



VAMOS LOCAÇÃO DE CAMINHÕES, MÁQUINAS E EQUIPAMENTOS S.A. AND ITS SUBSIDIARIES

INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020 AND INDEPENDENT AUDITOR'S REPORT



RENOVANDO FROTAS. INOVANDO NEGÓCIOS.

Contents

STATEMENTS MANAGEMENT REPORT.....	3
STATEMENTS OF FINANCIAL POSITION.....	8
STATEMENTS OF PROFIT OR LOSS.....	9
STATEMENTS OF COMPREHENSIVE INCOME	10
STATEMENTS OF CHANGES IN EQUITY.....	11
STATEMENTS OF CASH FLOWS - INDIRECT METHOD.....	12
STATEMENTS OF VALUE ADDED	13

Notes to the individual and consolidated financial statements

1. GENERAL INFORMATION	14
2. BASIS OF PREPARATION AND PRESENTATION OF THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES	18
7 CASH AND CASH EQUIVALENTS	46
8 MARKETABLE SECURITIES AND FINANCIAL INVESTMENTS	46
9 TRADE RECEIVABLES	46
10 INVENTORIES	47
11 FIXED ASSETS AVAILABLE FOR SALE.....	48
12 FUND FOR CAPITALIZATION OF AUTHORIZED DEALERSHIPS	48
13 INVESTMENTS	49
14 PROPERTY AND EQUIPMENT	50
15 INTANGIBLE ASSETS.....	53
16 TRADE PAYABLES	55
17 FLOOR PLAN.....	55
18 LOANS, FINANCINGS AND DEBENTURES	56
19 LEASES PAYABLE.....	62
20 RIGHT-OF-USE LEASES	62
21 RELATED-PARTY TRANSACTIONS	64
22 PAYABLES FOR THE ACQUISITION OF COMPANIES	67
23 INCOME TAX AND SOCIAL CONTRIBUTION.....	67
24 JUDICIAL DEPOSITS AND PROVISION FOR JUDICIAL AND ADMINISTRATIVE LITIGATION	69
25 ASSIGNMENT OF RECEIVABLES	71
26 EQUITY.....	71
27 INSURANCE COVERAGE.....	75
28 NET REVENUE FROM SALE, LEASE, RENDERING OF SERVICES AND SALE OF DECOMMISSIONED ASSETS USED IN SERVICES RENDERED	76
29 EXPENSES BY NATURE	77
30 FINANCE INCOME (COSTS)	78
31 OPERATING LEASES.....	78
32 EARNINGS PER SHARE	78
33 SUPPLEMENTAL INFORMATION TO THE STATEMENT OF CASH FLOWS.....	79
34 SUBSEQUENT EVENTS.....	79
OFFICERS' REPRESENTATION ON THE INDEPENDENT AUDITOR'S REPORT.....	81
OFFICERS' REPRESENTATION ON THE FINANCIAL STATEMENTS.....	81

MESSAGE FROM MANAGEMENT

Dear Investor,

We are very pleased to present the results for the fourth quarter and the year 2020. We ended the year with an outstanding performance in all our units, evidencing the resilience of our business model.

Due to the change in the macroeconomic scenario, as of the second half of March 2020, we were challenged to face an unprecedented health and economic crisis. Since the beginning of the pandemic, we have undertaken all measures, aligned with WHO guidelines, to preserve the health and safety of our people and our business.

We are grateful for the work done by our staff and for the trust of our suppliers, financial institutions, investors, and especially the partnership with our customers, which allowed us to overcome this period with resilience and continue to grow profitably.

In 2020 and 4Q20, we evolved in all our operational and financial indicators, such as the expansion of the rented fleet, increased investments in new rental contracts, diversification of our customer portfolio, growth in net revenue, net income and EBITDA, reinforcing the resilience of our business model.

In the Long Term Rental segment, we continue with an accelerated growth, expanding our operations to new sectors of the economy and new customers, and we are increasing the presence of customers in our portfolio.

At the end of 4Q20, we reached R\$1.285 million of CAPEX in new Rental contracts, 76.8% higher than the year 2019. Our rented fleet reached 15,128 assets and the future contracted revenue (backlog) evolved to R\$3.1 billion (44.3% increase compared to Dec/19).

In the dealership segment, we experienced major impacts from the pandemic during the 2Q20, with restrictions on opening showrooms of some of our stores. We promptly implemented a cost and expense reorganization to mitigate the impacts of the pandemic and maintain the business profitability. In 3Q20, 100% of our stores remained open and we had a fast recovery in sales volumes and results. Despite the challenging year, the Dealerships' results showed strong expansion, reaching an EBIT in 2020 of R\$47.0 million (2.0 times higher than 2019).

In the beginning of 2020, we also started the operation of the KOMATSU brand distributors (agricultural and construction machinery) in the Midwest, which already contributes positively to the Company's results. In December, we signed a contract with the AGCO Group to become dealership of the FENDT brand, a german manufacturer of tractors and agricultural machinery, globally recognized in technology for the agribusiness universe.

We also had a year characterized by the implementation and development of new systems and digital platforms that enhanced the capacity of our business and further strengthened the operational and control bases of the Company. We will continue to focus on development and intensive use of technology to support and accelerate our business growth, providing agile decision-making, better management, control, and security of all our operations.

The year 2020 was a year of important changes, in which we can highlight three main improvements implemented: (1) process and strategy for purchasing trucks and machines for Rental contracts, with greater predictability and greater agility to serve our customers; (2) we made cost adjustments in all of our business segments, which influenced, together with organic growth, a strong improvement in Operating Profit (EBIT); (3) we doubled the number of Rental customers, with important diversification of sectors of the economy.

On January 29, 2021 we concluded our IPO, with initial net raising of R\$842 million, with 100% of the funds going to our expansion plan for the rental business, beginning the trading of our shares under the ticker VAMO3 in the Novo Mercado of the B3 - Brasil, Bolsa e Balcão.

The rating agency S&P revised the prospect of our corporate rating to positive after the completion of the IPO, confirming the brAA rating.

In line with an already established culture of innovation and sustainability, we started the diagnostic process of VAMOS, the +B Path, in partnership with Sistema B. We have included in our Bylaws the commitment to

make decisions considering the consequences on the community and the environment. This will be another opportunity for us to move forward in a structured and conscious way, generating value for our business, customers, and society as a whole.

We have defined priorities on the environmental, social, and governance (ESG) segments, such as selective collection and correct disposal of waste in all our stores, implementation of reuse water solutions, and installation of solar energy panels in our units. We have neutralized VAMOS' carbon emissions relating to 2019 emissions and provide our customers with the opportunity to offset their emissions. In August 2020 we became signatories to UN Global Compact. We revised the Company's governance, with the election of the Board of Directors, the creation of the Audit Committee and the Ethics and Compliance Committee, following the best practices of the Novo Mercado, the highest governance standard for companies listed on B3. 2020 was a challenging year for all of us, but we managed to overcome it due to the great commitment of our people, who demonstrated a fast adaptation ability and faced the countless challenges that the pandemic brought us.

In 2021, we will continue focused on the development and our business expansion with a long-term vision, focusing on growth with profitability and taking care of our People.

OPERATIONAL AND FINANCIAL RESULTS

(R\$ million)	4Q20	3Q20	Var% Q/Q	4Q19	Var% Y/Y	2020	2019	Var% Y/Y
Net Revenue	422.5	464.5	-9.1%	322.6	31.0%	1,512.4	1,211.5	24.8%
Net Revenue from Services	376.5	415.2	-9.3%	258.2	45.8%	1,338.9	999.4	34.0%
Net Revenue from the Sale of Assets	46.1	49.3	-6.7%	64.5	-28.6%	173.6	212.1	-18.1%
Cost	(272.3)	(322.6)	-15.6%	(208.2)	30.8%	(994.7)	(798.3)	24.6%
Costs from Services	(233.0)	(276.6)	-15.8%	(146.9)	58.6%	(738.4)	(593.7)	24.4%
Costs from the Sale of Assets	(39.3)	(46.0)	-14.5%	(61.2)	-35.8%	(256.3)	(204.6)	25.3%
Gross Profit	150.2	141.9	5.8%	114.5	31.2%	517.7	413.2	25.3%
Total expenses	(47.2)	(40.5)	16.6%	(37.2)	27.0%	(148.1)	(120.4)	23.0%
EBIT	103.0	101.4	1.5%	77.3	33.3%	369.6	292.7	26.3%
<i>EBIT Margin / Net Revenue from Services</i>	27.4%	24.4%	+3.0 p.p.	29.9%	-2.5 p.p.	27.6%	29.3%	-1.7 p.p.
Financial results, net	(25.3)	(30.5)	-17.2%	(25.1)	0.7%	(112.1)	(93.5)	19.9%
Income tax and social contribution	(23.4)	(21.8)	7.2%	(17.6)	33.1%	(78.3)	(57.4)	36.4%
Net Income	54.3	49.1	10.6%	34.6	57.0%	179.2	141.8	26.3%
<i>Margin</i>	12.8%	10.6%	+2.2 p.p.	10.7%	+2.1 p.p.	11.8%	11.7%	+0.1 p.p.
EBITDA	177.4	170.0	4.3%	138.2	28.4%	638.9	527.6	21.1%
<i>EBITDA Margin / Net Revenue from Services</i>	47.1%	40.9%	+6.2 p.p.	53.5%	-6.4 p.p.	47.7%	52.8%	-5.1 p.p.

Net Revenue

In 2020, consolidated net revenue from services grew by 34.0% when compared to 2019 and 45.8% in 4Q20 compared to 4Q19. Consolidated net revenue (including sale of assets) reported growth of 24.8% compared to 2019 and 31.0% in 4Q20 compared to 4Q19, with growth in all business segments.

EBIT

EBIT totaled R\$369.6 million in 2020 and R\$103.0 million in 4Q20, an increase of 26.3% and 33.3%, respectively, compared to the same periods last year. EBIT increased in all business segments, due to organic growth in all segments with gains in scale and productivity.

We registered margin gains in all our businesses. In Rental, the 2020 margin closed at 49.6% versus 47.8% for 2019. Regarding the Dealerships, the EBIT margin on net revenue from services increased significantly to 6.8% compared to 5.2% in 2019, as well as the margin on sales of assets, which increased from 3.4% in 2019 to 6.3% in 2020. VAMOS' consolidated margin decreased from 29.9% in 4Q19 to 27.4% in 4Q20 and from 29.3% in 2019 to 27.6%, due to the higher share of Dealerships and Sale of Assets in the compared periods, however it is worth noting that there was margin improvement in all businesses.

EBITDA

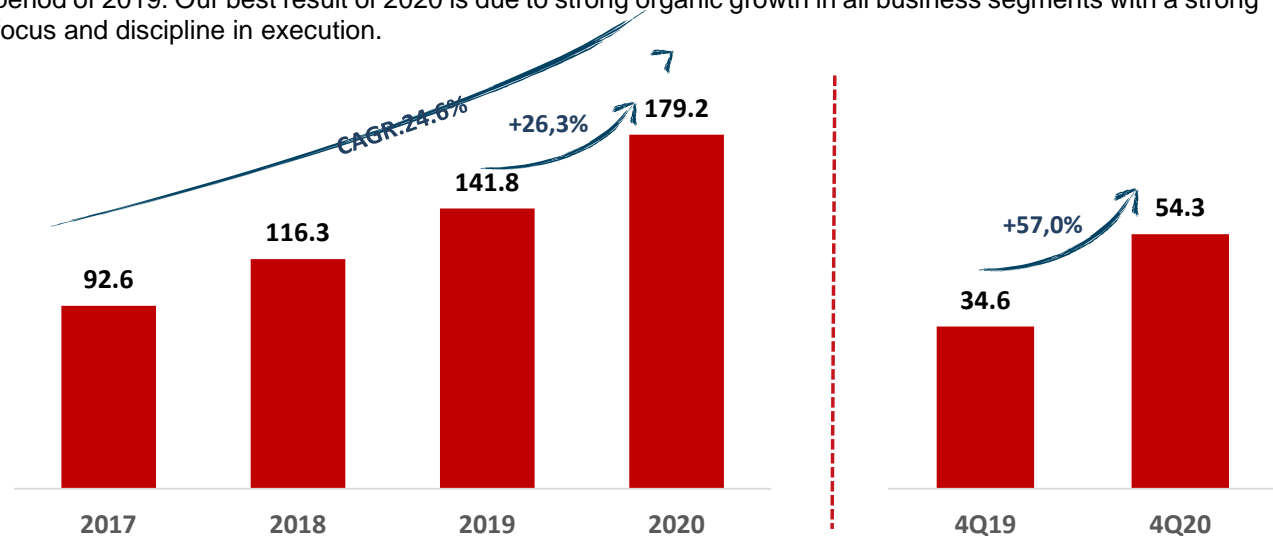
Consolidated EBITDA totaled R\$638.9 million in 2020, representing growth of 21.1% compared to 2019 and R\$177.4 million in 4Q20, up 28.4% compared to 4Q19.

In 2020, we had an improvement in our profitability, even in an adverse economic environment. We implemented several cost reduction initiatives and controls to improve management. Focused and extremely disciplined in our execution, we were able to improve the productivity and efficiency of our operations, which ensured our growth with profitability.

The Rental segment continued to be the leading EBITDA driver, corresponding to 91% of VAMOS EBITDA in 2020, with growth of 17.5% year-on-year and 20.4% in 4Q20 compared to the same periods of 2019, and with a higher share of Dealerships' EBITDA. Similar to the EBIT margin improvement, we had an EBITDA margin improvement in all business segments.

Net Income

In 2020, we recorded a net income of R\$179.2 million (26.3% growth), the best result ever registered by VAMOS. In 4Q20 net income was R\$54.3 million, representing a growth of 57.0% compared to the same period of 2019. Our best result of 2020 is due to strong organic growth in all business segments with a strong focus and discipline in execution.



Net Income and EBITDA reconciliation (R\$ million)	4Q20	3Q20	Var% Q/Q	4Q19	Var% Y/Y	2020	2019	Var% Y/Y
Net income	54.3	49.1	10.7%	34.6	57.2%	179.2	141.8	26.4%
<i>Margin</i>	12.8%	10.6%	+2.2 p.p.	10.7%	+2.1 p.p.	11.8%	11.7%	+0.1 p.p.
(+) Income tax and social contribution	23.4	21.8	7.4%	17.6	33.4%	78.3	57.4	36.4%
(+) Financial result, net	25.3	30.5	-17.2%	25.1	0.7%	112.1	93.5	19.9%
(+) Depreciation and amortization	74.3	68.5	8.5%	60.8	22.2%	269.3	234.9	14.7%
EBITDA	177.4	170.0	4.3%	138.2	28.4%	638.9	527.6	21.1%
<i>EBITDA Margin / Net Revenue from Services</i>	47.1%	41.0%	+6.1 p.p.	42.8%	+4.3 p.p.	47.7%	52.8%	-5.1 p.p.

Indebtedness

We ended 2020 with a substantial cash position and financial investments of R\$785.6 million, adequate to support the amortization of short-term debt at 3.3x. Net debt reached R\$1.9 billion, with the leverage measured by Net Debt/EBITDA of 3.01x in 4Q20, virtually the same leverage as in 4Q19, confirming the strong cash generation of the business, even in a year of high growth and with a dividend distribution of R\$161.8 million in dividends and interest on equity.

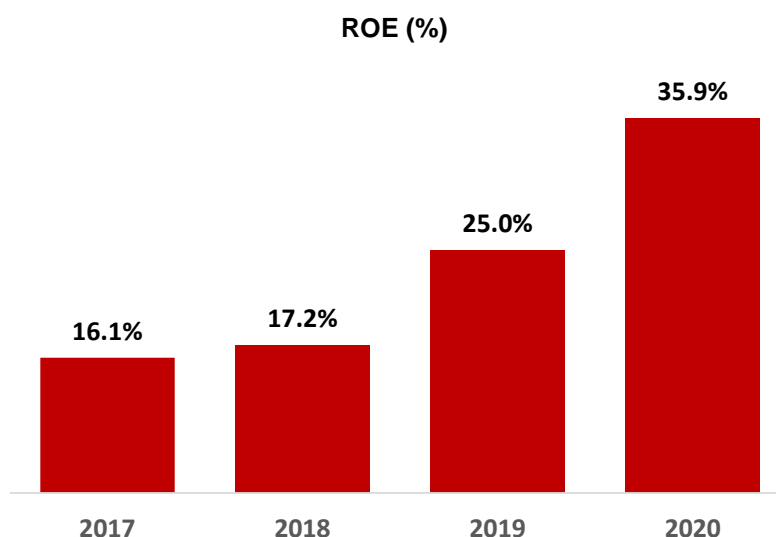
We raised R\$900 million in the capital market during 2020 to finance our growth. We highlight the 4th CRA issue in the amount of R\$400 million, held in November 2020, our first issue in the market with a 10-year maturity. As a result, we ended 4Q20 with the average debt maturity at 4.2 years and an important reduction in the average cost of debt from 6.0% in Dec/19 to 3.2% in Dec/20.

Empréstimos e Financiamentos (R\$ milhões)	4Q20	3Q20	Var% Q/Q	4Q19	Var% Y/Y
Gross debt	2,706.0	2,330.0	16.1%	2,081.6	30.0%
Gross debt - Short Term	316.5	112.2	182.0%	425.5	-25.6%
Gross Debt - Long Term	2,488.0	2,287.5	8.8%	1,672.1	48.8%
Financial Leases Payable	(98.5)	(69.7)	41.3%	(16.0)	513.8%
Cash and Financial Investments	785.6	429.7	82.8%	499.9	57.1%
Net Debt	1,920.4	1,900.3	1.1%	1,581.7	21.4%
LTM EBITDA	638.9	599.6	6.6%	527.6	21.1%
Net Leverage (x)	3.01x	3.17x	-0.16x	3.00x	0.01x
Average Cost (%)	3.2%	3.3%	0,1 p.p.	6.0%	2,8 p.p.
Gross Average Term (years)	4.2	3.6	0.6	3.9	0.3
CAPEX	447.2	191.1	134.0%	121.9	266.8%

In 2021, we will continue to focus on cash flow management and the stability of our capital structure, maintaining our balance sheet prepared for the development and growth of our business, considering the R\$842 million net funding from the conclusion of our IPO, which will further strengthen our capital structure for the VAMOS's organic growth.

Return on Equity Indicator

VAMOS presented a significant expansion of profitability, reaching ROE of 35.9% in 2020 (+10.9 p.p. versus 2019), reinforcing our commitment to accelerate growth with profitability.



HUMAN CAPITAL

VAMOS involves its employees on its culture of serving with simplicity, an essential factor in carrying out activities. Our culture is demonstrated in the objectivity of our actions, which guarantees agility while serving customers. At the end of 2020, VAMOS had 948 employees, of which 79% were men and 21% women.

For the management of its staff, the Company relies on its Code of Conduct and the human relations and labor policy, which establish the rights and responsibilities of employees. We emphasize that all new employees of any company in the Group go through an integration process, with instructions on the Company's codes, policies and other guidelines and procedures.

RISK MANAGEMENT AND CORPORATE GOVERNANCE

The Company adopts a formalized risk management policy, with the objective of identifying, controlling and mitigating the risks to which it is exposed in the development of its activities. This policy was approved by the Company's Board of Directors in January 2021 and its application is monitored by the Company's Internal

Controls, Risks and Compliance Function. The objective of the Company's Risk Management Policy is to establish principles, guidelines and responsibilities to be observed in the corporate risk management process, in order to enable an adequate identification, assessment, treatment, monitoring and communication of the risks for which protection is sought and which may affect the Company's strategic plan, in order to lead the appetite for risk taking in the decision-making process, in the pursuit of the fulfillment of its objectives, and the creation, preservation and growth of value.

The Company's administrative structure consists of (i) Board of Directors, (ii) Executive Board; (iii) Audit Committee; (iv) Sustainability Committee and (v) Ethics and Compliance Committee. Therefore, our governance model follows the main guidelines of the Brazilian Institute of Corporate Governance (IBGC).

SUSTAINABILITY

VAMOS has a Sustainability policy formalized and approved by the Sustainability Committee, with the objective of ensuring the evolution of its practices in line with environmental, social and governance (ESG) aspects and seeking to develop its business based on the construction of a proactive positioning on topics such as Local Development, Climate Change and Respect for Diversity. The Committee's objective is to assist the Board of Directors in the fulfillment of its legal attributions and in promoting innovation in relation to the sustainability of the Company's business.

In 2020 we had an important evolution in our practices aligned with environmental, social and governance aspects (ESG). In line with an already established culture of innovation and sustainability, we started the diagnostic process of VAMOS, the +B Path, in partnership with Sistema B. We have included in our Bylaws the commitment to make decisions considering the consequences on the community and the environment. This will be another opportunity for us to move forward in a structured and conscious way, generating value for our business, customers, and society as a whole.

We have defined priorities on the environmental, social, and governance (ESG) segments, such as selective collection and correct disposal of waste in all our stores, implementation of reuse water solutions, and installation of solar energy panels in our units. We have neutralized VAMOS' carbon emissions relating to 2019 emissions and provide our customers with the opportunity to offset their emissions. In August 2020 we became signatories to UN Global Compact. We revised the Company's governance, with the election of the Board of Directors, the creation of the Audit Committee and the Ethics and Compliance Committee, following the best practices of the Novo Mercado, the highest governance standard for companies listed on B3.

INDEPENDENT AUDIT

In compliance with CVM Instruction 381/03, we inform that KPMG Auditores Independentes provided audit services related to the parent company and consolidated financial statements for the fiscal year ended December 31, 2020, as well as audit-related services for issuing reports about previously agreed procedures, totaling R\$402 thousand, which represent 31% of the fees charged for external audit services. We understand that these services do not represent conflict of interest neither loss of independence or objectivity of our independent auditors.

MANAGEMENT DECLARATION

In accordance with CVM Instruction 480/09, Management hereby declares that it has discussed, reviewed and agreed with the opinions expressed in the independent auditor's report of KPMG Auditores Independentes, issued on February 25, 2021, with the financial statements for the fiscal year ended on December 31, 2020 and 2019.

AKNOWLEDGMENTS

We are thankful for the work done by our people and for the trust of our suppliers, financial institutions, investors and, especially, the alliance with our customers.

