BBM Logística S.A.

Interim financial statements
June 30, 2021

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KPMG Auditores Independentes
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Independent Auditors' Report on Review of Interim Financial Statements

To
Members of Management, Board of Directors and Shareholders of
BBM Logística S.A.
São José dos Pinhais - Paraná

Introduction
We have reviewed the individual and consolidated interim financial statements of BBM Logística S.A. ("the Company","Parent Company"), included in the Quarterly Information Form - ITR for the quarter ended June 30, 2021, respectively referred to as Parent Company and Consolidated, comprising the individual and consolidated balance sheets at June 30, 2021 and the individual and consolidated statements of income and other comprehensive income for the six and three-month periods then ended, and changes in equity and cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for preparation of the interim financial statements in accordance with CPC 21 (R1) – Interim Financial Reporting and IAS 34 - Interim Financial Reporting issued by International Accounting Standards Board - IASB, as well as for the 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 statements based on our review.

Scope of review
We conducted our review in accordance with Brazillian and international standard on review of interim financial statements (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial statements 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 International Standards on Auditing 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
Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial statements included on the Quartely Information Form – ITR above mentioned is not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, issued by IASB applicable to the preparation of Quarterly Information Form – ITR and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters - Statement of added value
The individual and consolidated Interim financial statements referred above includes the individual and consolidated statement of added value (DVA) for the six-month period ended June 30, 2021, prepared under management's responsibility, presented as suplementary information under IAS 34. These statements were subjected to review procedures in connection to the review of the Company's Quarterly Information Form - ITR. To express our conclusion, we assessed whether these statements are reconciled with the interim financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in CPC 09 - Statement of Added Value. Based on our review, nothing has come to our attention that causes us to believe that the statement of added value was not prepared, in all material respects, consistently with the interim financial statements taken as a whole.

Curitiba, August 10, 2021.

KPMG Auditores Independentes
CRC PR-007945/F-7

João Alberto Dias Panceri
Accountant CRC PR-048555/O-2

In thousands of Reais, unless otherwise stated

		Parent Company		Consolidated	
Assets	**Note**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
Current assets					
Cash and cash equivalents	7	86,503	19,315	106,416	41,124
Trade accounts receivable	8	128,849	105,051	247,723	210,127
Inventories	9	12,114	7,103	12,988	8,347
Recoverable taxes	10	19,315	4,469	44,822	30,164
Trucks prepurchase financial pool		1,465	1,769	2,430	2,589
Related parties - loans and financing	34	2,804	-	-	-
Other receivables	11	17,301	13,973	21,786	19,982
		268,351	**151,680**	**436,165**	**312,333**
Non-current assets					
Collateral deposits		-	463	-	909
Security deposits	25	1,700	1,585	4,317	3,930
Deferred taxes	29	22,171	12,489	30,595	15,168
Recoverable taxes	10	4,586	-	21,489	-
Right-of-use	12	16,545	14,130	73,897	64,285
Investments	13	292,821	259,747	-	-
Property, plant and equipment	14	177,603	180,740	237,218	242,312
Intangible assets	15	17,943	12,755	175,514	175,520
		533,369	**481,909**	**543,030**	**502,124**
Total assets		**801,720**	**633,589**	**979,195**	**814,457**

		Parent Company		Consolidated	
Liabilities and Shareholders' equity	**Note**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
Current liabilities					
Suppliers	16	25,260	31,181	64,094	70,107
Loans and financing	17	66,526	78,493	71,160	92,066
Debentures	18	60,682	14,806	60,682	14,806
Leases	19	13,978	9,540	29,076	30,652
Dividends payable	26 a.	-	2,114	-	2,114
Social charges	20	29,271	20,986	55,449	44,462
Taxes payable	21	15,672	11,985	31,010	30,084
Tax debt installment payment plans	22	447	696	2,825	2,398
Trucks prepurchase financing pool		2,900	3,676	3,287	4,191
Acquisition of subsidiaries	23	40,569	32,758	40,569	32,758
Related parties - loans and financing	34	15,193	9,991	-	-
Other accounts payable	24	33,142	22,555	50,695	29,538
		303,640	**238,781**	**408,847**	**353,176**
Non-current liabilities					
Loans and financing	17	97,923	147,921	105,066	156,999
Debentures	18	176,084	21,088	176,084	21,088
Leases	19	3,786	5,937	46,466	36,370
Tax debt installment payment plans	22	-	262	7,958	10,534
Trucks prepurchase financing pool		-	857	-	857
Provision for tax, labor and civil risk	25	9,779	10,180	24,260	26,067
Acquisition of subsidiaries	23	51,441	66,207	51,441	66,207
Other accounts payable	24	6,757	14,825	6,757	15,622
		345,770	**267,277**	**418,032**	**333,744**
Total liabilities		**649,410**	**506,058**	**826,879**	**686,920**
Shareholders' equity	26				
Capital (net of transaction costs)		95,302	95,302	95,302	95,302
Equity valuation adjustments		1,151	1,391	1,151	1,391
Profit reserves		30,838	30,838	30,838	30,838
Retained profits		25.019	-	25.019	-
Shareholders' equity attributable to the controlling shareholders		**152,310**	**127,531**	**152,310**	**127,531**
Non-controlling interests		-	-	6	6
Total shareholders' equity		**152,310**	**127,531**	**152,316**	**127,537**
Total liabilities and shareholders' equity		**801,720**	**633,589**	**979,195**	**814,457**

In thousands of Reais, unless otherwise stated

		Parent Company				**Consolidated**			
		Six-months period		**Three-months period**		**Six-months period**		**Three-months period**	
	Note	**06/30/2021**	**06/30/2020**	**06/30/2021**	**06/30/2020**	**06/30/2021**	**06/30/2020**	**06/30/2021**	**06/30/2020**
Net revenue	30	299,381	237,046	157,953	116,471	629,042	435,530	330,405	208,757
Cost of services rendered	31a	(282,461)	(215,779)	(146,886)	(105,149)	(569,636)	(388,637)	(297,110)	(178,440)
Gross profit		**16,920**	**21,267**	**11,067**	**11,322**	**59,406**	**46,893**	**33,295**	**30,317**
Operating income (expenses)									
Administrative expenses	31b	(24,120)	(19,977)	(13,807)	(7,193)	(42,571)	(29,112)	(24,400)	(17,016)
Sales expenses	31b	(4,389)	(2,150)	(2,484)	(958)	(9,954)	(2,321)	(5,148)	(877)
(Loss)/gain allowances for expected credit losses	8	(205)	(983)	378	(663)	(861)	(1,283)	21	(954)
Other operating income (loss), net	33	9,475	(167)	8,921	(145)	15,196	1,273	11,662	901
(Loss) income before financial expenses, taxes and equity in income of subsidiaries		**(2,319)**	**(2,010)**	**4,075**	**2,363**	**21,216**	**15,450**	**15,430**	**12,371**
Share of profit of subsidiaries									
Equity in net income of subsidiaries	13	36,849	14,377	28,532	9,941	-	-	-	-
Financial expenses, net	32								
Financial income		3,829	1,866	2,579	557	8,968	4,825	6,208	1,032
Financial expenses		(19,119)	(11,956)	(10,476)	(5,629)	(24,342)	(16,758)	(13,324)	(7,269)
Income before taxes		**19,240**	**2,277**	**24,710**	**7,232**	**5,842**	**3,517**	**8,314**	**6,134**
Income tax and social contribution	29								
Current		(4,143)	-	(4,143)	-	4,960	(4,948)	8,834	(2,458)
Deferred		9,682	712	5,026	(1,589)	13,977	4,420	8,445	1,967
Net income for the period		**24,779**	**2,989**	**25,593**	**5,643**	**24.779**	**2,989**	**25,593**	**5,643**
Income per share	27								
Basic income per share (in R$)		0.6079	0.0733	0.6278	0.1384	0.6079	0.0733	0.6278	0.1384
Diluted income per share (in R$)		0.6079	0.0733	0.6278	0.1384	0.6079	0.0733	0.6278	0.1384

In thousands of Reais, unless otherwise stated

	Parent Company				Consolidated			
	Six-months period		Three-months period		Six-months period		Three-months period	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Net income for the period	24,779	2,989	25,593	5,643	24,779	2,989	25,593	5,643
Other	-	-	-	-	-	-	-	-
Total comprehensive net income for the period	**24,779**	**2,989**	**25,593**	**5,643**	**24,779**	**2,989**	**25,593**	**5,643**

In thousands of Reais, unless otherwise stated

			Profit reserves							
	Capital	Transaction cost	Legal reserve	Tax incentive reserve	Profit retention reserve	Equity valuation adjustments	Retained profits	Total	Non-controlling interests	Total shareholders´ equity
December 31, 2019	**102,490**	**(7,188)**	**1,750**	**-**	**21,900**	**1,793**	**-**	**120,745**	**6**	**120,751**
Realization of deemed cost, net of tax	-	-	-	-	-	(178)	178	-	-	-
Income for the period	-	-	-	-	-	-	2,989	2,989	-	2,989
June 30, 2020	**102,490**	**(7,188)**	**1,750**	**-**	**21,900**	**1,615**	**3,167**	**123,734**	**6**	**123,740**
December 31, 2020	**102,490**	**(7,188)**	**2,195**	**6,742**	**21,901**	**1,391**	**-**	**127,531**	**6**	**127,537**
Realization of deemed cost, net of tax	-	-	-	-	-	(240)	240	-	-	-
Income for the period	-	-	-	-	-	-	24,779	24,779	-	24,779
June 30, 2021	**102,490**	**(7,188)**	**2,195**	**6,742**	**21,901**	**1,151**	**25.019**	**152,310**	**6**	**152,316**

In thousands of Reais, unless otherwise stated

		Parent Company			Consolidated
	Note	**06/30/2021**	**06/30/2020**	**06/30/2021**	**06/30/2020**
Cash flows from operating activities					
Income before taxes		19,240	2,277	5,842	3,517
Adjustments for:					
Depreciation and amortization	14 and 15	15,025	14,836	20,839	23,401
Depreciation of right-of-use asset	12	5,907	4,060	17,046	13,070
Loss on sale of property, plant and equipment	33	2.940	4,706	4,166	5,157
Interest expenses on loans and financing, debentures and prepurchase financing pool	17 and 18	11,063	8,316	11,774	8,495
Interest on lease	19	737	638	3,093	2,741
Equity in net income of subsidiaries	13	(36,849)	(14,377)	-	-
Loss allowances for expected credit losses	8	205	983	861	1,283
Provision for tax, labor and civil risks	25	1,107	1,459	1,873	2,003
Interest on payables from acquisition of subsidiaries	32	3,098	1,870	3,098	1,870
Gain from legal action to exclude ICMS from the PIS/COFINS basis	10	(15,199)	-	(29,128)	-
Changes in assets and liabilities					
Inventories		(5,011)	(2,399)	(4,641)	(2,188)
Trade accounts receivable		(24,003)	837	(38,457)	(6,089)
Security deposits		348	605	522	433
Taxes recoverable		(550)	2,950	807	10,308
Other receivables		(5,735)	(7,812)	(6,870)	(6,018)
Trade payables		(5,921)	(8,969)	(6,013)	(5,797)
Payroll charges		8,285	6,939	9,537	11,047
Taxes payable and tax debt installment payment plans		3,176	9,095	10,709	10,448
Other payables		1,011	(929)	8,614	2,444
Cash (used in) generated by operating activities		**(21,126)**	**25,085**	**13,672**	**76,125**
Income tax and social contribution paid		-	-	(6,972)	(8,947)
Net cash (used in) generated by operating activities		**(21,126)**	**25,085**	**6,700**	**67,178**
Cash flows from investing activities					
Purchases of property, plant and equipment and intangible assets	14 and 15	(26,100)	(22,127)	(29,764)	(27,702)
Payment for acquisition of subsidiaries		(5,003)	-	(5,003)	-
Trucks prepurchase financial pool quotas not yet granted		(1,052)	(971)	(1,197)	(1,083)
Amount received for sale of property, plant and equipment		1,133	2,105	3,791	2,105
Net cash used in investing activities		**(31,022)**	**(20,993)**	**(32,173)**	**(26,680)**
Cash flows from financing activities					
Payment of dividends		(2.114)	(3.265)	(2.114)	(3.265)
Prepurchase financing pool quotas released		(2,782)	(4,595)	(2,910)	(4,766)
Loans - related parties	33	2,398	3,001	-	-
Proceeds from loans and financing	17	43,600	54,432	43,600	61,432
Proceeds from debentures - net of funding cost	18	236,377	-	236,377	-
Payment of debentures	18	(36,250)	(6,250)	(36,250)	(6,250)
Payment of interest on debentures	18	(2,353)	(1,612)	(2,353)	(1,612)
Payment of loans and financing	17	(104,257)	(15,847)	(115,131)	(16,495)
Payment of interest on loans and financing	17	(8,510)	(6,129)	(9,221)	(6,181)
Payment of leases	19	(6,036)	(3,599)	(18,140)	(12,511)
Payment of interest on leases	19	(737)	(638)	(3,093)	(2,741)
Net cash generated by financing activities		**119,336**	**15,498**	**90,765**	**7,611**
Increase in cash and cash equivalents		**67,188**	**19,590**	**65,291**	**48,109**
Cash and cash equivalents at the beginning of the period		**19,315**	**45,003**	**41,124**	**62,472**
Cash and cash equivalents at the end of the period		**86,503**	**64,593**	**106,416**	**110,581**

In thousands of Reais, unless otherwise stated

	Parent Company		Consolidated	
	06/30/2021	**06/30/2020**	**06/30/2021**	**06/30/2020**
Revenues (1)	**364,224**	**280,726**	**762,157**	**523,270**
Sale of services	350,290	277,234	742,986	518,051
Other revenues	14,139	4,475	20,032	6,502
Loss allowances for expected credit losses	(205)	(983)	(861)	(1,283)
Inputs acquired from third parties (2)	**200,894**	**157,427**	**396,117**	**270,654**
(Includes taxes - ICMS, ISS, PIS and COFINS)				
Cost of services rendered	187,883	136,853	377,924	241,291
Materials, energy, outsourced services and other	13,011	20,574	18,193	29,363
Gross value added (1) - (2) = (3)	**163,330**	**123,299**	**366,040**	**252,616**
Depreciation and amortization (4)	20,932	18,896	37,885	36,471
Net value added generated by the Company (3) - (4) = (5)	**142,398**	**104,403**	**328,155**	**216,145**
Value added received through transfer (6)	**40,678**	**16,243**	**8,968**	**4,825**
Equity in net income of subsidiaries	36,849	14,377	-	-
Finance income	3,829	1,866	8,968	4,825
Total value added to distribute (5) + (6)	**183,076**	**120,646**	**337,123**	**220,970**
Distribution of value added	**183,076**	**120,646**	**337,123**	**220,970**
Personnel	92,332	66,509	186,669	122,830
Taxes and contributions	46,350	37,061	98,172	75,128
Remuneration of third-party capital	**19,615**	**14,087**	**27,503**	**20,023**
Interest	19,119	11,956	24,342	16,758
Rentals	496	2,131	3,161	3,265
Remuneration of own capital:	**24,779**	**2,989**	**24,779**	**2,989**
Retained profit for the period	24,779	2,989	24,779	2,989

The accompanying notes are an integral part of the parent company and consolidated interim financial statements.

