



Rumo S.A.

**Interim financial statements
June 30, 2021**

Contents

Independent auditor's review report on quarterly information	3
Statements of financial position	5
Statements of profit or loss	7
Statements of comprehensive income	9
Statements of changes in equity	10
Statements of cash flows	12
Statements of value added	14
Notes to interim financial statements	15



Independent auditor’s review report on quarterly information

To
Shareholders, Board of Director and Officers of
Rumo S.A.
Curitiba - PR

Introduction

We have reviewed the accompanying individual and consolidated interim financial statement, contained in the Quarterly Information Form (ITR) of Rumo S.A. (“Company”) for the quarter ended June 30, 2021, comprising the statement of financial position as of June 30, 2021 and the related statement of profit or loss and of comprehensive income (loss), for the three and six month periods then ended and statements of changes in equity and of cash flows for the six month period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 (R4) - *Demonstrações Intermediárias*, and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion on the individual and the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above are not prepared, in all material respects, in accordance with NBC TG 21 (R4) and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission.



Emphasis of matter

Restatement of Operating Segments

As mentioned in Note 3.2, due to the change in the structure of operating segments, the Company adjusted the disclosure of operating segments for the three and six month periods then ended June 31, 2020, as provided for in Brazilian Accounting Standard NBC TG 22 (R2) – *Informações por Segmento* / IFRS 8 – Operating Segments. Our conclusion is not qualified in respect of this matter.

Other matters

Statements of value added

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

São Paulo, August 12, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Leonardo Lucas Heron Rebelo da Silva
Accountant CRC-1PR-057007/O-7

Statements of financial position
(In thousands of Brazilian Reals - R\$)

	Note	Parent Company		Consolidated	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Assets					
Cash and cash equivalents	5.2	103,685	1,568,667	4,794,875	7,778,606
Marketable securities	5.3	524	77,976	1,592,882	1,396,723
Trade receivables	5.4	24,180	18,558	642,600	421,322
Derivative financial instruments	5.8	33,069	69,736	85,318	826,340
Inventories	5.10	1,646	1,102	277,261	249,318
Receivables from related parties	4.5	36,519	61,383	47,816	46,179
Income tax and social contribution recoverable		11,694	32,899	96,999	134,928
Other recoverable taxes	5.9	46,641	57,674	340,677	350,883
Dividends and interest on own capital receivable		858	166,900	3,361	3,195
Other assets		9,550	14,908	153,902	147,262
Current		268,366	2,069,803	8,035,691	11,354,756
Trade receivables	5.4	-	867	5,282	7,170
Restricted cash	5.3	77	79	27,302	34,562
Income tax and social contribution recoverable		49,309	-	197,548	40,707
Deferred income tax and social contribution	5.14	-	-	1,385,476	1,270,621
Receivables from related parties	4.5	1,009,715	1,009,516	119,337	94,466
Other recoverable taxes	5.9	-	-	838,562	790,447
Judicial deposits	5.15	31,506	32,216	324,301	330,602
Derivative financial instruments	5.8	300,347	322,920	1,749,142	3,162,184
Other assets		25,719	23,735	54,869	51,061
Investments in subsidiaries and associates	5.11	20,295,751	17,716,404	51,222	50,714
Investment properties	5.12.1	184,100	-	-	-
Property, plant and equipment	5.12.2	151,394	120,284	15,132,733	13,646,248
Intangible assets	5.12.3	291,331	310,696	7,185,054	7,251,432
Right-of-use	5.12.4	-	-	7,612,081	7,823,401
Non-current		22,339,249	19,536,717	34,682,909	34,553,615
Total assets		22,607,615	21,606,520	42,718,600	45,908,371

The accompanying notes are an integral part of these interim financial statements.

Statements of financial position
(In thousands of Brazilian Reals - R\$)

	Note	Parent Company		Consolidated	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Liabilities					
Loans, financing and debentures	5.5	280,464	482,421	1,263,747	2,504,223
Lease liabilities	5.6	-	-	353,935	510,701
Derivative financial instruments	5.8	35,999	-	78,641	-
Trade payables	5.7	71,076	72,291	662,848	754,542
Salaries payable		5,620	865	179,860	139,058
Current income and social contribution taxes		134	165	18,339	11,555
Other taxes payable	5.13	4,090	10,008	35,724	62,602
Dividends and interest on own capital payable		5,250	5,250	7,848	7,937
Installment leases and concessions under litigation	5.16	-	-	160,472	158,705
Payables to related parties	4.5	172,714	241,134	216,240	164,949
Deferred income		2,802	2,802	6,959	6,278
Other financial liabilities	5.1	-	-	586,624	413,470
Other payables		18,180	17,801	193,888	122,139
Current		596,329	832,737	3,765,125	4,856,159
Loans, financing and debentures	5.5	4,562,641	3,934,121	14,923,818	17,407,815
Lease liabilities	5.6	-	-	2,476,863	2,401,617
Other taxes payable	5.13	-	-	1,995	2,123
Provision for judicial demands	5.15	53,448	52,808	520,298	473,104
Installment leases and concessions under litigation	5.16	-	-	2,836,069	2,824,637
Provision for capital deficiency	5.11	1,849,486	1,722,771	-	-
Other financial liabilities	5.1	-	-	-	31,425
Payables to related parties	4.5	35,997	37,212	-	-
Deferred income tax and social contribution	5.14	39,387	18,650	2,344,021	2,514,928
Deferred income		14,709	16,110	39,140	43,000
Other payables		6,361	8,505	46,364	57,236
Non-current		6,562,029	5,790,177	23,188,568	25,755,885
Total liabilities		7,158,358	6,622,914	26,953,693	30,612,044
Equity					
Share capital	5.17	12,547,842	16,054,906	12,547,842	16,054,906
Treasury shares		(35,670)	(10,005)	(35,670)	(10,005)
Capital reserve		2,426,134	2,416,193	2,426,134	2,416,193
Equity valuation adjustments		26,565	29,576	26,565	29,576
Profit reserve		-	253,599	-	253,599
Accumulated result		484,386	(3,760,663)	484,386	(3,760,663)
		15,449,257	14,983,606	15,449,257	14,983,606
Equity attributable to:					
Owners of the Company		15,449,257	14,983,606	15,449,257	14,983,606
Non-controlling interests	5.11	-	-	315,650	312,721
Total equity		15,449,257	14,983,606	15,764,907	15,296,327
Total liabilities and equity		22,607,615	21,606,520	42,718,600	45,908,371

The accompanying notes are an integral part of these interim financial statements.

Statements of profit or loss
(In thousands of Brazilian Reals - R\$)

	Note	Parent Company			
		April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Net revenue from services	6.1	226,912	376,554	224,851	389,743
Cost of services	6.2	(187,595)	(317,579)	(172,039)	(292,035)
Gross profit		39,317	58,975	52,812	97,708
Selling expenses	6.2	85	54	(91)	(48)
General and administrative expenses	6.2	(10,354)	(17,523)	16,390	(19,130)
Other incomes (expenses), net	6.3	(709)	400	2,888	14,718
Operating expenses		(10,978)	(17,069)	19,187	(4,460)
Equity income on investments	5.11	350,178	561,523	368,015	98,449
Result before financial results and income tax and social contribution		378,517	603,429	440,014	191,697
Financial expenses		(125,162)	(228,140)	(137,704)	(174,846)
Financial incomes		1,988	8,477	13,721	25,999
Foreign exchange, net		40,272	(13,460)	(25,686)	(100,559)
Derivatives		24,865	134,817	122,755	198,221
Financial results, net	6.4	(58,037)	(98,306)	(26,914)	(51,185)
Results before income tax and social contribution		320,480	505,123	413,100	140,512
Income tax and social contribution	5.14				
Current		-	-	(8,691)	(8,691)
Deferred		(8,343)	(20,737)	-	-
		(8,343)	(20,737)	(8,691)	(8,691)
Result for the period		312,137	484,386	404,409	131,821

The accompanying notes are an integral part of these interim financial statements.

Statements of profit or loss
(In thousands of Brazilian Reals - R\$)

		Consolidated			
	Note	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Net revenue from services	6.1	2,215,892	3,961,845	1,827,960	3,251,524
Cost of services	6.2	(1,372,948)	(2,591,790)	(1,150,885)	(2,222,053)
Gross profit		842,944	1,370,055	677,075	1,029,471
Selling expenses	6.2	(9,499)	(18,977)	(8,169)	(17,321)
General and administrative expenses	6.2	(113,541)	(212,280)	(88,171)	(183,839)
Other incomes (expenses), net	6.3	17,944	2,334	205,683	113,781
Operating expenses		(105,096)	(228,923)	109,343	(87,379)
Equity income on investments	5.11	2,596	3,791	4,264	6,684
Result before financial results and income tax and social contribution		740,444	1,144,923	790,682	948,776
Financial expenses		(482,072)	(1,313,737)	(309,821)	(766,634)
Financial incomes		53,854	96,520	42,187	78,577
Foreign exchange, net		766,991	123,941	(389,353)	(1,965,117)
Derivatives		(689,757)	537,410	455,953	1,921,453
Financial results, net	6.4	(350,984)	(555,866)	(201,034)	(731,721)
Results before income tax and social contribution		389,460	589,057	589,648	217,055
Income tax and social contribution	5.14				
Current		(77,304)	(384,175)	(95,960)	(131,582)
Deferred		2,235	284,061	(89,223)	45,231
		(75,069)	(100,114)	(185,183)	(86,351)
Result for the period		314,391	488,943	404,465	130,704
Total result attributable to:					
Owners of the Company		312,137	484,386	404,409	131,821
Non-controlling interests		2,254	4,557	56	(1,117)
Earnings per share from:	6.6				
Basic		R\$0.16853	R\$0.26145	R\$0.25938	R\$0.08455
Diluted		R\$0.16754	R\$0.26004	R\$0.25781	R\$0.08351

The accompanying notes are an integral part of these interim financial statements.

Statements of comprehensive income
(In thousands of Brazilian Reals - R\$)

	Parent Company			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Result for the period	312,137	484,386	404,409	131,821
Items that will not be reclassified to profit				
Actuarial loss with pension plan	-	-	-	6
	-	-	-	6
Items that may subsequently be reclassified to profit or loss				
Result on cash flow hedge accounting	(2,680)	(2,680)	-	-
Foreign currency translation adjustment effect	(3,505)	(331)	1,934	8,178
	<u>(6,185)</u>	<u>(3,011)</u>	<u>1,934</u>	<u>8,178</u>
Other comprehensive results, net of income tax and social contribution	<u>(6,185)</u>	<u>(3,011)</u>	<u>1,934</u>	<u>8,184</u>
Total comprehensive result	<u>305,952</u>	<u>481,375</u>	<u>406,343</u>	<u>140,005</u>

The accompanying notes are an integral part of these interim financial statements.

	Consolidated			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Result for the period	314,391	488,943	404,465	130,704
Items that will not be reclassified to profit				
Actuarial loss with pension plan	-	-	-	6
	-	-	-	6
Items that may subsequently be reclassified to profit or loss				
Result on cash flow hedge accounting	(2,680)	(2,680)	-	-
Foreign currency translation adjustment effect	(3,505)	(331)	1,934	8,178
	<u>(6,185)</u>	<u>(3,011)</u>	<u>1,934</u>	<u>8,178</u>
Other comprehensive results, net of income tax and social contribution	<u>(6,185)</u>	<u>(3,011)</u>	<u>1,934</u>	<u>8,184</u>
Total comprehensive result	<u>308,206</u>	<u>485,932</u>	<u>406,399</u>	<u>138,888</u>
Comprehensive result attributable to:				
Owners of the Company	305,952	481,375	406,343	140,005
Non-controlling interest	2,254	4,557	56	(1,117)

The accompanying notes are an integral part of these interim financial statements.

Statements of changes in equity
(In thousands of Brazilian Reals - R\$)

	Attributable to shareholders of the Company						Total	Non-controlling interest	Total equity
	Share capital	Treasury share	Capital reserve	Profit reserve	Equity valuation adjustments	Accumulated results			
At January 1, 2021	16,054,906	(10,005)	2,416,193	253,599	29,576	(3,760,663)	14,983,606	312,721	15,296,327
Result for the period	-	-	-	-	-	484,386	484,386	4,557	488,943
Other comprehensive income:									
Foreign currency translation effects	-	-	-	-	(331)	-	(331)	-	(331)
Result on cash flow hedge accounting	-	-	-	-	(2,680)	-	(2,680)	-	(2,680)
Total comprehensive income, net of taxes	-	-	-	-	(3,011)	484,386	481,375	4,557	485,932
Contributions and distributions to shareholders									
Share-based payment transactions	-	-	27,840	-	-	-	27,840	330	28,170
Share options exercised	-	4,086	(17,829)	-	-	-	(13,743)	-	(13,743)
Capital decrease (4.3)	(3,507,064)	-	-	(253,599)	-	3,760,663	-	-	-
Treasury shares acquired	-	(29,751)	-	-	-	-	(29,751)	-	(29,751)
Effect of dividend distribution to non-controlling shareholders	-	-	(70)	-	-	-	(70)	70	-
Dividends	-	-	-	-	-	-	-	(2,028)	(2,028)
Total of contributions and distributions to shareholders	(3,507,064)	(25,665)	9,941	(253,599)	-	3,760,663	(15,724)	(1,628)	(17,352)
At June 30, 2021	12,547,842	(35,670)	2,426,134	-	26,565	484,386	15,449,257	315,650	15,764,907

The accompanying notes are an integral part of these interim financial statements.

Statements of changes in equity
(In thousands of Brazilian Reals - R\$)

	Attributable to shareholders of the Company					Total	Non-controlling interest	Total equity
	Share capital	Capital reserve	Profit reserve	Equity valuation adjustments	Accumulated results			
At January 1, 2020	9,654,897	2,472,559	305,728	21,077	(4,109,985)	8,344,276	270,011	8,614,287
Result for the period	-	-	-	-	131,821	131,821	(1,117)	130,704
Other comprehensive income:								
Foreign currency translation effects	-	-	-	8,178	-	8,178	-	8,178
Actuarial loss on defined benefit plan	-	-	-	6	-	6	-	6
Adjustment of attributed cost in associates	-	-	-	(31)	31	-	-	-
Total comprehensive income, net of taxes	-	-	-	8,153	131,852	140,005	(1,117)	138,888
Contributions and distributions to shareholders								
Share-based payment transactions	-	6,137	-	-	-	6,137	100	6,237
Effect of dividend distribution to non-controlling shareholders	-	(64)	-	-	-	(64)	64	-
Dividends	-	-	-	-	-	-	(2,262)	(2,262)
Total of contributions and distributions to shareholders	-	6,073	-	-	-	6,073	(2,098)	3,975
At December 31, 2019	9,654,897	2,478,632	305,728	29,230	(3,978,133)	8,490,354	266,796	8,757,150

The accompanying notes are an integral part of these interim financial statements.

Statements of cash flows
(In thousands of Brazilian Reals - R\$)

	Parent Company		Consolidated	
	January 1, 2021 to June 30, 2021	January 1, 2020 to June 30, 2020	January 1, 2021 to June 30, 2021	January 1, 2020 to June 30, 2020
Cash flow from operating activities				
Result before income taxes and social contribution	505,123	140,512	589,057	217,055
Adjustments for:				
Depreciation, amortization and impairment	51,748	50,435	883,087	951,214
Equity pick-up from controlled and associated companies	(561,523)	(98,449)	(3,791)	(6,684)
Provision for profit sharing and bonuses	4,184	151	79,892	16,612
Result on disposal of fixed and intangible assets	-	-	(2,306)	(1,755)
Provision for legal proceedings	11,087	2,959	55,102	33,590
Allowance for doubtful accounts	(54)	48	(442)	1,880
Share-based payment transactions	13,553	5,973	14,427	6,237
Reversal of leases and concessions in dispute	-	-	-	(348,319)
Extemporaneous tax credits	-	(98)	(5,075)	(18,062)
Provision for take or pay	-	-	(86,274)	6,556
Interest, monetary and exchange variations, net	101,672	68,055	603,153	734,028
Other	(1,402)	(1,463)	(5,864)	(1,487)
	124,388	168,123	2,120,966	1,590,865
Changes in:				
Trade receivables	(3,816)	(26,044)	(128,251)	(74,591)
Related parties, net	(81,515)	(15,227)	(5,926)	(14,144)
Other taxes, net	(50,959)	(15,816)	(185,550)	(125,529)
Inventories	(544)	243	(13,965)	(32,342)
Salaries payable	571	(1,124)	(38,850)	(75,697)
Trade payables	(3,266)	45,101	45,592	63,909
Provision for legal proceedings	(9,154)	(5,925)	(47,157)	(42,683)
Other financial liabilities	-	-	50,722	(178,301)
Other assets and liabilities, net	(3,206)	(35,106)	(96,104)	(117,683)
	(151,889)	(53,898)	(419,489)	(597,061)
Net cash (used in) generated by the activities operating	(27,501)	114,225	1,701,477	993,804
Cash flow from investing activities				
Capital increase in subsidiary	(2,371,729)	(576,934)	-	-
Sales (purchases) of marketable securities	77,886	495,555	(160,620)	1,359,977
Restricted cash	2	(32)	60,992	112,954
Dividends received from controlled and associated companies	617,498	512,369	3,000	3,000
Additions to property, plant and equipment and intangible assets	(38,684)	(4,166)	(1,978,087)	(1,283,310)
Interest from loan agreement	112,048	-	-	-
Investment property acquisition	(184,100)	-	-	-
Cash received on disposal of other fixed assets	-	-	3,090	-
Net cash (used in) generated by the investing activities	(1,787,079)	426,792	(2,071,625)	192,621
Cash flow from financing activities				
Loans, financing and debentures raised	1,133,113	963,939	2,719,876	3,319,497
Repayment of principal on loans, financing and debentures	(516,065)	(49,317)	(6,097,249)	(294,564)
Payment of interest on loans, financing and debentures	(271,621)	(34,085)	(606,424)	(294,685)
Repayment of principal on financing leases	-	(164)	(316,411)	(179,429)
Payment of interest on financing leases	-	(10)	(80,526)	(252,587)
Payment derivative financial instruments	(627)	(2,271)	(480,753)	(4,013)
Receiving derivative financial instruments	34,549	234	2,066,102	29,002
Purchase of treasury shares	(29,751)	-	(29,751)	-
Dividends paid	-	-	(2,020)	(1,959)
Net cash (used in) generated by the activities financing	349,598	878,326	(2,827,156)	2,321,262
Impact of exchange variation on cash and cash equivalents	-	-	213,573	1,756
(Decrease) Increase in cash and cash equivalents, net	(1,464,982)	1,419,343	(2,983,731)	3,509,443
Cash and cash equivalents at beginning of the period	1,568,667	700,706	7,778,606	1,963,014
Cash and cash equivalents at end of the period	103,685	2,120,049	4,794,875	5,472,457
Additional information:				
Income tax and social contribution paid	640	2,994	48,820	93,354

The accompanying notes are an integral part of these interim financial statements.

Statements of cash flows
(In thousands of Brazilian Reals - R\$)

- **Transactions that did not involve cash**

The Company presents its statements of cash flows using the indirect method. During the period ended on June 30, 2021, the Company carried out the following transaction that did not involve cash and, therefore, it is not reflected in the parent Company and consolidated cash flow statement:

- (i) Registration of use rights as a contra entry to the lease liability in the amount of R\$ 15,071 (R\$ 3,514,739 as of June 30, 2020), related to new contracts framed in the commercial lease rule (Note 5.12.4).
- (ii) Acquisition of assets with payment in installments of R\$ 23,646 on June 30, 2021 (R\$ 57,253 on June 30, 2020).

- **Presentation of interest and dividends**

The Company classifies dividends and interest on equity received as cash flow from investment activities, in order to avoid distortions in its operating cash flows due to the cash from these operations.

Interest, received or paid is classified as cash flow in financing activities, as it considers that they refer to the costs of obtaining financial resources for application in fixed and intangible assets.