São Paulo, February 25, 2021.
THE MANAGEMENT

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.
Statements of financial position
As at December 31, 2020 and 2019
 In thousands of Brazilian reais



Assets	Note	Parent Company		Consolidated		Liabilities	Note	Parent Company		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019			12/31/2020	12/31/2019	12/31/2020	12/31/2019
Current						Current					
Cash and cash equivalents	7	13,206	269,623	18,405	322,830	Trade payables	16	439,355	81,961	503,789	112,998
Marketable securities and financial investments	8	627,565	176,427	760,905	176,427	Floor plan	17	-	-	42,001	64,916
Trade receivables	9	159,624	140,642	267,478	223,481	Loans, financings and debentures	18	295,853	393,447	311,261	414,946
Inventories	10	1,313	320	88,963	140,272	Leases payable	19	5,197	10,123	5,197	10,537
Taxes recoverable		1,288	3,369	17,439	18,952	Right-of-use leases	20	1,215	831	7,050	7,029
Income tax and social contribution recoverable	23.4	27,103	13,543	31,836	18,371	Assignment of receivables	25	6,043	6,043	6,043	6,043
Fixed assets available for sale	11	33,003	55,794	38,005	74,582	Labor liabilities		9222	6,363	19,727	14,981
Prepaid expenses		24,323	16,245	27,536	17,450	Income tax and social contribution payable	23.4	-	-	1,400	383
Advances to third parties		2,026	695	14,039	13,248	Tax liabilities		2,976	1,672	9,475	3,577
Dividends receivable	13.3	2,322	4,874	-	-	Advances from customers		27,903	24,920	46,829	35,398
Other credits		11,085	27	27,292	7,471	Payables for the acquisition of companies	22	9,072	-	9,072	-
		902,858	681,559	1,291,898	1,013,084	Other payables		33,060	5,854	38,287	10,532
								829,896	531,214	1,000,131	681,340
Noncurrent						Noncurrent					
Long-term assets						Noncurrent					
Marketable securities and financial investments	8	6,206	-	6,258	655	Loans, financings and debentures	18	2,462,406	1,609,251	2,487,969	1,655,894
Derivative financial instruments	6.3 b.i	98,500	16,048	98,500	16,048	Leases payable	19	78	16,246	78	16,246
Trade receivables	9	11,166	-	16,565	4,245	Right-of-use leases	20	17,145	1,380	53,091	33,920
Funds for capitalization of authorized dealerships	12	-	-	28,528	27,002	Deferred income tax and social contribution	23.1	127,499	105,904	168,457	151,365
Deferred income tax and social contribution	23.1	-	-	5,129	7,219	Provision for judicial and administrative litigation	24.2	69	92	3,383	3,215
Judicial deposits	24.1	189	189	6,089	6,003	Assignment of receivables	25	6,043	12,085	6,043	12,085
Other credits		-	-	3,784	1,808	Payables for the acquisition of companies	22	-	8,828	-	8,828
		116,061	16,237	164,853	62,980	Other payables		89	202	89	202
								2,613,329	1,753,988	2,719,110	1,881,755
						Total liabilities		3,443,225	2,285,202	3,719,241	2,563,095
Investments	13	521,441	484,626	-	-	Equity					
Property and equipment	14	2,406,244	1,593,055	2,611,759	1,819,615	Share capital	26.1	482,817	482,817	482,817	482,817
Intangible assets	15	2,859	479	156,969	158,170	Capital reserve	26.2	2,154	1,881	2,154	1,881
		3,046,605	2,094,397	2,933,581	2,040,765	Treasury shares	26.5	(11,508)	(11,508)	(11,508)	(11,508)
						Earnings reserve		31,586	15,965	31,586	15,965
						Other comprehensive income		1,189	1,599	1,189	1,599
						Total equity		506,238	490,754	506,238	490,754
Total assets		3,949,463	2,775,956	4,225,479	3,053,849	Total liabilities and equity		3,949,463	2,775,956	4,225,479	3,053,849

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Statements of profit or loss

For the years ended December 31, 2020 and 2019

In thousands of Brazilian reais, except for earnings per share



	Note	Parent Company		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
Net revenue from sale, lease, rendering of services and sale of decommissioned assets used in services rendered	28	783,019	696,643	1,513,187	1,211,508
(-) Cost of sales, leases and services rendered	29	(258,406)	(220,363)	(832,816)	(593,774)
(-) Cost of sales of decommissioned assets	29	(150,347)	(177,387)	(162,652)	(204,633)
(=) Total cost of sales, leases, services rendered and cost of sales of decommissioned assets		(408,753)	(397,750)	(995,468)	(798,407)
(=) Gross profit		374,266	298,893	517,719	413,101
Selling expenses	29	(25,058)	(20,032)	(66,153)	(52,807)
Administrative expenses	29	(34,700)	(25,173)	(95,891)	(80,416)
(Provision) reversal for expected credit losses ("impairment") of trade receivables	29	(1,238)	493	(1,016)	(6,024)
Other operating income, net	29	6,620	6,219	14,896	18,799
Equity results from investees	13.1	28,000	17,837	-	-
(=) Operating profit before finance income and costs		347,890	278,237	369,555	292,653
Finance income	30	14,872	11,522	21,176	16,670
Finance costs	30	(120,840)	(101,236)	(133,268)	(110,158)
(=) Net finance costs		(105,968)	(89,714)	(112,092)	(93,488)
(=) Profit before income tax and social contribution		241,922	188,523	257,463	199,165
Income tax and social contribution - current	23.3	(40,924)	(24,154)	(58,878)	(41,186)
Income tax and social contribution - deferred	23.3	(21,806)	(22,587)	(19,393)	(16,197)
(=) Total income tax and social contribution		(62,730)	(46,741)	(78,271)	(57,383)
(=) Profit for the year		179,192	141,782	179,192	141,782
(=) Basic and diluted earnings per share at the end of the year – in R\$	32			0.93507	0.73985

The accompanying notes are an integral part of the individual and consolidated financial statements

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.
Statements of comprehensive income
For the years ended December 31, 2020 and 2019
 In thousands of Brazilian reais



	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Profit for the year	179,192	141,782	179,192	141,782
Items that are or may be subsequently reclassified to profit or loss:				
(Loss) gain on cash flow hedge - effective portion of changes in fair value	(621)	1,349	(621)	1,349
Deferred income and social contribution taxes on cash flow hedge	211	(459)	211	(459)
	(410)	890	(410)	890
Total comprehensive income for the year	178,782	142,672	178,782	142,672

The accompanying notes are an integral part of the individual and consolidated financial statements

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Statements of changes in equity

For the years ended December 31, 2020 and 2019

In thousands of Brazilian reais



	Note	Share capital	Capital reserve		Earnings reserve			Retention of earnings	Retained earnings	Other comprehensive income	Total equity
			Share-based payment transactions	Share subscription premium	Treasury shares	Legal reserve	Investment reserve				
Balance at December 31, 2018		482,817	1,425	22,774	(94,193)	9,682	-	158,269	-	709	581,483
Profit for the year		-	-	-	-	-	-	141,782	-	-	141,782
Results of derivative financial instruments, net of taxes		-	-	-	-	-	-	-	890	-	890
Total comprehensive income for the year, net of taxes		-	-	-	-	-	-	141,782	890	-	142,672
Share-based payment	26.2 a	-	456	-	-	-	-	-	-	-	456
Distribution of interim dividends	26.3	-	-	-	-	-	-	(150,000)	-	-	(150,000)
Cancellation of treasury shares	26.5	-	-	(22,774)	82,685	-	-	(8,269)	(51,642)	-	-
Retention of earnings	26.6	-	-	-	-	-	1,776	-	(1,776)	-	-
Legal reserve	26.4	-	-	-	-	4,507	-	-	(4,507)	-	-
Distribution of interest on capital	26.3	-	-	-	-	-	-	-	(34,646)	-	(34,646)
Distribution of dividends	26.3	-	-	-	-	-	-	-	(49,211)	-	(49,211)
Balance at December 31, 2019		482,817	1,881	-	(11,508)	14,189	1,776	-	-	1,599	490,754
Profit for the year		-	-	-	-	-	-	-	179,192	-	179,192
Results of derivative financial instruments, net of taxes		-	-	-	-	-	-	-	-	(410)	(410)
Total comprehensive income for the year, net of taxes		-	-	-	-	-	-	-	179,192	(410)	178,782
Share-based payment	26.2 a	-	273	-	-	-	-	-	-	-	273
Distribution of interim dividends	26.3	-	-	-	-	-	(1,776)	-	-	-	(1,776)
Legal reserve	26.4	-	-	-	-	8,960	-	-	(8,960)	-	-
Distribution of dividends	26.3	-	-	-	-	-	-	-	(133,833)	-	(133,833)
Distribution of interest on capital	26.3	-	-	-	-	-	-	-	(27,962)	-	(27,962)
Retention of earnings	26.6	-	-	-	-	-	8,437	-	(8,437)	-	-
Balance at December 31, 2020		482,817	2,154	-	(11,508)	23,149	8,437	-	-	1,189	506,238

The accompanying notes are an integral part of the individual and consolidated financial statements

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Statements of cash flows – Indirect method

For the years ended December 31, 2020 and 2019

In thousands of Brazilian reais



	Note	Parent Company		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
Cash flows from operating activities					
Profit before income tax and social contribution		241,922	188,523	257,463	199,165
Adjustments to:					
Depreciation and amortization	14 and 15	230,510	186,170	269,219	234,971
Equity results from subsidiaries	13	(28,000)	(17,837)	-	-
Cost of sales of decommissioned assets	29	150,347	177,387	162,652	204,633
Provision (reversal) for judicial and administrative litigation	24.2	(23)	(18)	168	(65)
Reversal (provision) for expected credit losses ("impairment") of trade receivables	9	1,238	(493)	2,911	6,024
Write-off of other property and equipment	14 and 15	2,016	2,774	23,397	3,294
Allowance for inventory losses	10	-	-	494	576
Share-based payment	26.2a	273	456	273	456
Extemporaneous tax credits	29	(629)	(90)	(2,071)	(4,771)
Gains on derivative financial instruments	30	(82,027)	(2,368)	(82,027)	(2,368)
Ineffective portion of fair value hedge	30	(2,911)	-	(2,911)	-
Interest, monetary and foreign exchange variations on loans, financings and debentures, leases payable and other financial liabilities	30	191,287	97,338	197,427	108,282
		704,003	631,842	826,995	750,197
Changes in operating net working capital					
Trade receivables		(31,386)	(71,234)	(59,228)	(64,404)
Inventories		(993)	(320)	50,815	(38,918)
Taxes recoverable		(14,464)	(3,122)	(14,218)	(2,775)
Trade payables		(3,389)	1,483	17,038	10,208
Floor plan		-	-	(22,915)	11,503
Labor and tax liabilities		(31)	(2,518)	6,450	(60)
Other current and noncurrent assets and liabilities		35,196	(28,837)	10,268	(29,611)
Changes in operating net working capital		(15,067)	(104,548)	(11,790)	(114,057)
Cash generated by operating activities		(688,936)	527,294	815,205	636,140
Income tax and social contribution paid		(37,310)	(29,865)	(53,524)	(46,082)
Interest paid on loans, financings, debentures and leases		(107,025)	(60,673)	(113,072)	(71,171)
Acquisition of operational property and equipment for leasing		(719,498)	(783,940)	(705,032)	(791,082)
Investments in marketable securities and financial investments		(457,344)	(169,174)	(590,081)	(169,035)
Net cash used in operating activities		(632,241)	(516,358)	(646,504)	(441,230)
Cash flows from investing activities					
Proceeds from sale of property and equipment		-	-	-	6,046
Capital increase in subsidiaries	13.1	(15,300)	(5,000)	-	-
Advances for future capital increase	13.1	-	(5,200)	-	-
Acquisition of property and equipment		(5,715)	(3,515)	(16,247)	(6,786)
Acquisition of intangible assets	15	(2,444)	(887)	(4,687)	(963)
Dividends received from subsidiary		2,551	16,160	-	-
Net cash (used in) generated by investing activities		(20,908)	1,558	(20,934)	(1,703)
Cash flows from financing activities					
Payment for the acquisition of companies in prior years		-	(60,014)	-	(60,014)
Proceeds from derivatives		40,833	-	40,833	-
Premium paid on the contracting of Swap and IDI option		(12,626)	(5,100)	(12,626)	(5,100)
Raising of loans, financings and debentures		1,265,127	2,036,073	1,265,127	2,078,721
Payments of loans, financings, debentures and leases		(731,183)	(912,210)	(764,902)	(1,008,398)
Dividends paid	26.3	(135,609)	(232,755)	(135,609)	(232,755)
Interest on capital paid	26.3	(23,768)	(57,280)	(23,768)	(57,280)
Payment of assignment of receivables		(6,042)	(8,016)	(6,042)	(8,016)
Net cash generated by financing activities		396,732	760,698	363,013	707,158
Net (decrease) increase in cash and cash equivalents		(256,417)	245,898	(304,425)	264,225
Cash and cash equivalents					
At the beginning of the year		269,623	23,725	322,830	58,605
At the end of the year		13206	269,623	18,405	322,830
Net (decrease) increase in cash and cash equivalents		(256,417)	245,898	(304,425)	264,225
Main non-cash transactions recorded in the statement of financial position					
Purchases under leases and Finame for the expansion and renewal of fleet		(65,731)	(55,876)	(65,731)	(55,876)
Addition of lease by right of use contracts		(17,317)	-	(44,678)	-
Variation in the balance of suppliers of property and equipment and auto makers		(360,783)	(24,250)	(373,259)	(19,828)
Initial adoption of CPC 06 (R2) / IFRS 16 – Leases		-	(4,225)	-	(56,120)

The accompanying notes are an integral part of the individual and consolidated financial statements

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Statements of value added

For the years ended December 31, 2020 and 2019

In thousands of Brazilian reais



	Note	Parent Company		Consolidated	
		12/31/2020	12/31/2019	12/31/2020	12/31/2019
Sales, lease and services rendered	28	859,486	755,014	1,661,634	1,321,741
(Provision) reversal for expected credit losses ("impairment") of trade receivables	29	(1,238)	493	(2,911)	(6,024)
Other operating income	29	7,547	8,561	17,713	21,341
		865,795	764,068	1,676,436	1,337,058
Inputs acquired from third parties					
Cost of sales and services rendered		(220,858)	(201,694)	(815,799)	(572,161)
Materials, electric power, services provided by third parties and others		(3,292)	(8,822)	(6,977)	(13,168)
		(224,150)	(210,516)	(822,776)	(585,329)
Gross value added		641,645	553,552	853,660	751,729
Retentions					
Depreciation and amortization	29	(230,510)	(186,170)	(269,219)	(234,971)
Net value added produced by the Group		411,135	367,382	584,441	516,758
Value added received through transfer					
Equity results from investees	13.1	28,000	17,837	-	-
Finance income	30	14,872	11,522	21,176	16,670
		42,872	29,359	21,176	16,670
Total value added to distribute		454,007	396,741	605,617	533,428
Distribution of value added					
Personnel					
Personnel and payroll charges, except INSS		41,719	33,012	99,082	83,699
		41,719	33,012	99,082	83,699
Taxes, fees and contributions					
Federal taxes		90,408	98,594	129,255	148,506
State taxes		19,251	11,840	60,216	35,101
Municipal taxes		257	146	2,418	2,259
		109,916	110,580	191,889	185,866
Debt remuneration					
Interest and bank fees	30	120,840	101,236	133,268	110,158
Lease of trucks, machinery and equipment	29	822	7,648	1,019	8,547
Lease of properties	29	1,518	2,483	1,167	3,376
		123,180	111,367	135,454	122,081
Equity remuneration					
Retained earnings for the year		17,397	6,283	17,397	6,283
Cancellation of treasury shares		-	51,642	-	51,642
Dividends and interest on capital for the year		161,795	83,857	161,795	82,857
		179,192	141,782	179,192	141,782
Distribution of value added		454,007	396,741	605,617	533,428

The accompanying notes are an integral part of the individual and consolidated financial statements

1. General information

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A. (“Vamos”, “Parent Company” or “Company”) headquartered at Av. Saraiva, 400, Vila Cintra – Mogi das Cruzes, State of São Paulo, is a publicly-traded corporation registered on the New Market of B3 S.A. – Brasil, Bolsa e Balcão, which is the highest level of corporate governance in the Brazilian capital market, under the ticker VAMO3, since January 29, 2021, as disclosed in note 34.

The Company, together with its subsidiaries (“Vamos Group”) described in note 1.1. is engaged in the lease, sale and resale of trucks, machinery and equipment, fleet management and rendering services of vehicle mechanics and body shop services.

On August 5, 2020, the corporate reorganization of JSL S.A. and its subsidiaries was approved, separating assets not related to logistic operations from JSL S.A., including investments in subsidiaries and liabilities, which were transferred to Simpar S.A., which became the holding company of the Vamos Group. As a result, Vamos became a direct subsidiary of Simpar S.A. (“Simpar”), which held 99.99% of its shares at December 31, 2020.

1.1 List of subsidiaries

Below is a list of the subsidiaries in accordance with Vamos’s corporate structure:

	Subsidiary	Headquarter country	Segment	% interest at 12/31/2020	% interest 12/31/2019
	Transrio Caminhões, Ônibus, Máquinas e Motores Ltda. (a)	Brazil	Truck, machinery and equipment dealerships	99.9	99.9
	Vamos Seminovos S.A. (formerly Borgato Caminhões S.A.) (b)	Brazil	Truck, machinery and equipment dealerships / Lease of trucks, machinery and equipment	100	100
	Vamos Máquinas e Equipamentos S.A. (formerly Borgato Máquinas S.A.) (c)	Brazil	Truck, machinery and equipment dealerships / Lease of trucks, machinery and equipment	100	100
	Borgato Serviços Agrícolas S.A. (d)	Brazil	Lease of trucks, machinery and equipment	100	100
	Vamos Comércio de Máquinas Linha Amarela Ltda. (e)	Brazil	Tractor, machinery and equipment dealerships	99.9	99.9
	Vamos Comércio de Máquinas Agrícolas Ltda. (f)	Brazil	Dealerships of agricultural machinery, devices and equipment for agricultural use.	100	-

a) Transrio Caminhões, Máquinas e Motores Ltda. (“Transrio”)

Transrio is a limited liability company, with its headquarters in Rio de Janeiro, State of Rio de Janeiro, located at Rodovia Presidente Dutra, 1.450, Vigário Geral, engaged in the sale of new parts and accessories for automotive vehicles, wholesale of new and used trucks, buses and micro buses, management of consortium, lease of vehicles and maintenance and repair of automotive vehicles. Transrio has 15 branches in the States of São Paulo, Rio Grande do Sul, Tocantins, Rio de Janeiro and Sergipe.

b) Vamos Seminovos S.A. (“Vamos Seminovos”)

Vamos Seminovos is a closely-held corporation, with its headquarters in Ribeirão Preto, State of São Paulo, located at Via Anhanguera s/n, KM 312,5, sentido Norte, sala 2, Recreio Anhanguera, engaged in selling trucks, machinery and equipment used in civil construction, parts, lubricants, rendering services related to repairs and conservation of vehicles and related equipment, road transportation of cargos in general, wholesale trade of machines, devices and equipment for agricultural use, parts and pieces, and also in intermediation and agency activities of services and business in general, except real estate related business; commercial representatives and agents of motor vehicles. Vamos Seminovos has eight branches located in the State of São Paulo.

On April 30, 2019, the subsidiary Borgato Caminhões S.A. changed its corporate name to Vamos Seminovos S.A.

c) Vamos Máquinas e Equipamentos S.A. (“Vamos Máquinas”)

Vamos Máquinas is a closely-held corporation, with its headquarters in Morro Agudo, State of São Paulo, located at Rodovia Genoveva de Carvalho Dias, KM 1,8, Chácara Borgato - Zona Rural, engaged in selling new and used tractors, agricultural machinery and implements, parts and accessories, lubricants, fertilizers, herbicides, seeds and agricultural activities, selling motor vehicles in general, tires and air tubes and implements, and also road transportation of cargo in general. Vamos Máquinas has sixteen branches in the States of São Paulo, Minas Gerais, Mato Grosso and Goiás.

On February 15, 2019, the subsidiary Borgato Máquinas S.A. changed its corporate name to Vamos Máquinas e Equipamentos S.A.

d) Borgato Serviços Agrícolas S.A. (“Borgato Serviços”)

Borgato Serviços is a closely-held corporation, with its headquarters in Morro Agudo, State of São Paulo, located at Rodovia Genoveva de Carvalho Dias, s/n, sala 03, Chácara Borgato - Zona Rural, engaged in rendering agricultural services in all segments, operation of agricultural machinery, tractors and trucks; provision of services related to repair and conservation of agricultural vehicles, machinery and implements, technical assistance and related services; lease of tractors, agricultural machinery and implements, road implements, trucks, buses and vehicles in general and also lease of machinery and equipment for construction without operator. Borgato Serviços has one branch located in the State of Minas Gerais.

e) Vamos Comércio de Máquinas Linha Amarela Ltda. (“Vamos Linha Amarela”)

Vamos Linha Amarela, established on November 29, 2019, is a limited liability company, with its headquarters at Avenida Ayrton Senna da Silva, S/N, lote B3 e B4, bairro distrito industrial, city of Cuiabá, State of Mato Grosso, CEP 78.098-028, engaged in the trade of new and used tractors, machines, implements, motor vehicles, including import and export; parts and accessories, lubricants, repair and maintenance services for machines, implements and motor vehicles, technical assistance and related services; insurance contract sales intermediation by specialized companies; sale of financial contracts by specialized companies; hiring of brokers; holding investments in other companies as partner or shareholder. Vamos Linha Amarela has a branch located in the State of Mato Grosso do Sul.

f) Vamos Comércio de Máquinas Agrícolas Ltda. (“Vamos Agrícolas”)

Vamos Agrícolas, established on September 8, 2020, is a limited liability company, headquartered at Avenida Carro Cunha, nº 1521, sala 01, Cidade Empresarial Nova Aliança, municipality of Rio Verde - GO, CEP 75.913-200, engaged in the sale of machinery and equipment for agricultural use; trade of new and used automotive vehicles, parts and accessories, lubricants and agricultural activities, provision of technical assistance and related services, import and export of goods and also road transportation of cargo in general, holding of equity interests in other companies as a partner or shareholder, and provision of intermediation services for: (i) sale of insurance contracts by specialized companies, (ii) sale of financial contracts by specialized companies; and, (iii) sale of consortium contracts by specialized companies.

1.2 Situation of COVID-19

On January 30, 2020, the World Health Organization (WHO) declared a global state of emergency due to the spread of COVID-19. On March 11, 2020, the World Health Organization declared COVID-19 as a pandemic outbreak. From March 2020 to the date of issue of these financial statements, government authorities in various jurisdictions imposed confinement or other restrictions to contain the virus, causing the suspension or reduction of business activities in various sectors of the economy. The final impact on the global economy and financial markets is expected to be a decrease in the Gross Domestic Products - GDP in most countries, and in Brazil a decrease of 4.36% in GDP, according to the Central Bank's Focus bulletin of December 31, 2020.

In Brazil, the main market in which the Vamos Group operates, the restriction measures included the closing of part of the trade and services considered as non-essential.

The Management of the Vamos Group created a specific crisis management committee to deal with the COVID-19 issue, and through this committee monitoring the evolution of the current crisis, implementing actions in line with WHO guidelines in respect of the following aspects:

a. Care for employees

Adoption of telecommute for some employees, including for people over 60 years of age and others that are considered as a risk group; flexible times for employees to enter and leave the premises of the Vamos Group' companies; adaptation of physical facilities to provide more space between people and facilitate social distancing; availability of vehicles for employees who use public transport; collective vacations and use of the hours bank; (vi) and the introduction of cleaning, sterilization and sanitization routines for furniture and building installations;

b. Support to society

Provision of its structure and operations in support of the communities where the Company is present, mainly by donating essential and basic products to families, logistics services for circulation and delivery of donations received from government institutions.

c. Economic and financial impacts

A substantial part of the Vamos Group's activities is based on long-term asset lease agreements, mainly with customers from the agribusiness sector, which is a market that is on the rise in the last years. Other activities are considered essential, therefore being kept operating normally, such as the activity of selling agricultural machinery, parts and implements, as well as maintenance, workshop, and parts sales services from our truck and bus dealerships. Therefore, during this year there were no significant impacts.

The Vamos Group has a solid financial condition sufficient to overcome the crisis, mainly citing the following circumstances:

(i) The economic and financial situation

- Positive current liquidity, that is, current assets greater than current liabilities of 1.1 times in the parent company and 1.3 times in the consolidated;
- Most of the services provided by the Vamos Group, mainly in the logistics and fleet outsourcing segments, are supported by long-term agreements, ensuring more than 91% of the Vamos Group's cash generation.
- The Vamos Group has been implementing aggressive cost reduction programs to adapt the cost structure according to changes in revenue and its cash generation, monitored on a daily basis.

(ii) Impairment testing of financial assets

The Vamos Group carried out a review of its financial assets, including trade receivables, to assess the need to recognize additional impairment provisions. This testing was conducted considering the credit risk and current default situation known to date. For financial assets held with financial institutions, mark-to-market was made, and the impacts were recognized in profit or loss.

For trade receivables, as a result of the analysis, there was no need to recognize additional provisions in the Vamos Group's operations.

(iii) Impairment testing of non-financial assets

The Vamos Group analyzed its non-financial assets. As a result, there was no need to recognize a provision for the related assets/or cash-generating units (CGUs).

The assumptions used in the respective analyses are disclosed in note 15.2.

(iv) Concessions announced by municipal, state and federal governments

Municipal, state and federal governments have announced several measures to combat the negative impacts of COVID-19. Principally, the Federal Government issued provisional measures, decrees, and laws granting discounts and extensions of payments for taxes and social contributions. The Vamos Group partially adhered to these programs, so it is paying part of these taxes as usual and part of some contributions will be paid according to the special schedule established by the Federal Government. All related accounting effects are properly reflected in the individual and consolidated financial statements as taxes payable and respective expenses in the results for the year ended December 31, 2020.

(v) Assessment of benefits in lease by right of use agreements - CPC 6 (R2) / IFRS 16 - Leases

As a result of the crisis, the Vamos Group negotiated discounts on its lease agreements, in the amount of R\$ 26 in the Parent Company and R\$ 526 in the Consolidated, in addition to certain maturity extensions.

Pursuant to resolution No. 859 of July 7, 2020, issued by the Brazilian Securities and Exchange Commission - CVM and the report on Review of Technical Pronouncement No. 16/2020, issued by the Brazilian Accounting Pronouncements Committee – CPC (amendments to IFRS 16 issued by the International Accounting Standards Board – IASB), Management evaluated these concessions and opted to adopt the practical expedient and not treat these benefits as modification of the respective lease agreements.

The discounts obtained were recognized directly in the results for the year ended December 31, 2020.

Management continues to assess the evolution of the crisis, and also considers: (i) the spread of the virus in evolution in Brazil (ii) it is a new event, unprecedented, never seen in contemporary world history; and (iii) all state, municipal and federal governments still continue to announce and test actions to combat, close and reopen trade in general, which makes it uncertain how many measures will be adopted and the extent of them.

2. Basis of preparation and presentation of the individual and consolidated financial statements and significant accounting policies

2.1. Statement of compliance (with regard to International Financial Reporting Standards - IFRS and standards from the Accounting Pronouncements Committee - CPC)

The individual and consolidated financial statements have been prepared in accordance with the accounting practices adopted in Brazil, which include the practices from the Brazilian corporate legislation and the technical pronouncements, guidance and interpretations issued by the Accounting Pronouncements Committee ("CPC"), approved by the Federal Accounting Council - CFC and by the Brazilian Securities and Exchange Commission ("CVM"), and in accordance with the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB").

These financial statements were approved and authorized for issuance by the Executive Offices on February 25, 2021.

All significant information in the financial statements, and only this information, is being disclosed and corresponds to that used by the Company in its activities.

a) Basis of measurement

The individual and consolidated financial statements were prepared on the historical cost basis, except for financial instruments measured at fair value through profit or loss as per note 6.1, when applicable.

2.2. Statement of value added ("DVA")

The preparation of the individual and consolidated statements of value added (DVA) is required by the Brazilian corporate legislation and the accounting practices adopted in Brazil applicable to listed companies.

The IFRS do not require the presentation of such statement. Accordingly, under the IFRS this statement is presented as supplementary information, and not as part of the set of individual and consolidated financial statements.

2.3. Basis of consolidation

a) Subsidiaries

The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the Company obtains the control until the date on which control ceases.

In the Parent company's individual financial statements, the financial information of subsidiaries is recognized using the equity method.

b) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent 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.

2.4. Functional and presentation currency

Items included in the financial statements of each Vamos Group company are measured using the currency of the primary economic environment in which the Vamos Group operates ("functional currency").

The individual and consolidated financial statements are presented in Brazilian reais (R\$), which is the functional currency of Vamos and also the presentation currency of other subsidiaries. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.5. Financial instruments

2.5.1. Financial assets

a) Recognition and measurement

The trade receivables are initially recognized on the date they were originated. All other financial assets and financial liabilities are initially recognized when the Vamos Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not measured at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable is measured initially at the transaction price.

b) Classification and subsequent measurement**Financial Instruments**

On initial recognition, a financial asset is classified as measured at: amortized cost; or at FVTPL.

The financial assets are not reclassified subsequent to their initial recognition unless the Vamos Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following 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 at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. This includes all derivative financial assets as disclosed in note 6.1. On initial recognition, the Vamos Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net income, including any interest, are recognized in profit or loss. However, see disclosure in note 6.3.b for derivatives designated as hedge instruments.
Financial instruments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

c) Derecognition (write-off)

The Vamos 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 Vamos Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

2.5.2. Financial liabilities – classification, subsequent measurement and gains and losses

The financial liabilities were classified as measured at amortized cost. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

a) Derecognition (write-off)

The Vamos Group derecognizes a financial liability when its contractual obligations are discharged, canceled or expired. The Vamos 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.