1 Operations

BBM Logistica S.A. (the "Company" or "Parent Company") is a Brazilian joint-stock company, listed on the Bovespa Mais, of "B3 S.A. – Brasil, Bolsa, Balcão (B3)" under the symbol "BBML3". The Company is a corporation with head office in São José dos Pinhais - Paraná, and the registered address is at Alameda Bom Pastor, 2216.

The Company's core business is to provide services of road cargo transportation, intermodal transportation, transportation of chemicals and air gases, international transportation, forestry transportation, in owned or third-party vehicles, operating in Brazil and other countries of South América.

2 List of subsidiaries

The consolidated interim financial statements at June 30, 2021, includes the interim financial statements of the Parent Company and its subsidiaries Itanave Centro Logístico Ltda., Transeich Assessoria e Transportes S.A., Transeich Armazéns Gerais S.A., Transportes Translovato Ltda., Translag Transporte e Logística Ltda. and Diálogo Logística Inteligente Ltda. (together referred to as the "Group").

Transeich Assessoria e Transportes S.A. ("Transeich Assessoria"), is a privately-held corporation, whose registered office is located at Avenida Doutor Nilo Peçanha, 2900, Bela Vista - Porto Alegre, Rio Grande do Sul. The core business is the services of road cargo transportation, intermodal transportation, transport of chemicals and international transport, mainly in third-party vehicles.

Transeich Armazéns Gerais S.A. ("Transeich Armazéns") is a privately-held corporation, whose registered office is located at Avenida Doutor Nilo Peçanha, 2900, Bela Vista - Porto Alegre, Rio Grande do Sul. The core business is the general warehouse.

Transportes Translovato Ltda. ("Translovato"), is a privately held corporation, duly incorporated in accordance with Brazilian law, of road transport and general warehouse on South and Southeast regions of Brazil, in addition to Goiás, Tocantins and Distrito Federal. The registered office is located at Rua Honorato Bazei 225, Caxias do Sul, Rio Grande do Sul.

Translag Transporte e Logística Ltda. ("Translag"), is a privately held corporation, duly incorporated in accordance with Brazilian law, of road transport and general warehouse on Midwest region of Brazil, in addition to São Paulo, Bahia and Tocantins. The registered office is located at Via de Acesso 08, QD-G, LT 07 A 10 - 15 A 18, Chácara Marivânia, Aparecida de Goiânia, Goiás.

Diálogo Logística Inteligente Ltda. ("Diálogo") is a privately held corporation, duly incorporated in accordance with Brazilian law, its main activity is road cargo transportation and technological solutions, mainly for the e-commerce chain, including customized last mile operations, in the south, southeast and northeast regions of Brazil. The registered office is located at Avenida dos Estados, 1825, pavilhão 06, bairro Anchieta, Porto Alegre, Rio Grande do Sul.

Itanave Centro Logístico Ltda. ("Itanave"), is a privately held corporation, duly incorporated in accordance with Brazilian law, and its activity is dormant.

3 Preparation basis

The Company's interim financial statements comprise the interim financial statements of the Parent Company, identified as Parent Company, and the consolidated interim financial statement, identified as Consolidated, and have been prepared and are presented in accordance with Technical Pronouncement CPC 21 (R1) - Interim Statements and International Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, and presented as per the standards issued by the Brazilian Securities and Exchange Commission - CVM, applicable to the preparation of the Quarterly Information - ITR.

It should also be noted that the accounting policies were consistently applied in the current period, are consistent with the period and comparative periods presented and are common to the Parent Company and subsidiaries, and, when necessary, the interim financial statements of the subsidiaries were adjusted to comply with the Parent Company's accounting policies.

The issuance of these parent company and consolidated interim financial statements was authorized by the Company's Management and the Board of Directors on August 10, 2021. Once its issued, only the shareholders' have the ability to approve changes to the parent company and consolidated interim financial statement.

The main accounting policies applied in the preparation of these interim financial statements are consistent with those adopted and presented in the Company's financial statements for the year ended December 31, 2020, filed with the Brazilian Securities and Exchange Commission (CVM) on March 15, 2021, except for income taxes, which were determined in accordance with CPC 21 / IAS 34, by applying the estimated annual effective rate on Income before Income Tax and Social Contribution for the interim period. The interim financial statements should be read with the financial statements for the year ended December 31, 2020.

3.1 Functional and presentation currency

These interim financial statements are presented in Brazilian reais, which is the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

3.2 Measurement basis

The interim financial statements have been prepared based on the historical cost, except for acquisitions of subsidiaries, which were based on the fair value, at the date of acquisition.

4 Use of estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. Information about estimation uncertainties at June 30, 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- **Note 5.9 and 14 -** Property, plant and equipment; main assumptions in estimated useful live, residual value and depreciation method of fixed assets;

- **Note 5.15, 12 and 19 -** Main assumptions in interest rate and term for lease contracts;

- **Note 5.12 and 8 -** Measurement of estimated credit impairment loss for accounts receivable; main assumptions in determining the weighted average loss rate;

- **Note 5.10 and 15 -** Intangible asset and goodwill impairment test: main assumptions in relation to recoverable values;

- **Note 21 -** Uncertainty over income tax treatments;

- **Note 5.16 and 25 -** Recognition and measurement of provisions and contingencies: main assumptions about the likelihood and magnitude of the outflows of funds; and

- **Note 5.8 and 29 -** Recognition of deferred tax assets: availability of future taxable income against which deductible temporary differences and tax losses may be used.

Fair value measurement

A number of the Group's accounting policies and disclosures requires the measurement of fair value, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or liability, the Group uses observable market data when available. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

5 Significant accounting policies

The Group has consistently applied the following accounting policies to all period presented in these interim financial statements, except if mentioned otherwise.

5.1 Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method when a set of activities and assets acquired meets the definition of a business and control is transferred to the Group. When determining if a set of activities and assets is a business, the Group assesses whether the set of activities and assets acquired includes, at least, an input and a substantive process that, together, significantly contribute to the ability to create output.

The Group has the option to apply a "concentration test" that allows a simplified assessment of whether a set of activities and assets acquired is not a business. The optional concentration test is met if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration payable is measured at its fair value at the date of acquisition. Contingent considerations are remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in statement of income.

(ii) Subsidiaries

The Group controls an entity when it is exposed to, or has a right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The interim financial statements of the subsidiary are included in the consolidated interim interim financial statements as from the date they start to be controlled by the Group until the date such control ceases. The accounting policies of the subsidiaries are aligned with the policies adopted by the Company.

The interim financial statements of subsidiaries are recognized under the equity method in the Parent company’s financial statements.

(iii) Interest of non-controlling shareholders

The Group chose to measure non-controlling interests at their proportion interest in identifiable net assets of the acquiree on the acquisition date. Changes to the Group’s interest in a subsidiary that do not result in loss of control are accounted for as transactions from shareholders’ equity.

(iv) Transactions eliminated in consolidation

Intra-group balances and transactions, and any revenues or expenses derived from intra-group transactions, are eliminated in the preparation of the consolidated interim financial statements.

Unrealized gains originating from transactions with investee companies recorded using the equity method, are eliminated against the investment in the proportion of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

5.2 Foreign currency

Transactions in foreign currencies are translated into the respective functional currency at the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated in foreign currency were translated into functional currency at the foreign exchange rate prevailing at the closing date. The gains and losses from the fluctuations in the exchange rates on monetary assets and liabilities are recognized in the statement of operations.

In thousands of Reais, unless otherwise stated

5.3 Cash and cash equivalents

Short-term, maturing in up to 90 days from the date of acquisition, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

5.4 Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer.

The following table provides information about the nature and timing in compliance with the performance obligations in contracts with customers, including significant payment terms, and the policies of revenue recognition.

Type of service	Nature and timing of fulfillment of performance obligations, including significant payment terms	Recognition of revenue
Forest transportation services	Revenues are recognized during the month through measurement of delivery of each transport made. The service measurement is validated by the customer and recognized in the statement of income. The amounts are received in up to 15 days from the billing date.	Revenue is recognized over time as services are provided. The stage of completion to determine the revenue amount to be recognized is evaluated based on measurements of the work performed.Individual sales price is determined based on price list that takes into consideration the characteristics of each transportation (distance and weight, i.e.)
Industry transportation services	Revenue is recognized over time when services are provided and validated by the customer.	Revenue from services to be billed corresponds to revenue from services actually rendered, whose invoices have not yet been issued to customer, calculated based on measurements and contract prices, has been validated by the customer.
LTL (Less than Truck Load) and FTL (Full Truck Load) services	Represent services provided and treated by the customer cargo by cargo, with different billing and particularly with each customer. Revenue is recognized based on the stage of completion of the service.	Revenue is recognized based on the performance of the services, in order to align the revenue recognition to the period in which the service is provided.

5.5 Finance income and expenses

Finance income comprises interest revenue on interest earning bank deposits and exchange-rate variation. Financial expenses include, mainly, expenses on financing interest, debentures and exchange-rate variation.

Interest revenue and expenses are recognized in income (loss) at the effective interest method.

5.6 Inventories

Inventories are recorded at average cost of acquisition, less provision for losses, when applicable.

5.7 Prepurchase financing pool

Prepurchase financing pool quotas not yet granted are recorded in current assets in the amount of the installments paid every month.

At the moment of granting, the assets are recorded in the Company's property, plant and equipment, and a current and noncurrent liability is recorded in relation to the balance payable from the granted asset.

The administration fees charged by the financial institutions are recorded as finance expenses.

5.8 Current and deferred income tax and social contribution

Current income tax and social contribution are calculated at the rates of 15%, plus a 10% surcharge on taxable profit exceeding R$ 240 for income tax and 9% on taxable profit for social contribution, and consider the offset of income tax and social contribution losses, limited to 30% of the taxable profit for the year.

Income tax and social contribution for the year include current and deferred taxes. Income tax is recognized in the statement of income, except to the extent that it is related to items recognized directly in shareholders' equity or in comprehensive income. In this case, the tax is also recognized in shareholders' equity or in comprehensive income.

The current tax expense is the tax payable or receivable estimated on the taxable profit or loss for the year and any adjustment to taxes payable with respect to prior years. The amount of current taxes payable or receivable is recognized in the balance sheet as tax asset or liability based on the best estimate of the amount of taxes expected to be paid or received that reflects the uncertainties related to their calculation, if any. It is measured based on the tax rates enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred income tax and social contribution are recognized under the liability method on temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax and social contribution are determined by using the tax rates (and tax laws) that have been enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax and social contribution assets are recognized only to the extent it is probable that future taxable profit will be available against which the temporary differences and/or tax losses can be utilized.

5.9 Property, plant and equipment

Property, plant and equipment are measured at cost (note 14), less accumulated depreciation. Historical cost includes expenditures directly attributable to the acquisition of the assets.

Subsequently incurred costs are added to the asset's book value or are recognized separately, as applicable, only when it is likely that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The book value of replaced items and parts is written off. All other repairs and maintenances are recorded as a counterpart to income (loss) for the year, when incurred.

Depreciation is recognized to income (loss) on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, since this method best reflects the standard of usage of the future economic benefits incorporated to the asset.

Residual values, the depreciation method and the useful life of assets are revised and adjusted, where applicable, at the end of each period.

The carrying amount of an asset is immediately adjusted to its recoverable amount if the carrying amount of the asset exceeds its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds from disposal and the carrying amount of the items and are recognized in "Other operating income, net" in the statement of income.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is recognized in statement of income.

The estimated useful lives of property, plant and equipment items for the comparative period and the current period are as follows:

In thousands of Reais, unless otherwise stated

Property, plant and equipment - useful life in years	At March 31, 2021	At December 31, 2020
Machinery and equipment	3 - 15	3 - 15
Vehicles and tractors	3 - 10	3 - 10
Wagons and equipment	8 - 15	8 - 15
Furniture and fixtures	10	10
IT equipment	5	5
Buildings	20	20
Packaging for transport	1 - 5	1 - 5
Leasehold improvements	1 - 5	1 - 5

5.10 Intangible assets and goodwill

Goodwill is measured at cost less accumulated impairment losses.

Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenses are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally-generated goodwill and trademarks and patents, are recognized in income (loss) as incurred.
Amortization is calculated using the straight-line method based on the estimated useful lives of the items, net of their estimated residual values. Amortization is recognized in statements of income, except for goodwill, which can only be amortized after an eventual merger. Goodwill is not amortized.

The estimated useful lives of intangible assets for the comparative periods and the current period are as follows:

Intangible items - useful life in years	At June 30, 2021	At December 31, 2020
Software	3 to 5	3 to 5
Customer portfolio	5 to 13	5 to 13
Trademarks	10	10
Non-compete agreement	5	5

The residual values, amortization method and useful life of intangible assets are reviewed and adjusted, if appropriate, at the end of each period.

5.11 Financial instruments

(i) Recognition and initial measurement

Trade accounts receivable and debt securities issued are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is classified as measured at: amortized cost; or fair value through profit or loss (“FVTPL”). All the Company’s financial assets are classified as measured at amortized cost.

A financial asset (unless it is a trade account receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not measured at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade account receivable without a significant financing component is initially measured at the transaction price.

(ii) Subsequent classification and measurement

Financial assets are not reclassified after initial recognition, unless the Group changes the business model for the management of financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period subsequent to the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions below and it is not designated as measured at FVTPL:

I. it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

II. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of income. Any gain or loss on derecognition is recognized in profit or loss.
All financial assets not classified as measured at amortized cost as described above are measured at FVTPL.

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to Management. The information considered includes:

I. the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether Management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows, or realizing cash flows through the sale of the assets;

II. how the performance of the portfolio is evaluated and reported to the Group's management;

III. the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

IV. how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

V. the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL. These assets are subsequently measured at fair value. The fair value adjustment, interest or dividend income, are recognized in statement of income.

Financial assets - evaluation whether the contractual cash flows represent solely payments of principal and interest

For this evaluation purposes, "principal" is defined as the fair value of the financial asset at initial recognition. "Interest" is defined as a consideration for the amount of cash at the time and for the credit risk associated to the outstanding principal value during a certain period and for other risks and base costs of loans (for example, liquidity risk and administrative costs), as well as for the profit margin.