Statements of value added
(In thousands of Brazilian Reals - R\$)

	Parent Company		Consolidated	
	January 1, 2021 to June 30, 2021	January 1, 2020 to June 30, 2020	January 1, 2021 to June 30, 2021	January 1, 2020 to June 30, 2020
Revenue				
Sales of products and services net of returns	401,461	411,694	4,186,561	3,424,176
Other operating revenue, net	91	6,897	75,217	363,788
Gain (loss) due to reduction in the recoverable amount of accounts receivable	54	(48)	442	(1,880)
	401,606	418,543	4,262,220	3,786,084
Raw materials acquired from third parties				
Cost of services rendered	(224,557)	(274,610)	(1,110,996)	(1,051,240)
Materials, energy, third party services, others	(29,814)	26,526	(255,541)	(177,532)
Impairment	-	-	-	(107,106)
	(254,371)	(248,084)	(1,366,537)	(1,335,878)
Gross value added	147,235	170,459	2,895,683	2,450,206
Retention				
Depreciation and amortization	(51,748)	(50,435)	(883,087)	(844,108)
	(51,748)	(50,435)	(883,087)	(844,108)
Net value added	95,487	120,024	2,012,596	1,606,098
Value added transferred in				
Equity in subsidiaries and associates	561,523	98,449	3,791	6,684
Rentals received	12,600	12,600	-	-
Financial incomes	8,477	25,999	96,520	78,577
	582,600	137,048	100,311	85,261
Value added to be distributed (absorb)	678,087	257,072	2,112,907	1,691,359
Distribution of value added				
Employee and social charges	36,717	12,967	508,380	383,986
Remuneration	35,060	11,686	373,138	275,967
Benefits	1,442	1,168	117,150	91,075
Severance Indemnity Fund - FGTS	215	113	18,092	16,944
Taxes and contributions	49,484	33,802	387,023	305,643
Federal	46,737	32,646	291,240	245,623
State	931	373	66,672	44,592
Municipal	1,816	783	29,111	15,428
Third party capital remuneration	107,500	78,482	728,561	871,026
Interest	106,783	77,184	652,386	810,298
Concession contract leases and leases	717	1,298	76,175	60,728
Equity capital remuneration	484,386	131,821	488,943	130,704
Non-controlling interests	-	-	4,557	(1,117)
Result for the period	484,386	131,821	484,386	131,821
	678,087	257,072	2,112,907	1,691,359

The accompanying notes are an integral part of these interim financial statements.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

1 Company and group information

1.1 Operations

Rumo S.A. ("Company" or "Rumo S.A."), is a publicly-traded Company with its shares traded on B3 S.A. – Brasil, Bolsa, Balcão ("B3") under the code RAIL3, and its headquarters in the city of Curitiba, State of Paraná, Brazil.

The Company is a service provider in the logistics sector (transportation and elevation), mainly for the export of commodities, offering an integrated solution for transportation, handling, storage and shipping from the production centers to the main ports in the south and southeast of Brazil, and also holds interests in other companies and ventures related to logistic.

The Company operates in the rail transportation segment in the Southern Brazil, its subsidiary Rumo Malha Sul S.A. ("Rumo Malha Sul"), and the in Midwest region and State of São Paulo through the Company, the subsidiaries Rumo Malha Paulista S.A. ("Rumo Malha Paulista"), Rumo Malha Norte S.A. ("Rumo Malha Norte"), Rumo Malha Oeste S.A. ("Rumo Malha Oeste") and, more recently, Rumo Malha Central SA ("Rumo Malha Central") by through which it reached the states of Goiás and Tocantins. In addition, the subsidiary Brado Logística e Participações S.A. ("Brado") operates in the container segment, while Elevações Portuárias S.A. ("Elevações Portuárias") contains terminals for transshipment and terminals for exportation of sugar and grains at the Port of Santos.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

1.2 The concession of railway operations and port terminals

The Company holds, through subsidiaries or affiliates, the concession of railway services and port terminals, whose scope and concession terms are as follows:

Companies	Concession ending	Coverage areas
Subsidiaries		
Elevações Portuárias S.A.	March 2036	Port of Santos-SP
Rumo Malha Paulista S.A.	December 2058	São Paulo State
Rumo Malha Sul S.A.	February 2027	South and São Paulo State
Rumo Malha Oeste S.A.	June 2026	Midwest and São Paulo State
Rumo Malha Norte S.A.	May 2079	Midwest
Rumo Malha Central S.A.	July 2049	North, Midwest and São Paulo State
Portofer Ltda.	June 2025	Port of Santos-SP
Associates		
Terminal XXXIX S.A.	October 2050	Port of Santos-SP
TGG - Terminal de Granéis do Guarujá S.A.	August 2027	Port of Santos-SP
Termag - Terminal Marítimo de Guarujá S.A.	August 2027	Port of Santos-SP

The above subsidiaries and affiliates are subject to the fulfillment of certain conditions set out in the privatization notices and in the concession contracts for railway networks and port terminals. To the extent that there is no substantive control over who should provide the service and there is no substantive price control, IFRIC 12 / ICPC 01(R1) is not applicable to the Company and therefore the assets acquired by it are treated under IFRS 16 / CPC 06 (R2)- Leases and IAS 16 / CPC 27 - Property, plant and equipment.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

1.3 Group information

a) Subsidiaries:

The Company's consolidated financial statements include:

Subsidiaries	Directly and indirectly subsidiaries	
	June 30, 2021	December 31, 2020
Logisport Armazéns Gerais S.A.	51.00%	51.00%
Elevações Portuárias S.A.	100.00%	100.00%
Rumo Luxembourg Sarl	100.00%	100.00%
Rumo Intermodal S.A.	100.00%	100.00%
Rumo Malha Oeste S.A.	100.00%	100.00%
Rumo Malha Paulista S.A.	100.00%	100.00%
Rumo Malha Sul S.A.	100.00%	100.00%
Rumo Malha Norte S.A.	99.74%	99.74%
Rumo Malha Central S.A.	100.00%	100.00%
Boswells S.A.	100.00%	100.00%
ALL Argentina S.A.	100.00%	100.00%
Paranaguá S.A.	100.00%	100.00%
ALL Armazéns Gerais Ltda.	100.00%	100.00%
Portofer Ltda.	100.00%	100.00%
Brado Logística e Participações S.A.	62.22%	62.22%
Brado Logística S.A.	62.22%	62.22%
ALL Mesopotâmica S.A.	70.56%	70.56%
Terminal São Simão S.A.	51.00%	51.00%
ALL Central S.A.	73.55%	73.55%
Servicios de Inversión Logística Integrales S.A.	100.00%	100.00%

b) Associates:

The Company has a 30% interest in Rhall Terminais Ltda. (30% in 2020), 19.85% at Termag S.A. (19.85% in 2020), 9.92% at TGG S.A. (9.92% in 2020) and 49.62% at Terminal XXXIX S.A. (49.62% in 2020). Management understands that there is significant influence resulting from the participation of the Company's representative on the associate's board.

c) Group control:

After a corporate reorganization that took place on March 31, 2021, the Company became a direct subsidiary of Cosan SA ("Cosan"), which holds 30.34% of its capital, including treasury shares, listed on B3 and the New York Stock Exchange, or "NYSE" (ticker - CSAN).

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

2 Basis of preparation and general accounting policies

2.1 Declaration of conformity

These individual and consolidated interim financial statements have been prepared and are being presented following the technical pronouncement CPC 21 (R1) - Interim Financial Statement and with international standards IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and also based on the provisions contained in the Brazilian Corporation Law, and presented in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of quarterly information - ITR.

According to Official Circular Letter CVM/SNC/SEP 003 of April 28, 2011, the quarterly financial information was prepared concisely including the relevant disclosures to its users without redundancy of disclosures contained in the financial statements of December 31, 2020. Accordingly, this quarterly information should be read in conjunction with the financial statements of December 31, 2020.

The interim financial statements were authorized for issue by the Board of Directors on August 12, 2021.

2.2 General accounting policies

These interim financial statements have been prepared following the basis of preparation and accounting policies consistent with those adopted in financial statements of December 31, 2020 and should be read together.

2.3 Measurement of fair value

The Senior Notes is quoted on the Luxembourg Stock Exchange ("LuxSE") and is based on the quote market price as follows:

Loans	Company	June 30, 2021	December 31, 2020
Senior Notes Due 2024 ⁽ⁱ⁾	Rumo Luxembourg	-	104.17 %
Senior Notes Due 2025	Rumo Luxembourg	104.98 %	105.96 %
Senior Notes Due 2028	Rumo Luxembourg	107.15 %	108.75 %

(i) During the period ended June 30, 2021, the Company prepaid the debt, according to Note 4.2.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

The book values and fair value of financial assets and liabilities are as follows:

	Book value		Assets and liabilities measured at fair value	
			June 30, 2021	December 31, 2020
	June 30, 2021	December 31, 2020	Level 2	Level 2
Assets				
Marketable securities	1,592,882	1,396,723	1,592,882	1,396,723
Derivative financial instruments	1,834,460	3,988,524	1,834,460	3,988,524
Total	3,427,342	5,385,247	3,427,342	5,385,247
Liabilities				
Derivative financial instruments	(78,641)	-	(78,641)	-
Loans, financing and debentures	(10,230,557)	(10,925,462)	(10,230,557)	(10,925,462)
Total	(10,309,198)	(10,925,462)	(10,309,198)	(10,925,462)

3 Business, operations, and management of the Company

3.1 Objectives and policies for risk management of financial instruments

a) Market risk

The objective of market risk management is to keep exposures to market risk within acceptable parameters, optimizing the return.

The Company uses derivatives to manage market risks. All transactions are carried out within the guidelines established by the risk management policy. The Company generally seeks to apply hedge accounting to manage volatility in profits or losses.

i. Foreign exchange risk

On June 30, 2021 and December 31, 2020, the Company had the following net exposure to the exchange rate variation of assets and liabilities denominated in foreign currency:

	June 30, 2021	December 31, 2020
Cash and cash equivalents	23,453	2,614,419
Trade receivables	13,251	7,117
Trade payables	(83,243)	(55,572)
Loans, financing and debentures	(5,796,281)	(11,091,184)
Exchange rate derivatives	5,745,760	8,500,680
Lease liabilities	(101,055)	(99,217)
	(198,115)	(123,757)

Notes to the interim financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Based on financial instruments denominated in U.S. Dollars and Euros, as of June 30, 2021, in the probable scenario the Company sensitized the positive or negative effect on the result, before taxes, resulting from a reasonably possible strengthening (weakening) of the Brazilian Real against foreign currencies in the probable scenario, and for increases and decreases of 25% and 50%, as follows:

Instrument	Risk factor	Scenario				
		Probable	25%	50%	-25%	-50%
Cash and cash equivalents	Exchange fluctuation	1,401	7,614	13,827	(4,813)	(11,026)
Trade receivables	Exchange fluctuation	789	4,299	7,809	(2,721)	(6,231)
Trade payables	Exchange fluctuation	(4,956)	(27,006)	(49,055)	17,094	39,144
Exchange rate derivatives	Exchange fluctuation	343,641	1,865,992	3,388,342	(1,178,709)	(2,701,059)
Loans, financing and debentures	Exchange fluctuation	(346,649)	(1,882,382)	(3,418,114)	1,189,084	2,724,816
Lease liabilities	Exchange fluctuation	(6,016)	(32,784)	(59,552)	20,752	47,519
Impacts on result of the period		(11,790)	(64,267)	(116,743)	40,686	93,163

The probable scenario uses the U.S. Dollar and Euro projected by a specialized consultancy for June 30, 2022. Stressed scenarios were defined by applying variations (positive and negative) of 25% and 50% in the exchange rates used in the probable scenario:

	June 30,					
	2021	Probable	25%	50%	-25%	-50%
U.S. Dollar	5.0022	5.3000	6.6250	7.9500	3.9750	2.6500
Euro	5.9276	6.3600	7.9500	9.5400	4.7700	3.1800

ii. Interest rate risk

The Company and its subsidiaries have financial instruments that are subject to interest rates, which are largely variable, which exposes the financial result to the risks of interest rate fluctuations.

The sensitivity analysis below shows in the probable scenario the projected annual impact on interest expenses on loans and financing, and the remuneration of financial investments (before taxes), keeping the other variables. The scenario with increases and decreases in interest rates of 25% and 50% present the incremental effect in relation to the probable scenario:

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Scenario				
	Probable	25%	50%	-25%	-50%
Exposure interest rate					
Financial investments	289,042	361,303	433,563	216,782	144,521
Marketable securities	95,952	119,940	143,928	71,964	47,976
Restricted cash	1,686	2,108	2,530	1,265	843
Loans, financing and debentures	(807,809)	(921,955)	(1,036,101)	(693,663)	(579,517)
Interest rate derivatives	(345,316)	(445,734)	(546,152)	(244,899)	(144,481)
Lease liabilities	(306,150)	(306,192)	(306,235)	(306,107)	(306,065)
Installment leases and concessions	(70,358)	(87,947)	(105,537)	(52,768)	(35,179)
Other financial liabilities	(43,288)	(52,124)	(60,960)	(34,452)	(25,616)
Impacts on result of the period	<u>(1,186,241)</u>	<u>(1,330,601)</u>	<u>(1,474,964)</u>	<u>(1,041,878)</u>	<u>(897,518)</u>

The probable scenario considers the estimated interest rate, made by a specialized third-party and the Central Bank of Brazil, or BACEN, as follows:

	Scenario				
	Probable	25%	50%	-25%	-50%
SELIC	6.03%	7.53%	9.04%	4.52%	3.01%
CDI	6.03%	7.53%	9.04%	4.52%	3.01%
TJLP	5.10%	6.38%	7.65%	3.83%	2.55%
IPCA	4.07%	5.09%	6.11%	3.06%	2.04%

b) Credit risk

The Company's regular operations expose to potential defaults when customers, suppliers and counterparties fail to meet their financial or other commitments. The Company seeks to mitigate this risk by carrying out transactions with a diverse set of counterparties. However, the Company remains subject to unexpected financial failures by third parties that could interrupt its operations. The exposure to credit risk was as follows:

	June 30, 2021	December 31, 2020
Cash and cash equivalents ⁽ⁱ⁾	4,794,875	7,778,606
Marketable securities ⁽ⁱ⁾	1,592,882	1,396,723
Restricted cash ⁽ⁱ⁾	27,302	34,562
Trade receivables ⁽ⁱⁱ⁾	647,882	428,492
Receivables from related parties ⁽ⁱⁱⁱ⁾	167,153	140,645
Derivative financial instruments ⁽ⁱ⁾	1,834,460	3,988,524
	<u>9,064,554</u>	<u>13,767,552</u>

Notes to the interim financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

- (i) The credit risk of balances with banks and financial institutions is managed by the Company's Treasury accordance with the established policy. The excess resources are invested only in approved counterparties and within the limit established for each one. The credit limit of counterparties is reviewed annually and can be updated throughout the year. These limits are established to minimize the concentration of risks and, thus, mitigate the financial loss in the event of the potential bankruptcy of counterparty. The Company's maximum exposure to credit risk in relation to the balance sheet components on June 30, 2021, and December 31, 2020, is the amount recorded.
- (ii) The client's credit risk is managed centrally by each business segment, being subject to the procedures, controls, and policy established by the Company in relation to this risk. Credit limits are established for all customers based on internal classification criteria. The customer's credit quality is assessed based on an extensive internal credit rating procedure. Receivables from open customers are monitored frequently. The need for a provision for impairment is analyzed at each date reported on an individual basis for the main customers. In addition, a large number of accounts receivable with smaller balances are grouped into homogeneous groups, and in these cases, the recoverable loss is assessed collectively. The calculation is based on effective historical data.

The Company is exposed to risks related to its cash management and temporary investment activities.

Net assets are mainly invested in government securities and other investments in banks with a minimum grade of "A". The credit risk of balances with banks and financial institutions is managed by the treasury department, in accordance with the Company's policy.

Excess fund investments are made only with approved counterparties and within the credit limits assigned to each counterparty. Counterparty credit limits are reviewed annually and may be updated throughout the year. The limits are defined to minimize the concentration of risks and, therefore, mitigate the financial loss through the failure of the counterparty to make payments. The credit risk of cash and cash equivalents, marketable securities, restricted cash and derivative financial instruments is determined by rating agencies widely accepted by the market and are arranged as follows:

	June 30, 2021
AA	1,419,654
AAA	6,829,865
Total	8,249,519

Notes to the interim financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Customer credit risk is managed centrally by each business segment, subject to the procedures, controls and policy established by the Company in relation to this risk. Credit limits are established for all customers based on internal classification criteria. Receivables from open customers are monitored frequently.

The need for a provision for impairment is analyzed at each date reported on an individual basis for the main customers. In addition, a large number of accounts with smaller balances are grouped into homogeneous groups and, in these cases, the recoverable loss is assessed collectively. The calculation is based on effective historical data.

c) Liquidity risk

Liquidity risk is the risk that the Company and its subsidiaries find it difficult to comply obligations associated their financial liabilities that are settled with cash payments or with another financial asset. The approach of the Company and its subsidiaries in managing liquidity is to ensure, as much as possible, that there is always a level of liquidity sufficient comply with falling due obligations, under normal and stress conditions, without causing unacceptable losses or with the risk of damaging the reputation of the Company and its subsidiaries.

The Company's financial liabilities classified by maturity date (based on contracted undiscounted cash flows) are as follows:

	June 30, 2021				December 31, 2020	
	Up to 1 year	1 - 2 years	3 - 5 years	More than 5 years	Total	Total
Loans, financing and debentures	(1,363,672)	(940,209)	(7,330,186)	(11,345,129)	(20,979,196)	(25,468,560)
Trade payables	(662,848)	-	-	-	(662,848)	(754,542)
Other financial liabilities ⁽ⁱ⁾	(586,624)	-	-	-	(586,624)	(413,470)
Tax installments	(1,360)	(396)	(500)	(487)	(2,743)	(2,903)
Lease liabilities	(370,540)	(382,821)	(1,093,285)	(12,832,276)	(14,678,922)	(14,240,845)
Installment leases and concessions	(52,703)	(205,993)	(617,980)	(365,872)	(1,242,548)	(1,219,188)
Payables to related parties	(216,240)	-	-	-	(216,240)	(164,949)
Dividends payable	(7,848)	-	-	-	(7,848)	(7,937)
Derivative financial instruments	6,677	(171,733)	617,807	1,303,068	1,755,819	3,988,524
	(3,255,158)	(1,701,152)	(8,424,144)	(23,240,696)	(36,621,150)	(38,283,870)

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

3.2 Segment information

Management evaluates the performance of its operating segments based on the EBITDA measure (earnings before income tax and social contribution, net financial expense, depreciation, and amortization).

In February 2021, Rumo Malha Central started its operational phase, and due to its operation being interconnected to those of Malhas Paulista and Norte, the Company's Management decided to present the effects of the Central operation together with those of the North operation. The balances of the Central Operation for the period from June 30, 2020 were reclassified to Operation North for comparative purposes, and are presented as "restated".

Operating segments

The Company's management is structured in three segments:

- (i) Northern Operations: comprised of railway, highway, transshipment, and port elevation operations in the Company's concession areas, Elevações Portuárias, Rumo Malha Norte, Rumo Malha Central and Rumo Malha Paulista.
- (ii) Southern Operations: composed of railway operations and transshipment in the concession area of Rumo Malha Sul and Rumo Malha Oeste.
- (iii) Container Operations: composed of the Group's Company that focuses on container logistics, whether by rail or road transport, and the results of container operations on the networks.

The segment information was prepared in accordance with to the same accounting practices used in the preparation of the consolidated information.

