



# FINANCIAL STATEMENTS 2023



## Contents

Management report.....	3
Statements of financial position – Assets.....	19
Statements of financial position – Liabilities.....	20
Statements of profit or loss.....	21
Statements of comprehensive income.....	22
Statements of changes in equity.....	23
Statements of cash flows - indirect method.....	24
Statements of value added.....	25
Notes to the parent company and consolidated financial statements.....	26



São Paulo, March 19, 2024 - JSL S.A. (B3: JSLG3) ("JSL") announces its results for 4Q23.

## RESULTS FOR THE QUARTER AND THE YEAR-END REINFORCE OUR CAPACITY FOR GROWTH WITH A NEW LEVEL OF PROFITABILITY

- Gross Revenue reaches R\$ 8.9 billion in 2023, an annual growth of 25%; in the quarter, the increase was 30% vs. 4Q22, reaching R\$ 2.6 billion.
  - Consistent growth in Asset Light and Asset Heavy operations - Both growing over 20% year-on-year and with margin expansion.
- Adjusted EBITDA reached R\$1.5 billion (reported R\$1.7 billion), up 35% vs. 2022; in 4Q23, up 29% vs. 4Q22.
  - Consolidation of the new margin level - Focus on operational efficiency and cost control, based on individualized contract management, resulted in an increase in the EBITDA margin, which reached 20.1% in 2023 (+1.4 p.p. vs. 2022). In the quarter, the margin remained stable in relation to 4Q22, at 19.9%.
- ROIC Running Rate of 15.8%, an increase of 0.7 p.p. vs. 4Q22 and 0.1 p.p. vs. 3Q23, reinforces JSL's ability to grow profitably while maintaining discipline in capital allocation and appropriate pricing of new contracts.
- Positive Free Cash Flow after growth for the second consecutive quarter, reaching R\$135 million in 4Q23 - Our scale, along with the appropriate profitability for our business model, results in an operating cash generation that supports our investments to maintain our growth pace.
- New contracts reach R\$ 3.5 billion in 2023, with an average term of 42 months, adding an average monthly revenue of R\$ 83 million. In 4Q23, the amount reached R\$1 billion and an average contract duration of 39 months.
- Combination of organic and inorganic growth enhances our opportunities - Diversification in sectors and services opens up multiple avenues to grow organically which, together with the acquisition of good companies that complement our portfolio (two new acquisitions in 2023), have allowed us to leverage the opportunities and achieve an average annual growth of 36% since the IPO in 2020.

Financial Highlights Summary (R\$ million)	4Q23	4Q22	▲ Y/Y	3Q23	▲ Q/Q	2023	2022	▲ Y/Y	4Q23 Annualized
<b>Gross Revenue</b>	<b>2,555.1</b>	<b>1,967.8</b>	<b>29.8%</b>	<b>2,360.1</b>	<b>8.3%</b>	<b>8,929.8</b>	<b>7,133.7</b>	<b>25.2%</b>	<b>10,220.4</b>
Gross Revenue from Services	2,462.2	1,912.2	28.8%	2,291.2	7.5%	8,645.1	6,924.0	24.9%	9,848.6
Gross Revenue from Asset Sales	92.9	55.6	67.2%	68.9	34.8%	284.7	209.7	35.8%	371.8
<b>Net Revenue</b>	<b>2,161.4</b>	<b>1,662.4</b>	<b>30.0%</b>	<b>2,010.1</b>	<b>7.5%</b>	<b>7,574.6</b>	<b>6,022.4</b>	<b>25.8%</b>	<b>8,645.5</b>
Net Revenue from Services	2,071.5	1,607.7	28.8%	1,942.9	6.6%	7,299.0	5,818.8	25.4%	8,285.9
Net Revenue from Asset Sales	89.9	54.8	64.1%	67.2	33.7%	275.7	203.6	35.4%	359.6
<b>EBIT</b>	<b>287.3</b>	<b>212.4</b>	<b>35.2%</b>	<b>278.7</b>	<b>3.1%</b>	<b>1,281.4</b>	<b>768.8</b>	<b>66.7%</b>	<b>1,149.1</b>
Margin (% NR from Services)	13.9%	13.2%	+0.7 p.p.	14.3%	-0.5 p.p.	17.6%	13.2%	+4.3 p.p.	13.9%
<b>Net Income</b>	<b>72.9</b>	<b>93.9</b>	<b>-22.4%</b>	<b>46.9</b>	<b>55.6%</b>	<b>351.7</b>	<b>194.2</b>	<b>81.1%</b>	<b>291.5</b>
Margin (% NR)	3.4%	5.6%	-2.3 p.p.	2.3%	+1.0 p.p.	4.6%	3.2%	+1.4 p.p.	3.4%
<b>EBITDA</b>	<b>415.7</b>	<b>310.7</b>	<b>33.8%</b>	<b>393.0</b>	<b>5.8%</b>	<b>1,728.0</b>	<b>1,079.8</b>	<b>60.0%</b>	<b>1,662.7</b>
Margin (% NR from Services)	20.1%	19.3%	+0.7 p.p.	20.2%	-0.2 p.p.	23.7%	18.6%	+5.1 p.p.	20.1%
<b>Net CAPEX</b>	<b>346.3</b>	<b>681.3</b>	<b>-49.2%</b>	<b>153.1</b>	<b>126.2%</b>	<b>1,008.7</b>	<b>1,420.7</b>	<b>-29.0%</b>	<b>1,385.2</b>
<b>Adjusted EBIT<sup>1</sup></b>	<b>301.4</b>	<b>236.7</b>	<b>27.3%</b>	<b>295.7</b>	<b>1.9%</b>	<b>1,070.8</b>	<b>813.9</b>	<b>31.6%</b>	<b>1,205.4</b>
Margin (% NR from Services)	14.5%	14.7%	-0.2 p.p.	15.2%	-0.7 p.p.	14.7%	14.0%	+0.7 p.p.	14.5%
<b>Adjusted EBITDA<sup>1</sup></b>	<b>411.2</b>	<b>319.2</b>	<b>28.8%</b>	<b>393.0</b>	<b>4.6%</b>	<b>1,468.8</b>	<b>1,088.3</b>	<b>35.0%</b>	<b>1,645.0</b>
Margin (% NR)	19.9%	19.9%	-0.0 p.p.	20.2%	-0.4 p.p.	20.1%	18.7%	+1.4 p.p.	19.9%
<b>Adjusted<sup>1</sup> Net Income</b>	<b>82.2</b>	<b>110.0</b>	<b>-25.3%</b>	<b>58.0</b>	<b>41.6%</b>	<b>212.7</b>	<b>223.5</b>	<b>-4.8%</b>	<b>328.7</b>
Margin (% NR from Services)	3.8%	6.6%	-2.8 p.p.	2.9%	+0.9 p.p.	2.8%	3.7%	-0.9 p.p.	3.8%

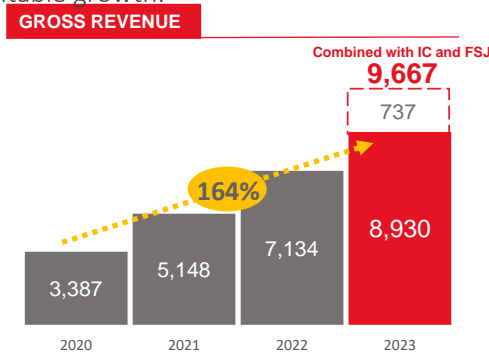
<sup>1</sup>Adjusted EBIT and Net Income in 4Q22 and 3Q23, as reported at the time. In 4Q23, Adjusted EBITDA excludes the negative accounting effect of R\$ 38.3 million from the bargain purchase reassessment of IC Transportes, and the positive effect of R\$ 42.7 million from the bargain purchase of FSJ. Additionally, EBIT was adjusted by R\$ 18.5 million to exclude the effects of goodwill/additional value amortization from acquisitions. Net Income excluded the negative effects (R\$ 25.3 million) and positive effects (R\$ 28.2 million) of bargain purchases, and goodwill/additional value amortization by R\$ 12.2 million.

## Message from Management

We are very proud to report another year of consistent results and to reinforce our commitment to sustainable growth. In 2023, we expanded our leadership position in the Brazilian logistics market, growing revenue at an average annual rate of 36% since the IPO in September 2020.

We grew organically and added two new acquisitions, **IC Transportes** (May/2023), the largest since the IPO, and **FSJ** (September/2023), which has already shown significant growth in revenue since joining **JSL's ecosystem**, more than 50% since the announcement of the acquisition in 2Q23.

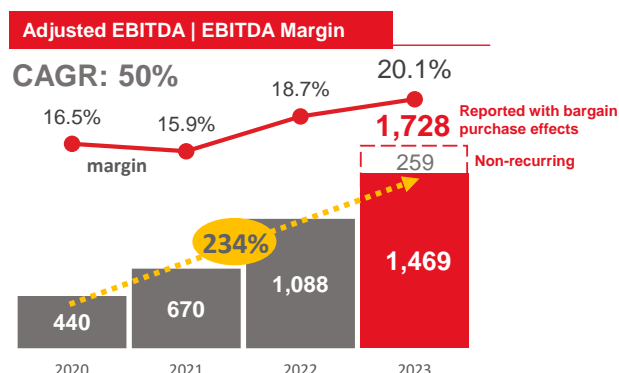
We combine organically growth with the acquisition of good companies with high capacity of growing and management quality that complement our portfolio. A focus on quality of service, individualized treatment to contracts and the evolution of operational efficiencies with the benefits of scale are relevant differentials of JSL's management model for profitable growth.



### CONSISTENCY IN GROWTH WITH A FOCUS ON PROFITABILITY

We achieved Net Revenue from Services of R\$7.3 billion for the year and Adjusted EBITDA of R\$1.5 billion (reported R\$1.7 billion), growing 25% and 35% respectively over the previous year, which resulted in a 1.4 p.p. **increase** in EBITDA margin year-on-year (20.1% in 2023 vs. 18.7% in 2022). These results are underpinned by our diversification into services and sectors, which provides us with multiple avenues for growth, as well as ensuring the resilience of our demand. The increase in margins is due in particular to the evolution of operational efficiency, based on our detailed management of each of our contracts to ensure adequate pricing, cost control and the correct allocation of assets. In the quarter, Net Revenue from Services was R\$2.1 billion (+29% vs 4Q22) and Adjusted EBITDA was R\$411 million (+29% vs 4Q22) (reported R\$415.7 million), reinforcing our ability to maintain adequate margins for our operations.

It is important to mention our discipline in pricing acquisitions of new companies. In 2023, we had a positive accounting effect of R\$259.2 million due to the Bargain Purchases of IC Transportes and FSJ (effects which we exclude in EBITDA, EBIT, and Net Income adjustments). The advantageous purchase is measured as the surplus between the net fair value, at the acquisition date, of the acquired assets and assumed liabilities compared to the acquisition value.

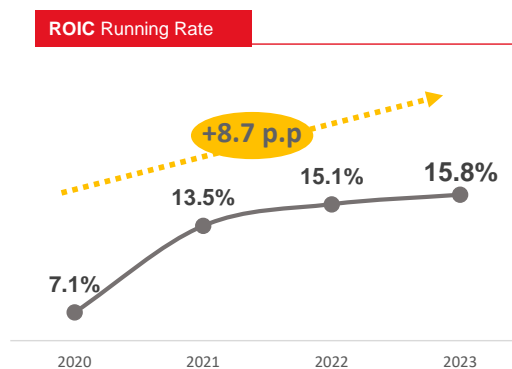


Adjusted Net Income for the quarter was R\$82.2 million (reported R\$72.9 million), 42% higher than in 3Q23, reflecting efficiency gains and a reduction in debt costs. In the year, Adjusted Net Income was R\$212.7 million (reported R\$351.7 million), down 5% from the previous year, mainly impacted by the currency devaluation in Argentina on the cash and accounts receivable balance in the country, which reduced Net Income for the year by approximately R\$39.5 million. If we exclude the non-recurring effects of currency devaluation, our Adjusted Net Income for the year would be R\$252.2 million and for the quarter, R\$96.4 million. As previously mentioned, these operations began to have their financial flows in Brazil from 3Q23 onwards, which interrupted the potential negative impact on our results.

Finally, the downward trend in interest rates and the continuous work to reduce the spread of debt cost should significantly benefit JSL's results. In a sensitivity analysis for the quarter and based on the average cost of the company's gross debt, for every 100 bps drop-in interest rates, profit would be positively impacted by around 13%.

The above figures demonstrate the Company's development in efficiency and profitability, which also translated into a ROIC Running Rate of 15.8% in 4Q23, up 0.1 p.p. from the previous quarter and 0.7 p.p. from 4Q22. The transformation of profitability, which has evolved from 7.3% at the time of the IPO (3Q20) to over 15% since 2022, confirms our ability to grow while maintaining the right level of return for our business model, balanced between light and capital-intensive services.

We believe that the consolidation of our operating margins in a sustainable manner and appropriate to the model of each contract, together with the focus on efficiency and the correct allocation of capital, which is reflected in the new level of profitability we have achieved, will allow us to make consistent progress in net margin. This will gradually lead to a higher conversion of EBITDA into Net Profit.



## DIVERSIFICATION OF SERVICES AND SECTORS - CAPACITY FOR GROWTH AND RESILIENCE

During the year, we would like to highlight the strong performance of the Warehousing segment, which grew by 20% over the prior year, as a result of major implantations in the Food and Beverage and Consumer Goods sectors, followed by Dedicated Operations, which grew by 12% as a result of implantations in the Mining and Pulp and Paper segments. Cargo Transportation service also showed significant organic growth, especially in the Automotive and Chemicals sectors. This segment also benefited from the consolidation of the two new acquisitions made in 2023, which significantly expanded our presence in the E-commerce, Fuels and Agribusiness sectors.

We maintained the balance between Asset Light and Asset Heavy at 53% and 47% of Net Revenue from Services, respectively. Our business model and diversification provide us with operational resilience and flexibility,



strengthen our market leadership position, and are key competitive factors that allow us to operate at every step of our customers' logistics chain.

### LONG-TERM CONTRACTS CREATE SOLID FOUNDATIONS FOR GROWTH

During the quarter, we reached R\$1 billion of future revenue from new contracts, with an average term of 39 months, resulting in an average monthly revenue addition of R\$26 million, the highest for new contracts throughout 2023, particularly in the Pulp and Paper, Chemicals and Food and Beverage sectors. Of these contracts, 92% were with existing customers, a level of cross-selling that demonstrates the high level of confidence customers have in our ability to execute, which, when added to our broad portfolio of services, provides numerous opportunities for growth. It is worth noting that we have signed a contract for the transportation of pharmaceuticals, which marks JSL's entry into the Pharmaceutical sector. This reinforces the combination of our growth potential through cross-selling and entry into new sectors, while maintaining our focus on specialized and dedicated services that are essential to our customers' activities. By type of service, 51% of the new contracts were in Cargo Transportation (including a R\$ 142 million contract in the specialized transportation of Chemicals), 28% in Warehousing (with five new contracts in the Oil and Gas sector, totaling R\$ 196 million), 18% in Dedicated Operations (mainly two new contracts in the Pulp and Paper sector, totaling R\$ 196 million) and 2% in Urban Distribution. In total, we signed R\$ 3.5 billion in new contracts for the year, with an average duration of 42 months.

The transformation we have undergone at **JSL** over the past few years has laid the foundation for continued expansion and efficiency gains. This allows us to maintain our pace of organic growth with lower capital expenditures as a percentage of revenue. This year, we invested R\$ 1 billion ( Net Capex ), 29% less than last year. This decrease is partly due to higher investments in 4Q22 as a result of demand from customers who have pre-contracted new services so that the pricing of these new projects would include vehicles with Euro 5 engine technology, as all heavy vehicle production will be required to use Euro 6 technology from 2023.

### CAPITAL STRUCTURE MANAGEMENT DISCIPLINE

Our leverage remained stable at 2.68x Net Debt/EBITDA and 2.41x Net Debt/EBITDA-A, our covenant benchmarks, even with all the investments to support growth, Net Capex of R\$1 billion and payment for acquisitions of R\$175 million in 2023.

We ended the year with R\$1.9 billion in cash, plus R\$805 million in revolving credit lines, for a total of R\$2.7 billion in available liquidity, enough to cover our short-term debt by 3.1 times. We would like to point out that R\$741 million of the investments that make up the net debt have not yet been fully converted into revenues and results, and therefore the capacity to generate cash from the investments made is not fully reflected in our capital structure, reinforcing our significant potential for deleveraging.

**JSL's** transformation of scale and results since the IPO in 2020 has allowed us to manage our capital structure even more efficiently. With the recent upgrades by the rating agencies S&P (brAA+/Stable) in March 2023 and Fitch Ratings (brAA/Stable) in 2022, we were once again able to access the capital market with better conditions and issued a CRI (Certificate of Real Estate Receivables) in the amount of R\$707.2 million with an average cost of CDI + 1.37%. A new issue of CRA (Certificate of Agribusiness Receivables) for R\$1.75 billion, with an average cost of CDI + 0.97%, was completed in February 2024 and will also contribute to reducing the cost of debt in the coming quarters. This demonstrates the market's confidence in our ability to deliver sustainable results and reinforces our capital structure as a key competitive differentiator. Including this issue after the end of the year, we would have a total available liquidity of R\$4.4 billion, enough to cover our short-term debt by 4.3 times.

### COMMITMENT TO SERVICE EXCELLENCE



We remain committed to integrate sustainability into our business strategy, regularly assessing our performance in this area, and promoting internal engagement. **JSL** maintains a Health and Safety Management System, which consists of measures aimed at continuously improving the physical, social and mental well-being of its employees, third parties, contractors, customers and stakeholders.

These include the Zero Accident Safety Culture Program, which directly involves senior management in prevention, risk assessment, training and incident management. This preventative work has resulted in a 50% reduction in lost time incidents and a 54% reduction in no lost time incidents, all compared to the previous three years.

The company continues to make progress in its strategy to contribute to the presence of women in the logistics and transportation sectors. In 4Q23, the program completed three more editions of the Women Behind the Wheel program, with 650 women enrolled and 55 hired as drivers or machine operators in all 2023 editions. The action has been fundamental in changing the internal culture and opening doors for more gender diversity in operations. The Besc Institute of Humanity and Economics awarded the Outstanding Executive Trophy for JSL's efforts in implementing sustainable practices.

In recognition of our commitments and deliveries, **JSL** has been included in the B3 Corporate Sustainability Index ("ISE") portfolio since 2024. Three sustainability reports were essential in this process: Gold Seal in the Brazilian GHG Protocol Program, for the fourth consecutive year, for the reliability and transparency of the Emissions Inventory; maintenance of a B rating in the Carbon Disclosure Project ("CDP"), above the global average for the transportation and logistics sector; and Silver Seal in EcoVadis, placing the Company in the top 25% in supply chains according to the sustainability management platform.

We look to the future with confidence, motivated by the significant results and dedication of **our People**. **JSL** stands out as the largest integrated logistics operator in the country, with a unique positioning and excellence in the execution of its services. We would like to thank **our People**, customers, investors and suppliers for their continued trust and support. We are committed to continuing to deliver excellent results and contributing to the development of the logistics sector.

Together, we will continue to advance on our journey of growth and operational excellence.

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. The information of the subsidiaries TruckPad, IC Transportes and FSJ Logística is consolidated from the date of acquisition ( May 26, 2022, April 28, 2023 and August 31, 2023, respectively).

## Consolidated Results

Consolidated (R\$ million)	4Q23	4Q22	▲ Y/Y	3Q23	▲ Q/Q	2023	2022	▲ Y/Y
<b>Gross Revenue</b>	<b>2,555.1</b>	<b>1,967.8</b>	<b>29.8%</b>	<b>2,360.1</b>	<b>8.3%</b>	<b>8,929.8</b>	<b>7,133.7</b>	<b>25.2%</b>
Gross Revenue from Services	2,462.2	1,912.2	28.8%	2,291.2	7.5%	8,645.1	6,924.0	24.9%
Gross Revenue from Asset Sales	92.9	55.6	67.2%	68.9	34.8%	284.7	209.7	35.8%
<b>Net Revenue</b>	<b>2,161.4</b>	<b>1,662.4</b>	<b>30.0%</b>	<b>2,010.1</b>	<b>7.5%</b>	<b>7,574.6</b>	<b>6,022.4</b>	<b>25.8%</b>
Net Revenue from Services	2,071.5	1,607.7	28.8%	1,942.9	6.6%	7,299.0	5,818.8	25.4%
Dedicated Operations	663.8	630.2	5.3%	652.2	1.8%	2,500.0	2,239.8	11.6%
Cargo Transportation	1,010.6	627.3	61.1%	939.0	7.6%	3,368.5	2,296.9	46.7%
Urban Distribution	155.0	152.6	1.6%	134.5	15.2%	553.3	550.4	0.5%
Warehousing	242.0	197.9	22.3%	217.1	11.5%	877.1	732.1	19.8%
Net Revenue from Asset Sales	89.9	54.8	64.1%	67.2	33.7%	275.7	203.6	35.4%
<b>Total Costs</b>	<b>(1,778.4)</b>	<b>(1,359.4)</b>	<b>30.8%</b>	<b>(1,628.8)</b>	<b>9.2%</b>	<b>(6,182.5)</b>	<b>(4,981.4)</b>	<b>24.1%</b>
Cost of Services	(1,704.9)	(1,310.9)	30.1%	(1,584.1)	7.6%	(5,977.3)	(4,815.9)	24.1%
Cost of Asset Sales	(73.5)	(48.5)	51.7%	(44.7)	64.5%	(205.1)	(165.4)	24.0%
<b>Gross Profit</b>	<b>382.9</b>	<b>303.1</b>	<b>26.4%</b>	<b>381.3</b>	<b>0.4%</b>	<b>1,392.2</b>	<b>1,041.1</b>	<b>33.7%</b>
Operational Expenses	(95.6)	(90.7)	5.5%	(102.6)	-6.7%	(110.8)	(272.2)	-59.3%
<b>EBIT</b>	<b>287.3</b>	<b>212.4</b>	<b>35.2%</b>	<b>278.7</b>	<b>3.1%</b>	<b>1,281.4</b>	<b>768.8</b>	<b>66.7%</b>
Margin (% NR from Services)	13.9%	13.2%	+0.7 p.p.	14.3%	-0.5 p.p.	17.6%	13.2%	+4.3 p.p.
<b>Financial Result</b>	<b>(241.9)</b>	<b>(174.9)</b>	<b>38.4%</b>	<b>(247.1)</b>	<b>-2.1%</b>	<b>(903.7)</b>	<b>(602.4)</b>	<b>50.0%</b>
Financial Revenues	29.7	27.8	6.6%	23.7	25%	95.5	88.4	8.0%
Financial Expenses	(271.6)	(202.7)	34.0%	(270.8)	0.3%	(999.1)	(690.8)	44.6%
<b>Taxes</b>	<b>27.6</b>	<b>56.4</b>	<b>n.a</b>	<b>15.2</b>	<b>n.a</b>	<b>(26.0)</b>	<b>27.8</b>	<b>n.a</b>
<b>Net Income (Loss)</b>	<b>72.9</b>	<b>93.9</b>	<b>-22.4%</b>	<b>46.9</b>	<b>55.6%</b>	<b>351.7</b>	<b>194.2</b>	<b>81.1%</b>
Margin (% NR)	3.4%	5.6%	-2.3 p.p.	2.3%	+1.0 p.p.	4.6%	3.2%	+1.4 p.p.
<b>EBITDA</b>	<b>415.7</b>	<b>310.7</b>	<b>33.8%</b>	<b>393.0</b>	<b>5.8%</b>	<b>1,728.0</b>	<b>1,079.8</b>	<b>60.0%</b>
Margin (% NR from Services)	20.1%	19.3%	+0.7 p.p.	20.2%	-0.2 p.p.	23.7%	18.6%	+5.1 p.p.
<b>EBITDA-A</b>	<b>489.2</b>	<b>359.2</b>	<b>36.2%</b>	<b>437.7</b>	<b>11.8%</b>	<b>1,933.1</b>	<b>1,245.2</b>	<b>55.2%</b>
Margin (% NR from Services)	23.6%	22.3%	+1.3 p.p.	22.5%	+1.1 p.p.	26.5%	21.4%	+5.1 p.p.
<b>Net CAPEX</b>	<b>346.3</b>	<b>681.3</b>	<b>-49.2%</b>	<b>153.1</b>	<b>126.2%</b>	<b>1,008.7</b>	<b>1,420.7</b>	<b>-29.0%</b>
<b>Adjusted<sup>1</sup> EBITDA</b>	<b>411.2</b>	<b>319.2</b>	<b>28.8%</b>	<b>393.0</b>	<b>4.6%</b>	<b>1,468.8</b>	<b>1,088.3</b>	<b>35.0%</b>
Margin (% NR from Services)	19.9%	19.9%	-0.0 p.p.	20.2%	-0.4 p.p.	20.1%	18.7%	+1.4 p.p.
<b>Adjusted<sup>1</sup> EBIT</b>	<b>301.4</b>	<b>236.7</b>	<b>27.3%</b>	<b>295.7</b>	<b>1.9%</b>	<b>1,070.8</b>	<b>813.9</b>	<b>31.6%</b>
Margin (% NR from Services)	14.5%	14.7%	-0.2 p.p.	15.2%	-0.7 p.p.	14.7%	14.0%	+0.7 p.p.
<b>Adjusted<sup>1</sup> Net Income</b>	<b>82.2</b>	<b>110.0</b>	<b>-25.3%</b>	<b>58.0</b>	<b>41.6%</b>	<b>212.7</b>	<b>223.5</b>	<b>-4.8%</b>
Margin (% NR)	3.8%	6.6%	-2.8 p.p.	2.9%	+0.9 p.p.	2.8%	3.7%	-0.9 p.p.

<sup>1</sup>Adjusted EBIT and Net Income in 4Q22 and 3Q23, as reported at the time. In 4Q23, Adjusted EBITDA excludes the negative account effect of R\$ 38.3 million from the bargain purchase reassessment of IC Transportes, and the positive effect of R\$ 42.7 million from the bargain purchase of FSJ. Additionally, EBIT was adjusted by R\$ 18.5 million to exclude the effects of goodwill/additional value amortization from acquisitions. Net Income excluded the negative effects (R\$ 25.3 million) and positive effects (R\$ 28.2 million) of bargain purchases, and goodwill/additional value amortization by R\$ 12.2 million.

Net Revenue from Services reached R\$2,071.5 in the quarter, a growth of 29% compared to 4Q22, driven by the consolidation of **IC Transportes** and **FSJ**, as well as the implantation of new projects throughout the year. Organic growth, in addition to growth through acquisitions, supports our strategy of maintaining the diversification of our services with a presence in virtually all sectors of the economy. This strategy results in a combination of multiple growth opportunities with a high degree of resilience in demand.

In terms of economic sectors, we would like to highlight our increased presence in E-Commerce (5% of revenue in 4Q23), Chemicals (7% of revenue), Fuels (2% of revenue), and Agribusiness (8% of revenue) due to the consolidation of IC and FSJ. Food and Beverage continues to be the most important sector in terms of our revenue (25% of revenue in 4Q23), followed by Pulp and Paper (13% of revenue), Automotive (13% of revenue)

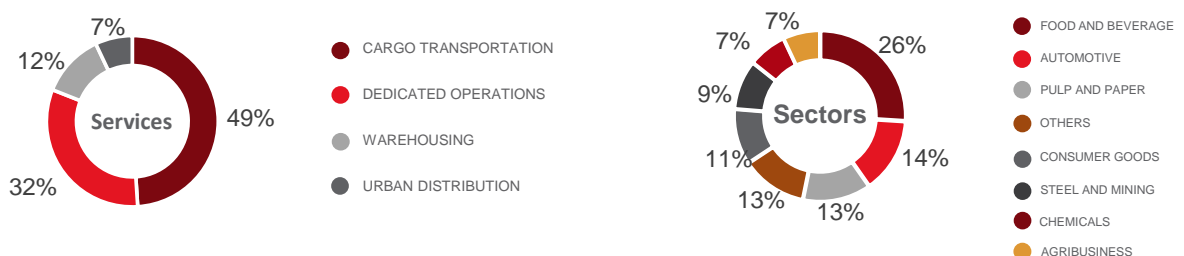
and Consumer Goods (10% of revenue), all sectors in which we are present throughout the logistics chain, providing Transportation, Dedicated Operations, Warehousing and Urban Distribution services.

We maintained a balanced growth between Asset Light and Asset Heavy operations, both above 25% (4Q23 vs. 4Q22). In the following sections, we break down the results of the two business models.

Growth in services remained consistent:

- Cargo Transportation (49% of Net Revenue from Services in 4Q23) continues to grow strongly. In this quarter, the segment's Net Revenue from Services was 61% higher than in the same period last year. This growth is due to the consolidation of **IC Transportes** and **FSJ** and **organic growth of the remaining companies**. There was an increase in volume in the Automotive industry, due to increased demand from **Transmoreno** (+21%) and the deployment of new contracts at **JSL** (+28%), an increase in the Chemicals and Food and Beverage sectors with new operations at **Rodomeu**, and an increase in demand for the transportation of refrigerated and chilled food at **Marvel** (+13%). It is important to emphasize that our exposure in this segment is primarily in dedicated and specialized transportation services with highly predictable demand and greater entry barriers.
- Dedicated Operations (32% of net service revenue in 4Q23) grew 5% over 4Q22 as key projects in the Mining and Pulp and Paper sectors were implemented throughout the year, which together grew 19% over the same period last year. Performance was partially impacted by a reduction in **Fadel**'s sales in the segment due to the strong comparison base generated by the World Cup in 4Q22, an event that generated atypical demand in the Beverages sector during the period. Finally, in the last quarter, we started up a major Pulp and Paper contract that will contribute significantly to the segment through 2024.
- Warehousing operations (12% of Net Revenue from Services in 4Q23) performed strongly in the quarter, with an increase of 22% vs. 4Q22. Significant implementations were carried out throughout the year by **TPC** and **JSL**, increasing our presence with current clients and adding new ones to the base, with a 59% expansion in our storage area compared to 4Q22. Segment revenue will continue to benefit next year from new contracts still in the implementation phase, evidenced by the substantial increase in the area under our management, which will start contributing to results in 2024.
- Urban Distribution (7% of Net Revenue from Services in 4Q23), with a significant presence in the Beverage sector, grew by 1.6% vs. 4Q22, driven by a strong comparison base due to the World Cup in 2022, as mentioned above. On a quarter-over-quarter basis (4Q23 vs. 3Q23), the segment grew 15.2% with strong performances from **Fadel** (+13%) and **JSL** (+23%).

## BREAKDOWN OF NET REVENUE FROM SERVICES (4Q23)



Adjusted EBITDA was R\$ 411.2 million in 4Q23 (reported R\$ 415.7 million), up 29% year-on-year, with a margin of 19.9%, in line with the same quarter last year, reinforcing our ability to maintain margins at levels commensurate with the profile of our operations. In the year, we grew EBITDA by 35% to R\$1.5 billion, with a margin of 20.1% (+1.4p.p. vs. 2022). These figures confirm the steady evolution of our operational efficiency, taking into account the consolidation of **IC Transportes** in 2023, which still has lower margins than the Company's average.



Adjusted Net Income for the quarter was R\$82.2 million, 42% higher than in 3Q23, as a result of efficiency gains and a reduction in the cost of debt. Compared to 4Q22, it was down 25%, still suffering from the impact of the Argentine devaluation, as previously discussed. In addition, it should be noted that, as explained at the time, 4Q22 net income was positively impacted by the recognition of IRPJ/CSLL credits of R\$27.6 million due to the ICMS tax benefits for the year 2022 (which were fully applied in 4Q22).

In the year, Adjusted Net Income totaled R\$212.7 million, down 5% vs. 2022, mainly impacted by the effects of currency devaluation in Argentina. As mentioned above, if we exclude the one-time effects of the currency devaluation, our Adjusted Net Income would be R\$ 252.2 million in 2023.

The breakdown of our Asset Light and Asset Heavy results is shown below.

## Asset Light

Asset Light (R\$ million)	4Q23	4Q22	▲ Y/Y	3Q23	▲ Q/Q	2023	2022	▲ Y/Y
<b>Gross Revenue</b>	<b>1,332.2</b>	<b>1,057.8</b>	<b>25.9%</b>	<b>1,255.7</b>	<b>6.1%</b>	<b>4,754.0</b>	<b>3,880.6</b>	<b>22.5%</b>
<b>Net Revenue</b>	<b>1,115.7</b>	<b>880.4</b>	<b>26.7%</b>	<b>1,053.7</b>	<b>5.9%</b>	<b>3,978.6</b>	<b>3,221.3</b>	<b>23.5%</b>
Net Revenue from Services	1,101.1	870.1	26.6%	1,034.1	6.5%	3,926.4	3,170.8	23.8%
Dedicated Operations	179.3	186.1	-3.7%	170.0	5.5%	691.5	658.4	5.0%
Cargo Transport	644.0	451.5	42.6%	617.8	4.2%	2,232.8	1,646.2	35.6%
Urban Distribution	35.8	34.8	2.8%	29.1	22.8%	124.9	134.3	-7.0%
Warehousing	242.0	197.9	22.3%	217.1	11.5%	877.1	732.0	19.8%
Net Revenue from Asset Sales	14.5	10.3	41.1%	19.7	-26.1%	52.2	50.5	3.4%
<b>Total Costs</b>	<b>(942.0)</b>	<b>(730.8)</b>	<b>28.9%</b>	<b>(884.8)</b>	<b>6.5%</b>	<b>(3,334.4)</b>	<b>(2,747.1)</b>	<b>21.4%</b>
Cost of Services	(928.0)	(726.0)	27.8%	(872.3)	6.4%	(3,295.5)	(2,709.0)	21.6%
Personnel	(268.5)	(226.1)	18.7%	(233.8)	14.8%	(941.0)	(817.1)	15.2%
Third parties truck drivers	(438.5)	(329.5)	33.1%	(433.9)	1.1%	(1,565.0)	(1,227.4)	27.5%
Fuel and lubricants	(61.7)	(36.3)	70.0%	(51.1)	20.7%	(185.6)	(149.7)	24.0%
Parts / tires / maintenance	(48.5)	(37.9)	27.9%	(45.5)	6.4%	(176.3)	(149.3)	18.1%
Depreciation / amortization	(55.9)	(40.3)	38.9%	(46.2)	21.2%	(198.2)	(143.7)	37.9%
Others	(54.8)	(56.0)	-2.1%	(61.8)	-11.3%	(229.3)	(221.8)	3.4%
Cost of Asset Sales	(14.1)	(4.8)	193.0%	(12.5)	13.0%	(39.0)	(38.1)	2.4%
<b>Gross Profit</b>	<b>173.6</b>	<b>149.5</b>	<b>16.1%</b>	<b>168.9</b>	<b>2.8%</b>	<b>644.2</b>	<b>474.2</b>	<b>35.9%</b>
Operational Expenses	(54.5)	(57.7)	-5.6%	(56.0)	-2.8%	(197.2)	(157.5)	25.2%
<b>EBIT</b>	<b>119.1</b>	<b>91.8</b>	<b>29.7%</b>	<b>112.9</b>	<b>5.5%</b>	<b>446.9</b>	<b>316.6</b>	<b>41.2%</b>
Margin (% NR from Services)	10.8%	10.6%	+0.3 p.p.	10.9%	-0.1 p.p.	11.4%	10.0%	+1.4 p.p.
<b>EBITDA</b>	<b>197.7</b>	<b>151.4</b>	<b>30.6%</b>	<b>180.6</b>	<b>9.5%</b>	<b>710.4</b>	<b>508.4</b>	<b>39.7%</b>
Margin (% NR from Services)	18.0%	17.4%	+0.6 p.p.	17.5%	+0.5 p.p.	18.1%	16.0%	+2.1 p.p.

Net Revenue from Services in the Asset Light segment was R\$1,101.1 million, up 27% from 4Q22. Cargo Transportation grew 43% over the same quarter last year due to the consolidation of IC and FSJ, as well as the implementation of new contracts and increased demand in the Automotive sector at JSL and Transmoreno. Warehousing continued its steady growth of 22% vs. 4Q22, driven by the maturing of operations implemented throughout the year at TPC and JSL. By industry, Automotive accounted for 24% of Asset Light's revenue (with a focus on milk run services, intralogistics and vehicle transportation), Consumer Goods 17% (mainly transportation and warehousing services) and Food & Beverage 14% (transportation and warehousing).

The segment's EBITDA for the quarter was R\$197.7 million, up 31% from 4Q22, with a margin of 18.0% (+0.6 p.p.). The results reflect our efforts to reduce costs and optimize and qualify our workforce in order to provide higher value-added services with commensurate profitability. If we look at the main cost lines of the segment, we see an increase of 33% in Third Parties and Contractors, which is directly related to Cargo Transportation (+43% in revenues), and a 19% increase in Personnel, which is directly related to Warehousing (+22% in

revenues), which explains the evolution of the EBITDA margin during the period. During the year, EBITDA grew by 40% to R\$ 710.4 million, with a 2.1 p.p. increase in the margin, which reached 18.1%.

Combining Intralogistics and Warehousing operations, people-based services and logistics intelligence, the EBITDA margin reached 23%. These are logistics services that are highly integrated into our customers' production processes and where we see significant growth potential.

## Asset Heavy

Asset Heavy (R\$ million)	4Q23	4Q22	▲ Y/Y	3Q23	▲ Q/Q	2023	2022	▲ Y/Y
<b>Gross Revenue</b>	<b>1,222.9</b>	<b>909.9</b>	<b>34.4%</b>	<b>1,104.4</b>	<b>10.7%</b>	<b>4,175.8</b>	<b>3,253.1</b>	<b>28.4%</b>
<b>Net Revenue</b>	<b>1,045.7</b>	<b>782.1</b>	<b>33.7%</b>	<b>956.4</b>	<b>9.3%</b>	<b>3,596.0</b>	<b>2,801.1</b>	<b>28.4%</b>
Net Revenue from Services	970.3	737.6	31.6%	908.8	6.8%	3,372.6	2,648.0	27.4%
Dedicated Operations	484.5	444.1	9.1%	482.2	0.5%	1,808.5	1,581.2	14.4%
Cargo Transport	366.6	175.7	108.6%	321.1	14.2%	1,135.6	650.6	74.5%
Urban Distribution	119.2	117.8	1.2%	105.4	13.1%	428.4	416.1	3.0%
Warehousing	-	-	n.a	-	n.a	-	-	n.a
Net Revenue from Asset Sales	75.4	44.5	69.4%	47.6	58.3%	223.4	153.1	45.9%
<b>Total Costs</b>	<b>(836.4)</b>	<b>(628.6)</b>	<b>33.1%</b>	<b>(744.0)</b>	<b>12.4%</b>	<b>(2,848.0)</b>	<b>(2,234.1)</b>	<b>27.5%</b>
Cost of Services	(777.0)	(584.9)	32.8%	(711.8)	9.2%	(2,681.9)	(2,106.8)	27.3%
Personnel	(327.0)	(254.1)	28.7%	(312.5)	4.6%	(1,172.8)	(923.7)	27.0%
Third parties truck drivers	(29.8)	(27.9)	6.7%	(28.2)	5.7%	(109.9)	(132.4)	-17.0%
Fuel and lubricants	(196.0)	(145.0)	35.2%	(171.3)	14.5%	(627.7)	(519.7)	20.8%
Parts / tires / maintenance	(125.2)	(85.6)	46.2%	(115.1)	8.9%	(426.4)	(315.6)	35.1%
Depreciation / amortization	(45.7)	(34.1)	34.1%	(42.9)	6.7%	(170.3)	(106.8)	59.4%
Others	(53.3)	(38.1)	39.7%	(41.9)	27.3%	(174.9)	(108.7)	60.9%
Cost of Asset Sales	(59.5)	(43.7)	36.2%	(32.2)	84.4%	(166.1)	(127.3)	30.5%
<b>Gross Profit</b>	<b>209.3</b>	<b>153.5</b>	<b>36.3%</b>	<b>212.4</b>	<b>-1.4%</b>	<b>748.0</b>	<b>567.0</b>	<b>31.9%</b>
Operational Expenses	(45.6)	(33.0)	38.2%	(46.5)	-2.0%	(172.7)	(114.7)	50.6%
<b>EBIT</b>	<b>163.7</b>	<b>120.6</b>	<b>35.8%</b>	<b>165.8</b>	<b>-1.3%</b>	<b>575.3</b>	<b>452.2</b>	<b>27.2%</b>
Margin (% NR from Services)	16.9%	16.3%	+0.5 p.p.	18.2%	-1.4 p.p.	17.1%	17.1%	-0.0 p.p.
<b>EBITDA</b>	<b>213.5</b>	<b>159.3</b>	<b>34.0%</b>	<b>212.3</b>	<b>0.6%</b>	<b>758.5</b>	<b>571.4</b>	<b>32.7%</b>
Margin (% NR from Services)	22.0%	21.6%	+0.4 p.p.	23.4%	-1.4 p.p.	22.5%	21.6%	+0.9 p.p.