The Group considers the contractual terms of the instruments to evaluate whether the contractual cash flows are only payments of principal and interest. It includes evaluating whether the financial asset contains a contractual term that could change the time or amount of the contractual cash flows so that it would not meet this condition. In making this evaluation, the Group considers the following:

I. contingent events that would change the amount or timing of cash flows;

II. terms that may adjust the contractual coupon rate, including variable-rate features;

III. prepayment and extension features; and

IV. terms that limit the Group's claim to cash flows from specified assets (e.g. based on the performance of an asset).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities were classified by the Group as measured as amortized cost or at FVTPL. A financial liability is classified as measured at fair value through profit or loss if it is classified as held for trading, if it is a derivative or assigned as such in initial recognition. Financial liabilities measured at FVTPL are measured at fair value and net income (loss), plus interest, is recognized in income (loss). Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognized in income (loss). Any gain or loss on derecognition is also recognized in income (loss).

(iii) Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risk and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or canceled, or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

In the derecognition of a financial liability, the difference between the carrying amount and the consideration paid (including assets transferred that do not pass through the cash or assumed liabilities) is recognized in the income (loss).

(iv) Offset

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

5.12 Impairment

(i) Non-derivative financial assets

Financial assets and contractual assets

The Group recognizes loss allowances for expected credit losses (ECLs) on:

I. financial assets measured at amortized cost; and

II. contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

I. debt securities that are determined to have low credit risk at the reporting date; and

II. other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables are measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Group considers a financial asset to be in default when:

I. the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or

II. the financial asset is more than 180 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

I. significant financial difficulty of the debtor;

II. a breach of contract such as a default or being more than 180 days past due;

III. the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

IV. it is probable that the debtor will enter bankruptcy or other financial reorganization; or

V. the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 360 days past due based on historical experience of recoveries of similar assets. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group’s procedures for recovery of amounts due.

(ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped into Cash-Generating Units (CGUs), that is, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in statement od income. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.13 Capital

Common shares are classified in shareholders' equity.

Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of taxes.

Transaction costs of fundraising operations are kept in a suspense account of the asset until its definitive allocation at the conclusion of the operation.

5.14 Employee benefits

Short-term employee benefits

Obligations for short-term employee benefits are recognized as personnel expenses as the related service is rendered. The liability is recognized at the amount expected to be paid, if the Group has a legal or constructive obligation to pay this amount as a result of prior service rendered by the employee, and the obligation can be reliably estimated.

Other long-term benefits to employees

The Group's net obligation in relation to other long-term employee benefits is the amount of the future benefit that employees will earn in return for their service in the current and prior years.

That benefit is discounted to their present value. Remeasurements are recognized in the income (loss) for the period.

5.15 Leases

At inception of a contract, the Group assesses if it contains a lease component.

A contract is or has a lease if conveying the right to control the use of an identified asset for a period of time in exchange for a consideration. lease is To assess whether a contract conveys the right to control the use of an identified asset, a defined as, a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

a. Group as lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for leases of buildings in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or restore the underlying asset or the sit on which it is allocated.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfer ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the fixed asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise and extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early, when applicable.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

Leases of low value assets
The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5.16 Provisions

Provision for lawsuits (labor, civil and tax) are recognized when: the Company and its subsidiaries have a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions do not include future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognized as a provision is measured taking into account the best estimate of the consideration necessary to settle the obligation present at the reporting date.

The increase or decrease in the obligation over time is recognized as an addition or reversal in the same provision item.

5.17 Earnings per share - basic and diluted

The basic earnings per share is calculated by dividing net income or loss for the period attributable to the Company's shareholders, considering the average weighted number of shares in the respective period.

The diluted earnings per share are calculated by dividing the result for the period attributable to the Group's shareholders by the average of outstanding common shares in the respective period taking into account the conversion of all potential shares with dilution effect.

5.18 Segment reporting

Segment results that are reported to the Operations Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Expenses not allocated to segments are administrative and sales expenses.

In Management's view, the operations of the Company and its subsidiaries are divided into two identifiable operating segments, classified as DCC (Dedicated Contract Carriage) and TM (Transport Management).

5.19 Statements of added value

The Company prepared statements of added value in accordance with the rules of technical pronouncement CPC 09 - Statement of added value, prepared in accordance with Brazilian

In thousands of Reais, unless otherwise stated

Generally Accepted Accounting Principles ("BRGAAP") applicable to publicly-held companies, whereas under IFRS they represent additional financial information.

5.20 Distribution of dividends

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's Parent Company and consolidated interim financial statements based on the bylaws. Any amount that exceeds the minimum required is only provided on the date it is approved by the shareholders at the General Meeting.

6 New standards and interpretations not yet effective

The following amended standards and interpretations are not expected to have a significant impact on the Company and its subsidiaries' financial statements:

- Amendments to References to the Conceptual Framework in IFRS Standards;
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to CPC 27/IAS 16);
- Reference to the Conceptual Framework (Amendments to CPC 15/IFRS 3); and
- Classification of Liabilities as Current or Non-current (Amendments to CPC 26/IAS 1).

7 Cash and cash equivalents

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
Cash	100	688	236	879
Banks	15,886	3,333	21,859	21,628
Interest earning bank deposits (a)	70,517	15,294	84,321	18,617
	86,503	**19,315**	**106,416**	**41,124**

(a) Interest earning bank deposits have immediate liquidity and are fully convertible into a known cash amount, without any discount. They refer, substantially, to bank deposit certificates, remunerated at an average rate of 103.27% (98.2% in December 31, 2020) of the Interbank Deposit Certificate (CDI) in 2021.

8 Trade accounts receivable

a) Breakdown

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
Freight services receivable in domestic market	77,422	66,436	191,542	150,829
Freight services receivable in foreign market	16,443	6,785	24,196	12,173
Other receivables – related parties (Note 34)	990	1,703	-	-
Services to be billed	37,030	32,958	37,726	52,005
Impairment loss	(3,036)	(2,831)	(5,741)	(4,880)
	128,849	**105,051**	**247,723**	**210,127**

Trade accounts receivable correspond to the amount receivable from customers in the normal course of the activities. If payment term is expected in one year or less, they are classified as current assets. Otherwise, they will be presented in non-current assets.

In thousands of Reais, unless otherwise stated

b) Aging list

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
Falling due	119,846	89,527	229,785	183,324
Overdue up to 30 days	4,056	7,340	6,853	12,648
Overdue from 31 to 60 days	2,114	4,259	5,360	6,021
Overdue from 61 to 90 days	721	1,568	1,531	2,907
Overdue from 91 to 180 days	1,537	1,508	2,605	2,158
Overdue over 181 to 360 days	1,509	1,619	3,213	3,498
Overdue over 360 days	2,102	2,061	4,117	4,451
Loss allowances for expected credit losses	(3,036)	(2,831)	(5,741)	(4,880)
	128,849	**105,051**	**247,723**	**210,127**

The loss allowances for expected credit losses is formed in an amount considered sufficient by Management to cover expected credit losses on trade accounts receivable. This includes quantitative and qualitative information and analysis, based on the Company's and its subsidiaries historical experience, credit assessment, and considering forward-looking information. Changes in the period are as follows:

	Parent Company				Consolidated			
	Six-months period		Three-months period		Six-months period		Three-months period	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
At the beginning of the period	**2,831**	**1,992**	**2,658**	**2,312**	**4,880**	**4,203**	**5,720**	**4,532**
Provision for loss	1,768	1,515	-	1,195	861	2,359	-	-
Reversal of provision	(1,563)	(532)	(378)	(532)	-	(1,076)	(21)	954
At the end of the period	**3,036**	**2,975**	**3,036**	**2,975**	**5,741**	**5,486**	**5,741**	**5,486**

9 Inventories

Inventories refer to tires, fuel for consumption and maintenance parts to be used in the trucks and wagons.

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
Tires	4,553	2,258	4,553	2,316
Maintenance parts	5,330	4,845	6,204	6,031
Fuel	2,231	-	2,231	-
	12,114	**7,103**	**12,988**	**8,347**

10 Recoverable taxes

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
PIS/COFINS (taxes on revenue) (a)	23,150	3,945	39,308	20,962
Income tax (b)	663	481	20,058	7,051
Social contribution	58	43	6,901	2,145
Other taxes recoverable	30	-	44	6
	23,901	**4,469**	**66,311**	**30,164**
Current	19.315	4.469	44.822	30.164
Non-current	4,586	-	21,489	-

a) a) The Group has lawsuits referring to the exclusion from the PIS and COFINS calculation bases, the ICMS - Imposto sobre Operações relativas à Circulação de Mercadorias e Prestação de Serviços (state VAT), levied on the invoices ("invoiced ICMS") that became final and unappealable between 2019 and 2021 and whose remaining balance on 30th of June 2021, evaluated in its best estimate, totals R$ 31,092 in the Consolidated and R$ 15,200 in the Parent Company.

In thousands of Reais, unless otherwise stated

The Parent Company's lawsuit was final and unappealable on April 16, 2021, and the tax credit arising from the exclusion of the "invoiced ICMS" in the PIS and COFINS bases (retroacting this right to August 2009) was recognized, in the updated amount of R$ 15,200 on recoverable taxes.

On April 22, 2019, there was a final decision favorable to legal action proposed by the subsidiary Translovato on the same issue, whose right to credit was retroacted to September 2006. The credits arising from this lawsuit were recognized in 2019 under the heading of taxes recoverable in the total amount of R$ 38,577. The remaining balance as of June 30, 2021 is R$ 7,736.

The subsidiaries Transeich and Translag obtained the final and unappealable decision in their lawsuits, respectively, on March 12, 2020 and February 3, 2021 (retroacting the right to credit to April 2010 and August 2011, respectively). The two investees recorded the respective tax credits on recoverable taxes, whose balance updated on June 30, 2021 totals R$ 6,192.

The subsidiary Diálogo has a lawsuit still in progress, however, in view of the recent decision of the Federal Supreme Court, it registered in June 2021, based on its best estimate, its right to tax credit (from May 2015 to June 2021), in the updated amount of R$ 1,964.

The measurement of the credits listed above was calculated with the support of legal and tax advisors considering the interpretation of the tax legislation granting the Parent Company and its investees this right, in addition to the fact that the original actions claimed by the BBM Group were based on the aforementioned "invoiced ICMS" and the recent favorable judgment of motions for clarification filed by the Federal Government in Extraordinary Appeal No. 574706 (Item No. 69).

Also, on the PIS and COFINS recoverable line, the Company reclassified R$ 7,826 from property, plant and equipment, referring to credits referring to the acquisition of machinery and equipment provided for in Article 3 of Laws 10,637 and 10,833.

b) In June 2021, the subsidiary Translovato obtained a final and unappealable decision regarding a lawsuit seeking to exclude from the Corporate Income Tax and Social Contribution on Net Income bases the ICMS credit granted by "Convenio 106/96". Thus, and also taking into account the legal opinions of its legal advisors, a tax credit was recognized (retroacting this right to 2012), in the updated amount of R$ 16,473.

11 Other receivables

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
Prepaid expenses - initial public offering (IPO) (a)	6,711	5,451	6,711	5,451
Prepaid expenses	2,856	2,539	3,310	3,567
Reimbursable expenses (b)	417	1,500	2,744	3,227
Advances to employees	1,933	1,387	2,212	3,223
Advances to suppliers (c)	2.969	755	3,908	1,254
Receivables from vehicle sales	2,043	1,735	2,342	2,034
Other receivables	372	606	559	1,226
Total	**17,301**	**13,973**	**21,786**	**19,982**

In thousands of Reais, unless otherwise stated

(a) See note 40.

(b) This balance refers to payments of labor contingencies that Management became aware only after the date of acquisition of the investees and that therefore were not accounted for as part of the business combination. The Company and subsidiaries have the contractual right to receive these amounts from the former controlling shareholders of the investees. (see note 25).

(c) Advances mainly for the acquisition of machinery and equipment.

12 Right-of-use

				Parent Company
Right-of-use	**Vehicles**	**Properties**	**Equipment**	**Total**
At December 31, 2020	**8,983**	**4,960**	**186**	**14,130**
Additions (i)	-	907	-	907
New contracts	4,411	3,026	-	7,437
Depreciation	(3,744)	(2,059)	(104)	(5,907)
Write-offs (i)	-	(21)	-	(21)
At June 30, 2021	**9,650**	**6,813**	**82**	**16,545**

				Parent Company
Right-of-use	**Vehicles**	**Properties**	**Equipment**	**Total**
At December 31, 2019	**7,424**	**5,219**	-	**12,643**
Additions (i)	1,626	1,044	-	2,670
Depreciation	(2,628)	(1,432)	-	(4,060)
Write-offs (i)	(1,533)	(79)	-	(1,612)
At June 30, 2020	**4,889**	**4,752**	**-**	**9,641**

				Consolidated
Right-of-use	**Vehicles**	**Properties**	**Equipment**	**Total**
At December 31, 2020	**13,928**	**50,170**	**186**	**64,285**
Additions (i)	-	5,235	-	5,235
New contracts	10,325	11,403	-	21,728
Depreciation	(5,387)	(11,555)	(104)	(17,046)
Write-offs (i)	(271)	(32)	-	(303)
At June 30, 2021	**18,595**	**55,221**	**82**	**73,897**

				Consolidated
Right-of-use	**Vehicles**	**Properties**	**Equipment**	**Total**
At December 31, 2019	**13,761**	**53,621**	-	**67,382**
Additions (i)	1,626	1,067	-	2,693
Depreciation	(4,455)	(8,615)	-	(13,070)
Write-offs (i)	(1,821)	(325)	-	(2,146)
At June 30, 2020	**9,111**	**45,748**	**-**	**54,859**

(i) Additions and write-offs are mainly due to renegotiations of existing lease agreements (see note 19).

In thousands of Reais, unless otherwise stated

13 Investments

a. Breakdown of balances of equity method investees

	Parent Company	
Breakdown	**06/30/2021**	**12/31/2020**
Itanave	120	120
Transeich Assessoria	90,098	79,469
Transeich Armazéns	4,148	4,175
Translovato	91,337	65,677
Translag	39,856	41,388
Diálogo	67,262	68,918
	292,821	**259,747**

b. Changes in balances

	Parent Company			
	At December 31, 2020	**Purchase price adjustment (i)**	**Equity in net income of subsidiaries**	**At June 30, 2021**
Itanave	120	-	-	120
Transeich Assessoria	79,469	-	10,629	90,098
Transeich Armazéns	4,175	-	(27)	4,148
Translovato	65,677	-	25,660	91,337
Translag	41,388	(1,530)	(2)	39,856
Diálogo (i)	68,918	(2,245)	589	67,262
Total	**259,747**	**(3,775)**	**36,849**	**292,821**

	At December 31, 2019	**Purchase price adjustment**	**Equity in net income of subsidiaries**	**At June 30, 2020**
Itanave	120	-	-	120
Transeich Assessoria	68,245	-	4,044	72,289
Transeich Armazéns	3,594	-	804	4,398
Translovato	90,757	(1,378)	9,529	98,908
Total	**162,716**	**(1.378,00)**	**14,377**	**175,715**

(i) See note 15(c).

c. Information on subsidiaries

	Parent Company				
At June 30, 2021	**Net income (loss) for the year**	**Share capital**	**Equity**	**Equity interest**	**Equity in net income of subsidiaries**
Itanave	-	951	126	95%	-
Transeich Assessoria	10,629	54,646	80,278	100%	10,629
Transeich Armazéns	(27)	3,007	4,120	100%	(27)
Translovato	25,660	3,375	64,476	100%	25,660
Translag	(2)	17,851	18,824	100%	(2)
Diálogo	589	1,588	2,834	100%	589

The amounts of the subsidiaries presented, in the table above, consider the equity amounts with the adjustments from the business combination.

