



SIMPAR S.A.

Publicly-held Company with Authorized Capital

CNPJ/ME nº 07.415.333/0001-20

NIRE 35.300.323.416

NOTICE TO THE MARKET

SIMPAR S.A. ("SIMPAR"), (B3: SIMH3), a publicly-held corporation, in compliance with the provisions of the Securities and Exchange Commission ("CVM") Instruction 358/2002 and in article 157, paragraph 4, of Law No. 6,404 / 1976, informs its shareholders and the market in general that its subsidiary, **JSL S.A.** ("JSL"), (B3: JSLG3), on February 23, 2021, after the market closed, celebrated the purchase and sale agreement complementary to the acquisition of Transportadora Rodomeu Ltda and Unileste Transportes Ltda (jointly "Rodomeu") by JSL ("Transaction").

About Rodomeu

Rodomeu was founded in 1971 in the city of Piracicaba (SP) and specializes **in road transportation of highly complex cargo**, which includes **(i)** Gases and Chemicals, transferring and distributing chemical products (LPG, ammonia, propane, propene, butane, butene, butadiene, hydrogen peroxide, among others); **(ii)** Machinery and Equipment, transporting machinery for civil construction, agricultural machinery and implements, metallurgical and steel products, among others; **(iii)** Transport of inputs and finished products for the pulp & paper, steel and food industries. Rodomeu also operates in special operations and has, for the past 12 years, been the official carrier of the Brazilian Formula 1 Grand Prix.

Rodomeu has an asset heavy business model and operates with its own fleet of nearly 470 assets, always focusing on safety, agility and efficiency. Rodomeu has a team of approximately 250 highly qualified and specialized employees to operate its cargo transportation in all its operating segments. Additional information on Rodomeu is available at: <https://www.rodomeu.com.br/sobre/>

For the 2020 year-end, are estimated Net Revenues of R\$85 million and EBITDA of R\$20 million.

Strategic Rationale

The Transaction aims to increase JSL's scale and share in the sectors of specialized transportation of highly complex cargos, machinery for agriculture and civil construction and general road cargo, in addition to entering the liquid natural gas segment.

We believe we will be able to explore the following key **synergies**:

- (i) **operational basis** given the proximity between the operational headquarters of Rodomeu and JSL in Piracicaba (SP) and the operational profile of the customers served in the region;
- (ii) Possibility to use third parties drivers – asset light model - to support Rodomeu's expansion without any relevant CAPEX requirements;
- (iii) **complementary customer base** that provides an opportunity for cross-selling given JSL's broad portfolio of services in which Rodomeu operates.

The Transaction sums to Fadel, Transmoreno and TPC as announced in the past months and demonstrates JSL's execution capacity and discipline in carrying out its inorganic expansion strategy, aiming the diversification of portfolio delivering quality. The acquisition summed bring an additional R\$ 1 billion (as announced) in net revenue to JSL per year. The respective consolidation of numbers will occur as of the closing date of each transaction. The acquisitions contribute to increase JSL's



market share in urban distribution, new vehicles transportation, warehouse management and high complexity cargo transportation.

We advanced furthermore as the absolute leader in the sector by offering the largest and most integrated portfolio of logistics services in South America.

About the Transaction

The Agreement provides for the acquisition, by the JSL, of 100% of Rodomeu's share capital for R\$97 million in cash, as Equity Value, noting a net cash of R\$ 20 million (R\$ 34 million in cash and R\$ 14 million in gross debt) and an estimated operational asset value of R\$ 55 million. The value may change when the Transaction is completed based on common adjustments for this type of operation. An amount of R\$29.1 million will be paid on the closing date of the Transaction and the remaining amount in 24 monthly installments.

The conclusion of the Agreement is subject to compliance with obligations and usual conditions precedent for this type of transaction, including its submission for approval by the Administrative Council for Economic Defense - CADE.

As required by current legislation and the terms of the Agreement, JSL will hold an Extraordinary Shareholders' Meeting ("ESM") to approve the Transaction since preliminary studies conclude that the Transaction is classified as a relevant investment, pursuant to Article 256 of Law 6,404/76. Once the purchase price has been defined, the Company will take the necessary measures to compare the acquisition price against the parameters set forth in article 256 of the Brazilian Corporations Law and will inform its shareholders in a timely manner, in addition to providing information on the need to submit the Agreement to be ratified by the general shareholders' meeting and on any right to withdrawal that may exist.

São Paulo, February 24, 2021.

Denys Marc Ferrez

Executive Vice President of Corporate Finance and
Investor Relations Officer