



**Operator:**

Good morning, ladies and gentlemen, and thank you for holding. Welcome to CCR S.A.'s conference call, where we will discuss the results for the 3Q24.

We would like to inform you that this presentation is being recorded and translated. The translation can be heard by clicking on the 'Interpretation' button. If you would like, you can also mute the original Portuguese language audio by clicking on 'mute original audio'.

Before we continue, we would like to clarify that any statements made during this conference call about the Company's business perspectives, any projections, operational and financial goals are simply beliefs and assumptions by the Board of Directors at CCR. They are based on currently available information. Remarks about the future are not a guarantee of performance. They involve risks, uncertainties and assumptions as they refer to future events and therefore, depend on circumstances that may or may not occur. Investors should understand that the general economy, industry conditions and other operational factors may affect the Company's future results and lead to results that differ materially from those expressed in these forward-looking statements.

We will now hand it over to Mr. Miguel Setas, the CEO of the CCR Group. Go ahead, sir.

**Miguel Setas:**

Good morning, and welcome to our earnings call for the 3Q24. I am Miguel Setas, the CEO of the CCR Group. I am here with Waldo Perez, our CFO; and Flávia Godoy, our Investor Relations Director. At the end, we will be available for your questions, all 3 of us.

But I would like to start by highlighting the results from the bid tender for Rota Sorocabana. As you know, it's a very important and strategic asset for us. This process was concluded on Wednesday. CCR came out as the winner. As you know, this is an asset that we know very well. Out of the 460 kilometers in Rota Sorocabana, we already operate 130 kilometers in ViaOeste, and we have 80% of the revenues from this concession.

So it's a premium asset, located in the rural part of the state of São Paulo, with a very diverse economy, and the CCR Group has a significant history in managing and operating this concession.

This is an investment that the CCR Group is taking following its profitability and capital allocation criteria. We remain firm on our financial discipline. We expect a mid-teens level of income. So that will be very constructive for our portfolio and will generate value and cash for the Roads platform in the CCR Group.

So I would like to start this call by saying that we are very happy about this achievement in winning this concession. As you know, this asset will start generating EBITDA and revenue immediately. So that's also a significant contribution for the Company's balance for our operations value generation.



**Conference Call Transcript  
3Q24 Results  
CCR S.A. (CCRO3 BZ)  
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Now I would like to quickly go through this quarter's highlights. For the 3Q, we had record traffic in all platforms of the Company's portfolio. Once again, a strong demand in airports and also consistent changes or advances in Roads and Urban Mobility. In supplemental revenues, we had a 21% increase versus the 3Q23. And this also confirms the Company's strategy of increasing the share of these revenues in the Company's value. So this follows the strategy that we communicated to the market in the last quarter.

Here's another financial highlight, and Waldo will go deeper into it. As you know, this is a very favorable moment for liability management. And we estimate that all the operations that have been carried out by the 3Q24 have generated a net NPV of R\$100 million. We also had a growth of 12% in adjusted net income. So this also confirms our intention of having recurring growth throughout the next quarters. So this is confirmed again.

Here's a regulatory note, the extension of the Renovias' term. So this has been extended to April 2026. And we would also like to highlight that the Company announced in the last few days, the payment of R\$304 million in dividends in November 2024.

And finally, a couple of things connected to people and technology. So in terms of our labor, we are very happy to say that we were ranked in the Great Place to Work Brazil in the category of Giants. So we were ranked in the top 10 in Brazil as the best place to work.

And this is another note on technology. As you know, this is a part of our optimization strategy. So this is a highlight. The CCR Group is now using generative AI. Our group has a lot of experience in using AI in our operations. But now we are taking one additional step of using Gen AI to optimize our operations to improve our efficiency levels, to improve the Company's relationship with its clients and assets, and this will naturally be part of our focus for the next conversation for the next earnings calls in the next quarters.

So that summarizes the highlights for this quarter. I will now pass it over to Waldo Perez, who will continue this presentation.

