

JSL
ENTENDER PARA ATENDER



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São Paulo, February 14, 2023 - JSL S.A. (B3: JSLG3) ("JSL") announces its results for 4Q22.

JSL CONSOLIDATES ITS LEADING POSITION THROUGH EXECUTION CAPABILITY AND REACHES GROSS REVENUE OF R\$7.1 BILLION IN 2022 WITH EBITDA OF R\$1.1 BILLION

- **Gross Revenue** grows 38.6% in the year and reaches **R\$7.1 billion**; in the quarter, the increase is 24.3% compared to 4Q21 and reaches R\$2 billion - the result proves our strategic differentials and the strength of our business model;
- **EBITDA** is up **62.4%** year-over-year and reaches R\$1.1 billion in 2022; in 4Q22, the increase is 44.9% vs. 4Q21, reaching R\$319.2 million;
- Gains in operational efficiency allowed for improved **EBITDA margins**, which reached 19.9% in the quarter (+3.0 p.p vs 4Q21) and 18.7% (+2.8 p.p. vs 2021) in the year;
- Adjusted Net Income in **4Q22 is R\$110.0 million, up 73.8%** versus 4Q21. **In the year, the net income reaches R\$223.5 million**, in line with the previous year, reflecting the impact of high interest rates;
- **New contracts** amounted to **R\$6.0 billion** in 2022, with an average term of 50 months. **In the last quarter**, we posted **R\$3.3 billion** in new contracts with an average term of 55 months, which will boost our future revenue generation;
- Leverage, measured by **net debt/EBITDA**, is **3.17x** and, by **net debt/EBITDA-A**, is **2.73x**, reflecting the accelerated EBITDA growth and discipline in capital allocation even amid higher investments;
- **ROIC Running Rate of 15.1%** shows our ability to balance accelerated growth with profitability;
- **Upgrade in the CDP (Carbon Disclosure Project) assessment to 'B'** – ranking JSL higher than the average for the transport sector and showing our commitment to sustainability practices aligned to business strategy;
- In 2022, **Fitch Ratings upgraded JSL's corporate credit ratings to 'AAA'** in national scale and **'BB'** in global scale, which confirms the robustness of JSL's disciplined growth strategy.

Financial Highlights Summary (R\$ million)	4Q22	4Q21	▲ Y / Y	3Q22	▲ Q / Q	2022	2021	▲ Y / Y	4Q22 Annualized
Gross Revenue	1,967.8	1,582.5	24.3%	1,918.3	2.6%	7,133.7	5,148.4	38.6%	7,871.0
Gross Revenue from Services	1,912.2	1,560.8	22.5%	1,862.1	2.7%	6,924.0	5,063.1	36.8%	7,648.7
Gross Revenue from Asset Sales	55.6	21.7	156.7%	56.2	-1.1%	209.7	85.3	145.7%	222.3
Net Revenue	1,662.4	1,327.8	25.2%	1,624.8	2.3%	6,022.4	4,296.0	40.2%	6,649.8
Net Revenue from Services	1,607.7	1,306.9	23.0%	1,570.8	2.3%	5,818.8	4,213.0	38.1%	6,430.7
Net Revenue from Asset Sales	54.8	20.9	162.1%	54.0	1.4%	203.6	83.0	145.4%	219.1
Adjusted EBIT¹	236.7	147.8	60.2%	229.7	3.1%	813.9	461.9	76.2%	946.8
Margin (% NR from Services)	14.7%	11.3%	+3.4 p.p.	14.6%	+0.1 p.p.	14.0%	11.0%	+3.0 p.p.	14.7%
Adjusted¹ Net Income	110.0	63.3	73.8%	42.2	160.6%	223.5	223.9	-0.2%	439.8
Margin (% NR)	6.6%	4.8%	+1.9 p.p.	2.6%	+4.0 p.p.	3.7%	5.2%	-1.5 p.p.	6.8%
Adjusted EBITDA¹	319.2	220.3	44.9%	298.9	6.8%	1,088.3	670.2	62.4%	1,276.7
Margin (% NR from Services)	19.9%	16.9%	+3.0 p.p.	19.0%	+0.8 p.p.	18.7%	15.9%	+2.8 p.p.	19.9%
Net CAPEX	681.3	364.2	87.1%	304.4	123.8%	1,420.7	749.1	89.6%	

¹EBIT, EBITDA and adjusted Net Income in 2021, according to previously disclosed. In 4Q22, EBIT was adjusted in R\$24.3 million, EBITDA in R\$8.5 million and net income in R\$ 16.1 million, to exclude the effect of the demobilization of a warehousing operation in RJ and the amortization of PPA from acquisitions. The same effects impacted the adjusted numbers for 2022.



Message From The Management

We are very proud to report another year of strong results and we are carrying on with the important advances in our agenda of market consolidation and operational efficiency in all segments in which we operate. In 2022, we reinforced our business model and leadership position as a logistics operator in diversified services, with a wide range of integrated solutions that generate value for our customers, and transform the logistics industry by establishing new levels of operation.

We grew organically, working with consistent margins and maintaining a robust capital structure. The discipline and determination reinforce our solid strategic and operational pillars, and underpin JSL's growth plans. We are in a unique position to seize the opportunities in a market focused on quality and execution reliability.

SUSTAINED GROWTH WITH PORTFOLIO AND CUSTOMER DIVERSIFICATION

The results we report reinforce the differentiation of our business model and organic growth capacity. We operate in the entire logistics chain, from the shipment of raw materials to product warehousing and distribution, in Brazil and abroad, serving more than 16 sectors, particularly food and beverage, automotive, pulp and paper, consumer goods, Mining and Metals, and chemicals.

Based on operational reliability, agility to meet customer needs, and increasing diversification of services, we reached Gross Revenue of R\$2.0 billion in 4Q22, with a growth of 24.3% vs. 4Q21. In the year, with the consolidation of the acquisitions made in previous years and the addition of TruckPad to our portfolio, we reported Gross Revenues of R\$7.1 billion (+38.6% vs 2021). If we take into account the annualized figures for 4Q22, we are already a Company with revenues of R\$7.9 billion.

The transformation of the acquired companies continues to have a positive impact on the execution of our strategy. The acquisitions were based on the purchase of good companies that, by benefiting from JSL's scale and structure, could enhance their growth opportunities and add diversification to our portfolio, whether with new services, industries, or clients. Proof of the synergy between specialization and scale, our combined Gross Service Revenue rose 22% in 4Q22 vs. 4Q21. For the year 2022, the growth was 25%. We also reinforced our internationalization agenda, focused on meeting the demands of our customer base. With the expansion of the South African operations during 4Q22 through one of the acquired companies, our international revenue accounted for 4% of the total. It should continue to further expand with the full development of the operation by early 2023.

EXPRESSIVE VOLUME OF NEW CONTRACTS: TRUST AS A KEY DRIVER

Our investment capacity, discipline of execution, quality and commitment, especially in a market environment that prizes reliability, allowed us to continue with our plans and to sign an expressive volume of new contracts. During 4Q22, we closed R\$3.3 billion in new contracts, with an average term of 55 months and 95% cross-selling. Of these, 66% (R\$2.2 billion) refer to the pulp and paper sector, including a R\$1.4 billion project in which we were chosen as the main provider in wood handling and transportation, which proves the confidence in the excellence of our services and execution capacity. We also highlight new projects in the Mining and Metals (about R\$400 million, mostly for the acquisition of assets for an iron ore operation) and automotive sectors (R\$175 million in a new contract for milk run operations with an OEM). By segment, 83% of the new contracts are in Dedicated Operations, 14% in Warehousing, 2% in Cargo Transportation, and 1% in Urban Distribution.

Throughout the year, the total volume of new contracts hit the record mark of R\$6 billion, with an average term of 50 months and cross-selling of 93%. The amount is 50% above the volume of new contracts signed throughout 2021 (R\$4.1 billion) and shows the cross-selling potential in relevant clients. As for operation segments, 62% of the contracts refer to Dedicated Operations, 18% to Cargo Transportation, 10% to Urban Distribution, and 10% to Warehousing.



SOLID OPERATIONAL EFFICIENCY ALLOWS THE MAINTAINANCE OF CONSISTENT MARGINS

The inflationary environment was a major challenge in 2022 and we were focused on maintaining the profitability of our operations. Through constant negotiations, detailed analysis of the scope of services, and asset management, we were able to maintain consistent operating margins. Furthermore, we advanced in the agenda of digitalization and optimization of our processes, with relevant efficiency gains.

We maintained balanced growth between Asset Light and Asset Heavy operations and ended 4Q22 with an Adjusted EBITDA margin (% Net Revenue from Services) of 19.9%, the highest recurring margin recorded since 2019, up 3.0 p.p. vs. 4Q21. If we annualized the figures for 4Q22, we would reach an EBITDA of R\$1.3 billion, reinforcing JSL's new level.

FINANCIAL DISCIPLINE AS THE FOUNDATION OF SCALE TRANSFORMATION

Even amid increased investments to support the deployment of assets to meet new contracts, we ended the year with a net debt to LTM EBITDA ratio at 3.17x, in line with our commitment to discipline in capital allocation. Considering the annualized adjusted EBITDA of 4Q22, the leverage would be 2.68x, which shows our balanced capital structure. A relevant portion of the capex (~60%) for the quarter is not yet reflected in revenue generation. We ended the year with a cash position of R\$873 million, which, added to the undrawn revolving credit lines of R\$876 million, is equivalent to 5.3x our short-term financial obligations.

When comparing our size to the pre-IPO period, our revenue is already 2x higher, with EBITDA 2.5x higher than 2020. We grew without compromising the reference leverage, which remains close to 3x. In addition, we improved our ROIC: We calculated a ROIC Running Rate¹ of 15.1%, which shows our focus on pricing the new contracts with consistent returns and efficient capital allocation. The Company also continues to strongly generate free cash flow, which evidences our solid business model and the capacity to grow while maintaining adequate leverage.

WE STAY MOTIVATED ABOUT WHAT LIES AHEAD

Our proven commercial capacity allows us to seek relevant results in the coming quarters, especially due to the implementation of the new contracts, strengthening our leadership position in a highly fragmented market.

We see important avenues of organic growth for JSL, especially via cross-selling and winning new clients by using digital transformation to add more value to the services provided. In addition, we are always on the lookout for opportunities to acquire good companies, to leverage our share in new clients and services, and to continue our international expansion agenda based on meeting our customers' demands.

We thank the dedication of our more than 28,000 direct employees and 55,000 third-party and independent drivers, our customers and investors, and continue on our journey of growth and development in the logistics sector.

Thank you very much,

Ramon Alcaraz
JSL CEO

¹Further details in the "Returns" topic

Sustainability Practices

We remain certain that the work of our people and the relationship of trust with our customers are crucial to our development and to the generation of value for shareholders. With purpose and in line with our strategy of sustainable development, we will continue to contribute in a way that positively impacts the ecosystem around us.

Our delivery capacity is evidenced by the recognitions we received during this quarter.

Rodomeu received two recognitions in the LPG Innovation and Technology Award 2022, for its work in "optimization of road transport - supply through dedicated fleet" and "optimization of LPG transport on semi-trailers". JSL was elected by Whirlpool as the best logistics operator in the "inbound" category for the heavy machinery segment, and won the

Maiores e Melhores award in Transport from OTM magazine. And as a result of our employees' engagement and commitment to the Company's Safety Culture, we received recognition for best safety practices in our Cummins Guarulhos/SP operations.



For the second year in a row, we improved our performance in the CDP (Carbon Disclosure Project) assessment. The company achieved a 'B' rating, which is higher than in 2021, when it got a 'B-', placing it above the average for the Transportation sector. With this, we reinforce our commitment with a sustainable and transparent performance regarding climate change.

Práticas de Sustentabilidade



Focusing on our people, JSL University launched the High Performance Leader learning track, a leadership preparation training up to the Coordination level. We also highlight the Women in Leadership Program, which aims to contribute to the growth and empowerment of our female Senior Managers and Coordinators through mentoring with the Company's top executives. So far, we have 24 participants and 12 mentors.

In 4Q22, we launched the 3rd edition of the Women Behind the Wheel program. This time, the program was focused on professionalizing forklift operators in partnership with the client Suzano, located in the city of Mucuri (BA). Also in December, we continued with the If You Want it, You Can! program that is taking place in Minas Gerais and Três Lagoas/MS. By next year the program will have 150 young graduates who, at the end of the training, will compete for positions in the Young Apprentice Program.





The financial information presented below complies with IFRS accounting principles (International Financial Reporting Standards). The results are presented on a consolidated basis. Information of the subsidiaries TransMoreno, Fadel, Rodomeu, TPC, Marvel and Truckpad is consolidated as from the acquisition dates, respectively 10/30/2020, 11/17/2020, 05/15/2021, 06/15/2021, 07/30/2021 and 05/26/2022.

Consolidated Results

Consolidated (R\$ million)	4Q22	4Q21	▲ Y / Y	3Q22	▲ Q / Q	2022	2021	▲ Y / Y
Gross Revenue	1,967.8	1,582.5	24.3%	1,918.3	2.6%	7,133.7	5,148.4	38.6%
Gross Revenue from Services	1,912.2	1,560.8	22.5%	1,862.1	2.7%	6,924.0	5,063.1	36.8%
Gross Revenue from Asset Sales	55.6	21.7	156.7%	56.2	-1.1%	209.7	85.3	145.7%
Net Revenue	1,662.4	1,327.8	25.2%	1,624.8	2.3%	6,022.4	4,296.0	40.2%
Net Revenue from Services	1,607.7	1,306.9	23.0%	1,570.8	2.3%	5,818.8	4,213.0	38.1%
Dedicated Operations	630.2	496.5	26.9%	598.5	5.3%	2,239.8	1,753.1	27.8%
Cargo Transportation	627.3	491.9	27.5%	655.5	-4.3%	2,296.9	1,525.2	50.6%
Urban Distribution	152.6	150.5	1.4%	127.5	19.7%	550.4	507.6	8.4%
Warehousing	197.9	168.0	17.8%	189.4	4.5%	732.1	426.8	71.5%
Net Revenue from Asset Sales	54.8	20.9	162.1%	54.0	1.4%	203.6	83.0	145.4%
Total Costs	(1,359.4)	(1,125.4)	20.8%	(1,322.7)	2.8%	(4,981.4)	(3,635.3)	37.0%
Cost of Services	(1,310.9)	(1,110.0)	18.1%	(1,283.4)	2.1%	(4,815.9)	(3,571.3)	34.9%
Cost of Asset Sales	(48.5)	(15.4)	214.8%	(39.3)	23.5%	(165.4)	(64.0)	158.5%
Gross Profit	303.1	202.4	49.7%	302.1	0.3%	1,041.1	660.7	57.6%
Operational Expenses	(90.7)	(54.6)	66.0%	(79.8)	n.a	(272.2)	(136.7)	99.1%
EBIT	212.4	147.8	43.7%	222.4	-4.5%	768.8	523.9	46.7%
Margin (% NR from Services)	13.2%	11.3%	+1.9 p.p.	14.2%	-0.9 p.p.	13.2%	12.4%	+0.8 p.p.
Financial Result	(174.9)	(91.3)	91.5%	(172.0)	1.7%	(602.4)	(201.4)	199.1%
Financial Revenues	27.8	17.9	55.0%	15.1	84%	88.4	45.9	92.7%
Financial Expenses	(202.7)	(109.3)	85.5%	(187.1)	8.3%	(690.8)	(247.3)	179.4%
Taxes	56.4	(2.2)	n.a	(13.0)	n.a	27.8	(50.0)	n.a
Net Income (Loss)	93.9	54.3	73.1%	37.4	151.3%	194.2	272.5	-28.8%
Margin (% NR)	5.6%	4.1%	+1.6 p.p.	2.3%	+3.3 p.p.	3.2%	6.3%	-3.1 p.p.
EBITDA	310.7	220.3	41.0%	298.9	3.9%	1,079.8	758.1	42.4%
Margin (% NR from Services)	19.3%	16.9%	+2.5 p.p.	19.0%	+0.3 p.p.	18.6%	18.0%	+0.6 p.p.
EBITDA-A	359.2	235.7	52.4%	338.2	6.2%	1,245.2	822.1	51.5%
Margin (% NR from Services)	22.3%	18.0%	+4.3 p.p.	21.5%	+0.8 p.p.	21.4%	19.5%	+1.9 p.p.
Net CAPEX	681.3	364.2	87.1%	304.4	123.8%	1,420.7	749.1	89.6%
Adjusted¹ EBITDA	319.2	220.3	44.9%	298.9	6.8%	1,088.3	670.2	62.4%
Margin (% NR from Services)	19.9%	16.9%	+3.0 p.p.	19.0%	+0.8 p.p.	18.7%	15.9%	+2.8 p.p.
Adjusted¹ EBIT	236.7	147.8	60.2%	229.7	3.1%	813.9	461.9	76.2%
Margin (% NR from Services)	14.7%	11.3%	+3.4 p.p.	14.6%	+0.1 p.p.	14.0%	11.0%	+3.0 p.p.
Adjusted¹ Net Income	110.0	63.3	73.8%	42.2	160.6%	223.5	223.9	-0.2%
Margin (% NR)	6.6%	4.8%	+1.9 p.p.	2.6%	+4.0 p.p.	3.7%	5.2%	-1.5 p.p.

¹EBIT, EBITDA and adjusted Net Income in 2021, according to previously disclosed. In 4Q22, EBIT was adjusted in R\$24.3 million, EBITDA in R\$8.5 million and net income in R\$ 16.1 million, to exclude the effect of the demobilization of a warehousing operation in RJ and the amortization of PPA from acquisitions. The same effects impacted the adjusted numbers for 2022.

Net Revenue from Services reached R\$1,607.7 million and grew 23% over 4Q21 and 2.3% over 3Q22, which is seasonally a stronger quarter. The implementation of new projects and the repricing of contracts favored all of our business lines, leading to a growth of 26.9% in Dedicated Operations, 27.5% in Cargo Transportation, 17.8% in Warehousing, and 1.4% in Urban Distribution.

- The Dedicated Operations segment (39% of Net Revenue from Services in the quarter) posted a 26.9% growth compared to 4Q21, driven by higher volumes in the pulp, mining and intra-logistics operations, which together contributed with R\$74 million in additional revenue during the quarter;
- Our Cargo Transportation service (also representing 39% of Net Revenue from Services in the quarter) grew 27.5% compared to 4Q21, mainly due to inflation pass-through, capacity increase at Marvel (+R\$52 million) and implementation of new projects in the automotive sector (+R\$52 million);

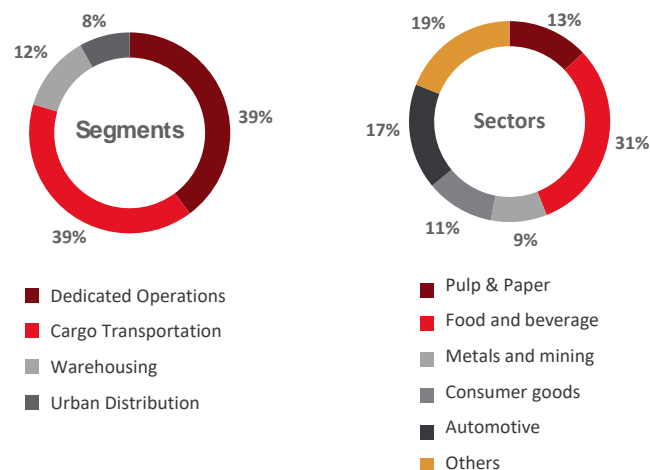
- The Warehousing operations (12% of Net Revenue from Services in the quarter) showed sustained growth quarter after quarter, reflecting new contracts and expansion of TPC’s operations. The segment’s Net Revenue from Services was 17.8% higher than in 4Q21;
- Finally, the Urban Distribution segment (10% of Net Revenue from Services in the quarter) was mainly benefited by the year-end festivities, the summer season and, exceptionally this year, the World Cup. With this, these operations grew 1.4% versus 4Q21. This below-average growth was due to the demobilization of a relevant operation of a Fadel’s client in the e-commerce sector, whose contract was terminated in early 2022. In contrast, the South Africa contract has already started to positively impact the segment's results as of December/2022.

When we look at full-year 2022, the Net Revenue from Services was R\$5.8 billion (+38.1% vs 2021). This level of growth reflects our capacity to execute and implement new contracts, to pass on inflation in the prices charged, and the assertiveness of the acquisitions made, which allowed us to boost our service capacity and improve the profitability of the operations of the companies acquired in the last two years.

We also see an increasing diversification of customers and sectors that brings resilience to our business model. Currently, our top 10 customers represent 42% of our revenue vs. 46% in 2021. In addition, the number of customers to reach 70% of revenue is at 34, compared to 26 customers in 2021. Most importantly, no customer accounts for more than 10% and no contract accounts for more than 1% of our revenue.

The balance of new projects and acquisitions also contributed to the growing diversification by sectors. The Pulp & Paper and Automotive sectors, for example, which added, respectively, R\$132 million and R\$225 million of revenue in 2022 versus 2021, reduced their share to 13.4% and 16.5% of revenue (-2.0 p.p. and -0.9 p.p. compared to 2021). At the same time, we highlight the contribution of the Food and Beverage and Consumer Goods sectors, which added R\$659 million and R\$219 million respectively to the revenue base during 2022 and now account for 28.7% and 11.9% of the total.

NET REVENUE DIVERSIFICATION (4Q22):



The endless search for operational efficiency continues to guide the company's strategy. During 2022 we navigated a macroeconomic scenario challenged by strong inflation, which significantly impacted our cost base. We have remained dedicated to managing the Company's results to protect margins and whose efficiency gains can be seen below:

- (i) In the 4Q22 x 4Q21 comparison, Cost of Services grew 18.1% versus a 23% growth in Net Revenue from Services. The efficiency gain came mainly from the optimization of personnel and independent drivers/third



parties, using investments in technology to automate document management, route optimization, pricing, and customers & drivers integration;

- (ii) In the year-over-year comparison, Cost of Services grew 34.9% versus a 38.1% growth in Net Revenue from Services. The higher costs reflect higher volumes and the consolidation of the acquired companies, in addition to inflationary effects that significantly impacted our cost base during the year, especially on fuel/lubricants and personnel, which grew 76% and 36%, respectively. However, the increase in costs lower than the increase in revenue is the result of actions to maintain margins and increase returns on our contracts, including inventory reallocation, operational synergies between operations, and consolidation of warehouses focused on higher occupancy rates.

Our 4Q22 Adjusted EBITDA was R\$319.2 million, with a margin of 19.9% (the number excludes the effect of the demobilization provision of R\$8.5 million related to the warehousing operations in the Pavuna (RJ) region). The figures represent 44.9% growth in EBITDA and +3.0pp of margin compared to 4Q21, reflecting our agenda of operational improvements and strong diligence in cost management. In yet another quarter, we proved that our efforts to reduce administrative expenses are sustainable, especially via centralization and digitalization of processes, with a ratio of administrative expenses to net revenue from services of 4.7% in 4Q22, a reduction of 0.5 p.p. versus 4Q21. We were able to deliver R\$1.1 billion of Adjusted EBITDA in the year (+62.4% versus 2021), with a margin of 18.7% (+2.8pp versus 2021).

In the quarter, Net Income was impacted by R\$11.9 million for the effect of impairment and provisions related to the demobilization of the Pavuna-RJ warehousing operation and R\$4.2 million for the amortization of the capital gain (goodwill/PPA) from the acquisitions. Therefore, the Adjusted Net Income was R\$110.0 million in 4Q22, with a net margin of 6.6% and growth of 73.8% compared to 4Q21. It is important to mention that in the quarter there was the accounting effect of deferred credits of IRPJ/CSLL of R\$27.6 million from the impact of tax benefits related to ICMS and R\$22.8 million from the payment of Interest on Equity. For the year, our Adjusted Net Income was R\$223.5 million.

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



Asset Light

Asset Light (R\$ million)	4Q22	4Q21	▲ Y / Y	3Q22	▲ Q / Q	2022	2021	▲ Y / Y
Gross Revenue	1,057.8	875.2	20.9%	1,041.0	1.6%	3,880.6	2,938.8	32.0%
Net Revenue	880.4	724.6	21.5%	865.9	1.7%	3,221.3	2,412.0	33.6%
Net Revenue from Services	870.1	721.3	20.6%	854.1	1.9%	3,170.8	2,389.9	32.7%
Dedicated Operations	186.1	144.7	28.7%	174.1	6.9%	658.4	499.8	31.7%
Cargo Transport	451.5	371.7	21.5%	459.5	-1.7%	1,646.2	1,328.9	23.9%
Urban Distribution	34.8	37.0	-5.8%	31.2	11.5%	134.3	134.3	0.0%
Warehousing	197.9	168.0	17.8%	189.4	4.5%	732.0	426.8	71.5%
Net Revenue from Asset Sales	10.3	3.3	215.9%	11.7	-12.3%	50.5	22.1	128.9%
Total Costs	(730.8)	(633.7)	15.3%	(733.9)	-0.4%	(2,747.1)	(2,103.2)	30.6%
Cost of Services	(726.0)	(630.7)	15.1%	(724.5)	0.2%	(2,709.0)	(2,084.6)	30.0%
Personnel	(226.1)	(190.7)	18.6%	(209.2)	8.1%	(817.1)	(585.7)	39.5%
Third parties truck drivers	(329.5)	(290.7)	13.3%	(335.3)	-1.7%	(1,227.4)	(1,035.8)	18.5%
Fuel and lubricants	(36.3)	(26.1)	39.2%	(45.2)	-19.7%	(149.7)	(79.1)	89.3%
Parts / tires / maintenance	(37.9)	(36.6)	3.6%	(37.5)	1.0%	(149.3)	(124.9)	19.5%
Depreciation / amortization	(40.3)	(30.7)	31.4%	(37.9)	6.4%	(143.7)	(109.1)	31.7%
Others	(56.0)	(56.1)	-0.1%	(59.5)	-5.9%	(221.8)	(150.0)	47.9%
Cost of Asset Sales	(4.8)	(3.0)	62.4%	(9.3)	-48.6%	(38.1)	(18.6)	104.3%
Gross Profit	149.5	90.9	64.5%	132.0	13.3%	474.2	308.7	53.6%
Operational Expenses	(57.7)	(19.2)	200.9%	(45.6)	26.4%	(157.5)	(71.3)	120.9%
EBIT	91.8	71.7	28.1%	86.4	6.4%	316.6	237.4	33.4%
Margin (% NR from Services)	10.6%	9.9%	+0.6 p.p.	10.1%	+0.4 p.p.	10.0%	9.9%	+0.1 p.p.
EBITDA	151.4	118.7	27.5%	133.9	-11.3%	508.4	397.8	27.8%
Margin (% NR from Services)	17.4%	16.5%	+0.9 p.p.	15.7%	+1.7 p.p.	16.0%	16.6%	-0.6 p.p.

