

(A free translation of the original in Portuguese)

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EcoRodovias Infraestrutura e Logística S.A.

***Parent company and consolidated
financial statements at
December 31, 2020
and independent auditor's report***





(A free translation of the original in Portuguese)

Independent auditor's report on the parent company and consolidated financial statements

To the Board of Directors and Stockholders
EcoRodovias Infraestrutura e Logística S.A.

Opinion

We have audited the accompanying parent company financial statements of EcoRodovias Infraestrutura e Logística S.A. ("Company" or "Parent company"), which comprise the balance sheet as at December 31, 2020 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, as well as the accompanying consolidated financial statements of EcoRodovias Infraestrutura e Logística S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2020 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of EcoRodovias Infraestrutura e Logística S.A. and of EcoRodovias Infraestrutura e Logística S.A. and its subsidiaries as at December 31, 2020, and the financial performance and the cash flows for the year then ended, as well as the consolidated financial performance and the cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>Recognition of revenue from toll collection (Note 3 (g))</p> <p>The Company and its subsidiaries in the highway concession segment recognize their revenues in accordance with the use of tolls by users. These transactions are of high transactional volume (each transaction is recorded by vehicle and toll plaza) and are generated by proprietary operating systems that record all transactions by booths and toll plazas.</p> <p>In relation to prices, these are agreed in the concession contracts and undergo annual adjustments according to each contract. After the daily closing of operations at the toll booths, the system integrates the information with the financial systems for the accounting record of the transactions.</p> <p>This area was considered as one of the key audit matters because the revenue recognition process involves a high volume of transactions in different locations and because of the materiality of the amount in profit or loss for the year.</p>	<p>Our audit procedures included, among others, the understanding of the key internal controls established by management for the recognition of revenue from toll collection, as well as for the integration of information from the operating system with the financial and accounting system.</p> <p>We carried out reconciliation tests between the revenue generated by the operating system during the year and the financial and accounting system and the tax records of the Company.</p> <p>We also applied confirmation procedures with third parties to validate the volume of automatic transactions generated during the year, and tested the documentation of the cash control of the booths and, on a sampling basis, the transactions carried out manually, when payment is made in cash.</p> <p>Our audit procedures demonstrate that the information disclosed is consistent with the data and documents obtained.</p>

Impairment of non-current assets

(a) Port operation (subsidiary Ecoporto Santos)

As disclosed in Note 22 (e), the Company's management is aware of the Concession Authority's final decision related to the non-renewal of the Lease Agreement entered into between Companhia Docas do Estado de São Paulo ("CODESP" - currently Santos Port Authority - SPA) and Ecoporto Santos S.A. ("Ecoporto Santos"), a subsidiary of the Company.

As a result, the recoverable amount of Ecoporto Santos was updated and management recognized an impairment of R\$ 745 million of its non-financial assets at December 31, 2020, as shown in Note 1 (b) to the financial statements. The recoverable amount was determined considering the discounted cash flow method.

As a matching entry, in view of non-renewal of the contract, financial assets of R\$ 129

Among other procedures, and with the support of our internal business valuation specialists, we obtained an understanding of the internal controls for the preparation and review of the assumptions adopted by management to determine the recoverable amount of concessions and port operations. In addition, we tested the consistency of the information and key assumptions used by the Company's management, including the traffic flow projections, extraordinary tariff adjustments, and estimate of investments and discount rate, by comparison with the budget prepared by management and public and internal data and information.

We assessed the competence, objectivity and capacity of external specialists hired by management to assist in determining the traffic curve.

Furthermore, exclusively with respect to the aspects related to the non-renewal of the port operation concession contract, we involved our

Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>million related to monetary adjustment and remuneration of the portion of unamortized reversible assets were recognized, as mentioned in Note 1 (c).</p>	<p>legal experts to analyze the technical reasonableness of the professional judgments adopted by management and contractual rights arising from this non-renewal.</p>
<p>(b) Concession intangible assets (Note 13)</p> <p>The balances of concession intangible assets, represented by investments for the operation of the concession, are non-financial assets recorded at amortized cost over the concession period. This balance, net of the provision for impairment described in item (a) above, amounts to R\$ 8,088 million at December 31, 2020 and should not exceed the net realizable value.</p> <p>The recoverability of this asset is based on projections discounted to the present value of future cash flows, with an inherent high degree of judgment. The assumptions that have a most significant effect on traffic projections include extraordinary toll fee increases, investment estimates and the discount rate used.</p> <p>This topic was considered as one of the key audit matter due to the materiality of the amounts, associated with the fact that involves significant judgments by the Company's management.</p>	<p>In the context of our audit, we consider that the valuation methodologies, judgments and assumptions adopted by management are reasonable and the disclosures are consistent with the data and information obtained.</p>
<p>Capitalization of expenses related to concession assets (Notes 4 and 13)</p>	
<p>The concession contracts provide for the Company to make significant investments for the construction of the necessary infrastructure for the operation, which amounted to R\$ 1,074 million in 2020.</p> <p>As the capitalization of these investments requires a critical judgment by management, and due to the materiality of the amounts involved, we understand that this topic must be considered as a key audit matter.</p>	<p>Our audit procedures included, among others, an understanding of the key internal controls established by management to identify and monitor the expenses incurred for each concession contract and the proper accounting classification according to the nature of the respective expenses.</p> <p>We carried out reconciliation procedures between the internal controls prepared by the Company and the information included in accounting records.</p> <p>In addition, we applied documentation tests, through which we analyzed the contracts and, on a sampling basis, inspected the measurements, invoices and proofs of payment.</p>

Why it is a Key Audit Matter	How the matter was addressed in the audit
	<p>Our audit procedures have shown that judgments and criteria used by management in relation to this topic are consistent and are supported, in all material respects, in the context of the financial statements.</p>
<p>Non-Prosecution Agreement ("ANPC")</p> <p>In view of the investigations carried out by the Public Prosecution Office of São Paulo ("MPSP"), the Company, through its subsidiary Concessionária Ecovias do Imigrantes S.A. ("Ecovias"), entered into a non-prosecution agreement with the MPSP. The agreement was entered into within the scope and with a view to a consensual termination of the subject matter of the civil investigations PJPP-CAP No. 1071/2014, 295/2018 and 489/2018 of the Prosecutor Office of the Public Assets of the Capital City of São Paulo.</p> <p>As disclosed in Note 22 (g) to the financial statements, the agreement establishes that subsidiary Ecovias will pay the amount of R\$ 638 million, which will be allocated as decided by the MPSP, São Paulo State Logistics and Transportation Office and Ecovias. Of this amount, R\$ 38 million will be paid by the Company.</p> <p>This topic was considered as one of the key audit matters due to the complexity of the judgments involved to determine the accounting effects, as well as the materiality of the amounts.</p>	<p>With the support of our internal and external legal experts, we read the ANPC entered into between Ecovias and the Public Prosecution Office of São Paulo ("MPSP") and held meetings with the Company's internal and external legal advisors, in order to understand the terms of the agreement and its legal aspects, as well as obtain legal advice from the lawyers in charge of the ANPC.</p> <p>We also involved our forensic specialists in the process to analyze, in general terms, the agreement characteristics and structure.</p> <p>We inspected the amounts included in the ANPC and compared them with the amounts included in the Company's auxiliary reports, which served as a basis for the recognitions and disclosures made by management.</p> <p>We verified the compliance procedures and controls implemented by the Company, in addition to internal policies.</p> <p>Based on the procedures performed, we consider that the accounting and disclosure treatments are consistent with the information analyzed and representations obtained in our audit.</p>
<p>Non-compliance with rules, laws and regulations (Note 22 (f))</p> <p>In view of the investigations carried out by the Public Prosecution Office ("MPF"), the Company, through its subsidiary Eco101 Concessionária de Rodovias S.A. ("Eco 101"), within the scope of "Operação Infinita Highway" ("Infinite Highway Operation"), completed the internal analyses and investigated the effects of non-compliance with the provisions of the concession contract between Eco101 and the Concession Authority.</p> <p>Accordingly, the Company's management, assisted by independent experts, determined the</p>	<p>With the support of our forensic specialists, we held meetings with the Company's internal and external legal advisors, in order to understand the progress of the process and the actions taken by management to determine the amount of the obligation recorded in the financial statements at December 31, 2020. In addition, we analyzed the available documentation on the matter.</p> <p>We also involved our legal experts in the process in order to analyze the reasonableness of the legal assumptions adopted by the Company, based on</p>

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Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>facts and amounts due for non-compliance with the agreement, in the amount of R\$ 73 million. In addition, the Company is working together with its legal advisors in order to seek an agreement with the MPF to terminate this investigation.</p> <p>This topic was considered one of the key audit matters due to the complexity of calculating contractual obligations and due to aspects related how this topic will be closed.</p>	<p>the position of its external lawyers, in relation to the effects of the concessionaire's contractual breach that has been determined in a police investigation.</p> <p>We have assessed the reasonableness of the calculations made by the Company, which support the recognitions and disclosures made by management.</p> <p>We consider that the disclosures are consistent with the information analyzed and representations obtained in our audit.</p>

Other matters

Statements of value added

The parent company and consolidated Statements of Value Added for the year ended December 31, 2020, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these statements of value added have been properly prepared, in all material respects, in accordance with the criteria established in the Technical Pronouncement and are consistent with the parent company and consolidated financial statements taken as a whole.

Audit of the corresponding figures for the prior year

The audit of the financial statements for the year ended December 31, 2020 was conducted under the responsibility of other independent auditors who issued unqualified audit opinion thereon, dated February 18, 2020, with emphasis of matter related to the nature, stage and potential consequences of the police investigation in progress.

Responsibilities of management and those charged with governance for the parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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Those charged with governance are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's responsibilities for the audit of the parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the parent company and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 10, 2021


PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5


Marcelo Orlando
Contador CRC 1SP217518/O-7

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

BALANCE SHEET AS AT DECEMBER 31, 2020 AND 2019
(In thousands of Reals - R\$)

ASSETS	Explanatory Note	Parent Company		Consolidated		LIABILITIES AND NET EQUITY	Explanatory Note	Parent Company		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019			12/31/2020	12/31/2019	12/31/2020	12/31/2019
CURRENT ASSETS											
Cash and Cash Equivalent	6	5.818	15.275	1.342.219	1.856.248	Suppliers		265	635	135.892	97.773
Financial Investments	7	260	1.470	51.791	105.678	Loans and Financing	15	135.522	-	485.975	97.105
Financial investments - Reserve Account	8	-	-	62.532	56.614	Debentures	16	149.562	1.419.332	1.092.648	3.190.642
Clients	9	-	-	183.607	164.749	Payable Rounding	17	86	-	23.412	7.291
Recoverable Taxes		1.414	2.855	58.456	80.242	Collectable Taxes, Fees and Contributions		62	450	53.204	48.684
Receivable Dividends and Interest on Net Equity		-	137.778	-	-	Social and Labor Obligations		9.419	7.904	86.540	77.382
Prepaid Expenses		506	506	13.443	12.070	Program of Fiscal Recovery - REFIS		-	-	-	775
Related Parties	18	373	1.105	1	-	Related Parties	18	-	-	9.517	31.228
Other Credits - Sale of Interest		11.957	13.008	11.957	13.008	Obligations with Granting Authority	21	-	-	93.086	18.064
Other Credits		2.269	3.229	26.082	38.431	Provision for Income Tax and Social Contribution	14.c)	-	-	24.970	13.382
Total Current Assets		22.597	175.226	1.750.088	2.327.040	Provision for Maintenance	19	-	-	262.142	147.328
						Provision for Future Works Construction	20	-	-	1.618	36.495
NONCURRENT											
Financial Investments - Reserve Account	8	-	-	64.957	50.302	Leniency Agreement		3.900	15.467	97.870	195.326
Deferred Taxes	14.a)	-	-	252.704	421.425	Non Civil Prosecution Agreement - ANPC	22.g)	26.450	-	26.450	-
Judicial Deposits	10	2.666	2.525	209.082	206.010	Other Accounts Payable - Companies Acquisition		-	-	10.601	10.445
Related Parties	18	5.304	5.176	-	-	Other Accounts Payable		2.616	2.510	114.774	36.399
Prepaid Expenses		-	-	6.087	10.302	Total Current Liabilities		327.883	1.446.298	2.518.699	4.008.319
Other Credits - Sales of Interest		51.554	61.049	51.554	61.049	NONCURRENT					
Other Credits		12.748	1.725	20.642	11.585	Loans and Financing	15	1.107.841	-	2.539.369	1.285.185
Recoverable Taxes		-	-	15.558	15.146	Debentures	16	-	148.266	4.340.123	4.093.406
Asset subject to indemnification	1.c)	-	-	134.278	-	Payable Rounding	17	-	-	16.990	5.481
Investments:						Deferred Taxes	14.a)	-	-	1.551	12.559
In Subsidiaries and Colligated	11.a)	1.420.826	1.484.498	166	250	Provision for Civil, Labor and Tax Losses	23	-	-	239.058	206.659
Goodwill	11.c)	40.441	359.216	-	-	Provision for Maintenance	19	-	-	193.812	279.011
Fixed Assets	12	1.714	1.984	433.083	545.424	Provision for Future Works Construction	20	-	-	38.097	767
Intangible Assets	13	176	63	8.155.441	7.893.920	Obligations with the Granting Authority	21	-	-	910.275	890.759
Total Noncurrent Assets		1.535.429	1.916.236	9.343.552	9.215.413	Leniency Agreement		17.039	16.371	84.186	179.487
						Non Civil Prosecution Agreement - ANPC	22.g)	21.027	-	21.027	-
						Other Accounts Payable - Companies Acquisition		-	-	26.218	32.296
						Other Accounts Payable		28.055	25.176	108.054	93.173
						Total Noncurrent Liabilities		1.173.962	189.813	8.518.760	7.078.783
						NET EQUITY					
						Share Capital	24.a)	360.900	360.900	360.900	360.900
						Profits Reserve - Legal	24.c)	-	46.140	-	46.140
						Profits Reserve - Capital Budgeting		-	196.821	-	196.821
						Capital Reserve - Shares-Based Option Plan		56.936	51.802	56.936	51.802
						Capital Reserve - Pledging Shareholder's Minority Interest		14.219	14.219	14.219	14.219
						Treasury Shares		(9.387)	(29.071)	(9.387)	(29.071)
						Accrued Losses	24.d)	(366.487)	(185.460)	(366.487)	(185.460)
						Total Net Equity		56.181	455.351	56.181	455.351
TOTAL ASSETS						TOTAL LIABILITIES AND NET EQUITY					
		1.558.026	2.091.462	11.093.640	11.542.453			1.558.026	2.091.462	11.093.640	11.542.453

The explanatory notes are an integral part of the financial statements.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

INCOME STATEMENT

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In thousands of Reals - R\$, except the basic/diluted profit per share)

	Explanatory Note	Parent Company		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
NET INCOME	25	-	-	3.999.786	3.952.889
Cost of Services Provided	26	-	-	(2.356.815)	(2.449.007)
GROSS PROFIT		-	-	1.642.971	1.503.882
OPERATING INCOME (EXPENSES)					
General and Administrative Expenses	26	(31.828)	(77.217)	(337.262)	(301.213)
Income Using the Equity Method	11.a)	88.755	78.629	(4)	10
Goodwill Amortization on Investment	11.c)	(11.589)	(11.590)	-	-
Leniency Agreement/Non Prosecution Civil Agreement - ANPC		(57.792)	(74.577)	(58.858)	(469.050)
Impairment Ecoporto/Asset subject to indemnification (see Explanatory Notes 1.b) and 1.c)		(307.186)	-	(382.471)	-
Other Income (Expenses), Net		714	671	1.361	62.067
OPERATING PROFIT/(LOSS) BEFORE FINANCIAL INCOME		(318.926)	(84.084)	865.737	795.696
FINANCIAL RESULT					
Financial Income	27	6.424	11.570	94.502	187.495
Financial Expenses	27	(105.486)	(112.766)	(881.167)	(887.567)
		(99.062)	(101.196)	(786.665)	(700.072)
OPERATING PROFIT/(LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		(417.988)	(185.280)	79.072	95.624
INCOME TAX AND SOCIAL CONTRIBUTION					
Current	14.b)	-	-	(339.347)	(331.133)
Deferred	14.a)	-	-	(157.713)	50.229
		-	-	(497.060)	(280.904)
LOSS OF THE YEAR FROM CONTINUING OPERATIONS		(417.988)	(185.280)	(417.988)	(185.280)
LOSS OF THE YEAR RESULTING FROM DISCONTINUING OPERATIONS	32	(6.000)	(180)	(6.000)	(180)
NET LOSS OF THE YEAR		(423.988)	(185.460)	(423.988)	(185.460)
ATTRIBUTABLE TO:					
Controlling Shareholder's Interest		(423.988)	(185.460)	(423.988)	(185.460)
Non-controlling Shareholder's Interest		-	-	-	-
		(423.988)	(185.460)	(423.988)	(185.460)
LOSS PER SHARE - CONTINUING AND DISCONTINUING OPERATIONS					
Basic - Loss for the year attributable to controlling shareholders holding common shares	28	(0,75994)	(0,33328)	(0,75994)	(0,33328)
Diluted -Loss for the year attributable to controlling shareholders holding common shares	28	(0,75994)	(0,33209)	(0,75994)	(0,33209)
LOSS PER SHARE ARISING FROM CONTINUING OPERATIONS					
Basic - Loss for the year attributable to controlling shareholders holding common shares	28	(0,74918)	(0,33296)	(0,74918)	(0,33296)
Diluted -Loss for the year attributable to controlling shareholders holding common shares	28	(0,74918)	(0,33177)	(0,74918)	(0,33177)

The explanatory notes are an integral part of the financial statements.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

COMPREHENSIVE INCOME STATEMENT

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In thousands of Reais - R\$)

	Parent Company		Consolidated	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
NET LOSS OF THE YEAR	(423.988)	(185.460)	(423.988)	(185.460)
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME OF THE YEAR	<u>(423.988)</u>	<u>(185.460)</u>	<u>(423.988)</u>	<u>(185.460)</u>
ATTRIBUTABLE TO:				
Controlling Shareholders			<u>(423.988)</u>	<u>(185.460)</u>
Non-controlling Shareholders			<u>-</u>	<u>-</u>

The explanatory notes are an integral part of the financial statements.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

STATEMENT OF CHANGES IN NET EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In thousands of Reais - R\$, except the value per share)

	Attributable to the Company's shareholders					Accrued Loss	Controlling Shareholders Net Equity	Non-controlling Shareholder's Interest in the Subsidiaries Net Equity	Consolidated Net Equity
	Share Capital	Capital Reserves, and Treasury Shares	Profit Reserves Legal	Declaration of Dividends	Capital Budgeting				
BALANCES ON DECEMBER 31, 2018	<u>360.900</u>	<u>36.458</u>	<u>46.140</u>	<u>-</u>	<u>196.821</u>	<u>-</u>	<u>640.319</u>	<u>-</u>	<u>640.319</u>
Treasury Shares - Share Options Exercise Plan	-	492	-	-	-	-	492	-	492
Loss of the Year	-	-	-	-	-	(185.460)	(185.460)	-	(185.460)
BALANCES ON DECEMBER 31, 2019	<u>360.900</u>	<u>36.950</u>	<u>46.140</u>	<u>-</u>	<u>196.821</u>	<u>(185.460)</u>	<u>455.351</u>	<u>-</u>	<u>455.351</u>
Treasury Shares - Share Options Exercise Plan	-	24.818	-	-	-	-	24.818	-	24.818
Loss of the Year	-	-	-	-	-	(423.988)	(423.988)	-	(423.988)
Loss Absorption	-	-	(46.140)	-	(196.821)	242.961	-	-	-
BALANCES ON DECEMBER 31, 2020	<u>360.900</u>	<u>61.768</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(366.487)</u>	<u>56.181</u>	<u>-</u>	<u>56.181</u>

The explanatory notes are an integral part of the financial statements.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

ADDED VALUE STATEMENT
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In thousands of Reais - R\$)

	Parent Company		Consolidated	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
INCOME				
Including Toll Collection	-	-	3.023.853	2.952.132
Including Construction	-	-	981.472	1.007.724
Port	-	-	390.829	390.167
Logistics	-	-	32.363	24.256
Accessory and Intercompany Service Provision	-	-	96.134	87.631
INPUTS ACQUIRED FROM THIRD PARTIES				
Cost of Services Provided	-	-	(1.549.356)	(1.616.020)
Materials, Energy, Third Party Services and Others	(17.347)	(34.537)	(207.281)	(135.229)
Others	-	671	(168.987)	(106.605)
GROSS ADDED VALUE (CONSUMED)	<u>(17.347)</u>	<u>(33.866)</u>	<u>2.599.027</u>	<u>2.604.056</u>
DEPRECIATION AND AMORTIZATION	(1.345)	(587)	(547.061)	(567.505)
AMORTIZATION OF INVESTMENTS	(11.589)	(11.590)	-	-
Leniency / Non Prosecution Civil Agreements	(57.792)	(74.577)	(58.858)	(469.050)
Impairment Ecoporto/Asset subject to indemnification	(307.186)	-	(382.471)	-
Others	714	-	1.361	-
NET ADDED VALUE (CONSUMED)				
PRODUCED BY THE COMPANY	<u>(394.545)</u>	<u>(120.620)</u>	<u>1.611.998</u>	<u>1.567.501</u>
ADDED VALUE RECEIVED IN TRANSFER				
Financial Income	6.424	11.570	94.502	187.495
Income Using the Equity Method	88.755	78.629	(4)	10
	<u>95.179</u>	<u>90.199</u>	<u>94.498</u>	<u>187.505</u>
TOTAL DISTRIBUTABLE ADDED VALUE	<u>(299.366)</u>	<u>(30.421)</u>	<u>1.706.496</u>	<u>1.755.006</u>
ADDED VALUE DISTRIBUTION	<u>(299.366)</u>	<u>(30.421)</u>	<u>1.706.496</u>	<u>1.755.006</u>
Personnel	12.542	40.599	376.745	407.989
Direct Compensation	12.043	34.846	286.004	326.110
Benefits	360	596	73.554	59.683
FGTS	139	5.157	17.187	22.196
Taxes, Fees and Contributions	-	-	852.938	621.254
Federal	-	-	672.070	447.686
State	-	-	4	16
Municipal	-	-	180.864	173.552
Remuneration of Third Party's Capital	106.080	114.260	894.801	911.043
Interest	94.352	100.797	436.970	526.000
Leases	594	1.495	13.634	23.477
Other Financial Effects	11.134	11.968	444.197	361.566
Interest on Shareholders' Equity	<u>(417.988)</u>	<u>(185.280)</u>	<u>(417.988)</u>	<u>(185.280)</u>
Discontinuing Operation Result	6.000	180	6.000	180
Loss of the Year	<u>(423.988)</u>	<u>(185.460)</u>	<u>(423.988)</u>	<u>(185.460)</u>

The explanatory notes are an integral part of the financial statements.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

CASH FLOW STATEMENT
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In thousands of Reals - R\$)

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
CASH FLOW OF OPERATING ACTIVITIES				
Net Loss of the Continuing Operations' Year	(417.988)	(185.280)	(417.988)	(185.280)
Net Cash Discontinuing Operations	(6.000)	(180)	(6.000)	(180)
Adjustments to Reconcile Net Loss				
(invested in) generated by Operating Activities:				
Depreciation and Amortization	1.345	587	547.061	567.505
Impairment Ecoporto/Asset subject to indemnification (See Explanatory Notes No. 1.b) and 1.c)	307.186	-	382.471	-
Goodwill Amortization	11.589	11.590	-	-
Capital Reserve - Options Premium	-	492	-	492
Loss/Write-off of Fixed and Intangible Assets	-	255	8.022	5.481
Financial Charges and Monetary Variation on Loans, Financing, Debentures and Leasing	100.262	81.203	623.285	704.596
Monetary Variation with the Granting Authority	-	-	179.259	120.378
Provision for Civil, Labor and Tax Losses	-	-	33.189	24.534
Monetary Restatement of Provision for Civil, Labor and Tax Losses	-	-	16.291	10.419
Provision for Maintenance and Provision for Works' Construction	-	-	111.776	200.873
Monetary Restatement of Provision for Maintenance and Provision for Works' Construction	-	-	39.536	39.072
Revenue on Financial Investments - Reserve Account	-	-	(2.977)	(4.812)
Expected Losses on Doubtful Debts - PECLD	-	-	1.993	747
Equity Income and Interest on Shareholders' Equity	(88.755)	(78.629)	4	(10)
Monetary Restatement of Judicial Deposits	(120)	(73)	(2.972)	(7.882)
Monetary Restatement on Acquisition of Interest	-	-	4.405	5.056
Deferred Taxes	-	-	157.713	(50.229)
Interest Revenue on Elog Interest Sale	(4.005)	(4.933)	(4.005)	(4.933)
Provision for other payables (see Explanatory Note 22.f)	-	-	72.614	-
Interest Revenue - Loans	(150)	(2.900)	-	-
Interest Expense - Loans	-	10.535	-	-
Debt Assignment Interest	-	18.810	-	-
Provision and Monetary Restatement: Leniency Agreement/Former Executives/Non Prosecution	-	-	-	-
Civil Agreement-ANPC	60.369	75.154	68.031	475.669
Capitalization of Interest	-	-	(46.907)	(56.247)
Obligations with the Granting Authority	-	-	73.347	68.217
Provision for Income Tax and Social Contribution	-	-	339.347	331.133
Operational Assets Variation:				
Clients	-	-	(20.851)	(13.057)
Related Parties - Clients	732	28.603	(1)	11.288
Recoverable Taxes	1.441	22.403	21.374	21.429
Prepaid Expenses	-	(267)	2.842	1.054
Judicial Deposits	(21)	(4)	(100)	(6.958)
Other Credits	(10.064)	16.530	3.292	77
Operational Liabilities Variation:				
Suppliers	(370)	(2.197)	37.748	(49.662)
Social and Labor Obligations	1.515	(2.435)	9.158	5.772
Related Parties - Suppliers	-	-	(21.340)	-
Collectable Taxes, Fees and Contributions	(388)	(25.851)	(606)	(18.786)
Leniency Agreement / Former Executives	(23.791)	(43.316)	(213.311)	(100.856)
Payment of Provision for Civil, Labor and Tax Losses	-	-	(17.081)	(19.857)
Payments of Provision for Maintenance and Works' Construction	-	-	(124.332)	(228.121)
Other Accounts Payable	2.986	(5.368)	20.642	(10.020)
Obligations with the Granting Authority	-	-	(75.993)	(70.349)
Paid Income Tax and Social Contribution	-	-	(327.759)	(362.842)
Net Cash (invested in) generated by Operating Activities	(64.227)	(85.271)	1.471.177	1.403.711
CASH FLOW OF INVESTMENT ACTIVITIES				
Dividends and Interest on Received Shareholders' Equity	378.000	60.864	-	865
Interest Acquisition - Eco050	-	-	-	(650.399)
Interest Acquisition - Non-controlling shareholders - Eco101	-	-	-	(844)
Acquisition of Fixed and Intangible Assets	(291)	(206)	(1.102.970)	(1.011.886)
Investment in Subsidiaries - Capital Reduction	80	-	80	-
Effect of Payment/Receipt for Elog Sale	14.551	13.938	14.551	13.938
Investment in Subsidiaries - Effect Cash Consolidation Ecopápio	-	-	-	4.443
Financial Investments - Reserve Account	-	-	(17.596)	-
Financial Investments	1.210	-	53.887	-
Investment in Subsidiaries - Capital Contributions	(87.875)	(110.800)	-	-
Net Cash (invested in) generated by Investment Activities	305.675	(36.204)	(1.052.048)	(1.643.883)
CASH FLOW OF FINANCING ACTIVITIES				
Related Parties - Loans	22	(323.855)	-	-
Obligations with the Granting Authority	-	-	(84.486)	(41.012)
Financial Investments - Reserve Account	-	-	-	19.091
Financial Investments	-	(1.470)	-	(105.678)
Acquisition of Loans, Financing and Debentures	1.212.416	1.090.035	2.646.049	2.588.138
Payment of Loans, Financing, Debentures and Leasing	(1.410.811)	(80.000)	(2.889.317)	(2.421.658)
Related Parties - Debt Assignment	-	(647.883)	-	-
Payment of Treasury Shares and Exercise Options- Stock Options	24.818	-	24.818	-
Program of Fiscal Recovery - REFIS	-	-	(775)	(3)
Interest Acquisition - Non-controlling shareholders - Eco101	-	-	(10.327)	-
Interest Paid on Loans, Financing, Debentures and Leasing	(77.350)	(42.030)	(619.120)	(592.947)
Net Cash (invested in) generated by Financing Activities	(250.905)	(5.203)	(933.158)	(554.069)
NET INCREASE (DECREASE) IN CASH BALANCE AND CASH EQUIVALENTS	(9.457)	(126.678)	(514.029)	(794.241)
Cash and Cash Equivalents at the Beginning of the Year	15.275	141.953	1.856.248	2.650.489
Cash and Cash Equivalents at the end of the Year	5.818	15.275	1.342.219	1.856.248
NET INCREASE (DECREASE) IN CASH BALANCE AND CASH EQUIVALENTS	(9.457)	(126.678)	(514.029)	(794.241)

The explanatory notes are an integral part of the financial statements.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED ON DEZEMBRO 31, 2020 AND 2019

(Amounts expressed in thousands of reais - R\$, except when indicated otherwise)

1. GENERAL INFORMATION

EcoRodovias Infraestrutura e Logística S.A. ("EcoRodovias", "EcoRodovias Infraestrutura", "Company" or "EIL") is a joint stock company, listed on B3 S.A. - Brasil, Bolsa, Balcão, with the Company's shares being traded under the symbol "ECOR3". The Company's corporate purpose is to operate road, port, logistics and service provider assets related to core activities. EcoRodovias' current portfolio includes ten highway concessions, a logistics platform (Ecopátio Cubatão) and a port asset (Ecoporto) in seven states, located in the main commercial corridors in the South and Southeast regions. The Company's headquarters are located at Rua Gomes de Carvalho, 1.510 - 31 e 32, in the City of São Paulo - SP.

