UMA EMPRESA DO GRUPO SIMPAR

JSL

ENTENDER PARA ATENDER

EARNINGS RELEASE 1Q23

FADEL TRANSMORENO TPC Transportadora Rodomeu MARVEL TRUCKPAD

São Paulo, April 27, 2023 - **JSL S.A. (B3: JSLG3) ("JSL")** announces its results for **1Q23.**

1Q23: SOLID RESULTS WITH GROSS REVENUE OF R$1.8 BI (+20%), EBITDA OF R$306MM (+39%) AND GROWTH IN EBITDA MARGIN, WHICH REACHED 20.3%

- **Net Revenue of R$1.6 billion, up 20.6%** vs. 1Q22.
- **EBITDA up 39.5% (vs 1Q22),** reaching R$306.1 million in 1Q23.
- **EBITDA margin of 20.3%** (+3 p.p. vs 1Q22), a result that proves our continuous efforts in **operational efficiency and cost management**.
- **New contracts** signed totaled **R$605 million** in 1Q23, with diversification by sectors and segments and new revenues to be realized in an average term of 35 months.
- **Net debt/EBITDA** leverage ratio **remains stable at 3.25x. Net debt/EBITDA-A** ratio **is 2.76x**, reflecting EBITDA growth and discipline in capital allocation.
- **ROIC Running Rate of 15.2%** reflects the Company's new level of profitability.
- **Acquisition of IC,** in line with our strategy of buying good companies that will benefit from JSL's scale and structure to enhance growth and add diversification to our portfolio. Figures not yet consolidated within JSL's results, since the closing of the transaction is conditioned to the fulfillment of obligations and precedent conditions usual to this type of deal.
- In 1Q23, **S&P Global Ratings** upgraded JSL's ratings to **'BB-' in Global Scale and 'brAA+' in National Scale**, supported by our improved profitability through gains of scale and diversification, discipline in cost control, and stable leverage metrics.
- Important market recognitions, with highlight to the 1,000 days without accidents by Vale and the award of **Brazil's best logistics supplier** in a global ceremony by **General Motors**.

Financial Highlights Summary (R$ million)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Gross Revenue	**1,846.4**	**1,542.9**	**19.7%**	**1,967.8**	**-6.2%**
Gross Revenue from Services	1,786.7	1,513.3	18.1%	1,912.2	-6.6%
Gross Revenue from Asset Sales	59.7	29.7	101.3%	55.6	7.4%
Net Revenue	**1,563.6**	**1,296.5**	**20.6%**	**1,662.4**	**-5.9%**
Net Revenue from Services	1,505.5	1,267.6	18.8%	1,607.7	-6.4%
Net Revenue from Asset Sales	58.1	28.8	101.5%	54.8	6.1%
Adjusted EBIT[1]	**209.5**	**155.9**	**34.4%**	**212.4**	**-1.4%**
Margin (% NR from Services)	*13.9%*	*12.3%*	*+1.6 p.p.*	*13.2%*	*+0.7 p.p.*
Adjusted[1] Net Income	**26.8**	**33.0**	**-18.9%**	**93.9**	**-71.5%**
Margin (% NR)	*1.7%*	*2.5%*	*-0.8 p.p.*	*5.6%*	*-3.9 p.p.*
Adjusted EBITDA[1]	**306.1**	**219.5**	**39.5%**	**310.7**	**-1.5%**
Margin (% NR from Services)	*20.3%*	*17.3%*	*+3.0 p.p.*	*19.3%*	*+1.0 p.p.*
Net CAPEX	**319.1**	**214.1**	**49.0%**	**681.3**	**-53.2%**
Adjusted EBIT[1]	**216.2**	**155.9**	**38.7%**	**236.7**	**-8.7%**
Margin (% NR from Services)	*14.4%*	*12.3%*	*+2.1 p.p.*	*14.7%*	*-0.4 p.p.*
Adjusted EBITDA[1]	**306.1**	**219.5**	**39.5%**	**319.2**	**-4.1%**
Margin (% NR)	*20.3%*	*17.3%*	*+3.0 p.p.*	*19.9%*	*-4.6 p.p.*
Adjusted[1] Net Income	**31.2**	**37.2**	**-16.1%**	**110.0**	**-71.6%**
Margin (% NR from Services)	*2.0%*	*2.9%*	*-0.9 p.p.*	*6.6%*	*+0.0 p.p.*

[1]EBIT, EBITDA and adjusted Net Income in 2021, according to previously disclosed. In 1Q23, EBIT was adjusted in BRL 6.3 milion and Net Income in BRL 4.4 milion to exclude the amortization of PPA from acquisiti

Message From Management

We started 2023 with strong results, reflecting the consistency of our management and business model. We continue to deliver growth with profitability in a sustainable basis, with increased diversification by sectors and services. This quarter, we maintained our focus on operational efficiency and discipline in capital allocation. With our unique strategic positioning, we continued to gain market share and expand our leading position in the Brazilian logistics sector.

PROVEN CONSISTENCY OF RESULTS

We reached revenues of R$1.8 billion in the quarter, a growth of 19.7% year-on-year given our exposure to the real economy, in resilient sectors, and the ability to expand our services in a portfolio of clients who increasingly seek quality, efficiency and execution capacity in the services provided. We highlight the deployment of new contracts in the forestry, mining and automotive sectors, and the strong performance of Marvel and TPC operations.

The result is also based on the pricing discipline of the new contracts signed, which supports a new level of return on invested capital. It's important to mention that our growth has been essentially organic, since--with the exception of TruckPad--the revenues of the acquired companies were already fully consolidated into the 1Q22 figures. When we consider the last twelve months ended in March, we are a company with revenues of R$7.4 billion.

After a 2022 marked by turbulence in fuel prices and inflationary pressures on our cost base, we continue to focus on efficiency through close contact with our clients and a constant attention to cost reduction measures. We also continue to evolve on the digitalization agenda, with value creation through the combination of TruckPad's technological base with our road cargo transportation business.

