



**Log-In Logística Intermodal
1Q21 Results
May 11, 2020**

Sandra Calcado:

Good day, everyone. Welcome to Log-In Logística Intermodal conference call to discuss the 1Q21 results. My name is Sandra Calcado, I am Log-In's Investor Relations, Strategy and ESG Manager, and I will be your hostess in this event.

The presentation and comments about the Company's results will be made by Log-In's CEO, Marcio Arany, by Pascoal Gomes, our CFO and IRO, by our Chief Commercial Officer, Mauricio Alvarenga, by our Terminal's Officer, Ilson Hulle, and by our People, Culture and Digital Transformation Officer, Andréa Simões. They will comment on the Company's performance and the main highlights of the quarter. Then, they will be available to answer questions that you might have.

The slides presentation and 1Q earnings release in both Portuguese and English are available in the results center at the Company's website, but we will be showing here the presentation in Portuguese here on Zoom. All participants will be in listen-only mode during the Company's presentation. Later, there will be a question and answer session when further instructions to participate will be provided if you want to ask questions.

This call is being recorded and will be available on the Company's website.

Before proceeding, as usual, let me mention that forward looking statements that might be made during this conference call relative to Log-In's business perspectives, projections and operating and financial goals are based on their beliefs and assumptions of Log-In's management, and on information currently available to the Company. Forward-looking statements are not a guarantee of performance. They involve risks, uncertainties, and assumptions, and therefore depend on circumstances that may or may not occur in the future. Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of Log-In and could cause results to differ materially from those expressed in such forward-looking statements.

Now, with this disclaimer, I would like to turn the floor to Marcio Arany, Log-In's CEO, to start with his introductory remarks.

Marcio Arany:

Thank you, Sandra. Good day to all. I am Marcio Arany, CEO of the Company. I would like to thank everyone for joining us on this conference call to review 1Q21 results of Log-In Logística Intermodal.

We are adopted a new conference call format to disclose our results, and this new format is more complete, objectiveobjective, and simple. I will try to address some points of our strategic plan, aiming to offer more visibility regarding the structuring and the alignment of our actions. Then, we will move to presenting our results.

Thus, on slide three, I bring your four important points of our strategic planning, so you can get to know our objectives and some achievements of the quarter. The first point is about our position in coastal shipping, where we aim to offer ~~a~~ door-to-door solutions, with a diversified customer base.

Our ~~main-focus~~focus here is to contribute to migrate road cargo to cabotage, including innovative products for this modal, such as ~~_parceled cargo~~Less than a Container Load, (LCL). Here, we



highlight the acquisition of vessel Log-In Discovery, and the launch of Log-Aí platform, which gives Log-In an important competitive edge in ~~cabotage~~the sector.

The second point is the innovative positioning of our port terminal, ~~TVV~~TVV, as a multi-purpose terminal where we offer logistics customized solutions, 3PL, with high operating productivity. This quarter, we highlight the capture of new cargo, the implementation of the vehicle's terminal in Area 5, and some operating record marks that will be presented during this conference call.

The third point is our capital structure, with the main challenges already thorough, management of the Company's leverage, improved risk perception by the market, lengthening of our debts and higher predictability of our future results.

We managed to approve the issue of our fourth debentures, totaling R\$340 million, a subsequent event, and adopted hedge accounting for the Company.

The fourth and last point is linked to our corporate management strategy, ~~wherein we work with on our some~~ long-term ~~objectives~~goals. ~~Firstly, we vision and with a vision~~ to be a benchmark in operating and safety. ~~Secondly, We also want to~~ have a sustainable bunker management. Thirdly, we want to work around ~~an negative active~~ and pragmatic ESG agenda. And fourthly, we want to operate with a ~~customer-oriented~~customer-oriented culture and drive digital transformation across the Company.

In the 1Q, we kickstarted our greenhouse gas emissions planning and implemented an innovative diversity program with some important work fronts to be detailed later in the presentation.

