

Santos Vivo

SANTOS VIVO PROJECT



TRANSBRASA
Transit ria Brasileira Ltda.

The Project has great business potential

Envisioned by Transbrasa — Transitária Brasileira Ltda., a company with more than 47 years of experience at the Port of Santos, the SANTOS VIVO PROJECT is the most daring business and leisure tourism venture planned for the Brazilian coast.

Located at the entrance of the access channel to the Port of Santos, joining an artificial island with the waterfront of the Ponta da Praia district, in Santos, the project was conceived 20 years ago and is now beginning to become a reality, given changes that have been made in federal legislation, with permission granted for the construction of Private

Use Terminals (PUTs) in the port system. It involves a set of tourist attractions, with the predominance of a Passenger Terminal for the simultaneous mooring of three cruise ships, a shopping center, a hotel, restaurants, a water park, wave pools, a marina, and other areas aimed for leisure and entertainment.

Investments for the project are estimated at \$800 million, with vast prospects of return for investors and a 35-year operation term renewable for an equal period.

The venture is based at a strategic location on the coast of the State of São Paulo, a mere 80 kilometers away from the city of São Paulo, the largest Brazilian metropolis and the fourth biggest in the world.





A strategic location enables results

The choice of location for the SANTOS VIVO PROJECT facilities was made considering a combination of geographic, economic, social, and leisure factors.

Since 1998, the Port of Santos has hosted 22 cruise seasons, adding up to a global movement of 11.5 million passengers, including embarkations, disembarkations, and passengers in transit, totaling 3,204 ship stopovers, and involving the circulation of 301 vessels.

At current values, the cruise liner business, only in the Port of Santos, has already generated some \$700 million in the passenger terminal operation alone,

and there is a strong growth trend on this market in Brazil.

In the 2010/2011 season, the embarkation and disembarkation movement at the Port of Santos surpassed 1.1 million passengers, so economic stabilization, and incentives for the activity with growing investments, including in marketing, tend to make this tourism and leisure option increasingly attractive to residents of the interior of the State of São Paulo, who have high per capita income.

With the resumption of cruise tourism after the pandemic, the 2021/2022 season, scheduled to last six months,

foresees the return of seven vessels, with 552 stopovers and 19 destinations.

This new season is expected to generate an estimated domestic turnover of \$500 million and to create more than 35,000 direct and indirect jobs, and the Port of Santos is the main location for embarkation and disembarkation.



MAP OF STATE OF SÃO PAULO // IMAGE: GOOGLE MAPS



Diversification ensures financial return

The purpose of diversifying SANTOS VIVO PROJECT's business into the venture's three main activity lines (passenger terminal, shopping center, and hotel) was to ensure the blending of related areas that are capable of generating good financial results.