Net Revenue from Services in Asset Light operations grew 20.6% compared to 4Q21 and reached R\$870.1 million in the quarter, mainly due to the effectiveness of our mechanisms for passing on cost inflation, consolidation of TPC and the recovery of the automotive sector. Although the Cargo Transport segment--the main source of revenue in Asset Light operations--is seasonally weaker in the last quarter of the year, revenue generation also benefited from the implementation of new contracts and consistent growth in the food and beverage and consumer goods sectors. On an annual basis, Net Revenue from Services in Asset Light operations grew 32.7% and reached R\$3.2 billion, 54% of JSL's Total Net Revenue from Services.

The segment's EBITDA was R\$151.4 million in 4Q22, with a margin of 17.4%. The 0.9 p.p. increase in comparison to 4Q21 reflects especially the one-time impact of the implementation of the financial readjustment in certain contracts and the drop in fuel prices. In the year, EBITDA reached R\$508.4 million, with a margin of 16.0%. As a reminder, the 2021 margin was positively impacted by the recognition of part of the PIS/Cofins credits.

Asset Heavy

Asset Heavy (R\$ million)	4Q22	4Q21	▲ Y / Y	3Q22	▲ Q / Q	2022	2021	▲ Y / Y
Gross Revenue	909.9	707.3	28.6%	877.3	3.7%	3,253.1	2,209.7	47.2%
Net Revenue	782.1	603.2	29.7%	759.0	3.0%	2,801.1	1,884.0	48.7%
Net Revenue from Services	737.6	585.5	26.0%	716.7	2.9%	2,648.0	1,822.7	45.3%
Dedicated Operations	444.1	351.8	26.2%	424.4	4.6%	1,581.2	1,253.2	26.2%
Cargo Transport	175.7	120.1	0.5	196.0	-10.3%	650.6	196.3	231.4%
Urban Distribution	117.8	113.6	3.7%	96.2	22.4%	416.1	373.2	11.5%
Warehousing	n.a	n.a	n.a	-	n.a	n.a	n.a	n.a
Net Revenue from Asset Sales	44.5	17.6	152.2%	42.3	5.2%	153.1	61.3	149.8%
Total Costs	(628.6)	(491.7)	27.8%	(588.8)	6.8%	(2,234.1)	(1,532.1)	45.8%
Cost of Services	(584.9)	(479.2)	22.1%	(558.9)	4.7%	(2,106.8)	(1,486.6)	41.7%
Personnel	(254.1)	(205.2)	23.8%	(243.7)	4.3%	(923.7)	(698.3)	32.3%
Third parties truck drivers	(27.9)	(46.2)	-39.6%	(28.1)	-0.6%	(132.4)	(107.8)	22.8%
Fuel and lubricants	(145.0)	(108.1)	34.1%	(148.6)	-2.5%	(519.7)	(301.3)	72.5%
Parts / tires / maintenance	(85.6)	(72.8)	17.7%	(85.1)	0.6%	(315.6)	(241.8)	30.6%
Depreciation / amortization	(34.1)	(23.2)	47.2%	(26.3)	29.5%	(106.8)	(65.9)	62.0%
Others	(38.1)	(23.8)	60.3%	(27.0)	41.4%	(108.7)	(71.4)	52.1%
Cost of Asset Sales	(43.7)	(12.4)	251.0%	(29.9)	45.9%	(127.3)	(45.5)	180.1%
Gross Profit	153.5	111.5	37.7%	170.2	-9.8%	567.0	351.9	61.1%
Operational Expenses	(33.0)	(35.4)	-7%	(34.1)	-3.3%	(114.7)	(65.4)	175.3%
EBIT	120.6	76.1	58.5%	136.0	-11.4%	452.2	286.5	57.8%
Margin (% NR from Services)	16.3%	13.0%	+3.4 p.p.	19.0%	-2.6 p.p.	17.1%	15.7%	+1.4 p.p.
EBITDA	159.3	101.6	56.8%	165.0	-3.5%	571.4	360.3	58.6%
Margin (% NR from Services)	21.6%	17.3%	+4.3 p.p.	23.0%	-1.4 p.p.	21.6%	19.8%	+1.8 p.p.

Net Revenue from Services reached R\$ 737.6 million in 4Q22, with a growth of 26.0% compared to 4Q21. The strength of our business model integrated to the clients' production process via Dedicated Operations (60% of the Net Revenue from Services in Asset Heavy operations) has allowed for consistent growth of this segment through higher volumes and relevant new contracts wins. Added to this, Urban Distribution services have gained momentum and driven the growth of the food and beverage sector within the Asset Heavy segment. In 4Q22, the food and beverage sector accounted for nearly 50% of segment revenue from services, followed by pulp and paper (~20%) and Mining and Metals (~13%). On an annual basis, the Net Revenue from Services of Asset Heavy operations grew 45.3% and reached R\$2.6 billion, 46% of JSL's Total Net Revenue from Services.

The segment's EBITDA was R\$159.3 million in 4Q22, with a margin of 21.6%. The increase of 4.3 p.p. compared to 4Q21 is a result of our cost management efforts, the entry of projects with higher profitability, and the greater share of the acquired companies in the results, which already take advantage of JSL's purchase scale and investment capacity. In the year, EBITDA reached R\$571.4 million, with a margin of 21.6%.

Financial Results

Financial Result (R\$ mm)	4Q22	4Q21	▲ Y / Y	3Q22	▲ Q / Q	2022	2021	▲ Y / Y
Financial Revenues	27.8	17.9	55.3%	15.1	84%	88.4	45.9	92.5%
Financial Expenses	(202.7)	(109.3)	85.4%	(187.1)	8.3%	(690.8)	(247.3)	179.3%
Financial Result	(174.9)	(91.4)	91.3%	(172.0)	1.7%	(602.4)	(201.4)	199.1%

The 4Q22 recorded Net Financial Result of R\$ -174.9 million, 91.3% higher than 4Q21 as a result of the increase in financial expenses (R\$202.7 million), impacted by the higher volume of gross debt and the increase in the CDI rate in the period. Due to the same factors, Financial Expenses for 2022 grew 179% vs. 2021 and reached R\$690.8 million, of which R\$561.0 million directly related to debt service. The increase in gross debt is tied to the company's growth and its investments in assets and in the acquisitions made.

Capital Structure

Debt (R\$ million)	4Q22	4Q21	▲ Y/Y	3Q22	▲ Q / Q
Gross Debt	4,291.7	3,627.2	18.3%	3,838.7	11.8%
Cash and Cash Equivalents	873.2	955.0	-8.6%	670.6	30.2%
Net Debt	3,418.5	2,672.2	27.9%	3,168.1	7.9%
Average cost of Net Debt (p.y.)	16.9%	10.5%	+6.4 p.p.	18.1%	-1.2 p.p.
Net Debt cost after taxes (p.y.)	11.2%	6.9%	+4.2 p.p.	12.0%	-0.8 p.p.
Average term of net debt (years)	4.2	5.9	-29.4%	4.9	-15.5%
Average cost of Gross Debt (p.y.)	15.7%	9.8%	+5.9 p.p.	17.0%	-1.2 p.p.
Average term of gross debt (years)	4.0	5.1	-21.2%	4.3	-7.1%

We ended the quarter with a Cash and Financial Investments position of R\$873.2 million and undrawn revolving credit lines of R\$876.0 million. Together, the liquidity sources reach R\$1.7 billion and correspond to 5.3x the short-term debt. The volume is enough to cover our debt until the beginning of 2026.

Leverage (R\$ million)	4Q22	3Q22	4Q21
Net Debt / EBITDA	3.17x	3.25x	2.95x
Net Debt/ EBITDA-A	2.73x	2.83x	3.19x
EBITDA-A / Financial Result	2.60x	2.89x	3.94x
EBITDA LTM	1,079.8x	976.1x	837.2x
EBITDA-A LTM	1,253.0x	1,119.4x	905.9x

Reference for Covenants

JSL's LTM Net Debt/EBITDA leverage ratio in 4Q22 was 3.17x, showing slight reduction compared to the previous quarter. This mainly reflects the change in the Company's cash generation due to revenue growth and improved operating margins. Net Debt / EBITDA Added ratio was 2.73x and EBITDA Added/Net Financial Result 2.6x.

If we consider the annualized EBITDA of 4Q22, Net Debt / EBITDA leverage would be 2.68x, showing that the current capital structure supports disciplined growth while respecting the appropriate levels of leverage considered by management and in the Company's financial covenants.



Investments

Investments (R\$ million)	4Q22	4Q21	▲ Y / Y	3Q22	▲ Q / Q	2022	2021	▲ Y / Y
Gross capex by nature	736.9	385.9	91.0%	360.6	104.3%	1,630.4	834.5	95.4%
Expansion	618.6	327.2	89.1%	219.5	181.8%	1,233.2	583.5	111.3%
Maintenance	115.4	53.2	117.2%	128.2	-10.0%	337.7	205.1	64.7%
Others	2.8	5.5	-	12.9	-77.9%	59.5	45.9	-
Gross capex by type	736.9	385.9	91.0%	360.6	104.3%	1,630.4	834.5	95.4%
Trucks	363.5	240.5	51.2%	300.4	21.0%	1,025.6	567.4	80.8%
Machinery and Equipment	49.7	48.3	2.8%	20.2	146.3%	147.7	102.2	44.5%
Light Vehicles	279.4	91.2	206.5%	19.2	1354.6%	326.4	115.2	183.4%
Bus	42.3	0.4	n.a.	3.4	n.a.	46.4	3.8	1124.1%
Others	1.9	5.5	-65.4%	17.5	-89.1%	84.4	45.9	83.8%
Sale of assets	55.6	21.7	156.7%	56.2	-1.1%	209.7	85.3	145.7%
Total net capex	681.3	364.2	87.1%	304.4	123.8%	1,420.7	749.1	89.6%

Gross capex in 4Q22 closed at R\$736.9 million, 84% of which was for expansion. The figure contemplates the implementation of the new contracts signed during 3Q22 and 4Q22, in particular for the expansion in South Africa and dedicated operations services in pulp and mining. Of the total capex for the quarter, 60% (R\$447.1 million) relate to projects that have not yet benefited our cash generation (projects not yet deployed).

Net capex in 4Q22 was R\$681.3 million, and closed the year at R\$1.4 billion. This volume exceeded the net capex guidance previously disclosed for fiscal year 2022 due to the opportunities of new contracts developed with our customers, which will support our revenue future growth.

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



Returns

ROIC (Return on Invested Capital)	4Q22 LTM	4Q21 LTM	3Q22 LTM	Running Rate
EBIT	768.8	583.0	690.4	813.9
Effective rate	-17%	16%	18%	22%
NOPLAT	897.2	489.7	565.9	634.9
Current Period Net Debt	3,418.5	2,672.2	3,168.1	2,971.4
Previous period Net Debt	2,672.2	1,855.0	2,349.5	2,672.2
Average Net Debt	3,045.3	2,263.6	2,758.8	2,821.8
Current Period Equity	1,412.6	1,329.9	1,388.3	1,412.6
Previous period Equity	1,329.9	1,401.2	1,345.2	1,329.9
Average Equity	1,371.2	1,365.5	1,366.8	1,371.2
Invested Capital Current Period	4,831.1	4,002.1	4,556.4	4,384.0
Capital Invested Previous Period	4,002.1	3,256.2	3,694.7	4,002.1
Average Invested Capital	4,416.6	3,629.1	4,125.5	4,193.0
ROIC	20.3%	13.5%	13.7%	15.1%

The resilience of our business model, the relationship of trust with our customers, our strategic differentiators, constant focus on the search for operational efficiency, and discipline in cost management and capital allocation allowed us to continue the agenda of consistent growth with profitability.

LTM ROIC reported in 4Q22 was 20.3%. We also did an exercise to calculate the Company's ROIC Running Rate. As assumptions, we used the Adjusted EBIT of 2022 and a normalized tax rate of 22%. We also excluded R\$447.1 million in net debt related to investments in projects that have not yet benefitted our results, as mentioned above. Under this scenario, we have a ROIC of 15.1%. The better quarter-over-quarter ROIC shows the Company's prudent allocation of capital, with growth in projects of adequate return and proven ability to pass on cost inflation.



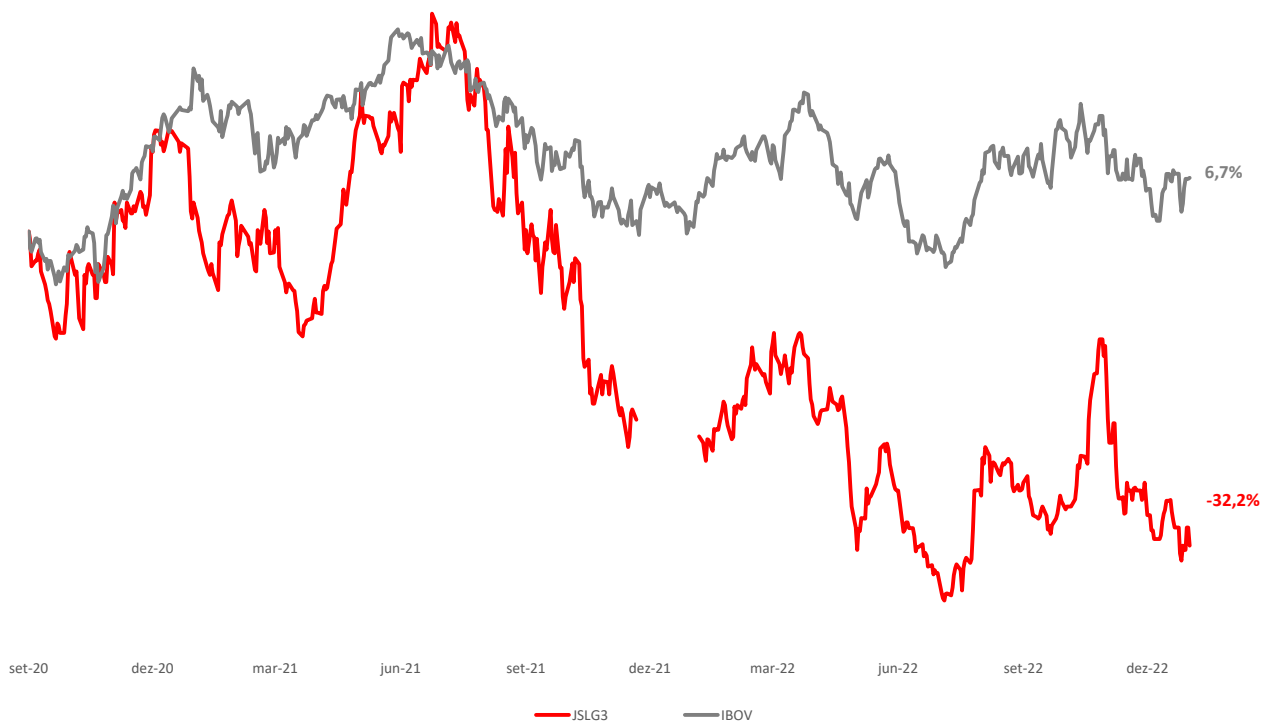
Cash Flow

Cash Flow (R\$ million)	4Q22	3Q22	4Q21	2022	2021	2020
EBITDA	310.7	298.9	220.2	1,079.8	758.0	432.0
Working Capital	(26.5)	117.7	50.7	383.3	(25.4)	9.0
Cost of asset sales for rent and services provided	45.9	39.3	15.4	162.9	64.1	167.0
Maintenance Capex	(35.6)	(41.3)	(73.2)	(171.0)	(189.8)	(67.9)
Non Cash and Others	1.0	(2.8)	(30.8)	(82.8)	(16.9)	3.0
Cash generated by operational activities	295.5	411.8	182.3	1,372.2	590.0	543.1
(-) Income tax and social contribution paid	(5.1)	(2.5)	(27.3)	(24.6)	(27.3)	(110.0)
(-) Capex others	(2.8)	(12.9)	(37.7)	(59.5)	(78.1)	(35.0)
Free Cash Flow	287.5	396.5	117.5	1,288.0	484.6	398.1
(-) Expansion Capex	(22.3)	(154.6)	(127.2)	(667.2)	(383.5)	(225.1)
(-) Companies acquisition	-	-	(14.8)	1.5	(229.3)	(150.0)
Cash flow after growth	265.2	241.9	(24.4)	622.2	(128.1)	23.0

The Company has a strong generation of operating cash. In 4Q22, free cash flow before growth was R\$287.5 million. The number, after growth, was positive at R\$265.2 million. The capex is showed net of funding lines (mainly FINAME) and payables terms.

Stock Performance

Stock Performance since the IPO on 09/09/2020



At the close of February 10, 2022, the JSLG3 share price was R\$5.20 with a buy recommendation from the eleven analysts covering the stock. A summary table with the recommendations follows below. Assuming the average target stock price found in the table below, the stock has an upside potential of **77%**.

Institution	Analyst	Recommendation	Last Target Price Revision	Target Price
Banco BTG Pactual	Lucas Marquiori	Buy	06/30/2022	BRL 12.00
Itau BBA Securities	Daniel Gasparete	Buy	08/03/2022	BRL 13.50
JP Morgan	Guilherme Mendes	Buy	01/23/2023	BRL 10.00
Eleven Financial Research	Alexandre Kogake	Buy	06/09/2022	BRL 12.00
NAU Securities	Alejandro Demichelis	Buy	05/04/2022	BRL 13.00
Bradesco BBI	Vitor Mizusaki	Buy	24/10/2022	BRL 14.00
Banco Safra	Luiz Pecanha Filho	Buy	06/07/2022	BRL 11.20
XP Investimentos	Pedro Bruno	Buy	08/24/2022	BRL 11.00
Banco Inter	Diego Bellico	Buy	08/03/2022	BRL 9.00
Genial Investimentos	Ygor Bastos de Araújo	Buy	08/03/2022	BRL 10.00
EQI	Lucas Daniel	Buy	10/13/2022	BRL 11.00
Average				BRL 11.52



Exhibit I - EBITDA and Net Income Reconciliation

EBITDA Reconciliation (R\$ million)	4Q22	4Q21	▲ Y / Y	3Q22	▲ Q / Q	2022	2021	▲ Y / Y
Total Net Income	93.9	54.3	73.1%	37.4	151.3%	194.2	272.5	-28.8%
Financial Result	174.9	91.3	91.5%	172.0	1.7%	602.4	201.4	199.1%
Taxes	(56.4)	2.2	-2672.9%	13.0	-534.2%	(27.8)	50.0	-155.6%
Depreciation and Amortization	98.3	72.5	35.6%	76.6	28.3%	311.0	234.1	32.8%
EBITDA	310.7	220.3	41.1%	298.9	3.9%	1,079.8	758.1	42.4%
Cost of Asset Sales	48.5	15.4	214.8%	39.3	23.5%	165.4	64.0	158.5%
EBITDA-A	359.2	235.7	52.4%	338.2	6.2%	1,245.2	822.0	51.5%
PIS/COFINS extemporany credits	-	-	n.a	-	n.a	-	(127.1)	n.a
Provisions	8.5	-	n.a	-	n.a	8.5	27.3	n.a
Others	-	-	n.a	-	n.a	-	11.9	n.a
EBITDA Ajustado	319.2	220.3	44.9%	298.9	6.8%	1,088.3	670.2	62.4%

Net Income Reconciliation(R\$ million)	4Q22	4Q21	▲ Y / Y	3Q22	▲ Q / Q	2022	2021	▲ Y / Y
Net Income	93.9	54.3	73.1%	37.4	151.1%	194.3	272.5	-28.7%
Extemporaneous net credits	-	-	n.a	-	n.a	-	(102.1)	n.a
Write-off of improvements	6.3	-	n.a	-	n.a	6.3	6.0	n.a
Provisions	5.6	-	n.a	-	n.a	5.6	10.6	n.a
PPA	4.2	9.0	n.a	4.8	n.a	17.4	12.4	n.a
Others	-	-	n.a	-	n.a	-	24.5	n.a
Adjusted Net Income	110.0	63.3	73.8%	42.2	160.6%	223.5	223.9	-0.2%
<i>Margin (% NR)</i>	<i>6.6%</i>	<i>4.8%</i>	<i>+1.9 p.p.</i>	<i>2.6%</i>	<i>+4.0 p.p.</i>	<i>3.7%</i>	<i>5.2%</i>	<i>-1.5 p.p.</i>

The adjustment value of R\$4.2 million on the line 'Others' refers to the amortization value of the price allocation items of the acquisitions made. In addition, provisions of R\$11.9 million are related to the demobilization of a warehousing operation in Rio de Janeiro (Pavuna).



Exhibit II – Balance Sheet

Assets (R\$ million)	4Q22	3Q22	4Q21	Liabilities (R\$ million)	4Q22	3Q22	4Q21
Current assets				Current liabilities			
Cash and cash equivalents	475.6	388.6	153.0	Providers	642.3	307.5	374.1
Securities	397.6	282.0	801.5	Confirming payable (Automakers) (ICVM 01/2016)	-	-	-
Derivative financial instruments	0.1	0.1	0.1	Loans and financing	257.0	54.4	41.5
Accounts receivable	1,159.9	1,227.1	1,282.6	Debentures	66.0	50.0	32.7
Inventory / Warehouse	57.6	63.2	55.9	Financial lease payable	9.9	10.1	28.5
Taxes recoverable	130.6	153.7	232.3	Lease for right use	78.8	73.2	68.4
Income tax and social contribution	48.7	51.5	30.9	Labor obligations	329.4	365.9	246.1
Other credits	10.8	15.9	14.5	Tax liabilities	5.3	10.7	20.3
Prepaid expenses	25.4	30.5	20.4	Income and social contribution taxes payable	126.2	105.3	102.1
Other credits intercompany	-	-	-	Other Accounts payable	82.3	115.4	80.2
Dividends receivable	-	-	-	Dividends and interest on capital payable	57.6	-	64.3
Assets available for sale (fleet renewal)	81.7	57.4	47.0	Advances from customers	20.2	45.5	8.6
Third-party payments	18.2	21.7	16.3	Related parts	-	-	-
				Acquisition of companies payable	83.4	90.2	144.9
Total current assets	2,406.2	2,291.8	2,654.5	Total Current liabilities	1,758.4	1,228.1	1,211.8
Non-current assets				Non-current liabilities			
Securities	0.0	0.0	0.6	Loans and financing	2,121.6	1,923.2	1,724.1
Derivative financial instruments	63.6	5.6	2.8	Debentures	1,796.1	1,794.4	1,789.2
Accounts receivable	20.1	26.4	14.3	Financial lease payable	75.1	12.3	14.2
Taxes recoverable	130.5	140.3	135.3	Lease for right use	334.2	350.4	246.6
Deferred income and social contribution taxes	7.0	6.4	56.1	Derivative financial instruments	29.7	-	-
Judicial deposits	57.2	63.3	76.6	Tax liabilities	31.3	33.8	24.8
Income tax and social contribution	91.8	33.6	35.6	Provision for judicial and administrative claims	273.0	285.3	329.7
Related parts	-	-	-	Deferred income and social contribution taxes	121.7	127.3	116.9
Compensation asset by business combination	220.8	230.0	272.7	Related parties	1.8	1.8	1.6
Other credits	25.5	21.8	14.5	Other Accounts payable	8.1	14.5	9.4
				Company acquisitions payable	278.6	288.0	324.2
Total	616.5	527.4	608.6	Total Non-current liabilities	5,071.1	4,830.9	4,580.6
Investments	-	-	-	Total Equity	1,412.6	1,388.3	1,329.9
Property, plant and equipment	4,347.8	3,774.0	3,013.4				
Intangible	871.7	854.1	845.7				
Total	5,219.5	4,628.1	3,859.2				
Total Non-current assets	5,836.0	5,155.5	4,467.7				
Total Assets	8,242.1	7,447.3	7,122.2	Total Liabilities and Equity	8,242.1	7,447.3	7,122.2



Exhibit III - Operating Segments

The main services in our portfolio are grouped into:

Dedicated Logistics Operations: Accounted for 39% of Net Revenue from Services in 4Q22 and consist of closed-circuit operations as part of the client'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 own assets and real time monitoring software, commodity logistics and studies and sizing of activities to identify the best options for the clients, raw material and product loading, raw material supply, finished product shipment, internal and port area movement, road maintenance, waste management, and waste disposal. The segment also includes chartering and rental with driver services for transportation of the clients' employees and internal logistics at the client's facilities, which comprise a vast niche of customized services for each operation, and include the handling of raw materials, products, and assembly line supply. Dedicated operations volumes relate to the performance of commodities and the country's industrial activity. The main sectors of activity include pulp and paper and mining.