The Company's direct and indirect subsidiaries ("EcoRodovias Group") are summarized in Explanatory Note No. 11.

The conclusion and issuance of these financial statements were approved by the Company's Executive Board on March 9, 2021.

a) Impacts COVID-19

On January 30, 2020, the World Health Organization ("WHO") declared that the outbreak of the novel coronavirus ("COVID-19") constituted a Public Health Emergency of International Importance, the Organization's highest alert level, as provided for in the International Health Regulations.

On March 11, 2020, the WHO declared the COVID-19 outbreak as a pandemic. Governments started to adopt restrictive measures to contain the spread of the virus which have the potential to significantly affect the global economy, in view of the interruption or deceleration of the supply chain and the significant increase in economic uncertainty, considering the increase in volatility of asset prices, exchange rates and falling long-term interest rates.

The main economies in the world and the main economic blocs have been studying economic stimulus packages to overcome the potential economic recession that these measures to mitigate the spread of COVID-19 may cause.

In Brazil, the Executive and Legislative Powers of the Federal Government published several normative acts to prevent and contain the pandemic, as well as mitigate the respective impacts on the economy, with emphasis on Legislative Decree No. 6, published on March 20, 2020, which declares the state of public calamity. State and municipal governments have also published several normative acts seeking to restrict the free movement of people and commercial and service activities, in addition to enabling emergency investments in the health area.

In order to assist companies in mitigating the effects of the pandemic, the Government published, through decrees and provisional measures, several measures of economic and financial assistance. Most of these measures are temporary and will serve to mitigate the impacts of the pandemic for the coming months.

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The Company and its direct and indirect subsidiaries have adopted the following measures:

- Postponement of the payment of the Service Time Guarantee Fund ("FGTS"), as provided for in articles 19 and 20 of Provisional Measure No. 927, published on March 22, 2020, referring to the months of March, April and May, which must be paid from July 2020 and can be paid in up to six installments, from July to December 2020;
- Adherence to Provisional Measure No. 936, published on April 1, 2020, converted into Law No. 14.020, published on July 7th, 2020, with a reduction in wages and working hours of up to 40% in the months of May and June 2020 for all companies of the Group, except for the direct subsidiary Ecoporto Santos, which will maintain the use of the Provisional measure until June 2020, and suspension of the employment contract for a fixed period for some of the employees of the direct subsidiary Ecoporto Santos;
- Reduction in the rates of contributions to autonomous social services (S System) in the period between April and June 2020, as provided for in Provisional Measure No. 932, published on March 31, 2020;
- Use of the unnamed private pension fund to pay benefit bills from May to August 2020;
- Postponement of payment of the Social Integration Program ("PIS") and Contribution to the Financing of Social Security ("COFINS") related to the competence March and April to the months of September and October 2020, respectively, according to Ordinance No. 139 of Ministry of Economy published on April 3, 2020;
- Postponement of payment of the Tax on Services ("ISS") pursuant to decrees issued by each municipality;
- Adherence to BNDES - National Bank for Economic and Social Development standstill approved in March 2020 as a socioeconomic measure of immediate execution with temporary suspension for a period of up to six months of amortization of contracted loans;
- Amortization of contracted loans; and
- Anticipation of contracting credit operations in order to strengthen the Group's cash position and reduce uncertainties about the rollover capacity of debts due in 2020.

The Company's Management cannot predict the extent and duration of the measures adopted by the government in the country; therefore, it cannot predict all the direct and indirect impacts of COVID-19 on the Company's operating results and financial condition, including:

- performance of passenger and commercial vehicle traffic demand;
- the impact on costs or access to capital and financing resources and the ability to comply with credit agreement covenants; and
- relevant contingencies related to COVID-19.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

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However, based on the uncertainties mentioned above, the Company has been monitoring the evolution of the pandemic. The Company has created crisis committees, including key people to monitor, analyze and decide on actions to minimize impacts, guaranteeing the continuity of operations and mainly promoting health and safety for all employees involved in its operations, as well as the adoption of remote work for all employees who can carry out their activities outside the Company's facilities.

EcoRodovias Group has been counting on partner companies to support truck drivers. These partner companies have joined the concessionaires to expand the service that has already been offered to truck drivers since the beginning of the pandemic. The action includes the distribution of lunch boxes, delivery of hygiene kits containing soap, alcohol gel, gloves and protective masks, and donation of non-perishable food.

The items have been delivered to user service bases, police stations and service stations installed along the highways

The actions and decisions are constantly analyzed by the Management and the committees, according to the evolution of the global scenarios.

On the base date of December 31, 2020, the direct and indirect subsidiaries performed an impairment test (see Explanatory Note 13) and did not identify any impact on the results, except in relation to Ecoporto Santos, as described in Note 1.b).

b) Assets impairment

Due to the regulatory aspects of the Ecoporto Santos concession agreement described in note 2.3.viii, on December 31, 2020, the Company recognized a reduction of R\$ 745,125 in the value of its non-financial assets, as shown below:

	Consolidated		
	12/31/2020		
	Net accounting value	Net recoverable value	Restatement of net Impairment in the result of the year
Property, plant and equipment and intangible assets (a)	643.987	132.364	511.623
Deferred taxes (b)	233.502	-	233.502
Total	877.489	132.364	745.125

- (a) The value in use of the subsidiary Ecoporto Santos was updated, by an external consultancy, to reflect Management's best estimates considering the conclusion of the concession agreement on June 11, 2023. The assumptions and calculation criteria are described in the Explanatory Note No. 13.b). Based on this assessment, the Company identified the impact on the result of R\$ 511,623.
- (b) Tax credits arising from: a) tax losses and negative social contribution base; b) goodwill for reverse incorporation, and c) temporary differences were written off based on the reasoned expectation of generating future taxable profits of the subsidiary Ecoporto Santos, subject to legal limitations. The revision generated a write-off of R\$ 233,502 (see deferred tax in Note 14), being a) R\$ 39,117 tax losses, b) 166,755 goodwill for incorporation and c) R\$ 27,630 other temporary differences. The Company, for tax purposes, will maintain the amounts for future use.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED ON DEZEMBRO 31, 2020 AND 2019

(Amounts expressed in thousands of reais - R\$, except when indicated otherwise)

- (c) The amount of R\$ 132,364 is composed of: R\$ 32,586 value in use of the assets and R\$ 99,778 of the residual of the reversible assets, which will be the object of indemnity at the end of the concession agreement in accordance with ANTAQ Resolution No. 7,459 / 19 , ratified by Technical Note 1/21/CGEV/DGCO/SNPTA, and will be monetarily updated with the criteria specified in Explanatory Note No. 1.c) below

c) Financial assets

The financial assets correspond to the monetary update portion and remuneration on the values of the assets that will be reversible according to Note 1.b) above. The measurement was performed according to the premises established in the Technical Note of ANTAQ 3/2015 / STN / SEAE / MF, which provides for a regulatory WACC rate of 10% p.a. plus the variation of the IGP-M, and the forecast of receiving the indemnity from six months to one year after the end of the concession contract, corresponding in December 2023 to the amount of R\$ 315,308. Considering the criteria established in CPC12, the amount was adjusted to the present value on the base date of December 31, 2020, representing the total amount of R\$ 234,056, and the residual value of R\$ 99,778 is shown in the item "property, plant and equipment", thus, a financial asset of R\$ 134,278 was set up (R\$ 129,152 net of PIS / COFINS)

2. PRESENTATION OF FINANCIAL STATEMENTS

2.1. Preparation Basis

The Company's individual and consolidated financial statements were prepared in accordance with practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncements Committee (CPC) and the International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board (IASB), and evidence all relevant information specific to the financial statements, and only this, which are consistent with those used by management in its management.

The main accounting policies applied in the preparation of these financial statements are presented in Note 3.

The financial statements were prepared considering the historical cost as a basis of value, which, in the case of certain financial assets and liabilities (including derivative instruments), investment properties, as well as pension plan assets, had their cost restated to reflect the measurement at fair value. Assets held for sale are measured at the lower of the book value and the fair value less costs of sale.

The preparation of financial statements requires the use of certain critical accounting estimates and also the exercise of judgments by the Company's management in the process of applying the Group's accounting policies. Those areas that require a higher level of judgment and are more complex, as well as the areas in which assumptions and estimates are significant for the financial statements, are disclosed in Note 4.

2.2. Basis of consolidation and investments in subsidiaries

The Company consolidates all entities over which it has control, that is, when it is exposed or has rights to variable returns from its involvement with the investee and has the capacity to direct the relevant activities of the investee.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED ON DEZEMBRO 31, 2020 AND 2019

(Amounts expressed in thousands of reais - R\$, except when indicated otherwise)

The subsidiaries included in the consolidation are described below, with all companies domiciled in Brazil. The accounting policies applied in the preparation of the consolidated financial statements are described in Note 3.

The following are the holdings in subsidiaries and joint ventures, with all companies domiciled in Brazil:

<u>Direct subsidiaries:</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>Main goals</u>
Ecorodovias Concessões e Serviços S.A.	100%	100%	Participation in other companies, as a partner or shareholder, in addition to providing administrative, financial, human resources, information technology, engineering and corporate procurement services.
EIL01 Participações Ltda.	100%	100%	Participation in other companies, as partner or shareholder.
Ecoporto Santos S.A.	100%	100%	Port operations, handling and storage of import and export cargo at the Port of Santos.
Termares - Terminais Marítimos Especializados Ltda.	100%	100%	Handling and storage of import and export cargo under customs control.
ELG-01 Participações Ltda.	100%	100%	Participation in other companies, as partner or shareholder.
EIL03 S.A.	100%	100%	Participation in other companies, as partner or shareholder.
EIL04 S.A.	100%	100%	Participation in other companies, as partner or shareholder.
Concessionária do Rodoanel Norte S.A. - Ecorodoanel	100%	100%	In the pre-operational phase (see Explanatory Note No. 11.a.1).
<u>Joint Venture:</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>Main goals</u>
Consórcio Rota do Horizonte S.A.	20%	20%	Exploration of the Northern Metropolitan Outline of the Metropolitan Region of the municipality of Belo Horizonte in Minas Gerais.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED ON DEZEMBRO 31, 2020 AND 2019

(Amounts expressed in thousands of reais - R\$, except when indicated otherwise)

<u>Indirect Subsidiaries:</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>Main goals</u>
<u>Via Ecorodovias Concessões e Serviços S.A.:</u>			
Concessionária Ecovias dos Imigrantes S.A.	100%	100%	Exploration, under the concession regime, of the road system constituted by the Anchieta-Imigrantes System.
Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. - Ecopistas	100%	100%	Operation through the perception of tolls and ancillary revenues, under the terms and limits of the concession agreement.
Concessionária Ecovia Caminho do Mar S.A.	100%	100%	Exploration under the concession regime of Lot 006 Paraná Highway Concession Program.
Rodovia das Cataratas S.A. - Ecocataratas	100%	100%	Exploration under the concession regime of Lot 003 Highway Concession Program of the State of Paraná.
Empresa Concessionária de Rodovias do Sul S.A. - Ecosul	100%	100%	Exploration under the concession regime, of certain sections that are part of the so-called Pelotas Pole.
ECO101 Concessionária de Rodovias S.A.	100%	100%	Concession operation of highway BR-101 ES / BA.
Concessionária da Ponte Rio-Niterói S.A. Ecoponte	100%	100%	Concession exploration of highway BR-101/RJ - Access section to Presidente Costa e Silva Bridge (Niterói) - Entr. RJ-071 (Red Line) "Rio-Niterói Bride".
Eco135 Concessionária de Rodovias S.A.	100%	100%	Exploration under the concession regime for the State of Minas Gerais Highway Lot (BR-135, MG-231, LMG-754)
Concessionária Ecovias do Cerrado S.A.	100%	100%	Exploration under the concession regime for the State of Minas Gerais Highway Lot (BR-364/365 / GO / MG)
EIL02 S.A.	100%	100%	Participation in other companies, as partner or shareholder.
Argovias Administração e Participações S.A.	100%	100%	Participation in other national or foreign companies, as a shareholder.
<u>Via Argovias Administração e Participações S.A.:</u>			
Eco050 - Concessionária de Rodovias S.A.	100%	100%	Concession exploration of BR-050 MG / GO highways.
<u>Indirect Subsidiaries:</u>			
<u>Via ELG-01 Participações Ltda:</u>			
Anish Empreendimentos e Participações Ltda	100%	100%	Participation in other companies, as partner or shareholder.

ECORODOVIAS INFRAESTRUTURA E LOGÍSTICA S.A.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDED ON DEZEMBRO 31, 2020 AND 2019

(Amounts expressed in thousands of reais - R\$, except when indicated otherwise)

Via Anish Empreend. e Participações Ltda:

Paquetá Participações Ltda	100%	100%	Management of own assets, such as real estate, securities and financial assets and the participation, directly or indirectly, as a partner or shareholder of any company.
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Description of the main consolidation procedures

The consolidated financial statements include the financial information of the Company and its direct and indirect subsidiaries mentioned in Note 11, and the main procedures for consolidation are as follows:

- Elimination of asset and liability account balances between consolidated companies;
- Elimination of participation in capital, reserves and accumulated losses of investees;
- Elimination of income and expense balances, as well as unrealized profits, arising from transactions between the companies that are part of the consolidation; and
- Unrealized gains arising from transactions with investees, recorded under equity method, are eliminated against the investment in proportion to the parent company's interest in the investee.

2.3 Concession agreements

Below are the main concession agreements of the Company, by entity:

i) Concessionária Ecovias dos Imigrantes S.A.

This concerns the Anchieta-Imigrantes System, with a total extension of 176.8 km, and consists basically of: (a) Rodovia Anchieta (SP-150 - between km 9.7 and km 65.6); (b) Rodovia dos Imigrantes (SP-160 - between km 11.5 and km 70.0); (c) Planalto Interconnection (SP-041 - over 8 km); (d) Baixada Interconnection (SP-059 - over an extension of 1.8 km); (e) Padre Manoel da Nóbrega Highway (SP-055/170 - between km 270.6 and km 292.2); and (f) Cônego Domênico Rangoni Highway (SP-055/248 - between km 0 and km 8.4 and between km 248.0 and km 270.6). The contract was recorded as an intangible asset and will remain in effect until June 2026.

ii) Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. - Ecopistas

This concerns the Ayrton Senna-Carvalho Pinto corridor, its respective areas and buildings, installations and equipment contained therein, with extension of 143.5 km. The agreement was recorded as an intangible asset and will remain in effect until June 2039.

iii) Concessionária Ecovia Caminho do Mar S.A.

This concerns 136.7 km of roads consisting of: (a) Highway BR-277, a section between the city of Curitiba and the Port of Paranaguá, over an extension of 85.7 km; (b) PR-508

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highway, a section between BR-277 and the municipality of Matinhos, over an extension of 32 km; and (c) Highway PR-407, a section from BR-277 to Praia de Leste, over an extension of 19 km. The Company's headquarters are located at Rodovia BR-277, km 60.5. The agreement was accounted for as an intangible asset and will remain in effect until November 2021. The Company assessed the effects of finalizing the concession agreement and believes that it will not have a significant impact on the subsidiary's balance sheet.

iv) Rodovia das Cataratas S.A. - Ecocataratas

This concerns a 387.1 km section located between the municipality of Guarapuava, in the state of Paraná, and the municipality of Foz do Iguaçu, in the same state. The term of the concession agreement is 24 years. The contract was accounted for as an intangible asset and will remain in effect until November 2021. The Company assessed the effects of finalizing the concession agreement and believes that it will not have a significant impact on the subsidiary's balance sheet.

v) Empresa Concessionária de Rodovias do Sul S.A. - Ecosul

This concerns the following highways and sections by the concession regime called Polo Rodoviário de Pelotas: BR-116, a section between the cities of Pelotas and Camaquã, in an extension of 123.4 km; BR-116, section between the cities of Pelotas and Jaguarão, in an extension of 137.1 km; BR-392, a section between the cities of Pelotas and Rio Grande, over an extension of 68.4 km and BR-392, a section between the cities of Pelotas and Santana da Boa Vista, over an extension of 128.4 km. The contract was recorded as an intangible asset and will remain in effect until March 2026.

vi) ECO101 Concessionária de Rodovias S.A.

This concerns the concession regime Rodovia Federal BR-101/ES/BA between BA-698 (access to Mucuri-BA) up to the border ES/RJ. The concession, for a period of 25 years (from the date of assumption and transfer of assets, which occurred on May 10, 2013), consists of the exploration of the infrastructure and the provision of public services for recovery, operation, maintenance, monitoring, conservation, of improvements and expansion of the capacity of the highway system of the Federal Highway BR101/ES/BA between BA-698 (access to Mucuri-BA) up to the border ES/RJ, being remunerated through the collection of toll fees and other sources of revenue accessory. The contract was accounted for as an intangible asset and will remain in effect until May 2038.

vii) Concessionária da Ponte Rio-Niterói S.A. Ecoponte

This concerns the infrastructure regime and the provision of public service for the operation, maintenance, monitoring and conservation, and implementation of improvements to the road system, through the collection of toll fees, within 30 years, as of June 1, 2015, from BR-101/RJ: Access section to Presidente Costa e Silva Bridge (Niterói) - Entr. RJ-071 (Red Line). The contract was recorded as an intangible asset and will remain in effect until June 2045.

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viii) Ecoporto Santos S.A.

PRES Lease Agreement No. 028/1998 ("Agreement") signed between Companhia Docas do Estado de São Paulo ("CODESP") and Ecoporto Santos SA ("Ecoporto Santos") is effective for a specified period of 25 years, with closing scheduled for June 2023. To date, 5 terms of amendment to the Contract have been signed, with no change to the initially established term. However, clause 16 of the Contract provides for the possibility of extending its term for an equal period (25 years), subject to sectoral regulations. With the advent of the new regulatory framework for the sector, the Granting Authority became the Ministry of Infrastructure, with the National Waterway Transport Agency ("ANTAQ") responsible for inspection and regulation. Ecoporto Santos promptly requested the anticipated extension of the term of the Contract, instructing the process with the relevant documents. On December 19, 2019, ANTAQ Resolution 7549 was published, which tried to approve the Technical, Economic and Environmental Feasibility Study ("EVTEA") presented by Ecoporto Santos, contemplating the economic and financial rebalancing and the extension of the Agreement until the year 2048. On January 6, 2020, Ecoporto Santos filed an administrative appeal against the aforementioned Resolution so that the right to economic and financial rebalancing resulting from the supervening replacement of the area originally delimited in the Contract by new ones is also recognized non-contiguous areas, with 20% less total footage (170,000m² x 136,444.03m²), causing loss of operational efficiency. In February 2020 the process was sent to the National Secretariat of Ports and Water Transport ("SNPTA"), of the Ministry of Infrastructure ("Minfra") for analysis of the request for extension.

On January 7, 2021, the General Coordination of Contracts Management in Related Entities of the Department of Management of Lease and Concession agreements of the National Secretariat of Ports and Water Transport of the Ministry of Infrastructure issued Technical Note No. 1/2021/CGEV/DGCO/SNPTA, through which the technical sector opines for the termination of the Contract at the end of the first contractual period, in the year 2023. In its conclusion, the technical sector considered the rejection of the imbalance in relation to the replacement of the area originally defined in the contract, but recognizes the possibility of resolving this claim through arbitration, which will be evaluated by Minfra Legal Consulting. Additionally, the technical sector also recognized the liquidity and certainty of the unequivocal right to rebalance due to the implementation of new investments in the terminal, and the indemnity resulting from the investments that are concluded and operational, and that will not be amortized until the year 2023, in the values already considered in Resolution No. 7459-ANTAQ and Judgment No. 14-2020-ANTAQ. It is important to note that the indemnities mentioned will only be due if the higher authorities of Minfra corroborate with the understanding that the PRES Lease Agreement No. 028/1998 will not be extended.

Also on January 7, 2021, the Department of Management of Contracts and Concessions of the National Secretariat of Ports and Water Transport of the Ministry of Infrastructure, through Order No. 21/2021/DGCO/SNPTA, corroborated the understandings of Technical Note 1/2021/CGEV/DGCO/SNPTA, as well as recommending to the National Secretary for Ports and Waterway Transport the rejection of the request for extension of the concession agreement and suggested that Minfra's Legal Consulting evaluate the request for arbitration.

On January 8, 2021, through Official Letter No. 24/2021/SNPTA, the National Secretary for Ports and Waterway Transport ratified the understanding that, from a technical point of

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view, there seems to be no obstacle regarding the adoption of arbitration so that the imbalance resulting from the reordering of terminal areas is defined in an arbitration process by an impartial third party.

Finally, on January 19, 2021, through Official Letter 38/2021/SNPTA, the National Secretary for Ports and Water Transport, in addition to Official Letter 24/2021/SNPTA, corroborated with the understanding that there is no advantage in the extension of the Contract due to the area's bidding scenario, as provided for in the Port of Santos Development and Zoning Plan ("PDZ") approved on July 29, 2020.

On March 1, 2021, the Company communicated to the market, through a Material Fact, that on February 26, 2021, it was notified by the Ministry of Infrastructure, through Official Letter 81/2021 / SNPTA, about the decision of the Granting Authority for non-renewal of PRES 028/1998 Lease Agreement and its amendments.

ix) ECO135 Concessionária de Rodovias S.A.

This concerns, through the concession regime, the provision of public services for operation, management, expansion, conservation and making necessary investments for the exploration of the road system called Lot of Highways: (i) BR-135 - starting at km 367.65 (beginning of the intersection at the junction of BR-135 with BR-122/251/365 - outline of Montes Claros) and ending at km 668.85 (beginning of the intersection at the junction of BR-135 with BR-040 (A) - São José da Lagoa, with an extension of 301.20 km; (ii) MG-231 - starting at km 41.00 (junction of MG-231 with LMG-754 - Cordisburgo Urban Perimeter) and ending at km 63, 65 (beginning of MG-231 intersection with the BR-040 - Paraopeba), with an extension of 22.65km; and (iii) LMG-754 - starting at km 2.85 (end of LMG- 754 intersection with Avenida Brasil - Curvelo urban area) and ending at km 42.95 (intersection of LMG-754 with MG-231 - U Cordisburgo Urban area), with an extension of 40.10km, making an extension total 363.95 km, as well as the execution and management of delegated services, support in the inspection and management of complementary services provided directly by the concessionaire. The toll collection started on April 1, 2019. The agreement was recorded as an intangible asset and will remain in effect until 2048.

x) Eco050 - Concessionária de Rodovias S.A.

This concerns the 436.6 km section of the BR-050 through the concession regime, from the junction with the BR-040, in Goiás, to the border between Minas Gerais and the State of São Paulo, considering the existing outline in Uberlândia, including the elements forming part of the right-of-way, in addition to accesses and loops, buildings and land, central, lateral, marginal or local lanes connected directly or by interconnection devices with the highway, shoulders, special works of art and any other elements that concentrate within the limits of the right-of-way, as well as areas occupied with operational and administrative facilities listed under the terms of the "Bid No. 001/2013 Part VII" concession agreement, entered into with the Federal Government through the National Land Transport Agency (ANTT) in December 5, 2013. The highway will be operated by charging a toll fee, with a concession period of 30 years starting on January 8, 2014, date of the concession agreement.

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xi) Concessionária Ecovias do Cerrado S.A.

This concerns the highway system through the concession system, consisting of the sections of BR-364/365/GO/MG, at the junction section with BR-060 (Jataí/GO) and the junction with LMG-479 (western outline of Uberlândia/MG). The company signed the concession agreement with the National Land Transport Agency - ANTT on December 19, 2019, and the Term for Listing and Transferring Goods on January 20, 2020. The concession term is 30 years and will run until January 20, 2050.

2.4. Functional presentation currency

The items included in the financial statements of each of the Group's companies are measured using the currency of the main economic environment in which the company operates (the "functional currency").

The individual and consolidated financial statements are presented in R\$, which is the Company's functional currency and also the Group's presentation currency.

3. MAIN ACCOUNTING PRACTICES

The main accounting practices described below have been applied consistently to the years presented and to the Company's individual and consolidated financial statements:

a) Financial instruments

Financial assets and liabilities are recognized in the balance sheet of the Company and its direct and indirect subsidiaries when they are part of the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets and liabilities (except for financial assets and liabilities recognized at fair value through profit or loss) are added to or deducted from the fair value of financial assets or liabilities, if applicable, on recognition initial. Transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial assets

All recognized financial assets are subsequently measured in their entirety at amortized cost or fair value, depending on the classification of financial assets. The classification is made based on both the Company's business model for the management of the financial asset and the characteristics of the contractual cash flows of the financial asset.

Classification of financial assets

The debt instruments that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is maintained in a business model whose objective is to maintain financial assets in order to collect contractual cash flows; and

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- ii) The contractual terms of the financial asset generate, on specific dates, cash flows that refer exclusively to payments of the principal and interest on the principal amount outstanding.

The debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- i) The financial asset is maintained in a business model whose objective is achieved by collecting contractual cash flows and selling the financial assets; and
- ii) The contractual terms of the financial asset generate, on specific dates, cash flows that refer exclusively to payments of principal and interest on the principal amount outstanding. In general, all other financial assets are subsequently measured at fair value through profit or loss.

Amortized cost

The effective interest rate method is used to calculate the amortized cost of a debt instrument and allocate its interest income over the corresponding period.

For financial assets, except for financial assets subject to impairment acquired or originated (that is, assets subject to impairment at initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or deductions), excluding expected credit losses, during the estimated life of the debt instrument or, where appropriate, for a shorter period, for the gross book value of the debt instrument on the date of initial recognition. For financial assets subject to impairment acquired or originated, an effective interest rate restated to credit is calculated by discounting estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on the recognition date initial.

The amortized cost of a financial asset corresponds to the amount at which the financial asset is measured on the date of initial recognition, less the amortization of the principal, plus the accumulated amortization using the effective interest method of any difference between the initial value and maturity value, restated for any provision for losses.

The gross book value of a financial asset corresponds to the amortized cost of a financial asset before restating for any provision for losses. Interest income is recognized using the effective interest rate method for debt instruments measured subsequently at amortized cost. For financial assets, except for financial assets subject to impairment that is acquired or has originated, interest income is calculated by applying the effective interest rate to the gross book value of the financial asset, except for financial assets that subsequently become financial assets subject to impairment. For financial assets subsequently subject to impairment, the Company and its subsidiaries recognize interest income by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent periods, the credit risk of the financial instrument subject to impairment improves so that the financial asset is no longer subject to impairment, interest income is recognized by applying the effective interest rate to the amount accounting value of the financial asset.