**Waldo Perez:**

Thank you, Miguel. Let's talk a bit about our financial highlights for the 3Q24. We had another solid quarter of growth across all of our modals. In Toll Roads, we grew by 4.4%, Heavy-duty vehicles grew by 6.2% and Suspended axle accounted for 3.3% of this increase. AutoBAn, SPVias and ViaOeste and RodoAnel Oeste were favored by a strong export flow of sugar, soy, coffee, cotton and meat. Passenger vehicles grew 2.1% in the period, mainly due to resumption of demand at ViaSul and ViaCosteira.

In Mobility, we had a 5.1% growth. Metrô Bahia now has 2 new stations, which increased our demand by 17.5%. At ViaMobilidade Lines 5 and ViaQuatro, demand grew by 4.7% and 2.3%, respectively, due to greater return to offices, in-person work. And for VLT, we had an increase of 40.8% in passengers with the start of operation of the Gentileza Intermodal Terminal.

In Airports, our growth was nearly 9%. Curaçao continued its strong growth of 23.1% due to the consolidation of international routes reflected in higher aircraft occupancy and more frequent flights. BH Airport also had a significant increase of 22.2% in domestic traffic due to the greater supply of flights from Azul, in addition to a 31.4% growth in



international traffic, reflecting an increased number of flights from TAP and LATAM. So it was a robust quarter, which generated very good results.

In costs, the OPEX cash to adjusted net revenue ratio for the 3Q24 was stable at 41.5%. We remind you that this considers the all companies together. The main detractors were third-party services and other costs and personnel costs. We had an isolated impact from the voluntary severance plan at the Curaçao Airport, and there was also a salary adjustments of 3.86% across the entire company.

Third-party services. In the 3Q, there was R\$67 million in pavement recovery at ViaOeste, MSVia, RodoAnel and SPVias and R\$41 million in extraordinary expenses with consultants to accelerate our value creation agenda. This amount is not material compared to the optimizations, and we expect it to create value with our revised strategy.

Other costs. The 3Q23 comparison base includes R\$69 million in reversals of legal provisions at VLT, Barcas, AutoBAn and Bloco Sul, which affected the balance for that quarter. In this quarter, there was an extraordinary provision of R\$4 million for a loss in Curaçao Airport resulting from the announcement of the bankruptcy of a local airline. Nonrecurring costs, R\$188 million, and this is related to ViaOeste's improvement outworks recognized as costs rather than investments as we have seen in the past.

And finally, I would like to stress that we have an efficiency program that is currently being implemented. So we should not take this quarterly basis as a reference for our delivery of the OPEX cash to net revenue ratio below 38% by 2026.

Our consolidated adjusted EBITDA reached R\$2.2 billion. We had growth in all of our modes. So 5% in Toll Roads, 3% in Mobility and 16% in Airports. So our consolidated adjusted EBITDA had a growth of 3.2%.

As a result, we saw a growth of 12% in the adjusted net income, reaching R\$560 million this quarter. We had a better financial result, 3.6%, due to the lower CDI rate in the period, -2.86 p.p. and a higher capitalization of loan costs at RioSP, ViaSul and the South and Central blocks in line with the execution of investments in the assets.

Our effective corporate tax rate also improved. We ended the 3Q24 with 38% of interest on equity and a greater efficiency in allocated expenses.

Looking at our CAPEX, we continue to focus on executing our CAPEX very well. We executed R\$2.1 billion in investments in 3Q, a total of about R\$5 billion in the first 9 months of 2024. So it's a significant figure for RioSP. This includes expansion, expropriations, pavement recovery in the São Paulo metropolitan region.

And I would also like to emphasize that this project has 3 major parts, works on the São Paulo Metropolitan region, Serra das Araras and the duplication of BR-101. When Serra das Araras is delivered, this will bring a 4% increase in tariffs and a reduction of 100 bps in the variable grant.

