BBM Logística S.A.

Interim financial statements
March 31, 2021

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Independent Auditors' Report on Review on Parent Company and Consolidated 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 parent company and consolidated interim financial statements of BBM Logística S.A. ("the Company"), included in the Quarterly Information Form - ITR for the quarter ended March 31, 2021, respectively referred to as Parent Company and Consolidated, comprising the parent company and consolidated balance sheets at March 31, 2021 and the parent company and consolidated statements of income, other comprehensive income, changes in shareholder's equity and cash flows for the three-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 parent company 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 parent company and consolidated interim financial statements referred above includes the parent company and consolidated statement of added value (DVA), for the three-month period ended March 31, 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, May 9, 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**	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Current assets					
Cash and cash equivalents	7	113,536	19,315	125,208	41,124
Trade accounts receivable	8	113,032	105,051	225,865	210,127
Inventories	9	7,844	7,103	8,839	8,347
Recoverable taxes	10	1,950	4,469	29,261	30,164
Trucks prepurchase financial pool		2,130	1,769	3,019	2,589
Other receivables	11	14,061	13,973	18,858	19,982
		252,553	**151,680**	**411,050**	**312,333**
Non-current assets					
Collateral deposits		462	463	909	909
Security deposits	25	1,526	1,585	3,756	3,930
Deferred taxes	29	17,145	12,489	22,142	15,168
Right-of-use	12	11,617	14,130	60,391	64,285
Investments	13	265,818	259,747	-	-
Property, plant and equipment	14	180,508	180,740	239,907	242,312
Intangible assets	15	15,956	12,755	174,222	175,520
		493,032	**481,909**	**501,327**	**502,124**
Total assets		**745,585**	**633,589**	**912,377**	**814,457**

		Parent Company		Consolidated	
Liabilities and Shareholders' equity	**Note**	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Current liabilities					
Suppliers	16	26,122	31,181	57,552	70,107
Loans and financing	17	59,149	78,493	62,212	92,066
Debentures	18	43,864	14,806	43,864	14,806
Leases	19	8,601	9,540	26,152	30,652
Dividends payable	26 a.	2,114	2,114	2,114	2,114
Social charges	20	23,459	20,986	46,040	44,462
Taxes payable	21	10,252	11,985	29,404	30,084
Tax debt installment payment plans	22	491	696	3,008	2,398
Trucks prepurchase financing pool		3,027	3,676	3,476	4,191
Acquisition of subsidiaries	23	40,634	32,758	40,634	32,758
Related parties - loans and financing	33	10,689	9,991	-	-
Other accounts payable	24	21,528	22,555	36,997	29,538
		249,930	**238,781**	**351,453**	**353,176**
Non-current liabilities					
Loans and financing	17	95,795	147,921	103,562	156,999
Debentures	18	192,737	21,088	192,737	21,088
Leases	19	4,351	5,937	36,980	36,370
Tax debt installment payment plans	22	202	262	8,834	10,534
Trucks prepurchase financing pool		36	857	36	857
Provision for tax, labor and civil risk	25	10,284	10,180	25,948	26,067
Acquisition of subsidiaries	23	52,520	66,207	52,520	66,207
Other accounts payable	24	13,013	14,825	13,584	15,622
		368,938	**267,277**	**434,201**	**333,744**
Total liabilities		**618,868**	**506,058**	**785,654**	**686,920**
Shareholders' equity	26				
Capital (net of transaction costs)		95,302	95,302	95,302	95,302
Equity valuation adjustments		1,274	1,391	1,274	1,391
Profit reserves		30,838	30,838	30,838	30,838
Accumulated losses		(697)	-	(697)	-
Shareholders' equity attributable to the controlling shareholders		**126,717**	**127,531**	**126,717**	**127,531**
Non-controlling interests		-	-	6	6
Total shareholders' equity		**126,717**	**127,531**	**126,723**	**127,537**
Total liabilities and shareholders' equity		**745,585**	**633,589**	**912,377**	**814,457**

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

In thousands of Reais, unless otherwise stated

		Parent Company		Consolidated	
	Note	**03/31/2021**	**03/31/2020**	**03/31/2021**	**03/31/2020**
Net revenue	30	141,428	120,575	298,637	226,773
Cost of services rendered	31a	(135,575)	(110,630)	(272,526)	(210,197)
Gross profit		**5,853**	**9,945**	**26,111**	**16,576**
Operating income (expenses)					
Administrative expenses	31b	(10,313)	(12,784)	(18,171)	(17,799)
Sales expenses	31b	(1,905)	(1,192)	(4,806)	(1,444)
Loss allowances for expected credit losses	8	(583)	(320)	(882)	(329)
Other operating income (loss), net		554	(22)	3,534	6,075
(Loss) income before financial expenses, taxes and equity in income of		**(6,394)**	**(4,373)**	**5,786**	**3,079**
Share of profit of subsidiaries					
Equity in net income of subsidiaries	13	8,317	4,436	-	-
Financial expenses, net	32				
Financial income		1,250	1,309	2,760	3,793
Financial expenses		(8,643)	(6,327)	(11,018)	(9,489)
Loss before taxes		**(5.470)**	**(4,955)**	**(2,472)**	**(2,617)**
Income tax and social contribution	29				
Current		-	-	(3,874)	(2.490)
Deferred		4,656	2.301	5,532	2.453
Loss for the period		**(814)**	**(2,654)**	**(814)**	**(2,654)**
Loss per share	27				
Basic loss per share (in R$)		(0.0200)	(0.0651)	(0.0200)	(0.0651)
Diluted loss per share (in R$)		(0.0200)	(0.0651)	(0.0200)	(0.0651)

In thousands of Reais, unless otherwise stated

	Parent Company		Consolidated	
	03/31/2021	**03/31/2020**	**03/31/2021**	**03/31/2020**
Loss for the period	(814)	(2,654)	(814)	(2,654)
Other	-	-	-	-
Total comprehensive income for the period	**(814)**	**(2,654)**	**(814)**	**(2,654)**

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

In thousands of Reais, unless otherwise stated

			Profit reserves							
	Capital	Transaction cost	Legal reserve	Tax incentive reserve	Profit retention reserve	Equity valuation adjustments	Accumulated losses	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	-	-	-	-	-	(181)	181	-	-	-
Loss for the period	-	-	-	-	-	-	(2,654)	(2,654)	-	(2,654)
March 31, 2020	**102,490**	**(7,188)**	**1,750**	**-**	**21,900**	**1,612**	**(2,473)**	**118,091**	**6**	**118,097**
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	-	-	-	-	-	(117)	117	-	-	-
Loss for the period	-	-	-	-	-	-	(814)	(814)	-	(814)
March 31, 2021	**102,490**	**(7,188)**	**2,195**	**6,742**	**21,901**	**1,274**	**(697)**	**126,717**	**6**	**126,723**

