



JSL S.A.
Earnings Teleconference 3Q25

Operator:

Good morning, ladies and gentlemen. Welcome to JSL's conference call to discuss the results for the third quarter 2025. Last call is being recorded and a replay will be available on the company's website, ri.jsl.com.br. The presentation is also available for download. Please note that all participants will be in listen-only mode during the presentation. Afterwards, we'll begin the Q&A session when further instructions will be provided. Before we begin, I'd like to remind you that any forward-looking statements made during this call are based on sales management, current beliefs and assumptions, as well as information available to the company at this time. Statements may involve risks and uncertainties as they relate to future events and therefore depend on circumstances that may or may not occur. Investors, analysts, and journalists should be aware that events related to macroeconomic conditions and developments in our industry may cause our active results to differ materially from those in several forward-looking statements. Joining us today's call are Ramon Alcaraz, CEO of JSL, and Guilherme Sampaio, CFO and Investor Relations Officer. I will now turn the call over to Mr. Ramon that will start the presentation. Mr. Ramon, you may go on.

Ramon Alcaraz - CEO

Good morning, ladies and gentlemen. It's a great pleasure to be here today to present results for the third quarter 2025. This quarter marks the completion of the first five-year cycle since our IPO held in 3Q20. Let's start then with some highlights of what we have accomplished over this period. Gross revenue rose from R\$3.4 billion per year to R\$11.4 billion, a 236% increase. EBITDA jumped from R\$431 million to R\$1.9 billion, an impressive 339% growth, driven not only by revenue expansion, of course, but mainly by improved operational efficiency as reflected in the higher EBITDA margin from 15.3% in 3Q20 to 19.5%, an increase of more than 4 percentage points. Return invested capital from 7.1% to 14.6%, a 7.5 percentage points improvement. All of this happened within a highly challenging macroeconomic scenario, with sharp increases in major inputs and interest rates climbing from 2% to 15%, among other headwinds. At the time of JSL's IPO, we spoke about the opportunity to consolidate the Brazilian logistics sector, and we've successfully swept the wave. We completed 8 acquisitions, R\$5.3 billion to our business, significantly expanding our portfolio of sectors and segments, entering 3 new countries with independent operations outside Brazil, and adding 18,000 trained and experienced employees. We've built a solid foundation for value creation with a team well prepared and experienced for a new cycle. We take great pride in what we have achieved so far, but we are now reorganizing to begin a new phase, which we'll outline shortly. Okay, now let's look at the results for the third quarter 25 on page 2.

Gross revenue reached R\$2.9 billion, up 5% year-over-year. It's important to highlight that if we exclude IC, which is under restructuring, as part of our strategic plan, growth would have been



10%. EBITDA total R\$526 million, up 12.8% year-over-year. with an EBITDA margin of 21.2% in the quarter, an improvement of 1.3 percentage points compared to 3Q24. Net profit reached R\$35.8 million and return on invested capital at 14.6%.

On page 3, as we begin this new five-year cycle, we reorganize JSL into three business units. to enhance growth potential and value creation for our clients. The first is JSL Dedicated Services, focused on dedicated cargo transportation with mid- and long-term contracts tailored to clients' specific needs. I'd like to highlight its strategic differentiators for JSL Dedicated Services. execution expertise and capacity, strong long-life client relationships, operations across more than 16 economic sectors, and broad access to capital for large products. It's composed of 62% asset-heavy and 38% asset-light operations. I'll give you some key figures of the segment. R\$8.6 billion in annual gross revenues, EBITDA of R\$1.4 billion, a 19% margin, and over 200 million kilometers driven per year.

We also created a new company called Intralog, dedicated exclusively to warehousing and intralogistics, and 3PL and 4PL models, warehouse management, internal handling, and team coordination. Its main differentiators are high technical specialization and internal talent development. custom solutions tailored to each client's needs. Proprietary WMS and advanced technology. It operates on a fully asset-like model. Some key numbers, 2.2 billion BRRs in gross revenues over the past 12 months, 441 million in EBITDA, a 23.1 margin, and more than 2 million square meters under management. Then the third is JSL Digital, focused on road cargo transportation with fully digitalized management for greater efficiency and scalability. Its key differentiators are operational safety in a flexible model, strong relationships with independent drivers, optimized industry to client flow, and this is an operation 100% asset light. Over the past 12 months, it recorded R\$593 million in revenue. Remember, this is a recently established company, R\$65 million in EBITDA, 13.5% margin, and a base of more than 35 independent drivers.