2.5.3. Offset

The financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Vamos Group has a legally enforceable right to offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.5.4 Derivative financial instruments and hedge accounting

The Vamos Group enters into non-speculative derivative financial instruments to hedge its exposure to changes in indexes, foreign currencies and interest rates arising from certain loans, financings and debentures or aiming not being exposed to changes in the fair value of certain financial instruments. Additionally, the Group opted for hedge accounting, thus avoiding the mismatch in the measurement of these instruments.

At inception of designated hedging relationships, the Vamos Group documents the risk management objective and strategy for the hedge instrument. The Vamos Group also documents the economic relationship between the hedged item and the hedge instrument, including whether the changes in cash flows of the hedged item and hedge instrument are expected to offset each other.

When a derivative is designated as a fair value hedge instrument, the change in fair value is recognized in profit or loss and the hedged item (debt) is also measured at fair value through profit or loss.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in Other Comprehensive Income (OCI) and accumulated in the hedge reserve. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

The Vamos Group designates only the changes in fair value of the spot element of forward exchange contracts as the hedge instrument in cash flow hedge relationships. The change in fair value of the forward element of forward exchange contracts ('forward points') is separately accounted for as a cost of hedging and recognized in costs of hedging reserve within equity.

The amount accumulated in the hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged item expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedge instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedge reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedge reserve are immediately reclassified to profit or loss.

2.5.5 Impairment of financial assets

The Vamos Group recognizes loss allowances for expected credit losses (ECLs) on its financial assets measured at amortized cost.

The Vamos Group measures loss allowances at an amount equal to lifetime ECLs.

The Vamos Group uses a simplified "provision matrix" to calculate the expected losses on its trade receivables according to which the amount of expected credit losses is defined on an "ad hoc" basis. The provision matrix is based on the percentages of historical loss observed along the expected life of the receivables and is adjusted for specific customers according to future estimates and qualitative factors, such as debtor's financial capacity, guarantees provided, renegotiations in progress, among other factors that are monitored. These qualitative factors are monitored monthly by a committee named Credit and Collection Committee. The percentages of historical loss and the changes in future estimates are reviewed at each reporting period or whenever a significant event occurs indicating that there may be a significant change in these percentages.

For ECLs associated to marketable securities classified as at amortized cost, the methodology of impairment applied depends on the significant increase of the counterparty's credit risk. Note 6.3.a provides details on how the Vamos Group determines if there was a significant increase in the credit risk.

The provision for impairment of financial assets measured at amortized cost is presented less the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Vamos Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Vamos Group has a policy of writing off the gross carrying amount when the financial asset is 12 or 24 months past due based on historical experience of recoveries of similar assets. The Vamos 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 Vamos Group's procedures for recovery of amounts due.

2.6. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Vamos Group has access at that date. The fair value of a liability reflects its non-performance risk. The non-performance risk includes, among others, the Vamos Group's own credit risk.

A number of the Vamos Group's accounting policies and disclosures require the measurement of fair values, using assumptions and estimates, for both financial and non-financial assets and liabilities (see note 6.2.).

When one is available, the Vamos Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Vamos Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a purchase price and a sale price, the Vamos Group measures assets based on purchase prices and liabilities based on selling prices.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Vamos Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out, whichever occurs first.

2.7. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is stated at average acquisition cost and includes costs incurred on the purchase of inventories and other costs incurred to bring them to their existing locations and conditions.

Net realizable value represents the estimated selling price in the normal course of business less all estimated costs of completion and costs necessary to make the sale.

The provision for slow-moving items is made based on the existing quantity in inventory, amount and average consumption of materials, according to the assumptions of the Vamos Group's slow moving-items policy, which establishes the setting up of 100% on the amount of the item in inventory without movement for over 12 months.

2.8. Fixed assets available for sale (Fleet renewal)

To comply with its service agreements, the Vamos Group constantly renews its fleet. The vehicles, machinery and equipment available for replacement are reclassified from property and equipment to "Fixed assets available for sale".

Amounts are presented at the lower of the residual value, which is the acquisition cost less accumulated depreciation until the date when assets were made available for sale, and their fair value less the estimated cost to sell the asset. These assets are available for immediate sale in their present condition and are thus very likely to be sold in one year or less.

According to the demand, such as in periods of high seasonality, vehicles, machinery and equipment may again be allocated for use in operations. When this occurs, the assets are returned to the base of property and equipment and their depreciation is recorded again.

2.9. Property and equipment

a) Recognition and measurement

Items of property and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses, when applicable.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss.

b) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Vamos Group. Maintenance and recurring repair costs are recognized in profit or loss when incurred.

c) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Thus, depreciation rates vary according to the date on which the asset was purchased, the type of the purchased asset, the amount paid, and the estimated sale date and price (method of depreciation for use and sale). The depreciation of vehicles is recorded as cost of services rendered and the depreciation of other property and equipment items is recorded as expense.

The average depreciation rates of assets for the years ended December 31, 2020 and 2019 are disclosed in note 14.

The Vamos Group periodically reviews the estimates of the expected market value at the end of the accounting useful lives of its property and equipment and periodically reviews the estimates of their accounting useful lives used for the determination of the depreciation and amortization rates, and whenever necessary, assesses the recoverability of its assets. At the base date March 31, 2020, based on this review, the annual depreciation rates for vehicles were changed from 11% to 9%, and for machinery and equipment from 12% to 11%.

2.10. Intangible assets

2.10.1. Goodwill

Goodwill represents the excess of the consideration paid and/or payable for business acquisition over the net fair value of the assets and liabilities of the acquired subsidiary, based on expected future profitability. The goodwill was recorded in connection with Vamos' business combination.

Goodwill on acquisitions of subsidiaries is recognized as "intangible assets" in the consolidated financial statements and measured at cost less accumulated impairment losses. *The tests to identify impairment losses are performed annually and any losses identified are recognized in profit or loss for the year and can no longer be reversed.* Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the entity sold.

For impairment testing purposes, goodwill is allocated to the Cash Generating Units ("CGUs") that will benefit from the business combination from which goodwill arose.

2.10.2. Software

Software licenses are capitalized based on the costs incurred for their purchase and implementation. These costs are amortized over the estimated useful life of the software.

Costs associated with maintaining computer software programs are recognized as an expense as incurred.

The amortization rates of assets for the years ended December 31, 2020 and 2019 are disclosed in note 15.

2.10.3. Goodwill

Commercial rights are amounts paid for the acquisition of territorial rights for the sale of trucks, machinery and equipment of the Valtra and MAN brands. These rights have indeterminate periods and, therefore, are not amortized and are tested for impairment annually, as disclosed in note 15.

2.10.4. Non-compete agreement and customer portfolio

When acquired in a business combination, they are recognized at fair value at the acquisition date. Clauses of customer relationship / customer portfolio and non-compete agreements have finite useful lives and are measured at cost less accumulated amortization. Amortization is calculated under the straight-line method over the estimated useful life, as disclosed in note 15.

2.10.5. Trademarks

Trademarks, when acquired in a business combination, are recognized as intangible assets at fair value at the acquisition date. As they have indefinite useful lives, these assets are not amortized and are tested for impairment annually.

2.10.6. Amortization and impairment testing

The useful life of the intangible asset can be finite or indefinite. When it has a finite useful life, the asset is amortized over its estimated useful life. The useful lives are disclosed in note 15.

Assets with no finite useful life are not amortized, but are tested annually or more frequently when there is an indication that they may present an impairment, individually or at the level of the cash-generating unit, and any identified losses are recognized in profit or loss and can no longer be reversed.

The assumptions and methodologies for impairment testing of intangible assets with indefinite useful lives are disclosed in note 15.2.

2.11. Leases

At inception of a contract, the Vamos Group determines whether the contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether the contract conveys a right to control the use of an identified asset, the Vamos Group uses the definition of lease in CPC 06(R2) / IFRS 16.

This policy applies to contracts entered into as of January 1, 2019.

(i) As lessee

At inception or on reassessment of a contract that contains a lease component, the Vamos Group allocates the consideration in the contract to each lease component on the basis of their stand-alone prices.

The Vamos Group recognizes a right-of-use asset and a lease liability at the date of inception of the lease. The right-of-use asset is initially measured at cost, which comprises the value at the initial measurement of the lease liability, adjusted for any lease payments made up to the date of inception, plus any initial direct costs incurred by the lessee and an estimate of the costs to be incurred by the lessee in the decommissioning and removal of the underlying asset, restoring the site in which it is located or restoring the asset to the condition required by the lease terms and conditions, less any lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the date of inception of the lease to the end of the lease term, unless the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise the purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as the property and equipment items. 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 made at the date of inception, discounted at the interest rate implicit in the lease or, if this rate cannot be readily determined, at the Vamos Group's incremental borrowing rate the Vamos Group as the discount rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

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

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 prevailing as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees; and
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of fines for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

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 resulting from a change in an index or a rate, if there is a change in the amounts expected to be paid according to the residual value guarantee, if the Vamos Group changes its evaluation of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed payment.

When the lease liability is remeasured in this manner, a corresponding adjustment is made to the carrying amount of the right-of-use asset or recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Vamos Group has right-of-use assets and those that were previously classified as "leases payable", which do not meet the definition of investment property in "property and equipment" and lease liabilities in "right-of-use leases" and "leases payable" in the statement of financial position.

Leases of low value assets

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

(ii) As lessor

At inception or on reassessment of a contract that contains a lease component, the Vamos Group allocates the consideration in the contract to each lease component on the basis of their stand-alone prices.

When the Vamos Group acts as lessor, it determines at the commencement of the lease whether each lease is a finance lease or an operating lease.

In order to classify each lease, the Vamos Group generally assesses whether the lease transfers substantially all the risks and rewards of ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is classified as an operating lease. As part of this assessment, the Vamos Group takes into consideration certain indicators, such as whether the lease term represents the largest portion of the economic useful life of the asset.

If a contract contains lease and non-lease components, the Vamos Group will apply CPC 47/IFRS 15 to allocate the consideration in the contract.

The Vamos Group applies the derecognition and impairment requirements in CPC 48 / IFRS 9 to the net investment in the lease (see disclosure in notes 2.5.1.c and 2.5.5). The Vamos Group also regularly reviews the estimated unguaranteed residual values used in the calculation of the gross investment in the lease.

The Vamos Group recognizes lease receipts arising from operating leases as revenue under the straight-line method over the lease term, as part of its operating income.

2.12. Current and deferred income tax and social contribution

The income tax and social contribution expenses for the year comprise current and deferred taxes. Taxes on profit are recognized in the statement of profit or loss.

The income tax and social contribution charge, current and deferred, is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates the positions taken by the Vamos Group in income tax returns with respect to situations in which the applicable tax regulations are subject to interpretation and establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

The income tax and social contribution on profit are presented net, separated by taxpaying entity, in liabilities when there are amounts payable, or in assets when the amounts prepaid exceed the total amount due on the reporting date, if there is a legally enforceable right to offset the tax liabilities and assets, and if these are related to taxes levied by the same tax authority.

Deferred income tax and social contribution are recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred taxes are not accounted for if they arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither the accounting nor the taxable profit or loss (tax losses).

A deferred tax asset is recognized against unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available, against which it can be utilized.

Future taxable profits are determined based on the reversal of material taxable temporary differences. If the amount of the taxable temporary differences is insufficient to fully recognize a deferred tax asset, the future taxable profits will be considered, adjusted for reversals of existing temporary differences, based on the Vamos Group's business plans.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Current and deferred income tax and social contribution are calculated based on the rates of 15%, plus a 10% surcharge on the taxable profit exceeding R\$ 240 annually for income tax and 9% on the taxable profit for the social contribution on net income, and take into account the offset of income tax and social contribution tax losses, limited to 30% of the actual profit for the year.

In business combinations, the tax legislation permits the deductibility of the goodwill and of the fair value of the net asset generated at the acquisition date when a non-substantial action is taken after the acquisition, for example, the Vamos Group carries out a merger or spin-off of the businesses acquired and, therefore, the tax and accounting bases of the net assets acquired are the same as those at the acquisition date. Therefore, as the Vamos Group will merge the acquiree, there will be deductibility of the amortization and depreciation of the assets acquired.

2.13. Provisions

2.13.1. General

A provision is recognized when the Vamos Group has 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 can be reliably estimated.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The effects of derecognition of the discount on the passage of time are recognized in profit or loss as finance cost.

When the Vamos Group expects the amount of a provision to be reimbursed, in whole or in part, for example, due to an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is almost certain.

The expenses related to any provision are recognized in the statement of profit or loss, net of any reimbursement.

2.13.2. Provision for judicial and administrative litigation

The Vamos Group is a party to several judicial and administrative proceedings. A provision is established for all contingencies referring to proceedings for which it is probable that an outflow of funds will be required to settle the contingency/obligation, and where a reasonable estimate of this outflow can be made. The assessment of the likelihood of loss includes the assessment of available evidence, hierarchy of laws, available case laws, recent court decisions and their relevance in the legal system, as well as the assessment made by outside counselors. The provision is reviewed and adjusted to account for changes in circumstances, such as applicable limitation period, completion of tax inspections, or additional exposure identified on the basis of new matters or court decisions.

2.14. Revenue from contracts with customers

Revenue is measured based on the consideration specified in the contract with the customer. The Vamos Group recognizes revenues when it transfers control over the product or service to the customer.

Information on the nature and timing of performance of customer performance obligations is described below:

2.14.1 Revenue from sale of vehicles and parts

a) Nature and timing of performance of customer performance obligations, including significant payment conditions

The customers get control of new and used vehicles, parts and accessories when the products are delivered. The invoices are issued at that time and are settled by debit in account, bank slip and credit card.

b) Recognition of revenue according to CPC 47 / IFRS 15

Revenue from new vehicles, parts and accessories is recognized when the products are delivered and accepted by the customer.

The contracts for the sale of used vehicles must include a guarantee of engine and gearbox for 3 months subsequent to the sale. For contracts that have a motor and gearbox guarantee, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of revenue will not occur. Therefore, the amount of revenue recognized is adjusted for the expected returns when applicable.

The right to recover the products to be returned is measured at the original carrying amount of the inventory, less the expected recovery costs and the returned products are included in inventory.

2.14.2 Revenue from leasing

a) Nature and timing of performance of performance obligations, including significant payment terms

The Vamos Group leases fleet of trucks for the transport of load (light and heavy), agricultural machinery and equipment. Leases are formalized through contracts entered into between the Company and its customers. These contracts determine the terms and conditions related to the lease and become effective when they are signed and the vehicles and agricultural machinery and equipment are made available (performance obligation). The contract establishes, among other conditions:

- The price agreed between the parties, which is charged in fixed monthly installments; and
- The effective period varies on average 60 months, with annual adjustment based on the General Market Price Index (IGP-M). The termination of the contract by the customer results in the payment of a fine of 50% of the total amount of the installments to fall due.

To formalize the collection, in the month subsequent to the utilization of the assets that are subject of the lease by the customer, invoices are issued with the monthly amount contractually agreed.

b) Recognition of revenue according to CPC 06 / IFRS 16

Revenue is recognized over time according to the utilization of the truck, machine and/or equipment. The amount of revenue to be recognized is formalized through lease agreements and charged monthly over the period of utilization of the assets by the customer.

2.14.3 Revenue from services rendered

a) Nature and timing of performance obligations, including significant payment terms

The Vamos Group provides technical assistance services for new and used vehicles sold. Sales of services are formalized through service orders agreed with the customers, which include the values of parts and labor used in providing the services.

Technical assistance invoices are issued upon completion of the services provided.

b) Recognition of revenue according to CPC 47 / IFRS 15

Revenue is recognized over time as services are rendered. The amount of revenue is established and formalized through a budget presented by the Company to the customer and approved by him, which is recognized when the service contracted by the customer is finalized.

2.14.4 Revenue from sale of decommissioned assets

a) Nature and timing of performance obligations, including significant payment terms

After the termination of the lease agreement with its customers, the Vamos Group decommissions and sells the vehicles, machinery and equipment through the used vehicles stores and dealership network of the Vamos Group.

Customers obtain control of decommissioned vehicles when products are delivered. Invoices are issued at that time and are settled by debit, bank slip and credit card.

b) Recognition of revenue according to CPC 47 / IFRS 15

Revenue from decommissioned vehicles, machinery and equipment is recognized when the products are delivered and accepted by the customer.

2.15. Employee benefits

2.15.1. Short-term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for an amount expected to be paid if the Vamos Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.15.2. Share-based payment

The grant-date fair value of share-based payment agreements granted to employees is recognized as personnel expenses, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number

of awards for which the service conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the service conditions at the vesting date.

2.16. Distribution of dividends and interest on capital

The distribution of dividends and interest on capital to the Company's shareholders is recognized as a liability in the Company's financial statements at the end of the reporting period based on the Company's bylaws. Any amount that exceeds the minimum required is only provided on the date it is approved by the shareholders at the Board of Directors', Annual or Extraordinary General Meetings.

The tax benefit of interest on capital accounts is recognized in the statement of profit or loss.

2.17. Share capital

Additional costs directly attributable to the issuance of shares and stock options are recognized as a reduction to equity. Effects of taxes related to the cost of these transactions are accounted for in accordance with CPC 32 / IAS 12 – Income Taxes.

2.17.1 Repurchase of shares (treasury shares)

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes any directly attributable costs, is recognized as a deduction of equity. Repurchased shares are classified as treasury shares and presented as a deduction of equity. When treasury shares are subsequently sold or reissued, the amount received is recognized as an increase in equity, and the gain or loss resulting from the transaction is recorded as capital reserve.

3 Use of estimates and judgments

In preparing these financial statements, Management has made judgments and estimates that affect the application of the Vamos Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

3.1. Judgments

The information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- a) Revenue from contracts with customers: if revenue from the sale of decommissioned assets, leasing and from rendered services is recognized over time or at a specific time - note 2.14.2.b.

3.2. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the year ending December 31, 2021 is included in the following notes:

- a) Property and equipment (definition of the residual value and useful life) - note 14;
- b) Fixed assets available for sale - definition of the residual value - note 11;
- c) Impairment losses of intangible assets – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts – note 15.2;

- d) Expected credit losses (“impairment”) of trade receivables: measurement of expected credit losses of trade receivables and contractual assets: key assumptions in the determination of the weighted average rate of loss - note 9; and
- e) Provision for judicial and administrative litigation – recognition and measurement of provisions and contingencies: key assumptions underlying the likelihood and materiality of resource outflows – note 24.2.

4 New standards not yet effective

A number of new standards are effective for annual periods beginning after January 1, 2021. The Vamos Group did not adopt those standards in preparing these financial statements. :

a) Onerous contracts – cost of fulfilling a contract (amendments to CPC 25 / IAS 37).

The amendments specify which costs an entity includes when determining the cost of fulfilling a contract with the purpose of assessing whether the contract is onerous. The amendments apply to annual periods beginning on or after January 1, 2022 for contracts existing on the date in which the amendments were applied for the first time. On the initial application date, the cumulative effect of the application of the amendments is recognized as an adjustment to the opening balance of retained earnings or other components of equity, as appropriate. The comparative data are not restated. The Group determined that all contracts existing at December 31, 2020 will be concluded before the amendments become effective.

b) Other standards

The following new and amended standards are not expected to have a significant impact on the Group’s individual and consolidated financial statements.

- COVID-19-Related Rent Concessions (Amendments to CPC 06 / IFRS 16);
- 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).

5 Segment information

The segment information is presented in relation to the Vamos Group business, which were identified based on the management structure and internal managerial information utilized by the Vamos Group chief decision-makers.

The results per segment, as well as the assets and liabilities, consider the items directly attributable to the segment, as well as those that may be allocated on reasonable bases.

The Vamos Group businesses were divided into two operating segments:

- a) Truck, machinery and equipment dealerships: sale of trucks, machinery and equipment; resale of used trucks, machinery and equipment, parts, machinery and accessories; mechanics auto body repair and paint services; and
- b) Lease of trucks, machinery and equipment: lease of trucks, machinery and equipment and fleet management; and

No customer accounted for more than 10% of the net operating revenue for the years ended December 31, 2020 and 2019.

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



The business segment information attributed to the Vamos Group for the years ended December 31, 2020 and 2019 is as follows:

				December 31, 2020
	Truck, machinery and equipment dealerships	Lease of trucks, machinery and equipment	Eliminations	Consolidated
Net revenue from sale, lease, rendering of services and sale of decommissioned assets used in services rendered	695,750	834,974	(17,537)	1,513,187
(-) Cost of sales, leases and services rendered	(557,168)	(283,869)	8,221	(832,816)
(-) Cost of sales of decommissioned assets	-	(171,968)	9,316	(162,652)
(=) Gross profit	138,582	379,137	-	517,719
Selling expenses	(41,526)	(24,627)	-	(66,153)
Administrative expenses	(57,520)	(38,371)	-	(95,891)
Reversal (provision) for expected credit losses ("impairment") of trade receivables	821	(1,837)	-	(1,016)
Other operating income, net	6,916	7,980	-	14,896
Operating profit before finance income and costs and taxes	47,273	322,282	-	369,555
Finance income				21,176
Finance costs				(133,268)
Profit before income tax and social contribution				257,463
Income tax and social contribution				(78,271)
Profit for the year				179,192
Total assets per segment at December 31, 2020	234,477	4,455,088	(464,086)	4,225,479
Total liabilities per segment at December 31, 2020	186,240	3,538,626	(5,625)	3,719,241
Depreciation and amortization at December 31, 2020	(12,290)	(256,929)	-	(269,219)

				December 31, 2019
	Truck, machinery and equipment dealerships	Lease of trucks, machinery and equipment	Eliminations	Consolidated
Net revenue from sale, lease, rendering of services and sale of decommissioned assets used in services rendered	436,723	780,619	(5,834)	1,211,508
(-) Cost of sales, leases and services rendered	(339,036)	(258,082)	3,344	(593,774)
(-) Cost of sales of decommissioned assets	(564)	(206,559)	2,490	(204,633)
(=) Gross profit	97,123	315,978	-	413,101
Selling expenses	(32,714)	(20,093)	-	(52,807)
Administrative expenses	(46,438)	(33,978)	-	(80,416)
Provision for expected credit losses ("impairment") of trade receivables	(5,826)	(198)	-	(6,024)
Other operating income, net	10,292	8,507	-	18,799
Operating profit before finance income and costs and taxes	22,437	270,216	-	292,653
Finance income				16,670
Finance costs				(110,158)
Profit before income tax and social contribution				199,165
Income tax and social contribution				(57,383)
Profit for the year				141,782
Total assets per segment at December 31, 2019	619,756	2,820,327	(386,234)	3,053,849
Total liabilities per segment at December 31, 2019	272,912	2,317,446	(27,263)	2,563,095
Depreciation and amortization at December 31, 2019	(11,957)	(223,014)	-	(234,971)

(i) Transfers between segments represent less than 10% of net revenue for all operating segments in the years ended December 31, 2020 and 2019.

6 Financial instruments and risk management

6.1 Financial instruments by category

The financial instruments are presented in the following accounting classifications:

Assets, as per the statement of financial position	12/31/2020				Parent Company 12/31/2019			
	Assets at fair value through profit or loss	Assets at fair value through FVOCI	Amortized cost	Total	Assets at fair value through profit or loss	Assets at fair value through FVOCI	Amortized cost	Total
	Cash and cash equivalents	12,995	-	211	13,206	269,376	-	247
Marketable securities and financial investments	633,771	-	-	633,771	176,427	-	-	176,427
Trade receivables	-	-	170,790	170,790	-	-	140,642	140,642
Derivative financial instruments	79,158	19,342	-	98,500	-	16,048	-	16,048
Other credits	-	-	11,085	11,085	-	-	27	27
	725,924	19,342	182,086	927,352	445,803	16,048	140,916	602,767

Liabilities, as per the statement of financial position	12/31/2020			Parent Company 12/31/2019	
	Liabilities at fair value through profit or loss	Amortized cost	Total	Amortized cost	Total
	Trade payables	-	407,960	407,960	81,961
Loans, financings and debentures	-	1,147,700	1,610,559	2,002,698	2,002,698
Leases payable	-	-	5,275	26,369	26,369
Right-of-use leases	-	-	18,360	2,211	2,211
Assignment of receivables	-	-	12,086	18,128	18,128
Payables for the acquisition of companies	-	-	9,072	8,828	8,828
Other payables	-	-	53,419	199	199
	1,147,700	2,116,731	3,264,431	2,140,394	2,140,394

Assets, as per the statement of financial position	12/31/2020				Consolidated 12/31/2019			
	Assets at fair value through profit or loss	Assets at fair value through FVOCI	Amortized cost	Total	Assets at fair value through profit or loss	Assets at fair value through FVOCI	Amortized cost	Total
	Cash and cash equivalents	17,212	-	1,193	18,405	317,108	-	5,722
Marketable securities and financial investments	767,163	-	-	767,163	177,082	-	-	177,082
Trade receivables	-	-	284,043	284,043	-	-	227,726	227,726
Derivative financial instruments	79,158	19,342	-	98,500	-	16,048	-	16,048
Funds for capitalization of authorized dealerships	-	-	28,528	28,528	-	-	27,002	27,002
Other credits	-	-	31,076	31,076	-	-	9,279	9,279
	784,375	19,342	344,840	1,227,715	494,190	16,048	269,729	779,967

Liabilities, as per the statement of financial position	12/31/2020			Consolidated 12/31/2019	
	Liabilities at fair value through profit or loss	Amortized cost	Total	Amortized cost	Total
	Trade payables	-	472,394	472,394	112,998
Floor plan	-	42,001	42,001	64,916	64,916
Loans, financings and debentures	-	1,147,700	1,651,530	2,070,840	2,070,840
Leases payable	-	-	5,275	26,783	26,783
Right-of-use leases	-	-	60,141	40,949	40,949
Assignment of receivables	-	-	12,086	18,128	18,128
Payables for the acquisition of companies	-	-	9,072	8,828	8,828
Other payables	-	-	58,646	4,877	4,877
	1,147,700	2,311,145	3,458,845	2,348,319	2,348,319

6.2 Fair value of financial assets and liabilities

A comparison by accounting category of the carrying amount and fair value of the Vamos Group's financial instruments is shown below:

	Parent Company			
	12/31/2020		12/31/2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	13,206	13,206	269,623	269,623
Marketable securities and financial investments	633,771	633,771	176,427	176,427
Trade receivables	170,790	170,790	140,642	140,642
Derivative financial instruments	98,500	98,500	16,048	16,048
Other credits	11,085	11,085	27	27
Total	927,352	927,352	602,767	602,767
Financial liabilities				
Trade payables	407,960	407,960	81,961	81,961
Loans, financings and debentures	2,758,259	2,801,952	2,002,698	2,074,985
Leases payable	5,275	5,248	26,369	26,467
Right-of-use leases	18,360	18,360	2,211	2,211
Assignment of receivables	12,086	12,086	18,128	18,128
Payables for the acquisition of companies	9,072	9,072	8,828	8,828
Other payables	53,419	53,419	199	199
Total	3,264,431	3,308,097	2,140,394	2,212,779

	Consolidated			
	12/31/2020		12/31/2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	18,405	18,405	322,830	322,830
Marketable securities and financial investments	767,163	767,163	177,082	177,082
Trade receivables	284,043	284,043	227,726	227,726
Derivative financial instruments	98,500	98,500	16,048	16,048
Fund for capitalization of authorized dealerships	28,528	28,528	27,002	27,002
Other credits	31,076	31,076	9,279	9,279
Total	1,227,715	1,227,715	779,967	779,967
Financial liabilities				
Trade payables	472,394	472,394	112,998	112,998
Floor plan	42,001	42,001	64,916	64,916
Loans, financings and debentures	2,799,230	2,842,330	2,070,840	2,144,014
Leases payable	5,275	5,248	26,783	26,881
Right-of-use leases	60,141	60,141	40,949	45,290
Assignment of receivables	12,086	12,086	18,128	18,128
Payables for the acquisition of companies	9,072	9,072	8,828	8,828
Other payables	58,646	58,646	4,877	4,877
Total	3,458,845	3,501,918	2,348,319	2,425,932

The fair values of financial assets and liabilities are measured in accordance with the following categories:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2- Quoted prices in active markets for similar instruments, observable prices for identical or similar instruments in non-active markets and valuation models for *unobservable* inputs; and

Level 3 - Instruments with unobservable significant inputs. The Vamos Group does not have financial instruments classified in this category.