In thousands of Reais, unless otherwise stated

		Parent Company		Consolidated	
	Note	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Cash flows from operating activities					
Loss before taxes		(5,470)	(4,955)	(2,472)	(2,617)
Adjustments for:					
Depreciation and amortization	14 and 15	8,155	7,294	11,527	11,334
Depreciation of right-of-use asset	12	2,615	2,331	7,628	7,007
Loss on sale of property, plant and equipment		422	1,182	1,081	1,057
Interest expenses on loans and financing, debentures and prepurchase financing pool	17 and 18	5,949	4,412	6,427	4,563
Interest on lease	19	336	338	1,319	1,402
Equity in net income of subsidiaries	13	(8,317)	(4,436)	-	-
Loss allowances for expected credit losses	8	583	320	(882)	329
Provision for tax, labor and civil risks	25	394	840	1,104	1,063
Interest on payables from acquisition of subsidiaries		1,272	1,077	1,272	1,077
Changes in assets and liabilities					
Inventories		(741)	(1,969)	(492)	(1,926)
Trade accounts receivable		(8,564)	(3,549)	(14,856)	(5,525)
Security deposits		59	137	174	101
Taxes recoverable		2,520	2,458	0,903	5,784
Other receivables		(2,225)	(4,815)	(2,129)	(4,285)
Trade payables		(5,059)	(4,670)	(12,555)	(9,679)
Payroll charges		2,473	2,378	1,578	3,254
Taxes payable and tax debt installment payment plans		(1,998)	3,340	(2,075)	3,883
Other payables		(3,130)	(247)	4.201	1,654
Cash (used in) generated by operating activities		**(10,726)**	**1,466**	**1,753**	**18,476**
Income tax and social contribution paid		-	-	(3.569)	(5.683)
Net cash (used in) generated by operating activities		**(10,726)**	**1,466**	**(1,816)**	**12,793**
Cash flows from investing activities					
Purchases of property, plant and equipment and intangible assets	14 and 15	(11,724)	(19,273)	(12,770)	(19,451)
Payment for acquisition of subsidiaries		(3,563)	-	(3,563)	-
Trucks prepurchase financial pool quotas not yet granted		(355)	(620)	(424)	(676)
Amount received for sale of property, plant and equipment		864	583	1.977	660
Net cash used in investing activities		**(14,778)**	**(19,310)**	**(14,780)**	**(19,467)**
Cash flows from financing activities					
Prepurchase financing pool quotas released		(1,809)	(1,979)	(1,931)	(2,074)
Loans - related parties	33	698	1,445	-	-
Proceeds from loans and financing	17	23,600	6,336	23,600	6,336
Proceeds from debentures - net of funding cost	18	236,377	-	236,377	-
Payment of debentures	18	(36,250)	(2,500)	(36,250)	(2,500)
Payment of interest on debentures	18	(1,018)	(897)	(1,018)	(897)
Payment of loans and financing	17	(95,141)	(10,898)	(106,649)	(11,195)
Payment of interest on loans and financing	17	(3,768)	(2,601)	(4,504)	(2,752)
Payment of leases	19	(2,628)	(1,661)	(7,625)	(6,715)
Payment of interest on leases	19	(336)	(338)	(1,319)	(506)
Net cash generated by (used in) financing activities		**119,725**	**(13,093)**	**100,681**	**(20,303)**
Increase (decrease) in cash and cash equivalents		**94,221**	**(30,937)**	**84,084**	**(26,977)**
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		**113,536**	**14,066**	**125,208**	**35,495**

In thousands of Reais, unless otherwise stated

	Parent Company		Consolidated	
	03/31/2021	**03/31/2020**	**03/31/2021**	**03/31/2020**
Revenues (1)	**166,131**	**142,242**	**356,224**	**271,760**
Sale of services	165,806	141,277	353,201	270,365
Other revenues	908	1,285	3,905	1,724
Loss allowances for expected credit losses	(583)	(320)	(882)	(329)
	-	-	-	-
Inputs acquired from third parties (2)	**93,467**	**82,564**	**184,118**	**141,205**
(Includes taxes - ICMS, ISS, PIS and COFINS)				
Cost of services rendered	87,586	73,251	171,112	128,183
Materials, energy, outsourced services and other	5,881	9,313	13,006	13,022
Gross value added (1) - (2) = (3)	**72,664**	**59,678**	**172,106**	**130,555**
Depreciation and amortization (4)	10,770	9,625	19,155	18,341
Net value added generated by the Company (3) - (4) = (5)	**61,894**	**50,053**	**152,951**	**112,214**
Value added received through transfer (6)	**9,567**	**5,745**	**2,760**	**3,793**
Equity in net income of subsidiaries	8,317	4,436	-	-
Finance income	1,250	1,309	2,760	3,793
Total value added to distribute (5) + (6)	**71,461**	**55,798**	**155,711**	**116,007**
Distribution of value added	**71,461**	**55,798**	**155,711**	**116,007**
Personnel	43,372	33,425	90,635	64,811
Taxes and contributions	19,722	17,229	52,908	42,195
Remuneration of third-party capital	**9,181**	**7,798**	**12,982**	**11,655**
Interest	8,643	6,327	11,018	9,489
Rentals	538	1,471	1,964	2,166
Remuneration of own capital:	**(814)**	**(2,654)**	**(814)**	**(2,654)**
Loss for the period	(814)	(2,654)	(814)	(2,654)

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

1 Operations

BBM Logistica S.A. (the "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 March 31, 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").

The accounting policies, described in note 5, have been consistently applied in all subsidiaries.

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 São, 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, Goiás, Tocantins and Distrito Federal. 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 May 9, 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 12, 2021. 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 March 31, 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 8 -** Measurement of estimated credit impairment loss for accounts receivable; main assumptions in determining the weighted average loss rate;

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

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

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

- **Note 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.

The Group applied the definition of "Business" to the business combinations whose acquisition dates occurred on or after January 1, 2021 to assess whether it had acquired a business or a group of assets.

(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:

	At March 31, 2021	At December 31, 2020
Software	3 to 5 years	3 to 5 years
Customer portfolio	5 to 13 years	5 to 13 years
Trademarks	10 years	10 years
Non-compete agreement	5 years	5 years

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. To assess whether a contract conveys the right to control the use of an identified asset. A lease is 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);
- Classification of Liabilities as Current or Non-current (Amendments to CPC 26/IAS 1).

7 Cash and cash equivalents

	Parent Company		Consolidated	
	03/31/2021	**12/31/2020**	**03/31/2021**	**12/31/2020**
Cash	646	688	911	879
Banks	3,051	3,333	10,035	21,628
Interest earning bank deposits (a)	109,839	15,294	114,262	18,617
	113,536	**19,315**	**125,208**	**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 103.86% of the Interbank Deposit Certificate (CDI) in 2021 (98.2% in December 31, 2020).

8 Trade accounts receivable

a) Breakdown

	Parent Company		Consolidated	
	03/31/2021	**12/31/2020**	**03/31/2021**	**12/31/2020**
Freight services receivable in domestic market	67,340	66,436	161,768	150,829
Freight services receivable in foreign market	8,575	6,785	15,889	12,173
Other receivables – related parties (Note 33)	1,349	1,703	-	-
Services to be billed	39,182	32,958	53,970	52,005
Impairment loss	(3,414)	(2,831)	(5,762)	(4,880)
	113,032	**105,051**	**225,865**	**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	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Falling due	104,146	89,527	204,602	183,324
Overdue up to 30 days	4,286	7,340	9,803	12,648
Overdue from 31 to 60 days	916	4,259	4,303	6,021
Overdue from 61 to 90 days	1,206	1,568	1,996	2,907
Overdue from 90 to 180 days	1,737	1,508	2,901	2,158
Overdue over 180 days	4,155	3,680	8,022	7,949
Loss allowances for expected credit losses	(3,414)	(2,831)	(5,762)	(4,880)
	113,032	**105,051**	**225,865**	**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	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
At the beginning of the period	2,831	1,992	4,880	4,203
Provision for loss	1,458	852	2,339	1,405
Reversal of provision	(875)	(532)	(1,457)	(1,076)
At the end of the period	**3,414**	**2,312**	**5,762**	**4,532**

9 Inventories

Inventories refer to tires and maintenance parts to be used in the trucks and wagons.