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Interest income is recognized in the income statement and included in the item "financial income" (See Note 27).

Financial assets at fair value through comprehensive income

A financial asset is measured at fair value through comprehensive income if it satisfies the cash-flow criterion that it exclusively constitutes payments of principal and interest outstanding, and that is maintained in a business model whose objective is achieved both by obtaining contractual cash flows and the sale of the financial asset. Not applicable for the Company and its subsidiaries.

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss when the assets do not meet the classification criteria of the other previous categories or when on initial recognition it is designated to eliminate or reduce accounting mismatch.

Impairment of financial assets

The Company evaluates on the balance sheet dates if there is any objective evidence that determines whether the financial asset, or groups of financial assets, is not recoverable, based on one or more events that occurred after the initial recognition of the asset and has an impact on the flow estimated future cash flow of the financial asset, or group of financial assets, that can be reasonably estimated.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified at fair value through profit or loss when the financial liability is (i) a contingent consideration of a buyer in a business combination, (ii) held for trading, or (iii) designated at fair value through profit or loss.

Financial guarantee contracts

Financial guarantee agreements issued by the Company are agreements that require payment for the purpose of reimbursing the holder for losses incurred when the specified debtor fails to make the payment due under the terms of the corresponding debt instrument. Financial guarantee contracts are initially recognized as a liability at fair value, restated for transaction costs directly related to the issue of the guarantee. Subsequently, the liability is measured based on the best estimate of the expense required to settle the obligation present on the balance sheet date or at the recognized amount less amortization, whichever is greater.

Derecognition

A financial liability is derecognised when the obligation is revoked, canceled or expires. When an existing financial liability is replaced by another from the same lender with substantially

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different terms, or the terms of an existing liability are significantly changed, that replacement or change is treated as a write-off of the original liability and recognition of a new liability, the difference being in corresponding book values recognized in the income statement.

b) Evaluation of the recoverable value of non-financial assets

Management annually reviews the net book value of assets in order to assess events or changes in economic, operational or technological circumstances that may indicate impairment or impairment. If such evidence is identified and the net book value exceeds the recoverable value, a provision for impairment is set up, restating the net book value to the recoverable value.

The following criteria are applied to assess impairment losses on specific assets:

Goodwill paid for expected future profitability

Goodwill impairment testing is performed annually (as at December 31) or when circumstances indicate a loss due to impairment of book value. As at December 31, 2020 and 2019 there is no goodwill not amortized due to the terms defined in the concession agreements.

Intangible assets

Intangible assets with defined useful lives are tested for impairment annually on December 31, individually or at the cash-generating unit level, as the case may be or when circumstances indicate a loss due to impairment of book value.

The Company's concession agreements, substantially, highway concessions, are long-term and are subject to discussions and rebalancing with the granting authority. Consequently, changes may occur throughout their contractual life. In addition to the assessments of indications (internal or external) of impairment described in Notes 13 and 1.b), the Company reviews the cash-flow projections of its contracts annually in order to assess whether there is any indication that the unavoidable costs to satisfy contractual obligations exceed the economic benefits expected to be received over the contractual period. On December 31, 2020 and 2019, the Company carried out the relevant assessments and did not identify the need to recognize a provision for losses related to onerous contracts, as provided for in CPC 25 (Provisions, Contingent Liabilities and Contingent Assets).

c) General provisions

Provisions are recognized when the Company has a present obligation (legal or not formalized) as a result of a past event, economic benefits are likely to be required to settle the obligation and there is a reliable estimate of the obligation's value. When the Company expects the amount of a provision to be reimbursed, in whole or in part, the reimbursement is recognized as a separate asset, but only when the reimbursement is practically certain. The expense related to any provision is presented in the income statement.

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d) Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured by the sum of the consideration transferred, assessed based on the fair value on the acquisition date, and the value of any non-controlling interest in the acquired company. For each business combination, the acquirer must measure the non-controlling interest in the acquiree at fair value or based on its interest in the net assets identified in the acquiree. Costs directly attributable to the acquisition should be accounted for as an expense when incurred. Initially, goodwill is measured as the surplus of the consideration transferred in relation to the net assets acquired (identifiable assets acquired, net and liabilities assumed).

If the consideration is less than the fair value of the net assets acquired, the difference should be recognized as a gain in the income statement.

e) Restatement to present value of assets and liabilities

Long-term monetary assets and liabilities were brought to their present value on the date of the transactions, due to their terms, using the average rate of financial charges incurred when raising funds, both for customers and suppliers. The restatement to present value of short-term monetary assets and liabilities is calculated, and only recorded, if considered relevant in relation to the financial statements taken as a whole. For purposes of recording and determining relevance, the restatement to present value is calculated taking into account the contractual cash flows and the explicit interest rate, and in certain cases implicit, of the respective assets and liabilities.

f) Costs of loans, financing and debentures

The costs of loans, financing and debentures directly related to the acquisition, construction or production of an asset that necessarily requires a significant amount of time to be completed for purposes of use or sale are capitalized as part of the cost of the corresponding asset. All other costs of loans, financing and debentures are recorded as expenses in the year in which they are incurred.

g) Revenue from toll charges or rates arising from concession rights

These revenues are measured at the fair value of the consideration received or receivable, less any estimates of deductions. Revenue is recognized in the accrual period, that is, when users use the public goods that are the object of the concession. The rate values are agreed and restated annually based on each concession agreement.

The Company recognizes revenue when the amount can be reliably measured, it is likely that future economic benefits will flow to the Company and when specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into account the type of customer, the type of transaction and the specifications of each sale.

The Company has its own ticket control system and controls it by transaction, booth and toll plaza. Due to the high volume of traffic on the highways managed by the Company, revenue is recorded as follows: (i) tolls for electronic equipment (AVI): at the end of the month, after reconciliation with electronic collection operators, per day, by square and operator; (ii) cash

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tolls: daily, through cash deposits (exchanges), in smart safes and subsequently reconciled with the collection of the securities carrier; (iii) toll vouchers: daily, from the checking of the values of coupons declared by the operators at the time of settlement; and (iv) cards: daily, transaction by transaction.

h) New and revised standards and interpretations already issued and adopted

The accounting pronouncements and interpretations below, issued until December 31, 2020 by the International Accounting Standards Board - IASB, were applied by the Company in the financial statements for the year ended December 31, 2020.

Standard	Requirements	Impact on financial statements
IFRS Conceptual Framework for Financial Reporting (CPC 00 (R2) (effective from 01/01/2020)	In March 2018, the IASB issued the revision of the Conceptual Framework and the main changes refer to: definitions of assets and liabilities; criteria for recognition, write-off, measurement, presentation and disclosure for equity and income elements.	The Company's management assessed the impacts of IFRS and its adoption did not have a material impact on the financial statements.

i) New standards not yet in force

Standard	Requirements	Impact on financial statements
IFRS10 (CPC 36 (R3)) - Consolidated Statements and IAS 28 (CPC 18 (R2)) - Sale or contribution of assets between an investor and its associate or Joint Venture (term not yet defined by the IASB)	The amendments to IFRS 10 (CPC 36 (R3)) and IAS 28 (CPC 18 (R2)) deal with situations that involve the sale or contribution of assets between an investor and its affiliate or joint venture. Specifically, the gains and losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or joint venture accounted for using the equity method are recognized in the parent company's income only in proportion to the unrelated investor's interests in this affiliate or joint venture. Likewise, gains and losses resulting from investment remuneration retained in some former subsidiary (which has become an affiliate or joint venture accounted for using the equity method) at fair value are recognized in the result of the former parent in proportion to the investor's interests not listed in the new associate or joint venture. The effective date of the changes has not yet been defined by the IASB, however, early adoption of the changes is allowed.	The Company's management is evaluating the impacts of IFRS 10 and IAS 28 and understands that their adoption will not have a material impact on the financial statements.
IFRS 17 - Insurance agreements (effective from 01/01/2023)	IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and replaces IFRS 4 - Insurance Contracts (CPC 11). IFRS 17 describes the General Model, modified for insurance contracts with characteristics of direct participation, described as the Variable Rate Approach. The General model is simplified if certain criteria are met by measuring the liability for remaining coverage using the Premium Allocation Approach. The General Model uses current assumptions to estimate the value, term and uncertainty of future cash flows and explicitly measures the cost of this uncertainty, taking into account market interest rates and the impact of policyholders' options and guarantees.	The Company's management is evaluating the impacts of IFRS 17 and understands that its adoption will not have a material impact on the financial statements.

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Standard	Requirements	Impact on financial statements
Amendments to IAS 1 - Classification of liabilities as current or non-current (effective from 01/01/2023, early adoption permitted))	The changes to IAS 1 affect only the presentation of liabilities as current or non-current in the balance sheet and not the amount or the time of recognition of any asset, liability, income or expense, or the information disclosed about these items.	The Company's management is evaluating the impacts of IAS 1 and understands that its adoption will not have a material impact on the financial statements.
Amendments to IFRS 3 - Reference to the Conceptual Framework (effective as of 01/01/2022, but allows early adoption, provided that it adopts all other updated references (published together with the updated Conceptual Framework) on the same date or earlier)	The amendments update IFRS 3 so that it refers to the Conceptual Framework of 2018 instead of the Structure of 1989. They also include in IFRS 3 the requirement that, for obligations under the scope of IAS 37, the buyer applies IAS 37 to determine whether there is a present obligation on the acquisition date due to past events. For a tax within the scope of IFRIC 21 - Taxes, the buyer applies IFRIC 21 to determine whether the event that resulted in the obligation to pay the tax occurred up to the acquisition date. Finally, the amendments add an explicit statement that the buyer does not recognize contingent assets acquired in a business combination).	The Company's management is evaluating the impacts of IFRS 3 and believes that its adoption will not have a material impact on the financial statements.
Amendments to IAS 16 - Property, plant and equipment before intended use (effective as of 01/01/2022, early adoption permitted))	The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from the sale of items produced before the asset is available for use, that is, resources to bring the asset to the location and condition necessary for it to be able to operate in the intended manner by the Administration. Consequently, the entity recognizes these proceeds from the sale and corresponding costs in the result. The entity measures the cost of these items in accordance with IAS 32 - Inventories. The changes also clarify the meaning of 'testing whether an asset is functioning properly'. Currently, IAS 16 determines this as assessing whether the technical and physical performance of the asset is such that it can be used in the production or supply of goods or services, for rental by third parties, or for administrative purposes. If the separate statements are not presented in the statement of comprehensive income, the financial statements should disclose the values of the resources and costs included in the income corresponding to the items produced that are not a product of the entity's ordinary activities, and whose item (s) in the comprehensive income statement include(s) these resources and costs.	The Company's management is evaluating the impacts of IFRS 16 and understands that its adoption will not have a material impact on the financial statements.
Amendments to IAS 37 - Onerous contracts - Cost of contract compliance (effective from 01/01/2022, early adoption permitted))	The amendments specify that the 'contract compliance cost' comprises 'costs directly related to the contract'. Costs directly related to the contract comprise the incremental costs of fulfilling that contract (for example, employees or materials) and allocating other costs directly related to fulfilling contracts (for example, allocating depreciation expenses to an item of property, plant and equipment used in compliance with the contract). The amendments apply to contracts for which the entity has not yet fulfilled all of its obligations at the beginning of the annually period in which the entity applies the changes for the first time. The comparative figures are not restated. Instead, the entity will recognize the accumulated effect of the initial adoption of	The Company's management is evaluating the impacts of IFRS 37 and believes that its adoption will not have a material impact on the financial statements.

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Standard	Requirements	Impact on financial statements
	the changes as restating the opening balance of retained earnings (or another component of equity, as applicable) on the date of initial adoption.	
Annual Improvements to the 2018-2020 IFRS Cycle (effective from 01/01/2022, early adoption permitted))	The Annual Improvements include changes in four standards: IFRS 1 - Initial adoption of International Accounting Standards: The amendment provides for an additional measure for a subsidiary that becomes an initial adopter after its parent company with respect to accounting for accumulated translation differences. As a result of the change, the subsidiary that uses the exemption contained in IFRS 1: D16 (a) can now choose to measure the accumulated translation differences for all operations abroad at the book value that would be included in the parent company's consolidated financial statements, with based on the date of transition of the subsidiary to IFRS standards, if no restatement is made in relation to the consolidation procedures and effects of the business combination in which the subsidiary acquired the subsidiary. A similar option is available for an associate or joint venture that uses the exemption contained in IFRS 1: D16 (a). IFRS 9 - Financial Instruments: The amendment clarifies that when applying the "10% test" to assess whether the financial liability should be written off, the entity includes only the fees paid or received between the entity (debtor) and the creditor, including fees paid or received by the entity or creditor on behalf of the other party. The change is applicable prospectively to changes and exchanges that occur on or after the date on which the entity first applies the change. IFRS 16 - Leases: The amendment excludes the example of reimbursement of improvements to third party properties. Since the amendment to IFRS 16 is only an illustrative example, no effective date is defined. IAS 41 - Agriculture: The amendment excludes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the measurement of fair value in IAS 41 with the requirements in IFRS 13 - Measurement of fair value for the purpose of using cash flows and internally consistent discount rates and allows preparers to determine whether to use cash flows before or after the taxes and discount rates to measure the most appropriate fair value. The change is applicable prospectively, that is, measurements of fair value on or after the date on which the entity initially applies the change.	The company's management is evaluating the impacts of IFRS 1, IFRS 9, IFRS 16 and IAS 41 and understands that their adoption will not have a material impact on the financial statements.

j) Basic and diluted earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of common shares issued during the year, excluding common shares purchased by the Company and held as treasury shares.

Diluted earnings (loss) per share are calculated by restating the weighted average number of outstanding common shares, assuming the conversion of all potential common shares that would cause dilution. The Company has only one category of potential common shares that would cause dilution: the stock option plan.

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k) Employee benefits - Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity (pension fund) and is under no obligation to pay additional amounts. Liabilities for contributions to defined contribution pension plans are recognized as employee benefit expenses in the income statement in the periods during which services are provided by employees.

l) Statements of added value (DVA)

The presentation of the DVA, individual and consolidated, is required by the Brazilian corporate law and the accounting practices adopted in Brazil applicable to publicly-held companies. The DVA was prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Added Value". IFRS does not require the presentation of this statement. As a consequence, by IFRS, this statement is presented as supplementary information, without prejudice to the set of financial statement.

4. MAIN USE OF ESTIMATES AND JUDGMENT

The Company's management establishes judgments, estimates and assumptions regarding events in the future. These judgments, estimates and assumptions that present a significant risk, with the probability of causing a relevant restatement in the book values of assets and liabilities for the next financial year, are contemplated below:

- Discount rate: the determination of discount rates to present value used in the measurement of certain current and non-current assets and liabilities;
- Amortization rate: the determination of the amortization rates of intangible assets obtained through economic studies of traffic projections;
- Provisions: determination of provisions for maintenance, determination of provisions for future investments arising from concession agreements whose economic benefits are diluted in the present toll rates, provisions for civil, labor and tax losses, losses related to accounts receivable and preparation of projections for realization of deferred income tax and social contribution; and
- Impairment: Management reviews the net book value of assets annually in order to assess events or changes in economic, operational or technological circumstances that may indicate impairment or loss of their recoverable value. If such evidence is identified and the net book value exceeds the recoverable value, a provision for impairment is set up, restating the net book value to the recoverable value.

Accounting for Concession Agreements

When accounting for Concession Agreements, the Company performs analyses that involve Management's judgment, substantially with regard to the applicability of the interpretation of Concession Agreements, determination and classification of improvement and construction expenses as intangible assets and evaluation of future economic benefits, for the purpose of determining when to recognize the intangible assets generated in the

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Concession Agreements. The disclosures for each Concession Agreement of the Company's direct and indirect subsidiaries and their characteristics are described in Note 2.3.

Moment of recognition of intangible assets

The Company's Management assesses the moment of recognition of intangible assets based on the economic characteristics of each Concession Agreement. Accounting for subsequent additions to the intangible asset will only occur when the related service is rendered and it represents the potential for generating additional revenue. For these cases, for example, the construction obligation is not recognized when the contract is signed, but will be recognized at the time of construction, in return for the intangible asset.

Determination of the annual amortization charge of intangible assets arising from the Concession Agreements

The Company recognizes the effect of amortization of intangible assets resulting from the Concession Agreements limited to the final term of the respective concessions, except for the direct subsidiary Ecoporto Santos SA, where the Company previously considered the concession term assuming it would be renewed, but due to the high probability of non-renewal, started to consider the concession's deadline without its renewal. The calculation is made according to the consumption pattern of the economic benefit it generates, which normally occurs due to the traffic curve. Thus, the amortization rate is determined by means of economic studies that seek to reflect the projected growth in highway traffic and the generation of future economic benefits from each concession agreement. The Company uses models to study and project traffic on the highways under its concession.

Determination of construction revenue

Construction revenue is recognized at its fair value, as well as the respective costs transformed into expenses related to the construction service provided. According to ICPC (Interpretation of the Accounting Pronouncements Committee) 01, whenever a public service concessionaire performs works, even if contractually provided for, it performs construction services, and these may have two types of remuneration, or for receiving the values of the Granting Authority (financial asset), or for the remuneration of the toll rate (intangible asset). For this last modality, which is the case for all highway concessionaires managed by the Company, construction revenue must be recognized at fair value, and the respective costs transformed into expenses related to the construction service provided. When accounting for construction margins, the Company's Management assesses issues related to the primary responsibility for providing construction services, even in cases where there is outsourcing of services, management costs and/or monitoring the work and EcoRodovias Group's company that performs the construction services. The Company's Management understands that the contracting of construction services is carried out at market value, therefore, it does not recognize profit margin in construction activities, being this market practice of highway concession companies.

Capitalization of borrowing costs

As described in Note 3.f, the Group capitalizes the costs of loans, financing and debentures directly attributable to the acquisition, construction or production of qualifying assets. The capitalization rate is obtained individually in each concessionaire, dividing the average

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balance of works in progress by the average balance of loans, financing and debentures, at the end of each month.

Determination of the restatement to the present value of certain assets and liabilities

Management assesses and recognizes in accounting the effects of restatement to present value taking into account the value of money over time and the uncertainties associated with them. As at December 31, 2020 and 2019, the assets and liabilities subject to restatement to present value, as well as the main assumptions used by Management for their measurement and recognition, were as follows:

- a) Provision for maintenance and construction of future works resulting from the estimated expenses, to comply with the contractual obligations of the concessions whose economic benefits are already being earned by the Company, and provision for maintenance resulting from the estimated costs to fulfill the contractual obligations of the concessions related to use and maintenance of highways at pre-established levels of use. The measurement of the present values of these provisions was calculated using the cash flow projection method on the dates when the outflow of resources is estimated, to meet the respective obligations (estimated for the entire concession period), and discounted through the application of the discount rate, which varies between 8.37% and 10.50% per year, as they are calculated individually for each concessionaire of the EcoRodovias Group. The determination of the discount rate used by the Administration is based on the weighted average cost of capital (CMPC) (weighted average cost of capital – WACC in the English acronym) calculated by external consultants.
- b) Obligations with the Granting Power arising from obligations incurred by the Company related to the right to grant. The measurement and criteria of the respective values are detailed in Explanatory Note No. 21.

5. NEW STANDARDS, CHANGES AND INTERPRETATIONS OF STANDARD.

Existing standards, changes and interpretations with initial adoption on January 1, 2020 have no material impact on the Company's financial statements.

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6. CASH AND CASH EQUIVALENTS

Accounting policy

The Company considers cash equivalents to be a financial investment that is immediately convertible into a known amount of cash and is subject to an insignificant risk of change in value and for use in short-term commitments.

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Cash and banks	16	18	24,510	215,084
Financial investments:				
Investment fund (a)	5,625	15,168	1,122,319	1,090,626
Committed operations (b)	-	-	6,965	34,459
CDB bank deposit certificate (c)	-	-	171,694	473,532
Automatic applications (d)	177	89	16,731	42,547
	<u>5,818</u>	<u>15,275</u>	<u>1,342,219</u>	<u>1,856,248</u>

(a) Investment fund, which falls into the category "fixed income - private credit", according to the current regulation, whose investment policy has as the main risk factor the variation of the domestic interest rate or price index, or both, and which aims to increase the value of its shares through the application of resources in a conservative profile portfolio. It can be redeemed at any time, without significant loss of value.

In view of the scenario declared by WHO in March 2020, the outbreak of COVID-19 and since governments have taken restrictive measures whose potential to affect the economy is significant. As a result of the uncertainties of the economic market, the Company, with the aim of preserving the transparency and conservatism of financial assets and aiming at cash management, went through a review of financial investments, readjusting the investment fund's portfolio to ensure the Company's cash was sufficient.

The Fund may not invest in speculative transactions or transactions that expose it to obligations in excess of its equity value. The Fund also cannot invest in certain assets, such as stocks, stock index and derivatives.

As at December 31, 2020, the Investment Fund's portfolio consisted of 95.6% in Bank Deposit Certificates (CDB), 4.4% in Repurchase Agreements (see Note 7). (On December 31, 2019, the Securities Fund's portfolio was composed of 44% in Bank Deposit Certificates (CDB), 8.8% in Repurchase Agreements, 47.2% in Treasury Financial Bills (LFT)).

Financial investments linked to investment funds were remunerated at the rate of 101% on December 31, 2020 (98% on December 31, 2019) of the Interbank Deposit Certificate (CDI), and reflect market conditions on the dates of the balance sheets.

- (a) Funds linked to committed financial investments were remunerated at the rate of 75% of the CDI on December 31, 2020 (75% on December 31, 2019), without the risk of

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significant change in value. This application has immediate liquidity and is applied in the very short term, being used before 30 days and does not suffer the incidence of IOF.

- (b) Funds linked to financial investments in bank deposit certificates (CDB) are remunerated at a weighted average rate of 101.2% of the CDI on December 31, 2020, without the risk of significant loss in value. This application has immediate liquidity.
- (c) In addition to the modalities mentioned above, the Company also has automatic investments, in which the funds available in the current account are automatically applied and remunerated according to the permanence scale and which can vary from 2% to 100% of the CDI, the group maintains only minimum balance in this modality, and on a daily basis the excess volume is allocated to more profitable investments.

7. FINANCIAL INVESTMENTS

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Unbound resources	260	1,470	51,791	105,678
	260	1,470	51,791	105,678

The funds refer to financial investments in LTN over (National Treasury Bills) remunerated at the rate of 101% of the Interbank Deposit Certificate (CDI), and reflect the market conditions on the balance sheet dates. These investments have immediate liquidity.

8. FINANCIAL INVESTMENTS - RESERVE ACCOUNT - CONSOLIDATED

Financial investments - reserve account, are temporary current investments, represented by highly liquid securities:

	12/31/2020	12/31/2019
Investment fund (a)	88,201	66,963
Bank deposit certificate (CDB) (b)	39,288	39,953
	127,489	106,916
Current	62,532	56,614
Non-current	64,957	50,302

- (a) The Investment Fund is remunerated at the weighted average rate of 133.2% of the CDI on December 31, 2020 (96.8% on December 31, 2019).

- (b) The Bank Deposit Certificate (CDB) is remunerated at a weighted average rate of 91.4% of the CDI on December 31, 2020 (98% of the CDI on December 31, 2019).

"Financial investments - reserve account" reflect market conditions on the balance sheet dates. Although the investments have immediate liquidity, they were classified as "financial investments - reserve account", as they are linked to the financing contracts of the National

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Bank for Economic and Social Development - BNDES and Debentures as guarantee for part of the payment of interest and principal of the indirect subsidiaries Rodovias Ayrton Senna e Carvalho Pinto S.A., for Eco101 Concessionária de Rodovias S.A., Concessionaire Ponte-Rio Niterói - EcoPonte, Eco050 - Concessionária de Rodovias S.A. and Eco135 Concessionária de Rodovias S.A., for BNDES and Ecoporto Santos S.A. operations to guarantee CETESB.

9. CLIENTS - CONSOLIDATED

The composition is thus represented:

	12/31/2020	12/31/2019
Electronic toll (a)	147,389	135,454
Accessory revenue (b)	1,865	1,707
Receivables from ports (c)	21,752	17,628
Other accounts receivable	20,449	15,815
Estimated losses on allowance for loan losses - PECLD (d)	(7,848)	(5,855)
	<u>183,607</u>	<u>164,749</u>

(a) Represented by services provided to users related to toll fees that will be passed on to concessionaires and credits receivable from toll vouchers.

(b) (b) Represented, substantially, exploitation of the right-of-way of the highways, rental of advertising panels and other services provided for in the concession agreements.

(c) (c) Represented invoices receivable from customers for handling storage and for repairing empty containers.

(d) (d) The amount of estimated allowance for loan losses is updated at the end of each year to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The aging list of accounts receivable was as follows:

	12/31/2020	12/31/2019
To mature	180,863	157,757
Due:		
Up to 30 days	2,813	4,276
From 31 to 90 days	1,752	2,349
From 90 to 120 days	253	368
Over 120 days	5,774	5,855
	<u>191,455</u>	<u>170,604</u>

The movement of the year in the estimated losses on allowance for loan losses is shown below:

	12/31/2020	12/31/2019
Balance at beginning of the year	5,855	3,526
Ecopátio Consolidation	-	1,582
Values recovered and written off	(3,151)	(1,663)
Constitution of PECLD	5,144	2,410
Balance at end of the year	<u>7,848</u>	<u>5,855</u>

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10. JUSICIAL DEPOSITS

The nature of judicial deposits is:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
<u>Nature:</u>				
Civil	66	64	8,606	6,795
Tax	-	-	5,932	5,900
Labor	25	5	23,297	22,481
Environment	-	-	61,783	60,425
Expropriations	-	-	23,806	23,735
THC2 – <i>Terminal Handling Charge</i>	-	-	83,083	81,858
Federal Public Ministry - MPF-PR	-	-	-	2,360
Others (Distribell S.A.)	2,575	2,456	2,575	2,456
	<u>2,666</u>	<u>2,525</u>	<u>209,082</u>	<u>206,010</u>

The main causes that resulted in the judicial deposits described above are disclosed in Note 23 Provision for civil, labor and tax losses.

Judicial deposits, which represent the Company's restricted assets, correspond to amounts deposited and held in court until the resolution of the disputes to which they are related.