As a result of these efforts, we presented an EBITDA of R$306.1 million, an increase of 39.5% over 1Q22, with margin (on net revenue from services) of 20.3% (+3 p.p. vs. 1Q22). The margin level is even higher than the one observed in 4Q22, a seasonally stronger quarter than Q1, demonstrating the continuity of our management efficiency measures, strict control of costs and operating expenses, and the launch of new projects.

Even in the face of the macroeconomic environment of high interest rates, our consistent growth, solid operating margins, and focus on efficiency management allowed us to record a Net Income of R$26.8 million in the quarter. It is important to mention that the Net Income is also affected by approximately R$12 million in depreciation of assets already acquired, but whose contracts are still being deployed, with expected revenues generation in the next quarters.

INVESTMENTS BASED ON LONG-TERM CONTRACTS

Net capex during the period amounted to R$319.1 million, mainly for the deployment of new contracts signed in the last quarter of 2022, which will ensure our growth in the coming years. ROIC Running Rate was 15.2%, resulting mainly from solid operating performance and capital allocation in projects with consistent returns.

We are a Company that consistently generates free cash flow before growth with a long-term debt maturity profile. As part of our cash and capital structure management, we maintained leverage at 3.25x, with a cash position of R$737.2 million, and available and undrawn revolving credit lines of R$683.5 million. The liquidity source is sufficient to cover the repayment of short-term debt at 3.8x. We would like to point out that even sustaining leverage at stable levels during a high investment period for expansion, the indicator still does not reflect the real results generation capacity of our current capital structure, since a significant part of the investments over the last six months (R$656 million or 59% of total investments of the last six months), and therefore of the net debt, has not yet been reflected in revenues generation.

In addition, our leverage is based on the purchase of assets to support long-term projects with healthy returns, which increases our financial flexibility and brings a strategic differential and access to adequate sources of funding. It is important to point out that, at the end of the quarter, the residual book value of net assets (trucks, vehicles, machinery, and equipment) totaled R$4.0 billion, an amount higher than the Company's total net debt of R$3.8 billion. If we consider the potential for appreciation of these assets, based on the gross margin of asset sales observed in 1Q23, we would have a cushion of 30% compared to net debt. This demonstrates our capacity to generate cash to support the operation and absorb the acquisitions payments without compromising our capital structure.

ACQUISITION OF IC TRANSPORTES IN LINE WITH OUR STRATEGIC PLANS OF CONSOLIDATION AND DIVERSIFICATION

Diversification is one of our greatest competitive advantage and strategic pillar. In this context, the recent acquisition of IC Transportes is a perfect fit. This is the 7th acquisition since our IPO in 2020 and the largest to date, adding R$1.7 billion in gross revenues based on IC's unaudited 2022 numbers. The company has shown accelerated growth, with a revenue CAGR of 28% between 2019 and 2022, and the opportunity to evolve further by adding its expertise to our scale and financial capabilities.

In addition, the acquisition will increase our share in resilient segments that are key to the real economy. IC stands out in the transportation of gases, fuels, chemicals, and in agribusiness, including its supply chain, offering services in Brazil and other South American countries (Argentina, Uruguay, and Paraguay). As a result, we will further strengthen our diversification of sectors and geographies.

In line with the strategy that has proven successful in recent acquisitions, IC will continue to have an independent management team focused on differentiated customer services. This is a tested model for accelerating the growth of the companies we acquire and for driving our business plan forward.

We emphasize that the IC numbers are not yet consolidated within JSL’s results, since the closing of the transaction is conditioned to the fulfillment of obligations and precedent conditions usual to this type of deal.

CONSOLIDATION AND A SOLID BUSINESS MODEL

We have a unique market positioning, with a wide offer of solutions and value creation for our clients, which brings us several opportunities, always paying attention to the projects return. We also have a differentiated investment capacity and access to adequate sources of financing. As proof of the strength of our business model, ability to consolidate scale, profitability, and financial discipline, in March of this year S&P Global Ratings upgraded our ratings to 'BB-' and 'brAA+', which will benefit our relationship with the market and contribute to the gradual reduction of our cost of debt.

Our strategic role in the customers' supply chain should continue to drive our future growth. We signed R$605 million of new contracts in 1Q23, with an average term of 35 months, which will bring us an average additional monthly revenue of R$17mn, similar to what was achieved in 1Q22. This quarter, all new contracts were closed with our current customers, which highlights the enormous opportunities we still have in our strong customer base. The contracts are distributed in different sectors of the economy, with food and beverage (28%), chemicals (21%), pulp and paper (20%), and consumer goods (17%) standing out. By segment, 43% of the new contracts are in Dedicated Operations, 27% in Warehousing, 23% in Cargo Transportation, and 7% in Urban Distribution.

We will continue advancing in the agenda to consolidate the logistics market in Brazil, solidifying our absolute leadership in road cargo transportation and logistics operations. We remain well positioned for organic and inorganic growth, adding resilience and diversification to our portfolio. We also see great opportunities in the Brazilian market, including increased presence in the logistics chain of our customers. Strengthening our international operations is also on the radar, based primarily on customer demand, to replicate successful operating models from Brazil in other countries.

This quarter we also had important recognitions that contribute to the sustainability and perpetuity of our business. As a reflection of our responsible environmental approach we were recognized for the second consecutive year in the Revita Bayer project. Together, we planted 1,000 seedlings with the aim of neutralizing gas emissions in Bayer's operation.

In the social pillar, we were recognized by Vale for 1,000 days without an accident and by Suzano for safety in pulp handling. As an acknowledgement to our commitment to quality service and long-term customer relationships, General Motors presented us with award of the best logistics supplier in Brazil, in a global award event.

In April, we also released our Integrated Annual Report, in line with best corporate governance practices and in accordance with the principles of the International Integrated Reporting Council (IIRC) and the guidelines of the Global Reporting Initiative (GRI), the Task Force on climate-related financial disclosures (TCFD), and the Carbon Disclosure Project (CDP).