Road Freight Transport: It accounted for 39% of the Net Revenue from Services in 4Q22. Based on long-term B2B contracts (24 to 36 months) mostly focused on Asset Light operations and requires low investment for asset replacement and operation expansion. We have a network of more than 55,000 registered third-party and independent truck drivers, which provides capillarity and technology that integrates our clients to our truck drivers and to our clients' clients. Road freight transport of inputs or finished products, including new vehicles, from the supply location to their final destination, that is, end-to-end product freights through FTL shipping. Freight transport relates to the performance of consumption and the shipment of goods in the country for domestic consumption or export. The top sectors served by freight transport are Food and Beverage, Automotive, and Consumer Goods.

Urban Distribution: It accounted for 10% of the Net Revenue from Services in 4Q22. Last-mile distribution, with the supply to POS (Points of Sale) located in large urban centers, in closed or fractioned loads, and packaging management and return. The company operates with dry, chilled or frozen cargo with online temperature control and outbound and return deliveries from/to warehouses operated by JSL or not, or directly from industry to retail. The segment is focused on B2B with contracts lasting an average of one to two years. Depending on the profile of the operation, we hire third-party and independent truck drivers with specific vehicles for the distribution of each type of product, or we use our own fleet, as is the case of the Fadel operation. Urban distribution is directly connected to consumption performance in Brazil since it serves the B2B segment and what can be considered the B2C segment, which is the delivery to points that will serve as basis for distribution to the final consumer. JSL and FADEL have urban distribution operations mainly in the Food and Beverage and Consumer Goods sectors.

Warehousing: It accounted for 12% of the Net Revenue from Services in 4Q22. JSL manages about 1,000,000 m² of dedicated, multi-client warehouses, handling receiving, dry, chilled and frozen storage, production line sequencing, and supply of packaging and packers, with client sales systems connected to JSL for delivery within 24 hours, and connecting to the urban distribution service, if applicable. The top sectors served by the segment are Consumer Goods and Food and Beverage. With TPC, we added a less-than truckload operation and also started operating in the Cosmetics, Telecommunications, and Pharmaceutical sectors.

Exhibit IV - Description of the Acquired Companies

Fadel provides services in Urban Distribution, Dedicated Road Freight Logistics, and Internal Logistics. The company is present in the beverage, food, and consumer goods sectors and has launched e-commerce activities. It operates under the Asset-Heavy model, even though it also provides some services under the Asset-Light model. Fadel's acquisition marked a strategic move to increase our footprint in the urban food and beverage distribution sector, expand our portfolio, and produce immediate financial gains by capturing synergies. Today, with more than 5,400 employees and 2,400 pieces of equipment, present in 13 Brazilian states, in Paraguay with 5 units, and in South Africa, Fadel has been gaining space in the market, always providing excellence. The company guarantees the commitment to deliver high productivity in the supply chain, always aiming at responsibility and safety.



TransMoreno is a relevant player in the shipment of new vehicles in Brazil. It has two of the country's main OEMs in its portfolio and carries vehicles to their final destination in the North, Midwest, and Southeast regions of Brazil. The company operations are complementary to JSL and bring us synergies and cross-selling opportunities in a segment where JSL has a vast portfolio of services and clients, benefits and competitive advantages captured through the generation of synergies, and opportunities to sign new contracts. Transmoreno seeks the best solution to serve its customers, focused on taking care of the needs and particularities of each process, developing customized solutions for each business segment, delivering added value in operations, and constantly seeking to reduce operating costs, passing on to customers the technical gains obtained with continuous improvements.



TPC is a company that operates in the Asset Light model. The company focuses on the operation of bonded or non-bonded warehouses, dedicated in-house logistics, cross-docking, and integrated distribution management, including the last-mile and reverse logistics. TPC is mainly present in the cosmetics, fashion, retail, electronics, telecommunications, pharmaceuticals, hospital equipment, consumer goods, oil & gas and petrochemical sectors, and has a base of state-owned and private clients who are leaders in their segments, such as: Natura (client for over 10 years), Puma, Alpargatas, 3M, Braskem, Whirlpool, Claro, 3M, Chanel, and the São Paulo City Administration, among others. In 2019, TPC was voted Best Logistics Operator by Editora OTM and ABOL, the Brazilian Association of Logistics Operators, in addition to awards received from its major clients, such as Natura, Avon, Claro and Infraero. The combination with TPC adds scale and brings synergies to JSL's warehousing and internal logistics business. It adds new services to its portfolio, such as dedicated in house operations and last mile distribution.

With more than 20 years in the market, TPC is one of the main Logistic Operators in Brazil, present in 13 states of the country and with almost 5000 employees. Our 105 operations have 850,000 m² of storage area, 243,140 deliveries in the year 2022, and 280,000 pallet positions. TPC Logística Inteligente has the ideal solution for each need, always focusing on Lean & Green Logistics. The company's goal is to deliver intelligent logistics solutions for the benefit of the business chain and to bring the world closer together through intelligent logistics solutions.



Rodomeu specializes in the road transport of highly complex cargoes, which include (i) Gases and Chemicals, working in the transfer and distribution of chemical products (LPG, ammonia, propane, propene, butane, butene, butadiene, hydrogen peroxide, among others); (ii) Machinery and Equipment, transporting machinery for civil construction, farm machinery and equipment, Mining and Metals products, among others. Rodomeu also operates in special operations and, for 12 years, has been the official carrier of the Brazilian Formula 1 Grand Prix. Rodomeu's acquisition aims to increase our scale and share in the specialized transportation of highly complex cargoes, farm and construction machinery and equipment, and in general cargo, while entering the segment of compressed gases, thereby diversifying our exposure to different sectors. The Company's greatest mission is to provide our clients reliability, agility, and safety in our services.



Marvel currently has one of the largest own fleets for international refrigerated transport in South America, with more than 1.7K operational assets, and trucks with an average age of approximately 3.6 years. The transaction aims to generate economies of scale, increase JSL's share in the segment of refrigerated, frozen and dry cargo transport (focused on the food sector), and increase our footprint in other South American countries, in line with our strategic plan to increase the relevance of the company as a global player. Marvel offers simple and safe solutions in freight transport, and connects to all of Brazil, Mercosur and Chile, promoting a good experience and trust for the customer. It offers a team of high expertise and a complete structure. It is what makes Marvel's services preferred and admired wherever it operates.



TruckPad connects truckers with freight forwarders, industry, and shippers in minutes. The company was acquired by JSL in May/2022, in order to accelerate JSL's digital development. Truckpad is a logtech company founded 10 years ago, which has a complete solution for freight transport in the Brazilian market. With more than 800 thousand registered drivers, Truckpad intermediates and optimizes the hiring and management of freight by shippers and carriers. The platform advises shippers, carriers, and independent professional drivers in all stages of the process, from hiring, to real-time cargo tracking, to freight payment management. It also offers complete solutions for the digitalization of the logistic operation for shippers, with digitalization of all its transactional system, including the drivers' payment system. It has more than 30,000 registered shippers, and more than 1 million freights offered monthly.



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 fourth quarter of 2022. The financial information is presented in millions of Brazilian Reais (BRL) unless otherwise indicated. The Company's interim financial information is prepared under the Brazilian Corporation Law and is presented on a consolidated basis under CPC-21 (R1) Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the IASB. Comparisons refer to the revised 4Q21 and 3Q22 data, 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.



JSL S.A.
Statements of financial position
As at December 31, 2022 and 2021
In thousands of Brazilian Reais

Assets	Note	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current					
Cash and cash equivalents	7	195,441	52,661	475,625	152,951
Marketable securities and financial investments	8	383,408	772,396	397,586	801,475
Derivative financial instruments	6.3.(b)	-	-	86	147
Trade receivables	9	774,825	835,813	1,159,908	1,282,599
Inventories	10	52,135	52,675	57,642	55,882
Fixed assets available for sale	11	77,040	46,568	81,656	47,030
Taxes recoverable	12	103,480	153,718	130,567	232,301
Income tax and social contribution recoverable	25.4	37,153	26,643	48,704	30,885
Prepaid expenses		16,828	16,319	25,418	20,408
Dividends and interest on capital receivable	14.3	2,194	3,186	-	-
Advances to third parties		8,665	16,878	18,193	16,291
Other credits		46,792	13,771	10,766	14,546
		1,697,961	1,990,628	2,406,151	2,654,515
Noncurrent					
Long-term assets					
Marketable securities and financial investments	8	572	-	11	569
Derivative financial instruments	6.3.(b)	63,587	2,627	63,609	2,848
Trade receivables	9	18,070	14,331	20,096	14,331
Taxes recoverable	12	90,954	112,668	130,476	135,296
Income tax and social contribution recoverable	25.4	5,845	56,140	7,001	56,141
Judicial deposits	23	43,544	40,967	57,200	76,579
Deferred income tax and social contribution	25.1	58,001	-	91,770	35,581
Related parties	26.1	86,274	126,462	-	-
Indemnification assets due to business combination	13	-	-	220,838	272,692
Other credits		18,978	15,810	25,525	14,536
		385,825	369,005	616,526	608,573
Investments	14.1	1,239,007	1,211,304	-	-
Property and equipment	15	2,451,985	1,884,268	4,347,774	3,013,419
Intangible assets	16	529,141	267,120	871,681	845,740
		4,605,958	3,731,697	5,835,981	4,467,732
Total assets		6,303,919	5,722,325	8,242,132	7,122,247



JSL S.A.
Statements of financial position
As at December 31, 2022 and 2021
In thousands of Brazilian Reais

Liabilities and equity	Note	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current					
Trade payables	17	259,951	210,906	642,263	374,115
Loans and borrowings	18	199,692	43	256,974	41,545
Debentures	19	66,026	32,723	66,026	32,723
Leases payable	20	9,879	28,504	9,879	28,504
Right-of-use leases	21	37,630	26,697	78,812	68,369
Social and labor liabilities	22	236,895	169,811	329,396	246,062
Income tax and social contribution payable	25.4	-	-	5,325	20,292
Tax liabilities		70,282	54,934	126,210	102,095
Dividends and interest on capital payable		57,575	64,310	57,575	64,310
Advances from customers		13,315	4,430	20,179	8,648
Payables for the acquisition of companies	24	83,432	89,006	83,432	144,902
Other payables		49,019	56,231	82,326	80,207
		1,083,696	737,595	1,758,397	1,211,772
Noncurrent					
Loans and borrowings	18	1,439,022	1,373,712	2,121,613	1,724,062
Debentures	19	1,796,085	1,789,185	1,796,085	1,789,185
Leases payable	20	75,118	14,173	75,118	14,173
Right-of-use leases	21	211,072	148,627	334,227	246,586
Financial Instruments and Derivatives		29,678		29,678	
Tax liabilities		-	841	31,288	24,831
Provision for judicial and administrative litigation	23.2	26,187	29,771	272,969	329,742
Deferred income tax and social contribution	25.1	-	22,502	121,678	116,906
Payables for the acquisition of companies	24	225,952	270,804	278,585	324,164
Related parties	26.1	1,816	1,619	1,816	1,619
Other payables		2,680	3,645	8,065	9,356
		3,807,610	3,654,879	5,071,122	4,580,624
Total liabilities		4,891,306	4,392,474	6,829,519	5,792,396
Equity					
Share capital	27.1	806,688	806,688	806,688	806,688
Capital reserves	27.2	23,192	23,150	23,192	23,150
Treasury shares	27.3	(42,205)	(40,701)	(42,205)	(40,701)
Earnings reserves	27.4	626,036	534,250	626,036	534,250
Other equity adjustments related to subsidiaries		(1,098)	6,464	(1,098)	6,464
Total equity		1,412,613	1,329,851	1,412,613	1,329,851
Total liabilities and equity		6,303,919	5,722,325	8,242,132	7,122,247



JSL S.A.
Statements of profit or loss
Years ended December 31, 2022 and 2021
In thousands of Brazilian Reais

	Note	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net revenue from rendering logistics services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services	29	3,700,944	2,967,251	6,022,405	4,295,978
Cost of rendering logistics services and lease of vehicles, machinery and equipment	30	(3,085,808)	(2,566,820)	(4,815,943)	(3,571,321)
Cost of sale of decommissioned assets used in rendering services	30	(95,144)	(54,316)	(165,414)	(63,991)
Total cost of rendering logistics services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services		(3,180,952)	(2,621,136)	(4,981,357)	(3,635,312)
Gross profit		519,992	346,115	1,041,048	660,666
Selling expenses	30	(13,245)	(12,853)	(27,078)	(19,408)
Administrative expenses	30	(158,996)	(164,189)	(319,461)	(274,937)
Provision for expected credit losses ("impairment") of trade receivables	30	(12,288)	(3,304)	(14,242)	(3,517)
Other operating income, net	30	70,066	133,415	88,558	161,129
Equity results from subsidiaries	14.1	183,121	132,573	-	-
Profit before finance income, costs and taxes		588,650	431,757	768,825	523,933
Finance income	31	107,965	43,167	88,371	45,863
Finance costs	31	(589,717)	(210,592)	(690,799)	(247,270)
Profit before income tax and social contribution		106,898	264,332	166,397	322,526
Income tax and social contribution - current	25.3	-	820	(36,601)	(49,361)
Income tax and social contribution - deferred	25.3	87,284	5,630	64,386	(617)
Total income tax and social contribution		87,284	6,450	27,785	(49,978)
Profit for the year		194,182	270,782	194,182	272,548
Attributable to:					
Owners of the Company		194,182	270,782	194,182	270,782
Non-controlling interests		-	-	-	1,766
(=) Basic earnings per share (in R\$)	32.1	-	-	0.9114	1.2695
(=) Diluted earnings per share (in R\$)	32.2	-	-	0.9114	1.2695



JSL S.A.
Statements of comprehensive income
Years ended December 31, 2022 and 2021
In thousands of Brazilian Reais

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Profit for the year	194,182	270,782	194,182	272,548
Translation adjustments in the statement of financial position of foreign subsidiaries	(7,562)	3,077	(7,562)	3,077
Total other comprehensive income (loss)	(7,562)	3,077	(7,562)	3,077
Comprehensive income for the year	186,620	273,859	186,620	275,625
Attributable to:				
Owners of the Company	186,620	273,859	186,620	273,859
Non-controlling interests	-	-	-	1,766



JSL S.A.
Statements of changes in equity
Years ended December 31, 2022 and 2021
In thousands of Brazilian Reais

	Capital reserves				Earnings reserves					Other equity adjustments related to subsidiaries	Total equity of owners of the Company	Non-controlling interests	Total equity
	Share capital	Share-based payment transactions	Special reserve	Treasury shares	Retention of earnings	Tax incentive reserve	Investment reserve	Legal reserve	Retained earnings				
At December 31, 2020	767,23	160	-	(40,701)	15,192	61,143	235,472	22,973	-	1,849	1,063,318	1,828	1,065,146
Profit for the year	-	-	-	-	-	-	-	-	270,782	-	270,782	1,766	272,548
Translation adjustments in the statement of financial position of foreign subsidiaries	-	-	-	-	-	-	-	-	-	3,077	3,077	-	3,077
Total comprehensive income for the year, net of taxes	-	-	-	-	-	-	-	-	270,782	3,077	273,859	1,766	275,625
Share-based payment	-	270	-	-	-	-	-	-	-	(1,768)	270	-	270
Changes in equity interests in subsidiaries	-	-	-	-	-	-	-	-	1,768	3,956	3,956	-	3,956
Adjustments to equity interests	-	-	-	-	-	-	-	-	-	(650)	-	-	-
Government grants	-	-	-	-	-	35,497	-	-	(34,847)	-	58,584	-	58,584
Other changes in equity	-	-	58,584	-	-	-	-	-	-	-	-	-	-
Capital increase by issuance of shares	39,458	-	(39,458)	-	-	-	-	-	-	-	3,594	(3,594)	-
Write-off of non-controlling interests due to acquisition	-	-	3,594	-	-	-	-	-	(73,730)	-	(73,730)	-	(73,730)
Dividends and interest on capital	-	-	-	-	-	-	-	-	(163,973)	-	-	-	-
Retention of earnings	-	-	-	-	-	-	150,434	13,539	-	-	-	-	-
At December 31, 2021	806,688	430	22,72	(40,701)	15,192	96,64	385,906	36,512	-	6,464	1,329,851	-	1,329,851
At December 31, 2021	806,688	430	22,72	(40,701)	15,192	96,64	385,906	36,512	-	6,464	1,329,851	-	1,329,851
Profit for the year	-	-	-	-	-	-	-	-	194,182	-	194,182	-	194,182
Translation adjustments in the statement of financial position of foreign subsidiaries	-	-	-	-	-	-	-	-	-	(7,562)	(7,562)	-	(7,562)
Total comprehensive income for the year, net of taxes	-	-	-	-	-	-	-	-	194,182	(7,562)	186,620	-	186,620
Share-based payment (note 27.2 (a))	-	42	-	-	-	-	-	-	-	-	42	-	42
Government grants parent company (note 27.4 (d))	-	-	-	-	-	119,315	-	-	(119,315)	-	-	-	-
Repurchase of shares	-	-	-	(1,504)	-	-	-	-	-	-	(1,504)	-	(1,504)
Other equity movements	-	-	-	-	-	-	818	-	-	-	818	-	818
Dividends and interest on capital (note 27.4(a))	-	-	-	-	-	-	(34,257)	-	(32,922)	-	(67,179)	-	(67,179)
Distribution of additional dividends (note 27.4(a))	-	-	-	-	-	-	(36,035)	-	-	-	(36,035)	-	(36,035)
Retention of earnings (note 27.4 (a) (c))	-	-	-	-	-	-	32,236	9,709	(41,945)	-	-	-	-
At December 31, 2022	806,688	472	22,720	(42,205)	15,192	215,955	348,668	46,221	-	(1,098)	1,412,613	-	1,412,613



JSL S.A.
Statements of cash flows – indirect method
Years ended December 31, 2022 and 2021
In thousands of Brazilian Reais

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash flows from operating activities				
Profit before income tax and social contribution	106,898	264,332	166,397	322,526
Adjustments to:				
Equity results from subsidiaries (note 14.1)	(183,121)	(132,573)	-	-
Depreciation and amortization (notes 14, 15 and 16)	180,728	174,925	301,497	234,139
Impairment of non-financial assets (note 15)	9,498	-	9,498	-
Cost of sales of decommissioned assets (note 11)	95,144	54,316	162,869	63,991
Provision for (reversal of) losses, write-off of other assets, interest on acquisitions of companies and extemporaneous tax credits	65,067	(65,119)	33,766	(99,001)
Share-based payment (note 27.2 (a))	42	270	42	270
PIS and COFINS credits recognized in profit or loss	(44,499)	(97,490)	(64,227)	(97,490)
Fair value of derivative financial instruments	39,303	(141,159)	39,476	(141,169)
Foreign exchange variation on loans and borrowings	-	-	(374)	-
Interest and monetary variations on loans and borrowings, leases and debentures	480,202	284,216	558,001	341,057
	749,262	341,718	1,206,945	624,323
Changes in net working capital				
Trade receivables	44,961	(147,627)	103,065	(247,200)
Inventories	(3,720)	(7,875)	(5,528)	(9,164)
Trade payables	66,555	1,868	88,665	286
Labor and tax liabilities, and taxes recoverable	237,827	315,594	284,184	246,278
Other current and noncurrent assets and liabilities	(40,214)	(107,098)	(87,105)	92,124
	305,409	54,862	383,281	82,324
Income tax and social contribution (paid) and withheld	-	-	(24,634)	(27,317)
Interest paid on loans and borrowings, leases, and debentures	(337,605)	(119,730)	(406,092)	(161,698)
Acquisition of operational property and equipment	(481,160)	(379,098)	(808,683)	(573,260)
Redemptions of (investments in) marketable securities and financial investments	388,416	(201,909)	404,447	(208,741)
Net cash generated by operating activities	624,322	(304,157)	755,264	(264,369)
Cash flows from investing activities				
Decrease of capital in subsidiaries (note 14.1)	(104,609)	(209,682)	-	-
Debentures convertible into shares (note 14.1 (iii))	(102,000)	-	-	-
Acquisition of property and equipment and intangible assets	(61,785)	(140,235)	(89,089)	(185,827)
Dividends and interest on capital received	60,302	-	-	-
Acquisitions of companies, net of cash in the consolidated	-	(108,633)	1,475	(229,257)
Net cash used in investing activities	(208,092)	(458,550)	(87,614)	(415,085)
Cash flow from financing activities				
Repurchase of treasury shares	(1,504)	-	(1,504)	-
Payment for the acquisition of companies	(86,151)	(160,329)	(148,579)	(166,440)
New loans, borrowings and debentures	36,064	1,194,199	124,503	1,542,963
Payment of loans, borrowings and debentures	(70,213)	(274,945)	(167,750)	(628,121)
Derivative financial instruments received	(44,212)	52,660	(44,212)	52,292
Dividends and interest on capital paid	(99,872)	(32,864)	(99,872)	(32,864)
Net cash (used in) generated by financing activities	(265,888)	778,721	(337,414)	767,830
Effects of exchange rate variations on cash and cash equivalents	(7,562)	-	(7,562)	-
Decrease in cash and cash equivalents	142,780	16,013	322,674	88,376
Cash and cash equivalents				
At the beginning of the year	52,661	36,648	152,951	64,575
At the end of the year	195,441	52,661	475,625	152,951
Decrease in cash and cash equivalents	142,780	16,013	322,674	88,376
Balance variation, without affecting cash				
Offset of taxes recoverable against taxes payable	287,546	135,693	355,255	91,560
Additions financed by leases payable and FINAME	(248,821)	-	(555,686)	(979)
Balance variation of trade payables and supplier financing - car makers	17,510	(98,803)	(176,969)	(206,826)
Additions of right-of-use leases	(107,803)	(18,980)	(193,815)	(107,705)



JSL S.A.
Statements of value added
Years ended December 31, 2022 and 2021
In thousands of Brazilian Reals

	Note	Parent company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Sales, lease, rendering services and sale of decommissioned assets	29	4,400,752	3,564,027	7,133,693	5,148,439
(Provision) reversal of expected credit losses ("impairment") of trade receivables	30	(12,288)	(3,304)	(14,242)	(3,517)
Other operating income	30	129,411	133,415	184,827	161,129
		4,517,875	3,694,138	7,304,278	5,306,051
Inputs acquired from third parties					
Cost of sales and rendering services		(2,179,180)	(1,794,279)	(3,188,612)	(2,339,052)
Materials, electric power, services provided by third parties and others		(127,387)	(23,142)	(181,048)	(27,928)
		(2,306,567)	(1,817,421)	(3,369,660)	(2,366,980)
Gross value added		2,211,308	1,876,717	3,934,618	2,939,071
Retentions					
Depreciation and amortization	30	(190,226)	(174,925)	(310,995)	(234,139)
Net value added produced by JSL		2,021,082	1,701,792	3,623,623	2,704,933
Value added received through transfer					
Equity results from subsidiaries	14.1	183,121	132,573	-	-
Finance income	31	107,965	43,167	88,371	45,863
		291,086	175,740	88,371	45,863
Total value added to distribute		2,312,168	1,877,532	3,711,994	2,750,796
Value added distributed					
Personnel and payroll charges	30	1,072,843	887,240	1,894,386	1,392,860
Federal taxes		130,882	199,234	374,179	374,455
State taxes		186,755	222,678	352,950	341,373
Municipal taxes		72,433	58,585	115,078	84,929
Interest and bank fees	31	589,717	210,592	690,799	247,270
Leases	30	65,356	28,421	90,420	37,361
Dividends and interest on capital for the year		32,922	73,730	32,922	73,730
Retained earnings for the year		161,260	197,052	161,260	198,818
		2,312,168	1,877,532	3,711,994	2,750,796



1. Reporting entity

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

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

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.

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.

1.1. Main events

a) 1st issuance of simple, convertible, unsecured debentures, in a single series, for private distribution of subsidiary Transportes Marvel Ltda. ("Marvel")

On January 18, 2022, the subsidiary executed the Private Deed Instrument for the 1st issuance of simple, convertible, unsecured debentures, in a single series, for private distribution. The issuance amount was R\$ 50,000 subject to CDI rate + 2.00% and final maturity on January 18, 2024; 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 50,000,000 common shares issued by the Issuer.

b) 1st issuance of simple, convertible, unsecured debentures, in a single series, for private distribution of subsidiary Sinal Serviços de Integração Industrial Ltda. ("Sinal")

On February 3, 2022, the subsidiary executed the Private Deed Instrument for the 1st issuance of simple, convertible, unsecured debentures, in a single series, for private distribution. 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. 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 52,000,000 common shares issued by the Issuer.