Notes to the interim financial statements

(In thousands of Brazilian Reais - R\$, unless otherwise stated)

Period:	April 1, 2021 to June 30, 2021				January 1, 2021 to June 30, 2021			
	North Operations	South Operations	Container Operations	Consolidated	North Operations	South Operations	Container Operations	Consolidated
Results by segment								
Net revenue	1,620,826	512,441	82,625	2,215,892	2,956,303	848,652	156,890	3,961,845
Cost of services	(887,320)	(401,828)	(83,800)	(1,372,948)	(1,706,370)	(727,966)	(157,454)	(2,591,790)
Gross profit	733,506	110,613	(1,175)	842,944	1,249,933	120,686	(564)	1,370,055
Gross margin (%)	45.26%	21.59%	-1.42%	38.04%	42.28%	14.22%	-0.36%	34.58%
Selling, general and administrative expenses	(90,909)	(24,110)	(8,021)	(123,040)	(171,330)	(43,612)	(16,315)	(231,257)
Other operational income (expenses) and equity	42,605	(23,301)	1,236	20,540	44,822	(39,687)	990	6,125
Depreciation and amortization	308,277	134,088	13,080	455,445	601,676	257,853	23,558	883,087
EBITDA	993,479	197,290	5,120	1,195,889	1,725,101	295,240	7,669	2,028,010
Margin EBITDA (%)	61.29%	38.50%	6.20%	53.97%	58.35%	34.79%	4.89%	51.19%

Period:	April 1, 2020 to June 30, 2020				January 1, 2020 to June 30, 2020			
	North Operations (restated)	South Operations	Container Operations	Consolidated	North Operations (restated)	South Operations	Container Operations	Consolidated
Results by segment								
Net revenue	1,383,083	386,188	58,689	1,827,960	2,468,044	654,067	129,413	3,251,524
Cost of services	(775,921)	(310,971)	(63,993)	(1,150,885)	(1,470,773)	(614,352)	(136,928)	(2,222,053)
Gross profit	607,162	75,217	(5,304)	677,075	997,271	39,715	(7,515)	1,029,471
Gross margin (%)	43.90%	19.48%	-9.04%	37.04%	40.41%	6.07%	-5.81%	31.66%
Selling, general and administrative expenses	(66,370)	(21,351)	(8,619)	(96,340)	(142,865)	(39,109)	(19,186)	(201,160)
Other operational income (expenses) and equity	317,370	(107,659)	236	209,947	236,285	(115,399)	(421)	120,465
Depreciation and amortization	283,809	123,336	17,777	424,922	565,368	243,154	35,586	844,108
EBITDA	1,141,972	69,544	4,089	1,215,605	1,656,059	128,361	8,464	1,792,884
Margin EBITDA (%)	82.57%	18.01%	6.97%	66.50%	67.10%	19.63%	6.54%	55.14%
Impairment	-	107,106	-	107,106	-	107,106	-	107,106
EBITDA adjusted	1,141,972	176,650	4,089	1,322,711	1,656,059	235,467	8,464	1,899,990
Margin EBITDA adjusted (%)	82.57%	45.74%	6.97%	72.36%	67.10%	36.00%	6.54%	58.43%

4 Transactions and significant events

4.1 COVID-19 pandemic

4.1.1 General context

Covid-19 is an infectious disease caused by coronavirus 2 (SARS-CoV-2), which has a severe acute respiratory syndrome. The disease was first identified in 2019 in China, and has spread around the world ever since. On March 11, 2020, the World Health Organization officially declared this Outbreak of Covid-19 a pandemic. As of March 17, 2020, Brazil (as well as several other countries), including all states in which the Company has operations, has instituted social distancing measures aimed at delaying contagion. The measures vary from distance to isolation, depending on the unity of the federation. Despite the efforts of the authorities, there is still no way to predict the duration of the restrictive measures currently in force.

The Company operates in the cargo transport and logistics sector, an activity classified as essential by the Brazilian authorities, according to Law 13,979/2020.

Rumo's operations did not suffer major impacts due to the pandemic in the quarter ended June 30, 2021. The port terminals continued to operate, with the proper security protocols, and there was no limitation to exports. Regarding the arrival of cargo at the terminals operated by the Company, safety protocols were created, providing protective equipment, food, and health staff to monitor and guide truckers. Likewise, with all care for the protections of the Company's employees and third parties, the trains continue to run normally, maintaining customer service.

About 85% of the Company's net revenue is generated by the transportation of cargo destined for export. Exports are being driven by the devaluation of the Brazilian Real, increasing the competitiveness of Brazilian products abroad, making the demand for transportation of these cargoes even higher. On the other hand, the demand for some industrial loads (of lower representativeness), which are more correlated with domestic consumption, was negatively impacted by COVID-19.

The Company assessed the circumstances that could indicate impairment of its non-financial assets and concluded that there were no changes in circumstances that would indicate an impairment loss.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

4.2 Senior Notes Prepayment 2024

On March 26, 2021, the Company prepaid the Senior Notes 2024, in the amount of USD 750,000, equivalent to R\$ 4,149,750, with original maturity in February 2024, in accordance with conditions established in the contract signed in February 2017. The derivatives contracted to protect the operation were settled in the same period.

4.3 Reduction of the Company's share capital and profit reserves by absorbing accumulated losses

On April 27, 2021, through the Annual and Extraordinary General Meeting, Management proposed the absorption of all the accumulated losses in the financial statements as of December 31, 2020, in the amount of R\$ 3,760,663. For the absorption of the accumulated loss was used the profit reserve of R\$ 253,599 and capital in the amount of R\$ 3,507,064, without cancellation of shares.

4.4 Issue of debentures Rumo Malha Paulista S.A.

On April 19, 2021, the Board of Directors approved the 2nd issue of simple debentures by the subsidiary Rumo Malha Paulista, non-convertible into shares, unsecured, with an additional personal guarantee, in two series of R\$ 750,000 with a total value of R\$ 1,500,000.

The first series has a term of 6 years at an average cost of CDI +1.69%. The second has a term of 10 years at an average cost of IPCA + 4.60%. The two series will have semiannual interest payments and the funds from this funding will be used for investment.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

4.5 Related parties

a) Summary of balance with related parties

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Current assets				
Commercial operations				
Cosan S.A.	200	200	295	306
Rumo Malha Norte S.A.	6,683	2,028	-	-
Rumo Malha Paulista S.A.	1,602	2,061	-	-
Rumo Malha Sul S.A.	3,375	1,289	-	-
Rumo Malha Central S.A.	6,084	3,882	-	-
Raízen S.A.	6	149	18,233	7,841
Raízen Energia S.A.	8,885	7,776	14,863	23,287
Brado Logística S.A	201	32	-	-
Elevações Portuárias S.A.	2,783	2,642	-	-
Termag - Terminal Marítimo de Guarujá S.A.	-	-	14,286	14,286
Other	190	194	139	459
	30,009	20,253	47,816	46,179
Corporate operation / agreements				
Rumo Malha Central S.A.	6,510	41,130	-	-
	6,510	41,130	-	-
	36,519	61,383	47,816	46,179
Non-current assets				
Commercial operations				
Termag - Terminal Marítimo de Guarujá S.A.	-	-	71,429	48,571
Raízen S.A.	-	-	47,731	45,709
	-	-	119,160	94,280
Financial operations				
Rumo Malha Central S.A.	1,000,000	1,000,000	-	-
Logisport Armazéns Gerais S.A.	6,390	6,190	-	-
Other	3,325	3,326	177	186
	1,009,715	1,009,516	177	186
	1,009,715	1,009,516	119,337	94,466
Total	1,046,234	1,070,899	167,153	140,645

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Current liabilities				
Commercial operations				
Rumo Malha Norte S.A.	11,634	6,307	-	-
Rumo Malha Sul S.A.	8,615	12,180	-	-
Rumo Malha Paulista S.A.	131,718	213,386	-	-
Rumo Malha Oeste S.A.	828	857	-	-
Raízen S.A.	-	-	185,843	142,979
Raízen Energia S.A.	4,784	4,822	21,622	12,992
Cosan S.A.	1,064	1,126	1,248	3,298
Cosan Lubrificantes e Especialidades S.A.	352	352	6,621	4,543
Logisport Armazéns Gerais S.A.	224	457	-	-
Elevações Portuárias S.A.	12,391	632	-	-
Other	1,104	1,015	906	1,137
	172,714	241,134	216,240	164,949
Non-current liabilities				
Commercial operations				
Boswells	31,264	32,479	-	-
Other	4,733	4,733	-	-
	35,997	37,212	-	-
Total	208,711	278,346	216,240	164,949

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

b) Transactions with related parties

	Parent Company			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Operating income				
Raízen Energia S.A.	75,560	137,457	34,692	100,078
Rumo Malha Norte S.A.	4,852	9,705	4,038	8,076
Rumo Malha Paulista S.A.	70,489	132,695	69,912	134,669
Elevações Portuárias S.A.	6,300	12,600	6,300	12,600
	157,201	292,457	114,942	255,423
Purchases of products / inputs / services				
Logispot Armazéns Gerais S.A.	(376)	(1,129)	(1,032)	(1,848)
Rumo Malha Paulista S.A.	(69,543)	(101,188)	(27,517)	(56,689)
Cosan Lubrificantes e Especialidades S.A.	(10)	(18)	(6)	(6)
Rumo Malha Sul S.A.	(7,504)	(7,820)	-	-
	(77,433)	(110,155)	(28,555)	(58,543)
Shared expenses				
Cosan S.A.	(544)	(1,149)	(794)	(1,725)
Elevações Portuárias S.A.	822	1,115	633	390
Rumo Malha Oeste S.A.	186	276	356	171
Rumo Malha Paulista S.A.	4,221	6,377	4,811	2,630
Rumo Malha Sul S.A.	2,678	4,140	5,813	1,149
Rumo Malha Norte S.A.	4,188	3,345	14,987	(2,296)
Rumo Malha Central S.A.	(95)	(117)	-	-
Raízen Energia S.A.	-	-	197	(299)
	11,456	13,987	26,003	20
Financial result				
Rumo Malha Norte S.A.	(5,250)	(10,040)	(6,693)	(15,506)
Rumo Malha Central S.A.	37,895	82,215	-	-
Other	4,457	1,417	(1,724)	(9,024)
	37,102	73,592	(8,417)	(24,530)

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Consolidated			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Operating income				
Raízen Energia S.A.	104,250	207,368	53,113	158,222
Raízen S.A.	43,524	75,680	26,134	59,194
Other	-	420	-	268
	147,774	283,468	79,247	217,684
Purchases of products / inputs / services				
Raízen S.A.	(414,124)	(723,078)	(250,514)	(501,411)
Cosan Lubrificantes e Especialidades S.A.	(14,466)	(25,001)	(9,745)	(17,154)
Other	(700)	(1,469)	(136)	(388)
	(429,290)	(749,548)	(260,395)	(518,953)
Shared expenses				
Cosan S.A.	(729)	(1,549)	(794)	(1,725)
Raízen Energia S.A.	(7,213)	(13,438)	(8,166)	(18,278)
	(7,942)	(14,987)	(8,960)	(20,003)
Financial result				
Other	7	104	4	4
	7	104	4	4

c) Remuneration of directors and officers

The fixed and variable remunerations of key persons, including directors and board members, are recorded in the consolidated result for the period, as follows:

	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Short-term benefits to employees and managers	5,262	11,200	3,788	14,201
Transactions with share-based payments	12,816	14,359	1,515	2,941
	18,078	25,559	5,303	17,142

4.6 Subsequent events

4.6.1 Issue of debentures

On July 6, 2021, the Company issue R\$1,043,434 referring to the 16th issue of simple, non-convertible, unsecured debentures, divided into two series, the first of which has an amount of R\$ 784,619, with a rate of IPCA+4.49% and a tenor of 10 years, while the second is R\$ 258,815 with a rate of IPCA+4.54% and a maturity of 15 years. Both series will have semiannual interest payments and principal amortization in the last 3 years. The funds from this fundraising will be used for investment.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5 Detailed information about assets and liabilities

5.1 Financial assets and liabilities

Financial assets and liabilities consist of:

	June 30, 2021	December 31, 2020
Assets		
Fair value through profit or loss		
Marketable securities	1,592,882	1,396,723
Derivate financial instruments	1,834,460	3,988,524
	3,427,342	5,385,247
Amortized cost		
Cash and cash equivalents	4,794,875	7,778,606
Trade receivables	647,882	428,492
Related parties receivable	167,153	140,645
Restricted cash	27,302	34,562
	5,637,212	8,382,305
Total	9,064,554	13,767,552
Liabilities		
Amortized cost		
Loans, financing and debentures	5,957,008	8,986,576
Lease liabilities	2,830,798	2,912,318
Trade payables	662,848	754,542
Other financial liabilities ⁽ⁱ⁾	586,624	413,470
Related parties payable	216,240	164,949
Dividends payable	7,848	7,937
Installment leases and concessions (Note 5.16)	1,167,764	1,154,919
Debt payment in installments	2,590	2,791
	11,431,720	14,397,502
Fair value through profit or loss		
Derivate financial instruments	78,641	-
Loans and financing	10,230,557	10,925,462
	10,309,198	10,925,462
Total	21,740,918	25,322,964

- (i) Balance anticipated by our suppliers with financial institutions. These operations had Banco Itaú and Banco Bradesco as a counterparty, at an average rate of 5.80% p.y (3.00% p.y on December 31, 2020). The average term of these operations, which are recorded at present value at the rate previously mentioned, is around 90 days.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.2 Cash and cash equivalents

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Cash and bank accounts	497	511	78,617	2,815,882
Financial Investments	103,188	1,568,156	4,716,258	4,962,724
	103,685	1,568,667	4,794,875	7,778,606

Financial investments are composed as follows:

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Bank investments				
Bank certificate of deposits - CDB	72,666	1,568,156	4,676,193	4,904,934
Other investments	30,522	-	40,065	57,790
	103,188	1,568,156	4,716,258	4,962,724

The Company's financial investments are remunerated at rates around 102.0% of the Brazilian interbank offer rate (Interbank Deposit Certificate), or "CDI" on June 30, 2021 (102.1% of CDI on December 31, 2020). The sensitivity analysis of interest rate risks is presented in note 3.1.

5.3 Securities and restricted cash

Marketable securities

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Government bonds ⁽ⁱ⁾	506	71,302	1,532,236	1,272,316
Bank certificate of deposits - CDB ⁽ⁱⁱ⁾	-	6,258	5,368	116,963
Financial letters ⁽ⁱⁱⁱ⁾	18	416	55,278	7,444
	524	77,976	1,592,882	1,396,723

- (i) Government bonds classified as fair value through profit or loss have an interest rate linked to SELIC and mature between two and five years.
- (ii) Bank deposit certificates have an interest rate linked to the CDI and mature between two and five years.
- (iii) Financial letters have an interest rate linked to the CDI, and daily liquidity, according to the Company's liquidity policy.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Restricted cash	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Securities pledged as collateral	77	79	27,302	34,562
	77	79	27,302	34,562

5.4 Trade receivables

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Domestic – Brazilian Reals	24,806	20,105	578,618	382,806
Export – Foreign currency	-	-	74,097	51,365
	24,806	20,105	652,715	434,171
Allowance for doubtful accounts	(626)	(680)	(4,833)	(5,679)
	(626)	(680)	(4,833)	(5,679)
Total	24,180	19,425	647,882	428,492
Current	24,180	18,558	642,600	421,322
Non-current	-	867	5,282	7,170
Total	24,180	19,425	647,882	428,492

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.5 Loans, financing and debentures

Description	Financial charges		Parent Company		Consolidated		Maturity date	Goal
	Index	Average interest rate	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020		
Loans and financing								
Finame (BNDES)	Pre-fixed	5.65%	252,802	291,547	554,073	647,435	January/2025	Acquisition
	URTJLP	9.27%	-	-	135	396	March/2022	Acquisition
Finem (BNDES)	Pre-fixed	3.50%	-	-	902	1,077	January/2024	Acquisition
	URTJLP	6.76%	2,060	24,610	2,844,925	3,321,839	December/2029	Acquisition
	IPCA	7.46%	-	-	864	796	November/2021	Acquisition
NCE	CDI +	1.03%	-	-	83,655	82,185	February/2023	Working capital
	CDI +	0.80%	-	-	506,888	505,061	December/2023	Working capital
	CDI +	3.05%	-	-	-	208,464	March/2021	Working capital
	p.y.	5.01%	-	-	-	468,516	March/2021	Working capital
	CDI +	3.15%	-	-	-	-	-	-
	p.y.	5.11%	-	-	-	-	-	-
	CDI +	2.25%	-	-	60,365	-	May/2026	Working capital
	p.y.	2.63%	-	-	-	-	-	-
Senior Notes 2024	Pre-fixed	7.38%	-	-	-	4,514,289	March/2021	Acquisition
	(US\$)							
Senior Notes 2025	Pre-fixed	5.88%	-	-	2,871,979	3,067,359	January/2025	Acquisition
	(US\$)							
Senior Notes 2028	Pre-fixed	5.25%	-	-	2,540,365	2,640,840	January/2028	Acquisition
	(US\$)							
ECA	Euribor +	0.58%	-	-	98,980	104,108	September/2026	Acquisition
	(EUR)							
CCB	IPCA +	7.10%	-	-	307,479	239,068	January/2048	Working capital
	0.81%							
Loan 4131	Pre-fixed	0.89%	266,561	483,625	266,561	483,625	November/2022	Working capital
	(US\$)							
	Pre-fixed	1.87%	-	-	18,396	-	October/2021	Working capital
	(US\$)							
	CDI	4.60%	-	-	-	206,908	April/2021	Working capital
			521,423	799,782	10,155,567	16,491,966		
Debentures								
Non-convertible debentures	IPCA +	4.68%	-	-	564,790	595,847	February/2026	Acquisition
	4.50%	10.79%	710,285	739,202	710,285	739,202	February/2029	Acquisition
	IPCA +	3.90%	1,031,355	1,025,777	1,031,355	1,025,777	October/2029	Acquisition
	IPCA +	4.00%	1,007,587	255,501	1,007,587	255,501	December/2035	Acquisition
	IPCA +	6.80%	841,190	803,745	841,190	803,745	April/2030	Acquisition
	IPCA +	4.77%	-	-	741,568	-	June/2031	Acquisition
	CDI +	1.79%	-	-	756,532	-	June/2027	Acquisition
	IPCA +	3.60%	378,691	-	378,691	-	December/30	Working capital
Private debentures	CDI +	0.50%	352,574	792,535	-	-	January/2023	Working capital
		4.67%						
			4,321,682	3,616,760	6,031,998	3,420,072		
Total			4,843,105	4,416,542	16,187,565	19,912,038		
Current			280,464	482,421	1,263,747	2,504,223		
Non-current			4,562,641	3,934,121	14,923,818	17,407,815		

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Non-current loans have the following maturities:

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
13 to 24 months	547,738	410,856	1,014,573	1,135,485
25 to 36 months	56,996	855,323	836,732	1,056,521
37 to 48 months	20,411	53,841	3,417,283	5,069,301
49 to 60 months	-	-	898,026	3,552,834
61 to 72 months	110,916	-	778,755	404,760
73 to 84 months	958,902	644,507	3,752,040	917,765
85 to 96 months	1,088,624	920,598	1,617,811	3,788,409
Thereafter	1,779,054	1,048,996	2,608,598	1,482,740
	4,562,641	3,934,121	14,923,818	17,407,815

The carrying amounts of the Company's loans and financing are denominated in these currencies:

	Consolidated	
	June 30, 2021	December 31, 2020
Brazilian Reals (R\$)	10,391,284	9,101,817
Dollar (US\$) ⁽ⁱ⁾	5,678,905	10,706,113
EUR ⁽ⁱ⁾	117,376	104,108
Total	16,187,565	19,912,038

- (i) As of June 30, 2021, all debt denominated in foreign currency, in the subsidiaries, are protected against foreign exchange risk through derivatives (Note 5.8) or through financial investments in the same currency.

Below the movement of loans, financing and debentures for the period ended on June 30, 2021:

	Parent Company	Consolidated
At January 1, 2021	4,416,542	19,912,038
Proceeds from debts	1,133,113	2,719,876
Interest, monetary and exchange variation	81,136	259,324
Amortization of principal	(516,065)	(6,097,249)
Payments of interest from debts	(271,621)	(606,424)
At June 30, 2021	4,843,105	16,187,565

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

a) Guarantees

Some financing contracts with the National Bank for Economic and Social Development (“BNDES”), destined for investments, are also guaranteed, according to each contract, by bank guarantee, with an average cost of 0.88% per year or by real guarantees (assets) and guarantee account. On June 30, 2021, the balance of bank guarantees contracted was R\$ 3,330,369 (R\$ 3,687,323 on December 31, 2020).