On page 4, we provide some more details about JSL dedicated service, a service with resilient margins and constant expansion. The segment includes milk run services for automotive plant supply, transportation for forestry, mining, and other commodity industries, inter-plant cargo transportation, hazard material transportation, and several other specialized logistic solutions. We also provide urban distribution services from DC to end clients in major cities, and even passenger charter services. The business model focuses on specialized transportation with high entry barriers where safety commitments and strict SLAs are recognized and valued by clients. This segment requires assets and CAPEX for execution, with high technological integration supported by long-term contracts. We have strong diversification across multiple sectors, such as food and beverage, pulp and paper, automotive, chemicals, e-commerce, steel, and mining, among others.

On the next page, we give more color on this new segment created for accelerated expansion in road cargo transportation, JSL Digital. It features fully digitalized cargo management, integrating clients, operators, and drivers. This 100% asset-like model offers management tools that ensure



control, safety, and visibility for clients. Its main levers are the JSL digital app, JSL proprietary TMS, a loyal program to engage independent partners, and a risk and safety management system, ensuring integrity throughout the process, from onboarding to final delivery. It already operates with a diversified portfolio across e-commerce, food and beverage, automotive, consumer goods, fuel mining, and other sectors.

None of this would be possible without our greatest strengths, our people. Indeed, they do make a difference. In JSL Dedicated Services, we have more than 18,000 employees, including 230 managers that have been with us for over 10 years. Intralog sparks operations with 16,000 employees, 100 managers with an average tenure of more than nine years. And JSL Digital currently has 16 employees, naturally fewer due to its digital nature, but still including five managers with an average turn of five years. All those professionals are trained through our development programs, such as JSL University, focused on leadership specialization, the training school, focused on developing operational employees, Our award-winning Women Behind the Wheel program, promoting diversity and connecting borders, which focuses on inclusion. Additionally, our business and acquired company directors that bring extensive experience and embody a true ownership mindset.

As in previous quarters, on page 8, we show new contracts signed in this third quarter 25. Total contract value reached R\$ 854 million, average term of 62 months, 80% in cross-selling operations. Of these, 45% came from Intralog and 55% from dedicated services. With that, we have R\$ 4.15 billion in new contracts signed through 25, ensuring the sustainability of our growth. Now, I will hand it over to my friend and CFO, Guilherme Sampaio. Guilherme.

Guilherme Sampaio - CFO

Thank you, Ramon. Good morning, everyone. Before diving into the numbers, I'd like to highlight the resilience of JSL's business model. In a scenario of fluctuating interest rates, JSL shows that revenue diversification and disciplined capital allocation ensure robust and growing cash generation. I'll cover details shortly. But this shows that even in a high interest rate cycle, the results can be impacted, but the effect is temporary. JSL's business model and track record show that we can adjust our project portfolio and continue to grow while deleveraging. Something here to find. Now the numbers.

Net revenue reached R\$2.5 billion in the quarter, service revenue growing 10%, excluding the grain business from IC, which we chose to discontinue, and asset sales grew 70% year-on-year. Breaking down revenue by business lines that Ramon introduced, 75% came from JSL Dedicated Services, 20% Intralog, and 5% JSL Digital. By sector, food and beverage, automotive, and pulp and paper remain our top three. And notable growth in chemicals and e-commerce, now representing 8% and 7% of revenue, respectively. Results, EBIT closed at 13.3% margin, R\$ 330 million, and increase versus 2Q25. EBITDA, R\$ 526 million, 21.2% margin. Net profit, R\$ 36 million, in line with 2Q25, even with slightly higher average CDI. Return on invested capital stood at 14.6% last 12 months.