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Tires	2,854	2,258	2,911	2,316
Maintenance parts	4,990	4,845	5,928	6,031
	7,844	**7,103**	**8,839**	**8,347**

10 Recoverable taxes

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
PIS/COFINS (taxes on revenue) (a)	1,380	3,945	20,035	20,962
Income tax	520	481	7,067	7,051
Social contribution	50	43	2,152	2,145
Other taxes recoverable	-	-	7	6
	1,950	**4,469**	**29,261**	**30,164**

a) On April 22, 2019, there was a final decision favorable to legal action proposed by the subsidiary Transportes Translovato that discussed the Company's right to exclude, from the PIS and COFINS calculation basis, the ICMS - Imposto sobre Operações relativas à Circulação de Mercadorias e Prestação de Serviços (state VAT) included in the invoices ("invoiced ICMS"), retroacting this right to September 2006. The credits arising from this lawsuit were recognized in 2020 under the heading of recoverable taxes in the total amount of R$ 38,577. The amount in this account refers substantially to Translovato credits, which on March 31, 2021, is R$ 12,095.

In thousands of Reais, unless otherwise stated

Management, based on legal opinions received from its legal/tax advisors, decided to recognized, in 2019, the full amount of the “invoiced ICMS”, which is the best estimate of the realizable amount, considering that the interpretation of the tax legislation gives rise to this right, added to the fact that the original lawsuit claimed by the Company was based on such “invoiced ICMS, and also due to the fact that the full amount of the “invoiced ICMS” was validated by the Federal tax authorities.

Management applied the credits up to the "collected ICMS" balance of R$ 29,018 to compensate the payment of current taxes, while waiting the Supreme Court to reach a final decision about the modulation effects.

11 Other receivables

	Parent Company		Consolidated	
	03/31/2021	**12/31/2020**	**03/31/2021**	**12/31/2020**
Prepaid expenses - initial public offering (IPO) (a)	5,843	5,451	5,843	5,451
Prepaid expenses	2,366	2,539	3,391	3,567
Reimbursable expenses (b)	455	1,500	2,236	3,227
Advances to employees	1,838	1,387	2,617	3,223
Advances to suppliers (c)	746	755	1,077	1,254
Receivables from vehicle sales	2,187	1,735	2,486	2,034
Other receivables	626	606	1,208	1,226
Total	**14,061**	**13,973**	**18,858**	**19,982**

(a) Refer to transaction costs incurred in the ongoing initial public offering of the Company.

(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.

In thousands of Reais, unless otherwise stated

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)	-	76	-	76
New contracts	-	27	-	27
Depreciation	(1,798)	(765)	(52)	(2,615)
At March 31, 2021	**7,185**	**4,298**	**134**	**11,617**

	Parent Company			
Right-of-use	**Vehicles**	**Properties**	**Equipment**	**Total**
At December 31, 2019	**7,424**	**5,219**	**-**	**12,643**
Additions (i)	1,626	1,021	-	2,647
Depreciation	(1,576)	(755)	-	(2,331)
Write-offs (i)	(1,245)	(79)	-	(1,324)
At March 31, 2020	**6,229**	**5,406**	**-**	**11,635**

	Consolidated			
Right-of-use	**Vehicles**	**Properties**	**Equipment**	**Total**
At December 31, 2020	**13,928**	**50,170**	**186**	**64,285**
Additions (i)	-	2,709	-	2,709
New contracts	-	1,308	-	1,308
Depreciation	(2,274)	(5,302)	(52)	(7,628)
Write-offs (i)	(271)	(11)	-	(282)
At March 31, 2021	**11,383**	**48,874**	**134**	**60,391**

	Consolidated			
Right-of-use	**Vehicles**	**Properties**	**Equipment**	**Total**
At December 31, 2019	**13,761**	**53,621**	**-**	**67,382**
Additions (i)	1,626	1,356	-	2,982
Depreciation	(2,106)	(4,901)	-	(7,007)
Write-offs (i)	(1,245)	(79)	-	(1,324)
At March 31, 2020	**12,036**	**49,997**	**-**	**62,033**

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

13 Investments

a. Breakdown of balances of equity method investees

	Parent Company	
Breakdown	**03/31/2021**	**12/31/2020**
Itanave	120	120
Transeich Assessoria	83,962	79,469
Transeich Armazéns	4,166	4,175
Translovato	70,918	65,677
Translag	40,143	41,388
Diálogo	66,509	68,918
	265,818	**259,747**

In thousands of Reais, unless otherwise stated

b. Changes in balances

				Parent Company
	At December 31, 2020	Purchase price adjustment (i)	Equity in net income of subsidiaries	At March 31, 2021
Itanave	120	-	-	120
Transeich Assessoria	79,469	-	4,493	83,962
Transeich Armazéns	4,175	-	(9)	4,166
Translovato	65,677	-	5,241	70,918
Translag	41,388	-	(1.245)	40,143
Diálogo (i)	68,918	(2,245)	(164)	66,509
Total	**259,747**	**(2,245)**	**8,316**	**265,818**

	At December 31, 2019	Purchase price adjustment	Equity in net income of subsidiaries	At March 31, 2020
Itanave	120	-	-	120
Transeich Assessoria	68,245	-	1,775	70,020
Transeich Armazéns	3,594	-	633	4,227
Translovato	90,757	-	2,028	92,785
Total	**162,716**	**-**	**4,436**	**167,152**

(i) See note 15(c).

c. Information on subsidiaries

					Parent Company
At March 31, 2021	**Net income (loss) for the year**	**Share capital**	**Equity**	**Equity interest**	**Equity in net income of subsidiaries**
Itanave	-	951	126	95%	-
Transeich Assessoria	4,493	54,646	74,142	100%	4,493
Transeich Armazéns	(9)	3,007	4,138	100%	(9)
Translovato	5,241	3,375	44,057	100%	5,241
Translag	(1.245)	17,851	17,581	100%	(1.245)
Diálogo	(164)	1,588	2,081	100%	(164)

At March 31, 2020	**Net income (loss) for the year**	**Share capital**	**Equity**	**Equity interest**	**Equity in net income of subsidiaries**
Itanave	-	951	126	95%	-
Transeich Assessoria	1,775	54,646	68,328	100%	1,775
Transeich Armazéns	633	3,007	4,199	100%	633
Translovato	2,028	3,375	48,552	100%	2,028

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

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

In thousands of Reais, unless otherwise stated

						Parent Company
At March 31, 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	76,816	12,871	35,422	3,284	50,981	4,670
Transeich Armazéns	4,154	561	113	195	4,407	(4)
Translovato	82,236	79,496	70,783	53,768	37,181	6,235
Translag	14,432	24,842	12,128	8,873	18,273	(808)
Diálogo	18,262	5,264	16,346	4,109	3,071	183