To calculate the average rates, the average CDI of 2.29% p.y. (2.78% p.y. on December 31, 2020) and TJLP of 4.62% p.y. (4.87% p.y. on December 31, 2020).

b) Unused credit lines

On June 30, 2021, the Company had lines of credit in banks with AA rating, which were not used, in the total amount of R\$ 1,242,993 (R\$ 487,378 on December 31, 2020).

The use of these credit lines is subject to certain contractual conditions.

c) Restrictive clauses (“financial covenants”)

The Company's main lines of loans are subject to restrictive clauses, based on financial and non-financial indicators, the main and most restrictive clauses are presented below:

Goal	Index
Net financial debt/ EBITDA ⁽ⁱ⁾ ≤ 3.00x in December, 2021	2.10
EBITDA/ Consolidated financial result ⁽ⁱⁱ⁾ ≥ 2.00x in December, 2021	17.35

- (i) The net financial debt is composed of bank debts, debentures, commercial leases considered as financial leasing less cash and cash equivalents, marketable securities, and derivative instruments.
- (ii) The consolidated financial result of the debt is represented by the cost of the consolidated net debt, shown in note 6.4.

The components of the formulas for calculating the result of the verifiable targets at the end of the year are defined in the debt contracts. On June 30, 2021, the Company and its subsidiaries were complying with all restrictive financial covenants.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.6 Lease liabilities

	Consolidated leases			Totals
	Financial	Operational - concessions	Operational - other	
At January 1, 2021	416,122	2,328,924	167,272	2,912,318
Additions	-	-	16,278	16,278
Interest	25,321	199,009	5,037	229,367
Repayments of principal	(241,404)	(56,569)	(18,438)	(316,411)
Payments of interest	(4,655)	(67,445)	(8,426)	(80,526)
Monetary adjustment	12,192	71,301	12,865	96,358
Transfers between liabilities ⁽ⁱ⁾	-	(26,586)	-	(26,586)
At June 30, 2021	207,576	2,448,634	174,588	2,830,798
Current	50,929	254,517	48,489	353,935
Non-current	156,647	2,194,117	126,099	2,476,863
	207,576	2,448,634	174,588	2,830,798

- (i) Transfer of the parcels under litigation to the lease and concessions item in dispute (Note 5.16).

The lease agreements have different terms, with the last due date occurring in December 2058 (an opening per due date is shown in Note 3.1). The amounts are updated annually by inflation indexes (such as IGPM and IPCA) or may incur interest calculated based on the TJLP or CDI and some of the contracts have renewal or purchase options that were considered in determining the term and classification as finance lease.

In addition to the amortization and appropriation of interest and exchange variation highlighted in the previous tables, for the following impact on income during the year ended June 30, 2021 was recorded for other lease agreements that were not included in the measurement of lease liabilities:

	Consolidated			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Variable lease payments not included in the measurement of lease liabilities	8,487	15,427	5,866	11,567
Expenses relating to short-term leases	8,021	17,567	12,587	23,552
Expenses relating to leases of low-value assets, excluding short-term leases	237	471	336	498
	16,745	33,465	18,789	35,617

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Additional Information

The Company, in full compliance with the rules, in the measurement and remeasurement of its lease liabilities and the right-of-use, proceeded to discount the present value of future lease installments without considering future projected inflation in the installments to be discounted.

The incremental interest rate (nominal) used by the Company was determined based on the interest rates to which the Company has access, adjusted to the Brazilian market and the terms of its contracts. Rates between 10.9% and 14.2% have been used, according to the term of each contract.

In compliance with CVM Instruction Circular Official Letter 2/2019, if, in transactions where the incremental rate is used, the measurement was made at the present value of expected installments plus projected future inflation, the balances of lease liabilities, right of use, financial expense and depreciation expense for the period ended June 30, 2021, would be those presented in the “Official note” column:

Accounts	April 1, 2021 to June 30, 2021		
	Registered	Official note	% Variation
Lease liabilities	(2,129,809)	(2,286,904)	7%
Residual right of use	6,881,548	6,894,040	0%
Financial expense	(246,920)	(258,322)	5%
Depreciation expense	(273,532)	(278,147)	2%

The balances recorded by the Company include the Malha Central contract and the renewal of addendum Malha Paulista contract, which have an implicit rate identified so that their appreciation does not generate distortions in the liabilities and usage rights covered by the CVM Circular. As of June 30, 2021, the lease liability of these contracts was R\$ 1,078,206 (R\$ 983,576 on December 31, 2020).

The Company recorded lease liabilities at the present value of the installments due, that is, including any tax credits to which it will be entitled at the time of the lease payments. The potential PIS / COFINS credit included in liabilities on June 30, 2021, is R\$ 6,334 (R\$ 4,713 on December 31, 2020).

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.7 Trade payables

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Material and services suppliers	45,035	54,562	632,521	721,600
Other	26,041	17,729	30,327	32,942
Total	71,076	72,291	662,848	754,542

5.8 Derivative financial instruments

The Company uses swap instruments, the fair value of which is determined from discounted cash flows based on market curves, to hedge exposure to foreign exchange, interest and inflation risk. The consolidated data are presented below:

	Nocional		Fair value	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Foreign exchange and interest rate derivatives				
Swap contracts (Interest and foreign exchange)	4,852,348	4,648,615	1,440,309	3,579,657
Swap contracts (Interest and inflation)	4,204,964	2,229,136	319,570	408,867
NDF (Non deliverable forwards)	76,110	-	(4,060)	-
	9,133,422	6,877,751	1,755,819	3,988,524
Assets			1,834,460	3,988,524
Liabilities			(78,641)	-
			1,755,819	3,988,524

The Company contracted Swap operations, in order to be active in USD + fixed interest and passive in percentage of CDI.

The Company contracted interest and exchange swap operations, to be active in USD + fixed interest and passive in percentage of CDI. For interest and inflation swap operations, the Company is active at IPCA + fixed interest and passive as a percentage of the CDI.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Hedge strategies

a) Hedge of fair value

Currently, the Company adopts the fair value hedge for some of its operations, both hedge instruments and hedged items are recorded at fair value through profit or loss. The operational and accounting effects of this adoption are as follows:

<u>Exchange rate hedge</u>		Nocional	Book value		Fair value adjustment		
			R\$		June 30, 2021	December 31, 2020	June 30, 2021
Debits							
Senior Notes 2024	US\$ + 7.4%	-	-	(4,514,289)	-	-	(959,017)
Senior Notes 2025	US\$ + 5.9%	(1,740,550)	(2,871,979)	(3,067,359)	274,050	274,050	(779,581)
Senior Notes 2028	US\$ + 5.3%	(2,791,600)	(2,540,365)	-	251,235	251,235	-
Total		(4,532,150)	(5,412,344)	(7,581,648)	525,285	525,285	(1,738,598)
Derivative instruments							
Foreign exchange and interest swap	BRL + 145% do CDI	-	-	2,118,028	-	-	1,021,045
Foreign exchange and interest swap	BRL + 127% do CDI	1,740,550	1,125,649	1,341,379	(265,610)	(265,610)	825,015
Foreign exchange and interest swap	BRL + 115% do CDI	2,791,600	223,457	-	(276,543)	(276,543)	-
Total		4,532,150	1,349,106	3,459,407	(542,153)	(542,153)	1,846,060
Total, net		-	(4,063,238)	(4,122,241)	(16,868)	(16,868)	107,462

<u>Interest rate hedge</u>		Nocional	Book value		Fair value adjustment		
			R\$		June 30, 2021	December 31, 2020	June 30, 2021
Debits							
Debentures	IPCA + 3,87%	(1,200,000)	(1,141,437)	-	75,278	75,278	-
Debentures	IPCA + 3.90%	(906,856)	(1,031,355)	(1,025,777)	(6,334)	(6,334)	(192,446)
Debentures	IPCA + 4.00%	(222,280)	(244,841)	(255,501)	15,863	15,863	(46,991)
Debentures	IPCA + 4.77%	(750,000)	(741,568)	-	8,432	8,432	-
Total		(3,079,136)	(3,159,201)	(1,281,278)	93,239	93,239	(239,437)
Derivative instruments							
Inflation and interest swap	107% do CDI	1,200,000	3,414	-	(374)	(374)	-
Inflation and interest swap	102% do CDI	927,136	106,117	144,137	(38,019)	(38,019)	149,663
Inflation and interest swap	108% do CDI	227,828	20,146	32,556	(14,318)	(14,318)	33,932
Inflation and interest swap	112% do CDI	750,000	9,601	-	9,601	9,601	-
Total		3,104,964	139,278	176,693	(43,110)	(43,110)	183,595
Total, net		25,828	(3,019,923)	(1,104,585)	50,129	50,129	(55,842)

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

b) Fair value options

Certain derivative instruments have not been linked to documented hedge structures. The Company opted to designate the protected liabilities (hedge objects) to be recorded at fair value through profit or loss. Considering that derivative instruments are always recorded at fair value through profit or loss, the accounting effects are the same that would be obtained through hedge documentation:

Interest risk	Nocional	Book value		Fair value adjustment	
		R\$			
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Debits					
Debitures IPCA + 4.68%	(500,000)	(564,790)	(595,847)	25,291	(48,142)
Debitures IPCA + 4.50%	(600,000)	(710,285)	(739,202)	43,665	(55,116)
Total	(1,100,000)	(1,275,075)	(1,335,049)	68,956	(103,258)
Derivative instruments					
Inflation and interest swap 107% of CDI	500,000	77,554	96,931	(27,244)	39,232
Inflation and interest swap 103% of CDI	600,000	102,738	135,244	(39,580)	56,915
Total	1,100,000	180,292	232,175	(66,824)	96,147
Total, net	-	(1,094,783)	(1,102,874)	2,132	(7,111)

Interest risk	Nocional	Book value		Fair value adjustment	
		R\$			
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Debits					
ECA EUR + 0.58%	(100,198)	(98,980)	(95,373)	6,660	(36,481)
Loan 4131 USD + 2.20%	(220,000)	(284,957)	(485,978)	13,122	(64,235)
Total	(320,198)	(383,937)	(581,351)	19,782	(100,716)
Derivative instruments					
Foreign exchange and interest swap BRL + 107% of CDI	100,198	28,225	39,529	(12,442)	36,165
Foreign exchange and interest swap BRL + 118% of CDI	220,000	62,978	80,720	(37,149)	66,700
Total	320,198	91,203	120,249	(49,591)	102,865
Total, net	-	(292,734)	(461,102)	(29,809)	2,149

c) Cash flow hedge

The Company adopts cash flow hedging for some firm commitments in asset purchase transactions, and the fair value of the hedging instruments being recorded in other comprehensive income until the hedged items are recorded on the balance sheet, when it is included in their cost. The accounting effects of this adoption are as follows:

Cash flow hedge	Nocional R\$	Book value R\$		Fair value adjustment	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
		Derivative instruments			
NDF (Non deliverable forwards)	76,110	(4,060)	-	(4,060)	-
Total	76,110	(4,060)	-	(4,060)	-

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.9 Other recoverable taxes

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
COFINS - Social security financing contribution	36,134	45,069	320,444	303,727
PIS - Social integration program	7,487	9,589	110,520	115,642
ICMS - State VAT ⁽ⁱ⁾	-	-	629,003	595,450
ICMS - CIAP ⁽ⁱⁱ⁾	-	-	91,043	106,243
Other	3,020	3,016	28,229	20,268
	46,641	57,674	1,179,239	1,141,330
Current	46,641	57,674	340,677	350,883
Non-current	-	-	838,562	790,447
	46,641	57,674	1,179,239	1,141,330

- (i) ICMS credit related to the purchase of inputs and diesel used in transportation.
(ii) ICMS credit from acquisitions of property, plant and equipment.

5.10 Inventories

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Parts and accessories	1,468	910	239,347	219,831
Fuels and lubricants	26	27	4,520	6,807
Warehouse and other	152	165	33,394	22,680
	1,646	1,102	277,261	249,318

The balances are presented net of the provision for obsolete inventories of R\$ 7.449 on June 30, 2021 (R\$ 7,256 on December 31, 2020).

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.11 Investments in associates and provision for unsecured liabilities

(a) Subsidiaries and associates

Below are investments in subsidiaries and associates that are material for the Company on June 30, 2021, and December 31, 2020:

i. Parent Company

	Total shares of the investee	Shares held by the Company	Percentage of participation
Elevações Portuárias S.A.	672,397,254	672,397,254	100.00%
Rumo Intermodal S.A.	91,064,313	91,064,313	100.00%
Rumo Malha Central S.A.	4,470,908,744	4,470,908,744	100.00%
Rumo Malha Norte S.A.	1,189,412,363	1,186,268,176	99.74%
Boswells S.A.	3,265,000	3,265,000	100.00%
Brado Participações S.A.	12,962,963	8,065,556	62.22%
Paranaguá S.A.	6,119,802	6,113,851	99.90%
Logispot Armazéns Gerais S.A.	2,040,816	1,040,816	51.00%
Terminal São Simão S.A.	78,000,000	39,780,000	51.00%
Rumo Malha Sul S.A.	6,677,710,494,907	6,677,710,494,907	100.00%
ALL Argentina S.A.	9,703,000	8,826,110	90.96%
Rumo Luxembourg Sarl	500,000	500,000	100.00%
Rumo Malha Paulista S.A.	5,032,794,458,529	5,032,794,458,529	100.00%
ALL Armazéns Gerais Ltda.	376,560,990	376,560,990	100.00%
Rumo Malha Oeste S.A.	478,460,074	478,460,074	100.00%

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	At January 1, 2021	Equity pick- up	Capital increase / AFAC	Dividends and Interest on own capital receivable	Comprehen- sive income	Amortization of the concession right	Stock option plan	At June 30, 2021	Equity income on June 30, 2020
Elevações Portuárias S.A.	723,802	30,794	-	(62,049)	-	-	-	692,547	14,501
Rumo Intermodal S.A.	23,926	(631)	-	-	327	-	-	23,622	276
Rumo Malha Central S.A.	2,872,691	(108,236)	-	-	(2,680)	-	-	2,761,775	(137,425)
Rumo Malha Norte S.A.	8,284,811	824,410	-	(389,854)	-	(14,938)	(2)	8,704,427	217,196
Boswells S.A.	32,973	-	-	-	(1,234)	-	-	31,739	-
Brado Participações S.A.	376,986	(1,872)	-	(1,300)	-	-	545	374,359	(3,479)
Paranaguá S.A.	20,821	(204)	-	-	(3,243)	-	-	17,374	357
Logispot Armazéns	74,490	1,193	-	(138)	-	-	-	75,545	401
Rumo Luxembourg Sarl	4,406	38,593	-	-	-	-	-	42,999	13,829
Rumo Malha Paulista S.A.	3,365,796	(65,026)	1,200,000	-	-	(9,868)	-	4,490,902	233,459
Terminal São Simão S.A.	39,797	2,422	-	(5)	-	-	-	42,214	-
Rumo Malha Sul S.A.	1,895,905	(31,482)	800,000	-	-	-	-	2,664,423	(62,740)
ALL Armazéns Gerais	-	2,096	371,729	-	-	-	-	373,825	-
Total investment in associates	17,716,404	692,057	2,371,729	(453,346)	(6,830)	(24,806)	543	20,295,751	276,375
ALL Argentina S.A.	(21,538)	(517)	-	-	3,819	-	-	(18,236)	(1,367)
Rumo Malha Oeste S.A.	(1,701,233)	(130,017)	-	-	-	-	-	(1,831,250)	(176,559)
Total investment in unsecured liability	(1,722,771)	(130,534)	-	-	3,819	-	-	(1,849,486)	(177,926)
Total	15,993,633	561,523	2,371,729	(453,346)	(3,011)	(24,806)	543	18,446,265	98,449

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

ii. Consolidated

	Total shares of the investee	Shares held by the Company	Percentage of participation
Rhall Terminais Ltda.	28,580	8,574	30.00%
Termag - Terminal Marítimo de Guarujá S.A.	500,000	99,246	19.85%
TGG - Terminal de Granéis do Guarujá S.A.	79,747,000	7,914,609	9.92%
Terminal XXXIX S.A.	200,000	99,246	49.62%

	At January 1, 2021	Equity pick-up	Dividends	At June 30, 2021	Equity income on June 30, 2020
Rhall Terminais Ltda.	3,765	531	(3)	4,293	346
Termag S.A.	1,673	835	-	2,508	1,683
TGG S.A.	18,679	1,901	(3,280)	17,300	1,433
Terminal XXXIX S.A.	26,597	524	-	27,121	3,222
Total investments in associates	50,714	3,791	(3,283)	51,222	6,684

(b) Participation of non-controlling shareholders

The following is a summary of financial information for each subsidiary that has non-controlling interests that are relevant to the group. The amounts disclosed for each subsidiary are before eliminations between companies.

	Total shares of the investee	Shares held by the Company	Percentage of participation
Rumo Malha Norte S.A.	1,189,412,363	3,144,187	0.26%
Brado Participações S.A.	12,962,963	4,897,407	37.78%
Logisport Armazéns Gerais S.A.	2,040,816	1,000,000	49.00%
Terminal São Simão S.A.	78,000,000	38,220,000	49.00%

The following table summarizes the information related to each of the Company's subsidiaries that has relevant non-controlling interests, before any intra-group elimination.

	At January 1, 2021	Result of non- controlling interests	Dividends	Stock option plan	Other	At June 30, 2021	Equity income on June 30, 2020
Rumo Malha Norte S.A.	9,979	2,219	(1,102)	-	70	11,166	566
Brado Participações S.A.	228,993	(1,136)	(926)	330	-	227,261	(2,068)
Logisport Armazéns Gerais S.A.	35,513	1,146	-	-	-	36,659	385
Terminal São Simão S.A.	38,236	2,328	-	-	-	40,564	-
Total non-controlling interest	312,721	4,557	(2,028)	330	70	315,650	(1,117)

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.12 Property, plant and equipment, intangible assets and right-of-use

Analysis of impairment

In the period ended June 30, 2021, no new indicators were identified for additional tests of recoverability of non-financial assets.

The Company also assessed the effects of the COVID-19 pandemic on the other cash-generating units and Management did not detect any deterioration in the medium and long-term indicators.

The determination of the recoverability of the assets depends on certain key assumptions, as previously described, which are influenced by the market, technological and economic conditions in force at the time that this recovery is tested and, therefore, it is not possible to determine whether new losses due to recovery will occur in the future and, if they occur, whether they would be material.

5.12.1 Investment properties

Accounting policy

Investment property is held to earn rental income, but not for sale in the ordinary course of business, use in the production or supply of products or services, or for administrative purposes. The Company decided to keep its investment property measured at cost less depreciation, which is calculated based on the estimate of its economic usefulness.

On June 16, 2021, the Company exercised a purchase option on an area (land/real estate) of 339.07 hectares called the Rondonópolis terminal in the amount of R\$ 184,100 (historical cost), which will be leased to its subsidiary Rumo Malha Norte S.A.

Notes to the interim financial statements
(In thousands of Brazilian Reais - R\$, unless otherwise stated)

5.12.2 Property, Plant and Equipment

Reconciliation of book value

	Consolidated						Parent Company	
	Land, buildings and improvements	Machinery, equipment and facilities	Freight cars and locomotives (i)	Track structure	Construction in progress	Other assets	Total	Total
Cost:								
At January 1, 2021	1,389,422	1,173,155	8,928,019	9,249,875	2,752,751	869,955	24,363,177	202,113
Additions	1,216	119	997	3,940	1,994,918	543	2,001,733	38,683
Write-off	-	-	(23,223)	-	-	(37)	(23,260)	-
Transfers	241,783	104,539	757,433	517,330	(1,483,200)	5,025	142,910	-
At June 30, 2021	1,632,421	1,277,813	9,663,226	9,771,145	3,264,469	875,486	26,484,560	240,796
Depreciation:								
At January 1, 2021	(484,304)	(564,688)	(4,716,233)	(4,399,318)	(13,379)	(539,007)	(10,716,929)	(81,829)
Additions	(40,930)	(66,767)	(264,403)	(270,256)	(594)	(10,449)	(653,399)	(7,573)
Write-off	-	-	18,750	-	-	13	18,763	-
Transfers	-	-	(262)	(7)	7	-	(262)	-
At June 30, 2021	(525,234)	(631,455)	(4,962,148)	(4,669,581)	(13,966)	(549,443)	(11,351,827)	(89,402)
At January 1, 2021	905,118	608,467	4,211,786	4,850,557	2,739,372	330,948	13,646,248	120,284
At June 30, 2021	1,107,187	646,358	4,701,078	5,101,564	3,250,503	326,043	15,132,733	151,394

- (i) On June 30, 2021, freight car and locomotives in the amount of R\$ 745,203 (R\$ 745,203 on December 31, 2020), were pledged to guarantee bank loans (Note 5.5).