We would like to thank our employees for their dedication and their ability to deliver. We remain focused on our vocation to serve with excellence, dedication, agility, and quality, adding value and solutions to our customers. We are attentive to growth opportunities in the market and reaffirm our commitment to a disciplined execution anchored in profitability, efficiency gains, and diversification.

Thank you very much,

Ramon Alcaraz
JSL CEO

The financial information presented below complies with IFRS accounting principles (International Financial Reporting Standards). The results are presented on a consolidated basis. Information of the subsidiary TruckPad is consolidated as from the date of its acquisition (05/26/2022).

Consolidated Results

Consolidated (R$ million)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Gross Revenue	**1,846.4**	**1,542.9**	**19.7%**	**1,967.8**	**-6.2%**
Gross Revenue from Services	1,786.7	1,513.3	18.1%	1,912.2	-6.6%
Gross Revenue from Asset Sales	59.7	29.7	101.3%	55.6	7.4%
Net Revenue	**1,563.6**	**1,296.5**	**20.6%**	**1,662.4**	**-5.9%**
Net Revenue from Services	1,505.5	1,267.6	18.8%	1,607.7	-6.4%
Dedicated Operations	564.5	477.8	18.1%	630.2	-10.4%
Cargo Transportation	603.0	477.2	26.4%	627.3	-3.9%
Urban Distribution	135.0	144.5	-6.5%	152.6	-11.5%
Warehousing	202.9	168.1	20.7%	197.9	2.5%
Net Revenue from Asset Sales	58.1	28.8	101.5%	54.8	6.1%
Total Costs	**(1,266.3)**	**(1,095.3)**	**15.6%**	**(1,359.4)**	**-6.8%**
Cost of Services	(1,222.6)	(1,074.1)	13.8%	(1,310.9)	-6.7%
Cost of Asset Sales	(43.7)	(21.2)	106.4%	(48.5)	-9.8%
Gross Profit	**297.3**	**201.2**	**47.8%**	**303.1**	**-1.9%**
Operational Expenses	(87.7)	(45.3)	93.8%	(90.7)	n.a
EBIT	**209.5**	**155.9**	**34.4%**	**212.4**	**-1.4%**
Margin (% NR from Services)	*13.9%*	*12.3%*	*+1.6 p.p.*	*13.2%*	*+0.7 p.p.*
Financial Result	**(193.0)**	**(112.3)**	**71.9%**	**(174.9)**	**10.4%**
Financial Revenues	24.3	25.4	-4.3%	27.8	-12%
Financial Expenses	(217.3)	(137.7)	57.8%	(202.7)	7.2%
Taxes	**10.2**	**(10.6)**	**n.a**	**56.4**	**n.a**
Net Income (Loss)	**26.8**	**33.0**	**-18.9%**	**93.9**	**-71.5%**
Margin (% NR)	*1.7%*	*2.5%*	*-0.8 p.p.*	*5.6%*	*-3.9 p.p.*
EBITDA	**306.1**	**219.5**	**39.5%**	**310.7**	**-1.5%**
Margin (% NR from Services)	*20.3%*	*17.3%*	*+3.0 p.p.*	*19.3%*	*+1.0 p.p.*
EBITDA-A	**349.8**	**240.6**	**45.4%**	**359.2**	**-2.6%**
Margin (% NR from Services)	*23.2%*	*19.0%*	*+4.3 p.p.*	*22.3%*	*+0.9 p.p.*
Net CAPEX	**319.1**	**214.1**	**49.0%**	**681.3**	**-53.2%**
Adjusted[1] EBITDA	**306.1**	**219.5**	**39.5%**	**319.2**	**-4.1%**
Margin (% NR from Services)	*20.3%*	*17.3%*	*+3.0 p.p.*	*19.9%*	*+0.5 p.p.*
Adjusted[1] EBIT	**216.2**	**155.9**	**38.7%**	**236.7**	**-8.7%**
Margin (% NR from Services)	*14.4%*	*12.3%*	*+2.1 p.p.*	*14.7%*	*-0.4 p.p.*
Adjusted[1] Net Income	**31.2**	**37.2**	**-16.1%**	**110.0**	**-71.6%**
Margin (% NR)	*2.0%*	*2.9%*	*-0.9 p.p.*	*6.6%*	*-4.6 p.p.*

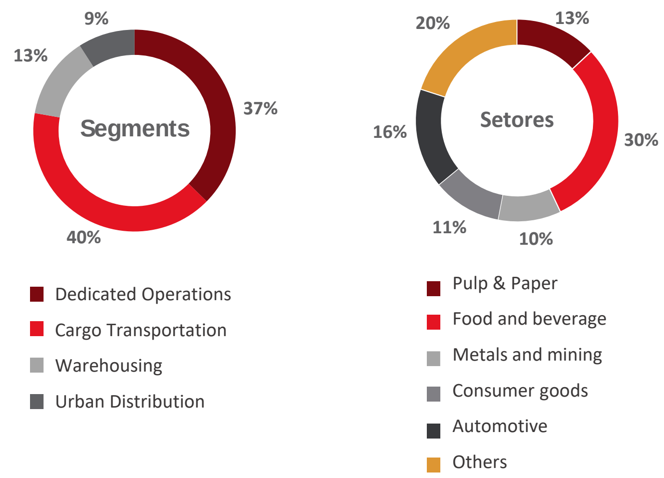
[1]EBIT, EBITDA and adjusted Net Income in 2021, according to previously disclosed. In 1Q23, EBIT was adjusted in BRL 6.3 milion and Net Income in BRL 4.4 milion to exclude the amortization of PPA from acquisitions

Net revenue from services reached BRL 1,505.5 million and grew 18.8% vs. 1Q22 as a result of the expansion of our contract base, execution capacity, and portfolio diversification. The most representative sector for net revenues in 1Q23 was food and beverage (30%), followed by the automotive sector (16%), pulp and paper (13%), consumer goods (11%), and mining (10%). The breakdown illustrates our increasing diversification of customers and sectors, which brings resilience to our business model. We also highlight our growing internationalization. In 1Q23 one of our contracts outside Brazil was already among the 10 largest contracts in operation.