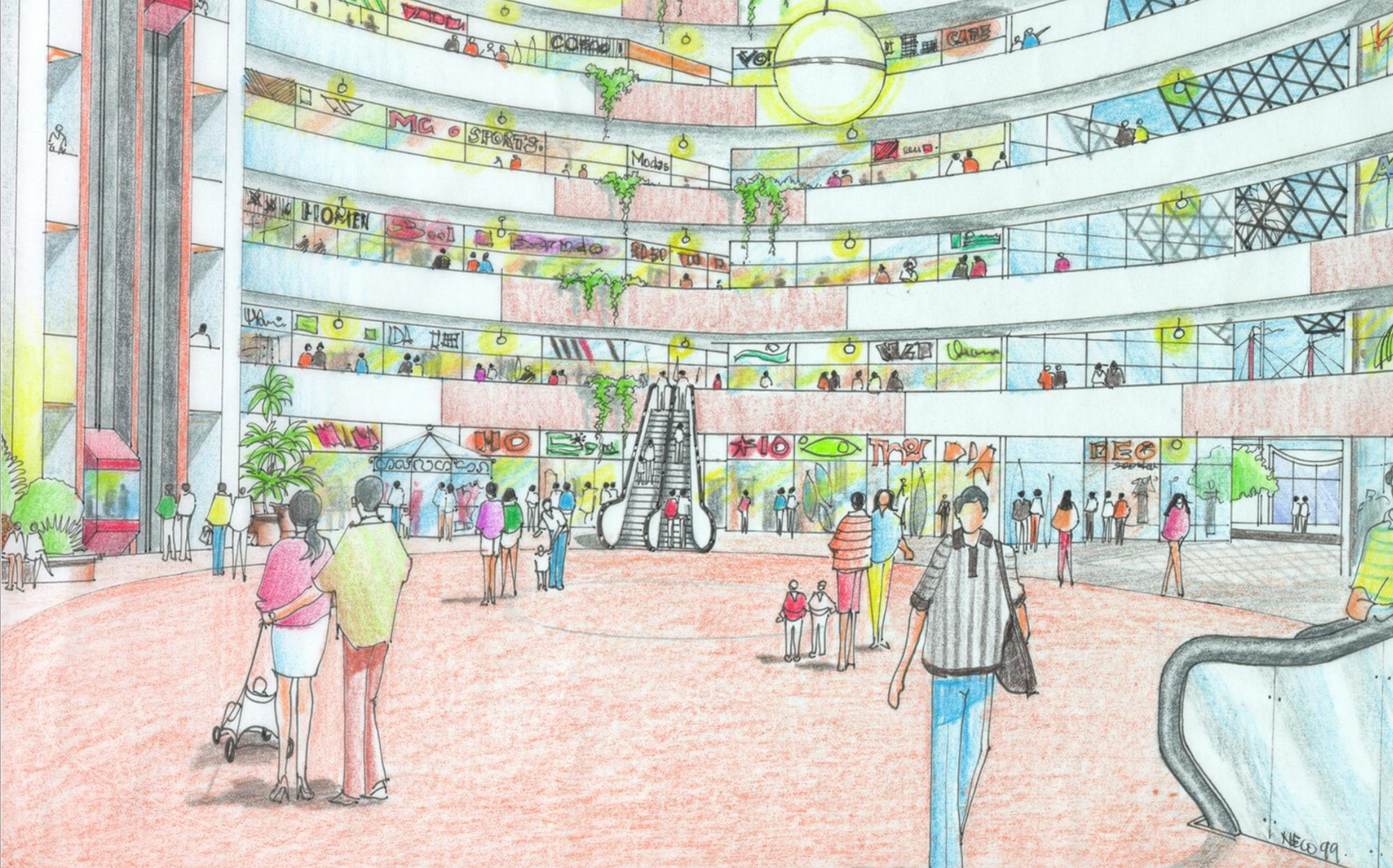
The Passenger Terminal, in this initial cruise season resumption phase, was designed to have an annual turnover involving the circulation of only 600,000 tourists per season, with a round trip (embarkation and disembarkation) fare cost, but this universe certainly has the potential to triple this movement in no more than 10 years.

In this modest scenario, at current values, the gross financial return of the business is estimated at \$18 million, or \$630 million, if the projection is for a 35-year operation period.


This context does not include the increase in demand that will emerge gradually, year by year, even before the maximum 13-year period foreseen for the payback currently simulated for the project in all its forms of revenue.

The implementation of a large, 250-room hotel is another attraction that adds value to the business. The corporate sector will be encouraged by the construction of another office tower.

Also in its initial forecast, it is estimated the hotel will generate annual gross revenues of \$18.8 million, or \$657 million for the initial operation period, with a projected 70 per cent occupancy rate.



Estimated Gross Revenue Scenario (in \$)

Annually	U\$ 5.454.545,45	U\$ 18.786.764,55	U\$ 18.000.000,00	U\$ 16.446.818,18
In 35 years	U\$ 190.909.090,91	U\$ 575.638.636,36	U\$ 630.000.000,00	U\$ 657.536.759,09
				
Restaurants, Business Tower and other attractions	Hotel Network	Cruise Passenger Terminal	Shopping Center	



Estimated gross revenue scenario (in \$)



CRUISE PASSENGER TERMINAL

03 MOORING BERTHS, INITIALLY
EXPECTED TO HANDLE 600,000
PASSENGERS PER SEASON



SHOPPING CENTER

AVERAGE REVENUE
OF THE \$450.00 PER M²;

DIMENSION DESIGNED FOR A
MINIMUM OF 35,000 M²;