Net Revenue from Services in the Asset Heavy segment was R\$970.3 million for the quarter, up 32% from the prior year. Cargo transportation grew by 109% in the period, also due to the consolidation of **IC** and **FSJ**, as well as the growth of **Rodomeu**, due to new contracts throughout the year, and **Marvel**, due to increased customer demand. Dedicated Operations grew by 9%, mainly as a result of new contracts throughout the year in the Mining and Pulp and Paper sectors by **JSL**. Urban Distribution grew by 1.2% compared to 4Q22 due to the aforementioned strong comparison base in the previous period (World Cup), due to the relevant presence in the Beverage sector. If we look at the quarter-over-quarter comparison of Urban Distribution service, we see an increase of 13% compared to 3Q23. By industry, Food and Beverage accounted for 38% of Asset Heavy's revenue (mainly in urban distribution and transportation of refrigerated and frozen food), Pulp and Paper accounted for 23% (with various services throughout the customer chain, from timber transportation to pulp transportation and urban paper distribution), and Mining, 11% (with various logistics operations, including transportation, vehicle and equipment rental with driver services and chartering).

During the quarter, EBITDA increased by 34% over 4Q22, reaching R\$ 213.5 million, with a margin of 22.0% (+0.4 p.p.). Maintaining the segment's margins at the same level as last year demonstrates our ability to add projects with appropriate returns, work on operations' efficiency with cost control programs while reestablishing the profitability of some existing contracts. In the year, EBITDA was R\$758.5 million with a margin of 22.5%, a growth of 33% and expansion of 0.9 p.p in margin with a reduction in the representation of service provision costs in relation to Net Service Revenue.

**Financial Results**

Financial Result (R\$ mm)	4Q23	4Q22	▲ Y/Y	3Q23	▲ Q/Q	2023	2022	▲ Y/Y
Financial Revenues	29.7	27.8	6.6%	23.7	25%	95.5	88.4	8.0%
Financial Expenses	(271.6)	(202.7)	34.0%	(270.8)	0.3%	(999.1)	(690.8)	44.6%
<b>Financial Result</b>	<b>(241.9)</b>	<b>(174.9)</b>	<b>38.4%</b>	<b>(247.1)</b>	<b>-2.1%</b>	<b>(903.7)</b>	<b>(602.4)</b>	<b>50.0%</b>

In 4Q23, the increase in expenses due to debt servicing amounted to R\$57.3 million (+36%), impacted by R\$80 million due to a higher average gross debt during the period, partially offset by a reduction of R\$22.7 million in the average cost of debt between periods. The increase in gross debt is attributed to the acquisitions made in 2023 and investments for the implementation of new projects, which will contribute to revenue generation in the coming quarters. Other financial expenses also contributed to the variation in Net Financial Result, mainly due to currency depreciation on cash and accounts receivable in Argentina amounting to R\$21 million, as well as other expenses such as fees for the issuance of new debts and the impact of interest over outstanding balance of the two aforementioned acquisitions. The variation in the cumulative financial result of 2023 compared to 2022 is also attributed to the above items, with the impact of consolidating the financial result of IC Transportes and FSJ at R\$39 million and the exchange rate variation on cash and accounts receivable in Argentina at R\$59.7 million. It is worth noting the efforts to reduce the average cost of debt, with the consolidation of our credit profile and two upgrades by the rating agencies S&P (brAA+/Stable) and Fitch Ratings (brAA/Stable).

**Capital Structure**

Debt (R\$ million)	4Q23	4Q22	▲ Y/Y	3Q23	▲ Q/Q
<b>Gross Debt</b>	<b>6,706.5</b>	<b>4,291.7</b>	<b>56.3%</b>	<b>5,727.0</b>	<b>17.1%</b>
<b>Cash and Cash Equivalents</b>	<b>1,854.1</b>	<b>873.2</b>	<b>112.3%</b>	<b>1,232.3</b>	<b>50.5%</b>
<b>Net Debt</b>	<b>4,852.4</b>	<b>3,418.5</b>	<b>41.9%</b>	<b>4,494.7</b>	<b>8.0%</b>
<b>Average cost of Net Debt (p.y.)</b>	<b>14.8%</b>	<b>16.9%</b>	<b>-2.1 p.p.</b>	<b>15.5%</b>	<b>-0.7 p.p.</b>
Net Debt cost after taxes (p.y.)	9.8%	11.2%	-1.4 p.p.	10.2%	-0.5 p.p.
Average term of net debt (years)	3.9	4.2	-6.8%	3.9	0.0%
Average cost of Gross Debt (p.y.)	13.6%	15.7%	-2.1 p.p.	14.6%	-1.0 p.p.
Average term of gross debt (years)	3.7	4.0	-7.9%	3.6	3.8%

In September 2023, we issued a CRI (Certificate of Real Estate Receivables) in the amount of R\$ 707 million at an average cost of CDI + 1.37%, contributing to a 2.1 p.p reduction in the average cost of gross debt compared to 4Q22 (0.23 p.p reduction in the spread). We ended 2023 with R\$1.9 billion in cash and financial investments and R\$805 million in revolving credit lines. Together, these sources of liquidity amount to R\$2.7 billion, equivalent to 3.1 times our short-term debt. The volume is enough to repay the debt until mid-2026. As mentioned in the Message from Management, in February 2024, we completed the issue of a CRA (Certificate of Agribusiness Receivables) in the amount of R\$ 1.75 billion at an average cost of CDI + 0.97%, which will allow us to manage our debt and also contribute to reducing the cost of debt in the coming quarters.

Leverage (R\$ million)	4Q23	3Q23	4Q22
<b>Net Debt / EBITDA</b>	<b>2.68x</b>	<b>2.63x</b>	<b>3.17x</b>
<b>Net Debt/ EBITDA-A</b>	<b>2.41x</b>	<b>2.37x</b>	<b>2.73x</b>
<b>EBITDA-A / Financial Result</b>	<b>2.96x</b>	<b>3.05x</b>	<b>2.60x</b>
EBITDA LTM	1,810.4	1,710.5	1,079.8
EBITDA-A LTM	2,010.4	1,894.2	1,253.0

Our leverage remained stable at 2.68x Net Debt/EBITDA and 2.41x Net Debt/EBITDA-A, our covenant benchmarks. Excluding the non-recurring effects of the Bargain Purchases of **IC Transportes** and **FSJ**, the Net Debt/EBITDA leverage reached 3.13x, also stable compared to previous periods. The EBITDA-A/Net P&L coverage ratio was 2.96, in line with the previous quarter. We kept our leverage ratios stable, even with R\$1 billion in investments and two acquisitions that resulted in an outlay of R\$175 million in the year. This result reflects our strong cash generation, our agility in executing projects, and an appropriate acquisition model that allows us to add new businesses without putting pressure on our capital structure.

## Investments

Investments (R\$ million)	4Q23	4Q22	▲ Y / Y	3Q23	▲ Q / Q	2023	2022	▲ Y / Y
<b>Gross capex by nature</b>	<b>439.2</b>	<b>736.9</b>	<b>-40.4%</b>	<b>222.1</b>	<b>97.8%</b>	<b>1,293.3</b>	<b>1,630.4</b>	<b>-20.7%</b>
Expansion	313.7	618.6	-49.3%	180.2	74.2%	1,052.7	1,233.2	-14.6%
Maintenance	107.1	115.4	-7.2%	38.0	181.7%	217.5	337.7	-35.6%
Others	18.4	2.8	548.8%	3.9	373.6%	23.2	59.5	-61.0%
<b>Gross capex by type</b>	<b>439.2</b>	<b>736.9</b>	<b>-40.4%</b>	<b>222.1</b>	<b>97.8%</b>	<b>1,293.3</b>	<b>1,630.4</b>	<b>-20.7%</b>
Trucks	359.0	363.5	-1.2%	112.8	218.4%	802.1	1,025.6	-21.8%
Machinery and Equipment	36.1	49.7	-27.4%	45.7	-21.1%	181.6	147.7	23.0%
Light Vehicles	10.8	279.4	-96.1%	38.8	-72.2%	209.8	326.4	-35.7%
Bus	9.0	42.3	-78.7%	5.5	64.3%	19.4	46.4	-58.1%
Others	24.3	1.9	1170.1%	19.3	25.9%	80.4	84.4	-4.7%
<b>Sale of assets</b>	<b>92.9</b>	<b>55.6</b>	<b>67.2%</b>	<b>68.9</b>	<b>34.8%</b>	<b>284.7</b>	<b>209.7</b>	<b>35.8%</b>
<b>Total net capex</b>	<b>346.3</b>	<b>681.3</b>	<b>-49.2%</b>	<b>153.1</b>	<b>126.2%</b>	<b>1,008.7</b>	<b>1,420.7</b>	<b>-29.0%</b>

In 4Q23 we reported Net Capex of R\$346.3 million, totaling R\$1 billion in 2023. 71% of Gross Capex was allocated to expansion, to cover the deployment of new contracts and to guarantee future revenues. It is important to note that JSL does not operate with an inventory of assets; we make investments only after contracts are signed. There is virtually no risk of idleness with this model. The cash effect of the investments made in the period is reflected in the 'Cash Flow' session.

## Returns

ROIC (Return on Invested Capital )	4Q23 LTM	4Q22 LTM	3Q23 LTM	Running Rate LTM
EBIT	1,281.4	768.8	1,206.6	1,070.8
Effective rate	6.9%	-17%	-1%	22%
<b>NOPLAT</b>	<b>1,193.3</b>	<b>897.2</b>	<b>1,215.8</b>	<b>835.2</b>
Current Period Net Debt	4,852.4	3,418.5	4,494.0	4,111.7
Previous period Net Debt	3,418.5	2,672.2	3,168.1	3,418.5
<b>Average Net Debt</b>	<b>4,135.4</b>	<b>3,045.3</b>	<b>3,831.1</b>	<b>3,765.1</b>
Current Period Equity	1,663.4	1,412.6	1,683.3	1,663.4
Previous period Equity	1,412.6	1,329.9	1,388.3	1,412.6
<b>Average Equity</b>	<b>1,538.0</b>	<b>1,371.2</b>	<b>1,535.8</b>	<b>1,538.0</b>
Invested Capital Current Period	6,515.8	4,831.1	6,177.3	5,775.2
Capital Invested Previous Period	4,831.1	4,002.1	4,556.4	4,831.1
<b>Average Invested Capital</b>	<b>5,673.5</b>	<b>4,416.6</b>	<b>5,366.9</b>	<b>5,303.1</b>
<b>ROIC</b>	<b>21.0%</b>	<b>20.3%</b>	<b>22.7%</b>	<b>15.8%</b>

Our investments are always related to the allocation to projects already contracted, with the generation of revenues and results planned in the project, which has ensured the improvement of our profitability, as



measured by ROIC, over the last few years. In 4Q23, our reported LTM ROIC was 21% and ROIC Running Rate was 15.8%.

As assumptions for the ROIC Running Rate, we used the last twelve months' Adjusted EBIT, excluding the effect of the bargain purchase of **IC Transportes** and **FSJ**, a normalized tax rate of 22%, and we excluded from current net debt R\$ 741 million related to investments made since 1Q23 in projects whose operations are not yet fully reflected in our revenue generation. It is important to note that ROIC has also not yet been impacted by the consolidation and maturation of the **IC Transportes** and **FSJ Logística** businesses, which were only added to our portfolio in April/23 and September/2023, respectively. For the purpose of calculating the ROIC *Running Rate*, we do not consider the operating result (EBIT) of the months in which these companies were not yet consolidated into JSL. However, the impacts of the acquisitions' payments, through the consolidation of the net debt and equity of these companies, are already reflected in the denominator of the calculation. Therefore, the current net debt is affected by approximately R\$ 282 million related to the payment for these two acquisitions (the sum of the net debt of the companies and the payment we have made so far for the acquisitions).

## Cash Flow

Cash Flow (R\$ million)	4Q23	3Q23	4Q22	2023	2022	2021
<b>EBITDA</b>	<b>415.7</b>	<b>393.0</b>	<b>310.7</b>	<b>1,728.0</b>	<b>1,079.8</b>	<b>758.0</b>
Working Capital	(48.6)	(63.7)	(26.5)	(68.1)	383.3	(25.4)
Cost of asset sales for rent and services provided	73.5	44.7	45.9	205.1	162.9	64.1
Maintenance Capex	(116.8)	(35.0)	(35.6)	(211.0)	(171.0)	(189.8)
Non Cash and Others	(21.9)	(28.5)	1.0	(313.9)	(82.8)	(16.9)
<b>Cash generated by operational activities</b>	<b>301.8</b>	<b>310.5</b>	<b>295.5</b>	<b>1,340.2</b>	<b>1,372.2</b>	<b>590.0</b>
(-) Income tax and social contribution paid	(7.0)	(5.9)	(5.1)	(20.8)	(24.6)	(27.3)
(-) Capex others	(18.4)	(3.9)	(2.8)	(23.2)	(59.5)	(78.1)
<b>Free Cash Flow</b>	<b>276.5</b>	<b>300.7</b>	<b>287.5</b>	<b>1,296.3</b>	<b>1,288.0</b>	<b>484.6</b>
(-) Expansion Capex	(141.4)	(150.3)	(22.3)	(1,156.0)	(667.2)	(383.5)
(-) Companies acquisition	-	(40.3)	-	(92.2)	1.5	(229.3)
<b>Cash flow after growth</b>	<b>135.1</b>	<b>110.1</b>	<b>265.2</b>	<b>48.1</b>	<b>622.2</b>	<b>(128.1)</b>

Our focus on pricing new contracts with appropriate profitability and efficient capital allocation allows the Company to maintain strong cash generation, providing a solid business model and capacity for growth while maintaining appropriate leverage. In 4Q23, cash flow after growth was positive for the second consecutive quarter, at R\$135.1 million, demonstrating our potential to deleverage while maintaining growth. Throughout the year, the expansion Capex paid in the first quarters of 2023 (contracted in 4Q22, as explained) and the payment for the two acquisitions made were the two largest components for the reduction in cash generation after growth compared to 2022. Both the expansion Capex and the acquisitions made will now start contributing to the results as they come into operation. We remind you that the expansion capex with cash effect is net of the benefits of financing lines (FINAME) and payment terms negotiated with suppliers.

## Exhibit I - EBITDA and Net Income Reconciliation

EBITDA Reconciliation (R\$ million)			4Q23	4Q22	▲ Y / Y	3Q23	▲ Q / Q	2023	2022	▲ Y / Y
Total Net Income	72.9	93.9	-22.4%	46.9	55.6%	351.7	194.2	81.1%		
Financial Result	241.9	174.9	38.4%	247.1	-2.1%	903.7	602.4	50.0%		
Taxes	(27.6)	(56.4)	-51.1%	(15.2)	81.1%	26.0	(27.8)	-193.5%		
Depreciation and Amortization	128.4	98.3	30.7%	114.2	12.4%	446.6	311.0	43.6%		
Fixed asset depreciation	81.6	75.9	7.6%	90.1	-9.4%	326.8	227.7	43.5%		
IFRS 16 depreciation	46.8	22.4	108.8%	24.1	94.0%	119.8	83.3	43.9%		
<b>EBITDA</b>	<b>415.7</b>	<b>310.7</b>	<b>33.8%</b>	<b>393.0</b>	<b>5.8%</b>	<b>1,728.0</b>	<b>1,079.8</b>	<b>60.0%</b>		
<b>Cost of Asset Sales</b>	<b>73.5</b>	<b>48.5</b>	<b>51.7%</b>	<b>44.7</b>	<b>64.5%</b>	<b>205.1</b>	<b>165.4</b>	<b>24.0%</b>		
<b>EBITDA-A</b>	<b>489.2</b>	<b>359.2</b>	<b>36.2%</b>	<b>437.7</b>	<b>11.8%</b>	<b>1,933.1</b>	<b>1,245.2</b>	<b>55.2%</b>		
Extemporaneous net credits	-	-	n.a	-	n.a	-	-	n.a		
Provisions	-	8.5	n.a	-	n.a	-	8.5	n.a		
Additional value from acquisitions	(4.4)	-	n.a	-	n.a	(259.2)	-	n.a		
<b>Adjusted EBITDA</b>	<b>411.2</b>	<b>319.2</b>	<b>28.8%</b>	<b>393.0</b>	<b>4.6%</b>	<b>1,468.8</b>	<b>1,088.3</b>	<b>35.0%</b>		
Adjusted EBITDA ex IFRS 16	364.4	296.8	22.8%	368.9	-1.2%	1,349.0	1,005.0	34.2%		
EBITDA ex IFRS 16	368.9	288.3	28.0%	368.9	0.0%	1,608.2	996.6	61.4%		

Net Income Reconciliation(R\$ million)			4Q23	4Q22	▲ Y / Y	3Q23	▲ Q / Q	2023	2022	▲ Y / Y
<b>Lucro Líquido</b>	<b>72.9</b>	<b>93.9</b>	<b>-22.4%</b>	<b>46.9</b>	<b>55.6%</b>	<b>351.7</b>	<b>194.2</b>	<b>81.1%</b>		
Write-off of improvements	-	6.3	n.a	-	n.a	-	6.3	n.a		
Provisions	-	5.6	n.a	-	n.a	-	5.6	n.a		
Additional value from acquisitions	(2.9)	-	n.a	-	n.a	(171.1)	-	n.a		
PPA amortization	12.2	4.2	n.a	11.2	n.a	32.1	17.4	n.a		
<b>Adjusted Net Income</b>	<b>82.2</b>	<b>110.0</b>	<b>-25.3%</b>	<b>58.0</b>	<b>41.6%</b>	<b>212.7</b>	<b>223.5</b>	<b>-4.8%</b>		
<i>Margin (% NR)</i>	<i>3.8%</i>	<i>6.6%</i>	<i>-2.8 p.p.</i>	<i>2.9%</i>	<i>+0.9 p.p.</i>	<i>2.8%</i>	<i>3.7%</i>	<i>-0.9 p.p.</i>		

## Exhibit II – Balance Sheet

Assets (R\$ million)	4Q23	3Q23	4Q22	Liabilities (R\$ million)	4Q23	3Q23	4Q22
<b>Current assets</b>				<b>Current liabilities</b>			
Cash and cash equivalents	610.9	587.0	475.6	Providers	505.9	371.7	642.3
Securities	1,243.3	645.2	397.6	Confirming payable (Automakers) (ICVM 01/2016)	58.5	-	-
Derivative financial instruments	26.4	0.0	0.1	Loans and financing	894.3	564.4	257.0
Accounts receivable	1,582.5	1,457.9	1,159.9	Debentures	59.0	49.9	66.0
Inventory / Warehouse	64.8	59.5	57.6	Financial lease payable	32.5	24.5	9.9
Taxes recoverable	96.6	63.2	130.6	Lease for right use	132.8	110.4	78.8
Income tax and social contribution	40.8	31.5	48.7	Labor obligations	322.3	499.2	329.4
Other credits	24.9	28.9	10.8	Tax liabilities	3.4	10.0	5.3
Prepaid expenses	28.6	46.2	25.4	Income and social contribution taxes payable	137.5	120.4	126.2
Other credits intercompany	-	-	-	Other Accounts payable	85.1	62.4	82.3
Dividends receivable	-	-	-	Dividends and interest on capital payable	-	-	57.6
Assets available for sale (fleet renewal)	197.9	197.7	81.7	Advances from customers	25.0	24.6	20.2
Third-party payments	62.2	51.5	18.2	Related parts	-	-	-
<b>Total current assets</b>	<b>3,978.9</b>	<b>3,168.6</b>	<b>2,406.2</b>	Acquisition of companies payable	110.8	96.4	83.4
				<b>Total Current liabilities</b>	<b>2,367.2</b>	<b>1,934.0</b>	<b>1,758.4</b>
<b>Non-current assets</b>				<b>Non-current liabilities</b>			
<b>Non-current</b>				Loans and financing	3,766.7	3,332.5	2,121.6
Securities	-	0.0	0.0	Debentures	2,100.4	1,801.1	1,796.1
Derivative financial instruments	268.3	145.2	63.6	Financial lease payable	89.9	90.0	75.1
Accounts receivable	36.0	34.5	20.1	Lease for right use	373.6	341.7	334.2
Taxes recoverable	163.7	150.5	130.5	Tax liabilities	28.9	31.9	31.3
Deferred income and social contribution taxes	7.0	7.0	7.0	Provision for judicial and administrative claims	616.5	663.0	273.0
Judicial deposits	63.3	66.2	57.2	Deferred income and social contribution taxes	171.6	156.8	121.7
Income tax and social contribution	127.4	70.3	91.8	Related parties	2.1	2.0	1.8
Related parts	-	-	-	Other Accounts payable	22.6	23.0	8.1
Compensation asset by business combination	515.0	558.8	220.8	Company acquisitions payable	544.2	529.3	278.6
Other credits	28.5	30.7	25.5	Labor obligations	141.7	2.2	-
<b>Total</b>	<b>1,209.4</b>	<b>1,063.3</b>	<b>616.5</b>	Derivative financial instruments	-	9.9	29.7
				<b>Total Non-current liabilities</b>	<b>7,858.2</b>	<b>6,983.3</b>	<b>5,071.1</b>
Investments	-	-	-	<b>Total Equity</b>	<b>1,663.4</b>	<b>1,683.3</b>	<b>1,412.6</b>
Property, plant and equipment	5,754.5	5,448.6	4,347.8				
Intangible	946.1	920.1	871.7				
<b>Total</b>	<b>6,700.6</b>	<b>6,368.6</b>	<b>5,219.5</b>				
<b>Total Non-current assets</b>	<b>7,910.0</b>	<b>7,431.9</b>	<b>5,836.0</b>				
<b>Total Assets</b>	<b>11,888.9</b>	<b>10,600.5</b>	<b>8,242.1</b>	<b>Total Liabilities and Equity</b>	<b>11,888.9</b>	<b>10,600.5</b>	<b>8,242.1</b>

## 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

This Earnings Release is intended to detail the financial and operating results of JSL S.A. in the third quarter of 2023. The financial information is presented in millions of Brazilian Reals (R\$) 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 data for 3Q22 and 2Q23, except where otherwise 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 are based on information currently available to the Company. 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 about possible or supposed operating results, as well as statements that are preceded by, followed by, 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: March 20, 2024, Wednesday.

Time: **11:00 a.m. (Brasília)**  
**10:00 am (New York)** - With simultaneous translation

Connection phones:  
**Brazil: +55 11 4632-2236**  
**Other countries: +1 646 558-8656**

**Access code: JSL**  
**Webcast: [ri.jsl.com.br](https://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](https://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:

**Phone: +55 (11) 3154-4013 | [ri@jsl.com.br](mailto:ri@jsl.com.br) | [ri.jsl.com.br](https://ri.jsl.com.br)**



**JSL S.A.**  
**Statements of financial position**  
**As at December 31, 2023 and 2022**  
**In thousands of Brazilian Reais**

<b>Assets</b>	<b>Note</b>	<b>Parent company</b>		<b>Consolidated</b>	
		<b>12/31/2023</b>	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>12/31/2022</b>
<b>Current assets</b>					
Cash and cash equivalents	7	64,008	195,441	610,869	475,625
Marketable securities and financial investments	8	1,178,277	383,408	1,243,267	397,586
Derivative financial instruments	6.3.(b)	26,395	-	26,412	86
Trade receivables	9	950,944	774,825	1,582,547	1,159,908
Inventories	10	47,838	52,135	64,842	57,642
Fixed assets available for sale	11	184,241	77,040	197,874	81,656
Taxes recoverable	12	26,041	103,480	96,554	130,567
Income tax and social contribution recoverable	25.4	27,234	37,153	40,794	48,704
Prepaid expenses		18,802	16,828	28,568	25,418
Dividends and interest on capital receivable	14.3	645	2,194	-	-
Advances to third parties		31,132	8,665	62,218	18,193
Related parties	26.1	2,215	-	-	-
Other credits		7,969	46,792	24,917	10,766
		<b>2,565,741</b>	<b>1,697,961</b>	<b>3,978,862</b>	<b>2,406,151</b>
<b>Non-current assets</b>					
<b>Long-term assets</b>					
Marketable securities and financial investments	8	42,433	572	-	11
Derivative financial instruments	6.3.(b)	268,349	63,587	268,349	63,609
Trade receivables	9	19,766	18,070	36,022	20,096
Taxes recoverable	12	73,845	90,954	163,742	130,476
Income tax and social contribution recoverable	25.4	5,845	5,845	6,994	7,001
Judicial deposits	23	43,378	43,544	63,309	57,200
Deferred income tax and social contribution	25.1	95,869	58,001	127,425	91,770
Related parties	26.1	51,752	86,274	-	-
Indemnification assets due to business combination	13	-	-	515,015	220,838
Other credits		18,614	18,978	28,522	25,525
		<b>619,851</b>	<b>385,825</b>	<b>1,209,378</b>	<b>616,526</b>
Investments	14.1	2,207,539	1,239,007	-	-
Property and equipment	15	2,724,043	2,451,985	5,754,548	4,347,774
Intangible assets	16	533,713	529,141	946,079	871,681
		<b>6,085,146</b>	<b>4,605,958</b>	<b>7,910,005</b>	<b>5,835,981</b>
<b>Total assets</b>		<b>8,650,887</b>	<b>6,303,919</b>	<b>11,888,867</b>	<b>8,242,132</b>



**JSL S.A.**  
**Statements of financial position**  
**As at December 31, 2023 and 2022**  
**In thousands of Brazilian Reais**

<b>Liabilities and equity</b>	<b>Note</b>	<b>Parent company</b>		<b>Consolidated</b>	
		<b>12/31/2023</b>	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>12/31/2022</b>
<b>Current liabilities</b>					
Trade payables	17	249,527	259,951	505,900	642,263
Loans and borrowings	18	432,322	199,692	894,287	256,974
Debentures	19	59,017	66,026	59,017	66,026
Leases payable	20	24,109	9,879	32,493	9,879
Right-of-use leases	21	36,461	37,630	132,840	78,812
Social and labor liabilities	22	183,305	236,895	322,264	329,396
Derivative financial instruments	6.3 (b)	58,531	-	58,531	-
Income tax and social contribution payable	25.4	-	-	3,437	5,325
Tax liabilities		68,677	70,282	137,520	126,210
Dividends and interest on capital payable		-	57,575	-	57,575
Advances from customers		9,642	13,315	25,015	20,179
Payables for the acquisition of companies	24	110,824	83,432	110,824	83,432
Other payables		36,539	49,019	85,073	82,326
		<b>1,268,954</b>	<b>1,083,696</b>	<b>2,367,201</b>	<b>1,758,397</b>
<b>Non-current liabilities</b>					
Loans and borrowings	18	2,667,182	1,439,022	3,766,703	2,121,613
Debentures	19	2,100,405	1,796,085	2,100,405	1,796,085
Leases payable	20	70,549	75,118	89,852	75,118
Right-of-use leases	21	184,352	211,072	373,625	334,227
Social and labor liabilities	22	141,489	-	141,748	-
Derivative financial instruments	6.3.(b)	-	29,678	-	29,678
Tax liabilities		-	-	28,902	31,288
Provision for judicial and administrative litigation	23.2	48,753	26,187	616,526	272,969
Deferred income tax and social contribution	25.1	-	-	171,647	121,678
Payables for the acquisition of companies	24	498,604	225,952	544,167	278,585
Related parties	26.1	2,051	1,816	2,051	1,816
Other payables		5,105	2,680	22,597	8,065
		<b>5,718,490</b>	<b>3,807,610</b>	<b>7,858,223</b>	<b>5,071,122</b>
<b>Total liabilities</b>		<b>6,987,444</b>	<b>4,891,306</b>	<b>10,225,424</b>	<b>6,829,519</b>
<b>Equity</b>					
Share capital	27.1	806,688	806,688	806,688	806,688
Capital reserves	27.2	23,497	23,192	23,497	23,192
Treasury shares	27.3	(42,257)	(42,205)	(42,257)	(42,205)
Earnings reserves	27.4	887,659	626,036	887,659	626,036
Other equity adjustments related to subsidiaries		(12,144)	(1,098)	(12,144)	(1,098)
<b>Total equity</b>		<b>1,663,443</b>	<b>1,412,613</b>	<b>1,663,443</b>	<b>1,412,613</b>
<b>Total liabilities and equity</b>		<b>8,650,887</b>	<b>6,303,919</b>	<b>11,888,867</b>	<b>8,242,132</b>



**JSL S.A.**  
**Statements of profit or loss**  
**Years ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais**

	Note	Parent company		Consolidated	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Net revenue from rendering logistics services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services</b>	29	<b>4,177,986</b>	<b>3,700,944</b>	<b>7,574,644</b>	<b>6,022,405</b>
Cost of rendering logistics services and lease of vehicles, machinery and equipment	30	(3,357,643)	(3,085,808)	(5,977,479)	(4,815,943)
Cost of sale of decommissioned assets used in rendering services	30	(128,589)	(95,144)	(205,123)	(165,414)
<b>Total cost of rendering logistics services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services</b>		<b>(3,486,232)</b>	<b>(3,180,952)</b>	<b>(6,182,602)</b>	<b>(4,981,357)</b>
<b>Gross profit</b>		<b>691,754</b>	<b>519,992</b>	<b>1,392,042</b>	<b>1,041,048</b>
Selling expenses	30	(20,198)	(13,245)	(42,523)	(27,078)
Administrative expenses	30	(185,298)	(158,996)	(413,273)	(319,461)
Reversal of (provision for) expected credit losses ("impairment") of trade receivables	30	6,726	(12,288)	5,563	(14,242)
Other operating income, net	30	237,450	70,066	339,595	88,558
Equity results from subsidiaries	14.1	243,076	183,121	-	-
<b>Profit before finance income, costs and taxes</b>		<b>973,510</b>	<b>588,650</b>	<b>1,281,404</b>	<b>768,825</b>
Finance income	31	135,959	107,965	95,453	88,371
Finance costs	31	(795,554)	(589,717)	(999,107)	(690,799)
<b>Profit before income tax and social contribution</b>		<b>313,915</b>	<b>106,898</b>	<b>377,750</b>	<b>166,397</b>
Income tax and social contribution - current	25.3	-	-	(29,501)	(36,601)
Income tax and social contribution - deferred	25.3	37,868	87,284	3,534	64,386
<b>Total income tax and social contribution</b>		<b>37,868</b>	<b>87,284</b>	<b>(25,967)</b>	<b>27,785</b>
<b>Profit for the year</b>		<b>351,783</b>	<b>194,182</b>	<b>351,783</b>	<b>194,182</b>
<b>(=) Basic earnings per share (in R\$)</b>					
(=) Basic earnings per share (in R\$)	32.1	-	-	1.6510	0.9114
(=) Diluted earnings per share (in R\$)	32.2	-	-	1.6510	0.9114



JSL S.A.  
Statements of comprehensive income  
Years ended December 31, 2023 and 2022  
In thousands of Brazilian Reais

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Profit for the year	351,783	194,182	351,783	194,182
Translation adjustments in the statement of financial position of foreign subsidiaries	(11,046)	(7,562)	(11,046)	(7,562)
<b>Total other comprehensive income</b>	<b>(11,046)</b>	<b>(7,562)</b>	<b>(11,046)</b>	<b>(7,562)</b>
<b>Comprehensive income for the year</b>	<b>340,737</b>	<b>186,620</b>	<b>340,737</b>	<b>186,620</b>



**JSL S.A.**  
**Statements of changes in equity**  
**Years ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais**

	Capital reserves			Earnings reserves					Other equity adjustments related to subsidiaries	Total equity	
	Share capital	Share-based payment transactions	Special reserve	Treasury shares	Retention of earnings	Tax incentive reserve	Investment reserve	Legal reserve			Retained earnings
<b>At December 31, 2021</b>	<b>806,688</b>	<b>430</b>	<b>22,720</b>	<b>(40,701)</b>	<b>15,192</b>	<b>96,640</b>	<b>385,906</b>	<b>36,512</b>	-	<b>6,464</b>	<b>1,329,851</b>
Profit for the year	-	-	-	-	-	-	-	-	194,182	-	194,182
Translation adjustments in the statement of financial position of foreign subsidiaries	-	-	-	-	-	-	-	-	-	(7,562)	(7,562)
<b>Total comprehensive income for the year, net of taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>194,182</b>	<b>(7,562)</b>	<b>186,620</b>
Share-based payment	-	42	-	-	-	-	-	-	-	-	42
Government grants	-	-	-	-	-	119,315	-	-	(119,315)	-	-
Repurchase of shares	-	-	-	(1,504)	-	-	-	-	-	-	(1,504)
Other changes in equity	-	-	-	-	-	-	818	-	-	-	818
Distribution of interest on capital	-	-	-	-	-	-	(34,257)	-	(32,922)	-	(67,179)
Distribution of additional dividends	-	-	-	-	-	-	(36,035)	-	-	-	(36,035)
Retention of earnings	-	-	-	-	-	-	32,236	9,709	(41,945)	-	-
<b>At December 31, 2022</b>	<b>806,688</b>	<b>472</b>	<b>22,720</b>	<b>(42,205)</b>	<b>15,192</b>	<b>215,955</b>	<b>348,668</b>	<b>46,221</b>	-	<b>(1,098)</b>	<b>1,412,613</b>
<b>At December 31, 2022</b>	<b>806,688</b>	<b>472</b>	<b>22,720</b>	<b>(42,205)</b>	<b>15,192</b>	<b>215,955</b>	<b>348,668</b>	<b>46,221</b>	-	<b>(1,098)</b>	<b>1,412,613</b>
Profit for the year	-	-	-	-	-	-	-	-	351,783	-	351,783
Translation adjustments in the statement of financial position of foreign subsidiaries	-	-	-	-	-	-	-	-	-	(11,046)	(11,046)
<b>Total comprehensive income for the year, net of taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>351,783</b>	<b>(11,046)</b>	<b>340,737</b>
Share-based payment	-	305	-	-	-	-	-	-	-	-	305
Government grants of parent company (note 27.4 (d))	-	-	-	-	-	129,422	-	-	(129,422)	-	-
Repurchase of shares	-	-	-	(52)	-	-	-	-	-	-	(52)
Dividends and interest on capital (note 27.4 (a))	-	-	-	-	-	-	-	-	(90,160)	-	(90,160)
Retention of earnings (note 27.4 (a) (c))	-	-	-	-	-	-	114,612	17,589	(132,201)	-	-
<b>At December 31, 2023</b>	<b>806,688</b>	<b>777</b>	<b>22,720</b>	<b>(42,257)</b>	<b>15,192</b>	<b>345,377</b>	<b>463,280</b>	<b>63,810</b>	-	<b>(12,144)</b>	<b>1,663,443</b>

The accompanying notes are an integral part of the parent company and consolidated financial statements.



**JSL S.A.**  
**Statements of cash flows – indirect method**  
**Years ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais**

	<b>Parent company</b>		<b>Consolidated</b>	
	<b>12/31/2023</b>	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>12/31/2022</b>
<b>Cash flows from operating activities</b>				
Profit before income tax and social contribution	313.915	106.898	377.750	166.397
<b>Adjustments to:</b>				
Equity results from subsidiaries (note 14.1)	(243.076)	(183.121)	-	-
Depreciation and amortization (notes 14, 15 and 16)	255.206	180.728	446.586	301.497
Impairment of non-financial assets	-	9.498	-	9.498
Cost of sales of decommissioned assets (note 11)	128.589	95.144	205.123	162.869
Provision for losses, write-off of other assets and interest on acquisitions of companies	49.018	65.109	98.947	33.808
PIS and COFINS credits recognized in profit or loss	(19.694)	(44.499)	(45.647)	(64.227)
Fair value of derivative financial instruments	(38.258)	39.303	(38.167)	39.476
Exchange rate changes	51.750	-	65.239	(374)
Interest and monetary variations on loans and borrowings, leases and debentures	589.120	480.202	741.540	558.001
Preliminary gain on bargain purchase (note 30)	(216.494)	-	(259.195)	-
	<b>870.076</b>	<b>749.262</b>	<b>1.592.176</b>	<b>1.206.945</b>
<b>Changes in net working capital</b>				
Trade receivables	(222.839)	44.961	(285.912)	103.065
Inventories	116	(3.720)	(2.524)	(5.528)
Trade payables	(18.099)	66.555	(35.487)	88.665
Labor and tax liabilities, and taxes recoverable	210.455	237.827	186.752	284.184
Other current and non-current assets and liabilities	225.165	(40.214)	69.086	(87.105)
	<b>194.798</b>	<b>305.409</b>	<b>(68.085)</b>	<b>383.281</b>
Income tax and social contribution paid	-	-	(20.772)	(24.634)
Interest paid on loans and borrowings, leases and debentures	(430.510)	(337.605)	(569.935)	(406.092)
Interest paid on derivatives	(100.764)	(44.212)	(100.700)	(44.212)
Acquisition of operational property and equipment	(640.252)	(481.160)	(1.302.232)	(808.683)
Redemptions of (investments in) marketable securities and financial investments	(836.730)	388.416	(845.670)	404.447
	<b>(943.382)</b>	<b>580.110</b>	<b>(1.315.218)</b>	<b>711.052</b>
<b>Net cash (used in) generated by operating activities</b>	<b>(943.382)</b>	<b>580.110</b>	<b>(1.315.218)</b>	<b>711.052</b>
<b>Cash flows from investing activities</b>				
Increase of capital in subsidiaries (note 14.1)	(5.555)	(104.609)	-	-
Debentures convertible into shares (note 14.1 (iii))	(302.000)	(102.000)	-	-
Acquisition of property and equipment and intangible assets	(42.472)	(61.785)	(87.912)	(89.089)
Dividends and interest on capital received	56.613	60.302	-	-
Acquisitions of companies, net of cash in the consolidated	(58.417)	-	(62.164)	1.475
	<b>(351.831)</b>	<b>(208.092)</b>	<b>(150.076)</b>	<b>(87.614)</b>
<b>Net cash used in investing activities</b>	<b>(351.831)</b>	<b>(208.092)</b>	<b>(150.076)</b>	<b>(87.614)</b>
<b>Cash flows from financing activities</b>				
Repurchase of treasury shares	(52)	(1.504)	(52)	(1.504)
Payment for the acquisition of companies	(76.686)	(86.151)	(93.443)	(148.579)
New loans, borrowings and debentures	2.123.938	36.064	2.781.022	124.503
Payment of loans, borrowings, leases and debentures	(737.599)	(70.213)	(941.168)	(167.750)
Dividends and interest on capital paid	(134.775)	(99.872)	(134.775)	(99.872)
	<b>1.174.826</b>	<b>(221.676)</b>	<b>1.611.584</b>	<b>(293.202)</b>
<b>Net cash generated by (used in) financing activities</b>	<b>1.174.826</b>	<b>(221.676)</b>	<b>1.611.584</b>	<b>(293.202)</b>
<b>Effects of exchange rate variations on cash and cash equivalents</b>	<b>(11.046)</b>	<b>(7.562)</b>	<b>(11.046)</b>	<b>(7.562)</b>
<b>(Decrease) / increase in cash and cash equivalents</b>	<b>(131.433)</b>	<b>142.780</b>	<b>135.244</b>	<b>322.674</b>
<b>Cash and cash equivalents</b>				
At the beginning of the year	195.441	52.661	475.625	152.951
At the end of the year	64.008	195.441	610.869	475.625
	<b>(131.433)</b>	<b>142.780</b>	<b>135.244</b>	<b>322.674</b>
<b>(Decrease) / increase in cash and cash equivalents</b>	<b>(131.433)</b>	<b>142.780</b>	<b>135.244</b>	<b>322.674</b>
<b>Balance variation, without affecting cash</b>				
Offset of taxes recoverable against taxes payable	257,913	287,546	340,275	355,255
Additions financed by leases payable and FINAME	(15,891)	(248,821)	(65,269)	(555,686)
Balance variation of trade payables and supplier financing - car makers	(7,675)	17,510	162,066	(176,969)
Additions of right-of-use leases	(56,658)	(107,803)	(162,022)	(193,815)
Capital increase with issuance of debentures convertible into shares	-	-	(94,013)	-



**JSL S.A.**  
**Statements of value added**  
**Years ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais**

<b>Revenues</b>	<b>Note</b>	<b>Parent company</b>		<b>Consolidated</b>	
		<b>12/31/2023</b>	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>12/31/2022</b>
Sales, lease, rendering services and sale of decommissioned assets	29	4,940,127	4,400,752	8,929,835	7,133,693
Reversal of (provision for) expected credit losses ("impairment") of trade receivables	30	6,726	(12,288)	5,563	(14,242)
Other operating income	30	279,745	129,411	404,573	184,827
		<b>5,226,598</b>	<b>4,517,875</b>	<b>9,339,971</b>	<b>7,304,278</b>
<b>Inputs acquired from third parties</b>					
Cost of sales and rendering services		(2,230,954)	(2,179,180)	(3,962,686)	(3,188,612)
Materials, electric power, services provided by third parties and others		(153,389)	(127,387)	(214,002)	(181,048)
		<b>(2,384,343)</b>	<b>(2,306,567)</b>	<b>(4,176,688)</b>	<b>(3,369,660)</b>
<b>Gross value added</b>		<b>2,842,255</b>	<b>2,211,308</b>	<b>5,163,283</b>	<b>3,934,618</b>
<b>Retentions</b>					
Depreciation, amortization and impairment	30	(255,206)	(190,226)	(446,586)	(310,995)
<b>Net value added produced by JSL</b>		<b>2,587,049</b>	<b>2,021,082</b>	<b>4,716,697</b>	<b>3,623,623</b>
<b>Value added received through transfer</b>					
Equity results from subsidiaries	14.1	243,076	183,121	-	-
Finance income	31	135,959	107,965	95,453	88,371
		<b>379,035</b>	<b>291,086</b>	<b>95,453</b>	<b>88,371</b>
<b>Total value added to distribute</b>		<b>2,966,084</b>	<b>2,312,168</b>	<b>4,812,150</b>	<b>3,711,994</b>
<b>Value added distributed</b>					
<b>Personnel and payroll charges</b>					
Direct Remuneration	30	1,283,164	1,072,843	2,312,296	1,894,386
Benefits		819,206	701,941	1,510,233	1,223,006
FGTS		385,502	306,603	672,728	569,628
		78,456	64,299	129,335	101,752
<b>Taxes, Charges and Contributions</b>		<b>493,735</b>	<b>390,070</b>	<b>1,057,501</b>	<b>842,207</b>
Federal taxes		220,339	130,882	519,974	374,179
State taxes		188,803	186,755	416,642	352,950
Municipal taxes		84,593	72,433	120,885	115,078
<b>Third party capital remuneration</b>		<b>837,402</b>	<b>655,073</b>	<b>1,090,570</b>	<b>781,219</b>
Interest and bank fees		795,554	589,717	999,107	690,799
Leases		41,848	65,356	91,463	90,420
<b>Remuneration of the own capital</b>		<b>351,783</b>	<b>194,182</b>	<b>351,783</b>	<b>194,182</b>
Dividends and interest on capital for the year		90,160	32,922	90,160	32,922
Retained earnings for the year		261,623	161,260	261,623	161,260
<b>Value added distributed</b>		<b>2,966,084</b>	<b>2,312,168</b>	<b>4,812,150</b>	<b>3,711,994</b>



## 1. General information

### i. Reporting entity

JSL S.A. ("Company" or "Parent company") is a publicly-traded corporation with its headquarters at Doutor Renato Paes de Barros Street 1.017, 9th floor – Itaim Bibi - São Paulo, with shares traded on B3 S.A. - Brasil, Bolsa, Balcão ("B3") under the ticker JSLG3, and controlled by Simpar S.A. ("Holding"). The Company also trades share deposit certificates on the over-the-counter market of the United States of America (USA) in order to facilitate the purchase, maintenance and sale of shares by North American investors.