Now our team will be presenting our quarterly results, starting with our CFO, Pascoal Gomes.

Pascoal Gomes:

Marcio, thank you. Good day, everyone, and thank you for joining us on this call. Moving to slide four, this 1Q21 posted excellent results, with Log-In, achieving record results in several lines of our operating and financial results.

Our net operating result, NOR, totaled almost R\$297 million in the first three months of the year, up 9.4% compared to 1Q20, as you can see on the bottom left hand corner graph. This growth stems from greater volume transported by our vessels in the feeder segment, due to increased imports and exports, and some other factors, such as higher volume handled of containers and steel products at our port terminal of Vilha Velha, TVV, the impact of the Brazilian currency, depreciation on USD-fixed revenues, and the resumption of vehicle volumes imported into Brazil.

EBITDA totaled more than R\$~~704~~7 million in 1Q21, up 32.5% year over year, ~~in~~ addition to higher revenues, ~~this~~ increase was mainly due to efficient cost management, with costs growing relatively less than revenues, coupled with higher ~~AFR~~MM revenues owing to growth of the Company's own fleet. This increase led to a 4.1 p.p. increase in EBITDA margin, which in the quarter was 23.7%.

The Company's cash remained stable compared with 1Q20, and leverage expressed by net debt over EBITDA ratio improved by 10%, resulting from higher operational results in the last 12 months.

Log-In's financial result was an expense of R\$68.1 million, ~~and~~ posted a significant 50% improvement over the same period of last year, mainly by virtue of lower foreign exchange variation.

Still, as you can see on the bottom right hand corner graph, most of the financial result ~~results from is~~ due to non-realized foreign exchange variation, thus, with no cash effect.



This FX variation, which is relevant in the results, is mainly due to the conversion of ~~one~~ payment of our long-term loan from BNDES in USD at the closing exchange rate. Although this is relevant ~~in and~~ the result, in terms of the cash, the impact was immaterial, amounting to R\$~~0.8 million~~~~80,000~~ in the quarter. On the other hand, we have a positive operating result from BRL devaluation, considering our revenues and expenses in USD, with a surplus of over R\$37 million year to date, almost fully converted into cash.

I highlight that just yesterday we informed the market via an explanatory note in our financial statement about the adoption of hedge accounting performed on March 1st, 2021, which will greatly reduce the FX effect on the Company's results in the coming quarters.

I now ~~turn~~give the floor to Mauricio Alvarenga, our Chief Commercial Officer.

Mauricio Alvarenga:

Thank you, Pascoal. Good morning, everyone. I am Mauricio Alvarenga, Chief Commercial Officer of Coastal Shipping.

~~b~~Before moving to the coastal shipping slide results, it is worth noting that we are comparing two very different quarters. In 2020, the ~~Ce~~ovid-19 pandemic was ~~just but~~ arriving in Brazil, and we ~~had~~ Log-In ~~did~~ not have a relevant impact on our business then. So, I would like to put our business environment into context in this 1Q21.

We started off in January with news of the pandemic advancing in Brazil, and soon had a lockdown in Manaus. As broadly conveyed in the media, our public health care system collapsed with shortage of oxygen at the hospitals in Manaus. This situation led several companies in the Manaus industrial hub to halt their operations, aiming to protect the health of their employees, and also, in some cases, they provided the hospitals with the oxygen that they were using in their productive system.

That lasted about 45 days more intensely, and by the end of February, when Manaus was giving signs of resuming their industrial production, other regions of the country, such as Bahia, São Paulo and Rio, started to intensify their own restrictive measures.

So, it was in this adverse scenario that our commercial team, remained resilient. Seeking to foresee possible abrupt changes in demand, we intensified our actions to capture road cargo, especially in the basic segments that we have mentioned before in prior quarter calls, such as food, beverages, personal ~~hygiene~~hygiene, and cleaning products. That led our volume results to remain more constant.