The table below presents the general classification of financial instruments assets and liabilities measured at fair value, according to the fair value hierarchy:

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



	Parent Company					
	12/31/2020			12/31/2019		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets at fair value through profit or loss						
Cash and cash equivalents						
Bank deposit certificates ("CDB")	-	3,301	3,301	-	254,418	254,418
Repurchase agreements	-	-	-	-	13,300	13,300
Units of other funds	9,694	-	9,694	1,658- (*)	-	1,658
Marketable securities and financial investments						
Bank deposit certificates ("CDB")	-	30,240	30,240	-	-	-
Financial Treasury Bills ("LFT")	283,038	-	283,038	140,163	-	140,163
National Treasury Bills ("LTN")	314,287	-	314,287	36,264	-	36,264
Lease bills ("LAM")	-	6,206	6,206	-	-	-
Fair value of hedge instruments						
Swap agreement	-	97,371	97,371	-	14,950	14,950
IDI call option	-	1,129	1,129	-	1,098	1,098
Total	607,019	138,247	745,266	178,085	283,766	461,851
Financial liabilities not measured at fair value - with difference between carrying amount and fair value						
Loans, financings and debentures	-	2,801,952	2,801,952	-	2,002,698	2,002,698
Leases payable	-	5,248	5,248	-	26,369	26,369
Total	-	2,807,200	2,807,200	-	2,029,067	2,029,067

(*) Reclassified from level 2 to level 1 for comparability purposes

	Consolidated					
	12/31/2020			12/31/2019		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets at fair value through profit or loss						
Cash and cash equivalents						
Bank deposit certificates ("CDB")	-	7,518	7,518	-	282,108	282,108
Repurchase agreements	-	-	-	-	32,902	32,902
Units of other funds	9,694	-	9,694	-	1,667	1,667
Other investments	-	-	-	-	431	431
Marketable securities and financial investments						
Bank deposit certificates ("CDB")	-	30,240	30,240	-	-	-
Financial Treasury Bills ("LFT")	352,434	-	352,434	140,163	-	140,163
National Treasury Bills ("LTN")	376,997	-	376,997	36,264	-	36,264
Units of other funds	1,262	-	1,262	-	-	-
Lease bills ("LAM")	-	6,230	6,230	-	655	655
Fair value of hedge instruments						
Swap agreement	-	97,371	97,371	-	14,950	14,950
IDI call option	-	1,129	1,129	-	1,098	1,098
Total	740,387	142,488	882,875	176,427	333,811	510,238
Financial liabilities not measured at fair value - with difference between carrying amount and fair value						
Loans, financings and debentures	-	2,842,330	2,842,330	-	2,070,840	2,070,840
Leases payable	-	5,248	5,248	-	26,783	26,783
Total	-	2,847,578	2,847,578	-	2,097,623	2,097,623

The financial instruments whose carrying amounts are equivalent to fair values are classified in level 2 of the fair value hierarchy.

The valuation techniques used to measure all financial instruments assets and liabilities at fair value include:

- (i) Quoted market prices or quotations from financial institutions or brokers for similar instruments; and

- (ii) Analysis of discounted cash flows.

The curve used in the fair value measurement of agreements indexed to the CDI at December 31, 2020 is as follows:

Interest curve - Brazil							
Vertex	1M	6M	1Y	2Y	3Y	5Y	10Y
Rate (p. a) - %	1.92	2.10	2.83	4.16	5.05	6.03	7.18

Source: B3 (Brasil, Bolsa, Balcão) at 12/31/2020.

6.3 Financial risk management

The Vamos Group is exposed to credit risk, market risk and liquidity risk on its main financial assets and liabilities. The Vamos Group oversees the management of these risks with the support of a Financial Committee of its parent company Simpar and with the approval of the Board of Directors, which is responsible for authorizing transactions involving any type of derivative financial instrument and any contracts that generate financial assets and liabilities, regardless of the market in which they are traded or registered, whose amounts are subject to fluctuations.

The Vamos Group has a policy of not entering into derivative transactions for speculative purposes. These transactions are used only for protection against fluctuations related to market risks.

a) Credit risk

The credit risk involves the potential default of a counterparty to an agreement or financial instrument, resulting in financial loss. The Vamos Group is exposed to credit risk, mainly in relation to trade receivables, deposits with banking institutions, financial investments and other financial instruments held with financial institutions.

i. Cash equivalents, marketable securities and financial investments

The credit risk associated with balances at banks and financial institutions is managed by the Vamos Group treasury area in accordance with the guidelines approved by the Financial Committee and the Board of Directors. The surplus funds are invested only in approved counterparties and within the limit established to each one, in order to minimize the risk concentration, and thus mitigate the financial loss in the event of a potential bankruptcy of a counterparty.

The maximum period considered in the estimate of expected credit loss is the maximum contractual period during which the Vamos Group is exposed to credit risk.

For risk assessment purposes, a local scale (“Br”) of credit risk exposure extracted from rating agencies are used, as shown below:

Rating in Local Scale “Br”	
Nomenclature	Quality
Br AAA	Prime
Br AA+, AA, AA-	High Investment Grade
Br A+, A, A-	High Average Investment Grade
Br BBB+, BBB, BBB-	Low Average Investment Grade
Br BB+, BB, BB-	Non-Speculative Investment Grade
Br B+, B, B-	Non-highly Speculative Investment Grade
Br CCC	Extremely Speculative Non-Investment Grade
Br DDD, DD, D	Non-Speculative Moratorium Investment Grade

The Vamos Group's cash quality and maximum credit risk exposure to cash and cash equivalents, marketable securities and financial investments are as follows:

	Parent Company	Consolidated
	12/31/2020	12/31/2020
Demand and short-term deposits	211	1,193
Deposits in financial investments		
Br AAA	12,239	15,012
Br AA+	756	2,200
Total financial investments	12,995	17,212
Total cash and cash equivalents	13,206	18,405

	Parent Company	Consolidated
	12/31/2020	12/31/2020
Deposits in marketable securities and financial investments		
Br AAA	633,771	767,163
Total marketable securities and financial investments	633,771	767,163

ii. Trade receivables

The Vamos Group uses a simplified “provision matrix” to calculate the expected losses on its trade receivables according to its experience of historical credit losses. The provision matrix specifies fixed rates for the provision depending on the number of days in which the receivables are falling due or overdue and is adjusted for specific customers according to future estimates and qualitative factors observed by Management.

The Vamos Group writes off its financial assets when there is no reasonable expectation of recovery, according to the recoverability study of each Vamos Group company. The receivables written off continue in the collection process to recover the receivable amount. When there are recoveries, these are recognized in the profit or loss for the year.

The Vamos Group recognized an impairment allowance that represents its estimate of expected credit losses on trade receivables, as disclosed in note 9.1.

b) Market risk

The market risk involves potential fluctuations in the fair value of future cash flows derived from a given financial instrument in response to variations in its market prices. Market prices typically involve three types of risks: interest rate risk, exchange rate risk and price risk the last of which can be broken down further into commodities, stocks, among other risks

The Vamos Group uses derivatives to manage market risks. All these transactions are conducted under the guidelines set forth by the Board of Directors. Generally, the Vamos Group seeks to apply the hedge accounting to manage the volatility of profit or loss.

The Vamos Group's financial instruments affected by market risk include cash and cash equivalents, marketable securities and financial investments, loans, financings and debentures, leases payable, right-of-use leases, assignment of receivables and payables for the acquisition of companies, and are basically subject to interest rate risk.

i. Interest rate and foreign currency risk

Interest rate risk involves potential fluctuation in the fair value of the future cash flows derived from a given financial instrument in response to variations in market interest rates. The Vamos Group exposure to risk associated with market interest rate fluctuations relates primarily to cash and cash equivalents, marketable securities and financial investments, loans, financings and debentures, leases payable, payables for the acquisition of companies and right-of-use leases, subject to interest rates.

To mitigate part of this exposure, the Company contracted swap instruments, which exchange the fixed rate index or IPCA for CDI. Additionally, the Company has contracted call options of "Average One-Day Interbank Deposit Rate Index" (IDI) listed on B3. These options act as limiters, ensuring an upper limit of interest rate variation. IDI options are used as a kind of insurance, where the option premium resembles an insurance premium where the Company buys rights only. Instruments are contracted for the sole and exclusive purpose of protecting cash flow. The sensitivity analysis is disclosed in note 6.4.

Foreign currency risk is the risk that there is a mismatch between the currencies in which loans are denominated and the respective Vamos Group's functional currency. Loans are generally denominated in Reais, but also in US Dollar ("dollar"). The Group's loans and borrowings were hedged against exchange rate changes by a swap instrument, which exchanges the indexation of foreign currency by CDI, limiting the exposure to possible losses due to exchange rate changes. The sensitivity analysis is disclosed in note 6.4.

For the management of these risks, at December 31, 2020 and 2019, the Vamos Group had derivative financial instruments (swaps and long position of interest rate options) treated in hedge accounting as cash flow hedge, whose negative variations in their fair values of R\$ 410 in the year ended December 31, 2020 (at December 31, 2019, a positive variation of R\$ 1,272), were recorded in "other comprehensive income" as shown in the table below. In the same year, a gain of R\$ 2,911 was determined, resulting from the ineffective portion of fair value hedge. The amounts accumulated in OCI, net of tax, are reclassified to the statement of profit or loss for the years when the hedged item affects profit or loss (e.g., when the settlement of the hedged item occurs).

	Parent Company and Consolidated		
	Equity	Variation	Equity
	12/31/2019		12/31/2020
Derivative financial instruments designated as cash flow hedge:			
Swaps	4,454	(1,373)	3,081
Call option IDI	(2,031)	752	(1,279)
Deferred income tax and social contribution	(824)	211	(613)
Net gains recognized in other comprehensive income	1,599	(410)	1,189

	Parent Company and Consolidated		
	Equity	Variation	Equity
	12/31/2018		12/31/2019
Derivative financial instruments designated as cash flow hedge:			
Swaps	1,074	3,380	4,454
Call option IDI	-	(2,031)	(2,031)
Deferred income tax and social contribution	(365)	(459)	(824)
Net gains recognized in other comprehensive income	709	890	1,599

	Parent Company and Consolidated	
	Profit or loss	
	12/31/2020	12/31/2019
Discontinuation of financial instruments designated as cash flow hedge	40,833	-
Recognition by the curve of derivative financial instruments	41,194	2,368
Marked to market of derivatives designated as fair value hedge	52,994	-
Marked to market of debts designated as fair value	(52,994)	-
Gains recognized in profit or loss (hedge) (note 30)	82,027	2,368
Ineffective portion of fair value hedge (note 30)	2,911	-
Gains recognized in profit or loss	84,938	2,368

As mentioned in note 18 (v), as a result of the renegotiation of the International Credit Loan (4131), held on March 20, 2020, the Company carried out the early settlement of an exchange rate swap instrument with an interest rate spread, with notional amount of USD 40,000 thousand. On this settlement, a fair value gain was realized in which the Company received a credit in the amount of R\$ 40,833, net of withholding income tax – IRRF. As a result, hedge accounting contracts were discontinued, and the respective hedge reserve balance of R\$ 3,946, net of deferred income tax, was reclassified to profit or loss for the year.

In this type of instrument, the change in fair value is recognized in profit or loss for the year and the hedged item (debt) is also measured at fair value through profit or loss, reducing the accounting mismatch.

The Vamos Group also has swap contracts that were treated as fair value hedges, according to note 2.5.4, where the Vamos Group formally designated swap contracts as hedge instrument and certain financings as hedged item, establishing an economic hedge relationship among them, since it reduces the market risk arising from the change in the fair value of the respective financing. Accordingly, both derivatives and financings are measured at fair value through profit or loss, with the expectation that changes in fair values will offset each other. In the year ended December 31, 2020, the change in the fair value of the financial instrument (swap) recorded in the statement of profit or loss did not cause a material impact due to the effect from measurement at fair value of the hedged item (debt) in the amount of R\$ 52,944, as described in note 30.

To assess whether there is an economic relationship between the hedge instrument and the hedged item, a qualitative assessment of the hedge's effectiveness is performed by comparing the critical terms of both instruments.

The outstanding contracts at December 31, 2020 are the following:

Instrument	Instrument category	Operation	Notional amount	Maturity	Hedge index	Average contracted rate p.a.	Parent Company and Consolidated	
							Balance of the hedged debt at 12/31/2020	
							At amortized cost	At fair value
Swap agreement	Cash flow hedge	Swap USD + Fixed rate X CDI	USD 40,000 thousand	Sep/23	Fixed + FX	134.99% of CDI	209,314	214,515
Swap agreement - 1 st series	Fair value hedge	Swap Fixed X CDI	R\$ 98,036	Nov/24	FIXED RATE	139.00% of CDI	98,952	100,559
Swap agreement - 2 nd series	Fair value hedge	Swap Fixed X CDI	R\$ 121,964	Nov/26	FIXED RATE	133.80% of CDI	123,162	128,639
Swap agreement	Fair value hedge	Swap IPCA + Fixed rate X CDI	R\$ 502,652	Jun/27	IPCA + Fixed rate	165.00% of CDI	521,119	551,657
Swap agreement	Fair value hedge	Swap IPCA + Fixed rate X CDI	R\$ 400,000	Nov/30	IPCA + Fixed rate	133.60% of CDI	406,896	422,268
							1,359,443	1,417,638

Description	Counterparty	Indexer	Initial date	Maturity	Quantity	Notional amount	Indexer	Parent Company and Consolidated		
								Contracted rate p.a.	Exercise price	Market value
Purchase of IDI call option	B3	FIXED RATE	02/25/2019	01/03/2022	525	139,799	Fixed rate	7.70%	329	-
Purchase of IDI call option	B3	FIXED RATE	08/28/2019	01/02/2023	670	184,011	Fixed rate	7.13%	985	53
Purchase of IDI call option	B3	FIXED RATE	12/19/2019	01/03/2022	1,840	513,628	Fixed rate	6.51%	917	-
Purchase of IDI call option	B3	FIXED RATE	08/12/2020	07/03/2023	990	282,290	Fixed rate	6.17%	962	1,051
Purchase of IDI call option	B3	FIXED RATE	12/03/2020	01/03/2022	110	31,551	Fixed rate	4.60%	301	25
						1,151,279			3,494	1,129

The outstanding balances are as follows:

Operation	Parent Company and Consolidated			
	At December 31, 2020		At December 31, 2019	
	Notional amount	Assets	Notional amount	Assets
Swap USD + Fixed rate X CDI	USD 40,000	19,342	USD40.000	14,950
Swap Fixed rate X CDI - 1 st series	R\$98,036	2,187	-	-
Swap Fixed X CDI- 2 nd series	R\$121,964	6,272	-	-
Swap IPCA + Fixed x CDI	R\$502,652	48,261	-	-
Swap IPCA + Fixed x CDI	R\$400,000	21,309	-	-
IDI purchase option	R\$1,151,279	1,129	892,367	1,098
Noncurrent		98,500		16,048

The table below indicates the expected periods that the cash flows associated with the swap contract will impact the profit or loss and the respective carrying amounts of these instruments.

	Carrying amount	Parent Company and Consolidated			
		At December 31, 2020			
		Expected cash flow			
		Total	1-6 months	6-12 months	Over 1 year
Cash flow swap - USD + Fixed rate x CDI					
Asset	214,515	226,298	3,066	3,066	220,166
Liability	(195,173)	(229,545)	(2,466)	(3,409)	(223,670)
Total	19,342	(3,247)	600	(343)	(3,504)

		Parent Company and Consolidated			
		At December 31, 2020			
		Expected cash flow			
	Carrying amount	Total	1-6 months	6-12 months	Over 1 year
<i>Fair value swap - 1st series - Fixed rate x CDI</i>					
Asset	100,559	119,685	3,566	3,624	112,495
Liability	(98,372)	(117,438)	(1,323)	(2,072)	(114,043)
Total	2,187	2,247	2,243	1,552	(1,548)

		Parent Company and Consolidated			
		At December 31, 2020			
		Expected cash flow			
	Carrying amount	Total	1-6 months	6-12 months	Over 1 year
<i>Fair value swap - 2nd series - Fixed rate x CDI</i>					
Asset	128,639	164,484	4,662	4,739	155,083
Liability	(122,367)	(162,707)	(1,585)	(2,482)	(158,640)
Total	6,272	1,777	3,077	2,257	(3,557)

		Parent Company and Consolidated			
		At December 31, 2020			
		Expected cash flow			
	Carrying amount	Total	1-6 months	6-12 months	Over 1 year
<i>Fair value swap – IPCA + Fixed rate x CDI</i>					
Asset	551,657	164,484	4,662	4,739	155,083
Liability	(503,396)	(162,707)	(1,585)	(2,482)	(158,640)
Total	48,261	1,777	3,077	2,257	(3,557)

		Parent Company and Consolidated			
		At December 31, 2020			
		Expected cash flow			
	Carrying amount	Total	1-6 months	6-12 months	Over 1 year
<i>Fair value swap – IPCA + Fixed rate x CDI</i>					
Asset	422,268	756,432	23,816	18,705	713,911
Liability	(400,959)	(729,884)	(4,841)	(8,237)	(716,806)
Total	21,309	26,548	18,975	10,468	(2,895)

c) Liquidity risk

The Vamos Group monitors risks associated with funding shortages on an ongoing basis through a recurrent liquidity planning tool with the purpose of maintaining its assets balance of cash and highly-liquid investments, maintaining flexibility through the use of bank loans, and the ability to raise funds through capital markets, in order to ensure its liquidity and operating continuity. The average indebtedness term is monitored in order to provide short-term liquidity, analyzing installments, charges and cash flows.

Presented below are the contractual maturities of financial liabilities, including estimated interest payment.

	Parent Company				
	12/31/2020				
	Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	3 to 8 years
Financial liabilities					
Trade payables	439,355	439,355	407,960	-	-
Loans, financings and debentures	2,758,259	3,358,737	343,034	413,364	2,602,339
Leases payable	5,275	5,347	5,267	80	-
Right-of-use leases	18,360	35,486	3,247	2,922	29,317
Assignment of receivables	12,086	16,032	8,016	8,016	-
Payables for the acquisition of companies	9,072	9,323	9,323	-	-
Other payables	22,024	22,024	53,419	-	-
Total	3,264,431	3,886,304	830,266	424,382	2,631,656

	Consolidated				
	12/31/2020				
	Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	3 to 8 years
Financial liabilities					
Trade payables	53,789	503,789	503,789	-	-
Floor plan	42,001	42,001	42,001	-	-
Loans, financings and debentures	2,799,230	3,401,580	359,516	428,967	2,613,097
Leases payable	5,275	5,347	5,267	80	-
Right-of-use leases	60,141	102,961	13,082	11,937	77,942
Assignment of receivables	12,086	16,032	8,016	8,016	-
Payables for the acquisition of companies	9,072	9,323	9,323	-	-
Other payables	27,251	27,251	27,251	-	-
Total	3,458,845	4,108,284	968,245	449,000	2,691,039

6.4 Sensitivity analysis

The Vamos Group's Management carried out a sensitivity analysis in accordance with CPC 40 (R1) / IFRS 7, in order to show the impacts of interest and exchange rate changes on its financial assets and liabilities, considering for the next 12 months the following probable interest and exchange rates:

- CDI at 2.83 % p.a., based on the future yield curve (source: B3 - Brasil, Bolsa, Balcão);
- SELIC of 2.83% p.a. (source: B3); and
- U.S. dollar ("Dollar) rate of R\$ 5.28 (source: B3).

The table below is presented with the respective impacts on the financial result, considering the probable scenario (Scenario I), with increases of 25% (Scenario II) and 50% (Scenario III):

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



Operation	Exposure	Risk	Probable rate	Parent Company		
				Scenario I probable	Scenario II + depreciation of 25%	Scenario III + depreciation of 50%
Derivatives designated as hedging accounting						
Swap – Notional amount (in thousands of USD)	40,000	USD increase	5.28	211,200	264,000	316,800
International credit 4131 (hedged item) (in thousands of USD)	(40,000)	USD increase	5.28	(211,200)	(264,000)	(316,800)
Swap – Notional amount (in thousands of BRL)	98,036	CDI increase	2.83%	2,774	3,468	4,161
CRA (hedged item) (in thousands of BRL)	(98,036)	CDI increase	2.83%	(2,774)	(3,468)	(4,161)
Swap – Notional amount (in thousands of BRL)	121,964	CDI increase	2.83%	3,452	4,315	5,178
CRA (hedged item) (in thousands of BRL)	(121,964)	CDI increase	2.83%	(3,452)	(4,315)	(5,178)
Swap – Notional amount (in thousands of BRL)	502,652	CDI increase	2.83%	14,225	17,781	21,338
CRA (hedged item) (in thousands of BRL)	(502,652)	CDI increase	2.83%	(14,225)	(17,781)	(21,338)
Swap – Notional amount (in thousands of BRL)	400,000	CDI increase	2.83%	11,320	14,150	16,980
CRA (hedged item) (in thousands of BRL)	(400,000)	CDI increase	2.83%	(11,320)	(14,150)	(16,980)
IDI call option (Position purchased in call option "Call" - liability)	(1,151,279)	Fixed rate	6.18%	(71,149)	(71,149)	(71,149)
IDI call option (Position purchased in call option "Call" - asset)	1,151,279	CDI increase	6.18%	71,149	88,936	106,724
Net effect of exposure	-			-	17,787	35,575
Net effect of exchange rate exposure						
Loans and borrowings (International credit)	(209,314)	Fixed rate	3.82%	(7,996)	(7,996)	(7,996)
Swap 4131 - notional amount (assets)	209,314	Fixed rate	3.82%	7,996	7,996	7,996
Swap - notional amount (liabilities)	(195,173)	CDI increase	2.83%	(5,523)	(6,904)	(8,285)
Net effect of exposure	(195,173)			(5,523)	(6,904)	(8,285)
Net effect of rate exposure						
Loans and financings (CRA)	(98,952)	Fixed rate	3.93%	(3,892)	(3,892)	(3,892)
Swap CRA - notional amount (assets)	98,952	Fixed rate	3.93%	3,892	3,892	3,892
Loans and financings (CRA)	(123,162)	Fixed rate	3.79%	(4,664)	(4,664)	(4,664)
Swap CRA - notional amount (assets)	123,162	Fixed rate	3.79%	4,664	4,664	4,664
Swap - notional amount (liabilities)	(220,739)	CDI increase	2.83%	(6,247)	(7,809)	(9,371)
Net effect of exposure	(220,739)			(6,247)	(7,809)	(9,371)
Loans and financings (CRA)	521,119	Fixed rate	4.67%	24,334	24,334	24,334
Swap CRA - notional amount (assets)	(521,119)	Fixed rate	4.67%	(24,334)	(24,334)	(24,334)
Swap - notional amount (liabilities)	(503,396)	CDI increase	2.83%	(14,246)	(17,808)	(21,369)
Net effect of exposure	(503,396)			(14,246)	(17,808)	(21,369)
Loans and financings (CRA)	406,896	Fixed rate	3.78%	15,384	15,384	15,384
Swap CRA - notional amount (assets)	(406,896)	Fixed rate	3.78%	(15,384)	(15,384)	(15,384)
Swap - notional amount (liabilities)	(400,959)	CDI increase	2.83%	(11,347)	(14,184)	(17,021)
Net effect of exposure	(400,959)			(11,347)	(14,184)	(17,021)
Net exposure of hedge accounting operations	(1,320,267)			(37,363)	(28,918)	(20,471)
Other operations - Floating rate						
Cash and cash equivalents – financial investments	12,995	CDI increase	2.83%	368	460	552
Marketable securities - LFT	283,038	SELIC increase	2.83%	8,010	10,013	12,015
Other investments (Marketable securities)	36,446	CDI increase	2.83%	1,031	1,289	1,547
Payables for the acquisition of companies	(9,072)	CDI increase	2.83%	(257)	(321)	(386)
Loans and financings - CRA I	(209,966)	CDI increase	3.73%	(7,832)	(9,790)	(11,748)
Loans and financings - CRA II	(224,683)	CDI increase	3.85%	(8,650)	(10,813)	(12,975)
Loans and financings - CRA III	(514,883)	CDI increase	4.67%	(24,045)	(30,056)	(36,068)
Loans and financings - CRA IV	(408,134)	CDI increase	3.78%	(15,427)	(19,284)	(23,141)
Loans and financings – CCB	(357,403)	CDI increase	4.17%	(14,904)	(18,630)	(22,356)
Loans, borrowings and debentures	(802,457)	CDI increase	4.64%	(37,234)	(46,543)	(55,851)
Loans and financings – CDC	(27,991)	CDI increase	5.82%	(1,629)	(2,036)	(2,444)
Leases payable	(5,275)	CDI increase	5.39%	(284)	(355)	(426)
Net exposure and impact on finance costs - floating rate	(2,227,385)			(100,768)	(125,959)	(151,281)
Other operations - fixed rate						
Marketable securities - LTN	314,287	Fixed rate	2.83%	8,894	8,894	8,894
Right-of-use leases	(18,360)	Fixed rate	8.96%	(1,645)	(1,645)	(1,645)
Loans and borrowings - Finame	(8,186)	Fixed rate	3.00%	(246)	(246)	(246)
Net exposure and impact on finance costs - fixed rate	287,741			7,003	7,003	7,003
Net exposure and total impact of finance costs in profit or loss	(3,259,911)			(131,213)	(147,981)	(164,749)