PARKING WITH 1500 SPACES AND
70% USAGE AT A UNIT PRICE OF \$1.82



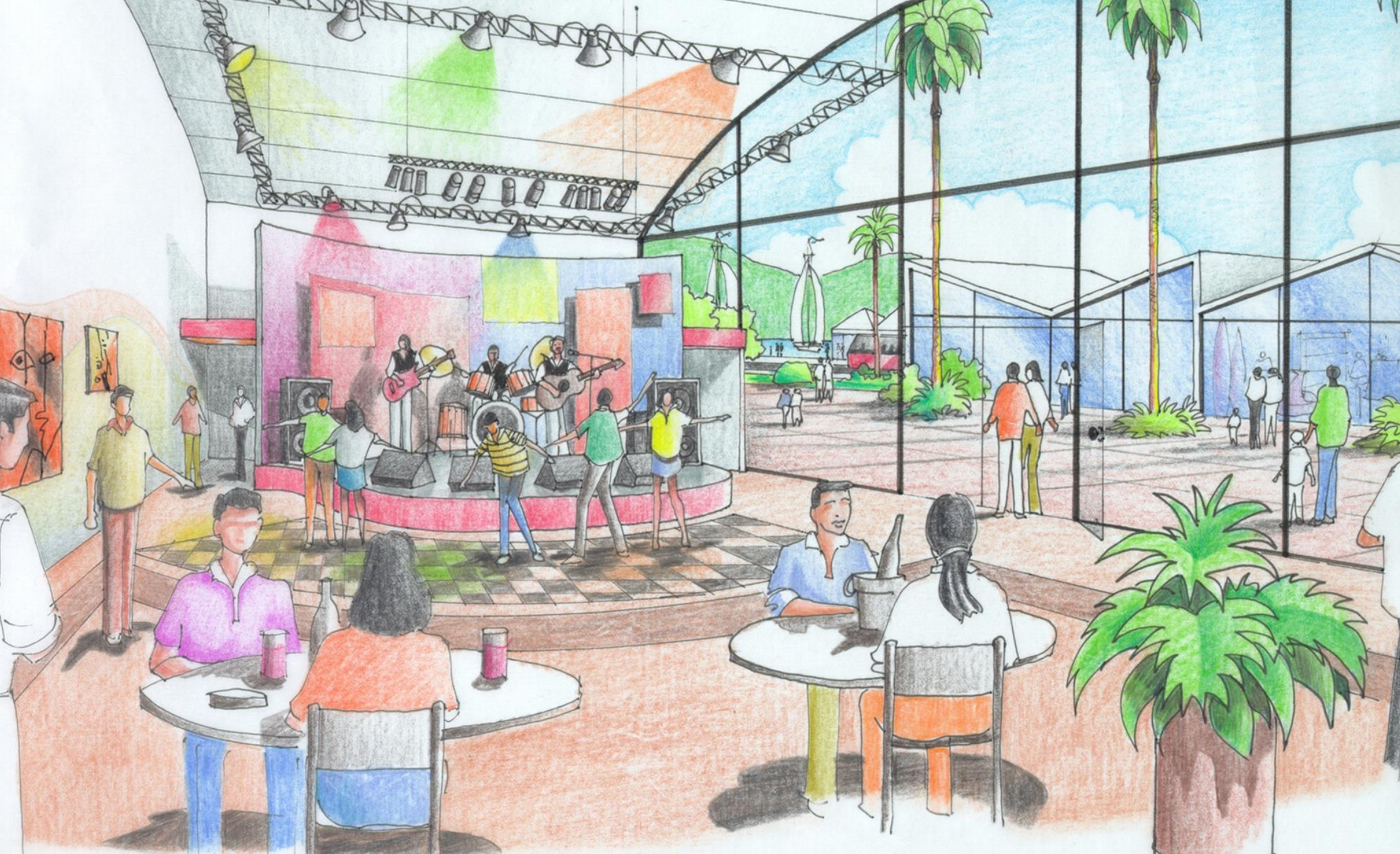
RESTAURANTS, BUSINESS TOWER AND OTHER ATTRACTIONS

CONTINUOUS USE DURING
THE ENTIRE YEAR



HOTEL NETWORK

HOTEL WITH 250 SUITES;
AVERAGE 70% OCCUPANCY RATE;
AVERAGE DAILY RATE OF \$200.00;
AND LODGING ACCOUNTING FOR
68% OF THE GROSS BILLING



Estimated cenário for business results (in \$)

Considering the initial investment estimate of \$800 million and a real yield of only 1 per cent per year for investments on the foreign market, the revenue projected for the activities related to the SANTOS VIVO PROJECT are extremely attractive for business.

An external capital of this dimension, with an annual remuneration of 1 per cent, at the end of the 35-year period would have generated an accumulated financial income of \$336,605,921.67, a 42.08 per cent variation.