Capitalization of borrowing costs

The period ended on June 30, 2021, the capitalized loan costs for R\$ 15,556 (R\$ 5,358 on June 30, 2020).

Notes to the interim financial statements
(In thousands of Brazilian Reais - R\$, unless otherwise stated)

5.12.3 Intangible assets and goodwill

	Consolidated				Parent Company	
	Goodwill ⁽ⁱ⁾	Concession rights ⁽ⁱⁱ⁾	Operating license	Other	Total	Total
Cost:						
At January 1, 2021	100,451	8,017,958	343,348	230,477	8,692,234	614,854
Additions	-	-	-	922	922	-
Transfers	-	-	-	10,044	10,044	-
At June 30, 2021	100,451	8,017,958	343,348	241,443	8,703,200	614,854
Amortization and Impairment:						
At January 1, 2021	-	(1,124,309)	(155,449)	(161,044)	(1,440,802)	(304,158)
Additions	-	(60,733)	(5,919)	(10,692)	(77,344)	(19,365)
At June 30, 2021	-	(1,185,042)	(161,368)	(171,736)	(1,518,146)	(323,523)
At January 1, 2021	100,451	6,893,649	187,899	69,433	7,251,432	310,696
At June 30, 2021	100,451	6,832,916	181,980	69,707	7,185,054	291,331

- (i) Goodwill from a business combination from previous years, of which R\$ 62,922 from Terminal T-16 in Santos and R\$ 37,529 from indirect subsidiary Logisport, presented only in the consolidated.
- (ii) Refers to the concession contract of Rumo Malha Norte. The asset was identified and measured at fair value in the business combination between Rumo and ALL. The amount will be amortized until the end of the concession in 2079, being recorded in the income statement, under costs of services provided, in the depreciation and amortization group.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.12.4 Right-of-use

	Consolidated						
	Land, buildings and improvements	Machinery, equipment and facilities	Freight cars and locomotives	Software	Vehicles	Port and track structure	Total
Cost amount:							
At January 1, 2021	270,370	30,576	933,325	82,369	13,925	7,462,367	8,792,932
Additions	-	3,090	-	-	13,188	-	16,278
Contractual adjustment	16,455	-	3,942	4,659	-	71,302	96,358
Transfers to permanent assets	(230,004)	-	-	-	-	-	(230,004)
At June 30, 2021	56,821	33,666	937,267	87,028	27,113	7,533,669	8,675,564
Depreciation and impairment:							
At January 1, 2021	(95,558)	(6,191)	(360,740)	(12,534)	(13,029)	(481,479)	(969,531)
Additions	(11,057)	(1,759)	(20,476)	(2,201)	(666)	(135,103)	(171,262)
Transfers to permanent assets	77,310	-	-	-	-	-	77,310
At June 30, 2021	(29,305)	(7,950)	(381,216)	(14,735)	(13,695)	(616,582)	(1,063,483)
At January 1, 2021	174,812	24,385	572,585	69,835	896	6,980,888	7,823,401
At June 30, 2021	27,516	25,716	556,051	72,293	13,418	6,917,087	7,612,081

5.13 Other taxes payable

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
ICMS - State VAT	534	189	5,167	16,481
INSS - Social security	258	221	6,174	10,272
PIS - Social integration program	360	1,458	1,552	2,074
COFINS - Social security financing contribution	1,897	6,898	7,791	9,962
Installment of tax debts	902	902	2,590	2,791
ISS - Municipal service tax	-	-	6,057	12,107
Other	139	340	8,388	11,038
	4,090	10,008	37,719	64,725
Current	4,090	10,008	35,724	62,602
Non-current	-	-	1,995	2,123
	4,090	10,008	37,719	64,725

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.14 Income tax and social contribution

a) Reconciliation of income tax and social contribution expenses

	Parent Company			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Result before income tax and social contribution	320,480	505,123	413,100	140,512
Income tax and social contribution expense at nominal rate (34%)	(108,963)	(171,742)	(140,454)	(47,774)
Adjustments to determine the effective rate				
Equity pick-up	119,061	190,918	125,125	33,473
Unrecognized NOLs and temporary differences ⁽ⁱ⁾	(10,198)	(27,453)	10,811	14,001
Non-deductible expenses (donations, gifts, etc.)	55	55	(3)	(4)
Concession rights amortization	(4,218)	(8,435)	(4,218)	(8,435)
Interest on own capital	(4,080)	(4,080)	-	-
Other	-	-	48	48
Tax and social contribution (current and deferred)	(8,343)	(20,737)	(8,691)	(8,691)
Effective rate - %	2.60%	4.11%	2.10%	6.19%
	Consolidated			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Result before income taxes	389,460	589,057	589,648	217,055
Income tax and social contribution expense at nominal rate (34%)	(132,416)	(200,279)	(200,480)	(73,799)
Adjustments to determine the effective rate				
Equity pick-up	882	1,289	1,450	2,273
Result of companies abroad	(2,861)	12,773	330	4,261
Exploration profit - tax incentive	70,189	159,150	37,744	37,744
Unrecognized NOLs and temporary differences ⁽ⁱ⁾	(12,287)	(75,334)	(25,601)	(59,371)
Non-deductible expenses (donations, gifts, etc.)	60	60	(110)	(88)
Effect of amortization of goodwill	317	635	-	-
Other	1,047	1,592	1,484	2,629
Tax and social contribution (current and deferred)	(75,069)	(100,114)	(185,183)	(86,351)
Effective rate - %	19.28%	17.00%	31.41%	39.78%

- (i) Refers mainly to tax losses and temporary differences of the Company, Rumo Malha Sul, and Rumo Malha Oeste, which, under current conditions, do not meet the requirements for accounting for said income tax and social contribution assets deferred due to the lack of predictability of future generation of tax profits.

Notes to the interim financial statements

(In thousands of Brazilian Reals - R\$, unless otherwise stated)

b) Deferred income tax assets and liabilities

The tax effects of temporary differences that give rise to significant parts of the Company's deferred tax assets and liabilities are shown below:

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Assets credits from:				
Tax losses carry forwards - income tax	277,591	250,871	1,979,442	1,841,755
Tax losses of social contribution	110,747	101,127	724,682	675,123
Temporary differences:				
Provision for judicial demands	19,950	19,723	212,777	197,431
Impairment provision	30,327	30,327	210,468	226,092
Allowance for doubtful accounts	213	231	14,533	14,752
Provision for non-performing tax	-	-	45,392	45,149
Provision for profit sharing	1,606	115	15,429	9,058
Exchange variation - Loans and financing	22,756	28,461	118,208	595,395
Review of useful life - Fixed assets	-	-	164,014	629,635
Fair value adjustment on debts	6,625	77,667	136,332	526,001
Temporary differences from other provisions	4,384	5,715	94,120	95,191
Business combination - Fixed assets	2,113	2,143	29,543	34,907
Other	20,822	14,009	690,900	247,950
Deferred taxes - Assets	497,134	530,389	4,435,840	5,138,439
(-) Unrecognized deferred assets credits	(371,458)	(344,005)	(2,350,124)	(2,281,470)
Liabilities credits from:				
Temporary differences:				
Tax goodwill amortized	-	-	(24,838)	(24,838)
Unrealized result from derivatives	(101,013)	(139,588)	(430,364)	(1,464,591)
Review of useful life - Fixed assets	(4,027)	(3,416)	-	-
Business combination - Intangible assets	(59,197)	(61,204)	(2,538,088)	(2,549,151)
Other	(826)	(826)	(50,971)	(62,696)
Deferred taxes - Liabilities	(165,063)	(205,034)	(3,044,261)	(4,101,276)
Total deferred taxes	(39,387)	(18,650)	(958,545)	(1,244,307)
Deferred assets	-	-	1,385,476	1,270,621
Deferred liabilities	(39,387)	(18,650)	(2,344,021)	(2,514,928)
Total	(39,387)	(18,650)	(958,545)	(1,244,307)

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

c) Realization of deferred income tax and social contribution

At the end of the year 2020, the Company evaluated the term for offsetting its deferred tax credits on tax losses, negative social contribution basis, and temporary differences by projecting its taxable profit over the term of the concessions. The projection was based on economic assumptions of inflation and interest, volume transported based on the growth of agricultural production and exports projected in its areas of operation and market conditions for its services, validated by management. In the quarter ended on June 30, 2021, the Company assessed the observed impacts of the COVID-19 pandemic and judged that the potential effects should not affect the medium and long-term projections to the point of impairing the realization of the balances.

d) Deferred tax movements

	<u>Consolidated</u>
At January 1, 2021	<u>(1,244,307)</u>
Result	284,061
Deferred over cash flow hedge accounting	1,438
Other	263
At June 30, 2021	<u><u>(958,545)</u></u>

Notes to the interim financial statements
(In thousands of Brazilian Reais - R\$, unless otherwise stated)

e) Analytical movement of deferred tax

i. Deferred tax assets

	Tax loss and negative basis	Exchange variation	Provisions	Adjustment to fair value of debt	Fixed asset	Unregistered credits	Other	Total
At January 1, 2021	2,516,878	595,395	492,482	526,001	629,635	(1,933,193)	378,048	3,205,246
(Charged) / credited to the result of the period	187,246	-	6,117	(389,669)	(465,621)	(38,153)	436,515	(263,565)
Exchange differences	-	(477,187)	-	-	-	-	-	(477,187)
At June 30, 2021	2,704,124	118,208	498,599	136,332	164,014	(1,971,346)	814,563	2,464,494

ii. Deferred tax liabilities

	Intangible	Unrealized income from derivatives	Unregistered credits	Other	Total
At January 1, 2021	(2,549,151)	(1,464,591)	(348,277)	(87,534)	(4,449,553)
(Charged) / credited to the result of the period	11,063	1,034,227	(30,501)	11,633	1,026,422
comprehensive results	-	-	-	92	92
At June 30, 2021	(2,538,088)	(430,364)	(378,778)	(75,809)	(3,423,039)

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

5.15 Provision for lawsuits and judicial deposits

On June 30, 2021, and December 31, 2020, the Company records provisions for legal claims in relation to:

	Provision for judicial demands			
	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Tributary	2,265	2,235	80,354	79,447
Civil, regulatory and environmental	11,882	17,782	173,094	150,173
Labor	39,301	32,791	266,850	243,484
	53,448	52,808	520,298	473,104

	Judicial deposits			
	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Tributary	12,567	13,477	46,278	46,770
Civil, regulatory and environmental	2,714	2,565	52,482	59,413
Labor	16,225	16,174	225,541	224,419
	31,506	32,216	324,301	330,602

Changes in provisions for legal claims:

	Parent Company			
	Taxes	Civil, regulatory and environmental	Labor	Total
At January 1, 2021	2,235	17,782	32,791	52,808
Provision	9	3,409	5,807	9,225
Settlement or write-offs	-	(14,971)	(3,103)	(18,074)
Monetary restatement ⁽ⁱ⁾	21	5,662	3,806	9,489
At June 30, 2021	2,265	11,882	39,301	53,448

	Consolidated			
	Taxes	Civil, regulatory and environmental	Labor	Total
At January 1, 2021	79,447	150,173	243,484	473,104
Provision	1,071	7,818	42,535	51,424
Settlement or write-offs	(595)	(19,335)	(42,059)	(61,989)
Monetary restatement ⁽ⁱ⁾	431	34,438	22,890	57,759
At June 30, 2021	80,354	173,094	266,850	520,298

(i) Includes write-off of interest.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

The Company has debts guaranteed by assets or even by means a cash deposit, bank guarantee or guarantee insurance.

a) Probable losses

- **Tributary:** The main tax proceedings for which the risk of loss is probable are described below:

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
ICMS - State VAT credit	-	-	51,800	51,470
PIS and COFINS	-	-	2,060	2,050
INSS - National Social Security Institute	668	664	24,443	24,093
Other	1,597	1,571	2,051	1,834
	2,265	2,235	80,354	79,447

b) Possible losses

The main processes for which we consider the risk of loss possible are described below:

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Tributary	1,019,424	974,492	3,855,809	3,655,279
Civil, regulatory and environmental	171,293	160,054	4,163,392	3,765,974
Labor	118,858	122,066	829,082	865,222
	1,309,575	1,256,612	8,848,283	8,286,475

- **Tributary:**

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Capital gain	29,126	84,953	29,126	84,953
Isolated fine federal tax	357,681	457,381	430,167	473,690
IRPJ/CSLL	318,894	278,315	591,016	510,401
ICMS	-	92	1,017,885	1,120,336
IRRF	55,738	55,259	134,768	133,837
PIS/COFINS ⁽ⁱ⁾	161,256	3,981	1,047,843	868,789
Foreign financial operations	-	-	8,336	29,136
MP 470 installment debts	-	-	153,431	116,276
Stock option plan	53,981	53,695	64,338	63,986
IOF on loan ⁽ⁱⁱ⁾	16,981	14,886	133,256	14,886
Compensation with credit award	-	-	45,924	45,609
Other	25,767	25,930	199,719	193,380
	1,019,424	974,492	3,855,809	3,655,279

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

(i) The Company was assessed for disregarding the tax benefits of REPORTO (suspension of PIS and COFINS), under the allegation that the locomotives and wagons acquired in 2010 to 2012 were used outside the limits of the port area. Consequently, PIS and COFINS were required, in addition to the isolated fine corresponding to 50% of the value of the acquired assets.

(ii) Federal Revenue assessment for non-taxation by the IOF of mutual traffic and right-of-way revenues.

- **Civil, regulatory and environmental:**

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Civil	150,238	111,478	2,792,862	2,440,468
Regulatory	19,965	47,501	735,389	728,064
Environmental	1,090	1,075	635,141	597,442
	171,293	160,054	4,163,392	3,765,974

- **Labor:**

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Labor claims	118,858	122,066	829,082	865,222
	118,858	122,066	829,082	865,222

5.16 Liabilities, provisions and commitments to the Granting Authority

The Company, through its subsidiaries, is a party to sub-concession and lease agreements with the Government. The main liabilities and provisions generated by the contracts are:

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

a) Installment of leases and concessions under litigation

	June 30, 2021	December 31, 2020
Court discussion:		
Rumo Malha Paulista S.A.	54,252	101,871
Rumo Malha Oeste S.A.	1,665,946	1,617,764
	1,720,198	1,719,635
Railroad concession:		
Rumo Malha Paulista S.A.	1,167,764	1,154,919
	1,167,764	1,154,919
Payables:		
Rumo Malha Sul S.A.	87,260	84,637
Rumo Malha Paulista S.A.	21,319	24,151
	108,579	108,788
Total	2,996,541	2,983,342
Current	160,472	158,705
Non-current	2,836,069	2,824,637
	2,996,541	2,983,342

Lease and concession in litigation

On July 21, 2020, the Company filed with the National Land Transport Agency (ANTT) a request for adhesion to a re-bidding process to third parties of the object of the Concession Agreement entered into between Malha Oeste and the Federal Government, through the Ministry of Transport ("Re-bidding Process"), pursuant to Law No. 13,448 of June 5, 2017 and regulated by Decree No. 9,957 of August 7, 2019.

On May 19, 2021, the Company, together with its parent company Rumo S.A, signed with the National Land Transport Agency (ANTT), the second amendment to the Concession Contract of Rumo Malha Oeste S.A., with the purpose of establishing the obligations related to the re-bidding, under the terms of the qualification of the undertaking approved by Decree No. 10.633, of February 18, 2021. After conducting technical analyses, ANTT established the conditions for the provision of services by the concessionaire during the term of the amendment, observing the guarantee of the continuity and safety of the rail transport service, until a new bidding process is held. The term of validity of this amendment will be 24 (twenty-four) months, counted from the publication of Decree No. 10.633, of February 18, 2021, subject to extension.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Judicial deposits associated with lease and concession under litigation total:

	June 30, 2021	December 31, 2020
Rumo Malha Oeste S.A.	22,119	22,119
	22,119	22,119

b) Leases and grants under IFRS16 (Note 5.6)

	June 30, 2021	December 31, 2020
Leases:		
Rumo Malha Sul S.A.	571,018	600,745
Rumo Malha Paulista S.A.	455,216	475,647
Rumo Malha Oeste S.A.	230,573	179,568
Elevações Portuárias S.A.	98,155	76,925
Portofer Ltda.	15,465	12,463
	1,370,427	1,345,348
Grants:		
Rumo Malha Paulista S.A.	560,466	492,222
Malha Central S.A.	517,741	491,354
	1,078,207	983,576
Total	2,448,634	2,328,924
Current	254,515	232,212
Non-current	2,194,119	2,096,712
	2,448,634	2,328,924

c) Investment commitments

The sub-concession contracts to which the Company, through its subsidiaries, is a party, often include commitments to execute investments with certain characteristics during the term of the contract. Can be highlighted:

The renewal addendum to the concession of Malha Paulista, which foresees the execution long with the concession investment projects to increase capacity and reduce urban conflicts, estimated by the agency at R\$ 6,100,000 (value updated until December 2017). Of this amount, around R\$ 3,000,000 comprises the obligations, whose physical execution was 13%.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

The Malha Central sub-concession contract provides for investments with a fixed term (from one to three years from the signing of the contract), estimated by ANTT at R\$ 645,573. As of June 30, 2021, the physical execution of the obligation book projects was 75%.

The Elevações Portuárias concession and lease agreement provide for investments aimed at improving and modernizing the facilities and equipment allocated therein, estimated in the amount of R\$ 340,000. The balance sheet date, the subsidiary had made investments at a cost of R\$ 270,629.

5.17 Shareholders' equity

a) Share capital

On April 27, 2021, as resolved at the Annual and Extraordinary General Meeting, the Company carried out a capital reduction in the amount of R\$3,507,064, without cancellation of shares, to absorb accumulated losses (Note 4.3).

After the reduction, the subscribed and fully paid-in capital on June 30, 2021, is R\$ 12,547,842 (R\$ 16,054,906 on December 31, 2020) and is represented by 1,854,158,791 registered common shares, with no value nominal.

As of June 30, 2021, the Company's capital stock consists of the following:

	Ordinary shares	
	Quantity	%
Shareholders		
Cosan S.A.	562,529,490	30.34%
Julia Arduini	71,005,654	3.83%
Board of Directors	2,619,841	0.14%
Free Float	1,216,280,194	65.60%
Treasury shares	1,723,612	0.09%
Total of Outstanding Shares	1,854,158,791	100%

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

b) Tax incentives - SUDAM

Rumo Malha Norte obtained, through the Superintendence for the Development of the Amazon – SUDAM, the right to a reduction in corporate income tax - IRPJ and non-refundable additional amounts calculated on the exploration profit, as it is located in the area covered by the Legal Amazon and for being the transport sector considered a priority undertaking for regional development.