At March 31, 2020	**Current assets**	**Non-current assets**	**Current liabilities**	**Non-current liabilities**	**Shareholders ' equity**	**Net income (loss) for the year**
Itanave	59	67	-	-	126	-
Transeich Assessoria	62,587	18,583	39,494	5,193	36,483	2,036
Transeich Armazéns	8,063	528	3,899	230	4,462	633
Translovato	67,213	105,437	62,649	56,868	53,133	4,581

14 Property, plant and equipment

							Parent Company
	At January 1, 2021	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Write-offs of depreciation**	**At March 31, 2021**
Machinery and equipment	24,019	2,107	-	(896)	(9)	-	25,221
Vehicles and tractors	140,930	3,918	(1,212)	(6,669)	9	790	137,766
Furniture and fixtures	1,438	140	-	(47)	73	-	1,604
Computers and peripherals	2,078	704	-	(171)	39	-	2,650
Buildings	6,398	-	-	(69)	-	-	6,329
Packaging for transport	158	-	-	(6)	-	-	152
Construction in progress	5,154	364	-	-	(171)	-	5,347
Leasehold improvements	564	876	-	(61)	59	-	1,438
Total	**180,740**	**8,109**	**(1,212)**	**(7,919)**	**-**	**790**	**180,508**

							Parent Company
	At January 1, 2020	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Write-offs of depreciation**	**At March 31, 2020**
Machinery and equipment	20,635	185	(713)	(949)	-	110	19,268
Vehicles and tractors	142,242	19,782	(2,952)	(5,999)	-	1,790	154,863
Furniture and fixtures	857	129	-	(29)	-	-	957
Computers and peripherals	1,263	224	-	(98)	-	-	1,389
Buildings	6,195	-	-	(68)	-	-	6,127
Packaging for transport	186	-	-	(7)	-	-	179
Construction in progress	2,007	1,268	-	-	-	-	3,275
Leasehold improvements	738	5	-	(7)	-	-	736
Total	**174,123**	**21,593**	**(3,665)**	**(7,157)**	**-**	**1,900**	**186,794**

							Consolidated
	At January 1, 2021	**Additions**	**Write-offs**	**Depreciation**	**Transfers**	**Write-offs of depreciation**	**At March 31, 2021**
Machinery and equipment	28,592	2,335	-	(1,031)	(9)	-	29,887
Vehicles and tractors	188,853	3,982	(4,367)	(8,375)	9	3.400	183,502
Furniture and fixtures	2,959	213	(14)	(130)	73	11	3,112
Computers and peripherals	3,877	917	(170)	(411)	39	88	4,340
Buildings	6,669	12	-	(89)	-	-	6,592
Packaging for transport	158	-	-	(6)	-	-	152
Construction in progress	5,258	365	(27)	-	(171)	-	5,425
Leasehold improvements	5,946	1,034	(2)	(140)	59	-	6,897
Total	**242,312**	**8,858**	**(4,580)**	**(10,182)**	**-**	**3,499**	**239,907**

In thousands of Reais, unless otherwise stated

							Consolidated
	At January 1, 2020	Additions	Write-offs	Depreciation	Transfers	Write-offs of depreciation	At March 31, 2020
Machinery and equipment	24,149	220	(713)	(1,064)	-	110	22,702
Vehicles and tractors	189,477	19,816	(3,662)	(9,188)	-	2,552	198,995
Furniture and fixtures	2,033	134	(1)	(97)	-	1	2,070
Computers and peripherals	1,849	244	(5)	(215)	-	1	1,874
Buildings	6,239	2	-	(73)	-	-	6,168
Packaging for transport	186	-	-	(7)	-	-	179
Construction in progress	2,007	1,268	-	-	-	-	3,275
Leasehold improvements	3,743	5	-	(50)	-	-	3,698
Total	**229,683**	**21,689**	**(4,381)**	**(10,694)**	**-**	**2,664**	**238,961**

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

The Company's Management reviewed, on March 31, 2021 the depreciation method, useful lives and residual value of property, plant and equipment and no adjustments were made.

b. Assets fiduciary lien

At March 31, 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). The amount of loans and financing guaranteed by these assets is R$ 78,765, on March 31, 2021 (R$ 123,527 on December 31, 2020).

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 period ended March 31, 2021, Management did not identify impairment indications.

15 Intangible assets

a. Breakdown of balances

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Software	15,956	12,755	17,831	14,446
Goodwill on acquisition of subsidiaries	-	-	130,255	133,942
Client portfolio	-	-	17,759	18,470
Brands	-	-	5,508	5,645
Non-compete agreement	-	-	2,869	3,017
	15,956	**12,755**	**174,222**	**175,520**

In thousands of Reais, unless otherwise stated

b. Details of intangibles assets held by subsidiaries

						Consolidated
At March 31, 2021	**Software**	**Goodwill on acquisition of subsidiaries**	**Client portfolio**	**Brands**	**Non-compete agreement**	**Total**
BBM Logística	15,956	-	-	-	-	15,956
Transeich Assessoria	-	30,438	1,919	-	-	32,357
Transeich Armazéns	-	-	-	-	-	-
Translovato	1,002	29,582	1,118	2,438	818	34,958
Translag	14	18,260	339	907	497	20,017
Diálogo	859	51,975	14,383	2,163	1,554	70,934
	17,831	**130,255**	**17,759**	**5,508**	**2,869**	**174,222**

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**

c. Changes in balances

						Consolidated
	At January 1, 2021	**Additions**	**Goodwill adjustment Diálogo (i)**	**Goodwill adjustment Translag (ii)**	**(-) Amortization**	**At March 31, 2021**
Software	14,446	3,734	-	-	(349)	17,831
Goodwill	133,942	-	(2,245)	(1,442)	-	130,255
Client portfolio	18,470	-	-	-	(711)	17,759
Brands	5,645	-	-	-	(137)	5,508
Non-compete agreement	3,017	-	-	-	(148)	2,869
Total	**175,519**	**3,734**	**(2,245)**	**(1,442)**	**(1,345)**	**174,222**

	At January 1, 2020	Additions	Goodwill adjustment Diálogo (i)	Goodwill adjustment Translag (ii)	(-) Amortization	At March 31, 2020
Software	3,359	1,129	-	-	(219)	4,269
Goodwill	60,271	-	-	-	-	60,271
Client portfolio	4,511	-	-	-	(292)	4,219
Brands	2,791	-	-	-	(71)	2,720
Non-compete agreement	1,100	-	-	-	(58)	1,042
Total	**72,032**	**1,129**	**-**	**-**	**(640)**	**72,521**

(i) On March 22, 2021, 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:

In thousands of Reais, unless otherwise stated

	Goodwill on the acquisition of Diálogo		
	12/31/2020	**Adjustment**	**03/31/2020**
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**	**03/31/2020**
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)	(1,442)	(23,831)
Goodwill on acquisition	**19,702**	**(1,442)**	**18,260**

16 Suppliers

	Parent Company		Consolidated	
	03/31/2021	**12/31/2020**	**03/31/2021**	**12/31/2020**
Domestic suppliers	22,544	27,961	49,935	60,855
Freight payable	3,578	3,220	7,617	9,252
	26,122	**31,181**	**57,552**	**70,107**

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		Noncurrent liabilities		Total	
In local currency	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Working capital	5,74%	5,31%	59,149	70,048	95,795	139,832	154,944	209,880
Finame	-	8,42%	-	8,150	-	8,010	-	16,160
Lease	-	16.81%	-	295	-	79	-	374
			59,149	**78,493**	**95,795**	**147,921**	**154,944**	**226,414**

