



Entender para Atender



JSL S.A.
Quarterly information - ITR related
to the quarter ended June 30,
2020 and independent auditor's
report on review of quarterly
information



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Performance Comments 2Q20

Record Net Income of R\$156.6 million in 2Q20 up by 120% YoY

- **Record Net Income** of **R\$156.6 million** in 2Q20, a 120% growth YoY, or R\$13 million excluding the effects of liquidation and reopening of swaps and write-off of tax credits, resulting from the corporate reorganization process, with renewal under the same conditions;
- **Net Revenue** reaches **R\$2.2 billion** and **EBITDA** totalizes **R\$470.4 million in 2Q20**, with an **EBITDA Margin of 35.3%, 5.1 p.p.** YoY, showing the focus on the group's efficiency;
- **We kept a strengthened cash, sufficient to cover 2.5x short-term debt amortization** reaching more than R\$5.7 billion at the end of 2Q20;
- **Approval of the Reorganization** of the group by the **unanimity of minority shareholders**, under high standards of governance, evidencing the quality and value of the proposal submitted and the launch of **SIMPAR**, which now operates as a **holding company** all of its controlled companies;
- **JSL ceases to play the role of holding company** of the group and consolidates itself as the **largest road logistics company in Brazil**, ready to lead the consolidation movement of this market and focused exclusively on the business;
- **Renewal of our commitment as signatories to the principles of the UN Global Compact** and the commitment of JSL, Vamos and Movida companies to combat deforestation in the Amazon through an open letter.

Main highlights of the subsidiaries:



- **JSL Logística** records a Net Income of R\$536 thousand due to the lower volume transported in the quarter. We point out that in May and June 2020 the recurring Net Income was R\$10 million, which shows the scenario of recovery of operations after customer shutdowns occurred in April; In August 2020, we announced two strategic acquisitions:



- **Acquisition of 75% of Fadel shares:** strengthens JSL's share in urban distribution in the food and beverage, consumer goods, and e-commerce industries and expand the portfolio of relevant clients. This acquisition brings expertise from people with recognized management skills and a proven history of delivery, synergies, and cross-selling.



- **Acquisition of 100% of Transmoreno:** expands JSL's share to carry new vehicles on "stork" trucks and in to provide automotive logistics services, having two of the main automakers in its client portfolio.



- **Vamos** reaches Net Income of R\$39.3 million, EBITDA of R\$152.7 million (+12.0%) and ROIC of 11.0%. Vamos confirms the resilience of its business model, which has not been affected by the pandemic and continues to combine accelerated growth and profitability;



- **CS Brasil** presented a Net Income of R\$19.0 million and an EBITDA of R\$83.3 million (+2.3% YoY) and an EBITDA Margin of 51.8% (+8.2 p.p. YoY). CS Brasil continues to benefit from the resilience of the GTF business model, which represented 82.6% of the company's revenues.



- **Movida** reaches Net Income of R\$2.6 million, EBITDA of R\$151.3 million, EBITDA Margin of 50.7% (+10.0 p.p. YoY), and a record of 18,465 cars sold in 2Q19 (+14.9% YoY), even during the pandemic.

JSL Consolidated

Financial Highlights (R\$ million)	2Q19	1Q20	2Q20	▲Y o Y	▲Q o Q	LTM
Gross Revenue	2,681.0	2,655.3	2,389.7	-10.9%	-10.0%	10,577.7
Net Revenue	2,388.9	2,356.9	2,197.2	-8.0%	-6.8%	9,639.6
Net Revenue from Services	1,713.5	1,710.3	1,331.1	-22.3%	-22.2%	6,750.9
Net Revenue of Asset Sales	675.4	646.6	866.1	28.2%	33.9%	2,888.7
EBITDA	518.2	561.7	470.4	-9.2%	-16.3%	2,155.2
Margin (% NR from Services)	30.2%	32.8%	35.3%	+5.1 p.p.	+2.5 p.p.	31.9%
EBITDA-A	1,183.8	1,168.6	1,246.0	5.3%	6.6%	4,847.7
Margin	49.6%	49.6%	56.7%	+7.1 p.p.	+7.1 p.p.	50.3%
Net Financial Result	(206.1)	(170.2)	103.0	-	-	(449.0)
Net Income	71.2	83.2	156.6	119.9%	88.2%	426.5
Margin (% NR)	3.0%	3.5%	7.1%	+4.1 p.p.	+3.6 p.p.	4.4%
Net Income (controllers)	58.8	54.4	155.4	164.3%	185.7%	329.0
Margin (% NR)	2.5%	2.3%	7.1%	+4.6 p.p.	+4.8 p.p.	3.4%