In thousands of Reais, unless otherwise stated

The subsidiaries' information, without adjusting the business combination, is as follows:

						Parent Company
At June 30, 2021	**Current assets**	**Non-current assets**	**Current liabilities**	**Non-current liabilities**	**Shareholders ' equity**	**Net income (loss) for the year**
Itanave	59	67	-	-	126	-
Transeich Assessoria	66,799	14,690	22,264	1,213	58,012	11,701
Transeich Armazéns	4,374	297	2.322	(2.014)	4,363	(48)
Translovato	82,073	111,262	67,379	68,928	57,028	26,083
Translag	17,677	25,673	9,662	13,897	19,791	(764)
Diálogo	24,564	5,271	21,888	3,777	4,170	1.353

14 Property, plant and equipment

									Parent Company
	At January 1, 2021	**PIS/COFINS credit**	**At January 1, 2021 - Adjusted**	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Write-offs of depreciation**	**At June 30, 2021**
Machinery and equipment	24,019	(921)	23,098	9,075	-	(2,000)	(9)	-	30,164
Vehicles and tractors	140,930	(6,848)	134,082	9,920	(4,775)	(11,874)	212	1,835	129,400
Furniture and fixtures	1,438	(7)	1,431	160	-	(93)	180	-	1,678
Computers and peripherals	2,078	(27)	2,051	844	-	(325)	126	-	2,696
Buildings	6,398	(23)	6,375	-	-	(140)	(379)	-	5,856
Packaging for transport	158	-	158	-	-	(14)	-	-	144
Construction in progress	5,154	-	5,154	1,095	-	-	(604)	-	5,645
Leasehold improvements	564	-	564	1,152	-	(171)	474	-	2,019
Total	**180,740**	**(7,826)**	**172,914**	**22,246**	**(4,775)**	**(14,617)**	**-**	**1,835**	**177,603**

									Parent Company
	At January 1, 2020	**PIS/COFINS credit**	**At January 1, 2020 - Adjusted**	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Write-offs of depreciation**	**At June 30, 2020**
Machinery and equipment	20,635	-	20,635	688	(713)	(1,900)	832	110	19,652
Vehicles and tractors	142,242	-	142,242	22,338	(9,281)	(12,183)	1,009	5,178	149,303
Furniture and fixtures	857	-	857	165	-	(61)	22	-	983
Computers and peripherals	1,263	-	1,263	317	-	(200)	2	-	1,382
Buildings	6,195	-	6,195	-	-	(137)	-	-	6,058
Packaging for transport	186	-	186	-	-	(13)	-	-	173
Construction in progress	2,007	-	2,007	2,430	-	-	(1,865)	-	2,572
Leasehold improvements	738	-	738	5	-	(65)	-	-	678
Total	**174,123**	**-**	**174,123**	**25,943**	**(9,994)**	**(14,559)**	**-**	**5,288**	**180,801**

									Consolidated
	At January 1, 2021	**PIS/COFINS credit**	**At January 1, 2021 - Adjusted**	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Write-offs of depreciation**	**At June 30, 2021**
Machinery and equipment	28,592	(921)	27,671	10,744	(148)	(2,248)	35	60	36,114
Vehicles and tractors	188,853	(6,848)	182,005	9,745	(8,855)	(14,245)	253	4,844	173,747
Furniture and fixtures	2,959	(7)	2,952	298	(69)	(246)	180	52	3,167
Computers and peripherals	3,877	(27)	3,850	1,157	(138)	(808)	209	88	4,358
Buildings	6,669	(23)	6,646	-	-	(150)	(379)	-	6,117
Packaging for transport	158	-	158	-	-	(13)	-	-	145
Construction in progress	5,258	-	5,258	1,495	-	-	(603)	-	6,150
Leasehold improvements	5,946	-	5,946	1,534	-	(365)	305	-	7,420
Total	**242,312**	**(7,826)**	**234,486**	**24,973**	**(9,210)**	**(18,075)**	**-**	**5,044**	**237,218**

									Consolidated
	At January 1, 2020	**PIS/COFINS credit**	**At January 1, 2020 - Adjusted**	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Write-offs of depreciation**	**At June 30, 2020**
Machinery and equipment	24,149	-	24,149	723	(713)	(2,132)	-	110	22,137
Vehicles and tractors	189,477	-	189,477	22,525	(14,196)	(19,063)	-	9,647	188,390
Furniture and fixtures	2,033	-	2,033	179	(4)	(193)	-	2	2,017
Computers and peripherals	1,849	-	1,849	351	(5)	(426)	-	2	1,771
Buildings	6,239	-	6,239	2	-	(144)	-	-	6,097
Packaging for transport	186	-	186	-	-	(13)	-	-	173
Construction in progress	2,007	-	2,007	2,430	-	-	-	-	4,437
Leasehold improvements	3,743	-	3,743	5	-	(149)	-	-	3,599
Total	**229,683**	**-**	**229,683**	**26,215**	**(14,918)**	**(22,120)**	**-**	**9,761**	**228,621**

a. Review of depreciation methods, useful life and residual value

The Company's Management reviewed, on June 30, 2021, the depreciation method, useful lives and residual value of property, plant and equipment and no adjustments were made.

In thousands of Reais, unless otherwise stated

b. Assets fiduciary lien

At June 30, 2021 and December 31, 2020, vehicles, tractors and buildings were pledged as collateral for bank loans and financing and trucks prepurchase financing pools (see note 17).

c. Impairment

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the quarter and semester ended in June 30, 2021, Management did not identify impairment indications.

15 Intangible assets

a. Breakdown of balances

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
Software	17,943	12,755	20,200	14,446
Goodwill on acquisition of subsidiaries	-	-	130,168	133,943
Client portfolio	-	-	17,051	18,470
Brands	-	-	5,372	5,645
Non-compete agreement	-	-	2,723	3,016
	17,943	**12,755**	**175,514**	**175,520**

b. Details of intangibles assets held by subsidiaries (consolidated)

At June 30, 2021	Software	Goodwill on acquisition of subsidiaries	Client portfolio	Brands	Non-compete agreement	Total
BBM Logística	17,943	-	-	-	-	17,943
Transeich Assessoria	-	30,438	1,657	-	-	32,075
Transeich Armazéns	-	-	-	-	-	-
Translovato	925	29,583	1,084	2,368	763	34,723
Translag	14	18,172	333	883	469	19,891
Diálogo	1.318	51,975	13,977	2,121	1,491	70,882
	20,200	**130,168**	**17,051**	**5,372**	**2,723**	**175,514**

At December 31, 2020	Software	Goodwill on acquisition of subsidiaries	Client portfolio	Brands	Non-compete agreement	Total
BBM Logística	12,755	-	-	-	-	12,755
Transeich Assessoria	-	30,438	2,142	-	-	32,580
Transeich Armazéns	-	-	39	-	-	39
Translovato	909	29,582	1,152	2,509	874	35,026
Translag Transporte e Logística Ltda	14	19,702	346	931	525	21,518
Diálogo Logística Inteligente Ltda.	768	54,221	14,791	2,205	1,617	73,602
	14,446	**133,943**	**18,470**	**5,645**	**3,016**	**175,520**

In thousands of Reais, unless otherwise stated

c. Changes in balances

						Consolidated
	At January 1, 2021	Additions	Goodwill adjustment Diálogo (i)	Goodwill adjustment Translag (ii)	(-) Amortization	At June 30, 2021
Software	14,446	6,533	-	-	(779)	20,200
Goodwill	133,943	-	(2,245)	(1,530)	-	130,168
Client portfolio	18,470	-	-	-	(1,419)	17,051
Brands	5,645	-	-	-	(273)	5,372
Non-compete agreement	3,016	-	-	-	(293)	2,723
Total	**175,520**	**6,533**	**(2,245)**	**(1,530)**	**(2,764)**	**175,514**

	At January 1, 2020	Additions	Goodwill adjustment Diálogo (i)	Goodwill adjustment Translag (ii)	(-) Amortization	At June 30, 2020
Software	3,359	2,259	-	-	(438)	5,180
Goodwill	60,271	-	-	332	-	60,602
Client portfolio	4,511	-	-	-	(587)	3,924
Brands	2,791	-	-	-	(142)	2,649
Non-compete agreement	1,100	-	-	-	(114)	986
Total	**72,032**	**2,259**	**-**	**332**	**(1.281)**	**73,341**

(i) On March 22, 2021, within one year of the date of acquisition, through the first amendment to the contract for the purchase and sale of quotas, the value of the first-year installment was reduced by R$ 2,311, which generated an adjustment to the acquisition price at fair value of R$ 2,245. The composition of Diálogo's goodwill is as follows:

	Goodwill on the acquisition of Diálogo		
	12/31/2020	**Adjustment**	**06/30/2021**
Amount paid in cash	34,325	-	34,325
Present value of fixed annual installments	22,206	(2,245)	19,961
Contingent consideration (Earn-out)	12,645	-	12,645
Total consideration transferred	69,176	(2,245)	66,931
Net identifiable assets and liabilities acquired	(14,955)	-	(14,956)
Goodwill on acquisition	**54,221**	**(2,245)**	**51,975**

(ii) Within one year of the date of acquisition, new information was obtained about facts and circumstances that existed at the date of acquisition which identified adjustments to the amounts of deferred tax assets measured at fair value at the date of acquisition. Therefore, the accounting was reviewed and the following adjustment made:

	Goodwill on the acquisition of Translag		
	12/31/2020	**Adjustment**	**06/30/2021**
Amount paid in cash	25,000	-	25,000
Present value of fixed annual installments	14,806	-	14,806
Contingent consideration (Earn-out)	2,285	-	2,285
Total consideration transferred	42,091	-	42,091
Net identifiable assets and liabilities acquired	(22,389)	(1,530)	(23,919)
Goodwill on acquisition	**19,702**	**(1,530)**	**18,172**

16 Suppliers

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
Domestic suppliers	21,989	27,961	54,237	60,855
Freight payable	3,271	3,220	9,857	9,252
	25,260	**31,181**	**64,094**	**70,107**

In thousands of Reais, unless otherwise stated

17 Loans and financing

The balances maintained as loans and financing in local currency refer mainly to working capital lines and FINAME (Special Industrial Financing Agency) operations for acquisition of road implements with maturity of 60 months.

a. Breakdown of balances

Parent Company

Type	Average annual charges		Current liabilities		Non-current liabilities		Total	
In local currency	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
Working capital	5.74%	5.31%	66,526	70,048	97,923	139,832	164,449	209,880
Finame	-	8.42%	-	8,150	-	8,010	-	16,160
Lease	-	16.81%	-	295	-	79	-	374
			66,526	**78,493**	**97,923**	**147,921**	**164,449**	**226,414**

Consolidated

Type	Average annual charges		Current liabilities		Non-current liabilities		Total	
In local currency	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
Working capital	5.81%	5.41%	71,160	83,621	105,066	148,910	176,226	232,531
Finame	-	8.42%	-	8,150	-	8,010	-	16,160
Lease	-	16.81%	-	295	-	79	-	374
			71,160	**92,066**	**105,066**	**156,999**	**176,226**	**249,065**

b. Changes in balances

	Parent Company	**Consolidated**
At December 31, 2020	**226,414**	**249,065**
Funding	43,600	43,600
Finance charges	7,202	7,913
Payment - principal (**)	(104,257)	(115,131)
Payment - interest and charges (*)	(8,510)	(9,221)
At June 30, 2021	**164,449**	**176,226**

	Parent Company	**Consolidated**
At December 31, 2019	**164,982**	**169,428**
Funding	54,432	61,432
Finance charges	5,644	5,823
Payment - principal	(15,847)	(16,495)
Payment - interest and charges (*)	(6,129)	(6,181)
At June 30, 2020	**203,082**	**214,007**

(*) In the cash flow statement, interest and charges paid is presented in cash flow from financing activities, according to Group's policy.

(**) With funds from the second issue of debentures (see note 18), the net proceeds raised through the issuance of the Debentures will be allocated to early settlement of loans and financings.

In thousands of Reais, unless otherwise stated

c. Maturities

The portions classified in non-current liabilities have the following payment schedule:

	Parent Company		Consolidated	
Year	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
2022	30,437	76,808	37,570	78,611
2023	55,343	59,011	55,343	63,964
2024	11,706	9,523	11,706	11,089
2025	437	2,579	447	3,335
	97,923	**147,921**	**105,066**	**156,999**

Loans and financing in a total amount of R$ 36,807 on June 30, 2021 (R$ 123,527 on December 31, 2020) are secured by fixed assets.

d. Covenants

The Group has contracted working capital debt containing covenants that provide for early settlement in the following conditions:

- The net financial debt divided by EBITDA (EBITDA comprising the Company and its subsidiaries for the last rolling twelve months) is greater than 3.5 times; and
- Relevant corporate change, such as spin-off, merger or amalgamation resulting in change of control, without authorization of the creditor bank.

As of the reporting date, the Group is in compliance with all financial covenants.

18 Debentures

a) Breakdown of balances

	Parent Company and Consolidated					
	Current		Non-current		Total	
Description	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
Principal	61,395	15,000	178,605	21,250	240,000	36,250
Trasaction costs	(922)	(216)	(2,521)	(162)	(3,443)	(378)
Interest	209	22	-	-	209	22
	60,682	**14,806**	**176,084**	**21,088**	**236,766**	**35,894**

In thousands of Reais, unless otherwise stated

b) Changes in balances

	Parent Company and Consolidated
At December 31, 2020	**35,894**
Funding	240,000
Funding cost	(3,623)
Payment – principal	(36,250)
Payment – interest	(2,353)
Interest and transaction costs	3,098
At June 30, 2021	**236,766**
At December 31, 2019	**49,436**
Funding cost	1.700
Payment – interest	(6,250)
Interest and transaction costs	(1.612)
At June 30, 2020	**43,274**

c) Maturities, net of transactions costs

	Current		Non-current		Total	
Year	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
2021	28,496	32,758	-	-	28,496	32,758
2022	12,073	-	20,719	29,324	32,792	29,324
2023	-	-	18,011	21,800	18,011	21,800
2024	-	-	12,711	15,083	12,711	15,083
	40,569	**32,758**	**51,441**	**66,207**	**92,010**	**98,965**

2nd issuance of debentures:

On February 23, 2021, the Company's Board of Directors approved the realization of its 2nd (second) issuance of simple debentures, not convertible into shares, with security interest, in a single series, with unit nominal value of R$ 1 (one thousand reais), totaling R$ 240,000 on the issuance date, with maturity of 4 (four) years from the issue date (“Debentures”), for public distribution with restricted efforts, pursuant to CVM Instruction 476, dated January 16, 2009, as amended, under a firm placement guarantee regime. The Debentures will be entitled to remuneration corresponding to the accumulated variation of 100% of the daily average DI rates (over extra group one-day interbank deposits), on a percentage per year basis, considering year of 252 (two hundred and fifty-two) business days, plus a spread or surcharge of 3.30% (three-point three percent) per year, considering year of 252 (two hundred and fifty-two) business days. The net proceeds raised through the issuance of the Debentures will be allocated to: (i) early settlement of loans, financings and the first issuance of debentures; and (ii) payment of any company acquisitions by the Company and (iii) increase the Company's working capital.

