A.	-	5,692
Terminal de Veículos de Santos S.A.	-	428
	<u>-</u>	<u>6,120</u>

Notesb) Other significant balances

	Individual		Consolidated (*)	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Current assets:				
Trade accounts receivable (I)	1,035	448	1,987	1,478
Checking accounts (II)	1,196	1,101	1,196	1,101
	<u>2,231</u>	<u>1,549</u>	<u>3,183</u>	<u>2,579</u>
Current liabilities:				
Suppliers	952	1,030	1,987	1,478
Checking accounts (II)	-	-	1,196	1,101
	<u>952</u>	<u>1,030</u>	<u>3,183</u>	<u>2,579</u>

(*) Amounts eliminated in the consolidation.

(I) The Company and its subsidiaries provide port and transportation services to each other, under commercial conditions agreed between the parties, as described in Note 4.c);

(II) These refer to provision for expenses with shared administrative services provided by the Company to its subsidiaries.

c) Port service rendered

In the period from January to September 2021, operational branch Tecon Santos provided the following port services to subsidiary Santos Brasil Logistics: (i) immediate delivery of containers amounting to R\$2,741 (R\$580 at September 30, 2020), referring to 9,187 containers handled (2,217 containers at September 30, 2020); (ii) non-invasive inspection of containers amounting to R\$724 (R\$621 at September 30, 2020), referring to 14,243 containers (6,258 containers at September 30, 2020); (iii) reefers monitoring amounting to R\$149 (R\$2 at September 30, 2020), referring to 266 containers (6 containers at September 30, 2020); and (iv) connection and disconnection of reefer containers amounting to R\$32 (R\$1 at September 30, 2020).

In the same period, subsidiary Santos Brasil Logistics provided operational branch Tecon Santos with: (i) container transportation service amounting to R\$4,890 (R\$6,952 at September 30, 2020), referring to 5,870 containers (8,171 containers at September 30, 2020); and (ii) freight forwarding service amounting to of R\$42 (R\$22 at September 30, 2020), referring to 1,576 containers (824 containers at September 30, 2020).

d) Compensation of key personnel

	Individual			
	09.30.2021		09.30.2020	
	Board of Directors	Executive Board	Board of Directors	Executive Board
Benefits current	1,376	7,926	1,376	7,357
Other benefits	-	456	-	327
Stock option plan / Share-based incentive plan	-	4,032	-	1,065
Total	<u>1,376</u>	<u>12,414</u>	<u>1,376</u>	<u>8,749</u>

Notes

	Consolidated			
	09.30.2021		09.30.2020	
	Board of Directors	Executive Board	Board of Directors	Executive Board
Benefits current	1,387	8,354	1,393	7,547
Other benefits	-	490	-	327
Stock option plan / Share-based incentive plan	-	4,032	-	1,065
Total	1,387	12,876	1,393	8,939

Statutory officers and other officers are included in the Executive Board's amounts.

Certain officers have signed the confidentiality and non-compete agreement approved by the Board of Directors. This agreement does not provide for any obligations or benefits in the case of termination.

Shareholder directors hold 0.52% (0.45% at December 31, 2020) of the Company's voting shares.

e) Employees benefits - Consolidated

The Company and its subsidiaries provide their employees with benefits including basically private pension plan with defined contribution administered by Brasilprev, life insurance, healthcare plan, basic food basket, food voucher, meal voucher and ready meals. At September 30, 2021, the aforementioned benefits represented an expense of R\$41,820 (R\$39,463 at September 30, 2020), equivalent to 3.83% and 5.90% of consolidated net revenue, respectively.

Operational branch Tecon Santos and subsidiaries Tecon Vila do Conde, Santos Brasil Logistics and Vehicles Terminal/TEV include the Profit-Sharing Plan - PSP in their human resources policies, and all employees with formal employment relationship not covered by any other variable compensation program offered by those companies are eligible. The goals and criteria for defining and distributing funds and awards are agreed between the parties, including unions representing employees, and they aim to increase productivity, competitiveness and motivation and engagement among participants. At September 30, 2021, the Company and the other subsidiaries had recognized a provision in the amount of R\$12,471 (R\$6,200 at September 30, 2020).

f) Sureties and guarantees

The Company provides guarantees to its subsidiaries, as follows:

- Guarantee for the acquisition of trailers for Tecon Vila do Conde, in the amount of R\$1,227 (R\$1,227 at December 31, 2020);
- Guarantee for the acquisition of trucks for Tecon Vila do Conde, in the amount of R\$1,482 (R\$1,482 at December 31, 2020);
- Joint debtor in the acquisition of a crane for Tecon Vila do Conde, in the amount of € 3,635, equivalent to R\$22,894 (R\$23,184 at December 31, 2020);

Notes

- Joint debtor in the acquisition of a full container forklift truck for Tecon Vila do Conde, in the amount of € 678, equivalent to R\$4,272 (R\$4,326 at December 31, 2020);
- Joint debtor in the acquisition of an empty container forklift truck for Tecon Vila do Conde, in the amount of € 271, equivalent to R\$1,707 (R\$1,728 at December 31, 2020).

5. Cash and cash equivalents, other marketable securities and nature of investmentsa) Cash and cash equivalents

	Individual		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Cash and cash at banks	4,795	2,123	7,148	7,073
Marketable securities	506,708	458,223	704,811	636,788
Total	<u>511,503</u>	<u>460,346</u>	<u>711,959</u>	<u>643,861</u>

b) Other marketable securities

	Individual		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Marketable securities	<u>414,653</u>	<u>426,598</u>	<u>414,653</u>	<u>426,598</u>

c) Nature of marketable securities

- Marketable securities:

	Maturity	Individual	
		09.30.2021	12.31.2020
Bank Deposit Certificate - CDB	2021	4,305	384,627
	2022	381,112	-
	2023	10,336	10,126
	2025	62,499	63,470
		<u>458,252</u>	<u>458,223</u>
Investment funds	Indefinite	48,456	-
		<u>48,456</u>	-
Total		<u>506,708</u>	<u>458,223</u>

Notes

	Maturity	Consolidated	
		09.30.2021	12.31.2020
Bank Deposit Certificate - CDB	2021	56,737	563,192
	2022	526,783	-
	2023	10,336	10,126
	2025	62,499	63,470
		<u>656,355</u>	<u>636,788</u>
Investment funds	Indefinite	48,456	-
		<u>48,456</u>	<u>-</u>
Total		<u>704,811</u>	<u>636,788</u>

• Other marketable securities

	Maturity	Individual and Consolidated	
		09.30.2021	12.31.2020
Bank Deposit Certificate - CDB	2021	256,799	426,598
	2022	157,854	-
Total		<u>414,653</u>	<u>426,598</u>

Highly liquid marketable securities considered as cash and cash equivalents are readily convertible into a known cash amount. Other marketable securities are convertible into cash after the grace period. At September 30, 2021, these investments had a grace period of up to 30 days. All investments are subject to an insignificant risk of changes in the agreed income.

The average rates of marketable securities are related to the Interbank Deposit Certificate (CDI) rate and refer to the income for the period from January to September 2021. Investments in CDB ranged from 97.00% to 108.00% (97.00% to 109.00% at December 31, 2020). Investments in investment funds ranged from 131.96% a 136.04% of the CDI.

“Cash and cash equivalents” and “Marketable securities” are held with prime banks with ratings between BB- and AAA assigned by the rating agency Standard & Poor's (S&P).

6. Trade accounts receivableCurrent

	Individual	
	09.30.2021	12.31.2020
Domestic	140,079	97,114
To be billed	5,402	4,101
Related parties (Note 4.b))	1,035	448
(-) Allowance for expected credit losses	<u>(20,114)</u>	<u>(11,764)</u>
Total	<u>126,402</u>	<u>89,899</u>

Notes

	Consolidated	
	09.30.2021	12.31.2020
Domestic	195,357	136,756
To be billed	7,923	6,381
(-) Allowance for expected credit losses	(21,739)	(12,254)
Total	181,541	130,883

At September 30, 2021, the amount of R\$1,987 (R\$1,478 at December 31, 2020) was eliminated for consolidation purposes. Such amount refers to receivables between the Company and its subsidiaries and derives from the billing of services provided and shared administrative services, as explained in Note 4.b).

The table below summarizes the balances receivable by maturity:

	Individual	
	09.30.2021	12.31.2020
Falling due	107,245	66,552
Overdue - up to 60 days	15,683	16,165
Overdue - from 61 to 90 days	3,036	1,915
Overdue - from 91 to 180 days	9,830	6,056
Overdue - from 181 to 360 days	6,218	7,474
Overdue for over 361 days	4,504	3,501
Total	146,516	101,663

	Consolidated	
	09.30.2021	12.31.2020
Falling due	152,952	102,256
Overdue - up to 60 days	23,669	20,203
Overdue - from 61 to 90 days	3,765	1,949
Overdue - from 91 to 180 days	10,796	6,452
Overdue - from 181 to 360 days	6,745	7,772
Overdue for over 361 days	5,353	4,505
Total	203,280	143,137

Impairment

The allowance for expected credit losses is recorded on a forward-looking basis, through the analysis of credit risk and delinquency history. Therefore, the calculation and recognition of the provision consider the amounts falling due and overdue.

The changes in the allowance for expected credit losses as well as the notes written-off in the individual and consolidated income (loss) are as follows:

	Individual	Consolidated
Balance at 12.31.2020	11,764	12,254
Additions, net of reversals	16,589	18,010
Write-offs	(8,239)	(8,525)
Balance at 09.30.2021	20,114	21,739

Notes

	Individual	Consolidated
Balance at 12.31.2019	12,927	14,334
Additions, net of reversals	14,787	14,450
Write-offs	(15,950)	(16,530)
Balance at 12.31.2020	<u>11,764</u>	<u>12,254</u>

7. Inventories

	Individual		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Maintenance material	18,661	19,152	22,433	22,393
Administrative material	320	292	458	412
Security material	240	206	410	347
Other	954	920	1,257	1,141
	<u>20,175</u>	<u>20,570</u>	<u>24,558</u>	<u>24,293</u>

Materials kept in inventory are used mainly for maintenance of operating equipment and are recognized in income (loss) for the year, when used.

8. Court-ordered debt payments - consolidated

	09.30.2021	12.31.2020
Non-current assets:		
Court-ordered debt payments receivable	<u>6,338</u>	<u>5,896</u>
Non-current liabilities:		
Court-ordered debt payments to be transferred to the former shareholders, net of attorney's fees (*)	<u>5,070</u>	<u>4,717</u>

(*) Court-ordered debt payments are classified in the statements of financial position under "Other liabilities", in non-current liabilities.

In 1993, subsidiary Santos Brasil Logistics filed a collection action referring to goods storage services provided to and not paid by the São Paulo State Finance Department. In 2001, said action was upheld, final and unappealable, to be received in ten annual installments and, as of September 30, 2021, there is only one installment to be received, restated according to the monetary restatement index of legal debts of the Court of Justice of São Paulo State, which was recognized in assets.

In the period ended September 30, 2021, the amount of non-current liabilities was adjusted, considering the restatement mentioned in the paragraph above. The purchase agreement of Santos Brasil Logistics sets forth that the amounts referring to the court-ordered debt payments received shall be transferred to the former controlling shareholders. These amounts are transferred net of attorney's fees associated thereto.

Notes**9. Current tax assets**

	Individual	
	09.30.2021	12.31.2020
Withholding Income Tax - IRRF	1,011	461
Corporate Income Tax - IRPJ and Social Contribution Tax on Net Income - CSLL	48	360
Other	83	7
Total current	<u>1,142</u>	<u>828</u>

	Consolidated	
	09.30.2021	12.31.2020
Withholding Income Tax - IRRF	1,153	509
Corporate Income Tax - IRPJ and Social Contribution Tax on Net Income - CSLL	67	821
Credit recoverable from the Fund for the Development and Management of Collection and Inspection - FUNDAP	162	989
Service Tax - ISS to offset - Supplementary Law No. 443 / 2001	147	246
Credits from Social Integration Program - PIS / Contribution For the Financial Social Security - COFINS	-	1,895
Other	205	374
Total current	<u>1,734</u>	<u>4,588</u>

IRRF consolidated credits, amounting to R\$1,153 (R\$509 at December 31, 2020), refer mainly to the Company's marketable securities in the current year.

IRRF and CSLL consolidated credits, amounting to R\$67 (R\$821 at December 31, 2020), refer mainly to prepayments made in prior years through monthly calculations of the Company and its subsidiary Santos Brasil Logistics. These credits will be offset in monthly calculations.

FUNDAP consolidated credits, amounting to R\$162 (R\$989 at December 31, 2020), refer to undue payment in subsidiary Tecon Vila do Conde, pursuant to article 6 of Decree-Law No. 1437/75, arising from payments made in the period from January 2014 to April 2017.

ISS credits, amounting to R\$147 (R\$246 at December 31, 2020) arise from credits on billing of subsidiaries Santos Brasil Logistics and Tecon Vila do Conde.

PIS and COFINS consolidated credits, amounting to R\$1,895 at December 31, 2020, refer mainly to subsidiary Tecon Vila do Conde, which filed a writ of mandamus to exclude ISS from the PIS and COFINS tax base. The lawsuit was upheld, generating the credit right for the period from October 2012 to December 2019. These credits have been restated and offset in monthly calculations of those contributions.

The Company and its subsidiaries understand that PIS and COFINS credits on their inputs are reliably measured and recognized according to the best interpretation of the legislation in force, i.e., only expenses that are essential or relevant to its activities, and this is also supported by their external legal advisors.

Notes**10. Investments - Company****a) Breakdown of balances**

	09.30.2021	12.31.2020
Non-current assets:		
Interest in subsidiaries	420,947	404,677

b) Changes in balances - as from December 31, 2020

	Numeral 80 Participações S.A.	Terminal Portuário de Veículos S.A.	Pará Empreendimentos Financeiros S.A. (Consolidated)	Santos Brasil Logística S.A.	Terminal de Veículos de Santos S.A.	Total
Balance at December 31, 2020	174	42	109,006	132,750	162,705	404,677
Capital contribution	-	40	-	-	-	40
Equity pickup	(77)	(29)	21,059	3,188	10,451	34,592
Additional dividend according to the Annual Shareholders' Meeting of April 30, 2021 (*)	-	-	(17,078)	-	(1,284)	(18,362)
Balance at September 30, 2021	97	53	112,987	135,938	171,872	420,947

(*) Dividends paid out are presented in the "Statement of cash flows" under "Investing activities".

c) Changes in balances - as from December 31, 2019

	Numeral 80 Participações S.A.	Terminal Portuário de Veículos S.A.	Pará Empreendimentos Financeiros S.A. (Consolidated)	Santos Brasil Logística S.A.	Terminal de Veículos de Santos S.A.	Total
Balance at December 31, 2019	207	34	94,206	135,749	168,264	398,460
Capital contribution	100	30	-	-	-	130
Equity pickup	(133)	(22)	23,969	(2,026)	1,802	23,590
Additional dividend according to the Annual Shareholders' Meeting of April 30, 2020 (*)	-	-	(3,966)	-	(6,931)	(10,897)
Proposed dividends (*)	-	-	(5,692)	-	(428)	(6,120)
Actuarial liabilities	-	-	490	(973)	(2)	(485)
Others	-	-	(1)	-	-	(1)
Balance at December 31, 2020	174	42	109,006	132,750	162,705	404,677

(*) Dividends paid out are presented in the "Statement of cash flows" under "Investing activities".

d) Information of subsidiaries - position as of September 30, 2021

	Numeral 80 Participações S.A. ^(a)	Terminal Portuário de Veículos S.A. ^(a)	Pará Empreendimentos Financeiros S.A. (Consolidated)	Santos Brasil Logística S.A.	Terminal de Veículos de Santos S.A.
Capital	1,430	530	84,484	126,374	128,751
Number of shares held:					
Common	986,986	530,000	84,484,349	115,935,256	204,269,217
Preferred	443,014	-	-	115,935,255	-
(Loss) net income for the year	(77)	(29)	21,059	3,188	10,451
Shareholders' Equity	97	53	112,987	135,938	171,872
Interest in capital - %	100	100	100	100	100
Interest in shareholders' equity	97	53	112,987	135,938	171,872
Current assets	91	53	131,392	72,593	63,551
Non-current assets	7	-	105,440	202,846	253,854
Total assets	98	53	236,832	275,439	317,405

Notes

	Numeral 80 Participações S.A. ^(a)	Terminal Portuário de Veículos S.A. ^(a)	Pará Empreendimentos Financeiros S.A. (Consolidated)	Santos Brasil Logística S.A.	Terminal de Veículos de Santos S.A.
Current liabilities	1	-	32,142	45,486	14,501
Non-current liabilities	-	-	91,703	94,015	131,032
Total liabilities	1	-	123,845	139,501	145,533
Net income	-	-	101,266	213,815	51,842
(Loss) net income for the period	(77)	(29)	21,059	3,188	10,451

(a) Company whose activities area paralyzed.