- The Dedicated Operations segment (38% of the Net Operating Revenue from Services in the quarter) showed growth of 18.1% compared to 1Q22, benefiting from the implementation of new contracts in the pulp & mining sectors and growth of Fadel's operations in South Africa, where a relevant part of the services provided are dedicated logistics;
- Our Cargo Transportation service (40% of Net Revenue from Services in the quarter) grew 26.4% compared to 1Q22. Highlights include the deployment of new projects in the automotive sector and increased capacity at Marvel and Rodomeu;

- Warehousing operations (13% of Net Revenue from Services in the quarter) continue to prove our consistency and capacity of sustained growth, with an increase of 20.7% compared to 1Q22. The growth also reflects the gradual deployment of the new contracts signed by TPC and JSL during 2022 (R$610 million in new warehousing contracts);
- Finally, Urban Distribution (9% of Net Revenue from Services in the quarter) showed a 6.5% drop in revenue impacted mainly by the shutdown of a relevant operation of a Fadel's client in e-commerce, whose contract was terminated in March/2022. Had we excluded this effect, the segment would have shown a close to 10% growth compared to 1Q22, driven by the contract in South Africa and higher volumes in the food and beverage sector.

NET REVENUE DIVERSIFICATION (1Q23):



Cost of Services grew 13.8% vs. 1Q22, reflecting the higher volumes and inflation on the cost base in the period, especially fuel/lubricants and personnel, which grew 21.5% and 16.1%, respectively. It is important to point out that this quarter our results are impacted by an estimated value of approximately R$ 12 million in depreciation of assets already acquired but still under contract implementation, therefore with no revenue related yet.

Cost growth was lower than revenue growth as a result of the operational improvement agenda, diligence in cost management, optimization of the asset base, and investments in technology for process automation, route optimization, and more efficient integration with third party drivers, already benefiting from the start of combination with TruckPad platform. As a result of this cost efficiency, our 1Q23 EBITDA was R$306.1 million, an increase of 39.5% over 1Q22. The EBITDA margin reached 20.3%, up 3.0 p.p. over 1Q22.

The next pages show the breakdown of our Asset Light and Asset Heavy results.

Asset Light

Asset Light (R$ million)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Gross Revenue	**996.4**	**856.6**	**16.3%**	**1,057.8**	**-5.8%**
Net Revenue	**830.5**	**708.4**	**17.2%**	**880.4**	**-5.7%**
Net Revenue from Services	821.2	700.5	17.2%	870.1	-5.6%
Dedicated Operations	165.4	143.7	15.1%	186.1	-11.1%
Cargo Transport	420.6	353.2	19.1%	451.5	-6.8%
Urban Distribution	32.2	35.5	-9.3%	34.8	-7.5%
Warehousing	202.9	168.1	20.7%	197.9	2.5%
Net Revenue from Asset Sales	9.4	7.8	19.5%	10.3	-9.1%
Total Costs	**(681.2)**	**(616.1)**	**10.6%**	**(730.8)**	**-6.8%**
Cost of Services	(674.5)	(611.1)	10.4%	(726.0)	-7.1%
Personnel	(205.6)	(183.4)	12.1%	(226.1)	-9.1%
Third parties truck drivers	(299.5)	(273.3)	9.6%	(329.5)	-9.1%
Fuel and lubricants	(32.9)	(30.2)	8.9%	(36.3)	-9.3%
Parts / tires / maintenance	(39.2)	(37.5)	4.5%	(37.9)	3.3%
Depreciation / amortization	(45.8)	(31.8)	44.0%	(40.3)	13.7%
Others	(51.6)	(54.9)	-6.0%	(56.0)	-7.8%
Cost of Asset Sales	(6.7)	(5.0)	33.8%	(4.8)	39.1%
Gross Profit	**149.3**	**92.3**	**61.8%**	**149.5**	**-0.1%**
Operational Expenses	(51.8)	(25.2)	105.6%	(57.7)	-10.1%
EBIT	**97.5**	**67.1**	**45.3%**	**91.8**	**6.1%**
Margin (% NR from Services)	*11.9%*	*9.6%*	*+2.3 p.p.*	*10.6%*	*+1.3 p.p.*
EBITDA	**153.1**	**107.9**	**41.9%**	**151.4**	**-28.7%**
Margin (% NR from Services)	*18.6%*	*15.4%*	*+3.2 p.p.*	*17.4%*	*+1.2 p.p.*

Asset Light's net revenue from services increased by 17.2% compared to 1Q22, reaching R$ 821.2 million in the quarter, mainly due to the steady growth of the warehousing business and the implementation of new contracts in the automotive sector, mainly related to OEM inbound projects. In 1Q23, the automotive sector accounted for 28% of the segment's revenue from services, followed by consumer goods (18%) and food and beverage (15%). We would like to emphasize that we have grown in the automotive sector even in the face of its cyclicality, and especially due to new contracts, which demonstrates our ability to organically increase our presence in our customers' logistics chain and their seek for execution capabilities.

The segment's EBITDA was R$153.1 million in 1Q23, higher than the EBITDA in 4Q22 even with the seasonality inherent to cargo transportation, the segment's main source of revenue (51% of Net Revenue from Services in the quarter). EBITDA margin reached 18.6%, an increase of 3.2 p.p. compared to 1Q22 and 1.2 p.p. versus 4Q22, reflecting the efforts to contain costs, optimize personnel, and centralize fuel supply.