When we complete the contractual duplication of BR-101, we will have a tariff increase of 6% and a further reduction in the variable grant of 100 bps. So these are important points that I think the market did not know about. So we would just like to underscore how important it is that we are concluding this construction. In ViaSul, we had a



duplication and reconstruction of the infrastructure lost in the weather catastrophe that took place in May.

In Lines 8 and 9, we acquired some rolling stock. We have received 35 new trains and 29 of these are already in operation. The remaining are still undergoing operational tests before going into service. South and Central blocks, improvement works related to Phase 1b of the investment plan should be concluded by November. So we have a significant execution program for the rest of the year. And we have some visibility of the CAPEX to be executed by the end of the year.

Considering the impact of the floods in the South and postponements that are not subject to fines, we expect physical execution to reach 95% of what was planned, which is higher than last year. And from the financial perspective, we should end the year with about 80% financial execution, which will total around R\$7 billion. This variation can be explained mainly by some priority investments and some investments that were not made in Roads and Urban Mobility modalities. In Toll Roads, we should end the year with around R\$900 million less and in Urban Mobility, about R\$590 million less in investments.

So this is our forecast for the year, and we are going to have another record year in executing CAPEX and physical investments will remain a priority.

So looking at our balance, controlled leverage and an extended debt profile with mitigated risk. So our leverage closed at 3.1x, remaining practically stable compared to recent quarters. And this is all within the range of our target capital policy, which is 2.5 to 3.5x net debt to EBITDA. And I would like to remind everyone that, while we are in that range, our payout is 50% in dividends. Looking at the holding company's net debt, we also saw an improvement, finishing at R\$3.6 billion, a reduction of 8% versus 3Q23 and 11% versus 2Q24. So a very significant improvement.

We also see all of the captures here. Our liability management was concluded, and we saw a significant evolution of our debt. When we look at our amortization schedule, you can see that the cash position is robust at R\$8.6 billion and an extended profile. Our debt duration will go from 3.86 to 5.82 years, and 49% of the debt balance is maturing from 2032.

So before concluding, I would like to reinforce our strong operating performance, solid financial position, leverage and controlled financial risk. These are all factors that position CCR for growth and allow us to focus on our value creation agenda.

So we continue with the operator, who will start the Q&A.

**Flavia Godoy:**

Good morning, ladies and gentlemen. Before we continue with our Q&A, I would quickly like to mention one of our pillars, which is having the right CAPEX investments.

We have a balance, which is shown on Note 24 of the ITR. So this balance is an investment in our business plan, and it has been updated by IRT, which is our tariff review index, and deducted from the execution of investments throughout the concession period.



In the 3Q, this IRT was passed on to our concessions here in the state of São Paulo. We have it in our contract at ViaLagos, Lines 8 and 9 and RioSP. In the RioSP contract, we passed on the accumulated inflation from this period from the beginning of the concession. So we went from a balance of R\$15.5 billion. We executed R\$2.4 billion and inflation was R\$1.9 billion.

So the methodology behind this balance, as shown in this note, includes inflation, contractual inflation and balance minus investment. And that is the balance that we see in the ITR for the 3Q24.

Now we can continue with the questions-and-answer session.

**João Frizo, Goldman Sachs:**

Good morning. Thank you for taking my question. I have a couple of quick questions. The first is about MSVia, if you can give us an update on that. So the renegotiation process, how are the discussions going? If you can tell us about the timing, that would be great.

And the second question is about new bid tenders. We saw that you won Sorocabana, which is a process that has a lot of CAPEX. MSVia is also running in parallel to that. So how much space are you willing to give to new bid tenders? We see that some of your CAPEX has been taken or has been committed. So it is reasonable, but I would just like to know if you have any space for new projects in your balance. I would just like to know what you are thinking, and that goes for Toll Roads and Urban Mobility. Thank you.

**Waldo Perez:**

Thank you for your questions, João. So regarding MSVia, as you know, there is a confidentiality agreement there, but some things are public. We know that the Court of Accounts has approved this process. So we are waiting for that, and if this runs well by the end of the year or the start of the 2Q, we hope to have new things to say. That's for MSVia.