Notes to quarterly information

11. Property, plant and equipment

	Individual											
	Leasehold improvements	Cargo handling equipment	Construction in progress (*)	IT equipment	Land	Machinery, equipment and accessories	Facilities, furniture and fixtures	Vehicles	Real estate	Right of use - Rents	Other items	Total
Average depreciation rate (% p.a.)	9.2	9.6	-	20	-	10	10	20	1.7	6	10	
Net balances at January 1, 2020	80	11,287	25,411	1,811	39,943	5,647	1,292	497	1,860	-	96	87,924
Changes												
Acquisitions / transfers	-	15,518	(15,798)	11,808	-	-	98	-	-	2,412	-	14,038
Write-offs	-	(106)	-	(1)	-	-	-	-	-	-	-	(107)
Reclassifications (**)	-	-	(2,182)	-	-	-	-	-	-	-	-	(2,182)
Depreciation	(30)	(2,444)	-	(2,023)	-	(1,885)	(416)	(119)	(35)	(147)	(25)	(7,124)
Net balances at December 31, 2020	50	24,255	7,431	11,595	39,943	3,762	974	378	1,825	2,265	71	92,549
Balances at December 31, 2020												
Cost	4,092	71,625	7,431	49,611	39,943	27,115	9,604	1,988	1,954	2,412	347	216,122
Accumulated depreciation	(4,042)	(47,370)	-	(38,016)	-	(23,353)	(8,630)	(1,610)	(129)	(147)	(276)	(123,573)
Net balances at December 31, 2020	50	24,255	7,431	11,595	39,943	3,762	974	378	1,825	2,265	71	92,549
Net balances at January 1, 2021	50	24,255	7,431	11,595	39,943	3,762	974	378	1,825	2,265	71	92,549
Changes												
Acquisitions / transfers	-	-	5,837	734	-	70	722	-	-	44	-	7,407
Write-offs	-	-	-	-	-	-	-	-	-	(104)	-	(104)
Reclassifications (**)	-	-	(3,842)	-	-	-	-	-	-	-	-	(3,842)
Depreciation	(23)	(2,534)	-	(2,126)	-	(1,376)	(269)	(80)	(24)	(428)	(18)	(6,878)
Net balances at September 30, 2021	27	21,721	9,426	10,203	39,943	2,456	1,427	298	1,801	1,777	53	89,132
Balances at September 30, 2021												
Cost	2,436	70,842	9,426	50,336	39,943	27,186	10,321	1,723	1,955	2,091	347	216,606
Accumulated depreciation	(2,409)	(49,121)	-	(40,133)	-	(24,730)	(8,894)	(1,425)	(154)	(314)	(294)	(127,474)
Net balances at September 30, 2021	27	21,721	9,426	10,203	39,943	2,456	1,427	298	1,801	1,777	53	89,132

(*) The amount of additions in "Construction in progress" capital is net of transfers upon entry of assets into the groups that represent them.

(**) Reclassifications, mainly to intangible assets.

Notes to quarterly information

	Consolidated											
	Leasehold improvements	Cargo handling equipment	Construction in progress (*)	IT equipment	Land	Machinery, equipment and accessories	Facilities, furniture and fixtures	Vehicles	Real estate	Right of use - Rents	Other items	Total
Average depreciation rate (% p.a.)	5.7 - 9.2	9.6 - 10.3	-	20	-	10	10	20	1.7 - 2.2	6 - 50	10	
Net balances at January 1, 2020	3,616	39,902	30,077	4,032	66,368	9,643	15,944	497	19,945	29,907	124	220,055
Changes												
Acquisitions / transfers	217	21,166	(9,918)	14,456	-	491	176	-	-	20,501	1	47,090
Write-offs	-	(1,577)	-	(1)	-	-	-	-	-	-	-	(1,578)
Reclassifications (**)	-	-	(2,689)	-	-	-	-	-	-	-	-	(2,689)
Depreciation	(482)	(6,909)	-	(2,789)	-	(2,877)	(4,195)	(119)	(541)	(10,798)	(33)	(28,743)
Net balances at December 31, 2020	3,351	52,582	17,470	15,698	66,368	7,257	11,925	378	19,404	39,610	92	234,135
Balances at December 31, 2020												
Cost	13,097	159,958	17,470	63,114	66,368	45,684	57,715	2,176	27,135	58,815	763	512,295
Accumulated depreciation	(9,746)	(107,376)	-	(47,416)	-	(38,427)	(45,790)	(1,798)	(7,731)	(19,205)	(671)	(278,160)
Net balances at December 31, 2020	3,351	52,582	17,470	15,698	66,368	7,257	11,925	378	19,404	39,610	92	234,135
Net balances at January 1, 2021	3,351	52,582	17,470	15,698	66,368	7,257	11,925	378	19,404	39,610	92	234,135
Changes												
Acquisitions / transfers	320	2,023	13,520	1,171	-	799	1,884	-	-	37,041	76	56,834
Write-offs	-	(227)	-	-	-	(11)	-	-	-	(104)	-	(342)
Reclassifications (**)	-	-	(4,267)	-	-	-	-	-	-	-	-	(4,267)
Depreciation	(279)	(5,648)	-	(2,919)	-	(2,118)	(3,038)	(80)	(402)	(9,078)	(28)	(23,590)
Net balances at September 30, 2021	3,392	48,730	26,723	13,950	66,368	5,927	10,771	298	19,002	67,469	140	262,770
Balances at September 30, 2021												
Cost	11,762	159,044	26,723	64,276	66,368	46,326	59,595	1,911	27,137	95,491	839	559,472
Accumulated depreciation	(8,370)	(110,314)	-	(50,326)	-	(40,399)	(48,824)	(1,613)	(8,135)	(28,022)	(699)	(296,702)
Net balances at September 30, 2021	3,392	48,730	26,723	13,950	66,368	5,927	10,771	298	19,002	67,469	140	262,770

(*) The amount of additions in "Construction in progress" is net of transfers upon entry of assets into the groups that represent them.

(**) Reclassifications, mainly to intangible assets.

Notes to quarterly information

Costs of capitalized loans and financing for the period ended September 30, 2021 totaled R\$8,388 (R\$4,665 at December 31, 2020) referring to loans and financing not directly attributable to the Company's property, plant and equipment with an average interest rate of 4.61% and 3.98%, respectively.

At December 31, 2020, the Company had a piece of equipment pledged as collateral to finance the related acquisition (Financing Fund for Acquisition of Industrial Machineries and Equipment - FINAME). At December 31, 2020, the cost value of these assets was R\$298. At September 30, 2021, the Company does not have any piece of equipment pledged as collateral for financing. In addition to these guarantees, the Company also has a Rubber Tyred Gantry - RTG pledged as collateral in Labor Lawsuit No. 369/03 in progress, whose carrying amount at September 30, 2021 was R\$442 (R\$520 at December 31, 2020).

Notes to quarterly information**12. Intangible assets**

	Individual										
	Defined useful life										
	Exploration right					Software		Other intangible assets		Total	
Tecon Santos	Tecon Imituba	TCG Imituba	Saboó 42,000m ² (**)	Saboó 64,412m ² (***)	Concession of Santos-Brasil S.A.	Concession of Pará Empreendimentos	Concession of TCG Imituba	Data processing system	Intangible assets in progress		
Average amortization rate (% p.a.)	4.3	4.7	4.7	60.9	100	3.1	6.3	4.4	20	-	
Net balances at January 1, 2020	848,190	615,065	11,315	-	-	69,398	2,365	10,209	361	104,857	1,661,760
Changes											
Acquisitions / transfers	298,158	31,835	294	5,011	-	-	-	-	5,758	95,957	437,013
Write-offs	(1,829)	-	-	-	-	-	-	-	-	-	(1,829)
Reclassifications (*)	-	-	-	-	-	-	-	-	622	1,561	2,183
Amortization	(45,596)	(48,669)	(935)	(3,052)	-	(2,484)	(172)	(828)	(770)	-	(102,506)
Net balances at December 31, 2020	1,098,923	598,231	10,674	1,959	-	66,914	2,193	9,381	5,971	202,375	1,996,621
Balances at December 31, 2020											
Cost	1,862,390	1,033,165	19,860	5,011	-	321,264	37,760	18,983	28,897	202,375	3,529,705
Accumulated amortization	(763,467)	(434,934)	(9,186)	(3,052)	-	(254,350)	(35,567)	(9,602)	(22,926)	-	(1,533,084)
Net balances at December 31, 2020	1,098,923	598,231	10,674	1,959	-	66,914	2,193	9,381	5,971	202,375	1,996,621
Net balances at January 1, 2021	1,098,923	598,231	10,674	1,959	-	66,914	2,193	9,381	5,971	202,375	1,996,621
Changes											
Acquisitions / transfers	136,880	143,275	352	5,398	2,311	-	-	-	4,247	156,047	448,510
Write-offs	(930)	-	-	-	-	-	-	-	-	-	(930)
Reclassifications (*)	664	-	28	-	-	-	-	-	100	3,050	3,842
Amortization	(40,312)	(41,893)	(723)	(6,158)	(1,783)	(1,865)	(129)	(622)	(1,524)	-	(95,009)
Net balances at September 30, 2021	1,195,225	699,613	10,331	1,199	528	65,049	2,064	8,759	8,794	361,472	2,353,034
Balances at September 30, 2021											
Cost	1,973,876	1,176,637	20,240	10,409	2,311	321,265	37,760	18,983	33,245	361,472	3,956,198
Accumulated amortization	(778,651)	(477,024)	(9,909)	(9,210)	(1,783)	(256,216)	(35,696)	(10,224)	(24,451)	-	(1,603,164)
Net balances at September 30, 2021	1,195,225	699,613	10,331	1,199	528	65,049	2,064	8,759	8,794	361,472	2,353,034

(*) Reclassifications of property, plant and equipment.

(**) Exploration right for six (6) months, renewed for another six (6) months from May 11, 2021.

(***) Exploration right for six (6) months.

Notes to quarterly information

	Consolidated													
	Defined useful life											Indefinite useful life		
	Exploration right									Software	Other intangible assets	Goodwill on acquisitions		
	Tecon Santos	Tecon Imituba	TCG Imituba	Saboó 42,000m ² (***)	Saboó 64,412m ² (****)	Tecon Vila do Conde	Vehicles Terminal/ TEV	Concession of Santos-Brasil S.A.	Concession of Pará Empreendimentos	Concession of TCG Imituba	Data processing system	Intangible assets in progress	Santos Brasil Logistics (*)	Total
Average amortization rate (% p.a.)	4.3	4.7	4.7	60.9	100	7.4	4.3	3.1	6.3	4.4	20	-	-	
Net balances at January 1, 2020	848,190	615,065	11,315	-	-	60,421	229,575	69,398	2,365	10,209	1,091	114,072	39,465	2,001,166
Changes														
Acquisitions / transfers	298,158	31,835	294	5,011	-	8,735	11,175	-	-	-	5,758	100,608	-	461,574
Write-offs	(1,829)	-	-	-	-	(299)	-	-	-	-	-	-	-	(2,128)
Reclassifications (**)	-	-	-	-	-	261	-	-	-	-	868	1,561	-	2,690
Amortization	(45,596)	(48,669)	(935)	(3,052)	-	(4,940)	(15,985)	(2,484)	(172)	(828)	(959)	-	-	(123,620)
Net balances at December 31, 2020	1,098,923	598,231	10,674	1,959	-	64,178	224,765	66,914	2,193	9,381	6,758	216,241	39,465	2,339,682
Balances at December 31, 2020														
Cost	1,862,390	1,033,165	19,860	5,011	-	106,816	371,429	321,264	37,760	18,983	38,827	216,241	47,576	4,079,322
Accumulated amortization	(763,467)	(434,934)	(9,186)	(3,052)	-	(42,638)	(146,664)	(254,350)	(35,567)	(9,602)	(32,069)	-	(8,111)	(1,739,640)
Net balances at December 31, 2020	1,098,923	598,231	10,674	1,959	-	64,178	224,765	66,914	2,193	9,381	6,758	216,241	39,465	2,339,682
Net balances at January 1, 2021	1,098,923	598,231	10,674	1,959	-	64,178	224,765	66,914	2,193	9,381	6,758	216,241	39,465	2,339,682
Changes														
Acquisitions / transfers	136,880	143,275	352	5,398	2,311	12,531	37,118	-	-	-	4,922	143,032	-	485,819
Write-offs	(930)	-	-	-	-	-	-	-	-	-	-	-	-	(930)
Reclassifications (**)	664	-	28	-	-	-	-	-	-	-	107	3,468	-	4,267
Amortization	(40,312)	(41,893)	(723)	(6,158)	(1,783)	(4,560)	(13,809)	(1,867)	(129)	(622)	(1,750)	-	-	(113,606)
Net balances at September 30, 2021	1,195,225	699,613	10,331	1,199	528	72,149	248,074	65,047	2,064	8,759	10,037	362,741	39,465	2,715,232
Balances at September 30, 2021														
Cost	1,973,876	1,176,637	20,240	10,409	2,311	119,349	408,547	321,265	37,760	18,983	43,856	362,741	47,576	4,543,550
Accumulated amortization	(778,651)	(477,024)	(9,909)	(9,210)	(1,783)	(47,200)	(160,473)	(256,218)	(35,696)	(10,224)	(33,819)	-	(8,111)	(1,828,318)
Net balances at September 30, 2021	1,195,225	699,613	10,331	1,199	528	72,149	248,074	65,047	2,064	8,759	10,037	362,741	39,465	2,715,232

(*) Accumulated amortization up to December 31, 2008

(**) Reclassifications of property, plant and equipment.

(***) Exploration right for six (6) months, renewed for another six (6) months from May 11, 2021.

(****) Exploration right for six (6) months.

There were no changes in conditions of rights of exploration and of goodwill on acquisitions with finite and indefinite useful lives, in comparison with those presented in financial statements for the year ended December 31, 2020.

Notes**13. Loans and financing**

	Interest	Restatements	Amortization	Individual		Transaction currency
				09.30.2021	12.31.2020	
Local currency:						
FINAME	TJLP + 5.50% p.a.	URTJLP	Monthly	-	38	R\$
Export Credit Note - NCE (a)	2.75% p.a.	CDI	Semi-annual	40,860	60,104	R\$
				<u>40,860</u>	<u>60,142</u>	
Total				<u>40,860</u>	<u>60,142</u>	
(-) Current				(40,860)	(40,142)	
Non-current				-	20,000	
	Interest	Restatements	Amortization	Consolidated		Transaction currency
				09.30.2021	12.31.2020	
Local currency:						
FINAME	TJLP + 5.50% p.a.	URTJLP	Monthly	-	38	R\$
FINAME	TLP + 4.60% p.a.	UMSELIC	Monthly	941	1,404	R\$
NCE (a)	2.75% p.a.	CDI	Semi-annual	40,860	60,104	R\$
				<u>41,801</u>	<u>61,546</u>	
Foreign currency:						
FINIMP (*)	EURIBOR + 3.02% p.a.	Exchange variation	Semi-annual	12,068	17,273	€
				<u>12,068</u>	<u>17,273</u>	
Total				<u>53,869</u>	<u>78,819</u>	
(-) Current				(46,343)	(45,864)	
Non-current				7,526	32,955	

(*) FINIMP of subsidiary Tecon Vila do Conde has covenants. See key covenants and calculation below.

- (a) On June 22, 2018, an amendment to the Export Credit Note - NCE operation was entered into with Banco Itaú, changing the maturity from June 2020 to June 2021, referring to the raising of R\$100,000 carried out on June 21, 2017. The percentage of the rate plus CDI was also changed from 2.00% p.a. to 1.85% p.a.

On June 22, 2020, the second amendment to the Export Credit Note - NCE operation was entered into with Banco Itaú, extending the debt final maturity from June 2021 to June 2022. The rate plus CDI was also changed from 1.85% p.a. to 2.75% p.a.

Loans and financing in foreign currency bear interest plus Withholding Income Tax - IRRF on remittance, as provided for in contract.

Changes in loans and financing are shown in the following table:

Notes

	Individual		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Opening balance	60,142	60,143	78,819	77,925
Funding	-	-	-	-
Recognized interest and costs	683	2,150	1,237	3,054
Capitalized interest	1,642	1,022	1,642	1,022
Inflation adjustment and exchange rate change	-	-	(55)	5,979
(-) Debt amortization	(20,038)	(76)	(25,468)	(5,184)
(-) Interest paid (*)	(1,569)	(3,097)	(2,306)	(3,977)
Closing balance	40,860	60,142	53,869	78,819

(*) Interest paid is presented in the "Statement of Cash Flows" under the "Financing activities".

FINIMP of subsidiary Tecon Vila do Conde has covenants to be determined by the Company, resulting from the division of Net Debt by EBITDA. This ratio must be equal to or lower than 2.5 times, based on the Company's audited Consolidated Financial Statements.

At September 30, 2021, the ratio ("covenants") was being reached, as follows:

	Consolidated 09.30.2021
Assets	
Cash and cash equivalents	711,959
Other marketable securities	414,653
Liabilities	
Loans and financing	53,869
Debentures	355,133
Leases	71,787
Net debt	(645,823)
EBITDA in the last 12 months	487,232
Net debt / EBITDA equal or less than 2.5 times	(1.3)

Guarantees

• Guarantees granted

	Maturity	Currency	Guarantees
FINAME	February/2023	R\$	Equipment subject to the transaction ^(a)
FINAME	April/2023	R\$	Equipment subject to the transaction ^(a)

(a) According to Note 11.

Other loans and financing have no guarantees.

• Guarantees obtained

At September 30, 2021, the Company had no guarantee received due to outstanding transactions or any other existing transaction.

At September 30, 2021, non-current maturity schedule is as follows:

Notes

	Consolidated			
	2022	2023	2024	Total
FINAME	157	151	-	308
FINIMP	-	4,812	2,406	7,218
Total	157	4,963	2,406	7,526

14. Debentures

	Interest	Restatements	Amortization	Individual	
				09.30.2021	12.31.2020
Debentures	0.70% to 1.00% p.a.	CDI	Annual	297,066	298,376
(-) Current				(32,710)	(2,191)
Non-current				264,356	296,185
Consolidated					
	Interest	Restatements	Amortization	09.30.2021	12.31.2020
Debentures	0.70% to 1.00% p.a.	CDI	Annual	297,066	298,376
Debentures	4.20% p.a.	IPCA	Semi-annual	58,067	55,999
				355,133	354,375
(-) Current				(39,079)	(7,556)
Non-current				316,054	346,819

- (a) On February 20, 2019, the Board of Directors approved the 4th issue, by the Company, of non-privileged unsecured nonconvertible debentures in up to 2 series, in the total amount of R\$300,000.

