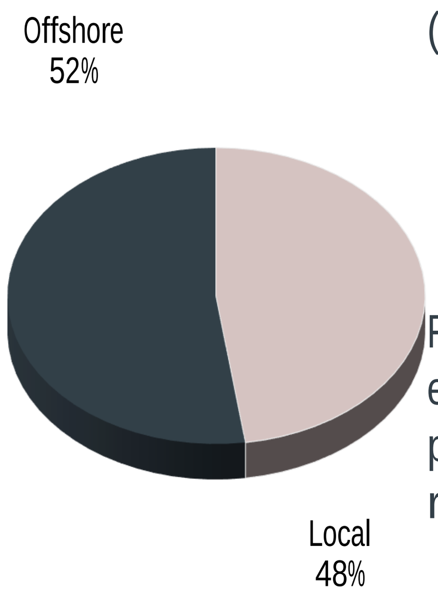
BAHIA & ESPIRITO SANTO FUND - LOCAL

Fev-20



The domestic market was influenced by the international trend: major correction on the stock markets and a better performance in Fixed Income. Also, the political discussion dominated, after the return of parliamentary recess. Dispute over the imposing budget, caused difficulty in resuming the reform agendas (administrative and tax) and other parallel themes such as the independence of the Central Bank and the sewage system agenda. In the domestic environment, the economic activity (GDP) numbers remained weak in 2019. On the other hand, expectations for further interest rate cuts have increased.

Fixed Income was the only class that had a positive result in February, after a strong risk aversion movement caused by the expected impact of the coronavirus on economic activity. The virus quick spread in countries like South Korea, Italy and Iran, caused a collapse in health services in those countries and brought even more problems in the markets. In face of this situation, there was an expected reaction from the Central Banks, injecting more liquidity into the system and cutting interest rates, such as the FED that cut the rate by 50 bps, in an extraordinary meeting this month.

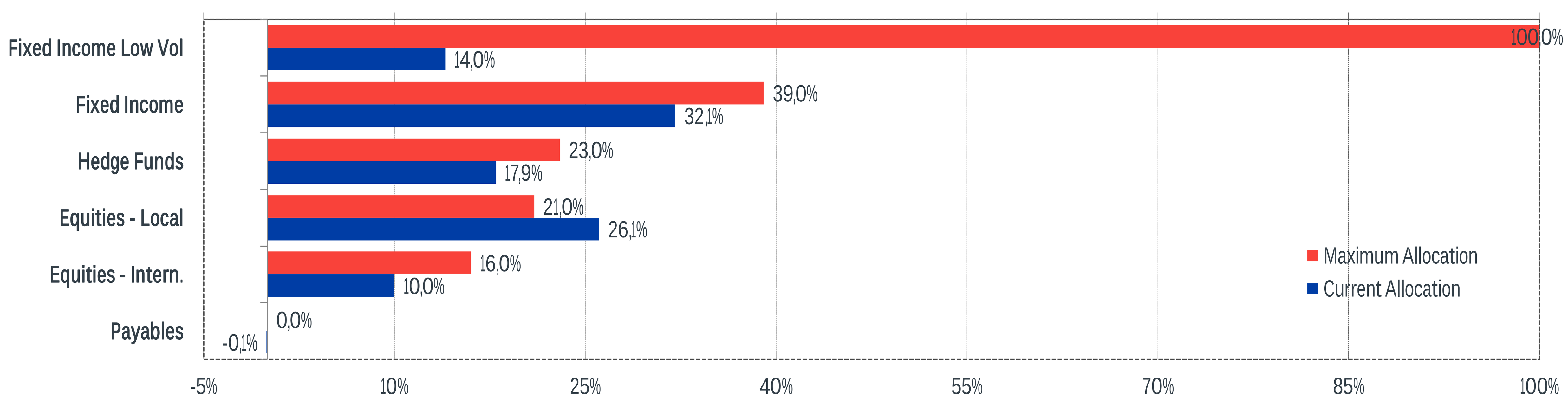
BA&ES local portfolio returned -2.0%, aligned with its benchmark. February recorded losses: International Equities contributed with -5.0% and Local Equities -5.5% against its benchmark, -8.2%. Despite the negative return, the Local Equities class was able to protect the portfolio regarding its benchmark, IBX. The international portfolio also had a negative performance -5.5%. The negative highlight was International Equities that recorded loss of -9.5%, contributing to the negative performance of the portfolio.