By business line and units, JSL dedicated services, consolidated all contracts, specialized transportation and charter services, Intralog, warehousing and TPC, and JSL Digital, whose objective is to be a digital transportation multi-sectorial company, absorbing customers in general cargo and creating its own customer base. Numbers. JSL dedicated services grew 70%, 7% year on year, reaching R\$1.5 billion in revenue, 75% of consolidated total, EBITDA margin of 20.6, and expansion of 1.5 percentage point year on year. Intralog, R\$ 500 million in net revenue, up 19% year on year, EBITDA of R\$ 121 million, and 24.1 margin. It's a business that grows 20% and delivers return above 20%. One side benefit of this organization restructuring and separate disclosure is the ability to showcase a business of this profile that is inside JSL but was not visible as such. Along the same line, creating businesses within JSL gaining scale, we have JSL Digital that is working differently, lighter and more agile in cargo transportation. 125 million in revenue for the quarter, R\$ 16 million EBITDA, and 12.5% margin. This is a fully asset-light business, just as a reminder. Moving on to the next slide on capital structure, we closed the quarter with net debt of R\$ 5.7 billion, down versus 2Q25, and leveraged at 3 compared to 3.2 times last quarter. This confirms our commitment to quarterly deleveraging, which will continue going forward, as we have already mentioned before. Cash position R\$ 2 billion, plus R\$ 320 million in committed and draw credit lines, covering two times our short-term debt. Average debt maturity is 4 years.

On the next slide, I'd like to highlight very important information, which is JSL's strong cash generation. Free cash flow before growth was R\$ 1.5 billion in the first nine months. Excluding the R\$ 600 million in interest payments, the company generated R\$ 770 million before growth until September. Including accusations and dividend payments, we still generated R\$ 582 million before expansion capex. This The essential strengths allows us to execute our growth plan while maintaining a strong balance sheet.

On the following slide, we bring an update on JSL scale, our operational efficiency and cost reduction program. Today, we have mapped actions that will generate R\$ 240 million once fully implemented. Some examples include centralized fuel procurement across ESL and subsidiaries, now covering 66% of total volume, a 26% reduction in spare parts and tire inventory value, and savings of over R\$ 10 million from process and workflow reviews and over time. Our full focus remains on maintaining service quality for our clients while leveraging scale to make JSL increasingly efficient and asset light. And talking about that, we also bring updates on our technology initiatives. First, and it couldn't be different, we are working hard to modernize our IT infrastructure and systems to enhance reliability, scalability, and functionality. focusing on what we believe is core to our business and partnering with best-in-class providers. Next, we launched three major initiatives to accelerate the process. A centralized data management area to optimize insights and mainly support AI applications that will impact our business. a multidisciplinary team to review and automate all possible support processes, HR, legal, risk management, document issuance, and more. And 3rd, a team dedicated to pragmatically integrate AI tools into our operations. Some of these initiatives have already started, predictive maintenance, route optimization, and Julia, our chatbot that interacts with internal and external audiences, digitally



solving requests that previously required time and staff. In parallel, JSL Digital was designed from inception as a technology-based business unit.

And now to continue our call, I will hand it back to Ramon for sustainability and closing remarks. Ramon.

Ramon Alcaraz - CEO

Thank you, Guilherme.

On page 15, we highlight our sustainability pillars. In the environment, we focus on operational efficiency to reduce the number of vehicles needed to transport the same volume, because the best way to emit fewer pollutants is not to drive. This is achieved through route optimization, reduction of idle trips, and lower fuel consumption. We also invest in vehicles powered by alternative fuels, such as biomethane. In the social dimension, we foster a culture of safety, pursuing our goal of 0 accidents. We have been investing heavily in training, diversity, and inclusion. In governance, we seek sustainable solutions, proactively proposing low environmental impact projects and bids. And we have been investing to monitor greenhouse gas emissions per client and project. We are confident we are on the right path and we have received growing market recognition. Talking about that, with the beginning of COP30, I'm proud to share that JSL has been invited to participate in two panels representing our sector, which is a great honor.

And now, ladies and gentlemen, to conclude, My final remarks. When we look back at the past five years, we feel deeply proud of everything we've built and achieved. But we firmly believe we are ready for a new cycle, focused on sustainable growth and operational efficiency. We launched new business units designed to serve clients with greater scale and agility. solely focused on operational efficiency. We believe in digital transformation as a lever for efficiency and new business generation. We create a new commercial structure to accelerate growth in priority industries. We're investing heavily in developing our people because we know they are our true driving force. We have strengthened our competitiveness through trust built over time, operational excellence, and agile delivery capabilities as we move towards more digital, scalable, and people- and client-centered growth.