Asset Heavy

Asset Heavy (R$ million)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Gross Revenue	**850.0**	**686.4**	**23.8%**	**909.9**	**-6.6%**
Net Revenue	**733.1**	**588.1**	**24.6%**	**782.1**	**-6.3%**
Net Revenue from Services	684.3	567.1	20.7%	737.6	-7.2%
Dedicated Operations	399.1	334.1	19.4%	444.1	-10.1%
Cargo Transport	182.3	124.0	0.5	175.7	3.8%
Urban Distribution	102.8	109.0	-5.6%	117.8	-12.7%
Warehousing	n.a	n.a	n.a	n.a	n.a
Net Revenue from Asset Sales	48.8	21.0	132.0%	44.5	9.6%
Total Costs	**(585.1)**	**(479.2)**	**22.1%**	**(628.6)**	**-6.9%**
Cost of Services	(548.1)	(463.0)	18.4%	(584.9)	-6.3%
Personnel	(242.8)	(202.8)	19.7%	(254.1)	-4.4%
Third parties truck drivers	(25.7)	(44.5)	-42.3%	(27.9)	-8.0%
Fuel and lubricants	(126.7)	(101.2)	25.3%	(145.0)	-12.6%
Parts / tires / maintenance	(84.5)	(72.1)	17.1%	(85.6)	-1.4%
Depreciation / amortization	(38.7)	(20.3)	90.7%	(34.1)	13.5%
Others	(29.7)	(22.1)	34.3%	(38.1)	-22.1%
Cost of Asset Sales	(37.0)	(16.2)	128.8%	(43.7)	-15.2%
Gross Profit	**148.0**	**108.9**	**35.9%**	**153.5**	**-3.6%**
Operational Expenses	(35.9)	(20.0)	79%	(33.0)	8.8%
EBIT	**112.1**	**88.8**	**26.1%**	**120.6**	**-7.1%**
Margin (% NR from Services)	*16.4%*	*15.7%*	*+0.7 p.p.*	*16.3%*	*+0.0 p.p.*
EBITDA	**153.0**	**111.6**	**37.2%**	**159.3**	**-4.0%**
Margin (% NR from Services)	*22.4%*	*19.7%*	*+2.7 p.p.*	*21.6%*	*+0.8 p.p.*

Net Revenue from Services reached R$ 684.3 million in 1Q23, with a growth of 20.7% vs. 4Q21. The strength of our business model, which is integrated into the customer's production process, particularly through Dedicated Operations (58% of Asset Heavy Net Revenue from Services), has allowed the segment to grow consistently, with higher volumes and significant new contracts in the Pulp and Paper (22% of Asset Heavy Net Revenue from Services) and Food and Beverage (49% of Asset Heavy Net Revenue from Services) segments. In addition, the increased demand for specialized cargo transportation from Marvel and Rodomeu also drove the segment's result.

The segment's EBITDA was R$ 153.0 million in 1Q23, with a margin of 22.4%, up 2.7 p.p. vs. 1Q23 and 0.8 p.p. vs. 4Q22, due to cost management efforts and the entry of projects with profitability in line with the new cost levels in Brazil.

Financial Results

Finacial Result (R$ mm)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Financial Revenues	24.3	25.4	-4.3%	27.8	-12%
Financial Expenses	(217.3)	(137.7)	57.8%	(202.7)	7.2%
Financial Result	**(193.0)**	**(112.3)**	**71.9%**	**(174.9)**	**10.4%**

The net financial result during 1Q23 was negative in R$193.0 million, 71.9% higher than in 1Q22, impacted by the higher volume of gross debt and the increase in the CDI rate between the periods. The increase in gross debt is related to the acquisition of assets for the execution of new contracts and will therefore contribute to revenue generation in the coming quarters.

Capital Structure

Debt (R$ million)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Gross Debt	**4,521.2**	**3,648.5**	**23.9%**	**4,291.7**	**5.3%**
Cash and Cash Equivalents	**737.2**	**689.2**	**7.0%**	**873.2**	**-15.6%**
Net Debt	**3,784.1**	**2,959.4**	**27.9%**	**3,418.5**	**10.7%**
Average cost of Net Debt (p.y.)	**16.5%**	**13.9%**	**+2.6 p.p.**	**16.9%**	**-0.4 p.p.**
Net Debt cost after taxes (p.y.)	10.9%	9.2%	+1.7 p.p.	11.2%	-0.3 p.p.
Average term of net debt (years)	4.0	5.5	-27.3%	4.2	-3.9%
Average cost of Gross Debt (p.y.)	15.8%	13.2%	+2.6 p.p.	15.7%	+0.1 p.p.
Average term of gross debt (years)	3.7	4.9	-24.5%	4.0	-7.9%

We ended the quarter with a Cash and Financial Investments position of R$737.2 million and undrawn revolving credit lines of R$683 million. Together, the liquidity sources reach R$1.4 billion and correspond to 3.8x the short-term debt. The volume is enough to repay the debt until mid-2025.

Leverage (R$ million)	1Q23	4Q22	1Q22
Net Debt / EBITDA	**3.25x**	**3.17x**	**3.34x**
Net Debt/ EBITDA-A	**2.76x**	**2.73x**	**3.08x**
EBITDA-A / Financial Result	**2.51x**	**2.60x**	**3.25x**
EBITDA LTM	1,164.9x	1,079.8x	886.5x
EBITDA-A LTM	1,370.1x	1,253.0x	961.7x

Reference for Covenants

[1]EBITDA-A calculated according to covenants reference

The Net Debt / EBITDA LTM leverage ratio was 3.25x in 1Q23, slightly higher than the previous quarter, reflecting the acquisition of assets and the start of the deployment of new contracts that have not yet impacted revenue generation. Net Debt / EBITDA Added ratio was 2.76x and EBITDA Added / Net Financial Result was 2.51x.

If we consider the adjusted annualized EBITDA of 1Q23, Net Debt / EBITDA leverage would be 3.09x, showing that the current capital structure supports disciplined growth while respecting the appropriate levels of leverage considered by management and in the Company's financial covenants.