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



Operation	Exposure	Risk	Probable rate	Consolidated		
				Scenario I probable	Scenario II + depreciation of 25%	Scenario III + depreciation of 50%
Derivatives designated as hedging accounting						
Swap – Notional amount (in thousands of USD)	40,000	USD increase	5.28	211,200	264,000	316,800
International credit 4131 (hedged item) (in thousands of USD)	(40,000)	USD increase	5.28	(211,200)	(264,000)	(316,800)
Swap – Notional amount (in thousands of BRL)	98,036	CDI increase	2.83%	2,774	3,468	4,161
CRA (hedged item) (in thousands of BRL)	(98,036)	CDI increase	2.83%	(2,774)	(3,468)	(4,161)
Swap – Notional amount (in thousands of BRL)	121,964	CDI increase	2.83%	3,452	4,315	5,178
CRA (hedged item) (in thousands of BRL)	(121,964)	CDI increase	2.83%	(3,452)	(4,315)	(5,178)
Swap – Notional amount (in thousands of BRL)	502,652	CDI increase	2.83%	14,225	17,718	21,338
CRA (hedged item) (in thousands of BRL)	(502,652)	CDI increase	2.83%	(14,225)	(17,718)	(21,338)
Swap – Notional amount (in thousands of BRL)	400,000	CDI increase	2.83%	11,320	14,150	16,980
CRA (hedged item) (in thousands of BRL)	(400,000)	CDI increase	2.83%	(11,320)	(14,150)	(16,980)
IDI call option (Position purchased in call option "Call" - liability)	(1,151,279)	Fixed rate	6.18%	(71,149)	(71,149)	(71,149)
IDI call option (Position purchased in call option "Call" - asset)	1,151,279	CDI increase	6.18%	71,149	88,936	106,724
Net effect of exposure	-			-	17,787	35,575
Net effect of exchange rate exposure						
Loans and borrowings (International credit)	(209,314)	Fixed rate	3.82%	(7,996)	(7,996)	(7,996)
Swap 4131 - notional amount (assets)	209,314	Fixed rate	3.82%	7,996	7,996	7,996
Swap - notional amount (liabilities)	(195,173)	CDI increase	2.83%	(5,523)	(6,904)	(8,285)
Net effect of exposure	(195,173)			(5,523)	(6,904)	(8,285)
Net effect of rate exposure						
Loans and financings (CRA)	(98,952)	Fixed rate	3.93%	(3,892)	(3,892)	(3,892)
Swap CRA - notional amount (assets)	98,952	Fixed rate	3.93%	3,892	3,892	3,892
Loans and financings (CRA)	(123,162)	Fixed rate	3.79%	(4,664)	(4,664)	(4,664)
Swap CRA - notional amount (assets)	123,162	Fixed rate	3.79%	4,664	4,664	4,664
Swap - notional amount (liabilities)	(220,739)	CDI increase	2.83%	(6,247)	(7,809)	(9,371)
Net effect of exposure	(220,739)			(6,247)	(7,809)	(9,371)
Loans and financings (CRA)	521,119	Fixed rate	4.67%	24,334	24,334	24,334
Swap CRA - notional amount (assets)	(521,119)	Fixed rate	4.67%	(24,334)	(24,334)	(24,334)
Swap - notional amount (liabilities)	(503,396)	CDI increase	2.83%	(14,246)	(17,808)	(21,369)
Net effect of exposure	(503,396)			(14,246)	(17,808)	(21,369)
Loans and financings (CRA)	406,896	Fixed rate	3.78%	15,384	15,384	15,384
Swap CRA - notional amount (assets)	(406,896)	Fixed rate	3.78%	(15,384)	(15,384)	(15,384)
Swap - notional amount (liabilities)	(400,959)	CDI increase	2.83%	(11,347)	(14,184)	(17,021)
Net effect of exposure	(400,959)			(11,347)	(14,184)	(17,021)
Net exposure of hedge accounting operations	(1,320,267)			(37,363)	(28,918)	(20,471)
Other operations - Floating rate						
Cash and cash equivalents – financial investments	17,212	CDI increase	2.83%	487	609	731
Marketable securities - LFT	352,434	SELIC increase	2.83%	9,974	12,468	14,961
Other investments (Marketable securities)	37,732	CDI increase	2.83%	1,068	1,335	1,602
Payables for the acquisition of companies	(9,072)	CDI increase	2.83%	(257)	(321)	(386)
Loans and financings - CRA I	(209,966)	CDI increase	3.73%	(7,832)	(9,790)	(11,748)
Loans and financings - CRA II	(224,683)	CDI increase	3.85%	(8,650)	(10,813)	(12,975)
Loans and financings - CRA III	(514,883)	CDI increase	4.67%	(24,045)	(30,056)	(36,068)
Loans and financings - CRA IV	(408,134)	CDI increase	3.78%	(15,427)	(19,284)	(23,141)
Loans and financings – CCB	(370,289)	CDI increase	4.17%	(15,441)	(19,301)	(23,162)
Loans, borrowings and debentures	(802,457)	CDI increase	4.64%	(37,234)	(46,543)	(55,851)
Loans and financings – CDCA	(28,085)	CDI increase	5.20%	(1,460)	(1,825)	(2,190)
Loans and financings – CDC	(27,991)	CDI increase	5.82%	(1,629)	(2,036)	(2,444)
Leases payable	(5,275)	CDI increase	5.39%	(284)	(355)	(426)
Net exposure and impact on finance costs - floating rate	(2,193,457)			(100,730)	(125,912)	(151,097)
Other operations - fixed rate						
Marketable securities - LTN	376,997	Fixed rate	2.83%	10,669	10,669	10,669
Right-of-use leases	(60,141)	Fixed rate	8.96%	(5,389)	(5,389)	(5,389)
Loans and borrowings - Finame	(8,186)	Fixed rate	3.00%	(246)	(246)	(246)
Net exposure and impact on finance costs - fixed rate	308,670			5,034	5,034	5,034
Net exposure and total impact of finance costs in profit or loss	(3,205,054)			(133,059)	(149,796)	(166,534)

The objective of this sensitivity analysis is to measure the impact of changes in market variables on the Vamos Group's financial instruments on finance income and costs, assuming that all other market factors remain constant. Such amounts may differ from those stated upon their settlement due to the estimates used in their preparation.

7 Cash and cash equivalents

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Cash	112	60	238	133
Banks	99	187	955	5,589
Total cash and banks	211	247	1,193	5,722
Bank deposit certificates ("CDB")	3,301	254,418	7,518	282,108
Repurchase agreements - Debenture-backed	-	13,300	-	32,902
Units of other funds	9,694	1,658	9,694	1,667
Others	-	-	-	431
Total financial investments	12,995	269,376	17,212	317,108
Total	13,206	269,623	18,405	322,830

During the year ended December 31, 2020, the average income from the funds was 2.62% p.a., linked to 94.98% of the CDI (at December 31, 2019 the average income was 5.91% p.a., linked to 99.60% of the CDI).

8 Marketable securities and financial investments

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Operations with Government Securities – Exclusive Funds (i)				
Financial Treasury Bills ("LFT")	283,038	140,163	352,434	140,163
National Treasury Bills ("LTN")	314,287	36,264	376,997	36,264
Bank deposit certificates ("CDB")	30,240	-	30,240	-
Lease bills ("LAM") (note 21.1)	6,206	-	6,230	-
Other investments	-	-	1,262	655
Total	633,771	176,427	767,163	177,082
Current assets	627,565	176,427	760,905	176,427
Noncurrent assets	6,206	-	6,258	655
Total	633,771	176,427	767,163	177,082

(i) The average income from government securities allocated to exclusive funds, managed by the parent company Simpar, is defined at fixed and floating rates (fixed rate LTN and LFT SELIC). During the year ended December 31, 2020, the average income from these investments was 2.63% p.a. (5.94% p.a. in the year ended December 31, 2019).

9 Trade receivables

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Receivables from services and leasing	169,527	145,245	271,032	214,856
Receivables from sale of trucks, machinery and equipment, and parts	-	-	24,171	12,809
Receivables from related parties (note 21.1)	7,416	5,806	5,833	5,414
Leases receivable	-	-	534	15,208
Unbilled revenue (i)	33,227	26,007	35,702	29,180
Receivables from credit cards	-	-	2,901	1,331
Other receivables	456	2,182	519	2,666
(-) Provision for expected credit losses ("impairment") of trade receivables	(39,836)	(38,598)	(56,649)	(53,738)
Total	170,790	140,642	284,043	227,726
Current assets	159,624	140,642	267,478	223,481
Noncurrent assets	11,166	-	16,565	4,245
Total	170,790	140,642	284,043	227,726

(i) Unbilled revenue refers to vehicle leasing agreements where the provision of service is in progress at the end of the month and will be invoiced in the subsequent month, when the cars are returned and the agreements are terminated. In these cases, unbilled revenue is measured in proportion to the days of leasing.

9.1 Aging list and expected credit losses (“impairment”) of trade receivables

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Current (not past due)	141,933	129,569	226,231	202,010
1-30 days past due	10,910	4,813	27,003	9,220
31-90 days past due	5,787	4,761	12,660	8,867
91-180 days past due	9,679	2,541	11,450	6,120
181-365 days past due	5,267	2,138	7,034	5,917
More than 365 days past due	37,050	35,418	56,314	49,330
Total past due	63,893	49,671	109,421	79,454
(-) Provision for expected credit losses (“impairment”) of trade receivables	(39,836)	(38,598)	(56,649)	(53,738)
Total	170,790	140,642	284,043	227,726

The movement in the provision for expected credit losses (“impairment”) of trade receivables in the years ended December 31, 2020 and 2019 was as follows:

	Parent Company	Consolidated
Balance at December 31, 2018	(39,091)	(47,714)
(-) Additions	(12,930)	(26,934)
(+) Reversals	13,423	20,910
Balance at December 31, 2019	(38,598)	(53,738)
(-) Additions	(17,659)	(24,688)
(+) Reversals	16,421	21,777
Balance at December 31, 2020	(39,836)	(56,649)

10 Inventories

Description	Parent company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
New vehicles	-	-	38,455	80,903
Parts for resale (i)	-	-	38,741	38,051
Used vehicles	-	-	6,363	21,381
Others (ii)	1,313	320	9,672	3,711
(-) Allowance for impairment of inventories of parts for resale (iii)	-	-	(4,268)	(3,774)
Total	1,313	320	88,963	140,272

(i) Refers to balances of parts and equipment allocated in the dealerships of trucks, machines and equipment.

(ii) Substantially refers to balances of materials for use and consumption;

(iii) The movements during the years ended December 31, 2020 and 2019 were as follows:

	Consolidated
Balance at December 31, 2018	(3,198)
(-) Additions	(2,707)
(+) Reversals	2,131
Balance at December 31, 2019	(3,774)
(-) Additions	(2,322)
(+) Reversals	1,828
Balance at December 31, 2020	(4,268)

11 Fixed assets available for sale

The movements during the years ended December 31, 2020 and 2019 were as follows:

	Parent Company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
Cost:						
At December 31, 2019	80,937	12,087	93,024	108,433	57,256	165,689
Assets transferred from property and equipment	210,226	18,156	228,382	211,788	53,887	265,675
Assets written off due to sale	(239,633)	(22,669)	(262,302)	(246,731)	(66,428)	(313,159)
At December 31, 2020	51,530	7,574	59,104	73,490	44,715	118,205
Accumulated depreciation:						
At December 31, 2019	(29,722)	(7,508)	(37,230)	(48,219)	(42,888)	(91,107)
Assets transferred from property and equipment	(90,128)	(10,698)	(100,826)	(97,237)	(42,363)	(139,600)
Assets written off due to sale	99,787	12,168	111,955	108,435	42,072	150,507
At December 31, 2020	(20,063)	(6,038)	(26,101)	(37,021)	(43,179)	(80,200)
Net residual value:						
Balance at December 31, 2019	51,215	4,579	55,794	60,214	14,368	74,582
Balance at December 31, 2020	31,467	1,536	33,003	36,469	1,536	38,005

	Parent Company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
Cost:						
At December 31, 2018	39,442	14,658	54,100	58,409	56,522	114,931
Assets transferred from property and equipment	254,559	73,241	327,800	265,873	129,631	395,504
Assets written off due to sale	(213,064)	(75,812)	(288,876)	(215,849)	(128,897)	(344,746)
At December 31, 2019	80,937	12,087	93,024	108,433	57,256	165,689
Accumulated depreciation:						
At December 31, 2018	(12,107)	(10,998)	(23,105)	(17,157)	(39,919)	(57,076)
Assets transferred from property and equipment	(85,918)	(39,696)	(125,614)	(93,665)	(80,479)	(174,144)
Assets written off due to sale	68,303	43,186	111,489	62,603	77,510	140,113
At December 31, 2019	(29,722)	(7,508)	(37,230)	(48,219)	(42,888)	(91,107)
Net residual value:						
Balance at December 31, 2018	27,335	3,660	30,995	41,252	16,603	57,855
Balance at December 31, 2019	51,215	4,579	55,794	60,214	14,368	74,582

12 Fund for capitalization of authorized dealerships

The fund for capitalization of authorized dealerships refers to payments made by the Group's subsidiaries that operate truck, machinery and equipment dealerships to the Credit Guarantee Fund with truck manufacturers, these amounts are not subject to interest and are based on percentage values of the cost of acquiring vehicles retained by truck manufacturers, deposited in funds managed by financial institutions linked to them, on behalf of the subsidiaries. These funds are used as guarantees of vehicle credit lines and the contribution amounts exceeding the contribution targets established on an annual basis can be withdrawn. The balance at December 31, 2020 is R\$ 28,528 (R\$ 27,002 at December 31, 2019).

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



13 Investments

13.1 Changes in investments

These investments are accounted for under the equity method of accounting based on the financial information of the investees, as follows:

Investments	12/31/2019	Amortization of surplus value	Distribution of dividends	Capital increase	Equity results from investees	12/31/2020	Parent Company	
							Interest %	Equity at 12/31/2020
Transrio	142,869	-	-	-	18,851	161,720	99.9	161,720
Vamos Máquinas	172,746	-	(2,322)	-	9,776	180,200	100	180,200
Vamos Seminovos	24,238	-	-	300	(1,295)	23,243	100	23,243
Borgato Serviços Agrícolas	35,360	-	-	-	(1,788)	33,572	99.9	33,572
Vamos Linha Amarela	5,000	-	-	-	2,129	7,129	100	7,129
Vamos Máquinas Agrícolas	-	-	-	15,000	327	15,327	100	15,327
Goodwill	82,959	-	-	-	-	82,959	-	-
Surplus value	21,454	(4,163)	-	-	-	17,291	-	-
Total investments	484,626	(4,163)	(2,322)	15,300	28,000	521,441		421,191

Investments	12/31/2018	Amortization of surplus value	Distribution of dividends	Advance for future capital increase	Capital contribution	Equity results from investees	Decrease in investments	12/31/2019	Parent Company	
									Interest %	Equity at 12/31/2019
Transrio	131,910	-	(3,415)	-	-	14,374	-	142,869	99.9	142,869
Vamos Máquinas	169,078	-	(1,141)	-	-	4,809	-	172,746	100	172,746
Vamos Seminovos	21,724	-	-	5,200	-	(2,686)	-	24,238	100	24,238
Borgato Serviços Agrícolas	34,338	-	(318)	-	-	1,340	-	35,360	100	35,360
Clicca	1,921	-	-	-	-	-	(1,921)	-	-	-
Vamos Linha Amarela	-	-	-	-	5,000	-	-	5,000	99.9	5,000
Goodwill	82,959	-	-	-	-	-	-	82,959	-	-
Surplus value	25,228	(3,774)	-	-	-	-	-	21,454	-	-
Total	467,158	(3,774)	(4,874)	5,200	5,000	17,837	(1,921)	484,626		380,213

13.2 Balances of assets and liabilities and results of investees and subsidiaries

	Parent Company							
	December 31, 2020							
	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity	Revenues	Costs and expenses	Profit/(loss) for the year
Transrio	128,316	158,837	81,579	43,854	161,720	368,794	(349,943)	18,851
Vamos Máquinas	186,050	118,401	71,128	53,123	180,200	282,311	(272,535)	9,776
Vamos Seminovos	21,593	4,761	2,403	708	23,243	27,249	(28,544)	(1,295)
Borgato Serviços Agrícolas	25,452	14,229	349	5,761	33,571	11,940	(13,728)	(1,788)
Vamos Linha Amarela	19,205	3,604	14,151	1,529	7,129	54,554	(52,425)	2,129
Vamos Agrícola	18,997	4,266	7,130	806	15,327	2,833	(2,506)	327
						747,681	(719,681)	28,000

13.3 Dividends receivable

At December 31, 2020, the subsidiary Vamos Máquinas declared the distribution of mandatory minimum dividends from their profits for the year 2020, in the amount of R\$ 2,322 to be received by the Company during 2021 (R\$ 1,141 for Vamos Máquinas, R\$ 3,415 for Transrio and R\$ 318 for Borgato Serviços at December 31, 2019, which were received by the Company during 2020).

14 Property and equipment

The movements during the years ended December 31, 2020 and 2019 were as follows:

	Parent Company						Total
	Vehicles	Machinery and equipment	Leasehold improvements	Furniture and fixtures	Right-of-use (ii)	Others (i)	
Cost:							
At December 31, 2019	1,448,947	448,570	-	859	3,511	3,486	1,905,373
Additions	938,919	207,093	2,132	60	17,317	3,523	1,169,044
Transfers	33,327	(33,327)	-	-	-	-	-
Transfer to assets available for sale	(210,226)	(18,156)	-	-	-	-	(228,382)
Write-offs	(1,008)	(8,774)	(1,605)	-	(50)	(241)	(11,678)
At December 31, 2020	2,209,959	595,406	527	919	20,778	6,768	2,834,357
At December 31, 2018	1,010,989	352,887	-	99	-	731	1,364,706
Initial adoption of CPC 06 (R2)/IFRS 16 (ii)	-	-	-	-	4,225	-	4,225
Balance at January 1, 2019	1,010,989	352,887	-	99	4,225	731	1,368,931
Additions	700,899	163,167	-	760	-	2,755	867,581
Transfers	(6,640)	6,640	-	-	-	-	-
Transfer to assets available for sale	(254,559)	(73,241)	-	-	-	-	(327,800)
Write-offs	(1,742)	(883)	-	-	(714)	-	(3,339)
At December 31, 2019	1,448,947	448,570	-	859	3,511	3,486	1,905,373
Accumulated depreciation:							
At December 31, 2019	(226,502)	(84,337)	-	(52)	(1,370)	(57)	(312,318)
Depreciation expense for the year	(147,391)	(76,676)	(41)	(89)	(1,637)	(449)	(226,283)
Transfers	70	(70)	-	-	-	-	-
Transfer to assets available for sale	90,128	10,698	-	-	-	-	100,826
Write-offs	2,373	7,254	21	-	-	14	9,662
At December 31, 2020	(281,322)	(143,131)	(20)	(141)	(3,007)	(492)	(428,113)
At December 31, 2018	(186,924)	(70,701)	-	(4)	-	-	(257,629)
Depreciation expense for the year	(126,774)	(54,008)	-	(48)	(1,370)	(57)	(182,257)
Transfers	184	(184)	-	-	-	-	-
Transfer to assets available for sale	85,918	39,696	-	-	-	-	125,614
Write-offs	1,094	860	-	-	-	-	1,954
At December 31, 2019	(226,502)	(84,337)	-	(52)	(1,370)	(57)	(312,318)
Net book value:							
Balance at December 31, 2019	1,222,445	364,233	-	807	2,141	3,429	1,593,055
Balance at December 31, 2020	1,928,637	452,275	507	778	17,771	6,276	2,406,244
Average depreciation rates (%) for 2020:	9%	11%	4%	10%	8%	20%	-
Average depreciation rates (%) for 2019:	11%	12%	-	10%	8%	20%	-

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



	Consolidated								Total
	Vehicles	Machinery and equipment	Leasehold improvements	Furniture and fixtures	Land	Buildings	Right-of-use (ii)	Others (i)	Total
Cost:									
At December 31, 2019	1,563,405	462,335	13,008	4,258	15,917	21,278	48,195	6,425	2,134,821
Additions	944,888	199,134	8,103	793	3,300	136	26,384	3,915	1,186,653
Transfers	33,327	(33,327)	-	-	-	-	-	-	-
Transfer to assets available for sale	(211,788)	(53,887)	-	-	-	-	-	-	(265,675)
Write-offs (iii)	(2,671)	(8,884)	(1,605)	(39)	-	(136)	(33)	(105)	(13,473)
At December 31, 2020	2,327,161	565,371	19,506	5,012	19,217	21,278	74,546	10,235	3,042,326
At December 31, 2018	1,136,374	421,849	12,856	2,822	15,917	21,293	-	1,892	1,613,003
Initial adoption of CPC 06 (R2)/IFRS 16 (ii)	-	-	-	-	-	-	56,120	-	56,120
Balance at January 1, 2019	1,136,374	421,849	12,856	2,822	15,917	21,293	56,120	1,892	1,669,123
Additions	700,942	165,844	152	1,503	-	-	2,674	5,131	876,246
Transfers	(6,640)	6,640	-	-	-	-	-	-	-
Transfer to assets available for sale	(265,873)	(129,631)	-	-	-	-	-	-	(395,504)
Write-offs	(1,398)	(2,367)	-	(67)	-	(15)	(10,599)	(598)	(15,044)
At December 31, 2019	1,563,405	462,335	13,008	4,258	15,917	21,278	48,195	6,425	2,134,821
Accumulated depreciation:									
At December 31, 2019	(243,568)	(50,989)	(4,706)	(1,945)	-	(4,793)	(8,880)	(325)	(315,206)
Depreciation expense for the year	(162,812)	(88,756)	(1,023)	(606)	-	(719)	(9,014)	(401)	(263,331)
Transfers	70	(70)	-	-	-	-	-	-	-
Transfer to assets available for sale	103,938	35,662	-	-	-	-	-	-	139,600
Write-offs (iii)	1,086	7,254	21	-	-	5	-	4	8,370
At December 31, 2020	(307,286)	(96,899)	(5,708)	(2,551)	-	(5,507)	(17,894)	(722)	(430,567)
At December 31, 2018	(198,930)	(55,019)	(3,966)	(1,368)	-	(4,109)	-	(170)	(263,562)
Depreciation expense for the year	(139,686)	(77,389)	(740)	(583)	-	(768)	(8,974)	(992)	(229,132)
Transfers	184	(184)	-	-	-	-	-	-	-
Transfer to assets available for sale	93,665	80,479	-	-	-	-	-	-	174,144
Write-offs	1,199	1,124	-	6	-	84	94	837	3,344
At December 31, 2019	(243,568)	(50,989)	(4,706)	(1,945)	-	(4,793)	(8,880)	(325)	(315,206)
Net book value:									
Balance at December 31, 2019	1,319,837	411,346	8,302	2,313	15,917	16,485	39,315	6,100	1,819,615
Balance at December 31, 2020	2,019,174	475,173	13,798	2,461	19,217	15,771	56,652	9,513	2,611,759
Average depreciation rates (%) for 2020:	9%	11%	4%	10%	-	4%	9%-	20%	
Average depreciation rates (%) for 2019:	11%	12%	4%	10%	-	4%	9%-	20%	

- (i) The line item “others” comprises basically construction in progress and hardware;
- (ii) Such right-of-use refers entirely to property lease agreements, pursuant to CPC06(R2) / IFRS 16 – Leases. See disclosure in note 2.11; and
- (iii) The write-off of the residual value of R\$ 33 refers to the cancellation of stores of dealerships.

The Vamos Group adopts periodically reviews of the estimates of the expected market value at the end of the accounting useful lives of its property and equipment and periodically reviews the estimates of their accounting useful lives used for the determination of the depreciation and amortization rates, and whenever necessary, assesses the recoverability of its assets.

At December 31, 2020 and 2019, an impairment test was conducted and no provision for impairment was required.

Due to the crisis caused by COVID-19, an asset impairment test was also carried out for the base date March 31, 2020, and no provision for impairment was required. Subsequently to the base date, Management did not identify the need to perform a new impairment test.