Turned into investments, and with a rate of return of only 15 per cent on the gross sales of the planned businesses, the capital generated would reach an accumulated income of \$370,401,965.19, also considering a 1 per cent annual evolution of the income.

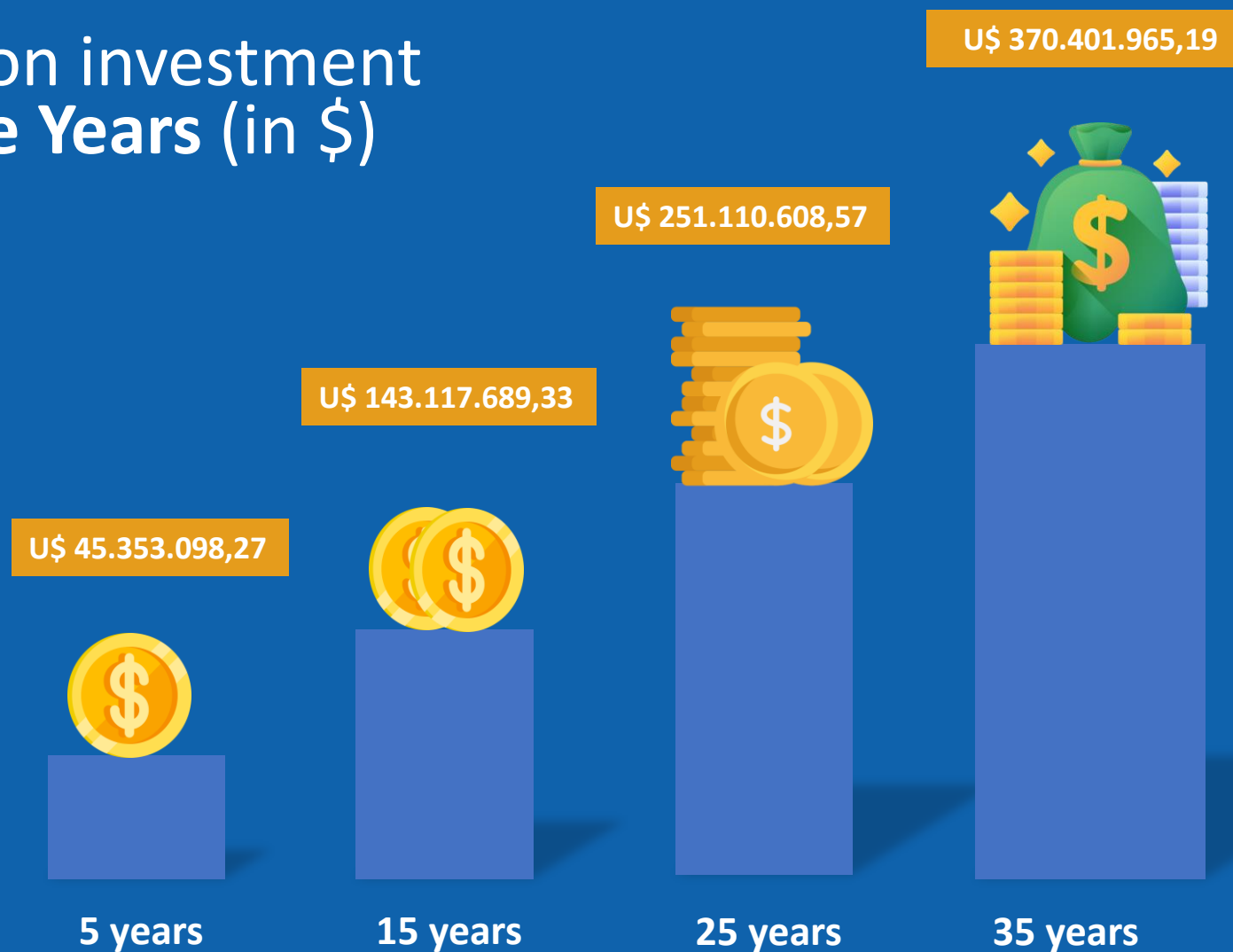
In the 13th year of billing, the business would reach the so-called investment payback, with an accumulated revenue of \$818.5 million, rendering the remaining operation period the phase for the actual results.