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Balance at beginning of the year	2,525	2,448	206,010	189,732
Ecopátio Consolidation	-	-	-	618
Acquisition of participation	-	-	-	820
Additions	21	15	6,264	199,229
Write-offs	-	(11)	(6,164)	(192,271)
Restatement	120	73	2,972	7,882
Balance at end of the year	<u>2,666</u>	<u>2,525</u>	<u>209,082</u>	<u>206,010</u>

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11. INVESTMENTS

a) Parent Company

	Direct subsidiaries							
	Investees values		Direct interest percentage		Investment		Equity	
	12/31/2020		- %					
	Net equity	Result of the year	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Ecorodovias Concessões e Serviços S.A.	1,148,957	415,389	100	100	1,148,957	973,590	415,589	109,112
Ecoporto Santos S.A.	105,162	(327,057)	100	100	105,162	357,219	(327,057)	3,515
ELG-01 Participações Ltda.	64,216	(296)	100	100	64,216	56,237	(296)	(2,313)
Termares - Terminais Marítimos Especializados Ltda.	13,945	(3,250)	100	100	13,945	12,695	(3,250)	(3,731)
Consórcio Rota do Horizonte S.A.	828	(20)	20	20	166	250	(4)	10
EIL-01 Participações Ltda.	359	5	100	100	359	354	5	11
Concessionária do Rodoanel Norte S.A. - Ecorodoanel	15,562	157	100	-	15,562	15,305	157	(24,237)
Ecopátio Logística Cubatão Ltda.	73,350	2,697	100	-	73,350	70,653	2,697	(3,790)
Unrealized profits Eco101	(891)	52	-	-	(891)	(943)	52	52
Unrealized profits Ecoporto	-	862	-	-	-	(862)	862	-
					1,420,826	1,484,498	88,755	78,629

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The movement of investments in the year ended December 31, 2020 is shown below:

	12/31/2019	Dividends and interest on proposed equity	Capital contribution	Capital reduction	Equity Equivalence	12/31/2020
Ecorodovias Concessões e Serviços S.A.	973,590	(240,222)	-	-	415,589	1,148,957
Ecoporto Santos S.A.	357,219	-	75,000	-	(327,057)	105,162
ELG-01 Participações Ltda.	56,237	-	8,275	-	(296)	64,216
Termares Terminais Marítimos Especializados Ltda.	12,695	-	4,500	-	(3,250)	13,945
Consórcio Rota do Horizonte S.A.	250	-	-	(80)	(4)	166
EIL-01 Participações Ltda.	354	-	-	-	5	359
Concessionária do Rodoanel Norte S.A. – Ecorodoanel (a.i)	15,305	-	100	-	157	15,562
Ecopátio Logística Cubatão Ltda.	70,653	-	-	-	2,697	73,350
Unrealized profits Eco101	(943)	-	-	-	52	(891)
Unrealized profits Ecoporto	(862)	-	-	-	862	-
	<u>1,484,498</u>	<u>(240,222)</u>	<u>87,875</u>	<u>(80)</u>	<u>88,755</u>	<u>1,420,826</u>

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The movement of investments in the year ended December 31, 2019 is shown below:

	31/12/2018	Ecopátio	Proposed dividends and interest on equity	Capital contribution /AFAC	Equity equivalence (previous years))	Equity equivalence	12/31/2019
Ecorodovias Concessões e Serviços S.A.	1,022,255	-	(197,777)	40,000	-	109,112	973,590
Ecoporto Santos S.A.	332,704	-	-	21,000	(1,801)	5,316	357,219
ELG-01 Participações Ltda.	56,050	-	-	2,500	-	(2,313)	56,237
Termares Terminais Marítimos Especializados Ltda.	16,426	-	-	-	-	(3,731)	12,695
Consórcio Rota do Horizonte S.A.	1,105	-	(865)	-	-	10	250
EIL-01 Participações Ltda.	343	-	-	-	-	11	354
Concessionária do Rodoanel Norte S.A. - Ecorodoanel (a.i)	(7,758)	-	-	47,300	-	(24,237)	15,305
Ecopátio Logística Cubatão Ltda.	-	74,443	-	-	-	(3,790)	70,653
Unrealized profits Eco101	(995)	-	-	-	-	52	(943)
Unrealized profits Ecoporto	(862)	-	-	-	-	-	(862)
	1,419,268	74,443	(198,642)	110,800	(1,801)	80,430	1,484,498

a.i) Concessionária do Rodoanel Norte S.A. - Ecorodoanel - On January 10, 2018, the Company was ranked first in International Competition No. 01/2017 for the concession of public operating, maintenance and investment services such as the implantation of traffic equipment and customer service on the Northern Section of the Mário Covas Ring Road for a period of 30 years from the signing of the contract. The classification was due to the higher value of the fixed grant offered, corresponding to R\$ 883,000. On December 18, 2020, through a Material Fact disclosed to the market, the Company informed that it became aware of the decision of the Management Council for Public-Private Partnerships / CGPPP, disclosed in the Official Gazette of the State of São Paulo, for the formation of a Group of Work to structure and consolidate a new model for the concession of public services for the road section of the North Ring Road, contemplating the completion of the works necessary for the completion of the section and also for not carrying out a new substation of the International Competition 01/2017 (North Ring Road), by ARTESP, maintaining the effective term until December 31, 2020.

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b) Consolidated

	12/31/2020		Direct interest - %		Investment		Equity Equivalence	
	Net equity	Result of the year	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Consórcio Rota do Horizonte S.A.	828	(20)	20%	20%	166	250	(4)	10
					166	250	(4)	10

c) The balances of goodwill in the Parent Company classified as "other corporate investments" (reclassified to intangible and fixed assets in Consolidated) are as follows:

	12/31/2019	Amortization	Impairment (*)	12/31/2020
Goodwill – Ecosul	3,210	(513)	-	2,697
Added Value – Anish	37,744	-	-	37,744
Goodwill – Ecoporto - (concession right)	318,262	(11,076)	(307,186)	-
	359,216	(11,589)	(307,186)	40,441

	31/12/2018	Amortization	Impairment	12/31/2019
Goodwill – Ecosul	3,724	(514)	-	3,210
Added Value - Anish	37,744	-	-	37,744
Goodwill – Ecoporto – (concession right)	329,338	(11,076)	-	318,262
	370,806	(11,590)	-	359,216

(*) See Explanatory Note No. 1.b)

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d) The Company presents below the main balances of its subsidiaries as at December 31, 2020:

	ASSETS	Current Assets	Non-current assets	LIABILITIES	Current Liabilities	Non-current Liabilities	Net equity / (Overdue Liabilities)
<u>Direct subsidiaries</u>							
EIL01	359	359	-	359	-	-	359
Ecorodovias Concessões	5,477,836	827,483	4,650,353	5,477,836	1,013,329	3,315,550	1,148,957
Ecoporto Santos	411,412	42,587	368,825	411,412	195,785	110,465	105,162
Termares	38,269	18,465	19,804	38,269	14,178	10,146	13,945
Ecorodoanel	15,666	108	15,558	15,666	104	-	15,562
ELG01	64,216	76	64,140	64,216	-	-	64,216
Ecopátio	76,131	18,683	57,448	76,131	1,451	1,330	73,350
<u>Indirect subsidiaries</u>							
Ecovia	317,631	242,190	75,441	317,631	95,243	14,277	208,111
Ecosul	432,959	45,017	387,942	432,959	321,001	12,647	99,311
Ecovias	1,943,930	157,228	1,786,702	1,943,930	196,025	1,158,042	589,863
Ecocataratas	399,264	219,514	179,750	399,264	202,550	71,033	125,681
Ecopistas	1,567,223	90,728	1,476,495	1,567,223	256,842	692,698	617,683
Eco101	1,218,589	31,389	1,187,200	1,218,589	136,441	435,203	646,945
Ecoponte	704,842	104,168	600,674	704,842	38,779	463,227	202,836
Eco135	1,166,090	73,153	1,092,937	1,166,090	98,932	1,067,432	(274)
EIL02	1	1	-	1	-	-	1
Anish	64,333	377	63,956	64,333	92	312	63,929
Paquetá	11,048	48	11,000	11,048	-	-	11,048
Argovias	481,833	377	481,456	481,833	110	-	481,723
Eco050	1,444,805	54,139	1,390,666	1,444,805	97,296	866,053	481,456
Ecovia do Cerrado	654,858	313,975	340,883	654,858	35,230	11,057	608,571

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	Net revenue	Costs of services provided	Gross Profit/(loss)	Overhead expenses	Investments amortization	Other net income / (expenses)	Equity equivalence	Operating profit/(Loss) before financial result	Financial result	Operating profit/(Loss) before taxes	Income tax and social contribution	Net Profit/(Loss) of the year
<u>Direct subsidiaries</u>												
EIL01	-	-	-	-	-	-	-	-	7	7	(2)	5
Ecorodovias Concessões	246,562	(140,650)	105,912	(73,208)	(15,334)	(3,044)	549,294	563,620	(196,917)	366,703	48,886	415,589
Ecoporto Santos	110,805	(81,110)	29,695	(30,785)	-	(75,448)	-	(76,538)	(17,340)	(93,878)	(233,179)	(327,057)
Termares	58,824	(42,990)	15,834	(19,107)	-	12	-	(3,261)	(590)	(3,851)	601	(3,250)
Ecorodoanel	-	-	-	(203)	-	-	-	(203)	392	189	(32)	157
ELG01	-	-	-	-	-	-	(302)	(302)	7	(295)	(1)	(296)
Ecopátio	27,770	(17,760)	10,010	(7,073)	-	5	-	2,942	125	3,067	(370)	2,697
<u>Indirect subsidiaries</u>												
Ecovia	311,209	(138,474)	172,735	(17,075)	-	5	-	155,665	(982)	154,683	(51,867)	102,816
Ecosul	363,829	(189,228)	174,601	(17,775)	-	10	-	156,836	(11,344)	145,492	(48,790)	96,702
Ecovias	1,037,347	(341,240)	696,107	(52,927)	-	(30)	-	643,150	(84,084)	559,066	(183,584)	375,482
Ecocataratas	330,569	(204,208)	126,361	(18,304)	-	8	-	108,065	(10,800)	97,265	(39,342)	57,923
Ecopistas	296,763	(157,448)	139,315	(20,643)	-	17	-	118,689	(64,327)	54,362	(16,042)	38,320
Eco101	337,136	(310,922)	26,214	(59,039)	-	(2)	-	(32,827)	(23,213)	(56,040)	902	(55,138)
Ecoponte	240,696	(188,900)	51,796	(13,311)	-	(1)	-	38,484	(34,205)	4,279	(1,506)	2,773
Eco135	279,713	(123,257)	156,456	(10,732)	-	(1)	-	145,723	(189,387)	(43,664)	13,585	(30,079)
Anish	20	-	20	9	-	-	(184)	(155)	(147)	(302)	-	(302)
Paquetá	-	-	-	(176)	-	-	-	(176)	(8)	(184)	-	(184)
Argovias	-	-	-	(18)	-	-	(7,632)	(7,650)	(2)	(7,652)	-	(7,652)
Eco050	365,846	(302,335)	63,511	(15,273)	-	1,656	-	49,894	(60,872)	(10,978)	3,346	(7,632)
Ecovia do Cerrado	261,783	(274,586)	(12,803)	(14,243)	-	-	-	(27,046)	6,083	(20,963)	7,101	(13,862)

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12. PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Property, plant and equipment are stated at historical cost less depreciation and impairment losses, if applicable. An item of property, plant and equipment is written off when sold or when no future economic benefit is expected from its use or sale. Any gain or loss resulting from the write-off of the asset is recorded in the income statement in the year in which the asset is written off. The residual value and useful life of the assets and the depreciation methods are reviewed at the end of each year and adjusted prospectively. Depreciation is calculated using the straight-line method at rates that take into account the estimated useful life. The tables below show the annual rates and average depreciation rates for each group of property, plant and equipment.

a) Parent Company

	<i>Hardware</i>	Machinery and equipment	Furniture and utensils	Buildings	Others	Total
Annual depreciation rate - %	20.0	10.0	10.0	4.0	-	-
Weighted average depreciation rate - %	5.35	1.1	2.4	3.9	9.1	-

COST

Balances on 12/31/2019	1,616	264	549	1,956	3,420	7,805
Additions	173	-	2	-	50	225
Balances on 12/31/2020	1,789	264	551	1,956	3,470	8,030

DEPRECIATION

Balances on 12/31/2019	(1,393)	(255)	(501)	(986)	(2,686)	(5,821)
Additions	(91)	(3)	(13)	(76)	(312)	(495)
Balances on 12/31/2020	(1,484)	(258)	(514)	(1,062)	(2,998)	(6,316)

RESIDUAL

On 12/31/2020	305	6	37	894	472	1,714
On 12/31/2019	223	9	48	970	734	1,984

	<i>Hardware</i>	Machinery and equipment	Furniture and utensils	Buildings	Others	Total
Annual depreciation rate - %	20,0	10,0	10,0	4,0	-	-
Weighted average depreciation rate - %	4,6	1,1	2,4	3,9	9,1	-

COST

Balances on 31/12/2018	1,477	264	549	1,956	3,626	7,872
Additions	173	-	-	-	15	188
Write-offs	(34)	-	-	-	(221)	(255)
Balances on 12/31/2019	1,616	264	549	1,956	3,420	7,805

DEPRECIATION

Balances on 31/12/2018	(1,322)	(252)	(488)	(910)	(2,374)	(5,346)
Additions	(71)	(3)	(13)	(76)	(312)	(475)
Balances on 12/31/2019	(1,393)	(255)	(501)	(986)	(2,686)	(5,821)

RESIDUAL

On 12/31/2019	223	9	48	970	734	1,984
On 31/12/2018	155	12	61	1,046	1,252	2,526

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b) Consolidated

	Hardware	Machinery and equipment	Furniture and utensils	Lands	Buildings	Fixed assets in progress	Improvements	Vehicles	Facilities	Others	Total
Annual depreciation rate - %	20.0	10.0	10.0	-	10.0	-	4.0	20.0	10.0	-	-
Weighted average depreciation rate - %	6.5	2.7	6.7	-	4.7	-	3.2	9.5	9.7	3.5	-
CUSTO											
Balances on 12/31/2019	397,268	319,957	27,738	70,554	95,313	-	257,591	30,295	27,199	19,627	1,245,542
Additions	57,390	5,172	1,980	-	-	28	1,005	518	3,134	1,912	71,139
Write-offs	(4,975)	(2,711)	(2,818)	-	-	-	-	(8,580)	(35)	(1,131)	(20,250)
Transfers	(724)	(5,263)	(165)	37,744	564	(28)	307	285	2,887	788	36,395
Balances on 12/31/2020	448,959	317,155	26,735	108,298	95,877	-	258,903	22,518	33,185	21,196	1,332,826
DEPRECIACÃO											
Balances on 12/31/2019	(340,460)	(152,524)	(20,096)	-	(51,830)	-	(89,225)	(25,209)	(10,055)	(10,719)	(700,118)
Additions	(27,122)	(8,517)	(1,735)	-	(4,497)	-	(8,167)	(2,123)	(3,065)	(715)	(55,941)
Write-offs	4,855	3,412	2,639	-	-	-	-	7,325	31	6	18,268
Impairment	(850)	(13,910)	(546)	-	-	-	(143,240)	(867)	(5,071)	-	(164,484)
Transfers	2,090	5,878	151	-	(328)	-	(308)	73	(2,621)	(2,403)	2,532
Balances on 12/31/2020	(361,487)	(165,661)	(19,587)	-	(56,655)	-	(240,940)	(20,801)	(20,781)	(13,831)	(899,743)
RESIDUAL											
On 12/31/2020	87,472	151,494	7,148	108,298	39,222	-	17,963	1,717	12,404	7,365	433,083
On 12/31/2019	56,808	167,433	7,642	70,554	43,483	-	168,366	5,086	17,144	8,908	545,424

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	Hardware	Machinery and equipment	Furniture and utensils	Lands	Buildings	Fixed assets in progress	Improvements	Vehicles	Facilities	Others	Total
Annual depreciation rate - %	20.0	10.0	10.0	-	10.0	-	4.0	20.0	10.0	-	-
Weighted average depreciation rate - %	7.9	5.1	7.5	-	42.4	-	3.4	23.1	29.0	6.9	-
COST											
Balances on 31/12/2018	285,354	280,474	27,746	55,164	21,703	69,837	225,970	21,083	10,495	22,983	1,020,809
Ecopátio Consolidation	6,166	12,631	859	189	84,698	-	21,597	-	16,175	1,303	143,618
Interest Acquisition	85,169	5,307	775	-	-	-	-	11,957	-	1,541	104,749
Additions	14,389	6,337	1,177	15	-	69	475	468	2,919	3,245	29,094
Write-offs	(327)	(2,045)	(40)	-	-	-	-	(3,326)	(6)	(1,652)	(7,396)
Transfers	6,517	17,253	(2,779)	15,186	(11,088)	(69,906)	9,549	113	(2,384)	(7,793)	(45,332)
Balances on 12/31/2019	397,268	319,957	27,738	70,554	95,313	-	257,591	30,295	27,199	19,627	1,245,542
DEPRECIATION											
Balances on 31/12/2018	(251,427)	(128,688)	(17,385)	-	(3,171)	-	(71,079)	(15,982)	(1,058)	(8,487)	(497,277)
Ecopátio Consolidation	(5,745)	(9,266)	(520)	-	(44,163)	-	(10,223)	-	(6,228)	(786)	(76,931)
Interest Acquisition	(59,985)	(1,270)	(306)	-	-	-	-	(7,585)	-	(406)	(69,552)
Additions	(23,559)	(15,345)	(1,925)	-	(4,496)	-	(7,923)	(4,184)	(2,769)	(1,040)	(61,241)
Write-offs	256	2,045	40	-	-	-	-	2,542	-	-	4,883
Transfers	-	-	-	-	-	-	-	-	-	-	-
Balances on 12/31/2019	(340,460)	(152,524)	(20,096)	-	(51,830)	-	(89,225)	(25,209)	(10,055)	(10,719)	(700,118)
RESIDUAL											
On 12/31/2019	56,808	167,433	7,642	70,554	43,483	-	168,366	5,086	17,144	8,908	545,424
On 31/12/2018	33,927	151,786	10,361	55,164	18,532	69,837	154,891	5,101	9,437	14,496	523,532

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As at December 31, 2020, some assets (from fixed assets), classified under the item "vehicles" (trucks and trailers), were linked as guarantee for loans and financing. There are no guarantees of this nature for the debentures.

Management has not identified significant differences in the useful lives of the assets that comprise its property, plant and equipment and that of its subsidiaries.

No losses related to the non-recovery of tangible assets were identified and recorded in the years ended December 31, 2020 and 2019.

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13. INTANGIBLE ASSETS

Accounting policy

Intangible assets acquired separately are measured at cost at the time of their initial recognition. After initial recognition, intangible assets are stated at cost, less accumulated amortization and accumulated impairment losses. The tables below show the annual rates and average amortization rates for each group of intangible assets.

The amortization of intangible assets arising from concession rights is recognized in the result through the projection of the traffic curve estimated by the concession period from the date on which they are available for use, since this method is the one that most reflects the standard consumption of future economic benefits incorporated into the asset.

Goodwill that has been allocated to the concession rights, as well as those related, but that have not been directly allocated to the concession or other assets and liabilities, and that have the economic benefit limited to the time (defined term) due to the right to concession with defined useful life, make up the balance of intangible assets and are amortized according to the same criteria described in the previous paragraph.

a) Parent Company

	Third-party Software	Right of use - CPC06 (R2) (c)	Total
Annual depreciation rate - %	20.0	-	-
Weighted average depreciation rate - %	3.2	-	-
COST			
Balances on 12/31/2019	1,109	-	1,109
Additions	66	-	66
Right of use - CPC06 (R2)	-	897	897
Balances on 12/31/2020	1,175	897	2,072
AMORTIZATION			
Balances on 12/31/2019	(1,046)	-	(1,046)
Additions	(37)	(813)	(850)
Balances on 12/31/2020	(1,083)	(813)	(1,896)
RESIDUAL			
On 12/31/2020	92	84	176
On 12/31/2019	63	-	63

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	Third-party Software	Total
Annual depreciation rate - %	20.0	-
Weighted average depreciation rate - %	10.2	-
COST		
Balances on 31/12/2018	1,091	1,091
Additions	18	18
Balances on 12/31/2019	1,109	1,109
AMORTIZATION		
Balances on 31/12/2018	(934)	(934)
Additions	(112)	(112)
Balances on 12/31/2019	(1,046)	(1,046)
RESIDUAL		
On 12/31/2019	63	63
On 31/12/2018	157	157

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b) Consolidated

	Concession agreements (a)	Goodwill Ecosul	Third-party Software	Intangible progress (c)	Goodwill ELG- 01	Others	Right of Use - CPC06 (R2)	Total
Annual depreciation rate - %	-	-	20.0	-	-	-	-	-
Weighted average depreciation rate - %	(b)	-	8.7	-	-	4.2	-	-
COST								
Balances on 12/31/2019	9,922,527	8,561	164,370	1,286,901	37,744	1,080	15,357	11,436,540
Additions	243,059	-	11,969	831,209	-	-	-	1,086,237
Write-offs	(5,049)	-	(40)	(1,108)	-	-	(2)	(6,199)
Transfers	1,001,403	-	634	(1,001,206)	(37,744)	518	-	(36,395)
Right of Use - CPC06 (R2)	-	-	-	-	-	-	58,510	58,510
Balances on 12/31/2020	11,161,940	8,561	176,933	1,115,796	-	1,598	73,865	12,538,693
AMORTIZAÇÃO								
AMORTIZATION								
Balances on 12/31/2019	(3,402,260)	(5,214)	(129,032)	-	-	(421)	(5,693)	(3,542,620)
Additions	(444,823)	(514)	(14,881)	-	-	(67)	(30,835)	(491,120)
Write-offs	118	-	39	-	-	-	2	159
Impairment	(341,061)	-	(6,078)	-	-	-	-	(347,139)
Transfers	(1,472)	-	(542)	-	-	(518)	-	(2,532)
Balances on 12/31/2020	(4,189,498)	(5,728)	(150,494)	-	-	(1,006)	(36,526)	(4,383,252)
RESIDUAL								
RESIDUAL								
On 12/31/2020	6,520,267	3,347	35,338	1,286,901	37,744	659	9,664	7,893,920
On 12/31/2019	9,922,527	8,561	164,370	1,286,901	37,744	1,080	15,357	11,436,540

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	Concession agreements (a)	Goodwill Ecosul	Third-party Software	Intangible progress (c)	Goodwill ELG-01	Others	Right of Use - CPC06 (R2)	Total
Annual depreciation rate - %	-	-	20.0	-	-	-	-	-
Weighted average depreciation rate - %	(b)	-	10.2	-	-	-	-	-
COST								
Balances on 31/12/2018	7,928,381	8,561	146,899	559,169	37,744	402	15,333	8,696,489
Ecopátio Consolidation	-	-	5,518	-	-	1,003	24	6,545
Interest Acquisition	1,522,270	-	1,764	72,538	-	-	-	1,596,572
Additions	108,483	-	10,358	975,894	-	-	-	1,094,735
Write-offs	(3,036)	-	-	(97)	-	-	-	(3,133)
Transfers	366,429	-	(169)	(320,603)	-	(325)	-	45,332
Balances on 12/31/2019	9,922,527	8,561	164,370	1,286,901	37,744	1,080	15,357	11,436,540
AMORTIZATION								
Balances on 31/12/2018	(2,845,645)	(4,700)	(107,275)	-	-	(63)	-	(2,957,683)
Ecopátio Consolidation	-	-	(4,938)	-	-	(279)	-	(5,217)
Interest Acquisition	(72,302)	-	(1,319)	-	-	-	-	(73,621)
Additions	(484,478)	(514)	(15,512)	-	-	(67)	(5,693)	(506,264)
Write-offs	165	-	-	-	-	-	-	165
Transfers	-	-	12	-	-	(12)	-	-
Balances on 12/31/2019	(3,402,260)	(5,214)	(129,032)	-	-	(421)	(5,693)	(3,542,620)
RESIDUAL								
On 12/31/2019	6,520,267	3,347	35,338	1,286,901	37,744	659	9,664	7,893,920
On 31/12/2018	5,082,736	3,861	39,624	559,169	37,744	339	15,333	5,738,806

(a) The items referring to the Concession Agreement basically comprise road infrastructure and concession rights. As at December 31, 2020, the main additions in this item referred to paving, duplication, marginal roads, shoulders, central construction sites, special works of art, earthworks, implementation of a collection system and monitoring of traffic, signaling and others.

(b) The amortization of intangible assets arising from concession rights is recognized in the result through the projection of the estimated traffic curve for the concession period from the date when they are available for use, a method that reflects the consumption pattern of the future economic benefits incorporated into the asset. The average amortization rates as at December 31, 2020 were 4.2% p.a. (5.97% p.a. on December 31, 2019).

(c) The main additions in the item "intangible assets in progress" in 2020 refer to duplications and improvements, expropriations, restoration and rehabilitation of pavements, survey of parameters, implantation of pavement drains, recovery of works of special arts, restoration of environmental liabilities and conditions, recovery and containment of slopes, implantation of footbridges, pavement rehabilitation, initial works on the highways, civil works in the toll plazas, and capitalization of charges.

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In the year ended December 31, 2020, R\$ 46,907 was capitalized related to financial charges (R\$ 56,247 as at December 31, 2019) of financing linked to intangible assets in progress, obtained by calculating the average balance of works in progress divided by the average balance of loans, financing and debentures.

On December 31, 2020, the Company hired an external consultancy to assess internal and external factors that indicated that intangible assets could have book values above their recoverable values. The value in use of the subsidiaries was calculated based on the discounted cash flow method (or DCF), considering the following criteria: (i) projection assumptions: the projection assumptions of results (revenues, costs, expenses, investments, capital future cash flows (FCFF or free cash flow to firm approach) and growth prospects are based on the annual budget and business plans prepared by Management, as well as market and comparable company data. These assumptions represent Management's best estimate of the economic conditions in effect during the contract term of each concession; (ii) projection currency: nominal BRL, considering inflationary effects; (iii) discount rate: WACC methodology, in nominal terms, after taxes. The WACC was estimated considering average leverage and average betas obtained from samples of companies comparable to the Company. It was considered "size premium" estimated based on the size (equity value) of the Company on the base date of the analyzes, according to Market Capitalization obtained from Capital IQ: (a) WACC for highway concessionaires: 9.3% p.a.; (b) WACC for Ecoporto Santos: 10.0% p.a.; and (c) WACC for Ecopátio: 9.9% p.a.; both in nominal terms, after tax. Based on this assessment, the Company identified an impact on the result, only for the subsidiary Ecoporto Santos, as described in Explanatory Note 1.b).

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14. INCOME TAX AND SOCIAL CONTRIBUTION

Accounting policy

Deferred income tax and social contribution ("deferred taxes") are recognized on temporary differences at the end of each balance sheet date between the balances of assets and liabilities recognized in the financial statements and the corresponding tax bases used in determining taxable income, including balance of tax losses and negative basis, when applicable. Deferred tax liabilities are generally recognized on all taxable temporary differences, and deferred tax assets are recognized on all deductible temporary differences, only when it is probable that the Company will present future taxable income in an amount sufficient so that such deductible temporary differences can be used. Deferred tax assets and liabilities are measured at the tax rate that is expected to be applicable in the year in which the asset will be realized or the liability will be settled, based on the tax rates (and tax law) that were enacted on the balance sheet date.

a) Deferred duties

The recovery of the balance of deferred tax assets is reviewed at the end of each year and adjusted by the amount that is expected to be recovered.

Current and deferred income tax and social contribution are recognized as an expense or income in the income for the year, except when related to items recorded in other comprehensive income, when applicable.

Deferred income tax and social contribution were recorded considering the 34% rate (income tax and social contribution) in force and have the following composition and changes for the year:

	Consolidated					
	Balance Sheet				Result	
	12/31/2019	Others (ii)	Additions	Write-offs	12/31/2020	12/31/2020
Realization of Goodwill in the merger:						
Ecoporto	166,755	-	-	(166,755)	-	(166,755)
Ecosul	2,228	-	-	(350)	1,878	(350)
Ecocataratas	17,696	-	-	(9,232)	8,464	(9,232)
Ecopátio	2,891	-	-	(289)	2,602	(289)
Argovias	1,731	-	5,989	-	7,720	5,989
Provision for civil, labor and tax losses	47,793	(95)	14,846	(44,491)	18,053	(29,740)
Tax loss and negative basis (i)	114,375	-	65,180	(41,737)	137,818	23,443
Provision for maintenance	144,860	-	50,926	(40,857)	154,929	10,069
AVP Concession Burden	1,167	-	36,390	(10,602)	26,955	25,788
Estimated losses on allowance for loan losses - PECLD	465	-	905	(648)	722	257
Effect of Law 12.973 / 14 - extinction						
RTT	(41,748)	-	-	3,341	(38,407)	3,341
Corporate depreciation	(8,716)	-	(1,407)	8,591	(1532)	7,184
Capitalized interest	(44,180)	-	(28,237)	2,349	(70,068)	(25,888)
Others	3,549	-	1,326	(2,857)	2,018	(1,531)
Deferred IT and SC - assets / (liabilities)	408,866	(95)	145,919	(303,537)	251,153	
Deferred IT and SC (expenses)						(157,713)

(i) The balance refers to the parent companies' tax loss: Ecorodovias Concessões e Serviços, Termares, Eco101, Eco050, Eco135 and Ecovias do Cerrado.

(ii) Refers to the provision for losses, civil, labor and tax of Parent Company Eco050.

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In compliance with CPC32 item 73, on December 31, 2020, we recorded R\$ 252,704 in non-current assets and R\$ 1,551 in non-current liabilities. (As at December 31, 2019, R\$ 421,425 in non-current assets and R\$ 12,559 in non-current liabilities).

Management prepared a study on the future realization of deferred tax assets, considering the estimated capacity for future generation of taxable profits, in the context of the main variables of its business, which may therefore undergo changes.

The Company's studies and projections predict that the realization of tax losses of subsidiaries will be carried out within 10 years. The Company's management believes that the assumptions used in the business plans are robust, feasible and in line with the current economic scenario.