On April 26, 2019, the Bookbuilding Procedure was completed, and on April 30, 2019 the transaction was settled. The table below shows a summary containing the final conditions obtained and the allocation of Debentures among the series of the Issue:

Series	Maturity	Final rate (Bookbuilding)	Allocated volume (R\$)
1 st series	March 25, 2024	CDI + 0.70% p.a.	100,000
2 nd series	March 25, 2026	CDI + 1.00% p.a.	200,000

- (b) At the Special General Meeting held on October 25, 2019, the shareholders of indirect subsidiary Tecon Vila do Conde approved the 1st issue of single series non-privileged unsecured nonconvertible debentures in the total amount of R\$60,000. The debentures will be entitled to the incentive provided for in article 2 of Law No.12431 of June 24, 2011.

On August 26, 2019, the Board of Directors of parent Santos Brasil decided to grant a guarantee for this issue. This transaction was settled on December 3, 2019.

The table below shows a summary containing the final conditions of Debentures:

Series	Maturity	Final rate	Allocated volume (R\$)
Single series	November 17, 2031	IPCA + 4.20% p.a.	60,000

Notes

Changes in debentures are shown in the following table:

	Individual		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Opening balance	298,376	299,985	354,375	358,471
Funding	-	-	-	-
(-) Funding cost	(17)	(15)	(27)	(317)
Net amount raised	298,359	299,970	354,348	358,154
Interest and costs appropriated	3,450	8,211	5,446	10,876
Capitalized interest	6,746	3,643	6,746	3,643
Inflation adjustment on principal	-	-	3,997	2,611
(-) Debt amortization	-	-	(2,694)	(5,097)
(-) Interest paid (*)	(11,489)	(13,448)	(12,710)	(15,812)
Closing balance	297,066	298,376	355,133	354,375

(*) Interest paid is presented in the "Statement of Cash Flows" under the "Financing activities".

According to clause 6.27.2, item XXI, of the Indenture of Fourth Issue of Santos Brasil, and clause 7.1.2, item II of the Indenture of 1st Issue of Convicon, non-compliance with the Net Debt to adjusted EBITDA ratio (as defined below), which must be equal to or lower than 3.0 times, may result in the maturity of obligations arising from the Debentures. This financial ratio must be determined on a quarterly basis, based on the Company's Consolidated Financial Statements.

At September 30, 2021, the financial ratio was being complied, as follows:

	Consolidated 09.30.2021
Assets	
Cash and cash equivalents	711,959
Other marketable securities	414,653
Liabilities	
Loans and financing	53,869
Debentures	355,133
Leases	71,787
Net Debt	(645,823)
Adjusted EBITDA (*)	399,146
Net debt / adjusted EBITDA equal or less than 3.0 times	(1.6)

(*) For purposes of determining the financial ratio, "Adjusted EBITDA" means, based on the Company's Consolidated Financial Statements for the four (4) immediately prior quarters, EBITDA less payments on obligations with the granting authority (statement of cash flows) referring to the fixed and minimum variable installments of lease contracts.

15. Provision for tax, labor and civil risks and judicial deposits

The Company and its subsidiaries are exposed to certain risks represented in tax, labor and civil lawsuits, which are provisioned in the financial statements, as their likelihood of loss was assessed as probable. The procedure for determining the provisioned lawsuits were considered adequate by management, based on various factors, including (but not limited to) the opinion of the legal advisors of the Company and its subsidiaries, nature of lawsuits and historical experience.

Notes

The amounts recognized for contingencies being challenged in court are as follows:

	Individual	
	09.30.2021	12.31.2020
Labor provision (a)	20,199	21,061
Provision for the Accident Prevention Factor - FAP lawsuit (b)	9,009	8,886
Tax provision (d)	1,664	1,643
Other lawsuits (e)	1,802	2,762
Total	32,674	34,352

	Consolidated	
	09.30.2021	12.31.2020
Labor provision (a)	22,568	22,660
Provision for FAP lawsuit (b)	11,563	11,405
Tax provision (d)	4,829	4,808
Other lawsuits (e)	2,254	2,835
Total	41,214	41,708

The judicial deposit amounts were:

	Individual	
	09.30.2021	12.31.2020
Related to contingencies:		
Labor claims (a)	3,631	4,168
FAP lawsuit (b)	5,808	5,735
CADE - Brazilian Antitrust Agency lawsuit - fine (c)	2,358	2,338
CADE lawsuit - billing Bonded Warehouse (c)	225,892	213,798
Other lawsuits (e)	130	1,157
Other judicial deposits (f)	40,183	40,277
Subtotal	278,002	267,473
Related to suppliers:		
SCPar Porto de Imbituba S.A. ("SCPar") (g)	15,083	15,083
OGMO - Labor Management Body (h)	16,582	13,178
Subtotal	31,665	28,261
Total	309,667	295,734

	Consolidated	
	09.30.2021	12.31.2020
Related to contingencies:		
Labor claims (a)	4,061	4,681
FAP lawsuit (b)	7,291	7,200
CADE lawsuit - fine (c)	2,358	2,338
CADE lawsuit - billing Bonded Warehouse (c)	225,892	213,798
Other lawsuits (e)	130	1,157
Other judicial deposits (f)	46,813	46,849
Subtotal	286,545	276,023
Related to suppliers:		
SCPar (g)	15,083	15,083
OGMO (h)	16,582	13,178
Subtotal	31,665	28,261
Total	318,210	304,284

Notes

- (a) These refer to lawsuits under the responsibility of: (i) operational branch Tecon Santos, provisioned in the amount of R\$20,199 (R\$21,061 at December 31, 2020), for which judicial deposits were made amounting to R\$3,631 (R\$4,168 at December 31, 2020) and 26 insurance policies guaranteeing the amount of R\$122,394 (R\$157,687 at December 31, 2020); (ii) subsidiary Santos Brasil Logistics, provisioned in the amount of R\$1,936 (R\$1,470 at December 31, 2020), for which judicial deposits were made amounting to R\$381 (R\$493 at December 31, 2020) and 1 insurance policy guaranteeing the amount of R\$190 (R\$190 at December 31, 2020); and (iii) subsidiary Tecon Vila do Conde, provisioned in the amount of R\$433 (R\$129 at December 31, 2020), for which judicial deposits were made amounting to R\$49 (R\$20 at December 31, 2020) and 3 insurance policies guaranteeing the amount of R\$2,387 (R\$2,387 at December 31, 2020).
- (b) This provision refers to administrative appeals filed with Brazil's National Institute of Social Security - INSS, due to the new system for calculating social security contributions, based on the creation of so-called FAP multiplier index mainly calculated based on the number of occupational accidents in companies and leaves of employees as compared with companies engaged in the same economic activity (Brazil's National Classification of Economic Activities - NCEA). As the charge was maintained, a preliminary injunction was filed requiring authorization to the judicial deposit and suspension of the enforceability of the tax credit related to FAP (Accident Prevention Factor) for 2010. The preliminary injunction was accepted authorizing the full deposit of the Parent company's credits amounting R\$5,808 (R\$5,735 at December 31, 2020), and of the subsidiaries' credits comprised of: (i) R\$1,389 (R\$1,372 at December 31, 2020) - Santos Brasil Logistics; (ii) R\$67 (R\$66 at December 31, 2020) - Tecon Vila do Conde; and (iii) R\$27 (R\$27 at December 31, 2020) - Vehicles Terminal/TEV. Subsequently, an ordinary suit was filed to challenge the constitutionality and legality of FAP. Also, ordinary suits were filed regarding FAP for 2011 of Santos Brasil Logistics and FAP for 2012 of Santos Brasil Participações S.A., aiming at suspending the debt enforceability upon judicial deposits.
- (c) The deposits related to CADE refer to proceeding No. 08012.07443/99-17 filed in this agency, on the charge of conducts allegedly infringing the economic order, involving various companies exploring leased quays or private management, including operational branch Tecon Santos.
- The subject matter under discussion referred to the legality of the charge made to Bonded Warehouses - BWs referring to container Segregation and Delivery Service (SSE). This lawsuit was judged and the Company was sentenced, within the scope of CADE, to: (i) financial penalty; and (ii) interruption of charges to the Bonded Warehouses. In view of the administrative decision, the Company filed a lawsuit (item 14 of the reference form) and was handed down favorable decisions on merits in the lower and higher courts to annul the penalty imposed by CADE and declare the legality of the charge of the Segregation and Delivery Service, which enabled the Company to (i) receive billed amounts, which should no longer be deposited; (ii) charge retroactively the billed amounts that were frozen; and (iii) request in court a review of judicial deposits made for the services. Previously, the Company was granted a preliminary injunction to resume the charge by means of judicial deposits of the full amounts charged and of the full amount of the financial penalty imposed by CADE, resulting in judicial deposits in the amounts of R\$152,080 (R\$145,179 at December 31, 2020) and R\$2,358 (R\$2,338 at December 31, 2020), respectively. It should also be noticed that taxes on revenue (PIS, COFINS, IRPJ and CSLL) amounting to R\$63,970 (R\$60,082 at December 31, 2020) have been deposited under this same lawsuit. For additional information on the lawsuit, see Item 4.3, Lawsuit No. 14 of the Reference Form. Such services are also subject to Service Tax - ISS, which was deposited in court by the Company, with the total amount of R\$9,842 (R\$8,537 at December 31, 2020) already deposited. Taxes on billing - Bonded Warehouses, amounting to R\$62,756 (R\$57,836 at December 31, 2020), are classified in non-current liabilities.
- (d) The consolidated provision, amounting to R\$4,829 (R\$4,808 at December 31, 2020), mainly refers to: (i) Municipal Property Tax - IPTU of the City Administration of Santos, amounting to R\$2,764; (ii) action for annulment of tax debts, amounting to R\$1,664; and (iii) other lawsuits amounting to R\$401.

Notes

- (e) The consolidated provision, amounting to R\$2,254 (R\$2,835 at December 31, 2020), mainly refers to:
- (i) third-party claim filed by the insurer responsible for paying the claim to the customer, due to damages caused to the cargo stored, amounting to R\$16; (ii) assessment notice issued by the Federal Government, amounting to R\$200; (iii) Indemnity for pain and suffering damages regarding repair of imported vehicle, in the amount of R\$443; (iv) notice of infraction of the São Paulo State Public Prosecutor's Office, amounting to R\$ 204; (v) notice of infraction issued by the Ministry of Labor, amounting to R\$153; and (vi) other lawsuits amounting to R\$1,238.
- (f) The judicial deposits classified under Other, related to the Parent company, are comprised of: (i) deposit referring to the broadening of the PIS and COFINS tax bases from 1999 to 2003, in the amounts of R\$1,523 (R\$1,513 at December 31, 2020) and R\$9,656 (R\$9,589 at December 31, 2020), respectively, whose provisions were reversed; (ii) challenge of Provisional Contribution Tax on Financial Transactions - CPMF on transfer of loans in the merger process, amounting to R\$2,947 (R\$2,920 at December 31, 2020); (iii) deposit referring to federal taxes that prevented the issue of Joint Certificate attesting to Regular Tax of Federal Debts and those included in the Roster of Debtors to Federal Government, amounting to R\$17,643 (R\$17,460 at December 31, 2020); (iv) deposits of INSS and IRPJ on Voluntary Dismissal Plan and of the Non-salary Fund of SINDESTIVA (Dockworkers Union of the cities of Santos, São Vicente, Guarujá and Cubatão), amounting to R\$1,685 (R\$1,685 at December 31, 2020); and (v) other deposits in the tax and civil levels, amounting to R\$6,729 (R\$7,110 at December 31, 2020). Judicial deposits classified under Other in subsidiaries are related to: (i) subsidiary Santos Brasil Logistics - federal tax collection claims that prevented obtaining the Certificate attesting to non-existence of Debts included in the Roster of Debtors to Federal Government, amounting to R\$3,383 (R\$3,383 at December 31, 2020), and labor claims amounting to R\$810 (R\$1,024 at December 31, 2020) and garnishments amounting to R\$321; (ii) subsidiary Tecon Vila do Conde - labor claims amounting to R\$525 (R\$573 at December 31, 2020), other deposits at tax and civil levels, amounting to R\$1,578 (R\$1,578 at December 31, 2020), and garnishments amounting to R\$7 (R\$7 at December 31, 2020); and (iii) subsidiary Numeral 80 - garnishments amounting to R\$6 (R\$7 at December 31, 2020).
- (g) On November 26, 2012, Delegation Agreement No. 01/2012 was entered into between the Federal Government and the State of Santa Catarina, whereby the Federal Government delegated the management and operation of the Port of Imbituba to SCPAR from December 25, 2012. The Companhia Docas de Imbituba S.A., former manager, filed a lawsuit against Brazil's National Waterway Transportation Agency - ANTAQ and the Federal Government, pleading the maintenance of the effectiveness of its service concession arrangement until December 2016. In view of this situation, the Company decided to make payments of its obligations related to its operation agreements of the Container Terminal and General Cargo Terminal at that port, and proposed a Payment Into Court Suit for deposit in the amount of R\$23,774. In July 2014, SCPAR - Port of Imbituba raised the amount of R\$8,691. At September 30, 2021, these deposits totaled R\$15,083 (R\$15,083 at December 31, 2020). At September 30, 2021, such deposit is provisioned in non-current liabilities, under "Suppliers", in the amount of R\$15,021 (R\$15,021 at December 31, 2020). In August 2018, the referred to suit was deemed unfounded, extinguishing the Company's obligation, and acknowledging SCPAR as creditor of the amounts deposited referring to the contractual period after December 25, 2013, and Companhia Docas de Imbituba as creditor of the amounts referring to the contractual period that preceded the termination of the concession. In view of the decision rendered, SCPAR and Companhia Docas de Imbituba filed Requests for amendment of judgment. The requests filed by Companhia Docas de Imbituba were accepted, and the Contract termination date was corrected (from December 25, 2013 to December 25, 2012). On August 26, 2021, SCPAR's appeal was partially accepted for partial recognition of the Company's loss of suit expenses in the first part of the payment into court suit. In September 13, 2021, the Company filed motions for clarification, which are awaiting trial.

Notes

(h) On March 30, 2019, the contribution paid by Port Operators to the Labor Management Agency - OGMO, for costing its administrative and operating expenses, as well as the liability of existing lawsuits, started to be calculated based on the volume of tons handled by each Port Operator. This new model differs from the criterion effective then, which considered the number of freelance labor requested to OGMO for handling of cargo. On April 1, 2019, the Ordinary Suit No. 10063282820198260562 was filed for annulment of the General Meeting that established the new contribution, and for recognition of such criterion as illegal. At September 30, 2021, these deposits amounted to R\$16,582 (R\$13,178 at December 31, 2020). The suit was deemed unfounded, validating the Meeting held and recognizing the legality of the criterion voted. At September 30, 2021, the Company filed an Appeal, which is pending judgment. For additional information on this suit, see Item 4.3, Lawsuit No. 22 of the Reference Form.

The lawsuits referring to subsidiary Santos Brasil Logistics, mentioned in item (a), the origin of which is prior to acquisition date, pursuant to a contractual provision, will be the responsibility of its former shareholders. Accordingly, at September 30, 2021, the amount of R\$2,765 (R\$2,765 at December 31, 2020) was recorded in non-current assets, under "Other assets".

Changes in provisions for contingencies, for the period ended September 30, 2021 and year ended December 31, 2020, are as follows:

	Individual				Balance at 09.30.2021
	Balance at 12.31.2020	Additions	Payment of award	Other changes (*)	
Labor provision	21,061	824	(12,484)	10,798	20,199
Provision for FAP	8,886	123	-	-	9,009
Tax provision	1,643	16	(10)	15	1,664
Other lawsuits	2,762	85	(1,892)	847	1,802
Total	34,352	1,048	(14,386)	11,660	32,674
	Balance at 12.31.2019	Additions	Payment of award	Other changes (*)	Balance at 12.31.2020
Labor provision	16,124	770	(13,080)	17,247	21,061
Provision for FAP	9,554	164	-	(832)	8,886
Tax provision	1,614	-	-	29	1,643
Other lawsuits	1,872	-	(2,644)	3,534	2,762
Total	29,164	934	(15,724)	19,978	34,352
	Consolidated				Balance at 09.30.2021
	Balance at 12.31.2020	Additions	Payment of award	Other changes (*)	
Labor provision	22,660	1,119	(13,477)	12,266	22,568
Provision for FAP	11,405	158	-	-	11,563
Tax provision	4,808	16	(10)	15	4,829
Other lawsuits	2,835	641	(2,454)	1,232	2,254
Total	41,708	1,934	(15,941)	13,513	41,214

Notes

	Balance at 12.31.2019	Additions	Payment of award	Other changes (*)	Balance at 12.31.2020
Labor provision	18,491	844	(15,988)	19,313	22,660
Provision for FAP	12,026	211	-	(832)	11,405
Tax provision	5,077	-	-	(269)	4,808
Other lawsuits	1,899	-	(2,673)	3,609	2,835
Total	37,493	1,055	(18,661)	21,821	41,708

(*) These refer basically to changes in contingencies or in the likelihood of loss.

In addition to the aforementioned lawsuits, the Company and its subsidiaries are parties to ongoing legal and administrative lawsuits, whose likelihood of loss is assessed by their legal advisors as possible, amounting to R\$793,165 (R\$758,447 at December 31, 2020), and in this case, no provision for loss was recorded in the condensed quarterly information.

Changes in lawsuits assessed as possible loss, for the period ended September 30, 2021 and year ended December 31, 2020, are as follows:

<u>Nature of the lawsuit</u>	Balance at 12.31.2020	Additions (*)	Otherchanges (**)	Balance at 09.30.2021
Customs	8,631	18	565	9,214
Civil	69,179	6,372	7,080	82,631
Labor	81,183	19,906	(13,974)	87,115
Tax	587,242	4,725	10,112	602,079
Other	12,212	231	(317)	12,126
Total	758,447	31,252	3,466	793,165

(*) These refer to new lawsuits whose likelihood of loss is assessed as possible. Regarding labor claims, the additions are related to various lawsuits filed in the period.