JSL S.A. and its subsidiaries (collectively referred to as "JSL") are focused on logistics services, referred to as 'JSL Logística', mainly providing services of intercity, interstate and international road freight transport; chartered passenger transport; logistical organization of freight transport; storage, handling in manufacturing plants and related activities.

### ii. Corporate restructuring

On November 29, 2023, the merger of Unitum Participações S.A. into JSL S.A. and the merger of Fortixs Veículos Ltda. into IC Transportes Ltda., as of December 1, 2023, were approved.

On August 31, 2023, the company Quick Armazém Ltda. was dissolved through a Private Dissolution Instrument.

At the Extraordinary General Meeting held on June 29, 2023, the merger of Medlogística Prestação de Serviços de Logística S.A. into JSL S.A. was approved.

On November 30, 2022, the shareholders approved the merger of Fadel Soluções em Logística Ltda. and Locadel Veículos Ltda. into Fadel Transportes e Logística Ltda.

On March 31, 2022, the shareholders approved the merger of Abaete Comércio de Veículos Ltda. and Unileste Transportes Ltda. into Transportadora Rodomeu Ltda. and the downstream merger of Riograndense Logística Ltda. into Transportes Marvel Ltda. as of April 1, 2022.

At the Extraordinary General Meeting held on January 3, 2022, the merger of Fadel Holding S.A. and Moreno Holding Ltda. into JSL S.A. was approved.

### 1.1. Main events

#### a) **2<sup>nd</sup> issuance of simple, convertible, unsecured debentures, in three series, for private distribution of subsidiary Sinal Serviços de Integração Industrial Ltda. ("Sinal")**

On January 10, 2023, the subsidiary executed the Private Deed Instrument for the 2<sup>nd</sup> issuance of simple, convertible, unsecured debentures, in three series, for private distribution. The total issuance amount was R\$ 132,000 subject to CDI rate + 2.70% and final maturity on February 11, 2025; all debentures were acquired by the Company. This is a compound financial instrument recorded in the subsidiary's equity, which includes components of financial liability and equity comprising securities that will mandatorily be converted into share capital at the option of the holder, and, in the case of Mandatory Conversion, upon receipt of the Conversion Notice, all Debentures shall be converted into 132,000 common shares issued by the Issuer.



**b) Capital increase of subsidiary Sinal Serviços de Integração Industrial Ltda. (“Sinal”) as advance for future capital increase and Conversion into shares of the 1<sup>st</sup> issuance of simple debentures of subsidiary Sinal Serviços de Integração Industrial Ltda. (“Sinal”)**

At the Extraordinary General Meeting held on June 14, 2023, a capital increase of R\$ 94,013 in subsidiary Sinal was discussed and approved, with the issuance of 94,013 new registered common shares with no par value, being R\$ 42,013 as advance for future capital increase and R\$ 52,000 as conversion of shares of the 1<sup>st</sup> series of convertible debentures. Consequently, share capital increased from R\$ 1 to R\$ 94,014.

**c) Issuance of Certificates of Real Estate Receivables - CRI**

On September 15, 2023, JSL S.A. completed the fundraising of R\$ 707,156, through the issuance of Certificates of Real Estate Receivables (CRI), divided into four series, as follows: (i) the first series in the amount of R\$ 67,357 and maturing on September 15, 2028; (ii) the second series in the amount of R\$ 72,481 and maturing on September 15, 2030; (iii) the third series in the amount of R\$ 186,132 and maturing on September 15, 2030; and (iv) the fourth series in the amount of R\$ 381,186 and maturing on September 15, 2030. The operation was carried out through the issuance of simple, non-convertible debentures, of the unsecured type. The first and second series bear interest corresponding to 100% of the DI Rate, plus a spread of 1.25% p.a. in the first series and 1.50% p.a. in the second series. The third series bears interest equivalent to IPCA + 6.7045% p.a. and the fourth series bears interest equivalent to 12.5337% p.a.

**d) 1<sup>st</sup> issuance of simple, convertible, unsecured debentures, in a single series, for private distribution of subsidiary Pronto Express Logística S.A. (“TPC”)**

On November 30, 2023, the subsidiary executed the Private Deed Instrument for the 1<sup>st</sup> issuance of simple, convertible, unsecured debentures, in a single series, for private distribution. The issuance amount was R\$ 170,000 subject to DI rate + 2.40% and final maturity on November 30, 2028; all debentures were acquired by the Company. This is a compound financial instrument recorded in the subsidiary's equity, which includes components of financial liability and equity comprising securities that will mandatorily be converted into share capital at the holder's discretion, and, in the case of Mandatory Conversion, upon receipt of the Conversion Notice, all Debentures shall be converted into 170,000 common shares issued by the Issuer.

**e) 17<sup>th</sup> issuance of simple, non-convertible, unsecured debentures, in a single series, for public distribution, under the distribution registration procedure, of JSL S.A.**

On December 14, 2023, JSL S.A. executed the Private Deed Instrument for the 17<sup>th</sup> issuance of simple, non-convertible, unsecured debentures, in a single series, for private distribution. The issuance amount was R\$ 300,000 subject to DI rate + 2.35% and final maturity on December 20, 2028; all debentures were acquired by the Company.

**f) 1<sup>st</sup> issuance of book-entry commercial notes, in a single series, convertible into ownership interest, for private distribution, of IC Transportes Ltda.**

On October 24, 2023, IC Transportes Ltda. issued for private distribution 58,972,031 book-entry commercial notes, in a single series, from the issuer's 1<sup>st</sup> issuance, with a par value of R\$ 1.00, totaling R\$ 58,972 with DI Rate +2.16% and final maturity on September 15, 2028, entered into between IC Transportes S.A. and JSL S.A.



## g) Acquisition of companies

### Acquisitions of 2023

#### i. Acquisition of Fazenda São Judas Logística Ltda. (“FSJ”)

The Company, through its subsidiary Pronto Express Logística S.A., completed the acquisition of a 100% ownership interest in Fazenda São Judas Logística Ltda (“FSJ Logística”) on August 31, 2023 (“acquisition date”), approved by the Administrative Council for Economic Defense (“CADE”) on August 14, 2023.

Fazenda São Judas Logística Ltda (“FSJ Logística”) is headquartered in the city of Itupeva (SP), and is specialized in road transportation, serving Retail and E-Commerce customers through fixed and daily routes to different municipalities, resulting in a greater diversification of sectors that boosts the Company's operations in this sector.

The transaction price was R\$ 105,964, which can be adjusted through a written notice to sellers in up to 120 days from the acquisition date. The sellers have a maximum of 15 days from the date of receipt of the price calculation notice to respond, in writing, if they agree or disagree with the price calculation report. In the event they do not answer within the established period, the calculations presented by the purchaser will become definitive:

	Amount of the consideration
Amount payable in cash	39,982
Amount payable in installments (i)	39,982
Contingent consideration (ii)	26,000
<b>Total price (consideration)</b>	<b>105,964</b>

- (i) This amount is recorded in “Payables for the acquisition of companies”. The remaining amount of the purchase price will be paid in two annual and consecutive installments; each installment will be subject to 100% of the CDI calculated between the closing date and the date of payment.
- (ii) The amount of R\$ 26,000 will be retained as collateral for any contingencies, and is recorded in “Payables for the acquisition of companies”. This amount will only be released on the first business day after the sixth anniversary of the closing date, less the total amount of disputes with third parties under the responsibility of the sellers.



In accordance with CPC 15/IFRS 3– Business Combinations, the fair value of the assets acquired and liabilities assumed for the determination of the purchase price allocation is shown below:

	Fair value at the acquisition date
<b>Assets</b>	
Cash and cash equivalents	28,677
Trade receivables	35,285
Indemnification assets	50,000
Property and equipment	110,721
Intangible assets	88,310
Other assets	15,395
<b>Total assets</b>	<b>328,388</b>
<b>Liabilities</b>	
Loans and borrowings	25,609
Trade payables	21,980
Social and labor liabilities	8,157
Tax liabilities	5,958
Leases payable	10,398
Right-of-use lease	37,478
Other liabilities	70,143
<b>Total liabilities</b>	<b>179,723</b>
<b>Total net assets</b>	<b>148,665</b>
<b>Fair value of the consideration paid</b>	<b>105,964</b>
<b>Gain on bargain purchase</b>	<b>(42,701)</b>

#### Fair value measurement on provisional bases

The fair value of the assets, net of liabilities assumed, is R\$ 148,665 and includes: (i) R\$ 30,171 related to surplus value of property and equipment; (ii) R\$ 50,000 related to indemnification assets; (iii) R\$ 85,641 related to customer list; (iv) R\$ 2,669 related to non-compete agreement; and (v) R\$ 2,340 related to contingent liabilities. The transaction generated a gain on bargain purchase of R\$ 42,701.

Before recognizing the gain on bargain purchase, the Company and its advisors carried out a review to make sure that all assets acquired and liabilities assumed were correctly identified. After this review, management concluded that the measurements properly reflect the consideration of all information available on the date of acquisition and that the procedures and measurements are adequate. The calculation of the gain on bargain purchase is mainly related to contracts already signed with strategic customers that are considered as a relevant intangible asset since they represent a source of stable and recurring revenue for FSJ Logística. The gain on bargain purchase was recorded in the statement of profit or loss under "Other operating income (expenses)". The tax effects amounting to R\$ 14,518 were recorded in line item Deferred income tax and social contribution (note 25.1), considering that, according to the tax legislation, the gain on bargain purchase is not subject to immediate taxation, and must be computed in the determination of the actual profit in the period of calculation of the sale or write-off of the acquired investment.

The fair value of assets and liabilities was provisionally determined. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date indicates adjustments to the amounts mentioned above, or any additional provision that existed at the acquisition date, the accounting for acquisition will be reviewed.



### Techniques for fair value measurement

The valuation techniques used to measure the fair value of the significant assets acquired were as follows:

<b>Assets acquired</b>	<b>Valuation technique</b>
<i>Property and equipment</i>	Market comparison and cost methodologies: the valuation model considers the market prices for similar items, when available, and the depreciated replacement/reproduction cost, when appropriate. The depreciated replacement cost reflects the adjustments for physical depreciation, as well as functional and economic obsolescence.
<i>Customer list</i>	The Multi-period Excess Earnings method (MPEEM) considers the present value of expected net cash flows from customer relationships, less any cash flows associated to contributory assets.
<i>Non-compete agreement</i>	The with or without method is the approach used to assess non-compete agreements. To estimate the intangible asset value two scenarios are analyzed: one with the agreement in force and another hypothetical scenario without the non-compete agreement, taking into account free competition between the parties involved.
<i>Contingent liabilities</i>	The fair value of contingencies and materialized and non-materialized risks identified, of a tax, civil, labor and social security nature, was measured based on the analysis of the Company's external and independent advisors. The assigned fair value considers the advisors' estimate for such contingencies and risks within the applicable statute of limitations.

### Result from business combination

This business combination contributed to the Company's result for the year ended December 31, 2023 with net revenue of R\$ 130,074 and profit of R\$ 8,407, generated by FSJ Logística as from August 31, 2023, date on which the Company took over the control.

Had the acquisition of FSJ Logística occurred on January 1, 2023, the net revenue for the year ended December 31, 2023 would be R\$ 328,238 and the profit for the year would be R\$ 19,759 (unaudited information).

### Acquisition costs

The Company incurred costs associated with the acquisition in the amount of R\$ 70, related to attorney's fees and due diligence costs, classified as "Administrative expenses" in the statement of profit or loss.

### ii. Definitive allocations of Unitem Participações S.A. ("IC Transportes")

The Company completed the acquisition of 100% of the stake in Unitem Participações S.A. ("Unitem"), a holding company that owns 100% of the quotas of IC Transportes Ltda. ("IC Transportes"), from Artus Administradora Ltda. and Fortixs Veículos Ltda. on April 28, 2023 ("acquisition date"), approved by the Administrative Council for Economic Defense ("CADE") on March 21, 2023.

Unitem and its subsidiaries are headquartered in the City of Sumaré (SP) and they are specialized in gas, fuel, chemicals and agribusiness transportation, resulting in a greater diversification of sectors and geographies that boost the road transportation of bulk and highly-complex cargo.



The transaction price was R\$ 324,669 as shown below:

	<b>Amount of the consideration</b>
Amount paid in cash	58,417
Amount payable in installments (i)	166,252
Contingent consideration (ii)	100,000
<b>Total price (consideration)</b>	<b>324,669</b>

(i) This amount is recorded in “Payables for the acquisition of companies”. The remaining amount of the purchase price will be paid in 4 annual and consecutive installments; each installment will be subject to 90% of the CDI calculated between the closing date and the date of payment.

(ii) The amount of R\$ 100,000 will be retained as collateral for any contingencies, and is recorded in “Payables for the acquisition of companies”. This amount will only be released on the first business day after the sixth anniversary of the closing date, less the total amount of disputes with third parties under the responsibility of the sellers.

In accordance with CPC 15/IFRS 3– Business Combinations, the fair value of the assets acquired and liabilities assumed for the determination of the purchase price allocation is shown below:

	<b>Fair value at the acquisition date</b>
<b>Assets</b>	
Cash and cash equivalents	7,558
Trade receivables	174,462
Indemnification assets	332,259
Property and equipment	689,902
Intangible assets	8,249
Other assets	87,114
<b>Total assets</b>	<b>1,299,545</b>
<b>Liabilities</b>	
Loans and borrowings	230,205
Trade payables	39,210
Social and labor liabilities	30,668
Provision for contingencies	353,929
Leases payable	21,666
Right-of-use lease	40,870
Other liabilities	41,834
<b>Total liabilities</b>	<b>758,382</b>
<b>Total net assets</b>	<b>541,163</b>
<b>Fair value of the consideration paid</b>	<b>324,669</b>
<b>Gain on bargain purchase</b>	<b>(216,494)</b>

### Fair value measurement on definitive bases

The fair value of the assets, net of liabilities assumed, is R\$ 541,163 and includes: (i) R\$ 209,755 related to surplus value of property and equipment; (ii) intangible assets comprising R\$ 4,694 referring to trademark and R\$ 3,200 to non-compete agreement; (iii) R\$ 332,259 related to indemnification assets; (iv) R\$ 5,565 related to fixed assets available for sale; and (v) R\$ 100,655 related to contingent liabilities. The transaction generated a gain on bargain purchase of R\$ 216,494.

Before recognizing the gain on bargain purchase, the Company and its advisors carried out a review to make sure that all assets acquired and liabilities assumed were correctly identified. After this review,



management concluded that the measurements properly reflect the consideration of all information available on the date of acquisition and that the procedures and measurements are adequate. The calculation of the gain on bargain purchase is related to the market moment of the logistics sector, which suffered from strong inflationary pressure on inputs, which strongly impacted IC Transportes' operating margins, and due to the maintenance of the interest rate level and credit restriction in Brazil, which, together with the prices of new assets, adds pressure on the Company's investment capacity to renew and expand its fleet and thereby serve its customers. The gain on bargain purchase was recorded in the statement of profit or loss under "Other operating income (expenses)".

### Techniques for fair value measurement

The valuation techniques used to measure the fair value of the significant assets acquired were as follows:

<b>Assets acquired</b>	<b>Valuation technique</b>
<i>Property and equipment and assets available for sale</i>	Market comparison and cost methodologies: the valuation model considers the market prices for similar items, when available, and the depreciated replacement/reproduction cost, when appropriate. The depreciated replacement cost reflects the adjustments for physical depreciation, as well as functional and economic obsolescence.
<i>Trademark</i>	Relief from Royalties method that captures the royalty savings associated with owning the trademarks, rather than obtaining a license to use them.
<i>Non-compete agreement</i>	The with or without method is the approach used to assess non-compete agreements. To estimate the intangible asset value two scenarios are analyzed: one with the agreement in force and another hypothetical scenario without the non-compete agreement, taking into account free competition between the parties involved.
<i>Contingent liabilities</i>	The fair value of contingencies and materialized and non-materialized risks identified, of a tax, civil, labor and social security nature, was measured based on the analysis of the Company's external and independent advisors. The assigned fair value considers the advisors' estimate for such contingencies and risks within the applicable statute of limitations.

### Result from business combination

This business combination contributed to the Company's result for the year ended December 31, 2023 with net revenue of R\$ 766,074 and profit of R\$ 58,969 generated by IC Transportes as from April 28, 2023, date on which the Company took over the control.

Had the acquisition of Unitum occurred on January 1, 2023, the net revenue for the year ended December 31, 2023 would be R\$ 1,195,197 and the profit for the year would be R\$ 35,072 (unaudited information).

### Acquisition costs

The Company incurred costs associated with the acquisition in the amount of R\$ 464, related to attorney's fees and due diligence costs, classified as "Administrative expenses" in the statement of profit or loss.



## Acquisitions of 2022

### i. Definitive allocations of Truckpad Tecnologia e Logística S.A. and Truckpad Meios de Pagamentos Ltda. (“Truckpad”)

On May 26, 2022, the Company completed the acquisition of 100% of the shares issued by Truckpad.

The Company believes that the transaction will accelerate JSL's technological development through the access to Truckpad's technology.

The transaction totaled US\$ 1.00, which was paid on May 26, 2022 in local currency, in addition to the assumption of the obligations and debts of the company acquired.

In accordance with CPC 15/IFRS 3– Business Combinations, the fair value of the assets acquired and liabilities assumed for the determination of the purchase price allocation is shown below:

	Fair value at the acquisition date
<b>Assets</b>	
Cash and cash equivalents	1,475
Trade receivables	381
Property and equipment	485
Intangible assets	11,460
Other assets	229
<b>Total assets</b>	<b>14,030</b>
<b>Liabilities</b>	
Loans and borrowings	3,953
Trade payables	2,514
Social and labor liabilities	4,890
Provision for contingencies	11,517
Other liabilities	5,965
<b>Total liabilities</b>	<b>28,839</b>
<b>Total net assets (net capital deficiency)</b>	<b>(14,809)</b>
<b>Fair value of the consideration paid</b>	<b>0.0048</b>
<b>Goodwill</b>	<b>14,809</b>

### Fair value measurement on definitive bases

The fair value of the liabilities assumed is R\$ 14,809 and includes R\$ 5,566 related to software, R\$ 3,428 to trademark in intangible assets, and R\$ 11,204 to contingent liabilities. Goodwill generated totals R\$ 14,809.



### Techniques for fair value measurement

The valuation techniques used to measure the fair value of the significant assets acquired were as follows:

<b>Assets acquired</b>	<b>Valuation technique</b>
<i>Trademark</i>	Relief from Royalties method that captures the royalty savings associated with owning the trademarks, rather than obtaining a license to use them.
<i>Software</i>	Methodology adopted to analyze the company's projections in relation to the volume of services contracted/provided by the software that will serve as a basis for the calculation through royalties.
<i>Contingent liabilities</i>	The fair value of contingencies and materialized and non-materialized risks identified, of a tax, labor and social security nature, was measured based on the analysis of the Company's external and independent advisors. The assigned fair value considers the advisors' estimate for such contingencies and risks within the applicable statute of limitations.

### Result from business combination

Had the acquisition of TruckPad occurred on January 1, 2022, the net revenue for the year ended December 31, 2022 would be R\$ 8,638 and the loss for the year would be R\$ 2,904.

### Acquisition costs

The Company incurred costs associated with the acquisition in the amount of R\$ 225, related to attorney's fees and due diligence costs, classified as "Administrative expenses" in the statement of profit or loss for 2022.

#### 1.1.1 Cash flows from acquisitions

	<b>IC</b>	<b>FSJ</b>	<b>12/31/2023</b>
			<b>Total</b>
Amount paid in cash	58,417	39,982	98,399
(-) Cash and cash equivalents of the acquirees	(7,558)	(28,677)	(36,235)
<b>Net cash flows of acquisitions</b>	<b>50,859</b>	<b>11,305</b>	<b>62,164</b>

	<b>12/31/2022</b>
	<b>TruckPad</b>
Amount paid in cash	-
(-) Cash and cash equivalents of the acquiree	(1,475)
<b>Net cash flows of acquisitions</b>	<b>(1,475)</b>



## 1.2. List of interests in subsidiaries

The Company's equity interests in its subsidiaries at the end of the reporting period are as follows:

Corporate name	Headquarter country	12/31/2023		12/31/2022	
		Direct %	Indirect %	Direct %	Indirect %
Medlogística Prestação de Serviços de Logística S.A. ("Medlogística") (ii)	Brazil	-	-	99.99	0.01
Quick Armazéns Gerais - Eireli - ME ("Quick Armazéns") (iii)	Brazil	-	-	99.99	0.01
Quick Logística Ltda. ("Quick Logística")	Brazil	99.99	0.01	99.99	0.01
Sinal Serviços de Integração Industrial Ltda ("Sinal Serviços")	Brazil	99.99	0.01	99.99	0.01
Yolanda Logística Armazém Transportes e Serviços Gerais Ltda. ("Yolanda")	Brazil	99.99	0.01	99.99	0.01
Transmoreno Transporte e Logística Ltda. ("Transmoreno")	Brazil	100.00	-	100.00	-
Fadel Transportes e Logística Ltda. ("Fadel Transportes")	Brazil	100.00	-	100.00	-
Fadel Logistics South Africa ("Fadel South Africa")	South Africa	-	100.00	-	100.00
Mercosur Factory Sociedad Anónima ("Fadel Paraguay")	Paraguay	100.00	-	100.00	-
Pronto Express Logística S.A.	Brazil	100.00	-	100.00	-
Fazenda São Judas Logística Ltda.	Brazil	-	100.00	-	-
TPC Logística Sudeste S.A.	Brazil	-	100.00	-	100.00
TPC Logística Nordeste S.A.	Brazil	-	100.00	-	100.00
Transportadora Rodomeu Ltda.	Brazil	100.00	-	100.00	-
Agrolog Transportadora de Cargas em Geral Ltda.	Brazil	100.00	-	100.00	-
Transportes Marvel Ltda.	Brazil	100.00	-	100.00	-
Truckpad Tecnologia e Logística S.A.	Brazil	100.00	-	100.00	-
Truckpad Meios de Pagamentos Ltda.	Brazil	-	100.00	-	100.00
Unitum Participações S.A. (i)	Brazil	-	-	-	-
IC Transportes Ltda. (i)	Brazil	100.00	-	-	-
Fortixs Veículos Ltda. (i)	Brazil	-	-	-	-
Artus Administradora Ltda. (i)	Brazil	100.00	-	-	-

- (i) On November 29, 2023, the merger of Unitum Participações S.A. into JSL S.A. and the merger of Fortixs Veículos Ltda. into IC Transportes Ltda, were approved. With the merger of Unitum Participações S.A., IC Transportes Ltda. and Artus Administradora Ltda. now hold direct interest in JSL S.A.
- (ii) At the Extraordinary General Meeting held on June 29, 2023, the merger of Medlogística Prestação de Serviços de Logística S.A. into JSL S.A. was approved.
- (iii) Company dissolved on August 31, 2023 through a Private Dissolution Instrument.

## 1.3. Sustainability and environment

The logistics and transport sector is very relevant with regard to Greenhouse Gas (GHG) emissions and, consequently, climate change. The Group assesses this aspect as a risk in its business, as these changes can directly affect its revenues, costs and resource availability. The Group seeks to operate in a sustainable manner, developing solutions that address or neutralize the negative impacts of operations. In this sense, since 2022 a Climate Change Policy has been maintained which, together with the Sustainability Policy, directs mitigation, compensation and adaptation actions due to the climate change scenario.

The Group also follows what is determined in the Greenhouse Gas Emissions Management Program, in order to contribute to the public target of reducing the intensity of GHG emissions by 15% by 2030.

The measurement and monitoring of emissions, as well as the target, is presented quarterly to the Group's Sustainability Committee, and the following factors are considered as part of the plan to achieve the target:

- maintenance of low average fleet age and use of more recent technologies;
- evaluation of the acquisition of electrical and gas vehicles and equipment;
- use of telemetry to improve driver performance, reducing fuel consumption and optimizing the fleet;
- increasing the participation of renewable energy sources in the energy matrix, to minimize Scope 2 emissions.

The emissions inventory is compiled and audited by independent auditors, and published annually. Furthermore, the program and controls are constantly improved in pursuit of the set objective, and for the fourth consecutive year JSL won the Gold Seal from the Brazilian GHG Protocol Program, from the Center for Sustainability Studies



(FGVces), from Fundação Getúlio Vargas (FGV SP). The certification is recognition for companies that achieve the highest level of qualification and transparency in verifying their 2022 greenhouse gas (GHG) emissions inventory. The Company also maintained a B grade in the Carbon Disclosure Project (“CDP”), above the global average for the transport and logistics sector, which is grade.

## **2. Basis of preparation and presentation of the parent company and consolidated financial statements and significant accounting policies**

### **2.1. Statement of compliance (with regard to the Brazilian Accounting Pronouncements Committee – CPC and International Financial Reporting Standards – IFRS)**

The parent company and consolidated financial statements have been prepared in accordance with the accounting practices adopted in Brazil, which comprise the technical pronouncements, guidance and interpretations issued by the Brazilian Accounting Pronouncements Committee (CPC) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) (currently named by the IFRS Foundation as “IFRS® accounting standards”) including the interpretations issued by the IFRS Interpretations Committee (IFRIC® Interpretations), and disclose all (and only) the applicable significant information related to the financial statements, which is consistent with the information utilized by management in the performance of its duties.

The issuance of these financial statements was authorized by the Board of Directors on March 19, 2024.

All significant information in the financial statements, and only this information, is being disclosed and corresponds to that used by Management in its activities.

#### **a) Basis of measurement**

The parent company and consolidated financial statements were prepared on the historical cost basis, except for financial instruments measured at fair value through profit or loss, as disclosed in note 6.1, when applicable.

### **2.2. Statement of value added (“DVA”)**

The preparation of the parent company and consolidated statements of value added (DVA) is required by the Brazilian corporate legislation and the accounting practices adopted in Brazil applicable to listed companies.

The international financial reporting standards (“IFRS”) do not require the presentation of such statement. Accordingly, under the IFRS this statement is presented as supplementary information, and not as part of the set of parent company and consolidated quarterly information.

### **2.3. Functional currency and translation of foreign currency**

#### **a) Functional and presentation currency**

These parent company and consolidated financial statements are presented in Brazilian reais (R\$), which is the functional currency of the Company and its subsidiaries, except for Fadel Mercosur, whose functional currency is the Guarani, and Fadel South Africa, whose functional currency is the Rand, as detailed in item c). All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### **b) Transactions and balances**



Foreign currency transactions are translated into Brazilian Reais using the exchange rates prevailing at the dates of the transactions or the dates of valuation when items are remeasured.

Foreign exchange gains and losses that relate to financial assets and liabilities, such as loans and borrowings, cash and cash equivalents and marketable securities indexed in a currency other than the Brazilian Real, are presented in the statement of profit or loss as finance income or costs.

### c) Group companies with a different functional currency

The financial statements of the subsidiaries Fadel Paraguay and Fadel South Africa, included in the consolidation, were prepared in Guarani and Rand, respectively, which are their functional currencies. The results and financial position of Fadel Paraguay and Fadel South Africa, whose functional currencies differ from the presentation currency, are translated into the Company's presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position are translated at the closing rate at the reporting date;
- (ii) Income and expenses for each statement of profit or loss are translated at the average monthly exchange rates;
- (iii) All differences arising from translation of exchange rates are recognized as a separate component in equity, in the line item "Other equity adjustments related to subsidiaries".

The exchange rates in Reais in effect on the base date of these financial statements are as follows:

Currency	Rate	12/31/2023
Guarani	Average	0.0006859
Guarani	Closing	0.0006678
Rand	Average	0.2711
Rand	Closing	0.2627

The amounts presented in the cash flows are extracted from the translated movements of assets, liabilities and profit or loss, as detailed above.

## 2.4. Basis of consolidation

### a) Business combinations

Business combinations are recorded using the acquisition method when control is transferred to JSL. The consideration transferred in the acquisition is generally measured at fair value, as well as the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred.

The Company chose to present the business combination by applying its equity value in the financial statements of the entity transferred on the recognition of the assets acquired and liabilities assumed.

Identifiable assets acquired and liabilities and contingent liabilities assumed for the acquisition of subsidiaries in a business combination are measured initially at fair value at the acquisition date.

In a business combination, tax law permits the deduction of the goodwill and of the fair value of the net asset generated at the acquisition date when a non-substantial action is taken after the acquisition, for example,



the Company carries out a merger or spin-off of the businesses acquired and, therefore, the tax and accounting bases of the net assets acquired are the same as those at the acquisition date. Therefore, when the Company merges the acquiree, the amortization and depreciation of the assets acquired are deductible.

Acquisition-related costs are expensed as incurred.

All accounting practices related to consolidation of financial statements have been applied, when applicable, for the companies described in note 1.2, including, but not limited to, the elimination of the transactions between the consolidated entities.

#### **b) Subsidiaries**

JSL controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the Company obtains the control until the date on which control ceases.

In the Company's individual financial statements, the financial information of subsidiaries is accounted for using the equity method.

#### **c) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are also eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

### **2.5. Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less, with immaterial risk of change in value. The balance is presented net of bank overdrafts in the statement of cash flows. Overdraft accounts are presented in the statement of financial position in Loans and borrowings line item in current liabilities.

### **2.6. Financial instruments**

#### **2.6.1. Financial assets**

##### **a) Recognition and measurement**

The trade receivables are initially recognized on the date they were originated. All other financial assets and financial liabilities are initially recognized when JSL becomes a party to the contractual provisions of the instrument.

##### **b) Classification and subsequent measurement**

###### **Financial instruments**



On initial recognition, a financial asset is classified as measured: at amortized cost or at fair value, either at fair value through other comprehensive income - FVOCI or at fair value through profit or loss - FVTPL.

The financial assets are not reclassified subsequent to their initial recognition unless JSL changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions below and it is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets, as disclosed in note 6.1. On initial recognition, JSL may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### **Financial assets - Business model assessment**

JSL makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to Management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether Management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to JSL's Management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated, e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and



- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with JSL's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

**Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest:**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, JSL considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, JSL considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- the terms that limit JSL's access to cash flows of specific assets (for example, based on the performance of an asset).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include additional reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

**Financial assets – Subsequent measurement and gains and losses:**

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net income, including any interest, is recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.



### c) Derecognition

JSL derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which JSL neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.

#### 2.6.2. Financial liabilities – classification, subsequent measurement and derecognition

The financial liabilities were classified as measured at amortized cost. Liabilities at amortized cost are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

JSL derecognizes a financial liability when its contractual obligation is discharged, canceled or expires. JSL also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

#### 2.6.3. Offsetting

The financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, JSL has a legally enforceable right to offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### 2.6.4. Impairment of financial assets

JSL recognizes loss allowances for expected credit losses (ECLs) on its financial assets measured at amortized cost.

JSL measures loss allowances at an amount equal to lifetime ECLs.

JSL uses a simplified “provision matrix” to calculate the expected losses on its trade receivables according to which the amount of expected credit losses is defined on an “ad hoc” basis. The provision matrix is based on the percentages of historical loss observed along the expected life of the receivables and is adjusted for specific customers according to future estimates and qualitative factors such as debtor’s financial capacity, guarantees provided, renegotiations in progress, among other factors that are monitored. These qualitative factors are monitored monthly by a committee named Credit and Collection Committee. The percentages of historical loss and the changes in future estimates are reviewed at each reporting period or whenever a significant event occurs indicating that there may be a significant change in these percentages.

For ECLs associated to marketable securities classified as at amortized cost, the methodology of impairment applied depends on the significant increase of the counterparty’s credit risk. Note 6.3.(a) provides details on how JSL determines if there was a significant increase in the credit risk.



The provision for impairment of financial assets measured at amortized cost is presented less the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when JSL has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, JSL has a policy of provisioning the gross carrying amount when the financial asset is 12 to 36 months past due based on historical experience of recoveries of similar assets. JSL expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with JSL's procedures for recovery of amounts due.

## 2.7. Derivative financial instruments and hedge activities

Initially, derivatives are recognized at their fair value as at the date on which a derivative contract is entered into, and subsequently remeasured at fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, in the case of adoption of hedge accounting, And if so, the nature of the item being hedged.

The Group adopts hedge accounting and designates certain derivatives as a fair value hedge of the recognized assets or liabilities or a firm commitment (fair value hedge).

### (a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Group only applies fair value hedge accounting for hedging fixed interest risk on loans and borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognized in the statement of profit or loss within "Finance income (costs), net". The gain or loss relating to the ineffective portion is recognized in the statement of profit or loss within "Finance income (costs), net". Changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk are recognized in the statement of profit or loss within "Finance income (costs), net".

### (b) Hedge ineffectiveness

Hedge ineffectiveness is determined at the time of initiation of the hedge relationship and through periodic prospective assessments of its effectiveness to ensure that there is an economic relationship between the hedged item and the hedging instrument.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans and borrowings, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps.

The ineffectiveness of the interest rate swap hedge is evaluated by the Company. It may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan; and
- differences in critical terms between the interest rate swaps and loans.

### (c) Derivatives at fair value through profit or loss



Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any of these derivative instruments are recognized immediately in the statement of profit or loss within “Other operating income (expenses), net”.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item, for which the effective interest rate method is used, is amortized to profit or loss over the period to maturity.

## 2.8. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which JSL has access at that date. The fair value of a liability reflects its non-performance risk. The non-performance risk includes, among others, JSL’s own credit risk.

A number of the JSL's accounting policies and disclosures require the measurement of fair values, using assumptions and estimates, for both financial and non-financial assets and liabilities (see note 3.2).

When one is available, JSL measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, JSL uses valuation techniques that maximize the use of relevant observable data and minimize the use of unobservable data. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a purchase price and a sale price, JSL measures assets based on purchase prices and liabilities based on selling prices.

The best evidence of the fair value of a financial instrument on its initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If JSL determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to measurement, then the financial instrument is initially measured at fair value adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument, but no later than when the valuation is wholly supported by observable market data or the transaction is closed out, whichever occurs first.

## 2.9. Trade receivables

Trade receivables comprise amounts receivable for services rendered in the normal course of the Group's activities. The Group holds the trade receivables with the objective of receiving the contractual cash flows and therefore measures them initially at fair value and subsequently at amortized cost using the effective interest method, less provision for losses. If the collection period is of one year or less, the receivables are classified in current assets. If not, they are presented as non-current assets.

## 2.10. Inventories

The inventories held by JSL refer substantially to parts kept in inventory for the maintenance of its vehicles. They are measured at the lower of cost and net realizable value (estimated sales price less estimated costs



incurred). The cost of inventories is stated at average acquisition cost and includes costs incurred on the purchase of inventories and other costs incurred to bring them to their existing locations and conditions, deducted from the provisions for slow moving and obsolescence, recognized at 100% of the value of the inventory item without movement for more than 12 months.

### **2.11. Fixed assets available for sale (Fleet renewal)**

In order to comply with its service agreements, JSL must renew its fleet after a certain period of utilization. The vehicles, machinery and equipment available for replacement are reclassified from property and equipment to "Fixed assets available for sale".

Amounts are presented at the lower of the residual value, which is the acquisition cost less accumulated depreciation until the date when assets were made available for sale, and their fair value less the estimated cost to sell the asset. These assets are available for immediate sale in their present condition and are thus very likely to be sold in one year or less.

According to the demand, such as in periods of high seasonality, vehicles, machinery and equipment may again be allocated for use in operations. When this occurs, the assets are returned to the base of property and equipment and their depreciation is recorded again.

### **2.12. Property and equipment**

#### **a) Recognition and measurement**

Items of property and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses, when applicable.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss.

#### **b) Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to JSL. Maintenance and recurring repair costs are recognized in profit or loss when incurred.

#### **c) Depreciation and impairment testing**

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Thus, depreciation rates vary according to the date on which the asset was purchased, the type of the purchased asset, the amount paid, and the estimated sale date and price (method of depreciation for use and sale). The depreciation of vehicles is recorded as cost of services rendered and the depreciation of other property and equipment items is recorded as expense.

The average depreciation rates of the assets for the years ended December 31, 2023 and 2022 are disclosed in note 15.