Now, my friends, it's time for me to say goodbye. As you know, this is my last conference call as JSL CEO. It's been 19 conference calls over the past five years. and I'm honored to have been part of this first post-IPO cycle. I'm very happy to have a successor, my friend, Guilherme Sampaio, who's been by my side throughout this journey. I'm certain he will do an outstanding job leading at JSL. I'll remain close enough to support him whenever needed, but far enough to let him lead his own way. As a shareholder, I'll be next to you. Cheering for JSLs continues to succeed. Thank you very much.



Operator

We'll now start the Q&A session for investors and analysts. If you want to ask a question, please click on raise hand. If your question is answered, you can exit the queue by clicking lower end. If you want to submit your question in writing, please type it in the Q&A box, including name and company. Please wait while we collect the questions.

Our first question comes from André Ferreira from Bradesco BBI. Mr. Ferreira...

André Ferreira – Bradesco BBI

Good morning. Thanks for taking my question. Congratulations on results. I have two questions. First is succession. But before, I'd like to wish all the best to Ramon and Guilherme and thank Ramon for the relationship in the past five years. Now, Guilherme is as the CEO elected and CFO. When are you going to make the decision of the new CFO? And the second question is about JSL Digital. We saw the margin of 12.5%. And in the release, you said that this is very much based on dynamic pricing. So if you could give a bit more color in how it works, how volatile the margin can be, what is the effect of seasonality, and what's the target in terms of margins? Thank you.

Ramon Alcaraz - CEO

Hi, Andre. Good morning. Thank you. Well, first, succession. And Guilherme can also join the answer. Although he is now accumulating these two functions, he's obviously not going to double his time. So we are reorganizing functions and there are lots of people that were working with him. Everyone grows a bit to try and move together with Guilherme. So within our plans, the greatest advantage of doing things in a planned way is that you can do things well. And this is what we did. It's important to make it clear that the movement was planned Since the beginning, my contract was expected to be terminated by December 31st. So for five years, we had the opportunity to plan for the move. So that's the first thing that is very important. Your second question about JSL Digital, I'm going to let my successor answer.

Guilherme Sampaio - CFO

Hi, Andre, how are you? Good morning, everyone. Just one comment about the first question. session. The point is, we already have a structure in-house that is quite strong, first line in terms of leaders. So we are reorganizing some things, the new companies that we are going to talk a bit more. We did mention in the call, but in the Q&A, we are changing some boxes, but very soon we are going to give news about the final structure. JSL Digital, it has a different margin profile. We don't expect much volatility because we are quite disciplined and we have a strategy for minimum margin in the business. I'm not going to let the margin fluctuate freely in the market. So we have a minimum margin strategy. This is a 100% asset light operation where we are going to leverage the business with independent drivers and a much higher volume with the same structure. That's why the idea of the JSL Digital. So our expectation is the margin to be quite stable and that it gains momentum with scale, the same volume with DNA connected to business and stable, and that we



can grow and escalate the company without volatility. I don't know if I answered your question. If not, well, just ask.

André Ferreira – Bradesco BBI

No, very clear. Thank you very much. And again, I wish you all the best.

Operador:

Our next question comes from Felipe Nilsen from Citi. Mr. Nilsen.

Felipe Nielsen - City

Good morning. Thanks for taking my question. I wish you all the best in the succession process. I'd like to hear a bit more about those two topics, the reorganization and succession. In succession first, a bit more color on the previous question, that is to understand from Guilherme the objectives, the prospect from now on. your focus, what is it going to be like if there is a major change, how you're thinking the company for the future. And the second point in terms of the different companies, to try and understand not only JSL Digital, but the other two. What is your mindset and prospects in terms of growth? Where can we see better margins? with the efficiency initiatives you had, and a bit on return on invested capital, because these are divisions that have very different capital locations in terms of asset heavy, asset light, and different margins. So where do you see more return, more growth, and more opportunities in terms of efficiency?