In thousands of Reais, unless otherwise stated

								Consolidated
Type	**Average annual charges**		**Current liabilities**		**Noncurrent liabilities**			**Total**
In local currency	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Working capital	5.81%	5.41%	62,212	83,621	103,562	148,910	165,774	232,531
Finame	-	8.42%	-	8,150	-	8,010	-	16,160
Lease	-	16.81%	-	295	-	79	-	374
			62,212	**92,066**	**103,562**	**156,999**	**165,774**	**249,065**

b. Changes in balances

	Parent Company	Consolidated
At December 31, 2020	**226,414**	**249,065**
Funding	23,600	23,600
Finance charges	3,839	4,262
Payment - principal (**)	(95,141)	(106,649)
Payment - interest and charges (*)	(3,768)	(4,504)
At March 31, 2021	**154,944**	**165,774**

	Parent Company	Consolidated
At December 31, 2019	**164,982**	**169,428**
Funding	6,336	6,336
Finance charges	2,910	3,061
Payment - principal	(10,898)	(11,195)
Payment - interest and charges (*)	(2,601)	(2,752)
At March 31, 2020	**160,729**	**164,878**

(*) 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.

c. Maturities

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

	Parent Company		Consolidated	
Year	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
2021	-	76,808	-	78,611
2022	40,607	59,011	48,374	63,964
2023	47,128	9,523	47,128	11,089
2024	7,623	2,579	7,623	3,335
2025	437	-	437	-
	95,795	**147,921**	**103,562**	**156,999**

Loans and financing in a total amount of R$ 78,765 on March 31, 2021 (R$ 123,527 on December 31, 2020) are secured by fixed assets.

In thousands of Reais, unless otherwise stated

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		Noncurrent		Total	
Description	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Principal	44,651	15,000	195,349	21,250	240,000	36,250
Trasaction costs	(1,011)	(216)	(2,612)	(162)	(3,623)	(378)
Interest	224	22	-	-	224	22
	43,864	**14,806**	**192,737**	**21,088**	**236,601**	**35,894**

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	(1,018)
Interest and transaction costs	1,598
At March 31, 2021	**236,601**
At December 31, 2019	**49,436**
Funding cost	947
Payment – interest	(2,500)
Interest and transaction costs	(897)
At March 31, 2020	**46,986**

In thousands of Reais, unless otherwise stated

c) Maturities, net of transactions costs

	Parent Company and Consolidated					
	Current		Noncurrent		Total	
Year	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020
2021	27,906	15,022	-	-	27,906	15,022
2022	16,745	-	50,233	15,000	66,978	15,000
2023	-	-	66,977	6,250	66,977	6,250
2024	-	-	66,977	-	66,977	-
2025	-	-	11,162	-	11,162	-
	44,651	**15,022**	**195,349**	**21,250**	**240,000**	**36,272**

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:

In thousands of Reais, unless otherwise stated

- 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 March 31, 2021 the Company is in compliance with all the financial obligations and ratios required by the debentures and the loan and financing agreements.

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*	-	76	-	76
New contracts	-	27	-	27
Write-off*	-	-	-	-
Accrued interest	235	98	3	336
Interest paid	(235)	(98)	(3)	(336)
Repayments	(1,833)	(740)	(55)	(2,628)
At March 31, 2021	**8,574**	**4,248**	**130**	**12,952**
Current	5,794	2,682	124	8,601
Noncurrent	2,780	1,566	6	4,351

	Parent Company			
	Vehicles	Properties	IT equipment	Total
At December 31, 2019	7,717	5,396	-	13,113
Additions*	1,626	1,021	-	2,647
New contracts	(1,245)	(79)	-	(1,324)
Write-off*	202	136	-	338
Accrued interest	(202)	(136)	-	(338)
Interest paid	(973)	(688)	-	(1,661)
At March 31, 2020	**7,125**	**5,650**	**-**	**12,775**
Current	2,482	1,958		4,440
Noncurrent	4,643	3,692		8,335

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*	-	2,709	-	2,709
New contracts	-	1,308	-	1,308
Write-off*	(271)	(11)	-	(282)
Accrued interest	288	1,028	3	1,319
Interest paid	(288)	(1,028)	(3)	(1,319)
Repayments	(2,241)	(5,329)	(55)	(7,625)
At March 31, 2021	**13,162**	**49,840**	**130**	**63,132**
Current	10,382	15,645	124	26,152
Noncurrent	2,780	34,195	6	36,980

	Consolidated			
	Vehicles	Properties	IT equipment	Total
At December 31, 2019	12,477	55,268	-	67,745
Additions*	1,626	1,356	-	2,982
New contracts	-	-	-	-
Write-off*	(1,245)	(79)	-	(1,324)
Accrued interest	1,084	318	-	1,402
Interest paid	(245)	(261)	-	(506)
Repayments	(1,776)	(4,939)	-	(6,715)
At March 31, 2020	**11,921**	**51,663**	**-**	**63,584**
Current	5,771	14,393		20,164
Noncurrent	6,150	37,270		43,420

*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 March 31, 2021	Parent Company			Consolidated		
Lessor type	**Present value**	**Par value**	**Potential PIS/COFINS**	**Present value**	**Par value**	**Potential PIS/COFINS**
Individuals	830	878	-	830	878	-
Corporate	12,122	12,993	1,202	62,302	67,137	6,210
	12,952	**13,871**	**1,202**	**63,132**	**68,015**	**6,210**

At December 31, 202	Parent Company			Consolidated		
Lessor type	**Present value**	**Par value**	**Potential PIS/COFINS**	**Present value**	**Par value**	**Potential PIS/COFINS**
Individuals	773	809	-	733	809	-
Corporate	14,744	16,063	1,364	62,851	71,437	6,608
	15,517	**16,872**	**1,364**	**63,584**	**72,246**	**6,608**

In thousands of Reais, unless otherwise stated

20 Social charges

	Parent Company		Consolidated	
	03/31/2021	**12/31/2020**	**03/31/2021**	**12/31/2020**
Accrued vacation pay	8,497	7,693	16,827	17,568
Salaries and wages	4,369	4,571	9,328	10,059
National social security institute–INSS*, payable	3,147	3,032	7,305	7,640
Provision for 13º salary	2,160	-	4,421	-
Charges on accrued vacation pay	2,720	2,581	4,353	4,226
FGTS* (Severance pay fund)	1,033	1,262	1,672	2,212
Labor contingencies payable	563	788	1,039	1,561
Other charges	970	1,059	1,095	1,196
	23,459	**20,986**	**46,040**	**44,462**

INSS – Social security contribution
FGTS - Severance Pay Fund

21 Taxes payable

	Parent Company		Consolidated	
	03/31/2021	**12/31/2020**	**03/31/2021**	**12/31/2020**
PIS/COFINS (taxes on revenue) and ICMS (State VAT)	9,413	10,191	18,172	18,476
Income tax and social contribution provision (a)	-	-	3,757	5,317
Income tax and social contribution	-	-	5,430	2,908
Retained tax	160	1,064	674	2,170
Other taxes payable	679	730	1,371	1,213
Total	**10,252**	**11,985**	**29,404**	**30,084**

(a) Uncertainties over income tax treatments

As discussed in note 10 (a), on April 22, 2019, the favorable legal action filed by the subsidiary Transportes Translovato which discussed the right to exclude ICMS from the PIS and COFINS calculation bases occurred, bringing this right back to September 2006.