JSL periodically reviews the estimates of the expected market value at the end of the accounting useful lives of its property and equipment and periodically reviews the estimates of their accounting useful lives used for the determination of the depreciation and amortization rates, and whenever necessary, assesses the recoverability of its assets.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

## **2.13. Intangible assets**

### **2.13.1. Goodwill**

Goodwill represents the excess of the consideration paid and/or payable for business acquisition over the net fair value of the assets and liabilities of the acquired subsidiary, based on the expected future profitability, associated to the JSL's business combination. In the case of a bargain purchase, the difference is recognized directly in the statement of profit or loss.

Goodwill on acquisitions of subsidiaries is recognized as "intangible assets" in the consolidated financial statements and measured at cost less accumulated impairment losses. The tests to identify impairment losses are performed annually and any losses identified are recognized in profit or loss for the year and can no longer be reversed. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the entity sold.

For impairment testing purposes, goodwill is allocated to the Cash Generating Units ("CGUs") that will benefit from the business combination from which goodwill arose.

### **2.13.2. Software**

Software licenses are capitalized on the basis of the costs incurred for their purchase and implementation. These costs are amortized over the estimated useful life of the software.

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and exclusive software products, controlled by the Company, are recognized as intangible assets.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of applicable overheads. Costs also include finance costs related to the development of the software.

Other development expenditures that do not meet these capitalization criteria are recognized as expense as incurred. Development costs previously recorded as expense are not recognized as an asset in a subsequent period.

The amortization rates of assets for the years ended December 31, 2023 and 2022 are disclosed in note 16.

### **2.13.3 Non-compete agreement and customer list**



When acquired in a business combination, they are recognized at fair value at the acquisition date. Clauses of customer relationship / customer list and non-compete agreements have finite useful lives. Amortization is calculated under the straight-line method over the estimated useful life, as described in note 16.

#### **2.13.4. Trademarks**

Trademarks, when acquired in a business combination, are recognized as intangible assets at fair value at the acquisition date. As they have indefinite useful lives, these assets are not amortized and are tested for impairment annually, as described in note 16.2.

TPC Logística Nordeste, Company's indirect subsidiary, has a license to transfer the operation of the Customs Logistics and Industrial Center to "Porto Seco", for an indefinite period, under a contract that permits to provide public services of handling and storage of goods.

#### **2.13.5. Amortization and impairment testing**

When it has a finite useful life, the asset is amortized over its estimated useful life. The useful lives are disclosed in note 16.

Assets with no finite useful life are not amortized, but are tested annually or more frequently when there is an indication that they may present a reduction in their impairment loss individually or at the level of the cash-generating unit ("CGU"), and any identified losses are recognized in profit or loss and can no longer be reversed.

Assets that are subject to amortization are reviewed by external experts to check for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized when the carrying value of the asset exceeds its recoverable value, which represents the greater of the fair value of an asset less its disposal costs and its value in use.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs (or groups of CGUs) that is expected to benefit from the synergies of the combination, which are identified at the operating segment level.

Non-financial assets other than goodwill that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the end of the reporting period. The recoverable amount of a Cash-Generating Unit (CGU) is determined based on calculations of the value in use. These calculations use pre-income tax and social contribution cash flow projections based on financial budgets.

The growth rate does not exceed the average long-term growth rate of the sectors where each CGU operates.

The assumptions and methodologies for impairment testing of intangible assets with indefinite useful lives are disclosed in note 16.2.

#### **2.14. Gain on bargain purchase**

A bargain purchase occurs in a business combination where the price paid to acquire the business is lower than the fair value of the acquired company's equity, represented by the assets acquired and liabilities assumed. Gains on bargain purchase are immediately recognized in profit or loss for the year.



Before recognizing the gain arising from a bargain purchase, the Company reviews the amounts determined in the measurement of amounts to make sure that all assets acquired and all liabilities assumed were correctly identified.

Recognizing the unusualness of this gain in business combinations, the Company reviews the procedures used to ensure that the measurement of the amounts to be recognized at the acquisition date are properly measured for the following cases:

- (i) Identifiable assets acquired and liabilities assumed; and
- (ii) the consideration transferred to obtain control of the acquiree.

Once the appropriateness of the bargain purchase gain amount is confirmed, the Company records the transaction in the Company's financial statements, net of tax effects.

## 2.15. Leases

At inception of a contract, JSL determines whether the contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether the contract conveys a right to control the use of an identified asset, JSL uses the definition of lease in CPC 06 (R2) / IFRS 16.

### (i) As lessee

JSL leases floors of commercial buildings, warehouses and vehicles. In general, lease contracts are made from fixed 1-year to 8-year periods, however, they may have extension options.

At inception or on reassessment of a contract that contains a lease component, JSL allocates the consideration in the contract to each lease component on the basis of their stand-alone prices.

JSL recognizes a right-of-use asset and a lease liability at the date of inception of the lease. The right-of-use asset is initially measured at cost, which comprises the value at the initial measurement of the lease liability, adjusted for any lease payments made up to the date of inception, plus any initial direct costs incurred by the lessee and an estimate of the costs to be incurred by the lessee in the decommissioning and removal of the underlying asset, restoring the site in which it is located or restoring the asset to the condition required by the lease terms and conditions, less any lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the date of inception of the lease to the end of the lease term, unless the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise the purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as the property and equipment items. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not made at the date of inception, discounted at the interest rate implicit in the lease or, if this rate cannot be readily determined, at JSL's incremental borrowing rate. JSL uses its incremental borrowing rate as the discount rate, which is calculated by obtaining interest rates from various external sources of financing and making certain adjustments to reflect the terms of the contract and the type of the leased asset.



Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments and PIS/COFINS credits;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the lessee is reasonably certain to exercise, and penalties for early termination of a lease unless the lessee is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, if there is a change in the amounts expected to be paid according to the residual value guarantee, if JSL changes its evaluation of whether it will exercise a purchase, extension or termination option or if there is a revised fixed payment in essence.

When the lease liability is remeasured in this manner, a corresponding adjustment is made to the carrying amount of the right-of-use asset or recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

JSL has right-of-use assets and those that were formerly classified as “leases payable”, which do not meet the definition of investment property in “property and equipment” and lease liabilities in “Right-of-use leases” and “leases payable” in the statement of financial position.

#### **Leases of short-term and low-value assets**

JSL classifies its operating leases pursuant to the criteria presented in CPC 06 (R2), such as:

- does not recognize right-of-use assets and liabilities for leases whose lease term expires within 12 months from the initial application date;
- does not recognize right-of-use assets and liabilities for leases of low-value assets (e.g. IT equipment);
- excludes initial direct costs for the measurement of right-of-use assets at the initial application date; and
- uses it retrospectively in determining the lease term.

#### **(ii) As lessor**

At inception or on reassessment of a contract that contains a lease component, JSL allocates the consideration in the contract to each lease component on the basis of their stand-alone prices.

When JSL acts as a lessor, it determines at the commencement of the lease whether each lease is a finance lease or an operating lease.

To classify each lease, JSL makes a general assessment whether the lease transfers substantially all risks and rewards incidental to ownership of the underlying asset. If so, the lease is a finance lease; otherwise, it is an operating lease. As part of this assessment, JSL considers certain indicators, such as whether the lease term is equivalent to most of the economic life of the underlying asset.



If a contract contains lease and non-lease components, JSL will apply CPC 47 / IFRS 15 to allocate the consideration in the contract.

JSL applies the derecognition and impairment requirements in CPC 48/IFRS 9 to the net investment in the lease (see note 2.6.1.(c)). JSL also regularly reviews the estimated unguaranteed residual values used in the calculation of the gross investment in the lease.

JSL recognizes lease receipts arising from operating leases as revenue under the straight-line method over the lease term, as part of its operating income.

## 2.16. Current and deferred income tax and social contribution

The income tax and social contribution expenses for the year comprise current and deferred taxes. Taxes on profit are recognized in the statement of profit or loss, except to the extent that they relate to items recognized in comprehensive income or directly in equity. In such cases, the taxes are also recognized in comprehensive income or directly in equity.

The income tax and social contribution charge, current and deferred, is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates the positions taken by JSL in income tax returns with respect to situations in which the applicable tax regulations are subject to interpretation on the basis of amounts expected to be paid to the tax authorities.

The income tax and social contribution are presented net, separated by taxpaying entity, in liabilities when there are amounts payable, or in assets when the amounts prepaid exceed the total amount due on the reporting date, if there is a legally enforceable right to offset the tax liabilities and assets, and if these are related to taxes levied by the same tax authority.

Deferred income tax and social contribution are recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred taxes are not accounted for if they arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither the accounting nor the taxable profit or loss (tax losses).

A deferred tax asset is recognized against extemporaneous tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available, against which it can be utilized. Future taxable profits are determined based on the reversal of material taxable temporary differences. If the amount of the taxable temporary differences is insufficient to fully recognize a deferred tax asset, the future taxable profits will be considered, adjusted for reversals of existing temporary differences, based on JSL's business plans.

Current and deferred income tax and social contribution are calculated based on the rates of 15%, plus a 10% surcharge on the taxable profit exceeding R\$ 240 annually for income tax and 9% on the taxable profit for the social contribution and take into account the offset of income tax and social contribution tax losses, limited to 30% of taxable income for the year.

In business combinations, the tax legislation permits the deductibility of the goodwill and of the fair value of the net asset generated at the acquisition date when a non-substantial action is taken after the acquisition, for example, JSL carries out a merger or spin-off of the businesses acquired and, therefore, the tax and accounting bases of the net assets acquired are the same as those at the acquisition date. Therefore, for the acquired companies that will be merged into JSL, there will be deductibility of the amortization and depreciation of the assets acquired.



(i) Uncertainty over income tax treatments

JSL applies technical interpretation ICPC 22 / IFRIC 23, which deals with accounting for income taxes when there is uncertainty about the acceptability of a certain tax treatment. If the entity concludes that the tax authority is not likely to accept the uncertain tax treatment, the entity reflects the effect of the uncertainty in determining the taxable profit.

## 2.17. Investment grants

JSL is exempt from ICMS on transportation in accordance with Law 12,973/14, Art. 30th § 4th. The amounts calculated in the year are transferred to the investment subsidy reserve within "Earnings Reserves".

Additionally, the subsidiary Quick Logística has ICMS tax benefit named Log Produzir in the state of Goiás.

## 2.18. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business, and are classified as current liabilities if payment is due in one year or less. Otherwise, they are classified as non-current liabilities.

## 2.19. Loans and borrowings

Loans and financing are recognized at amortized cost, net of costs incurred in the transaction. Any difference between the amounts raised (net of transaction costs) and the total amount payable is recognized in the income statement during the period in which the loans and financing are outstanding, using the effective interest rate method.

Loans and borrowings are classified as current liabilities, unless the Group has an unconditional right to defer the settlement of liabilities for, at least, 12 months after the reporting date.

Both general and specific loan and borrowing costs directly related to the acquisition, construction or production of a qualifying asset that requires a substantial period of time to get ready for its intended use are capitalized as part of the cost of that asset when it is probable that future economic benefits associated with the item will flow to the Company and these costs can be measured reliably. The other loan and borrowing costs are recognized as finance costs in the period in which they are incurred.

## 2.20. Provisions

### 2.20.1. General

A provision is recognized when JSL has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

When JSL expects the amount of a provision to be reimbursed, in whole or in part, for example, due to an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is almost certain.

The expenses related to any provision are recognized in the statement of profit or loss, net of any reimbursement.



Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the time elapsed is recognized as interest expense.

### 2.20.2. Provision for judicial and administrative litigation

JSL is a party to several judicial and administrative lawsuits. A provision is established for all contingencies referring to proceedings for which it is probable that an outflow of funds will be required to settle the contingency/obligation, and where a reasonable estimate of this outflow can be made. The assessment of the likelihood of loss includes the assessment of available evidence, hierarchy of laws, available case laws, recent court decisions and their relevance in the legal system, as well as the assessments made by outside counselors.

The provision is reviewed and adjusted to account for changes in circumstances, such as the applicable limitation period, completion of tax inspections, or additional exposure identified on the basis of new matters or court decisions.

The nature of the lawsuits is as follows:

**Labor:** The provision for labor claims was recognized to cover the risks of loss arising from lawsuits claiming compensation for overtime, commute hours, hazardous duty premium, health hazard premium, work accidents and lawsuits filed by employees of third parties due to joint liability.

**Civil:** Civil lawsuits do not involve, individually, material amounts and are mainly related to claims for compensation of traffic accidents and pain and suffering, aesthetic and property damages.

**Tax:** The provision for tax lawsuits refers to administrative lawsuits filed against JSL challenging certain tax assessment notices issued in the inspection process, and other lawsuits filed challenging the lawfulness of the collection of certain taxes.

## 2.21. Revenue from contracts with customers

Revenue is measured based on the consideration specified in the contract with the customer. JSL recognizes revenues when it transfers control over the product or service to the customer. Revenue is shown net of value-added tax, returns, rebates and discounts and, in the consolidated financial statements, after eliminating sales within the Group.

Information on the nature and timing of fulfillment of performance obligations in contracts with customers is described below:

### 2.21.1. Revenue from dedicated services and general cargo

#### a) Nature of revenue, including significant payment conditions

Services offered in an integrated and customized way to each customer, which include the management of the flow of inputs/raw materials and information from the producing source to the entry into the plant (inbound operation), the flow of exit of the finished product from the plant to the consumption point (outbound operation), and the movement of products and management of internal inventories, reverse logistics and storage.

Services for transferring products in the system from “point A” to “point B”, through full truck load, and are billed according to the contract with each customer.



**b) Recognition of revenue according to CPC 47/IFRS 15**

Revenue is recognized over time as services are rendered. The amount of revenue to be recognized is assessed based on evaluations of the progress of the work performed.

**2.21.2. Revenue from sales of decommissioned assets**

**a) Nature of revenue, including significant payment conditions**

After the termination of the lease agreement with its customers, JSL decommissions and sells the vehicles, machinery and equipment.

Customers obtain control of decommissioned vehicles, machinery and equipment when products are delivered. Invoices are issued at that time and are settled by debit in account, bank slip and credit card.

**b) Recognition of revenue according to CPC 47 / IFRS 15**

Revenue from decommissioned vehicles, machinery and equipment is recognized when the products are delivered and accepted by the customer.

**2.21.3. Revenue from vehicle rental**

**a) Nature of revenue, including significant payment conditions**

Rental of vehicles for fleet management and outsourcing. Rental invoices are issued in the month subsequent to the rental.

**b) Revenue recognition according to CPC 06 (R2)/IFRS 16**

Revenue is recognized over time as vehicles are used. The amount of revenue to be recognized is assessed based on the time the customer uses the asset.

**2.21.4. Revenue from passengers transportation**

**a) Nature of revenue, including significant payment conditions**

Passenger transportation services for private companies (freight). The service occurs when the fleet is made available to the companies, and is invoiced according to the contract with each customer.

**b) Recognition of revenue according to CPC 47/IFRS 15**

Revenue is recognized over time as services are rendered. The amount of revenue to be recognized is assessed based on the use of the transportation by the employees of the private companies.

**2.21.5. Finance income**

Interest income is recognized on an accrual basis, using the effective interest rate method.



Interest income from financial assets at fair value through profit or loss is included in net fair value gains/(losses) on these assets. Interest income on financial assets at amortized cost and financial assets at fair value through profit or loss calculated using the effective interest method is recognized in the statement of profit or loss as part of finance income with interest.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

## **2.22. Employee benefits**

### **2.22.1. Short-term benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for an amount expected to be paid if JSL has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **2.22.2. Share-based payment transactions**

The fair value at the date of granting the share-based payment agreements to employees is recognized as personnel expenses, with a corresponding increase in equity, during the period in which employees unconditionally acquire the right to the premiums. The amount recognized as an expense is adjusted to reflect the number of premiums for which there is an expectation that service and performance conditions will be met in such a way that the final amount recognized as an expense is based on the number of premiums that actually meet the service and performance conditions at the vesting date.

At the reporting date, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions and service conditions. It recognizes the impact of the revision to original estimates, if any, in the statement of profit or loss, with a corresponding adjustment to equity.

### **2.22.3. Other post-employment obligations**

According to Law 9,656, art. 30, if the employee contributes to the healthcare plan due to employment relationship, in the event of termination of the employment contract without just cause, he/she is entitled to maintain the condition of beneficiary, under the same assistance coverage conditions he/she enjoyed over the term of the employment contract, as long as he/she assumes full payment. The right to these benefits is generally conditioned to the employee's stay in employment until retirement age and the completion of a minimum service time. The expected costs of these benefits were accumulated during the employment period, using the same accounting methodology used for defined benefit pension plans. These obligations are measured annually by independent qualified actuaries.

## **2.23. Share capital**

### **2.23.1. Common shares**

Additional costs directly attributable to the issuance of shares and stock options are recognized as a reduction to equity. Effects of taxes related to the cost of these transactions are accounted for in accordance with CPC 32 / IAS 12 – Income Taxes.

### **2.23.2. Repurchase and/or cancellation of shares (treasury shares)**



When shares recognized as equity are repurchased, the amount of the consideration paid, which includes any directly attributable costs, is recognized as a deduction of net equity. Repurchased shares are classified as treasury shares and presented as a deduction of net equity. When treasury shares are sold, the amount received is recognized as an increase in equity, and the gain or loss resulting from the transaction is recorded as capital reserve. In the event of cancellation, the reduction is recognized against the share capital.

### 2.23.3. Distribution of dividends and interest on capital

The distribution of dividends and interest on capital to the Company's shareholders is recognized as a liability in the Company's financial statements during the reporting period based on the Company's bylaws. Any amounts exceeding the minimum mandatory dividends can only be accrued on the date they are approved by the shareholders at a Shareholders' Meeting. The tax benefit of interest on capital is recognized in the statement of profit or loss.

## 3. Use of estimates and judgments

In preparing these financial statements, Management has made judgments and estimates that affect the application of JSL's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

### 3.1 Judgments

The information about judgments made in applying the accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- a) Revenue from contracts with customers: if revenue from sale of decommissioned assets and rendering services is recognized over time or at a specific point in time - note 2.21.2.(b).

### 3.2 Uncertainties about assumptions and estimates

The information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the year ended December 31, 2023 is included in the following notes:

- a) Deferred income tax and social contribution – recognition of deferred tax assets: (i) availability of future taxable profit against which the deductible temporary differences and tax losses can be utilized; and (ii) deductibility of amortization and depreciation of acquired assets for which the Company expects to merge the legal entities – note 25;
- b) Property and equipment (definition of residual value and useful life) - note 15;
- c) Fixed assets available for sale – definition of residual value – note 11;
- d) Impairment losses of intangible assets – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts - note 16.2;
- e) Expected credit losses (“impairment”) of trade receivables: measurement of expected credit losses of trade receivables and contract assets: key assumptions in determining the weighted average rate of loss - note 9;



- f) Lease: incremental borrowing rate and contract periods – note 20.
- g) Provision for judicial and administrative litigation - recognition and measurement of provisions and contingencies: key assumptions underlying the likelihood and materiality of resource outflows - note 23.2;
- h) Derivative financial instruments: determination of fair values – note 6.1; and
- i) Acquisition of subsidiaries (goodwill / bargain purchase): fair value of the consideration transferred (including contingent consideration) - note 1.1.(f) and fair value of the assets acquired and liabilities assumed – note 13.

#### 4. New standards and interpretations not yet effective

The following amendments to new standards were issued by the IASB but are not effective for 2023. The early adoption of standards, even though encouraged by the IASB, has not been implemented in Brazil by the Brazilian Accounting Pronouncements Committee (CPC).

**Amendments to IAS 1 “Presentation of Financial Statements”:** in accordance with IAS 1– “*Presentation of financial statements*”, for an entity to classify liabilities as non-current in its financial statements, it must have the right to avoid the settlement of liabilities for at least twelve months of the reporting date. In January 2020, the IASB issued an amendment to IAS 1 “Classification of liabilities as current or non-current”, whose application date was for annual reporting periods beginning on January 1, 2023, which determined that the entity would not have the right to avoid the settlement of a liability for at least twelve months, if, at the reporting date, it had not complied with the covenants, even if it had to comply with the covenants only after the reporting date, within twelve months.

Subsequently, in October 2022, a new amendment was issued to clarify that liabilities that are subject to covenants that the entity must comply with only after the reporting date do not affect the classification as current or non-current. Only covenants with which the entity is required to comply until the reporting date affect the classification of the liability, even if the compliance with the covenants occurs only after that date.

The 2022 amendment introduces additional disclosure requirements that allow users of financial statements to understand the risk of the liability being settled within twelve months of the reporting date. The 2022 amendment changed the application date of the 2020 amendment. Accordingly, both amendments apply for annual reporting periods beginning on or after January 1, 2024.

**Amendments to IFRS 16 - Leases** The amendment issued in September 2022 provides clarifications on the lease liability in a sale and leaseback transaction. In measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines “lease payments” and “revised lease payments” in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate. The amendment is effective as of January 1, 2024.

**Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments: Disclosures:** The amendment issued by the IASB in May 2023 introduces new disclosure requirements about supplier financing arrangements with the objective of providing information that enables investors to assess the effects on an entity’s liabilities, cash flows and exposure to liquidity risk. Supplier financing arrangements are described in such amendment as agreements in which one or more financing providers offer to pay amounts that an entity owes to its suppliers, and the entity agrees to pay in accordance with the terms and conditions of the arrangement on the same date, or a later date, that suppliers are paid. The arrangements typically provide the entity with extended payment terms, or the entity's suppliers with advance payment terms, compared to the original due date of the related invoice.



These amendments are not expected to have a significant impact on the Company's financial statements.

There are no other IFRS standards or IFRIC interpretations that are not yet effective that could have a material impact on the JSL financial statements.

## 5. Segment information

The service lines of the logistics operations segment are presented in relation to the JSL businesses, which were identified based on the management structure and internal managerial information utilized by the JSL chief decision-makers.

The results per segment consider the items directly attributable to the segment, as well as those that may be allocated on reasonable bases.

The Company and its subsidiaries operate in a sole business segment:

- Logistics operations: Refers to the equity and profit or loss positions of all effects arising from the operating and financial impacts of the logistics business.

Segment information is presented in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources, assessing performance, and making strategic decisions. Performance is assessed based on indicators such as net revenue, EBIT, EBITDA and profit.

The logistics operations segment information for the years ended December 31, 2023 and 2022 is as follows:

	<b>Consolidated</b>	
	<b>12/31/2023</b>	<b>12/31/2022</b>
	<b>JSL</b>	<b>JSL</b>
Gross revenue from rendering services and lease of vehicles, machinery and equipment	8,645,141	6,923,986
Gross revenue from sale of decommissioned assets used in rendering services	284,690	209,707
<b>Gross revenue from rendering services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services</b>	<b>8,929,831</b>	<b>7,133,693</b>
Net revenue from rendering services and lease of vehicles, machinery and equipment	7,298,974	5,818,794
Net revenue from sale of decommissioned assets used in rendering services	275,670	203,611
<b>Net revenue from rendering services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services</b>	<b>7,574,644</b>	<b>6,022,405</b>
Cost of rendering services and lease of vehicles, machinery and equipment	(5,977,479)	(4,815,943)
Cost of sale of decommissioned assets used in rendering services	(205,123)	(165,414)
<b>Gross profit</b>	<b>1,392,042</b>	<b>1,041,048</b>
Selling expenses	(42,523)	(27,078)
Administrative expenses	(413,273)	(319,461)
Provision for expected credit losses ("impairment") of trade receivables	5,563	(14,242)
Other operating income, net	339,595	88,558
<b>Profit before finance income, costs and taxes</b>	<b>1,281,404</b>	<b>768,825</b>
Finance income (costs), net	(903,654)	(602,428)
<b>Profit before income tax and social contribution</b>	<b>377,750</b>	<b>166,397</b>
Total income tax and social contribution	(25,967)	27,785
<b>Profit for the year</b>	<b>351,783</b>	<b>194,182</b>

In this structural segment, we have the various service lines of the logistics business, such as:

- Urban distribution: It operates with dry, refrigerated or frozen cargo with online temperature control and performs exits and returns to/from warehouses operated or not by JSL or direct from industry to retail. Urban distribution is directly connected with the performance of consumption in Brazil by serving the B2B segment and what can be considered as B2C, which is delivery at points that will be the basis for distribution to the final consumer. The Company has urban distribution operations mainly in the Food,



Beverage, Consumer Goods, E-Commerce, Pharmaceutical, Cosmetic and General Cargo Shippers sectors.

- Logistics operations: characterized by closed-loop operations as part of the customer's production process, with a high level of specialization and customization and a high degree of technological integration and monitoring. Contracts in this segment have terms of 3 to 5 years and involve its own assets and real-time monitoring software, commodity logistics and studies and dimensioning of activities to identify the best options for customers, loading of raw material and product, raw material supply, finished product flow, internal and port handling, road maintenance, waste management and waste discharge. The segment also includes freight and leasing with labor to transport customers' employees and internal logistics at the customer's facilities, which comprises a vast niche of customized services for each operation and consist of the handling of raw materials, products and assembly lines supply. The volumes of dedicated operations services are related to the performance of commodities and industrial activity in the country, and their main business sectors are pulp and paper and mining.
- Storage services: Management of dedicated and multi-customer warehouses performing receipt, dry, refrigerated and frozen storage, production line sequencing and supply, and packaging and packers supply with customer sales systems connected to JSL for delivery within 24 hours, when necessary, connecting to the urban distribution service. Storage services are also connected with industrial activity, consumption and macro-economic factors, as they signal the need to expand the supply of warehouses in strategic locations for distribution. The main sectors served by the segment are Consumer Goods and Food and Beverage.
- Cargo transport: It comprises the movement by road modal of inputs or finished products, including new vehicles, from the supply point to their final destination, that is, the flow of products in the point-to-point system through the full load mode. Cargo transport is linked to the performance of consumption and movement of goods in the country for internal consumption or export. The main sectors served by cargo transport are Food and Beverage, Automotive and Consumer Goods.

In the years ended December 31, 2023 and 2022, there was no customer with revenue individually greater than 10% of the net revenue from services.



## 6. Financial instruments and risk management

### 6.1. Financial instruments by category

JSL's financial instruments are presented in the following accounting classifications:

Assets, as per the statement of financial position	12/31/2023			Parent company 12/31/2022		
	Assets at fair value through profit or loss	Amortized cost	Total	Assets at fair value through profit or loss	Amortized cost	Total
Cash and cash equivalents	-	64,008	64,008	-	195,441	195,441
Marketable securities	1,220,710	-	1,220,710	383,980	-	383,980
Derivative financial instruments	294,744	-	294,744	63,587	-	63,587
Trade receivables	-	970,710	970,710	-	792,895	792,895
Dividends and interest on capital receivable	-	645	645	-	2,194	2,194
Judicial deposits	-	43,378	43,378	-	43,544	43,544
Related parties	-	53,967	53,967	-	86,274	86,274
Other credits	-	26,583	26,583	-	65,771	65,771
	<b>1,515,454</b>	<b>1,159,291</b>	<b>2,674,745</b>	<b>447,567</b>	<b>1,186,119</b>	<b>1,633,686</b>
Liabilities, as per the statement of financial position	Liabilities at fair value through profit or loss	Amortized cost	Total	Liabilities at fair value through profit or loss	Amortized cost	Total
Trade payables	-	249,527	249,527	-	259,951	259,951
Loans and borrowings	-	3,099,504	3,099,504	-	1,638,714	1,638,714
Debentures	-	2,159,422	2,159,422	-	1,862,111	1,862,111
Leases payable	-	94,658	94,658	-	84,997	84,997
Right-of-use leases	-	220,813	220,813	-	248,702	248,702
Derivative financial instruments	58,531	-	58,531	29,678	-	29,678
Dividends and interest on capital payable	-	-	-	-	57,575	57,575
Related parties	-	2,051	2,051	-	1,816	1,816
Payables for the acquisition of companies	-	609,428	609,428	-	309,384	309,384
Other payables	-	41,644	41,644	-	51,700	51,700
	<b>58,531</b>	<b>6,477,047</b>	<b>6,535,578</b>	<b>29,678</b>	<b>4,514,950</b>	<b>4,544,628</b>



**JSL S.A.**  
**Notes to the parent company and consolidated financial statements Years**  
**ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais, unless otherwise stated**

	<b>12/31/2023</b>			<b>Consolidated 12/31/2022</b>		
<b>Assets, as per the statement of financial position</b>	<b>Assets at fair value through profit or loss</b>	<b>Amortized cost</b>	<b>Total</b>	<b>Assets at fair value through profit or loss</b>	<b>Amortized cost</b>	<b>Total</b>
Cash and cash equivalents	-	610,869	610,869	-	475,625	475,625
Marketable securities	1,243,267	-	1,243,267	397,597	-	397,597
Derivative financial instruments	294,761	-	294,761	63,695	-	63,695
Trade receivables	-	1,618,569	1,618,569	-	1,180,004	1,180,004
Judicial deposits	-	63,309	63,309	-	57,200	57,200
Other credits	-	53,439	53,439	-	36,291	36,291
	<b>1,538,028</b>	<b>2,346,186</b>	<b>3,884,214</b>	<b>461,292</b>	<b>1,749,120</b>	<b>2,210,412</b>
<b>Liabilities, as per the statement of financial position</b>	<b>Liabilities at fair value through profit or loss</b>	<b>Amortized cost</b>	<b>Total</b>	<b>Liabilities at fair value through profit or loss</b>	<b>Amortized cost</b>	<b>Total</b>
Trade payables	-	505,900	505,900	-	642,263	642,263
Loans and borrowings	-	4,660,990	4,660,990	-	2,378,587	2,378,587
Debentures	-	2,159,422	2,159,422	-	1,862,111	1,862,111
Leases payable	-	122,345	122,345	-	84,997	84,997
Right-of-use leases	-	506,465	506,465	-	413,039	413,039
Derivative financial instruments	58,531	-	58,531	29,678	-	29,678
Dividends and interest on capital payable	-	-	-	-	57,575	57,575
Related parties	-	2,051	2,051	-	1,816	1,816
Payables for the acquisition of companies	-	654,991	654,991	-	362,017	362,017
Other payables	-	107,670	107,670	-	90,391	90,391
	<b>58,531</b>	<b>8,719,834</b>	<b>8,778,365</b>	<b>29,678</b>	<b>5,892,796</b>	<b>5,922,474</b>



## 6.2. Fair value of financial assets and liabilities

A comparison by category of the carrying amount and fair value of JSL's financial instruments is shown below:

	Carrying amount		Parent company	
			Fair value	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Financial assets</b>				
Cash and cash equivalents	64,008	195,441	64,008	195,441
Marketable securities	1,220,710	383,980	1,220,710	383,980
Derivative financial instruments	294,744	63,587	324,395	63,587
Trade receivables	970,710	792,895	970,710	792,895
Dividends and interest on capital receivable	645	2,194	645	2,194
Judicial deposits	43,378	43,544	43,378	43,544
Related parties	53,967	86,274	53,967	86,274
Other credits	26,583	65,771	26,583	65,771
<b>Total</b>	<b>2,674,745</b>	<b>1,633,686</b>	<b>2,704,396</b>	<b>1,633,686</b>
<b>Financial liabilities</b>				
Trade payables	249,527	259,951	249,527	259,951
Loans and borrowings	3,099,504	1,638,714	3,201,697	1,682,278
Debentures	2,159,422	1,862,111	2,151,672	1,862,111
Leases payable	94,658	84,997	94,658	84,997
Right-of-use leases	220,813	248,702	220,813	248,702
Derivative financial instruments	58,531	29,678	64,419	29,678
Dividends and interest on capital payable	-	57,575	-	57,575
Related parties	2,051	1,816	2,051	1,816
Payables for the acquisition of companies	609,428	309,384	609,428	309,384
Other payables	41,644	51,700	41,644	51,700
<b>Total</b>	<b>6,535,578</b>	<b>4,544,628</b>	<b>6,635,909</b>	<b>4,588,192</b>
	Carrying amount		Consolidated	
			Fair value	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Financial assets</b>				
Cash and cash equivalents	610,869	475,625	610,869	475,625
Marketable securities	1,243,267	397,597	1,243,267	397,597
Derivative financial instruments	294,761	63,695	324,414	63,695
Trade receivables	1,618,569	1,180,004	1,618,569	1,180,004
Judicial deposits	63,309	57,200	63,309	57,200
Other credits	53,439	36,291	53,439	36,291
<b>Total</b>	<b>3,884,214</b>	<b>2,210,412</b>	<b>3,913,867</b>	<b>2,210,412</b>
<b>Financial liabilities</b>				
Trade payables	505,900	642,263	505,900	642,263
Loans and borrowings	4,660,990	2,378,587	4,814,666	2,698,031
Debentures	2,159,422	1,862,111	2,151,672	1,862,111
Leases payable	122,345	84,997	122,345	84,997
Right-of-use leases	506,465	413,039	506,465	413,039
Derivative financial instruments	58,531	29,678	64,419	29,678
Dividends and interest on capital payable	-	57,575	-	57,575
Related parties	2,051	1,816	2,051	1,816
Payables for the acquisition of companies	654,991	362,017	654,991	362,017
Other payables	107,670	90,391	107,670	90,391
<b>Total</b>	<b>8,778,365</b>	<b>5,922,474</b>	<b>8,930,179</b>	<b>6,241,918</b>

The fair values of financial assets and liabilities are measured in accordance with the following categories:

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets and liabilities;

**Level 2** - Quoted prices in active markets for similar instruments, observable prices for identical or similar instruments in non-active markets and valuation models for observable inputs; and

**Level 3** - Instruments with significant inputs that are not observable in the market.





The valuation curve used in the fair value measurement of agreements indexed to the CDI - Interbank Deposit Certificates at December 31, 2023 is as follows:

Interest curve - Brazil							
Vertex	1M	6M	1Y	2Y	3Y	5Y	10Y
Rate (p.a.) - %	11.65	11.12	10.46	9.77	9.60	9.79	10.27

Source: B3 - 12/31/2023

### 6.3. Financial risk management

JSL is exposed to market, credit, and liquidity risks on its main financial assets and liabilities. Management manages these risks with the support of a Financial Committee and with the approval of the Board of Directors, which is responsible for authorizing transactions involving any type of derivative financial instruments and any contracts that generate financial assets and liabilities, regardless of the market in which they are traded or registered, whose amounts are subject to fluctuations.

The Company has a policy of not entering into derivative transactions for speculative purposes. These transactions are used only for protection against fluctuations related to market risks.

#### a) Credit risk

The credit risk involves the potential default of a counterparty to an agreement or financial instrument, resulting in financial loss. JSL is exposed to credit risk, mainly in respect of trade receivables, deposits with banks, financial investments and other financial instruments currently held with financial institutions.

##### i. Cash and cash equivalents - marketable securities and financial investments

The credit risk associated with balances at banks and financial institutions is managed by the JSL treasury area, supported by its Finance Committee, in accordance with the guidelines approved by the Board of Directors. Surplus funds are invested only in approved counterparties and within the limits established for each, in order to minimize the concentration of risk and therefore mitigate potential financial losses in the event of an institution going bankrupt.

The maximum period considered in the estimate of expected credit loss is the maximum contractual period during which JSL is exposed to credit risk.

For risk assessment purposes, a local scale ("Br") of credit risk exposure extracted from rating agencies is used, as shown below:

Rating in Local Scale "Br"		
Nomenclature:		Quality
Br	AAA	Prime
Br	AA+, AA, AA-	High Investment Grade
Br	A+, A, A-	High Average Investment Grade
Br	BBB+, BBB, BBB-	Low Average Investment Grade
Br	BB+, BB, BB-	Speculative Non-Investment Grade
Br	B+, B, B-	Highly Speculative Non-Investment Grade
Br	CCC	Extremely Speculative Non-Investment Grade
Br	D	Default Speculative Non-Investment Grade



JSL's cash quality and maximum credit risk exposure to cash and cash equivalents, financial investments and marketable securities are as follows:

	<u>Parent company</u> <u>12/31/2023</u>	<u>Consolidated</u> <u>12/31/2023</u>
<b>Cash</b>	<b>1,520</b>	<b>5,395</b>
<b>Amounts deposited in current account</b>	<b>26,082</b>	<b>40,992</b>
Br AAA	36,406	554,603
Br AA	-	9,879
<b>Total financial investments classified in cash and cash equivalents</b>	<b>36,406</b>	<b>564,482</b>
<b>Total cash and cash equivalents</b>	<b>64,008</b>	<b>610,869</b>

	<u>Parent company</u> <u>12/31/2022</u>	<u>Consolidated</u> <u>12/31/2022</u>
<b>Cash</b>	<b>1,872</b>	<b>8,131</b>
<b>Amounts deposited in current account</b>	<b>14,628</b>	<b>30,172</b>
Br AAA	178,228	377,838
Br AA	713	59,484
<b>Total financial investments classified in cash and cash equivalents</b>	<b>178,941</b>	<b>437,322</b>
<b>Total cash and cash equivalents</b>	<b>195,441</b>	<b>475,625</b>

	<u>Parent company</u> <u>12/31/2023</u>	<u>Consolidated</u> <u>12/31/2023</u>
<b>Marketable securities</b>		
Br AAA	1,220,710	1,243,267
<b>Total marketable securities</b>	<b>1,220,710</b>	<b>1,243,267</b>

	<u>Parent company</u> <u>12/31/2022</u>	<u>Consolidated</u> <u>12/31/2022</u>
<b>Marketable securities and financial investments</b>		
Br AAA	383,980	397,597
<b>Total marketable securities and financial investments</b>	<b>383,980</b>	<b>397,597</b>

ii. Trade receivables

JSL uses a simplified "provision matrix" to calculate the expected credit losses on its trade receivables, based on its experience of historical credit losses. This provision matrix specifies fixed rates for the provision depending on the number of days in which the receivables are falling due or overdue and is adjusted for specific customers according to future estimates and qualitative factors observed by Management.

JSL writes off its financial assets when there is no reasonable expectation of recovery, according to the recoverability study of each JSL company. The receivables written off continue in the collection process to recover the receivable amount. When there are recoveries, these are recognized in profit or loss for the year.

The Company recognized an impairment allowance that represents its estimate of expected credit losses on trade receivables, see note 9.

**b) Market risk**

The market risk involves potential fluctuations in the fair value of future cash flows derived from a given financial instrument in response to changes in its market prices, adversely affecting the profit or loss or cash flows. Market prices typically involve three types of risks: interest rate risk, exchange rate risk and price risk that may relate to commodities, stocks, among others.



i. Interest rate risk

Interest rate risk involves potential fluctuation in the fair value of the future cash flows derived from a given financial instrument in response to changes in market interest rates.

JSL is substantially exposed to interest rate risk on cash and cash equivalents, marketable securities and financial investments, loans, borrowings, debentures, leases payable and right-of-use leases. As a policy, JSL seeks to concentrate this risk to the DI variation, and uses derivatives for this purpose.

All these transactions are conducted under the guidelines established by the financial committee, and are approved by the Board of Directors. JSL seeks to apply the hedge accounting to manage the volatility of profit or loss.

For the management of the interest rate risk, the Company contracted swap derivatives to hedge the Company against the risk that the fair value of the future cash flows derived from a given financial instrument fluctuates in response to variations in market interest rates, reducing the Company's exposure to interest rate fluctuations.

- a) To reduce the interest rate risk related to the variations of the Amplified Consumer Price Index (IPCA) on future finance costs of certain financial liabilities, the Company contracted a swap derivative, converting it to a CDI percentage.

The first contracting refers to the 10<sup>th</sup> issuance for the hedging of cash flows of an Agribusiness Receivables Certificate (CRA) of R\$ 362,685, with the following terms, hedge calculation basis - R\$ 362,685, carried out for a period equal to the original debt with the swap of the percentage of IPCA+3.5518% for CDI+0.65%.

The second contracting refers to the 11<sup>th</sup> issuance for the hedging of cash flows of an Agribusiness Receivables Certificate (CRA) of R\$ 400,000, with the following terms, hedge calculation basis - R\$ 426,275, carried out for a period equal to the original debt with the swap of the percentage of IPCA+6.0931% for CDI+147.5%.

The third contracting refers to the 12<sup>th</sup> issuance for the hedging of cash flows of an Agribusiness Receivables Certificate (CRA) of R\$ 500,000, with the following terms, hedge calculation basis - R\$ 500,000, carried out for a period equal to the original debt with the swap of the percentage of IPCA+5.1672% for CDI+122.65%.

The debentures issued by JSL S.A. are all simple, non-convertible, unsecured debentures, except for the 11<sup>th</sup> issuance that comprises debentures of the floating guarantee type and the 12<sup>th</sup> issuance that comprises debentures of the floating and additional personal guarantee type.