Guilherme Sampaio - CFO

Hi, Felipe. Thanks for your question. Okay, I'm going to start with the succession because the two topics, in fact, go hand in hand. What are we thinking? And then together with the board of directors for the future. The first is to try and be more agile in terms of growth, make the company increasingly lighter and be able to grow faster. gaining more clients because of our quality, but also offering new things. So a lighter, more agile company. So a lot of focus on structuring and giving momentum to sales teams. So this is a very important initiative. Second is to make the company lighter, a full focus on profitability. Continuing with the discipline contract by contract to write prices, act fast when we have any deviation from plans, more productivity to the purchase, deployment, decommissioning cycles and sales. So make the company lighter. digital transformation that also talks to these efficiency initiatives. So try to use the most of the tools available for the market, both in the business itself, in routing, pricing, document issuing, etc, but also in back office processes, routing, digitalization, hyper-automation. So benefit from this. These are things that we already have available to use today. And finally, people. And last but not least, that is to prepare the team to keep the pace of growth and ensure that we continue to deliver quality to our clients. What I mean by that is growing double digits as we did in last year's. means to implement R\$1.52 billion a year in contracts. That demands operational capacity in terms of implementation deployment. That is very relevant. So we have to prepare the company to have these new projects and execute well. So understand to serve is our motto. We want to offer



customized solutions specific for each client, and that demands time. And I wouldn't say sophistication, but attention from our people, expertise to propose something different and continue to grow. So 4 themes to make the company agile, to accelerate the pace of growth and maintain the pace of growth of previous year makes the company lighter, more productive, digital transformation and our people. And why do they say that the two topics go hand in hand? When we talk about the reorganization, Each business has a different DNA to escalate roads, cargo transportation. We understood should be a digital platform because we needed the benefit of scale. This is a business with lower margin, lower entry barriers, and etc. So we created JSL Digital for that.

Now Intralog, this is a company that is growing 20% a year. a company that already starts with R\$ 2.4 billion revenue, almost R\$ 500 million EBITDA. If you want to compare, it's almost the same size, even a higher EBITDA of JSL five years ago when it had its IPOs. It's a company already this size, and the idea is a company completely separate. And why? Because it has to have focus on providing better services to customers, new services to have the best from JSL and TPC, propose new ideas to customers, and be independent with its own commercial strategy and avenues of growth in parallel to the avenue of growth of other businesses. So this is the main objective of these reorganizations. JSL with its own strategy, interlock with its own strategy. Remember, JSL is 100% asset light. This is a question of yours. Growth profile, very scalable, capacity of operation. leveraging the network of drivers. Intralog, also 100% asset light. Here we operate multi-client or third-party GCs. We may have several clients operating the same space, but 100% asset light. And with a gross profile above 20%. So that's our history. And higher returns given the installed asset base is so low. We are talking only about forklifts, handling equipment, and etc.

And JSL dedicated services, and within JSL dedicated services, you have specialized cargo. And one thing that we are talking about, and I apologize for a long answer, is specialized cargo. customized long-term contracts for specialized transportation. So you're talking about transportation of chemicals, fuels, heavy machinery, charter services. So very specific designs for different customers. And then we can operate different ways. 60% of the company is asset heavy. It has the necessary assets for the operation and a part asset light where we outsource third party or independent drivers. We have the trailer and we have the two operational models together. And what is going to define whether we are going to go asset heavy or asset light is the project profile. And again, the fleet can be our own or leased, or we can outsource third party and independent drivers. I hope I have answered your questions. I'm sorry it was a long answer, but just for you to have a true color of what's going on.

Felipe Nielsen - City

Very clear. Thank you very much.

Guilherme Sampaio - CFO

Thank you.



Operator:

As a reminder, you just have to raise hand on the button at the bottom of your screen. Our next question comes from Julia Orsi from JP Morgan. Ms. Orsi.

Julia Orsi – JP Morgan

Hi, Ramon, Guilherme. Thanks for taking my questions and congratulations to you both. I have two questions. The first is a follow-up. of the breakdown of segments, how you see demand for 26 in each one of the three segments. We have been talking about macro uncertainties, so we would like to have a bit more color on the base case for 26. Second question, CAPEX. In recent quarters, we see a lower level of CAPEX vis-a-vis previous years. Will Capex for 26 be in line with Capex in 25? Thank you.