PORTFOLIO PERFORMANCE - LOCAL (in Brazilian Reais - R$)

ASSET CLASS	MTD	YTD	12M	24M	36M
Fixed Income Low Vol	0,3%	0,7%	5,5%	5,9%	6,9%
Fixed Income	0,5%	1,0%	13,6%	12,3%	12,8%
Hedge Funds	-1,3%	-1,2%	7,8%	6,9%	8,3%
Equities - Local	-5,5%	-0,7%	31,9%	21,2%	23,3%
Equities - Intern.	-5,0%	0,9%	23,8%	18,8%	17,0%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%
Total	-2,0%	0,1%	16,2%	12,8%	12,4%

BENCHMARK	MTD	YTD	12M	24M	36M
CDI	0,3%	0,7%	5,6%	6,0%	7,0%
IRF Comp.	0,6%	1,1%	14,5%	13,0%	13,5%
IHF Comp.	-1,6%	-1,0%	7,4%	6,5%	7,7%
IBX	-8,2%	-9,4%	11,1%	12,0%	18,3%
MSCI World (BRL)	-3,8%	1,8%	25,7%	20,8%	18,3%
Inflation IPCA	0,2%	0,4%	3,9%	3,9%	3,6%
BENCHMARK	-2,0%	-1,3%	12,1%	7,1%	11,3%

ASSET ALLOCATION - LOCAL



ASSET CLASS	Allocation (R$)
Fixed Income Low Vol	661.951
Fixed Income	1.516.724
Hedge Funds	849.289
Equities - Local	1.234.051
Equities - Intern.	472.457
Payables	(2.407)
Total	4.732.066

GROWTH AND CURRENT ACCOUNT - LOCAL PORTFOLIO (In R$ Thousands)

GROWTH	2016	2017	2018	2019	2020	ACC.
NOMINAL	0,1%	8,7%	7,0%	19,0%	0,1%	38,6%
REAL	-0,1%	5,5%	3,2%	14,1%	-0,3%	23,7%
IPCA	0,2%	2,9%	3,7%	4,3%	0,4%	12,0%

CURRENT ACCOUNT	2016	2017	2018	2019	2020
INITIAL	0	3.416	3.712	3.972	4.728
Subscriptions	3.415	0	0	0	0
Withdrawals	0	0	0	0	0
Account Costs	0	-64	-32	-53	0
FINAL	3.416	3.712	3.972	4.728	4.732
ACCOUNT COSTS	*0,0%*	*-1,7%*	*-0,8%*	*-1,2%*	*0,0%*
SPENDING RATE	*0,0%*	*0,0%*	*0,0%*	*0,0%*	*0,0%*
Nominal Return	0,1%	10,5%	8,0%	20,9%	0,1%
CPI	0,0%	2,9%	3,7%	4,2%	0,4%
Real Return	0,1%	7,4%	4,1%	16,0%	-0,3%

The difference between the portfolio performance and the portfolio growth is that the latter considers the impacts of transactions and taxes.