For the period ended June 30, 2021, the effect of the 75% reduction on exploration profit was R\$ 159,150 (R\$ 37,744 as of June 30, 2020) (Note 5.14.a).

c) Treasury shares

On June 30, 2021, the Company had 1,723,612 treasury shares (532,000 on December 31, 2020), whose market price was R\$ 19.15 (R\$ 19.24 on December 31, 2020).

d) Profit Reserve

On April 27, 2021, as resolved at the Annual and Extraordinary General Meeting, the Company used profit reserves in the amount of R\$ 253,599 to absorb accumulated losses. (Note 4.3)

6 Detailed information on income statement

6.1 Net operating revenue

The following is an analysis of the Company's revenue:

	Parent Company			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Gross revenue from sales of services	241,145	401,461	237,076	411,694
Taxes and deductions on sales of services	(14,233)	(24,907)	(12,225)	(21,951)
Net revenue	226,912	376,554	224,851	389,743

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Consolidated			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Gross revenue from sales of services	2,339,416	4,186,561	1,925,826	3,424,176
Taxes and deductions on sales of services	(123,524)	(224,716)	(97,866)	(172,652)
Net revenue	2,215,892	3,961,845	1,827,960	3,251,524

6.2 Costs and expenses by nature

Expenses are presented in the income statement by function. The reconciliation of income by nature / purpose is as follows:

	Parent Company			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Material for use and consumption	(102)	(341)	(329)	(491)
Employee benefit expense	(7,340)	(13,388)	(6,569)	(11,703)
Depreciation and amortization	(26,146)	(51,748)	(25,217)	(50,435)
Third-party services expense	(2,063)	(3,624)	(1,215)	(2,919)
Transportation and elevation expenses	(157,770)	(259,033)	(117,681)	(236,223)
Other expenses	(4,443)	(6,914)	(4,729)	(9,442)
	(197,864)	(335,048)	(155,740)	(311,213)
Cost of services provided	(187,595)	(317,579)	(172,039)	(292,035)
Selling expenses	85	54	(91)	(48)
General and administrative expenses	(10,354)	(17,523)	16,390	(19,130)
	(197,864)	(335,048)	(155,740)	(311,213)

	Consolidated			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Material for use and consumption	(46,949)	(87,142)	(45,430)	(75,141)
Employee benefit expense	(300,702)	(561,701)	(213,224)	(450,337)
Depreciation and amortization	(455,445)	(883,087)	(400,715)	(795,477)
Third-party services expense	(96,688)	(189,856)	(88,033)	(175,831)
Transportation and elevation expenses	(585,553)	(1,028,414)	(428,706)	(795,054)
Other expenses	(10,651)	(72,847)	(71,117)	(131,373)
	(1,495,988)	(2,823,047)	(1,247,225)	(2,423,213)
Cost of services provided	(1,372,948)	(2,591,790)	(1,150,885)	(2,222,053)
Selling expenses	(9,499)	(18,977)	(8,169)	(17,321)
General and administrative expenses	(113,541)	(212,280)	(88,171)	(183,839)
	(1,495,988)	(2,823,047)	(1,247,225)	(2,423,213)

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

6.3 Other operating income (expenses), net

	Parent Company			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Net effect of judicial proceedings	(6,584)	(11,086)	(2,924)	(2,959)
Rental and leases revenue	6,300	12,600	6,300	12,600
Result on sale of scrap / eventual	231	463	233	7,268
Extemporaneous tax credits	-	-	7	98
Other	(656)	(1,577)	(728)	(2,289)
	(709)	400	2,888	14,718

	Consolidated			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Net effect of judicial proceedings	(31,734)	(55,102)	(14,543)	(33,590)
Income of port operations	-	-	(5,139)	(3,532)
Result from sale of scraps / eventual	13,431	34,381	9,634	16,885
Amortization of right-of-use ⁽ⁱ⁾	-	-	(24,206)	(48,413)
Result on disposals of fixed assets and intangible assets	1,443	2,306	526	1,755
Extemporaneous tax credits	5,019	5,075	6,386	18,062
Settlement of disputes in the renewal process ⁽ⁱⁱ⁾	52,963	52,963	348,319	278,496
Loss from impairment (Note 5.12)	-	-	(107,106)	(107,106)
Renovation expenses ⁽ⁱⁱⁱ⁾	(14,086)	(23,090)	-	-
Other	(9,092)	(14,199)	(8,188)	(8,776)
	17,944	2,334	205,683	113,781

- (i) Because Malha Central started operations during the period ended March 31, 2021, the depreciation of the right of use assets started to be recognized as costs of services provided (Note 6.2).
- (ii) Effect referring to the reversal of lease liabilities in registered litigation, related to labor credits from recourse lawsuits.
- (iii) Renovation expenses recognized directly in income for the period.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

6.4 Financial results

The details of financial income and costs are as follows:

	Parent Company			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Cost of gross debt				
Interest and monetary variation	(135,591)	(259,755)	(21,749)	(82,968)
Net exchange rate changes on debts	37,156	(13,470)	(26,083)	(94,240)
Result from derivatives and fair value	24,864	134,817	12,955	117,448
Funding costs	(19,919)	(31,609)	(3,996)	(6,949)
Guarantees and warranties on loans	(738)	(1,525)	(608)	(1,536)
	(94,227)	(171,542)	(39,481)	(68,245)
Cash investment income	1,606	7,515	13,701	25,607
	1,606	7,515	13,701	25,607
Cost of debt, net	(92,621)	(164,027)	(25,780)	(42,638)
Other charges and monetary variations				
Interest on other receivables	382	962	21	392
Lease liabilities	-	-	(3)	(10)
Banking expenses and other	(703)	(1,880)	(86)	(480)
Interest on contingencies and commercial contracts	3,891	(1,604)	(759)	(791)
Exchange and monetary variation	3,116	10	397	(6,318)
Interest on loan agreement	38,006	82,415	-	-
Other charges and interest	(10,108)	(14,182)	(704)	(1,340)
	34,584	65,721	(1,134)	(8,547)
Finance result, net	(58,037)	(98,306)	(26,914)	(51,185)
Reconciliation				
Financial expenses	(125,162)	(228,140)	(137,704)	(174,846)
Financial income	1,988	8,477	13,721	25,999
Exchange variation	40,272	(13,460)	(25,686)	(100,559)
Derivatives	24,865	134,817	122,755	198,221
Finance result, net	(58,037)	(98,306)	(26,914)	(51,185)

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

	Consolidated			
	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Cost of gross debt				
Interest and monetary variation	(300,492)	(665,368)	(200,353)	(408,366)
Net exchange rate changes on debts	764,101	130,538	(386,112)	(1,953,502)
Result from derivatives and fair value	(689,757)	537,410	455,953	1,921,453
Premium on repurchase and raising cost ⁽ⁱ⁾	(27,377)	(296,242)	(12,240)	(22,332)
Guarantees and warranties on loans	(9,332)	(19,894)	(7,858)	(13,325)
	(262,857)	(313,556)	(150,610)	(476,072)
Cash investment income	49,785	86,661	34,530	62,398
	49,785	86,661	34,530	62,398
Cost of debt, net	(213,072)	(226,895)	(116,080)	(413,674)
Other charges and monetary variations				
Interest on other receivables	4,069	9,859	5,971	13,916
Lease and concessions in dispute	(22,457)	(47,308)	(34,500)	(69,292)
	-	-	131,243	131,243
Reversal of lease liability charges in dispute				
Lease liabilities	(103,124)	(232,084)	(157,924)	(291,900)
Banking expenses and other	(8,232)	(11,832)	(10,277)	(22,483)
Interest on contingencies and commercial contracts	(22,706)	(58,340)	(16,937)	(67,183)
Exchange and monetary variation	2,890	(6,597)	(3,241)	(11,614)
Interest on other liabilities	11,648	17,331	711	(734)
	(137,912)	(328,971)	(84,954)	(318,047)
Finance result, net	(350,984)	(555,866)	(201,034)	(731,721)
Reconciliation				
Financial expenses	(482,072)	(1,313,737)	(309,821)	(766,634)
Financial income	53,854	96,520	42,187	78,577
Exchange variation	766,991	123,941	(389,353)	(1,965,117)
Derivatives and fair value	(689,757)	537,410	455,953	1,921,453
Finance result, net	(350,984)	(555,866)	(201,034)	(731,721)

(i) Increase related to the settlement of Senior Notes 2024 according to Note 4.2.

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

6.5 Share-based payment

The following share-based payment agreements:

Stock Grants Plans	Lack period (years)	Grant date	Interest rate	Volatility	Granted shares	Exercised / cancelled	Effective on June 30, 2021	Market price on grant date - R\$	Fair value on grant date - R\$
2016 Plan	5	January 2, 2017	11.33%	42.75%	1,476,000	(353,300)	1,122,700	6.10	6.10
2017 Plan	5	September 1, 2017	9.93%	29.76%	870,900	(205,350)	665,550	10.42	10.42
2018 Plan	5	August 15, 2018	10.93%	31.97%	1,149,544	(242,385)	907,159	13.94	13.94
2019 Plan	5	August 15, 2019	6.28%	27.46%	843,152	(104,770)	738,382	22.17	22.17
2020 Plan	5	October 1, 2020	6.94%	41.03%	776,142	(55,548)	720,594	20.01	20.01
2021 Plan	5	May 05, 2021	7.65%	26.06%	1,481,000	(296,222)	1,184,778	20.85	20.85
					6,596,738	(1,257,575)	5,339,163		

a) Reconciliation of shares granted in circulation

The movement in the number of outstanding premiums and their related weighted average exercise prices are as follows:

	<i>Stock option</i>		<i>Stock grant</i>
	Rumo S.A.		Rumo S.A.
	Number of options	Average exercise price	Number of shares
At January 1, 2021	99,351	68.54	4,532,761
Granted	-	-	1,481,000
Exercised / delivered	-	-	(414,198)
Lost / cancelled	(54,859)	83.45	(260,400)
At June 30, 2021	44,492	73.27	5,339,163

b) Expense recognized in profit or loss

In the period ended on June 30, 2021, R\$ 27,840 was recognized as expenses related to the appropriation of the "Stock Grant" Plans (R\$ 6,237 on June 30, 2020).

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

6.6 Earnings per share

Basic earnings per share are calculated by dividing net earnings by the weighted average number of common shares outstanding during the period. Diluted earnings per share are calculated by adjusting earnings and the number of shares by the impacts of potentially dilutive instruments.

The following table shows the calculation of earnings per share (in thousands, except per share) for the period ended June 30, 2021 and 2020:

Basic and diluted

	April 1, 2021 to June 30, 2021	January 1, 2021 to June 30, 2021	April 1, 2020 to June 30, 2020	January 1, 2020 to June 30, 2020
Result for the period	312,137	484,386	404,409	131,821
Diluted effects:				
Dilutive effect - Brado Logística	(454)	(569)	(399)	(959)
Diluted result for the period attributable to	311,683	483,817	404,010	130,862
Denominator:				
Weighted average number of common share (in thousands)	1,852,143	1,852,704	1,559,115	1,559,115
Diluted effects:				
Dilutive effect - Brado Logística	3,264	3,264	3,264	3,264
Dilutive effect - Stock option plan	4,962	4,593	4,714	4,696
Weighted average number of common share - diluted (in thousands)	1,860,369	1,860,561	1,567,093	1,567,075
Basic earnings per common share	R\$0.1685	R\$0.2614	R\$0.2593	R\$0.0845
Diluted earnings per common share	R\$0.1675	R\$0.2600	R\$0.2578	R\$0.0835

Notes to the interim financial statements
(In thousands of Brazilian Reals - R\$, unless otherwise stated)

Thinning instruments

The non-controlling shareholders of the indirect subsidiary Brado, are entitled to exercise the Liquidity Option provided for in the shareholders' agreement signed on August 5, 2013. This option consists of replacing the totality of the shares held by said non-controlling shareholders with a number of shares determined according to the established exchange ratio, which takes into account the economic value to be established both for the Brado business and for the Company's business. At the Company's sole discretion, an equivalent cash payment is also possible. The assumptions of value and form of liquidation are subject to the decision of the arbitration procedure and on June 30, 2021 the best estimate is 3,264 shares, with a dilutive effect, while for June 30, 2020 the effect is antidilutive.

EARNINGS RELEASE 2Q21

Curitiba, August 12, 2021 – RUMO S.A. (B3: RAIL3) (“Rumo”) today announces its results for the second quarter of 2021 (2Q21), consisting of April, May and June. The results are presented on a consolidated basis, in accordance with Brazilian and international accounting rules (IFRS). The comparisons made in this report take into account 2Q21 and 2Q20, except when otherwise indicated.

Rumo 2Q21 and 6M21 Highlights

- The volume transported in 2Q21 was 17.9 billion RTK, 9.1% above 2Q20, highlighting the recovered volumes of industrial products and containers, which surged 35.2% and 32.8%, respectively.
- EBITDA reached R\$1,196 million. Excluding the non-recurring effects of Paulista Network renewal, EBITDA grew by 31.7%.
- Net income in 2Q21 totaled R\$314 million. Excluding the non-recurring effects of Paulista Network renewal, net income increased by nearly R\$190 million. Net debt totaled R\$8.2 billion in 2Q21 and leverage stood at 2.1x comprehensive debt/adjusted LTM EBITDA.
- Capex reached R\$1,041 million, in line with the investment plan, reflecting a greater concentration of investments in expansion this quarter, especially to make Central Network operational.

2Q21	2Q20	Chg.%	Summary of financial information (Amounts in BRL mln)	6M21	6M20	Chg.%
17,905	16,417	9.1%	Total transported volume (millions RTK)	31,778	28,714	10.7%
3,637	4,124	-11.8%	Total volume loaded (TU '000)	6,501	6,668	-2.5%
1,537	1,596	-3.7%	Logistics solution volume	2,615	2,743	-4.7%
2,216	1,828	21.2%	Net revenue ¹	3,962	3,252	21.9%
(1,373)	(1,151)	19.3%	Cost of goods sold	(2,592)	(2,222)	16.6%
843	677	24.5%	Gross profit	1,370	1,029	33.1%
38.0%	37.0%	1.0 p.p.	Gross margin (%)	34.6%	31.7%	2.9 p.p.
(123)	(96)	28.1%	Sales, general and administrative expenses	(231)	(201)	14.9%
18	206	-91.3%	Other op. revenues (expenses)	2	114	-98.2%
3	4	-35.0%	Equity pickup	4	7	-42.9%
741	791	-6.4%	Operational profit	1,145	948	20.8%
455	425	7.2%	Depreciation and amortization	883	844	4.6%
1,196	1,216	-1.7%	EBITDA ²	2,028	1,793	13.1%
54.0%	66.5%	-12.6 p.p.	EBITDA margin (%)	51.2%	55.1%	-4.0 p.p.
314	405	-22.4%	Net profit (loss)	489	131	>100%
14.2%	22.2%	-8.0 p.p.	Net margin (%)	12.3%	4.0%	8.3 p.p.
1,041	722	44.2%	Capex	1,978	1,283	54.1%

Note 1: Includes revenue from the right of way of other railways, revenue from sugar transportation using other railways or road transportation and revenue from volumes contracted but not executed according to commercial agreements (take or pay).

Note 2: Considers the non-recurring effects of Paulista Network renewal, of R\$ 348 million in 2Q20 and R\$ 53 million in 2Q21.

Earnings Conference Call

August 13, 2021

English* - 2:00 p.m. (Brasilia time)

* With simultaneous translation to Portuguese

Phone (BR): + 55 (11) 4090 – 1621

Phone (US): +1 (844) 204 - 8942

+1 (412) 717 - 9627

Password: RUMO

Investor Relations

Email: ir@rumolog.com

Website: ri.rumolog.com



Comparable Result

In this section we present the 2Q21 and 6M21 results adjusted by the effects of the early renewal of Paulista Network, excluding the results of Central Network to ensure the comparability of the results previously presented (comparable result). In the other sections, the result presented considers all the effects mentioned above.

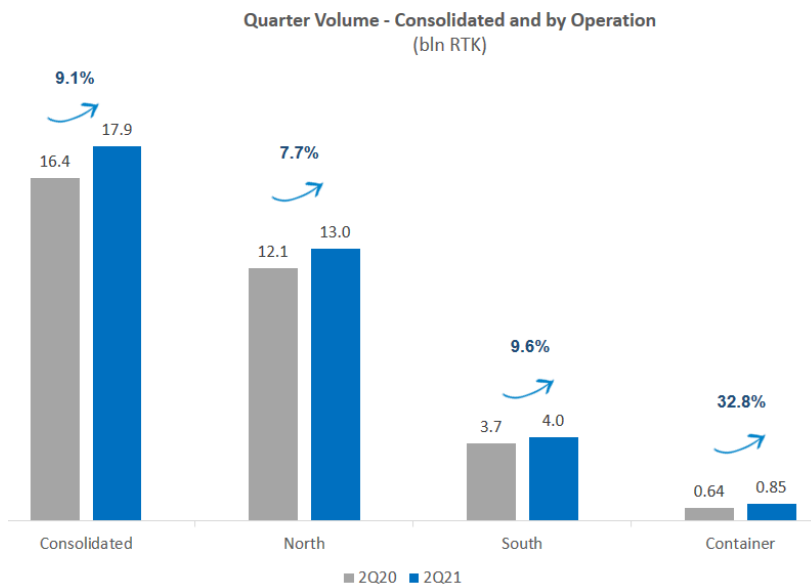
Summary of financial information (Amounts in BRL mln)	2Q21	Cental Network	Paulista Network ³	Comparable 2Q21	2Q20	Cental Network	Paulista Network ³	Comparable 2Q20	Chg.%
Total transported volume (millions RTK)	17,905	(1,193)	-	16,712	16,417	-	-	16,417	1.8%
Net revenue	2,216	(139)	-	2,077	1,828	-	-	1,828	13.6%
Gross profit	843	(48)	-	795	677	-	-	677	17.4%
<i>Gross margin (%)</i>	38.0%	34.8%	n/a	38.3%	37.0%	n/a	n/a	37.0%	1.2 p.p
Sales, general and administrative expenses	(123)	5	-	(118)	(96)	6	-	(90)	31.1%
Other op. revenues (expenses) & eq. pickup	21	-	(53)	(32)	210	25	(348)	(113)	-71.3%
Operational profit	741	(43)	(53)	644	791	31	(348)	474	35.9%
Depreciation and amortization	455	(36)	-	419	425	(24)	-	401	4.6%
EBITDA	1,196	(79)	(53)	1,064	1,216	7	(348)	875	21.5%
<i>EBITDA margin (%)</i>	54.0%	57.1%	n/a	51.2%	66.5%	n/a	n/a	47.9%	3.3 p.p
Capex	1,041	(297)	-	744	722	(163)	-	560	33.0%

Summary of financial information (Amounts in BRL mln)	6M21	Cental Network	Paulista Network ³	Comparable 6M21	6M20	Cental Network	Paulista Network ³	Comparable 6M20	Chg.%
Total transported volume (millions RTK)	31,778	(1,521)	-	30,257	28,714	-	-	28,714	5.4%
Net revenue	3,962	(180)	-	3,782	3,252	-	-	3,252	16.3%
Gross profit	1,370	(49)	-	1,321	1,029	-	-	1,029	28.3%
<i>Gross margin (%)</i>	34.6%	27.1%	n/a	34.9%	31.7%	n/a	n/a	31.7%	3.3 p.p
Sales, general and administrative expenses	(231)	11	-	(220)	(201)	17	-	(184)	19.6%
Other op. revenues (expenses) & eq. pickup	6	0	(53)	(46)	121	50	(284)	(113)	-58.9%
Operational profit	1,145	(37)	(53)	1,055	948	67	(284)	731	44.3%
Depreciation and amortization	883	(62)	-	821	844	(48)	-	796	3.2%
EBITDA	2,028	(99)	(53)	1,876	1,793	19	(284)	1,528	22.8%
<i>EBITDA margin (%)</i>	51.2%	55.0%	n/a	49.6%	55.1%	n/a	n/a	47.0%	2.6 p.p
Capex	1,978	(693)	-	1,285	1,283	(177)	-	1,106	16.1%

Note 3: Effects of the renewal process of Paulista Network.

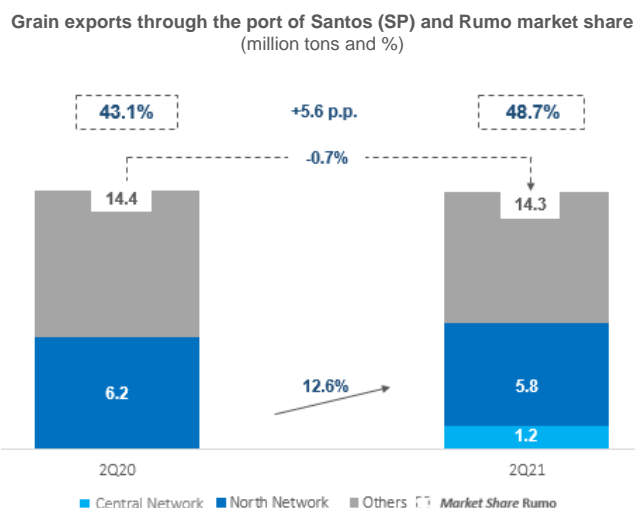
1. 2Q21 Executive Summary

Rumo's transported volume reached 17.9 billion RTK in 2Q21, 9.1% above 2Q20. In North Operation, volume grew 7.7%, highlighting the performance of industrial products (+31.7%), especially due to fuel transportation. In the agricultural product segment, volume increased 5.6%, driven by additional volumes from Central Network. In South Operation, volume surged 9.6%, reflecting the recovery of the industrial segment (+40.1%). Container Operation significantly grew by 32.8% in total transported volume (in million RTK), bolstered by higher exports flow and volumes recovered in the domestic market.