In the feeder segment, we posted a strong quarter. Pace of exports remained stable and consistent, and imports, which were weak in ~~1Q2020~~, they exceeded our expectations. In vehicles, the ~~4Q~~quarter showed a volume resumption in vehicle transportation operations.

Now on slide five, to speak about numbers, we grew the volume of TEUs handled by 5.5%. Our total net revenue, NOR, was R\$230.7 million, up 5.8% on the back of volume increases. This R\$230.7 million net revenue was a record NOR for a 1Q since the Company started operating.

Our EBITDA reached R\$52.~~55~~ million, a 21.8% increase. Here in EBITDA, the highlight goes to higher feeder NOR in the total revenue. And the feeder NOR is not associated to variable costs. And also, we highlight increased AFRMM revenues, as Pascoal mentioned, resulting from growth of our own fleet. With that, our EBITDA margin increased 3 p.p.



Besides the excellent total NOR and feeder volumes previously mentioned, other quarter's highlights were Mercosur's cargo volumes, optimization of bunker consumption, and the acquisition of a new vessel Log-In Discovery.

Last but not least, we had a 1Q marked by zero lost time injuries. Log-In continues to implement awareness actions to strengthen more and more our culture of operating safety. Also, our safety programs now involve our business partners, for example, ourthe road carrier's partners for door-to-door service. (15:36).

Our level of service, of punctuality of collecting and delivering goods on time achieved 93.3%, and we advanced by 11 p.p. our NPS survey.

Now I turn the floor to Ilson Hulle, our Terminals Officer.

Ilson Hulle:

Thank you, Mauricio. It is a pleasure to be sharing TVV results one more time. I hope you are all well.

I would like to begin talking about two highlights of our Vila Velha Terminal. First, we posted record net revenue and EBITDA for a 1Q since we started operating. We have been seeing a constant evolution of this important asset of the Company, an asset that is becoming more and more relevant for Log-In.

Besides the financial highlight, I would like to speak a little about identity transformation of TVV, as already mentioned at the beginning of this call by Arany. Today, our terminal is a lot more diversified, more productive, and we are relentlessly pursuing an adaptation to a new market, with new and improved solutions.

I am very hopeful and looking forward to a much more modern and efficient TVV in the coming years, especially with the robust investments we have been making in this asset since September of last year, when we renewed our contract until 2048. We have many challenges ahead of us, but I am certain that we will continue to evolve day after day.

I would like to remind you that we started this project to change the profile of the terminal three years ago, and only now we are starting to reap the good fruits of that.

Speaking more about the financial highlights, I want to underscore a quarterly net revenue of R\$59.9 million, a record mark, and growth of almost a 30% year over year, as well as an EBITDA of R\$28.4 million, another record EBITDA, growing almost 9% over the same period of last year, which proves that we are on the right path.

These two results reflect the high volumes operated at that terminal, particularly in the 1Q, with almost 44,000 containers handled and approximately 115,000 tons of general cargo. I can tell you that since 2012, we have not had a similar volume performance compared to this.

Changing the profile of the terminal, diversifying our operations and creating new products has also brought by cargo and projects that have been lost in the past, and we captured new business, mainlynew in the flows of imports and exports cargo, - in the flows (19:00), which involved the route through the state of Espírito Santo.

I would like to remind you that this terminal is located in the state of Espírito Santo, but our operation stretches beyond the state. We have a lot of cargo in the state of Minas Gerais, São Paulo, and even in the south of the state of Bahia.



Now, for instance, we are operating regularly in import vessels with bulk mode, an operation which was not handled by looking at the Port of Vitória, it was not a standard operation for us. But in this diversification move, we are capturing new business.

In addition, as I have mentioned in the last earnings calls, we continue to see strong demand from the international market for Espírito Santo products, as is the case of our ornamental rocks and our agricultural products, especially coffee and pepper. The economic recovery in the United States and Europe has pushed this kind of business.

The 1Q also surprised us with a resumption of imports. Volumes grew significantly, even with the current BRL/USD exchange rate. This is a sign of economic resumption in the domestic market. So that was also a strong move.