**Miguel Setas:**

I can talk about new bid tenders. I think our strategy has been very clear. We are prioritizing capital allocation, as you mentioned, in Roads and Urban Mobility. So the Company is focusing on these 2 platforms.

We have a very extensive pipeline. With Toll Roads, as you know, our pipeline is R\$120 billion in new concessions to come. Excluding the last 2 bid tenders, it will be slightly less than that. So over R\$100 billion in Toll Roads on the way. In Urban Mobility, we have a potential of new investments around R\$60 billion to R\$70 billion.

The Company has also been very clear in saying that it wants its capital allocation to be based on very strict criteria. So we have a framework that requires risk management, time to cash, time to dividends. And all of the parameters are set. So we are going to be very selective. We are going to choose the assets like we did with Rota Sorocabana.

The Company participated in 3 bid tenders. There were 2, in which we were more conservative according to our criteria. On Wednesday, the bid tender was for a very strategic asset. We knew a lot about it. We knew how to optimize the revenue, and that



gave us some competitive advantages. We have technological advantages by implementing the free flow system, and there were many value creation levers in this plan.

So we understood that, that was a priority. And so we were, of course, cautious, but our approach was competitive. It allowed us to win this bid tender. So we are still looking at the next ones, and CCR will probably participate in a few more, specifically in Toll Roads.

And by the end of the year, we will probably have also some private concessions for Urban Mobility lines here in São Paulo. Obviously, this is an area that the Company has as its priority. So we are looking at the projects on the pipeline right now. So it is expected that we will participate in new bid tenders in the next 6 months.

**Rafael Simonetti, UBS:**

Thank you for taking my question. On our side, I would just like to ask about the rebalancing process of MetroBahia, and if you can also tell us about investments in Airports, if you have anything new? Thank you.

**Miguel Setas:**

I can start with talking about Metrô Bahia, and Waldo will talk about the Airports. As you know, in Metrô Bahia, we have a regulatory asset, which is being managed by the conceding authorities with the regulatory agencies. This is a material process that is ongoing. We are negotiating with the conceding powers in Bahia. So we expect that for the next months, there will be more clarity on how these assets will be made.

So we are still talking about this. It's still early. We need to set a date for this process to conclude, but we do expect to see some significant advances in the next quarters. And then we will be able to have more clarity on this asset.

**Waldo Perez:**

Rafael, to answer your question on Airport investments, Phase 1b has been going according to schedule. We have around 10 of the 15 new airports concluded, and the remaining is concluding this month, November.

According to our estimate, all of our investments should be concluded in November, except for one, which is the Navegantes terminal. Due to licensing issues, this will be implemented next year. But aside from this one, it should all be concluded in November. And with the approval, we will have the final disbursement for this construction work. So this is how it is set in the contracts.

**Lucas Marquiori, BTG Pactual:**

Good morning. Thank you. I have a couple of points as well. So continuing on rebalances, I would just like to know a bit more about Barcas. The contract will be updated now. So what's going on with that contract specifically?

And secondly, it was another strong quarter in traffic. So if you can tell us a little bit about your projections for next year. What do you believe will happen? Will we have a different



curve? I mean, we have had very strong years. So anything you can say would be very helpful. Thank you.

**Miguel Setas:**

Thank you, Lucas. I will make a comment on the Barcas, and then Waldo will talk about the demand. As you know, our contract with Barcas will conclude at the end of next year. And as you know, this quarter, there will be a new bid tender published for this service in Rio de Janeiro.

So in 2025, as we execute the end of the contract, we hope to transition to a new operator in that company. So right now, we are dealing with this transition process. We are speaking with the government of Rio de Janeiro about this. And we are very confident that in 2025, we will let go of this operation to a new operator.