Investments

Investments (R$ million)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Gross capex by nature	**378.8**	**243.8**	**55.4%**	**736.9**	**-48.6%**
Expansion	361.1	181.8	98.6%	618.6	-41.6%
Maintenance	17.6	38.0	-53.7%	115.4	-84.8%
Others	0.1	24.0	-	2.8	-97.6%
Gross capex by type	**378.8**	**243.8**	**55.4%**	**736.9**	**-48.6%**
Trucks	183.8	138.6	32.6%	363.5	-49.4%
Machinery and Equipment	37.0	51.9	-28.8%	49.7	-25.6%
Light Vehicles	135.7	8.5	1496.2%	279.4	-51.4%
Bus	4.1	0.1	n.a.	42.3	n.a.
Others	18.1	44.6	-59.4%	1.9	847.1%
Sale of assets	**59.7**	**29.7**	**101.3%**	**55.6**	**7.4%**
Total net capex	**319.1**	**214.1**	**49.0%**	**681.3**	**-53.2%**

Gross capex in 1Q23 closed at R$378.8 million, 95% of which was for expansion to meet the implementation of the new contracts signed in 4Q22 and 1Q23. Of the total investments made in the last two quarters, R$656 million relate to three projects that have not yet contributed to our cash generation (projects not yet implemented). Net capex in 1Q22 was R$319.1 million.

The cash effect of the investments made in the period is reported in the 'Cash Flow' session.

Returns

ROIC (Return on Invested Capital)	1Q23 LTM	1Q22 LTM	4Q22 LTM	Running Rate
EBIT	822.5	624.3	768.8	867.4
Effective rate	-35%	16%	-17%	22%
NOPLAT	**1,109.1**	**521.6**	**897.2**	**676.6**
Current Period Net Debt	3,784.1	2,959.4	3,418.5	3,127.8
Previous period Net Debt	2,959.4	1,742.8	2,672.2	2,959.4
Average Net Debt	**3,371.7**	**2,351.1**	**3,045.3**	**3,043.6**
Current Period Equity	1,436.1	1,352.8	1,412.6	1,436.1
Previous period Equity	1,352.8	1,461.6	1,329.9	1,352.8
Average Equity	**1,394.5**	**1,407.2**	**1,371.2**	**1,394.5**
Invested Capital Current Period	5,220.2	4,312.1	4,831.1	4,563.9
Capital Invested Previous Period	4,312.1	3,204.4	4,002.1	4,312.1
Average Invested Capital	**4,766.2**	**3,758.3**	**4,416.6**	**4,438.0**
ROIC	**23.3%**	**13.9%**	**20.3%**	**15.2%**

We continue with our growth agenda in projects of adequate return. LTM ROIC reported in 1Q23 was 23.3%. We also did an exercise to calculate the Company's ROIC Running Rate. As assumptions we have used 1Q23 LTM Adjusted EBIT, a normalized tax rate of 22% and excluded from the current net debt R$656 million related to investments made during 4Q22 and 1Q23 in three projects whose revenues have not yet impacted the results. In this scenario, we have a ROIC Running Rate of 15.2%, reinforcing the Company's new level of profitability. This result reflects the resilience of our business model, the relationship of trust with our customers, our strategic differentiation, the constant focus on operational efficiency, and our discipline in cost management and capital allocation.