**c) Acquisitions of companies****Acquisitions of 2022****i. Acquisition 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:

	Carrying amount	Fair value adjustment	Fair value at the acquisition date
Assets			
Cash and cash equivalents	1,475	-	1,475
Trade receivables	381	-	381
Property and equipment	485	-	485
Intangible assets	2,465	8,384	10,849
Other assets	229	-	229
Total assets	5,036	8,384	13,420
Liabilities			
Loans and borrowings	3,953	-	3,953
Trade payables	2,514	-	2,514
Social and labor liabilities	4,890	-	4,890
Provision for contingencies	313	11,204	11,516
Other liabilities	5,965	-	5,965
Total liabilities	17,636	11,204	28,839
Total (net capital deficiency) at fair value			(15,419)
Fair value of the consideration paid			0
Goodwill			15,419

Fair value measurement

The fair value of the liabilities assumed is R\$ 15,419 and includes R\$ 5,029 related to software and R\$ 11,204 to contingent liabilities. Goodwill generated totals R\$ 15,419.

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:



Assets acquired	Valuation technique
Trademark	Relief from Royalties method that captures the royalty savings associated with owning the trademarks, rather than obtaining a license to use them.
Software	Adopted the methodology 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.

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.

Acquisitions of 2021

i. Definitive allocations - Acquisition of Transportadora Rodomeu Ltda. and Unileste Transportes Ltda. (together "Rodomeu")

On May 14, 2021, the Company concluded the acquisition of 100% of the ownership interest of Rodomeu and its subsidiary Abaeté Comercio de Veículos Ltda., approved by the Administrative Council for Economic Defense ("CADE"), on March 24, 2021 without restrictions.

Rodomeu has its registered office in the city of Piracicaba, state of São Paulo, and is specialized in the road transport of highly-complex cargo, which includes gases and chemicals, machinery and equipment for civil construction and dedicated transport of inputs and finished products in the paper and pulp, steel and food segments.

The transaction price was R\$ 97,000.

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:

	Carrying amount	Fair value adjustment	Fair value
Assets			
Cash and cash equivalents	26,018	-	26,018
Trade receivables	9,528	-	9,528
Indemnification assets	-	16,611	16,611
Intangible assets	-	6,100	6,100
Property and equipment	16,433	44,195	60,628
Other assets	16,794	385	17,179
Total assets	68,773	67,291	136,064
Liabilities			
Trade payables	1,064	-	1,064
Loans and borrowings	12,066	-	12,066
Provision for contingencies	-	16,611	16,611
Other liabilities	5,908	-	5,908
Total liabilities	19,038	16,611	35,649
Total net assets			100,415
Fair value of the consideration paid			97,000
Gain on bargain purchase			3,415



Fair value measurement on definitive bases

The fair value of the assets assumed, net of liabilities assumed, is R\$ 100,415 and includes R\$ 44,195 related to surplus value of property and equipment, intangible assets comprising R\$ 5,000 referring to customer list, R\$ 1,100 to trademark, R\$ 385 to the investment in Abaeté and R\$ 16,611 to indemnification assets and contingent liabilities. A gain on bargain purchase in the amount of R\$ 3,415 was generated, recorded under Other operating income.

Techniques for fair value measurement

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

Assets acquired	Valuation technique
Property and equipment	Market comparison technique and cost technique: the valuation model considers the market prices for similar items, when available, and the depreciated replacement cost, when appropriate. The depreciated replacement cost reflects the adjustments for physical depreciation, as well as functional and economic obsolescence.
Customer list	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.
Trademark	Relief from Royalties method that captures the royalty savings associated with owning the trademarks, rather than obtaining a license to use them.

Result from business combination

This business combination contributed to the Company's result for the year ended December 31, 2021 with net revenue of R\$ 68,530 and profit of R\$ 4,852, generated by the acquisition of Rodomeu as from May 1, 2021, date on which the Company took over the control.

Had the acquisition of Rodomeu occurred on January 1, 2021, the net revenue for the year ended December 31, 2021 would be R\$ 96,064 and the profit for the year would be R\$ 7,234 (unaudited information).

Acquisition costs

The Company incurred costs associated with the acquisition in the amount of R\$ 497, related to attorney's fees and due diligence costs, classified as administrative expenses in the statement of profit or loss.

ii. Definitive allocations - Acquisition of Ponto Express Logística S.A. ("TPC")

On June 14, 2021, the Company concluded the acquisition of 100% of the shares issued by TPC, approved by the Administrative Council for Economic Defense ("CADE") on March 26, 2021.

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:

TPC, with its subsidiaries (TPC Sudeste and TPC Nordeste), operates in an asset-light model focused on the bonded or non-bonded warehouses, dedicated in-house logistics, cross docking and integrated distribution management, including the last mile and reverse logistics. It is mainly inserted in the sectors of cosmetics, fashion, retail, electrical and electronics, telecommunications, pharmaceutical, hospital equipment, consumer goods, oil & gas and petrochemicals.

The transaction price was R\$ 185,526.



JSL S.A.

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

In thousands of Brazilian Reais, unless otherwise stated

	Carrying amount	Fair value adjustment	Fair value at the acquisition date
Assets			
Cash and cash equivalents	11,749	-	11,749
Trade receivables	114,048	-	114,048
Marketable securities and financial investments	18,653	-	18,653
Indemnification assets	-	181,132	181,132
Property and equipment	108,786	12,148	120,934
Right-of-use assets	68,906	3,660	72,566
Intangible assets	11,626	82,448	94,074
Other assets	31,930	-	31,930
Total assets	365,698	279,388	645,086
Liabilities			
Loans and borrowings	127,846	-	127,846
Lease liabilities	76,362	-	76,362
Social and labor liabilities	28,704	-	28,704
Tax liabilities	31,428	-	31,428
Provision for contingencies	6,906	174,226	181,132
Other liabilities	18,387	-	18,387
Total liabilities	289,633	174,226	463,859
Total net assets			181,227
Fair value of the consideration paid			185,526
Goodwill			4,299

Fair value measurement on definitive bases

The fair value of the assets assumed, net of liabilities assumed, is R\$ 184,128 and includes R\$ 12,148 related to surplus value of property and equipment, intangible assets comprising i) R\$ 50,900 referring to customer list, ii) R\$ 13,200 to trademark, iii) R\$ 14,348 to licenses, iv) R\$ 4,000 to software, v) R\$ 3,660 to right-of-use assets, vi) R\$ 181,132 to indemnification assets and R\$ 174,226 to contingent liabilities. The goodwill generated on the operation is R\$ 4,299.

Techniques for fair value measurement

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

Assets acquired	Valuation technique
Property and equipment	Market comparison technique and cost technique: the valuation model considers the market prices for similar items, when available, and the depreciated replacement cost, when appropriate. The depreciated replacement cost reflects the adjustments for physical depreciation, as well as functional and economic obsolescence.
Customer list and licenses	The Multi-period Excess Earnings method (MPEEM) considers the present value of expected net cash flows, less any cash flows associated to contributory assets.
Trademark	Relief from Royalties method that captures the royalty savings associated with owning the trademarks, rather than obtaining a license to use them.
Software	New replacement cost methodology adopted, derived from the cost approach that considers the estimated cost to build, at current prices at the appraisal date, an exact copy, or replica, of the asset under appraisal, using the same materials, construction standards, design, layout and labor quality, and incorporating all deficiencies of the underlying asset, overfits and obsolescence.

Result from business combination

This business combination contributed to the Company's result for the year ended December 31, 2021 with net revenue of R\$ 278,581 and profit of R\$ 20,025, generated by TPC as from June 14, 2021, date on which the Company took over the control.



Had the acquisition of TPC occurred on January 1, 2022, the net revenue for the year ended December 31, 2021 would be R\$ 482,375 and the profit for the year would be R\$ 29,779. (unaudited information).

Acquisition costs

The Company incurred costs associated with the acquisition in the amount of R\$ 2,188, related to attorney's fees and due diligence costs, classified as administrative expenses in the statement of profit or loss.

iii. Definitive allocations - Acquisition of Transportes Marvel Ltda.

On July 30, 2021, the Company concluded the acquisition of 100% of the shares of Marvel, approved by the Administrative Council for Economic Defense ("CADE") on July 26, 2021.

Marvel operates in road transport of high value-added frozen and refrigerated cargo, offering services in Brazil and other countries in South America.

The transaction price was R\$ 245,000.

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:

	Carrying amount	Fair value adjustment	Fair value at the acquisition date
Assets			
Cash and cash equivalents	26,781	-	26,781
Trade receivables	58,712	-	58,712
Indemnification assets	-	28,433	28,433
Property and equipment	252,805	76,226	329,031
Intangible assets	-	14,500	14,500
Other assets	41,307	-	41,307
Total assets	379,605	119,159	498,764
Liabilities			
Loans and borrowings	171,109	-	171,109
Lease liabilities	55,614	-	55,614
Social and labor liabilities	9,210	-	9,210
Provision for contingencies	2,424	28,433	30,857
Other liabilities	21,091	-	21,091
Total liabilities	259,448	28,433	287,881
Total net assets			210,883
Fair value of the consideration paid			245,000
Goodwill			34,117

Fair value measurement on definitive bases

The fair value of the assets assumed, net of liabilities assumed, is R\$ 210,883 and includes R\$ 76,226 related to surplus value of property and equipment, intangible assets comprising R\$ 14,500 referring to trademarks and R\$ 28,433 to indemnification assets and contingent liabilities. The goodwill generated on the operation is R\$ 34,117.

Techniques for fair value measurement

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



Assets acquired	Valuation technique
Property and equipment	Market comparison technique and cost technique: the valuation model considers the market prices for similar items, when available, and the depreciated replacement cost, when appropriate. The depreciated replacement cost reflects the adjustments for physical depreciation, as well as functional and economic obsolescence.
Trademark	Relief from Royalties method that captures the royalty savings associated with owning the trademarks, rather than obtaining a license to use them.

Result from business combination

This business combination contributed to the Company's result for the year ended December 31, 2021 with net revenue of R\$ 153,891 and profit of R\$ 22,105, generated by Marvel as from July 30, 2021, date on which the Company took over the control.

Had the acquisition of Marvel occurred on January 1, 2021, the net revenue for the year ended December 31, 2021 would be R\$ 317,298 and the profit for the year would be R\$ 32,984. (unaudited information).

Acquisition costs

JSL incurred costs associated with the acquisition in the amount of R\$ 456, related to attorney's fees and due diligence costs, classified as administrative expenses in the statement of profit or loss.

1.1.1 Cash flows from acquisitions

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

	<u>12/31/2021</u>			
	<u>Marvel</u>	<u>TPC</u>	<u>Rodomeu</u>	<u>Total</u>
Amount paid in cash	100,000	66,010	29,100	195,110
(-) Cash and cash equivalents of the acquirees	(26,781)	(11,749)	(33,776)	(72,306)
Net cash flows of acquisitions	73,219	54,261	(4,676)	122,804



1.2. List of interests in subsidiaries and associates

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

Corporate name	Headquarter country	12/31/2022		12/31/2021	
		Direct %	Indirect %	Direct %	Indirect %
Medlogística Prestação de Serviços de Logística S.A. ("Medlogística") (i)	Brazil	99.99	0.01	99.99	0.01
Quick Armazéns Gerais - Eireli - ME ("Quick Armazéns")	Brazil	99.99	0.01	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
Moreno Holding Ltda. (Moreno Holding") (ii)	Brazil	-	-	100	-
Transmoreno Transporte e Logística Ltda. ("Transmoreno")	Brazil	100	-	-	100
Fadel Holding Ltda. ("Fadel Holding") (ii)	Brazil	-	-	100	-
Fadel Transportes e Logística Ltda. ("Fadel Transportes")	Brazil	100	-	-	100
Fadel Soluções em Logística Ltda. ("Fadel Soluções") (iv)	Brazil	-	-	-	100
Fadel Logistics South Africa ("Fadel South Africa")	South Africa	-	100	-	100
Locadel Veículos Ltda ("Locadel") (iv)	Brazil	-	-	-	100
Mercosur Factory Sociedad Anónima ("Fadel Paraguay")	Paraguay	100	-	-	100
Pronto Express Logística S.A (iii)	Brazil	100	-	100	-
TPC Logística Sudeste S.A (iii)	Brazil	-	100	-	100
TPC Logística Nordeste S.A (iii)	Brazil	-	100	-	100
Transportadora Rodomeu Ltda (iii)	Brazil	100	-	100	-
Unileste Transportes Ltda (iii)	Brazil	-	-	100	-
Abaete Comércio de Veículos Ltda. (iii)	Brazil	-	-	-	100
Agrolog Transportadora de Cargas em Geral Ltda. ("Agrolog Transportadoras") (i)	Brazil	100	-	99.80	0.2
Riograndense Navegação Ltda. ("Riograndense") (iii)	Brazil	-	-	99.99	0.01
Transportes Marvel Ltda.	Brazil	100	-	-	100
Truckpad Tecnologia e Logística S.A.	Brazil	100	-	-	-
Truckpad Meios de Pagamentos Ltda.	Brazil	-	100	-	-

- (i) Company in pre-operational phase or dormant.
- (ii) (iv) 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.
- (iii) 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.
- (iv) 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.

1.3. Sustainability and environment

The Company believes that the assessment of the exposure to climate-related risks, in short, medium and long-term scenarios, was essential for the Company to outline its climate strategy aligned with the national and global climate challenges and in line with the transaction to a low-carbon economy.

In 2021, the Company had already reassessed the mapping of the main risks and opportunities arising from climate change to its businesses, assets, processes and policies. As an evolution, it carried out a new study in 2022 and formalized, through the Corporate Climate Change Policy, actions for mitigation, offset and adaptation, formally including the subject in its decisions and business strategies.

The 2022 study included the qualification and quantification of impacts and financial opportunities related to climate change, a subject that has been strategically monitored, with the analysis of the Sustainability Committee and the Audit area. The matter is considered a priority in the actions of the entire Group with solutions aimed at mitigating global average temperature increase, using as reference the main treaties and institutions on the subject: The Paris Agreement, Science Based Targets (SBTi), UN Global Compact, Brazilian GHG Protocol Program and Intergovernmental Panel on Climate Change (IPCC).

The assessments with short, medium and long-term horizons are in line with the Company's Risk Management Policy and allows the Company to prepare for the possible impacts that climate change may cause on its operations. This assessment, in different time horizons, contributes to the establishment of a corporate strategy in line with the transition to a low-carbon economy (definitions of the Paris Agreement).



In addition, to assertively manage risks and impacts in these different scenarios, the Company actively contributes to the target of the parent company to reduce the intensity of scope 1, 2 and 3 emissions. Some of the risks assessed are:

Regulation: of great significance and addressed in the Policy and in the sustainability risks matrix. Seeking excellence in the provision of services, the Company adopts as a principle to act in accordance with current legislation and all regulations related to its operations. Failure to comply with regulations and legislation may result in fines and administrative sanctions issued by regulatory bodies, causing unforeseen costs contrary to the Company's position and sustainability strategy. These risks are monitored at the corporate and operating levels, through periodic monitoring of current legislation.

Technology: also significant and foreseen in the risk matrix, since the production processes of car makers contribute to carbon emissions and offer few technological alternatives for a lower emission per vehicle unit (such as electric or biomethane-powered fleets). The risk is monitored at the corporate level and the Company plans to structure strategic partnerships with car makers and producers of biogas-based fuels to foster the development and adoption of technological alternatives in the production processes, decreasing carbon emissions.

Average temperature and rainfall patterns: changes in average temperature and rainfall patterns may cause changes in demand for products and services and the implementation of laws and regulations to restrict and regulate economic sectors that directly contribute to the adverse effects of climate change. Examples are the carbon-intensive businesses, which depend on fossil fuel consumption to operate and/or business models that can be affected by government policies for mitigation and adaptation to climate changes, such as the need to adopt carbon pricing mechanisms, taxation or emissions trading, for example. In this context, the Company adopts a systematic risk management methodology in its policy, which establishes principles, guidelines and responsibilities to be adopted in the management process.

Operating: the assets of all Company's entities are exposed to the occurrence of intense and/or unusual weather events (intense rainfall in short periods and/or cyclones), which may cause financial impact to the Company, as well as loss of assets and damage to structures due to flooding of large centers, for example. In this context, the Company implemented specific controls for mitigation, such as mapping of branches present in areas with a history of flooding.

Image/Reputation: the Company assesses the perceptions of risks by customers, shareholders, investors and trading partners, among others, in order to avoid damage to the Company's reputation and credibility due to the carbon emission intrinsic to its business model.

Value chain: the business impacts are identified and evaluated considering the problem that most of the companies' greenhouse gas emissions are allocated to their value chain, which may result in high costs for the achievement of the strategy of reducing and neutralizing the Company's emissions.

In addition to the mapping and management of these risks, the Company's Risk Matrix includes significant direct and indirect impacts on biodiversity and, in accordance with the Climate and Sustainability Risk Matrix, the Company is preparing a control of action plans to address potential/actual risks, identified with the assistance of a consulting firm, and according to the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD), with the following steps:

1. Mapping of the internal environment: activities developed and objectives of the Company. In addition, in this phase, the current climate state and climate trends were analyzed.
2. Definition of climate scenarios with the adoption of two transition scenarios and two physical scenarios.
3. Identification of climate risks: mapping the cause and effect of projected changes in climate scenarios.

Management of risks, opportunities and strategy on climate change

Contributing to minimize the progress of climate change is a material subject for the Company. The Company has a fleet with low average age and, therefore, more modern and less polluting. The subject is managed mainly under the Greenhouse Gas Emissions Program with effective measures, such as the rational use of fuels, establishment of projects for the use of electric vehicles, continuous fleet renewal and monitoring of emissions through an emissions inventory and based on the international GHG Protocol methodology.



The Board of Directors and the Sustainability Committees analyze and audit the Company's emissions data in scopes 1, 2 and 3. Through discussions on the subject, the Company maintains its climate risk matrix updated and extends its risk coverage against extreme events.

In 2021, the Company reaffirmed its commitment to the decarbonization of operations by signing the document "Entrepreneurs for the Climate" and committing to the holding company's goal of reducing the intensity of GHG emissions linked to the Sustainability-Linked-Bond (SLB) issued in a pioneering way in the sector in 2020, in the amount of US\$ 625 million. The holding company also issued, in 2021, the first SLB in Brazilian reais with US dollar settlements in Brazil, amounting to R\$ 450 million.

The Company studies the diversification of its energy matrix to enable the implementation of clean and renewable energy in the facilities. The Sustainability Policy addresses the subject, having as working principle the efficient use of natural resources, avoiding waste and seeking less aggressive alternatives to the environment.

The Board of Directors and the Sustainability Committee also monitor consumption indicators in order to assess the effectiveness of actions and the achievement of goals. Campaigns with the staff and with customers are also promoted through the Group's communication channels and social media.

Acknowledgment

In 2022, the Company was rated B in the Carbon Disclosure Project (CDP), higher than the regional average of South America and higher than the average of the transport and logistics sector, also reflecting the evolution of the Company in relation to climate change management when compared to 2021, with a B-rate. In addition, it received the Gold Seal, for the third consecutive year, in the Brazilian GHG Protocol Program, reflecting the transparency, traceability and reliability of the inventory in the report made by the Company.

Its commitment to good governance is expressed in the maintenance of independent structures with own Board of Directors and committees, such as a Sustainability Committee.

1.4. Conflict between Ukraine and Russia

JSL has been following the unfolding of the conflict between Ukraine and Russia and understands that, considering that it does not have any type of direct relationships with customers or suppliers in these countries, the main economic impacts are related to a relevant increase in natural gas and oil. Thus, with an impact on fuel prices in Brazil, and consequently, an increase in inflation, with a reduction in recent months, but with interest rates maintained at a high level, with a strong impact on financial expenses. Therefore, management is monitoring the impacts on financial expenses and costs caused by the increase in the price of diesel, which despite the pass-through of prices to customers, led to an increase in costs with aggregates and third parties and in the costs of fuel and lubricants.

2. Basis of preparation and presentation of the individual and consolidated financial statements and significant accounting policies

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

The individual and consolidated financial statements have been prepared in accordance with the accounting practices adopted in Brazil, which comprise the practices included in the Brazilian corporate law and the technical pronouncements, guidance and interpretations issued by the Brazilian Accounting Pronouncements Committee ("CPC"), approved by the Brazilian Federal Accounting Council - CFC and the Securities and Exchange Commission of Brazil ("CVM") and in conformity with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The issuance of these financial statements was authorized by the Board of Directors on February 14, 2023.



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 individual 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 individual 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 individual and consolidated quarterly information.

2.3. Functional currency and translation of foreign currency

a) Functional and presentation currency

These individual and consolidated financial statements are presented in Brazilian reais (R\$), which is the functional currency of the Company and its subsidiaries, except for Fadel Paraguay, whose functional currency is the Guarani, and Fadel South Africa, whose functional currency is the Rande, 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 profit or loss of the subsidiaries Fadel Paraguay and Fadel South Africa, included in the consolidation, were prepared in Guarani and Rand (“G” or “PYG” and “R”), 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	12/31/2022
Guarani	Average rate	0.0007406
Guarani	Closing rate	0.0007114
Rand	Average rate	0.3166
Rand	Closing rate	0.3077

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.

b) Business combination under common control

Business combinations involving entities or businesses under common control are business combinations in which the entities or businesses are controlled by the same party before and after the business combination, and its control is not transitory.

The Company chose to present the business combination under common control 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. The Group recognizes the non-controlling interest in the acquiree, both at its fair value and the proportionate share of the non-controlling interest in the fair value of the acquiree's net assets. The measurement of non-controlling interest is determined in each acquisition made.

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.

c) 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.



d) Non-controlling interests

JSL elected to measure non-controlling interests initially at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

Changes in JSL's interest in a subsidiary that do not result in loss of control are accounted for as equity transactions.

e) 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, are 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 writing off the gross carrying amount when the financial asset is 12 to 24 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 noncurrent 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, 2022 and 2021 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.

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, 2022 and 2021 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.

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 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.

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 must review 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. The income tax and social contribution recorded in a bargain purchase are paid at the rate of 1/60th.

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 and warehouses. 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) / IFRS 16, 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

The Company calculates ICMS using the presumed credit method (ICMS 106/96). The amounts calculated in the year are transferred to the reserve for investment grants within “Earnings Reserves”, according to Law 12,973/14, Art. 30, paragraph 4.

Additionally, the subsidiary Quick Logística is entitled to a tax benefit grant related to ICMS in the state of Goiás (called Log Produzir).

JSL is exempt from ICMS on transportation in accordance with Law No. 12.973/14 Art. 30th § 4th. The amounts calculated in the year are transferred to the investment subsidy reserve account under the within “Earnings Reserves”.

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 borrowings are recognized initially at fair value, net of transaction costs incurred, and are subsequently carried at fair value. Any difference between the proceeds (net of transaction costs) and the total amount payable is recognized in the statement of profit or loss over the period in which the loans and borrowings are outstanding, using the effective interest rate method.

Loans and borrowings are classified as current liabilities, unless the Group has an unconditional right to differ 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 performance of performance obligations in contracts with customers are 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 through the used stores and dealerships network of JSL.

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 other comprehensive income 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).

2.21.6. Dividend income

Dividends are received on financial assets at fair value through profit or loss. Dividends are recognized as other income in profit or loss when the right to receive payment is established.

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.

2.23. 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, 2022 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 – notes 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: fair value of the consideration transferred (including contingent consideration) - note 1.1. (c) 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 2022. The early adoption of standards, even though encouraged by IASB, has not been implemented in Brazil by the Brazilian Accounting Pronouncements Committee (CPC).

Amendments to IAS 1 “Presentation of Financial Statements” issued in May 2020, this amendment clarifies that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the ‘settlement’ of a liability. The amendment to IAS 1 will be effective as of January 1, 2023.

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies: issued in February 2021, the amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments include the definition of “material accounting policy information” and explain how to identify them. The amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. In order to support this amendment, IASB also amended "IFRS Practice Statement 2 Making Materiality Judgments" to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendment will be effective as of January 1, 2023.

Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Error: the amendment issued in February 2021 clarifies how entities should make a distinction between changes in accounting policies and changes in accounting estimates, since changes in accounting estimates are applied prospectively to future transactions and other future events, and changes in accounting policies are generally applied retrospectively to past transactions and other past events, as well as to the current period. The amendment will be effective as of January 1, 2023.

Amendments to IAS 12 - Income Taxes: the amendment issued in May 2021 requires entities to recognize deferred taxes on transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. This is normally applied to lease transactions (right-of-use assets and lease liabilities) and decommissioning and restoration obligations, for example, and requires the recognition of additional deferred tax assets and liabilities. The amendment will be effective as of January 1, 2023.

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

5. Segment information

The segment information is presented in relation to the JSL business, which was 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.