(**) These refer basically to changes in contingencies or in the positive or negative likelihood of loss. The main change in the period refers to the restatement of the contingency of the Goodwill Lawsuit, whose balance at December 31, 2020 was R\$379,230 and at September 30, 2021 is R\$383,854.

<u>Nature of the lawsuit</u>	Balance at 12.31.2019	Additions (*)	Other changes (**)	Balance at 12.31.2020
Customs	15,169	-	(6,538)	8,631
Civil	39,418	41,700	(11,939)	69,179
Labor	77,600	19,416	(15,833)	81,183
Tax	441,871	5,521	139,850	587,242
Other	7,712	4,026	474	12,212
Total	581,770	70,663	106,014	758,447

(*) These refer to new lawsuits whose likelihood of loss is assessed as possible. Regarding civil lawsuits, two of them stand out, which address the legality of charging for container segregation and delivery services. Regarding labor claims, the additions are related to various lawsuits filed in the period.

(**) These refer basically to changes in contingencies or in the positive or negative likelihood of loss. The main change in the period refers to the restatement of the contingency of the Goodwill Lawsuit, whose balance at December 31, 2019 was R\$259,815 and at December 31, 2020 was R\$379,230.

Goodwill Lawsuit

On December 14, 2012, the Company and its subsidiary Numeral 80 were served a tax deficiency notice from the Brazilian Federal Revenue, referring to the payment of IRPJ and CSLL from 2006 to 2011, with arrears interest, compounded ex-officio and isolated fine, amounting to R\$334,495. According to the tax deficiency notice, Numeral 80 did not add back expenses with goodwill amortization, arising from merger of entities that acquired shares issued by it, to taxable profit and social contribution tax base.

Notes

The Company and its subsidiary Numeral 80 filed an objection to this the tax deficiency notice on the grounds that the goodwill generated on the acquisition of equity interests held in Numeral 80 (then Santos-Brasil S.A.), And transferred thereto through the merger, was recognized appropriately, strictly in compliance with the tax and corporate legislation. The Assessment amount, for September 30, 2021, totals R\$383,854 (R\$379,230 at December 31, 2020). For additional information on this lawsuit, see Item 4.3, Lawsuit No. 1 of the Reference Form.

PIS / COFINS Lawsuit

In October 2019, the Company was served the Tax Assessment Notice No. 0816500.2018.00316 filed by the Special Inspection Office of the Brazilian Federal Revenue of Foreign Trade, in the amount of R\$18,742, referring to the payment of PIS and COFINS for 2015. The Brazilian Federal Revenue understands that the Company unduly used the credit of certain inputs. The Company filed an objection, as all credits were generated in accordance with the current legislation. At September 30, 2021, the restated amount totals R\$23,960 (R\$21,701 at December 31, 2020). For additional information on this lawsuit, see Item 4.3, Lawsuit No. 7 of the Reference Form.

16. Obligations with the Concession Grantor

The Company and its subsidiaries recognize in liabilities fixed and variable installments (Contract Minimum Handling - “MMC”), which are brought to present value at lease inception.

	Individual					Accounting balance at 09.30.2021
	Accounting balance at 12.31.2020	Additions	Recognized interest	Inflation adjustment / Renewal effects (*)	Payments	
Leases						
Lease:						
Tecon Santos	754,079	-	23,743	134,765	(38,006)	874,581
Tecon Imbituba	37,591	-	1,073	14,737	(3,554)	49,847
Saboó 42,000 m ²	1,720	4,610	1,299	-	(6,596)	1,033
Saboó 64,412 m ²	-	2,235	39	-	(1,760)	514
	<u>793,390</u>	<u>6,845</u>	<u>26,154</u>	<u>149,502</u>	<u>(49,916)</u>	<u>925,975</u>
MMC:						
Tecon Imbituba	384,291	-	8,752	128,514	(4,835)	516,722
TCG Imbituba	5,527	-	152	352	(451)	5,580
Saboó 42,000 m ²	410	788	222	-	(1,109)	311
Saboó 64,412 m ²	-	75	1	-	(46)	30
	<u>390,228</u>	<u>863</u>	<u>9,127</u>	<u>128,866</u>	<u>(6,441)</u>	<u>522,643</u>
Obligations with the Concession Grantor	<u>1,183,618</u>	<u>7,708</u>	<u>35,281</u>	<u>278,368</u>	<u>(56,357)</u>	<u>1,448,618</u>
(-) Current	(96,142)					(139,708)
Non-current	1,087,476					1,308,910

(*) The contra-entry to this amount is the right of exploration in intangible assets, as explained in Note 12.

Notes

Agreements	Individual					Accounting balance at 12.31.2020
	Accounting balance at 12.31.2019	Additions	Recognized interest	Inflation adjustment / Renewal effects (*)	Payments	
Lease:						
Tecon Santos	559,583	-	31,869	207,651	(45,024)	754,079
Tecon Imbituba	36,683	-	1,483	3,287	(3,862)	37,591
Saboó 42,000 m ²	-	4,279	2,016	-	(4,575)	1,720
	<u>596,266</u>	<u>4,279</u>	<u>35,368</u>	<u>210,938</u>	<u>(53,461)</u>	<u>793,390</u>
MMC:						
Tecon Imbituba	347,591	-	12,102	28,548	(3,950)	384,291
TCG Imbituba	5,783	-	211	293	(760)	5,527
Saboó 42,000 m ²	-	731	345	-	(666)	410
	<u>353,374</u>	<u>731</u>	<u>12,658</u>	<u>28,841</u>	<u>(5,376)</u>	<u>390,228</u>
Obligations with the Concession Grantor	<u>949,640</u>	<u>5,010</u>	<u>48,026</u>	<u>239,779</u>	<u>(58,837)</u>	<u>1,183,618</u>
(-) Current	(53,619)					(96,142)
Non-current	896,021					1,087,476

(*) The contra-entry to this amount is the right of exploration in intangible assets, as explained in Note 12.

Agreements	Consolidated					Accounting balance at 09.30.2021
	Accounting balance at 12.31.2020	Additions	Recognized interest	Inflation adjustment / Renewal effects (*)	Payments	
Lease:						
Tecon Santos	754,079	-	23,743	134,765	(38,006)	874,581
Tecon Imbituba	37,591	-	1,073	14,737	(3,554)	49,847
Saboó 42,000 m ²	1,720	4,610	1,299	-	(6,596)	1,033
Saboó 64,412 m ²	-	2,235	39	-	(1,760)	514
Tecon Vila do Conde	14,741	-	465	-	(1,150)	14,056
Vehicles Terminal/ TEV	49,470	-	1,364	16,750	(4,388)	63,196
	<u>857,601</u>	<u>6,845</u>	<u>27,983</u>	<u>166,252</u>	<u>(55,454)</u>	<u>1,003,227</u>
MMC:						
Tecon Imbituba	384,291	-	8,752	128,514	(4,835)	516,722
TCG Imbituba	5,527	-	152	352	(451)	5,580
Saboó 42,000 m ²	410	788	222	-	(1,109)	311
Saboó 64,412 m ²	-	75	1	-	(46)	30
Tecon Vila do Conde	14,491	-	457	-	(1,130)	13,818
Vehicles Terminal/ TEV	59,776	-	1,649	20,246	(5,303)	76,368
	<u>464,495</u>	<u>863</u>	<u>11,233</u>	<u>149,112</u>	<u>(12,874)</u>	<u>612,829</u>
Obligations with the Concession Grantor	<u>1,322,096</u>	<u>7,708</u>	<u>39,216</u>	<u>315,364</u>	<u>(68,328)</u>	<u>1,616,056</u>
(-) Current	(104,239)					(150,599)
Non-current	1,217,857					1,465,457

(*) The contra-entry to this amount is the right of exploration in intangible assets, as explained in Note 12.

Notes

	Consolidated					Accounting balance at 12.31.2020
	Accounting balance at 12.31.2019	Additions	Recognized interest	Inflation adjustment / Renewal effects (*)	Payments	
Agreements						
Lease:						
Tecon Santos	559,583	-	31,869	207,651	(45,024)	754,079
Tecon Imbituba	36,683	-	1,483	3,287	(3,862)	37,591
Saboó 42,000 m ²	-	4,279	2,016	-	(4,575)	1,720
Tecon Vila do Conde	11,483	-	641	3,873	(1,256)	14,741
Vehicles Terminal/ TEV	47,186	-	1,873	5,066	(4,655)	49,470
	<u>654,935</u>	<u>4,279</u>	<u>37,882</u>	<u>219,877</u>	<u>(59,372)</u>	<u>857,601</u>
MMC:						
Tecon Imbituba	347,591	-	12,102	28,548	(3,950)	384,291
TCG Imbituba	5,783	-	211	293	(760)	5,527
Saboó 42,000 m ²	-	731	345	-	(666)	410
Tecon Vila do Conde	10,651	-	630	4,449	(1,239)	14,491
Vehicles Terminal/ TEV	57,026	-	2,265	6,109	(5,624)	59,776
	<u>421,051</u>	<u>731</u>	<u>15,553</u>	<u>39,399</u>	<u>(12,239)</u>	<u>464,495</u>
Obligations with the Concession Grantor	<u>1,075,986</u>	<u>5,010</u>	<u>53,435</u>	<u>259,276</u>	<u>(71,611)</u>	<u>1,322,096</u>
(-) Current	(60,139)					(104,239)
Non-current	1,015,847					1,217,857

(*) The contra-entry to this amount is the right of exploration in intangible assets, as explained in Note 12.

At September 30, 2021, the maturity structure of non-current commitment with the concession grantor was as follows:

	Individual				
	2022	2023	2024	2025 until the end of the agreement	Total
Tecon Santos	5,996	24,177	24,503	796,093	850,769
Tecon Imbituba	9,451	38,242	38,991	366,616	453,300
TCG Imbituba	105	426	439	3,871	4,841
	<u>15,552</u>	<u>62,845</u>	<u>63,933</u>	<u>1,166,580</u>	<u>1,308,910</u>
	Consolidated				
	2022	2023	2024	2025 until the end of the agreement	Total
Tecon Santos	5,996	24,177	24,503	796,093	850,769
Tecon Imbituba	9,451	38,242	38,991	366,616	453,300
TCG Imbituba	105	426	439	3,871	4,841
Tecon Vila do Conde	474	1,933	1,999	21,610	26,016
Vehicles Terminal/ TEV	2,282	9,239	9,423	109,587	130,531
	<u>18,308</u>	<u>74,017</u>	<u>75,355</u>	<u>1,297,777</u>	<u>1,465,457</u>

Notes

Terms of the agreements

<u>Agreements</u>	<u>Commencement of the Agreement</u>	<u>Termination of the Agreement</u>
Tecon Santos	November/1997	November/2047
Tecon Imbituba	April/2008	April/2033
TCG Imbituba	June/2007	June/2032
Saboó 42,000 m ²	May/2021	November/2021
Saboó 64,412 m ²	May/2021	November/2021
Tecon Vila do Conde	September/2003	September/2033
Vehicles Terminal/ TEV	January/2010	January/2035

Guarantee insurance

<u>Agreements</u>	<u>Effectiveness</u>
Tecon Santos	April/2021 to April/2022
Tecon Imbituba	July/2021 to July/2022
Saboó 42,000 m ²	May/2021 to January/2022
Saboó 64,412 m ²	May/2021 to November/2021
Tecon Vila do Conde	July/2021 to July/2022
Vehicles Terminal/ TEV	July/2021 to July/2022

The Company and its subsidiaries have contractual commitments to pay amounts based on their operational handling. These amounts were effective at September 30, 2021 and are annually restated according to the lease agreements, by reference to General Market Price Index (IGP-M), Brazil's National Consumer Price Index (INPC) and the Extended Consumer Price Index (IPCA):

<u>Agreements</u>	In reais - R\$		
	<u>Cost per container handled</u>	<u>Cost per ton handled</u>	<u>Cost per vehicle handled</u>
Tecon Santos (a) *	54.02	-	-
Tecon Santos (b) *	26.90	-	-
Tecon Imbituba (c)	137.20	-	-
TCG Imbituba (d)	-	3.33	-
TCG Imbituba (e)	-	7.37	-
TCG Imbituba (f)	-	4.44	-
Saboó 42,000 m ² (g)	-	2.84	-
Saboó 42,000 m ² (h)	-	-	14.18
Saboó 64,412 m ² (i)	-	4.28	-
Saboó 64,412 m ² (j)	3.25	-	-
Tecon Vila do Conde (k)	32.50	-	-
Tecon Vila do Conde (l)	6.50	-	-
Tecon Vila do Conde (m)	-	3.25	-
Vehicles Terminal/ TEV (n)	-	-	25.97

* Agreement restated using the IPCA from 2021, according to the decision of the Attorney General's Office.

- (a) Amount due when the Contract Minimum Handling (MMC) is not reached, limited to the MMC.
- (b) Amount due when the handling exceeds the MMC.
- (c) Amount due for the use of the land infrastructure and also when the MMC is not reached, limited to the MMC.
- (d) Amount due for the use of the leased area and also when the MMC is not reached, limited to the MMC.
- (e) Amount due for the use of land infrastructure (quay), referring to handling of cargo from ship.

Notes

- (f) Amount due for the use of land infrastructure (yard), referring to handling of cargo from container unitization and de-unitization.
- (g) Amount per ton of pulp handled, as a variable lease (handling).
- (h) Amount per vehicle handled, as a variable lease (handling).
- (i) Amount per ton handled, as a variable lease (handling).
- (j) Amount per container handled, as a variable lease (handling).
- (k) Amount due per full container and also when the MMC is not reached, limited to the MMC.
- (l) Amount due per empty container.
- (m) Amount due per ton.
- (n) Amount due per vehicle and also when the MMC is not reached, limited to the MMC.

17. Lease - Consolidateda) Lease - Rents

<u>Right-of-use (Assets)</u>	Individual			Accounting balance at 09.30.2021
	Accounting balance at 12.31.2020	Additions / write-offs	Depreciation	
Santos Brasil Participações				
Property	2,265	(60)	(428)	1,777
Total assets	2,265	(60)	(428)	1,777

<u>Right-of-use (Assets)</u>	Individual			Accounting balance at 12.31.2020
	Accounting balance at 12.31.2019	Additions / write-offs	Depreciation	
Santos Brasil Participações				
Property	-	2,412	(147)	2,265
Total assets	-	2,412	(147)	2,265

<u>Right-of-use (Assets)</u>	Consolidated			Accounting balance at 09.30.2021
	Accounting balance at 12.31.2020	Additions / write-offs	Depreciation	
Santos Brasil Participações				
Property	2,265	(60)	(428)	1,777
Santos Brasil Logistics				
Property	36,469	28,591	(5,673)	59,387
Tecon Vila do Conde				
Machinery and equipment	876	8,406	(2,977)	6,305
Total assets	39,610	36,937	(9,078)	67,469

Notes

	Consolidated			Accounting balance at 12.31.2020
	Accounting balance at 12.31.2019	Additions / write-offs	Depreciation	
Right-of-use (Assets)				
Santos Brasil Participações Property	-	2,412	(147)	2,265
Santos Brasil Logistics Property	25,528	18,089	(7,148)	36,469
Tecon Vila do Conde Machinery and equipment	4,379	-	(3,503)	876
Total assets	29,907	20,501	(10,798)	39,610

	Individual					Accounting balance at 09.30.2021
	Accounting balance at 12.31.2020	Additions / write-offs	Recognized interest	Inflation adjustment / Renewal effects (*)	Payments	
Leases (Liabilities)						
Santos Brasil Participações (I)	2,270	(106)	86	46	(482)	1,814
Total liabilities	2,270	(106)	86	46	(482)	1,814
(-) Current	(536)					(388)
Non-current	1,734					1,426

(*) The contra-entry to this amount is property, plant and equipment in non-current assets.

	Individual					Accounting balance at 12.31.2020
	Accounting balance at 12.31.2019	Additions	Recognized interest	Inflation adjustment / Renewal effects (*)	Payments	
Leases (Liabilities)						
Santos Brasil Participações (I)	-	2,412	13	-	(155)	2,270
Total liabilities	-	2,412	13	-	(155)	2,270
(-) Current	-					(536)
Non-current	-					1,734

(*) The contra-entry to this amount is property, plant and equipment in non-current assets.

	Consolidated					Accounting balance at 09.30.2021
	Accounting balance at 12.31.2020	Additions / write-offs	Recognized interest	Inflation adjustment / Renewal effects (*)	Payments	
Leases (Liabilities)						
Santos Brasil Participações (I)	2,270	(106)	86	46	(482)	1,814
Santos Brasil Logistics (II)	39,155	27,032	3,222	1,559	(7,412)	63,556
Tecon Vila do Conde (III)	932	8,406	265	-	(3,186)	6,417
Total liabilities	42,357	35,332	3,573	1,605	(11,080)	71,787
(-) Current	(8,587)					(11,080)
Non-current	33,770					60,707

(*) The contra-entry to this amount is property, plant and equipment in non-current assets.

Notes

Leases (Liabilities)	Consolidated					Accounting balance at 12.31.2020
	Accounting balance at 12.31.2019	Additions	Recognized interest	Inflation adjustment / Renewal effects (*)	Payments	
Santos Brasil Participações (I)	-	2,412	13	-	(155)	2,270
Santos Brasil Logistics (II)	26,408	15,509	2,202	2,580	(7,544)	39,155
Tecon Vila do Conde (III)	4,497	-	185	-	(3,750)	932
Total liabilities	30,905	17,921	2,400	2,580	(11,449)	42,357
(-) Current	(8,830)					(8,587)
Non-current	22,075					33,770

(*) The contra-entry to this amount is property, plant and equipment in non-current assets.