Another achievement we have had in the quarter was the important general cargo project operationalized by TVV. ~~Additionally, And also,~~ the photo on the slide is a recent photo of an export operation of tubes, which took place these past few months. This shows the diversification that has been fundamental for us, moving and handling other cargo in the terminal.

And lastly, I want to speak about 3PL, customized solutions. I mentioned this new product of ours in last quarter's call, and I am very happy to inform that we started a new operation at the port of Vitoria, an operation that we call TEV, Portuguese acronym for vehicles terminal.

We are ~~transiently~~ ~~leasing~~ leasing this new area inside the Port of Vitoria right next to TVV, it is approximately 55,000 m², and we are handling a very considerable ~~amount~~ ~~number~~ of imported vehicles. The tests started in February, and the operation was officially started in May.

We have some photos of TEV, the vehicles terminal in this QR code on the slide. We have a recent photo of this vehicles yard operated by Log-In at the Port of Vitoria.

Lastly, I am looking forward to continuing to develop new projects, new solutions and products that further connect TVV to our coastal shipping business, to provide more and more services to our customers.

Thank you, and I turn the floor back to Pascoal, our CFO.

Pascoal Gomes:

Thank you, Ilson. Moving on with the presentation to ~~speaking~~ ~~talk~~ a little about our indebtedness, in addition to maintaining a leverage of 2.6x net debt to over EBITDA in the last 12 months, the great highlight in this chapter on the Company's debt is a subsequent event.

As Marcio has mentioned at the beginning of this presentation, the approval of the fourth public issuance of simple debentures, nonconvertible into shares in the total amount of R\$340 million, with a six-year maturity term and ~~as~~ ~~to~~ as to date of issuance. Net proceeds raised will be used to settle the principal interests and other related charges of part of our loans. Thus, ~~this~~ ~~will~~ this will allow us to lengthen our debt amortization schedule, which was primarily concentrated on 2023, and this will bring relevant cash savings until that date.

I now turn the floor to Andréa, our People, Culture and Digital Transformation Officer.

Andréa Simões:



Thank you, Pascoal. Good day, everyone. I am Andréa Simões, People, Culture and Digital Transformation Officer.

Moving to slide eight, it is a pleasure to be here participating on this call and to share with you our ESG program initiatives. We started this year with a road map, with initiatives until 2023 with the focus on this social pillar, through which we aim to foster equality and equity as part of our culture, our Log-In way.

We took on the commitment to implement it in a consistent and pragmatic way. We have a robust diversity and inclusion program, and in order to implement these initiatives, we count on the support of a multifunctional squad, and on participation of our team that has been active since October of last year.

The goal of the squad is to implement an empathic, inclusive environment, bringing social responsibility results. The team has been working hard to make things happen.

After conducting a survey to identify the priorities, we listed three work fronts for 2021: women, whose goal is to increase the percentage of women in our operation, which is normally very male environment oriented. So, changing the scenario is a big challenge.

And social and economic diversity, through which we believe we can bring racial, gender and generational diversity, with a program called First Generation. The goal of this program is to support first generation graduates. In other words, people whose parents did not get a college degree. To implement this program, Log-In is working in partnership with Instituto Primeira Geração, aiming to help these people not only get their first job, but also get training, skills and build a successful career.

And finally, people with disabilities. We want to have a fully inclusive program for people with disabilities.

Speaking about results, as the main deliveries in the 1Q, we had a 10 p.p. increase in women hired, which means an increase of 2 p.p. of women in the operation, considering port and shipping. We are hiring women, for example, to be truck drivers. We launched the program called Women in Shipping, with a selection of trainees as captains and chief engineers, a disruptive program in our industry.

And the implementation of the First-Generation Program with a selection process with approximately 6,200 candidates people enrolled and the selection of postgrad student trainees for the onboarding process.