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The business segment information for the years ended December 31, 2022 and 2021 is as follows:

	<u>Consolidated</u> <u>12/31/2022</u>	<u>Consolidated</u> <u>12/31/2021</u>
	<u>JSL</u>	<u>JSL</u>
Gross revenue from rendering services and lease of vehicles, machinery and equipment	6,923,986	5,063,781
Gross revenue from sale of decommissioned assets used in rendering services	209,707	84,658
Gross revenue from rendering services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services	7,133,693	5,148,439
Net revenue from rendering services and lease of vehicles, machinery and equipment	5,818,794	4,212,628
Net revenue from sale of decommissioned assets used in rendering services	203,611	83,350
Net revenue from rendering services, lease of vehicles, machinery and equipment and sale of decommissioned assets used in rendering services	6,022,405	4,295,978
Cost of rendering services and lease of vehicles, machinery and equipment	(4,815,943)	(3,571,321)
Cost of sale of decommissioned assets used in rendering services	(165,414)	(63,991)
Gross profit	1,041,048	660,666
Selling expenses	(27,078)	(19,408)
Administrative expenses	(319,461)	(274,937)
(Provision for) reversal of expected credit losses ("impairment") of trade receivables	(14,242)	(3,517)
Other operating income (expenses), net	88,558	161,129
Profit before finance income, costs and taxes	768,825	523,933
Finance income (costs), net	(602,428)	(201,407)
Profit (loss) before income tax and social contribution	166,397	322,526
Total income tax and social contribution	27,785	(49,978)
Profit (loss) for the year	194,182	272,548

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 and Beverage and Consumer Goods 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



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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 year ended December 31, 2022, there is no customer with revenue individually greater than 10% of the net revenue from services. In the year ended December 31, 2021, there was one customer with revenue individually greater than 10%, corresponding to 10.1% of the net revenue from services, or R\$ 512 million.



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	12/31/2022			Parent company 12/31/2021		
	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	-	195,441	195,441	-	52,661	52,661
Marketable securities and financial investments	383,980	-	383,980	772,396	-	772,396
Derivative financial instruments	63,587	-	63,587	2,627	-	2,627
Trade receivables	-	792,895	792,895	-	850,144	850,144
Related parties	-	86,274	86,274	-	126,462	126,462
Other credits	-	65,771	65,771	-	29,581	29,581
	447,567	1,140,381	1,587,948	775,023	1,058,848	1,833,871
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	-	259,951	259,951	-	210,906	210,906
Loans and borrowings	1,420,118	218,596	1,638,714	1,373,755	-	1,373,755
Debentures	-	1,862,111	1,862,111	-	1,821,908	1,821,908
Leases payable	-	84,997	84,997	-	42,677	42,677
Right-of-use leases	-	248,702	248,702	-	175,324	175,324
Derivative financial instruments	29,678	-	29,678	-	-	-
Related parties	-	1,816	1,816	-	1,619	1,619
Payables for the acquisition of companies	-	309,384	309,384	-	359,810	359,810
Other payables	-	51,700	51,700	-	59,876	59,876
	1,449,796	3,037,257	4,487,053	1,373,755	2,672,120	4,045,875



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Assets, as per the statement of financial position	12/31/2022			Consolidated 12/31/2021		
	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	-	475,625	475,625	-	152,951	152,951
Marketable securities and financial investments	397,597	-	397,597	802,044	-	802,044
Derivative financial instruments	63,695	-	63,695	2,995	-	2,995
Trade receivables	-	1,180,004	1,180,004	-	1,296,930	1,296,930
Other credits	-	36,291	36,291	-	29,084	29,084
	461,292	1,691,920	2,153,212	805,039	1,478,965	2,284,002
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	-	642,263	642,263	-	374,115	374,115
Loans and borrowings	1,420,118	958,469	2,378,587	1,373,755	391,852	1,765,607
Debentures	-	1,862,111	1,862,111	-	1,821,908	1,821,908
Leases payable	-	84,997	84,997	-	42,677	42,677
Right-of-use leases	-	413,039	413,039	-	314,955	314,955
Derivative financial instruments	29,678	-	29,678	-	-	-
Related parties	-	1,816,00	1,816,00	-	1,619	1,619
Payables for the acquisition of companies	-	362,017	362,017	-	469,066	469,066
Other payables	-	90,391	90,391	-	89,563	89,563
	1,449,796	4,415,103	5,864,899	1,373,755	3,505,755	4,879,510



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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Financial assets				
Cash and cash equivalents	195,441	52,661	195,441	52,661
Marketable securities and financial investments	383,980	772,396	383,980	772,396
Derivative financial instruments	63,587	2,627	63,587	2,627
Trade receivables	792,895	850,144	792,895	850,144
Related parties	86,274	126,462	86,274	126,462
Other credits	65,771	29,581	65,771	29,581
Total	1,587,948	1,833,871	1,587,948	1,833,871
Financial liabilities				
Trade payables	259,951	210,906	259,951	210,906
Loans and borrowings	1,638,714	1,373,755	1,682,278	1,540,370
Debentures	1,862,111	1,821,908	1,862,111	1,821,908
Leases payable	84,997	42,677	84,997	42,999
Right-of-use leases	248,702	175,324	248,702	175,324
Derivative financial instruments	29,678		29,678	
Related parties	1,816	1,619	1,816	1,619
Payables for the acquisition of companies	309,384	359,810	309,384	364,917
Other payables	51,700	59,876	51,700	59,876
Total	4,487,053	4,045,875	4,530,617	4,217,919
	Carrying amount		Consolidated	
			Fair value	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Financial assets				
Cash and cash equivalents	475,625	152,951	475,625	152,951
Marketable securities and financial investments	397,597	802,044	397,597	802,044
Derivative financial instruments	63,695	2,995	63,695	2,995
Trade receivables	1,180,004	1,296,930	1,180,004	1,296,930
Other credits	36,291	29,084	36,291	29,084
Total	2,153,212	2,284,002	2,153,212	2,284,002
Financial liabilities				
Trade payables	642,263	374,115	642,263	374,115
Loans and borrowings	2,378,587	1,765,607	2,698,031	1,942,168
Debentures	1,862,111,0	1,821,908	1,862,111	1,821,908
Leases payable	84,997	42,677	84,997	42,999
Right-of-use leases	413,039	314,955	413,039	314,955
Derivative financial instruments	29,678		29,678	
Related parties	1,816	1,619	1,816	1,619
Payables for the acquisition of companies	362,017	469,066	362,017	474,173
Other payables	90,391	89,563	90,391	89,563
Total	5,864,899	4,879,510	6,184,343	5,073,662

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.



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The table below presents the general classification of financial assets and liabilities measured at fair value, according to the fair value hierarchy:

	12/31/2022			Parent company 12/31/2021		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	Assets at fair value through profit or loss					
Cash and cash equivalents						
Bank deposit certificates ("CDB")	-	8,068	8,068	-	28,018	28,018
Repurchase agreements, debenture-backed	-	170,160	170,160	-	-	-
Financial bills	-	-	-	-	9,721	9,721
Units of other funds	-	713	713	385	-	385
Marketable securities and financial investments						
Financial Treasury Bills ("LFT")	218,643	-	218,643	358,376	-	358,376
National Treasury Bills ("LTN")	149,596	-	149,596	414,020	-	414,020
Others	15,741	-	15,741	-	-	-
Derivative financial instruments						
Swap	-	63,587	63,587	-	2,627	2,627
	383,980	242,528	626,508	772,781	40,366	813,147
Liabilities at fair value through profit or loss						
Loans and borrowings	-	1,682,278	1,682,278	-	1,373,755	1,373,755
Derivative financial instruments						
Swap	-	29,678	29,678	-	-	-
	-	1,711,956	1,711,956	-	1,373,755	1,373,755
Financial liabilities not measured at fair value						
Debentures	-	1,862,111	1,862,111	-	1,821,908	1,821,908
Leases payable	-	84,997	84,997	-	42,999	42,999
	-	1,947,108	1,947,108	-	1,864,907	1,864,907
	-	3,659,064	3,659,064	-	3,238,662	3,238,662

	12/31/2022			Consolidated 12/31/2021		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	Assets at fair value through profit or loss					
Cash and cash equivalents						
Bank deposit certificates ("CDB")	-	153,443	153,443	-	91,300	91,300
Repurchase agreements, debenture-backed	-	224,392	224,392	-	-	-
Financial bills	-	-	-	-	9,821	9,821
Units of other funds	59,484	-	59,484	2,284	-	2,284
Marketable securities and financial investments						
Financial Treasury Bills ("LFT")	231,362	-	231,362	380,694	-	380,694
National Treasury Bills ("LTN")	166,235	-	166,235	421,350	-	421,350
Derivative financial instruments						
Swap	-	63,695	63,695	-	2,960	2,960
	457,081	441,530	898,611	804,328	104,081	908,409
Liabilities at fair value through profit or loss						
Loans and borrowings	-	2,698,031	2,698,031	-	1,765,607	1,765,607
Derivative financial instruments						
Swap	-	29,678	29,678	-	-	-
	-	2,727,709	2,727,709	-	1,765,607	1,765,607
Financial liabilities not measured at fair value						
Debentures	-	1,862,111	1,862,111	-	1,834,071	1,834,071
Leases payable	-	84,997	84,997	-	42,999	42,999
	-	1,947,108	1,947,108	-	1,877,070	1,877,070
	-	4,674,817	4,674,817	-	3,642,677	3,642,677

Financial instruments whose carrying amounts are equivalent to their fair values are classified at Level 2 of the fair value hierarchy.

The valuation techniques used to measure all financial instruments assets and liabilities at fair value include:

- (i) Quoted prices or quotations from financial institutions or brokers for similar instruments; and



(ii) Analysis of discounted cash flows.

The valuation curve used in the fair value measurement of agreements indexed to the CDI - Interbank Deposit Certificates at December 31, 2022 is as follows:

Interest curve - Brazil							
Vertex	1M	6M	1Y	2Y	3Y	5Y	10Y
Rate (p.a.) - %	13.65	13.72	13.67	13.10	12.65	12.63	12.64
Source: B3 - 12/31/2022							

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>12/31/2022</u>	<u>Consolidated</u> <u>12/31/2022</u>
Demand and short-term deposits	16,500	38,303
Br AAA	178,228	377,838
Br AA	713	59,484
Total financial investments	178,941	437,322
Total cash and cash equivalents	195,441	475,625
	<u>Parent company</u> <u>12/31/2022</u>	<u>Consolidated</u> <u>12/31/2022</u>
Marketable securities and financial investments		
Br AAA	383,980	397,597
Total marketable securities and financial investments	383,980	397,597
	<u>Parent company</u> <u>12/31/2021</u>	<u>Consolidated</u> <u>12/31/2021</u>
Demand and short-term deposits	14,538	49,546
Br AAA	37,739	102,997
Br AA	384	408
Total financial investments	38,123	103,405
Total cash and cash equivalents	52,661	152,951
	<u>Parent company</u> <u>12/31/2021</u>	<u>Consolidated</u> <u>12/31/2021</u>
Marketable securities and financial investments		
Br AAA	772,396	802,044
Total marketable securities and financial investments	772,396	802,044

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 be of 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.

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 10th 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 11th 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 12th 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 11th issuance that comprises debentures of the floating guarantee type and the 12th issuance that comprises debentures of the floating and additional personal guarantee type.

For the 11th and 12th 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 10th, 11th and 12th issuances of Debentures.



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, 2022 are the following:

Company	Instrument	Type of derivative financial instrument	Operation	Notional amount	Maturity	Parent company and Consolidated		
						Balance of the hedged debt at 12/31/2022	Fair value receivable (payable)	Gains (losses) recognized for the year ended 12/31/2022
						Instrument on the curve		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)
Total						196,313	34,017	(39,476)

The derivative financial instruments outstanding balances are as follows:

Operation	12/31/2022		Parent company 12/31/2021	
	Notional amount	Assets / Liabilities	Notional amount	Assets
Swap - IPCA x CDI	R\$ 1,288,961	33,909	R\$1,289,152	2,627
Total		33,909		2,627
Current		-		-
Noncurrent		33,909		2,627
Total		33,909		2,627

Operation	12/31/2022		Consolidated 12/31/2021	
	Notional amount	Assets / Liabilities	Notional amount	Assets
Swap - EUR x CDI	R\$ 1,500	108	R\$ 843	333
Swap - IPCA x CDI	R\$ 1,288,961	33,909	R\$ 1,289,152	2,627
Total		34,017		2,960
Current		86		147
Noncurrent		33,931		2,813
Total		34,017		2,960

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



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	Carrying amount	Parent company			
		At December 31, 2022			
		Expected cash flow			
	Total	1 - 6 months	7 - 12 months	Over 1 year	
Swap					
Asset position	1,461,266	2,336,990	36,804	196,586	2,103,600
Liability position	(1,427,357)	(2,131,234)	(104,787)	(226,483)	(1,799,964)
	33,909	205,756	(67,983)	(29,897)	303,636
	Carrying amount	Consolidated			
		At December 31, 2022			
		Expected cash flow			
	Total	1 - 6 months	7 - 12 months	Over 1 year	
Swap					
Asset position	1,461,853	2,337,582	37,041	196,822	2,103,718
Liability position	(1,427,836)	(2,131,702)	(104,975)	(226,670)	(1,800,057)
	34,017	205,879	(67,934)	(29,848)	303,661

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 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:

	Carrying amount	Contractual flow	Parent company		
			Up to 1 year	Up to 2 years	Over 3 years
					12/31/2022
Financial assets					
Cash and cash equivalents	195,441	195,441	195,441	-	-
Marketable securities and financial investments	383,980	383,980	383,408	572	-
Derivative financial instruments	63,587	63,587	-	-	63,587
Trade receivables	792,895	792,895	774,825	18,070	-
Related parties	86,274	86,274	-	86,274	-
Other credits	65,771	65,771	46,793	18,978	-
Total	1,587,948	1,587,948	1,400,467	123,894	63,587
Financial liabilities					
Trade payables	259,951	259,951	259,951	-	-
Loans and borrowings	1,638,714	2,198,002	296,570	1,126,673	774,759
Debentures	1,862,111	3,271,777	66,026	583,400	2,622,351
Leases payable	84,997	89,098	11,058	34,533	43,507
Right-of-use leases	248,702	248,702	37,630	21,130	189,942
Derivative financial instruments	29,678	29,678	-	-	29,678
Related parties	1,816	1,816	-	1,816	-
Payables for the acquisition of companies	309,384	358,007	94,837	89,108	174,062
Other payables	51,700	51,700	49,019	2,680	-
Total	4,487,053	6,508,732	815,092	1,859,340	3,834,299
					Consolidated
					12/31/2022



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	Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	Over 3 years
Financial assets					
Cash and cash equivalents	475,625	475,625	475,625	-	-
Marketable securities and financial investments	397,597	397,597	397,586	11	-
Derivative financial instruments	63,695	63,695	86	-	63,609
Trade receivables	1,180,004	1,180,004	1,159,908	20,096	-
Other credits	36,291	36,291	10,766	25,525	-
Total	2,153,212	2,153,212	2,043,971	45,632	63,609
Financial liabilities					
Trade payables	642,263	642,263	642,263	-	-
Loans and borrowings	2,378,587	2,690,357	324,834	1,397,074	968,449
Debentures	1,862,111	3,271,777	66,026	583,400	2,622,351
Leases payable	84,997	89,098	11,058	34,533	43,507
Right-of-use leases	413,039	413,039	78,812	82,245	251,982
Derivative financial instruments	29,678	29,678	-	-	29,678
Related parties	1,816	1,816	-	1,816	-
Payables for the acquisition of companies	362,017	402,746	94,837	104,256	203,653
Other payables	90,391	90,391	82,326	8,065	-
Total	5,864,899	7,631,165	1,300,156	2,211,390	4,119,620

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:

- CDI at 13.67 % p.a., based on the future yield curve (source: B3);
- TLP at 5.23 % p.a. (source: B3);
- IPCA at 6.36 % p.a. (source: B3);
- IGP-M at 6.11 % p.a. (source: B3);
- SELIC at 13.43 % p.a. (source: B3); and
- Euro rate of R\$ 6.13 (source: B3);

The table below is presented with the respective impacts on the finance result, 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)	1,420,118	IPCA increase	90,320	112,899	135,479
Swap long position	(1,461,266)	IPCA increase	(92,937)	(116,171)	(139,405)
Swap short position	1,427,357	CDI increase	195,120	243,900	292,680
Net effect of exposure	1,386,209		192,503	240,628	288,754
Net effect of hedge accounting operations	1,386,209		192,503	240,628	288,754
Other operations - floating rate					
Financial investments	178,941	CDI increase	24,461	30,577	36,692
Marketable securities and financial investments	234,384	SELIC increase	31,478	39,347	47,217
Loans and borrowings	(1,638,714)	CDI increase	(224,012)	(280,015)	(336,018)
Debentures	(1,862,111)	CDI increase	(254,551)	(318,188)	(381,826)
Leases payable	(84,997)	CDI increase	(11,619)	(14,524)	(17,429)
Payables for the acquisition of companies	(36,797)	IGPM increase	(2,248)	(2,810)	(3,372)
Payables for the acquisition of companies	(272,587)	CDI increase	(37,263)	(46,578)	(55,894)
Net effect of exposure	(3,481,881)		(473,754)	(592,191)	(710,630)
Net exposure and impact on finance costs - floating rate	(2,095,672)		(281,251)	(351,563)	(421,876)
Other operations - fixed rate					
Marketable securities and financial investments	149,596	Fixed rate	5,266	5,266	5,266
Right-of-use leases	(248,702)	Fixed rate	(18,155)	(18,155)	(18,155)
Net exposure and impact on finance costs - fixed rate	(99,106)		(12,889)	(12,889)	(12,889)
Net exposure and total impact of finance costs in profit or loss	(2,194,778)		(294,140)	(364,452)	(434,765)

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Operation	Exposure	Risk	Scenario I probable	Scenario II + depreciation of 25%	Scenario III + depreciation of 50% -
Loans and borrowings - CRA + CDI / IPCA	1,420,702	IPCA increase	90,357	112,946	135,535
Swap long position	(1,461,853)	IPCA increase	(92,974)	(116,217)	(139,461)
Swap short position	1,427,836	CDI increase	195,185	243,981	292,778
Net effect of exposure	1,386,685		192,568	240,710	288,852
Net effect of hedge accounting operations	1,386,685		192,568	240,710	288,852
Other operations - floating rate					
Financial investments	437,322	CDI increase	59,782	74,727	89,673
Marketable securities and financial investments	231,362	SELIC increase	31,072	38,840	46,608
Loans and borrowings	(1,886,738)	CDI increase	(257,917)	(322,396)	(386,876)
Debentures	(1,862,111)	CDI increase	(254,551)	(318,188)	(381,826)
Leases payable	(84,997)	CDI increase	(11,619)	(14,524)	(17,429)
Payables for the acquisition of companies	(36,797)	IGPM increase	(2,248)	(2,810)	(3,372)
Payables for the acquisition of companies	(325,220)	CDI increase	(44,458)	(55,572)	(66,686)
Loans and borrowings	(158,446)	EUR increase	(971,274)	(1,214,092)	(1,456,911)
Net effect of exposure	(3,685,625)		(1,451,213)	(1,814,015)	(2,176,819)
Net exposure and impact on finance costs - floating rate	(2,298,940)		(1,258,645)	(1,573,305)	(1,887,967)
Other operations - fixed rate					
Marketable securities and financial investments	166,235	Fixed rate	5,851	5,851	5,851
Right-of-use leases	(413,039)	Fixed rate	(37,504)	(37,504)	(37,504)
Loans and borrowings	(491,849)	Fixed rate	(27,593)	(27,593)	(27,593)
Net exposure and impact on finance costs - fixed rate	(738,653)		(59,246)	(59,246)	(59,246)
Net exposure and total impact of finance costs in profit or loss	(3,037,593)		(1,317,891)	(1,632,551)	(1,947,213)

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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cash	1,872	1,199	8,131	4,112
Banks	14,628	13,338	30,172	45,434
Total cash on hand	16,500	14,537	38,303	49,546
Bank deposit certificates ("CDB")	8,068	28,018	153,443	91,300
Repurchase agreements, debenture-backed	170,160	-	224,392	-
Financial bills	-	9,721	-	9,821
Units of other funds	713	385	59,484	2,284
Others	-	-	3	-
Total financial investments	178,941	38,124	437,322	103,405
Total	195,441	52,661	475,625	152,951

During the year ended December 31, 2022 the average income from the funds was 13.37% p.a. (at December 31, 2021 the average income was 5.13% p.a.).

8. Marketable securities

Operations	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Government securities - exclusive funds (i)				
Financial Treasury Bills ("LFT")	218,643	358,376	231,362	380,694
National Treasury Bills ("LTN")	149,596	414,020	166,235	421,350
Other securities				
Sundry	15,741	-	-	-
Total	383,980	772,396	397,597	802,044
Current assets	383,408	772,396	397,586	801,475
Noncurrent assets	572	-	11	569
Total	383,980	772,396	397,597	802,044

- (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, 2022, the average income from these investments was 13.88% p.a. (5.31% p.a. for the year ended December 31, 2021).



9. Trade receivables

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Trade receivables	439,523	634,165	792,486	1,039,590
Unbilled services	342,179	234,814	440,891	326,750
Related parties (note 26.1)	51,749	15,540	29,264	9,426
(-) Expected credit losses ("impairment") of trade receivables	(40,556)	(34,375)	(82,637)	(78,836)
Total	792,895	850,144	1,180,004	1,296,930
Current	774,825	835,813	1,159,908	1,282,599
Noncurrent	18,070	14,331	20,096	14,331
Total	792,895	850,144	1,180,004	1,296,930

9.1 Aging list and expected credit losses ("impairment") of trade receivables

	Parent company				Consolidated			
	12/31/2022				12/31/2021			
	Trade receivables	Impairment	%	Net total	Trade receivables	Impairment	%	Net total
Total falling due	681,359	(342)	0.05%	681,017	782,871	(3,445)	0.44%	779,426
Overdue from 1 to 30 days	38,517	(57)	0.15%	38,460	37,191	(867)	2.33%	36,324
Overdue from 31 to 90 days	31,257	(578)	1.85%	30,679	14,179	(603)	4.25%	13,576
Overdue from 91 to 180 days	23,228	(1,237)	5.33%	21,991	10,685	(550)	5.15%	10,135
Overdue from 181 to 365 days	26,085	(5,337)	20.46%	20,748	10,058	(1,000)	9.94%	9,058
Overdue for more than 365 days	33,005	(33,005)	100.00%	-	29,536	(27,911)	94.50%	1,625
Total past due	152,092	(40,214)	26.44%	111,878	101,649	(30,931)	30.43%	70,718
Total	833,451	(40,556)	4.87%	792,895	884,520	(34,376)	3.89%	850,144

	Parent company				Consolidated			
	12/31/2022				12/31/2021			
	Trade receivables	Impairment	%	Net total	Trade receivables	Impairment	%	Net total
Total falling due	1,047,086	(828)	0.08%	1,046,258	1,193,238	(9,069)	0.76%	1,184,169
Overdue from 1 to 30 days	55,103	(99)	0.18%	55,004	63,776	(1,531)	2.40%	62,245
Overdue from 31 to 90 days	35,217	(969)	2.75%	34,248	22,184	(996)	4.49%	21,188
Overdue from 91 to 180 days	24,926	(1,937)	7.77%	22,989	13,683	(721)	5.27%	12,962
Overdue from 181 to 365 days	27,066	(6,017)	22.23%	21,049	15,793	(1,575)	9.97%	14,218
Overdue for more than 365 days	73,243	(72,787)	99.38%	456	67,093	(64,945)	96.80%	2,148
Total past due	215,555	(81,809)	37.95%	133,746	182,529	(69,768)	38.22%	112,761
Total	1,262,641	(82,637)	6.54%	1,180,004	1,375,767	(78,837)	5.73%	1,296,930

Expected credit losses ("impairment") of trade receivables:

	Parent company	Consolidated
At December 31, 2020	(87,200)	(100,480)
(-) acquisitions of companies	(15,047)	(42,878)
(-) additions	-	(18,106)
(+) reversals	11,742	57,466
(-) write-off to losses	56,129	25,612
At December 31, 2021	(34,375)	(78,386)
At December 31, 2018	(34,375)	(78,836)
(-) additions	(14,737)	(22,548)
(+) reversals	2,449	8,306
(-) write-off to losses	6,107	10,441
At December 31, 2022	(40,556)	(82,637)

10. Inventories



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	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Consumables	60,421	56,701	66,109	60,581
(-) Estimated losses on impairment of inventories (i)	(8,286)	(4,026)	(8,467)	(4,699)
Total	52,135	52,675	57,642	55,882

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

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

	Parent company	Consolidated
At December 31, 2020	(6,005)	(6,197)
(-) additions	(11,223)	(12,017)
(+) reversals	13,202	13,515
At December 31, 2021	(4,026)	(4,699)

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

11. Fixed assets available for sale

Movements in the years ended December 31, 2022 and 2021 were as follows:

	Parent company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
Cost:						
At December 31, 2021	64,218	6,999	71,217	65,624	6,999	72,623
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)
At December 31, 2022	102,350	17,590	119,940	114,753	17,594	132,347
Accumulated depreciation:						
At December 31, 2021	(20,450)	(4,199)	(24,649)	(21,395)	(4,199)	(25,594)
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
At December 31, 2022	(33,592)	(9,308)	(42,900)	(41,383)	(9,308)	(50,691)
Net value:						
At December 31, 2021	43,768	2,800	46,568	44,229	2,800	47,029
At December 31, 2022	68,758	8,282	77,040	73,370	8,286	81,656

	Parent company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
Cost:						
At December 31, 2020	50,038	8,089	58,127	51,904	8,089	59,993
Assets transferred from property and equipment	99,485	25,553	125,038	118,689	25,564	144,253
Assets written off due to sale	(85,304)	(26,643)	(111,947)	(104,969)	(26,654)	(131,623)
At December 31, 2021	64,219	6,999	71,218	65,624	6,999	72,623
Accumulated depreciation:						
At December 31, 2020	(23,496)	(4,772)	(28,268)	(24,710)	(4,772)	(29,482)
Assets transferred from property and equipment	(37,590)	(16,422)	(54,012)	(43,872)	(19,871)	(63,743)
Assets written off due to sale	40,636	16,995	57,631	47,187	20,444	67,632
At December 31, 2021	(20,450)	(4,199)	(24,649)	(21,395)	(4,199)	(25,594)
Net value:						
At December 31, 2020	26,542	3,317	29,859	27,194	3,317	30,511
At December 31, 2021	43,768	2,800	46,568	44,229	2,800	47,029

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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
PIS and COFINS	115,276	190,401	146,403	223,748
INSS	70,638	65,256	73,910	68,572
ICMS	7,591	9,426	27,040	43,871
Others	929	1,303	13,690	31,406
Total	194,434	266,386	261,043	367,597
Current	103,480	153,718	130,567	232,301
Noncurrent	90,954	112,668	130,476	135,296
Total	194,434	266,386	261,043	367,597

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 2002, 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.