The original credit resulting from the lawsuit was recognized in recoverable taxes in the total amount of R$ 38,577. 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 March 31, 2021 of R$ 3,757 (R$ 5,317 as of December 31, 2020) under the credits mentioned above, 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	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Taxes in installments (PERT) (a)	550	633	5,305	6,124
PIS/COFINS and CPRB (social security) (b)	10	14	5,287	5,294
ICMS (c)	133	311	1,250	1,514
	693	**958**	**11,842**	**12,932**
Current	491	696	3,008	2,398
Noncurrent	202	262	8,834	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		Noncurrent		Total	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Translovato (a)	10,036	11,259	32,792	35,500	42,828	46,759
Translag (b)	6,465	6,436	11,125	11,553	17,590	17,989
Diálogo (c)	24,133	15,063	8,603	19,154	32,736	34,217
	40,634	**32,758**	**52,520**	**66,207**	**93,154**	**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.

In thousands of Reais, unless otherwise stated

The fair value, on the date of acquisition, of the two annual installments was R$ 22,206. 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		Noncurrent		Total	
Year	**03/31/21**	**12/31/20**	**03/31/21**	**12/31/20**	**03/31/21**	**12/31/20**
2021	27,671	32,758	-	-	27,671	32,758
2022	12,963	-	19,090	29,324	32,053	29,324
2023	-	-	21,609	21,800	21,609	21,800
2024	-	-	11,821	15,083	11,821	15,083
	40,634	**32,758**	**52,520**	**66,207**	**93,154**	**98,965**

24 Other accounts payable

	Parent Company		Consolidated	
Description	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Advances from customers (a)	16,579	17,621	17,849	18,586
Provision for long-term incentive (b)	12,577	10,691	12,577	10,691
Commissions	-	-	7,118	5,988
Amounts to be reimbursed	-	-	4,132	-
Cargo indemnity payable	396	385	3,076	385
Profit sharing	2,302	5,845	2,480	6,230
Repom - limit (c)	1,807	2,098	1,807	2,098
Other payables	880	740	1.542	1,182
Total	**34,541**	**37,380**	**50,581**	**45,160**
Current	21,528	22,555	36,997	29,538
Noncurrent	13,013	14,825	13,584	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 33 (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 March 31, 2021	**Provision**	**Escrow deposits**	**Net**	**Provision**	**Escrow deposits**	**Net**
Tax lawsuits	-	-	-	7,000	-	7,000
Labor lawsuits	10,284	1,526	8,758	18,948	3,756	15,192
	10,284	**1,526**	**8,758**	**25,948**	**3,756**	**22,192**

	Parent Company			Consolidated		
At December 31, 2020	**Provision**	**Escrow deposits**	**Net**	**Provision**	**Escrow deposits**	**Net**
Tax lawsuits	-	-	-	7,000	-	7,000
Labor lawsuits	10,235	2,606	7,629	19,067	5,963	9,902
	10,235	**2,606**	**7,629**	**26,067**	**5,963**	**16,902**

b. Changes in balances

	Parent Company				
	12/31/2020	**Additions**	**Payments**	**Reversals**	**03/31/2021**
Labor lawsuits	10,180	394	(290)	-	10,284
	10,180	**394**	**(290)**	**-**	**10,284**

	Parent Company				
	12/31/2019	**Additions**	**Payments**	**Reversals**	**03/31/2020**
Labor lawsuits	9,914	968	(519)	(128)	10,235
	9,914	**968**	**(519)**	**(128)**	**10,235**

	Consolidated				
	12/31/2020	**Additions**	**Payments**	**Reversals**	**03/31/2021**
Tax lawsuits	7,000	-	-	-	7,000
Labor lawsuits	19,067	1,136	(1,223)	(32)	18,948
	26,067	**1,136**	**(1,223)**	**(32)**	**25,948**

	Consolidated				
	12/31/2019	**Additions**	**Payments**	**Reversals**	**03/31/2020**
Tax lawsuits	7.000	-	-	-	7.000
Labor lawsuits	15,671	1,191	(869)	(128)	15,865
	22,671	**1,191**	**(869)**	**(128)**	**22,865**

In the consolidated, the variation in additions and payments is due to labor lawsuits of Translovato. On December 9, 2020, BBM signed with the Sellers the third amendment to the contract for the purchase and sale of quotas and other covenants, where the Sellers agreed to pay R$ 1,500 (R$ 1,275 in March 2021) will be discounted form the next 17 monthly installments.

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 March 31, 2021, in the Parent Company, for which there is no provision is R$ 20,716 (R$ 19,798 in 2020) and in the Consolidated R$ 40,920 (R$ 39,141 in 2020).

In thousands of Reais, unless otherwise stated

In March 16, 2020, a judicial order was issued in order to prevent the sale of nine hundred and eighty-one (981) of the Company´s vehicles as a result of a tax injunction, originating from federal tax lawsuits against a company owned by a related party of one of the Company's shareholders, tax lawsuits of which BBM is not a party. In September 20, 2020 the judicial order was lifted and the Company's vehicles were released, as the judge approved their substitution for an insurance policy.

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 March 31, 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	**03/31/2021**		**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.

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.

In thousands of Reais, unless otherwise stated

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	
	03/31/2021	**03/31/2020**
Loss for the period	**(814)**	**(2,654)**
Basic earnings (loss) per share:		
Weighted average number of common shares available	40,760,818	40,760,818
Basic loss per share (in R$)	**(0.0200)**	**(0.0651)**
Diluted loss per share:		
Weighted average number of common shares available	40,760,818	40,760,818
Diluted loss per share (in R$)	**(0.0200)**	**(0.0651)**

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%.

In thousands of Reais, unless otherwise stated

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	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Noncurrent assets				
Tax losses carried forward	12,830	8,402	17,647	11,113
Provision for contingencies	3,497	3,461	8,822	9,243
Provision for long-term incentive	4,276	3,635	4,276	3,635
Provision for costs	2,689	1,930	3,649	2,383
Provision for commissions	-	-	2,420	2,035
Impairment loss on trade receivables	1,161	963	1,925	1,603
Provision for profit sharing	783	1,987	878	2,118
Legal fees provisions	-	-	513	747
Amortization and write-off of intangible assets from business combinations	-	-	-	4,625
Other temporary differences	1,012	552	1,322	1,024
	26,248	**20,930**	**41,452**	**38,526**
Noncurrent liabilities				
Intangible assets generated in business combinations	-	-	(9,530)	(14,679)
Accounting x tax depreciation	(7,791)	(7,129)	(8,247)	(7,367)
Other temporary differences	(1,312)	(1.312)	(1,533)	(1,312)
	(9,103)	**(8,441)**	**(19,310)**	**(23,358)**
Net deferred tax asset	**17,145**	**12,489**	**22,142**	**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.