**Waldo Perez:**

Lucas, to answer your question on traffic, we have had a very robust performance this year. As everyone knows, traffic in CCR Toll Roads and also passengers in airports have a very strong correlation to the country's GDP. In many cases, it's not only Brazilian GDP, but also regional GDPs. So from our standpoint, we believe we will continue to see strong growth in our economy. The year has been very positive. We have seen a lot of growth, and we expect it to continue.

We remain cautiously optimistic in our roads that have a diverse range of services and different types of loads. This also favors us because some products and services do better than others and offset each other. So that's another important point.

The position of our roads is strategic. So they are in areas that have a good economy that have good businesses. So we believe that we will continue to have significant growth next year.

I think the only factor where you will see a smaller difference is with suspended-axle vehicles. This year, this contributed to an increased demand. So the comparison will, of course, be more unfavorable because we will also see this in 2025.

**Guilherme Mendes, JPMorgan:**

Thank you for taking my question. I have a couple, the first is on the capital side. I think your discipline is very clear. We are having very good results, but we have seen a lot of competition for projects. New players coming in, smaller players, and especially in this Sorocabana bid tender, it was very competitive. So my question is, would CCR be willing to not get a project if it does not have the same return level as you expect?

My second question is a follow-up question on what Flávia mentioned before. I would just like to confirm if there were any CAPEX revisions for the project. This was an adjustment that was higher than the other concessions. So that's the reason for my question.

**Miguel Setas:**



Thank you, Guilherme. I will answer very quickly. You asked if we would be willing? Yes, we would be willing not to win another bid tender if it does not comply to our capital allocation requirements.

We think that there will be so many bid tenders for the next quarters and years that the likelihood that CCR won't win something relevant, we believe, is low. So we think that by following our requirements, as happened with Sorocabana, if we follow our capital allocation requirements, it would be 1/3 of the pipeline for projects in Brazil at the federal and state levels.

So we believe that with the options we have right now, the Company does not have infinite balances. So we believe that we will have good investment opportunities with very good return levels. So to answer it simply, we are not desperate. The Company's duration is above 15 years. So this allows us to have a lot of access to new projects with the requirements that we have in our capital allocation framework.

**Flavia Godoy:**

Guilherme, you also asked about CAPEX. So I would just like to say that inflation in RioSP was higher because we had to pass on the accumulated inflation from the beginning of the concession.

The Company had never passed on inflation before. This is a CAPEX balance updated by IRT. And this contract started in March 2022. So the next readjustment would have been in September 2023, but this was not done. And now we are passing on the accumulated inflation for this period until September 2024. The Company did not change its expectations.

We have a project that started in our portfolio in early 2022. As I mentioned, one of the Company's strategic pillars is investing CAPEX correctly and our expectation remains. There has been no change or cost related to that project.

**Miguel Setas:**

I would just like to add something, if you allow. Our CAPEX execution level, as Waldo said recently, is projected this year at around 95% of physical execution. So we implemented internal control mechanisms. We implemented a CAPEX committee that's being presided by Waldo and all the other members from the executive teams, from the platforms, and our Chief Engineering Officers. So we keep track of this on a monthly basis.

We created a CAPEX management hub with specialists from the market and that now support our platforms in a specialized way. We found opportunities to reinforce risk management. So we have been advancing also in using new digital tools to control projects. We are looking at using artificial intelligence to manage our CAPEX even better.

So I would just like to be very strong and confident in saying that this is one of the most developed skills of the CCR Group, and we did this in our preparation for Sorocabana. The level of detail that went into this study, we made on all kilometers of this concession allowed us to have very good projections. And this made us very safe and confident in the bid that we made. So I would just like to mention that.





**João Pedro Franco dos Santos, Morgan Stanley:**

Thank you for taking my questions, and congratulations on your results. One of my questions is about the CAPEX commitment, but Flávia has already answered it.

So my second question is about the fact that you have been reducing your capital percentage. I know that there was an effect of JCP, but I would like to know how much of it was JCP and how much of it was efficiency that you managed to capture, and if you can give us some color on what levels we should expect for this going forward. Thank you.