Estimated scenario for business results (in \$)

	GROSS REVENUE	VALUE OF CAPITAL INVESTED	15% RETURN WITH
INITIAL	58.688.128,18	8.000.000,00	8.803.219,23
05	302.353.988,52	41.215.012,01	45.353.098,27
10	620.131.054,60	84.532.401,87	93.019.658,18
15	954.117.928,97	130.059.411,81	143.117.689,33
20	1.305.141.471,27	177.908.754,18	195.771.220,67
25	1.674.070.723,96	228.198.891,44	251.110.608,57
30	2.061.819.057,98	281.054.328,62	309.272.858,68
35	2.469.346.434,54	336.605.921,67	370.401.965,19
VARIATION INDEX	42,08	42,08	42,08

15% return on investment through the Years (in \$)



The adjusted cost Will increase the venture's return

The capital dimension needed to carry out the SANTOS VIVO PROJECT at all its stages is still being calculated in more detail, given the specificities of some of the works, in particular with regard to the construction of an advanced foundation at sea.

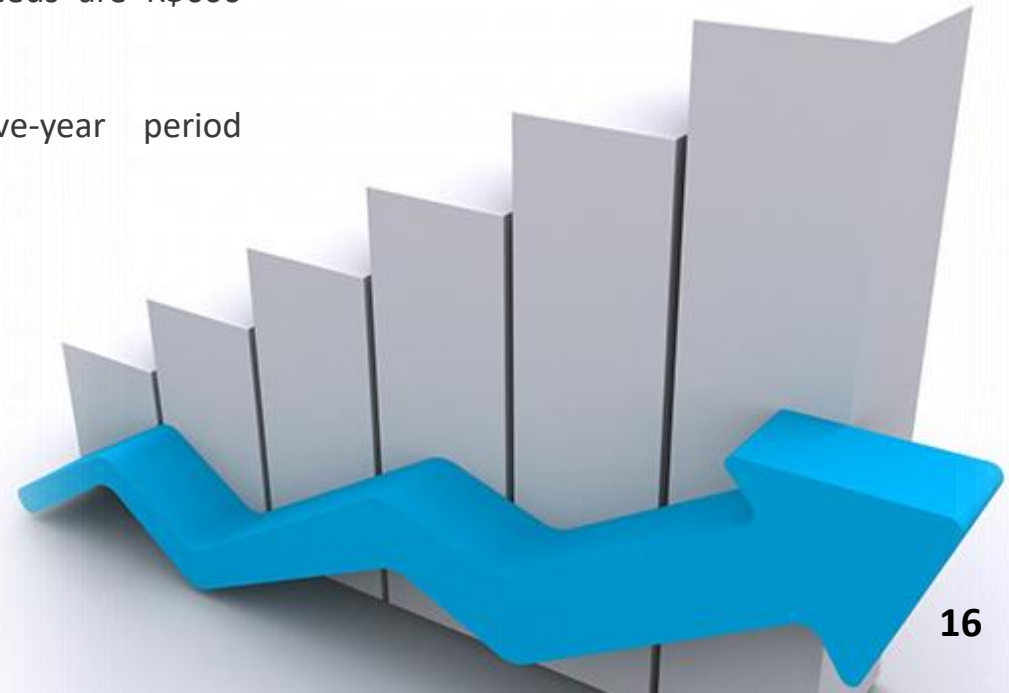
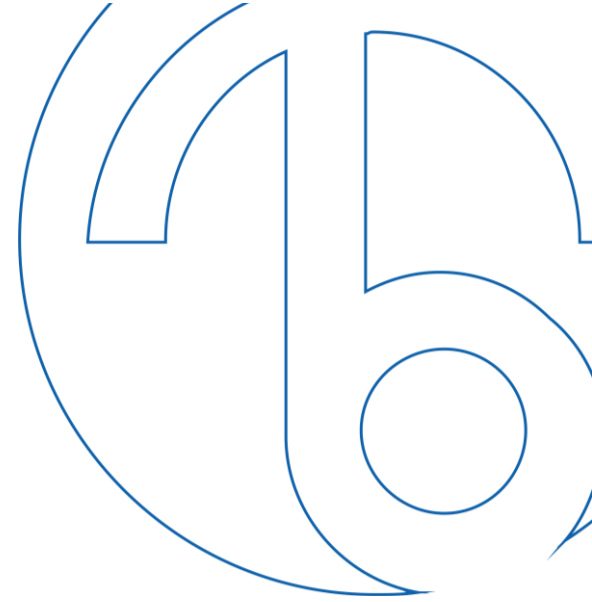
Faced with this situation, we also decided to draw up in more detail two other return scenarios, beyond the \$800 million capital projection addressed above.