On May 13, 2021, the Federal Supreme Court (STF) decided on the motions for clarification filed by the Federal Government against the taxpayer's right to refund of PIS and Cofins on the ICMS included in the calculation basis. The right to refund had been granted to the taxpayer in a decision of the STF on March 15, 2017, which at the time decided for the unconstitutionality of the inclusion of ICMS in the calculation basis of PIS and Cofins.

It was decided that amounts paid after March 15, 2017 can be requested by the taxpayer through an undue payment claim. In addition, it was decided that companies that filed legal or administrative proceedings claiming the right until March 15, 2017 maintained the right to refund, counted five years prior to the proceeding filing date.

On September 3, 2021, the Company 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. The lawsuit was filed in 2007, guaranteeing the right to recognize the tax credit since the prescription period in 2020. The amount recorded for this lawsuit in the second quarter of 2021, after the STF decision mentioned above, was R\$ 87,608 of principal and R\$ 53,570 of monetary adjustment recorded in the Parent company, both under 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. On July 8, 2021, the Company had the final and unappealable court decision on the lawsuit filed by Rodoviária Schio Ltda, merged into JSL S.A in 2011.

ii) No levy of IRPJ and CSLL on monetary adjustment of undue payments

On September 24, 2021, the Supreme Federal Court ("STF") judged the merits of the Extraordinary Appeal (RE) 1.063.187, which set the thesis of Subject No. 962 in the sense that the levy of IRPJ and CSLL on amounts related to monetary adjustment based on the Selic rate received due to the repetition of undue payment is unconstitutional. The decision, of general repercussion, was unanimous among the justices of the STF.

Although the decision on the RE judged by the STF, published on December 16, 2021, is not yet final and unappealable and the PGFN (Attorney General of the National Treasury) may file amendments of judgment to the STF, the decision on the merits has already been favorable to all taxpayers, there being no material uncertainties regarding the merits of the matter that are not under the control of the entities.



With regard to the possible effects of the aforementioned decision, other judgments on tax matters by the STF indicate that taxpayers who filed proceedings until September 24, 2021 will probably be granted the right to refund of IRPJ and CSLL for the period of five years prior to the proceeding filing date, even if the entities do not have a final and unappealable decision on their proceedings.

iii) Decision of the Federal Superior Court (STF) on res judicata and tax matters

In a preliminary analysis, the Company did not identify effects to be recognized in the temporary financial statements of December 31, 2022, referring 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) from the change of understanding of the court on tax issues.

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 established, and indemnification assets were recognized plus the acquisitions of Fadel, Transmoreno, TPC, Marvel and Rodomeu.

At December 31, 2022, the net balances of indemnification assets and contingent liabilities are presented in the Company's consolidated financial statements as follows:

	Labor	Civil	Tax	Consolidated Total
At December 31, 2020	44,838	-	58,945	103,783
Acquisitions of companies	83,354	140	125,066	208,560
Prescription	(14,089)	(29)	(25,532)	(39,651)
At December 31, 2021	114,103	111	158,479	272,692
Prescription	(20,345)	-	(28,342)	(48,687)
Usage	(3,167)	-	-	(3,167)
At December 31, 2022	90,591	111	130,137	220,838



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

Movements in the years ended December 31, 2022 and 2021 were as follows:

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)	-	-	15,865	(12,599)	(1,694)	-	-	-	(1,593)	(21)	-	(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	-	-
Total investments	1,211,304	(245,671)	104,609	-	183,121	87,134	(7,562)	(24,643)	(69,285)	1,239,007		985,647

- (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. Amortizations and depreciations of the surplus value of property and equipment and intangible assets are recorded in line item Depreciation and amortization expenses.
- (iii) As mentioned in note 1.1 (a) and (b), the subsidiaries Marvel and Sinal entered into a private deed instrument for the 1st issuance of simple, convertible, unsecured debentures, in a single series, for private distribution. For subsidiary Marvel, the issuance amount was R\$ 50,000 with a rate of CDI + 2.00% and final maturity on January 18, 2024, while for subsidiary Sinal, the issuance amount was R\$ 52,000 with a rate of CDI + 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) As mentioned in note 1.1 c) iii. Acquisition of the company Truckpad Tec e 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.

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



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Investments	12/31/2020	Acquisition of companies (i)	Acquisition of non-controlling interests	Capital contribution	Equity results from subsidiaries	Spin-off (ii)	Gains (losses) on translation of foreign operations	Amortization of surplus value (ii)	Other movements	Reclassification of provision for investment loss	12/31/2021	Parent company	
												Interest %	Equity at 12/31/2021
Fadel Holding	99,406	-	39,644	49,700	73,055	-	3,077	-	(9,719)	-	255,163	100	255,163
Fadel Holding - Non-controlling interests	39,644	-	(39,644)	-	-	-	-	-	-	-	-	-	-
Medlogística	3,725	-	-	30	1,220	-	-	-	(4,616)	-	359	100	360
Quick Armazéns	5,553	-	-	-	215	-	-	-	-	-	5,768	100	5,769
Quick Logística	46,847	-	-	-	(4,874)	-	-	-	-	-	41,973	100	41,974
Sinal Serviços	1	-	-	9,497	1,505	-	-	-	-	-	11,003	100	11,005
Yolanda	33,250	-	-	420	(2,566)	-	-	-	500	-	31,604	100	31,604
Moreno Holding	-	-	-	-	24,221	-	-	-	3,427	(7,500)	20,148	100	20,148
Pronto Express	-	77,791	-	6,000	19,768	-	-	-	(3,130)	-	100,429	100	147,161
Riograndense Logística	-	-	-	144,035	14,946	-	-	-	-	-	158,981	100	158,981
Transportes Rodomeu	-	46,654	-	-	4,797	(16,470)	-	-	(1,552)	-	33,429	100	33,429
Unileste Transportes	-	3,215	-	-	287	(450)	-	-	-	-	3,052	-	3,502
Surplus value of property and equipment and intangible assets (i)	213,393	95,155	-	-	-	(44,022)	-	(28,689)	8,550	-	244,387	-	-
Goodwill on business acquisition (ii)	287,108	17,900	-	-	-	-	-	-	-	-	305,008	-	-
Total investments	728,927	240,715	-	209,682	132,574	(60,942)	3,077	(28,689)	(6,540)	(7,500)	1,211,304		709,095
Provision for investment losses													
Moreno Holding	(7,500)	-	-	-	-	-	-	-	-	7,500	-	-	-
Total investments, net of provision for losses	721,427	240,715	-	209,682	132,574	(60,942)	3,077	(28,689)	(6,540)	-	1,211,304		709,095

- (i) Refers to the surplus value of property and equipment, arising from a business combination, amortized over the useful lives of the respective assets, and written off when disposed of.
- (ii) Goodwill arising on the acquisitions of companies and businesses, classified as investment in the Parent Company, in accordance with CPC 18 (R2) / IFRS 10 - Investments in Associates and Joint Ventures.



14.2 Balances of assets and liabilities and results of subsidiaries

The balances of assets, liabilities, revenues and expenses of subsidiaries at December 31, 2022 and 2021 are as follows:

Investments									12/31/2022
	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity	Net revenues	Costs and expenses	Profit (loss) for the year	
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)	

Investments									12/31/2021
	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity	Net revenues	Costs and expenses	Profit (loss) for the year	
Fadel Holding	11	257,911	2,759	-	255,163	602,829	(528,008)	74,821	
Medlogística	134	300	74	-	360	1,160	60	1,220	
Moreno Holding	4	27,041	-	6,897	20,148	162,133	(137,912)	24,221	
Quick Armazéns	605	5,167	3	-	5,769	-	215	215	
Quick Logística	43,169	37,492	24,025	14,662	41,974	40,543	(45,417)	(4,874)	
Sinal Serviços	14,219	72,524	75,734	4	11,005	25,157	(23,652)	1,505	
Yolanda	2,753	39,911	3,096	9,473	30,095	7,584	(10,510)	(2,926)	
Pronto Express	134,147	176,587	76,823	86,750	147,161	278,581	(258,556)	20,025	
Transportes Rodomeu	47,546	15,776	28,784	1,109	33,429	68,530	(63,678)	4,852	
Unileste Transportes	1,584	4,363	621	1,823	3,502	288	(1)	287	
Riograndense Logística	3,817	266,056	57,532	53,360	158,981	153,899	(138,945)	14,946	



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14.3 Dividends receivable

	Parent company
At December 31, 2021	3,186
Dividends and interest on capital declared in the year	59,310
Dividends and interest on capital received in the year	(60,302)
At December 31, 2022	2,194
	Parent company
At December 31, 2020	320
Dividends and interest on capital declared in the year	3,186
Dividends and interest on capital received in the year	(320)
At December 31, 2021	3,186



15. Property and equipment

Movements in the years ended December 31, 2022 and 2021 were as follows:

	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Construction in progress (ii)	Right of use (i)	Others	Total
Parent company									
Cost:									
At December 31, 2021	1,721,438	458,168	217,180	39,577	35,148	29,145	240,553	77,308	2,818,518
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
At December 31, 2022	2,186,992	539,699	217,180	49,985	39,863	54,429	348,356	83,759	3,520,264
Accumulated depreciation:									
At December 31, 2021	(438,801)	(233,865)	(86,018)	(25,016)	(19,091)	-	(81,105)	(50,354)	(934,250)
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)
At December 31, 2022	(495,295)	(241,338)	(104,963)	(30,817)	(22,316)	-	(120,813)	(52,737)	(1,068,279)
Net balance:									
At December 31, 2021	1,282,637	224,303	131,162	14,561	16,057	29,145	159,448	26,954	1,884,268
At December 31, 2022	1,691,697	298,361	112,217	19,168	17,547	54,429	227,543	31,022	2,451,985
Average depreciation rate for the year:									
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.

Parent company



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	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Construction in progress (ii)	Right of use (i)	Others	Total
Cost:									
At December 31, 2020	1,375,547	364,661	209,906	31,778	36,708	7,098	230,306	79,184	2,335,188
Additions	397,281	80,620	157	8,028	2,493	40,495	18,980	67	548,121
Addition from merger (ii)	60,184	38	-	-	-	-	-	-	60,222
Transfers to/return of fixed assets available for sale	(99,485)	(25,553)	-	-	-	-	-	-	(125,038)
Assets written off, transfers and others	(12,089)	38,402	7,117	(229)	(4,053)	(18,448)	(8,733)	(1,943)	24
At December 31, 2021	1,721,438	458,168	217,180	39,577	35,148	29,145	240,553	77,308	2,818,517
Accumulated depreciation:									
At December 31, 2020	(415,135)	(213,308)	(68,992)	(21,197)	(20,014)	-	(49,961)	(41,942)	(830,549)
Depreciation expense for the year	(48,776)	(32,587)	(17,000)	(3,963)	(3,180)	-	(31,144)	(3,417)	(140,067)
Transfers to/return of fixed assets available for sale	37,590	16,422	-	-	-	-	-	-	54,012
Assets written off, transfers and others	(12,480)	(4,392)	(26)	144	4,103	-	-	(4,995)	(17,646)
At December 31, 2021	(438,801)	(233,865)	(86,018)	(25,016)	(19,091)	-	(81,105)	(50,354)	(934,250)
Net balance:									
At December 31, 2020	960,412	151,353	140,914	10,581	16,694	7,098	180,345	37,242	1,504,639
At December 31, 2021	1,282,638	224,303	131,162	14,561	16,057	29,145	159,448	26,954	1,884,268
Average depreciation rate for the year:									
Light vehicles	3.9%	-	-	-	-	-	-	-	-
Heavy vehicles	3.2%	-	-	-	-	-	-	-	-
Others	-	9.8%	5.6%	20.0%	10.0%	-	14.0%	10.0%	-

(i) Refers entirely to property lease agreements.

(ii) Refers to the merger of the spun-off portion of Transportadora Rodomeu Ltda. and Unileste Transportes Ltda., approved at the Extraordinary General Meeting held on October 15, 2021.

(iii) Includes advances to suppliers of property and equipment totaling R\$ 23,663.



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	Consolidated								
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Construction in progress (ii)	Right of use (i)	Others	Total
Cost:									
At December 31, 2021	2,799,156	595,613	325,423	70,409	51,613	32,357	455,608	122,620	4,452,799
Additions	1,376,359	164,979	3,075	15,849	6,690	36,283	193,815	11,880	1,808,930
Transfers to assets available for sale	(286,408)	(36,985)	-	-	-	-	-	-	(323,393)
Exchange rate changes	(3,850)	(61)	-	(8)	(163)	-	89	(209)	(4,202)
Acquisitions 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)
At December 31, 2022	3,917,634	733,100	326,481	82,240	55,492	26,010	624,084	129,621	5,894,662
Accumulated depreciation:									
At December 31, 2021	(721,304)	(306,617)	(121,788)	(44,014)	(27,952)	-	(163,911)	(53,794)	(1,439,380)
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)
Acquisitions 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
At December 31, 2022	(724,603)	(282,862)	(140,157)	(51,192)	(30,940)	-	(244,358)	(72,776)	(1,546,888)
Net balance:									
At December 31, 2021	2,077,852	288,996	203,635	26,395	23,661	32,357	291,697	68,826	3,013,419
At December 31, 2022	3,193,031	450,238	186,324	31,048	24,552	26,010	379,726	56,845	4,347,774
Average depreciation rate for the year:									
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) Refers entirely to property lease agreements.

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



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	Consolidated								
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Construction in progress (ii)	Right of use (i)	Others	Total
Cost:									
At December 31, 2020	1,742,469	385,931	259,324	45,876	42,255	7,098	283,516	79,719	2,846,188
Additions	684,110	95,976	5,002	11,930	3,701	40,539	107,705	4,992	953,955
Transfers to/return of fixed assets available for sale	(118,689)	(25,564)	-	-	-	-	-	-	(144,253)
Assets written off, transfers and others	14,732	40,234	4,376	(9,896)	(5,474)	(19,204)	(57,993)	(12,855)	(46,080)
PPA allocation	117,349	20,420	25,144	3,322	3,396	-	-	(28,535)	141,097
Acquisitions of companies	359,185	78,617	31,576	19,177	7,735	3,924	122,380	79,300	701,893
At December 31, 2021	2,799,156	595,613	325,423	70,409	51,613	32,357	455,608	122,620	4,452,799
Accumulated depreciation:									
At December 31, 2020	(472,806)	(308,983)	(91,732)	(33,346)	(23,194)	-	(61,459)	(42,964)	(1,034,484)
Depreciation expense for the year	(69,055)	(33,750)	(22,120)	(5,946)	(3,316)	-	(56,466)	(14,510)	(205,163)
Transfers to assets available for sale	43,872	19,871	-	-	-	-	-	-	63,743
Assets written off and others	(110,703)	70,809	5,323	9,946	4,697	-	3,922	4,254	(11,752)
Acquisitions of companies	(112,612)	(54,564)	(13,259)	(14,668)	(6,139)	-	(49,908)	(574)	(251,724)
At December 31, 2021	(721,304)	(306,617)	(121,788)	(44,014)	(27,952)	-	(163,911)	(53,794)	(1,439,380)
Net balance:									
At December 31, 2020	1,269,663	76,948	167,592	12,530	19,061	7,098	222,057	36,755	1,811,704
At December 31, 2021	2,077,852	288,996	203,635	26,395	23,661	32,357	291,697	68,826	3,013,419
Average depreciation rate for the year:									
Light vehicles	5.9%	-	-	-	-	-	-	-	-
Heavy vehicles	5.2%	-	-	-	-	-	-	-	-
Others	-	10.5%	5.9%	20.1%	10.0%	-	10.0%	4.2%	-

(iii) Refers entirely to property lease agreements.

(iv) Includes advances to suppliers of property and equipment totaling R\$ 23,663.



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, if appropriate.

15.2 Leases of property and equipment items

A portion of the assets were acquired by JSL by means of a lease, and substantially include vehicles, machinery and equipment. These balances are part of property and equipment, as follows:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cost - capitalized leases	490,696	69,163	490,696	69,163
Accumulated depreciation	(18,193)	(8,300)	(18,193)	(8,300)
Net balance	472,503	60,863	472,503	60,863

15.3 Impairment testing

As mentioned in note 2.12.(c), management carried out an analysis to verify the existence of indications of impairment of intangible assets in the year ended December 31, 2022 and concluded that there were indications of impairment only in the Pavuna branch, in Rio de Janeiro, as shown below:

	Net value
Leasehold improvements	7,197
Construction in progress	1,183
Vehicles	11
Machinery and equipment	1,078
Furniture and fixtures	30
Total	9,499

16. Intangible assets

Movements in the years ended December 31, 2022 and 2021 were as follows:

	Parent company				
	Goodwill	Software	Software in progress	Others	Total
Cost:					
At December 31, 2021	232,609	78,628	4,608	930	316,775
Additions	-	5,953	8,963	-	14,916
Addition by incorporation (ii)	255,239	-	-	-	255,239
Transfers	-	991	(991)	-	-
Write-offs and others	-	(9)	-	-	(9)
At December 31, 2022	487,848	85,563	12,580	930	586,921
Accumulated amortization:					
At December 31, 2021	-	(49,479)	-	(177)	(49,656)
Amortization expense for the year	-	(8,100)	-	(24)	(8,124)
At December 31, 2022	-	(57,579)	-	(201)	(57,780)
Net balances:					
At December 31, 2021	232,609	29,149	4,608	753	267,119
At December 31, 2022	487,848	27,984	12,580	729	529,141
Average amortization rate for the year:	-	18.6%	-	10.0%	-



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- (i) As mentioned in note 14.1 (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.

	Parent company			
	Goodwill	Software	Others	Total
Cost:				
At December 31, 2020	232,609	73,872	1,157	307,638
Additions	-	9,794	-	9,794
Write-offs	-	(429)	(227)	(656)
At December 31, 2021	232,609	83,237	930	316,776
Accumulated amortization:				
At December 31, 2020	-	(45,818)	(376)	(46,194)
Amortization expense for the year	-	(6,146)	(23)	(6,169)
Write-offs	-	2,485	222	2,707
At December 31, 2021	-	(49,479)	(177)	(49,656)
Net balances:				
At December 31, 2020	232,609	28,054	781	261,444
At December 31, 2021	232,609	33,758	753	267,120
Average amortization rate for the year:	-	19.70%	10.00%	-

	Consolidated					
	Goodwill	Non-competete agreement and customer list	Software	Software in progress	Others	Total
Cost:						
At December 31, 2021	571,731	223,731	113,875	4,608	44,638	958,583
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
Acquisitions of companies	-	-	2,603	-	-	2,603
At December 31, 2022	596,334	229,531	118,321	12,580	58,758	1,015,524
Accumulated amortization:						
At December 31, 2021	-	(43,383)	(67,718)	-	(1,742)	(112,843)
Amortization expense for the year	-	(20,417)	(11,481)	-	(24)	(31,922)
Write-offs, transfers and others	-	-	1,060	-	-	1,060
Acquisitions of companies	-	-	(138)	-	-	(138)
At December 31, 2022	-	(63,800)	(78,277)	-	(1,766)	(143,843)
Net balances:						
At December 31, 2021	571,731	180,348	46,157	4,608	42,896	845,740
At December 31, 2022	596,334	165,731	40,044	12,580	56,992	871,681
Average amortization rate for the year:		8.3%	20.4%		10.0%	-

- (i) As mentioned in note 1.1 (c), 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.

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	Consolidated				
	Goodwill	Non-competete agreement and customer list	Software	Others	Total
Cost:					
At December 31, 2020	519,717	230,499	78,678	1,187	830,081
Additions	-	-	11,959	-	11,959
Write-offs, transfers and others	-	(6,768)	(1,482)	40	(8,210)
PPA allocation	52,014	-	4,000	41,947	97,961
Acquisitions of companies	-	-	25,328	1,464	26,792
At December 31, 2021	571,731	223,731	118,483	44,638	958,583
Accumulated amortization:					
At December 31, 2020	-	(24,953)	(48,296)	(378)	(73,627)
Amortization expense for the year	-	(19,848)	(7,884)	(269)	(28,001)
Write-offs, transfers and others	-	1,418	2,878	(379)	3,917
Acquisitions of companies	-	-	(14,416)	(716)	(15,132)
At December 31, 2021	-	(43,383)	(67,718)	(1,742)	(112,843)
Net balances:					
At December 31, 2020	519,717	205,546	30,382	809	756,454
At December 31, 2021	571,731	180,348	50,765	42,896	845,740
Average amortization rate for the year:	-	8.30%	19.90%	10.00%	-

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, 2022, 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, 2022 are presented below:

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%
Discount factor	0.57%

For comparative purposes, the main assumptions used to calculate the value in use at December 31, 2021 are presented below:

Cash generating units	Logistics
Discount rates (WACC) (i)	11.20%
Growth rate in perpetuity	5.39%
Estimated growth rate for EBITDA (ii) - average for the following five years	10.63%
Discount factor	0.61%



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- (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: 16.20% (at December 31, 2021 equivalent to 14.34%).
- (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 2023 through December 2027.
- All projections were made on a nominal basis, that is, considering the effect of inflation;
- The final value of cash flows, considered after December 2026, was calculated based on the cash flow 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 assumption for which reasonable possible changes may cause impairment. 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;

17. Trade payables

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Vehicles, machinery and equipment	94,347	111,857	396,831	219,862
Parts and maintenance	33,837	26,189	62,346	44,660
Related parties (note 26.1)	81,695	18,442	71,586	18,150
Inventory	5,467	16,406	6,046	16,528
Contracted services	30,189	22,285	68,264	32,079
Property lease	3,835	2,901	4,176	3,211
Others	10,581	12,827	33,014	39,625
Total	259,951	210,906	642,263	374,115



18. Loans and borrowings

Movements in the years ended December 31, 2022 and 2021 were as follows:

Type	Annual average rate	Average rate structure	Maturity	12/31/2022			Movement				Parent company 12/31/2021		
				Current	Noncurrent	Total	New contracts	Interest paid	Interest incurred	Allocation of fair value hedge variation	Current	Noncurrent	Total
In local currency													
CRAs (i)	11.38%	CDI / IPCA	May/31	186,053	1,234,065	1,420,118	-	(85,656)	176,231	(44,212)	43	1,373,712	1,373,755
FINAME (ii)	14.29%	SELIC / IPCA / Fixed rate	Dec/27	9,281	173,053	182,334	179,714	(864)	3,484	-	-	-	-
CDC	15.06%	CDI	Dec/27	4,358	31,904	36,262	36,064	-	198	-	-	-	-
				199,692	1,439,022	1,638,714	215,778	(86,520)	179,913	(44,212)	43	1,373,712	1,373,755

Type	Annual average rate	Average rate structure	Maturity	12/31/2021			Movement					Parent company 12/31/2020		
				Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Allocation of fair value hedge variation	Current	Noncurrent	Total
In local currency														
CRAs (i)	7.73%	CDI + +1.15%	May/31	43	1,373,712	1,373,755	478,451	-	(57,791)	181,111	(141,159)	947	912,196	913,143
FINAME (ii)	-	-	-	-	-	-	-	(23,023)	(176)	145	-	10,323	12,731	23,054
FNO (iii)	-	-	-	-	-	-	21,140	(28,524)	(476)	556	-	2,380	4,924	7,304
NCEs (iv)	-	-	-	-	-	-	-	(13,700)	(1,397)	116	-	14,981	-	14,981
				43	1,373,712	1,373,755	499,591	(65,247)	(59,840)	181,928	(141,159)	28,631	929,851	958,482