According to projections prepared by the Company's management, deferred income tax and social contribution non-current assets will be realized in the following years:

	Consolidated	
	12/31/2020	12/31/2019
2020	-	78,128
2021	122,526	82,050
2022	13,378	55,058
2023	8,844	67,248
2024	8,844	8,425
2025	15,367	7,116
After 2025 (*)	82,194	110,841
	<u>251,153</u>	<u>408,866</u>

(*) The amounts over ten years to be realized are related to the amortization of goodwill (concession right), ICPC 01 (R1) Concession Agreements and adjustment of the RTT (Transition Tax Regime) that are amortized over the term of each concession.

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b) Reconciliation of income tax and social contribution (expense) income

The following current and deferred income tax and social contribution amounts were recorded in income for the years:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Profit / (Loss) for the year before income tax and social contribution	(417,988)	(185,280)	79,072	95,624
Current tax rate	34%	34%	34%	34%
Income tax and social contribution at the combined rate	142,116	62,995	(26,884)	(32,512)
Adjustments for calculating the effective rate:				
Unrealized profits	-	-	(3,775)	(1,099)
Gratuities / PPR directors	(630)	(1,538)	(1,812)	(3,266)
Equity	30,176	26,734	(1)	4
Non-deductible expenses	(6)	(4)	(355)	(933)
Goodwill Amortization	(3,941)	(3,941)	25,014	24,877
Impairment/Asset subject to indemnification (ii)	(104,443)	-	(130,040)	-
Tax incentives (PAT)	-	-	1,631	1,996
Non-constituted tax credits (i)	(45,056)	(58,893)	(97,813)	(106,278)
Write off tax credits from previous years	-	-	(233,179)	-
Discontinued operations	2,040	61	2,040	61
Leniency / Non-Civil Persecution Agreement	(20,526)	(25,552)	(23,131)	(161,727)
Others	270	138	(8,755)	(2,027)
Income tax and social contribution expense	-	-	(497,060)	(280,904)
Current income and social contribution taxes	-	-	(339,347)	(331,133)
Deferred taxes	-	-	(157,713)	50,229
Effective rate	-	-	n.m.	n.m.

- (i) They are composed by the companies EcoRodovias Infrastructure and Logistics, Ecoporto Santos, Termares and Ecorodoanel.
- (ii) See Explanatory Notes 1.b) and 1.c).

c) Provision for income tax and social contribution

The movement in the exercise of income tax and social contribution is shown below:

	Consolidated	
	12/31/2020	12/31/2019
Balance at the beginning of the year provision for IR / CS	13,382	45,091
IR / CS DRE expense	339,347	331,133
Total IR / CS paid	(327,759)	(362,842)
Balance at the end of the year provision IR / CS	24,970	13,382

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15. LOANS AND FINANCING - CONSOLIDATED

				Parent Company		Consolidated	
Modality	Company	Final maturity	Interest rate	12/31/2020	12/31/2019	12/31/2020	12/31/2019
In national currency:							
Finame (a)	Ecosul	11/2020	6,0%p.a.	-	-	-	46
CCB (b)	Ecosul	06/2021	CDI+1,85% p.a.	-	-	249,935	-
Finame (b)	Ecocataratas	10/2022	2,5%p.a.	-	-	80	124
Finame (b)	Ecocataratas	07/2020	6,0%p.a.	-	-	-	91
Finem (c)	Ecopistas	07/2025	IPCA + 2,45%p.a.	-	-	18,958	23,255
Finem (c)	Ecopistas	06/2025	TJLP+ 2,45%p.a.	-	-	35,340	64,338
Finame (d)	Ecoporto Santos	10/2020	6,0%p.a.	-	-	-	1,125
Finem (e)	Eco101	12/2028	TJLP + 3,84%p.a.	-	-	159,438	159,100
Finem (e)	Eco101	06/2030	TJLP + 3,84%p.a.	-	-	229,693	227,305
Finem (f)	Ecoponte	08/2032	TJLP + 3,48%p.a.	-	-	60,260	59,222
Finem (f)	Ecoponte	12/2032	TJLP + 3,48%p.a.	-	-	121,236	118,812
Finem (f)	Ecoponte	12/2032	TJLP + 3,48%p.a.	-	-	38,634	18,511
BNDES (g)	Eco050	12/2038	TJLP + 2% p.a.	-	-	242,980	227,097
BDMG (h)	Eco050	12/2038	TJLP + 2% p.a.	-	-	95,832	90,414
FINISA – CEF (i)	Eco050	12/2038	TJLP + 2% p.a.	-	-	282,209	258,033
FDCO – CEF (j)	Eco050	04/2036	7,5% p.a.	-	-	131,452	134,817
7th Issuance NP - EIL (k)	EcoInfra	03/2022	CDI+4,00% p.a.	1,243,363	-	1,243,363	-
BNDES (a)	Eco135	06/2043	TLP - BNDES	-	-	115,934	-
				1,243,363	-	3,025,344	1,382,290
Current				135,522	-	485,975	97,105
Non-current				1,107,841	-	2,539,369	1,285,185

The maturities of non-current installments have the following distribution per year:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
2021	-	-	-	82,718
2022	1,107,841	-	1,195,524	76,532
2023	-	-	91,494	80,123
2024	-	-	93,926	81,028
2025	-	-	97,749	84,647
2026	-	-	101,613	88,411
After 2026	-	-	959,063	791,726
	1,107,841	-	2,539,369	1,285,185

The movement in the year of loans and financing is shown below:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Balance at beginning of year	-	-	1,382,290	645,741
Additions	1,212,416	-	1,659,844	189,485
Acquisition of participation	-	-	-	790,292
Financial charges (see Note 27)	61,890	-	180,903	105,579
Primary payment	(30,000)	-	(109,162)	(239,968)
Interest payment	(943)	-	(88,531)	(108,839)
Balance at end of year	1,243,363	-	3,025,344	1,382,290
Current	135,522	-	485,975	97,105
Non-current	1,107,841	-	2,539,369	1,285,185

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Description of the main bank loan and financing contracts in force:

Item	Company	Financial institution	Financial rates required	Guarantees
(a)	Ecosul	Itaú	Do not require maintenance of indexes.	Asset alienation.
(b)	Ecosul	Santander	Net Debt / EBITDA \leq 3.75	AT
(a)	Eco135	BNDES	Beneficiary: ICSD \Rightarrow 1.3 / PL / AT \Rightarrow 20% Shareholders: Net Debt / Adjusted EBITDA \leq 4.00	Pledge 100% Shares / Fiduciary Assignment of Rights
(b)	Ecocataratas	Itaú	They do not require maintenance of the indexes.	Asset alienation.
(c)	Ecopistas	BNDES	(i) Shareholders' Equity / Total Liabilities \geq 20%; (ii) Debt Service Coverage Ratio (ICSD) \geq 1.20; and (iii) Net Debt / adjusted EBITDA \leq 4.0.	Assignment of credit rights to receivables from tolls, as well as ancillary revenues arising from the Concession and any and all indemnities to be received under the terms of guarantees and insurance policies for lost profits contracted under the terms of the Concession Agreement.
(d)	Ecoporto Santos	Itaú	They do not require maintenance of the indexes.	Asset alienation.
(e)	Eco101	BNDES	(i) Shareholders' Equity / Total Assets \geq 20%; (ii) Debt Service Coverage Ratio (ICSD) \geq 1.30.	Assignment of credit rights.
(f)	Ecoponte	BNDES	(a) Issuer (Ecoponte): (i) Adjusted Shareholders' Equity / Total Liabilities \geq 20%; (ii) Debt Service Coverage Ratio (ICSD) \geq 1.30; (iii) Net Debt / Adjusted EBITDA \leq 4.00; (b) Of the Guarantor (Ecorodovias Concessões e Serviços): (i) Net Debt / adjusted EBITDA \leq 4.00.	Pledge of Ecorodovias shares, fiduciary assignment of the credit rights held by Ecoponte, arising from the concession agreement, the rights arising from the Concession, including those related to eventual indemnities. Funded by Ecorodovias.
(g)	ECO050	BNDES	From Parent Company Ecorodovias Concessões e Serviços: (i) Net Debt / adjusted EBITDA \leq 4.00.	Pledge 100% of the Beneficiary's shares / Finduclear Assignment.
(h)	ECO050	BDMG	Beneficiary: ICSD = $<$ 1.2 / PL / AT = $<$ 20% Stakeholders: Net Debt / Adjusted EBITDA \leq 4.00	Joint Guarantee / Pledge 100% of the Beneficiary's shares.
(i)	ECO050	Caixa/ FINISA	Beneficiary: ICSD = $<$ 1.2 / PL / AT = $<$ 20% Stakeholders: Net Debt / Adjusted EBITDA \leq 4.00	Pledge 100% of the shares of the Beneficiary and Corporate Finance / Finduclear Assignment.
(j)	ECO050	FDCO	Beneficiary: ICSD = $<$ 1.2 / PL / AT = $<$ 20% Stakeholders: Net Debt / Adjusted EBITDA \leq 4.00	Pledge 100% of the shares of the Beneficiary and Corporate Finance / Finduclear Assignment
(k)	EcoRodovias Infraestrutura e Logística S.A.	Bradesco	Do not require maintenance of indexes	N/A

The Company is in compliance with all the restrictive clauses of said contracts, except for the indexes of the subsidiaries Eco101, Eco135, and Ecopistas, the latter being supported by a letter of guarantee from Ecorodovias Concessões e Serviços. The Company presents below the financial ratios as at December 31, 2020 that may generate early maturity of debt. The other indexes only limit the distribution of dividends and interest on equity.

Ecosul Financial Rates (b)

(iii) Net debt / adjusted EBITDA

Required	Measured
\leq 3.75	1.01

BNDES sub-credits and releases made are as follows:

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Ecopistas

Sub-credit (*)	Total	Released	Amortization	Installments
a	99,200	99,200	93,979	114 monthly
b	85,528	85,528	80,055	114 monthly
d	27,999	27,999	20,631	114 monthly
e	21,769	21,769	13,606	10 annually
j	11,281	11,281	5,937	114 monthly
k	22,438	22,438	11,810	114 monthly
l	9,169	9,169	4,585	10 annually
Total	<u>277,384</u>	<u>277,384</u>	<u>230,603</u>	

(*) Sub-credits c, f, g, h and i were canceled, through the 5th amendment signed in November 2018.

Eco101

Sub-credit (*)	Total	Released	Amortization	Installments
A	188,473	188,473	39,266	150 installments
B1	66,237	66,237	8,105	150 installments
B2	52,483	52,483	5,448	150 installments
B3	117,799	117,799	10,844	150 installments
B4	28,388	-	-	150 installments
B5	22,493	-	-	150 installments
B6	50,485	-	-	150 installments
C1	54,165	-	-	150 installments
C2	28,231	-	-	150 installments
C3	99,159	-	-	150 installments
C4	50,671	-	-	150 installments
C5	26,409	-	-	150 installments
C6	92,762	-	-	150 installments
C-SOCIAL	4,389	-	-	150 installments
Total	<u>882,144</u>	<u>424,992</u>	<u>63,663</u>	

Ecoponte

Sub-credit (*)	Total	Released	Amortization	Installments
a	107,465	62,649	5,531	177 monthly
b	177,920	118,170	3,187	157 monthly
c	118,915	38,527	137	163 monthly
d	10,625	787	55	177 monthly
e	2,075	1,764	54	157 monthly
Total	<u>417,000</u>	<u>221,897</u>	<u>8,964</u>	

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Eco050

BDMG				
Sub-credit (*)	Total	Released	Amortization	Installments
a	85,000	85,000	3261	234 monthly
b	35,000	13,940	274	234 monthly
Total	<u>120,000</u>	<u>98,940</u>	<u>3,535</u>	

FINISA				
Sub-credit (*)	Total	Released	Amortization	Installments
a	350,000	288,574	10,104	234 monthly
Total	<u>350,000</u>	<u>288,574</u>	<u>10,104</u>	

BNDES				
Sub-credit (*)	Total	Released	Amortization	Installments
A	75,998	75,998	2,929	234 monthly
B1	17,026	17,026	653	234 monthly
B2	25,387	25,387	974	234 monthly
C1	18,912	18,912	725	234 monthly
C2	28,916	29,884	940	234 monthly
D1	19,603	-	-	234 monthly
D2	27,558	-	-	234 monthly
R	46,600	46,819	1,487	234 monthly
S	2,675	-	-	234 monthly
X	42,500	36,844	1,253	234 monthly
Y	48,000	-	-	234 monthly
Z	79,500	-	-	234 monthly
Total	<u>432,675</u>	<u>250,870</u>	<u>8,961</u>	

FDCO				
Sub-credit (*)	Total	Released	Amortization	Installments
a	200,000	151,896	22,000	40 Biannual
Total	<u>200,000</u>	<u>151,896</u>	<u>22,000</u>	

Eco135

Sub-credit (*)	Total	Released	Amortization	Installments
a	71,489	71,489	828	276 monthly
b 1 ^a	661,572	47,853	-	234 monthly
c	<u>263,289</u>	-	-	234 monthly
Total	<u>996,350</u>	<u>119,342</u>	<u>828</u>	

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16. DEBENTURES

The position of the debentures is summarized below:

Ref.	Company	Issuance	Series	Type and form	Issuance date	Final maturity	Contracted rate	Parent Company		Consolidated	
								Balance on 12/31/2020	Balance on 12/31/2019	Balance on 12/31/2020	Balance on 12/31/2019
a)	Ecosul	1st	Single	(i)	11/17/2014	May/20	107.0% do CDI	-	-	-	178,126
b)	Ecosul	2nd	Single	(i)	01/17/2017	Jun/20	110.75% do CDI	-	-	-	50,085
c)	Ecosul	3rd	Single	(i)	06/02/2017	Jun/20	107.0% do CDI	-	-	-	59,775
d)	Ecovias dos Imigrantes	2nd	1st	(i)	04/15/2013	Apr/20	IPC-A + 3.80% p.a.	-	-	-	101,214
e)	Ecovias dos Imigrantes	2nd	2nd	(i)	04/15/2013	Apr/24	IPC-A + 4.28% p.a.	-	-	1,046,437	1,044,727
f)	Ecopistas	1st	1st	(i)	01/15/2011	Jan/23	IPC-A + 8.25% p.a.	-	-	86,675	104,899
g)	Ecopistas	1st	2nd	(i)	01/15/2011	Apr/22	IPC-A + 8.25% p.a.	-	-	56,525	60,875
h)	Ecopistas	1st	3rd	(i)	01/15/2011	Jul/22	IPC-A + 8.25% p.a.	-	-	55,391	99,721
i)	Ecopistas	1st	4th	(i)	01/15/2011	Oct/22	IPC-A + 8.25% p.a.	-	-	54,255	77,863
j)	Eco101	1st	Single	(i)	06/30/2017	Dec/20	CDI + 2.56% p.a.	-	-	-	25,007
k)	Ecoponte	1st	Single	(i)	11/19/2019	Oct/34	IPC-A + 4.4% p.a.	-	-	230,903	218,232
l)	Eco050	1st	Single	(i)	03/02/2018	Dec/29	IPC-A + 9% p.a.	-	-	89,604	84,394
m)	Eco135	1st	Single	(i)	08/15/2018	Aug/20	117.5% do CDI	-	-	-	226,149
n)	Ecorodovias Concessões (ii)	1st	2nd	(i)	05/24/2015	Apr/20	CDI + 1.42% p.a.	-	-	-	186,412
o)	Ecorodovias Concessões	2nd	3rd	(i)	10/15/2012	Oct/22	IPC-A + 5.35% p.a.	-	-	419,442	600,999
p)	Ecorodovias Concessões	6th	1st	(i)	12/14/2017	Nov/20	106.00% do CDI	-	-	-	321,207
q)	Ecorodovias Concessões	6th	2nd	(i)	12/14/2017	Nov/22	110.25% do CDI	-	-	751,702	754,007
r)	Ecorodovias Concessões	6th	3rd	(i)	12/14/2017	Nov/24	IPC-A + 6.0% p.a.	-	-	34,017	32,482
s)	Ecorodovias Concessões	7th	Single	(i)	07/04/2018	Jun/25	IPC-A + 7.4438% p.a.	-	-	398,574	380,841
t)	Ecorodovias Concessões	8th	1st	(i)	05/22/2019	Apr/24	CDI + 1.30% p.a.	-	-	836,614	841,031
u)	Ecorodovias Concessões	8th	3st	(i)	05/22/2019	Apr/26	IPC-A + 5.50% p.a.	-	-	72,703	69,095
v)	Ecorodovias Concessões	10th	Single	(i)	07/14/2020	Jul/23	CDI + 3.50% p.a.	-	-	1,014,094	-
w)	Ecoporto Santos	2nd	Single	(i)	06/27/2019	Jun/21	CDI + 3.90% p.a.	-	-	66,787	129,751
x)	Ecoporto Santos	3rd	Single	(i)	12/20/2019	Dec/20	CDI + 1.75% p.a.	-	-	69,485	69,558
y)	Ecorodovias Infraestrutura	3rd	Single	(i)	04/13/2018	Apr/20	CDI + 1.25% p.a.	-	131,505	-	131,505
z)	Ecorodovias Infraestrutura	4th	Single	(i)	12/27/2018	Dec/21	115.0% do CDI	149,563	298,856	149,563	298,856
aa)	Ecorodovias Infraestrutura	5th	Single	(i)	06/14/2019	Jun/20	CDI + 1.35% p.a.	-	1,137,237	-	1,137,237
								149,563	1,567,598	5,432,771	7,284,048
								Current	149,563	1,419,332	1,092,648
								Non-current	-	148,266	4,093,123
											3,190,642
											4,093,406

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Re.	Nominal Value	Anticipated costs	Effective rate (TIR)	Interests payment	Principal Amortization	Guarantee type	Renegotiation
a)	148,000	(258)	10.91%	Upon maturity	Upon maturity	Unsecured	No
b)	50,000	(122)	7.72%	Biannual	Upon maturity	Unsecured	No
c)	50,000	(175)	6.82%	Upon maturity	Upon maturity	Unsecured	No
d)	200,000	(6,890)	9.75%	Annually	Annually from 2019	Unsecured	No
e)	681,000	(23,462)	9.85%	Annually	Annually from 2022	Unsecured	No
f)	92,500	(3,255)	14.70%	Annually	Annually	Actual of 100% of shares, fiduciary assignment of 100% of credit rights, shared with BNDES and Guarantee of Ecorodovias Concessões e Serviços S.A.	No
g)	92,500	(3,255)	14.83%	Annually	Annually		No
h)	92,500	(3,255)	14.76%	Annually	Annually		No
i)	92,500	(3,255)	14.66%	Annually	Annually		No
j)	25,000	(242)	8.38%	Biannual	Upon maturity	Unsecured and additional trust in the form of a guarantee from Ecorodovias Concessões e Serviços S.A.	No
k)	230,000	(15,246)	8.99%	Annually	Annually from 2022	Actual of 100% of shares, fiduciary assignment of 100% of credit rights, shared with BNDES and Corporate Guarantee of Ecorodovias Concessões e Serviços S.A.	No
l)	90,000	(13,904)	13.20%	Biannual	Biannual	Actual of 100% of shares, fiduciary assignment of 100% of credit rights, shared with BNDES and Corporate Guarantee of Ecorodovias Concessões e Serviços S.A. and Argovias Administração e Participações S.A.	No
m)	225,000	(1,330)	6.54%	Quarterly	Upon maturity	Unsecured	No
n)	368,000	(2,609)	11.88%	Biannual	Annually from 2019	Unsecured	No
o)	400,000	(11,043)	11.24%	Annually	Annually from 2020	Unsecured	No
p)	319,550	(843)	9.09%	Biannual	Upon maturity	Unsecured	No
q)	750,450	(1,977)	4.61%	Biannual	Annually from 2021	Unsecured	No
r)	30,000	(88)	10.42%	Annually	Annually from 2023	Unsecured	No
s)	350,000	(1,972)	11.87%	Annually	Annually from 2024	Unsecured	No
t)	833,675	(3,937)	3.92%	Biannual	Upon maturity	Unsecured	No
u)	66,325	(296)	9.91%	Annually	Annually from 2025	Unsecured	No
v)	1,000,000	(13,213)	5.46%	Biannual	Upon maturity	Unsecured	No
w)	130,000	(745)	6.27%	Biannual	Biannual a partir de 2020	Additional trust in the form of a guarantee from EcoRodovias Infraestrutura e Logística S.A.	No
x)	70,000	(543)	4.13%	Upon maturity	Upon maturity	Additional trust in the form of a guarantee from EcoRodovias Infraestrutura e Logística S.A.	No
y)	130,000	(1,167)	7.20%	Biannual	Upon maturity	Unsecured	No
z)	300,000	(2,907)	4.57%	Biannual	Annually from 2020	Unsecured	No
aa)	1,100,000	(9,813)	6.40%	Upon maturity	Upon maturity	Unsecured	No
	7,917,000	(94,895)					

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- (i) Simple, book-entry nominative, non-convertible, public distribution.
- (ii) Issued by EcoRodovias Infraestrutura e Logística and assigned to Ecorodovias Concessões e Serviços.

The movement of debentures in the year is shown below:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Balance at beginning of year	1,567,598	518,390	7,284,048	6,862,768
Additions	-	1,090,034	986,205	2,398,653
Acquisition of participation	-	-	-	86,102
Financial charges (see Note 27)	38,351	81,204	433,505	587,137
Primary payment	(1,380,000)	(80,000)	(2,749,275)	(2,115,326)
Interest payment	(76,386)	(42,030)	(521,712)	(535,286)
Balance at end of year	149,563	1,567,598	5,432,771	7,284,048
Current	149,563	1,419,332	1,092,648	3,190,642
Non-current	-	148,266	4,340,123	4,093,406

Maturities of non-current installments have the following distribution per year:

	Parent Company					
	12/31/2020			12/31/2019		
	Installment	Cost	Total	Installment	Cost	Total
2021	-	-	-	150,000	(1,734)	148,266
	-	-	-	150,000	(1,734)	148,266

	Consolidated					
	12/31/2020			12/31/2019		
	Installment	Cost	Total	Installment	Cost	Total
2021	-	-	-	852,136	(12,306)	839,830
2022	1,022,237	(12,699)	1,009,538	994,199	(8,186)	986,013
2023	1,385,917	(7,716)	1,378,201	369,201	(5,148)	364,053
2024	1,395,157	(3,701)	1,391,456	1,370,845	(3,701)	1,367,144
2025	246,182	(2,704)	243,478	235,808	(3,138)	232,670
2026	56,265	(2,362)	53,903	53,847	(2,361)	51,486
After 2026	271,204	(7,657)	263,547	259,867	(7,657)	252,210
	4,376,962	(36,839)	4,340,123	4,135,903	(42,497)	4,093,406

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The Company has contracts with clauses ("covenants") linked to financial ratios, as shown in the table below:

Company	Issuance	Clause description	Rate required	Accomplished
Ecovias	2 ^a	Net debt / adjusted EBITDA Adjusted EBITDA / Net financial expense	< 3.5x > 2.0x	1.28 8.92
Ecopistas	1 ^a	Shareholders' equity / Total liabilities ICSD - Debt service coverage index Net debt / adjusted EBITDA Total net debt / adjusted EBITDA Net debt / adjusted EBITDA	> 20% ≥ 1.20x < 4.0x ≤ 5.5x	39.41% 1.48 3.38 4.28
Ecorodovias Concessões	2 ^a	Net debt / adjusted EBITDA Ebitda / Net financial expense	≤ 3.75x > 2.0x	2.78 2.73
	4 ^a	Net debt / adjusted EBITDA Adjusted EBITDA / Net financial expense	≤ 3.75x ≥ 2.5x	2.83 2.89
	6 ^a	Net debt / adjusted EBITDA Adjusted EBITDA / Net financial expense	≤ 3.75x ≥ 2.0x	2.83 2.89
	7 ^a	Net debt / adjusted EBITDA	≤ 3.75x	2.83
	8 ^a	Net debt / adjusted EBITDA	≤ 4.00x	2.78
	9 ^a	Net debt / adjusted EBITDA	≤ 4.00x	2.78
	10 ^a	Net debt / adjusted EBITDA	≤ 4.00x	2.78
Eco050	1 ^a	ICSD - Debt service coverage index Shareholders' equity / Total liabilities	≥ 1.20x > 20%	1.87 33.32%
Ecoponte	1 ^a	ICSD - Debt service coverage index Adjusted Equity / Total Liabilities	> 1.30x > 20%	2.64 33%

The Company is in compliance with all restrictive clauses of said contracts.

Non-financial covenants provide for an early maturity clause due to non-strictly financial events such as, but not limited to: (i) bankruptcy request or decree or judicial recovery by the Issuer or third parties not resolved within the legal term; (ii) issues related to non-payment of non-pecuniary obligations not cured within a predefined period; (iii) capital reduction or transformation of the corporate type without prior authorization from creditors; (iv) merger, spin-off, incorporation or incorporation of shares, except in cases of corporate reorganization within the Company's economic group; (v) transfer of the obligations of the financial instrument without prior authorization from the creditor; (vi) sale of assets in an amount higher than that established in the respective debt instruments; (vii) allocation of funds in a manner different from that established in the respective debt instruments.

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17. LEASES PAYABLE

Financial obligations are composed as follows:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Gross finance lease obligations - minimum lease payments:	86	-	40,402	12,772
Current	86	-	23,412	7,291
Non-current	-	-	16,990	5,481

The movement of information is shown below:

	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Opening balance	-	-	12,772	-
Initial adoption CPC-06	-	-	-	15,333
Additions	897	-	58,510	-
Acquisition of participation	-	-	-	721
Ecopátio Consolidation	-	-	-	24
Financial charges (see Note 27)	21	-	8,877	11,880
Primary payment	(811)	-	(30,880)	(3,306)
Interest payment	(21)	-	(8,877)	(11,880)
Balance at end of year	86	-	40,402	12,772

18. RELATED PARTIES

The Company and its subsidiaries contract services from their shareholders or from companies related to them, directly or through a consortium, to carry out conservation works, improvements and expansion of the road system and administrative and financial, human resources, information technology, engineering and corporate procurement services.

According to the Company's Bylaws, it is the responsibility of the Board of Directors to approve the execution of agreements between the Company and any of its shareholders or controllers of its shareholders or companies that are controlled or affiliated with the Company's shareholders or its controlling shareholders, and any member of the Board of Directors may request, in advance and in a timely manner, the preparation of an independent assessment carried out by a specialized company that will review the terms and conditions of the contracting proposal and analyze its suitability to market conditions and practices (arm's length basis).