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	-	2,213
2022	2,237	4,383
2023	2,684	3,142
2024	3,221	3,221
2025	3,866	3,866
2026	822	822
	12,830	**17,647**

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:

In thousands of Reais, unless otherwise stated

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Loss before taxes	(5,470)	(4,955)	(2,472)	(2,617)
Income tax and social contribution at the statutory rates of 25% and 9%	1,860	1,685	840	890
Permanent additions/exclusions				
Equity in net income of subsidiaries	2,828	1,508	-	-
Tax incentive reserve of subsidiary Translovato	-	-	878	-
Other permanent (additions) and exclusions	(32)	(892)	(60)	(927)
Total income tax and social contribution	**4,656**	**2,301**	**1,658**	**(37)**
Current	-	-	(3,874)	(2,490)
Deferred	4,656	2,301	5,532	2,453
	4,656	**2,301**	**1,658**	**(37)**

30 Net revenue

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Gross revenue				
Forest transportation services	69,215	58,450	69,215	58,450
Industry transportation services	34,905	27,381	43,371	40,610
LTL and FTL services	61,687	55,446	240,615	173,563
Deductions				
Forest transportation services	(8,105)	(6,768)	(8,105)	(6,768)
Industry transportation services	(6,300)	(5,200)	(7,338)	(6,721)
LTL and FTL services	(9,974)	(8,734)	(39,121)	(32,361)
Total net revenue	**141,428**	**120,575**	**298,637**	**226,773**

Further details on revenues are presented in note 36.

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

a. Costs of services rendered

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Transportation contract - freight	45,104	41,357	107,353	86,430
Salaries	31,503	20,889	66,930	47,720
Fuel	22,042	17,090	29,536	22,296
Outsourced services	3,047	2,150	7,913	3,298
Maintenance	10,852	9,852	13,325	11,180
Depreciation and amortization (a)	7,109	6,079	9,859	10,007
Payroll charges	4,393	2,912	8,334	6,058
Depreciation of right-of-use assets (b)	2,402	2,197	7,335	6,824
Tires	3,495	2,316	3,913	2,777
Tracking services	1,460	1,172	3,306	2,135
Toll rates	384	323	1,939	1,585
Insurance	518	617	1,419	2,010
Leases	170	1,153	1,579	1,771
Taxes and fees	368	287	545	481
Travel expenses	1,833	915	2,395	980
Others	895	1,321	6,845	4,645
	135,575	**110,630**	**272,526**	**210,197**

In thousands of Reais, unless otherwise stated

(a) On March 31, 2021, the amounts of depreciation are presented net of PIS and COFINS credits in the amounts of R$ 885 (R$ 1,041 on March 31, 2020) in the Parent Company and R$ 849 (R$ 1,159 on March 31, 2020) in the Consolidated.

(b) On March 31, 2021, the amounts of depreciation of right of use are presented net of PIS and COFINS credits in the amounts of R$ 213 (R$ 134 on March 31, 2020) in the Parent Company and R$ 293 (R$ 183 on March 31, 2020) in the Consolidated.

b. Expenses

	Parent Company		Consolidated	
	03/31/2021	**03/31/2020**	**03/31/2021**	**03/31/2020**
Salaries	6,890	6,566	15,122	10,635
Outsourced services	2,119	4,111	2,455	4,281
Travel expenses	451	728	503	1,128
Provision for labor contingencies	99	321	1,256	538
Depreciation and amortization	161	174	819	178
Leases	320	69	337	85
Taxes and fees	742	788	935	833
Maintenance	493	350	502	370
Others	943	869	1,048	1,195
	12,218	**13,976**	**22,977**	**19,243**
Administrative expenses	10,313	12,784	18,171	17,799
Sales expenses	1,905	1,192	4,806	1,444
	12,218	**13,976**	**22,977**	**19,243**

32 Finance expenses, net

	Parent Company		Consolidated	
	03/31/2021	**03/31/2020**	**03/31/2021**	**03/31/2020**
Finance income				
Foreign exchange gains	870	1,088	2,050	3,281
Revenue from interest earning bank deposits	233	149	252	265
Discounts received	141	49	246	136
Charges for late receipts	6	23	212	111
	1,250	**1,309**	**2,760**	**3,793**
Finance expenses				
Interest on loans and financing	(3,839)	(2,919)	(4,262)	(3,002)
Interest on leases (a)	(336)	(316)	(1,303)	(1,300)
Interest on payables from acquisition of subsidiaries	(1,272)	(1,077)	(1,272)	(1,077)
Interest on debentures	(1,598)	(956)	(1,598)	(956)
Foreign exchange losses	(835)	(70)	(1,456)	(1,082)
Truck pre-purcharse Finance pool administration fee	(512)	(537)	(567)	(605)
Bank expenses	(92)	(199)	(365)	(484)
Interest on taxes in installments	(127)	(56)	(127)	(313)
Charges for late payments	(30)	(192)	(34)	(660)
Discounts granted	(2)	(5)	(34)	(10)
	(8,643)	**(6,327)**	**(11,018)**	**(9,489)**
Financial expenses, net	**(7,393)**	**(5,018)**	**(8,258)**	**(5,696)**

In thousands of Reais, unless otherwise stated

(a) On March 31, 2021, interest on leases is presented net of PIS and COFINS credits in Parent Company in the amount of R$ 25 (R$ 22 on March 31, 2020) and in consolidated R$ 58 (R$ 102 on March 31, 2020).

33 Related parties

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

	Parent Company	
	03/31/2021	12/31/2020
Current assets		
Account receivable - Transeich Armazéns Gerais	-	1,059
Account receivable - Transportes Translovato	-	66
Account receivable - Transeich Assessoria	1,349	578
	1,349	**1,703**
Current liabilities		
Loan - Transeich Armazéns Gerais	6,075	71
Loan - Transeich Assessoria e Transportes	583	9,619
Loan - Transovato Transportes	-	301
Loan - Translovato Transportes	4,031	-
	10,689	**9,991**

	Parent Company			
	Administrative expenses	Gross revenue- Domestic freight	Total	Net income for the period
03/31/2021				
Transeich Assessoria e Transportes	1,797	30	1,827	1,827
Transportes Translovato	454	3	457	457
Translag Transportes	5	-	5	5
	2,256	**33**	**2,289**	**2,289**
03/31/2020				
Transeich Assessoria e Transportes	2,139	25	2,164	2,164
Transeich Armazéns Gerais	318	-	318	318
Transportes Translovato	785	-	785	785
	3,242	**25**	**3,267**	**3,267**

All the outstanding balances with these related parties were priced in common agreement between the parties without interest and should be settled 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 three-month ended March 31, 2021 regarding short-term benefits was R$ 2,031 (R$ 1,694 on March 31, 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 March 31, 2021, the pro-rata amount provisioned is R$ 12,577 (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$ 22,644 (R$ 10,603 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.

34 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:

In the first quarter of 2021, right-of-use leases were recognized in the amount of R$ 102 (R$ 2,647 in the first quarter of 2020) in the Parent Company and R$ 4,017 (R$ 2,982 in the first quarter of 2020) in the Consolidated.

In the first quarter of 2021, property, plant and equipment items were acquired with funds from the trucks prepurchase financing pool in the amount of R$ 178 (R$ 3,367 in the first quarter of 2020) in the Parent Company and Consolidated.

35 Financial instruments

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

	Parent Company		Consolidated	
		03/31/2021		03/31/2021
	Financial assets / liabilities at amortized cost	Fair value	Financial assets / liabilities at amortized cost	Fair value
Assets				
Cash and cash equivalents	113,536	113,536	125,208	125,208
Trade accounts receivables	113,032	113,032	225,865	225,865
Liabilities				
Trade payables	26,122	26,122	57,552	57,552
Loans and financing	154,944	154,944	165,774	165,774
Debentures	236,601	236,601	236,601	236,601
Leases	12,952	12,952	63,132	63,132
Acquisition of subsidiaries	93,154	93,154	93,154	93,154

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 cost	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

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.