We know the diversity and inclusion journey will not be easy, but we are convinced of the path chosen to transform and to innovate through the diversification of experiences and ideas. And our big dream is to have a company like ours with 50% women in leadership positions by 2023.

Thank you very much. I turn the floor back to Marcio Arany.

Marcio Arany:

Thank you, Andréa, Pascoal, Mauricio, Ilson. We will now begin the Q&A session. I remain available. Thank you.

Felipe Bravo, Indie Capital:

Thank you for the opportunity to ask questions. I would like to start with a more financial question. It is very important that you were able to issue simple debentures to lengthen your debt, but regarding



another debenture that you have at the time of the acquisition of Log-In Polaris, that is a very expensive debt. How are you looking at that? Do you have an option to prepay that debt?

Pascoal Gomes:

Felipe, good morning. Yes, we do have an option to prepay those debentures, and we are always looking at our debt portfolio of the Company, always considering opportunities to manage our debt. ~~And~~ to match assets and liabilities.

Indeed, this debt is now expensive for the Company, the current conditions of the Company and of the market. And yes, just like other elements of our indebtedness profile, we want to improve this debt.

We had a lot of concentration of debt payments in 2023, so that was a priority for us. We have not yet settled the debenture. We are getting to the final stages of that.

And that is our priority. After that, we will try to do both things: to fund the Company's growth, perhaps with a good leverage, a level for infrastructure projects. And also look at the existing debt, aiming to improve the indebtedness profile.

Felipe Bravo:

Perfect. Understood. And on the operating side, we have another quarter with feeder with a very strong performance. Perhaps you could give us some color on that because it drew my attention that the price, not only volume, but that price was also strong. Can you comment on the dynamic behind that? How do you see this? Do you see this as a one moment effect, or is this more of a structural effect?

Mauricio Alvarenga:

Good morning. Regarding feeder, yes, there is a context element there, which is very much related to imports and exports. This is the big driver of the segment. It is related to how much Brazil is importing and exporting.

But what we are doing more ~~and more~~ is to take advantage of all of those stretches where our vessels ~~are, have what is not idle, but what we can call "dual use" I do not want to use the word 'idle', but where we can use the vessels~~ to offer the vessels for the distribution of imports and exports. Sometimes in short distance, cabotage will not ~~do the trick~~ be viable, but feeder will, ~~because since it is just awe can~~ collect of goods to be exported ~~and we can run~~ what we call the last mile of imports.

And as we operate as a white flag in Brazil, several shipowners are working now with Log-In as their official carrier. We have been transporting a lot of volume, not only the two services that we have dedicated for Vitória, where the concentration of feeder is higher, but also along the whole Brazilian coast, in our Atlantic and in our Amazonas service.

Felipe Bravo:

Understood. So, just to make it clear, in feeder, I imagine that your competitors also have some idleness, they can also probably do that. But since a lot of the feeder cargo comes from their competitors, oftentimes they prefer to direct their loads to Log-In. Is this a fair statement?



Mauricio Alvarenga:

It is a matter of positioning. ~~I~~ International shipowners ~~, they~~ see our local competitors as their own competitors as well. That is true, because when they deliver the cargo to them, they end up having information on long distance cargo. ~~So~~ So, there is some competition there in the ~~long distance~~ long-distance transportation. So as a white flag, we have a good positioning.

You also asked about price. There are two effects there. The foreign exchange variation, which is now favorably contributing, but there is also the fact that we have different ~~routes~~ routes, and some are longer routes. For example, the Mercosur route from Brazil to Argentina with feeder and vice-versa. These routes are longer distance, and they entail a higher price vis-à-vis shorter routes. So that gives us a better pricing for feeder.

Felipe Bravo:

Understood. And if I may ask a third question, I do not want to overdo it, but if you can perhaps give us an update on the "BR do Mar" (federal government's cabotage incentive program), please. Highway of the Sea bill.

Log-In:

Felipe, we are waiting. Waiting for the Senate House to move forward with this, but now, with this confusion with the congressional inquiry on Covid-19 that is delaying things a bit, we are expecting this to be advancing this month or perhaps in the next month.