**Waldo Perez:**

Thank you, João. So about the effective rate, this is a priority for the Group to reduce this rate. We have been working on a number of initiatives for a number of years to do that. So this quarter, we had some positive points. What helps our effective rate is how our business performs. So most of our businesses has been performing well, and this has allowed the Company to optimize its effective rate with R\$75 million in JCPs paid to the holding, and this had a significant impact to our effective rate.

We are always looking at the Company's expense allocations. So of course, we always follow accounting rules. And this happens across the Company, but it's been a significant factor. We also have some structural issues to resolve. So with Barcas and MSVia and with ViaOeste, even we have had positive contributions this year, considering that it's the 1Q that had a profit. And this quarter, there was a slight reduction, a slight loss, but we have had better contributions than before.

So when MSVia has a negotiation, when we have Barcas and ViaOeste concluding their works, we should see an operation that varies at 38% to 42%, and that's going to depend on the reduction of the financial expenses at the holding.

**Victor Mizusaki, Bradesco BBI:**

Congratulations on your results. A couple of questions. The first one is a follow-up question about Waldo's point about Airport CAPEX. My first question is, looking at 2025, can we expect some M&As to try to unlock some value and continue growing on the Airport side?

And my second question is about the **net revenue ratio**. In the last quarters, we saw a target of 38%, but you are running at about 42%. So I would just like to ask about how this is going, looking at 2025 and 2026, if you have any specific projects that might change these levels for the next quarters. Thank you.

**Miguel Setas:**

So to answer your question on Airports directly, yes, we do believe that after the derisking that will happen throughout 2024, and we are almost at the end of it, our regulatory CAPEX associated to Phase 1b will be executed, and that will give us the conditions and the right platforms, a consolidated platform to consider some consolidation as we saw in the last quarters.



The market, as you know, is very fragmented. And as Victor said, it's an opportunity to unlock value on this platform. So 2025 will definitely be a year in which the Company will work on this value creation agenda.

About your second question, I will make a brief comment. As you know, we are in the middle of our value acceleration programs and one of its main points is operational and cost efficiency. Our estimate is to reduce our cost by about R\$500 million, and we have been capturing a part of these goals, and we expect that by 2025 the relevant initiatives being captured. One of them, for example, would be energy. So the next weeks will give us some clarity on how this will be evolving.

But we understand that 2025 will be an easier year to see that happening. So the initiatives that we are implementing now will be more extensive throughout the year, and the transformation costs will not apply to this year. So in our value acceleration program, we had to contract some consultancy companies, but this has been very effective.

So Waldo, of course, will have much more information about our expectations for 2025.

**Waldo Perez:**

Victor, this is an effort that we started about 1.5 years ago. This is in our action plans. We are advancing, and the main levers have been presented. They remain the same, and we imagine that next year, we are going to start capturing these opportunities.

As Miguel said, energy is a very relevant one. We also have that ambition that Edu Camargo communicated to have self-service across all of our toll booths. That's also a very relevant driver, and we expect it to continue by 2026.

So yes, we are committed to that. We hope to reach this level by 2026. And hopefully, we can do it next year. That's what we are working for. And you are right, the effective rate has changed. But this quarter, except for consultancy costs, which were R\$67 million, Curaçao and the provisions there and pavement costs or paving costs, excuse me, that are related to the roads that we are concluding our contracts on, we would be at an OPEX to net revenue of 40.5%. So in our perspective, that's where we are, and we hope to do better on that next year.

**Filipe Nielsen, Citigroup:**

Good morning. Thank you for taking my questions. I think most of my questions have been answered here, but there's just one follow-up I would like to make on CAPEX. If we look at today's balance, most of it is focused in 2025 or in the next 2 years. And then it will be stabilized? Or has this curve been phased differently? My second question is about additional revenue lines. What have you been doing to continue improving this revenue line? We saw there was a significant improvement this quarter. So if you can clarify that, that would be great.