As can be seen below, at the end of the initial 35-year business operation period, the financial return measured based on a 15 per cent return on the income of the activities, estimated at

\$370,401,965.19, would be 10.04 per cent higher than that obtained in the same period, at a 1 per cent interest rate, applied to the capital of \$800 million.

By reducing this initial capital requirement to \$700 million, the actual rate of return of the business, compared to the capital invested at a 1 per cent annual interest, increases to 25.75 percent at the end of the period, reaching up to 46.72 per cent if investment needs are R\$600 million.

This scenario offsets the five-year period expected for project completion.



The adjusted cost will increase the venture's return

TOTAL VALUE OF THE INVESTMENT	RETORNO FINANCEIRO EM 35 ANOS COM JUROS DE 1% AO ANO	15% RETURN ON BUSINESS EXPLORATION IN 35 YEARS	RETURN DIFFERENCE	RETURN IN (%)
800.000.000,00	336.605.600,00	370.401.965,19	33.796.365,19	10,04
700.000.000,00	294.543.900,00	370.401.965,19	75.858.065,19	25,75
600.000.000,00	252.545.200,00	370.401.965,19	117.947.765,19	46,72

Worldwide demand for cruises on the rise.

The global demand for cruises has grown continuously over the last decade, with an accumulated expansion of 60 per cent in just ten years.

This trend is also expected to be present in the economies in stabilization, and Brazil is currently working with the prospect of increasing domestic travel from 60 million to 100 million Brazilians by introducing incentives for the tourism industry.

In the last decade, Brazil accounted for 2.42 per cent of the world's total passengers in the maritime cruise market, equivalent to its percentage in the world population context, but it is well positioned to increase this share by improving its terminals' boarding conditions and by expanding the destination offer.



Total passenger demand growth In the period 2010 - 2020





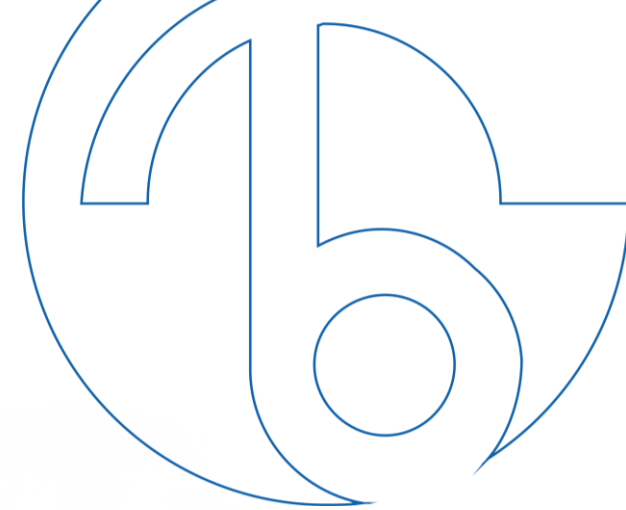
The metropolis of São Paulo drives tourism

Another great differentiator that favors the SANTOS VIVO PROJECT is its proximity to the city of São Paulo, the capital of the largest state in Brazil, with 12 million residents, in a state with more than 46 million inhabitants.