Source: Rumo System

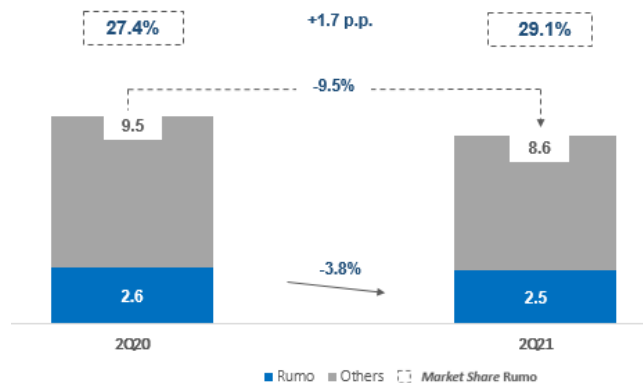
Rumo gained 5.6 p.p. of grain market share in the Port of Santos (SP) in 2Q21, driven by additional volumes from Central Network. Only analyzing Mato Grosso's grain exports, volume to the Port of Santos dropped, mainly owing to accidents occurred in June, but also due to an 1% drop of Mato Grosso's total grain exports in the quarter.



Source: Shipping Agency and Rumo System

South Operation gained 1.7 p.p. in the grain transport market share to the ports of Paranaguá (PR) and São Francisco do Sul (SC). Volume to the ports decreased 3.8%, while the market saw a higher drop of 9.5%, reflecting railway greater competitiveness compared to other logistics modes.

Grain exports through the ports of Paranaguá (PR) and São Francisco (SC) and Rumo market share (million tons and %)



Source: Shipping Agency and Rumo System

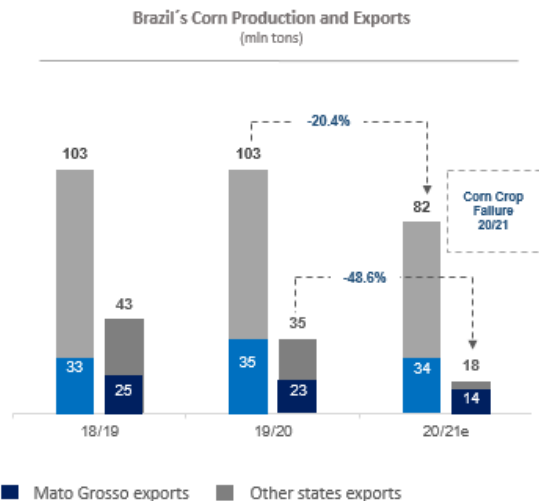
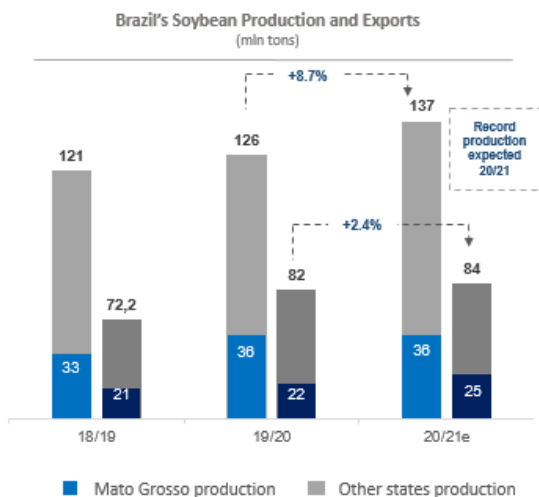
Net revenue totaled R\$2,216 million, +21.2% vs. 2Q20, due to higher volumes (+9.1%) and 13.8% increase in consolidated yield, reflecting the readjustments in fuel prices and better contract negotiations.

EBITDA reached R\$1,196 million, due to the improvement in net revenue and fixed cost dilution. Variable cost rose 34.6%, mainly on the back of 83% increase of fuel price compared to 2Q20, despite the 2% gain in energy efficiency. Fixed costs and general and administrative expenses increased 10.4%, mainly due to the effects of inflation and collective bargaining agreement. As a result, EBITDA margin reached 54.0%, and comparable EBITDA margin increased 3.3 p.p. in 2Q21 from 2Q20.

Rumo posted a net income of R\$314 million in 2Q21, considering an effect of R\$35 million referring to non-recurring gains from Paulista Network renewal. In 2Q20, the impacts of non-recurring gains from Paulista Network renewal resulted in R\$316 million gains. Therefore, excluding this effect, net income posted a solid growth compared to the same period last year. Net debt totaled R\$8.2 billion in 2Q21, and leverage reached 2.1x comprehensive net debt/adjusted LTM EBITDA.

Regarding soybean market, in 2021, according to Agroconsult's projections, Brazil should have a record harvest of 137 million tons - an increase of 11.0 million tons compared to 2020 - of which 84 million should be exported, nearly 1.8 million more than in 2020. In 6M21, less 1.2 million tons of soybean were exported compared to the same period of 2020, due to the delay in the entry of the soybean harvest, indicating there's still room for exports to increase by nearly 3 million tons in the second half of the year.

In the analysis of corn projections released in 1Q21 of a production of 95 million tons and 29 million tons of exports, the scenario deteriorated considerably, indicating an expectation of producing 82 million tons (13 million decrease), which reduces the exports projection to 18 million tons (an 11 million drop). This crop failure is more severe in the states of MS (Mato Grosso do Sul), PR (Paraná) and GO (Goiás), although not so severe in MT (Mato Grosso), may result in lower exports, as part of MT production should be used to supply the domestic market. This scenario, which still can change, hinders corn volume projection for the second half, reason that Rumo decided to discontinue the guidance for 2021. In the meantime, once the long term scenario remains favorable, it maintains unaltered its 2025 guidance.



Source: Agroconsult
Note: (e) – estimate

Regarding environmental, social and governance aspects (ESG), recently Rumo published its [Annual Sustainability Report of 2020](#), which for the first time was submitted to [external assurance by Ernst & Young](#), and highlights a few relevant improvements:

- Emissions reduction goal is defined until 2030;
- Addition of two new commitments, aiming at promoting sustainability along with customers and suppliers;
- Release of goal to ensure 100% traceability of agricultural commodities by 2025;
- Adhesion to the United Nations (UN) Global Compact and the Brazilian Business Council for Sustainable Development (CEBDS);
- Adoption of indicators of the Sustainability Accounting Standards Board – SASB and analyze the adequacy of reporting to the Task Force on Climate Change-Related Financial Disclosures (TCFD);
- Inclusion of ESG indicators in 2021 variable compensation goals of all employees;
- Significant advance of women participation in various hierarchical levels, including the Board of Directors, reaching 30% of women in current structure;
- Record approval in employee satisfaction survey;
- Innovation as accelerator of key ESG fronts.

3. Consolidated Operating and Financial Indicators

2Q21	2Q20	Chg.%	Summary of financial information (Amounts in BRL mln)	6M21	6M20	Chg.%
17,905	16,417	9.1%	Total transported volume (millions RTK)	31,778	28,714	10.7%
14,811	14,116	4.9%	Agricultural products	25,829	23,985	7.7%
9,653	8,498	13.6%	Soybean	16,964	15,308	10.8%
2,370	1,945	21.8%	Soybean meal	4,122	3,450	19.5%
508	1,432	-64.6%	Corn	713	1,580	-54.9%
1,399	1,052	32.9%	Sugar	1,999	1,612	24.0%
882	1,191	-25.9%	Fertilizers	2,027	1,991	1.8%
-	-	-	Others	4	44	-91.8%
2,243	1,659	35.2%	Industrial products	4,371	3,401	28.5%
1,306	881	48.3%	Fuels	2,554	1,873	36.3%
937	778	20.4%	Other industrial products	1,817	1,528	18.9%
851	641	32.8%	Containers	1,578	1,328	18.9%
106.8	93.9	13.8%	<i>Average transportation yield (R\$/000 RTK)⁴</i>	106.2	96.1	10.5%
2,216	1,828	21.2%	Net revenue	3,962	3,252	21.9%
1,914	1,541	24.2%	Transportation	3,367	2,759	22.0%
103	102	1.0%	Port loading	177	163	8.4%
157	157	-0.2%	Logistic solution ⁵	245	259	-5.4%
42	28	54.1%	Other revenues ⁶	173	70	>100%
1,196	1,216	-1.7%	EBITDA	2,028	1,793	13.1%
54.0%	66.5%	-12.6 p.p.	<i>EBITDA margin (%)</i>	51.2%	55.1%	-4.0 p.p.

Note 4: Average transport yield considering the final value of the customer (container) and without take or pay and right of way.

Note 5: Revenue from sugar transportation using other railways or road transport.

Note 6: Includes revenue for the right of way of other highways, and revenue for volumes contracted and not executed according to commercial agreements (take or pay), among others.

2Q21	2Q20	Chg.	Yield by Operation North Operation ⁷	6M21	6M20	Chg.
102.1	91.1	12.1%	Yield (R\$/000 RTK)	102.1	94.4	8.2%
72.9%	73.8%	-0,9 p.p.	% Volume	74.3%	73.8%	0,5 p.p.
South Operation						
124.9	104.3	19.9%	Yield (R\$/000 RTK)	122.4	102.9	18.9%
22.4%	22.3%	0,1 p.p.	% Volume	20.7%	21.6%	-0,8 p.p.
Container Operation						
92.6	86.7	6.9%	Yield (R\$/000 RTK)	95.1	91.1	4.4%
4.8%	3.9%	0,8 p.p.	% Volume	5.0%	4.6%	0,3 p.p.
Consolidated						
106.8	93.9	13.8%	Yield (R\$/000 RTK)	106.2	96.1	10.5%

Note 7: As of 1Q21, includes the Central Network amounts.

Results by Business Units

Business Units

The business units (reportable segments) are organized as follows:

- **North Operation** North Network, Paulista Network, Central Network and Port Operation in Santos
- **South Operation** West Network and South Network
- **Container Operation** Container operations, including Brado Logística

Results by business unit 2Q21	North Operation ⁸	South Operation	Container Operation	Consolidated
Transported volume (million RTK)	13,044	4,010	851	17,905
Net revenue	1,621	512	83	2,216
Costs of services	(887)	(402)	(84)	(1,373)
Gross profit (loss)	734	110	(1)	843
Gross margin (%)	45.3%	21.5%	-1.4%	38.0%
Sales, general and administrative expenses	(91)	(24)	(8)	(123)
Other operating revenue (expenses) & eq. pickup	43	(23)	1	21
Depreciation and amortization	308	134	13	455
EBITDA	994	197	5	1,196
EBITDA margin (%)	61.3%	38.5%	6.2%	54.0%

Results by business unit 6M21	North Operation ⁸	South Operation	Container Operation	Consolidated
Transported volume (million RTK)	23,610	6,590	1,578	31,778
Net revenue	2,956	849	157	3,962
Costs of services	(1,706)	(728)	(157)	(2,592)
Gross profit (loss)	1,250	121	(1)	1,370
Gross margin (%)	42.3%	14.2%	-0.4%	34.6%
Sales, general and administrative expenses	(171)	(44)	(16)	(231)
Other operating revenue (expenses) & eq. pickup	45	(40)	1	6
Depreciation and amortization	602	258	24	883
EBITDA	1,725	295	8	2,028
EBITDA margin (%)	58.4%	34.8%	4.9%	51.2%

Note 8: As of 1Q21, it includes the Central Network amounts.

North Operation

2Q21	2Q20	Chg.%	Operational figures	6M21	6M20	Chg.%
13,044	12,116	7.7%	Total transported volume (millions RTK)	23,610	21,196	11.4%
11,763	11,143	5.6%	Agricultural products - Consolidated	21,132	19,234	9.9%
10,570	11,143	-5.1%	Agricultural products - North and Paulista Operation	19,611	19,234	2.0%
6,529	6,382	2.3%	Soybean	12,526	12,055	3.9%
2,147	1,786	20.2%	Soybean meal	3,799	3,145	20.8%
457	1,431	-68.1%	Corn	500	1,434	-65.1%
674	488	38.2%	Sugar	986	857	15.0%
763	1,055	-27.7%	Fertilizers	1,801	1,725	4.4%
-	-	-	Others	-	18	-100.0%
1,193	-	>100%	Agricultural products - Central Operation	1,521	-	>100%
1,143	-	>100%	Soybean	1,471	-	>100%
50	-	>100%	Corn	50	-	>100%
1,281	973	31.7%	Industrial products - North and Paulista Operation	2,478	1,962	26.3%
835	493	69.2%	Fuels	1,594	1,077	48.0%
447	480	-6.9%	Other industrial products	884	885	-0.1%
102.1	91.1	12.1%	<i>Average transportation yield⁹</i>	102.1	94.4	8.2%
3,637	4,124	-11.8%	Total volume loaded (TU '000)	6,501	6,668	-2.5%
28.2	24.7	14.5%	<i>Average loading yield (R\$/TU)</i>	27.2	24.5	11.2%

Note 9: The yield for 2Q21 considers the volumes of Central Network, which became operational in the first quarter.

Total volume transported in North Operation reached 13.0 billion RTK, 7.7% higher than in 2Q20. Performance was driven by fuel and agricultural products transportation, which surged 69.2% and 5.6% respectively. The agricultural commodities performance was boosted by soybean volume transported at Central Network, sugar and soymeal volumes, which more than offset corn and fertilizers drop.

2Q21	2Q20 ¹⁰	Chg.%	Financial results (Amounts in BRL mln)	6M21	6M20 ¹⁰	Chg.%
1,621	1,383	17.2%	Net revenue	2,956	2,468	19.8%
1,346	1,104	22.0%	Transportation	2,429	2,001	21.4%
157	157	-0.2%	Logistic solution	245	259	-5.4%
103	102	1.0%	Port loading	177	163	8.4%
15	21	-25.9%	Other revenues ¹¹	106	45	>100%
(887)	(801)	10.8%	Costs of services	(1,706)	(1,520)	12.3%
(419)	(339)	23.7%	Variable costs	(748)	(606)	23.5%
(162)	(180)	-9.7%	Fixed costs	(361)	(352)	2.6%
(306)	(282)	8.5%	Depreciation and amortization	(598)	(563)	6.3%
734	582	26.0%	Gross profit	1,250	948	31.8%
45.3%	42.1%	3,1 p.p.	<i>Gross margin (%)</i>	42.3%	38.4%	3,9 p.p.
(91)	(66)	36.8%	Selling, general and administrative expenses	(171)	(143)	19.9%
43	342	-87.5%	Other op. revenue (expenses) and equity pickup	45	285	-84.3%
308	284	8.6%	Depreciation and amortization	602	565	6.4%
994	1,142	-13.0%	EBITDA	1,725	1,656	4.2%
61.3%	82.5%	-21 p.p.	<i>EBITDA margin (%)</i>	58.4%	67.1%	-9 p.p.

Note 10: It includes the effects of Central Network in 2Q20, therefore, the results for 2Q20 differ from previously published figures.

Note 11: It Includes revenue for the right of way of other railways and revenue for volumes contracted and not executed according to commercial agreements (take or pay).

EBITDA totaled R\$994 million. Excluding the effect of Paulista Network renewal in 2Q20, and of Central Network in both quarters, **the EBITDA result grew by 18.5%**, with an EBITDA margin of 61.3%. Net revenue hiked 17.2%, mainly reflecting gains in volume and yield. **Fixed costs and general and administrative expenses** increased by 2.8%. **Variable costs** rose 23.7%, mainly due to higher fuel price, despite energy efficiency improved 1%.

South Operation

2Q21	2Q20	Chg.%	Operational figures	6M21	6M20	Chg.%
4,010	3,660	9.6%	Transported volume (million RTK)	6,590	6,190	6.5%
3,048	2,974	2.5%	Agricultural products	4,697	4,751	-1.1%
1,981	2,116	-6.4%	Soybean	2,968	3,252	-8.8%
223	158	40.7%	Soybean meal	323	305	5.8%
-	-	-	Corn	163	146	11.0%
725	564	28.6%	Sugar	1,014	755	34.3%
119	136	-12.1%	Fertilizers	226	266	-15.0%
-	-	-	Other	4	25	-85.6%
962	686	40.1%	Industrial products	1,893	1,439	31.5%
472	388	21.6%	Fuel	959	796	20.6%
490	298	64.2%	Other industrial products	933	644	45.0%
124.9	104.3	19.9%	Average transportation yield	122.4	102.9	18.9%

South Operation recorded a 9.6% increase in volume transported, reaching 4.0 billion RTK, reflecting the recovery of the industrial segment (+40.1%), the 2.5% advance of agricultural products, highlighting the sugar performance that surged 28.6%.

2Q21	2Q20	Chg.%	Financial results (Amounts in BRL mln)	6M21	6M20	Chg.%
512	386	32.6%	Net operating revenue	849	654	29.8%
502	382	31.6%	Transportation	806	637	26.5%
10	4	>100%	Other revenues ¹²	43	17	>100%
(402)	(311)	29.2%	Cost of services	(728)	(614)	18.5%
(123)	(72)	71.0%	Variable costs	(202)	(140)	44.5%
(145)	(116)	25.2%	Fixed costs	(268)	(231)	15.8%
(134)	(123)	8.7%	Depreciation and amortization	(258)	(243)	6.1%
110	75	46.9%	Gross profit	121	40	>100%
21.5%	19.4%	2,1 p.p.	Gross margin (%)	14.2%	6.1%	8,1 p.p.
(24)	(21)	12.9%	Seles, general and administrative expenses	(44)	(39)	11.1%
(23)	(108)	-78.4%	Other op. revenues (expenses) and equity pickup	(40)	(115)	-65.6%
134	123	8.7%	Depreciation and amortization	258	243	6.0%
197	70	>100%	EBITDA	295	128	>100%
38.5%	18.0%	20,5 p.p.	EBITDA margin (%)	34.8%	19.6%	15,2 p.p.

Note 12: It includes revenue for volumes contracted and not executed according to commercial agreements (take or pay).

EBITDA totaled R\$197 million in 2Q21, more than doubled from 2Q20, mainly reflecting gains in volume and yield. Variable cost soared 71.0%, mainly driven by higher fuel price, despite a 4% improvement of energy efficiency. Fixed costs and general and administrative expenses rose 23.4%, due to the effects of inflation and collective bargaining agreement, and a comparable costs base lower than in 2Q20. As a result, EBITDA margin reached 38.5%, 20.5 p.p. higher than in 2Q20.

Container Operation

2Q21	2Q20	Chg.%	Operational figures	6M21	6M20	Chg.%
22,141	18,504	19.7%	Total volume (Containers '000)	43,316	38,195	13.4%
92.6	86.7	6.9%	<i>Intermodal average yield (R\$/000 RTK)</i>	95.1	91.1	4.4%
851	641	32.8%	Total volume (millions RTK)	1,578	1,328	18.9%

Container Operation volumes in 2Q21 increased 32.8% vs. 2Q20, reaching 851 million RTK, on the back of higher timber and cotton exports flow and an upturn in the domestic market, especially: consumption goods, industrial and agricultural products.

2Q21	2Q20	Chg.%	Financial results (Amounts in BRL mln)	6M21	6M20	Chg.%
83	59	40.8%	Net revenue	157	129	21.3%
79	56	41.9%	Transportation	150	121	24.1%
4	3	20.6%	Others revenues ¹³	7	8	-19.4%
(84)	(64)	31.0%	Costs of services	(157)	(137)	15.0%
(45)	(25)	77.1%	Variable costs	(83)	(58)	43.4%
(26)	(22)	18.8%	Fixed costs	(51)	(45)	14.8%
(13)	(17)	-22.9%	Depreciation and amortization	(23)	(34)	-33.3%
(1)	(5)	-77.8%	Gross profit	(1)	(8)	-92.6%
-1.4%	-9.0%	7,6 p.p.	<i>Gross margin (%)</i>	-0.4%	-5.8%	5,5 p.p.
(8)	(9)	-6.9%	Sales, general and administrative expenses	(16)	(19)	-15.0%
1	0	>100%	Other op. revenues (expenses) and equity pickup	1	(0)	>100%
13	18	-26.4%	Depreciation and amortization	24	36	-33.8%
5	4	24.9%	EBITDA	8	9	-9.8%
6.2%	7.0%	-0,8 p.p.	<i>EBITDA margin (%)</i>	4.9%	6.6%	-1,7 p.p.