The balances related to transactions with related parties as at December 31, 2020 are presented below:

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Parent Company	Nature	Assets			Result		
		Current	Non-current Intangible	Income	Loan Interest Income	Debt Assignment Interest	Costs and Expenses
Ecorodovias Concessões e Serviços S.A. (a)	Direct Subsidiary	232	-	-	-	-	-
Empresa Concessionária de Rodovias do Sul S.A. Ecosul (b)	Indirect Subsidiary	61	-	715	-	-	-
Concessionária do Rodoanel Norte S.A. - Ecorodoanel (c)	Direct Subsidiary	80	-	-	-	-	-
Termares Term. Mar. Alfandegados Ltda. (d)	Direct Subsidiary	-	5,304	-	150	-	-
Total as at December 31, 2020		373	5,304	715	150	-	-
Total as at December 31, 2019		1,105	5,176	670	2,900	18,810	10,535

Consolidated	Nature	Assets		Liabilities	Result
		Current	Non-current Intangible	Current	Property Rental Income
CBB Ind. e Com.de Asfaltos e Engenharia Ltda. e TB					
Transportadora Betumes Ltda. (e)	Other Related Parties	-	38,450	3,578	-
Consórcio Binário Porto de Santos (g)	Other Related Parties	-	43,051	1,371	-
Consórcio Alças da Ponte (h)	Other Related Parties	-	1,221	-	-
Consórcio BR050 (i)	Other Related Parties	-	58,272	1,300	-
Consórcio Baixada Santista (j)	Other Related Parties	-	4,437	-1,307	-
Consórcio MG135 (k)	Other Related Parties	-	946	47	-
Crasa Infraestrutura (l)	Other Related Parties	-	2,620	237	-
Consórcio PSG.(f)	Other Related Parties	-	389	-	-
Consórcio SP-070 (m)	Other Related Parties	-	16,570	2,988	-
Itinera Construções Ltda.(l)	Other Related Parties	-	-	60	-
Crasa Infraestrutura e Itinera Construções Ltda. (n)	Other Related Parties	1	-	-	-
Total as at December 31, 2020		1	165,956	9,888	-
Total as at December 31, 2019		-	381,826	31,228	670

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The related-party transactions are presented below:

- (a) Refers to the apportionment of costs for the remuneration of the directors shared between the Company and the subsidiary Ecorodovias Concessões e Serviços (see the Management Remuneration note).
- (b) Refers to the rental of a property where the headquarters of the indirect subsidiary Ecosul, which belongs to the Company, is located. The outstanding balance receivable of R\$ 61, (from rentals already incurred) is due within 45 days and is not subject to charges.
- (c) The balance refers to the reimbursement of administrative expenses, the balances are due within 45 days, and are not subject to financial charges.
- (d) Refers to the loan agreement, the borrower being Termares. The loan will be restated at the rate of 105% of the CDI maturing on 12/31/2021.
- (e) CBB Indústria e Comércio de Asfaltos e Engenharia Ltda. and TB Transportadora de Betumes Ltda., belonging to Crasa Infraestrutura S.A. shareholders, the Company's parent company, provide services in supplying and transporting asphalt material to: Concessionaire Ecovia Caminho do Mar S.A., Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. - Ecopistas, Rodovias das Cataratas S.A. - Ecocataratas, and Concessionária Ecovias dos Imigrantes S.A. The global price agreed for the execution of the services contracted between the Companies and CBB Indústria e Comércio de Asfaltos e Engenharia Ltda. and TB Transportadora de Betumes Ltda. is R\$ 277,022. The deadline for their execution shall be until March 30, 2024. As at December 31, 2020, the outstanding balance was R\$ 3,578 (on services already provided), maturing in 45 days. The balance is not subject to financial charges and no guarantees were granted to the creditors.
- (f) PSG Consortium, formed by the related parties Itinera Construções Ltda and Crasa Infraestrutura S.A., will provide services for the interconnection works of Highway SP-150 and Highway SP-055, Santos – Guarujá Bridge. The lump sum agreed is R\$ 3,500, and the deadline for execution of these services is January 31, 2020. As at December 31, 2020, there is no outstanding balance to be paid.
- (g) Binário Porto de Santos Consortium, formed by the related parties Crasa Infraestrutura S.A. and Itinera Construções Ltda, provides the implementation of Port-City connection between KM 60 and KM 65 + 600 of SP 150, in the municipalities of Santos and Cubatão. The lump sum agreed is R\$ 201,769 and the final deadline for the execution of these services is June 1, 2021. The outstanding balances payable on December 31, 2020 was R\$ 371 (on services already provided), maturing in 45 days, are not subject to financial charges and no guarantees were granted to the creditors.
- (h) Alças da Ponte Consortium, owned by the shareholders of Crasa Infraestrutura S.A. and Itinera Construções Ltda, provides execution services for the implementation of the access loop between Rio-Niterói bridge with the red line and port avenue in the city of Rio de Janeiro. The lump sum agreed is R\$ 354,483 and the deadline for the execution of these services is June 30, 2021. As at December 31, 2020, there was no outstanding balance to be paid.
- (i) BR 050 Consortium, formed by the related parties Itinera Construções Ltda and Crasa Infraestrutura S.A., provides "Execution of Duplication Services from KM 286 + 800 to 309 + 400 on Highway BR-050/GO and Pavement Recovery of Highway BR-050/GO

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from KM 95 + 700 to 314 + 000". The lump sum agreed is R\$ 147,328 and the deadline for the execution of these services is February 28, 2021. The outstanding balance payable on December 31, 2020 was R\$ 1,300 (on services already provided) with maturity in 45 days, and is not subject to financial charges. No guarantees were given to the creditors.

- (j) Baixada Santista Consortium, formed by the related parties Itinera Construções Ltda and Crasa Infraestrutura S.A., will provide "Recovery of the Flexible Pavement on the Highways that make up SAI - ANCHIETA-IMIGRANTES SYSTEM and machining of CBUQ, including with Modified Asphalt in Unisa das Ecovias". The lump sum agreed is R\$ 5,231 and the deadline for the execution of these services was February 20, 2020. Outstanding balance payable on December 31, 2020 was R\$ 1,307 (on services already performed), maturing in 45 days. It is not subject to financial charges and guarantees have not been granted to creditors.
- (k) MG-135 Consortium, formed by the related parties Crasa Infraestrutura S.A. and Itinera Construções Ltda, provides support engineering services and extensive technical consultancy, including project management, review and monitoring (functional and executive) of the expansion works capacity and restoration of Highways BR 135/MG, MG 231 and LMG 754, under the Company's concession. The lump sum agreed is R\$ 946 and the deadline for the execution of these services is March 10, 2022. As at December 31, 2020, the outstanding balance is R\$ 47 (for services already provided), maturing in up to 45 days and not subject to financial charges. No guarantees were granted to the creditors.
- (l) Crasa Infraestrutura S.A. and Itinera Construções Ltda, provide support engineering services and extensive technical consultancy, including the management, review and monitoring of new projects (potential bids for new highway concessions in which there is an study interest by Ecorodovias to evaluate its intention to participate in the suit), other EcoRodovias Engineering studies of necessity. As at December 31, 2020, the outstanding balance is R\$ 297 (for services already provided), maturing in up to 45 days and not subject to financial charges. No guarantees were granted to the creditors.
- (m) Consortium SP-070, formed by the related parties Crasa Infraestrutura S.A. and Itinera Construções Ltda, provides pavement recovery services along the Ayrton Senna / Carvalho Pinto corridor, under the Company's concession. The lump sum agreed is R\$ 55,940 and the deadline for the execution of these services is June 30, 2021. The outstanding balance payable on December 31, 2020 was R\$ 2,988 (on services already provided), maturing in 45 days and not subject to financial charges. No guarantees were granted to the creditors.
- (n) Crasa Infraestrutura S.A. and Itinera Construções Ltda, related parties, signed a lease for the administrative building with the subsidiary Ecovias dos Imigrantes. The total agreed price is R\$ 12 and the deadline is October 29, 2020. As at December 31, 2020, the monthly rental amount was R\$ 1.

The balances of loan agreement between the subsidiaries as of December 31, 2020 are not shown in the financial statements as they do not involve the parent company and are eliminated in the consolidated. The balances are shown below:

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Lender	Borrower	Issue	Maturity	Rate	12/31/2020	12/31/2019
Ecorodovias Concessões	Ecopistas	10/2010	03/2025	100% CDI + 1.20% p.a.	156,172	151,043
Ecorodovias Infra	Termares	11/2015	12/2021	105.0% CDI	5,304	5,176
Termares	Ecoporto Santos	09/2015	12/2021	105.0% CDI	1,060	2,525
					<u>162,536</u>	<u>158,744</u>

Administrators Compensation

Administrators are the people who have authority and responsibility for planning, directing and controlling the Company's activities.

In the year ended December 31, 2020, short-term benefits (salaries, profit sharing, private pension plan and stock-based option plan) were paid to the administrators, accounted for under "General and administrative expenses".

No amounts were paid as: (a) post-employment benefits (pensions, other retirement benefits, post-employment life insurance and post-employment health care); (b) long-term benefits (leave for years of service and long-term disability benefits); or (c) employment termination benefits.

At the Annual Shareholders' Meeting, the annual global remuneration of the Company's administrators for the year ended December 31, 2020 was set at R\$ 13,297 (R\$ 13,145 for 2019), with part of the amount proposed for the remuneration of some managers being apportioned between the Company and its subsidiaries, as defined in a cost-sharing agreement.

The compensation for the year provided for administrators during the year is shown below:

	Parent company		Consolidated	
	12/31/2020	12/31/2019		
Compensation (fixed/variable)	7,773	4,003	19,516	18,354
Gratification	390	616	390	944
ILP Gavio	414	-	414	304
Share-based compensation (<i>Phantom Stock Option/Restricted Stock</i>)	454	1,312	1,140	4,909
Life Insurance	7	2	44	33
Health Care	295	141	1,297	1,169
Private Pension	196	44	602	518
Social Security - INSS (on salaries, long-term retention and incentive plan - ILP (<i>Phantom Stock Option - PSO + Phantom Restricted Stock - PRS</i>))	804	521	3,367	4,378
	<u>10,333</u>	<u>6,639</u>	<u>26,770</u>	<u>30,609</u>

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19. PROVISION FOR MAINTENANCE - CONSOLIDATED

The amounts recorded as cost of provision for maintenance refer to the estimate of contractual obligations to maintain the infrastructure granted with a specific level of operability or to recover the infrastructure in the specified condition before returning it to the Granting Authority at the end of the concession agreement. The Company's policy defines that the scope of the provision for maintenance includes physical interventions, of a clearly identified periodic nature, designed to restore the infrastructure granted to the technical and operational conditions required by the contract throughout the concession period. The amounts of these obligations are recorded at present value at rates ranging from 8.37% to 10.50%, corresponding to the weighted average cost of capital - CMPC of each concessionaire. The amounts are provisioned by section, and the interventions occur, on average, every five years, as shown below:

	12/31/2019	Addition (cost)	Payment	Financial Effect	12/31/2020
Constitution of provision for maintenance (see Explanatory Note No. 26)	1,614,322	143,401	-	-	1,757,723
Effect of present value on constitution (see Explanatory Note No. 26)	(329,573)	(31,625)	-	-	(361,198)
Maintenance Realization	(1,099,665)	-	(120,244)	-	(1,219,909)
Restatement to present value - achievements (see Explanatory Note No. 27)	241,255	-	-	38,083	279,338
	<u>426,339</u>	<u>111,776</u>	<u>(120,244)</u>	<u>38,083</u>	<u>455,954</u>
Current	147,328				262,142
Non-current	279,011				193,812

	12/31/2018	Acquisition of Interest	Addition (cost)	Payment	Financial Effect	12/31/2019
Constitution of provision for maintenance (see Explanatory Note No. 26)	1,328,191	44,138	241,993	-	-	1,614,322
Effect of present value on constitution (see Explanatory Note No. 26)	(275,212)	(13,241)	(41,120)	-	-	(329,573)
Maintenance Realization	(929,908)	-	-	(169,757)	-	(1,099,665)
Restatement to present value - achievements (see Explanatory Note No. 27)	197,404	3,538	-	-	40,313	241,255
	<u>320,475</u>	<u>34,435</u>	<u>200,873</u>	<u>(169,757)</u>	<u>40,313</u>	<u>426,339</u>
Current	79,074					147,328
Non-current	241,401					279,011

20. PROVISION FOR FUTURE WORKS' CONSTRUCTION - CONSOLIDATED

The amounts provisioned as future works against the intangible asset are derived from the estimated expenses to fulfill the contractual obligations of the concession whose economic benefits are already being earned by the indirect subsidiaries against the intangible and the amounts are restated to present value at rates between 9.50% and 10.73% per year, on

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average, corresponding to the weighted average rates of loans and financing in the provision constitution year until December 31, 2019. From January 1, 2020 the discount rate will correspond to the Weighted Average Cost of Capital - CMPC of each concessionaire.

This provision is in accordance with the Guidance of the Accounting Pronouncements Committee OCPC-05 of items 31 to 33, which deals with construction services that do not represent potential for generating additional revenue, in which the indirect subsidiaries must estimate the amounts related to these works and recognize their liabilities against intangible assets at the effective date of the contractual terms.

Transactions and balances are shown below:

	12/31/2019	Financial Effect (Intangible)	Payment	Financial Effect	12/31/2020
Constitution of provision for future works	145,484	-	(3,793)	-	141,691
Effect of present value on constitution	(20,454)	-	-	-	(20,454)
Construction Realization	(105,582)	-	(295)	-	(105,877)
Restatement to present value - achievements (see Explanatory Note No. 27)	17,814	-	-	1,453	19,267
Monetary Restatement	-	5,088	-	-	5,088
	<u>37,262</u>	<u>5,088</u>	<u>(4,088)</u>	<u>1,453</u>	<u>39,715</u>
Current	36,495				1,618
Non-current	767				38,097

	12/31/2018	Payment	Financial Effect	12/31/2019
Constitution of provision for future works	149,155	(3,671)	-	145,484
Effect to present value on constitution	(23,540)	3,086	-	(20,454)
Construction Realization	(47,803)	(57,779)	-	(105,582)
Restatement to present value - achievements (see Explanatory Note No. 27)	19,055	-	(1,241)	17,814
	<u>96,867</u>	<u>(58,364)</u>	<u>(1,241)</u>	<u>37,262</u>
Current	71,841			36,495
Non-current	25,026			767

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21. OBLIGATIONS WITH THE GRANTING AUTHORITY – CONSOLIDATED

i) Fixed and Variable Concessions

	<u>12/31/2020</u>	<u>12/31/2019</u>
Installments:		
Variable - Ecovias (a)	1,504	1,507
Variable - Ecopistas (a)	442	460
Variable - Ecovias do Cerrado (k)	318	-
Other Ecovia – Inspection Funds (b)	309	287
Other Ecovia – Federal Highway Funds (c)	500	436
Variable - Ecosul (d)	232	254
Other Ecocataratas – Inspection Fees (e)	362	336
Inspection Fee - Ecoponte (f)	297	290
Inspection Fee - Eco101 (g)	575	557
Other Ecocataratas – PRE/PRF (c)	2,664	2,788
Other Ecoporto – CODESP Fees (h)	194	705
Other Termare – CODESP Fees (h)	-	25
Fixed - Eco135 (i)	995,038	900,267
Creditor for the Concession - ECO050 (j)	926	911
	<u>1,003,361</u>	<u>908,823</u>
Current	93,086	18,064
Non-current	910,275	890,759

a) The variable installment of the indirect subsidiaries Ecovias and Ecopistas is calculated and paid monthly based on 1.5% of the collection revenue and accessory revenues.

b) Payment of the annual inspection fund in monthly installments during the contract period, being R\$ 60 monthly from the beginning to the 11th year and R\$ 66 monthly from the 12th year to the end of the contract. As at December 31, 2020, the updated monthly amount was R\$ 287 (R\$ 287 as at December 31, 2019).

c) Payment of the fund for equipping the Federal Highway Police. The funds are intended for police equipment.

d) The variable installment is calculated and paid monthly based on 1% of the toll collection revenue.

e) Annual inspection fund in 12 monthly installments of R\$ 77, during the period of the contract, restated according to the toll restatement rates. As at December 31, 2020, the restated installment was R\$ 362 (R\$ 336 as at December 31, 2019).

f) According to the contract signed on May 18, 2015, the nominal value of R\$ 210 shall be paid for inspection purposes, up to the end of the concession, restated according to the same terms and toll rate indexes. As at December 31, 2020, the restated amount was R\$ 297 (R\$ 290 as at December 31, 2019).

g) Inspection fee of indirect subsidiary Eco101: the annual amount as inspection fund shall consist of an amount of R\$ 3,722 divided into 12 installments and shall be paid in favor of the National Land Transportation Agency (ANTT) by the 5th business day of the

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month following the due date. The fund will be restated annually, on the same date and as percentages of the toll rate restatement. As at December 31, 2020, the monthly amount of the restated installment was R\$ 575 (R\$ 557 as at December 31, 2019).

h) Refers to the payment of fees to Companhia de Docas do Estado de São Paulo - CODESP, of the subsidiaries Ecoporto Santos and Termares, for: container releases and handling, mooring infrastructure and declaration of customs transit.

i) According to the concession agreement of Eco135 Concessionária de Rodovias S.A., signed on June 19, 2018, the concession will be paid in 348 monthly installments in the amount of R\$ 5,920 thousand with restatement by IPCA, from the 1st month of the 2nd year of the concession agreement term, corresponding to a total of R\$ 2,060,000 (R\$ 2,312,752, restated on the contract date of signing). In accordance with accounting Pronouncement CPC12 - Restatement to present value, the concept of restatement to present value was applied to the obligations with the Granting Authority, considering a discount rate of 9.7% p.a. in the amount of R\$ 1,605,947.

j) Refers to the inspection fund of the indirect subsidiary ECO050 Concessionaria de Rodovias S.A., paid in favor of the National Transportation Agency (ANTT). As at December 31, 2020, the monthly amount of the restated installment was R\$ 926 (R\$ 911 as at December 31, 2019).

k) The annual amount as an inspection fund will consist of an amount of R\$ 3,390 to be restated by the same rate restatement index, divided into 12 monthly installments of the same amount and shall be paid in favor of the National Land Transportation Agency (ANTT) up to the 5th business day of the month following the due date. As at December 31, 2020, the monthly amount of the restated installment was R\$ 318.

In addition, the indirect subsidiaries Ecovia and Ecocataratas pay as monthly inspection fee to AGEPAR (Paraná Regulatory Agency), the amount corresponding to 0.5% of the toll collection revenue.

The indirect subsidiaries Ecovias and Ecopistas maintain insurance coverage in force against risks inherent to the development of all activities covered by the concession. Insurance coverage shall be maintained in full force until the signing of the definitive return term for the road system.

The movement of the exercise of obligations with the Granting Authority is shown below:

	12/31/2020	12/31/2019
Balance at the beginning of the year	908,823	775,438
Acquisition of Interest	-	455
Cost (see Explanatory Note No. 26)	73,347	68,217
Intangible	2,411	2,323
AVP Realization (i)	-	18,134
Financial effects on grant rights (Explanatory Note No. 27)	179,259	120,378
Capitalized Financial Costs (i)	-	35,239
Payment of principal	(160,479)	(111,361)
Balance at the end of the year	1,003,361	908,823

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(i) According to item 32 of Technical Pronouncement CPC04 - Intangible Assets, the subsidiary Eco135 capitalized the financial costs up to the date of the beginning of the toll collection, which occurred on April 1, 2019.

ii) Other commitments regarding concessions

Concessionária Ecovia Caminho do Mar S.A.

The concessionaire is also responsible for the restoration, routine conservation and maintenance of the pavement of the access road sections, as follows:

- 2.6 km of Highway PR-804, section between BR-277 and PR-408.
- 13.2 km of Highway PR-408, section between Morretes and BR-277.
- 9.6 km of Highway PR-408, section between PR-340 and Morretes.
- 13 km of Highway PR-411, section between PR-410 (São João da Graciosa) and Morretes.

Concessionária Ecovias dos Imigrantes S.A.

The Concessionaire operates the Anchieta-Imigrantes System, connecting the metropolitan region of São Paulo to the port of the city of Santos, the largest in Latin America, Cubatão Petrochemical Complex, ABCD Paulista industries and Baixada Santista, managing 176.8 kilometers of extension.

Empresa Concessionária das Rodovias do Sul S.A. - Ecosul

The Concessionaire has the exclusive purpose of exploring highways under the concession regime of the so-called Polo Rodoviário de Pelotas.

Rodovia das Cataratas S.A. - Ecocataratas

The concessionaire made the following commitments arising from the concession:

- Restoration, routine conservation and maintenance of the pavement of the access road sections as follows (except operation):
 - 7.64 km of Highway PR-474, access section between BR-277 and the city of Campo Bonito - PR.
 - 37.03 km of Highway PR-180, access section between BR-277 and the district of Juvinópolis, city of Cascavel - PR.
 - 13.58 km of Highway PR-590, access section between BR-277 and the city of Ramilândia - PR.
 - 13.59 of Highway PR-874, access section to the tourist terminal of the city of Santa Terezinha de Itaipu - PR.

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Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. - Ecopistas

The Concessionaire is engaged in the operation, receiving tolls and ancillary revenues under the terms and limits of the concession agreement, of the set of lanes of Ayrton Senna and Carvalho Pinto corridor, under the concession regime with an initial term of 30 years, scheduled to end on June 18, 2039, its respective domain ranges and buildings, installations and equipment contained therein according to the concession terms granted by the Government of the State of São Paulo.

ECO101 Concessionária de Rodovias S.A.

The concessionaire made the following commitments arising from the concession:

- Funds for technological development: throughout the concession period, the concessionaire will, annually, allocate R\$620 to projects and studies aimed at technological development, according to ANTT regulations.
- ANTT inspection fund: the concessionaire will pay ANTT, throughout the concession period, the inspection fund that will be used to cover expenses with the concession inspection.
- Traffic Safety Fund: the concessionaire will provide ANTT, throughout the concession period, the annual traffic safety fund, intended exclusively to fund programs related to accident prevention, traffic education, communication and Federal Highway Police equipment.

Concessionária Ponte Rio-Niterói S.A. - Ecoponte

The Concessionaire made the following commitments arising from the concession:

- Payment of an inspection fund to ANTT in the initial annual amount of R\$2.524 restated annually by the toll rate restatement index;
- Funds for technological development: throughout the concession period, the concessionaire will, annually, allocate R\$421 to projects and studies aimed at technological development, according to ANTT regulations.

Eco135 Concessionária de Rodovias S.A.

The Concessionaire made the following commitments arising from the concession:

- to carry out, under the concession regime, the provision of public services for the operation, management, expansion, conservation and investment necessary for the exploration of the road system called Lot of Highways: (i) BR-135 - starting at km 367.65 (beginning of access junction of BR-135 with BR-122/251/365 - Montes Claros return) and ending at km 668.85 (beginning of the access junction of BR-135 with BR-040 (A) - São José da Lagoa, with an extension of 301.20km; (ii) MG-231 - starting at km 41.00 (junction of MG-231 with LMG-754 - Cordisburgo Urban Perimeter) and ending at km 63.65 (beginning of access junction of MG-231 with BR-040 - Paraopeba), with an extension of 22.65km; and (iii) LMG-754 - starting at km 2.85 (end of access junction of LMG-754 with Avenida Brasil - Curvelo Urban Perimeter) and ending at km 42.95 (junction of LMG-754 with MG-231 - Cordisburgo Urban Perimeter), with an extension of 40.10km.

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Eco050 - Concessionária de Rodovias S.A.

The Concessionaire made the following commitments arising from the concession:

- promote the recovery, operation, maintenance, conservation, implementation of improvements and expansion of the lot road system that comprises the section of 436.6 km of BR-050, from the junction with BR-040, in Goiás, to the border between Minas Gerais and the State of São Paulo, considering the existing return in Uberlândia, including the elements part of the domain range, in addition to entries and accesses, buildings and land, central, lateral, marginal or local lanes connected directly or by interconnection devices with the highway, shoulders, special works of art and any other elements that are concentrated in the limits of the domain range, as well as the areas occupied with operational and administrative facilities related under the terms of the concession agreement "Bid No. 001/2013 Part VII ", entered into with the Federal Government through the National Land Transportation Agency (ANTT) on December 5, 2013. The highway exploration shall be upon toll rate charge, with a concession term of 30 years from January 8, 2014, date of the assumption of the Contract.

As defined by ANTT, the concession agreement establishes the commitments assumed by the Company through the Highway Exploration Program (PER), demonstrating all goals, criteria, requirements, mandatory interventions, technical guidelines, standards, scope, performance parameters, technical parameters and the respective deadlines for their service, divided into four fronts:

- Recovery and Maintenance Front;
- Expansion Front of Capacity and Maintenance of service level;
- Conservation Front;
- Operational Service Front.

Ecovias do Cerrado S.A.

The Concessionaire made the following commitments arising from the concession:

Operation, maintenance, monitoring, conservation, implementation of improvements, expansion of capacity and maintenance of the service level of the Road System composed of the sections of BR-364/365/GO/MG, at the junction section with BR-060 (Jataí/GO) and the junction with LMG-479 (West of Uberlândia/MG return), as well as the execution and management of delegated services, support in the execution of non-delegated services, the execution and management of complementary services, and support in inspection and management of complementary services provided directly by the Company.

The concessionaires estimate the amounts listed below, as at December 31, 2020, to comply with the obligations to carry out investments, recoveries and maintenance until the end of the Concession Agreements. These amounts may be changed due to contractual adequacies and periodic reviews of cost estimates during the concession period, being verified at least annually.

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	12/31/2020 (until the end of the concession period)			
	Cost Nature			
	Infrastructure Improvements	Special Conservation (maintenance)	Equipment	Total
Ecovia	32,880	17,568	10,776	61,224
Ecosul	52,854	181,740	39,798	274,392
Ecovias	510,284	116,679	55,135	682,098
Ecocataratas	42,350	83,389	9,893	135,632
Ecopistas	52,859	572,368	250,481	875,708
ECO101	1,358,991	642,720	378,417	2,380,128
Ecoponte	233,874	186,060	92,183	512,117
Eco050	523,405	1,504,009	15,394	2,042,808
Eco135	846,518	1,078,991	52,232	1,977,741
Ecovias do Cerrado	767,300	1,547,789	101,891	2,416,980
Total	4,421,315	5,931,313	1,006,200	11,358,828

	12/31/2019 (until the end of the concession period)			
	Cost Nature			
	Infrastructure Improvements	Special Conservation (maintenance)	Equipment	Total
Ecovia	38,176	23,510	10,882	72,568
Ecosul	104,633	164,366	38,317	307,316
Ecovias	117,366	107,991	54,398	279,755
Ecocataratas	41,241	114,334	9,465	165,040
Ecopistas	53,712	559,976	240,588	854,276
ECO101	1,417,296	663,460	362,467	2,443,223
Ecoponte	354,944	300,706	88,810	744,460
Total	2,127,368	1,934,343	804,927	4,866,638

On March 27, 2018, a decision favorable to Ecopistas was published, in the lower court, in a legal action related to the contractual imbalance regarding a change to the extension of Carvalho Pinto Highway project under the concession of Ecopistas. The State Public Treasury and ARTESP appealed against this decision on May 11, 2018. On 06/08/2020, TJSP judgment dismissed the appeal of the State/ARTESP, which did not appeal the decision (res judicata certificate published on 08/18/2020). In December 2020, the administrative process regarding the rebalancing was resumed by Ecopistas with ARTESP.

22. INFORMATION ON THE CONCESSION AGREEMENT

a) Rodovia das Cataratas S.A. – Ecocataratas

Rodovia das Cataratas S.A. - Ecocataratas is part of the concession program of the State of Paraná, regularly bid and contracted in 1997, together with five other concessionaires. The concession's deadline is November 2021.

The Concessionaire and the Granting Authority - DER/PR signed, on October 27, 2016, an amendment to the Concession Agreement 073/97, whereby the parties agreed on the

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economic and financial rebalancing of the contract and to end the judicial claims related thereto.

In November 2016, a court decision by the Federal Court of Accounts was issued, derived from the appraisal of the review requests submitted by the Concessionaires in April/2012, in view of the request by the National Congress to audit Paraná highway concession agreements. The court decision determines the Granting Authority to assess the existence of any economic-financial imbalance of the contracts and adopt a periodic rate review clause.

Management evaluated these matters in detail and concluded that, although there are associated risks, the probability that these events will materially affect its equity and financial situation and the result of its operations is not probable.

b) Concessionária Ecovia Caminho do Mar S.A.

Concessionária Ecovia Caminho do Mar S.A. is part of the concession program of the State of Paraná, regularly bid and contracted in 1997, together with five other concessionaires. The concession's deadline is November 2021.

In November 2016, a court decision by the Federal Court of Accounts was issued, derived from the appraisal of the review requests submitted by the Concessionaires in April/2012, in view of the request by the National Congress to audit Paraná highway concession agreements. The court decision determines that the Granting Authority should assess the existence of any economic-financial imbalance of the contracts and adopt a periodic rate review clause.

On September 6, 2017, the Concessionaire and the Granting Authority - DER/PR signed the 5th Amendment to Concession agreement 076/97, whereby the parties agreed on the economic and financial rebalancing of the contract and to end the legal claims related thereto.