- (I) On March 9, 2020, the Company executed a lease agreement referring to the lease of commercial offices in the city of Santos, which matures on January 31, 2022, at a discount rate of 5.91% p.a. In August 2021, the Company terminated the agreement and returned those commercial offices.

On December 20, 2020, the Company executed a lease agreement referring to the lease of commercial offices, in the city of São Paulo, in the Company's new headquarters, which matures on December 19, 2025, at a discount rate of 5.91% p.a.

- (II) On January 1, 2019, subsidiary Santos Brasil Logistics first-time adopted CPC 06 (R2) - Leases, regarding the lease of the Distribution Center - SBC, maturing in May 2024, at a discount rate of 7.47% p.a.

On July 6, 2021, subsidiary Santos Brasil Logistics renegotiated the lease agreement relating to the Distribution Center - SBC, which will now expire in December 2028, at a discount rate of 7.48% p.a.

On February 20, 2020, subsidiary Santos Brasil Logistics executed a lease agreement relating to the lease of the Distribution Center - Imigrantes, whose inception was on June 1, 2020 and maturity on May 27, 2031, at a discount rate of 5.91% p.a.

- (III) On April 1, 2019, subsidiary Tecon Vila do Conde executed a lease agreement referring to the lease of a Mobile Harbor Crane (MHC), at a discount rate of 7.47% p.a., settled in March 2021.

On June 8, 2021, subsidiary Tecon Vila do Conde executed a lease agreement referring to the renewal of the MHC lease, at a discount rate of 7.48% p.a., maturing in April 2023.

The discount rate for the period ended September 30, 2021, of 5.91% and 7.48% p.a. (5.91% and 7.47% at December 31, 2020) for agreements maturing in up to 5 years, was based on risk-free interest rates observed in the Brazilian market and adjusted to the reality of the subsidiaries.

At September 30, 2021, the maturity structure of non-current balance is as follows:

	Individual				Total
	2022	2023	2024	2025 - end of the agreement	
Santos Brasil Participações	99	417	442	468	1,426

Notes

	Consolidated				
	2022	2023	2024	2025 - end of the agreement	Total
Santos Brasil Participações	99	417	442	468	1,426
Santos Brasil Logistics	1,692	7,054	7,540	40,778	57,064
Tecon Vila do Conde	1,099	1,118	-	-	2,217
	<u>2,890</u>	<u>8,589</u>	<u>7,982</u>	<u>41,246</u>	<u>60,707</u>

Tax credits were not highlighted in the measurement of cash flows from leases and the potential PIS / COFINS are presented in the table below:

Cash flow	Individual			
	09.30.2021		12.31.2020	
	Nominal	Adjusted to present value	Nominal	Adjusted to present value
Lease consideration	2,040	1,814	2,583	2,270
Potential PIS / COFINS (9.25%)	189	168	239	210

Cash flow	Consolidated			
	09.30.2021		12.31.2020	
	Nominal	Adjusted to present value	Nominal	Adjusted to present value
Lease consideration	89,640	71,787	50,166	42,357
Potential PIS / COFINS (9.25%)	8,292	6,640	4,640	3,918

b) Operating lease

The Company and its subsidiary Vehicles Terminal/TEV also have lease agreements for administrative areas, with short-term maturities, which, in the period ended September 30, 2021, gave rise to expenses amounting to R\$215 (R\$252 at September 30, 2020).

18. Equity - Individuala) Capital

	Common shares	
	09.30.2021	12.31.2020
Existing in the beginning of the period	862,478,378	669,798,378
Issuance of shares	-	192,680,000
Stock options exercised during the year	352,174	-
Issued / authorized with no face value	<u>862,830,552</u>	<u>862,478,378</u>

Out of the total shares at September 30, 2021, 858,104,173 (858,115,812 at December 31, 2020) were outstanding (freefloat), i.e., 99.45% and 99.49%, respectively, of the total capital, fully composed of common shares.

At the Board of Directors' Meeting held on September 14, 2020, the shareholders approved the initial public offering of 192,680,000 common registered book-entry no-par-value shares, issued by the Company, free of any and all encumbrances.

Notes

At the Board of Directors' Meeting held on September 24, 2020, the shareholders approved the price per share of R\$4.10, the Company's effective capital increase under the "Restricted Offer", in the amount of R\$789,988, through the issue of 192,680,000 common shares, as well as its approval within the scope of the public offering with restricted efforts for primary distribution of Shares ("Restricted Offer"), under the terms of CVM Instruction No. 476. The shares subject to the Restricted Offer were traded on B3 - Brasil Bolsa Balcão on September 28, 2020, and their physical and financial settlement was carried out on September 29, 2020.

The Company is authorized to increase its capital, irrespective of a decision at the General Meeting, up to the limit of 2,000,001,000 shares, through a resolution of the Board of Directors, which will set the issue and placement conditions of the referred to said securities.

Each common share entitles its holder to one vote in resolutions at the General Meeting.

b) Capital reserve

- Stock option plan / Share-based incentive plan

Represented by the accounting record of the stock option plan in the amount of R\$65,280 at September 30, 2021 (R\$65,433 at December 31, 2020) and of the share-based incentive plan: Performance Shares, in the amount of R\$3,762 (R\$990 at December 31, 2020), and Share Matching in the amount of R\$1,866 (R\$1,180 at December 31, 2020), in compliance with the provisions of Technical Pronouncement CPC 10 - Share-based payments.

- Other

In the merger of shares, the equity value of the then subsidiary Santos-Brasil S.A., as at December 31, 2006, was recorded under "Capital" account of the parent company, as provided for in the Merger Agreement. The net income for the year, in equity of the then subsidiary Santos-Brasil S.A., represented by the result of its operations in the period between the referred to reporting date and the merger date, October 2007, net of distributions made to shareholders, amounting to R\$28,923, was classified under the "Capital reserve" account.

On April 30, 2010, the Company acquired indirect equity interest of its subsidiary Pará, through its then direct subsidiary Nara Valley, increasing its equity interest from 75% to 87.67%. This transaction resulted in the change in equity interest in the amount of R\$(4,548).

On April 20, 2011, by means of a Share Purchase and Sales Agreement and Other Covenants, subsidiary Nara Valley Participações S.A. acquired 12.327% equity interest of its direct subsidiary Pará Empreendimentos, for the amount of R\$4,500, and it now holds 100% shareholding control. This transaction resulted in the change in equity interest in the amount of R\$(5,478).

By September 30, 2021, stock options were exercised, whereby the Company delivered treasury shares, generating a gain (loss) amounting to R\$(3,614) - (R\$(3,577) by December 31, 2020).

By September 30, 2021, the Company recorded costs with the supplementary issue of new shares for the Restricted Offer, as explained in Note 18.a), amounting to R\$(24,753).

c) Profit reserve

- Legal reserve

The legal reserve is set up at 5% of net income for each year, under the terms of Law No. 6404/76, article 193, capped at 20% of the capital.

Notes

- Reserve for investment and expansion

Represented by management's proposals for the retention of remaining balances of net income for the current and prior periods, after retentions set forth by law or approved by the shareholders, to implement investment plan for expansion in subsidiaries, according to capital budgets, which at September 30, 2021 amounts to R\$140,088 (R\$140,088 at December 31, 2020).

- Repurchase of shares

At the Board of Directors' Meeting held on December 17, 2013, the Company's Share Buyback Program was approved, aimed at maximizing returns for shareholders.

The program authorized the purchase of up to 4,215,556 units, of which 4,215,556 were common shares and 16,862,225 preferred shares, within a maximum period of 365 days to purchase the shares, beginning on December 20, 2013 and ended on December 20, 2014.

On August 22, 2016, with migration to the Novo Mercado (New Market) of B3 - Brasil Bolsa Balcão, the units were canceled and converted from preferred shares into common shares.

Until December 31, 2019, 4,003,556 treasury shares related to the exercised options were delivered, generating a gain (loss) amounting to R\$12,940.

In the year ended December 31, 2020, 1,237,348 treasury shares related to the Stock Option and Performance Shares exercised were delivered, generating a gain (loss) amounting to R\$4,000.

In the period ended September 30, 2021, 478,593 treasury shares relating to Stock Options exercised and Matching shares were delivered, generating a gain (loss) amounting to R\$1,548.

Following is the position at September 30, 2021 of shares purchased by the Company:

	Number of Common Shares	Amount	Market value (*)	Price		
				Weighted average	Minimum	Maximum
Original balance	6,138,745	19,844	48,681	3.23	2.90	3.70
(-) Delivered shares	(5,719,497)	(18,488)				
Current balance	<u>419,248</u>	<u>1,356</u>	3,325			

(*) Market value based on the last quotation prior to the period end.

d) Shareholders' remuneration

Shareholders are entitled to annual minimum dividends of 25% of net income, adjusted in accordance with the Brazilian Corporation Law and the Company's Articles of Incorporation.

e) Equity valuation adjustment

- Supplementary health care plan

Represented by the accounting record of the actuarial calculation of supplementary health care plan (Note 26), in compliance with the provisions of Technical Pronouncement CPC 33 (R1) - Employee Benefits.

Notes**19. Operating income**

Reconciliation between gross income for tax purposes and income stated in the statements of income for the periods ended September 30, 2021 and 2020, as well as income breakdown are as follows:

	Individual		Consolidated	
	09.30.2021	09.30.2020	09.30.2021	09.30.2020
Gross revenue	838,470	450,922	1,260,886	781,102
Port Terminals	838,470	450,922	948,613	547,074
Port Operations	450,425	214,769	513,431	270,399
Customs Warehousing	372,789	224,552	415,822	259,309
General Cargo	15,256	11,601	19,360	17,366
Santos Brasil Logistics	-	-	251,072	198,681
Transportation	-	-	28,730	30,890
Customs Warehousing	-	-	184,890	135,548
Distribution Center	-	-	30,001	24,999
Logistic Terminals	-	-	7,451	7,244
Vehicles Terminal/ TEV	-	-	61,201	35,347
Customs Warehousing	-	-	61,201	35,347
Deductions from revenue:				
Service taxes	(90,554)	(51,273)	(147,218)	(98,726)
Other	(16,339)	(7,389)	(22,968)	(13,442)
Total	731,577	392,260	1,090,700	668,934

20. Operating expenses by type

	Individual		Consolidated	
	09.30.2021	09.30.2020	09.30.2021	09.30.2020
Outsourced labor	(22,621)	(17,527)	(23,255)	(17,887)
Rates - Companhias Docas	(9,153)	(6,640)	(11,785)	(9,939)
Electric power	(9,460)	(6,800)	(10,886)	(8,528)
Fuels and lubricants	(21,083)	(11,865)	(32,488)	(20,069)
Freight	(8,882)	(8,684)	(35,540)	(27,466)
Changes in vehicles	-	-	(16,720)	(10,593)
Other services and materials	(2,002)	(2,163)	(12,197)	(8,486)
Personnel expenses	(234,258)	(193,161)	(309,671)	(262,377)
Consulting, advisory and audit services	(17,088)	(16,322)	(18,723)	(17,875)
Other third-party services	(21,585)	(18,356)	(30,737)	(27,148)
Operational maintenance	(31,201)	(21,007)	(41,104)	(28,845)
Depreciation and amortization	(101,887)	(78,876)	(137,196)	(110,844)
Rents / condominium - operating areas	-	-	(7,264)	(5,038)
Commissions on sales of services	(16,778)	(14,033)	(71,031)	(61,666)
Allowance for expected credit losses and bad debt losses	(16,589)	(12,050)	(18,010)	(11,596)
Other expenses	(20,209)	(14,388)	(54,211)	(38,209)
Total	(532,796)	(421,872)	(830,818)	(666,566)
Classified as:				
Cost of goods and/or services provided	(430,046)	(337,728)	(655,500)	(522,211)
Selling expenses	(25,532)	(17,337)	(84,039)	(68,311)
Allowance for expected credit losses and bad debt losses	(16,589)	(12,050)	(18,010)	(11,596)
General and administrative expenses and amortization of goodwill	(60,629)	(54,757)	(73,269)	(64,448)
Total	(532,796)	(421,872)	(830,818)	(666,566)

Notes**21. Other operating income (expenses)**

	Individual		Consolidated	
	09.30.2021	09.30.2020	09.30.2021	09.30.2020
Other operating income:				
Adjustments of advances for dredging fund	2,030	1,572	2,030	1,572
Restatement of judicial deposits	4,550	3,686	4,560	3,706
Restatement of recoverable credit - FUNDAF	-	-	8	17
Gain in the sale of assets	267	52	555	2,586
Gain on write-off of right of use	2	-	2	-
Income from non-identified deposits	682	380	1,503	861
Recovery of electric power	7	490	7	498
Recovery of INSS - Payroll	464	1,302	576	1,676
Insurance reimbursement	487	3,772	562	3,772
Reimbursement of berth occupation	-	2,920	-	2,920
Other income	262	455	850	1,305
Total	8,751	14,629	10,653	18,913
Other operating expenses:				
Write-off and losses on the sale of assets	(932)	(1,293)	(970)	(1,574)
Restatement of provisions	(124)	181	(159)	142
Cost of selling inventory materials	-	(39)	-	(169)
Service Tax (ISS) on canceled sales	(432)	-	(516)	-
Court-ordered debt payments	-	-	(353)	(108)
Other expenses	-	(9)	-	(21)
Total	(1,488)	(1,160)	(1,998)	(1,730)

22. Finance income (costs)

	Individual		Consolidated	
	09.30.2021	09.30.2020	09.30.2021	09.30.2020
Finance income:				
Interest income	637	306	1,042	610
Yield from financial investments	22,267	1,412	26,636	4,054
Foreign-exchange and monetary variations - gain	-	-	1,771	6
Restatement of recoverable taxes	354	458	383	487
Restatement of judicial deposits	4,569	97	4,595	116
Other income	129	14	130	18
Total	27,956	2,287	34,557	5,291
Finance costs:				
Interest on debentures and loans	(4,133)	(8,688)	(6,683)	(11,377)
Foreign-exchange and monetary variations - liabilities	-	-	(5,713)	(7,639)
Tax on Financial Transactions - IOF on administrative operations	(70)	(78)	(98)	(88)
Interest on obligations with the concession grantor	(35,281)	(35,652)	(39,216)	(39,725)
Interest on lease	(86)	(10)	(3,573)	(1,773)
Commissions and financial rates	(2,788)	(2,626)	(2,837)	(2,673)
Other costs	(976)	(727)	(1,306)	(951)
Total	(43,334)	(47,781)	(59,426)	(64,226)

Notes

23. Stock option plan and share-based incentive plan - Individual

At the Special General Meeting held on August 4, 2017, the shareholders approved the amendment to the Stock Option Plan approved at the Special Shareholders' Meeting held on January 9, 2008, amended on April 1, 2015, as well as the creation of the Share-Based Incentive Plan of the Company (Performance Shares and Share Matching Plan).

The purpose of the Company's Share-Based Incentive Plan is to rule the possibility of granting incentives in connection with the Company's common shares to managing officers and employees with whom it has employment or statutory relationship, aimed at: (i) increasing the capacity to attract talents; (ii) strengthening the culture of sustainable performance and search for the development of certain directors and employees, aligning their interests to the shareholders' interests; (iii) allowing the Company to maintain its professionals, offering them, as additional advantage and incentive, the opportunity of becoming shareholders; and (iv) promoting the expansion, achievement and surpassing of their business goals, allowing greater integration of its administrators and employees as shareholders of the Company.

The shares granted as incentive under the programs of the Stock Option Plan and Share-Based Incentive Plan cannot exceed the maximum limit of 4.5% of the shares of the Company's subscribed and paid-up capital.

a) Stock Option Plan

At the Special General Meeting held on September 22, 2006, the shareholders of the then subsidiary Santos-Brasil S.A. approved the Stock Option Plan ("Plan") for managing officers and senior employees. At the Special General Meeting held on January 9, 2008, the Plan was transferred to the Company.

The Plan is managed by the Board of Directors or, at its discretion, by a Committee comprised of three members, where at least one of them must be a (full or alternate) member of the Board of Directors.

The Board of Directors or the Committee periodically create Stock Option Programs ("Programs"), grouped in units to determine the beneficiaries that will receive the options, the number of Company's units that each beneficiary will be authorized to subscribe or acquire with the exercise of the option, the subscription price, the initial grace period over which the option cannot be exercised, and the limit dates for total or partial exercise. Terms and conditions are defined in a Stock Option Contract entered into by and between the Company and each beneficiary.

The price of units to be acquired by the beneficiaries due to the exercise of the option (strike price) is equivalent to the average value of units in the last 30 trading sessions of B3 - Brasil Bolsa Balcão, prior to the option grant date, and may be increased by inflation adjustment by reference to the variation of a price index, and also by interest, at the discretion of the Board of Directors or of the Committee, which may also grant to beneficiaries a discount of up to 15% in the strike price.

The Company's units acquired within the Plan may only be disposed of if the minimum blackout period defined in each Program for each batch of units is met. This period should never be shorter than three years, from the exercise date of each annual batch

Notes

At September 30, 2021, prevailing Programs are those listed in the table below:

Programs	Strike prices R\$/units (*)	Number of granted units	Grace periods	Exercise terms	Option value R\$/units (*)	Number of exercised units	Number of overdue/ expired units	Number of units - balance
2006 to 2015 Programs		<u>9,581,720</u>				<u>2,828,178</u>	<u>6,753,542</u>	-
Total options granted		<u>9,581,720</u>				<u>2,828,178</u>	<u>6,753,542</u>	-

(*) Original amounts on the dates of Share Grant Programs.

On March 2 and 3, 2016, at the Board of Directors' Meeting, the members approved the strike price for the 2016 Stock Option Program and resolved to submit it to prior appreciation and recommendation of the Board of Directors' Remuneration Committee for subsequent examination and approval by the Board.

On August 22, 2016, with the cancellation of units, in case the program's options are exercised up to 2015, five common shares will be issued to the beneficiary.