But we ~~have to~~ must wait and see. It is not up to us. On our end, we have ~~a number of several~~ scenarios that have been studied and considered to use our vessel, Log-In Discovery. As we announced, ~~she-it~~ it is going to be working, covering ~~docking and covering~~ our docking vessels, three in the sequence, and then ~~she-it~~ it will help us increase our capacity in cabotage services. And depending on the "BR do Mar" Highway of the Sea coming through or not, we will adopt different usages for the vessel.

This is all we can say for now. When they were running in the emergency regime, we were thinking that this was going to come through very quickly, but now things are moving much more slowly. But on our hand, we have everything mapped. Once the ~~Highway of the Sea~~ "BR do Mar" act comes through, we will use the vessel for one thing, if it does not come through, we will use the vessel for something else.

Felipe Bravo:

Very clear. Thank you very much. Have a great day.

Participant (via webcast):

First, could you ~~speak~~ tell us a little about Log-Aí platform?

Marcio Arany:

Log-Aí platform is an information platform where customers can, ~~all by one's self, in their own way, make bookings and~~ book things, book services, consult ~~all documentation issued an information by~~ Log-In. In the case of cabotage, that entails more complexity than typical long distance ~~services~~ documentation.



~~And And~~, they can track their cargo online ~~, and~~ with a lot of flexibility. So at the user level, you can ~~map choose~~ whether you want to receive all tracking events, or if you want to get just some tracking events, if you want to get a daily consolidated report, or if you if you want to get a weekly update on your operations. It is a very flexible platform, and it is what I call self-managed by the user. It will be part of our growth in digitalizing all services to customers.

This is a first version. As people call it, it is a continuous beta test, and we will include interesting features in the future that are being prepared. So ~~,~~ this is the platform. It is an information, agile organized online platform.

Participant:

Does the adoption of hedge account suggest that the Company will look to hedge certain exposures in the future? Does Log-In currently has any derivatives?

Pascoal Gomes:

Thank you for your questions. Yes, adoption of hedge account will mean a significant reduction to foreign exchange variation exposure in the future. Today, it is a five-year hedge to protect a highly probable revenue in the future. For that, we are using our debt, the low portion of our long term debt. In other words, we did not have to contract any additional derivatives, we just needed to formalize the adoption of our hedge policy and to put together the calculation memory.

This hedge will protect us from half of the FX variation approximately with the current capital structure that we have. And we do not have any derivatives, but we are looking into derivatives to try and understand whether it would be worthwhile having this kind of instruments to protect the other part of foreign exchange variation, which is not protected yet.

We did not have full protection because the marking of this debt to give the foreign exchange variation on the quarter is based on a flow that is still 12 years ahead of us. It is a very long term with our BNDES loan. According to IFRS accounting rules, we protect up to five years.

But we will continue looking these instruments possibly in the future, to see if they make sense in terms of cost benefit, and to improve even more the predictability of our results.

Participant:

The third question has to do with the outlook for volume growth and coastal shipping in the rest of the year, given the acquisition of Log-In Discovery, and also the dry docking of other vessels.

Mauricio Alvarenga:

Speaking about our outlook expectations, as you know, we do not give guidance in terms of volumes ~~and volume expectations~~, but what we can consider, and it's relevant to say, it's in relation to the dry docking ~~talk about is about dry docking~~. We do not expect ~~dry docking~~ the docking process to impact our operating capacity because ~~we~~, precisely, ~~we brought~~ have Log-In Discovery in advance of what before ~~we actually expected, exactly to cover these dockings~~ dockings.

So dry docking itself will not impact our operational ~~ing capacity~~ ability. And as Marcio mentioned, we have plans for Log-In Discovery, and these plans depend on the operating use of Log-In Discovery, depending on the ~~"Highway of the Sea"~~ BR do Mar.