14.1 Leases of property and equipment items

Part of the assets were acquired by the Vamos Group under leases, and substantially include vehicles, machinery and equipment. The balances are part of the property and equipment, as shown below:

	Parent Company and Consolidated
	Vehicles
Net value of property and equipment items:	
Balance at December 31, 2020	8,072
Debt amount:	
Balance at December 31, 2020	5,275

	Parent Company	Consolidated		
	Vehicles	Vehicles	Machinery and equipment	Total
Net value of property and equipment items:				
Balance at December 31, 2019	31,171	31,171	470	31,641
Debt amount:				
Balance at December 31, 2019	26,348	26,348	435	26,783

15 Intangible assets

The movements during the years ended December 31, 2020 and 2019 were as follows:

	Parent Company	Consolidated					
	Software	Goodwill (ii)	Commercial rights (i)	Non-competit agreement and customer portfolio	Software	Others	Total
Cost:							
At December 31, 2019	727	86,877	41,614	35,404	1,049	4,443	169,387
Additions	2,444	-	2,222	-	2,454	11	4,687
At December 31, 2020	3,171	86,877	43,836	35,404	3,503	4,454	174,074
At December 31, 2018	1,866	86,877	41,614	35,404	2,181	4,439	170,515
Additions	887	-	-	-	959	4	963
Write-offs	(2,026)	-	-	-	(2,091)	-	(2,091)
At December 31, 2019	727	86,877	41,614	35,404	1,049	4,443	169,387
Accumulated amortization:							
At December 31, 2019	(248)	-	-	(10,810)	(407)	-	(11,217)
Additions	(64)	-	-	(4,163)	(1,725)	-	(5,888)
At December 31, 2020	(312)	-	-	(14,973)	(2,132)	-	(17,105)
At December 31, 2018	(109)	-	-	(5,170)	(208)	-	(5,378)
Additions	(139)	-	-	(5,640)	(199)	-	(5,839)
At December 31, 2019	(248)	-	-	(10,810)	(407)	-	(11,217)
Net residual value:							
Balance at December 31, 2019	479	86,877	41,614	24,594	642	4,443	158,170
Balance at December 31, 2020	2,859	86,877	43,836	20,431	1,371	4,454	156,969
Average amortization rates (%) for 2020:	20.00%	-	-	20.00%	20.00%	-	-
Average amortization rates (%) for 2019:	20.00%	-	-	20.00%	20.00%	-	-

- (i) Commercial rights refer to the right of concession and exploration of the MAN brand by Transrio on the Rio de Janeiro and Sergipe branches in the total amount of R\$ 30,814, and the rights for image use and sale of machinery and agricultural implements of the Valtra brand in the total amount of R\$ 10,800. These assets are allocated to the groups of stores and territories explored, considered as the cash-generating units in the segment of truck, machinery and equipment dealerships.
- (ii) The goodwill refers to the acquisition of Transrio in the amount of R\$ 3,918 and Vamos Seminovos, Vamos Máquinas and Borgato Serviços (together referred to as "Borgato Companies") in the amount of R\$ 82,959.

15.1 Goodwill on business combinations

The goodwill on business combinations is represented by the positive difference between the amount paid and/or payable for the acquisition of a business and the net amount of the fair value of the assets and liabilities of the acquired subsidiary. Goodwill is annually tested for impairment based on a study carried out. Goodwill is recorded at cost less any accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The goodwill is allocated to cash-generating units (CGUs) for impairment testing purposes. The allocation is made to the CGUs or groups of CGUs that are expected to benefit from the business combinations from which the goodwill arose and that are identified in accordance with the business segment.

The goodwill recorded is related to the acquisition of Transrio, attributed to the truck, machinery and equipment dealership segment, and also to the acquisition of the Borgato Companies, attributed to the segment of lease of trucks, machinery and equipment.

The summary of the allocation of goodwill net of impairment, by UGC level, is shown below:

Goodwill arising on business combinations by CGU	12/31/2020	12/31/2019
	Balance	Balance
Lease of trucks, machinery and equipment	82,959	82,959
Truck, machinery and equipment dealerships – Transrio	3,918	3,918
Total	86,877	86,877

15.2 Impairment testing

As disclosed in note 1.3. (iii), due to the economic and financial impacts caused to date by the COVID-19 pandemic crisis, the Vamos Group has reassessed the impairment testing of its CGUs, updating them with the current measurable assumptions, indicators and expectations after the crisis began, and did not determine any impairment on the recorded amount of its intangible assets with indefinite useful life, goodwill and commercial right.

The main assumptions used in calculations at December 31, 2020 and 2019 are presented below.

Cash generating units	Lease of trucks, machinery and equipment		Truck, machinery and equipment dealerships – Valtra		Truck, machinery and equipment dealerships - Transrio	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Discount rates (WACC)	9.49%	9.17%	10.21%	10.13%	9.14%	9.17%
Growth rate in perpetuity	3.30%	3.55%	3.30%	3.55%	3.30%	3.55%
Estimated growth rate for EBITDA (average for the following years)	6.04%	6.00%	12.76%	13.70%	3.80%	8.60%

- Utilization of the Weighted Average Cost of Capital (WACC) as appropriate parameter to determine the discount rate to be applied to the free cash flows;
- Cash flows projections prepared by Management, which comprise a 5 to 7-year projection period, from January 2021 to December 2027;
- All projections were made on a nominal basis, that is, considering the effect of inflation and taxes;
- For some Vamos Group's CGUs, the residual value considered after December 2025 and 2027 (Transrio) was calculated based on the cash flows perpetuity, considering the assumption of continuity of operations for an indefinite period (perpetuity), growth of 3.30% (inflation);
- The cash flows were discounted considering the mid period convention, assuming that the cash flows are generated throughout the year.

The estimated recoverable amounts for the CGUs exceeded their carrying amounts. Management identified the key assumption for which reasonable possible changes may cause impairment. The table below shows, in percentage points, the amount by which individual changes in each assumption could result in the recoverable amount of the CGU to be equal to its carrying amount:

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



Change required for the recoverable amount to equal the carrying amount			
In percentage points (%)	Lease of trucks, machinery and equipment	Truck, machinery and equipment dealerships – Valtra	Truck, machinery and equipment dealerships - Transrio
Discount rate (WACC) - 12/31/2020	0.65	0.63	0.53
Discount rate (WACC) - 12/31/2019	4.19	0.28	3.93

16 Trade payables

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Trade payables - trucks, machinery and equipment for leasing	358,210	60,292	375,609	60,292
Suppliers of trucks, machinery and equipment for leasing - Reverse Factoring (*)	78.384	-	78.384	-
Trade payables - trucks, machinery and equipment for inventories	-	-	48,302	27,538
Trade payables - trucks, machinery and equipment for leasing - related parties (note 21.1)	1,943	17,462	176	20,618
Trade payables - consumables and third party services	818	4,207	1,318	5,044
(-) Present value adjustment	-	-	-	-494
Total	439,355	81,961	503,789	112,998

(*) During 2020, the amount of R\$12,967 was settled through reverse factoring and this amount is shown in the variation of trade payables in the statement of cash flows.

17 Floor plan

Part of the purchases of new vehicles for the segment of truck, machinery and equipment dealerships are paid with extended term under the program to finance the inventory of new and used vehicles and automobile parts floor plan, with revolving credit facilities made available by financial institutions, and with the agreement of truck manufacturers. These programs generally have an initial period during which they are interest-free until the invoice issuance and with maturities of up to 180 days after the invoice issuance. After this period, these purchases are subject to interest of up to 100% of the CDI plus interest of up to 0.5% p.m.. During the year ended December 31, 2020, the Group used only the interest-free period of its revolving credit facilities. The balance payable at December 31, 2020 is R\$ 42,001 (R\$ 64,916 at December 31, 2019).

18 Loans, financings and debentures

The terms and conditions of the outstanding loans, financings and debentures are as follows:

Type	Annual average rate (%)	Average rate structure (%)	Maturity	Current			Noncurrent			Total			Parent Company					
				12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	12/31/2020	Movement			12/31/2019	12/31/2019	12/31/2019			
										New contracts	Amortization	Adjustment from marked to market	Transaction costs	Interest paid	Interest	Exchange rate changes		
In local currency																		
Finame(i)	3.00%	Fixed rate	Jul/23	3,188	4,998	8,186	-	(80,495)	-	-	(2,340)	2,172	-	23,636	65,213	88,849		
Finame(i)	7.60%	SELIC +5.35%	Apr/24	-	-	-	65,731	(66,022)	-	-	(496)	787	-	-	-	-		
CCB (ii)	3.27%	CDI + 1.34%	Jan/22	157,120	200,283	357,403	200,000	(250,000)	-	-	(12,914)	14,682	-	255,635	150,000	405,635		
CDC (iii)	4.95%	CDI + 2.99%	Sep/23	9,700	18,291	27,991	220,882	(218,614)	-	-	(1,599)	3,654	-	8,592	15,076	23,668		
CDCA (vii)	3.75%	CDI + 1.60%	Jul/20	-	-	-	-	(25,000)	-	-	(1,431)	725	-	25,706	-	25,706		
CRA I (vi)	2.82%	CDI + 0.90%	Feb/24	65,075	144,891	209,966	-	(66,667)	-	-	(10,401)	12,500	-	65,314	209,220	274,534		
CRA I (vi)	2.59%	136.12% of CDI(*)	Nov/26	8,279	216,404	224,683	-	-	7,084	(285)	(14,722)	16,639	-	197	215,770	215,967		
CRA III (vi)	3.14%	165.00% of CDI(*)	Jun/27	26,415	488,468	514,883	500,000	-	30,538	(36,578)	(14,630)	35,553	-	-	-	-		
CRA IV (vi)	2.54%	133.60% of CDI(*)	Nov/30	16,096	392,038	408,134	400,000	-	15,372	(14,134)	-	6,896	-	-	-	-		
Debentures (viii)	3.71%	CDI + 1.81%	Aug/26	8,857	793,600	802,457	-	-	-	-	(40,895)	38,402	-	13,180	791,770	804,950		
Consortium (iv)	6.00%	Fixed rate	Jun/23	-	-	-	-	(1,347)	-	-	-	-	-	373	974	1,347		
				294,730	2,258,973	2,553,703	1,386,613	(708,145)	52,994	(50,997)	(99,428)	132,010	-	392,633	1,448,023	1,840,656		
In foreign currency																		
International credit (4131) – USD (v)	USD +2.48%	134.99% CDI	Sep/23	1,123	203,433	204,556	-	-	-	(4,758)	(5,848)	6,480	46,640	814	161,228	162,042		
				1,123	203,433	204,556	-	-	-	(4,758)	(5,848)	6,480	46,640	814	161,228	162,042		
				295,853	2,462,406	2,758,259	1,386,613	(708,145)	52,994	(55,755)	(105,276)	138,490	46,640	393,447	1,609,251	2,002,698		

(*) The operation is measured at fair value through profit or loss, as disclosed in note 6.3.b.

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Year ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



Type	Annual average rate (%)	Average rate structure (%)	Maturity	Current			Movement					Parent Company			
				Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest	Exchange rate changes	Current	Noncurrent	Total	
				12/31/2019	12/31/2019	12/31/2019						12/31/2018	t	12/31/2018	
In local currency															
Finame(i)	4.95%	Fixed rate	Jan/25	23,636	65,213	88,849	42,681	(315,450)	(22,491)	20,779	-	59,500	303,830	363,330	
Finame(i)	9.27%	TLP+3.70%	May/21	-	-	-	-	(135,959)	(7,905)	7,412	-	60,029	76,423	136,452	
Finame(i)	9.38%	SELIC + +4.88%	Apr/21	-	-	-	13,195	(101,929)	(2,637)	5,784	-	19,029	66,558	85,587	
CCB (ii)	5.16%	CDI + +0.76%	Dec/21	255,635	150,000	405,635	400,000	-	-	5,635	-	-	-	-	
CDC (iii)	8.04%	Fixed rate	Apr/23	8,592	15,076	23,668	193,428	(202,535)	(2,713)	7,023	-	4,848	23,617	28,465	
CDCA (vii)	6.00%	CDI + +1.6%	Feb/20	25,706	-	25,706	25,000	-	-	706	-	-	-	-	
CRA (vi)	5.30%	CDI + +0.90%	Feb/24	65,314	209,220	274,534	291,934	(16,667)	(14,070)	13,337	-	-	-	-	
CRA (vi)	7.82%	Fixed rate	Nov/26	197	215,770	215,967	215,770	-	-	197	-	-	-	-	
Debentures (viii)	6.20%	CDI + +1.80%	Aug/26	13,180	791,770	804,950	789,941	-	-	15,009	-	-	-	-	
NCE	5.10%	CDI + +0.70%	Oct/19	-	-	-	120,000	(120,000)	(1,268)	1,268	-	-	-	-	
Consortium (iv)	7.80%	Fixed rate	Jun/23	373	974	1,347	-	(389)	-	-	-	1,736	-	1,736	
				392,633	1,448,023	1,840,656	2,091,949	(892,929)	(51,084)	77,150	-	145,142	470,428	615,570	
In foreign currency															
International credit (4131) – USD (v)	USD+5.05%	USD+5.05%	May/21	814	161,228	162,042	-	-	(8,446)	8,791	5,879	826	154,992	155,818	
				814	161,228	162,042	-	-	(8,446)	8,791	5,879	826	154,992	155,818	
				393,447	1,609,251	2,002,698	2,091,949	(892,929)	(59,530)	85,941	5,879	145,968	625,420	771,388	

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Year ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



Type	Annual average rate (%)	Average rate structure (%)	Maturity	Current			Movement						Consolidated				
				Current	Noncurrent	Total	New contracts	Amortization	Adjustment from marked to market	Transaction costs	Interest paid	Interest	Exchange rate changes	Current	Noncurrent	Total	
				12/31/2020	12/31/2020	12/31/2020								12/31/2019	12/31/2019	12/31/2019	
In local currency																	
Finame (i)	3.00%	Fixed rate	Jul/23	3,188	4,998	8,186	-	(82,602)	-	-	(2,375)	2,205	-	25,338	65,620	90,958	
Finame (ii)	7.60%	SELIC + 5,35%	Apr/24	-	-	-	65,731	(66,022)	-	-	(496)	787	-	-	-	-	
CCB (ii)	8.50%	Fixed rate	Jan/23	-	-	-	-	(286)	-	-	-	-	-	101	185	286	
CCB (ii)	3.21%	CDI +1.29%	Aug/25	160,443	209,846	370,289	200,000	(253,129)	-	-	(13,326)	14,682	-	258,941	163,121	422,062	
CDC (iii)	4.95%	CDI +2.99%	Apr/23	12,085	16,000	28,085	-	(36,888)	-	-	(3,162)	2,366	-	37,829	27,940	65,769	
CDCA (vii)	4.32%	CDI + 2.37%	Sep/23	9,700	18,291	27,991	220,882	(218,614)	-	-	(1,599)	3,654	-	8,592	15,076	23,668	
CRA I (vi)	2.82%	CDI + 0.90%	Feb/24	65,075	144,891	209,966	-	(66,667)	-	-	(10,401)	12,500	-	65,314	209,220	274,534	
CRA I (vi)	2.59%	136.12% of CDI(*)	Nov/26	8,279	216,404	224,683	-	-	7,084	(285)	(14,722)	16,639	-	197	215,770	215,967	
CRA III (vi)	3.14%	165.00% of CDI(*)	Jun/27	26,415	488,468	514,883	500,000	-	30,538	(36,578)	(14,630)	35,553	-	-	-	-	
CRA IV (vi)	2.54%	133.60% of CDI(*)	Nov/30	16,096	392,038	408,134	400,000	-	15,372	(14,134)	-	6,896	-	-	-	-	
Consortium (iv)	5.10%	Fixed rate	Jul/25	-	-	-	-	(10,557)	-	-	-	-	-	4,593	5,964	10,557	
Debentures (viii)	3.71%	CDI + 1.81%	Aug/26	8,857	793,600	802,457	-	-	-	-	(40,895)	38,402	-	13,180	791,770	804,950	
Bank overdrafts				-	-	-	-	(47)	-	-	-	-	-	47	-	47	
				310,138	2,284,536	2,594,674	1,386,613	(734,812)	52,994	(50,997)	(101,606)	133,684	-	414,132	1,494,666	1,908,798	
In foreign currency																	
International credit (4131) – USD (v)	USD + 2.48%	134.99% of CDI	Sep/23	1,123	203,433	204,556	-	-	-	(4,758)	(5,848)	6,480	46,640	814	161,228	162,042	
				1,123	203,433	204,556	-	-	-	(4,758)	(5,848)	6,480	46,640	814	161,228	162,042	
				311,261	2,487,969	2,799,230	1,386,613	(734,812)	52,994	(55,755)	(107,454)	140,164	46,640	414,946	1,655,894	2,070,840	

(*) The operation is measured at fair value through profit or loss, as disclosed in note 6.3.b.

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Year ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



Type	Annual average rate (%)	Average rate structure (%)	Maturity	Current			Noncurrent			Total			Consolidated				
				12/31/2019	12/31/2019	12/31/2019	12/31/2019	12/31/2019	12/31/2019	Movement			12/31/2018	12/31/2018	12/31/2018		
										New contracts	Amortization	Interest paid	Interest	Exchange rate changes			
In local currency																	
Finame (i)	4.95%	Fixed rate	Jan/25	25,338	65,620	90,958	42,681	(334,586)	(23,197)	21,447	-	77,044	307,569	384,613			
Finame (i)	9.27%	TLP+3.70%	May/21	-	-	-	-	(135,087)	(7,912)	7,419	-	59,157	76,423	135,580			
Finame (i)	9.36%	SELIC + +4.86%	Apr/21	-	-	-	13,195	(103,663)	(2,703)	5,946	-	19,749	67,476	87,225			
CCB (ii)	5.13%	CDI + +0.73%	Aug/25	258,941	163,121	422,062	400,000	(3,054)	(1,471)	7,137	-	2,802	16,648	19,450			
CCB (ii)	8.50%	Fixed rate	Jan/23	101	185	286	-	(61)	(22)	25	-	74	270	344			
CDC (iii)	8.04%	Fixed rate	Apr/23	8,592	15,076	23,668	193,428	(202,538)	(2,713)	7,023	-	4,849	23,619	28,468			
CDCA (vii)	6.47%	CDI + +2.02%	Apr/23	37,829	27,940	65,769	25,000	(12,001)	(3,945)	4,467	-	12,248	40,000	52,248			
Debentures (viii)	6.20%	CDI + +1.80%	Aug/26	13,180	791,770	804,950	789,942	-	-	15,008	-	-	-	-			
CRA I (vi)	5.30%	CDI + +0.90%	Feb/24	65,314	209,220	274,534	291,934	(16,667)	(14,070)	13,337	-	-	-	-			
CRA I (vi)	7.82%	Fixed rate	Nov/26	197	215,770	215,967	215,770	-	-	197	-	-	-	-			
NCE	6.10%	CDI + +0.70%	Oct/19	-	-	-	162,600	(162,600)	(1,647)	1,647	-	-	-	-			
Bank overdrafts				47	-	47	47	-	-	-	-	-	-	-			
Consortium (iv)	6.10%	Fixed rate	Jul/25	4,593	5,964	10,557	-	(12,147)	-	-	-	11,472	11,232	22,704			
				414,132	1,494,666	1,908,798	2,134,597	(982,404)	(57,680)	83,653	-	187,395	543,237	730,632			
In foreign currency																	
International credit (4131) – USD (v)	USD +5.05%	USD + 5.05%	May/21	814	161,228	162,042	-	-	(8,446)	8,791	5,879	826	154,992	155,818			
				814	161,228	162,042	-	-	(8,446)	8,791	5,879	826	154,992	155,818			
				414,946	1,655,894	2,070,840	2,134,597	(982,404)	(66,126)	92,444	5,879	188,221	698,229	886,450			

The loans, financings and debentures have the following characteristics:

- (i) **Finame** are financings for investments in trucks, machinery and equipment used in operations. New agreements are signed monthly, related to the purchase of new assets under the normal fleet expansion and renewal process. Finame agreements have a grace period ranging from nine to twelve months according to the financed product, payments of interest and principal are monthly after the grace period. These financing agreements have no covenants;
- (ii) **CCBs** are Bank Credit Bills raised with financial institutions for financing working capital and the purchase of trucks, machinery and equipment used in operations. These agreements have several maturities, either monthly, quarterly or semi-annually, for payments of interest and principal. This transaction does not have commitment clauses;
- (iii) **CDC** are financing for investments in trucks, machinery and equipment used in operations. CDC contracts have a grace period of nine months, payments of interest and principal are monthly after the grace period. This transaction does not have commitment clauses;
- (iv) **Consortium** refers to credit transactions with financial institutions for the acquisition of machinery and implements used in lease operations, which comprise various groups and share units with varying maturities until July 2025;
- (v) **International Credit (4131)** refers to loan transactions with foreign institutions, has semi-annual interest amortization and principal repayment in one installment on the maturity date. On March 20, 2020, the Company renegotiated this debt, changing the maturity from May 2021 to September 2023 and the contracted rate from 5.05% p.a. to 2.48% p.a.. With this renegotiation, the previously contracted exchange rate of R\$ 3.7700 became R\$ 4.8450.

This transaction has financial covenants linked to the percentage of net debt⁽¹⁾ in relation to earnings before interest, taxes, depreciation and amortization, and cost of sales of decommissioned assets (EBITDA-AD⁽³⁾), measured quarterly based on the consolidated performance of the parent company Simpar over the last 12 months. This transaction is 100% hedged through swap agreement, as disclosed in note 6.3 b) i;

- (vi) **Certificate of Agribusiness Receivables (CRAs)** are Agribusiness Receivables Certificates issued for raising funds to finance the agribusiness sector chain. These transactions aim to raise funds for the acquisition of trucks, machinery and equipment related to lease agreements entered with agribusiness customers.

This transaction has financial covenants linked to the percentage of net debt⁽¹⁾ in relation to earnings before interest, taxes, depreciation and amortization (EBITDA⁽²⁾), measured quarterly based on the performance of the Vamos Group over the last 12 months;

- (vii) **CDCAs** are Agribusiness Credit Rights Certificates signed with financial institutions for the purpose of subsidizing working capital. These agreements have financial covenants linked to the percentage of net debt⁽¹⁾ and finance costs⁽⁴⁾ in relation to earnings before interest, taxes, depreciation and amortization and cost of sales of decommissioned assets (EBITDA-AD⁽³⁾), and financial ratio linked to the percentage of net debt⁽¹⁾ in relation to earnings before interest, taxes, depreciation and amortization (EBITDA-A⁽²⁾), measured annually based on the consolidated performance of the parent company Simpar over the last 12 months; and
- (viii) **Debentures** are debt securities issued by corporations, issued based on CVM Instruction 476/2009, which assures their holders the right to credit against the issuing Company. The funds raised are intended for strengthening of liquidity, lengthening of debt profile and cash management to finance the expansion and renewal of the fleet. The Company raised R\$ 800,000 (R\$ 789,942 net of borrowing costs of R\$ 10,058) on September 20, 2019 related to the 2nd issue of simple, non-convertible, unsecured debentures in two series, in public distribution with restricted distribution efforts, maturing on August 20, 2024 and August 20, 2026. This transaction has financial covenants linked to the percentage of net debt⁽¹⁾ in relation to earnings before interest, taxes, depreciation and amortization (EBITDA⁽²⁾), measured quarterly based on the performance of the Vamos Group over the last 12 months, limited to 3.75 times, which are being fully

complied with at December 31, 2020. The characteristics of the debentures are presented in the table below:

Issuer	Vamos
Description	2 nd issue
a. Identification of process by nature	
Total issue amount	800,000
1 st series amount	382,500
2 nd series amount	417,500
Issue	08/16/2019
Funding	09/20/2019
1 st series maturity	08/20/2024
2 nd series maturity	08/20/2026
Type	Unsecured
Identification with B3	VAMO12, VAMO22
b. Effective interest rate (IRR) p.a. %	
1 st series	CDI + 1.60%
2 nd series	CDI + 2.00%

- (1) **Consolidated net debt for covenant purposes:** means the total balance of short- and long-term loans, financings and debentures, as well as other specific debts under certain contracts and any other positive and/or negative balances of hedge transactions less the amounts of cash and cash equivalents, marketable securities and financial investments.
- (2) **Consolidated EBITDA for covenant purposes:** means profit or loss before the effects of income tax and social contribution, net financial result, depreciation and amortization calculated over the last 12 months.
- (3) **Consolidated added EBITDA for covenant purposes:** means earnings before interest, taxes, depreciation, amortization, impairment of assets and equity in subsidiaries, plus cost of sale of decommissioned assets, calculated over the last 12 months.
- (4) **Consolidated net finance costs for covenant purposes:** means borrowing costs plus monetary adjustment, less income from financial investments, all relating to the items described in the above definition of "Net debt", calculated on an accrual basis over the last 12 months.

18.1 Guarantees

At December 31, 2020, the Vamos Group has certain guarantees for loans and financing transactions, as follows:

- ✓ **FINAME and CDC** - guaranteed by the respective financed vehicles, machinery and equipment;
- ✓ **CCBs, International Credit (4131) and CDCA** - Guaranteed by trade receivables (ballast)⁽ⁱ⁾;
- ✓ **CRA I, CRA II, CRA III and CRA IV** – Guaranteed by trade receivables (ballast).

The other transactions do not have any guarantees.

- (i) (i) Due to the corporate restructuring of the Simpar Group, as disclosed in Note 1, the guarantees granted by the parent company JSL have been transferred to Simpar, which will be the new direct parent company of the Company, in which the corporate restructuring was provided for in the debt contracts.