Programs	Strike prices R\$/shares (*)	Number of shares granted	Grace periods	Exercise terms	Option value R\$/shares (*)	Number of exercised shares	Number of overdue / expired shares	Number of shares - balance
03/02/16 - 2016 Program	2.29	<u>2,897,395</u>			1.18	<u>2,301,593</u>	<u>595,802</u>	-
1 st annual batch		965,798	03/02/17	03/02/19		806,371	159,427	-
2 nd annual batch		965,798	03/02/18	03/02/20		769,288	196,510	-
3 rd annual batch		965,799	03/02/19	03/02/21		725,934	239,865	-
08/23/17 - 2017 Program	2.02	<u>6,609,811</u>			0.71	<u>1,763,766</u>	<u>3,023,801</u>	<u>1,822,244</u>
1 st annual batch		2,203,270	08/23/18	08/23/21		1,070,238	1,133,032	-
2 nd annual batch		2,203,270	08/23/19	08/23/22		409,675	882,473	911,122
3 rd annual batch		2,203,271	08/23/20	08/23/23		283,853	1,008,296	911,122
02/28/18 - 2018 Program	3.51	<u>2,914,885</u>			1.61	<u>891,318</u>	<u>1,052,055</u>	<u>971,512</u>
1 st annual batch		971,628	02/28/19	02/28/22		221,123	264,749	485,756
2 nd annual batch		971,628	02/28/20	02/28/23		159,011	326,861	485,756
3 rd annual batch		971,629	02/28/21	02/28/24		511,184	460,445	-
02/19/19 - 2019 Program	4.39	<u>1,143,048</u>			1.52	<u>194,578</u>	<u>73,806</u>	<u>874,664</u>
1 st annual batch		381,016	02/19/20	02/19/23		97,289	36,903	246,824
2 nd annual batch		381,016	02/19/21	02/19/24		97,289	36,903	246,824
3 rd annual batch		381,016	02/19/22	02/19/25		-	-	381,016
Total options granted		<u>13,565,139</u>				<u>5,151,255</u>	<u>4,745,464</u>	<u>3,668,420</u>

(*) Original amounts on the dates of Share Grant Programs.

Grace periods reflect conditions established in Programs, according to which options may be exercised in three annual batches, each equivalent to 33.3333% of total of option granted in each Program.

Notes

Strike prices of annual batches will be adjusted by reference to the IGP-M/FGV, in the shortest period legally allowed, up to the options exercise dates.

The exercise term reflects the 24-month period for Plans up to 2016. For Plans from 2017 onwards, the exercise term reflects the 36-month period, and they are all counted from the end of initial grace periods of annual batches.

Cost of options granted is calculated over their related grace period, based on options values determined by the Black-Scholes valuation method on Programs' dates. Due to the low historical turnover of managing officers and senior employees that are the beneficiaries of the stock option plan, 100% of options in the referred to calculation are considered as vested.

As determined by Technical Pronouncement CPC 10, the Company and its subsidiaries recognized, as the services were rendered, under share-based payment transactions, the effect in income (loss) for the period ended September 30, 2021, in the amount de R\$214 (R\$1,627 at September 30, 2020).

In 2020, part of the 2017, 2018 and 2019 Programs was exercised, subject to withholding income tax and INSS in the amount of R\$266. In 2021, part of the 2018 and 2019 Programs was exercised, subject to withholding income tax and INSS in the amount of R\$367, both accounted for in capital reserves.

Of the outstanding shares by September 30, 2021, those exercised represented a dilution in the shareholders' interest of 2.87% and those not exercised, in case they were fully exercised under certain conditions set forth in the agreements, they would represent a dilution of the current shareholders' interest of 0.42%.

b) Share-based incentive plans

- Performance Shares

The beneficiaries will be entitled to receive, free of charge, common shares of the Company if the goals are achieved by the beneficiaries. The ownership of the Company's common shares granted to the beneficiaries as Performance Shares will be transferred in a single batch, after three (3) years ("Grace Period") after the date defined for each beneficiary in its Adhesion Agreement ("Initial Date"). The Board of Directors, however, may, at its sole discretion, anticipate the transfer of ownership of the Company's common shares granted to the beneficiaries as Performance Shares in case the goals described in the program have been achieved before 3 years, in which case the end of the Grace Period will be anticipated. In case of employee termination (termination or dismissal) the options granted and not yet exercised will be automatically extinguished.

On August 23, 2017, the grant of 1,970,443 common shares to the Performance Shares Program was approved, within the limit established in the Share-Based Incentive Plan.

On February 25, 2021, new Performance Shares programs were approved for 2020 (retroactive to July 2, 2020) and 2021. Each program comprises 4 annual batches with the following grace periods: 1st batch with a 2-year grace period, 2nd batch with a 3-year grace period, 3rd batch with a 4-year grace period, and 4th batch with a 5-year grace period.

Notes

Programs	Number of granted shares	Grace periods	Value of shares - R\$ (*)	Number of exercised shares	Number of overdue / expired shares	Number of shares - balance
08/23/17 - 2017 Program	1,970,443		2.31	597,403	1,373,040	-
- Annual batch	1,970,443	08/23/20		597,403	1,373,040	-
07/02/20 - 2020 Program	889,877		5.27	-	-	889,877
1 st annual batch	222,469	07/02/22		-	-	222,469
2 nd annual batch	222,469	07/02/23		-	-	222,469
3 rd annual batch	222,469	07/02/24		-	-	222,469
4 th annual batch	222,470	07/02/25		-	-	222,470
02/25/21 - 2021 Program	896,683		5.23	-	-	896,683
1 st annual batch	224,171	02/25/23		-	-	224,171
2 nd annual batch	224,171	02/25/24		-	-	224,171
3 rd annual batch	224,171	02/25/25		-	-	224,171
4 th annual batch	224,170	02/25/26		-	-	224,170
Total shares granted	<u>3,757,003</u>			<u>597,403</u>	<u>1,373,040</u>	<u>1,786,560</u>

(*) Original amounts on the dates of Share Grant Programs.

The Company recognized the effect in income (loss) for the period ended September 30, 2021, in the amount of R\$2,772 (R\$(1,012) at September 30, 2020).

In 2020, 597,403 shares of the 2017 Program were exercised, subject to withholding income tax in the amount of R\$913, accounted for in capital reserves.

Of the outstanding shares by September 30, 2021, those exercised represented a dilution in the shareholders' interest of 0.07% and those not exercised, in case they were fully exercised under certain conditions set forth in the agreements, they would represent a dilution of the current shareholders' interest of 0.21%.

- Share Matching

The beneficiaries will be entitled to receive, free of charge, one (1) common share of the Company for each common share of the Company acquired through the Broker (Matching), after there (3) years ("Grace Period") as from the adhesion date, up to the limit established in their respective Adhesion Agreement and observing the period of fifteen (15) days to transfer the shares acquired under this Program to a deposit account for the shares it holds, maintained by Itaú Corretora de Valores S.A., the depository institution of the Company's shares ("Depository Agent"), responsible for authorizing the blocking of those shares due to the adhesion to the present Program.

On August 23, 2017, the first grant of 903,896 common shares to the Share Matching Program was approved, within the limit established in the Share-Based Incentive Plan.

On February 25, 2021, new Share Matching programs were approved for 2020 (retroactive to July 2, 2020) and 2021. Each program comprises 4 annual batches with the following grace periods: 1st batch with a 2-year grace period, 2nd batch with a 3-year grace period, 3rd batch with a 4-year grace period, and 4th batch with a 5-year grace period. In these programs, if the beneficiaries subscribe more than 50% of the grant, they will receive in addition to 1 (one) common share, another 0.5 (half) supplementary share.

Notes

Programs	Number of shares granted	Grace periods	Value of shares - R\$ (*)	Number of shares subscribed / delivered	Number of overdue / expired shares	Number of shares - balance
08/23/17 - 2017 Program	903,896		2.31	200,774	703,122	-
- Annual batch	903,896	3 years		200,774	703,122	-
02/28/18 - 2018 Program	615,369		3.71	277,678	337,691	-
- Annual batch	615,369	3 years		277,678	337,691	-
02/19/19 - 2019 Program	523,485		4.11	156,537	366,948	-
- Annual batch	523,485	3 years		156,537	366,948	-
07/02/20 - 2020 Program	646,880		5.27	539,179	107,701	-
1 st annual batch	161,720	2 years		134,796	26,924	-
2 nd annual batch	161,720	3 years		134,795	26,925	-
3 rd annual batch	161,720	4 years		134,794	26,926	-
4 th annual batch	161,720	5 years		134,794	26,926	-
02/25/21 - 2021 Program	651,828		5.23	-	-	651,828
1 st annual batch	162,957	2 years		-	-	162,957
2 nd annual batch	162,957	3 years		-	-	162,957
3 rd annual batch	162,957	4 years		-	-	162,957
4 th annual batch	162,957	5 years		-	-	162,957
Total shares granted	3,341,458			1,174,168	1,515,462	651,828

(*) Original amounts on the dates of Share Grant Programs.

The Company recognized the effect in income (loss) for the period ended September 30, 2021, in the amount of R\$1,046 (R\$450 at September 30, 2020), since there was an Adhesion Agreement to the referred to Program.

Until September 30, 2021, 970,116 shares were adhered to; in case those adhesions remain until the end of the grace period, as from their adhesion date, their dilution percentage would be 0.11%, in case those non-adhered were fully adhered to under certain conditions set forth in the agreements, they would represent a dilution in the current shareholders' interest of 0.08%.

In 2019, 10,152 shares related to part of the 2017 and 2018 Programs were delivered, subject to withholding income tax in the amount of R\$23. In 2021, 193,900 shares were delivered, related to part of the 2017 program, subject to withholding income tax in the amount of R\$360, both of which are accounted for in capital reserves. The shares delivered represented a dilution of 0.02% in the shareholders' interest.

Notes**24. Income and social contribution taxes****a) Reconciliation of Corporate Income Tax (IRPJ) and Social Contribution (CSLL) - current and deferred**

The reconciliation of IRPJ and CSLL recognized in income (loss) is as follows:

	Individual		Consolidated	
	09.30.2021	09.30.2020	09.30.2021	09.30.2020
Profit / (loss) before taxation	225,258	(47,258)	243,668	(39,384)
Exclusion of equity pickup	(34,592)	(14,379)	-	-
Profit / (loss) before adjusted taxation	190,666	(61,637)	243,668	(39,384)
I - Base value - IRPJ and CSLL:	(64,809)	20,975	(82,829)	13,408
Tax rates: 15% IRPJ and 9% CSLL	(45,760)	14,793	(58,480)	9,452
Surtax: 10% IRPJ with deduction of R\$180	(19,049)	6,182	(24,349)	3,956
II - Effects of permanent additions and exclusions of expenses and income	(3,296)	(1,776)	(3,590)	(2,116)
Permanent additions:				
Variable compensation of the Executive Board	(1,000)	(477)	(1,000)	(477)
Stock option plan / Performance Share	(1,371)	(362)	(1,371)	(362)
Other	(1,204)	(1,105)	(1,498)	(1,445)
Permanent exclusions:				
Exercised options	279	168	279	168
III - Effects of tax incentives:	796	-	861	79
Tax incentives	796	-	861	79
IV - Effective tax rate:				
Adjusted IRPJ and CSLL (I + II + III)	(67,309)	19,199	(85,558)	11,371
Effective tax rate	35.30%	(31.15)%	35.11%	(28.87)%
V - Effects of deferred IRPJ and CSLL:				
Tax losses and temporary differences not accounted for (*)	-	-	(11)	-
VI - Extraordinary adjustments:				
IRPJ and CSLL of the prior period	-	-	(150)	(46)
Effects of IRPJ and CSLL in profit (loss) (IV + V + VI)	(67,309)	19,199	(85,719)	11,325
IRPJ and CSLL - current	(57,661)	-	(73,616)	(6,352)
IRPJ and CSLL - deferred	(9,648)	19,199	(12,103)	17,677
Total	(67,309)	19,199	(85,719)	11,325

(*) These refer to subsidiaries Numeral 80, Santos Brasil Logistics and TPV, for which deferred tax credits will be recorded upon generation of deferred income.

Notesb) Composition of deferred tax assets and liabilities

<u>Assets (liabilities)</u>	Individual					
	09.30.2021			12.31.2020		
	IRPJ	CSLL	Total	IRPJ	CSLL	Total
Tax losses and social contribution tax loss carryforwards	-	339	339	17,889	6,824	24,713
Temporary differences:						
Allowance for expected credit losses	5,029	1,810	6,839	2,941	1,060	4,001
Provision for contingencies	28,300	10,188	38,488	27,489	9,896	37,385
Amortization of goodwill	(16,262)	(5,854)	(22,116)	(16,728)	(6,022)	(22,750)
Depreciation	(40,181)	(14,465)	(54,646)	(39,197)	(14,111)	(53,308)
Loss for devaluation of assets	5,119	1,843	6,962	5,451	1,963	7,414
Obligations with the concession grantor	28,572	10,286	38,858	27,312	9,832	37,144
Others	26,838	9,924	36,762	19,294	7,241	26,535
Actuarial losses	7,350	2,644	9,994	7,350	2,644	9,994
Total	44,765	16,715	61,480	51,801	19,327	71,128
Assets	44,765	16,715	61,480	51,801	19,327	71,128
<u>Assets (liabilities)</u>	Consolidated					
	09.30.2021			12.31.2020		
	IRPJ	CSLL	Total	IRPJ	CSLL	Total
Tax losses and social contribution tax loss carryforwards	6,786	2,782	9,568	27,935	10,440	38,375
Temporary differences:						
Allowance for expected credit losses	5,435	1,957	7,392	3,063	1,104	4,167
Provision for contingencies	29,632	10,667	40,299	28,524	10,269	38,793
Amortization of goodwill	(26,128)	(9,406)	(35,534)	(26,594)	(9,574)	(36,168)
Depreciation	(46,212)	(16,636)	(62,848)	(45,226)	(16,281)	(61,507)
Loss for devaluation of assets	5,119	1,843	6,962	5,451	1,963	7,414
Obligations with the concession grantor	32,337	11,641	43,978	30,947	11,140	42,087
Others	30,383	11,201	41,584	21,982	8,211	30,193
Court-ordered debt payments receivable	(1,583)	(572)	(2,155)	(1,473)	(532)	(2,005)
Actuarial losses	9,621	3,462	13,083	9,621	3,462	13,083
Total	45,390	16,939	62,329	54,230	20,202	74,432
Assets	50,708	18,854	69,562	59,607	22,137	81,744
Liabilities	(5,318)	(1,915)	(7,233)	(5,377)	(1,935)	(7,312)

Until September 30, 2021, deferred tax credits on temporary differences are applicable to the Company and its subsidiaries Tecon Vila do Conde, Santos Brasil Logistics and Vehicles Terminal/TEV.

Notes**25. Earnings (loss) per share**a) Basic earnings (loss) per share

Basic earnings (loss) per share was calculated based on the Company's income (loss) for the periods ended September 30, 2021 and 2020 and on the average number of common shares outstanding in these periods, as follows:

	09.30.2021	09.30.2020
	<u>Common</u>	<u>Common</u>
Earnings / (loss) for the period	157,949	(28,059)
Weighted average of shares	862,096,956	673,109,809
Basic earnings (loss) per share	0.18322	(0.04169)

b) Diluted earnings (loss) per share

Diluted earnings (loss) per share was calculated based on the Company's income (loss) for the periods ended September 30, 2021 and 2020, as follows:

	09.30.2021	09.30.2020
	<u>Common</u>	<u>Common</u>
Earnings / (loss) for the period	157,949	(28,059)
Weighted average number of shares	862,096,956	673,109,809
Possible effects of share option subscription	3,320,721	3,203,789
Diluted earnings (loss) per share	0.18251	(0.04149)

Diluted earnings (loss) per share is calculated considering the instruments that may have potential dilution effect in the future.

26. Actuarial liabilities - supplementary health care plan

These refer to a provision for supplementary health care, which reflects the costs of healthcare plans to employees and statutory officers who will be entitled to the benefit in the post-employment period, pursuant to Law No. 9656/98 and Technical Pronouncement CPC 33 (R1), determined based on an actuarial study.