Below is detailed description about 2nd issue of debentures:

- Debentures final term is on February, 2025;

- The amortization will be paid in monthly installments, starting on the 5th month.

- Interest earnings will be based on CDI + 3.30% p.a., interest rates paid monthly;

- The debentures were issued pursuant to "Lei das Sociedades por Ações" (Brazilian Corporate Law), 58th article.

- The collateral of the debentures, are the receivable rights of customer CMPC Celulose Riograndense Ltda., related to its transportation and forestry support services contracts, within the DCC segment; and

d) Covenants

- The Group has issued a debenture containing covenants that provide early settlement in the following conditions:

    - The net financial debt divided by EBITDA (EBITDA comprising the Company and its subsidiaries for the last rolling twelve months) is greater than 3 times.

    - Shareholder's equity divided by gross financial debt adjusted* is lower than to 25%.

* Adjusted gross financial debt includes current and non-current loan and financing, intercompany loans, provision for interest not yet paid, non-convertible bonds, and net result from derivatives, and acquisitions debt.

At June 30, 2021 the Company is in compliance with all the financial obligations and ratios required by the debentures and the loan and financing agreements.

In thousands of Reais, unless otherwise stated

19 Leases

Lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rates, against the right-of-use asset.

The rates used for the calculation were 11.11% p.a., for leased vehicles and from 8.52% to 8.82% p.a. for real estate.

	Parent Company			
	Vehicles	Properties	IT equipment	Total
At December 31, 2020	10,407	4,885	185	15,477
Additions*	-	907	-	907
New contracts	4,411	3,026	-	7,437
Write-off*	-	(21)	-	(21)
Accrued interest	415	317	5	737
Interest paid	(415)	(317)	(5)	(737)
Repayments	(3,630)	(2.308)	(98)	(6,036)
At June 30, 2021	**11,188**	**6,489**	**87**	**17,764**
Current	9,067	4,824	87	13,978
Non-current	2,121	1,665	-	3,786

	Parent Company			
	Vehicles	Properties	IT equipment	Total
At December 31, 2019	7,717	5,396	-	13,113
Additions*	1,626	1,044	-	2,670
New contracts	(1,532)	(80)	-	(1,612)
Write-off*	375	263	-	638
Accrued interest	(375)	(263)	-	(638)
Interest paid	(1,910)	(1,689)	-	(3,599)
At June 30, 2020	**5,901**	**4,671**	**-**	**10,572**
Current	3,940	1,916	-	5,856
Non-current	1,961	2,755	-	4,716

In thousands of Reais, unless otherwise stated

	Consolidated			
	Vehicles	Properties	IT equipment	Total
At December 31, 2020	15,674	51,163	185	67,022
Additions*	-	5,235	-	5,235
New contracts	10,325	11,403	-	21,728
Write-off*	(271)	(32)	-	(303)
Accrued interest	672	2,416	5	3,093
Interest paid	(672)	(2,416)	(5)	(3,093)
Repayments	(4,588)	(13,454)	(98)	(18,140)
At June 30, 2021	**21,140**	**54,315**	**87**	**75,542**
Current	9,080	19,909	87	29,076
Non-current	12,060	34,406	-	46,466

	Consolidated			
	Vehicles	Properties	IT equipment	Total
At December 31, 2019	12,477	55,268	-	67,745
Additions*	1,626	1,067	-	2,693
Write-off*	(1,532)	(80)	-	(1,612)
Accrued interest	714	2.027	-	2,741
Interest paid	(714)	(2,027)	-	(2,741)
Repayments	(3,619)	(8,892)	-	(12,511)
At June 30, 2020	**8,952**	**47,363**	**-**	**56,315**
Current	6,331	18,045	-	24,376
Non-current	2,621	29,318	-	31,939

*Additions and write-offs are mainly due to renegotiations in existing lease agreements. See note 12.

Pis / Cofins (VAT federal taxes) credits on amounts payable for leases were not deducted from the corresponding right-of-use assets. In the moment of the payment of the leases contract, the credits must be recorded as counterpart of depreciation and financial expenses. The table below shows the potential right of Pis / Cofins to be recovered embedded in the lease consideration, according to the periods foreseen for payment. Undiscounted balances and balances discounted to present value:

At June 30, 2021	Parent Company			Consolidated		
Lessor type	Present value	Par value	Potential PIS/COFINS	Present value	Par value	Potential PIS/COFINS
Individuals	587	671	-	587	671	-
Corporate	17,177	18,471	1,589	74,955	78,437	6,933
	17,764	**19,142**	**1,589**	**75,542**	**79,108**	**6,933**

At June 30, 2020	Parent Company			Consolidated		
Lessor type	Present value	Par value	Potential PIS/COFINS	Present value	Par value	Potential PIS/COFINS
Individuals	971	1,077	-	971	1,120	-
Corporate	9,601	10,539	975	55,344	62,999	5,827
	10,572	**11,616**	**975**	**56,315**	**64,119**	**5,827**

In thousands of Reais, unless otherwise stated

20 Social charges

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Accrued vacation pay	9,608	7,693	19,195	17,568
Salaries and wages	5,691	4,571	10,161	10,059
National social security institute–INSS*, payable	3,428	3,032	7,263	7,640
Provision for 13º salary	4,095	-	8,174	-
Charges on accrued vacation pay	1,985	2,581	3,947	4,226
FGTS* (Severance pay fund)	2,485	1,262	4,063	2,212
Labor contingencies payable	757	788	1,352	1,561
Other charges	1,222	1,059	1,294	1,196
	29,271	**20,986**	**55,449**	**44,462**

INSS – Social security contribution
FGTS - Severance Pay Fund

21 Taxes payable

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
PIS/COFINS (taxes on revenue) and ICMS (State VAT)	10,773	10,191	19,096	18,476
Income tax and social contribution provision	-	-	2,250	2,908
Income tax and social contribution (a)	4,143	-	7,561	5,317
Retained tax	61	1,064	666	2,170
Other taxes payable	695	730	1,437	1,213
Total	**15,672**	**11,985**	**31,010**	**30,084**

(a) Uncertainties over income tax treatments

As discussed in note 10 (a), the Company has proceedings that became final and unappealable during the years 2019 to 2021 actions that discussed the right to exclude ICMS from the PIS and COFINS calculation bases,

The original credit resulting from the lawsuit was recognized in recoverable taxes. Based on the jurisprudence of the matter, the Company informs that the credits generated were considered a temporary exclusion, and income tax and social contribution will be paid only to the extent that these credits are effectively offset with other federal debts.

The current income tax and social contribution liability as of June 30, 2021 of R$ 4,143 in the Parent Company (R$ 0 as of December 31, 2020) and R$ 7,561 in the Consolidated (R$ 5,317 as of December 31, 2020) and was recognized considering that the Company believes it is possible, and not probable, to sustain this treatment in a tax procedure.

In thousands of Reais, unless otherwise stated

22 Tax debt installment payment plans

	Parent Company		Consolidated	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**
Taxes in installments (PERT) (a)	193	633	5,238	6,124
PIS/COFINS and CPRB (social security) (b)	-	14	4,528	5,294
ICMS (c)	254	311	1,017	1,514
	447	**958**	**10,783**	**12,932**
Current	447	696	2,825	2,398
Non-current	-	262	7,958	10,534

(a) Programa Especial de Regularização Tributária (PERT) refers to several installment processes, contemplating up to 43 monthly installments to be due.

(b) It refers to a tax debt plan payable in 60 (sixty) monthly installments.

(c) This tax debt installment payment plan refers to debts of ICMS in the state of São Paulo, whose payment agreement was signed in May 2013 in 120 (one hundred and twenty) monthly installments.

23 Acquisition of subsidiaries (Parent Company and Consolidated)

a. Breakdown of balances at fair value

	Parent Company and consolidated					
	Current		Non-current		Total	
	06/30/2021	**12/31/2020**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
Translovato (a)	11,348	11,259	30,316	35,500	41,664	46,759
Translag (b)	4,419	6,436	12,283	11,553	16,702	17,989
Diálogo (c)	24,802	15,063	8,842	19,154	33,644	34,217
	40,569	**32,758**	**51,441**	**66,207**	**92,010**	**98,965**

(a) Amount paid in single installment of R$ 8,594 with a term of 12 months after the closing date December 01,2020 and 48 monthly installments of R$ 1,000 each, totaling R$ 48,000, the first installment to be paid in 13 months after the closing date beginning on January, 2022. All installments are increased by the variation of the Interbank Deposit Certificate - CDI. The fair value, on the date of acquisition, of the first installment was R$ 8,354 and of the 48 installments was R$ 43,996.

(b) Term amount of R$ 15,999 to be paid in three annual installments of R$ 5,333 each, with payment schedule on September 30, 2021, September 30, 2022 and September 30, 2023. The fair value of the three installments, on the date of acquisition, was R$ 14,806. Additionally, a contingent consideration (earn-out) in which the Company has agreed to pay the selling quotaholders' in three years' time additional consideration of up to R$ 15,000 if during the period, new contracts net revenues originated or destined in the Translag region exceed the amount of R$ 57,780. In case that the new contract revenues do not achieve a minimum of R$ 40,450 in the period, no amount will be paid to the sellers. The fair value, of the contingent consideration is reviewed each reporting date. All installments will be adjusted according to the Interbank Deposit Certificate - CDI variation, verified between the closing date and the date of their actual payment.

(c) Term amount or R$ 20,752 to be paid in two annual installments, the first in the amount of R$ 9,310 and the second R$ 11,442 with payment schedule on December 2021 and January 2022. The fair value, on the date of acquisition, of the two annual installments was R$ 22,206.

In thousands of Reais, unless otherwise stated

Additionally a contingent consideration (earn-out) in which the Company has agreed to pay the selling quotaholders' in three years' time additional consideration of up to R$ 25,000 if during the period, new contracts net revenues originated or destined in the Dialogo's region in the period ("first year") corresponds at least to the amount equivalent to a real increase of 0.1% (minimum) to 33.35% (maximum) over the 2020 net revenue; if new contracts net revenues originated or destined in the Dialogo's region in the period ("second year") corresponds to the amount equivalent to a real increase of 33.36% (minimum) to 68.29% (maximum) over the 2020 net revenue; if new contracts net revenues originated or destined in the Dialogo's region in the period ("third year") corresponds to a real increase of 68.30% (minimum) to 100% (maximum) over the 2020 net revenue. The fair value, of the contingent consideration is reviewed each reporting date. All installments will be adjusted according to the Interbank Deposit Certificate - CDI variation, verified between the closing date and the date of their actual payment.

b. Payment due maturity date

	Current		Non-current		Total	
Year	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
2021	28,496	32,758	-	-	28,496	32,758
2022	12,073	-	20,719	29,324	32,792	29,324
2023	-	-	18,011	21,800	18,011	21,800
2024	-	-	11,821	15,083	11,821	15,083
	40,569	**32,758**	**50,551**	**66,207**	**91,120**	**98,965**

24 Other accounts payable

	Parent Company		Consolidated	
Description	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
Advances from customers (a)	13,321	17,621	13,768	18,586
Provision for long-term incentive (b)	16,726	10,691	16,726	10,691
Commissions	-	-	6,857	5,988
Amounts to be reimbursed	2,202	-	4,207	-
Cargo indemnity payable	388	385	3,759	385
Profit sharing	4,459	5,845	4,933	6,230
Repom - limit (c)	2,803	2,098	6,551	2,098
Other payables	-	740	651	1,182
Total	**39,899**	**37,380**	**57,452**	**45,160**
Current	33,142	22,555	50,695	29,538
Non-current	6,757	14,825	6,757	15,622

(a) The main transaction refers to an advance from a specific customer, related to an operation started in June 2019, compensated over a 48-month period, without interest. The compensation started in July 2019.
(b) See note 34 (a).
(c) Repom is an electronic payment system, mandatory for the payment to independent truck drivers. The amount refers to the balance due to cover the withdrawals made by drivers in their accounts at Repom.

In thousands of Reais, unless otherwise stated

25 Provision for tax, labor and civil risk

a. Breakdown of balances

	Parent Company			Consolidated		
At June 30, 2021	**Provision**	**Escrow deposits**	**Net**	**Provision**	**Escrow deposits**	**Net**
Tax lawsuits	-	-	-	7,000	-	7,000
Labor lawsuits	9,779	1,700	8,079	17,260	4,317	12,943
	9,779	**1,700**	**8,079**	**24,260**	**4,317**	**19,943**

	Parent Company			Consolidated		
At December 31, 2020	**Provision**	**Escrow deposits**	**Net**	**Provision**	**Escrow deposits**	**Net**
Tax lawsuits	-	-	-	7,000	-	7,000
Labor lawsuits	10,180	1,585	8,595	19,067	3,930	15,137
	10,180	**1,585**	**8,595**	**26,067**	**3,930**	**22,137**

b. Changes in balances

	Parent Company				
	12/31/2020	**Additions**	**Payments**	**Reversals**	**06/30/2021**
Labor lawsuits	10,180	1,259	(1,508)	(152)	9,779
	10,180	**1.259**	**(1.508)**	**(152)**	**9,779**

	Parent Company				
	12/31/2019	**Additions**	**Payments**	**Reversals**	**06/30/2020**
Labor lawsuits	9,914	1,587	(1,456)	(128)	9,917
	9,914	**1,587**	**(1,456)**	**(128)**	**9,917**

	Consolidated				
	12/31/2020	**Additions**	**Payments**	**Reversals**	**06/30/2021**
Tax lawsuits	7,000	-	-	-	7,000
Labor lawsuits	19,067	2,814	(3,680)	(941)	17,260
	26,067	**2,814**	**(3,680)**	**(941)**	**24,260**

	Consolidated				
	12/31/2019	**Additions (i)**	**Payments**	**Reversals**	**06/30/2020**
Tax lawsuits	7,000	-	-	-	7,000
Labor lawsuits	15,671	6,738	(1,794)	(1,246)	19,369
	22,671	**6,738**	**(1,794)**	**(1,246)**	**26,369**

(i) Includes labor liabilities of R$ 3,489 for which former shareholders of Translovato are responsible.