19 Leases payable

Lease agreements, including Finame leases and leases payable for the acquisition of vehicles and assets of the Vamos Group operating activity which have annual fixed charges, are distributed as follows:

	Parent company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Lease liabilities at the beginning of the year	26,369	42,669	26,783	44,935
Amortization	(21,501)	(18,227)	(21,920)	(20,017)
Interest paid	(516)	(984)	(569)	(1,052)
Interest	923	2,911	981	2,917
Lease liabilities at the end of the year	5,275	26,369	5,275	26,783
Current	5,197	10,123	5,197	10,537
Noncurrent	78	16,246	78	16,246
Total	5,275	26,369	5,275	26,783
Annual average rate	4.39%	7.26%	4.39%	7.31%
Average rate structure (%)	CDI + 2.49%		CDI + 2.49%	
Maturity	Nov/22	Nov/22	Nov/22	Nov/22

19.1 Guarantees

As disclosed in note 14.1, the Vamos Group has vehicles, machinery and equipment that were acquired under finance lease and were pledged as collateral for the agreements.

20 Right-of-use leases

The Vamos Group substantially leases properties in which its dealerships operate, which have lease contracts with average terms of six years. Lease contracts are adjusted annually, to reflect the market values and some leases provide additional lease payments, based on changes to the general price index. For certain leases, the Vamos Group is prevented from entering into any sub-lease contract.

The Vamos Group, under specific circumstances, leases trucks, machinery and equipment, with contractual terms varying from one to three years. Such leases are short term and/or leases of low value assets. The Vamos Group elected to not recognize right-of-use assets and lease liabilities for such leases.

The company determined its discount rates based on the risk-free interest rates observed in the Brazilian market for the terms of its contracts, adjusted to the company's reality (credit spread). The spreads were obtained through surveys with potential investors of the company's debt securities. The table below shows the rates practiced x the contract terms, as required by CPC 12, §33:

Contracts by term and discount rate	
Contract terms	Rate % p.a..
1	5.65%
2	5.22%
3	7.24%
5	9.11%
10	11.25%
15	11.93%
20	12.32%

Information on lease liabilities for which the Vamos Group is the lessee is related basically to properties in which its concessionaires operate, whose lease agreements have an average term of 11 years. Information regarding right-of-use assets is included in note 14.

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Lease liabilities at the beginning of the year	2,211	-	40,949	-
Addition due to adoption of CPC 06 (R2)/IFRS 16	-	4,225	-	56,120
Additions (i)	17,317	-	44,678	2,674
Write-offs	(50)-	(637)	(18,327)	(12,146)
Payments	(1,537)	(1,054)	(8,170)	(5,977)
Interest paid	(1,233)	(159)	(5,049)	(3,993)
Interest	1,652	(164)	6,060	4,271
Lease liabilities at the end of the year	18,360	2,211	60,141	40,949
Current	1,215	831	7,050	7,029
Noncurrent	17,145	1,380	53,091	33,920
Total	18,360	2,211	60,141	40,949

- (i) In March 2020, the Company signed a lease agreement for the properties of Mogi das Cruzes and Itaquaquecetuba with Ribeira Empreendimentos Imobiliários Ltda. with maturities until January 2035.

Below we present a table indicating the potential right to recoverable PIS / COFINS included in the lease consideration, according to the periods set for payment. Undiscounted balances and balances discounted to present value:

Cash Flows	Nominal	Adjusted to Present Value
Lease consideration	102,961	60,141
Pis /Cofins	9,524	5,563

In the measurement and remeasurement of its lease liability and right of use, the Company's management used the discounted cash flow methodology without considering the projected inflation in the flows to be discounted. Had the Company considered the inflation (substantially IGP-M) in its cash flow, the effect on right of use and lease liability would be an increase of approximately R\$ 7,543.

21 Related-party transactions

21.1 Related-party transactions recognized in assets and liabilities

Transactions between the Company and its subsidiaries are eliminated for the purpose of presenting the consolidated balances in these individual and consolidated financial statements. The nature of these transactions is comprised of reimbursement of miscellaneous expenses, reimbursement of apportionment of common expenses, commercial transactions for the purchase and sale of assets, lease of assets, provision of services and financial transactions for lease bills. The balances arising from these transactions are shown in the table below:

Assets	Parent company								Consolidated					
	Marketable securities and financial investments (note 8)		Other credits		Trade receivables (Note 9)		Dividends receivable (note 13.3)		Marketable securities and financial investments (note 8)		Other credits		Trade receivables (Note 9)	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
JSL	-	-	8,986	-	-	2,041	-	-	-	-	8,986	1,347	297	2,041
CS Brasil	-	-	-	-	5,223	694	-	-	-	-	2	-	5,284	694
CS Brasil Frotas	-	-	733	-	-	-	-	-	-	733	-	-	-	-
Mogi Mobi	-	-	1,182	-	-	-	-	-	-	1,182	-	-	1	-
Borgato Serviços	-	-	-	-	-	1	-	318	-	-	-	-	-	-
Vamos Seminovos	-	-	129	-	-	-	-	-	-	-	-	-	-	-
Vamos Máquinas	-	-	1	-	302	160	2,322	1,141	-	-	-	-	-	-
Vamos Linha Amarela	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Transrio	-	-	-	-	1,878	230	-	3,415	-	-	-	-	1	-
Ponto Veículos	-	-	-	-	-	375	-	-	-	-	-	-	-	375
Original Veículos	-	-	-	-	-	587	-	-	-	-	-	-	-	587
Movida Locação	-	-	-	-	-	734	-	-	-	-	-	6	-	734
Movida Participações	-	-	1	-	-	4	-	-	-	1	8	-	-	4
BBC	6,206 ⁽ⁱ⁾	-	-	-	13	979	-	-	6,206 ⁽ⁱ⁾	-	-	-	250	979
Quick	-	-	7	-	-	-	-	-	-	-	7	-	-	-
Borgato Family	-	-	-	-	-	1	-	-	-	-	-	-	-	-
Total	6,206	-	11,041	-	7,416	5,806	2,322	4,874	6,206	-	10,911	1,361	5,833	5,414

⁽ⁱ⁾ Refers to receivables in guarantee of customers deposited in Lease bills ("LAM") with related party BBC.

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



Liabilities	Parent Company						Consolidated							
	Other payables		Trade payables (note 16)		Payables for the acquisition of companies (note 22)		Other payables		Advances from customers		Trade payables (note 16)		Payables for the acquisition of companies (note 22)	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Simpar	16,638	-	-	-	-	-	16,862	-	-	-	-	-	-	-
JSL	-	17	-	11,292	-	-	118	17	85	-	-	14,610	-	-
CS Brasil	1,435	-	-	2,198	-	-	1,435	-	-	-	-	2,198	-	-
Vamos Seminovos	-	-	1,320	69	-	-	-	-	-	-	-	-	-	-
Vamos Máquinas	-	-	248	11	-	-	-	-	-	-	-	-	-	-
Vamos Linha Amarela	3	-	-	-	-	-	-	-	-	-	-	-	-	-
Transrio	13	-	245	83	-	-	-	-	-	-	-	-	-	-
Original Veículos	-	-	-	3,318	-	-	-	-	-	-	-	3,318	-	-
Ponto Veículos	-	-	14	-	-	-	-	-	-	-	-	14	-	-
Movida Locação	10	-	108	27	-	-	10	-	-	-	110	27	-	-
Movida Participações	13	-	8	454	-	-	13	-	-	-	52	454	-	-
BBC	-	-	-	9	-	-	-	-	-	-	-	10	-	-
Quick	1	-	-	1	-	-	1	-	-	-	-	1	-	-
Ribeira Empreend. Imob. Ltda.	-	-	-	-	-	-	95	-	-	-	-	-	-	-
Borgato Family	-	-	-	-	9,072	8,828	-	-	-	-	-	-	9,072	8,828
Total	18,113	17	1,943	17,462	9,072	8,828	18,534	17	85	-	176	20,618	9,072	8,828

Vamos Locação de Caminhões, Máquinas e Equipamentos S.A.

Notes to the individual and consolidated financial statements

Years ended December 31, 2020 and 2019

In thousands of Brazilian reais, unless otherwise stated



21.4 Related-party transactions with effects in profit or loss for the year

The table below presents the results in the line items “revenues”, “costs”, “deductions” and “other operating income and expenses” related to transactions of the Vamos Group with its related parties:

	Lease and services rendered		Lease and contracted services		Sale of assets		Purchase of assets		Other operating income (expenses)		Administrative expenses		Finance income (costs)	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Transactions eliminated in profit or loss														
Vamos	1,349	2,197	(3.556)	(397)	7.967	1,557	(1.264)	(1,808)	885	-	-	-	-	-
Borgato Serviços	298	397	-	-	-	-	-	-	(432)	-	-	-	-	-
Vamos Seminovos	1,496	352	(1.604)	-	-	2	-	-	-	-	-	-	-	-
Vamos Máquinas	3,577	-	(3.574)	(1,408)	1.264	963	(7.967)	(2)	(453)	-	-	-	-	-
Transrio	2,219	-	(205)	(1,141)	-	845	-	(1,557)	-	-	-	-	-	-
Subtotal	8,939	2,946	(8.939)	(2,946)	9.231	3,367	(9.231)	(3,367)	-	-	-	-	-	-
Related-party transactions														
Simpar	-	-	-	-	-	-	-	-	-	-	(1.132)	-	-	-
JSL S.A.	2,739	4,174	(1.622)	(2,134)	13.961	34,502	(13.961)	(33,287)	6.042	-	(5.741)	(456)	-	-
Transmoreno	6	-	-	-	-	-	-	-	-	-	-	-	-	-
CS Brasil	403	38,422	-	(373)	7.683	10,826	(7.683)	(36)	736	-	(26)	-	-	-
CS Frotas	-	-	-	-	695	-	(695)	-	2	-	-	-	-	-
TPG	-	-	-	-	-	-	-	-	16	-	-	-	-	-
Mogi Mobi	637	-	-	-	554	9,597	(554)	-	11	-	-	-	-	-
Ponto Veículos	-	-	(106)	(29)	-	-	-	-	-	-	-	-	-	-
Original Veículos	2	-	(51)	(16)	-	-	-	-	1	-	-	-	-	-
Madre	25	-	-	-	-	-	-	-	18	-	-	-	-	-
Movida Locação	19	52	(397)	(19)	498	-	(498)	-	-	-	-	-	-	-
Movida Participações	15	5,546	(524)	(1,601)	79	-	(79)	-	-	-	-	-	-	-
BBC Arrendamento	756	-	(809)	-	6.849	-	(6.849)	-	229	-	-	-	275 ⁽ⁱ⁾	-
Quick	-	-	-	-	-	-	-	-	9	-	-	-	-	-
Ribeira Empreendimentos Imobiliários Ltda.	-	-	(3.610)	(2,628)	-	-	-	-	-	-	-	-	-	-
Subtotal	4,602	48,194	(7.119)	(6,800)	30.319	54,925	(30.319)	(33,323)	7.064	-	(6.899)	(456)	275	-
Total	13,541	51,140	(16.058)	(9,746)	39.550	58,292	(39.550)	(36,690)	7.064	-	(6.899)	(456)	275	-

⁽ⁱ⁾ Revenue from the investment in Lease bills (“LAM”) with related party BBC.

21.5 Management compensation

The Vamos Group's Management comprise the Board of Directors and the Board of Executive Officers, and the compensation of officers and management includes all benefits, which are recognized in line item "Administrative expenses", and are summarized below:

	Consolidated	
	12/31/2020	12/31/2019
Fixed compensation	(6,238)	(3,699)
Variable compensation	(4,227)	(892)
Benefits	(146)	(114)
Share-based payments (note 26.2.a)	(273)	(456)
Total	(10,884)	(5,161)

Management does not have post-retirement benefits or any other long-term benefits.

21.6 Administrative services center

The parent company Simpar and its subsidiaries apportion the shared expenses of the structure and BackOffice, according to criteria defined in appropriate technical studies. . The amount of expenses was apportioned to the Group, as at December 31, 2020, the amount was R\$ 6,248 (R\$ 5,617 at December 31, 2019), of which R\$ 5,737 was apportioned between the former parent company, JSL, and the remainder to the current parent company Simpar. These expenses are recorded in the "Administrative expenses" account. The Administrative Services Center does not charge an administration fee or apply a profit margin on the services provided, passing on only costs.

22 Payables for the acquisition of companies

The payables for the acquisition of companies recorded in current and noncurrent liabilities refers to the repurchase of the Company shares that had been delivered in the negotiation for the purchase of the Borgato Companies. The balance payable is subject to interest of 100% of the CDI and maturity in December 2021, which amounts to R\$ 9,072 at December 31, 2020 (R\$ 8,828 at December 31, 2019), as disclosed in note 21.1.

23 Income tax and social contribution

23.1 Credit (provision) for deferred income tax and social contribution

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Deferred tax asset				
Income tax and social contribution losses	-	-	112	3,865
Provision for judicial and administrative litigation	23	31	1,150	1,093
Provision for expected credit losses ("impairment") of trade receivables	4,038	1,083	10,193	7,934
Exchange rate changes	15,858	2,867	15,858	2,867
Provision for impairment of inventories	-	-	1,451	1,283
Other provisions	593	-	4,807	1,439
Total –deferred tax asset	20,512	3,981-	33,571	18,481
Deferred tax liability				
Accounting vs. tax depreciation	(115,794)	(80,133)	(163,482)	(132,286)
property and equipment - finance leases	(30,872)	(28,009)	(30,872)	(28,009)
Swap agreement	(613)	(824)	(613)	(824)
Other provisions	(732)	(919)	(1,343)	(919)
Income tax on tax realization of goodwill	-	-	(589)	(589)
Total – deferred tax liability	(148,011)	(109,885)	(196,899)	(162,627)
Total net	(127,499)	(105,904)	(163,328)	(144,146)
Deferred tax liabilities	(127,499)	(105,904)	(168,457)	(151,365)
Deferred tax assets	-	-	5,129	7,219
Total net	(127,499)	(105,904)	(163,328)	(144,146)

The movements in deferred tax assets and liabilities were as follows:

	Parent company	Consolidated
Balance at December 31, 2018	(83,059)	(127,694)
Deferred income tax and social contribution recognized in profit or loss	(22,587)	(16,197)
Deferred income tax and social contribution recognized in OCI - Swap agreement	(459)	(459)
Deferred income tax and social contribution on other balances	201	204
Balance at December 31, 2019	(105,904)	(144,146)
Deferred income tax and social contribution recognized in profit or loss	(21,806)	(19,393)
Deferred income tax and social contribution recognized in OCI - Swap agreement	211	211
Balance at December 31, 2020	(127,499)	(163,328)

23.2 Estimated realization schedule

Deferred tax assets arising from temporary differences will be used as the respective differences are settled or realized.

Consolidated tax losses do not expire and as at December 31, 2020, the deferred income tax and social contribution were recorded for all accumulated tax losses. The table below shows the balance of deferred income tax and social contribution recorded on tax losses by entity:

	12/31/2020	12/31/2019
Borgato Serviços	112	1,031
Transrio	-	2,834
Total	112	3,865

The Vamos Group prepared studies of projections of future taxable profits based on market data and concluded that the credits will be consumed within the maximum period of 1 year.

Additionally, Vamos Seminovos has balances of income tax and social contribution losses in the amount of R\$ 20.161 at December 31, 2020 (R\$ 19,921 at December 31, 2019), for which deferred tax assets were not recorded as there is no history of use in recent years.

23.3 Reconciliation of income tax and social contribution expense

Current amounts are calculated based on the current rates levied on taxable profit before income tax and social contribution, as adjusted by respective additions, deductions and offsets allowed by the prevailing legislation:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Profit before income tax and social contribution from continuing operations	241,922	188,523	257,463	199,165
Statutory rates	34%	34%	34%	34%
Income tax and social contribution calculated at statutory rates	(82,253)	(64,098)	(87,537)	(67,716)
Permanent (additions) exclusions				
Equity results from subsidiaries	9,520	6,064		
Tax incentives - Workers Meal Program ("PAT")	324	369	468	789
Nondeductible expenses	(17)	(337)	(276)	(539)
Interest on capital - Provision	9,507	11,780	9,507	11,780
Deferred income tax on unrecognized tax losses				(911)
Other exclusions (additions)	189	(519)	(433)	(786)
Income tax and social contribution in profit or loss	(62,730)	(46,741)	(78,271)	(57,383)
Current	(40,924)	(24,154)	(58,878)	(41,186)
Deferred	(21,806)	(22,587)	(19,393)	(16,197)
Income tax and social contribution in profit or loss	(62,730)	(46,741)	(78,271)	(57,383)
Effective rate	25.93%	24.80%	30.40%	28.80%

The Vamos Group's income tax returns are open to review by tax authorities for five years from the filing of the return. As a result of these reviews, additional taxes and penalties may arise, which would be subject to interest.

Management believes that all taxes have either been properly paid or provided for.

23.4 Income tax and social contribution recoverable and payable

	Parent Company	Consolidated
Balance at December 31, 2019	13,543	17,988
Provision for income tax and social contribution payable for the year	(40,924)	(58,878)
Prepayments, offsets and payments of income tax and social contribution in the year	37,310	53,524
Offsets of income tax and social contribution for the year	17,174	17,802
Balance at December 31, 2020	27,103	30,436
Income tax and social contribution recoverable	27,103	31,836
Income tax and social contribution payable	-	(1,400)
Balance at December 31, 2020	27,103	30,436
	Parent Company	Consolidated
Balance at December 31, 2018	9,970	17,429
Provision for income tax and social contribution payable	(24,154)	(41,186)
Prepayments, offsets and payments of income tax and social contribution for the year	29,865	46,082
Offsets of income tax and social contribution for the year	2,132	4,337
Balance at December 31, 2019	13,543	17,988
Income tax and social contribution recoverable	13,543	18,371
Income tax and social contribution payable	-	(383)
Balance at December 31, 2019	13,543	17,988

24 Judicial deposits and provision for judicial and administrative litigation

In the normal course of its business, the Vamos Group is a party to civil, tax and labor claims at administrative and judicial levels and has judicial deposits and assets freezing as collateral in connection with these claims. Based on the opinion of its legal counselors, provisions were recorded to cover probable losses related to these claims, and, as applicable, they are presented net of respective judicial deposits.

24.1 Judicial deposits

Judicial deposits and assets freezing refer to amounts deposited in an account or legal freezes on checking accounts, ruled by the court, as guarantee for any payment required by the court, or amounts duly deposited under judicial agreements to replace tax payments or payables that are being challenged in the court.

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Labor	48	48	3,494	5,862
Tax	141	141	1,760	141
Civil	-	-	835	-
Total	189	189	6,089	6,003

24.2 Provision for judicial and administrative litigation

The Vamos Group is a party to administrative and judicial proceedings arising from the normal course of its operations. These proceedings involve social security, labor, tax and civil matters. Based on information and evaluations of its legal counselors, both internal and external, Management measured and recognized provisions for contingencies in an estimated amount of the obligation and which reflect the expected outflow of funds.

The Vamos Group's management believes that the provision for probable losses is sufficient to cover any losses on administrative and judicial litigation, as shown below:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Labor	-	92	2,142	2,182
Civil	69	-	1,241	1,033
Total	69	92	3,383	3,215

The movements in the provision for judicial and administrative litigation during the years ended December 31, 2020 and 2019 were as follows:

	Parent Company	Consolidated
Balance at December 31, 2018	110	3,280
(+) Additions	135	1,175
(-) Reversals	(153)	(1,240)
Balance at December 31, 2019	92	3,215
(+) Additions	73	1,012
(-) Reversals	(96)	(844)
Balance at December 31, 2020	69	3,383

Labor

Labor claims against the Vamos Group are mainly related to requests for payment of overtime, differences in commissions, payment of bonuses for hazardous work conditions and lawsuits filed by outsourced workers due to subsidiary liability.

Civil

Civil claims refer mainly to indemnity claims against the Vamos Group companies, related to the sale of vehicles.

24.3 Possible losses, not provided for in the statement of financial position

The Vamos Group is a party to tax, civil and labor lawsuits in progress (judicial and administrative) with losses considered possible by Management and its legal counsel and for which no provision was set up. The amounts involved in the litigations are shown below:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Labor (i)	438	344	748	918
Civil (ii)	1,956	269	12,222	10,247
Tax (iii)	-	-	5,905	6,989
Total	2,394	613	18,875	18,154

- (i) Labor claims against the Vamos Group are mainly related to requests for payment of overtime, differences in commissions, payment of bonuses for hazardous work conditions and lawsuits filed by outsourced workers due to subsidiary liability.
- (ii) Civil claims refer mainly to indemnity claims against the Vamos Group companies, related to the sale of vehicles; and
- (iii) Tax claims refer to administrative lawsuits filed by the Vamos Group in the challenge of tax assessments issued in the process of tax inspection, with which the Vamos Group does not agree, and other lawsuits filed to question the legitimacy of collection of determined taxes.

25 Assignment of receivables

In December 2017, the Company assigned part of its future receivables arising from leasing and related services. The assignment included agreements whose assets for leasing were delivered, with proper acknowledgment of the lease and service rendered by the customer. The Company is responsible for operating the collection of these receivables; however, there is right of recovery or co-obligation for the receivables, and it will not be responsible for the solvency of the contracting customer. The future amount of the portfolio assigned was R\$ 40,077, the amount received by the Company was R\$ 30,214, and the interest paid will be recognized as finance costs over the agreement period. This transaction has a period of 60 months, with maturity in December 2022.

The balances recorded are as follows:

	Parent Company and Consolidated	
	12/31/2020	12/31/2019
Sale of receivables	16,032	25,412
Interest to be accrued	(3,946)	(7,284)
Total	12,086	18,128
Total current	6,043	6,043
Total noncurrent	6,043	12,085
Total	12,086	18,128

26 Equity

26.1 Share capital

Pursuant to the Annual and Extraordinary General Meeting (“AEGM”) held on March 5, 2020, the Company approved the 1-for-2 stock split, which did not result in any changes to the total amount of share capital. Accordingly, the Company's capital is now comprised of 193,635,662 thousand registered common shares with no par value totaling R\$ 482,817 (R\$ 482,817 at December 31, 2019, divided into 96,817,831 thousand registered common shares with no par value) as shown below:

	Amount	Number of shares
Balance at December 31, 2018	482,817,035	312,007,389
Treasury shares canceled	-	(21,553,895)
Reverse share split	-	(193,635,663)
Balance at December 31, 2019	482,817,035	96,817,831
Share split	-	96,817,831
Balance at December 31, 2020	482,817,035	193,635,662

The Company is authorized to increase its capital up to the limit of 500,000,000 common shares, excluding the shares already issued, without any amendment to its bylaws and according to the decision of the Board of Directors, which is responsible for the establishment of issuance conditions, including price, term and payment conditions.

26.2 Capital reserves

a) Share-based payment

The Parent Company Simpar S.A. granted share-based payment plans to Vamos Group's officers, considering the allocation of the respective amounts beginning on the date these officers became engaged in Group's operations, pursuant to ICPC 4 / IFRIC 8 – “Scope of CPC 10 / IFRS 2 Share-Based Payment” – Vamos Group and Treasury Share Transactions, and ICPC 5 / IFRIC 11 – Share-Based Payment.

These share-based payment plans are managed by the Board of Directors of Simpar S.A. and are comprised as follows:

i. Stock Option Plans:

The established criteria are: (i) granting stock options to Management, employees in executive positions and individuals providing services to the Simpar Group for each category of eligible professionals, defined freely based on the Election of the Stock Option Plan Beneficiaries; (ii) the number of shares to be acquired by each in the exercise of the options; and (iii) the condition for exercise is based on the maintenance of employment of the eligible professionals at the Simpar Group during the vesting period.

These plans are calculated based on the average quote of Simpar S.A. shares at B3 (Brasil, Bolsa, Balcão), weighted by the trading volume over the past 30 trading sessions preceding the year of the date of grant, which shall be restated according to the variation of 100% of the CDI, from the grant date to the date on which the beneficiary pays the exercise price to the Simpar Group.

The value of each option is estimated on the grant date, based on the Black & Scholes option pricing model, which considers the terms and conditions of the grant.

The options granted under the current plans may be exercised as long as the vesting and exercise periods defined in the grant agreements are complied with, and their features are indicated in the table below:

Plan	Year of grant	Number of options	Tranche	Exercise price	Option's fair value at the grant date	Volatility	Risk-free interest rate	Expected dividends	Option lifetime	Vesting period	Exercise period
VI	2016	48,983	1	8.36	4.98	45.70%	12.33%	0%	5.2 years	06/27/2016 to 04/01/2019	04/2019 to 06/2022
VI	2016	48,983	2	8.36	5.62	45.70%	12.21%	0%	5.2 years	06/27/2016 to 04/01/2020	04/2020 to 06/2022
VI	2016	97,967	3	8.36	6.17	45.70%	12.16%	0%	5.2 years	06/27/2016 to 04/01/2021	04/2021 to 06/2022
VII	2017	33,056	1	9.03	2.02	42.30%	11.02%	0%	5 years	04/01/2017 to 04/01/2020	04/2020 to 06/2022
VII	2017	33,056	2	9.03	2.55	42.30%	11.15%	0%	5 years	04/01/2017 to 04/01/2021	04/2021 to 06/2022
VII	2017	66,113	3	9.03	3.02	42.30%	11.30%	0%	5 years	04/01/2017 to 04/01/2022	04/2022 to 06/2022

Movement during the year

The following table presents the number, weighted average of the exercise price and the movement of the stock options during the year:

	Number of stock options				Average exercise price (R\$)
	Granted	Canceled	Exercised	Stock options outstanding	
Position at December 31, 2019	279,175	-	-	279,175	8.63
Transfers to beneficiaries	-	-	(22,306)	(22,306)	10.62
Position at December 31, 2020	279,175	-	(22,306)	256,869	9.62

ii. Restricted share plan and matching

The restricted share plan consists of the delivery of shares of the parent company Simpar S.A. (restricted shares) to Vamos Group employees, of up to 35% of the variable compensation amount of the beneficiaries as bonus, in annual installments for four years. In addition, employees may, at their sole discretion, opt to receive an additional portion of the variable compensation amount as a bonus in shares of Simpar S.A., and in case the employee opts to receive shares, Simpar S.A. will deliver to the employee 1 share of matching for each 1 share received by the employee, within the limits established in the program. The granting of the right to receive restricted shares and matching shares is made through the execution of a Grant

Agreements between the Simpar S.A. and the employee. Thus, the Plan seeks to (a) stimulate the expansion, success and achievement of the social objectives of Simpar S.A. and its subsidiaries; (b) to align the interests of the shareholders of Simpar S.A. and its subsidiaries with those of its employees; and (c) enable Simpar S.A. and its subsidiaries to attract and retain the Beneficiaries.