Actuarial calculations, performed under the responsibility of independent actuary Deloitte Touche Tohmatsu Consultores Ltda., were based on the following assumptions in the period ended September 30, 2021 and year ended December 31, 2020:

NotesAssumptionsEconomic assumptions:

Discount Rate	3.80% p.a.
Economic Inflation	3.25% p.a.
Health Care Cost Trend Rate (HCCTR)	3.00% p.a.
Aging Factor	3.50% p.a.
Changes in Medical Cost	Economic Inflation + HCCTR + Aging Factor
Changes in Contribution	Economic Inflation + HCCTR

Biometric assumptions:

Mortality Table	AT-2000, segregated by gender
Turnover	10% (Santos Brasil Logística S.A.) And 5% (Others companies)
Age for Retirement	Male: 65 years old Female: 62 years old
Hypotheses for Retirement	100% at first eligibility
Stay in Retirement	39.53%

Other assumptions

Family Composition	<u>Active Participants</u> 72.81% Married Holder Age Difference: Male - 4 years younger and Female - 2 years older <u>Assisted Participants</u> Actual Family
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Based on the independent actuary's reports prepared, which contain the projected expenses, the Company and its subsidiaries recorded proportional provisions for the period ended September 30, 2021 and for the year ended December 31, 2020:

	Individual	
	09.30.2021	12.31.2020
Present value of actuarial obligations	3,145	5,005
Calculated actuarial losses	58,197	53,192
Total net actuarial liabilities to be provisioned for	<u>61,342</u>	<u>58,197</u>
	Consolidated	
	09.30.2021	12.31.2020
Present value of actuarial obligations	4,434	7,265
Calculated actuarial losses	76,494	69,229
Total net actuarial liabilities to be provisioned for	<u>80,928</u>	<u>76,494</u>

Notes**27. Financial instruments**

The policy for taking out financial instruments, the methods and assumptions adopted in determining fair values as well as the criteria for recording and classifying them are the same as those disclosed in the financial statements for the year ended December 31, 2020.

a) Classification of financial instruments

	Hierarchy level	Individual				Consolidated			
		09.30.2021		12.31.2020		09.30.2021		12.31.2020	
		Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Assets:									
Cash and cash at banks	-	4,795	4,795	2,123	2,123	7,148	7,148	7,073	7,073
		4,795	4,795	2,123	2,123	7,148	7,148	7,073	7,073
Measured at amortized cost:									
Accounts receivable	2	126,402	126,402	89,899	89,899	181,541	181,541	130,883	130,883
Dividends receivable	2	-	-	6,120	6,120	-	-	-	-
Court-ordered debt payments receivable	2	-	-	-	-	6,338	6,338	5,896	5,896
		126,402	126,402	96,019	96,019	187,879	187,879	136,779	136,779
Fair value through profit or loss:									
Marketable securities	2	506,708	506,708	458,223	458,223	704,811	704,811	636,788	636,788
Other marketable securities	2	414,653	414,653	426,598	426,598	414,653	414,653	426,598	426,598
		921,361	921,361	884,821	884,821	1,119,464	1,119,464	1,063,386	1,063,386
Liabilities:									
Measured at amortized cost:									
Loans and financing	2	40,860	41,193	60,142	60,837	53,869	54,202	78,819	79,515
Debentures	2	297,066	295,110	298,376	290,982	355,133	351,897	354,375	350,955
Suppliers	2	65,776	66,787	54,097	54,097	99,671	99,671	82,843	82,843
Dividends and interest on own capital payable	2	18	18	18	18	18	18	18	18
Obligations with the concession grantor	2	1,448,618	1,455,962	1,183,618	1,534,007	1,616,056	1,654,105	1,322,096	1,723,487
Leases	2	1,814	2,077	2,270	2,785	71,787	81,743	42,357	58,069
Court-ordered debt payments payable (*)	2	-	-	-	-	5,070	5,070	4,717	4,717
		1,854,152	1,860,136	1,598,521	1,942,726	2,201,604	2,246,706	1,885,225	2,299,604

(*) Court-ordered debt payments are classified in the statements of financial position under "Other liabilities", in non-current liabilities.

Notes

Fair value

For financial assets not traded in active market or not publicly listed, management established the fair value through valuation techniques. These techniques include the use of transactions recently entered into with third parties, reference to other instruments that are substantially similar, discounted cash flow analysis, and the swap pricing model, which makes the maximum possible use of information generated by the market and the minimum possible use of information generated by Company management.

The fair value of these derivatives, when applicable, is obtained using a future cash flow model, according to contractual rates, discounted to present value using market rates. Information used for projections is disclosed by B3 - Brasil Bolsa Balcão, BC - Central Bank of Brazil, among others.

At September 30, 2021, the Company and its subsidiaries had no derivative transaction in force.

b) Market risk

The Company's market risk management policies include, among others, the development of economic and financial studies and analyses to assess the impact of different scenarios on its market positions, and reports used to monitor its risk exposures.

The Company's income (loss) is subject to changes due to effects of volatility of foreign exchange rate and interest rate on its stakes in financial instruments.

The Company maps its risks, threats and opportunities on an ongoing basis, considering the scenarios forecast and their impacts on the Company's results. Moreover, any other risk factors as well as the possibility of engaging hedging transactions against them are also analyzed.

b.1) Currency risk and sensitivity analysis

Transactions linked to foreign currencies, mainly Euro, closed the period ended September 30, 2021 with devaluation in relation to the Brazilian Real by 1.25% in relation to December 31, 2020.

The Company uses financial instruments to hedge the oscillations of short-term liabilities denominated in foreign currency related to loans and financing; therefore, without speculative purposes.

At September 30, 2021, the Company and its subsidiaries had no derivative agreement in force. The subsidiaries have financing denominated in foreign currency and the Company considers them as the only financial instruments that may pose coverage risk.

Sensitivity analysis of changes in foreign currency

Five risk scenarios were considered for the currency indexes of these financial liabilities, and management has adopted the probable scenario for the Company and its subsidiaries at the rate disclosed by the Central Bank of Brazil. Scenarios II and III were estimated considering an additional appreciation of 25% and 50%, respectively, for the probable scenario rates. Scenarios IV and V were estimated considering an additional devaluation of 25% and 50%, respectively, for the probable scenario rates, as follows:

Notes

Operation	Risk	Rate	Exposure	Consolidated				
				Probable scenario I	Scenario II (+) 25%	Scenario III (+) 50%	Scenario IV (-) 25%	Scenario V (-) 50%
<u>Equity balances</u>								
Financial liabilities:								
Loans and financing	€	6.30	12,068	-	3,017	6,034	(3,017)	(6,034)
Net debt			12,068	-	3,017	6,034	(3,017)	(6,034)

(*) The amount showed refers to the nominal amount regarding the agreements in effect.

b.2) Interest exposure and sensitivity analysis

The Company manages this risk considering contractual floating and fixed rates. The contracts are exposed to risk of significant fluctuations in interest rates, as liabilities related to debt transactions are pegged to the CDI rate. The balance of cash and cash equivalents pegged to the CDI partially neutralizes the interest rate risk.

Liabilities related to obligations with the Granting Authority are exposure to the risk of fluctuation in the General Market Price Index - IGP-M, Brazil's National Consumer Price Index - INPC, and the Extended Consumer Price Index - IPCA.

The balances exposed to the volatility of interest rates used are presented in section "Sensitivity analysis of changes in interest rates" below.

Sensitivity analysis of changes in interest rates

For the sensitivity analysis of changes in the interest rates, management adopted, for the probable scenario, the rate disclosed by B3 regarding the debt transactions pegged to the CDI and rates accumulated in the last 12 months for liabilities pegged to the IPCA, IGP-M and INPC. Scenarios II and III were estimated considering an additional appreciation of 25% and 50%, respectively, for the next 12 months, whereas scenarios IV and V were estimated considering an additional devaluation of 25% and 50%, respectively, for the next 12 months, for the probable scenario rates.

Operation	Risk	Rate	Exposure	Individual				
				Probable scenario I	Scenario II (+) 25%	Scenario III (+) 50%	Scenario IV (-) 25%	Scenario V (-) 50%
<u>Equity balances</u>								
Financial assets:								
Marketable securities	CDI	6.15%	506,708	31,163	38,953	46,744	23,372	15,581
Other marketable securities	CDI	6.15%	414,653	25,501	31,876	38,252	19,126	12,751
Financial liabilities:								
Loans and financing	CDI	6.15%	40,860	2,513	3,141	3,769	1,885	1,256
Debentures	CDI	6.15%	297,066	18,270	22,837	27,404	13,702	9,135
Obligations with the concession grantor	IGP-M	24.87%	566,569	140,906	176,133	211,360	105,680	70,453
Obligations with the concession grantor	IPCA	10.25%	874,581	89,644	112,056	134,467	67,233	44,822
Obligations with the concession grantor	INPC	10.78%	5,580	602	752	902	451	301
Leases	IGP-M	24.87%	1,814	451	564	677	338	226
Net debt			865,109	195,722	244,654	293,583	146,791	97,861

Notes

Operation	Risk	Rate	Exposure	Consolidated				
				Probable scenario I	Scenario II (+) 25%	Scenario III (+) 50%	Scenario IV (-) 25%	Scenario V (-) 50%
Equity balances								
Financial assets:								
Marketable securities	CDI	6.15%	704,811	43,346	54,182	65,019	32,509	21,673
Other marketable securities	CDI	6.15%	414,653	25,501	31,876	38,252	19,126	12,751
Financial liabilities:								
Loans and financing	CDI	6.15%	40,860	2,513	3,141	3,769	1,885	1,256
Debentures	CDI	6.15%	297,066	18,270	22,837	27,404	13,702	9,135
Debentures	IPCA	10.25%	58,067	5,952	7,440	8,928	4,464	2,976
Obligations with the concession grantor	IGP-M	24.87%	734,007	182,549	228,186	273,823	136,911	91,274
Obligations with the concession grantor	IPCA	10.25%	874,581	89,644	112,056	134,467	67,233	44,822
Obligations with the concession grantor	INPC	10.78%	5,580	602	752	902	451	301
Leases		24.87%	71,787	17,853	22,317	26,780	13,390	8,927
Net debt			962,484	248,536	310,671	372,802	186,401	124,267

c) Credit risk

At September 30, 2021, the consolidated allowance for expected credit losses totaled R\$21,739, representing 10.69% of the outstanding balance of accounts receivable. At December 31, 2020, this allowance totaled R\$12,254, equivalent to 8.56% of the outstanding balance of accounts receivable.

In addition, aiming at minimizing the credit risks related to financial institutions, Management seeks to diversify its operations in prime institutions.

	Individual		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Assets:				
Cash and cash equivalents	511,503	460,346	711,959	643,861
Other marketable securities	414,653	426,598	414,653	426,598
Accounts receivable	126,402	89,899	181,541	130,883
Dividends receivable	-	6,120	-	-
Court-ordered debt payments receivable	-	-	6,338	5,896
Total	1,052,558	982,963	1,314,491	1,207,238

d) Liquidity risk

Management understands that the Company is not exposed to liquidity risk, considering its ability to generate cash and its low debt capital structure.

In addition, mechanisms and tools that allow fundraising, in order to reverse positions that could jeopardize the Company's liquidity, are periodically analyzed.

Notes

	Individual					
	Accounting balance at 09.30.2021	Expected flow	Up to 1 year	From 1 to 3 years	From 3 to 5 years	From 5 to 30 years
Liabilities						
Loans and financing	40,860	42,702	42,702	-	-	-
Debentures	297,066	394,934	57,520	115,249	222,165	-
Suppliers	65,776	65,776	50,755	15,021	-	-
Dividends and interest on own capital payable	18	18	18	-	-	-
Obligations with the concession grantor	1,448,618	2,108,237	183,367	211,620	211,620	1,501,630
Leases	1,814	2,040	480	960	600	-
Total	1,854,152	2,613,707	334,842	342,850	434,385	1,501,630

	Consolidated					
	Accounting balance at 09/30/2021	Expected flow	Up to 1 year	From 1 to 3 years	From 3 to 5 years	From 5 to 30 years
Liabilities						
Loans and financing	53,869	55,902	48,416	7,486	-	-
Debentures	355,133	482,332	65,707	131,793	238,867	45,965
Suppliers	99,671	99,671	84,650	15,021	-	-
Dividends and interest on own capital payable	18	18	18	-	-	-
Obligations with the concession grantor	1,616,056	2,316,475	199,879	243,543	243,543	1,629,510
Leases	71,787	89,641	14,276	25,177	21,442	28,746
Court-ordered debt payments payable	5,070	5,070	-	5,070	-	-
Total	2,201,604	3,049,109	412,946	428,090	503,852	1,704,221

e) Capital management

In the period ended September 30, 2021, the Company and its subsidiaries maintained the same accounting policy described in the financial statement as at December 31, 2020.

The debt in relation to the capital in the period ended September 30, 2021 and year ended December 31, 2020 is as follows:

	Individual		Consolidated	
	09.30.2021	12.31.2020	09.30.2021	12.31.2020
Total current and non-current liabilities	2,083,403	1,795,500	2,489,100	2,132,054
(-) Cash and cash equivalents and others marketable securities	(926,156)	(886,944)	(1,126,612)	(1,070,459)
Net debt	1,157,247	908,556	1,362,488	1,061,595
Total shareholders' equity	2,261,986	2,097,210	2,261,986	2,097,210
Net debt to shareholders' equity ratio	0.51161	0.43322	0.60234	0.50619

Notes

28. Non-cash effects

If non-cash effects, for the periods ended September 30, 2021 and 2020, had affected cash, they would have been presented in the following cash flow account:

	Individual		Consolidated	
	09.30.2021	09.30.2020	09.30.2021	09.30.2020
(Increase) in intangible assets of obligations with the concession grantor	(286,076)	(242,097)	(323,072)	(253,913)
(Increase) in property, plant and equipment of lease	60	(320)	(36,937)	(18,409)
Investment activity transactions	(286,016)	(242,417)	(360,009)	(272,322)

29. Insurance coverage

At September 30, 2021, the following insurance policies were in effect:

	Individual and Consolidated		
	Coverage	Currency	Maturity
<u>Branch - Tecon Imbituba</u>			
Port Operator Insurance - SOP			January/2023
Civil liability	20,000	US\$	
Movable property and real estate	69,000	US\$	
Employer Civil Liability - RCE	1,000	US\$	
Civil liability - moral damages	1,000	US\$	
Loss of income due to blockage of berth and channel	600	US\$	
Electrical damages	250	US\$	
Vehicles fleet insurance (passenger):			October/2021
Hull	100% FIPE table	R\$	
Personal accidents of passengers - APPs	10	R\$	
Material damages to third parties	200	R\$	
Bodily injury to third parties	200	R\$	
Moral damages	50	R\$	
Vehicles fleet insurance (trucks):			October/2021
Material damages to third parties	500	R\$	
Bodily injury to third parties	500	R\$	
Moral damages	100	R\$	
<u>Branch - Tecon Santos</u>			
SOP:			January/2023
Civil liability	20,000	US\$	
Movable property and real estate	255,000	US\$	
RCE	1,000	US\$	
Civil liability - moral damages	1,000	US\$	
Transportation of goods	2,000	US\$	
Transportation of passengers in vessels (Civil Liability) and moral damages	1,000	US\$	
Loss of income due to blockage of berth	4,000	US\$	
Electrical damages	250	US\$	
Vehicles fleet insurance (passenger):			October/2021
Hull	100% FIPE table	R\$	
APPs	10	R\$	
Material damages to third parties	200	R\$	
Bodily injury to third parties	200	R\$	
Moral damages	50	R\$	

Notes

	Individual and Consolidated		Maturity
	Coverage	Currency	
<u>Branch - Saboó 01</u>			
SOP:			January/2023
Civil liability	10,000	US\$	
Movable property and real estate	313	US\$	
RCE	1,000	US\$	
Civil liability - moral damages	1,000	US\$	
Transportation of goods	2,000	US\$	
Transportation of passengers in vessels (Civil Liability) and moral damages	1,000	US\$	
Loss of income due to blockage of berth	4,000	US\$	
Electrical damages	250	US\$	
<u>Santos Brasil Logistics</u>			
SOP:			January/2023
Civil liability	20,000	US\$	
Movable property and real estate	25,000	US\$	
RCE	1,000	US\$	
Civil liability - moral damages	1,000	US\$	
Transportation of goods	2,000	US\$	
Extended civil liability for CD - São Bernardo do Campo	50,000	US\$	
Electrical damages	250	US\$	
Extended civil liability CD - Imigrantes	10,000	US\$	
Cargo Road Transportation - RCTR-C	10,000	R\$	January/2022
Cargo Theft and Deviation - RCF-DC	10,000	R\$	January/2022
Vehicles fleet insurance (trucks):			October/2021
Material damages to third parties	500	R\$	
Bodily injury to third parties	700	R\$	
Moral damages	100	R\$	
<u>Tecon Vila do Conde</u>			
SOP:			January/2023
Civil liability	20,000	US\$	
Movable property and real estate	21,000	US\$	
RCE	1,000	US\$	
Civil liability - moral damages	1,000	US\$	
Loss of income due to blockage of berth and channel	600	US\$	
Electrical damages	250	US\$	
Vehicles fleet insurance (passenger):			October/2021
Hull	100% FIPE table	R\$	
APPs	10	R\$	
Material damages to third parties	200	R\$	
Bodily injury to third parties	200	R\$	
Moral damages	50	R\$	
Vehicles fleet insurance (trucks):			October/2021
Material damages to third parties	500	R\$	
Bodily injury to third parties	500	R\$	
Moral damages	100	R\$	

Notes

	Individual and Consolidated		
	Coverage	Currency	Maturity
<u>Vehicles Terminal/ TEV</u>			
SOP:			January/2023
Civil liability	20,000	US\$	
Movable property and real estate	1,000	US\$	
RCE	1,000	US\$	
Civil liability - moral damages	1,000	US\$	
Loss of income due to blockage of berth and channel	600	US\$	
Electrical damages	250	US\$	
<u>Institutional</u>			
Civil liability - D&O (Directors and Officers)	40,000	R\$	June/2022
Civil Liability - POSI (Public Offering of Securities Insurance)	60,000	R\$	October/2025
Nominated risks - Santos and São Paulo offices	4,392	R\$	April/2022

30. Capital commitment

At September 30, 2021, there were purchase orders in connection with the future acquisition of property, plant and equipment items amounting to R\$6,505 (R\$3,348 at December 31, 2020), which were not recorded in this condensed quarterly information.

31. Operating segments

In the period ended September 30, 2021, no conceptual changes were made to the definitions of segment reporting, statements of profit or loss and invested capital; those described in the financial statements at December 31, 2020 were kept.