And as for demand, when we look at the past quarters, we normally have the second²H half semester of the year in Brazil with a higher demand flow. So, we have an expectation that we ~~should~~ might have the same happening, given the seasonal demand curve, which is common in our market.

And we are very optimistic. We continue on our work front to convert more road cargo into our model, so that we can have a more consistent demand along the year.

André Sgarbi (via webcast):

Good morning. I would like to know if the average price of US\$20 million can be used as a parameter for the acquisition of new vessels in the future.

Marcio Arany:

Good morning, Andre. Thank you for the question. The value of the vessels oscillates a lot according to the market, supply and demand law, and that is normal. But I think it is a good number to work with.

We had an excellent acquisition in the market, and it has not changed much since our acquisition of Log-In Discovery. So, I think it is an excellent number to keep in mind.

Caio César (via webcast):

In an eventual privatization of CODESA, will the Company, be interested in taking part in the auction to buy the asset?

Ilson Hulle:

Thank you for the question. We have been following the privatization process of CODESA up close. Right now, all we can do is understand what is happening, and the plans of the port authority and of the Ministry of Infrastructure.

Back in February, they had a public hearing in which Log-In, through our advisors, sent some contributions to the model proposed, and we are following up close the next steps. There is another round, another public hearing, the federal court of accounts is going to look into that in the next quarter, and the expectation is that the invitation to bid will be offered in the 3Q.

Until then, we do not know what the concession model will be, and until then, we cannot issue any opinion on the deal. We have to wait for the rules of the game. I think that the process will come through by yearend. The auction is expected for 4Q21, and I believe it will happen, because CODESA's privatization will be an experience for other privatization, like Santos, for example.

So, this is what we are doing so far. We are following the process, ~~we~~ we are sending contributions and we are waiting for the invitation to bid to understand what the model will be.

João Frizo, Goldman Sachs:

Good morning, everyone. Thank you for taking my question. In coastal shipping, EBITDA margin since 2Q20 was above 30% versus 23% in 1Q21. Was this only through seasonality between the quarters, or was there any other factor? Also, what is your expectation for EBITDA margins in the coming quarters in coastal shipping? Thank you.

Marcio Arany:



Thank you, João. There is a lot of seasonality involved in our transportation business. We mentioned we have a very broad and diversified customer base, and it works really well because, along the year, the cargo that we can handle changes, and the cargo mix can lead to a better or worse result in one quarter vis-à-vis the other. And we are always working to grow the average margin of the quarters individually and for the whole year.

But unfortunately, I cannot give you any margin target for the future. But we strongly consider continuing on this path of growth that we have had so far.

Gabriel Silva (via webcast):

The current Selic interest rate increase, is it concerning to you regarding the cost of CDI indexed debt?

Pascoal Gomes:

Hello, Gabriel. Thank you for your question. No, this is not concerning to us, because Log-In's debt portfolio is quite balanced. We have a portion indexed to CDI, a part long term TJLP indexed, and a which is USD indexed, aligned with our operations.

~~Thus, So~~ depending on the macroeconomic outlook, one indicator will get worse and the other will improve. And with that, by managing the Company's indebtedness, we can have an optimized result.

Sandra Calçado:

Thank you, Pascoal. As there are no more questions, I would like to thank you all for participating, and I turn the floor to our CEO, Marcio Arany, for his final statements.

Marcio Arany:

Thank you, Sandra. So, my final take-home message is, we started the year with a quarter in the middle of a pandemic. However, we maintained a vigorous business at a strong pace and with extremely positive results. We continue to be motivated around safety, ~~innovating~~innovating, and contributing towards achieving our goals and results.

Lastly, I want to thank you all for attending this conference call, and I wish that you all remain healthy and safe, and collaborating with social distancing so that we can recover from all of this as quickly as possible.

Thank you very ~~much, and~~much and have a good day.

Sandra Calçado:

Thank you. The conference call of Log-In Logística Intermodal to discuss 1Q21 results has ended. Please ~~disconnect, and~~disconnect and have an excellent day.



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