For the 11<sup>th</sup> and 12<sup>th</sup> issuances of debentures, the Company maintains at least 130% of the debt balance, amount equivalent to assets free of burden and debt.

Additionally, after the corporate restructuring, Simpar became jointly liable with the Company, in 10<sup>th</sup>, 11<sup>th</sup> and 12<sup>th</sup> issuances of Debentures.

- b) To reduce the interest rate risk related to the fixed indexer on future finance costs of certain financial liabilities, the Company contracted a swap derivative, converting it to a CDI percentage.



**JSL S.A.**  
**Notes to the parent company and consolidated financial statements Years**  
**ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais, unless otherwise stated**

The first contracting refers to the fourth series of Issuance of Certificates of Real Estate Receivables (CRI) for the hedging of cash flows of R\$ 150,000, with the following terms, hedge calculation basis - R\$ 150,000, carried out for a period equal to the original debt with the swap of the percentage of PRÉ12.53% for CDI+1.51%.

The second contracting refers to fourth series of Issuance of Certificates of Real Estate Receivables (CRI) for the hedging of cash flows of R\$ 231,186, with the following terms, hedge calculation basis - R\$ 231,186, carried out for a period equal to the original debt with the swap of the percentage of PRÉ12.53% for CDI+1.51%.

Foreign exchange risk

JSL is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which borrowings are denominated and its functional currency. Borrowings are generally denominated in a currency equivalent to the cash flows generated by JSL's trade operations, mainly in Reais.

ii. Market risk hedge derivative instruments

For the management of these risks, at December 31, 2022 and 2021, JSL had derivative financial instruments (swap contracts) that were classified as fair value hedge in accordance with CPC 48 / IFRS 9 – Financial Instruments, whose gains and losses arising from changes in the fair value of these operations are recorded in finance income (costs).

In order to analyze whether there is an economic relationship between the hedging instrument and the hedged item, a qualitative assessment of hedge effectiveness is performed by comparing the critical terms of both instruments.

The outstanding contracts at December 31, 2023 and 2022 are the following:

						Parent Company and Consolidated			
						Balance of the hedged debt at 12/31/2023	Gains (losses) recognized for the year ended 12/31/2023		
Company	Instrument	Type of derivative financial instrument	Operation	Notional amount	Maturity	Instrument on the curve	Fair value receivable (payable)	Profit or loss	
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 362,685	Nov/25	68,584	68,481	13,462	
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 426,276	May/25	79,077	79,276	25,704	
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 500,000	May/31	88,275	77,865	21,852	
JSL	Swap agreement	Fair value hedge	SWAP Fixed Rate X CDI	R\$ 231,866	Sept/30	(586)	4,158	586	
JSL	Swap agreement	Fair value hedge	SWAP Fixed Rate X CDI	R\$ 150,000	Sept/30	(902)	6,433	902	
TPC Nordeste	Swap agreement	Fair value hedge	SWAP EUR X CDI	R\$ 281	Jan/24	112	17	27	
						<b>234,560</b>	<b>236,230</b>	<b>62,533</b>	
						Parent company and Consolidated			
						Balance of the hedged debt at 12/31/2022	Gains (losses) recognized for the year ended 12/31/2022		
Company	Instrument	Type of derivative financial instrument	Operation	Notional amount	Maturity	Instrument on the curve	Fair value receivable (payable)	Profit or loss	
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 362,685	Nov/25	80,782	56,796	(5,800)	
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 426,276	May/25	55,457	6,791	(19,222)	
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 500,000	May/31	59,951	(29,679)	(14,281)	
TPC Nordeste	Swap agreement	Fair value hedge	SWAP EUR X CDI	R\$ 1,500	Jan/24	123	109	(173)	
						<b>Total</b>	<b>196,313</b>	<b>34,017</b>	<b>(39,476)</b>



**JSL S.A.**  
**Notes to the parent company and consolidated financial statements Years**  
**ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais, unless otherwise stated**

The derivative financial instruments outstanding balances are as follows:

Operation	Notional amount	12/31/2023		Parent company 12/31/2022	
		Assets	Liabilities	Notional amount	Assets
		Swap - IPCA x CDI	R\$ 1,288,961	283,777	(58,156)
SWAP - Fixed Rate X CDI	R\$ 381,866	10,967	(375)	R\$ 1,288,961	33,909
<b>Total</b>		<b>294,744</b>	<b>(58,531)</b>		<b>33,909</b>
Current		26,395	(58,531)		-
Non-current		268,349	-		33,909
<b>Total</b>		<b>294,744</b>	<b>(58,531)</b>		<b>33,909</b>

Operation	Notional amount	12/31/2023		Consolidated 12/31/2022	
		Assets	Liabilities	Notional amount	Assets
		Swap - EUR x CDI	R\$ 281	17	-
Swap - IPCA x CDI	R\$ 1,288,961	283,777	(58,155)	R\$ 1,288,961	33,909
SWAP - Fixed Rate X CDI	R\$ 381,866	10,967	(376)	-	-
<b>Total</b>		<b>294,761</b>	<b>(58,531)</b>		<b>34,017</b>
Current		26,412	(58,531)		86
Non-current		268,349	-		33,931
<b>Total</b>		<b>294,761</b>	<b>(58,531)</b>		<b>34,017</b>

Outstanding balances and cash flows associated with swap contracts impact the profit or loss and the respective carrying amount of these instruments.

	Carrying amount	Parent company			
		At December 31, 2023			
		Expected cash flow			
		Total	1-6 months	7-12 months	Over 1 year
<b>Swap</b>					
Asset	1,920,562	2,594,561	58,463	56,282	2,479,816
Liability	(1,684,349)	(2,378,990)	(103,529)	(214,367)	(2,061,094)
	<b>236,213</b>	<b>215,571</b>	<b>(45,066)</b>	<b>(158,085)</b>	<b>418,722</b>

	Carrying amount	Consolidated			
		At December 31, 2023			
		Expected cash flow			
		Total	1-6 months	7-12 months	Over 1 year
<b>Swap</b>					
Asset	1,920,675	2,594,674	58,576	56,282	2,479,816
Liability	(1,684,445)	(2,379,086)	(103,625)	(214,367)	(2,061,094)
	<b>236,230</b>	<b>215,588</b>	<b>(45,049)</b>	<b>(158,085)</b>	<b>418,722</b>

### c) Liquidity risk

JSL monitors risks associated with funding shortages on an ongoing basis through a current liquidity planning. JSL's purpose is to maintain in its assets a balance of cash and high-liquid investments and maintain flexibility through the use of bank loans and the ability to raise funds through capital markets, in order to ensure its



**JSL S.A.**  
**Notes to the parent company and consolidated financial statements Years**  
**ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais, unless otherwise stated**

operational continuity. The average indebtedness term is monitored in order to provide short-term liquidity, analyzing installments, charges and cash flows.

Presented below are the contractual maturities of financial assets and liabilities, including estimated interest payment:

	<b>Parent company</b>				
	<b>12/31/2023</b>				
	<b>Carrying amount</b>	<b>Contractual flow</b>	<b>Up to 1 year</b>	<b>Up to 2 years</b>	<b>Over 3 years</b>
<b>Financial assets</b>					
Cash and cash equivalents	64,008	64,008	64,008	-	-
Marketable securities	1,220,710	1,220,710	1,178,277	42,433	-
Derivative financial instruments	294,744	294,744	26,395	-	268,349
Trade receivables	970,710	970,710	950,944	19,766	-
Related parties	53,967	53,967	2,215	51,752	-
Other credits	26,583	26,583	7,969	18,614	-
<b>Total</b>	<b>2,630,722</b>	<b>2,630,722</b>	<b>2,229,808</b>	<b>132,565</b>	<b>268,349</b>
<b>Financial liabilities</b>					
Trade payables	249,527	249,527	249,527	-	-
Loans and borrowings	3,099,504	4,246,222	612,135	1,690,708	1,943,379
Debentures	2,159,422	3,141,180	281,814	1,105,935	1,753,431
Leases payable	94,658	97,441	25,067	30,856	41,519
Right-of-use leases	220,813	220,813	36,461	32,849	151,503
Derivative financial instruments	58,531	58,531	58,531	-	-
Related parties	2,051	2,051	-	2,051	-
Payables for the acquisition of companies	609,428	673,174	122,416	87,589	463,169
Other payables	41,644	41,644	36,539	5,105	-
<b>Total</b>	<b>6,535,578</b>	<b>8,730,583</b>	<b>1,422,490</b>	<b>2,955,094</b>	<b>4,353,000</b>
					<b>Consolidated</b>
					<b>12/31/2023</b>
	<b>Carrying amount</b>	<b>Contractual flow</b>	<b>Up to 1 year</b>	<b>Up to 2 years</b>	<b>Over 3 years</b>
<b>Financial assets</b>					
Cash and cash equivalents	610,869	610,869	610,869	-	-
Marketable securities	1,243,267	1,243,267	1,243,267	-	-
Derivative financial instruments	294,761	294,761	26,412	-	268,349
Trade receivables	1,618,569	1,618,569	1,582,547	36,022	-
Other credits	53,439	53,439	24,917	28,522	-
<b>Total</b>	<b>3,820,905</b>	<b>3,820,905</b>	<b>3,488,012</b>	<b>64,544</b>	<b>268,349</b>
<b>Financial liabilities</b>					
Trade payables	505,900	505,900	505,900	-	-
Loans and borrowings	4,660,990	6,163,449	1,003,546	2,256,948	2,902,955
Debentures	2,159,422	3,141,180	281,814	1,105,935	1,753,431
Leases payable	122,345	126,207	37,846	34,838	53,523
Right-of-use leases	506,465	506,465	132,840	373,625	-
Derivative financial instruments	58,531	58,531	58,531	-	-
Related parties	2,051	2,051	-	2,051	-
Payables for the acquisition of companies	654,991	777,818	122,416	104,231	551,171
Other payables	107,670	107,670	85,073	22,597	-
<b>Total</b>	<b>8,778,365</b>	<b>11,389,271</b>	<b>2,227,966</b>	<b>3,900,225</b>	<b>5,261,080</b>

#### 6.4. Sensitivity analysis

JSL's Management carried out a sensitivity analysis, in order to show the impacts of interest and exchange rate changes on its financial assets and liabilities, considering for the next 12 months the following probable interest and exchange rates:



**JSL S.A.**  
**Notes to the parent company and consolidated financial statements Years**  
**ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais, unless otherwise stated**

- CDI at 10.46 % p.a., based on the future yield curve (source: B3);
- TLP at 5.56% p.a. (source: B3);
- IPCA at 6.32% p.a. (source: B3);
- IGP-M at 4.41% p.a. (source: B3);
- SELIC at 10.06% p.a. (source: B3); and
- Euro rate of R\$ 5.65 (source: B3);

The table below is presented with the respective impacts on the finance income (costs), considering the probable scenario (Scenario I), with increases of 25% (Scenario II) and 50% (Scenario III):

Operation	Exposure	Risk	Scenario I probable	Parent company	
				Scenario I + depreciation/increase of 25%	Scenario I + depreciation/increase of 50%
Loans and borrowings (CRA)	1,456,391	IPCA increase	92,044	115,055	138,066
Loans and borrowings (CRI)	381,186	Fixed rate	51,059	63,823	76,588
Swap long position	(1,920,562)	IPCA increase	(121,380)	(151,733)	(182,069)
Swap short position	1,684,349	CDI increase	176,183	220,229	264,274
<b>Net effect of exposure</b>	<b>1,601,364</b>		<b>197,906</b>	<b>247,383</b>	<b>296,859</b>
<b>Net effect of hedge accounting operations</b>	<b>1,601,364</b>		<b>197,906</b>	<b>247,383</b>	<b>296,859</b>
<b>Other operations - floating rate</b>					
Financial investments	36,406	CDI decrease	(3,808)	(4,760)	(5,712)
Marketable securities	91,818	SELIC decrease	(9,237)	(11,546)	(13,855)
Loans and borrowings	(2,260,770)	CDI increase	(236,477)	(295,596)	(354,715)
Loans and borrowings (CRI)	(320,690)	IPCA increase	(20,268)	(25,335)	(30,401)
Debentures	(2,159,422)	CDI increase	(225,876)	(282,344)	(338,813)
Leases payable	(94,658)	CDI increase	(9,901)	(12,377)	(14,852)
Payables for the acquisition of companies	(3,077)	IGPM increase	(136)	(170)	(204)
Payables for the acquisition of companies	(606,351)	CDI increase	(63,424)	(79,280)	(95,136)
<b>Net effect of exposure</b>	<b>(5,316,744)</b>		<b>(569,127)</b>	<b>(711,408)</b>	<b>(853,688)</b>
<b>Net exposure and impact on finance costs - floating rate</b>	<b>(3,715,380)</b>		<b>(371,221)</b>	<b>(464,025)</b>	<b>(556,829)</b>
<b>Other operations - fixed rate</b>					
Marketable securities and financial investments	1,128,892	Fixed rate	150,143	150,143	150,143
Right-of-use leases	(220,813)	Fixed rate	(19,873)	(19,873)	(19,873)
Loans and borrowings	(518,044)	Fixed rate	(72,656)	(72,656)	(72,656)
<b>Net exposure and impact on finance costs - fixed rate</b>	<b>390,035</b>		<b>57,614</b>	<b>57,614</b>	<b>57,614</b>
<b>Net exposure and total impact of finance costs in profit or loss</b>	<b>(3,325,345)</b>		<b>(313,607)</b>	<b>(406,411)</b>	<b>(499,215)</b>
<b>Consolidated</b>					
Operation	Exposure	Risk	Scenario I probable	Scenario II + depreciation of 25%	Scenario III + depreciation of 50% -
Loans and borrowings - CRA + CDI / IPCA	1,598,219	IPCA increase	101,007	126,259	151,511
Loans and borrowings (CRI)	381,186	Fixed rate	51,059	63,823	76,588
Swap long position	(1,920,675)	IPCA increase	(121,387)	(151,733)	(182,080)
Swap short position	1,684,445	CDI increase	176,193	220,241	264,289
<b>Net effect of exposure</b>	<b>1,743,175</b>		<b>206,872</b>	<b>258,590</b>	<b>310,308</b>
<b>Net effect of hedge accounting operations</b>	<b>1,743,175</b>		<b>206,872</b>	<b>258,590</b>	<b>310,308</b>
<b>Other operations - floating rate</b>					
Financial investments	564,482	CDI decrease	(59,045)	(73,806)	(88,567)
Marketable securities	1,213	SELIC decrease	(122)	(153)	(183)
Loans and borrowings	(3,750,140)	CDI increase	(392,265)	(490,331)	(588,397)
Loans and borrowings (CRI)	(320,690)	IPCA increase	(20,268)	(25,335)	(30,401)
Debentures	(2,159,422)	CDI increase	(225,876)	(282,344)	(338,813)
Leases payable	(122,345)	CDI increase	(12,797)	(15,997)	(19,196)
Payables for the acquisition of companies	(3,077)	IGPM increase	(136)	(170)	(204)
Payables for the acquisition of companies	(651,914)	CDI increase	(68,190)	(85,238)	(102,285)
Loans and borrowings	(157,665)	EUR increase	(22,769)	(28,461)	(34,153)
<b>Net effect of exposure</b>	<b>(6,599,558)</b>		<b>(801,468)</b>	<b>(1,001,835)</b>	<b>(1,202,199)</b>
<b>Net exposure and impact on finance costs - floating rate</b>	<b>(4,856,383)</b>		<b>(594,596)</b>	<b>(743,245)</b>	<b>(891,891)</b>
<b>Other operations - fixed rate</b>					
Marketable securities and financial investments	1,242,054	Fixed rate	165,193	165,193	165,193
Right-of-use leases	(606,465)	Fixed rate	(45,582)	(45,582)	(45,582)
Loans and borrowings	(590,160)	Fixed rate	(77,045)	(77,045)	(77,045)
<b>Net exposure and impact on finance costs - fixed rate</b>	<b>145,429</b>		<b>42,566</b>	<b>42,566</b>	<b>42,566</b>
<b>Net exposure and total impact of finance costs in profit or loss</b>	<b>(4,710,954)</b>		<b>(552,030)</b>	<b>(700,679)</b>	<b>(849,325)</b>

The objective of this sensitivity analysis is to measure the impact of changes in market variables on JSL's financial instruments, assuming that all other market factors remain constant. Such amounts may materially differ from those stated upon their settlement due to the estimates used in their preparation.



## 7. Cash and cash equivalents

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cash	1,520	1,872	5,395	8,131
Banks	26,082	14,628	40,992	30,172
<b>Total cash on hand</b>	<b>27,602</b>	<b>16,500</b>	<b>46,387</b>	<b>38,303</b>
Bank deposit certificates ("CDB")	5,512	8,068	46,494	153,443
Repurchase agreements, backed by financial operations	30,809	170,160	484,458	224,392
Units of other funds	85	713	33,183	59,484
Others	-	-	347	3
<b>Total financial investments</b>	<b>36,406</b>	<b>178,941</b>	<b>564,482</b>	<b>437,322</b>
<b>Total</b>	<b>64,008</b>	<b>195,441</b>	<b>610,869</b>	<b>475,625</b>

These are operations where the amount remains invested with a liquidity period of less than 90 days.

During the year ended December 31, 2023 the average income from the funds was 12.83% p.a. (at December 31, 2022 the average income was 13.37% p.a.).

## 8. Marketable securities

Operations	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Government securities - exclusive funds (i)</b>				
Financial Treasury Bills ("LFT")	-	218,643	1,213	231,362
National Treasury Bills ("LTN")	-	149,596	-	166,235
Simpar Investment Fund	1,128,892	-	1,242,054	-
<b>Other securities</b>				
Others	91,818	15,741	-	-
<b>Total</b>	<b>1,220,710</b>	<b>383,980</b>	<b>1,243,267</b>	<b>397,597</b>
Current assets	1,178,277	383,408	1,243,267	397,586
Non-current assets	42,433	572	-	11
<b>Total</b>	<b>1,220,710</b>	<b>383,980</b>	<b>1,243,267</b>	<b>397,597</b>

They represent highly liquid financial investments, which are readily convertible into cash, but are exposed to variations in their fair value. These securities are measured at fair value through profit or loss.

- (i) The average income from government securities allocated to exclusive funds is defined at fixed and floating rates (fixed rate LTN and LFT SELIC). During the year ended December 31, 2023, the average income from these investments was 13.30% p.a. (13.88% p.a. for the year ended December 31, 2022).

## 9. Trade receivables

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Trade receivables	606,159	439,523	1,146,864	792,486
Unbilled services "contract assets" (i)	356,612	342,179	526,009	440,891
Related parties (note 26.1)	40,903	51,749	26,335	29,264
(-) Expected credit losses ("impairment") of trade receivables	(32,964)	(40,556)	(80,639)	(82,637)
<b>Total</b>	<b>970,710</b>	<b>792,895</b>	<b>1,618,569</b>	<b>1,180,004</b>
Current	950,944	774,825	1,582,547	1,159,908
Non-current	19,766	18,070	36,022	20,096
<b>Total</b>	<b>970,710</b>	<b>792,895</b>	<b>1,618,569</b>	<b>1,180,004</b>

- (i) Revenue to be invoiced refers to service contracts whose service provision is in progress at the end of the month and will be invoiced in the subsequent month. In these cases, the measurement of revenue to be invoiced is calculated based on measurements proportional to the days incurred.



## 9.1 Aging list and expected credit losses (“impairment”) of trade receivables

	12/31/2023				Parent company 12/31/2022			
	Trade receivables	Impairment	%	Net total	Trade receivables	Impairment	%	Net total
<b>Total falling due</b>	<b>891,965</b>	<b>(688)</b>	<b>0.08%</b>	<b>891,277</b>	<b>681,359</b>	<b>(342)</b>	<b>0.05%</b>	<b>681,017</b>
Overdue from 1 to 30 days	41,746	(125)	0.30%	41,621	38,517	(57)	0.15%	38,460
Overdue from 31 to 90 days	16,721	(530)	3.17%	16,191	31,257	(578)	1.85%	30,679
Overdue from 91 to 180 days	13,262	(712)	5.37%	12,550	23,228	(1,237)	5.33%	21,991
Overdue from 181 to 365 days	3,913	(1,619)	41.37%	2,294	26,085	(5,337)	20.46%	20,748
Overdue for more than 365 days	36,067	(29,290)	81.21%	6,777	33,005	(33,005)	100.00%	-
<b>Total overdue</b>	<b>111,709</b>	<b>(32,276)</b>	<b>28.89%</b>	<b>79,433</b>	<b>152,092</b>	<b>(40,214)</b>	<b>26.44%</b>	<b>111,878</b>
<b>Total</b>	<b>1,003,674</b>	<b>(32,964)</b>	<b>3.28%</b>	<b>970,710</b>	<b>833,451</b>	<b>(40,556)</b>	<b>4.87%</b>	<b>792,895</b>

	12/31/2023				Consolidated 12/31/2022			
	Trade receivables	Impairment	%	Net total	Trade receivables	Impairment	%	Net total
<b>Total falling due</b>	<b>1,485,983</b>	<b>(1,280)</b>	<b>0.09%</b>	<b>1,484,703</b>	<b>1,047,086</b>	<b>(828)</b>	<b>0.08%</b>	<b>1,046,258</b>
Overdue from 1 to 30 days	72,158	(369)	0.51%	71,789	55,103	(99)	0.18%	55,004
Overdue from 31 to 90 days	35,338	(2,086)	5.90%	33,252	35,217	(969)	2.75%	34,248
Overdue from 91 to 180 days	17,795	(1,838)	10.33%	15,957	24,926	(1,937)	7.77%	22,989
Overdue from 181 to 365 days	6,450	(2,740)	42.48%	3,710	27,066	(6,017)	22.23%	21,049
Overdue for more than 365 days	81,484	(72,326)	88.76%	9,158	73,243	(72,787)	99.38%	456
<b>Total overdue</b>	<b>213,225</b>	<b>(79,359)</b>	<b>37.22%</b>	<b>133,866</b>	<b>215,555</b>	<b>(81,809)</b>	<b>37.95%</b>	<b>133,746</b>
<b>Total</b>	<b>1,699,208</b>	<b>(80,639)</b>	<b>4.75%</b>	<b>1,618,569</b>	<b>1,262,641</b>	<b>(82,637)</b>	<b>6.54%</b>	<b>1,180,004</b>

Expected credit losses (“impairment”) of trade receivables:

	Parent company	Consolidated
<b>At December 31, 2022</b>	<b>(40,556)</b>	<b>(82,637)</b>
(-) acquisitions of companies	-	(9,015)
(-) additions	(3,157)	(30,028)
(+) reversals	9,883	35,591
(-) write-off to losses	866	5,450
<b>At December 31, 2023</b>	<b>(32,964)</b>	<b>(80,639)</b>
	<b>Parent company</b>	<b>Consolidated</b>
<b>At December 31, 2018</b>	<b>(34,375)</b>	<b>(78,836)</b>
(-) additions	(14,737)	(22,548)
(+) reversals	2,449	8,306
(-) write-off to losses	6,107	10,441
<b>At December 31, 2022</b>	<b>(40,556)</b>	<b>(82,637)</b>

## 10. Inventories

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Consumables	60,305	60,421	77,668	66,109
(-) Estimated losses on impairment of inventories (i)	(12,467)	(8,286)	(12,826)	(8,467)
<b>Total</b>	<b>47,838</b>	<b>52,135</b>	<b>64,842</b>	<b>57,642</b>

(i) The estimated losses on impairment of inventories refer to the lines of consumables and parts for resale.

Movements in estimated losses on impairment of inventories were as follows:



**JSL S.A.**  
**Notes to the parent company and consolidated financial statements Years**  
**ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais, unless otherwise stated**

	Parent company	Consolidated
<b>At December 31, 2022</b>	<b>(8,286)</b>	<b>(8,467)</b>
(-) acquisitions of companies	-	(167)
(-) additions	(6,596)	(8,165)
(+) reversals	2,415	3,973
<b>At December 31, 2023</b>	<b>(12,467)</b>	<b>(12,826)</b>

	Parent company	Consolidated
<b>At December 31, 2021</b>	<b>(4,026)</b>	<b>(4,699)</b>
(-) additions	(8,512)	(9,018)
(+) reversals	4,252	5,250
<b>At December 31, 2022</b>	<b>(8,286)</b>	<b>(8,467)</b>

## 11. Fixed assets available for sale

Movements in the years ended December 31, 2023 and 2022 were as follows:

	Parent company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
<b>Cost:</b>						
<b>At December 31, 2022</b>	<b>102,350</b>	<b>17,590</b>	<b>119,940</b>	<b>114,753</b>	<b>17,594</b>	<b>132,347</b>
Assets transferred from property and equipment	338,745	40,898	379,643	457,865	49,817	507,682
Assets written off due to sale	(205,728)	(11,330)	(217,058)	(317,762)	(19,994)	(337,756)
<b>At December 31, 2023</b>	<b>235,367</b>	<b>47,158</b>	<b>282,525</b>	<b>254,856</b>	<b>47,417</b>	<b>302,273</b>
<b>Accumulated depreciation:</b>						
<b>At December 31, 2022</b>	<b>(33,592)</b>	<b>(9,308)</b>	<b>(42,900)</b>	<b>(41,383)</b>	<b>(9,308)</b>	<b>(50,691)</b>
Assets transferred from property and equipment	(117,783)	(26,070)	(143,853)	(152,624)	(33,717)	(186,341)
Assets written off due to sale	81,075	7,394	88,469	117,714	14,919	132,633
<b>At December 31, 2023</b>	<b>(70,300)</b>	<b>(27,984)</b>	<b>(98,284)</b>	<b>(76,293)</b>	<b>(28,106)</b>	<b>(104,399)</b>
<b>Net value:</b>						
<b>At December 31, 2022</b>	<b>68,758</b>	<b>8,282</b>	<b>77,040</b>	<b>73,370</b>	<b>8,286</b>	<b>81,656</b>
<b>At December 31, 2023</b>	<b>165,067</b>	<b>19,174</b>	<b>184,241</b>	<b>178,563</b>	<b>19,311</b>	<b>197,874</b>

	Parent company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
<b>Cost:</b>						
<b>At December 31, 2021</b>	<b>64,218</b>	<b>6,999</b>	<b>71,217</b>	<b>65,624</b>	<b>6,999</b>	<b>72,623</b>
Assets transferred from property and equipment	179,949	25,039	204,988	285,195	36,579	321,774
Assets written off due to sale	(141,817)	(14,448)	(156,265)	(236,066)	(25,984)	(262,050)
<b>At December 31, 2022</b>	<b>102,350</b>	<b>17,590</b>	<b>119,940</b>	<b>114,753</b>	<b>17,594</b>	<b>132,347</b>
<b>Accumulated depreciation:</b>						
<b>At December 31, 2021</b>	<b>(20,450)</b>	<b>(4,199)</b>	<b>(24,649)</b>	<b>(21,395)</b>	<b>(4,199)</b>	<b>(25,594)</b>
Assets transferred from property and equipment	(64,821)	(14,551)	(79,372)	(107,701)	(16,578)	(124,279)
Assets written off due to sale	51,679	9,442	61,121	87,713	11,469	99,182
<b>At December 31, 2022</b>	<b>(33,592)</b>	<b>(9,308)</b>	<b>(42,900)</b>	<b>(41,383)</b>	<b>(9,308)</b>	<b>(50,691)</b>
<b>Net value:</b>						
<b>At December 31, 2021</b>	<b>43,768</b>	<b>2,800</b>	<b>46,568</b>	<b>44,229</b>	<b>2,800</b>	<b>47,029</b>
<b>At December 31, 2022</b>	<b>68,758</b>	<b>8,282</b>	<b>77,040</b>	<b>73,370</b>	<b>8,286</b>	<b>81,656</b>

Assets transferred to sale did not require adjustments for recognition of the lower of residual value and fair value less costs for sale of the asset.



## 12. Taxes recoverable

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
PIS and COFINS	21,190	115,276	102,811	146,403
INSS	61,726	70,638	63,862	73,910
ICMS	16,372	7,591	86,520	27,040
Others	598	929	7,103	13,690
<b>Total</b>	<b>99,886</b>	<b>194,434</b>	<b>260,296</b>	<b>261,043</b>
Current	26,041	103,480	96,554	130,567
Non-current	73,845	90,954	163,742	130,476
<b>Total</b>	<b>99,886</b>	<b>194,434</b>	<b>260,296</b>	<b>261,043</b>

### i) PIS/COFINS credit, exclusion of ICMS from the PIS and COFINS calculation basis

On July 2, 2022, Lubiani Transportes Ltda., company merged into JSL in 2008, obtained a favorable final and unappealable court decision in a lawsuit that discussed the right to exclude ICMS from the PIS and COFINS calculation bases, for the period from August 2002 to July 2007.

In 2022, this credit was recorded, referring to the period from August 2002 to July 2007, in the amount of R\$ 4,525 related to principal and R\$ 7,355 to monetary adjustment recorded in the Parent company, as a corresponding entry to Other operating income (expenses), as extemporaneous tax credits, with no levy of IRPJ and CSLL on monetary adjustment, in line with the STF decision of September 24, 2021.

### ii) Federal Superior Court (STF) decision on res judicata and tax matters

The Company did not identify effects to be recognized in the financial statements at December 31, 2023, with respect to the decision of the Federal Supreme Court (STF) on res judicata in tax matters of February 8, 2023 in relation to the cancellation of final decisions (final and unappealable) based on the change of the court's understanding on tax issues.

### iii) Final and unappealable decision on the right to PIS and COFINS credits on depreciation

In the period of 2023, the Company recognized R\$ 11,387 related to a final and unappealable court decision regarding a lawsuit discussing JSL's unquestionable right to the credit related to PIS and COFINS contributions calculated on depreciation expenses of its property and equipment items (machinery and equipment, among other assets comprising property and equipment), acquired by the Company prior to April 1, 2004.

### iv) INSS credit on labor costs

Of the total, R\$ 51,109 refer to INSS credits on labor costs for the period from November 2004 to September 2019 for which a final and unappealable court decision favorable to the Company was granted.



### 13. Indemnification assets due to business combination

During the purchase price allocation process of the acquired companies, contingent liabilities were identified for which the former owners contractually agree to indemnify JSL S.A. in the event of a financial disbursement. Accordingly, in the allocation of the prices paid, a provision for administrative and judicial litigation was recognized, and indemnification assets were recognized on the acquisitions of Fadel, Transmoreno, TPC, Marvel, Rodomeu, IC and FSJ.

At December 31, 2023, the net balances of indemnification assets and contingent liabilities are presented in the Company's consolidated financial statements as follows:

	<b>Labor</b>	<b>Civil</b>	<b>Tax</b>	<b>Consolidated Total</b>
<b>At December 31, 2021</b>	<b>114,103</b>	<b>111</b>	<b>158,479</b>	<b>272,692</b>
Statute of limitations	(20,345)	-	(28,342)	(48,687)
Usage	(3,167)	-	-	(3,167)
<b>At December 31, 2022</b>	<b>90,591</b>	<b>111</b>	<b>130,137</b>	<b>220,838</b>
Purchase price allocation (PPA)	113,655	4,192	264,412	382,259
Statute of limitations	(35,481)	-	(48,670)	(84,151)
Usage	(3,930)	-	-	(3,930)
<b>At December 31, 2023</b>	<b>164,835</b>	<b>4,303</b>	<b>345,879</b>	<b>515,016</b>



**JSL S.A.**  
**Notes to the parent company and consolidated financial statements Years**  
**ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais, unless otherwise stated**

## 14. Investments

These investments are accounted for under the equity method of accounting based on the financial statements of the investees, as follows:

### 14.1 Changes in investments

Changes in the years ended December 31, 2023 and 2022 were as follows:

Investments	12/31/2022	Merger (i)	Capital contribution	Acquisition of companies (v)	Equity results from subsidiaries	Issuance of debentures / Commercial notes convertible into shares (iii)	Gains (losses) on translation of foreign operations	Amortization of surplus value	Other movements (iv)	12/31/2023	Parent company	
											Interest %	Equity at 12/31/2023
Fadel Mercosur	67,074	-	-	-	15,509	-	(4,549)	-	-	78,034	100.00	78,039
Fadel Transportes	256,426	-	-	-	70,628	-	(6,497)	-	(16,006)	304,551	100.00	304,566
Transportes Marvel	302,169	-	-	-	26,622	7,007	-	-	-	335,798	100.00	335,797
Medlogística	332	(360)	-	-	28	-	-	-	-	-	-	-
Quick Armazéns (vi)	6,165	-	-	-	128	-	-	-	(6,293)	-	99.99	-
Quick Logística	45,627	-	-	-	8,368	-	-	-	(3,217)	50,778	99.99	50,778
Sinal Serviços	91,676	-	-	-	20,005	120,944	-	-	-	232,625	99.99	231,682
Yolanda	31,183	-	-	-	813	-	-	-	(425)	31,571	99.99	31,571
Pronto Express	88,882	-	-	-	34,865	132,880	-	-	(1,016)	255,611	100.00	302,340
Transportes Rodomeu	30,346	-	-	-	10,520	-	-	-	(2,880)	37,986	100.00	30,726
Transmoreno	23,948	-	-	-	22,320	-	-	-	(26,891)	19,377	100.00	19,377
Truckpad Tec e Log S.A.	(21)	-	5,555	-	(4,061)	-	-	-	1,504	2,977	100.00	2,977
Unitum Participações	-	(105,684)	-	86,346	19,338	-	-	-	-	-	100.00	-
IC Transportes Ltda.	-	129,104	-	-	18,018	28,117	-	-	-	175,239	-	175,239
Artus Corretora	-	(347)	-	-	(25)	-	-	-	-	(372)	-	(371)
Surplus value of property and equipment and intangible assets (ii)	215,660	-	-	447,312	-	-	-	(41,910)	(10,820)	610,242	-	-
Goodwill on business acquisition	79,540	-	-	-	-	-	-	-	(6,418)	73,122	-	-
<b>Total investments</b>	<b>1,239,007</b>	<b>22,713</b>	<b>5,555</b>	<b>533,658</b>	<b>243,076</b>	<b>288,948</b>	<b>(11,046)</b>	<b>(41,910)</b>	<b>(72,462)</b>	<b>2,207,539</b>		<b>1,562,721</b>

- (i) On June 29, 2023, JSL S.A. merged its subsidiary Medlogística Prestação de Serviços de Logística S.A., and on November 29, 2023, the merger of Unitum Participações S.A. into JSL S.A. and the merger of Fortix Veículos Ltda. into IC Transportes Ltda., as of December 1, 2023, were approved.
- (ii) Refers to the capital gain (loss value) of assets acquired and liabilities assumed in a business combination, with the capital gains on fixed assets and intangibles being depreciated and amortized in accordance with the useful lives of the respective assets and contracts, and written off upon disposal and/or realization, in the case of indemnity assets. Amortization and depreciation of the surplus value of fixed and intangible assets are recognized under the heading depreciation and amortization expenses. As of December 31, 2023, of the residual balance: (a) R\$205,190 refers to the surplus value of fixed assets (R\$20,806 as of December 31, 2022); (b) R\$191,601 refers to the surplus value of intangible assets (R\$198,067 on December 31, 2022); (c) R\$ 199,120 to the indemnity asset (R\$ 5,593 of contingency loss on December 31, 2022); and (d) R\$14,330 of other assets assumed dispersed (R\$2,380 as of December 31, 2022).
- (iii) As mentioned in note 1.1 (a), subsidiary Sinal executed the Private Deed Instrument for the 2<sup>nd</sup> issuance of simple, convertible, unsecured debentures, in three series, for private distribution. The total issuance amount was R\$ 132,000 subject to CDI rate + 2.70% and final maturity on February 11, 2025; all debentures were acquired by the Company. As mentioned in note 1.1 (d) on November 30, 2023, subsidiary Pronto Express executed the Private Deed Instrument for the 1<sup>st</sup> issuance of simple, convertible, unsecured debentures, in a single series, for private distribution. The issuance amount was R\$ 170,000 subject to DI rate + 2.40% and final maturity on November 30, 2028. The amounts are presented net of adjustment to present value and interest. As mentioned in note 1.1 (f) on October 24, 2023, subsidiary IC carried out the 1<sup>st</sup> issuance for private distribution of book-entry commercial notes, in a single series. The issuance amount was R\$ 58,972 subject to DI rate + 2.16% and final maturity on September 15, 2028. The amounts are presented net of adjustment to present value and interest.
- (iv) Of the total amount shown in the column, R\$ 56,612 refer to dividends and/or interest on capital received from subsidiaries Quick Logística, Quick Armazém, Yolanda, Transmoreno, Rodomeu, Fadel and Pronto.
- (v) As mentioned in note 1.1 (g) acquisition of companies of 2023 (ii), Unitum Participações S.A. ("Unitum"), a holding company that owns 100% of the quotas of IC Transportes Ltda. ("IC Transportes"), Artus Administradora Ltda. and Fortix Veículos Ltda., approved on April 28, 2023.
- (vi) As mentioned in note 1 (ii) the company was dissolved on August 31, 2023. Of the balance presented in the column of other movements, R\$ 101 refers to this movement.