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Type	Annual average rate	Average rate structure	Maturity	12/31/2022			Movement						Consolidated 12/31/2021			
				Current	Noncurrent	Total	Acquisitions of companies	New contracts	Amortization	Interest paid	Exchange rate changes	Interest incurred	Allocation of fair value hedge variation	Current	Noncurrent	Total
In local currency																
CRAs (i)	11.38%	CDI / IPCA	May/31	186,053	1,234,065	1,420,118	-	-	-	(85,656)	-	176,231	(44,212)	43	1,373,712	1,373,755
CCBs (v)	16.66%	CDI	Oct/26	29,527	189,944	219,471	3,953	37,600	(16,734)	(35,033)	-	29,968	-	12,699	187,018	199,717
FINAME (ii)	13.52%	IPCA/SELIC/Fixed rate	Dec/27	26,696	465,153	491,849	-	486,579	-	(4,595)	(142)	10,007	-	-	-	-
Direct Consumer Credit (CDC)	12.20%	CDI / Fixed rate	Dec/27	4,715	32,249	36,964	-	36,066	(324)	(81)	-	279	-	325	699	1,024
Others	3.24%	Fixed rate	Feb/22	-	-	-	-	191	(840)	(399)	-	495	-	553	-	553
				246,991	1,921,411	2,168,402	3,953	560,436	(17,898)	(125,764)	(142)	216,980	(44,212)	13,620	1,561,428	1,575,049
In foreign currency																
Loan (Fixed Rate Note)	3.80%	CDI	Feb/22	-	-	-	-	-	(1,555)	(34)	-	20	-	1,569	-	1,569
CCB - Guarani	6.50%	Fixed rate	Aug/21	-	-	-	-	-	(3,833)	(94)	-	94	-	3,833	-	3,833
CCB - Rand	6.60%	Prime	Dec/27	1,070	50,085	51,155	-	50,646	-	-	-	509	-	-	-	-
CCB - EUR	1.13%	EUR	Jan/24	467	117	584	-	-	(374)	(14)	(232)	12	-	532	661	1,192
International credit (4131) - EUR	15.20%	CDI / IPCA	Aug/24	8,446	150,000	158,446	-	-	(20,000)	(29,071)	-	23,553	-	21,991	161,973	183,964
				9,983	200,202	210,185	-	50,646	(25,762)	(29,213)	(232)	24,188	-	27,925	162,634	190,558
				256,974	2,121,613	2,378,587	3,953	611,082	(43,660)	(154,977)	(374)	241,168	(44,212)	41,545	1,724,062	1,765,607

Type	Annual average rate	Average rate structure	Maturity	12/31/2021			Movement						Consolidated 12/31/2020		
				Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Acquisitions of companies	Interest incurred	Allocation of fair value hedge variation	Current	Noncurrent	Total
In local currency															
CRAs (i)	7.73%	CDI + +1.15%	May/31	43	1,373,712	1,373,755	478,451	-	(57,791)	-	181,111	(141,159)	947	912,196	913,143
FINAME (ii)	7.40%	IPCA / Fixed rate	May/22	-	-	-	979	(59,525)	(672)	-	7,117	-	23,635	28,466	52,101
FNO (iii)	-	-	-	-	-	-	21,140	(28,524)	(476)	-	556	-	2,380	4,924	7,304
NCEs (iv)	-	-	-	-	-	-	-	(13,700)	(1,397)	-	116	-	14,981	-	14,981
CCBs (v)	8.70%	CDI/Fixed rate	Oct/26	12,699	187,018	199,717	158,858	(252,780)	(23,319)	279,453	25,287	-	6,966	5,254	12
Direct Consumer Credit (CDC) (vi)	9.50%	Fixed rate	Feb/25	325	699	1,023	5,566	(7,019)	(169)	1,190	168	-	970	318	1,288
FNE (vii)	10.50%	IPCA	Oct/26	-	-	-	-	(2,012)	(151)	2,090	73	-	-	-	-
Export Credit Notes (NCEs)	3.80%	CDI + +0.39%	Feb/22	-	-	-	-	(3,778)	(46)	3,778	46	-	-	-	-
Others	9.83%	Fixed rate	Jan/26	553	-	554	8,158	(17,755)	(84)	-	84	-	10,150	-	10,150
				13,620	1,561,428	1,575,049	673,151	(385,092)	(84,104)	286,511	214,558	(141,159)	60,028	951,158	1,011,186
In foreign currency															
CCB Fadel Guarani	6.50%	Fixed rate	Aug/22	3,833	-	3,833	5,204	(1,371)	(99)	-	99	-	-	-	-
Loan (Fixed Rate Note)	10.00%	CDI + +3.80%	Feb/22	1,569	-	1,569	-	(4,667)	(185)	6,253	168	-	-	-	-
CDI	2.45%	-	Aug/24	532	661	1,192	-	(1,694)	(18)	2,905	9	(10)	-	-	
International credit (4131) - EUR	1.13%	EUR	Jan/24	21,991	161,973	183,964	170,000	-	-	-	13,964	-	-	-	-
				27,925	162,634	190,558	175,204	(7,732)	(302)	9,158	14,239	(10)	-	-	-
				41,545	1,724,062	1,765,607	848,455	(392,824)	(84,406)	295,669	228,797	(141,169)	60,028	951,158	1,011,186



(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 S.A., 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.

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, 2022.

On May 11, 2021, a new CRA was issued, backed by CDCAs, the first offer made, after the corporate restructuring in August 2020, by JSL S.A., with half-yearly interest and commitments clauses, including the maintenance of the same financial ratios as above, which are calculated on the consolidated financial information of JSL S.A.

- (ii) **FINAME** 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, payments of interest and principal are monthly after the grace period. These financing agreements have no covenants, but only pledge of assets with financial agents.
- (iii) **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 one year, 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.
- (iv) **NCE** in Reais (RS) – this operation is subject to interest and principal, with bullet maturity. These financing agreements have no covenants.
- (v) **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.
- (vi) **CDC** (Direct Consumer Credit). is a type of working capital financing for purchase of products, vehicles, machinery and equipment in general, including services, and in some cases are short-term operations used for cash management. These agreements have varying maturities, either monthly, quarterly, half-yearly or bullet.
- (vii) **FNE** refer to the operations of the Constitutional Fund for Financing of the Northeast and Amazon Banks, 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 three months to one year, 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.



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

Net Debt for covenant purposes means 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).

Added EBITDA (EBITDA-A) for covenant purposes: means 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 means 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.

18.1 Intervening party and guarantee

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

- (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.



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19. Debentures

Movements in the years ended December 31, 2022 and 2021 were as follows:

Type	Annual average rate (i)	Maturity	12/31/2022			Movement		Parent company and Consolidated 12/31/2021		
			Current	Noncurrent	Total	Interest paid	Interest incurred	Current	Noncurrent	Total
In local currency										
10 th issuance - JSL S.A.	16.72%	Sept/28	6,296	149,930	156,226	(19,710)	25,442	3,466	147,028	150,494
11 th issuance - JSL S.A.	16.72%	Sept/28	16,234	393,851	410,085	(48,320)	59,434	5,352	393,619	398,971
12 th issuance - JSL S.A.	16.72%	Sept/28	22,917	556,020	578,937	(73,423)	84,502	13,104	554,754	567,858
15 th issuance - JSL S.A.	16.72%	Oct/28	20,579	696,284	716,863	(93,787)	106,065	10,801	693,784	704,585
			66,026	1,796,085	1,862,111	(235,240)	275,443	32,723	1,789,185	1,821,908

Type	Annual average rate	Maturity	12/31/2021			Movement				Parent company and Consolidated 12/31/2020		
			Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Current	Noncurrent	Total
In local currency												
8 th issuance - JSL S.A.			-	-	-	-	(75,617)	(4,313)	2,925	77,006	-	77,006
10 th issuance - JSL S.A.	8.85%	Sept/28	3,466	147,028	150,494	-	(75,500)	(5,995)	8,545	75,576	147,868	223,444
11 th issuance - JSL S.A.	7.84%	Nov/25	5,352	393,619	398,971	-	-	(17,204)	22,396	942	392,838	393,780
12 th issuance - JSL S.A.	8.85%	Sept/28	13,104	554,754	567,858	-	-	(26,413)	37,108	1,078	556,084	557,162
15 th issuance - JSL S.A.	8.85%	Sept/28	10,801	693,784	704,585	694,608	-	(1,603)	11,580	-	-	-
			32,723	1,789,185	1,821,908	694,608	(151,117)	(55,529)	82,555	154,602	1,096,790	1,251,392

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



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

Description	JSL			
	10 th issuance	11 th issuance	12 th issuance	15 th issuance
a. Identification of the processes by nature				
1st series amount	352,000	400,000	600,000	700,000
Issuance amount	352,000	400,000	600,000	700,000
Total amount received in checking account	352,000	400,000	600,000	700,000
Issuance	03/20/2017	06/20/2017	12/06/2018	10/08/2021
Funding	03/29/2017	06/30/2017	12/20/2018	11/05/2021
Maturity	09/20/2028	09/20/2028	09/20/2028	10/20/2028
Type	Unsecured	Floating	Floating	Unsecured
Identification with CETIP	JSML 10	JSML A1	JSML A2	JSLGA5
b. Transaction costs incurred	10,698	12,787	22,369	5,392
c. Premiums				
Premium for settlement	N.A.	N.A.	N.A.	N.A.
Amount of settlement	-	-	-	-
d. Effective interest rate (IRR) p.a. %				
1st series	CDI+2.70%	CDI+2.70%	CDI+2.70%	CDI+2.70%
e. Amount of costs and premiums to be apportioned until maturity	2,014	7,467	10,547	4,498

The debentures issued by JSL S.A. are all simple, non-convertible, unsecured debentures, except for the 11th issuance that comprises debentures of the floating guarantee type and the 12th 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 11th and 12th issuances of debentures, the Company maintains at least 130% of the debt balance, amount equivalent to assets free of burden and debt.

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 and Consolidated	
	12/31/2022	12/31/2021
Lease liabilities at the beginning of the year	42,677	62,026
New contracts	69,107	-
Amortization	(30,512)	(21,366)
Interest paid	(760)	(1,216)
Interest incurred	4,485	3,233
Lease liabilities at the end of the year	84,997	42,677
Current	9,879	28,504
Noncurrent	75,118	14,173
Total	84,997	42,677
Annual average rate	13.65%	4.15%
Average rate structure	CDI+1.25%	CDI + +2.49%
Maturity	Dec/27	Dec/24

Debt repayment schedule

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



21. Right-of-use leases

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

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Lease liabilities at the beginning of the year	175,324	191,773	314,955	209,374
New contracts	107,803	18,980	193,815	107,705
Write-offs	-	(4,877)	(23,943)	(23,339)
Amortization	(39,701)	(35,142)	(93,578)	(60,741)
Interest paid	(15,085)	(12,687)	(15,115)	(20,547)
Interest incurred	20,361	17,277	36,905	26,140
Acquisitions of companies	-	-	-	76,363
Lease liabilities at the end of the year	248,702	175,324	413,039	314,955
Current	37,630	26,697	78,812	68,369
Noncurrent	211,072	148,627	334,227	246,586
Total	248,702	175,324	413,039	314,955

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	13.44
3	12.60
5	12.64
8	12.68
10	12.64
15	12.65
20	12.68

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:

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

Cash flows	12/31/2021	
	Nominal	Adjusted to present value
Lease consideration	479,534	314,955
PIS/COFINS	44,357	29,133

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\$ 15,611 at December 31, 2022 and R\$ 20,220 at December 31, 2021.



Debt repayment schedule

Debt repayment schedule	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	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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Provision for vacation	72,989	56,873	117,694	96,113
Salaries	34,646	26,405	49,708	40,773
Bonus and profit sharing	6,467	12,217	21,690	19,051
INSS	116,723	68,707	129,622	80,884
Severance pay fund (FGTS)	5,784	5,356	10,311	8,862
Others	286	253	371	379
	236,895	169,811	329,396	246,062

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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Labor	21,951	19,537	(17,544)	(21,689)	34,122	34,426	(129,034)	(151,086)
Civil	13,679	11,425	(8,643)	(8,081)	13,689	18,439	(11,211)	(14,310)
Tax	7,914	10,005	-	-	9,389	23,713	(132,724)	(164,346)
	43,544	40,967	(26,187)	(29,770)	57,200	76,579	(272,969)	(329,742)

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, 2022 and 2021 were as follows:



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

	Consolidated			
	Labor	Civil	Tax	Total
At December 31, 2021	151,086	14,310	164,346	329,742
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)	8,376	-	2,828	11,204
Prescription (i)	(22,123)	-	(29,005)	(51,128)
Usage	(3,167)	-	-	(3,167)
At December 31, 2022	129,034	11,211	132,724	272,969

	Parent company			
	Labor	Civil	Tax	Total
At December 31, 2020	23,028	9,466	-	32,494
Additions	9,731	2,126	-	11,856
Reversals	(11,069)	(3,510)	-	(14,580)
At December 31, 2021	21,689	8,081	-	29,771

	Consolidated			
	Labor	Civil	Tax	Total
At December 31, 2020	83,873	10,145	71,719	165,737
Acquisitions of companies - opening balance	4,754	5,370	-	10,124
Acquisitions of companies - PPA effects (i)	83,354	140	118,160	201,654
Prescription	(14,089)	(29)	(25,533)	(39,651)
Additions	11,901	2,229	1,937	16,068
Reversals	(18,706)	(3,546)	(1,937)	(24,190)
At December 31, 2021	151,086	14,310	164,346	329,742

- (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, 2022, 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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Labor	71,787	133,648	93,863	170,171
Civil	54,046	112,209	77,078	134,129
Tax	361,572	285,468	383,025	305,542
Total	487,405	531,325	553,966	609,842

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) challenges related to the offset of IRPJ and CSLL credits; (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:

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
IRPJ and CSLL	117,284	110,916	119,146	110,916
ICMS	83,146	73,018	92,646	83,088
INSS	8,411	7,730	10,305	9,624
PER/DCOMP	45,177	40,646	49,255	46,962
PIS/COFINS	79,986	38,042	79,986	38,042
Others	27,568	15,117	31,687	16,910
Total	361,572	285,468	383,025	305,542



24. Payables for the acquisition of companies

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Quick (i)	36,797	56,979	36,797	56,979
TransMoreno (ii)	167,544	174,211	167,544	174,211
TPC (iii)	73,281	73,098	73,281	73,098
Rodomeu (iv)	31,762	55,523	31,762	55,523
Marvel (v)	-	-	52,633	109,256
Total	309,384	359,810	362,017	469,066
Current	83,432	89,006	83,432	144,902
Noncurrent	225,952	270,804	278,585	324,164
Total	309,384	359,810	362,017	469,066

- (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”). This balance is adjusted by the IGPM / FGV plus 1% p.a. limited to the IPCA maturing in 2023, and the balance payable is used with escrow to reduce 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 2024 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 balance is adjusted by 100% of the CDI;
- (iv) Refers to the balance payable for the acquisition of Rodomeu in 2021 and is part of the balance payable retained to amortize any contingencies materialized and the remaining amount will be paid in up to 24 installments, the first of which sixty days after the closing date, this balance is adjusted at 100% of the CDI;
- (v) Refers to the balance payable for the acquisition of Marvel in 2021 and is part of the balance payable retained to amortize any contingencies materialized; this balance is adjusted at 120% of the CDI.



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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Deferred tax asset				
Tax losses	226,127	88,879	268,391	121,530
Provision for judicial and administrative litigation	12,102	12,992	19,594	19,282
Expected credit losses ("impairment") of trade receivables	5,470	3,368	11,072	8,534
Amortization and write-off of intangible assets from business combinations	36,849	27,871	36,849	29,383
Provision for adjustment to market value and obsolescence	2,817	1,369	2,842	1,530
Tax provisions	42,299	25,324	46,450	28,870
Share-based payment plan	155	141	155	141
Depreciation of right-of-use leases	7,187	5,398	7,709	6,093
Other provisions (i)	44,564	35,221	58,956	48,945
Total deferred tax assets	377,570	200,563	452,018	264,306
Deferred tax liabilities				
Present value adjustment	(316)	(1,921)	(316)	(1,921)
Deferred income from sales to public authorities	-	-	(3,185)	-
Hedge derivatives (swap) and exchange rate changes under cash basis	(67,715)	(42,047)	(67,715)	(42,047)
Accounting vs. tax depreciation	(104,712)	(50,470)	(217,408)	(100,333)
Property and equipment - finance leases	(10,831)	(7,369)	(10,800)	(7,347)
Surplus value on company acquisition (ii)	(55,150)	(48,370)	(55,150)	(48,370)
Government grants	-	-	(11,069)	(6,618)
Revaluation of assets	(1,996)	(1,996)	(36,855)	(68,102)
Realization of goodwill	(78,849)	(70,893)	(79,428)	(70,893)
Total deferred tax liabilities	(319,569)	(223,066)	(481,926)	(345,632)
Total deferred tax assets (liabilities) - net	58,001	(22,502)	(29,908)	(81,325)
Deferred tax assets	58,001	-	91,770	35,581
Deferred tax liabilities	-	(22,502)	(121,678)	(116,906)
Total deferred tax assets (liabilities) - net	58,001	(22,502)	(29,908)	(81,325)

- (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.

Movements in deferred income tax and social contribution in the years ended December 31, 2022 and 2021 were as follows:

	Parent company	Consolidated
At December 31, 2021	(22,502)	(81,326)
Deferred income tax and social contribution recognized in profit or loss	87,284	64,386
Reclassifications between deferred and current	(6,781)	(12,968)
At December 31, 2022	58,001	(29,908)
At December 31, 2020	(52,099)	(55,221)
Deferred income tax and social contribution recognized in profit or loss	5,630	(617)
Reclassifications between deferred and current	-	(9,269)
Deferred income tax and social contribution on surplus value	23,967	31,655
Acquisitions of companies	-	(47,873)
At December 31, 2021	(22,502)	(81,326)



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, 2022 and 2021 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:

	Consolidated	
	12/31/2022	12/31/2021
JSL	226,127	88,879
Quick Logística	12,549	12,546
Yolanda	4,814	4,504
Fadel	20,766	1,956
Others	4,135	13,645
Total	268,391	121,530

JSL prepared studies of projections of future taxable profits based on market data and concluded that the credits will be consumed within the maximum period of 5 years, as follows:

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

	Consolidated					
	12/31/2021					
	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	Total
Total net amounts	21,837	22,594	25,327	20,183	31,589	121,530



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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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Profit before income tax and social contribution	106,898	264,332	166,397	322,526
Statutory rates	34%	34%	34%	34%
IRPJ and CSLL at the standard rates	(36,345)	(89,873)	(56,575)	(109,659)
Permanent (additions) exclusions				
Equity results from subsidiaries	62,261	45,075	-	-
Tax incentives - Workers Meal Program ("PAT")	-	820	329	1,677
Effects of interest on capital - received and paid	15,200	12,154	22,841	13,305
Provision for deferred tax credits on tax losses carried forward	-	-	205	3
Monetary adjustment of undue tax payments	6,334	27,050	7,350	27,050
Nontaxable tax benefits (presumed ICMS)	40,567	11,848	51,600	11,848
Non-deductible expenses and other permanent (additions) exclusions	(733)	(624)	2,035	5,797
Income tax and social contribution calculated	87,284	6,450	27,785	(49,978)
Current	-	820	(36,601)	(49,361)
Deferred	87,284	5,630	64,386	(617)
Income tax and social contribution on results	87,284	6,450	27,785	(49,978)
Effective rate	81.65%	2.44%	16.70%	-15.50%

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, 2022 and 2021 were as follows:

	Parent company	Consolidated
At December 31, 2021	82,783	66,733
Provision for income tax and social contribution	-	(5,325)
Advances, offsets and payments in the year	(39,785)	(11,028)
At December 31, 2022	42,998	50,380
Income tax and social contribution recoverable - current	37,153	48,704
Income tax and social contribution recoverable - noncurrent	5,845	7,001
Income tax and social contribution payable	-	(5,325)
At December 31, 2022	42,998	50,380
	Parent company	Consolidated
Income tax and social contribution recoverable - current	157,786	158,746
Income tax and social contribution recoverable - noncurrent	59,870	59,873
Income tax and social contribution payable	-	(5,941)
At December 31, 2020	217,656	212,678
Provision for income tax and social contribution payable	820	(49,361)
Advances, offsets and payments in the year	(135,693)	(96,584)
At December 31, 2021	82,783	66,733
Income tax and social contribution recoverable - current	26,643	30,885
Income tax and social contribution recoverable - noncurrent	56,140	56,141
Income tax and social contribution payable	-	(20,292)
At December 31, 2021	82,783	66,733



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:



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Assets	Parent company									
	Marketable securities (note 8)		Advances to third parties, PP&E and other credits		Trade receivables (note 9)		Dividends and interest on capital receivable (note 14.3)		Receivables from related parties	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Related parties										
ATU12 Arrend port SPE SA	-	-	7	-	75	-	-	-	-	-
BBC Leasing	-	-	23	372	316	145	-	-	-	-
BBC Pagamentos	-	-	4	-	46	199	-	-	-	-
Ciclus Ambiental	-	-	-	-	14,916	7,093	-	-	-	-
CS Brasil Frotas	-	-	36	63	227	-	-	-	-	-
CS Brasil Transportes	-	-	535	1,014	5,825	865	-	-	-	-
Fadel Transporte	-	-	31,802	1,709	2,926	-	-	-	30,730	63,889
Fadel Soluções	-	-	-	276	-	119	-	-	-	-
Graos Piauí Rod SPE	-	-	-	6	17	-	-	-	-	-
Instituto Julio Simões	-	-	2	2	29	40	-	-	-	-
JSL Corretora	-	-	6	5	17	-	-	-	-	-
JSP Holding	-	-	5	25	81	-	-	-	-	-
Moreno Holding	-	-	-	1,724	-	-	-	-	-	-
Marvel	7,272	-	-	-	207	738	-	-	-	-
Medlogística	-	-	57	55	-	2	-	-	-	-
Mogi Mob	-	-	698	61	541	114	-	-	-	-
Mogipasses	-	-	2	1	4	-	-	-	-	-
Movida Locação	-	-	209	2,468	692	364	-	-	-	-
Movida Participações	-	-	100	91	116	13	-	-	-	-
Movida Premium	-	-	-	1	-	-	-	-	-	-
Original Veículos	-	-	11	17	56	127	-	-	-	-
Ponto Veículos	-	-	-	39	1	1	-	-	-	-
Quick Armazéns	-	-	-	1	163	-	-	-	-	-
Pronto Express Logística S.A.	-	-	92	-	915	350	-	1,597	-	-
TPC Logística Nordeste S.A.	-	-	-	-	177	-	-	-	-	14,369
TPC Logística Sudeste S.A.	-	-	-	-	312	-	-	-	55,544	48,200
Transmoreno	-	-	6	-	112	-	-	-	-	-
Quick Logística	-	-	6,198	1,337	219	158	-	-	-	-
Ribeira Imóveis	-	-	-	-	131	99	-	-	-	-
Rodomeu	-	-	1	-	3,521	2,428	2,194	1,589	-	-
Simpar	-	-	681	536	824	-	-	-	-	-
Sinal Serviços	8,469	-	67	9,957	15,090	1,808	-	-	-	4
TPG Transportes	-	-	7	10	18	-	-	-	-	-
TruckPad Pagamentos	-	-	13	-	-	-	-	-	-	-
TruckPad Tecnologia	-	-	13	-	-	-	-	-	-	-
Transrio	-	-	110	14	663	15	-	-	-	-
Vamos	-	-	-	559	2,605	219	-	-	-	-
Vamos Agrícola	-	-	57	10	118	14	-	-	-	-
Vamos Máquinas	-	-	49	24	615	20	-	-	-	-
Vamos Seminovos	-	-	-	3	18	4	-	-	-	-
Vamos Linha Amarela	-	-	10	17	135	52	-	-	-	-
Yolanda	-	-	14	11	21	552	-	-	-	-
Total	15,741	-	40,815	20,410	51,749	15,539	2,194	3,186	86,274	126,462
Current	15,169	-	40,815	20,410	51,749	15,539	2,194	3,186	-	-
Noncurrent	572	-	-	-	-	-	-	-	86,274	126,462
Total	15,741	-	40,815	20,410	51,749	15,539	2,194	3,186	86,274	126,462



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Liabilities	Other payables		Trade payables (note 17)		Payables to related parties		Parent company Dividends payable	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Related parties								
BBC Pagamentos	48	195	1	47	-	-	-	-
BBC Leasing S.A.	2	-	26	352	-	-	-	-
CS Brasil Frotas	-	66	47	109	-	-	-	-
CS Brasil Transportes	100	1,442	17,557	4,619	-	-	-	-
Fadel Transp Logist Ltda.	-	-	638	-	-	-	-	-
Graos Piaui Rod SPE	3	-	-	-	-	-	-	-
Madre Corr. e Admin Seg.	11	-	-	-	-	-	-	-
Medlogística	9	9	-	-	-	-	-	-
Mogi Mob	-	173	11,123	567	-	-	-	-
Mogipasses	9	9	4	-	-	-	-	-
Movida Locação	323	-	196	821	-	-	-	-
Movida Participações	-	-	103	59	-	-	-	-
Movida Premium	-	-	-	1	-	-	-	-
Original Veículos	-	-	3	-	-	-	-	-
Pronto Express Logística S.A.	1,872	8,355	10,323	-	-	-	-	-
Ponto Veículos	-	-	1	1	-	-	-	-
Quick Logística	156	61	23	494	-	-	-	-
Quick Armazéns	-	-	-	8	-	-	-	-
Ribeira Imóveis	29	29	-	-	-	-	-	-
Sinal	-	4	-	27	-	-	-	-
Simpar	737	884	29,487	9,066	1,816	1,619	41,349	46,981
TPC Logística Nordeste S.A.	119	227	-	-	-	-	-	-
TPC Logística Sudeste S.A.	186	71	-	-	-	-	-	-
Transmoreno Transp	250	2,389	201	15	-	-	-	-
Transportadora Rodomeu	942	-	-	-	-	-	-	-
TPG Transportes	-	41	-	40	-	-	-	-
Transrio	498	29	429	116	-	-	-	-
Vamos Locação	90	-	11,448	1,969	-	-	-	-
Vamos Máquinas	665	-	1	130	-	-	-	-
Vamos Seminovos	13	-	62	-	-	-	-	-
Yolanda	27	302	22	1	-	-	-	-
Others	-	-	-	-	-	-	16,226	17,329
Total	6,089	14,247	81,695	18,442	1,816	1,619	57,575	64,310
Current	6,089	14,247	81,695	18,442	-	-	57,575	64,310
Noncurrent	-	-	-	-	1,816	1,619	-	-
Total	6,089	14,247	81,695	18,442	1,816	1,619	57,575	64,310