For the calculation of the number of restricted shares to be delivered to the employee, the net amount earned by the employee will be divided by the average share price of Simpar S.A. on B3 (Brasil, Bolsa, Balcão), weighted by the trading volume over the past 30 trading sessions preceding each vesting date related to the restricted shares.

Restricted and matching shares granted will be redeemed only after the minimum terms stipulated by the plan and according to the characteristics indicated in the following tables:

Plan	Year of grant	Number of shares	Tranche	Exercise price	Fair value of the share on the grant date	Volatility	Risk-free interest rate	Expected dividends	Restricted stock plan life	Vesting period	Transfer date
I	2018	6,933	1	-	6.26	36.70%	6.38%	2.22%	5 years	4/23/2018 to 4/24/2019	04/24/2019
I	2018	6,933	2	-	6.13	36.70%	7.25%	2.22%	5 years	4/23/2018 to 4/24/2020	04/24/2020
I	2018	6,933	3	-	5.99	36.70%	8.19%	2.22%	5 years	4/23/2018 to 4/24/2021	04/24/2021
I	2018	6,933	4	-	5.86	36.70%	8.89%	2.22%	5 years	4/23/2018 to 4/24/2022	04/24/2022
II	2019	20,002	1	-	9.3	41.20%	5.25%	2.22%	5 years	05/02/2019 to 05/01/2020	04/01/2020
II	2019	20,002	2	-	9.31	41.20%	5.04%	2.22%	5 years	05/02/2019 to 05/01/2021	04/01/2021
II	2019	20,002	3	-	9.29	41.20%	5.42%	2.22%	5 years	05/02/2019 to 05/01/2022	04/01/2022
II	2019	20,002	4	-	9.27	41.20%	5.82%	2.22%	5 years	05/02/2019 to 05/01/2023	04/01/2023
III	2020	14,910	1	-	18.14	63.79%	6.20%	2.22%	4 years	05/04/2020 to 05/03/2021	05/03/2021
III	2020	14,910	2	-	18.14	63.79%	6.20%	2.22%	4 years	05/04/2021 to 05/03/2022	05/03/2022
III	2020	14,910	3	-	18.14	63.79%	6.20%	2.22%	4 years	05/04/2022 to 05/03/2023	05/03/2023
III	2020	14,905	4	-	18.14	63.79%	6.20%	2.22%	4 years	05/04/2023 to 05/03/2024	05/03/2024
IV	2020	5,026	1	-	18.56	63.57%	5.30%	2.22%	3 years	04/28/2020 to 04/27/2021	04/27/2021
IV	2020	5,026	2	-	18.56	63.57%	5.30%	2.22%	3 years	04/28/2021 to 04/27/2022	04/27/2022
IV	2020	5,032	3	-	18.56	63.57%	5.30%	2.22%	3 years	04/28/2022 to 04/27/2023	04/27/2021

Movement during the year

The following table presents the number and the movement of the restricted shares during the year:

	Number of restricted shares			
	Granted	Canceled	Transferred	Restricted shares outstanding
Position at December 31, 2019	100,807	-	-	100,807
Transfers to beneficiaries	95,391	-	(33,101)	62,290
Position at December 31, 2020	196,198	-	(33,101)	163,097

At December 31, 2020, the accumulated balance of the capital reserve account referring to “share-based payments” in equity was R\$ 2,154 (R\$ 1,881 at December 31, 2019) and R\$ 273 (R\$ 456 at December 31, 2019) was recognized in line item “administrative expenses”.

b) Share subscription premium

The capital reserve balance was R\$ 22,774, derived from the difference between the equity value of R\$ 88,139 and the amount of R\$ 110,913 contributed in shares on the acquisition of the Borgato Companies. This reserve was fully utilized with the cancellation and reverse split of treasury shares, pursuant to the Annual and Extraordinary General Meeting held on April 8, 2019, which

approved the cancellation of 21,553,895 treasury shares equivalent to R\$ 82,685 and the 3-for-1 reverse stock split.

26.3 Earnings reserve

a) Distribution of dividends

Pursuant to the Company's Bylaws, shareholders are entitled to annual mandatory dividend equal to or higher than 25% of the Company's annual profit, as adjusted by the following additions or deductions:

- (i) 5% allocated to the legal reserve; and
- (ii) Amount for the contingency reserve and reversal of the same reserves recognized in prior years. A portion of the profit may also be retained based on a capital budget for contribution of a statutory earnings reserve named "investment reserve".

The Company's Bylaws also allow for the distribution of interim dividends, which can be included in the mandatory dividend.

Interest on capital is calculated on equity accounts by applying the variation of the long-term interest rate (TLP) for the year. The payment is contingent on the existence of profits in the year before the deduction of interest on capital, or of retained earnings and earnings reserve.

For the years ended December 31, 2020 and 2019, the calculation and movement of dividends and interest on capital were as follows:

	2020	2019
Profit for the year	179,192	141,782
(-) Cancellation of shares	-	(51,642)
Legal reserve base profit	179,192	90,140
Legal reserve – 5%	(8,960)	(4,507)
Basis for calculation of dividends	170,232	85,633
Mandatory minimum dividends - 25% according to bylaws	42,558	21,408
Dividends per share	0.84	0.22

	Parent Company			Consolidated		
	Interest on capital	Dividends payable	Total	Interest on capital	Dividends payable	Total
Balance at December 31, 2018	27,831	33,544	61,375	27,831	33,544	61,375
Interest on capital declared (i)	34,646	-	34,646	34,646	-	34,646
Profit distribution (ii)	-	150,000	150,000	-	150,000	150,000
Distribution of interim dividends (i)	-	49,211	49,211	-	49,211	49,211
Interest on capital paid	(57,280)	-	(57,280)	(57,280)	-	(57,280)
Dividends paid	-	(232,755)	(232,755)	-	(232,755)	(232,755)
Withholding Income Tax (IRRF)	(5,197)	-	(5,197)	(5,197)	-	(5,197)
Balance at December 31, 2019 (note 26.3)	-	-	-	-	-	-
Interest on capital declared (iii)	27,962	-	27,962	27,962	-	27,962
Profit distribution (iii)	-	133,833	133,833	-	133,833	133,833
Interest on capital paid	(23,768)	-	(23,768)	(23,768)	-	(23,768)
Dividends paid	-	(133,833)	(133,833)	-	(133,833)	(133,833)
Withholding Income Tax (IRRF)	(4,194)	-	(4,194)	(4,194)	-	(4,194)
Balance at December 31, 2020 (note 26.3)	-	-	-	-	-	-

- (i) According to the Annual and Extraordinary General Meeting ("AEGM") held on March 5, 2020, the distribution of dividends in the amount of R\$ 83,857 was approved, referring to the result for the year ended December 31, 2019. This distribution consists of interim dividends of R\$ 49,211 and interest on capital of R\$ 34,646 recognized and paid in 2019.
- (ii) According to the Extraordinary General Meeting ("EGM") held on February 25, 2019, the distribution of dividends in the amount of R\$ 197,122 was approved, referring to the result for the year ended December 31, 2018, and retained earnings from prior years. This distribution consists of the mandatory dividends and interest on capital declared in 2018 in the amounts of R\$ 27,122 and

R\$ 20,000 respectively, plus additional dividends of R\$ 150,000 recorded in 2019 that were paid in December 2019.

(iii) According to the Board of Directors' meetings held on September 30, 2020 and December 27, 2020, the distributions of dividends and interest on capital in the total amount of R\$ 133,833, referring to the result for the year ended December 31, 2020, were approved.

26.4 Legal reserve

The legal reserve is recognized annually as an allocation of 5% of the Company's profit for the year, limited to 20% of the share capital. Its purpose is to ensure the integrity of the share capital. It can be used only to offset losses and for capital increase. When the Company reports loss for the year, no legal reserve is recognized. The total amount of legal reserve in December 31, 2020 was R\$ 23,149 (R\$ 14,189 in December, 2019)

26.5 Treasury shares

On April 8, 2019, the Company cancelled 21,553,895 treasury shares represented by R\$ 82,685, as disclosed in note 26.1. For this cancellation, Goodwill on the issuance of shares in the amount of R\$ 22,774, Retention of earnings in the amount of R\$ 8,269 and Retained earnings in the amount of R\$ 51,642 were used. Accordingly, the balance of treasury shares at December 31, 2020 and 2019 is R\$ 11,508.

26.6 Investment reserve

The investment reserve is intended to finance the expansion of the activities of the Company and/or its subsidiaries and associates, including through subscriptions of capital increases or creation of new enterprises, to which up to 100% of the profit remaining after the legal and statutory deductions may be allocated and whose balance cannot exceed the amount equivalent to 80% of the Company's subscribed capital.

27 Insurance coverage

The Vamos Group has insurance coverage in amounts deemed sufficient by Management to cover potential risks of its assets and/or liabilities. The insurance coverage can be summarized as follows:

a) Third-party property liability

The Group has a corporate insurance policy on behalf of Simpar S.A., however, there is an internal process for apportionment of the premiums paid between the Company and its parent company Simpar S.A.

Insured services	Effective period	Simpar S.A. Coverage
Fire, lightning and explosion	12/2020 to 12/2021	16,103
Electrical damage	12/2020 to 12/2021	350
Broken glass	12/2020 to 12/2021	200
Landslides	12/2020 to 12/2021	200
Aggravated theft	12/2020 to 12/2021	300
Flood	12/2020 to 12/2021	500
Stationery equipment	12/2020 to 12/2021	20
Employee loyalty	12/2020 to 12/2021	100
Expenses with recomposition of records and documents	12/2020 to 12/2021	8
Riots, strikes / lock-outs and willful acts	12/2020 to 12/2021	100
Resellers and dealerships RD	12/2020 to 12/2021	400
Civil liability of dealerships operations	12/2020 to 12/2021	400
Civil liability of dealerships operations – pain and suffering	12/2020 to 12/2021	500
Windstorm – smoke	12/2020 to 12/2021	500
Equipment on display and / or demonstration without transport	12/2020 to 12/2021	400
Total coverage		20,081

b) Fleet

The Company takes out insurance for its fleet as required by contract, however for the most part self-insures its fleet in view of the high cost and low claims history.

28 Net revenue from sale, lease, rendering of services and sale of decommissioned assets used in services rendered

a) Revenue flows

The Vamos Group generates revenue mainly from the sale of new and used vehicles, parts, lease and rendering of services and sale of decommissioned assets.

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Revenue from lease and services rendered	615,674	508,603	703,498	613,289
Revenue from sale of vehicles and accessories	-	-	636,123	386,135
Revenue from sale of decommissioned assets	167,345	188,040	173,566	212,084
Total net revenue	783,019	696,643	1,513,187	1,211,508

The table below shows the reconciliation between the gross revenue for tax purposes and the revenue stated in profit or loss for the year:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Gross revenue	859,486	755,014	1,661,634	1,321,741
Less:				
Taxes on sales	(63,994)	(52,469)	(118,913)	(89,104)
Returns, discounts and rebates	(12,473)	(5,902)	(29,534)	(21,219)
Total net revenue	783,019	696,643	1,513,187	1,211,508

Taxes levied on sales consist primarily of ICMS (rates ranging from 7% to 19%), municipal tax on services (rates ranging from 2% to 5%), PIS (rates are either 0.65% or 1.65%) and COFINS (rates are either 3% or 7.65%).

b) Breakdown of revenue from contracts with customers by segment

The following table presents the analytical composition of the revenue from contracts with customers of the main business lines and the timing of revenue recognition. It also includes reconciliation of the analytical composition of revenue with the Vamos Group's reportable segments.

	Parent Company	
	Lease of trucks, machinery and equipment	
	12/31/2020	12/31/2019
Main products and services		
Revenue from leasing	615,674	508,603
Revenue from sale of decommissioned assets	167,345	188,040
Total net revenue	783,019	696,643
Timing of revenue recognition		
Products transferred at a specific point in time	167,345	188,040
Products and services transferred over time	615,674	508,603
Total net revenue	783,019	696,643

							Consolidated	
	Truck, machinery and equipment dealerships		Lease of trucks, machinery and equipment		Eliminations		Total	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Main products and services								
Revenue from leasing (a)	-	-	651,107	566,653	(708)	(1,068)	650,399	565,585
Revenue from services rendered (b)	52,960	47,959	1,034	-	(895)	(255)	53,099	47,704
Revenue from sale of decommissioned assets (b)	50	858	182,833	213,966	(9,317)	(2,833)	173,566	211,991
Revenue from sale of parts and accessories (b)	128,573	112,847	-	-	(1,421)	(1,678)	127,152	111,169
Revenue from sale of new vehicles (b)	457,140	229,220	-	-	(3,574)	-	453,566	229,220
Revenue from sale of used vehicles (b)	57,027	45,839	-	-	(1,622)	-	55,405	45,839
Total net revenue	695,750	436,723	834,974	780,619	(17,537)	(5,834)	1,513,187	1,211,508
Timing of revenue recognition								
Products transferred at a specific point in time	642,790	388,764	182,833	213,966	(15,934)	(4,511)	809,689	598,219
Products and services transferred over time	52,960	47,959	652,141	566,653	(1,603)	(1,323)	703,498	613,289
Total net revenue	695,750	436,723	834,974	780,619	(17,537)	(5,834)	1,513,187	1,211,508

(a) Revenue recognition in accordance with CPC 06 (R2) / IFRS 16 - Leases. Disclosed in note 2.11.i.

(b) Revenue recognition in accordance with CPC 47 (R2) / IFRS 15 - Revenue from Contracts with Customers. Disclosed note 2.14.

29 Expenses by nature

The Vamos Group's statements of profit or loss are presented by function. Expenses by nature are as follows:

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Cost of sales of new vehicles	-	-	(388,667)	(194,883)
Cost of sales of used vehicles	-	-	(46,889)	(38,957)
Fleet costs / expenses	(26,719)	(11,631)	(32,036)	(16,793)
Cost of sales of decommissioned assets	(150,347)	(177,387)	(162,652)	(204,633)
Cost of sale of parts and accessories	-	-	(90,352)	(80,295)
Personnel	(48,329)	(38,484)	(118,022)	(100,275)
Depreciation and amortization	(230,510)	(186,170)	(269,219)	(234,971)
Depreciation from related-party transactions	-	(1,033)	-	(1,033)
Parts, tires and maintenance	(17,965)	(22,060)	(21,279)	(22,796)
Fuels and lubricants	(2,918)	(2,331)	(3,279)	(2,820)
Reversal of (provision) for judicial and administrative litigation	23	18	(168)	65
Advertising and publicity	(932)	(341)	(2,552)	(2,484)
Services provided by third parties	(21,970)	(17,981)	(27,124)	(25,062)
(Provision) reversal provision for expected credit losses ("impairment") of trade receivables (ii)	(1,238)	493	(2,911)	(6,024)
(Reversal) provision for impairment of inventories	-	-	(494)	(576)
Electricity	(115)	(111)	(1,941)	(1,954)
Communication	(60)	(136)	(260)	(399)
Travel, meals and accommodation	(784)	(826)	(5,741)	(3,895)
Lease of properties	(1,518)	(2,483)	(1,167)	(3,376)
Lease of trucks, machinery and equipment	(822)	(7,648)	(1,019)	(8,547)
Revenue from sale of damaged vehicles (iii)	155	1,119	3,215	1,176
Tax expenses	(410)	(160)	(1,502)	(1,128)
Recovery of PIS and COFINS (i)	42,752	31,164	44,412	33,059
Extemporaneous tax credits	629	90	2,071	4,771
Other operating income (expenses), net	2,051	(345)	(16,056)	(7,025)
Total	(463,129)	(436,243)	(1,143,632)	(918,855)
Cost of sales, leases and services rendered	(258,406)	(220,363)	(832,816)	(593,774)
Cost of sales of decommissioned assets	(150,347)	(177,387)	(162,652)	(204,633)
Selling expenses	(25,058)	(20,032)	(66,153)	(52,807)
Administrative expenses	(34,700)	(25,173)	(95,891)	(80,416)
(Provision) reversal for expected credit losses ("impairment") of trade receivables (ii)	(1,238)	493	(1,016)	(6,024)
Other operating income	7,547	8,561	17,713	21,341
Other operating expenses	(927)	(2,342)	(2,817)	(2,542)
Total	(463,129)	(436,243)	(1,143,632)	(918,855)

(i) PIS and COFINS credits on purchase of inputs and depreciation charges as credits reducing cost of sales and services, in order to better reflect the nature of the respective credits and expenses.

(ii) The amount arising from the movement in the year of R\$ 1,895, in Consolidated, was offset against amounts recovered from customers upon the acquisition of Borgato Companies in December 2017. This amount was presented according to the net fair value of the trade receivables of the provision for expected credit losses ("impairment"), pursuant to CPC 15 / IFRS 3 - Business Combinations.

(iii) Refers to the cost of damaged vehicles written off, net of the respective amount recovered through sale, in the amounts of R\$ 155 and R\$ 3,215 in the Parent Company and Consolidated, respectively (R\$ 1,119 and R\$ 1,176 as at December 31, 2019, Parent Company and Consolidated, respectively).

30 Finance income (costs)

	Parent Company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Finance income				
Financial investments	10,159	8,362	13,510	11,292
Other finance income	960	-	3,913	-
Interest received	3,753	3,160	3,753	5,378
Total finance income	14,872	11,522	21,176	16,670
Finance costs				
Debt service costs				
Interest on loans, financings and debentures	(138,490)	(85,941)	(140,164)	(92,444)
Interest and charges on leases payable	(923)	(2,911)	(981)	(2,917)
Interest on right of use	(3,338)	(1,973)	(3,338)	(1,973)
Ineffective portion of fair value hedge	2,911	-	2,911	-
Exchange variation on loans	(46,640)	(5,879)	(46,640)	(5,879)
Charges on right-of-use property leases - IFRS 16	(1,652)	164	(6,060)	(4,271)
Interest on acquisition of companies	(244)	(798)	(244)	(798)
Gain (losses) on derivative transactions (hedge)	82,027	2,368	82,027	2,368
Total debt service costs	(106,349)	(94,970)	(112,489)	(105,914)
Interest payable	(2,334)	(226)	(2,390)	(298)
Other finance costs	(12,157)	(6,040)	(18,389)	(3,946)
Total finance costs	(120,840)	(101,236)	(133,268)	(110,158)
Net finance result	(105,968)	(89,714)	(112,092)	(93,488)

31 Operating leases

31.1 Group as a lessor

The Vamos Group has lease agreements of vehicles, machinery and equipment classified as operating leases, with maturities until 2030. These agreements usually have terms from one to ten years, with option for renewal after termination of such term. The lease receipts are remeasured by inflation indexes, to reflect the market values.

The following table presents an analysis of the maturities of lease payments, showing undiscounted lease payments that will be received after the reporting date.

Up to 1 year	1 to 2 years	3 to 4 years	5 to 6 years	Over 7 years	Total
903,809	791,997	608,477	452,211	360,370	3,116,864

32 Earnings per share

The calculation of basic and diluted earnings per share was based on the profit attributable to the holders of common shares and on the weighted average number of common shares outstanding.

a) Earnings per share

	12/31/2020	12/31/2019
Numerator:		
Profit for the year	179,192	141,782
Denominator:		
Weighted average number of common shares outstanding	191,635,662	191,635,662
Basic and diluted earnings per share - R\$	0.93507	0.73985
Weighted average number of common shares (i)		
	12/31/2020	12/31/2019
Common shares - January 1	95,817,831	287,453,494
(-) Reverse stock split (i)	-	(191,635,663)
(+) Stock split (ii)	95,817,831	95,817,831
Weighted average number of common shares outstanding	191,635,662	191,635,662

The Company had no transactions or agreements involving common shares or potential shares with impact on diluted earnings per share.

- (i) Pursuant to the Annual and Extraordinary General Meeting (“AEGM”) held on April 8, 2019, the Company approved the 3-for-1 reverse stock split. Accordingly, there was a retrospective impact on the weighted average number of shares
- (ii) Pursuant to the Annual and Extraordinary General Meeting (“AEGM”) held on March 5, 2020, the Company approved the 1-for-2 stock split. Accordingly, there was impact on the weighted average of common shares, retrospectively.

33 Supplemental information to the statement of cash flows

The statements of cash flows under the indirect method are prepared and presented in accordance with the accounting pronouncement CPC 03 (R2) / IAS 7 – Statement of Cash Flows.

The Vamos Group made acquisitions of vehicles, machinery and equipment for expansion of its fleet, and part of these did not affect cash because they are financed, or were transferred through merger. These acquisitions without cash outflow effect are as follows:

	Parent company		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Reconciliations between additions to property and equipment and additions to cash flows:				
Total additions to property and equipment	1,169,044	867,581	1,204,947	873,572
Additions without cash disbursement:				
Raising of finance leases and FINAME for the expansion and renewal of fleet	(65,731)	(55,876)	(65,731)	(55,876)
Addition of lease by right or use contracts	(17,317)	-	(44,678)	-
Additions settled with cash flows:				
Movement in the balance of trade payables for property and equipment and truck manufacturers	(360,783)	(24,250)	(373,259)	(19,828)
Total	725,213	787,455	721,279	797,868
Statements of cash flows				
Property and equipment for leasing	749,498	783,940	705,032	791,082
Property and equipment for investment	5,715	3,515	16,247	6,786
Total	725,213	787,455	721,279	797,868
Other non-cash transactions:				
Initial adoption of CPC 06 (R2) / IFRS 16 – Leases	-	(4,225)	-	(56,120)
Total	-	(4,225)	-	(56,120)

34 Subsequent events

34.1 Public offering of restricted shares

On January 27, 2021, at the Board of Directors' Meeting, within the scope of the public offering for the primary distribution of common shares, registered, book-entry and with no par value, issued by the

Company, all of them free and clear of any liens or encumbrances (“Shares”), with restricted placement efforts, pursuant to CVM Instruction 476 (“Restricted Offer”), the price per share of R\$ 26.00 (“Price per Share”) was approved, totaling R\$ 889,598, before deduction of commissions and expenses for issuing shares. Of this amount, R\$ 150,000 was allocated to the Company’s capital increase, through the issue of 34,215,328 new shares and the remainder of R\$ 739,598 was allocated to the formation of capital reserve, in the line item of share subscription premium.

The shares object of the Offering are now traded on B3 S.A. – Brasil, Bolsa, Balcão (“B3”) since January 29, 2021, and the physical and financial settlement of the shares occurred on February 1, 2020 (“Settlement Date”).

34.2 Early settlement of loans

On February 19, 2021, there was early settlement of CDC in the amount of R\$ 26,026, which was contracted with maturity in April 2023.

On February 12, 2021, there was early settlement of CCB in the amount of R\$ 150,689 that was contracted with maturity in August 2025, and on February 10, 2021, R\$ 208,029 of the same debt was settled.

* * * * *

**REPRESENTATION
FOR THE PURPOSES OF ARTICLE 25 OF INSTRUCTION 480/09 OF THE SECURITIES AND
EXCHANGE COMMISSION OF BRAZIL**

GUSTAVO HENRIQUE PAGANOTO MOSCATELLI, Brazilian, married, business administrator, bearer of identity card RG 33.546.713-1 SSP/SP, registered with CPF/ME 353.651.228-36, with business address at Rua Doutor Renato Paes de Barros, 1017, 9º andar, Edifício Corporate Park, Itaim Bibi, CEP: 04530-001, in the city of São Paulo, State of São Paulo, as Chief Administrative, Financial and Investor Relations Officer of **VAMOS LOCAÇÃO DE CAMINHÕES, MÁQUINAS E EQUIPAMENTOS S.A.**, a publicly-held company with registered office in the city of Mogi das Cruzes, State of São Paulo, at Avenida Saraiva, nº 400, sala 09, Bairro Brás Cubas, CEP: 08745-900 (“Company”), states, under the terms of article 25, paragraph 1, items V and VI, of the Securities and Exchange Commission of Brazil Instruction 480, of December 7, 2009, as amended, that together with the other officers of the Company: i) has reviewed, discussed and agreed with the opinions expressed in the independent auditor’s report; ii) has reviewed, discussed and agreed with the Company’s financial statements for the year ended December 31, 2020.

February 25, 2021.

GUSTAVO HENRIQUE PAGANOTO MOSCATELLI
Chief Administrative, Financial and Investor Relations Officer

**REPRESENTATION
FOR THE PURPOSES OF ARTICLE 25 OF INSTRUCTION 480/09 OF THE SECURITIES AND
EXCHANGE COMMISSION OF BRAZIL**

GUSTAVO HENRIQUE BRAGA COUTO, Brazilian, married, civil engineer, bearer of identity card RG 50.027.727-3 SSP/BA, registered with CPF/ME 617.152.125-68, with business address at Rua Doutor Renato Paes de Barros, 1017, 9º andar, Edifício Corporate Park, Itaim Bibi, CEP: 04530-001, in the city of São Paulo, State of São Paulo, as Chief Executive Officer of **VAMOS LOCAÇÃO DE CAMINHÕES, MÁQUINAS E EQUIPAMENTOS S.A.**, a publicly-held company with registered office in the city of Mogi das Cruzes, State of São Paulo, at Avenida Saraiva, nº 400, sala 09, Bairro Brás Cubas, CEP: 08745-900 (“Company”), states, under the terms of article 25, paragraph 1, items V and VI, of the Securities and Exchange Commission of Brazil Instruction 480, of December 7, 2009, as amended, that together with the other officers of the Company: i) has reviewed, discussed and agreed with the opinions expressed in the independent auditor’s report; ii) has reviewed, discussed and agreed with the Company’s financial statements for the year ended December 31, 2020.

February 25, 2021.

GUSTAVO HENRIQUE BRAGA COUTO
Chief Executive Officer