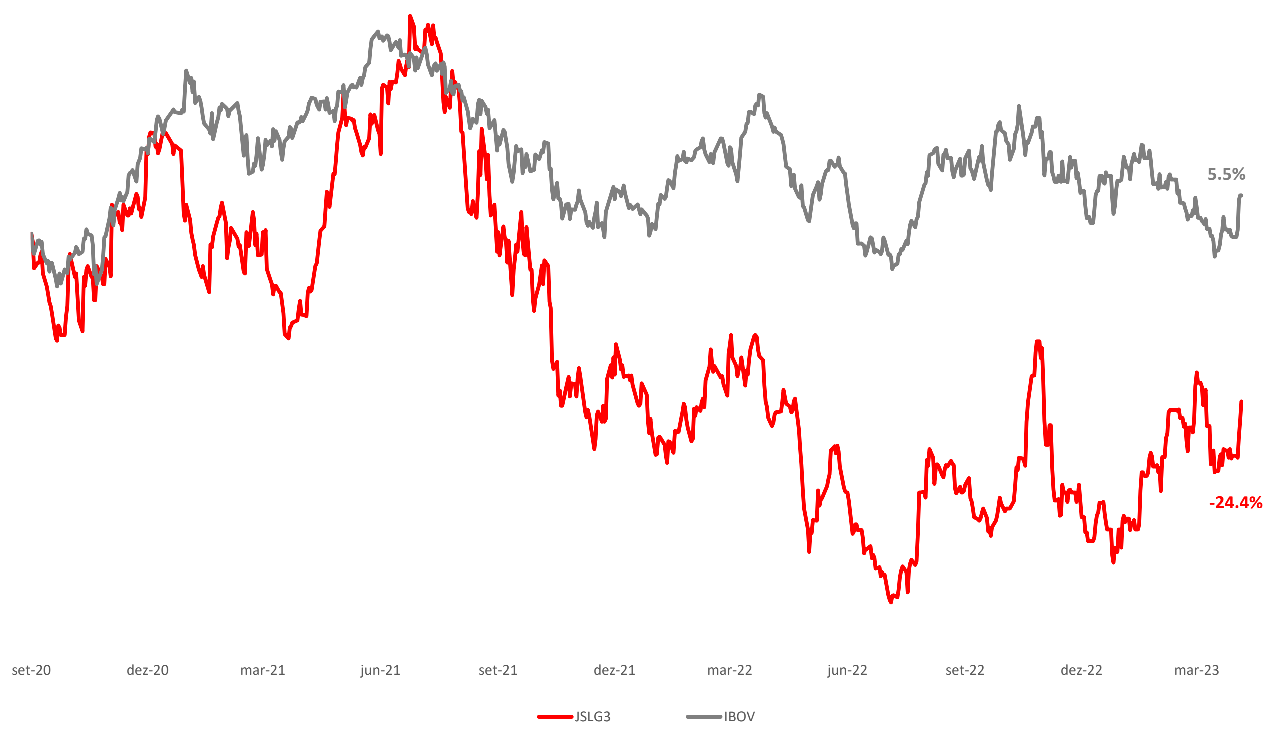
Cash Flow

Cash Flow (R$ million)	1Q23	1Q22	4Q22
EBITDA	**306.1**	**219.5**	**310.7**
Working Capital	10.1	61.1	(26.5)
Cost of asset sales for rent and services provided	43.7	21.2	45.9
Maintenance Capex	(17.6)	(38.0)	(35.6)
Non Cash and Others	23.0	(16.2)	1.0
Cash generated by operational activities	**365.4**	**247.6**	**295.5**
(-) Income tax and social contribution paid	(5.3)	(26.0)	(5.1)
(-) Capex others	(0.1)	(24.0)	(2.8)
Free Cash Flow	**360.0**	**197.5**	**287.5**
(-) Expansion Capex	(417.6)	(243.4)	(22.3)
(-) Companies acquisition	-	-	-
Cash flow after growth	**(57.5)**	**(45.9)**	**265.2**

The Company has strong cash generation from operations, allowing it to maintain healthy leverage as it grows. In 1Q23, free cash flow before growth was R$360.0 million. After growth, cash flow was negative by R$57.5 million. We remind you that the cash effects of the expansion capex is net of the benefits of financing lines (FINAME) and payment terms negotiated with suppliers. We also highlight that in 1Q23 there was the payment of around R$75.5 million from vehicle suppliers related to the capex committed in 4Q22, which therefore had a positive impact on cash generation in that period.

Stock Performance

Stock Performance since the IPO on 09/09/2020



At the close of April 17, 2023, the JSLG3 share price was R$7.36 with a buy recommendation from the eleven analysts covering the stock. A summary table with the recommendations follows below. Assuming the average target stock price found in the table below, the stock has an **upside potential of 51%.**

Institution	Analyst	Recommendation	Last Target Price Revision	Target Price
Banco BTG Pactual	Lucas Marquiori	Buy	06/30/2022	BRL 12.00
Itau BBA Securities	Daniel Gasparete	Buy	08/03/2022	BRL 13.50
JP Morgan	Guilherme Mendes	Buy	01/23/2023	BRL 10.00
Eleven Financial Research	Alexandre Kogake	Buy	06/09/2022	BRL 12.00
NAU Securities	Alejandro Demichelis	Buy	05/04/2022	BRL 13.00
Bradesco BBI	Vitor Mizusaki	Buy	24/10/2022	BRL 11.00
Banco Safra	Luiz Pecanha Filho	Buy	06/07/2022	BRL 11.20
XP Investimentos	Pedro Bruno	Buy	08/24/2022	BRL 11.00
Banco Inter	Diego Bellico	Buy	08/03/2022	BRL 9.00
Genial Investimentos	Ygor Bastos de Araújo	Buy	08/03/2022	BRL 8.00
EQI	Lucas Daniel	Buy	10/13/2022	BRL 12.00
			Average	BRL 11.15

Exhibit I - EBITDA and Net Income Reconciliation

EBITDA Reconciliation (R$ million)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Total Net Income	26.8	33.0	-18.9%	93.9	-71.5%
Financial Result	193.0	112.3	71.9%	174.9	10.4%
Taxes	(10.2)	10.6	-196.5%	(56.4)	-81.9%
Depreciation and Amortization	96.6	63.5	52.0%	98.3	-1.7%
EBITDA	**306.1**	**219.5**	**39.5%**	**310.7**	**-1.5%**
Cost of Asset Sales	**43.7**	**21.2**	**106.4%**	**48.5**	**-9.8%**
EBITDA-A	**349.8**	**240.6**	**45.4%**	**359.2**	**-2.6%**

Net Income Reconciliation(R$ million)	1Q23	1Q22	▲ Y / Y	4Q22	▲ Q / Q
Net Income	**26.8**	**33.0**	**-18.9%**	**93.9**	**-71.5%**
Write-off of improvements	-	-	n.a	6.3	n.a
Provisions	-	-	n.a	5.6	n.a
PPA	4.4	4.2	n.a	4.2	n.a
Adjusted Net Income	**31.2**	**37.2**	**-16.1%**	**110.0**	**-71.6%**
Margin (% NR)	*2.0%*	*2.9%*	*-0.9 p.p.*	*6.6%*	*-4.6 p.p.*

Exhibit II – Balance Sheet

Assets (R$ million)	4Q22	3Q22	4Q21
Current assets			
Cash and cash equivalents	508.4	475.6	207.9
Securities	228.7	397.6	481.2
Derivative financial instruments	0.1	0.1	0.1
Accounts receivable	1,219.6	1,159.9	1,335.8
Inventory / Warehouse	50.9	57.6	61.5
Taxes recoverable	110.6	130.6	208.4
Income tax and social contribution	53.8	48.7	29.7
Other credits	5.4	10.8	17.9
Prepaid expenses	58.9	25.4	33.0
Other credits intercompany	-	-	-
Dividends receivable	-	-	-
Assets available for sale (fleet renewal)	100.5	81.7	51.8
Third-party payments	15.6	18.2	16.0
Total current assets	**2,352.4**	**2,406.2**	**2,443.4**
Non-current assets			
Non-current			
Securities	0.0	0.0	0.0
Derivative financial instruments	95.5	63.6	24.0
Accounts receivable	20.8	20.1	15.8
Taxes recoverable	92.4	130.5	186.5
Deferred income and social contribution taxes	7.0	7.0	34.8
Judicial deposits	57.6	57.2	62.9
Income tax and social contribution	112.6	91.8	31.9
Related parts	-	-	-
Compensation asset by business combination	206.3	220.8	258.5
Other credits	32.6	25.5	4.9
Total	**624.8**	**616.5**	**619.2**
Investments	-	-	-
Property, plant and equipment	4,617.3	4,347.8	3,168.3
Intangible	872.6	871.7	845.2
Total	**5,489.9**	**5,219.5**	**4,013.5**
Total Non-current assets	**6,114.7**	**5,836.0**	**4,632.7**
Total Assets	**8,467.1**	**8,242.1**	**7,076.1**