In the consolidated, the balance of the provision includes labor claims by Translovato which former shareholders of Translovato are responsible. The third amendment to the contract for the purchase and sale of quotas and other covenants, the sellers agreed to pay R$ 1,500 (R$ 1,050 in June 2020), and this amount will be discounted over the next 17 monthly installments.

In thousands of Reais, unless otherwise stated

The Company and its subsidiaries are parties to civil, tax and labor lawsuits, involving risk of loss classified by Management as probable, possible and remote, based on the assessment of their legal counselors. The total amount of the lawsuits classified as possible risk of loss at June 30, 2021, in the Parent Company, for which there is no provision is R$ 45,218 (R$ 19,798 in 2020) and in the Consolidated R$ 63,074 (R$ 39,141 in 2020). The kind of lawsuits are as follows

	Parent Company		Consolidated	
Source	**06/30/2021**	**12/31/2020**	**06/30/2021**	**12/31/2020**
Labor lawsuits	13,518	13,068	25,044	30,942
Tax lawsuits	21,117	1,028	26,405	1,368
Civil lawsuits	10,583	5,882	11,625	6,831
Total	**45,218**	**19,978**	**63,074**	**39,141**

The Company is involved in tax injunctions arising from tax foreclosures against a company owned by a party related to one of the Company's shareholders, tax foreclosures in which BBM is not involved. The Company is taking all necessary measures in its defense, and the Company's legal advisors classify the chance of loss in the tax injunction as possible with a tendency to remote.

26 Shareholders' equity

a. Capital

The Company is authorized to increase its capital up to the limit of R$ 800,000, through the issuance of new registered common shares with no par value, regardless of amendment to its bylaws and by resolution of the Board of Directors, which will establish the conditions of the issue, including regarding price and term of subscription and payment.

At June 30, 2021, the subscribed and paid-in capital is represented by 40,760,818 shares (40,760,818 shares in December 31,2020), totaling R$ 102,490 (R$ 102,490 at December 31, 2020).

Shareholders' interests in the Company's capital are as follows:

	Common shares	%	Common shares	%
Shareholders	**06/30/2021**		**12/31/2020**	
Stratus SCP Coinvestimentos I - Fundo de Investimento em Participações - Multiestratégia	26,739,595	65.60%	26,739,595	65.60%
Marcos Egídio Battistella	11,685,287	28.67%	11,685,287	28.67%
Juarez Luiz Nicolotti	2,335,936	5.73%	2,335,936	5.73%
	40,760,818	**100%**	**40,760,818**	**100%**

b. Profit reserves

Legal reserve

The legal reserve is set up at the rate of 5% of the net income determined in each fiscal year, pursuant to article 193 of Law 6,404/76 up to the limit of 20% of the capital.

In thousands of Reais, unless otherwise stated

Profit retention reserve

It refers to the profit retention for investments to expand and strengthen working capital.

Tax incentive reserve

In investee Translovato, as the ICMS was calculated using the credit granted method in accordance with the ICMS 106/96 agreement, the amount of R$ 8,549 for the year ended December 31, 2020 was transferred to the investment grant reserve account, within "profit reserves" in accordance with Law 12,973/14 Art. 30 § 4. In the consolidated, after the constitution of a legal reserve and a mandatory minimum dividend, the remaining net income of R$ 6,340, was allocated, as a reflex tax reserve for the subsidiary Translovato.

The subsidiary Transeich Assessoria also used tax credits of R$ 2,800 but did not constitute a reserve as it presented accumulated losses. The parent company's mandatory minimum dividends is not reduced by this reflex tax incentive reserve.

If these subsidiaries distribute dividends, they will be subject to income tax and social contribution taxation.

c. Equity valuation adjustments

Consists of the cost attributed to the assets that existed at the time of the initial adoption of CPC 27/IAS 16 "Property, Plant and Equipment" and ICPC 10 "Interpretation on the Initial Application to Property.

d. Dividends

Prevailing Bylaws determines the distribution to shareholders of minimum mandatory dividends of 25% of the net income for the year, pursuant to article 32 of the Bylaws, adjusted as per article 202 of Law 6,404/76. According to the Company's Bylaws, the General Meeting may decide not to distribute minimum mandatory dividends.

27 Earnings per share

Basic and diluted earnings per share is calculated by dividing net income (loss) for the period attributed to the holders of the parent company's common shares by the weighted average number of common shares outstanding during the period.

The table below shows the result data and number of shares used in calculating basic and diluted earnings per share for each period presented in the statement of income:

	Parent Company and Consolidated			
	Six-months period		Three-months period	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Net income for the period	**24,779**	**2,989**	**25,593**	**5,643**
Basic earnings per share:				
Weighted average number of common shares available	40,760,818	40,760,818	40,760,818	40,760,818
Basic earnings per share (in R$)	**0.6079**	**0.0733**	**0.6279**	**0.1384**
Diluted earnings per share:				
Weighted average number of common shares available	40,760,818	40,760,818	40,760,818	40,760,818
Diluted earnings per share (in R$)	**0.6079**	**0.0733**	**0.6279**	**0.1384**

In thousands of Reais, unless otherwise stated

28 Capital structure management

The policy of the Management is to maintain a solid capital base to provide for a sustainable growth of the business and to keep creditors and shareholders' confidence. Executive Board also monitors the return on capital and the level of dividends for shareholders.

The Management seeks a balance between the highest possible returns and adequate levels of leverage, while keeping a healthy capital structure.

The Company monitors two leveraging ratios:

a) Leveraging ratio represented by the ratio of net debt to EBITDA of up to 3 times.

b) Leveraging ratio represented by 'shareholders' equity', divided by adjusted 'gross debt', that must be above 25%.

29 Income tax and social contribution

Deferred income tax and social contribution are recorded to reflect future tax effects attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts.

The recognized deferred income tax and social contribution arise from:

	Parent Company		Consolidated	
	06/30/2021	12/31/2020	06/30/2021	12/31/2020
Non-current assets				
Tax losses carried forward	13,981	8,402	20,548	11,113
Provision for contingencies	3,325	3,461	8,248	9,243
Provision for long-term incentive	5,687	3,635	5,687	3,635
Provision for costs	5,276	1,930	8,457	2,383
Provision for commissions	-	-	2,331	2,035
Impairment loss on trade receivables	1,032	963	1,952	1,603
Provision for profit sharing	1,516	1,987	1,677	2,118
Legal fees provisions	-	-	513	747
Amortization and write-off of intangible assets from business combinations	-	-	-	4,625
Other temporary differences	547	552	772	1,024
	31,364	**20,930**	**50,185**	**38,526**
Non-current liabilities				
Intangible assets generated in business combinations	-	-	(9,130)	(14,679)
Accounting x tax depreciation	(8,428)	(7,129)	(8,884)	(7,367)
Other temporary differences	(765)	(1,312)	(1,576)	(1,312)
	(9,193)	**(8,441)**	**(19,590)**	**(23,358)**
Net deferred tax asset	**22,171**	**12,489**	**30,595**	**15,168**

The Company and its subsidiaries recognize tax credits on income tax and social contribution tax losses and temporary differences, based on a technical study on the generation of future taxable profits, which is periodically reviewed by Management. If relevant factors that modify the projections are observed, these are promptly reviewed by Management.

In thousands of Reais, unless otherwise stated

Management considers that deferred assets resulting from temporary differences will be realized when the provisions and other temporary differences becomes deductible in proportion to the final resolution. Also, based on projections of taxable results, the Company estimates that the balance of deferred income tax assets recorded will be realized substantially in the coming years. The tax losses to be offset will be realized as follows:

Year	Parent Company	Consolidated
2021	-	4,389
2022	4,744	6,922
2023	5,837	5,837
2024	3,400	3,400
	13,981	**20,548**

The reconciliation between the tax expense calculated by applying the combined statutory rates and the income tax and social contribution expense recognized in the statement of income is presented below:

	Parent Company				Consolidated			
	Six-months period		Three-months period		Six-months period		Three-months period	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Income before taxes	19,240	2,277	24,710	7,232	5,842	3,517	8,314	6,134
Income tax and social contribution at the statutory rates of 25% and 9%	(6,542)	(774)	(8,402)	(2,459)	(1,986)	(1,196)	(2,827)	(2,086)
Permanent additions/exclusions								
Equity in net income of subsidiaries	12,529	4,888	9,701	3,380	-	-	-	-
Tax incentive reserve of subsidiary Translovato	-	-	-	-	1,800	-	922	-
Tax loss not recorded in previous year	-	-	-	-	6,846	-	-	-
Credit from previous years (i)	-	-	-	-	12,759	-	-	-
Effect of business combination	-	(3,745)	-	(2,877)	-	-	-	-
Other permanent (additions) and exclusions	(448)	343	(416)	367	(482)	668	(421)	1,595
Total income tax and social contribution	**5,539**	**712**	**883**	**(1,589)**	**18,937**	**(528)**	**(2,326)**	**(491)**
Current	(4,143)	-	(4,143)	-	4,960	(4,948)	8,834	(2,458)
Deferred	9,682	712	5,026	(1,589)	13,977	4,420	8,445	1,967
	5,539	**712**	**883**	**(1,589)**	**18,937**	**(528)**	**17,279**	**(491)**

(i) Credit arising from the final and unappealable decision excluding the presumed ICMS credit from the income tax of the subsidiary Translovato.

30 Net revenue

	Parent Company				Consolidated			
	Six-months period		Three-months period		Six-months period		Three-months period	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Gross revenue								
Forest transportation services	154,721	117,643	85,506	59,193	154,721	117,643	85,506	59,193
Industry transportation services	68,660	51,772	33,755	24,391	86,922	77,669	43,551	37,059
LTL and FTL services	126,909	107,819	65,222	52,373	501,343	322,739	260,728	149,176
Deductions								
Forest transportation services	(18,212)	(13,784)	(10,107)	(7,016)	(18,213)	(12,651)	(10,109)	(5,884)
Industry transportation services	(12,888)	(9,800)	(6,588)	(4,600)	(15,140)	(13,158)	(7,802)	(6,437)
LTL and FTL services	(19,809)	(16,604)	(9,835)	(7,870)	(80,591)	(56,712)	(41,469)	(24,350)
Total net revenue	**299,381**	**237,046**	**157,953**	**116,471**	**629,042**	**435,530**	**330,405**	**208,757**

Further details on revenues are presented in note 37.

In thousands of Reais, unless otherwise stated

31 Cost of services rendered, general, administrative and sales expenses

a. Costs of services rendered

	Parent Company				Consolidated			
	Six-months period		Three-months period		Six-months period		Three-months period	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Transportation contract - freight	93,423	79,535	48,319	38,178	229,598	155,118	122,245	68,688
Salaries	66,579	43,727	35,076	22,838	135,186	91,164	68,256	43,444
Fuel	45,626	30,628	23,584	13,538	61,142	39,297	31,606	17,001
Outsourced services	5,096	4,483	2,049	2,333	10,524	6,410	2,611	3,112
Maintenance	24,151	19,387	13,299	9,533	35,402	21,784	22,077	10,604
Depreciation and amortization	14,513	12,556	7,404	6,477	17,012	20,168	7,153	10,163
Payroll charges	9,388	5,554	4,995	2,642	18,198	10,963	9,864	4,905
Depreciation of right-of-use assets (a)	4,885	3,951	2,483	1,754	15,391	12,397	8,056	5,573
Tires	6,437	4,546	2,942	2,230	7,286	5,329	3,373	2,552
Tracking services	3,018	2,354	1,558	1,182	6,987	4,282	3,681	2,147
Toll rates	669	675	285	352	3,789	2,873	1,850	1,288
Insurance	1,038	1,195	520	578	3,009	3,757	1,590	1,747
Leases	491	1,732	321	579	3,117	2,784	1,538	1,013
Taxes and fees	842	626	474	339	1,335	993	790	512
Travel expenses	4,296	1,641	2,463	726	5,502	1,744	3,107	764
Others	2,009	3,189	1,114	1,870	16,158	9,574	9,313	4,927
	282,461	**215,779**	**146,886**	**105,149**	**569,636**	**388,637**	**297,110**	**178,440**

(a) The values of depreciation of assets of right of use are net of PIS/COFINS credits in the amounts of R$ 221 in the six-months period ended 30, June 2021 (R$ 109 in the six-months period ended 30, June 2020) in the parent company and R$ 854 in the six-months period ended 30, June 2021 (R$ 673 in the six-months period ended 30, June 2020) in the consolidated.

b. Expenses

	Parent Company				Consolidated			
	Six-months period		Three-months period		Six-months period		Three-months period	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Salaries	16,051	12,753	9,161	6,187	31,852	19,531	16,730	14,599
Outsourced services	5,899	3,080	3,780	2,519	8,747	7,000	6,292	2,719
Travel expenses	632	1,151	181	423	695	2,489	192	1,361
Depreciation of right-of-use assets	801	-	801	-	801	-	801	-
Provision for labor contingencies	-	1,459	(99)	1,138	-	2,125	(1,256)	1,587
Depreciation and amortization	724	732	563	558	4,347	732	3,528	554
Taxes and fees	818	870	76	82	1,159	925	224	92
Maintenance	1,237	876	744	526	1,255	949	753	579
Others	2,347	1,206	1,084	(3,282)	3,669	(2,318)	2,284	(3,598)
	28,509	**22,127**	**16,291**	**8,151**	**52,525**	**31,433**	**29,548**	**17,893**
Administrative expenses	24,120	19,977	13,807	7,193	42,571	29,112	24,400	17,016
Sales expenses	4,389	2,150	2,484	958	9,954	2,321	5,148	877
	28,509	**22,127**	**16,291**	**8,151**	**52,525**	**31,433**	**29,548**	**17,893**

In thousands of Reais, unless otherwise stated

32 Finance expenses, net

	Parent Company				Consolidated			
	Six-months period		Three-months period		Six-months period		Three-months period	
	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020	06/30/2021	06/30/2020
Finance income								
Foreign exchange gains	871	1,260	1	172	2,051	3,446	1	165
Revenue from interest earning bank depos	743	437	510	288	591	754	339	489
Discounts received	150	144	9	95	514	402	268	266
Charges for late receipts	20	25	14	2	281	223	69	112
Interest on tax credits	2,045	-	2,045	-	5,531	-	5,531	-
	3,829	**1,866**	**2,579**	**557**	**8,968**	**4,825**	**6,208**	**1,032**
Finance expenses								
Interest on loans and financing	(7,202)	(5,644)	(3,363)	(2,725)	(7,913)	(5,823)	(3,651)	(2,821)
Interest on leases (a)	(561)	(609)	(225)	(293)	(2.607)	(2.320)	(1,304)	(1,020)
Interest on payables from acquisition of su	(3,098)	(1,870)	(1,826)	(800)	(3,098)	(1,870)	(1,826)	(800)
Interest on debentures	(5,636)	(1,700)	(4,038)	(744)	(5,636)	(1,700)	(4,038)	(744)
Foreign exchange losses	(1,314)	(190)	(479)	(120)	(2,925)	(1,464)	(1,469)	(382)
Truck pre-purcharse Finance pool adminis	(693)	(972)	(181)	(435)	(782)	(972)	(215)	(367)
Bank expenses	(413)	(555)	(321)	(349)	(984)	(1,216)	(619)	(725)
Interest on taxes in installments	(148)	(110)	(21)	(54)	(180)	(345)	(53)	(32)
Charges for late payments	(52)	(209)	(22)	(17)	(181)	(934)	(147)	(274)
Discounts granted	(2)	(97)	-	(92)	(36)	(114)	(2)	(104)
	(19,119)	(11,956)	(10,476)	(5,629)	(24,342)	(16,758)	(13,324)	(7,269)
Financial expenses, net	**(15,290)**	**(10,090)**	**(7,897)**	**(5,072)**	**(15,374)**	**(11,933)**	**(7,116)**	**(6,237)**

(a) In the six-months period ended June 30, 2021, interest on leases is presented net of PIS and COFINS credits in Parent Company in the amount of R$ 176 (R$ 29 in the six-months period ended June 30, 2020) and in consolidated R$ 486 (R$ 421 in the six-months period ended June 30, 2020).