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



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

	Assets								Consolidated Liabilities			
	Trade receivables (note 9)		Other credits and advances		Trade payables (note 17)		Other payables		Payables to related parties		Dividends payable	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Related parties												
ATU12 Arrend port SPE SA	75	-	7	-	-	-	-	-	-	-	-	-
BBC Leasing	356	145	23	372	26	352	2	-	-	-	-	-
BBC Pagamentos	46	199	4	-	1	47	48	195	-	-	-	-
Borgato Serviços	-	-	-	-	-	-	-	66	-	-	-	-
Ciclus Ambiental	14,916	7,093	-	-	-	134	-	-	-	-	-	-
CS Brasil Frotas	293	-	36	110	47	-	-	-	-	-	-	-
CS Brasil Transportes	5,828	906	558	1,017	17,568	4,631	232	1,460	-	-	-	-
Graos Piaui Rod SPE	17	-	-	6	-	-	3	-	-	-	-	-
HM Com. Man. Emp.	-	-	-	-	24	-	-	-	-	-	-	-
Instituto	29	40	2	-	-	-	-	-	-	-	-	-
JSP Holding	81	-	5	25	-	-	-	-	-	-	-	-
Madre Corretora	17	-	6	5	-	-	11	-	-	-	-	-
Mogi Mob	541	-	698	61	11,123	567	2	173	-	-	-	-
Mogipasses	4	-	2	1	4	-	9	9	-	-	-	-
Movida Locação	698	364	209	2,468	279	848	323	-	-	-	-	-
Movida Participações	116	13	99	91	264	96	-	-	-	-	-	-
Movida Premium	-	-	-	1	-	1	-	-	-	-	-	-
Original Veículos	56	127	11	17	3	1	-	-	-	-	-	-
Ponto Veículos	1	1	-	39	1	-	-	-	-	-	-	-
Ribeira Imóveis	131	99	-	-	-	-	29	-	-	-	-	-
Simpar	824	-	681	536	29,487	9,101	794	886	1,816	1,619	41,349	46,981
TPG Transportes	18	-	7	10	-	40	-	-	-	-	-	-
Transrio	663	15	110	14	442	116	498	141	-	-	-	-
Truckvan Industria Ltda.	-	-	-	-	-	-	-	-	-	-	-	-
Vamos	3,511	219	164	562	12,171	2,088	97	-	-	-	-	-
Vamos Agrícola	169	14	57	10	-	-	-	-	-	-	-	-
Vamos Máquinas	637	20	49	24	1	130	665	-	-	-	-	-
Vamos Seminovos	18	4	-	3	61	-	13	-	-	-	-	-
Vamos Linha Amarela	135	52	10	17	-	-	-	-	-	-	-	-
Others	84	-	-	11	84	-	-	-	-	-	16,226	17,329
Total	29,264	9,426	2,738	5,400	71,586	18,150	2,726	2,931	1,816	1,619	57,575	64,310
Current	29,264	9,426	2,738	5,400	71,586	-	2,726	2,931	-	-	57,575	64,310
Noncurrent	-	-	-	-	-	18,150	-	-	1,816	1,619	-	-
Total	29,264	9,426	2,738	5,400	71,586	18,150	2,726	2,931	1,816	1,619	57,575	64,310

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



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, 2022 and 2021, between the Company, its subsidiaries and other related parties of the Simpar Group:



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Profit or loss	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)		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021		
Transactions eliminated in profit or loss																
Fadel Transportes	1,481	586	(130)	104	-	-	-	-	(4,554)	(3,205)	(3,042)	(3,290)	7,451	4,630		
Fadel Soluções	2,080	736	47	300	302	-	(302)	-	(758)	(940)	3,279	3,484	211	-		
Locadel	-	-	(1,050)	(1,263)	-	-	-	-	-	-	23	29	-	-		
JSL S.A.	259	16	(56,809)	(15,410)	480	90	(480)	(90)	13,634	8,526	(1,120)	(722)	(30,178)	(5,821)		
Marvel	-	-	-	-	-	-	-	-	(2,064)	(566)	-	172	16,935	-		
Medlogística	-	-	-	-	-	-	-	-	-	241	-	-	-	-		
Moreno Holding	-	-	-	-	-	-	-	-	-	(1,724)	-	-	-	-		
Pronto Express	780	-	(425)	-	-	-	-	-	(3,073)	(1,090)	3,849	241	(2,596)	1,195		
Quick Armazéns	-	-	-	-	-	-	-	-	(142)	-	-	-	(753)	(337)		
Quick Logística	476	789	(142)	(355)	-	95	-	(95)	(566)	-	10	9	753	337		
Sinal Serviços	10,501	8,155	2,535	56	-	-	-	-	(284)	-	-	97	6,452	23		
Transportadora Rodomeu	32,930	2,461	(3)	-	-	-	-	-	(1,427)	(774)	(3,846)	309	-	-		
TPC Logística Nordeste	-	-	-	-	-	-	-	-	(658)	(230)	-	-	4,070	(615)		
TPC Logística Sudeste	780	-	-	8	-	-	-	-	(658)	(237)	403	-	7,344	1,850		
Transmoreno	780	-	(244)	(16)	-	-	-	-	(1,358)	-	1,042	-	-	-		
Truckpad Tec e Log S.A.	-	-	(3,510)	-	-	-	-	-	-	-	-	-	-	-		
Yolanda	-	-	(53)	(120)	-	-	-	-	(172)	-	1,510	2,362	-	-		
	50,067	12,744	(59,784)	(16,696)	782	185	(782)	(185)	(2,080)	-	2,108	2,691	9,689	1,262		
Related party transactions																
ATU 12	-	-	-	-	-	-	-	-	2	-	-	-	-	-		
BBC Pagamentos	-	-	(3,158)	-	-	-	-	-	(331)	-	-	7	-	-		
BBC Leasing	-	-	61	-	7,117	-	(7,244)	-	24	-	-	-	-	-		
CS Brasil Frotas	61	-	394	-	-	-	-	-	103	-	-	9	-	-		
CS Brasil Transportes	292	260	(10,743)	(2,521)	-	543	-	(543)	247	(85)	257	90	-	-		
Fadel Transportes	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
HM Com Man Empilhadeiras	-	-	(118)	-	-	-	-	-	-	-	-	-	-	-		
JSL S/A	-	-	-	-	-	11,229	-	(11,229)	-	-	-	5	-	-		
Madre Corr. e Admin Seg.	-	-	-	-	-	-	-	-	1	-	-	-	-	-		
Mogi Mob Trans Pass Ltda.	-	-	(9,569)	-	-	-	-	-	(7)	(2)	-	-	-	-		
Mogipasses Com. de Bilhete	-	-	(5)	(1,908)	-	-	-	-	4	-	-	-	-	-		
Movida Locação	192	51	(3,453)	(2,433)	-	101	-	(101)	834	(1,300)	5	(60)	-	-		
Movida Participações	5	-	(923)	(205)	-	-	-	-	(321)	(42)	-	(7)	-	-		
Movida Premium	-	-	-	-	-	-	-	-	-	(34)	-	9	-	-		
Original Veículos	18	-	14	(1)	-	1,080	-	(1,080)	159	(2)	-	9	-	-		
Ponto Veículos	62	-	(4)	(6)	-	-	-	-	(1)	(3)	-	(1)	-	-		
Quick Logística	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Simpar	-	-	(1,212)	32	338	-	(338)	-	22,009	23,788	-	623	(242)	(15)		
Simpar Empreendimentos	-	-	(700)	-	-	-	-	-	(1,980)	-	-	-	-	-		
TPC Transp Passageiros	-	-	25	6	-	-	-	-	2	-	-	-	-	-		
Transrio Caminhões Ônibus	-	-	(1,421)	(1,535)	1,124	1,435	(1,124)	(1,435)	9	1	9	3	-	-		
Vamos Loc Cam Maq Equi SA	1,481	(85)	(15,886)	(3,420)	-	2,715	-	(2,715)	(2,760)	(1,122)	5	(520)	1	-		
Vamos Máquinas	-	-	(14)	(65)	500	-	(500)	-	11	-	-	-	-	-		
Vamos Com de Maq Agrícolas	-	-	-	102	-	-	-	-	3	-	-	-	-	-		
Vamos Seminovos	330	-	(330)	-	75,305	-	(75,305)	-	4	-	-	-	-	-		
Vamos Linha Amarela	-	-	-	-	-	-	-	-	162	-	-	57	-	-		
Ciclus Ambiental	72,746	79,140	(5)	-	-	-	-	-	-	-	-	-	-	-		
Ribeira Imóveis	-	-	(4,885)	(5,438)	-	-	-	-	-	-	-	-	-	-		
Others (viii)	-	-	(7,540)	(3,307)	-	-	-	-	-	-	-	-	-	-		
	75,187	79,366	(59,472)	(20,698)	84,384	17,103	(84,511)	(17,103)	18,174	(2,577)	276	212	(241)	(15)		
	125,254	92,109	(119,256)	(37,394)	85,166	17,288	(85,293)	(17,288)	16,094	(2,577)	2,384	2,903	9,448	1,247		



26.3 Transactions or relationships with shareholders related to property leasing

JSL has operating and administrative lease contracts 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, 2022 was R\$ 17,612 (R\$ 5,438 at December 31, 2021). The agreements have conditions in line with market values and have maturities until 2027.

26.4 Administrative service center

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\$ 23,799 at December 31, 2022, or 0.64% of JSL's net revenue (R\$ 23,776 at December 31, 2021, or 0.80% 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\$ 101,000, and are guarantors of the 13th and 14th Debentures that were transferred to Simpar in 2020 as a result of the spin-off carried out.

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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Fixed compensation	7,750	6,626	9,565	8,032
Variable compensation	1,419	7,920	5,581	10,883
Benefits	118	61	118	61
Share-based payments	1,333	272	1,787	272
Total	10,620	14,879	17,051	19,248

Management does not have post-employment benefits.

The compensation paid to key management personnel is within the limit approved by the Shareholders' Meeting held in 2022.

27. Equity

27.1 Share capital

The Company's fully subscribed and paid-up capital at December 31, 2022 and 2021 is R\$ 842,781 (or R\$ 806,688 if net of share issue cost). The shares are registered common shares without par value.

At the Extraordinary General Meeting held on September 27, 2021, the shareholders approved the increase in the Company's capital from the merger of the remaining 25% of the shares of Fadel Holding S.A., in the amount of R\$ 39,458 through the issuance of 6,440,000 registered common shares without par value, and the Company's capital was increased to 286,431,078 registered common shares without par value.



At December 31, 2022, the Company's fully paid-up capital is divided into 286,431,078 registered shares (same number at December 31, 2021) with no par value, of which 1,904,072 are non-voting treasury shares (1,703,235 at December 31, 2021). At December 31, 2022, share capital is held as follows:

Number of shares	12/31/2022		12/31/2021	
	Common shares	(%)	Common shares	(%)
Shareholders				
Owners of the Company	214,385,424	74.85%	214,385,424	74.85%
Simpar S.A.	206,032,081	71.93%	206,032,081	71.93%
JSP Holding S.A.	7,450,000	2.60%	7,450,000	2.60%
Fernando Antonio Simões	903,343	0.32%	903,343	0.32%
Other members of the Simões family	231,000	0.08%	231,000	0.08%
Management	272,380	0.10%	272,380	0.10%
Officers	6,446,373	2.25%	6,440,000	2.25%
Treasury shares	1,904,072	0.66%	1,703,235	0.59%
Outstanding shares traded on the stock exchange	63,191,829	22.06%	63,399,039	22.13%
Total	286,431,078	100.0%	286,431,078	100.0%

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 year ended December 31, 2022, no new shares were granted, and R\$ 42 (R\$ 270 at December 31, 2021) was recognized in the statement of profit or loss in line item "Administrative expenses", and the accumulated balance in the capital reserve account related to "share-based payment" in equity is R\$ 472 at December 31, 2022 (R\$ 430 at December 31, 2021).

Movement during the years

There were no changes related to option grants in the year ended December 31, 2022 and in the year ended December 31, 2021. The last change took place in 2020, when the total position was written off due to the spin-off.

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



In order to calculate the number of restricted shares to be delivered to the employee, the net value earned by the employee will be divided by the average quotation of Simpar S.A. on B3 S.A. - Brasil, Bolsa, Balcão, 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, 2022 and 2021:

	Number of shares			Stock options outstanding	Average strike price
	Granted	Canceled	Transferred		
Position at 12/31/2020	-	-	-	-	-
Options granted	56,319	-	-	56,319	10.54
Options canceled	-	(227)	-	(227)	10.54
Position at December 31, 2021	56,319	(227)	-	56,092	10.54
Options canceled	-	(1,359)	-	(1,359)	10.54
Transfers to beneficiaries	-	-	(13,497)	(13,497)	10.54
Position at December 31, 2022	56,319	(1,586)	(13,497)	41,236	10.54

27.3 Treasury shares

At December 31, 2022, the Company has a balance of R\$ 42,205 (R\$ 40,701 at December 31, 2021), representing 1,904,072 common shares held in treasury (1,703,235 at December 31, 2021) of common shares held in treasury, during the year 214,300 shares were repurchased, equivalent to R\$1,504.

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 individual 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 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 individual and consolidated financial statements, interest on capital is stated as allocation of profit directly in equity.

For the year ended December 31, 2022, the calculations and movement of dividends and interest on capital were as follows:



JSL S.A.

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

In thousands of Brazilian Reals, unless otherwise stated

	Parent company	
	2022	2021
Profit for the year	194,182	270,782
Profit for the year, basis for proposing the legal reserve	194,182	270,782
(-) Legal reserve (5%)	(9,709)	(13,359)
(-) Government grant reserve - ICMS presumed credit	(38,225)	-
(-) Government grant reserve - transportation exemption Logistics	(81,090)	-
Profit for the year, basis for proposing dividends	65,158	257,423
Minimum dividends (25%)	16,289	64,310
<u>Dividends proposals and interest on capital distributed:</u>		
Interest on capital paid	67,179	45,300
Withholding income tax (IRRF) on interest on capital	(10,077)	(6,795)
Interest on capital paid, net	57,102	38,505
Dividends to be distributed	-	25,805
Total dividends and interest on capital proposed/distributed:	57,102	64,310
Percentage on profit for the year deducted from legal reserve	25%	25%
Gross dividends and interest on capital per share, net of treasury shares at the end of the year (in R\$)	0.2361	0.2259

The movements in dividends and interest on capital payable during the years ended December 31, 2022 and 2021 were as follows:

	Parent company and Consolidated		
	Interest on capital	Dividends	Total
At December 31, 2020	13,116	19,748	32,864
Dividends to be distributed	-	25,805	25,805
Interest on capital	45,300	-	45,300
Withholding Income Tax (IRRF)	(6,795)	-	(6,795)
Interest on capital paid	-	(32,864)	(32,864)
At December 31, 2021	51,621	12,689	64,310
Additional dividends declared (i)	-	36,035	36,035
Interest on capital declared	67,179	-	67,179
Withholding Income Tax (IRRF)	(10,077)	-	(10,077)
Dividends paid	(51,148)	(48,724)	(99,872)
At December 31, 2022	57,575	-	57,575

- (i) At the General Meeting held on April 27, 2022, the proposal for distribution of the Company's profit for the year ended December 31, 2021 was approved, in line with the approval of the Company's Board of Directors at the meeting held on February 21, 2022, in the amount of R\$36,035 as additional dividend.

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\$ 33,054 was recognized as allocation of the remaining balance of profit for the year ended December 31, 2022 after the recognition of legal and statutory reserves (R\$ 150,434 at December 31, 2021).



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\$ 38,225 was transferred in the year ended December 31, 2022 (R\$ 35,497, from fiscal year ended December 31, 2021) to the tax incentive reserve account under the heading "Profit Reserves", in accordance with Law No. 12,973/14 Art. 30th § 4th.

In the year ended December 31, 2022, the amount of R\$81,090, referring to ICMS tax exemption benefits, was transferred to the tax incentive reserve account under the heading "Profit Reserves".

In addition, the subsidiary Quick Logística had an 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 subsidiary Fadel, the calculation of ICMS is also carried out using the method of credit granted in accordance with the agreement ICMS 106/96.

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

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:

		Consolidated	
	Insured services	Effective period	Coverage
	Fire, lightning and explosion, building and content	04/01/2022 to 12/31/2023	75,004
	Electrical damage	04/01/2022 to 12/31/2023	1,800
	Windstorms, hurricanes, cyclones, tornados, hailstorms and vehicle impacts	08/03/2022 to 12/31/2023	150,797
	Broken glass	08/03/2022 to 12/31/2023	60
	Landslides	12/31/2022 to 12/31/2023	60
	Deterioration of products in refrigerated environments	04/15/2022 to 12/31/2023	7,109
	Aggravated theft	01/24/2022 to 12/31/2023	9,006
	Stationery equipment	12/31/2022 to 12/31/2023	500
	Mobile equipment	12/31/2022 to 12/31/2023	570
	Civil liability – operations	01/24/2022 to 12/31/2023	342,478
	Loss of profit	12/31/2022 to 12/31/2023	600
	Flooding	12/31/2022 to 12/31/2023	3,000
	Internal movement of products	12/31/2022 to 12/31/2023	350
	Civil liability - employer	01/08/2022 to 12/31/2023	3,045
	Pain and suffering arising from civil liability operations	01/24/2022 to 12/31/2023	18,415
	Electronic equipment - damage from external causes	04/15/2022 to 12/31/2023	1,644



Rental expenses and/or losses	03/31/2022 to 12/31/2023	250,819
Expenses with recomposition of records and documents	08/03/2022 to 12/31/2023	300
Total coverage		865,557

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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Revenue from dedicated services (b)	1,328,958	1,119,175	1,941,272	1,475,114
Revenue from passengers transport (b)	285,480	245,189	285,480	245,189
Revenue from general cargo (b)	1,680,884	1,356,323	3,318,833	2,321,506
Revenue from vehicle rental (a)	281,299	178,467	272,138	170,595
Other revenues	-	-	1,072	-
Net revenue from rendering services and lease of vehicles, machinery and equipment	3,576,621	2,899,154	5,818,795	4,212,628
Revenue from sales of decommissioned assets	124,323	68,097	203,610	83,350
Total net revenue	3,700,944	2,967,251	6,022,405	4,295,978
Timing of revenue recognition				
Products transferred at a specific point in time	124,323	68,097	203,610	83,350
Products and services transferred over time	3,576,621	2,899,154	5,818,795	4,212,628
Total net revenue	3,700,944	2,967,251	6,022,405	4,295,978

(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.

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

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Gross revenue	4,400,752	3,564,027	7,133,693	5,148,439
Less:				
Taxes on sales	(635,405)	(536,455)	(1,040,998)	(783,071)
Returns and cancellations	(18,167)	(14,093)	(19,852)	(17,159)
Toll rates	(46,236)	(46,140)	(46,783)	(47,006)
Discounts granted	-	(88)	(3,655)	(5,225)
Total net revenue	3,700,944	2,967,251	6,022,405	4,295,978

30. Expenses by nature

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

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Fleet costs / expenses (iii)	(52,995)	(51,052)	(136,751)	(82,889)
Cost of sales of decommissioned assets (ii)	(95,144)	(54,316)	(165,414)	(63,991)
Personnel and payroll charges	(1,072,843)	(887,240)	(1,894,386)	(1,392,860)
Related and third parties	(1,155,413)	(970,094)	(1,359,827)	(1,142,723)
Depreciation and amortization	(190,226)	(174,925)	(310,995)	(234,139)
Parts, tires and maintenance	(351,966)	(304,924)	(464,124)	(366,286)
Fuels and lubricants	(268,170)	(228,569)	(671,485)	(375,260)
Communication, advertising and publicity	(11,336)	(1,417)	(15,140)	(3,778)
Rendering services	(101,447)	(84,840)	(205,843)	(154,246)



Provision for expected credit losses ("impairment") of trade receivables (note 9.1)	(12,288)	(3,304)	(14,242)	(3,517)
Provision for judicial and administrative litigation	(17,613)	(29,242)	(20,995)	(25,768)
Electric power	(20,356)	(23,142)	(27,709)	(27,928)
Property lease	(2,153)	(71)	(5,007)	3,276
Lease of vehicles, machinery and equipment, and damaged vehicles	(63,203)	(28,350)	(85,413)	(40,637)
PIS and COFINS credits on inputs (i)	201,638	159,599	241,426	176,118
Extemporaneous tax credits	44,499	150,847	64,227	149,589
Other costs	(126,399)	(137,027)	(181,902)	(187,006)
	(3,295,415)	(2,668,067)	(5,253,580)	(3,772,045)
Cost of sales, leases and rendering services	(3,085,808)	(2,566,820)	(4,815,943)	(3,571,321)
Cost of sales of decommissioned assets (iii)	(95,144)	(54,316)	(165,414)	(63,991)
Selling expenses	(13,245)	(12,853)	(27,078)	(19,408)
Administrative expenses	(158,996)	(164,189)	(319,461)	(274,937)
Provision for expected credit losses ("impairment") of trade receivables	(12,288)	(3,304)	(14,242)	(3,517)
Other operating expenses	(59,345)	(35,252)	(96,269)	(29,972)
Other operating income	129,411	168,667	184,827	191,101
	(3,295,415)	(2,668,067)	(5,253,580)	(3,772,045)

- (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.



31. Finance result

	Parent company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Finance income				
Financial investments	43,367	22,828	56,140	27,233
Monetary variation income	20,922	5,312	23,681	5,560
Interest received	30,059	13,465	2,584	10,682
Exchange rate changes	55	-	888	-
Other finance income	13,562	1,562	5,078	2,388
Total finance income	107,965	43,167	88,371	45,863
Finance costs				
Interest on loans, borrowings and debentures	(455,356)	(264,484)	(516,611)	(311,352)
Interest and bank charges on leases payable	(4,485)	(3,233)	(4,485)	(3,233)
Interest on supplier financing – car makers	-	(30)	-	(30)
Exchange rate changes	-	-	(374)	-
Net gains (losses) on swap agreements	(39,303)	141,159	(39,476)	141,159
Total debt service costs	(499,144)	(126,588)	(560,946)	(173,456)
Interest on right-of-use leases	(20,361)	(16,469)	(36,905)	(26,442)
Interest on payables for the acquisition of companies	(35,725)	(22,492)	(41,530)	(28,602)
Discounts granted, bank charges and fees	(573)	-	(6,083)	-
Interest payable	(7,219)	(11,964)	(13,552)	(12,993)
Other finance costs	(26,695)	(33,080)	(31,783)	(5,777)
Total finance costs	(589,717)	(210,592)	(690,799)	(247,270)
Finance income (costs), net	(481,752)	(167,425)	(602,428)	(201,407)

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	
	12/31/2022	12/31/2021
Numerator:		
Profit for the year from continuing operations attributable to owners of the Company	194,182	270,782
Denominator:		
Weighted average number of outstanding shares	213,067,074	213,293,836
Basic earnings per share from continuing operations - R\$	0.9114	1.2695
Total basic earnings per share - R\$	0.9114	1.2695
Weighted average number of common shares outstanding		
	12/31/2022	12/31/2021
Common shares - January 1		
Effect of shares issued in the year	213,293,836	211,060,989
Effect of treasury shares and repurchase of shares	(226,761)	2,232,847
Weighted average number of common shares outstanding	213,067,074	213,293,836

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>12/31/2022</u>	<u>Parent company 12/31/2021</u>
Numerator:		
Profit for the year from continuing operations attributable to owners of the Company	194,182	270,782
Denominator:		
Weighted average number of outstanding shares	213,067,074	213,293,836
Weighted average number of shares for diluted earnings per share	213,067,074	213,293,836
Diluted earnings per share from continuing operations - R\$	0.9114	1.2695
Total diluted earnings per share - R\$	0.9114	1.2695

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>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2022</u>	<u>12/31/2021</u>
Total additions to property and equipment in the year	867,143	548,121	1,808,930	962,398
Additions without cash disbursement:				
Additions financed by leases payable and FINAME	(248,821)	-	(555,686)	-
Additions of right-of-use leases	(107,803)	(18,980)	(193,815)	(107,705)
Additions for the year settled with cash flows				
Balance variation of trade payables and supplier financing - car makers	17,510	(90,070)	(176,969)	(203,311)
Total cash flows for purchase of property and equipment	528,029	439,071	882,460	651,382
Statements of cash flows:				
Operating property and equipment for leasing	481,160	379,098	808,683	573,260
Property and equipment	46,869	59,973	73,777	78,122
Total	528,029	439,071	882,460	651,382
Other non-cash transactions:				
Offset of taxes recoverable against taxes payable	287,546	135,693	355,255	91,560

34. Events after the reporting period

The Finame Direct financing was carried out with BNDES in lines already contracted in the amount of R\$ 22,639 on January 26, 2023 by JSL S.A. and R\$ 23,984 on February 6, 2023 by Fadel Transportes e Logística Ltda.