Guilherme Sampaio - CFO

Hi, Julia. I'm going to answer your question in terms of demand and Capex. This is Guilherme speaking. Demand, if you think of the three businesses, and considering the new contracts that we have been signing, more than R\$ 4 billion in new contract signing this year, what we see is the following. In times of turmoil where interest rates are high for everyone, you see a migration to operational safety. So we see several of our clients increasing demand because of operational safety, so that we can execute what they have in terms of sales plans and handling plans for you not to have any disruption in their plant or in sales. So the idea is to keep of historical levels in organic growth, we see the foundations and the capacity for that. So it's reasonable to project something considering historical growth of this business.

JSL Digital can expand even further because it has a small base. So we expect the growth of both JSL Digital and Intralog in this order to be higher than consolidated numbers. given the capacity of execution that the two companies have. And we see a lot of room for this type of project in the Brazilian market today. So lots going on, strong pipeline. So we expect these two companies to deliver even more growth than historical consolidated levels. Capex, you're right. So expenditure, we are continuing to invest in new projects, but we always have the option, and we do choose that when economically feasible, to lease part of the Capex. And the strategy remains for next year. We see it as a good thing. We are able to balance contracts in this model. So this year you should expect the same level of Capex, lower than previous years. even considering the strategy of deleveraging the company.

Ramon Alcaraz - CEO

And if I can add, Brazil is a country that, although in peculiar economic time, not growing too much, it's still a large country. We have large industries with expressive volumes, and that's the adventure of our business model based on long-term contracts. JSL is not a company that lives on day-to-day sales. It lives on long-term contracts. and then you have the R\$ 4.15 billion this year, R\$ 5 billion approximately last year, that ensures future growth. And this is what we are going to



continue doing, piling up contracts and ensure sustainability of growth. And if you consider the economic situation, of course, the better it is, the better. But even when you're talking about a relatively low GDP number, we can still serve the opportunities as we have been doing in this five years.

Julia Orsi – JP Morgan

Very clear. Thank you very much.

Operador:

Once again, to ask a question, please click on raise hand. Our next question comes from Gabriel Rezende from Itau BBA. Mr. Rezende.

Gabriel Rezende – Itaú BBA

Hello, good morning. I would like to congratulate Ramon for the last five years. Wish you luck in your new challenges and also good luck, Guilherme. My question. in terms of dedicated services. We did see better profitability quarter on quarter and year on year. You did mention some points in your release and also during the call. I would just like to have a bit more color. One of the things you said was pulp and paper with good evolution. Was there anything in mix? Are you going to carry over anything in terms of next quarters? Just for us to understand the margin for this specific segment. And the other question about IC transport, as you did mention it in your presentation and release. Just to understand, if you can just remind us, where are you at in terms of adjusting IC's contract base? Should we expect any more headwind, anything to happen for the coming quarters?

Guilherme Sampaio - CFO

Hi, Gabriel. Thanks for your question. Okay. About dedicated services. We work managing contract by contract. We did have a process in the beginning of the year to adjust prices and renegotiate contracts. So last quarter, we already mentioned that, we completed the process. And then now we are starting to see the benefits of this on our margin. Of course, we always have contracts to watch for and to manage on the day-to-day. This is a live organism. But you see the reflex of what has been done. I see. We are very close to getting to where we need. The company is very lean now. we kept contracts within the necessary profitability. So we are just concluding some negotiations, some adjustments, but I would say the company is close to getting to the point where we think it should be. We made the decision of leaving the agricultural sector. That was way in the beginning way after, I'm sorry, soon after the acquisition. So we reduced the exposure to grain transportation. And then we started to work to know the levels of each of the contracts that operated. Some were priced, others operational efficiency, but we adjusted items one by one. And now we are very close to getting to the level of profitability we believe be closer to consolidated numbers. So there are still minor adjustments to be made, but as soon as we complete, we are going to let you know.



Gabriel Rezende – Itaú BBA

Thank you, Guilherme.