**Waldo Perez:**

So considering the CAPEX balance, as Flávia said, there have been no changes here, and I think you can expect our execution to evolve as we have seen in the business plans that we already published and that is well known by you.



**Flavia Godoy:**

So this curve, this balance is more concentrated until 2026 due to the projects that were added. So we are implementing significant investments. In the case of RioSP, we have a more diluted investment. We started a phase that was more focused on 2024, and it will continue until 2029 or 2030. Fortunately, we got Rota Sorocabana. So this is going to change. And the curve is also going to change with the inclusion of this asset in the Company's portfolio. So again, there's a concentration and then there will be a deceleration.

**Miguel Setas:**

Considering complementary revenues, Filipe, as you saw in this quarter, we had a 21% increase versus the previous quarter. This 21% is concentrated in Airports and Urban Mobility. Even with some, as you know, this is our fiber optics operation that we sold. We still see a 21% increase, strong double-digit growth. So we are working on the dimensions that you mentioned.

So we are trying to maximize some spaces that are now being provided to our commercial partners. So making a profit out of our spaces in airports and train stations. We are investing in advertising revenues, revenues related to airport services, hangars, VIP lounges. So everything connected to operating an airport. And we are starting to work on a more structural dimension, which is real estate.

So you will see this in the next quarters. The Company is positioning itself to maximize the value associated to its real estate assets. So this is a line that's not very expressive yet, but in the next quarters, we believe that it will start gaining scale.

So we are working on these dimensions in our strategic plan. And our ambition, as you know, is to go above 6% complementary revenue. We hope to double this mix by 2035. So our expectation is to have more complementary sources of income in our plan.

**Rogério Araújo, Goldman Sachs:**

Thank you for taking my questions. I have a couple of questions actually. The first one is about the Sorocabana auction process. Your revenue upside was 20% to 25% in comparison to what was offered by the government. So I would like to know how much of this positive surprise comes from areas that are already being operated by CCR. Maybe it's about sampling and how much the government calculated the traffic. And how much of it is from other factors? If you could tell us what these factors are?

And my next question is about implementing CAPEX in RioSP. I know that there wasn't an increase, there was only a change in nominal values, and this is a line that is usually used for project CAPEX, and that affects future disbursement perspectives. So my question is, are any other roads outdated in their CAPEX? And for the next bid tenders, what is the Company's internal rule? How long does it take to start this for nominal values? Thank you.

**Miguel Setas:**

Thank you for your questions, Rogério. Let's start with the first, about the total revenues estimate for Sorocabana. There are several effects that make up for this difference that



we mentioned of upside. Some effects come from the starting point. As you know, out of the 460 kilometers of the roads under the concession in Rota Sorocabana, we are operating 130 kilometers, and they represent 80% of the revenue.

So as you know, we have very precise information about traffic in these roads and the revenue that they generate. A part of it comes from our starting point. Another part of it is in charging tolls for sections that right now do not have tolls. And this was available to the entire market. So it was already in the rules of the bid tender. And another part of it is advancing toll charges.

So since we are already operating roads today, our strategy is to start implementing this already so that we can advance some of our revenue. If we started a couple of months later, of course, we would not be able to implement this immediately. So we are working on this right now. We are arranging with our road platform to do this as soon as we can. As you know, Rogério, when we are looking at other bid tenders, this information is also competitive.

So these are the 3 main dimensions that we have included in our estimates.

**Waldo Perez:**

Rogério, to answer your question on CAPEX, each contract in road specifically, tariffs are adjusted once a year, typically on the concessions anniversary. And that's when our CAPEX is adjusted as well. So this was done for all concessions in the case of RioSP. It's the first time that we had this adjustment.

**Flavia Godoy:**

And I just have to say that there are no concessions with outdated inflation. Each one of them will follow the anniversary of the concession for RioSP in Lines 8 and 9. This happened this quarter, and the next concessions from the Company will continue on their anniversaries, and none of them are outdated and their readjustments.

