



For immediate release

BBM Logística announces acquisition of Translovato

- Company to reach R\$ 1 billion revenue and considers IPO
- Sizeable but fragmented logistics sector in Brazil to provide opportunities for continued growth, combining organic expansion and other acquisitions

São José dos Pinhais (PR), Caxias do Sul (RS) and São Paulo (SP), Nov/2019 - BBM Logística, one of the main logistics operators of road transport in Mercosul, announced the acquisition of Translovato – a leading player in LTL (less than truck-load) services. Translovato has more than 2,700 clients, 17 operating branches and annual revenues of approximately BRL 400 million in 2019. With this acquisition, BBM crosses the mark of BRL 1 billion annual revenues, three times higher than in 2017 when the private equity firm Stratus Group joined the company to launch an ambitious growth plan.

The acquisition of Translovato strengthens BBM's operation in the LTL segment improving its capacity to serve clients in all stages of the logistics chain with innovative and customized solutions from inbound factory supply to transport of finished products.

Having tripled its revenues in a little more than two years, BBM reinforced its position among the main players in the Mercosul logistics market. Prior to Translovato it has acquired Transeich in 2018 and is already working in new opportunities to acquire.

“The logistics sector is sizeable and fragmented in Brazil, with more than BRL 140 billion annual revenues and not a single player with more than 5% share. There is significant room for growth and consolidation.” said Andre Prado, CEO of BBM. “With the combination of organic expansion and selected acquisitions, maintaining our focus on complete solutions to our clients, we can double our revenues each three to five years during consecutive cycles”, he added.

“The road transportation sector will certainly increase its exposure in the capital markets. Brazil and most of Latin America are almost exclusively served by roads, which create a strong and resilient demand for companies that apply updated technology and the right approach to asset financing. BBM is already listed in the B3 Exchange (former BM&F-Bovespa) and follows high standards of corporate governance and reporting. We have prepared the company for a stream of acquisitions, which can be financed in the stock market” said Marco Modesti – CFO and Investor Relations of BBM.



The acquisition is subject to customary closing conditions and to clearance by the antitrust authorities (CADE).

About BBM Logística

BBM Logística is specialized in road transportation of freight, operating FTL, LTL, international (Mercosul) and dedicated logistics services for several industries including pulp & paper, chemicals, industrial gases, consumer goods and others. With this acquisition, BBM reaches a fleet of approximately 2,000 equipment, including trucks and trailers, and more than 4,100 employees.

The company was founded in 1996, in the State of Paraná in Brazil. In 2016, BBM has defined a growth plan that was implemented in 2017 with the investment from the private equity fund Stratus. At that moment, a new management team and a new governance structure were implemented. BBM obtained its register in the Brazilian stock exchange in 2019 but has not issued shares until this moment.

For further information, please see: www.bbmlogistica.com.br

About Stratus

Founded in 1999, Stratus Group is a Brazilian private equity firm that focuses on investing in mid-market companies with high growth potential.

Stratus invests in several sectors of the Brazilian economy in all regions of the country. It seeks companies positioned as platforms to execute a growth plan that combines organic expansion with mergers and acquisitions. Stratus invests in these companies and lead management and governance improvements, increasing their exposure to capital markets.

With 20 years investing in Brazil, more than 40 transactions executed and an investor base with Brazilian and Foreign institutional investors, Stratus has several successful cases and a track-record of driving value creation in portfolio companies and generating attractive returns for its investors.

For further information, please see: www.stratusbr.com

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