Operator:

Our next question comes from Arthur Godoy from Safra. Mr. Godoy.

Arthur Godoy - Safra

Good morning. My question is about how you intend to organize the company in terms of branding for the coming years. Are you going to keep brands operating independently or under the new organization? Do you intend to unify brands under the name JSL?

Guilherme Sampaio - CFO

Hi Arthur, thanks for your question. No, we are going to keep the brands in separate, independent. Because what we want is relationship with customers, agility. Each brand has its own value proposition, its way to relate to customers, so they are going to continue independent.

Arthur Godoy - Safra

Thank you very much.

Guilherme Sampaio - CFO

Thank you.

Operator:

Thank you very much. Thank you. As a reminder, if you want to ask a question, just click on raise hand or enter your question on the Q&A button. Our next question comes in writing by Alexandre Mendes, an investor. How does the company see deleveraging for the coming quarters and what are the main actions under execution today to reduce your debt level, considering both operating cash generation and eventual divestments or optimization of your contract portfolio?

Guilherme Sampaio - CFO

Hi, Alexandre, thanks for your question. I think it's a very important point in our release. We did have a slide on that in the presentation. So I'm going to start from the beginning. The company intends to continue its deleveraging process quarter after quarter. And then you have the main initiatives, what has been done, productivity of assets to ensure that we have the lowest possible cycle between deployment, decommissioning, and sale. So reduce the volume of inventory available for sale. Obviously, generate cash, which is very important. If you look back at the last nine months of the company, you're talking about free cash flow before growth of R\$ 1.4 billion. And if you remove the payment of interest, just considering expansion capex, you're talking about



460 million of cash flow after interest. So the company is very strong in generating cash. And by working in efficiency and contract by contract, this tends to improve. So cash generation, undoubtedly, working on working capital, we have been working a lot with that, but there are still opportunity to improve. So this is a number that we pursue. And the process to reduce inventory available for sale. These are the three main pillars on which we are working to help the company deleveraging quarter after quarter. Thanks for your question.

Operator:

JSL's Q&A session is now closed. I'll turn the floor back to Mr. Alcaraz and Sampaio. for their closing remarks.

Ramon Alcaraz - CEO

Oh, first of all, I'd like to thank you all for your messages, for your kind words. What is important is that we, each one of us, we have a mission. When I joined JSL five years ago, I had a mission that is different from Guilherme's mission today. different times. I took over the company soon after the pandemic with the mission of growing fast, which we did, acquiring companies. And there is an upside and a downside of this, which is organization. So my mission was based on reorganization, cost efficiency. I mentioned that in several calls, changing the mindset of all our leaders, not only ours, but those of the acquired companies to focus on results. And we worked very hard on that. After this five years, I give to Guilherme a different company, a company that's much more prepared to enjoy new avenues of growth. And that's why we have been reorganizing the company. Intralog, for example, had a very small segment five years ago, almost incipient. Now it is a company of R\$ 2.2 billions. So Fernando gave me the mission Two, after five years, he would look back and say, I have a different company. I think this is it. As an investor, I want the same for the next five years, to have a different company. And this is our mission. And, you know, in the first five years, we had a more mature, experienced person. use the expertise of years in the segment, now we need someone younger that thinks digital, thinks lighter. And it is Guilherme to take over. As A shareholder that I am, I'm very much excited for the future and I'm sure we are going to have a fantastic five years in the company. So congratulations, Guilherme, and you have the floor

Guilherme Sampaio - CFO

Firstly I'd like to thank you all for the messages, wishing my success, but also thanking Ramon. These were very intense five years. I learned A lot. And I'd said that to you, Ramon, but I would like to say it in public. I wouldn't be taking over as CEO if I hadn't worked with you. It was a school of leadership, of management. It was a pleasure. We are going to be together, not on the day today, but close. I count on you. Thanks for your trust. And that's it. Thank you very much. the company really transformed in the last five years. My role is to continue the process now for the future, and I do count on your help. And thank you. Thank you, and congratulations. I hope the



next chapter of your life is as successful as now. Thank you. Thank you very much. Have a good day and we'll talk the next call.

Operator:

JSL's video conference is now closed. We thank you all for joining us and wish you a good day.