Management evaluated these matters in detail and concluded that, although there are risks associated with the final judgment of the lawsuits in progress, the probability that these events will materially affect its equity and financial situation and the result of its operations is not probable.

c) Concessionária Ecovia Caminho do Mar e Rodovia das Cataratas – Ecocataratas

On July 11, 2019, the State of Paraná and the Department of Highways of the State of Paraná (DER/PR) filed Public Civil Action No. 5035770-05.2019.4.04.7000/PR, against Ecovia, against their related companies, ECS and the Company, and against the Brazilian Association of Highway Concessionaires on the grounds that the Concession Agreement and its amendments would be null, as they would be the product of illicit collusion investigated in Operation Integration. The State of Paraná and the DER/PR pleaded for urgent and precautionary measures aimed at opening toll gates, reducing rates, depositing or blocking amounts, decreeing the unavailability of assets by the concessionaire and its shareholders, and breaking Ecovia's bank secrecy. As final orders, the State of Paraná and DER/PR intend to repair the alleged material damages (estimated at R\$ 4,495,904) and pain and suffering (estimated at R\$ 500,000), and the application of penalties provided for in the Anti-Corruption Law against Ecovia. The amount claimed by the State of Paraná and DER/PR, of R\$ 4,945,904, corresponds, according to the State of Paraná and DER/PR, to the total

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amount collected by Ecovia throughout the entire concession. MPF filed a statement alleging that the leniency agreement signed is not capable of extinguishing ACP itself; but that the information and evidence resulting from the agreement cannot be used against companies in other instances. MPF concluded, therefore, that the leniency agreement prevents unnecessary repressive action by other bodies. As a result, MPF opposes the granting of any precautionary measure against lenients and emphasizes the need to reduce the agreed values in the event of a future conviction. Afterwards, the court of first instance rejected the injunction requested by the State, accepting the arguments presented by Ecovia and its Controllers and MPF. The judge denied the injunctions on the grounds that the leniency agreement entered into with MPF and the collaborative behavior adopted by the concessionaire will be taken into account. The continuation of the lawsuit was determined on the understanding that it is not a case of extinguishing the lawsuit. The State of Paraná filed an appeal and a decision is pending. Ecovia and the other companies will present a defense.

On August 12, 2019, the Company and its subsidiaries Ecorodovias Concessões e Serviços S.A. ("ECS") and the Paraná Concessionaires (Ecovia Caminho do Mar and Ecocataratas) entered into a Leniency Agreement with the Federal Public Ministry in the scope of the Integration Operation, as mentioned above. The Agreement was approved by the 5th MPF Coordination and Review Board, established that: (a) the Company or ECS must pay the amount of R\$ 30,000 as a fine provided for in the Improbability Law; (b) Ecovia must pay R\$ 20,000 for works and R\$ 100,000 for rate reduction; and (c) Ecocataratas must pay R\$ 130,000 for works and R\$ 120,000 for rate reduction. In addition, the Concessionaires of Paraná will be subject to the improvement and monitoring of their ethics and compliance program by an independent monitor.

The Leniency Agreement established the termination, by the MPF, of criminal proceedings and civil discussions, including in relation to acts of improbity against the Company and its subsidiaries, as well as the MPF's agreement to use the amounts included in the Leniency Agreement to offset any payments that the Company, ECS and Paraná Concessionaires may make in relation to any actions proposed by government authorities regarding facts dealt with in the Leniency Agreement. The obligations of the agreement have been strictly fulfilled by the Concessionaires, which are currently beginning the execution of the established works, awaiting only, in some cases, the issuance of environmental licenses. The rate reductions provided for in the agreement have already been applied and the rates are already returning to contractual values. On 01/13/2021, a sentence was passed ratifying the referred agreement in the judgment of the 1st Federal Court of Curitiba, process No. 5072227-36.2019.4.04.7000. Awaiting the deadline for any appeal or res judicata.

In view of the Leniency Agreement entered into with the MPF, on October 31, 2019, the Company received prior notification sent by the Paraná State Comptroller General (CGE / PR) informing the initiation of the administrative accountability process (PAR) for verification of harmful acts against the Public Administration. The notifications were also received by the Ecovia Concessionaires and the previous defenses were presented by the Company and its Subsidiaries. The MPF defended the impossibility of using leniency information to apply a sanction or negative consequence to employees to a greater extent than what is already in the agreement, requesting the State to confirm its full consent to the impossibility of using information for the application of sanctions, as well as the terms of the Leniency Agreement. The Companies were informed about the resolution contained in the Minutes of Deliberation 03 - resulting from the meeting of the Accountability Process Committee, which resolved, in summary, to (1) request the General Controller to extend the term for conclusion of the PAR; (2) close the evidence production phase to produce the indictment document for the

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legal entities processed; (3) subpoena companies to be aware of the technical analysis elaborated on the defenses we present. In short, on the technical analysis of the CGE on the Company's defenses, the General Controller expressed his opinion for dismissing their allegations, except for the need to observe the non-retroactivity of the Law of improbity for acts prior to its edition and a 5-year statute the date of the acknowledgment of the act and the interruption of the illegal practice in the case of a continuous violation). On 06/22, a petition was filed questioning the closure of the evidence production phase without the CGE specifying what illegal conduct was imputed to the companies, nor even indicating the amount of the alleged losses. The Companies understand that CGE's accusations are generic and based on facts admitted by another concessionaire and will continue to defend itself in the administrative proceeding.

Regardless of the administrative accountability process (PAR), mentioned above, still in the context of the measures adopted by the State of Paraná against the Companies, on January 7, 2020, the Company and its direct subsidiary ECS communicated to the market the knowledge of the publication of the Resolution CGE No. 67/19, of the Controllershship-General of the State of Paraná (CGE / PR), which cautiously determined the temporary suspension of the right of the Ecocataratas and Ecovia Concessionaires to participate in new tenders and enter into new contracts with the Public Administration of the State of Paraná. The Ecovia and Ecocataratas Concessionaires filed a court injunction request to suspend the effects of Resolution CGE No. 67/19 in view of the impossibility of applying sanctions without the prior administrative procedure and the right to ample and contradictory defense. The preliminary injunction was denied by the judge of the case, who admitted outright that the arguments on which the precautionary decision was based were not generic and imprecise, that the plaintiffs in signing a leniency agreement acknowledged that they had committed illicit acts, that the charges are based on criminal investigations carried out by the MPF, where evidence of criminal offenses related to contractual offenses was collected, therefore the requirements for granting the injunction are present. The Companies will appeal against this decision. On December 11, 2020, was published in the Oficial Diary of Parana State, the Resolution CGE nº 78, from December 10, 2020, revoking the Resolution nº 67/2019, that was determinated the temporarily suspension of right for Ecovia and Ecocataratas to estabellish contract with Parana State.

In August 2020, Ordinary Action -- 5040685-63.2020.4.04.7000 - 1VF Curitiba - was proposed by Ecovia and Ecocataratas - aiming to attack the methodology adopted by DER / PR in the application of tax assessment notices, based on Resolution 003/2019 , as a form and regulation of Concession agreement 076/07 and 073/97 in the application of tax assessment notices. Deducting the request for emergency relief, an injunction was granted for the DER / PR to refrain from imputing any penalty to the Concessionaires, as a result of the infraction notices drawn up, under the understanding that there is no doubt that there was an unreasonable change in the inspection criteria no longer provides the time for curing nonconformities prior to the assessment by the Concessionaire. The preliminary injunction also determined that the Concessionaires promoted the deposit of fines already imposed by the Granting Authority until the moment when the injunction was issued, and such deposit may be replaced by guarantee insurance. DER / PR filed an interlocutory appeal against the injunction favorable to the concessionaires, which had its suspensive effect denied. DER / PR and the State of Paraná filed a challenge. Pending summons to challenge the challenges.

Also, within the scope of the contractual regulation of Ecovia and Ecocataratas, in September 2020, actions were proposed (Ecovia: Action 5044213-08.2020.4.04.7000 - distributed to the Federal Court of the 5th VF of Curitiba - Ecocataratas: Action 5044220-97.2020.4.04.7000 - distributed to the Federal Court of the 3rd VF of Curitiba) aiming at rebalancing the

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rate losses resulting from the suspension of the collection of suspended axles, since Law 13.103 / 2015 (Truckers Law) was modified in May 2018 (by MP 833 / 2018, later converted into Law 13.711 / 2018), in order to establish a new rate exemption. Art. 17 of the aforementioned diploma exempted "vehicles that transport cargo that circulate empty (...) from the toll collection on the axles that they keep suspended", expressly providing that such measure "covers federal, state, district and municipal land roads, including those granted" (§ 1 of art. 17). This is a supervening and unpredictable normative change, with direct and immediate effects on the concession granted to the Concessionaires.

Following this same context, the Regulatory Agency for Public Delegated Infrastructure Services of Paraná - AGEPAR, on November 10, 2020, issued decisions in two administrative proceedings, one relating to Ecovia and the other to Ecocataratas. In these decisions, AGEPAR claims to have assumed an excess in the current rate value and determines (i) the suspension of future readjustments, (ii) the cancellation of the last contractual amendments, (iii) the conduct of studies by the DER to reduce the rate and (iv) communication to other state control and inspection bodies. Thus, AGEPAR intends to prevent the rate readjustment due for December 2020 and drastically reduce the rate to a minimum. Ecovia and Ecocataratas filed lawsuits, alleging defects in the administrative process; disrespect for due process of law; disregard for the adversary and the duty to base decisions; AGEPAR's incompetence in annulling contractual rules and legal obstacles to the deconstruction of perfect acts: res judicata in several actions between the parties; prescription; prohibition of contradictory conduct; errors of assessment on the merits of the matter: the intended review starts from unreasonable assumptions, which disregard the IRR, the contractual provisions and the legal and constitutional rules related to the intangibility of the economic and financial equation; and that there are also serious technical accounting defects, already demonstrated in opinions, which were, however, despised by AGEPAR; (specifically regarding the readjustment, its autonomy in relation to the base rate.

In the lawsuit filed by Rodovia das Cataratas - Ecocataratas S / A, in the face of the Paraná Regulatory Agency - AGEPAR and other entities (State of Paraná), seeking the suspension of all the effects of the decision issued in the context of the self-protection proceeding filed against the Concessionaire, process nº 5057801-82.2020.4.04.7000 - 5th Federal Court of Curitiba-PR, urgent protection was granted to determine the suspension of the effects Resolution 27/2020 AGEPAR, as well as acts resulting from it. In other words, the effects of the decision on the self-care process are suspended, including those related to the need to calculate a new rate base, suspension of rate readjustments or suspension of contractual rebalances. The decision was based on the following grounds: AGEPAR does not have the competence to review the rate of return, because: (i) it has not signed the amendment that it intends to cancel; (ii) it did not comment on any errors when consulted; (iii) the effects of the additive term are concrete and go beyond the setting of the IRR, extending to the jurisdictional field; (iv) there is no legal competence to review the contractual bases, just checking whether the rate adjustment or revision is due; (v) even if there were such competence, AGEPAR should have observed the contradictory evidence and the broad defense, including calling the Granting Authority to be aware of this decision.

In the lawsuit filed by Ecovia Caminho do Mar, against the Paraná Regulatory Agency - AGEPAR and other entities (State of Paraná), process No. 5057980-16.2020.4.04.7000 - 6th Federal Court of Curitiba-PR, a resolution (Resolution 026/20) was granted by TRF4 to suspend part of the decision of the self-protection process to prevent the implementation of the reduction of the current toll fees charged on the highway granted, under the same arguments launched by the court that granted the Ecocataratas injunction, but keeping the application suspended of the annual readjustment under the argument that the increase of

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these values will produce effects that will directly burden the highway users and will increase eventual rate "excess".

d) Empresa Concessionária de Rodovias do Sul S.A. – Ecosul

Judgment 883/2020 - TCU

In April 2020, the Concessionaire became aware of Judgment No. 883/2020 issued by the Federal Audit Court against the National Land Transport Agency - ANTT, within the scope of the Taking of Accounts No. 020.982 / 2019-7, in which there are determinations referring to the Concession agreement for the Polo Rodoviário de Pelotas, granted to the indirect subsidiary Empresa Concessionária de Rodovia do Sul S.A. ("Ecosul"), without the latter being a party to the referred process.

The control body, upon request by the National Congress, instituted the inspection of the Concession agreement before ANTT to determine any irregularities in the composition of the nominal value of the toll rate, considered excessive by the signatory Federal Deputies.

In the Judgment, the TCU indicated signs of economic and financial imbalance in the contract, due to: (i) supposed overestimation of the toll rate caused by the increase in the amounts charged for heavy vehicles, approved by ANTT in 2013 on the occasion of the 4th Amendment to the Concession Agreement; (ii) increase in traffic observed from the duplication works of BR-392 / RS, between Pelotas and Rio Grande, carried out with federal resources, which would have generated distortions in the calculation of the traffic induction carried out to incorporate the section by the 4th Amendment; (iii) rebalances granted by ANTT as a way of offsetting the effects of the Truck Drivers Law (Law No. 13,103 / 2015), related to the increase in load tolerance on highways and exemption from payment of suspended axes, without carrying out inspection actions that could attest to the value of the real loss of revenue from the Concessionaires; (iv) supposedly low execution of pavement recovery services in 2018 and; (v) suppression of 166.5 km on BR-293 (in the segment between Pelotas and Bagé) and access to Molhes da Barra on BR 392, concluding that ANTT has not proceeded with the inclusion of new investments in the contract that may result in a rate increase and / or extension of the Concession term.

ANTT submitted a request for review, currently pending judgment by TCU, in which it maintains that all contractual changes were made in accordance with the contract and current regulations. Due to legal force, the TCU determinations, subject to appeal, are suspended. Depending on the results of accountability and their effective effects on the Concession Agreement, the Company is studying the possibility of judicializing the matter.

Paving

On May 19, 2020, the National Land Transport Agency concluded the calculation of investments in pavement recovery and maintenance, pertinent to the schedule of works carried out in 2018. From then on, the Regulatory Agency started to adopt a new understanding regarding the inspection and acceptance criteria for the works included by the 6th Amendment to the Contract, now requiring full compliance with the executive project approved in 2014, regardless of compliance with the performance parameters agreed in the amendment.

As a result of applying this new understanding, the Regulatory Agency published Ordinances 072/2020 and 076/2020 on 02/09/2020, retroactively applying the new calculation criteria

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for the works that had been carried out and accepted in 2017 and 2016, respectively, which implied the postponement of these investments to the annual fiscal year 2020. Following the new inspection guideline, investments in recovery and maintenance made in 2019 were also postponed to the annual fiscal year 2020, through Ordinance No. 077 / 2020, published on 9/3/2020.

The adoption of this new understanding resulted in the pointing out of high percentages of non-execution of the works carried out between the years 2016 to 2019, regardless of their compliance with the agreed performance parameters, whose postponements may negatively impact the basic toll rate by -3.30% . Penalties were also issued against the Concessionaire in relation to the non-execution of the 2018 works schedule in the amount of R\$ 1,510,155.15 and non-compliance with the executive project in the amount of R\$ 614,300.40, in addition to the determination to redo the works that had been accepted in previous years.

The Concessionaire presented manifestations contrary to the understanding presented by the respective ANTT Ordinances and their reflexes, as well as defenses to the infraction notices drawn up, all under analysis by the Regulatory Agency. Depending on the results of the administrative discussion and its effective effects on the Concession Agreement, the Company is studying the possibility of appealing the matter in court.

e) Ecoporto Santos S.A.

The PRES Lease Agreement No. 028/1998 ("Agreement") signed between Companhia Docas do Estado de São Paulo ("CODESP") and Ecoporto Santos S.A. ("Ecoporto Santos") is effective for a specified period of 25 years, with closing scheduled for June 2023. To date, five terms of amendment to the Contract have been signed, with no change to the initially established term. However, clause 16 of the Contract provides for the possibility of extending its term for an equal period (25 years), subject to sectoral regulations. With the advent of Law 12.815 / 2013 ("New Regulatory Framework"), the granting authority became the Ministry of Infrastructure ("Minfra" or "Granting Power"), being the National Waterway Transport Agency ("ANTAQ") responsible for inspection and regulation. Ecoporto Santos promptly requested the anticipated extension of the term of the Contract, instructing the process with the relevant documents. On December 19, 2019, ANTAQ Resolution 7549 ("Resolution") was published, which tried to approve the Technical, Economic and Environmental Feasibility Study ("EVTEA") presented by Ecoporto Santos, through which ANTAQ gave a favorable opinion on the extension of the Agreement until the year 2048 and the economic and financial rebalancing referring to the implementation of new investments; at the same time, the claim was denied for rebalancing by the supervening replacement of the area originally delimited in the Contract by new, non-contiguous areas, with 20% less total footage (170,000m² x 136,444.03m²), which generated loss of operational efficiency at the terminal. On January 6, 2020, Ecoporto Santos filed an appeal at the administrative level against the aforementioned Resolution so that the right to economic and financial rebalancing resulting from the reordering of areas was also recognized; however, this administrative appeal was denied. In February 2020 the process was sent to the National Secretariat of Ports and Waterway Transport ("SNPTA"), of the Ministry of Infrastructure ("Minfra") for analysis of the request for extension.

On January 7, 2021, the General Coordination of Contracts Management in Related Entities of the Department of Management of Lease and Concession agreements of the National Secretariat of Ports and Water Transport of the Ministry of Infrastructure issued Technical Note No. 1/2021 / CGEV / DGCO / SNPTA, through which the technical sector opines for the

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termination of the Contract at the end of the first contractual period, in the year 2023. In its conclusion, the technical sector considered the rejection of the imbalance in relation to the replacement of the area originally defined in the contract, but recognizes the possibility of resolving this claim through arbitration, which will be evaluated by Minfra Legal Consulting. Additionally, the technical sector also recognized the liquidity and certainty of the unequivocal right to rebalance due to the implementation of new investments in the terminal, and the indemnity resulting from the investments that are concluded and operational and that will not be amortized until the year 2023, in the values already considered in Resolution No. 7459-ANTAQ and Judgment No. 14-2020-ANTAQ. It is important to note that the indemnities mentioned will only be due if the higher authorities of Minfra corroborate with the understanding of not extending the PRES Lease Agreement No. 028/1998.

Also on January 7, 2021, the Department of Management of Contracts and Concessions of the National Secretariat of Ports and Water Transport of the Ministry of Infrastructure, through Order No. 21/2021 / DGCO / SNPTA, corroborated the understandings of Technical Note 1 / 2021 / CGEV / DGCO / SNPTA, as well as recommended to the National Secretary for Ports and Waterway Transport the rejection of the request for extension of the concession agreement and suggested that Minfra's Legal Consultancy evaluate the request for arbitration.

On January 8, 2021, through Official Letter No. 24/2021 / SNPTA, the National Secretary for Ports and Waterway Transport ratified the understanding that, from a technical point of view, there seems to be no obstacle regarding the adoption of arbitration so that the imbalance resulting from the reordering of terminal areas is defined in an arbitration process by an impartial third party.

Finally, on January 19, 2021, through Official Letter 38/2021 / SNPTA, the National Secretary for Ports and Water Transport, in addition to Official Letter 24/2021 / SNPTA corroborated the understanding that there is no advantage in the extension of the Contract due to the area's bidding scenario as provided for in the Port of Santos Development and Zoning Plan ("PDZ") approved on July 29, 2020.

As provided for in the concession agreement, and described in Explanatory Note No. 1.c), the Company has rights to indemnity at the end of the contract due to investments that are concluded and operational, and that are not amortized until the end of the contract in 2023. As at December 31, 2020, the estimated amount of indemnity was R\$ 234,056.

On March 1, 2021, the Company communicated to the market through Relevant fact, that on February 26, 2021 it was notified by the Infrastructure Ministry, through Official Letter No. 81/2021/SNPTA regarding the decision of the Granting Power not to renew PRES Lease Agreement No. 028/1998.

f) Eco101 Concessionária de Rodovias S.A.

On April 11, 2019, the Federal Police fulfilled a search and seizure warrant at the indirect subsidiary Eco101 Concessionária de Rodovias S.A. ("ECO101") in Serra - ES, under the "Operation Infinite Highway".

According to information released by the Federal Police, the investigation was carried out with the support of the Federal Audit Court and focuses on investigating possible irregularities related to technical reports on the road situation.

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The Company initiated an internal investigation with the objective of verifying the facts and had external professional support for the work. In the forensic assessment report, these external professionals point out that there are no documents in the investigation that support the thesis that ANTT employees knew of alleged changes made by Eco101 in the monitoring reports, that the investigation did not present documents that prove the alleged illegal relationship between Eco101 and ANTT representatives, and that there is no evidence that the monitoring reports allegedly altered were used to obtain financing from BNDES. In addition, the Company and its legal and financial advisors studied, established and accounted for the best appraisal liability for calculating amounts related to penalties and fines related to tariff discounts ("Factor D"), under a scenario in which the alleged changes have carried out in the monitoring reports, which result in the amount due of R\$ 72,614, according to Note 26.

The police investigation is pending before the Federal Police, with no end expected, in relation to which the Company is studying the possibility of transacting with the Public Ministry and other competent authorities in order to close the case definitively.

g) Ecovias dos Imigrantes – No Civil Prosecution Agreement ("ANPC")

On April 6, 2020, according to the Material Fact disclosed by the Company on that date, the Concessionaire Ecovias do Imigrantes S.A. ("Ecovias") entered into a civil non-prosecution agreement ("ANPC") with the MPSP. ANPC was celebrated within the scope and with a view to the consensual resolution of the objects of the civil investigations PJPP-CAP nº 1.071 / 2014, 295/2018 and 489/2018, of the Public Prosecutor's Office of the Public and Social Patrimony of the Capital of São Paulo.

Under the terms of the ANPC, Ecovias will pay the amount of R\$ 638 million, which will be allocated as decided between MPSP, São Paulo State Secretariat for Logistics and Transport and Ecovias, of which R\$ 38 million will be paid by the Company. Additionally, the ANPC contains other provisions and an additional R\$ 12 million resulting from other obligations that will also be borne by the Company. The amounts related to the works that will be included in the scope of Ecovias' concession contract will be accounted for in accordance with international accounting standards.

On the other hand, aiming at the maintenance of Ecovias's activities and the public interest, there will be the closure, by the MPSP, of procedures and discussions, whether of a civil, administrative or sanctioning nature, including in relation to acts of administrative impropriety, against Ecovias and other companies of the Ecorodovias Group, to prevent new sanctions from being applied to Ecovias and other companies of the Ecorodovias Group based on the facts and information collected by the MPSP.

Currently, the approval of the ANPC is pending before the Superior Council of the Public Ministry of the State of São Paulo ("CSMP"). After approval by the CSMP, it will also be taken for approval by one of the Public Finance Courts of the District of the Capital of the State of São Paulo.

In addition, Ecovias is entitled to contractual imbalances, which are usually compensated by extending the contractual term, which will support the amortization of the intangible assets after it starts operating, expected from 5 to 8 years. Negotiations involving (i) regulatory liabilities within the scope of its Concession Agreement resulting from duly determined and uncontroversial economic and financial imbalances; and (ii) possible inclusion of new investments of public interest with the Granting Authority are at an advanced stage.

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The accounting records are as follows:

- The penalty obligation was recorded on the date of signature of the agreement, restated to present value in the amount of R\$ 45,792. As at December 31, the updated amount was R\$ 49,813;
- The obligation and works will be recognized as an intangible asset as they are executed, against construction revenue; and
- The discount obligation will be recognized as granted to users, in accordance with IFRS15 Revenue agreement.

23. PROVISION FOR CIVIL, LABOR AND TAX LOSSES - CONSOLIDATED

Accounting Policy

EcoRodovias Group is part of several judicial and administrative proceedings. Provisions are set up for all contingencies related to legal proceedings for which it is probable that an outflow of funds will be made to settle the contingency or obligation and a reasonable estimate can be made.

The unfavorable outcome in its processes, individually or in the aggregate, may result in a material adverse effect on the Company's financial conditions or business.

The change in the provision in the years is as follows:

	Environmental (a)	Civil (b)	Labor (c)	Tax (d)	Total
Balances on January 1, 2020	63,559	103,323	31,774	8,003	206,659
(+/-) Provision supplement (reversal)	1	22,330	11,145	(287)	33,189
(-) Payments	-	(5,959)	(11,089)	(33)	(17,081)
(+) Monetary restatement	1,444	9,935	4,932	(20)	16,291
Balances on December 31, 2020	65,004	129,629	36,762	7,663	239,058

	Environmental (a)	Civil (b)	Labor (c)	Tax (d)	Total
Balances on January 1, 2019	51,649	99,635	28,104	6,078	185,466
Ecopátio consolidation	-	-	1,745	195	1,940
Acquisition of Interest	-	310	3,159	690	4,159
(+/-) Provision supplement (reversal)	9,559	5,834	8,298	841	24,532
(-) Payments	-	(6,817)	(13,015)	(25)	(19,857)
(+) Monetary restatement	2,351	4,361	3,483	224	10,419
Balances on December 31, 2019	63,559	103,323	31,774	8,003	206,659

(a) Environmental processes

The provision amount corresponds mainly to the public civil action of the subsidiary Ecovias dos Imigrantes proposed by the Public Ministry of the State of São Paulo and alleging that the Company has not fulfilled part of the payment related to the environmental compensation related to the construction of the downward lane of the

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Rodovia dos Imigrantes. In August 2014, a sentence was partially upheld to order Ecovias to pay R\$ 36,917 thousand. On September 29, 2014, a judicial deposit was made in the amount of R\$ 38,828. On April 9, 2018, a second instance decision was issued determining: (i) the payment to CDHU (of the portion provided for in the Agreement signed on December 22, 2006) and (ii) the monetary restatement of the residual value of R\$ 3,787 (March / 2004) using the TJSP practice table, plus interest on arrears of 1% per month from the 31st day following the completion of the works. An appeal was filed by Ecovias to clarify that the residual value has already been deposited considering the monetary correction in accordance with the judgment and the final date for the application of interest on late payment. On March 29, 2019, in view of the decision that recognized that the monetary restatement was considered in the amount already deposited and defined the date for the application of interest, Ecovias made a complementary deposit of R\$ 6,522. As at December 31, 2014, due to the probability of a probable loss, the amount of R\$ 30,920 was provisioned. The updated value for December 31, 2020, including the complementary deposit amount of R\$ 6,522, was R\$ 61,783 (R\$ 60,425 on December 31, 2019), with the corresponding entry being recorded in intangible assets, under the caption "contracts for concession". The premise of registration under the "concession agreement" item was taken by the Company's Management, considering that this amount will be subject to an economic and financial rebalancing claim of the concession agreement with the Granting Authority.

(b) Civil Suits

The provisioned amount corresponds mainly to lawsuits involving claims for damages resulting from accidents on the highways. The Company and its subsidiaries have other civil lawsuits totaling R\$1,041,419 as at December 31, 2020 (R\$963,550 as at December 31, 2019), from accidents and administrative fines, assessed as possible losses by lawyers and Management; and therefore no provision has been made.

The main cause classified as probable, that is, with the constitution of provision, is that of the direct subsidiary Ecoporto Santos, which filed a precautionary suit to obtain an injunction to suspend the effects of the administrative decision issued by the Administrative Council for Economic Defense (CADE), which considered offensive to the economic order the collection of the Container Segregation and Delivery service. The collection was being carried out until August 2012 through judicial authorization through a deposit at the disposal of the 1st Degree Court, and from the publication of a decision against the Terminal, in August 2012, the Company decided to suspend the collection, safeguarding the right to collect it in a timely manner. On December 7, 2017, by majority vote, the appeal filed by the Federal Government and Ecoporto Santos was dismissed. We filed a Special Appeal, already admitted for consideration by the collegiate body, and Extraordinary Appeal, which was rejected. Against this decision, we filed an appeal, pending judgment.

(c) Labor Suits

The amount provisioned corresponds mainly to claims for compensation for work accidents and claims for overtime, with no relevant individual claims. As at December 31, 2020, there were also other lawsuits of the same nature totaling R\$45,709 (R\$60,434 as at December 31, 2019) which were assessed as possible losses by legal counsel and Management. The main labor lawsuit is the recognition of a service provider's employment relationship, this process awaits a hearing, but the indirect

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subsidiary Ecovia Caminho do Mar estimates the possible classification, therefore no provision has been made.

(d) Tax Suits

The provisioned amount corresponds mainly to differences in rates and bases for calculating taxes paid. As at December 31, 2020, there were also other tax claims totaling R\$223,794 (R\$210,845 as at December 31, 2019) which were assessed as possible losses by lawyers and Management; therefore, no provision has been made.

The main tax proceedings are as follows:

The main possible cause, therefore, without making a provision, refers to the requirement of IRPJ and CSLL on goodwill amortization expenses generated on the acquisition of equity interest deducted by the Company between the calendar years 2010 to 2015. On November 14, 2016, a Challenge was filed with AIIM, rejected on August 2, 2018. On August 30, 2018, a Voluntary Appeal was filed with CARF, which was partially accepted by CARF on September 18, 2019, and the court decision has not yet been published and may be modified due to a Special Appeal to be submitted by the taxpayer. The amount corresponding to the discussion, as at December 31, 2020 was R\$133,479 (R\$129,821 as at December 31, 2019).