33 Other operating income (loss), net

		Parent Company				Consolidated			
		Six-months period		Three-months period		Six-months period		Three-months period	
		06/30/2021	06/30/2020	30/06/2021	30/06/2020	30/06/2021	30/06/2020	30/06/2021	30/06/2020
Revenues		**14,139**	**4,696**	**13,231**	**3,404**	**21,088**	**6,626**	**16,596**	**5,124**
Gain from tax lawsuits	(i)	12,513	-	12,513	-	15,165	-	14,969	-
Scrap sale		492	533	37	113	522	1,331	37	904
Sale of fixed assets		1,134	4,163	681	3,291	5,401	5,295	1,590	4,220
Expenses		**(4,664)**	**(4,863)**	**(4,310)**	**(3,549)**	**(5,892)**	**(5,353)**	**(5,892)**	**(4,223)**
Cost of sale of fixed Assets		(2,940)	(4,706)	(2,620)	(3,544)	(4,166)	(5,157)	(3,229)	(4,221)
Goods of small value		(110)	-	(110)	-	(112)	-	(112)	-
Other		(1,614)	(157)	(1,580)	(5)	(1,614)	(196)	(1,593)	(2)
Other operating income (loss), net		**9,475**	**(167)**	**8,921**	**(145)**	**15,196**	**1,273**	**11,662**	**901**

(i) See note 10.

In thousands of Reais, unless otherwise stated

34 Related parties

The main balances of assets and liabilities on June 30, 2021, referring to related-party transactions, refer to Company's loan agreements with its subsidiaries, as shown below:

	06/30/2021	12/31/2020
Current assets		
Account receivable - Transeich Armazéns Gerais	-	1,059
Account receivable - Transportes Translovato	-	66
Account receivable - Transeich Assessoria	990	578
	990	**1,703**
Current assets		
Account receivable - Translag Transportes	2,684	-
Account receivable - Transportes Translovato	120	-
	2,804	**-**
Current liabilities		
Loan - Transeich Armazéns Gerais	2,238	71
Loan - Transeich Assessoria e Transportes	11,277	9,619
Loan - Transovato Transportes	-	301
Loan - Translovato Transportes	1,678	-
	15,193	**9,991**

	Parent Company			
	Administrative expenses	**Gross revenue- Domestic freight**	**Total**	**Net income for the period**
At June 30, 2021				
Transeich Assessoria e Transportes	3,281	35	3,316	3,316
Transportes Translovato	1,257	-	1,257	1,257
	4,538	**35**	**4,573**	**4,573**
At June 30, 2020				
Transeich Assessoria e Transportes	1,044	25	1,069	1,069
Transeich Armazéns Gerais	4,307	-	4,307	4,307
Transportes Translovato	998	-	998	998
	6,349	**25**	**6,374**	**6,374**

All the outstanding balances with these related parties were priced in common agreement between the parties without interest and should be settled, substantially through financial compensation, by December 31, 2021 in accordance with the contract signed between the parties. No balance is guaranteed.

a. Key management personnel compensation

Key management personnel is comprised by the Executive Board and Board of Directors. The key management personnel compensation during the six-month ended June 30, 2021 regarding short-term benefits was R$ 4,292 (R$ 2,961 in six-month ended June 30, 2020).

In thousands of Reais, unless otherwise stated

The contracts of the Company's officers provide that, in the case of a liquidity event, they will be entitled to receive an incentive compensation based on the Company's value appreciation. For every 12 months in office, executives are vested to 20% of this long-term compensation and, therefore, in 5 years, executives are vested to 100% of this compensation, which will only be paid after the occurrence of a liquidity event.

At June 30, 2021, the pro-rata amount provisioned is R$ 16,727 (R$ 10,691 on December 31, 2020). If a liquidity event occurs before the contractual 5 years "vesting", in which there is a change in the control of the Company, the executives will be entitled to receive 100% of the long-term compensation in the total amount of R$ 30,649 (R$ 16,603 on December 31, 2020). The amounts were estimated based on the results for the last 12 months and market assumptions for the Company's value appreciation.

35 Transactions not involving cash

The statements of cash flows are presented by the indirect method.

Non-cash transactions are not reflected in the statements of cash flows and are as follows:

On the six-month period ending June 30,2021, right-of-use leases were recognized in the amount of R$ 8,344 (R$ 2,670 on the six-month period ending June 30, 2020) in the Parent Company and R$ 26,963 (R$ 2,993 on the six-month period ending June 30, 2020) in the Consolidated. And contracts were written off in the Parent Company R$ 21 (R$ 1,612 on the six-month period ending June 30, 2020) and in the consolidated R$ 303 (R$ 2,142 on the six-month period ending June 30, 2020).

On the six-month period ending June 30, 2021, property, plant and equipment items were acquired with funds from the trucks prepurchase financing pool in the amount of R$ 1,742 (R$ 5,977 on the six-month period ending June 30, 2020) in the Parent Company and Consolidated.

36 Financial instruments

The Company does not make any speculative investments in derivatives or in any other risk assets.

	Parent Company		Consolidated	
		06/30/2021		06/30/2021
	Financial assets / liabilities at amortized cost	Fair value	Financial assets / liabilities at amortized cost	Fair value
Assets				
Cash and cash equivalents	86,503	86,503	106,416	106,416
Trade accounts receivables	128,849	128,849	247,723	247,723
Related parties - loans and financing	2,804	2,804	-	-
Liabilities				
Trade payables	25,260	25,260	64,094	64,094
Loans and financing	164,449	164,449	176,226	176,226
Debentures	236,766	238,598	236,766	238,598
Leases	17,764	17,764	75,542	75,542
Acquisition of subsidiaries	92,010	92,010	92,010	92,010
Related parties - loans and financing	15,193	15,193	-	-

In thousands of Reais, unless otherwise stated

	Parent Company		Consolidated	
		12/31/2020		12/31/2020
	Financial assets / liabilities at amortized cost	Fair value	Financial assets/liabilities at amortized	Fair value
Assets				
Cash and cash equivalents	19,315	19,315	41,124	41,124
Trade accounts receivables	105,051	105,051	210,127	210,127
Liabilities				
Trade payables	31,181	31,181	70,107	70,107
Loans and financing	226,414	226,414	249,065	249,065
Debentures	35,894	35,894	35,894	35,894
Leases	15,477	15,477	67,022	67,022
Acquisition of subsidiaries	98,965	98,965	98,965	98,965
Related parties - loans and financing	9,991	9,991	-	-

Financial risk management

The Group's activities expose it to various financial risks: (a) market risk (currency and interest rate); (b) credit risk; and (c) liquidity risk.

Services rendered by the Company are predominantly denominated in Reais.

Market risk management process intends to protect the Company's cash flow against adverse market events such as fluctuation in foreign exchange rate, commodity price and interest rates.

Market risk

Since the Company and its subsidiaries have interest earning bank deposits and obligations linked to CDI rate, they are sensitive to changes in such rate in the market.

The interest rate risk of the Company and its subsidiaries derives from long-term financing, Financing issued at fixed and variable rates expose the Company and its subsidiaries to cash flow interest rate risk, Financing issued at fixed rates expose the Company and its subsidiaries to fair value risk associated to interest rate.

Credit risk

The Company and its subsidiaries have its excess cash in interest earning bank deposits in first line banks, mitigating credit risk as a consequence.

In case of credit risks deriving from client's credit exposures, the Company and its subsidiaries evaluate the client's worthiness by taking into account their financial position, past experience and other factors and, in addition, defines individual credit limits that are regularly monitored, The Company and its subsidiaries recognize a provision for deterioration of trade accounts receivable, whenever necessary, as described in note 8.

Liquidity risk

The liquidity risk is managed pursuant to the liquidity and indebtedness management policy, aiming to ensure sufficient net resources to meet the financial commitments of the Company and its subsidiaries in time and without additional cost.

The main liquidity measurement and monitoring instrument is cash flow projection, in conformity with a minimum period of 12 months of projection, beginning as of reference date.

In thousands of Reais, unless otherwise stated

					Parent Company
	Less than one year	Between one and two years	Between two and five years	More than five years	Total
At June 30, 2021					
Loans and financing	66,526	30,437	67,486	-	164,449
Debentures	61,604	100,466	78,139	-	240,209
Leases	13,978	3,067	719	-	17,764
Suppliers	25,260	-	-	-	25,260
Taxes payable and payroll charges	44,943	-	-	-	44,943
Acquisition of subsidiaries	40,569	20,719	30,722	-	92,010
At December 31, 2020					
Loans and financing	78,493	76,808	71,113	-	226,414
Debentures	15,022	15,000	5,872	-	35,894
Leases	9,540	4,959	978	-	15,477
Suppliers	31,181	-	-	-	31,181
Taxes payable and payroll charges	32,971	-	-	-	32,971
Acquisition of subsidiaries	32,758	29,324	36,883	-	98,965

					Consolidated
	Less than one year	Between one and two years	Between two and five years	More than five years	Total
At June 30, 2021					
Loans and financing	71,160	37,570	67,496	-	176,226
Debentures	61,604	100,466	78,139	-	240,209
Leases	29,076	35,577	10,889	-	75,542
Suppliers	64,094	-	-	-	64,094
Taxes payable and payroll charges	86,459	-	-	-	86,459
Acquisition of subsidiaries	40,569	20,719	30,722	-	92,010
At December 31, 2020					
Loans and financing	92,066	78,611	78,388	-	249,065
Debentures	15,022	15,000	5,872	-	35,894
Leases	26,715	17,696	11,533	11,077	67,022
Suppliers	70,107	-	-	-	70,107
Taxes payable and payroll charges	74,546	-	-	-	74,546
Acquisition of subsidiaries	32,758	29,324	36,883	-	98,965

Foreign exchange risk

The Company and its subsidiaries are exposed to foreign exchange risk arising from exposures basically in relation to the US dollar.

The Company and its subsidiaries have assets denominated in foreign currency in the amounts described below:

In thousands of Reais, unless otherwise stated

				Parent Company
	06/30/2021		12/31/2020	
	US Dollar	Reais (*)	US Dollar	Reais (**)
Assets				
Trade receivables	3,304	16,443	1,306	6,785
Contractual hedge	(897)	(4,464)	(264)	(1,369)
Net exposure	**2,407**	**11,979**	**1,042**	**5,416**

				Consolidated
	06/30/2021		12/31/2020	
	US Dollar	Reais (*)	US Dollar	Reais (**)
Assets				
Trade receivables	4,862	24,196	2,343	12,173
Contractual hedge	(897)	(4,464)	(264)	(1,369)
Liabilities				
Commissions	(1,378)	(6,857)	(1,153)	(5,988)
Net exposure	**2,587**	**12,875**	**927**	**4,816**

(*) Considers the rate of R$ 4.9764 quoted at 06/30/2021.

(**) Considers the rate of R$ 5.1961 quoted at 12/31/2020.

Fair value of financial instruments

The values of these financial instruments recognized in the balance sheet do not differ from the fair value shown in the first table of this note, which were determined considering level 2 in their measurement.

Interest earning bank deposits and restricted interest earning bank deposits –The book values informed in the balance sheet are the same as the fair value because their yield rates are based on change in the CDI rate, The values of these instruments recognized in the balance sheet do not differ from the fair value shown in the first table of this note, which were determined considering level 2 in their measurement.

Accounts receivable and other accounts receivable – These arise directly from the operations of the Company, being measured at amortized cost and recorded at the original amount, net of a provision for losses, when applicable, The book value approximates the fair value, considering the extremely short settlement term of these transactions (less than 90 days).

Loans and financing, suppliers and other accounts payable - These are classified as financial liabilities not measured at fair value and are recorded under the amortized cost method in accordance with the terms and conditions set forth in the contracts, This definition was adopted because the amounts are not held for trading, and, in the opinion of Management, reflects the most relevant accounting information.

In thousands of Reais, unless otherwise stated

Sensitivity analysis

Foreign exchange risk

A reasonably possible valuation (devaluation) of the Real against the USD at June 30, 2021 would have affected the measurement of the financial instruments denominated in foreign currency and affected the shareholders' equity and the result by the amounts shown below. The analysis considers that all the remaining variables, especially interest rates, will be constant and any impact in forecast of sales and purchase will be ignored.

			Consolidated
		Devaluation	
	Base amount	25%	50%
At June 30, 2021			
Freight services receivable - foreign market	12,875	(3,219)	(6,438)
Total	**12,875**	**(3,219)**	**(6,438)**

Interest rate risk

Results from the possibility of the Company and its subsidiary incurring gains or losses arising from changes of interest rates on their financial assets and liabilities, Aiming to mitigate this kind of risk, the Company and its subsidiaries seek to diversify funding in terms of fixed and variable rates.

The income from interest earning bank deposits, as well as financial expenses from the financing of the Company and its subsidiary and accounts payable are affected by the changes in the interest rates, such as CDI.

Three scenarios are considered in the table below, and the probable scenario considered the market levels prevailing on the date of these interim financial statements.

For scenario I, a 25% increase at CDI rate for investments, loans and accounts payable and scenario II, a 50% increase. The basic rate used for the probable scenario was 2,75%, pursuant to the Minutes of the 239rd meeting of Monetary Policy Committee of the Central Bank of Brazil on June 15 and 16, 2021.