BAHIA & ESPIRITO SANTO FUND - INTERNATIONAL

Fev-20

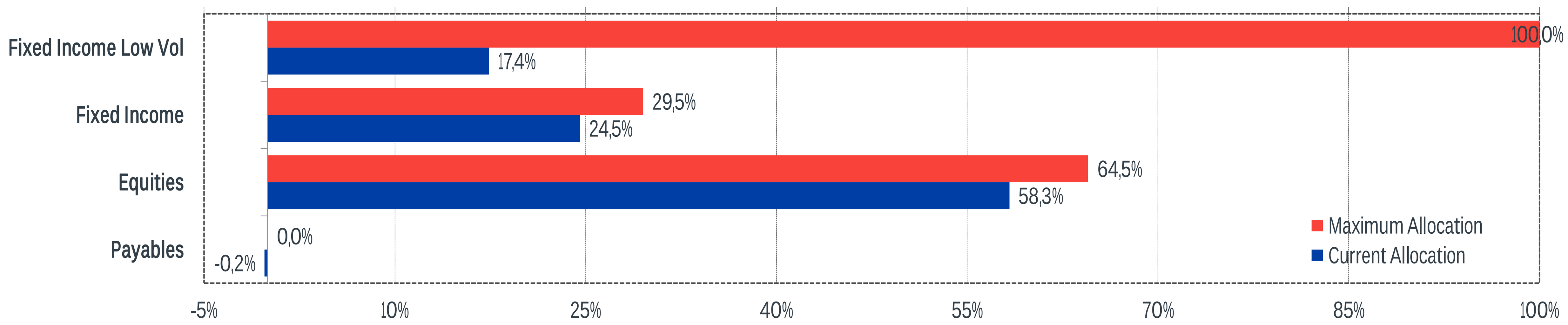
PRA GMA

PORTFOLIO PERFORMANCE - INTERNATIONAL (In US$ Thousands)

ASSET CLASS	MTD	YTD	12M	24M	36M
Fixed Income Low Vol	0,1%	0,3%	2,3%	2,1%	2,1%
Fixed Income	1,5%	3,2%	11,1%	7,0%	5,7%
Equities	-9,5%	-9,7%	3,4%	3,9%	3,9%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%
Total	-5,5%	-5,3%	4,6%	4,1%	2,9%

BENCHMARK	MTD	YTD	12M	24M	36M
RF LV COMP	0,5%	0,6%	3,1%	2,7%	2,7%
Barclays Global	1,2%	3,1%	10,2%	7,0%	5,6%
MSCI World	-8,5%	-9,0%	4,6%	4,0%	4,0%
CPI	0,0%	0,1%	2,3%	1,8%	2,0%
BENCHMARK	-4,6%	-4,5%	5,9%	3,1%	3,3%

ASSET ALLOCATION - INTERNATIONAL



ASSET CLASS	Allocation (U$)
Fixed Income Low Vol	200.288
Fixed Income	282.557
Equities	671.538
Payables	(2.788)
Total	1.151.594

GROWTH AND CURRENT ACCOUNT - INTERNATIONAL PORTFOLIO (In US$ Thousands)

GROWTH	2016	2017	2018	2019	2020	ACC.
NOMINAL	0,0%	1,5%	-3,4%	17,9%	-5,3%	9,6%
REAL	-0,1%	-0,6%	-5,2%	15,3%	-5,4%	2,6%
CPI	0,2%	2,1%	1,9%	2,3%	0,1%	6,8%

CURRENT ACCOUNT	2016	2017	2018	2019	2020
INITIAL	0	1.050	1.066	1.031	1.215
Subscriptions	1.050	1.050	1	0	0
Withdrawals	0	0	0	0	0
Account Costs	0	0	0	0	0
FINAL	1.050	1.066	1.031	1.215	1.152
ACCOUNT COSTS	*0,0%*	*0,0%*	*0,0%*	*0,0%*	*0,0%*
SPENDING RATE	*0,0%*	*0,0%*	*0,0%*	*0,0%*	*0,0%*
Nominal Return	0,0%	1,5%	-3,4%	17,5%	-5,3%
CPI	0,2%	2,1%	1,9%	2,1%	0,1%
Real Return	-0,1%	-0,6%	-5,2%	15,1%	-5,4%

The difference between the portfolio performance and the portfolio growth is that the latter considers the impacts of transactions and taxes.