Concerning the news published in the media regarding the determination of the purchase of a provisional measure by Zelotes Operation, the Company states that it has regularly sought to defend the interest of Elog, a logistics company which was at the time a member of the group, to open the bonded market for free competition with relocation to areas of greatest demand for these logistics services. In addition, the Company informs that Spindola Palmeira office and the company LBS Consultoria e Participações Ltda. were hired to prepare consultations and legal opinions on tax and social security matters and to consult on customs and tax matters. In response to the Federal Public Ministry regarding the investigative procedure number 1.16.000.002352/2018-11, the Company presented the requested information on contracts with the Spindola Palmeira office and with the company LBS Consultoria e Participações.

24. NET EQUITY

a) Stock Capital

As at December 31, 2020 and 2019, the subscribed and paid-in capital of R\$360,900 is represented by 558,699,080 common shares with no par value.

b) Authorized Capital

Pursuant to the Bylaws, the Company is authorized to increase its share capital to up to R\$4,000,000, by resolution of the Board of Directors, subject to the legal conditions for the issue and the period of the preemptive right.

c) Profit Reserve – Legal

It is constituted based on 5% of the restated net income for the year, limited to 20% of the share capital. As at December 31, 2020, the amount of R\$46,140 referring to the balance of December 31, 2019 was absorbed by the accrued losses

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	12/31/2020	12/31/2019
Net loss of the year	(423,988)	(185,460)
Loss of previous years	(185,460)	-
Loss absorption		
Legal reserve	46,140	-
Capital budget reserve	196,821	-
Accrued losses	(366,487)	(185,460)

d) Proposed Dividends

Shareholders are guaranteed dividends and/or interest on shareholders' equity of at least 25% of the restated net profit for the year, calculated under the terms of article 202 of Law No. 6.404/76.

In the year ended December 31, 2020, no amounts were paid to dividend and interest on shareholders' equity, due to losses recorded in the years 2019 and 2020.

e) Treasury Shares

The Board of Directors approved four share buyback programs that would occur without reducing capital stock and using reserves, for the purpose of canceling or remaining in treasury, as well as for resale, replacement in the market or support for Company's share-based option, as shown below:

	1 st Program	2 nd Program	3 rd Program	4 th Program
Date	08/31/2010	05/30/2012	06/05/2013	06/06/2014
Term	365 days	365 days	365 days	365 days
Number of common shares outstanding in the market	144,003,000	143,737,879	200,669,081	199,611,859
Maximum number of common shares to be acquired	4,000,000	1,500,000	1,700,000	2,400,000

The Company holds 713 thousand common shares in treasury calculated based on the closing price of the last trading day on December 31, 2020, of R\$13.37 (R\$16.30 as at December 31, 2019). The total value of these shares, whose calculation is based on the closing price of the trading day on December 31, 2020, was R\$9,533.

The Company constituted a reserve for future purchase of shares for its share-based option plan to employees of R\$30,525, transferred to the "capital reserve" item, as determined in the Bylaws.

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25. NET REVENUE – CONSOLIDATED

Accounting Policy

Revenues

Revenue is measured at the fair value of the compensation received or receivable, less any estimates of cancellations, and the result of operations is determined in accordance with the accrual basis accounting regime, highlighting:

	12/31/2020	12/31/2019
Revenue from toll collection (a)	3,023,853	2,952,132
Construction revenue (b)	981,472	1,007,724
Port revenue (c)	390,829	390,167
Accessory revenue (d)	96,134	87,631
Logistics revenue (e)	32,363	24,256
Total gross revenue	<u>4,524,651</u>	<u>4,461,910</u>
Deductions from revenue	(358,347)	(340,928)
Deductions from revenue recognition (g)	<u>(166,518)</u>	<u>(168,093)</u>
Net revenue	<u>3,999,786</u>	<u>3,952,889</u>

(a) Toll revenues, recognized when users pass through the toll plaza.

(b) Revenue related to construction or improvement services under the service concession contract is recognized based on the stage of completion of the work carried out. Operating or construction revenues are recognized in the year in which the services are provided by the Company. When the Company provides more than one service in a service concession contract, the remuneration received is allocated by reference to the fair values related to the services delivered.

(c) Port revenue comes from port operations, in addition to handling and storing import and export cargo, with its own terminal at the Port of Santos.

Revenues from direct subsidiaries operating in the Port of Santos: Ecoporto Santos and Termares.

(d) Accessory revenues refer to other revenues from highway concessionaires, such as the lease of an area for optical fiber, use of the right of way, sale of advertising, implementation and concession of accesses and others.

(e) Refers to the revenue earned by Ecopátio Logística Cubatão Ltda, the operations of this company were once again consolidated by the Company.

(f) Refer to revenue from the provision of administrative, financial, human resources, information technology, engineering and corporate procurement services for companies of the EcoRodovias Group.

(g) Refers to variable consideration and deduction by volume of selling expenses of direct subsidiaries Ecoporto and Termares, classified according to CPC47 Revenue from Contracts with Customers.

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	12/31/2020	12/31/2019
<u>Taxes calculation basis</u>		
Revenue from toll collection	3,023,853	2,952,133
Port revenues	390,829	390,167
Logistics revenue	32,363	24,256
Accessory and intercompany revenues	96,134	87,631
	<u>3,543,179</u>	<u>3,454,187</u>
<u>Deductions</u>		
Cofins (i)	(143,840)	(137,076)
PIS (ii)	(31,170)	(29,706)
ISS (iii)	(180,864)	(173,551)
Others – ICMS	(4)	(17)
Deduction from revenue recognition	(166,518)	(168,093)
Rebates	(2,469)	(578)
	<u>(524,865)</u>	<u>(509,021)</u>

- i. Rate for: 3% concessionaires and 7.6% ports.
- ii. Rate for: concessionaires 0.65% and ports 1.65%.
- iii. Average rate of 5.0%.

26. OPERATING COSTS AND EXPENSES - BY NATURE

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Personnel	12,542	40,599	376,745	407,989
Conservation and maintenance and others	408	426	141,697	114,832
Third party services (i)	14,446	31,503	244,614	240,158
Insurance	1,222	985	19,014	18,554
Granting Power (see Note 21)	-	-	73,347	68,217
Provision for maintenance (see Note 19)	-	-	111,776	200,873
Construction cost of works	-	-	981,472	1,007,724
Depreciation and amortization (See Note 12 and 13)	1,345	587	547,061	567,505
Rental of real estate, machinery and forklifts	594	1,495	13,634	23,477
Other operating costs and expenses (ii)	1,271	1,622	184,717	100,891
	<u>31,828</u>	<u>77,217</u>	<u>2,694,077</u>	<u>2,750,220</u>
Classified as:				
Cost of services provided	-	-	2,356,815	2,449,007
General and Administrative Expenses	31,828	77,217	337,262	301,213
	<u>31,828</u>	<u>77,217</u>	<u>2,694,077</u>	<u>2,750,220</u>

- (i) Third-party services are basically composed of consultancy, advisory, freight, cleaning, surveillance, ambulance, rescue and removal services.
- (ii) See Note 22.f)

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27. FINANCIAL RESULT

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Financial income:				
Income from financial investments	1,958	3,244	51,744	148,303
Interest on Loans	150	2,900	-	-
Monetary variation on debentures	-	-	-	6,910
Monetary adjustment of tax credits	120	73	2,972	7,882
Monetary update sale Elog	4,005	4,933	4,005	4,933
Exchange / monetary variation on loans	-	-	-	13,573
Others	191	420	4,181	5,894
	<u>6,424</u>	<u>11,570</u>	<u>62,902</u>	<u>187,495</u>
Financial expenses:				
Interest on debentures	(32,441)	(71,452)	(298,218)	(470,136)
Debt assignment and assumption	-	(18,810)	-	-
Interest on loans and financing	(61,890)	-	(176,782)	(100,231)
Monetary variation on debentures	-	-	(116,359)	(104,312)
Amortization of costs with issuance of debentures	(5,910)	(7,054)	(18,928)	(19,599)
Monetary variation on grant rights	-	-	(179,259)	(120,378)
Restatement to present value - provision for maintenance and provision for future works	-	-	(39,536)	(39,072)
Exchange / monetary variation on loans and financing	-	-	(4,121)	(18,921)
Interest on private debentures	-	(2,698)	-	-
Capitalized interest	-	-	46,907	56,247
Interest on loan	-	(10,535)	-	-
Pis / Cofins on other financial income	(360)	(596)	(8,785)	(15,233)
Monetary update on tax obligations	(119)	(72)	(16,540)	(11,732)
Interest on leases - CPC06 (R2)	(21)	-	(8,877)	(11,880)
Others	(4,745)	(1,549)	(29,069)	(32,320)
	<u>(105,486)</u>	<u>(112,766)</u>	<u>(849,567)</u>	<u>(887,567)</u>
Financial result, net	<u>(99,062)</u>	<u>(101,196)</u>	<u>(786,665)</u>	<u>(700,072)</u>

28. LOSS PER SHARE - CONSOLIDATED

	12/31/2020	12/31/2019
Basic loss - income for the year	(0.76)	(0.33)
Diluted loss - income for the year	(0.76)	(0.33)
Basic loss - result of continuing operations	(0.75)	(0.33)
Diluted loss - result of continuing operations	(0.75)	(0.33)

a) Basic loss per share

	12/31/2020	12/31/2019
Loss attributable to the Company's controlling shareholders	(423,988)	(185,460)
Loss attributable to the Company's controlling shareholders of continuing operations	(417,988)	(185,280)
Weighted average number of common shares issued	558,699	558,699
Weighted average of treasury shares	(774)	(2,206)
Weighted average number of common shares outstanding	557,925	556,493
Basic loss per share - R\$	(0.76)	(0.33)
Basic loss per share from continuing operations - R\$	(0.75)	(0.33)

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b) Diluted loss

	12/31/2020	12/31/2019
Loss attributable to the Company's controlling shareholders	(423,988)	(185,460)
Loss attributable to the Company's controlling shareholders of continuing operations	(417,988)	(185,280)
Weighted average number of common shares outstanding	557,925	558,699
Executive stock option plan	-	1,599
Weighted average common shares for diluted earnings	557,925	558,092
Diluted loss per share - R\$	(0.76)	(0.33)
Diluted loss per share from continuing operations - R\$	(0.75)	(0.33)

29. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS - CONSOLIDATED

Capital management

The EcoRodovias Group manages its capital to ensure that the companies that belong to it can continue with their normal activities, while maximizing the return to all interested parties or involved in its operations, by optimizing the debt balance and of the patrimony.

The Company's capital structure is formed by the Company's net debt and shareholders' equity.

The Company reviews its capital structure every six months. As part of this review, it considers the cost of capital and the associated risks.

Indebtedness index

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Debt (i)	1,393,012	1,567,598	9,501,878	9,587,933
Cash, cash equivalents and short-term investments - reserve account	(5,818)	(15,275)	(1,469,708)	(1,963,164)
Net debt	1,387,194	1,552,323	8,032,170	7,624,769
Shareholders' equity (ii)	56,181	455,351	56,181	455,351
Net debt ratio	24.69	3.41	142.97	16.74

(i) Debt is defined as loans and financing, debentures, leases payable and liabilities with the Granting Authority, as detailed in Notes 15, 16, 17 and 21.

(ii) The net equity includes all the Company's capital and reserves, managed as capital.

General considerations

- The Management of the Company and its subsidiaries elect the financial institutions with which financial investments can be entered into, in addition to defining limits on the percentage of allocation of resources and amounts to be applied in each of them. Financial investments are defined as fair value.
- Short-term investments and short-term investments - reserve account: comprise fixed income investment funds, repo operations and bank deposit certificates (CDB) remunerated at a weighted average rate of 102.5% of the CDI on December 31, 2020 (98, 3% on December 31, 2019), and reflect market conditions on the balance sheet dates.

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- Clients and suppliers: they arise directly from the Company's operations, are classified as amortized cost and are recorded at original values, subject to the provision for losses and restatement to present value, when applicable.
- Loans, financing, debentures, leases payable and obligations with the Granting Authority: classified as other financial liabilities; therefore, measured at amortized cost, as shown in Notes 15, 16, 17 and 21.

Fair value of financial assets and liabilities

The book and market values of the main consolidated financial instruments of the Company and its subsidiaries as at December 31, 2020 were as follows:

	Classification	Accounting Balance	Fair value
Assets:			
Cash and Banks (ii)	Fair value through profit or loss	24.510	24.510
Clients (i)	Amortized cost	183.607	183.607
Financial investments – reserve account (ii)	Fair value through profit or loss	1.496.989	1.496.989
Liabilities:			
Suppliers (i)	Amortized cost	135,521	135,521
Loans and financing (iii)	Amortized cost	3,025,344	2,977,490
Debentures (iii)	Amortized cost	5,432,771	5,390,662
Leases payable (iii)	Amortized cost	40,402	40,402
Obligations with Granting Authority (iv)	Amortized cost	1,003,361	1,003,361
Phantom Stock Option (v)	Amortized cost	9,515	9,515

- (i) The balances of the “customers” and “suppliers” items have a substantially maturity of up to 45 days.
- (ii) The balances of cash and banks, short-term investments and short-term investments - reserve account, approach the fair value on the balance sheet date.
- (iii) Loans, financing, leasing and debentures are recorded at Amortized cost on the balance sheet date.
- (iv) Calculated excluding the restatement to present value of the fixed installments of the item “obligations with Granting Power”.
- (v) The value of the Phantom Stock Option and Phantom Restricted Stock is recorded under the caption “social and labor obligations”.

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Risks management

The risk management strategy involves three lines to protect the Company from material risks:

Risk	Subcategory
Strategic	Political, mergers and acquisitions, grantor/contractual power, competition;
Operational	Capex, natural disasters, processes, road safety, property safety, traffic, weather conditions, health and safety, environment, engineering, information technology, automation technology and infrastructure;
Financial	Financial, credit, liquidity and exchange rates;
Compliance	Business ethics, regulations, internal rules and cases of non-compliance; and
Reputational	Image, credibility and reputation.

In the Ecorodovias Group, risk identification is carried out in a corporate manner through the macro level (holistic and strategic management) and micro level (individualized and operational management) approaches).

The strategy formulated by the Ecorodovias Group to carry out risk management is based on the principle that it is based on two essentially different and complementary pillars:

- Holistic management, which aims to fully understand the risks, that is, considers the potential impact of all types of risk on all processes; and
- Individualized management, which includes the set of management actions aimed at the identification, analysis, validation, treatment and monitoring of a certain type of risk.

Holistic management (macro level) has a strategic focus and is carried out in the sphere of top management, where the levels, information and resources needed for analysis and decision making are concentrated. The methodology used at this level of risk management tends to vary according to the sector of activity and the existing organizational structure, being thus developed internally.

Individualized management (micro level) has an operational character and is performed predominantly by other employees of the company in their daily lives, through measures guided by preventive actions in the face of possible threats.

Regarding risk assessment, we consider the quantification of the impact on the business and the probability of the occurrence of a risk event, as well as the analysis of other impacts.

The dimensions evaluated in other impacts include: image, strategic, operational, financial, compliance and reputational.

At the Ecorodovias Group, we carry out the assessment of the residual risk, that is, the exposure of the risk that remains after considering the effectiveness of the company's existing control environment.

The Company's management supervises the management of financial risks, which are summarized below:

a) Market risk

Market risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate due to changes in market prices. Market prices for the Company include exchange rate risk and interest rate risk.

i) Interest rate risk

The interest rate risk of the Company and its subsidiaries arises from financial investments and loans in which they are remunerated at variable interest rates, which can be indexed to the variation of inflation rates. This risk is managed by the Company through the maintenance of loans at fixed and floating interest rates.

The EcoRodovias Group's exposure to interest rates on financial assets and liabilities is detailed in the liquidity risk management item of this Explanatory Note.

In accordance with its financial policies, the Company and its subsidiaries have invested their resources in top-tier institutions, having not carried out transactions involving financial instruments that are speculative in nature.

b) Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash in banks, short-term investments and customers.

The Company maintains current bank accounts and short-term investments with top-tier financial institutions, approved by management, in accordance with objective criteria for diversifying credit risks.

On December 31, 2020, the Company presented amounts receivable from Serviços de Tecnologia de Payments S.A. - STP of R\$ 96,867 (R\$ 95,157 as of December 31, 2019), resulting from toll revenues collected by the electronic toll payment system ("Sem Parar"), recorded in "clients".

c) Liquidity risk

Liquidity risk arises from the Company's choice between equity capital (retained earnings and/or capital contributions) and third-party capital to finance its operations. The Company manages these risks through an appropriate risk and liquidity management model for the management of funding needs and liquidity management in the short term, medium and long term. The Company manages liquidity risk by maintaining adequate reserves, bank credit lines and credit lines for borrowing that it deems appropriate, through continuous monitoring of expected and actual cash flows, and by combining the maturity profiles of financial assets and liabilities.

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The contractual maturity is based on the most recent date on which the Company and its subsidiaries must settle the respective obligations:

Modality	Next 12 months	Between 13 and 24 months	Between 25 and 36 months	From 37 months
Debentures	1,810,372	1,277,512	1,578,179	3,104,239
Banco Nacional do Desenvolvimento Social - BNDES	147,891	135,693	133,245	1,164,621
Caixa Econômica Federal - FINISA/FDCO	44,359	43,748	43,130	553,498
Banco do Desenvolvimento de Minas Gerais - BDMG	9,068	9,068	9,068	136,019
Obligations with the Granting Authority	84,676	88,326	92,134	4,310,927
Finame	45	37	-	-
Promissory Notes	247,939	1,127,398	-	-
Bank Credit Bill - CCB	254,575	-	-	-
Arrendamentos a pagar	23,412	10,725	2,242	4,023
Outros	92	-	-	-

Sensitivity analysis

Risk of variation in interest rates

The sensitivity analysis was determined based on the exposure to interest rates of non-derivative financial instruments at the end of the period. For liabilities with floating rates, the analysis is prepared assuming that the value of the outstanding liability at the end of the period was open for the entire period.

The sensitivity analysis was developed considering the exposure to variation in the CDI, TJLP, USD, IPCA and IGP-M, the main indicators of debentures and loans and financing, contracted by the Company and its subsidiaries:

Operation	Risk	Interests to incur		
		Scenario I probable	Scenario II -25%	Scenario III -50%
Interest on financial investments (a)	Alta do CDI	48,251	60,313	72,376
Interest on debentures (a)	Increase of CDI	(290,750)	(317,118)	(343,391)
Interest on debentures (b)	Increase of IPCA	(226,253)	(236,000)	(245,720)
Loans and financing (b)	Alta da IPCA	(2,082)	(2,603)	(3,124)
Interest on liabilities to the Granting Authority (b)	Increase of IPCA	(13,456)	(14,073)	(19,846)
Loans and financing (c)	Increase of TJLP	(104,168)	(146,910)	(196,431)
Interest on NP (Promissory Notes) (a)	Increase of CDI	(159,515)	(173,354)	(187,188)
Interest to be incurred, net		(747,973)	(829,745)	(923,324)

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The rates considered (projected for 12 months) were as follows:

Indicators	Scenario I – probable	Scenario II - 25%	Scenario III - 50%
CDI (a)	4.42%	5.53%	6.63%
IPCA (b)	4.01%	5.01%	6.02%
TJLP (c)	4.75%	5.94%	7.13%

Source: Report from Consultoria 4E – September /2020.

The results obtained from these operations are in line with the policies and strategies defined by the Management of the Company and its subsidiaries.

30. INFORMATION PER SEGMENT - CONSOLIDATED

The Company's operating segments are reported consistently with the internal reports provided to the main operating decision maker ("Chief Operating Decision-Maker - CODM").

For performance evaluation purposes, the set of segment information and resource allocation is analyzed.

The main segmentation of the Company's business is based on:

a) Concessions

Road transport is the most extensive and developed of the transport modes in the country. The road concessions interconnect large industrial, production, consumption and national tourism centers, as well as the three largest ports in Brazil (Santos, Paranaguá and Rio Grande), in addition to providing access to other Mercosur countries. Within this segment, the following concessionaires are presented: Concessionaire Ecovias dos Imigrantes S.A., Concessionaire Ecovia Caminho do Mar S.A., Concessionaire of Rodovias do Sul S.A. - Ecosul, Concessionaire of Rodovias Ayrton Senna and Carvalho Pinto S.A. - Ecopistas, Rodovia das Cataratas S.A. - Ecocataratas, ECO101 Concessionária de Rodovias S.A., Concessionária Ponte Rio Niterói S.A. - Ecoponte and Concessionária do Rodoanel Norte S.A. - Ecorodoanel, Eco135 Concessionária de Rodovias S.A., Eco050 - Concessionária de Rodovias S.A. and Concessionária Ecovias do Cerrado S.A.

b) "Holding" and services

This segment includes the companies EIL01, EIL02, EIL03, EIL04 and Argovias Participações and the "Holdings" Ecorodovias Concessões e Serviços S.A., "Holding" of the concessionaire segment and Parent Company EcoRodovias Infraestrutura e Logística S.A.

c) Ports

This segment comprises port operations, in addition to the handling and storage of import and export cargo, with its own terminal in the Port of Santos, therefore, in this segment the companies Ecoporto Santos S.A., Termares - Terminais Marítimos Especializados Ltda are presented.

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d) Logistics

The Company holds a 100% interest in Ecopátio Logística Cubatão Ltda, whose purpose is to manage the intermodal terminal and regulate the flow of cargo trucks bound for the Port of Santos. Ecopátio was once again consolidated as of January 1, 2019.

Net revenue by segment is represented as follows:

	<u>12/31/2020</u>	<u>12/31/2019</u>
Road concessions	89.60%	91.13%
"Holding" and services	5.78%	4.33%
Ports	3.97%	4.04%
Logistics	0.65%	0.50%

The performance of the Company's segments was assessed based on net operating revenues, net income for the period and non-current assets. This measurement basis excludes the effects of interest, income tax and social contribution, depreciation and amortization.

The following tables provide summarized (combined) financial information related to the segments for December 31, 2020. The amounts provided to the Executive Committee in relation to the result and total assets are consistent with the balances recorded in the (combined) financial statements, as well as the accounting practices applied:

	12/31/2020					
Balance Sheet	Road Concessions	Ports	Logistics	Holding and services	Eliminations	Consolidated
Assets	9,865,857	449,681	76,131	7,657,653	(6,955,682)	11,093,640
Current assets	1,331,609	61,50	18,683	851,320	(512,576)	1,750,088
Non-current assets	8,534,248	388,629	57,448	6,806,333	(6,443,106)	9,343,552
Liabilities	9,865,857	449,681	76,131	7,657,653	(6,955,682)	11,093,640
Current liabilities	1,478,446	209,964	1,451	1,341,415	(512,577)	2,518,699
Non-current liabilities	4,791,668	120,610	1,330	4,489,824	(884,672)	8,518,760
Net worth	3,595,743	119,107	73,550	1,826,414	(5,558,433)	56,181

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	12/31/2020					
Balance Sheet	Road Concessions	Ports	Logistics	Holding and services	Eliminations	Consolidated
Net Revenue	3,824,891	169,629	27,770	246,582	(269,086)	3,999,786
Cost of services provided	(2,230,597)	(124,101)	(17,760)	(140,650)	156,293	(2,356,815)
Gross profit	1,594,294	45,528	10,010	105,932	(112,793)	1,642,971
General and Administrative Expenses	(239,528)	(49,892)	(7,073)	(105,221)	64,452	(337,262)
Amortization of investments	-	-	-	(26,923)	26,923	-
Other income / expenses	1,663	(75,435)	5	(367,309)	1,108	(439,968)
Equity	-	-	-	629,931	(629,935)	(4)
Operating profit / (loss) before financial result	1,356,429	(79,799)	2,942	236,410	(650,245)	865,737
Financial result	(472,740)	(17,930)	125	(296,120)	-	(786,665)
Operating profit / (loss) before tax	883,689	(97,729)	3,067	(59,710)	(650,245)	79,072
Income tax and social contribution	(316,227)	(232,578)	(370)	48,883	3,232	(497,060)
Income from continuing operations	567,462	(330,307)	2,697	(10,827)	(647,013)	(417,988)
Result of discontinued operations	-	-	-	(6,000)	-	(6,000)
Net profit / (loss) for the period	567,462	(330,307)	2,697	(16,827)	(647,013)	(423,988)

	12/31/2019					
Balance Sheet	Road Concessions	Ports	Logistics	Holding and services	Eliminations	Consolidated
Assets	9.176.608	753.239	73.887	7.417.305	(5.878.586)	11.542.453
Current assets	1.422.050	44.392	9.147	1.049.448	(170.415)	2.354.622
Non-current assets	7.754.558	708.847	64.740	6.367.857	(5.708.171)	9.187.831
Liabilities	9.176.608	753.239	73.887	7.417.305	(5.878.586)	11.542.453
Current liabilities	1.541.513	266.488	1.636	2.369.097	(170.415)	4.008.319
Non-current liabilities	4.767.255	116.837	1.598	3.053.399	(860.306)	7.078.783
Net worth	2.867.840	369.914	70.653	1.994.809	(4.847.865)	455.351

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12/31/2019

Balance Sheet	Road Concessions	Ports	Logistics	Holding and services	Eliminations	Consolidated
Net Revenue	3,824,891	169,629	27,770	246,582	(269,086)	3,999,786
Cost of services provided	(2,230,597)	(124,100)	(17,760)	(140,650)	156,292	(2,356,815)
Gross profit	1,594,294	45,529	10,010	105,932	(112,794)	1,642,971
General and Administrative Expenses	(243,969)	(49,892)	(7,073)	(105,221)	64,452	(341,073)
Amortization of investments	-	-	-	(26,923)	26,923	-
Other income / expenses	1,663	(204,587)	5	(367,309)	1,109	(569,119)
Equity	-	-	-	636,280	(636,284)	(4)
Operating profit / (loss) before financial result	1,351,988	(208,950)	2,942	242,759	(656,594)	732,145
Financial result	(472,740)	111,221	126	(296,120)	-	(657,513)
Operating profit / (loss) before tax	879,248	(97,729)	3,068	(53,361)	(656,594)	74,632
Income tax and social contribution	(314,552)	(232,578)	(371)	48,883	3,232	(495,386)
Income from continuing operations	564,696	(330,307)	2,697	(4,478)	(653,362)	(420,754)
Result of discontinued operations	-	-	-	(6,000)	-	(6,000)
Net profit / (loss) for the period	564,696	(330,307)	2,697	(10,478)	(653,362)	(426,754)

31. STATEMENT OF CASH FLOW - CONSOLIDATED

a) Cash and equivalent

The composition of the cash and cash equivalents balances included in the statements of cash flows is shown in Note 5.

b) Additional information

Information on income tax, social contribution and dividends paid is shown in the movement of cash flows.

c) Transactions that do not involve cash

In the period ended September 30, 2020, the Company carried out the investment activities, highlighted below, which did not involve cash. Therefore, these transactions are not reflected in the cash flow statements:

Transaction	Parent Company 12/31/2020	Consolidated 12/31/2020
Right of use – CPC 06 (R2)	897	58,510

32. DISCONTINUED OPERATIONS

On December 13, 2017, the Company entered into a Share Purchase and Sale Agreement, through which the terms and conditions for the sale of 100% of the social capital of Elog S.A. to Multilog S.A. were established.

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The purchase and sale agreement has an indemnity clause, and provides for the Company's responsibility to indemnify the buyer, in the event of losses suffered, for events that occurred up to the closing date of the sale, including any disputes related to existing litigation liabilities.

On December 31, 2020, the Company recognized in its result R\$ 6,000 (R\$ 180 on December 31, 2019), referring to the indemnity clause.

33. SUBSEQUENT EVENT

On March 1, 2021, the Company communicated to the market, through a Material Fact, that on February 26, 2021, it was notified by the Ministry of Infrastructure, through Official Letter 81/2021 / SNPTA, about the decision of the Granting Authority for non-renewal of the PRES Lease Agreement No. 028/1998 and its amendments.

As it is an event subsequent to the accounting period referred to in the financial statements that requires the entity to adjust the amounts recognized in its statements or recognize items that have not been previously recognized, according to technical pronouncement CPC 24 Subsequent Events, item 9.b), the Company recognized the effects of this decision in its financial statements as at December 31, 2020, as described in Notes 1.b) and 1.c).