In thousands of Reais, unless otherwise stated

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.

					Parent Company
	Less than one year	Between one and two years	Between two and five years	More than five years	Total
At March 31, 2021					
Loans and financing	59,149	40,607	55,188	-	154,944
Debentures	44,651	117,210	78,139	-	240,000
Leases	6,788	5,445	719	-	12,952
Suppliers	26,122	-	-	-	26,122
Taxes payable and payroll charges	33,711	-	-	-	33,711
Acquisition of subsidiaries	40,634	19,090	33,430	-	93,154
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 March 31, 2021					
Loans and financing	62,212	48,374	55,188	-	165,774
Debentures	44,651	117,210	78,139	-	240,000
Leases	21,426	30,817	10,889	-	63,132
Suppliers	57,552	-	-	-	57,552
Taxes payable and payroll charges	75,444	-	-	-	75,444
Acquisition of subsidiaries	40,634	19,090	33,430	-	93,154
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
	03/31/2021		12/31/2020	
	US Dollar	Reais (*)	US Dollar	Reais (**)
Assets				
Trade receivables	1,505	8,575	1,306	6,785
Contractual hedge	(657)	(3,743)	(264)	(1,369)
Net exposure	**848**	**4,832**	**1,042**	**5,416**

				Consolidated
	03/31/2021		12/31/2020	
	US Dollar	Reais (*)	US Dollar	Reais (**)
Assets				
Trade receivables	2,789	15,889	2,343	12,173
Contractual hedge	(657)	(3,743)	(264)	(1,369)
Liabilities				
Commissions	(1,249)	(7,118)	(1,153)	(5,988)
Net exposure	**883**	**5,028**	**927**	**4,816**

(*) Considers the rate of R$ 5.6967 quoted at 03/31/2021.

(**) 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 March 31, 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%
March 31, 2021			
Freight services receivable - foreign market	5,028	(1,257)	(2,514)
Total	**5,028**	**(1,257)**	**(2,514)**

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 237rd meeting of Monetary Policy Committee of the Central Bank of Brazil on March 16 and 17, 2021.

						Consolidated
Exposure	**Index**	**Risk**	**Base amount**	**Probable scenario**	**Scenario I**	**Scenario II**
Interest earning bank deposits	CDI		114,262	3,142	5,142	6,284
Working capital	CDI		(165,774)	(4,559)	(7,460)	(9,118)
Debentures	CDI		(240,000)	(6,600)	(10,800)	(13,200)
Acquisition of subsidiaries	CDI		(93,154)	(2,562)	(2,281)	(2,737)
			(384,666)	**(10,578)**	**(15,399)**	**(18,771)**
Impact on income statement		**Increase in CDI rate**			**(4,821)**	**(8,192)**

In thousands of Reais, unless otherwise stated

36 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.

March 31, 2021

	Dedicated	TM	Total Segments	Corporate	Consolidated
Net operating revenue	97,144	201,493	298,637	-	298,637
Cost of services rendered	(90,313)	(182,213)	(272,526)	-	(272,526)
Gross profit	**6,831**	**19,280**	**26,111**	**-**	**26,111**
Operating income (expenses)					
Administrative expenses (a)	(112)	-	(112)	(18,059)	(18,171)
Selling expenses	-	-	-	(4,806)	(4,806)
Impairment loss on trade receivables	(54)	(756)	(810)	(72)	(882)
Other operating income, net	51	979	1,030	2.504	3,534
Net income (loss) before net Finance costs and taxes	**6,716**	**19,503**	**26,219**	**(20,433)**	**5,786**
Net financial expenses	-	-	-	(8,258)	(8,258)
Current and deferred income tax and social contribution	-	-	-	1,658	1,658
Net income (loss) for the period	**6,716**	**19,503**	**26,219**	**(27,033)**	**(814)**
(+) Financial expenses, net	-	-	-	8,258	8,258
(+) Current and deferred income tax and social contribution	-	-	-	(1,658)	(1,658)
(+) Depreciation and amortization	8,936	7,955	16,891	2,264	19,155
EBITDA (b)	**15,652**	**27,458**	**43,110**	**(18,169)**	**24,941**

a) Administrative expenses in March 31, 2021, including R$ 584 related to M&A expenses (R$ 1,016 in March 31, 2020).

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

In thousands of Reais, unless otherwise stated

March 31, 2020

	Dedicated	TM	Total Segments	Corporate	Consolidated
Net operating revenue	85,572	141,201	226,773	-	226,773
Cost of services rendered	(78,294)	(130,652)	(208,946)	(1,251)	(210,197)
Gross profit	**7,278**	**10,549**	**17,827**	**(1,251)**	**16,576**
Operating income (expenses)					
Administrative expenses (a)	(81)	(39)	(120)	(17,679)	(17,799)
Selling expenses	-	-	-	(1,444)	(1,444)
Impairment loss on trade receivables	47	(368)	(321)	(8)	(329)
Other operating income (expenses), net	(283)	430	147	5,928	6,075
Net income (loss) before net Finance costs and taxes	**6,961**	**10,572**	**17,533**	**(14,454)**	**3,079**
Net financial expenses	-	-	-	(5,696)	(5,696)
Current and deferred income tax and social contribution	-	-	-	(37)	(37)
Net income (loss) for the period	**6,961**	**10,572**	**17,533**	**(20,187)**	**(2,654)**
(+) Financial expenses, net	-	-	-	5,696	5,696
(+) Current and deferred income tax and social contribution	-	-	-	37	37
(+) Depreciation and amortization	7,489	6,370	13,859	3,201	17,060
EBITDA (b)	**14,450**	**16,942**	**31,392**	**(11,253)**	**20,139**

Geographic information

Net revenue by country

	Consolidated	
Country	**03/31/2021**	**03/31/2020**
Brazil	281,142	214,843
All foreign countries	**17,495**	**11.930**
Argentina	10,379	6,874
Chile	1,245	803
Paraguay	1,012	1,065
Uruguay	4,592	3,102
Bolivia	-	86
Peru	267	-
	298,637	**226,773**

Major customers

For three-month period ended March 31, 2021, three customers represents for the R$ 71,924 of the Company's net revenue, and the Company's total net revenue was R$ 298,637. One of these customers is from the DCC segment and the other two have part of their operation in the DCC segment (46%) and part in the TM segment (54%).

For three-month period ended March 31, 2020, three customers with long-term contracts represented R$ 78,208 of the net revenue, and the Company's total net revenue was R$ 226,773. One of these customers is from the DCC segment, and the other two have part of their operation is in the DCC (56%), and part in the TM segment (44%).

37 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.

38 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 March 31, 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.

39 Events after the reporting period

On April 16, 2021, there was a final decision favorable to the Company in one legal action that discussed the right to exclude from the PIS and COFINS calculation basis, the ICMS included in the invoices. With this final decision, the Company has won the right to recognize, via tax credits, the full amount of the "invoiced ICMS", duly corrected by an inflation index. The tax credits amount is being calculated based on the documentation held by the Company and is in the final stage of validation by its legal/tax advisors. In order to be able to use such tax credits, the amount must be validated by the Superintendence of Federal Tax Authorities, via administrative procedure.