						Consolidated
Exposure	**Index**	**Risk**	**Base amount**	**Probable scenario**	**Scenario I**	**Scenario II**
Interest earning bank deposits	CDI		84,321	3,584	3,794	4,638
Working capital	CDI		(176,226)	(7,490)	(7,930)	(9,692)
Debentures	CDI		(240,209)	(10,209)	(10,809)	(13,211)
Acquisition of subsidiaries	CDI		(91,120)	(3,873)	(4,100)	(5,012)
			(423,234)	**(17,987)**	**(19,046)**	**(23,278)**
Impact on income statement	CDI	**Increase in CDI rate**			**(1,058)**	**(5,290)**

In thousands of Reais, unless otherwise stated

37 Segment information

Operating segments are defined as components that develop business activities:

(i) That may obtain revenues and incur expenses;

(ii) The operating results of which are frequently reviewed by the chief operating decision maker for decisions regarding the resources to be allocated to the segment and assessment of its performance; and

(iii) For which there is individual financial information available.

Management has defined the operating segments based on the reports used by the chief operating decision maker to make strategic decisions. Two operating segments subject to information disclosure were identified, and they are separately managed through reports that support decision making. These operating segments' accounting policies are the same as those described in note 5. Dedicated Contract Carriage (DCC): provision of road cargo transportation using mainly own vehicles and equipment allocated to cover specific customers, through agreements effective for 3 to 6 years, with national coverage and in different sectors such as air gases, forestry, agribusiness, chemicals, etc.

Transportation Management (TM): provision of road transportation of cargo in general to customers from different sectors and with national and international coverage (Mercosur), under the types of Capacity, Fractional and International, using mainly aggregated vehicles drivers' vehicles and subcontracted third parties.

At June 30, 2021

	Dedicated	TM	Total Segments	Corporate	Consolidated
Net operating revenue	208,290	420,752	629,042	-	629,042
Cost of services rendered	(190,491)	(379,145)	(569,636)	-	(569,636)
Gross profit	**17,799**	**41,607**	**59,406**	**-**	**59,406**
Operating income (expenses)					
Administrative expenses (a)	(80)	(1.324,00)	(1.404)	(41,167)	(42,571)
Selling expenses	-	-	-	(9,954)	(9,954)
Impairment loss on trade receivables	(124)	(665)	(789)	(72)	(861)
Other operating income, net	136	2.211	2,347	12.849	15,196
Profit (loss) before net Finance costs and taxes	**17,731**	**41,829**	**59,560**	**(38,344)**	**21,216**
Finance expenses, net	-	-	-	(15,374)	(15,374)
Current and deferred income tax and social contribution	-	-	-	18,937	18,937
Profit (loss) for the period	**17,731**	**41,829**	**59,560**	**(34,781)**	**24.779**
(+) Finance expenses, net	-	-	-	15,374	15,374
(+) Current and deferred income tax and social contribution	-	-	-	(18,937)	(18,937)
(+) Depreciation and amortization	16,385	15,948	32,333	5,552	37,885
EBITDA (b)	**34,116**	**57,777**	**91,893**	**(32,792)**	**59,101**

In thousands of Reais, unless otherwise stated

At June 30, 2020

	Dedicated	TM	Total Segments	Corporate	Consolidated
Net operating revenue	169,503	266,027	435,530	-	435,530
Cost of services rendered	(148,093)	(233,337)	(381,430)	(7,207)	(388,637)
Gross profit	**21,410**	**32,690**	**54,100**	**(7,207)**	**46,893**
Operating income (expenses)					
Administrative expenses (a)	(202)	(134)	(336)	(28,776)	(29,112)
Selling expenses	-	-	-	(2,321)	(2,321)
Impairment loss on trade receivables	(148)	(1.135)	(1.283)	0	(1.283)
Other operating income (expenses), net	42	248	290	0,983	1,273
Profit (loss) before net Finance costs and taxes	**21,102**	**31,669**	**52,771**	**(37,321)**	**15,450**
Finance expenses, net	-	-	-	(11,933)	(11,933)
Current and deferred income tax and social contribution	-	-	-	(528)	(528)
Profit (loss) for the period	**21,101**	**31,669**	**18,448**	**(49,782)**	**2,989**
(+) Finance expenses, net	-	-	-	11,933	11,933
(+) Current and deferred income tax and social contribution	-	-	-	528	528
(+) Depreciation and amortization	14,659	12,114	26,773	6,248	33,021
EBITDA (b)	**35,760**	**43,783**	**45,221**	**(31,073)**	**48,471**

a) Administrative expenses in June 30, 2021, including R$ 774 related to M&A expenses (R$ 1,606 in June 30, 2020).

b) Earnings before net finance expense, taxes, depreciation and amortization.

Geographic information

Net revenue by country

	Consolidated	
Country	**06/30/2021**	**06/30/2020**
Brazil	592,812	423,282
All foreign countries	**36,230**	**12.247**
Argentina	20,822	9,898
Chile	3,395	470
Paraguay	1,518	109
Uruguay	10,090	1,683
Bolivia	77	87
Peru	328	-
	629,042	**435,529**

Major customers

On the six-months period ending on June 30, 2021, three clients represented 24% of the Company's net revenue, totaling R$ 151,807. The three customers are mainly concentrated in the DCC segment.

On the six-months period ending on June 30, 2020, three clients represented 32% of the Company's net revenue, totaling R$ 138,891. The three customers are mainly concentrated in the DCC segment.

38 Statement of added value

As required by Brazilian corporate law for publicly-held companies, and as additional information for IFRS purposes, the Company prepared statements of added value.

That financial information, with fundamentals on macroeconomic concepts, aim at presenting the share of the Company and its subsidiaries in the formation of GDP by calculating the added value not only by the Company and its subsidiaries, but also that received from other entities, and the distribution of related amounts to its employees, governmental obligations, asset lessors, loan & financing and debt security creditors, controlling and minority shareholders, and other remuneration representing the transfer of value to third parties, The added value represents the capital created by the Company, generally measured by the revenues from the sale of goods and provision of services, less related inputs acquired from third parties and also including the added value produced by third parties and transferred to the entity.

39 COVID-19 Impacts

Due to the virus pandemic declared by the World Health Organization (WHO), related to the new coronavirus (COVID-19) that has been affecting Brazil and many other countries worldwide, posing risks to public health and impacts on the economy worldwide, the Company informs hereby that, in accordance with its COVID-19 contingency plan, it has been taking preventive and risk mitigation measures, following the guidelines established by the national and international health authorities, aimed at minimizing possible impacts regarding the health and safety of its employees, families, partners and communities, and the continuity of its operations and business. The Company's Crisis Committee has been treating the matter with the aim of coordinating the actions related to the contingency plan, seeking to minimize the associated risks, as well as the impacts on its business. The Company has been evaluating the matter also together with its customers, suppliers and other creditors and, to date, no material impacts on its business have been identified.

Management and the Crisis Committee continue to evaluate, on an ongoing basis, the possible impacts from the virus pandemic on the Company's operations and financial position. In this scenario, the Company has also evaluated the following estimates in the Financial Statements:

(i) Expected credit losses due to the impacts from COVID-19

The Company and its subsidiaries have evaluated the trade accounts receivable balance as of June 30, 2021 and have not identified impaired or doubtful receivables. This analysis has been made based on the Company's accounting policies and on the assessment of the creditors financial situation.

(ii) Impairment of tangible and intangible assets

The Company and its subsidiaries have evaluated the indications of impairment of assets resulting from the virus pandemic and have concluded that there are no indications of change in the recoverable amount of their property, plant and equipment and intangible assets.

In addition, the Company has evaluated the need to recognize impairment by Cash Generating Unit (CGU) of goodwill based on expected future profits and has concluded that there is no impairment.

(iii) Fulfillment of assumed obligations towards customers and suppliers

The Company and its subsidiaries have evaluated their major supply contracts with suppliers and customers, respectively, and have concluded that, despite the impacts caused by the pandemic, the contractual obligations have been fulfilled and, therefore, at this point there is no evidence or formalization of insolvency or lack of liquidity relating to said contracts.

(iv) Compliance with covenants in loan contracts

The Company evaluated the covenants contained in its loan contracts and has concluded that it has reached the financial ratios, since they are computed only on an annual basis.

Finally, until the date of approval of these Interim Financial Statements, the Company informs that there have been no material impacts on its operations from COVID-19. However, considering the exposure to operational risks arising from any legal restrictions that may be imposed as a result of COVID-19, it is not possible to ensure that there will be no impact on operations or if profit/loss will not be affected by future consequences that the new pandemic may still cause.

40 Events after the reporting period

On July 12, 2021, the primary and secondary distribution of common shares, with restricted placement efforts, was canceled by a joint decision of the Group's Management and the Offering Coordinators, due to the instability of market conditions and the increase in the volatility of the Brazilian financial and capital markets perceived in recent months. This decision should not impact the measurement of our liabilities, nor should it impact assumptions previously considered to offset the recoverable amounts of our assets, with the exception of transaction costs (see note 11(a)) which should be recognized as an expense in the result in July 2021.

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Message from management

THE CONTINUITY OF THE GEOGRAPHIC EXPANSTION AND E-COMMERCE OPERATIONS AND CROSS SELLING AMONG THE GROUP'S COMPANIES MADE A POSITIVE QUARTER FOR BBM GROUP. DESPITE OPERATIONAL ACTIVITIES, THE QUARTER WAS MARKED BY SIGNIFICANTS INVESTMENTS ON CORPORATIVE MANGEMENT, INCLUDING THE NEW ERP GO LIVE (SAP) AND NEW MANAGEMENT AREAS (ESG, ASSETS AND RISKS MANAGEMENT AND OPERATIONAL RESEARCH).

The 2Q21 results are according with the accelerated growth of BBM in the last years, resulting in another expressive semester on development. Focused on service crossselling strategy, the operational growth was not only on volume, but also in geographic expansion. E-commerce operations growth has been even more accelerated, with 71.9% increase vs. 1H21, showing an assertive acquisition strategy, even in a scenario still challenging due to economic and market conditions.

- **Transport Management (TM):** Presenting 75.7% growth in net revenue vs. 2Q20 and 58.2% vs. 1H20, the TM division strongly continues to expand, mainly in ecommerce, Less Than Truckload (LTL) and international operations, and represents 67.8% of BBM gross revenue. The sales channels have been changed fast to increase logistics chain that requires delivery agility. Through the integration of LTL cargo and ecommerce operations, the delivery deadline decreased, and the distribution network substantially increased to meet the demand. On this strategy, we have been supporting several economic areas to reach their markets, whichever the sales channel selected.

- **Dedicated contracts (DCC):** In 2Q21 we continue the integration and value generation process on implanted solutions. In the south region, we started a new operation in which we integrate the harvesting of wood with the application of herbicides into a single process. We also expanded our harvest and transport operations to southeast region, and we started a new operation management on the northeast. On industrial gases operations, the expansion on north and northeast regions continues, focused on the increased demand for industrial and hospital oxygen on these regions.

- **M&A:** The acquisitions of Translag and Diálogo, which took place respectively in September and December 2020, close the first semester contributing to BBM's results. The direct sales channels service on Diálogo operations, consolidated BBM as the unique company in Mercosur with full service in the logistics chain (end-to-end solutions), operating from raw materials to delivery to the final consumer. Translag enabled us to expand our FTL, LTL and e-commerce businesses in the Midwest, Bahia and Sergipe. In this way, BBM's integration capacity stands out, as we are already operating in the regions that used to belong to Translag with the services provided by Diálogo (e-commerce). We signed two other non-binding Memorandum of Understanding (“MoUs”) for the acquisition of two logistics companies. The first one is focused on e-commerce market, from collection to final delivery (last mile), operating in an asset-light model and with a geographic presence that complements BBM's current e-commerce operations, including the southeast region. The second company is focused on LTL cargo service, with a strong presence in the North and Northeast regions, with relevant geographic complementarity with BBM's current LTL cargo operations. Both acquisition proposals are according with BBM's strategy of consolidation and growth through acquisitions, including geographic expansion with the objective of cover end-to-end services throughout Brazil and Mercosur. This strategic positioning has enabled us to deliver to customers a unique Omnichannel solution in Mercosur, as no matter which sales channel our customers use, we are able to attend with a high level of service.

The afore mentioned initiatives, associated with a continuous process of fast organic growth, are responsible for the 58.8% growth in consolidated net revenue vs. 2Q20. It stands out the growth in Adjusted EBITDA, which reached R $ 35.5 million (+22.7% vs. 2Q20).

Being aware of its social responsibility, BBM reinforced the actuation on ESG (Environmental, Social and Governance) creating a dedicated area, that already held a training for the entire leadership of the BBM Group about the ESG. The training is in line with our strategic planning, which, as one of Mercosur's largest logistics players, promotes diversity, respect for the environment and the highest levels of governance, to create a logistics ecosystem and an increasingly better world. In June, there was also the diversity week, with the aim of bringing to our employees the values present at BBM, which contribute to an environment where diversity, and above all inclusion, are part of our daily lives, something we see in our offices, our distribution centers and on our roads.

On the digital front, we continue to make strong progress in innovation, efficiency, and quality on our initiatives. In June, was the Go Live of the SAP S4/HANA ERP. Implemented in a cloud version, the system favors governance in accessing information, with agility. The initiative prepares BBM to accelerate the capture of synergies from new acquisitions and is fundamental for a future shared services center. The development and implementation of the BBM Digital Platform continues to advance, highlighting the Operational Research area, responsible for creating optimization algorithms, which now has a reinforced team and a dedicated board. It should also be noted that, in the period, we had several other process automation initiatives, such as the implementation of automatic and digital issuance of transport documents for air gas customers and the expansion of digital checklists (platform module), which promote agility, efficiency operational and paper use reduction (paperless), with an ongoing quest to reduce the environmental impact of its process and technology initiatives. We also created the assets and risks department, which strongly supports the best use of existing assets and risk mitigation. With these implementations, we now have a company with a technical capacity far above what is offered in the market, which enables us to deliver differentiated solutions and improve our profitability.

BBM continues to be in a comfortable financial position, closing 2Q21 with cash around R$ 106.4 million, driven by its operational cash generation, by its 2nd issue of debentures in the amount of R$ 240 million on 1Q21, as well as a working capital debt raising of R$ 44 million. The Net Debt / EBITDA LTM ratio remained in 2.4x[1]. In this way, the BBM Group strengthens its capacity to invest in organic growth projects, in infrastructure to support the business and in new acquisitions.

Even with the complexity economic scenario on 1H21, with pandemic restrictions impacting part of our business, BBM managed to demonstrate its resilience and execution capacity, achieving expressive growth compared to the same period of the previous year (44.4% on net revenue). From the begging of the transport process, raw material, to the last process, final consumer, BBM group covers all the logistics chain with End-To-End and Omnichannel solutions.

André Alarcon de Almeida Prado
CEO