**JSL S.A.**  
**Notes to the parent company and consolidated financial statements Years**  
**ended December 31, 2023 and 2022**  
**In thousands of Brazilian Reais, unless otherwise stated**

Investments	12/31/2021	Merger (i)	Capital contribution	Acquisition of companies (iv)	Equity results from subsidiaries	Issuance of debentures convertible into shares (iii)	Gains (losses) on translation of foreign operations	Amortization of surplus value (ii)	Other movements (v)	12/31/2022	Parent company	
											Interest %	Equity at 12/31/2022
Fadel Holding	255,163	(245,210)	-	-	(10,202)	-	249	-	-	-	-	-
Fadel Mercosur	-	58,298	-	-	16,902	-	(8,126)	-	-	67,074	100.00	67,074
Fadel Transportes	-	189,642	-	-	69,141	-	315	-	(2,672)	256,426	100.00	256,426
Transportes Marvel	-	194,294	29,910	-	34,972	42,993	-	-	-	302,169	100.00	302,169
Medlogística	359	-	30	-	(57)	-	-	-	-	332	99.99	332
Quick Armazéns	5,768	-	-	-	397	-	-	-	-	6,165	99.99	6,165
Quick Logística	41,973	-	-	-	5,202	-	-	-	(1,548)	45,627	99.99	45,627
Sinal Serviços	11,003	-	32,504	-	4,028	44,141	-	-	-	91,676	99.99	91,676
Yolanda	31,604	-	800	-	(1,221)	-	-	-	-	31,183	99.99	31,183
Moreno Holding	20,148	(20,148)	-	-	-	-	-	-	-	-	100.00	-
Pronto Express	100,429	-	-	-	18,253	-	-	-	(29,800)	88,882	100.00	135,611
Riograndense Logística	158,981	(194,294)	25,500	-	9,813	-	-	-	-	-	100.00	-
Transportes Rodomeu	32,979	3,502	-	-	10,733	-	-	-	(16,868)	30,346	100.00	25,457
Transmoreno	-	27,041	-	-	26,799	-	-	-	(29,892)	23,948	100.00	23,948
Unileste Transportes	3,502	(3,557)	-	-	55	-	-	-	-	-	100.00	-
Truckpad Tec e Log S.A. (iv)	-	-	15865	(12,599)	(1,694)	-	-	-	(1,593)	(21)	100.00	(21)
Surplus value of property and equipment and intangible assets (ii)	244,387	-	-	(2,819)	-	-	-	(24,643)	(1,265)	215,660	-	-
Goodwill on business acquisition	305,008	(255,239)	-	15,418	-	-	-	-	14,353	79,540	-	-
<b>Total investments</b>	<b>1,211,304</b>	<b>(245,671)</b>	<b>104,609</b>	<b>-</b>	<b>183,121</b>	<b>87,134</b>	<b>(7,562)</b>	<b>(24,643)</b>	<b>(69,285)</b>	<b>1,239,007</b>		<b>985,647</b>

- (i) On January 3, 2022, JSL S.A. merged its subsidiaries Fadel Holding and Moreno Holding, and now holds direct interest in Fadel Mercosur, Fadel Transportes and Transmoreno. On March 31, 2022, the shareholders approved the merger of Abaete Comércio de Veículos Ltda. and Unileste Transportes Ltda. into Transportadora Rodomeu Ltda. and the downstream merger of Riograndense Logística Ltda. into Transportes Marvel Ltda. as of April 1, 2022. As a result of such merger on January 3, 2022, the balance of R\$ 36,516 related to the goodwill of Fadel Holding and R\$ 218,723 to Moreno Holding, which together totaled R\$ 255,239, were transferred to intangible assets.
- (ii) Refers to the surplus value of property and equipment and intangible assets, arising from a business combination, amortized over the useful lives of the respective assets and contracts, and written off when disposed of. Amortization and depreciation of the surplus value of property and equipment and intangible assets are recorded in line item Depreciation and amortization expenses.
- (iii) Subsidiaries Marvel and Sinal entered into a private deed instrument for the 1<sup>st</sup> issuance of simple, convertible, unsecured debentures, in a single series, for private distribution. For subsidiary Marvel, the issuance amount was R\$ 50,000 subject to CDI rate + 2.00% and final maturity on January 18, 2024, while for subsidiary Sinal, the issuance amount was R\$ 52,000 subject to CDI rate + 2.70% and final maturity on February 3, 2024; all debentures were acquired by the Company. The amounts are presented net of adjustment to present value and interest.
- (iv) Acquisition of Truckpad Tec and Log. S.A. occurred on May 26, 2022.
- (v) Of the amount shown in the column of other movements, R\$ 60,302 refer to dividends and/or interest on capital received from subsidiaries Pronto Express, Fadel, Transmoreno and Rodomeu.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 14.2 Balances of assets and liabilities and results of subsidiaries

The balances of assets, liabilities, revenues and expenses of subsidiaries at December 31, 2023 and 2022 were as follows:

Investments	12/31/2023		12/31/2022		Equity	Net revenues	Costs and expenses	Profit (loss) for the year
	Current assets	Non-current assets	Current liabilities	Non-current liabilities				
Artus Administradora	182	12	565	-	(371)	245,091	(245,116)	(25)
Fadel Mercosur	48,816	33,070	2,417	1,430	78,039	45,398	(29,889)	15,509
Fadel Transportes	231,023	534,819	141,332	319,944	304,566	670,832	(600,204)	70,628
Medlogística	-	-	-	-	-	-	28	28
IC Transportes	400,430	640,082	369,531	495,742	175,239	75,006	(56,988)	18,018
Quick Armazém	-	-	-	-	-	-	128	128
Quick Logística	30,424	43,946	19,086	4,506	50,778	35,488	(27,120)	8,368
Sinal Serviços	74,201	420,552	46,789	216,282	231,682	203,788	(184,728)	19,060
Yolanda	6,655	30,864	3,621	2,327	31,571	10,829	(10,016)	813
Pronto Express	159,181	300,539	108,716	48,664	302,340	200,896	(166,031)	34,865
Transportes Rodomeu	56,388	98,909	61,223	63,348	30,726	211,959	(203,812)	8,147
Transportes Marvel	254,638	909,908	283,363	545,386	335,797	619,107	(592,485)	26,622
Transmoreno	51,849	12,647	24,732	20,387	19,377	208,962	(186,642)	22,320
Truckpad Tec e Log S.A.	2,368	5,210	2,284	2,317	2,977	8,399	(12,460)	(4,061)
Unitum Participações	-	-	-	-	-	-	19,338	19,338

Investments	12/31/2022		12/31/2021		Equity	Net revenues	Costs and expenses	Profit (loss) for the year
	Current assets	Non-current assets	Current liabilities	Non-current liabilities				
Fadel Mercosur	31,906	39,143	3,103	872	67,074	55,510	(38,597)	16,913
Fadel Transportes	192,490	513,979	193,109	256,934	256,426	549,189	(490,261)	58,928
Medlogística	367	287	322	-	332	-	(57)	(57)
Quick Armazéns	605	5,748	188	-	6,165	-	397	397
Quick Logística	36,105	49,204	25,713	13,969	45,627	41,234	(36,032)	5,202
Sinal Serviços	29,025	331,719	266,392	2,676	91,676	61,955	(57,927)	4,028
Yolanda	4,256	33,874	2,150	4,797	31,183	9,371	(9,082)	289
Pronto Express	127,826	160,878	70,318	82,775	135,611	342,622	(324,369)	18,253
Transportes Rodomeu	50,203	100,975	52,971	72,750	25,457	166,329	(160,485)	5,844
Transportes Marvel	176,978	758,416	135,489	497,736	302,169	558,832	(509,916)	48,916
Transmoreno	71,004	14,109	37,190	23,975	23,948	190,266	(163,467)	26,799
Truckpad Tec e Log S.A.	3,521	3,113	1,681	3,466	1,487	4,935	(6,629)	(1,694)



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

### 14.3 Dividends and interest on capital receivable

	<b>Parent company</b>
<b>At December 31, 2022</b>	<b>2,194</b>
Dividends and interest on capital declared in the year	55,064
Dividends and interest on capital received in the year	(56,613)
<b>At December 31, 2023</b>	<b>645</b>

	<b>Parent company</b>
<b>At December 31, 2021</b>	<b>3,186</b>
Dividends and interest on capital declared in the year	59,310
Dividends and interest on capital received in the year	(60,302)
<b>At December 31, 2022</b>	<b>2,194</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 15. Property and equipment

Movements in the years ended December 31, 2023 and 2022 were as follows:

	Vehicles (ii)	Machinery and equipment (ii)	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Construction in progress	Right of use (i)	Others	Parent company Total
<b>Cost:</b>									
<b>At December 31, 2022</b>	<b>2,186,992</b>	<b>539,699</b>	<b>217,180</b>	<b>49,985</b>	<b>39,863</b>	<b>54,429</b>	<b>348,356</b>	<b>83,759</b>	<b>3,520,264</b>
Additions	516,513	147,305	794	4,988	3,088	11,460	56,658	8,726	749,532
Transfers	(410)	23,576	32,562	464	25	(56,217)	-	-	-
Transfers / fixed assets available for sale	(338,745)	(40,898)	-	-	-	-	-	-	(379,643)
Assets written off and others	(6,373)	(15,435)	(18,933)	(66)	(241)	(52)	(62,789)	-	(103,889)
<b>At December 31, 2023</b>	<b>2,357,977</b>	<b>654,247</b>	<b>231,603</b>	<b>55,371</b>	<b>42,735</b>	<b>9,620</b>	<b>342,225</b>	<b>92,485</b>	<b>3,786,264</b>
<b>Accumulated depreciation:</b>									
<b>At December 31, 2022</b>	<b>(495,295)</b>	<b>(241,338)</b>	<b>(104,963)</b>	<b>(30,817)</b>	<b>(22,316)</b>	-	<b>(120,813)</b>	<b>(52,737)</b>	<b>(1,068,279)</b>
Depreciation expense for the year	(82,582)	(50,641)	(9,812)	(6,205)	(3,290)	-	(48,411)	(3,511)	(204,452)
Transfers	1,011	(598)	-	(392)	(21)	-	-	-	-
Transfers / fixed assets available for sale	117,783	26,070	-	-	-	-	-	-	143,853
Assets written off and others	3,712	16,020	18,973	65	192	-	27,521	174	66,657
<b>At December 31, 2023</b>	<b>(455,371)</b>	<b>(250,487)</b>	<b>(95,802)</b>	<b>(37,349)</b>	<b>(25,435)</b>	-	<b>(141,703)</b>	<b>(56,074)</b>	<b>(1,062,221)</b>
<b>Net balance:</b>									
<b>At December 31, 2022</b>	<b>1,691,697</b>	<b>298,361</b>	<b>112,217</b>	<b>19,168</b>	<b>17,547</b>	<b>54,429</b>	<b>227,543</b>	<b>31,022</b>	<b>2,451,985</b>
<b>At December 31, 2023</b>	<b>1,902,606</b>	<b>403,760</b>	<b>135,801</b>	<b>18,022</b>	<b>17,300</b>	<b>9,620</b>	<b>200,522</b>	<b>36,411</b>	<b>2,724,043</b>
<b>Average depreciation rate for the year:</b>									
Light vehicles	6.6%	-	-	-	-	-	-	-	-
Heavy vehicles	3.7%	9.8%	-	-	-	-	-	-	-
Others	-	-	5.4%	20.0%	10.0%	-	14.2%	2.9%	-

(i) The residual amount of R\$ 197,395 refers to lease agreements for the right of use of properties and R\$ 3,128 relate to lease agreements for the right of use of vehicles, machinery and equipment.

(ii) Includes advances to suppliers of property and equipment totaling R\$ 14,664, of which R\$ 14,350 in the vehicles line and R\$ 314 in machinery and equipment.



**JSL S.A.**

**Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022**

In thousands of Brazilian Reais, unless otherwise stated

	Parent company								
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Construction in progress (ii)	Right of use (i)	Others	Total
<b>Cost:</b>									
<b>At December 31, 2021</b>	<b>1,721,438</b>	<b>458,168</b>	<b>217,180</b>	<b>39,577</b>	<b>35,148</b>	<b>29,145</b>	<b>240,553</b>	<b>77,308</b>	<b>2,818,518</b>
Additions	603,284	109,187	-	10,418	4,716	25,284	107,803	6,451	867,143
Transfers to/return of fixed assets available for sale	(181,158)	(25,445)	-	-	-	-	-	-	(206,603)
Assets written off, transfers and others	43,428	(2,211)	-	(10)	(1)	-	-	-	41,206
<b>At December 31, 2022</b>	<b>2,186,992</b>	<b>539,699</b>	<b>217,180</b>	<b>49,985</b>	<b>39,863</b>	<b>54,429</b>	<b>348,356</b>	<b>83,759</b>	<b>3,520,264</b>
<b>Accumulated depreciation:</b>									
<b>At December 31, 2021</b>	<b>(438,801)</b>	<b>(233,865)</b>	<b>(86,018)</b>	<b>(25,016)</b>	<b>(19,091)</b>	-	<b>(81,105)</b>	<b>(50,354)</b>	<b>(934,250)</b>
Depreciation expense for the year	(64,773)	(23,099)	(10,565)	(5,803)	(3,226)	-	(38,869)	(1,626)	(147,961)
Impairment	(1,193)	(1,078)	(7,197)	-	(30)	-	-	-	(9,498)
Transfers to/return of fixed assets available for sale	66,074	14,930	-	-	-	-	-	-	81,004
Assets written off, transfers and others	(56,602)	1,774	(1,183)	2	31	-	(839)	(757)	(57,574)
<b>At December 31, 2022</b>	<b>(495,295)</b>	<b>(241,338)</b>	<b>(104,963)</b>	<b>(30,817)</b>	<b>(22,316)</b>	-	<b>(120,813)</b>	<b>(52,737)</b>	<b>(1,068,279)</b>
<b>Net balance:</b>									
<b>At December 31, 2021</b>	<b>1,282,637</b>	<b>224,303</b>	<b>131,162</b>	<b>14,561</b>	<b>16,057</b>	<b>29,145</b>	<b>159,448</b>	<b>26,954</b>	<b>1,884,268</b>
<b>At December 31, 2022</b>	<b>1,691,697</b>	<b>298,361</b>	<b>112,217</b>	<b>19,168</b>	<b>17,547</b>	<b>54,429</b>	<b>227,543</b>	<b>31,022</b>	<b>2,451,985</b>
<b>Average depreciation rate for the year:</b>									
Light vehicles	7.4%	-	-	-	-	-	-	-	-
Heavy vehicles	6.2%	9.3%	-	-	-	-	-	-	-
Others	-	-	5.1%	20.0%	10.0%	-	13.2%	3.0%	-

(i) Refers entirely to property lease agreements.

(ii) Includes advances to suppliers of property and equipment totaling R\$ 24,729.



**JSL S.A.**

**Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022**

In thousands of Brazilian Reais, unless otherwise stated

	<b>Consolidated</b>								
	<b>Vehicles (ii)</b>	<b>Machinery and equipment (ii)</b>	<b>Leasehold improvements</b>	<b>Computers and peripherals</b>	<b>Furniture and fixtures</b>	<b>Construction in progress</b>	<b>Right of use (i)</b>	<b>Others</b>	<b>Total</b>
<b>Cost:</b>									
<b>At December 31, 2022</b>	<b>3,917,634</b>	<b>733,100</b>	<b>326,481</b>	<b>82,240</b>	<b>55,492</b>	<b>26,010</b>	<b>624,084</b>	<b>129,621</b>	<b>5,894,662</b>
Additions	1,003,605	201,830	17,575	11,245	6,747	18,827	162,022	16,702	1,438,553
PPA allocation (iii)	239,924	-	-	-	-	-	-	-	239,924
Acquisition of companies	517,458	5,197	101	3,507	1,435	860	120,443	6,799	655,800
Transfers	(11,738)	13,190	25,085	464	25	(26,897)	-	(129)	-
Transfers to fixed assets available for sale	(457,865)	(49,817)	-	-	-	-	-	-	(507,682)
Exchange rate changes	(17,773)	(22)	(274)	(59)	(22)	-	(251)	(18)	(18,419)
Assets written off and others	(15,666)	(32,779)	(28,187)	(4,502)	(1,890)	(3,531)	(69,304)	(5,721)	(161,580)
<b>At December 31, 2023</b>	<b>5,175,579</b>	<b>870,699</b>	<b>340,781</b>	<b>92,895</b>	<b>61,787</b>	<b>15,269</b>	<b>836,994</b>	<b>147,254</b>	<b>7,541,258</b>
<b>Accumulated depreciation:</b>									
<b>At December 31, 2022</b>	<b>(724,603)</b>	<b>(282,862)</b>	<b>(140,157)</b>	<b>(51,192)</b>	<b>(30,940)</b>	<b>-</b>	<b>(244,358)</b>	<b>(72,776)</b>	<b>(1,546,888)</b>
Depreciation expense for the year	(200,241)	(62,578)	(14,140)	(10,647)	(4,501)	-	(112,687)	(5,628)	(410,422)
Transfers	7,788	(7,374)	-	(392)	(22)	-	-	-	-
Transfers / fixed assets available for sale	152,624	33,717	-	-	-	-	-	-	186,341
Exchange rate changes	2,625	13	50	20	8	-	62	13	2,791
Acquisition of companies	(41,139)	(1,814)	(57)	(2,485)	(1,092)	-	(48,014)	(500)	(95,101)
Assets written off and others	2,435	20,588	19,779	2,663	680	-	30,264	160	76,569
<b>At December 31, 2023</b>	<b>(800,511)</b>	<b>(300,310)</b>	<b>(134,525)</b>	<b>(62,033)</b>	<b>(35,867)</b>	<b>-</b>	<b>(374,733)</b>	<b>(78,731)</b>	<b>(1,786,710)</b>
<b>Net balance:</b>									
<b>At December 31, 2022</b>	<b>3,193,031</b>	<b>450,238</b>	<b>186,324</b>	<b>31,048</b>	<b>24,552</b>	<b>26,010</b>	<b>379,726</b>	<b>56,845</b>	<b>4,347,774</b>
<b>At December 31, 2023</b>	<b>4,375,068</b>	<b>570,389</b>	<b>206,256</b>	<b>30,862</b>	<b>25,920</b>	<b>15,269</b>	<b>462,261</b>	<b>68,523</b>	<b>5,754,548</b>
<b>Average depreciation rate for the year:</b>									
Light vehicles	14.0%	-	-	-	-	-	-	-	-
Heavy vehicles	6.6%	15.9%	-	-	-	-	-	-	-
Others			6.9%	18.0%	9.1%	-	16.5%	7.20%	

(i) The residual amount of R\$ 392,781 refers to lease agreements for the right of use of properties and R\$ 69,480 relate to lease agreements for the right of use of vehicles, machinery and equipment.

(ii) Includes advances to suppliers of property and equipment totaling R\$ 18,950, of which R\$ 17,734 in the vehicles line and R\$ 1,216 in machinery and equipment.

(iii) Refers to the surplus value of vehicles arising from the acquisition of Fazenda São Judas Logística Ltda. ("FSJ") and Unitem Participações S.A. ("IC").



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

	Consolidated								
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Construction in progress (ii)	Right of use (i)	Others	Total
<b>Cost:</b>									
<b>At December 31, 2021</b>	<b>2,799,156</b>	<b>595,613</b>	<b>325,423</b>	<b>70,409</b>	<b>51,613</b>	<b>32,357</b>	<b>455,608</b>	<b>122,620</b>	<b>4,452,799</b>
Additions	1,376,359	164,979	3,075	15,849	6,690	36,283	193,815	11,880	1,808,930
Transfers to fixed assets available for sale	(286,408)	(36,985)	-	-	-	-	-	-	(323,393)
Exchange rate changes	(3,850)	(61)	-	(8)	(163)	-	89	(209)	(4,202)
Acquisition of companies	-	-	1,057	709	293	-	-	-	2,059
Assets written off, transfers and others	32,377	9,554	(3,074)	(4,719)	(2,941)	(42,630)	(25,428)	(4,670)	(41,531)
<b>At December 31, 2022</b>	<b>3,917,634</b>	<b>733,100</b>	<b>326,481</b>	<b>82,240</b>	<b>55,492</b>	<b>26,010</b>	<b>624,084</b>	<b>129,621</b>	<b>5,894,662</b>
<b>Accumulated depreciation:</b>									
<b>At December 31, 2021</b>	<b>(721,304)</b>	<b>(306,617)</b>	<b>(121,788)</b>	<b>(44,014)</b>	<b>(27,952)</b>	-	<b>(163,911)</b>	<b>(53,794)</b>	<b>(1,439,380)</b>
Depreciation expense for the year	(127,082)	(17,844)	(14,608)	(9,327)	(4,493)	-	(87,450)	(3,653)	(264,457)
Impairment	(1,193)	(1,078)	(7,197)	-	(30)	-	-	-	(9,498)
Transfers to/return of fixed assets available for sale	108,955	16,957	-	-	-	-	-	-	125,912
Exchange rate changes	(296)	(18)	-	-	-	-	38	23	(253)
Acquisition of companies	-	-	(1,054)	(447)	(73)	-	-	-	(1,574)
Assets written off, transfers and others	16,317	25,738	4,490	2,596	1,608	-	6,965	(15,352)	42,362
<b>At December 31, 2022</b>	<b>(724,603)</b>	<b>(282,862)</b>	<b>(140,157)</b>	<b>(51,192)</b>	<b>(30,940)</b>	-	<b>(244,358)</b>	<b>(72,776)</b>	<b>(1,546,888)</b>
<b>Net balance:</b>									
<b>At December 31, 2021</b>	<b>2,077,852</b>	<b>288,996</b>	<b>203,635</b>	<b>26,395</b>	<b>23,661</b>	<b>32,357</b>	<b>291,697</b>	<b>68,826</b>	<b>3,013,419</b>
<b>At December 31, 2022</b>	<b>3,193,031</b>	<b>450,238</b>	<b>186,324</b>	<b>31,048</b>	<b>24,552</b>	<b>26,010</b>	<b>379,726</b>	<b>56,845</b>	<b>4,347,774</b>
<b>Average depreciation rate for the year:</b>									
Light vehicles	8.9%	-	-	-	-	-	-	-	-
Heavy vehicles	6.3%	8.7%	-	-	-	-	-	-	-
Others	-	8.1%	8.5%	19.1%	9.8%	4.5%	21.5%	8.2%	-

(i) R\$ 368,508 refer to lease agreements for the right of use of properties and R\$ 11,218 to lease agreements for the right of use of vehicles, machinery and equipment.

(ii) Includes advances to suppliers of property and equipment totaling R\$ 24,729.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

### 15.1 Change in accounting estimate "useful life"

The Company reviews annually the estimates of the expected market value at the end of the accounting useful lives of its property and equipment and reviews periodically the estimates of their accounting useful lives used for the determination of the depreciation and amortization rates, and whenever necessary, assesses the recoverability of its assets. The depreciation methods, useful lives and residual values are adjusted in a prospective basis, if appropriate.

### 15.2 Leases of property and equipment items

Part of the assets were acquired by JSL through leases, substantially represented by vehicles in the amount of R\$569,309 (R\$452,796 as of December 31, 2022) and machinery and equipment in the amount of R\$87,325 (R\$19,707 as of December 31, 2022). December 2022). These balances are part of fixed assets as shown below:

	Parent company and Consolidated	
	12/31/2023	12/31/2022
Cost - capitalized leases	712,616	490,696
Accumulated depreciation	(55,982)	(18,193)
<b>Net balance</b>	<b>656,634</b>	<b>472,503</b>

### 15.3 Impairment testing

As mentioned in note 2.12.(c), concomitantly with the review of the useful lives of vehicles, management carried out an analysis to verify the existence of indications of impairment of intangible assets in the year ended December 31, 2023 and concluded that there is no indication.

	Parent Company and Consolidated	
	12/31/2023	12/31/2022
	Net value	Net value
Leasehold improvements	-	7,197
Construction in progress	-	1,183
Vehicles	-	11
Machinery and equipment	-	1,078
Furniture and fixtures	-	30
<b>Total</b>	<b>-</b>	<b>9,499</b>

## 16. Intangible assets

Movements in the years ended December 31, 2023 and 2022 were as follows:

	Parent company				
	Goodwill	Software	Software in progress	Others	Total
<b>Cost:</b>					
<b>At December 31, 2022</b>	<b>487,848</b>	<b>85,563</b>	<b>12,580</b>	<b>930</b>	<b>586,921</b>
Additions	-	3,398	10,018	-	13,416
Transfers	-	17,990	(17,990)	-	-
Write-offs and others	-	(48)	-	-	(48)
<b>At December 31, 2023</b>	<b>487,848</b>	<b>106,903</b>	<b>4,608</b>	<b>930</b>	<b>600,289</b>
<b>Accumulated amortization:</b>					
<b>At December 31, 2022</b>	<b>-</b>	<b>(57,579)</b>	<b>-</b>	<b>(201)</b>	<b>(57,780)</b>
Amortization expense for the year	-	(8,829)	-	(15)	(8,844)
Write-offs and others	-	48	-	-	48
<b>At December 31, 2023</b>	<b>-</b>	<b>(66,360)</b>	<b>-</b>	<b>(216)</b>	<b>(66,576)</b>
<b>Net balances:</b>					
<b>At December 31, 2022</b>	<b>487,848</b>	<b>27,984</b>	<b>12,580</b>	<b>729</b>	<b>529,141</b>
<b>At December 31, 2023</b>	<b>487,848</b>	<b>40,543</b>	<b>4,608</b>	<b>714</b>	<b>533,713</b>
Average amortization rate for the year:	-	20.0%	-	10.0%	-



**JSL S.A.**

**Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022**

In thousands of Brazilian Reais, unless otherwise stated

	<b>Consolidated</b>					
	<b>Goodwill</b>	<b>Non-competete agreement and customer list</b>	<b>Software</b>	<b>Software in progress</b>	<b>Others</b>	<b>Total</b>
<b>Cost:</b>						
<b>At December 31, 2022</b>	<b>596,334</b>	<b>229,531</b>	<b>118,321</b>	<b>12,580</b>	<b>58,758</b>	<b>1,015,524</b>
Additions	-	-	6,462	10,078	276	16,816
Write-offs, transfers and others	14,500	211	17,406	(18,240)	(17,113)	(3,236)
PPA allocation	-	91,510	-	-	4,694	96,204
Acquisition of companies	-	-	630	-	7	637
<b>At December 31, 2023</b>	<b>610,834</b>	<b>321,252</b>	<b>142,819</b>	<b>4,418</b>	<b>46,622</b>	<b>1,125,945</b>
<b>Accumulated amortization:</b>						
<b>At December 31, 2022</b>	-	<b>(63,800)</b>	<b>(78,277)</b>	-	<b>(1,766)</b>	<b>(143,843)</b>
Acquisition of companies	-	-	(282)	-	-	(282)
Amortization expense for the year	-	(22,924)	(13,225)	-	(15)	(36,164)
Write-offs, transfers and others	-	-	423	-	-	423
<b>At December 31, 2023</b>	-	<b>(86,724)</b>	<b>(91,361)</b>	-	<b>(1,781)</b>	<b>(179,866)</b>
<b>Net balances:</b>						
<b>At December 31, 2022</b>	<b>596,334</b>	<b>165,731</b>	<b>40,044</b>	<b>12,580</b>	<b>56,992</b>	<b>871,681</b>
<b>At December 31, 2023</b>	<b>610,834</b>	<b>234,528</b>	<b>51,458</b>	<b>4,418</b>	<b>44,841</b>	<b>946,079</b>
<b>Average amortization rate for the year:</b>	-	14,2%	20,4%	-	10,0%	-

- (i) Refers to the surplus value of the “customer relationship” and “non-competete agreement” related to the acquisition of Fazenda São Judas Logística Ltda. (“FSJ”) and the surplus value of the “non-competete agreement” and “trademark” resulting from the acquisition of Unitum Participações S.A. (“Unitum”) and its subsidiaries.

	<b>Parent company</b>				
	<b>Goodwill</b>	<b>Software</b>	<b>Software in progress</b>	<b>Others</b>	<b>Total</b>
<b>Cost:</b>					
<b>At December 31, 2021</b>	<b>232,609</b>	<b>78,628</b>	<b>4,608</b>	<b>930</b>	<b>316,775</b>
Additions	-	5,953	8,963	-	14,916
Addition from merger (ii)	255,239	-	-	-	255,239
Transfers	-	991	(991)	-	-
Write-offs and others	-	(9)	-	-	(9)
<b>At December 31, 2022</b>	<b>487,848</b>	<b>85,563</b>	<b>12,580</b>	<b>930</b>	<b>586,921</b>
<b>Accumulated amortization:</b>					
<b>At December 31, 2021</b>	-	<b>(49,479)</b>	-	<b>(177)</b>	<b>(49,656)</b>
Amortization expense for the year	-	(8,100)	-	(24)	(8,124)
<b>At December 31, 2022</b>	-	<b>(57,579)</b>	-	<b>(201)</b>	<b>(57,780)</b>
<b>Net balances:</b>					
<b>At December 31, 2021</b>	<b>232,609</b>	<b>29,149</b>	<b>4,608</b>	<b>753</b>	<b>267,119</b>
<b>At December 31, 2022</b>	<b>487,848</b>	<b>27,984</b>	<b>12,580</b>	<b>729</b>	<b>529,141</b>
<b>Average amortization rate for the year:</b>	-	18,6%	-	10,0%	-

- (i) On January 3, 2022, JSL S.A. merged its subsidiaries Fadel Holding and Moreno Holding, starting to hold direct interests in Fadel Mercosur, Fadel Transportes and Transmoreno, as a result of the aforementioned merger on January 3, 2022, the goodwill balances of R\$ 36,516 of Fadel Holding and R\$ 218,723 of Moreno Holding, which together totaled R\$ 255,239, were transferred from investment to intangible assets.



**JSL S.A.**

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

	<b>Consolidated</b>					
	<b>Goodwill</b>	<b>Non-compet agreement and customer list</b>	<b>Software</b>	<b>Software in progress</b>	<b>Others</b>	<b>Total</b>
<b>Cost:</b>						
<b>At December 31, 2021</b>	<b>571,731</b>	<b>223,731</b>	<b>113,875</b>	<b>4,608</b>	<b>44,638</b>	<b>958,583</b>
Additions	-	-	6,349	8,963	-	15,312
Write-offs, transfers and others	6,780	-	(9,535)	(991)	9,565	5,819
Revaluation of PPA	2,404	5,800	-	-	1,200	9,404
PPA allocation	15,419	-	5,029	-	3,355	23,803
Acquisition of companies	-	-	2,603	-	-	2,603
<b>At December 31, 2022</b>	<b>596,334</b>	<b>229,531</b>	<b>118,321</b>	<b>12,580</b>	<b>58,758</b>	<b>1,015,524</b>
<b>Accumulated amortization:</b>						
<b>At December 31, 2021</b>	-	<b>(43,383)</b>	<b>(67,718)</b>	-	<b>(1,742)</b>	<b>(112,843)</b>
Amortization expense for the year	-	(20,417)	(11,481)	-	(24)	(31,922)
Write-offs, transfers and others	-	-	1,060	-	-	1,060
Acquisition of companies	-	-	(138)	-	-	(138)
<b>At December 31, 2022</b>	-	<b>(63,800)</b>	<b>(78,277)</b>	-	<b>(1,766)</b>	<b>(143,843)</b>
<b>Net balances:</b>						
<b>At December 31, 2021</b>	<b>571,731</b>	<b>180,348</b>	<b>46,157</b>	<b>4,608</b>	<b>42,896</b>	<b>845,740</b>
<b>At December 31, 2022</b>	<b>596,334</b>	<b>165,731</b>	<b>40,044</b>	<b>12,580</b>	<b>56,992</b>	<b>871,681</b>
<b>Average amortization rate for the year:</b>		8.3%	20.4%		10.0%	-

- (i) On May 26, 2022, the Company completed the acquisition of 100% of the shares issued by Truckpad resulting in the following acquisition balances: R\$ 15,419 of goodwill, R\$ 5,029 of surplus value of software, and R\$ 3,355 of surplus value of brands.

## 16.1 Goodwill on business combinations

In the Parent company, goodwill refers to the acquisition of companies Lubiani Transportes Ltda., Transportadora Grande ABC (TGABC), Rodoviário Schio S.A. (Schio), Fadel, Transmoreno, TPC, Marvel and Truckpad, which operate warehouse and cargo transport activities, and was allocated to the Cash-Generating Unit (CGU) Logistics, the only CGU identified, for impairment testing purposes.

## 16.2 Impairment testing

In the year ended December 31, 2023, the Company performed impairment tests of its sole CGU, updating them with the current measurable assumptions, indicators and expectations after the crisis began, and did not identify impairment losses on the recorded amounts of its goodwill.

The main assumptions used in the calculations of the value in use at December 31, 2023 are presented below:

<b>Cash generating units</b>	<b>Logistics</b>
Discount rates (WACC) (i)	12.85%
Growth rate in perpetuity	3.51%
Estimated growth rate for EBITDA (ii) - average for the following five years	13.94%

For comparative purposes, the main assumptions used to calculate the value in use at December 31, 2022 are presented below:

**JSL S.A.**

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

Cash generating units	Logistics
Discount rates (WACC) (i)	12.50%
Growth rate in perpetuity	5.32%
Estimated growth rate for EBITDA (ii) - average for the following five years	10.54%

- (i) The discount rates shown in the table above refer to after-tax rates. The pre-tax discount rates used for the annual impairment test are as follows: 17.30% (at December 31, 2022 equivalent to 16.20%).
- (ii) EBITDA: Earnings before interest, taxes, depreciation and amortization;

Being:

- Utilization of the Weighted Average Cost of Capital (WACC) as appropriate parameter to determine the discount rate to be applied to the free cash flows.
- Cash flows projections prepared by Management, with periods beginning in January 2024 through December 2028.
- All projections were made on a nominal basis, that is, considering the effect of inflation.
- The final value of cash flows, considered after December 2027, was calculated based on the cash flows perpetuity, considering the assumption of continuity of operations for an indefinite period (perpetuity), and a growth equivalent to the long-term inflation.
- The cash flows were discounted considering the mid period convention, assuming that the cash flows are generated throughout the year.
- The rendering of services volume considers the annual average growth rate over the 5-year forecast period. It is based on past performance and management's expectations of market development.
- Sales price is the average annual growth rate over the 5-year forecast period. It is based on current industry trends and includes long-term inflation forecasts.
- The estimated recoverable amounts for the CGU exceeded their carrying amounts. Management identified the key assumptions for which reasonable possible changes may cause impairment. The final value of cash flows, considered after December 2028, was calculated based on the cash flows perpetuity, considering the assumption of continuity of operations for an indefinite period (perpetuity), and a growth equivalent to the long-term inflation;

**17. Trade payables**

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Vehicles, machinery and equipment	78,429	94,347	208,033	396,831
Parts and maintenance	37,941	33,837	74,582	62,346
Related parties (Note 24.1)	57,118	81,695	47,783	71,586
Inventory	37,210	5,467	54,973	6,046
Contracted services	29,382	30,189	78,938	68,264
Property lease	4,172	3,835	7,591	4,176
Others	5,275	10,581	34,000	33,014
<b>Total</b>	<b>249,527</b>	<b>259,951</b>	<b>505,900</b>	<b>642,263</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 18. Loans and borrowings

Movements in the years ended December 31, 2023 and 2022 were as follows:

Type	Annual average rate	Average rate structure	Maturity	12/31/2023			Parent company 12/31/2022		
				Current	Non-current	Total	Current	Non-current	Total
<b>In local currency</b>									
CRAs (i)	9.95%	CDI/IPCA	May/31	191,254	1,265,137	1,456,391	186,053	1,234,065	1,420,118
FINAME (ii)	11.34%	IPCA/SELIC/Fixed rate	Jan/29	140,929	419,543	560,472	9,281	173,053	182,334
CDC (vii)	13.22%	CDI+1.24%	Feb/28	9,498	29,359	38,857	4,358	31,904	36,262
FIDC (ix)	17.08%	Fixed Rate	Sept/25	36,011	22,817	58,828	-	-	-
CRI (viii)	13.39%	CDI/IPCA/Fixed Rate	Sept/30	21,549	680,327	701,876	-	-	-
CCB (vi)	14.44%	CDI+2.50%	Aug/24	25,585	-	25,585	-	-	-
Resolution 4131	13.88%	CDI+2.0%	Oct/26	7,496	249,999	257,495	-	-	-
Others (iii)(v)	14.51%	CDI+2.50%	Nov/23	-	-	-	-	-	-
				<b>432,322</b>	<b>2,667,182</b>	<b>3,099,504</b>	<b>199,692</b>	<b>1,439,022</b>	<b>1,638,714</b>

- The total balances are net of funding costs and other relevant fees.

(iii) and (v) Refer to Commercial Notes and NCEs that had the balances moved and settled in the year ended December 31, 2023.

Type	Annual average rate	Average rate structure	Maturity	12/31/2023			Consolidated 12/31/2022		
				Current	Non-current	Total	Current	Non-current	Total
<b>In local currency</b>									
CRAs (i)	9.95%	CDI / IPCA	Nov/25	191,254	1,265,137	1,456,391	186,053	1,234,065	1,420,118
CCBs (vi)	14.36%	CDI / PRIME	Dec/26	145,250	203,822	349,072	21,855	150,296	172,151
FINAME (ii)	12.70%	CDI / SELIC / IPCA / Fixed Rate	Jan/29	267,875	1,023,230	1,291,105	26,696	465,153	491,849
FNO (iv)	7.88%	77.78% of CDI	Oct/31	416	179,555	179,971	-	-	-
Commercial Notes (iii)	14.06%	CDI + 0.20%	Dec/26	-	-	-	-	-	-
NCE (v)	12.54%	CDI+0.8%	Nov/23	-	-	-	-	-	-
CDC (vii)	13.49%	CDI / Fixed rate	Feb/28	19,661	46,143	65,804	6,326	39,903	46,229
CRI (viii)	13.39%	CDI / IPCA / Fixed rate	Sept/30	21,549	680,327	701,876	-	-	-
FIDC (ix)	17.08%	Fixed Rate	Sept/25	36,011	22,817	58,828	-	-	-
Resolution 4131	13.88%	CDI+2.0%	Oct/26	7,496	249,998	257,494	-	-	-
Others (iii)(v)	13.63%	CDI	Jan/30	62	782	844	-	-	-
				<b>689,574</b>	<b>3,671,811</b>	<b>4,361,385</b>	<b>240,930</b>	<b>1,889,417</b>	<b>2,130,347</b>
<b>In foreign currency</b>									
International credit (4131) - EUR	14.44%	CDI + 2,50%	Aug/24	157,665	-	157,665	8,446	150,000	158,446
CCB - Rand	11.25%	PRIME	Dec/31	46,936	94,892	141,828	7,131	82,079	89,210
CCB - EUR	1.13%	Fixed Rate	Jan/24	112	-	112	467	117	584
				<b>204,713</b>	<b>94,892</b>	<b>299,605</b>	<b>16,044</b>	<b>232,196</b>	<b>248,240</b>
				<b>894,287</b>	<b>3,766,703</b>	<b>4,660,990</b>	<b>256,974</b>	<b>2,121,613</b>	<b>2,378,587</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2022 and 2021

In thousands of Brazilian Reais, unless otherwise stated

(i) **CRAs** are Agribusiness Receivables Certificates issued for raising funds to finance the agribusiness sector chain, backed by Agribusiness Credit Rights Certificates (CDCA), issued by JSL. CDCAs have varying maturities with monthly and half-yearly interest and have commitments clauses, including the maintenance of financial ratios, which are calculated on the consolidated financial information of JSL, of

- I. “**Net Debt / Added EBITDA**” less than or equal to 3.5 times; and
- II. “**Added EBITDA / Net Finance Costs**” greater than or equal to 2.0 times.

These ratios are included in item “x” of Clauses 9.2 of CDCAs 01/2019 and 02/2019 and 7.2.1 of CDCA 01/2020 and must be proven quarterly, and were complied with in the year ended December 31, 2023.

- (ii) **FINAME (Indirect or Direct)** are financing for investments in vehicles, machinery and equipment used in operations. FINAME agreements have a grace period ranging from six months to two years according to the financed product, interest and principal are paid monthly after the grace period. These financing agreements have no covenants, but only pledge of assets with financial agents.
- (iii) **Commercial Note** issued to reinforce working capital, in the ordinary management of its business. These agreements have defined maturities, with semiannual payment of interest and principal at the end of the agreement. This transaction has covenants, including the maintenance of financial ratios, which are calculated on the consolidated information.
- (iv) **FNO** refers to the operations of the Constitutional Fund for Financing of the Northeast of Banco da Amazônia, to finance and invest in heavy vehicles, light vehicles, machinery and equipment used in JSL’s cash management operations. These agreements have varying maturities, grace periods vary from six months to two years, and some assets may be collateralized in accordance with the financed product. Interest and principal are paid monthly after the grace period and have no covenants.
- (v) **NCE** (Export Credit Notes), represent a commitment to pay in reais, through the issuance of a credit note for export, and do not have a commitment clause, issued by financial institutions.
- (vi) **CCBs** are Bank Credit Bills raised with financial institutions for financing working capital and the purchase of vehicles, machinery and equipment used in operations. These agreements have covenants, including the maintenance of financial ratios, which are calculated on the consolidated financial information.
- (vii) **CDCs** are Direct Consumer Credits, a working capital financing for purchase of products, vehicles, machinery and equipment in general, including services. These agreements have varying maturities, either monthly, quarterly or half-yearly.
- (viii) **CRIs** are Real Estate Receivables Certificates issued for raising funds to finance and subsidize working capital, backed by real estate credit right certificates. CRIs have varying maturities and commitments clauses, including the maintenance of financial ratios, which are calculated on the consolidated financial information of JSL.
- (ix) **FIDC (Credit Rights Investment Funds)** – Refers to the fund paid in by the Parent company Simpar and other investors. The balance payable related to the installment paid in by the other shareholders is as shown in note 26.1.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2022 and 2021

In thousands of Brazilian Reais, unless otherwise stated

**For the purposes of reading the above references, the following definitions are considered:**

**Net Debt for covenant purposes:** represents (1) the total balance of the Issuer's short and long-term loans and financing, including debentures and any other debt securities, the negative and/or positive results of equity hedge operations (hedge) and subtracting: (a) amounts in cash and in financial investments; and (b) the financing contracted as a result of the financing program for the stock of new and used vehicles, domestic and imported vehicles and automotive parts, with revolving credit granted by financial institutions linked to the car makers (floor plan); or (2) from the moment that there are no Issuer's debts, the financial ratios of which are calculated based on the definition set out in item (1) above, being:

Net Debt for covenant purposes will represent: the total balance of the Issuer's short and long-term loans and financing, including debentures and any other debt securities, the negative and/or positive results of equity hedge operations (hedge) and subtracting (a) amounts in cash, in financial investments and balances receivable from credit cards; and (b) the financing contracted as a result of the financing program for the stock of new and used vehicles, domestic and imported, and automotive parts, with revolving credit granted by financial institutions linked to the car makers (Floor Plan Vehicles).

**Added EBITDA (EBITDA-A) for covenant purposes:** represents earnings before interest, taxes, depreciation, amortization, impairment of assets and equity results from subsidiaries, plus cost of sale of assets used in the provision of services, calculated over the last 12 months, including the Added-EBITDA of the last 12 months of the companies merged and/or acquired by the Company.