Consolidated statement of income by operating segment - January to September 2021

Accounts	Port Terminals	Santos Brasil Logistics	Vehicles Terminal	Liquid Cargo Terminals	Institutional	Eliminations	Consolidated
Gross operating income	952,258	256,004	61,201	-	-	(8,577)	1,260,886
Deductions from revenue	(119,415)	(42,189)	(9,359)	-	-	777	(170,186)
Net operating income	832,843	213,815	51,842	-	-	(7,800)	1,090,700
Cost of services provided	(488,610)	(143,461)	(30,853)	(376)	-	7,800	(655,500)
Variable / fixed costs	(380,872)	(131,112)	(16,974)	(376)	-	7,800	(521,534)
Depreciation / amortization	(107,738)	(12,349)	(13,879)	-	-	-	(133,966)
Gross income	344,233	70,354	20,989	(376)	-	-	435,200
Operating expenses	(66,832)	(62,466)	(3,003)	(2,087)	(32,275)	-	(166,663)
Selling expenses	(44,254)	(55,602)	(2,138)	-	-	-	(101,994)
General and administrative expenses	(26,931)	(8,024)	(786)	(2,087)	(32,266)	-	(70,094)
Depreciation / amortization	(223)	(56)	-	-	(2,951)	-	(3,230)
Other	4,576	1,216	(79)	-	2,942	-	8,655
EBIT	277,401	7,888	17,986	(2,463)	(32,275)	-	268,537
Depreciation / amortization	107,961	12,405	13,879	-	2,951	-	137,196
EBITDA	385,362	20,293	31,865	(2,463)	(29,324)	-	405,733
Finance income (loss)	-	-	-	-	(24,869)	-	(24,869)
Equity pickup	-	-	-	-	34,592	(34,592)	-
IRPJ / CSLL	-	-	-	-	(85,719)	-	(85,719)
Net income	N/A	N/A	N/A	N/A	N/A	N/A	157,949

NotesConsolidated statement of income by operating segment - January to September 2020

Accounts	Port Terminals	Santos Brasil Logistics	Vehicles Terminal	Institutional	Eliminations	Consolidated
Gross operating income	548,277	205,656	35,347	-	(8,178)	781,102
Deductions from income	(69,552)	(37,964)	(5,409)	-	757	(112,168)
Net operating income	478,725	167,692	29,938	-	(7,421)	668,934
Cost of services provided	(388,127)	(117,335)	(24,170)	-	7,421	(522,211)
Variable / fixed costs	(304,760)	(104,827)	(12,123)	-	7,421	(414,289)
Depreciation / amortization	(83,367)	(12,508)	(12,047)	-	-	(107,922)
Gross income	90,598	50,357	5,768	-	-	146,723
Operating expenses	(42,158)	(51,997)	(2,326)	(30,691)	-	(127,172)
Selling expenses	(30,131)	(48,018)	(1,744)	-	-	(79,893)
General and administrative expenses	(25,100)	(5,379)	(632)	(30,429)	-	(61,540)
Depreciation / amortization	(177)	(58)	-	(2,687)	-	(2,922)
Other	13,250	1,458	50	2,425	-	17,183
EBIT	48,440	(1,640)	3,442	(30,691)	-	19,551
Depreciation / amortization	83,544	12,566	12,047	2,687	-	110,844
EBITDA	131,984	10,926	15,489	(28,004)	-	130,395
Finance income (loss)	-	-	-	(58,935)	-	(58,935)
Equity pickup	-	-	-	14,379	(14,379)	-
IRPJ / CSLL	-	-	-	11,325	-	11,325
Net loss	N/A	N/A	N/A	N/A	N/A	(28,059)

A September 30, 2021, income from a client of the port terminal segment accounted for approximately R\$247,830 (R\$79,898 at September 30, 2020), equivalent to 26.0% of total consolidated gross income.

Consolidated statement of capital invested per operating segment - September 30, 2021

Accounts	Port Terminals	Santos Brasil Logistics	Vehicles Terminal	Liquid Cargo Terminals	Institutional	Eliminations	Consolidated
<u>Invested capital</u>							
Current assets	174,708	37,742	12,557	110	1,128,878	(3,183)	1,350,812
Cash and cash equivalents	-	-	-	-	711,959	-	711,959
Other marketable securities	-	-	-	-	414,653	-	414,653
Other	174,708	37,742	12,557	110	2,266	(3,183)	224,200
Non-current assets	2,699,427	193,430	249,127	42,375	636,862	(420,947)	3,400,274
Other	311,893	6,283	28	-	104,068	-	422,272
Investment	-	-	-	-	420,947	(420,947)	-
Property, plant and equipment	79,081	146,704	1,009	-	35,976	-	262,770
Intangible assets	2,308,453	40,443	248,090	42,375	75,871	-	2,715,232
Current liabilities	(124,246)	(37,864)	(3,870)	(1,229)	(14,720)	3,183	(178,746)
Suppliers	(58,554)	(25,275)	(1,888)	(876)	(44)	1,987	(84,650)
Other	(65,692)	(12,589)	(1,982)	(353)	(14,676)	1,196	(94,096)
Non-current liabilities	(111,835)	(7,017)	(337)	-	(13,374)	-	(132,563)
Suppliers	(15,021)	-	-	-	-	-	(15,021)
Provision for tax, labor and civil risks	(33,748)	(7,017)	(337)	-	(112)	-	(41,214)
Other	(63,066)	-	-	-	(13,262)	-	(76,328)
Total	2,638,054	186,291	257,477	41,256	1,737,646	(420,947)	4,439,777

Notes

Accounts	Port Terminals	Santos Brasil Logistics	Vehicles Terminal	Liquid Cargo Terminals	Institutional	Eliminations	Consolidated
<u>Capital sources</u>							
Current liabilities	-	-	-	-	-	-	247,119
Loans and financing	-	-	-	-	-	-	85,422
Dividends / Interest on own capital payable	-	-	-	-	-	-	18
Obligations with the concession grantor	-	-	-	-	-	-	150,599
Leases	-	-	-	-	-	-	11,080
Non-current liabilities	-	-	-	-	-	-	1,930,672
Loans and financing	-	-	-	-	-	-	323,580
Obligations with the concession grantor	-	-	-	-	-	-	1,465,457
Leases	-	-	-	-	-	-	60,707
Actuarial liabilities	-	-	-	-	-	-	80,928
Shareholders' Equity	-	-	-	-	-	-	2,261,986
Shareholders' equity	-	-	-	-	-	-	2,287,389
Actuarial liabilities	-	-	-	-	-	-	(25,403)
Total	N/A	N/A	N/A	N/A	N/A	N/A	4,439,777

Consolidated statement of capital invested per operating segment - December 31, 2020

Accounts	Port Terminals	Santos Brasil Logistics	Vehicles Terminal	Institutional	Eliminations	Consolidated
<u>Invested capital</u>						
Current assets	131,090	26,675	8,378	1,075,552	(2,579)	1,239,116
Cash and cash equivalents	-	-	-	643,861	-	643,861
Other marketable securities	-	-	-	426,598	-	426,598
Other	131,090	26,675	8,378	5,093	(2,579)	168,657
Non-current assets	2,367,288	170,539	225,475	631,523	(404,677)	2,990,148
Other	297,978	6,273	27	112,053	-	416,331
Investment	-	-	-	404,677	(404,677)	-
Property, plant and equipment	73,473	123,672	682	36,308	-	234,135
Intangible assets	1,995,837	40,594	224,766	78,485	-	2,339,682
Current liabilities	(91,336)	(31,700)	(3,011)	(6,654)	2,579	(130,122)
Suppliers	(45,624)	(21,580)	(1,833)	(263)	1,478	(67,822)
Other	(45,712)	(10,120)	(1,178)	(6,391)	1,101	(62,300)
Non-current liabilities	(107,822)	(6,514)	(117)	(13,320)	-	(127,773)
Suppliers	(15,021)	-	-	-	-	(15,021)
Provision for tax, labor and civil risks	(34,965)	(6,514)	(117)	(112)	-	(41,708)
Other	(57,836)	-	-	(13,208)	-	(71,044)
Total	2,299,220	159,000	230,725	1,687,101	(404,677)	3,971,369

Notes

Accounts	Port Terminals	Santos Brasil Logistics	Vehicles Terminal	Institutional	Eliminations	Consolidated
<u>Capital sources</u>						
Current liabilities	-	-	-	-	-	166,264
Loans and financing	-	-	-	-	-	53,420
Dividends / Interest on own capital payable	-	-	-	-	-	18
Obligations with the concession grantor	-	-	-	-	-	104,239
Leases	-	-	-	-	-	8,587
Non-current liabilities	-	-	-	-	-	1,707,895
Loans and financing	-	-	-	-	-	379,774
Obligations with the concession grantor	-	-	-	-	-	1,217,857
Leases	-	-	-	-	-	33,770
Actuarial liabilities	-	-	-	-	-	76,494
Shareholders' equity	-	-	-	-	-	2,097,210
Shareholders' equity	-	-	-	-	-	2,122,613
Actuarial liabilities	-	-	-	-	-	(25,403)
Total	N/A	N/A	N/A	N/A	N/A	3,971,369

32. Subsequent eventsSaboó 42,000 m² and 64,412 m²

The right to operate Saboó areas of 42,000 m² and 64,412 m² are close to expiring, according to Notes 12 and 16; consequently, the Company is in the process of entering into new transition agreements.

Notes

Board of Directors

Verônica Valente Dantas (President)
Maria Amalia Delfim de Melo Coutrim (Vice-President)
Valdecyr Maciel Gomes (Independent member)
Eduardo de Britto Pereira de Azevedo (Independent member)
Luiz Sergio Fisher de Castro (Independent member)
José Luis Bringel Vidal (Independent member)
Felipe Villela Dias (Independent member)

Executive Board

Antonio Carlos Duarte Sepúlveda - Chief Executive Officer and Chief Operating Officer
Daniel Pedreira Dorea - Economic-Financial and Investor Relations Officer
Ricardo dos Santos Buteri - Chief Commercial Officer

Fiscal Council

Gilberto Braga (President)
Leonardo Guimarães Pinto
Luis Fernando Moran de Oliveira

Thiago Otero Vasques - CRC No. 1 SP 238735/O-0
Accountant

Comments on the Behavior of Business Projections

2021 Business Projections

Due to the mix of cargo, the average ticket and the volumes of containers observed in the first half of the year and expected throughout the fourth quarter, focusing on transparency and fairness, the Company presents (extraordinarily) the volume projections for quay handling and consolidated EBITDA of the Company's current businesses to be monitored in the 2021 ("2021 Guidance").

Indicator	2021 Projection (range)	Var. % 2021 vs. 2020
Quay handling volume	1,300,000 - 1,400,000 containers	20% - 30%
EBITDA	R\$ 530 million - R\$ 580 million	150% - 174%
Capex ¹	R\$ 250 million - R\$ 300 million	12% - 34%

¹ *Capital Expenditures*: Organic investments.

The quay handling volume corresponds to the sum of quay operations at Tecon Santos, Tecon Vila do Conde and Tecon Imbituba terminals. EBITDA is calculated based on the Company's financial statements, calculated based on the Operating Profit (EBIT) + costs and expenses with depreciation and amortization.

The data exposed above reflects the range of information currently available, supported by macroeconomic, sector and industry, local and international indicators, related to the Company's market of operation, in addition to management's assumptions and insights. These estimates and projections are subject to various risks and uncertainties, depending on market conditions, the performance of the Brazilian economy, the Company's business segments and international markets; accordingly, they are subject to changes, including those resulting from a possible worsening of the COVID-19 pandemic. In case of a significant change in these factors, these projections may be reviewed.

Legal Notice

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 currently available to the Company. Statements on future events include information on our current intentions, beliefs or expectations as well as those of the members of the Board of Directors and Officers of the Company.

The reservations regarding forward-looking statements and information also include information on possible or assumed operating results, as well as statements that are preceded, followed or that include the words "believes", "may", "will", "continues", "expects", "forecasts", "intends", "plans", "estimates" or similar expressions.

Forward-looking statements and information are not guarantees of performance. They involve risks, uncertainties and assumptions because they refer to future events which, therefore, depend on circumstances that may or may not materialize. Future results and the creation of value for shareholders may significantly differ from those expressed or suggested by forward-looking statements. Many of the factors that will determine these results and values are beyond Santos Brasil's control or foresight ability.

Other Information the Company Deems to be Relevant

The Company is subject to the arbitration of São Paulo Stock Exchange's Market Arbitration Chamber, as set forth in an arbitration clause included in its Articles of Incorporation.

In compliance with the Regulation of Special Corporate Governance Practices (*Novo Mercado*), we present the following information (not reviewed by Independent Auditors):

1) Statement of shareholding position of each investor or shareholder holding more than 5% of shares of each type and class, either directly or indirectly, up to the level of individual, at September 30, 2021:

BREAKDOWN OF EQUITY OF LEGAL ENTITIES' CAPITAL (COMPANY'S SHAREHOLDERS), UP TO THE LEVEL OF INDIVIDUAL				
Company name: SANTOS BRASIL PARTICIPAÇÕES S.A.				
Shareholder	Common Shares		Total Shares	
	Number	%	Number	%
THE BANK OF NEW YORK ADR DEPARTMENT	198,897,030	23.05	198,897,030	23.05
PW237 PARTICIPAÇÕES S.A.	149,382,595	17.31	149,382,595	17.31
OPPORTUNITY	65,609,269	7.60	65,609,269	7.60
Treasury shares	419,248	0.05	419,248	0.05
Other	448,522,410	51.98	448,522,410	51.98
Total	862,830,552	100.00	862,830,552	100.00

2) Marketable securities held by the Company's Controlling Shareholders, Officers, members of the Board of Directors and members of the Supervisory Board at September 30, 2021:

CONSOLIDATED SHAREHOLDING POSITION OF THE CONTROLLING SHAREHOLDERS AND MANAGEMENT MEMBERS AND OUTSTANDING SHARES				
Shareholder	Number of Common Shares (In units)		Total Number of Shares (In units)	
		%		%
Controlling Shareholders	-	-	-	-
Management members	4,307,130	0.50	4,307,130	0.50
Board of Directors	305,924	0.04	305,924	0.04
Executive Board	4,001,206	0.46	4,001,206	0.46
Fiscal Council	1	0.00	1	0.00
Treasury shares	419,248	0.05	419,248	0.05
Other Shareholders	858,104,173	99.45	858,104,173	99.45
Total	862,830,552	100.00	862,830,552	100.00
Outstanding Shares	858,104,173	99.45	858,104,173	99.45

3) We inform that, at September 30, 2021, the number of outstanding shares was 858,104,173, i.e., 99.45% of total capital, which is fully composed of common shares.

Opinions and Statements / Special Review Report - Unqualified

A free translation from Portuguese into English of independent auditor's review report on interim information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil

To the Shareholders, Board of Directors and Officers of
Santos Brasil Participações S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated condensed interim financial information contained in the Quarterly Information Form (ITR) of Santos Brasil Participações S.A. (the "Company") for the quarter ended September 30, 2021, comprising the statement of financial position as at September 30, 2021 and the related statements of profit or loss and of comprehensive income for the three and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, including other explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 – Interim Financial Reporting, and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on *Review Engagements* (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Opinions and Statements / Special Review Report - Unqualified**Conclusion on the individual and consolidated condensed interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated condensed interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters*Statements of value added*

The abovementioned quarterly information include the individual and consolidated statement of value added (SVA) for the nine-month period ended September 30, 2021, prepared under Company's management responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

Review and audit of corresponding figures

The individual and consolidated condensed interim financial information, for the three and nine-month periods ended September 30, 2020, and the individual and consolidated financial statements for the year ended December 31, 2020, were reviewed and audited, respectively, by other independent auditors, who issued an unmodified conclusion on the quarterly information on November 5, 2020 and an unmodified opinion on the financial statements on February 25, 2021.

São Paulo, November 3, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-6

Ezequiel Litvac
Partner
Accountant CRC-1SP249186/O-5

Opinions and Statements / Fiscal Council opinion or Equivalent Body

The Fiscal Council of Santos Brasil Participações S.A. examined the Separate and Consolidate Interim Financial Statements in the Quarterly Information Form ITR for the quarter ended **September 30, 2021** and the draft of “Report on Review of the Quarterly Information,” issued by ERNST & YOUNG Auditores Independentes S.S on **November 03, 2021** and, if there is no future change to the submitted draft, in accordance with Official Letter CVM/SEP/CVM 01/2021, item 3.3.4, stated that such interim information is in accordance with the accounting practices adopted in Brazil, applicable to its preparation, and in accordance with the rules issued by the Securities and Exchange Commission of Brazil.

São Paulo, November 3, 2021.

Gilberto Braga
Chairman of the Audit Board

Leonardo Guimarães Pinto
Member of the Audit Board

Luis Fernando Moran de Oliveira
Member of the Audit Board

Opinions and Statements / Statement of the Executive Board on the Financial Statements

In compliance with the provisions in article 25, item VI of CVM Instruction No. 480 of December 7, 2009, the Chief Executive Officer and the Economic-Financial and Investor Relations Officer of **SANTOS BRASIL PARTICIPAÇÕES S.A.**, a publicly-held corporation, enrolled with the Ministry of Finance under the Brazilian IRS Registry of Legal Entities (“CNPJ/MF”) No. 02.762.121/0001-04, headquartered at Rua Joaquim Floriano, nº 413, 10th floor, city and state of São Paulo, represent that they reviewed, discussed and agree with the financial statements presented.

São Paulo, November 3, 2021.

Antonio Carlos Duarte Sepúlveda
Chief Executive Officer and Chief Operating Officer

Daniel Pedreira Dorea
Economic-Financial and Investor Relations Officer

Opinions and Statements / Statement of the Executive Board on the Independent Auditor's Report

In compliance with the provisions in article 25, item V of CVM Instruction No. 480 of December 7, 2009, the Chief Executive Officer and the Economic-Financial and Investor Relations Officer of **SANTOS BRASIL PARTICIPAÇÕES S.A.**, a publicly-held corporation, enrolled with the Ministry of Finance under the Brazilian IRS Registry of Legal Entities ("CNPJ/MF") No. 02.762.121/0001-04, headquartered at Rua Joaquim Floriano, nº 413, 10th floor, city and state of São Paulo, represent that they reviewed, discussed and agree with the opinions expressed in the independent auditor's report.

São Paulo, November 3, 2021.

Antonio Carlos Duarte Sepúlveda
Chief Executive Officer and Chief Operating Officer

Daniel Pedreira Dorea
Economic-Financial and Investor Relations Officer