Note 13: It includes revenue from service units.

Container Operation recorded an EBITDA of R\$5 million, 24.9% higher than in 2Q20. The variable cost increased 77.1% due to higher fuel price and higher road freight costs. Fixed cost and general and administrative expenses rose 14.6%, reflecting a lower concentration of costs in 2Q20 and inflation. EBITDA margin reached 6.2%.

4. Other Results

Breakdown of Costs of Services Rendered

2Q21	2Q20	Chg.%	Consolidated Costs and Expenses (Amounts in BRL mln)	6M21	6M20	Chg.%
(1,496)	(1,272)	17.6%	Consolidated costs and General and administrative expenses	(2,823)	(2,473)	14.2%
(586)	(436)	34.6%	Variable Costs	(1,034)	(804)	28.5%
(485)	(302)	60.6%	Variable cost of rail transport	(850)	(593)	43.3%
(364)	(192)	89.7%	Fuel and lubricants	(631)	(402)	57.0%
(103)	(85)	21.3%	Own logistic costs ¹⁴	(185)	(148)	25.0%
(18)	(25)	-29.6%	Other variable costs ¹⁵	(34)	(43)	-20.9%
(95)	(128)	-25.6%	Variable cost Logistic Solution ¹⁶	(173)	(202)	-14.6%
(7)	(6)	13.4%	Variable cost Elevation	(11)	(9)	19.6%
(454)	(412)	10.4%	Fixed Costs and General and Administrative Expenses	(906)	(825)	9.9%
(230)	(172)	34.1%	Payroll expenses	(439)	(360)	21.9%
(46)	(40)	14.0%	Maintenance	(82)	(72)	13.8%
(22)	(18)	22.9%	Third-party services	(43)	(35)	22.2%
(48)	(45)	7.2%	Safety and facilities	(97)	(88)	9.4%
13	(43)	n.a.	Other operational costs	(19)	(72)	-73.2%
(121)	(94)	28.5%	General and administrative expenses	(226)	(197)	15.0%
(455)	(425)	7.2%	Depreciation and Amortization	(883)	(844)	4.6%

Note 14: Own logistics costs include sand, right of way, terminals and other variable costs.

Note 15: Costs with rental of rolling stock, electricity, road side in the Container Operation, and take or pay.

Note 16: Freight costs with third parties include road and rail freight contracted with other concessionaires

In 2Q21, **variable cost** surged 34.6%. Higher fuel expenses derived from 83% fuel price increase, despite a 2% energy efficiency gain. Logistics costs increased mainly on the back of higher road freight expenses in container operation.

Fixed costs and general and administrative expenses reached R\$454 million in the quarter, 10.4% above 2Q20, reflecting the effects of inflation and collective bargaining agreement, besides a reversal of provision, which resulted in lower level of costs in 2Q20. Depreciation and amortization costs rose 7.2%, driven by higher investments.

Financial Results

2Q21	2Q20	Chg.%	Financial Results (Amounts in BRL mln)	6M21	6M20	Chg.%
(263)	(151)	74.5%	Cost of bank debt¹⁷	(314)	(476)	-34.1%
(10)	(13)	-21.4%	Charges over leasing	(21)	(25)	-15.3%
50	35	44.3%	Financial income from investments	87	62	38.9%
(223)	(129)	73.2% (=)	Cost of broad net debt	(248)	(439)	-43.5%
(23)	(35)	-34.8%	Monetary variation on liabilities of concessions	(47)	(69)	-31.7%
(93)	(145)	-35.9%	Concession fee and operating lease ¹⁸	(211)	(267)	-21.0%
-	131	-100.0%	Reversal of lease liability charges in dispute	-	131	-100.0%
(23)	(17)	34.3%	Rates on contingencies and contracts	(58)	(67)	-13.2%
10	(7)	-	Other financial expenses	9	(21)	-
(351)	(201)	74.6% (=)	Financial result	(556)	(732)	-24.0%

Note 17: Includes interest, monetary variation, net income from derivative and other debt charges.

Note 18: It considers adjustments in accordance with IFRS 16.

Financial Result in 2Q21 came 75% higher than in 2Q20. Bank debt cost surged due to CDI (interbank deposit certificate) and IPCA (extended consumer price index) increase, and higher balance of gross debt. 2Q20 recorded a non-recurring gain from Paulista Network renewal, totaling R\$131 million, that distorts the comparison with 2Q21.

Concession and operating lease expenses shrank by nearly 36% in 2Q21, reflecting lower costs connected with the prepayment of falling due installments of railway concessions, in the total amount of R\$5.1 billion.

Income Tax and Social Contribution

2Q21	2Q20	Chg.%	Income tax and social contribution (Amounts in BRL mln)	6M21	6M20	Chg.%
390	590	-33.9%	Income (loss) before IT / SC	589	217	>100%
34.0%	34.0%	0 p.p.	<i>Theoretical rate IT / SC</i>	34.0%	34.0%	0 p.p.
(132)	(200)	-33.6%	Theoretical income (expenses) with IT / SC	(200)	(74)	>100%
Adjustments to calculate the effective rate						
(12)	(26)	-51.8%	Tax losses and temporary differences not recognized ¹⁹	(75)	(59)	27.6%
70	38	87.2%	Tax incentives arising from the North Network ²⁰	159	38	>100%
1	1	0.0%	Equity pickup	1	2	-43.5%
(1)	2	>100%	Other effects	15	7	>100%
(74)	(185)	-60.0%	Income (expenses) with IT / SC	(100)	(86)	16.4%
-19.0%	-31.4%	12,4 p.p.	<i>Effective rate (%)</i>	-17.0%	-39.6%	22,6 p.p.
(77)	(96)	-19.5%	IT/SC current	(384)	(132)	>100%
2	(89)	>100%	IT/SC deferred	284	45	>100%

Note 19: We did not record deferred income tax and social contributions on tax losses for certain companies due to a lack of prospects for future taxable income.

Note 20: North Network benefits from the Amazon Development Office (SUDAM) that entitles a 75% reduction in corporate income tax (rate of 25%) until 2023.

5. Loans and Financing

Gross comprehensive indebtedness at the end of 2Q21 was R\$14.6 billion, against R\$13.6 billion in 1Q21, due to debenture raised in 2Q21. Net indebtedness totaled R\$8.2 billion. As a result, leverage reached 2.1x (comprehensive net debt/adjusted LTM EBITDA).

Total indebtedness (Amounts in BRL mln)	2Q21	1Q21	Chg.%
Commercial banks	692	906	-23.7%
NCE	651	585	11.3%
BNDES	3,401	3,664	-7.2%
Debentures	6,032	4,466	35.1%
Senior notes 2024, 2025 and 2028	5,412	5,974	-9.4%
Total bank debt	16,188	15,595	3.8%
Leases ²¹	208	397	-47.6%
Net derivative instruments	(1,760)	(2,384)	-26.2%
Total broad gross debt	14,636	13,608	7.6%
Cash and cash equivalents and securities	(6,388)	(5,471)	16.8%
Total broad net debt	8,248	8,137	1.4%
Adjusted EBITDA LTM ²²	3,936	4,063	-3.1%
Leverage (Broad net debt / Adjusted EBITDA LTM)	2,1x	2,0x	5.0%

Note 21: It does not include IFRS 16 operating leases.

Note 22: Adjusted LTM EBITDA refers to the sum of the last twelve months of EBITDA, and the effects of the West Network impairment were disregarded.

Below, a breakdown of items that had an impact on the movement of Rumo's consolidated debt.

Bank gross indebtedness (Amounts in BRL mln)	2Q21
Inicial balance of broad net debt	8,137
Cash, cash equivalents and marketable securities	(5,471)
Inicial balance of gross broad debt	13,608
Items with cash impact	740
New funding	1,556
Amortization of principal	(699)
Amortization of interest rates	(123)
Net derivative instruments	6
Items without cash impact	289
Provision for interest rates (accrual)	208
Monetary variation, MTM adjustment of debt, and others	(538)
Net derivative instruments	618
Closing balance of broad net debt	14,636
Cash and cash equivalents and marketable securities	(6,388)
Closing balance of broad net debt	8,248

Rumo is subject to certain restrictive contractual clauses referring to the level of leverage and debt service coverage in some of its contracts. The most restrictive provisions are verified annually at the end of the year and refer to net comprehensive indebtedness. This includes bank debts, debentures, leases considered as finance leases, less securities, cash and cash equivalents, restricted cash linked to loans and derivative instruments. The covenants for December 2021 are: maximum leverage of 3.0x (comprehensive net debt/LTM EBITDA) and minimum interest coverage ratio of 2.0x EBITDA / Financial Results.

6. Capex

2Q21	2Q20	Chg. %	Investments (Amounts in BRL mln)	6M21	6M20	Chg.%
1,041	722	44.2%	Total investments²³	1,978	1,283	54.1%
272	308	-11.9%	Recurring	552	521	6.0%
770	414	86.0%	Expansion	1,426	762	87.3%

Note 23: Cash basis amounts.

Capex in 2Q21 reached R\$1,041 million, in line with the Company's investment plan, reflecting higher concentration of investments in expansion this quarter to make the Central Network operational, with investments totaling R\$297 million.

Recurring capex reached R\$272 million, 11.9% lower than in 2Q20.

Expansion capex reached R\$770 million. The increase in the level of investments resulted mainly from the works in Central Network and renewal works of Paulista Network. In addition, the Company also continues investing in the permanent way, replacing rails and ties; implementation of terminals and improvements in infrastructure. These projects, in addition to increasing capacity, bring a higher level of efficiency, which allows, among other gains, the reduction of fuel consumption, essential for decreasing specific emissions of greenhouse gases.

7. Cash Flow Statement

Below, Rumo's consolidated cash flow statement. The securities were considered as cash in this statement.

	2Q21	2Q20	Indirect cash flow (Amounts in BRL mln)	6M21	6M20	Chg.%
	1,196	1,216	EBITDA	2,028	1,793	13.1%
	60	(275)	Working capital variations and non-cash effects	(374)	(801)	-53.4%
	40	31	Operating financial result	83	15	>100%
(a)	1,295	972	(=) Operating cash flow (FCO)	1,737	1,006	72.6%
	(1,041)	(722)	Capex	(1,978)	(1,283)	54.1%
(b)	(272)	(308)	Recurring	(552)	(521)	6.0%
	(770)	(414)	Expansion	(1,426)	(762)	87.3%
	3	-	Sales of asset	3	-	>100%
	3	3	Dividends received	3	3	0.0%
(c)	(1,035)	(720)	(=) Cash flow from investing activities (FCI)	(1,973)	(1,280)	54.1%
(d)	1,556	2,390	Funding	2,720	3,320	-18.1%
(e)	(738)	(201)	Amortization of principal	(6,414)	(474)	>100%
	(164)	(164)	Amortization of interest rates	(687)	(547)	25.5%
	(2)	(2)	Paid dividends	(2)	(2)	0.0%
	-	-	Preferred stock investments	(30)	-	>100%
	5	0	Derivative financial instruments	1,585	25	>100%
	1	88	Restricted cash	61	113	-46.0%
	658	2,111	(=) Cash flow from financing activities (FCF)	(2,766)	2,434	>100%
(g)	(2)	0	Forex variation impact on cash balances	214	2	>100%
(f)	916	2,364	(=) Net cash generated	(2,788)	2,162	>100%
	5,471	3,513	(+) Total cash (includes cash + marketable securities) opening	9,175	3,715	>100%
	6,388	5,877	(+) Total cash (includes cash + marketable securities) closing	6,388	5,877	8.7%
Metrics						
	1,024	664	(=) Cash generation after recurring capex (a+ b)	1,185	485	>100%
	260	253	(=) Cash generation (burn) after FCI cash generation (consumption) after FCI (a+ c)	(236)	(274)	-14.2%
	100	175	(=) Cash generation (consumption) before funding and amortization (f-e-d-g)	692	(685)	>100%

8. Operational and Financial Performance Indicators

Below, the historical behavior of the main operational and financial indicators.

Operating and financial performance index	2Q21	2Q20	Chg.%	6M21	6M20	Chg.%
Consolidated						
Operating ratio	68%	70%	-2.9%	71%	76%	-6.6%
Diesel consumption (liters/ '000 GTK)	3.60	3.67	-1.9%	3.67	3.80	-3.3%
Rail accidents (MM Train/Km)	13.16	15.70	-16.2%	13.16	15.70	-16.2%
Personal accidents (accidents/MM MHW)	0.12	0.15	-20.0%	0.12	0.15	-20.0%
North operation²⁴						
Cycle of railcars (days)	8.5	9.0	-5.8%	8.5	9.0	-5.1%
South operation²⁵						
Cycle of railcars (days)	6.3	6.3	n/a	6.5	7.0	-7.1%

Note 24: It considers the Rondonópolis (MT) - Santos (SP) grain cycle.

Note 25: It considers the Northern Paraná grain cycle - Ports of Paranaguá (PR) and São Francisco do Sul (SC).

Operating Ratio: The indicator represents the share of costs and expenses as a percentage of net revenue. In 2Q21, costs and depreciation rose less than net revenue (+21.2%), reflecting the 2.9% drop in the indicator.

Diesel consumption: The 1.9% improvement in the indicator in 2Q21 compared to 2Q20 reflects the greater efficiency in diesel unit consumption of locomotives, due to investments in technology and innovation and in the permanent way and fleet modernization.

Rail accidents: The indicator, which measures the number of accidents per million kilometers, showed an important reduction of 16.2% compared to the same period last year, as a result of the Company's continuous efforts and investments to increase rail safety.

Personal accidents: The indicator, which indicates the number of accidents with lost time, closed at 0.12. The Company remains focused on maintaining the rate at 0.15, on average, until 2025, according to the commitment assumed in 2020.

Cycle time of railcars: The improvement in the indicators in North Operation reflects the investments made to increase capacity, reaching a 5.8% reduction in 2Q21 vs. 2Q20. In South Operation, the indicator came in line in 2Q21, with a significant reduction of 7.1% compared to 6M20.

9. Exhibits

9.1 Rumo Financial Statements

9.1.1 Balance Sheet

Balance sheet (Amounts in BRL mln)	06/30/21	03/31/21
Current assets	8,036	7,097
Cash and cash equivalents	4,795	3,725
Marketable securities	1,593	1,746
Trade receivables	643	615
Derivative financial instruments	85	162
Inventories	277	258
Receivables from related parties	48	40
Income tax and social contribution recoverable	97	94
Other recoverable taxes	341	327
Dividends and interest on own capital receivable	3	6
Other assets	154	124
Non-current assets	34,683	34,406
Trade receivables	5	6
Restricted cash	27	30
Income tax and social contribution recoverable	198	145
Deferred income tax and social contribution	1,386	1,382
Receivables from related parties	119	123
Other recoverable taxes	839	810
Judicial deposits	324	331
Derivative financial instruments	1,749	2,221
Other assets	55	59
Investments in associates	51	50
Property, plant and equipment	15,133	14,247
Intangible assets	7,185	7,214
Right-of-use	7,612	7,788
Total assets	42,719	41,503
Current liabilities	3,765	3,688
Loans, financing and debentures	1,264	1,547
Lease liabilities	354	514
Derivative Financial Instruments	79	-
Trade payables	663	496
Salaries payable	180	134
Current income and social contribution taxes	18	6
Other taxes payable	36	43
Dividends and interest on own capital payable	8	10
Intallment leases and concessions under litigation	160	160
Payables to related parties	216	229
Deferred revenue	7	7
Other financial liabilities	587	389
Other payables	193	153
Non-current liabilities	23,189	22,367
Loans, financing and debentures	14,924	14,048
Lease liabilities	2,477	2,477
Other taxes payable	2	2
Provision for judicial demands	520	503
Intallment leases and concessions under litigation	2,836	2,856
Deferred income tax and social contribution	2,344	2,344
Deferred income	39	40
Other payables	46	96
Equity	15,765	15,447
Total liabilities	42,719	41,503

9.1.2 Income Statement

2Q21	2Q20	Chg. %	Income statement (Amounts in BRL mln)	6M21	6M20	Chg.%
2,216	1,828	21.2%	Net revenue	3,962	3,252	21.8%
(1,373)	(1,151)	19.3%	Cost of goods sold	(2,592)	(2,222)	16.6%
843	677	24.5%	Gross profit	1,370	1,029	33.1%
(123)	(96)	27.7%	Sales, general & administrative expenses	(231)	(201)	15.1%
18	206	-91.3%	Other net operating income (expenses)	2	114	-98.0%
3	4	-39.5%	Equity pick-up	4	7	-45.7%
(351)	(201)	74.6%	Financial results, net	(556)	(732)	-24.0%
(75)	(185)	-59.4%	Income and social contribution taxes	(100)	(86)	15.9%
314	405	-22.4%	Net income (loss)	489	131	>100%
14.2%	22.1%	-8 p.p.	<i>Net margin (%)</i>	12.3%	4.0%	8,3 p.p.

9.1.3 Cash Flows

2Q21	2Q20	Accounting cash flow (Amounts in BRL mln)	6M21	6M20
389	590	Profit before income tax and social contribution	589	217
455	532	Depreciation and amortization	883	951
(3)	(4)	Equity Pickup	(4)	(7)
45	(6)	Provision for profit sharing and bonuses	80	17
(1)	(1)	Result on disposals of fixed assets and intangible assets	(2)	(2)
32	15	Provision for lawsuits	55	34
(0)	1	Provision (reversal) for losses on doubtful accounts	(0)	2
10	3	Stock option plan	14	6
-	(348)	Leases and concessions	-	(348)
368	229	Interest, monetary and exchange variations, Net	603	734
(5)	(6)	Extemporaneous tax credit	(5)	(18)
22	5	Take or Pay provision	(86)	7
2	(1)	Others	(6)	(1)
1,316	1,007	(=) Adjustments:	2,121	1,591
(48)	39	Trade receivables	(128)	(75)
(40)	15	Related parties, Net	(6)	(14)
(126)	(96)	Taxes	(186)	(126)
(8)	(16)	Inventories	(14)	(32)
1	10	Labor and social security payable	(39)	(76)
179	120	Suppliers	46	64
(23)	(26)	Advances to suppliers	(47)	(43)
113	(26)	Other financial liabilities	51	(178)
(91)	(59)	Other assets and liabilities, Net	(96)	(118)
(43)	(39)	(=) Changes in assets and liabilities	(419)	(597)
1,273	969	(=) Cash Flow from Operating Activities	1,701	994
176	(64)	Marketable securities	(161)	1,360
1	88	Restricted cash	61	113
3	3	Dividends received from subsidiaries and associates companies	3	3
(1,041)	(722)	Additions to property, plant and equipment, software, and other intangibles	(1,978)	(1,283)
3	-	Cash received on disposal of other fixed assets	3	-
0	-	Interest from loan agreement	-	-
(858)	(696)	(=) Cash Flow from Investing Activities	(2,072)	193
1,556	2,390	Funding	2,720	3,320
(738)	(201)	Amortization of principal	(6,414)	(474)
(164)	(164)	Amortization of interest	(687)	(547)
5	0	Derivative financial instruments	1,585	25
-	-	Payments of interest on real estate receivables certificate	(30)	-
(2)	(2)	Dividends paid	(2)	(2)
658	2,023	(=) Cash generated by (used in) financing activities	(2,827)	2,321
(3)	0	Impact of exchange variation in cash balance	214	2
1,069	2,296	(=) Net increase in cash and cash equivalents	(2,984)	3,509
3,725	3,177	Beginning balance of cash and cash equivalents	7,779	1,963
4,795	5,473	Final balance of cash and cash equivalents	4,795	5,472