**Net Finance Costs for covenant purposes** represents borrowing costs plus monetary adjustments, less income from financial investments, all relating to the items described in the above definition of "Net Debt", calculated on an accrual basis over the last 12 months.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2022 and 2021

In thousands of Brazilian Reais, unless otherwise stated

## 18.1 Movement of loans and financing

Movements in the years ended December 31, 2023 and 2022 were as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Borrowings and financing at the beginning of the year</b>	<b>1,638,714</b>	<b>1,373,755</b>	<b>2,378,587</b>	<b>1,765,607</b>
Acquisition of companies	-	-	255,815	3,953
New contracts	1,823,938	215,778	2,530,400	611,082
Amortization	(667,486)	-	(802,543)	(43,660)
Interest paid	(121,821)	(86,520)	(240,549)	(154,977)
Interest incurred	251,548	179,913	378,209	241,168
Allocation of fair value hedge variation	164,045	(44,212)	164,045	(44,212)
Exchange rate changes	-	-	(13,046)	(374)
Funding expenses appropriated (incurred)	10,566	-	10,072	-
<b>Loans and borrowings at the end of the year</b>	<b>3,099,504</b>	<b>1,638,714</b>	<b>4,660,990</b>	<b>2,378,587</b>
Current	432,322	199,692	894,287	256,974
Non-current	2,667,182	1,439,022	3,766,703	2,121,613
<b>Total</b>	<b>3,099,504</b>	<b>1,638,714</b>	<b>4,660,990</b>	<b>2,378,587</b>

## 18.2 Intervening party and guarantee

At December 31, 2023 and 2022, JSL has certain guarantees for loan and borrowing transactions, as follows:

FINAME, CDC and leases payable to financial institutions - guaranteed by the respective financed vehicles, machinery and equipment:

- (i) **CDCAs (CRAs)** (01/2019, 02/2019 and 01/2020) have Simpar as the consenting intervening party.

The other transactions do not have any guarantees.



## 19. Debentures

The characteristics of the debentures are presented in the table below:

Values and fees											Parent Company and Consolidated			
1 <sup>st</sup> series			Issuance			Dates			12/31/2023					
Amounts	Annual average rate (i)	Effective interest rate	Total	Transaction costs	Amount of costs and premiums to be apportioned until maturity	Issuance	Funding	Maturity	Type	Identification with B3	Current	Non-current	Total	
10 <sup>th</sup> issuance	352,000	14.66%	CDI+2.70%	352,000	10,698	967	03/20/2017	03/29/2017	09/20/2028	Unsecured	JSML 10	5,743	150,829	156,572
11 <sup>th</sup> issuance	400,000	14.66%	CDI+2.70%	400,000	22,369	7,121	06/20/2017	06/30/2017	09/20/2028	Floating	JSML A1	14,536	395,730	410,266
12 <sup>th</sup> issuance	600,000	14.66%	CDI+2.70%	600,000	12,767	5,435	12/06/2018	12/20/2018	09/20/2028	Floating	JSML A2	20,640	559,111	579,751
15 <sup>th</sup> issuance	700,000	14.66%	CDI+2.70%	700,000	5,392	3,730	10/08/2021	11/05/2021	10/20/2028	Unsecured	JSLGA5	17,896	697,055	714,951
17 <sup>th</sup> Issuance	300,000	14.27%	CDI+2.35%	300,000	2,923	2,911	12/20/2023	12/21/2023	12/20/2028	Unsecured	JSLGA7	202	297,680	297,882
<b>Debentures at the end of the year</b>											<b>59,017</b>	<b>2,100,405</b>	<b>2,159,422</b>	

(i) Refers to the average interest calculated in each of the issues remunerated at CDI plus spread, as presented in the summary below.

Values and fees											Parent Company and Consolidated			
1 <sup>st</sup> series			Issuance			Dates			12/31/2022					
Amounts	Annual average rate (i)	Effective interest rate	Total	Transaction costs	Amount of costs and premiums to be apportioned until maturity	Issuance	Funding	Maturity	Type	Identification with B3	Current	Non-current	Total	
10 <sup>th</sup> issuance	352,000	16.72%	CDI+2.70%	352,000	10,698	2,014	03/20/2017	03/29/2017	09/20/2028	Unsecured	JSML 10	6,296	149,930	156,226
11 <sup>th</sup> issuance	400,000	16.72%	CDI+2.70%	400,000	12,787	7,467	06/20/2017	06/30/2017	09/20/2028	Floating	JSML A1	16,234	393,851	410,085
12 <sup>th</sup> issuance	600,000	16.72%	CDI+2.70%	600,000	22,369	10,547	12/06/2018	12/20/2018	09/20/2028	Floating	JSML A2	22,917	556,020	578,937
15 <sup>th</sup> issuance	700,000	16.72%	CDI+2.70%	700,000	5,392	4,498	10/08/2021	11/05/2021	10/20/2028	Unsecured	JSLGA5	20,579	696,284	716,863
<b>Debentures at the end of the year</b>											<b>66,026</b>	<b>1,796,085</b>	<b>1,862,111</b>	

(i) Refers to the average interest calculated in each of the issues remunerated at CDI plus spread, as presented in the summary below.

The debentures issued by JSL S.A. are all simple, non-convertible, unsecured debentures, except for the 11<sup>th</sup> issuance that comprises debentures of the floating guarantee type and the 12<sup>th</sup> issuance that comprises debentures of the floating and additional personal guarantee type. All debentures have clauses of maintenance of financial ratios, which are calculated on consolidated financial statements.

For the 11<sup>th</sup> and 12<sup>th</sup> issuances of debentures, the Company maintains at least 130% of the debt balance, amount equivalent to assets free of burden and debt.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 19.1 Movement of debentures

Movements in the years ended December 31, 2023 and 2022 were as follows:

	Parent Company and Consolidated	
	12/31/2023	12/31/2022
<b>Debentures at the beginning of the year</b>	<b>1,862,111</b>	<b>1,821,908</b>
Amortization	(3,656)	-
Interest paid	(289,048)	(235,240)
Interest incurred	282,002	275,443
New funding	300,000	-
Funding expenses	8,013	-
<b>Debentures at the end of the year</b>	<b>2,159,422</b>	<b>1,862,111</b>
Current	59,017	66,026
Non-current	2,100,405	1,796,085
<b>Total</b>	<b>2,159,422</b>	<b>1,862,111</b>

## 20. Leases payable

Lease agreements for the acquisition of vehicles and assets of JSL's operating activity, which have annual fixed charges, and are distributed as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Lease liabilities at the beginning of the year</b>	<b>84,997</b>	<b>42,677</b>	<b>84,997</b>	<b>42,677</b>
Acquisition of companies	-	-	32,064	-
New contracts	15,891	69,107	15,891	69,107
Amortization	(17,669)	(30,512)	(22,875)	(30,512)
Interest paid	(1,063)	(760)	(2,112)	(760)
Interest incurred	12,502	4,485	14,380	4,485
<b>Lease liabilities at the end of the year</b>	<b>94,658</b>	<b>84,997</b>	<b>122,345</b>	<b>84,997</b>
Current	24,109	9,879	32,493	9,879
Non-current	70,549	75,118	89,852	75,118
<b>Total</b>	<b>94,658</b>	<b>84,997</b>	<b>122,345</b>	<b>84,997</b>
<b>Annual average rate</b>	<b>16.99%</b>	<b>13.15%</b>	<b>16.47%</b>	<b>13.15%</b>
<b>Average rate structure</b>	<b>CDI+4.78%</b>	<b>CDI+1.25%</b>	<b>CDI+4.32%</b>	<b>CDI+1.25%</b>
<b>Maturity</b>	<b>Feb/28</b>	<b>Dec/27</b>	<b>Feb/28</b>	<b>Dec/27</b>

## Debt repayment schedule

Debt repayment schedule	12/31/2023					Total
	2024	2025	2026	2027	2028 and thereafter	
Leases payable	24,109	14,647	14,818	38,514	2,570	94,658

Debt repayment schedule	12/31/2023					Total
	2024	2025	2026	2027	2028 and thereafter	
Leases payable	32,493	23,470	22,169	41,643	2,570	122,345

Debt repayment schedule	12/31/2022					Total
	2023	2024	2025	2026	2027 and thereafter	
Leases payable	9,879	22,131	10,611	10,725	31,651	84,997



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 21. Right-of-use leases

Information regarding right-of-use assets is disclosed in note 15.

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Right-of-use assets at the beginning of the year</b>	<b>248,702</b>	<b>175,324</b>	<b>413,039</b>	<b>314,955</b>
Acquisition of companies	-	-	78,348	-
New contracts	14,976	104,716	105,727	186,303
Write-offs	(41,670)	-	(45,488)	(23,943)
Amortization	(48,788)	(39,701)	(112,094)	(93,578)
Remeasurement	41,682	3,087	56,295	7,512
Interest paid	(18,578)	(15,085)	(38,226)	(15,115)
Interest incurred (ii)	24,489	20,361	48,864	36,905
<b>Right-of-use assets at the end of the year (i)</b>	<b>220,813</b>	<b>248,702</b>	<b>506,465</b>	<b>413,039</b>
Current	36,461	37,630	132,840	78,812
Non-current	184,352	211,072	373,625	334,227
<b>Total</b>	<b>220,813</b>	<b>248,702</b>	<b>506,465</b>	<b>413,039</b>

(i) The balances presented here include in the Parent company R\$ 217,630 relating to leases for the right of use of Properties (R\$ 248,702 at 12/31/2022) and R\$ 3,183 to leases for the right of use of vehicles, machinery and equipment (with no balance at 12/31/2022), and in the Consolidated R\$ 411,776 referring to leases for the right of use of Properties (R\$ 405,319 at 12/31/2022) and R\$ 94,689 referring to leases for the right of use of vehicles, machinery and equipment (R\$ 7,720 at 12/31/2022).

(ii) The balances presented here have an effect on profit or loss and are presented in the line item Interest on right-of-use leases in Note 31.

JSL substantially leases properties in which its operating and administrative areas operate. The term of such lease contracts is usually 9 years. Lease contracts are adjusted annually to reflect the market values and some leases provide additional lease payments based on changes to the general price index. For certain leases, JSL is prevented from entering into any sub-lease contract.

The Company determined its discount rates based on the risk-free interest rates observed in the Brazilian market for the terms of its contracts, adjusted to the Company's reality (credit spread). The spreads were obtained through surveys with potential investors of the Company's debt securities. The table below shows the rates practiced x the contract terms, as required by CPC 12, §33, for new contracts, the Company performs a quarterly review:

Contracts by term and discount rate	
Contracted terms	Rate % p.a.
1	11.12
3	10.67
5	11.28
8	11.64
10	11.76
15	11.87
20	11.87

Below we present a table indicating the potential right to recoverable PIS/COFINS included in the lease consideration, according to the periods set for payment. Undiscounted balances and balances discounted to present value:



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

Cash flows	12/31/2023	
	Nominal	Adjusted to present value
Lease consideration	853,852	506,465
PIS/COFINS	78,213	46,290

Cash flows	12/31/2022	
	Nominal	Adjusted to present value
Lease consideration	712,477	413,037
PIS/COFINS	63,428	44,645

In the measurement and remeasurement of its leases and related assets, the Company's management used the discounted cash flow methodology without considering the projected inflation in the flows to be discounted. Had the Company considered the inflation (substantially IGP-M) in its cash flows, the effect on right-of-use assets and lease liabilities would have been an increase of approximately R\$ 9,738 at December 31, 2023 and R\$ 15,611 at December 31, 2022.

### Debt repayment schedule

Debt repayment schedule	12/31/2023					
	Parent company					
	2024	2025	2026	2027	2028 and thereafter	Total
Right-of-use leases	36,461	25,743	19,709	17,836	121,064	220,813

Debt repayment schedule	12/31/2023					
	Consolidated					
	2024	2025	2026	2027	2028 and thereafter	Total
Right-of-use leases	132,840	86,976	57,051	46,539	183,059	506,465

Debt repayment schedule	12/31/2022					
	Parent company					
	2023	2024	2025	2026	2027 and thereafter	Total
Right-of-use leases	37,630	28,251	20,214	18,912	143,695	248,702

Debt repayment schedule	12/31/2022					
	Consolidated					
	2023	2024	2025	2026	2027 and thereafter	Total
Right-of-use leases	78,812	65,841	43,967	30,947	193,472	413,039

### 22. Social and labor liabilities

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Provisions for vacation and 13 <sup>th</sup> month salary	85,248	72,989	152,269	117,694
Salaries	46,328	34,646	72,825	49,708
Bonus and profit sharing	17,111	6,467	36,441	21,690
INSS	164,058	116,723	183,803	129,622
Severance pay fund (FGTS)	6,911	5,784	13,067	10,311
Others	5,138	286	5,607	371
	<b>324,794</b>	<b>236,895</b>	<b>464,012</b>	<b>329,396</b>
Current	183,305	236,895	322,264	329,396
Non-current	141,489	-	141,748	-
<b>Total</b>	<b>324,794</b>	<b>236,895</b>	<b>464,012</b>	<b>329,396</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 23. Judicial deposits and provision for judicial and administrative litigation

In the normal course of its business, JSL is subject to civil, tax and labor litigation at the administrative and judicial levels, as well as judicial deposits and assets freezing as collateral in connection with such litigation. Based on the opinion of its legal counsel, provisions were recorded to cover probable losses related to these litigations, and, as applicable, they are presented net of respective judicial deposits as below:

	Parent company				Consolidated			
	Judicial deposits		Provisions		Judicial deposits		Provisions	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Labor	21,578	21,951	(41,933)	(17,544)	38,031	34,122	(224,112)	(129,034)
Civil	12,545	13,679	(6,820)	(8,643)	12,554	13,689	(10,079)	(11,211)
Tax	9,255	7,914	-	-	12,724	9,389	(382,335)	(132,724)
	<b>43,378</b>	<b>43,544</b>	<b>(48,753)</b>	<b>(26,187)</b>	<b>63,309</b>	<b>57,200</b>	<b>(616,526)</b>	<b>(272,969)</b>

### 23.1 Judicial deposits

Judicial deposits and assets freezing refer to amounts deposited in an account or legal freezes on checking accounts, ruled by court, as guarantee for any payment required by court, or amounts duly deposited under judicial agreements to replace labor or tax payments that are being discussed in court.

### 23.2. Provision for judicial and administrative litigation

JSL classifies the risks of loss on lawsuits as “probable”, “possible” or “remote”. The provision recognized in respect of these lawsuits is determined by Management, based on the analysis of its legal counsel, and reasonably reflects the estimated probable losses.

Management believes that the provision for tax, civil and labor risks is sufficient to cover any losses on administrative and judicial litigation. Movements in the years ended December 31, 2023 and 2022 were as follows:

	Parent company			
	Labor	Civil	Tax	Total
<b>At December 31, 2022</b>	<b>17,544</b>	<b>8,643</b>	-	<b>26,187</b>
Additions	16,277	5,213	-	21,490
Reversals and use	(11,419)	(7,036)	-	(18,455)
Merger	23,075	-	-	23,075
Statute of limitations	(3,544)	-	-	(3,544)
<b>At December 31, 2023</b>	<b>41,933</b>	<b>6,820</b>	-	<b>48,753</b>

	Consolidated			
	Labor	Civil	Tax	Total
<b>At December 31, 2022</b>	<b>129,034</b>	<b>11,211</b>	<b>132,724</b>	<b>272,969</b>
Additions	37,275	5,214	8,481	50,970
Reversals	(24,372)	(11,114)	-	(35,486)
Acquisitions of companies	76,688	2,837	235,489	315,014
Purchase price allocation (PPA) (i)	46,753	1,931	54,311	102,995
Statute of limitations	(35,481)	-	(48,670)	(84,151)
Usage	(5,785)	-	-	(5,785)
<b>At December 31, 2023</b>	<b>224,112</b>	<b>10,079</b>	<b>382,335</b>	<b>616,526</b>

(i) During the purchase price allocation process of the acquired companies, contingent liabilities were identified in the PPA report (price per acquisition).



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

	Parent company			
	Labor	Civil	Tax	Total
<b>At December 31, 2021</b>	<b>21,689</b>	<b>8,081</b>	-	<b>29,770</b>
Additions	10,832	1,999	-	12,831
Reversals	(14,977)	(1,437)	-	(16,414)
<b>At December 31, 2022</b>	<b>17,544</b>	<b>8,643</b>	-	<b>26,187</b>

	Consolidated			
	Labor	Civil	Tax	Total
<b>At December 31, 2021</b>	<b>151,086</b>	<b>14,310</b>	<b>164,346</b>	<b>329,742</b>
Additions	21,018	2,498	4,610	28,126
Reversals	(26,156)	(5,845)	(10,055)	(42,056)
Acquisitions of companies	-	248	-	248
Purchase price allocation (PPA) (i)	8,376	-	2,828	11,204
Statute of limitations (i)	(22,123)	-	(29,005)	(51,128)
Usage	(3,167)	-	-	(3,167)
<b>At December 31, 2022</b>	<b>129,034</b>	<b>11,211</b>	<b>132,724</b>	<b>272,969</b>

(i) During the purchase price allocation process of the acquired companies, contingent liabilities were identified in the PPA report (price per acquisition).

(ii) The amount considers the prescription of R\$ 2,442 related to non-materialized TruckPad risks that do not have a corresponding indemnification asset provided for in the purchase contract.

### 23.3 Possible losses, not provided for in the statement of financial position

At December 31, 2023, JSL is a party to tax, civil and labor lawsuits in progress (judicial and administrative) with losses considered possible by Management and its legal counsel, as shown in the table below:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Labor	50,279	71,787	217,216	93,863
Civil	50,095	54,046	77,233	77,078
Tax	418,140	361,572	439,544	383,025
<b>Total</b>	<b>518,514</b>	<b>487,405</b>	<b>733,993</b>	<b>553,966</b>

#### Labor

The labor lawsuits are related to claims for labor-related indemnities filed for labor claims of the same nature as those mentioned in note 23.2, filed by former employees of JSL.

#### Civil

The civil lawsuits are related to claims for indemnity related to damages for several reasons against the companies of JSL, of the same nature as those mentioned in note 23.2, and annulment actions and claims for breach of contract.

#### Tax

The main natures of lawsuits are the following: (i) challenges related to alleged non-payment of ICMS; (ii) challenges of part of PIS and COFINS credits that comprise the negative balance presented in PER/DCOMP; (iii) challenges related to tax credits of IRPJ, CSLL, PIS and COFINS; (iv) questions regarding IRPJ and CSLL; (v) challenges related to the recognition of ICMS credits; (vi) INSS referring to challenges made by the authorities related to PER/DCOMP used in the offset of INSS, and (vii) fines for alleged submission of record-keeping and reporting obligations in disagreement with the respective regulations. The amounts involved are as follows:



**JSL S.A.**

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reals, unless otherwise stated

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
IRPJ and CSLL	117,287	117,284	118,597	119,146
ICMS	123,661	83,146	133,175	92,646
INSS	8,411	8,411	10,305	10,305
PER/DCOMP	45,431	45,177	49,106	49,255
PIS/COFINS	95,126	79,986	95,126	79,986
Others	28,224	27,568	33,235	31,687
<b>Total</b>	<b>418,140</b>	<b>361,572</b>	<b>439,544</b>	<b>383,025</b>

## 24. Payables for the acquisition of companies

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Quick (i)	3,077	36,797	3,077	36,797
Transmoreno (ii)	158,000	167,544	158,000	167,544
TPC (iii)	75,891	73,281	75,891	73,281
Rodomeu (iv)	18,355	31,762	18,355	31,762
IC Transportes (v)	285,940	-	285,940	-
Marvel (vi)	-	-	45,563	52,633
Fazenda São Judas (vii)	68,165	-	68,165	-
<b>Total</b>	<b>609,428</b>	<b>309,384</b>	<b>654,991</b>	<b>362,017</b>
Current	110,824	83,432	110,824	83,432
Non-current	498,604	225,952	544,167	278,585
<b>Total</b>	<b>609,428</b>	<b>309,384</b>	<b>654,991</b>	<b>362,017</b>

- (i) Refers to the balance payable for the acquisition of Quick Logística Ltda. ("Quick Logística") and Quick Armazéns Gerais Eireli - ME ("Quick Armazéns") (collectively referred to as "Quick"). And is adjusted by 96.6% of the CDI. The balance payable is used as a guarantee to deduct contingencies;
- (ii) Refers to the balance payable for the acquisition of Transmoreno. This balance is adjusted by 100% of the CDI plus 1.25% p.a. maturing until 2025 payable in half-yearly installments;
- (iii) Refers to the balance payable for the acquisition of TPC in 2021, related to the portion retained to amortize any contingencies, this amount is adjusted by 100% of the CDI;
- (iv) Refers to the balance payable for the acquisition of Rodomeu in 2021 and is the balance payable retained to amortize any contingencies materialized; this balance is adjusted at 100% of the CDI.
- (v) Refers to the balance payable for the acquisition of Unitum Participações ("IC") in 2023 and is part of the balance payable retained to amortize any contingencies materialized and the remaining amount will be paid in up to four annual installments, adjusted at 90% of the CDI.
- (vi) Refers to the balance payable for the acquisition of Marvel in 2021, and the balance payable is retained to amortize any contingencies materialized; this amount is adjusted at 120% of the CDI.
- (vii) Refers to the balance payable for the acquisition of Fazenda São Judas and is part of the balance payable retained to amortize any contingencies materialized and the remaining amount will be paid in 2 annual and consecutive installments; each installment will be subject to 100% of the CDI.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

Movements in the years ended December 31, 2023 and 2022 were as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Total at the beginning of the year</b>	<b>309,384</b>	<b>359,810</b>	<b>362,017</b>	<b>469,066</b>
Acquisition of companies	430,633	-	430,633	-
Discounts	(8,470)	(6,195)	(8,953)	(143,553)
Amortization of principal and interest	(175,085)	(84,652)	(191,842)	(13,957)
Interest incurred	52,966	40,421	63,136	50,461
<b>Total at the end of the year</b>	<b>609,428</b>	<b>309,384</b>	<b>654,991</b>	<b>362,017</b>
Current	110,824	83,432	110,824	83,432
Non-current	498,604	225,952	544,167	278,585
<b>Total</b>	<b>609,428</b>	<b>309,384</b>	<b>654,991</b>	<b>362,017</b>

## 25. Income tax and social contribution

### 25.1 Deferred income tax and social contribution

Deferred income tax (IRPJ) and social contribution on net income (CSLL) assets and liabilities were calculated based on the balances of tax losses and temporary differences for income tax and social contribution that are deductible or taxable in the future. Their origins are as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Deferred tax asset</b>				
Tax losses	305,389	226,127	406,234	268,391
Provision for judicial and administrative litigation	12,439	12,102	29,795	19,594
Expected credit losses ("impairment") of trade receivables	2,888	5,470	9,928	11,072
Amortization and write-off of intangible assets from business combinations	58,322	36,849	61,318	36,849
Provision for adjustment to market value and obsolescence	4,239	2,817	4,244	2,842
Tax provisions	63,454	42,299	93,855	46,450
Share-based payment plan	155	155	155	155
Depreciation of right-of-use leases	6,899	7,187	10,520	7,709
Other provisions (i)	51,518	44,564	74,739	58,956
<b>Total deferred tax assets</b>	<b>505,303</b>	<b>377,570</b>	<b>690,788</b>	<b>452,018</b>
<b>Deferred tax liabilities</b>				
Present value adjustment	-	(316)	-	(316)
Deferred income from sales to public authorities	-	-	(185)	(3,185)
Hedge derivatives (swap) and exchange rate changes under cash basis	(80,723)	(67,715)	(80,723)	(67,715)
Accounting vs. tax depreciation	(153,668)	(104,712)	(442,054)	(217,408)
Property and equipment - finance leases	(30,371)	(10,831)	(32,722)	(10,800)
Bargain purchase (iii)	-	-	(14,518)	-
Surplus value on company acquisition (ii)	(55,150)	(55,150)	(55,150)	(55,150)
Government grants	-	-	(14,344)	(11,069)
Revaluation of assets	(1,996)	(1,996)	(7,788)	(36,855)
Tax realization of goodwill	(87,526)	(78,849)	(87,526)	(79,428)
<b>Total deferred tax liabilities</b>	<b>(409,434)</b>	<b>(319,569)</b>	<b>(735,010)</b>	<b>(481,926)</b>
<b>Total deferred tax assets (liabilities) - net</b>	<b>95,869</b>	<b>58,001</b>	<b>(44,222)</b>	<b>(29,908)</b>
Deferred tax assets	95,869	58,001	127,425	91,770
Deferred tax liabilities	-	-	(171,647)	(121,678)
<b>Total deferred tax assets (liabilities) - net</b>	<b>95,869</b>	<b>58,001</b>	<b>(44,222)</b>	<b>(29,908)</b>

- (i) Refer mainly to provisions for losses on (a) uncollectible credits; (b) advances to employees; (c) surplus value.
- (ii) Refers to the effects of IR/CSLL on the surplus value calculated in the business combinations of Fadel and Transmoreno.
- (iii) Refers to the effects of IR/CSLL arising from the bargain purchase in the business combination of Fazenda São Judas Logística Ltda.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

Movements in deferred income tax and social contribution in the years ended December 31, 2023 and 2022 were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
<b>At December 31, 2022</b>	<b>58,001</b>	<b>(29,908)</b>
Deferred IRPJ/CSLL recognized in profit or loss	37,868	3,534
Acquisition of companies	-	(19,323)
Reclassifications between deferred and current	-	1,475
<b>At December 31, 2023</b>	<b>95,869</b>	<b>(44,222)</b>

	<u>Parent company</u>	<u>Consolidated</u>
<b>At December 31, 2021</b>	<b>(22,502)</b>	<b>(81,326)</b>
Deferred income tax and social contribution recognized in profit or loss	87,284	64,386
Reclassifications between deferred and current	(6,781)	(12,968)
<b>At December 31, 2022</b>	<b>58,001</b>	<b>(29,908)</b>

## 25.2 Estimated realization schedule

Deferred tax assets arising from temporary differences will be used as the respective differences are settled or carried out.

Tax losses can be carried forward indefinitely and, at December 31, 2023 and 2022 deferred income tax and social contribution were recognized for all tax loss carryforwards.

In estimating the realization of deferred tax assets, Management considers its budget and strategic plan based on the estimated realization schedule of assets and liabilities that gave rise to them, and in earnings projections for the subsequent years.

The table below shows the balance of deferred income tax and social contribution recorded on income tax and social contribution tax losses by entity:

	<b>Consolidated</b>	
	<u>12/31/2023</u>	<u>12/31/2022</u>
JSL	305,389	226,127
IC	55,130	-
Quick Logística	12,295	12,549
Yolanda	4,708	4,814
Fadel	14,799	20,766
Others	13,913	4,135
<b>Total</b>	<b>406,234</b>	<b>268,391</b>

JSL prepared studies of projections of future taxable profits based on market data and concluded that the credits will be consumed in full, as follows:

	<b>Consolidated</b>						
	<b>12/31/2023</b>						
	<u>Up to 1 year</u>	<u>1 to 2 years</u>	<u>2 to 3 years</u>	<u>3 to 4 years</u>	<u>4 to 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
Total net amounts	10,758	32,296	59,023	108,411	114,500	81,246	<b>406,234</b>

	<b>Consolidated</b>						
	<b>12/31/2022</b>						
	<u>Up to 1 year</u>	<u>1 to 2 years</u>	<u>2 to 3 years</u>	<u>3 to 4 years</u>	<u>4 to 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
Total net amounts	7,423	34,237	36,712	49,246	43,384	97,389	<b>268,391</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 25.3 Reconciliation of income tax and social contribution (expense) income

Current amounts are calculated based on the current rates levied on taxable profit before income tax and social contribution, as adjusted by respective additions, deductions and offsets allowed by the prevailing legislation.

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Profit before income tax and social contribution	313,915	106,898	377,750	166,397
Statutory rates	34%	34%	34%	34%
<b>IRPJ and CSLL at the statutory rates</b>	<b>(106,731)</b>	<b>(36,345)</b>	<b>(128,435)</b>	<b>(56,575)</b>
<b>Permanent (additions) exclusions</b>				
Equity results from subsidiaries	82,646	62,261	-	-
Tax incentives - Workers Meal Program ("PAT")	-	-	1,375	329
Effects of interest on capital - received and paid	28,337	15,200	30,725	22,841
Non-taxable tax benefits (presumed ICMS and exempt ICMS)	44,003	40,567	72,744	51,600
Non-deductible expenses, tax overpayments and other permanent (additions) exclusions	(10,387)	5,601	(2,376)	9,590
<b>Income tax and social contribution calculated</b>	<b>37,868</b>	<b>87,284</b>	<b>(25,967)</b>	<b>27,785</b>
Current	-	-	(29,501)	(36,601)
Deferred	37,868	87,284	3,534	64,386
<b>Income tax and social contribution on results</b>	<b>37,868</b>	<b>87,284</b>	<b>(25,967)</b>	<b>27,785</b>
Effective rate	12.06%	81.65%	-6.87%	16.70%

JSL's income tax returns are open to review by tax authorities for five years from the filing of the return. As a result of these reviews, additional taxes and penalties may arise, which would be subject to interest. However, Management believes that all taxes have either been properly paid or provided for.

## 25.4 Income tax and social contribution recoverable and payable

Movements in current income tax and social contribution for the years ended December 31, 2023 and 2022 were as follows:

	Parent company	Consolidated
<b>At December 31, 2022</b>	<b>42,998</b>	<b>50,380</b>
Provision for income tax and social contribution payable	-	(285)
Acquisitions of companies	-	(3,152)
Advances, offsets and payments in the year	(9,919)	(2,592)
<b>At December 31, 2023</b>	<b>33,079</b>	<b>44,351</b>
Income tax and social contribution recoverable - current	27,234	40,794
Income tax and social contribution recoverable - non-current	5,845	6,994
Income tax and social contribution payable	-	(3,437)
<b>At December 31, 2023</b>	<b>33,079</b>	<b>44,351</b>
	Parent company	Consolidated
<b>At December 31, 2021</b>	<b>82,783</b>	<b>66,733</b>
Provision for income tax and social contribution payable	-	(5,325)
Advances, offsets and payments in the year	(39,785)	(11,028)
<b>At December 31, 2022</b>	<b>42,998</b>	<b>50,380</b>
Income tax and social contribution recoverable - current	37,153	48,704
Income tax and social contribution recoverable - non-current	5,845	7,001
Income tax and social contribution payable	-	(5,325)
<b>At December 31, 2022</b>	<b>42,998</b>	<b>50,380</b>



## 26. Related parties

### 26.1 Related-party balances (assets and liabilities)

The nature of the related-party balances in the statement of financial position accounts is as follows:

- (i) Trade receivables: balances arising from commercial transactions for the purchase and sale of assets, lease of assets and provision of services.
- (ii) Advances to third parties and other credits: balances arising from reimbursements of miscellaneous expenses and reimbursements of apportionment of common expenses paid to the Company.
- (iii) Dividends receivable: balances receivable from dividends proposed and approved by the Company's subsidiaries.
- (iv) Receivables from and payables to related parties: refer to loan agreements held between the Company and its subsidiaries and balances receivable from the sale of equity interests between the Company and its subsidiaries.
- (v) Other payables: balances payable for reimbursement of the Company's expenses borne by the subsidiaries.
- (vi) Trade payables: balances arising from commercial transactions for the purchase and sale of assets, lease of assets and provision of services.

Transactions between the Company and its subsidiaries are eliminated for the purpose of presenting the consolidated balances but maintained at the Parent company in these financial statements.

The following table presents the balances of transactions between the Company and related parties:



**JSL S.A.**

**Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022**

In thousands of Brazilian Reais, unless otherwise stated

Assets	Parent company									
	Marketable securities (note 8)		Advances to third parties, PP&E and other credits		Trade receivables (note 9) (i)		Dividends and interest on capital receivable		Receivables from related parties (i)	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Related parties</b>										
Automob Holding S.A.	-	-	3	-	151	-	-	-	-	-
ATU12 Arrend port SPE SA	-	-	1	7	13	75	-	-	-	-
ATU18 Arrend port SPE SA	-	-	-	-	3	-	-	-	-	-
BBC Leasing	-	-	-	23	408	316	-	-	-	-
BBC Pagamentos	-	-	-	4	132	46	-	-	-	-
BBC Holding	-	-	-	-	128	-	-	-	-	-
Ciclus Ambiental	-	-	-	-	9,330	14,916	-	-	-	-
CS Brasil Frotas	-	-	35	36	323	227	-	-	-	-
CS Brasil Holding e Loc S.A.	-	-	2	-	7	-	-	-	-	-
CS Brasil Transportes	-	-	60	535	2,167	5,825	-	-	-	-
CS Infra S.A.	-	-	-	-	3	-	-	-	-	-
Fadel Transporte	-	-	-	31,802	637	2,926	-	-	-	30,730
Fazenda S J Logist. LTDA	-	-	-	-	750	-	-	-	-	-
Grãos do Piauí Rod SPE	-	-	2	-	46	17	-	-	-	-
IC Transportes	32,302	-	2	-	2	-	-	-	-	-
Instituto Julio Simões	-	-	1	2	5	29	-	-	-	-
JSP Holding	-	-	3	5	126	81	-	-	-	-
Madre Corretora	-	-	3	6	6	17	-	-	-	-
Marvel	205	7,272	-	-	222	207	-	-	2,215	-
Medlogística	-	-	-	57	-	-	-	-	-	-
Mogi Mob	-	-	5	698	44	541	-	-	-	-
Mogipasses	-	-	8	2	1	4	-	-	-	-
Movida Locação	-	-	134	209	1,400	692	-	-	-	-
Movida Participações	-	-	22	100	56	116	-	-	-	-
Original N Veic semi LTDA	-	-	1	-	1	-	-	-	-	-
Original Veiculos	-	-	23	11	56	56	-	-	-	-
Ponto Veiculos	-	-	-	-	-	1	-	-	-	-
Quick Armazéns	-	-	-	-	-	163	-	-	-	-
Pronto Express Logística	38,936	-	45	92	650	915	-	-	-	-
TPC Logística Nordeste S.A.	-	-	1	-	108	177	-	-	-	-
TPC Logística Sudeste S.A.	-	-	-	-	748	312	-	-	51,752	55,544
Transmoreno	-	-	2	6	3,486	112	-	-	-	-
Quick Logística	-	-	26	6,198	763	219	219	-	-	-
Ribeira Imóveis	-	-	-	-	206	131	-	-	-	-
Rodomeu	-	-	-	1	4,089	3,521	416	2,194	-	-
Sat Rastreamento	-	-	3	-	2	-	-	-	-	-
Simpar	-	-	192	681	532	824	-	-	-	-
Sinal Serviços	20,374	8,469	111	67	4,065	15,090	-	-	-	-
TPG Transportes	-	-	-	7	-	18	-	-	-	-
TruckPad Pagamentos	-	-	-	13	3	-	-	-	-	-
TruckPad Tecnologia	-	-	1	13	4	-	-	-	-	-
Transrio	-	-	1	110	174	663	-	-	-	-
Vamos	-	-	98	-	8,031	2,605	-	-	-	-
Vamos Agrícola	-	-	47	57	867	118	-	-	-	-
Vamos Máquinas	-	-	10	49	516	615	-	-	-	-
Vamos Seminovos	-	-	2	-	143	18	-	-	-	-
Vamos Linha Amarela	-	-	18	10	464	135	-	-	-	-
Yolanda	-	-	9	14	35	21	10	-	-	-
<b>Total</b>	<b>91,817</b>	<b>15,741</b>	<b>871</b>	<b>40,815</b>	<b>40,903</b>	<b>51,749</b>	<b>645</b>	<b>2,194</b>	<b>53,967</b>	<b>86,274</b>
Current	49,384	15,169	871	40,815	40,903	51,749	645	2,194	2,215	-
Non-current	42,433	572	-	-	-	-	-	-	51,752	86,274
<b>Total</b>	<b>91,817</b>	<b>15,741</b>	<b>871</b>	<b>40,815</b>	<b>40,903</b>	<b>51,749</b>	<b>645</b>	<b>2,194</b>	<b>53,967</b>	<b>86,274</b>

(i) Refers to advances on receivables between JSL and its wholly-owned subsidiaries IC Transportes, Marvel, Pronto Express, TPC Nordeste and Sinal, made during 2023, recognized in line item "related parties" in current assets. The transactions have advance cost in line with market costs.



**JSL S.A.**

**Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022**

In thousands of Brazilian Reais, unless otherwise stated

Liabilities	Other payables		Trade payables (Note 17)		Payables to related parties		Dividends payable		Parent company Debt payable	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Related parties</b>										
BBC Pagamentos	-	48	81	1	-	-	-	-	-	-
BBC Leasing S.A.	-	2	-	26	-	-	-	-	-	-
CS Brasil Frotas	11	-	554	47	-	-	-	-	-	-
CS Brasil Transportes	46	100	6,218	17,557	-	-	-	-	-	-
Fadel Transp Logist Ltda.	-	-	709	638	-	-	-	-	-	-
Fundo Inv Dir Cred Simpar (i)	-	-	-	-	-	-	-	-	58,828	-
Grãos do Piauí Rod SPE	-	3	2	-	-	-	-	-	-	-
Madre Corr. e Admin Seg.	-	11	-	-	-	-	-	-	-	-
Medlogística	-	9	-	-	-	-	-	-	-	-
Mogi Mob	-	-	1,588	11,123	-	-	-	-	-	-
Mogipasses	-	9	-	4	-	-	-	-	-	-
Movida Locação	87	323	1,574	196	-	-	-	-	-	-
Movida Participações	-	-	50	103	-	-	-	-	-	-
Original Veículos	18	-	82	3	-	-	-	-	-	-
Pronto Express Logística	14,046	1,872	13,333	10,323	-	-	-	-	-	-
Ponto Veículos	-	-	-	1	-	-	-	-	-	-
Quick Logística	80	156	159	23	-	-	-	-	-	-
Ribeira Imóveis	12	29	432	-	-	-	-	-	-	-
Sinal	2	-	5	-	-	-	-	-	-	-
Simpar	5	737	6,668	29,487	2,051	1,816	-	41,349	-	-
TPC Logística Nordeste S.A.	-	119	-	-	-	-	-	-	-	-
TPC Logística Sudeste S.A.	102	186	-	-	-	-	-	-	-	-
Transmoreno Transp	85	250	136	201	-	-	-	-	-	-
Transportadora Rodomeu	-	942	-	-	-	-	-	-	-	-
Transrio	19	498	637	429	-	-	-	-	-	-
TruckPad Tecnologia	30	-	17	-	-	-	-	-	-	-
Vamos Com Maq Agric LTDA	2	-	-	-	-	-	-	-	-	-
Vamos Locação (ii)	726	90	23,593	11,448	-	-	-	-	-	-
Vamos Máquinas	36	665	134	1	-	-	-	-	-	-
Vamos Seminovos	67	13	-	62	-	-	-	-	-	-
Yolanda	12	27	16	22	-	-	-	-	-	-
Others	-	-	1,130	-	-	-	-	16,226	-	-
<b>Total</b>	<b>15,386</b>	<b>6,089</b>	<b>57,118</b>	<b>81,695</b>	<b>2,051</b>	<b>1,816</b>	<b>-</b>	<b>57,575</b>	<b>58,828</b>	<b>-</b>
Current	15,386	6,089	57,118	81,695	-	-	-	57,575	36,011	-
Non-current	-	-	-	-	2,051	1,816	-	-	22,817	-
<b>Total</b>	<b>15,386</b>	<b>6,089</b>	<b>57,118</b>	<b>81,695</b>	<b>2,051</b>	<b>1,816</b>	<b>-</b>	<b>57,575</b>	<b>58,828</b>	<b>-</b>

- (i) Refers to the "Agreement for Assignment and Acquisition of Credit Rights and Other Covenants" with the Credit Rights Investment Fund (FIDC) of the parent company Simpar as shown in note 18.
- (ii) The amounts payable to Vamos at December 31, 2023 mainly refer to the acquisition of heavy vehicles by JSL and its subsidiaries under the Commercial Agreement and Other Covenants entered into between JSL and Vamos on January 24, 2020 ("Commercial Agreement"), which, among other matters, establishes the terms and conditions that should be applied for the sale of used assets of Vamos to JSL or of JSL to Vamos ("Used Assets"), which may be carried out directly by the Parties or through any of their subsidiaries.