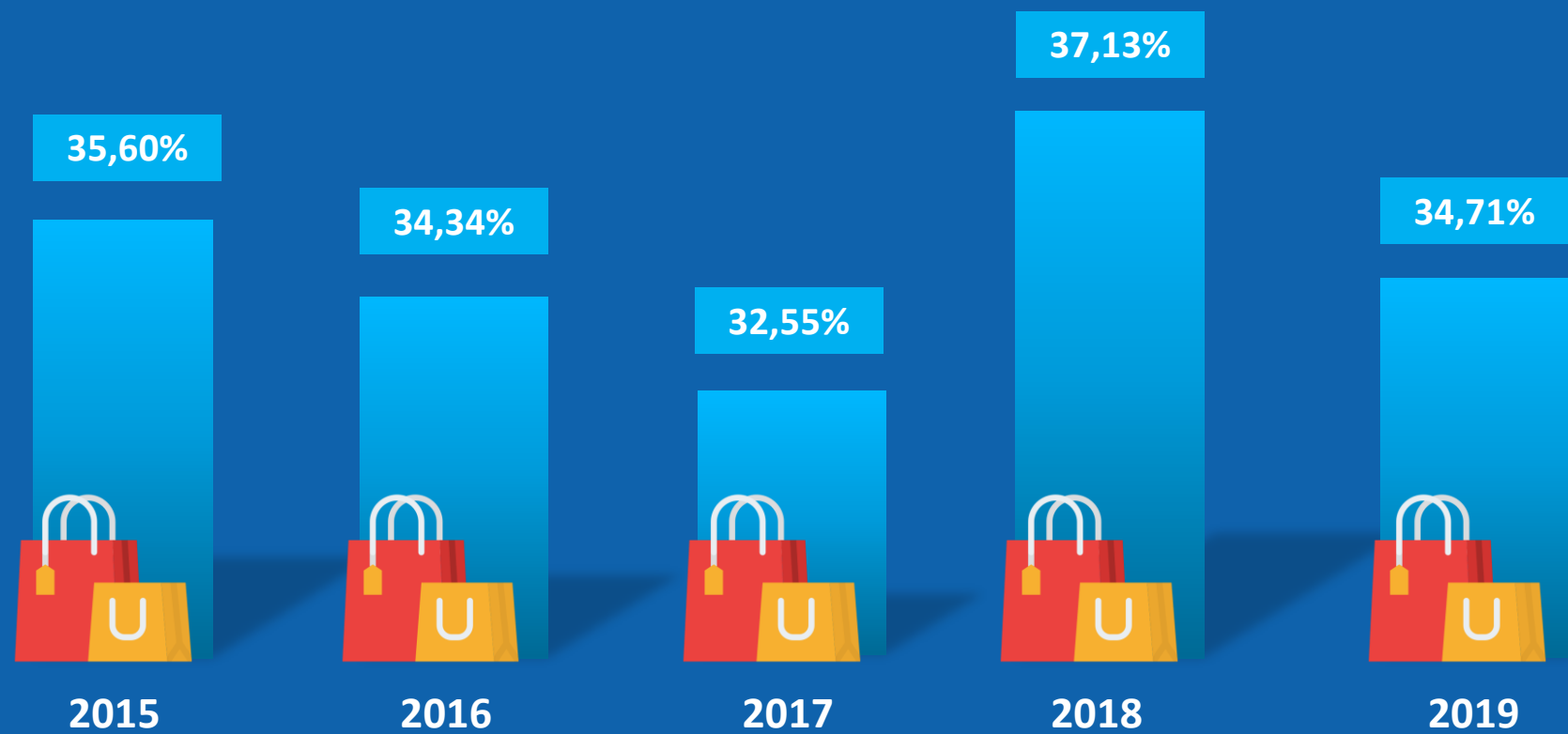
The capital of São Paulo is 80 km away from the project, and the State of São Paulo, in the last five years, accounted for an average of 34.71 per cent of all foreign tourists who chose to visit Brazil, an annual

average of 2.2 million people. Most foreign visitors seeking the state come from South America (38.38%), Europe (28.13%), and North America (20.23%).