**Matheus Amorim, Navi Capital:**

I have a couple of questions. The first is, the Company has R\$7 billion in accounts receivable by the conceding power, and this represents receivables from past revenues. And I would just like to understand, in the future, if you have any significant defaulting levels for these amounts, if you have any guarantees from the conceding powers, and what will be the readjustment, IPCA plus how much?

My second question, I would like to understand your cost-cutting measures. You are implementing a cost-cutting agenda. For 2024, there's a number of costs that are part of this. So I would just like to understand if most of these expenses with consultancies were for 2024, and should we see a reduction on these expenses in 2025? Thank you, and congratulations for your results.

**Flavia Godoy:**

Thank you for your question, Matheus. We have a significant number of accounts receivable in the Company, about R\$7 billion, as you mentioned, and this is basically



split mainly into 3 assets: Metrô Bahia, where we have R\$2.5 billion; ViaQuatro, which also has about R\$2 billion; and VLT, R\$2 billion.

When we talk about this, this balance is readjusted or corrected for inflation, and there are some rebalances that were recognized. So since it's a financial asset, it follows a correction for inflation plus 7% or 7.5% a year in some cases.

So this is due to contractual rebalances. So some contract additions, and also how the concession contract was configured. PPP contracts are paid by the tariff and by the conceding powers part in the contract. So as we advance this, the remuneration revenue is recomposed based on the VPL.

So this is just a correction. There's a significant amount that the Company is to receive. This will not be in the Company's results statements. Only the readjustment will be there, and this amount will go into the Company's cash.

So for Metrô Bahia, we receive about R\$29 million a month; in VLT, this is R\$14 million; in ViaQuatro and Line 5 as well that had a rebalance announced by the Company last year. There's a tariff addition throughout the contract's lifespan. So this generated a financial asset, and we received this in the Company's cash throughout the concession.

So to answer your question directly, everything is up to date, and the Company has guarantees and mechanisms that protect us.

**Miguel Setas:**

So to answer your second question, we invested in consultancies for PAV, and we have 26 working programs throughout the last 12 months. When we decided to do this, we have been implementing them. When we are preparing the budget for the next year, we set a cap of 50% of the costs that we had this year for next year. So we are going to reduce at least 50% of these costs with consultancies.

Of course, we are implementing a few programs and the most significant are related to technology. So we are accelerating digital transformation. We are starting on our AI transformation program. So this was not a priority initially because we had more urgent things to do in 2024. So we understand that this will have a higher impact in 2025. But it will be a reduction of at least 50% in comparison to what we invested this year.

**Operator:**

This concludes the question-and-answer session. Now we will hand it over to Mr. Miguel Setas for his closing remarks.

**Miguel Setas:**

This was a very consistent and solid quarter. I think the Company has been basing its work on being consistent and predictable in what it delivers. And this is what we want to bring here. We want to implement our strategy and our transformation plan very systematically and consistently.

This quarter was also marked by acquiring a new asset for our portfolio. We had a call with the market on the day of the auction, but we believe that this is a very good addition



**Conference Call Transcript  
3Q24 Results  
CCR S.A. (CCRO3 BZ)  
November 1, 2024**

to our portfolio that matches our beliefs, which is reducing our dependence or reliance on a significant asset, which is what we currently have in our portfolio. We also want to extend the duration of our contracts and reinforce our business in a geography that has a very positive business environment.

So we believe we made the right decisions in allocating the Company's capital in the next years on this asset. So I just want to say that we are very confident for the Company's path for the next quarters. Next quarter, we are going to have a balance of what happened in 2024, and we will have more accurate projections for 2025. Thank you.

**Operator:**

This concludes CCR's conference call. If you have any questions, you can send them to the Investor Relations team through our e-mail [ri.ccr@grupoccr.com.br](mailto:ri.ccr@grupoccr.com.br). Thank you. Have a good day.

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