**JSL S.A.**

**Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022**

In thousands of Brazilian Reais, unless otherwise stated

The table below presents the balances of intercompany transactions that are not eliminated in consolidation:

	Consolidated													
	Assets										Liabilities			
	Trade receivables (Note 9)		Other credits		Trade payables (Note 17)		Other payables		Payables to related parties		Dividends payable		Debt payable	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Related parties</b>														
Automob Holding S.A.	151	-	3	-	-	-	-	-	-	-	-	-	-	-
ATU12 Arrend port SPE SA	13	75	1	7	-	-	-	-	-	-	-	-	-	-
ATU18 Arrend port SPE SA	3	-	-	-	-	-	-	-	-	-	-	-	-	-
BBC Leasing	418	356	-	23	-	26	-	2	-	-	-	-	-	-
BBC Holding Financeira Ltda.	128	-	-	-	-	-	-	-	-	-	-	-	-	-
BBC Pagamentos	132	46	-	4	240	1	-	48	-	-	-	-	-	-
Ciclus Ambiental	9,330	14,916	-	-	-	-	-	-	-	-	-	-	-	-
CS Brasil Frotas	1,154	293	35	36	554	47	11	-	-	-	-	-	-	-
CS Brasil Transportes	2,199	5,828	151	558	6,234	17,568	46	232	-	-	-	-	-	-
CS Brasil Holding e Locação S.A.	7	-	2	-	-	-	-	-	-	-	-	-	-	-
CS Infra S.A.	3	-	-	-	-	-	-	-	-	-	-	-	-	-
Fundo Inv Dir Cred Simpar (ii)	-	-	-	-	-	-	-	-	-	-	-	-	58,828	-
Grãos do Piauí Rod SPE	46	17	2	-	2	-	-	3	-	-	-	-	-	-
HM Com. Man. Empilhadeiras Instituto	5	29	1	2	-	-	-	-	-	-	-	-	-	-
JSP Holding	126	81	3	5	-	-	-	-	-	-	-	-	-	-
Madre Corretora	6	17	3	6	-	-	-	11	-	-	-	-	-	-
Mogi Mob	44	541	5	698	1,588	11,123	-	2	-	-	-	-	-	-
Mogipasses	1	4	8	2	-	4	-	9	-	-	-	-	-	-
Movida Locação	1,498	698	134	209	1,692	279	118	323	-	-	-	-	-	-
Movida Participações	56	116	22	99	307	264	-	-	-	-	-	-	-	-
Original N Veic semi LTDA	1	-	1	-	-	-	-	-	-	-	-	-	-	-
Original Veiculos	56	56	23	11	82	3	18	-	-	-	-	-	-	-
Ponto Veiculos	-	1	-	-	-	-	1	-	-	-	-	-	-	-
Ribeira Imóveis	206	131	-	-	432	-	12	29	-	-	-	-	-	-
Sat Rastreamento	2	-	3	-	-	-	-	-	-	-	-	-	-	-
Simpar	532	824	280	681	7,650	29,487	6	794	2,051	1,816	-	41,349	-	-
TPG Transportes	-	18	-	7	-	-	-	-	-	-	-	-	-	-
Transrio	174	663	1	110	660	442	19	498	-	-	-	-	-	-
Truckvan Indústria Ltda.	-	-	-	-	336	-	-	-	-	-	-	-	-	-
Vamos Locação (i)	8,051	3,511	99	164	26,732	12,171	735	97	-	-	-	-	-	-
Vamos Agrícola	867	169	47	57	-	-	2	-	-	-	-	-	-	-
Vamos Máquinas	516	637	10	49	141	1	36	665	-	-	-	-	-	-
Vamos Seminovos	143	18	2	-	-	61	112	13	-	-	-	-	-	-
Vamos Linha Amarela	464	135	18	10	-	-	-	-	-	-	-	-	-	-
Others	3	84	-	-	1,133	84	-	-	-	-	16,226	-	-	-
<b>Total</b>	<b>26,335</b>	<b>29,264</b>	<b>854</b>	<b>2,738</b>	<b>47,783</b>	<b>71,586</b>	<b>1,115</b>	<b>2,726</b>	<b>2,051</b>	<b>1,816</b>	<b>-</b>	<b>57,575</b>	<b>58,828</b>	<b>-</b>
Current	26,335	29,264	854	2,738	47,783	-	1,115	2,726	-	-	-	57,575	36,011	-
Non-current	-	-	-	-	-	71,586	-	-	2,051	1,816	-	-	22,817	-
<b>Total</b>	<b>26,335</b>	<b>29,264</b>	<b>854</b>	<b>2,738</b>	<b>47,783</b>	<b>71,586</b>	<b>1,115</b>	<b>2,726</b>	<b>2,051</b>	<b>1,816</b>	<b>-</b>	<b>57,575</b>	<b>58,828</b>	<b>-</b>

- (i) The amounts payable to Vamos at December 31, 2023 mainly refer to the acquisition of heavy vehicles by JSL and its subsidiaries under the Commercial Agreement and Other Covenants entered into between JSL and Vamos on January 24, 2020 ("Commercial Agreement"), which, among other matters, establishes the terms and conditions that should be applied for the sale of used assets of Vamos to JSL or of JSL to Vamos ("Used Assets"), which may be carried out directly by the Parties or through any of their subsidiaries.
- (ii) Refers to the "Agreement for Assignment and Acquisition of Credit Rights and Other Covenants" with the Credit Rights Investment Fund (FIDC) of the Parent company Simpar as shown in note 18.



## 26.2 Related-party transactions with effects on profit or loss

Related-party transactions refer to:

- (i) Leases of vehicles and other assets among the companies, at equivalent market values, the pricing of which varies in accordance with the characteristics and date of contracting, and the spreadsheet of the costs inherent to the assets, such as depreciation and financing interest;
- (ii) Rendering services refer to any contracted services, mainly those related to cargo transport or intermediation of decommissioned assets and direct sales of car makers;
- (iii) Sale of decommissioned assets, mainly related to vehicles that used to be leased by these related parties, and as a business strategy were transferred at their residual accounting values, which approximated the market value;
- (iv) The Company shares certain administrative services with the subsidiaries of Simpar and the expenses are apportioned and transferred from them;
- (v) Occasionally, loan transactions and assignment of rights of trade receivables with companies of the Group are made. Finance costs or finance income arising from these transactions are calculated at rates defined after comparison with the rates adopted by financial institutions.
- (vi) Refers to tax consulting services rendered by a tax law firm where members of the Boards of Directors are partners.

The table below presents the results by nature corresponding to those transactions carried out in the years ended December 31, 2023 and 2022, between the Company, its subsidiaries and other related parties of the Simpar Group:



**JSL S.A.**

**Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022**

In thousands of Brazilian Reais, unless otherwise stated

Profit or loss	Consolidated													
	Rent and rendering services		Contracted rents and services		Sales revenue - assets		Cost of sale - assets		Administrative and selling expenses, and recovery of expenses		Other operating income (expenses)		Finance income (costs)	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Transactions eliminated in profit or loss</b>														
Artus Administr. LTDA	-	-	-	-	-	-	-	-	67	-	1,117	-	-	-
Fadel Transportes	82	1,481	(161)	(130)	-	-	-	-	7,619	(4,554)	(58)	(3,042)	2,961	7,451
Fadel Soluções	-	2,080	-	47	-	302	-	-	-	(758)	-	3,279	-	211
Fazenda S J Logist. LTDA	260	-	-	-	-	-	(302)	-	1,150	-	727	-	684	-
Fortix Veículos Ltda.	-	-	(20)	-	-	-	-	-	-	-	-	-	-	-
IC Transportes LTDA	20	-	(727)	-	-	-	-	-	(1,142)	-	55	-	2,608	-
Locadel	-	-	-	(1,050)	-	-	-	-	-	-	-	23	-	-
JSL S.A.	2,064	259	(69,908)	(56,809)	698	480	(698)	(480)	(31,587)	13,634	(208)	(1,120)	(73,471)	(30,178)
Marvel	-	-	-	-	-	-	-	-	2,949	(2,064)	-	-	15,501	16,935
Pronto Express	780	780	(11,567)	(425)	-	-	-	-	3,977	(3,073)	4,355	3,849	1,511	(2,596)
Quick Armazéns	-	-	-	-	-	-	-	-	44	(142)	-	-	(214)	(753)
Quick Logística	258	476	(28)	(142)	61	-	(61)	-	1,396	(566)	10	-	20	753
Sinal Serviços	18,488	10,501	1,553	2,535	-	-	-	-	1,080	(284)	-	-	41,259	6,452
Transportadora Rodomeu	42,019	32,930	-	(3)	-	-	-	-	1,903	(1,427)	3,518	(3,846)	2	-
TPC Logística Nordeste	1	-	740	-	-	-	-	-	1,250	(658)	-	-	1,558	4,070
TPC Logística Sudeste	792	780	2,394	-	-	-	-	-	1,249	(658)	4,145	403	7,723	7,344
Transmoreno	6,062	780	(1,968)	(244)	-	-	-	-	1,711	(1,358)	8,239	1,042	-	-
Truckpad Tec e Log S.A.	-	-	(5,036)	(3,510)	-	-	-	-	(24)	-	-	-	-	-
Truckpad Meio Pag. LTDA	-	-	(50)	-	-	-	-	-	28	-	-	-	-	-
Yolanda	-	-	(21)	(53)	-	-	-	-	271	(172)	-	1,510	-	-
	<b>70,826</b>	<b>50,067</b>	<b>(84,799)</b>	<b>(59,783)</b>	<b>759</b>	<b>782</b>	<b>(759)</b>	<b>(782)</b>	<b>(8,059)</b>	<b>(2,079)</b>	<b>21,890</b>	<b>2,108</b>	<b>142</b>	<b>9,689</b>
<b>Related-party transactions</b>														
Automob Holding S.A.	-	-	1	-	-	-	-	-	171	-	-	-	-	-
ATU12 Arrend port SPE SA	-	-	(1)	-	-	-	-	-	33	2	-	-	-	-
ATU18 Arrend port SPE SA	-	-	-	-	-	-	-	-	3	-	-	-	-	-
BBC Pagamentos	-	-	(5,816)	(3,158)	-	-	-	-	(326)	(331)	-	-	-	-
BBC Leasing	-	-	(11)	61	9,600	7,117	(9,600)	(7,244)	79	24	-	-	-	-
CS Brasil Frotas	575	61	467	394	-	-	-	-	(279)	103	16	-	-	-
CS Brasil Holding e Loc S.A.	-	-	3	-	-	-	-	-	2	-	-	-	-	-
CS Brasil Transportes	430	292	(9,565)	(10,743)	-	-	-	-	529	247	264	257	(21)	-
CS Infra S.A.	-	-	-	-	-	-	-	-	3	-	-	-	-	-
Grãos do Piauí Rod SPE SA	-	-	-	-	-	-	-	-	21	1	-	-	-	-
HM Com Man	-	-	(107)	(118)	-	-	-	-	-	-	-	-	-	-
Empilhadeiras	-	-	-	-	-	-	-	-	(105)	-	-	-	-	-
JSL S/A	-	-	1	-	-	-	-	-	3	1	-	-	-	-
Madre Corr. e Admin Seg.	-	-	(8,592)	(9,569)	-	-	-	-	11	(7)	-	-	-	-
Mogi Mob Trans Pass Ltda.	-	-	6	(5)	-	-	-	-	15	4	-	-	-	-
Mogipasses Com. de Billhe	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Movida Locação	223	192	(2,104)	(3,453)	133	-	(133)	-	4,244	834	(22)	5	-	-
Movida Participações	-	5	(1,615)	(923)	-	-	-	-	(421)	(321)	-	-	-	-
Original Turim S.A.	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Original Veículos	24	18	32	14	-	-	-	-	75	159	1	-	-	-
Ponto Veículos	-	62	(6)	(4)	-	-	-	-	1	(1)	112	-	-	-
Simpár	12	-	(1,711)	(1,212)	-	338	-	(338)	(36,330)	22,009	(13)	-	(3,542)	(242)
Simpár Empreendimentos	-	-	-	(700)	-	-	-	-	(2,805)	(1,900)	-	-	-	-
TPG Transp Passageiros	-	-	17	25	-	-	-	-	3	2	-	-	-	-
Transrio Caminhões Ônibus	-	-	(1,724)	(1,421)	-	1,124	-	(1,124)	(82)	9	-	9	-	-
Vamos Loc Cam Maq Equi SA	1,867	1,481	(32,826)	(15,886)	-	-	-	-	(4,562)	(2,760)	4	5	-	1
Vamos Máquinas	-	-	(6)	(14)	-	500	-	(500)	5	11	-	-	-	-
Vamos Com de Maq	-	-	-	-	-	-	-	-	3	3	-	-	-	-
Agrícolas	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vamos Seminovos	-	330	-	(330)	-	75,305	-	(75,305)	(92)	4	-	-	-	-
Vamos Linha Amarela	-	-	-	-	-	-	-	-	395	162	-	-	-	-
Ciclus Ambiental	109,340	72,746	(3)	(5)	-	-	-	-	-	-	84	-	-	-
Ribeira Imóveis	-	-	(4,959)	(4,885)	-	-	-	-	-	-	-	-	-	-
Others	-	-	(13,472)	(7,540)	-	-	-	-	(8,801)	-	-	-	-	-
	<b>112,473</b>	<b>75,189</b>	<b>(81,991)</b>	<b>(59,472)</b>	<b>9,733</b>	<b>84,384</b>	<b>(9,733)</b>	<b>(84,511)</b>	<b>(48,317)</b>	<b>18,174</b>	<b>446</b>	<b>276</b>	<b>(3,563)</b>	<b>(241)</b>
	<b>183,299</b>	<b>125,256</b>	<b>(166,790)</b>	<b>(119,256)</b>	<b>10,492</b>	<b>85,166</b>	<b>(10,492)</b>	<b>(85,293)</b>	<b>(56,376)</b>	<b>16,096</b>	<b>22,336</b>	<b>2,384</b>	<b>(3,421)</b>	<b>9,448</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

### 26.3 Transactions or relationships with shareholders related to property leasing

JSL has operating and administrative lease agreements for properties with the associate Ribeira Imóveis Ltda., company under common control. The lease amount recognized in profit or loss for the year ended December 31, 2023 was R\$ 18,655 (R\$ 17,612 at December 31, 2022). The agreements have conditions in line with market values and have maturities until 2027.

### 26.4 Administrative service center

With the aim of better distributing common expenses among subsidiaries that use shared services, the Company carries out the respective apportionments, in accordance with criteria defined by appropriate technical studies. There is no administration fee charged or profitability margin applied to services shared between companies.

The corporate expenses are controlled by Simpar, which makes apportionments based on criteria defined on the basis of appropriate technical studies on shared expenses within the same structure and backoffice. The Administrative Service Center (“CSA”) does not charge management fees nor applies profitability margin on rendering services, passing on only the costs. The expenses with the sharing of the infrastructure and administrative structure with Simpar totaled R\$ 33,600 at December 31, 2023, or 0.80% of JSL’s net revenue (R\$ 23,799 at December 31, 2022, or 0.64% of JSL’s net revenue).

### 26.5 Transactions or relationships with parent company and group companies referring to operations as a guarantor

As a result of the corporate restructuring that took place on August 5, 2020, JSL and Simpar remain jointly guarantors in an operation raised by another company controlled by Simpar, in the amount of R\$ 16,508, and are joint and several debtors of the 13<sup>th</sup> issuance of debentures that were transferred to Simpar in 2020 as a result of the spin-off carried out, in the amount of R\$ 106,646.

### 26.6 Management compensation

The Company’s management includes the Board of Directors and the Board of Executive Officers. Expenses on compensation of the Company’s directors and officers, including all benefits, were recognized in line item “Administrative expenses”, and are summarized below:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Fixed compensation	7,576	7,750	9,505	9,565
Variable compensation	3,398	1,419	7,109	5,581
Benefits	80	118	80	118
Share-based payments	2,633	1,333	3,434	1,787
<b>Total</b>	<b>13,686</b>	<b>10,620</b>	<b>20,127</b>	<b>17,051</b>

The compensation paid to key management personnel is within the limit approved by the Shareholders’ Meeting held in 2023.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 27. Equity

### 27.1 Share capital

The Company's fully subscribed and paid-up capital at December 31, 2023 and December 31, 2022 is R\$ 842,781 (or R\$ 806,688 if net of share issue cost). The shares are registered common shares without par value.

At December 31, 2023, the Company's fully paid-up capital is divided into 286,431,078 registered shares (same number at December 31, 2022) with no par value, of which 1,896,022 are non-voting treasury shares (1,904,072 at December 31, 2022). At December 31, 2023, share capital is held as follows:

<i>Number of shares</i>	<b>12/31/2023</b>		<b>12/31/2022</b>	
	<b>Common shares</b>	<b>(%)</b>	<b>Common shares</b>	<b>(%)</b>
<b>Shareholders</b>				
Owners of the Company	214,385,424	74.85%	214,385,424	74.85%
Other members of the Simões family	231,000	0.08%	231,000	0.08%
Management	272,380	0.10%	272,380	0.10%
Officers	6,447,156	2.25%	6,446,373	2.25%
Treasury shares	1,896,022	0.66%	1,904,072	0.66%
Outstanding shares traded on the stock exchange	63,199,096	22.06%	63,191,829	22.06%
<b>Total</b>	<b>286,431,078</b>	<b>100.00%</b>	<b>286,431,078</b>	<b>100.0%</b>

The Company is authorized to increase its capital up to R\$ 2,000,000, excluding the shares already issued, without any amendment to its bylaws and according to the decision of the Board of Directors, which is responsible for the establishment of issuance conditions, including price, term and payment conditions, and after the approval by the Supervisory Board.

### 27.2 Capital reserves

#### a) Share-based payment transactions

##### Movement during the years

For the years ended December 31, 2023 and 2022, no new shares were granted, and the accumulated balance in the capital reserve account related to "share-based payment" in equity is R\$ 777 at December 31, 2023 (R\$ 472 at December 31, 2022).

##### i. Restricted share plan:

The restricted share plan consists of the delivery of shares of the parent company Simpar S.A. (restricted shares) to JSL employees consisting of up to 35% of the variable compensation of the beneficiaries as bonus, in annual installments for 4 years. In addition, employees may, at their sole discretion, opt to receive an additional portion of the variable compensation amount as a bonus in shares of Simpar S.A., and in case the employee opts to receive shares, Simpar S.A. will deliver to the employee 1 matching share for each 1 share received by the employee, within the limits established in the program. The granting of the right to receive restricted shares and matching shares is made through the execution of Grant Agreements between Simpar S.A. and the employee. Thus, the Plan seeks to (a) stimulate the expansion, success and achievement of the social objectives of Simpar S.A. and its subsidiaries; (b) to align the interests of the shareholders of Simpar S.A. and its subsidiaries with those of its employees; and (c) enable Simpar S.A. and its



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

subsidiaries to attract and retain the beneficiaries. Simpar's shares to be delivered may be acquired by the Company at market value.

For the calculation of the number of restricted shares to be delivered to the employee, the net amount earned by the employee will be divided by the average quotation of Simpar S.A. on B3, weighted by the trading volume over the past 30 trading sessions preceding each vesting date related to the restricted shares.

### Movement during the years

The following table presents the number, weighted average fair value and the movement of restricted share rights granted during the years ended December 31, 2023 and 2022:

	Number of shares			Stock options outstanding	Average strike price
	Granted	Canceled	Transferred		
<b>Position at December 31, 2021</b>	<b>56,319</b>	<b>(227)</b>	-	<b>56,092</b>	<b>10.54</b>
Options canceled	-	(1,359)	-	(1,359)	10.54
Transfers to beneficiaries	-	-	(13,497)	(13,497)	10.54
<b>Position at December 31, 2022</b>	<b>56319</b>	<b>(1,586)</b>	<b>(13,497)</b>	<b>41,236</b>	<b>10.54</b>
Options granted	-	(169)	-	(169)	10.54
Transfers to beneficiaries	-	-	(13,748)	(13,748)	10.54
<b>Position at December 31, 2023</b>	<b>56319</b>	<b>(1,755)</b>	<b>(27,245)</b>	<b>27,319</b>	<b>10.54</b>

## 27.3 Treasury shares

At December 31, 2023, the Company has a balance of R\$ 42,257 (R\$ 42,205 at December 31, 2022), representing 1,896,022 common shares held in treasury (1,904,072 at December 31, 2022). The price on December 31, 2023, traded on the São Paulo Stock Exchange, was R\$12.45 per unit (code JSLG3 on B3).

## 27.4 Earnings reserves

### a) Distribution of dividends

Pursuant to the Company's Bylaws, shareholders are entitled to annual mandatory dividend equal to or higher than 25% of the Company's annual profit, as adjusted by the following additions or deductions:

- i. 5% allocated to the legal reserve; and
- ii. Amount for the contingency reserve and reversal of the same reserves recognized in prior years. A portion of the profit may also be retained based on a capital budget for contribution of a statutory earnings reserve named "investment reserve".

The amount to be distributed is approved at the Annual General Meeting ("AGM") that also approves the parent company and consolidated financial statements related to the prior year, based on the proposal submitted by the Executive Board and approved by the Board of Directors. Dividends are distributed in accordance with the resolution of this AGM, held in the first four months of each year. The Company's Bylaws also allow for the distribution of interim dividends, which can be included in the mandatory dividend.

Interest on capital is calculated on equity accounts, except for the unrealized revaluation reserves, even if capitalized, by applying the variation of the long-term interest rate (TLP) for the year. The



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

payment is contingent on the existence of profits in the year before the deduction of interest on capital, or of retained earnings and earnings reserve.

For purposes of the parent company and consolidated financial statements, interest on capital is stated as allocation of profit directly in equity.

For the year ended December 31, 2023, the calculations and movement of dividends and interest on capital were as follows:

	Parent company	
	2023	2022
Profit for the year	351,783	194,182
<b>Profit for the year, basis for proposing the legal reserve</b>	<b>351,783</b>	<b>194,182</b>
(-) Legal reserve (5%)	(17,589)	(9,709)
(-) Government grant reserve - ICMS presumed credit	(38,900)	(38,225)
(-) Government grant reserve - transportation exemption Logistics	(90,522)	(81,090)
<b>Profit for the year, basis for proposing dividends</b>	<b>204,772</b>	<b>65,158</b>
<b>Minimum dividends (25%) (i)</b>	<b>51,193</b>	<b>16,289</b>
<i>Dividends and interest on capital proposed/distributed:</i>		
Interest on capital paid	90,160	67,179
Withholding income tax (IRRF) on interest on capital	(12,960)	(10,077)
<b>Interest on capital paid, net</b>	<b>77,200</b>	<b>57,102</b>
<b>Dividends to be distributed</b>	-	-
<b>Total dividends and interest on capital proposed/distributed:</b>	<b>77,200</b>	<b>57,102</b>
Percentage on profit for the year deducted from legal reserve	38%	88%
<b>Gross dividends and interest on capital per share, net of treasury shares at the end of the year (in R\$)</b>	<b>0.3169</b>	<b>0.2361</b>

(i) Interest on own capital, net of income tax at source, was attributed to mandatory dividends, in accordance with article 9, paragraph 7, of Law 9,249/95 and item V of CVM Deliberation nº 207/96, and the Bylaws Company Social Security. In the year ended December 31, 2023, interest on equity corresponded to 38% of the net profit for the year deducted from the legal reserve, thus being higher than the minimum mandatory dividend provided for in the Company's Bylaws.

The movements in dividends and interest on capital payable during the years ended December 31, 2023 and 2022 were as follows:

	Parent Company and Consolidated		
	Interest on capital	Dividends	Total
<b>At December 31, 2021</b>	<b>51621</b>	<b>12,689</b>	<b>64,310</b>
Additional dividends declared	-	36,035	36,035
Interest on capital declared	67,179	-	67,179
Withholding Income Tax (IRRF)	(10,077)	-	(10,077)
<b>Dividends and interest on capital paid</b>	<b>(51,148)</b>	<b>(48,724)</b>	<b>(99,872)</b>
<b>At December 31, 2022</b>	<b>57,575</b>	<b>-</b>	<b>57,575</b>
Interest on capital declared	90,160	-	90,160
Withholding Income Tax (IRRF)	(12,960)	-	(12,960)
<b>Interest on capital paid</b>	<b>(134,775)</b>	<b>-</b>	<b>(134,775)</b>
<b>At December 31, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

#### **b) Legal reserve**

The legal reserve is recognized annually as an allocation of 5% of the Company's profit for the year, limited to 20% of the share capital. Its purpose is to ensure the integrity of the share capital. It can be used only to offset losses and for capital increase. When JSL reports loss for the year, no legal reserve is recognized.

#### **c) Investment reserve**

The investment reserve is intended to finance the expansion of the activities of the Company and/or its subsidiaries including through subscriptions of capital increases or creation of new enterprises, to which up to 100% of the profit for the year remaining after the legal and statutory deductions may be allocated and whose balance cannot exceed the amount equivalent to 80% of the Company's subscribed capital. R\$ 100,304 was recognized as allocation of the remaining balance of profit for the year ended December 31, 2023 after the recognition of legal and statutory reserves (R\$ 32,236 at December 31, 2022).

#### **d) Investment grant**

At the Company, as ICMS is calculated using the credit method granted in accordance with the ICMS 106/96 agreement, the amount of R\$ 37,263 was transferred in the year ended December 31, 2023 (R\$ 38,225 in the year ended December 31, 2022) to the tax incentive reserve account under the line item "Earnings Reserves", in accordance with Law 12,973/14, Art. 30, paragraph 4.

In the year ended December 31, 2023, the amount of R\$ 92,159 (R\$ 81,090 in the year ended December 31, 2022), referring to ICMS tax exemption benefits, was transferred to the tax incentive reserve account under the line item "Earnings Reserves".

In addition, subsidiary Quick Logística is entitled to a ICMS tax benefit in the state of Goiás called Log Produzir, with appropriation of R\$ 607 in the year ended December 31, 2022. In the year ended December 31, 2023, the Company did not use the credit related to this benefit, as it is in process of renewal with the Finance Department of the State of Goiás.

### **28. Insurance coverage**

JSL has insurance coverage in amounts deemed sufficient by Management to cover potential risks on its assets and/or liabilities related to transport of third-party cargo or assets. As to the vehicle fleet, most part is self-insured in view of the cost-benefit ratio of the premium. The insurance coverage can be summarized as follows:

#### **i. Cargo transport - vehicles**

Vehicle transportation operations are insured directly by the customers. For all other cases, the contracted insurance coverage varies according to the value of the vehicles.

#### **ii. Cargo transport - products**

Insurance coverage contracted for possible damage or losses in transit varies according to the value of the cargo transported.

#### **iii. Fleet**



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

The Company and its subsidiaries take out insurance for their fleet as required by contract and for coverage of third-party damage, however for the most part self-insure their fleet in view of the high cost against the premium benefit.

### Third-party property liability

The insurance on third-party property is presented as follows:

Insured services	Effective period	Consolidated
		Coverage
Fire, lightning and explosion, building and physical damage to PP&E	8/21/2023 to 8/21/2024	320,819
Electrical damage	8/21/2023 to 8/21/2024	4,290
Windstorms, hurricanes, cyclones, tornados, hailstorms and vehicle impacts	8/21/2023 to 8/21/2024	18,979
Broken glass	3/31/2023 to 3/31/2024	150
Landslides	7/27/2023 to 7/27/2024	180
Deterioration of products in refrigerated environments	7/27/2023 to 7/27/2024	4,500
Aggravated theft	3/31/2023 to 3/31/2024	29,557
Stationery equipment	7/27/2023 to 7/27/2024	1,500
Mobile equipment	7/27/2023 to 7/27/2024	9,185
Civil liability – operations	7/27/2023 to 7/27/2024	659,235
Loss of profit	7/27/2023 to 7/27/2024	2,500
Flooding	7/27/2023 to 7/27/2024	9,000
Internal movement of products	6/30/2023 to 6/30/2024	3,400
Civil liability - employer	8/27/2023 to 8/27/2024	21,831
Pain and suffering arising from civil liability operations	10/08/2023 to 10/08/2024	169,250
Rental expenses and/or losses	7/27/2023 to 7/27/2024	2,810
Expenses with recomposition of records and documents	7/27/2023 to 7/27/2024	517
Environmental risks	6/30/2023 to 6/30/2024	3,200

## 29. Net revenue from rendering services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services

### a) Revenue flows

JSL generates revenue mainly from the rendering of services and sale of decommissioned assets.

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Revenue from dedicated services (b)	1,732,483	1,328,958	2,236,800	1,941,272
Revenue from passengers transport (b)	185,223	285,480	185,223	285,480
Revenue from general cargo (b)	1,820,402	1,680,884	4,490,975	3,318,833
Revenue from vehicle rental (a)	264,117	281,299	382,681	272,138
Other revenues	-	-	3,295	1,072
<b>Net revenue from rendering services and lease of vehicles, machinery and equipment</b>	<b>4,002,225</b>	<b>3,576,621</b>	<b>7,298,974</b>	<b>5,818,795</b>
Revenue from sales of decommissioned assets	175,761	124,323	275,670	203,610
<b>Total net revenue</b>	<b>4,177,986</b>	<b>3,700,944</b>	<b>7,574,644</b>	<b>6,022,405</b>
<b>Timing of revenue recognition</b>				
Products transferred at a specific point in time	175,761	124,323	275,670	203,610
Products and services transferred over time	4,002,225	3,576,621	7,298,974	5,818,795
<b>Total net revenue</b>	<b>4,177,986</b>	<b>3,700,944</b>	<b>7,574,644</b>	<b>6,022,405</b>

(a) Revenue recognition in accordance with CPC 06 (R2) / IFRS 16 - Leases.

(b) Revenue recognition in accordance with CPC 47 (R2) / IFRS 15 - Revenue from Contracts with Customers.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

The reconciliation between the gross revenues and the revenue presented in the statement of profit or loss is shown below:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Gross revenue</b>	<b>4,940,127</b>	<b>4,400,752</b>	<b>8,929,835</b>	<b>7,133,693</b>
<b>Less:</b>				
Taxes on sales (i)	(694,112)	(635,405)	(1,279,388)	(1,040,998)
Returns and cancellations	(26,409)	(18,167)	(28,713)	(19,852)
Toll rates	(41,596)	(46,236)	(41,814)	(46,783)
Discounts granted	(24)	-	(5,276)	(3,655)
<b>Total net revenue</b>	<b>4,177,986</b>	<b>3,700,944</b>	<b>7,574,644</b>	<b>6,022,405</b>

(i) Amount presented net of ICMS credit in accordance with Law 12,973/14 Art. 30 § 4.

### 30. Expenses by nature

JSL's statements of profit or loss are presented by function. Expenses by nature are as follows:

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Fleet costs / expenses (iii)	(70,608)	(52,995)	(200,541)	(136,751)
Cost of sales of decommissioned assets (ii)	(128,589)	(95,144)	(205,123)	(165,414)
Personnel and payroll charges	(1,283,164)	(1,072,843)	(2,312,296)	(1,894,386)
Related and third parties	(1,087,553)	(1,155,413)	(1,674,959)	(1,359,827)
Depreciation and amortization (v)	(255,206)	(190,226)	(446,586)	(310,995)
Parts, tires and maintenance	(395,902)	(351,966)	(605,349)	(464,124)
Fuels and lubricants	(248,956)	(268,170)	(816,644)	(671,485)
Communication, advertising and publicity	(9,282)	(11,336)	(12,381)	(15,140)
Rendering services	(143,309)	(101,447)	(267,082)	(205,843)
Provision for expected credit losses ("impairment") of trade receivables (note 9.1)	6,726	(12,288)	5,563	(14,242)
Provision for judicial and administrative litigation	(50,219)	(17,613)	(38,572)	(20,995)
Electric power	(20,556)	(20,356)	(28,392)	(27,709)
Lease of vehicles, machinery, damaged vehicles and properties	(41,848)	(65,356)	(91,463)	(90,420)
PIS and COFINS credits on inputs (i)	213,196	201,638	309,510	241,426
Extemporaneous tax credits	19,694	44,499	45,647	64,227
Credit from contractual fines	19,953	-	19,953	-
Bargain purchase (iv)	216,494	-	259,195	-
Other costs	(188,423)	(126,399)	(233,720)	(181,902)
	<b>(3,447,552)</b>	<b>(3,295,415)</b>	<b>(6,293,240)</b>	<b>(5,253,580)</b>
Cost of sales, leases and rendering services	(3,357,643)	(3,085,808)	(5,977,479)	(4,815,943)
Cost of sales of decommissioned assets (ii)	(128,589)	(95,144)	(205,123)	(165,414)
Selling expenses	(20,198)	(13,245)	(42,523)	(27,078)
Administrative expenses	(185,298)	(158,996)	(413,273)	(319,461)
Provision for expected credit losses ("impairment") of trade receivables	6,726	(12,288)	5,563	(14,242)
Other operating expenses	(42,295)	(59,345)	(64,978)	(96,269)
Other operating income	279,745	129,411	404,573	184,827
	<b>(3,447,552)</b>	<b>(3,295,415)</b>	<b>(6,293,240)</b>	<b>(5,253,580)</b>

- (i) PIS and COFINS credits on acquisition of inputs and depreciation charges recorded as reducers of the costs of the products and services sold, in order to better reflect the nature of the respective credits and expenses;
- (ii) The cost of sales of decommissioned assets consists of the cost of assets used in logistics services.
- (iii) Includes expenses with IPVA, maintenance and toll rates.
- (iv) Bargain purchase resulting from the business combination, as shown in note 1.1 (g), (i) and (ii).
- (v) According to note 14.1, of the amount presented in the depreciation and amortization line, R\$ 41,910 in the Parent Company and R\$ 51,648 in the Consolidated refer to the amortization of surplus value.



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

## 31. Finance income (costs)

	Parent company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
<b>Finance income</b>				
Financial investments	46,558	43,367	68,563	56,140
Monetary variation income	6,286	20,922	7,592	23,681
Interest received (i)	75,065	30,059	64	2,584
Foreign exchange gains	3,000	55	2,960	888
Foreign exchange variation on loans and borrowings	-	-	1,012	-
Discounts obtained	3,940	-	13,054	-
Other finance income	1,110	13,562	2,208	5,078
<b>Total finance income</b>	<b>135,959</b>	<b>107,965</b>	<b>95,453</b>	<b>88,371</b>
<b>Finance costs</b>				
Interest on loans, borrowings and debentures	(533,550)	(455,356)	(660,211)	(516,611)
Interest and bank charges on leases payable	(12,502)	(4,485)	(14,380)	(4,485)
Expenses with new loans, borrowings and debentures	(18,579)	-	(18,085)	-
Net gains (losses) on swap agreements	(62,506)	(39,303)	(62,533)	(39,476)
<b>Total debt service costs</b>	<b>(627,137)</b>	<b>(499,144)</b>	<b>(755,209)</b>	<b>(560,572)</b>
Interest on right-of-use leases	(24,489)	(20,361)	(48,864)	(36,905)
Interest on payables for the acquisition of companies	(52,966)	(35,725)	(63,136)	(41,530)
Discounts granted, bank charges and fees	(1,993)	(573)	(11,678)	(6,083)
Foreign exchange losses	(51,750)	-	(62,657)	(374)
Interest payable	(15,823)	(7,219)	(20,510)	(13,552)
Other finance costs	(21,396)	(26,695)	(37,053)	(31,783)
<b>Total finance costs</b>	<b>(795,554)</b>	<b>(589,717)</b>	<b>(999,107)</b>	<b>(690,799)</b>
<b>Finance income (costs), net</b>	<b>(659,595)</b>	<b>(481,752)</b>	<b>(903,654)</b>	<b>(602,428)</b>

(i) Of the amount presented in the Parent company, R\$ 59,571 are derived from financial operations with group companies.

## 32. Earnings per share

### 32.1 Basic

The calculation of basic and diluted earnings per share was based on the profit attributable to the holders of common shares and on the weighted average number of common shares outstanding.

The calculation of basic earnings per share is presented below:

	Parent company	
	12/31/2023	12/31/2022
<b>Numerator:</b>		
Profit for the year	351,783	194,182
<b>Denominator:</b>		
Weighted average number of outstanding shares	213,073,744	213,067,074
<b>Basic earnings per share from continuing operations - R\$</b>	<b>1.6510</b>	<b>0.9114</b>
<b>Total basic earnings per share - R\$</b>	<b>1.6510</b>	<b>0.9114</b>
<b>Weighted average number of common shares outstanding</b>		
	<b>12/31/2023</b>	<b>12/31/2022</b>
<b>Common shares - January 1</b>		
Effect of shares issued in the year	213,067,074	213,293,836
Effect of treasury shares and repurchase of shares	6,669	(226,761)
<b>Weighted average number of common shares outstanding</b>	<b>213,073,744</b>	<b>213,067,074</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

### 32.2 Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares to presume the conversion of all potential common shares for potential dilution.

JSL has a category of common shares which could potentially cause dilution: stock options and restricted shares. In the case of stock options, the number of shares that could be purchased at fair value is determined (fair value being the annual average market price for the JSL shares), based on the monetary value of the subscription rights for outstanding options. The number of shares calculated as mentioned before is compared with the number of shares outstanding, assuming that all the options are exercised.

	<u>Parent company</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>
<b>Numerator:</b>		
Profit for the year	351,783	194,182
<b>Denominator:</b>		
Weighted average number of shares	213,073,744	213,067,074
<b>Weighted average number of shares for diluted earnings per share</b>	<b>213,073,744</b>	<b>213,067,074</b>
<b>Diluted earnings per share from continuing operations - R\$</b>	<b>1.6510</b>	<b>0.9114</b>
<b>Total diluted earnings per share - R\$</b>	<b>1.6510</b>	<b>0.9114</b>

### 33. Supplemental information to the statement of cash flows

The statements of cash flows under the indirect method are prepared and presented in accordance with the accounting pronouncement CPC 03 (R2) / IAS 7 – Statement of Cash Flows.

JSL acquired vehicles for renewal and expansion of its fleet, and part of these vehicles do not affect cash because they are financed. The reconciliation between these acquisitions and the cash flows is as follows:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<b>Total additions to property and equipment in the year</b>	<b>749,532</b>	<b>867,143</b>	<b>1,438,553</b>	<b>1,808,930</b>
<b>Additions without cash disbursement:</b>				
Additions financed by leases payable and FINAME	(15,891)	(248,821)	(65,269)	(555,686)
Additions of right-of-use leases	(56,658)	(107,803)	(162,022)	(193,815)
<b>Additions for the year settled with cash flows</b>				
Balance variation of trade payables and supplier financing - car makers	(7,675)	17,510	162,066	(176,969)
<b>Total cash flows for purchase of property and equipment</b>	<b>669,308</b>	<b>528,029</b>	<b>1,373,328</b>	<b>882,460</b>
<b>Statements of cash flows:</b>				
Operating property and equipment for leasing	640,252	481,160	1,302,232	808,683
Property and equipment	29,056	46,869	71,096	73,777
<b>Total</b>	<b>669,308</b>	<b>528,029</b>	<b>1,373,328</b>	<b>882,460</b>



JSL S.A.

Notes to the parent company and consolidated financial statements Years ended December 31, 2023 and 2022

In thousands of Brazilian Reais, unless otherwise stated

### 34. Events after the reporting period

On February 29, 2024, the parent company JSL S.A. settled a CRA offer under automatic procedure at CVM 160 for qualified and professional investors, in the initial amount of R\$ 1,400,000, with an additional lot of R\$ 350,000, an increase of 25%, totaling R\$ 1,750,000. This operation is backed by (CDCAs) Agribusiness Credit Rights Certificates issued by JSL in three series, all maturing in 7 years and amortized at the end of the 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> years, and the volume is divided as follows: the first series in the amount of R\$ 605,989 with fixed rate yield of 11.3336%, the second series in the amount of R\$ 800,536 with yield at IPCA + 6.4527% and the third series in the amount of R\$ 343,475 with yield at CDI + 1.20%, rates defined in the Bookbuilding process, with payment of semi-annual interest and containing covenants, including the compliance with financial ratios, which are calculated on the consolidated financial information of JSL, the issuances of 1<sup>st</sup> and 2<sup>nd</sup> series are 100% hedged by Swap contracts.

On March 6, 2024, the controlling company JSL signed the Deed of simple debentures, not convertible into shares, of the unsecured type, in the total amount of R\$ 200,000, in a single series, with maturity in 5 years, amortizations in the 4<sup>th</sup> and 5<sup>th</sup> year . The operation was carried out with remunerative interest corresponding to 100% of the DI Rate, plus a surcharge of 2.35% p.a.

\*\*\*\*