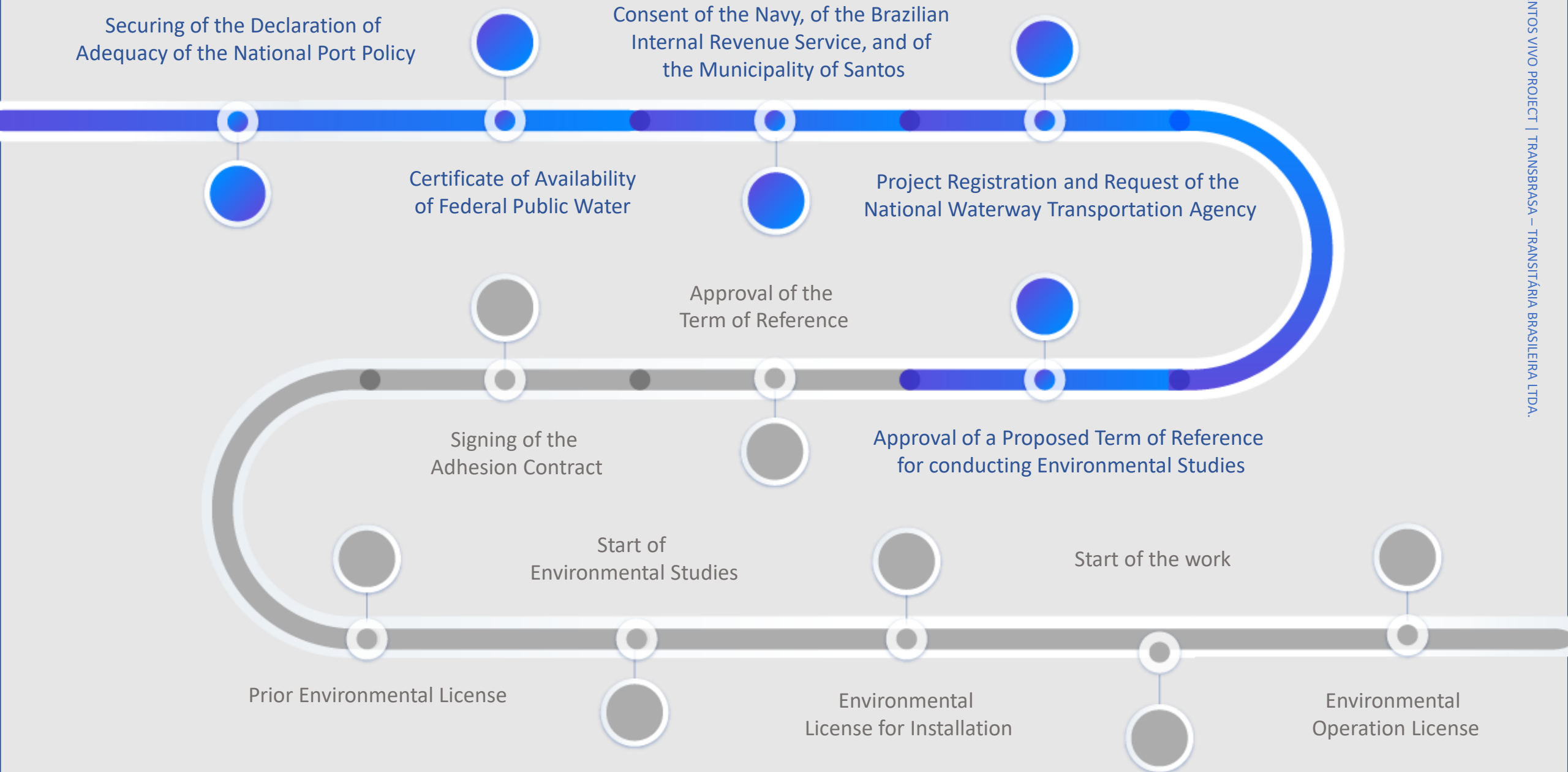
It should be noted that the State of São Paulo also has an annual domestic tourism circulation of more than 45 million people, and some 32.2 million tourists choose to travel within the state itself.



Participation growth of the State of São Paulo in Tourism in Brazil in %







Project conception

Transbrasa — Transitária Brasileira Ltda. - is a family business that has been operating in maritime logistics for 47 years and has marked its record of accomplishments through innovation and entrepreneurship under the helm of Bayard Freitas Umbuzeiro Filho.

The company has experienced many critical moments in the Brazilian economy over the course of almost five decades, always overcoming adversities, although facing a highly competitive port market with a strong presence of international capital.

With the vision of contributing to regional development and progress, it has always guided its actions towards

customer satisfaction, seeking efficiency, maintaining service quality, and preserving the environment.

When conceiving the SANTOS VIVO PROJECT, the company used its extensive experience in the port industry to provide the City of Santos with an adequate infrastructure for receptive tourism in the cruise segment.

The idea for the project came up 20 years ago, but it only became feasible after the approval of a federal act that allowed for the construction of Private Use Terminals linked to port activities.

For this reason, it conceived a project that associates maritime cruises with a broad tourist context linked to the coast of São Paulo, which is part of the State of São Paulo, a state that accounts for a third of the Brazilian economy.





01

Mission

At our company, we work for development and progress, with social appeal and respect for the environment, always in pursuit of customer satisfaction, efficient results, and profit.

02

Vision

Our vision is to contribute to the development of Foreign Trade by means of service excellence. We believe no country can be developed without investments made in infrastructure, both by public bodies and by private companies.

03

Values

Maintain the organization's integrity offering safety and credibility to society, working in a competitive manner, promoting ethical principles.

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