Liabilities (R$ million)	4Q22	3Q22	4Q21
Current liabilities			
Providers	594.6	642.3	330.3
Confirming payable (Automakers) (ICVM 01/2016)	-	-	-
Loans and financing	305.3	257.0	30.3
Debentures	51.8	66.0	33.8
Financial lease payable	13.2	9.9	26.0
Lease for right use	81.4	78.8	61.4
Labor obligations	359.6	329.4	275.7
Tax liabilities	4.8	5.3	9.8
Income and social contribution taxes payable	110.6	126.2	93.8
Other Accounts payable	77.5	82.3	94.4
Dividends and interest on capital payable	-	57.6	25.5
Advances from customers	47.9	20.2	9.9
Related parts	-	-	-
Acquisition of companies payable	51.5	83.4	124.7
Total Current liabilities	**1,698.2**	**1,758.4**	**1,115.5**
Non-current liabilities			
Loans and financing	2,352.9	2,121.6	1,778.1
Debentures	1,797.8	1,796.1	1,790.9
Financial lease payable	74.8	75.1	13.6
Lease for right use	372.9	334.2	266.6
Labor obligations	5.4	-	-
Derivative financial instruments	21.1	29.7	-
Tax liabilities	30.5	31.3	22.8
Provision for judicial and administrative claims	257.1	273.0	312.4
Deferred income and social contribution taxes	127.5	121.7	111.0
Related parties	1.9	1.8	1.7
Other Accounts payable	6.6	8.1	14.4
Company acquisitions payable	284.3	278.6	296.4
Total Non-current liabilities	**5,332.8**	**5,071.1**	**4,607.7**
Total Equity	**1,436.1**	**1,412.6**	**1,352.8**
Total Liabilities and Equity	**8,467.1**	**8,242.1**	**7,076.1**

Glossary

EBITDA-A or EBITDA Added – Corresponds to EBITDA plus the residual accounting cost from the sale of fixed assets, which does not represent operational cash disbursements, as it is merely an accounting representation of the write-off of assets at the time of sale. Thus, the Company's Management believes that EBITDA-A is a most adequate measure of operating cash flow than traditional EBITDA as a proxy for cash generation to gauge the Company's capacity to meet its financial obligations. We also emphasize that based on public issuance deeds of debentures, to calculate leverage and coverage of net financial expenses, EBITDA-A corresponds to the earnings before financial results, taxes, depreciation, amortization, impairment of assets and equity equivalence, plus the sale of assets used in the provision of services, calculated over the last 12 (twelve) months, including the EBITDA Added of the last 12 (twelve) months of the merged and/or acquired companies.

IFRS16 - The International Accounting Standards Board (IASB) has issued CPC 06 (R2) /IFRS 16, which requires lessees to recognize most leases on the balance sheet, with a liability for future payments and an asset for the right-of-use being recorded. The standard entered into effect as of January 1, 2019.

Dedicated Services or Services Dedicated to the Supply Chain – Services provided in an integrated and customized manner for each client. They include managing the flow of inputs/raw materials and information from the supplier through the entry of the materials into the client's facilities (Inbound operations), the outflow of finished products from the customer's facilities to the point of consumption (Outbound operations), and product handling and inventory management, Reverse Logistics and Warehousing.

Additional Information

The purpose of this Earnings Release is to detail the financial and operating results of JSL S.A. for the first quarter of 2023. The financial information is presented in millions of Brazilian Reais (BRL) unless otherwise indicated. The Company's interim financial information is prepared under the Brazilian Corporation Law and is presented on a consolidated basis under CPC-21 (R1) Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the IASB. Comparisons refer to revised 1Q22 and 4Q22 data, except where indicated.

As of January 1, 2019, JSL adopted CPC 06 (R2)/IFRS 16 in its accounting financial statements corresponding to the 1Q19. None of the changes leads to the restatement of the financial statements already published.

Due to rounded figures, the financial information presented in the tables in this document may not reconcile exactly with the figures presented in the audited consolidated financial statements.

Disclaimer

We make forward-looking statements that are subject to risks and uncertainties. Such statements are based on the beliefs and assumptions of our Management and rely on information to which the Company currently has access. Forward-looking statements include information about our intentions, beliefs, or current expectations and those of the Company's Board of Directors and Management.

Disclaimers for forward-looking information and statements also include information on possible or supposed operating results, as well as statements that are preceded, followed, or that include the words "believes," "may," "will," "continues," "expects," "predicts," "intends," "plans," "estimates," or similar expressions.

Forward-looking statements and information are not guarantees of performance. They involve risks, uncertainties, and assumptions as they relate to future events and depend, therefore, on circumstances that may or may not occur. Future results and shareholder value creation may differ materially from those expressed or implied by the forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.

Conference Call and Webcast

Date: **April 28, 2023**, Friday.

Time: **11:00 a.m. (Brasília)**
9:00 a.m. (New York) - With simultaneous translation.

Connection phones:
Brazil: +55 11 4090-1621
Other countries: +1 412 717-9627

Access code: JSL
Webcast: ri.jsl.com.br

Webcast access: The presentation slides will be available for viewing and downloading in the Investor Relations section of our website ri.jsl.com.br. The audio for the conference call will be broadcast live on the platform and will be available after the event.

For further information, please contact the Investor Relations Department:

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