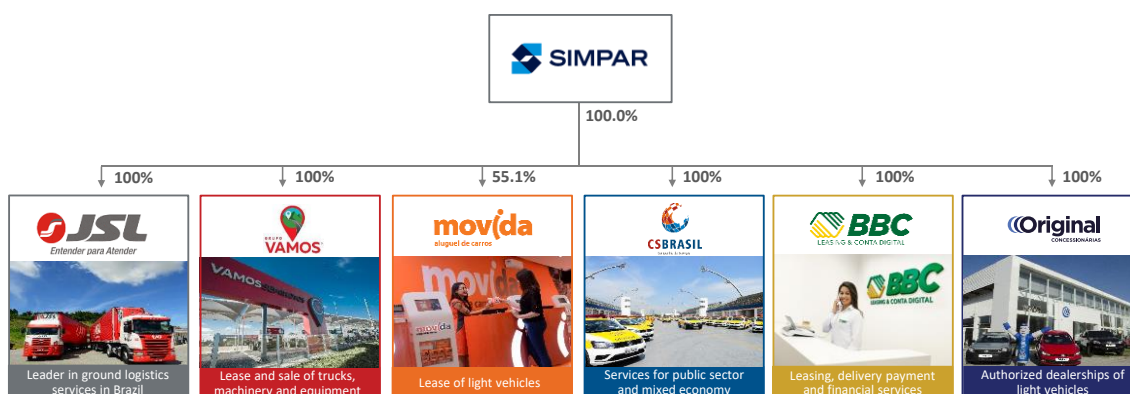
Note: Net Income and EBITDA in 1Q20 considers Movida's impairment. The reconciliation of EBITDA and Net Income are described in the Exhibits.

Message from the Management

We are proud to have reached another important milestone in our history: Approval of the **reorganization** of the group and launch of **SIMPAR**, which now operates as a **holding company** (activity until then carried out by JSL itself), having as its purpose to preserve the values, management model and governance practices of all its controlled companies: JSL, Vamos, CS Brasil, Movida, Original Concessionárias and BBC Leasing.

Our management model continues to be based on sustainably **generating value** to our clients, shareholders, and society, building long-term relationships through differentiated people under solid governance. Always preserving our culture and aligned with the values of each company, we define for JSL the following values: **Devotion to Serve, People, Simplicity, Ownership Attitude, Sustainability, and Profit.**

We are ready for a **new development cycle** based on a structure of **independent companies** with their own management team, target plan, and clear purposes, including the following structure:



NOTE: percentages do not consider shares held in treasury

It is important to note that the Reorganization proposed to the shareholders was recommended by an **Independent Committee**, which analyzed all benefits, costs, and risks under

the terms proposed by the Company's management. Also, **the unanimous decision on the Reorganization was taken by minority shareholders** and later followed by the Simoes Family, which further reinforces the commitment of the Company and its controlling shareholders to the practice of the **highest standards of corporate governance**

In turn, **JSL will cease to exercise its role as a holding company** and becomes an exclusive operational company offering logistical services with its own development agenda. Therefore, the Reorganization will contribute to the realization of strategic movements, **improving the capital structure** and will allow an **acceleration in the Company's growth plan**. This movement has already begun with the **acquisition of Fadel and Transmoreno**, which add new services, new fields of activity, and new technologies and skilled people, with additional possibilities of expanding competitive advantages and generating operational and financial synergies. JSL, which has been listed in the Novo Mercado segment since 2010, **will maintain its good governance practices** in order to allow it a privileged position to execute its future plans to be listed in the securities market as a company exclusively focused in the logistics services segment.

Despite the intense work in delivering projects that impact the value of **JSL in the long term**, we have not failed to act with an **absolute focus to circumvent the challenging scenario** imposed by the new Coronavirus pandemic. The second quarter of 2020 brought major challenges; however, it was also an opportunity to **reinforce our commitment to customer service**, preserving the health of our people and the quality of services.

Thinking of the group's financial strength to face the crisis, **we kept a strengthened cash** in 2Q20, **sufficient to cover 2.5x short-term debt amortization** reaching more than R\$5.7 billion. The net debt profile was extended YoY 3.7 years to 4.3 years, with a reduction in average cost from 10.1% a.a. to 6.2% p.a. The leverage ratio of **net debt/EBITDA remained under control at 3.9x**, mainly impacted by the occasional downturn in EBITDA for JSL and Movida, especially due to the temporary stoppage of production in the automotive sector and lower rental demand in RAC. Vamos and CS Brasil contributed with nominal EBITDA growth YoY, reinforcing the **resilience of the group's diversification** and positioning in businesses with long-term contracts.

Our Consolidated Net Revenues totaled R\$2.2 billion in 2Q20 (-8.0% YoY). EBITDA was R\$470.4 million (-9.2% YoY), and we had a **record Net Income, reaching R\$156.6 million in the quarter**, reflecting the resilience of the group even during the peak of the Covid-19 pandemic, as well as due to the positive net effect of R\$144 million from the early settlement of bond swaps due to the reorganization process, with renewal under the same conditions. The early settlement generated an extraordinary gain of R\$182 million, net of taxes, and a one-off expense of R\$38 million (write-off of deferred income tax losses to be missed in the spin-off of JSL to Simpar). Thus, we observed a positive net effect of R\$144 million in the quarter's result. Despite the temporary impact of the crisis on our operations, we believe that the worst-case scenario has been left behind since, **from April to June, the dynamics of results evolved positively**.

We are confident of the value that we can continue to create for all stakeholders in our relationships. We believe that value can only be generated sustainably, with differentiated people, customer loyalty, diversification, responsibility, and a lot of work. Thank you all for your trust in our work and for being part of our history.

Sustainability



In the second quarter of 2020, we strengthened the focus on the Social pillar of ESG. In order to evolve even more in the search for professional and personal development of professional drivers, we had as one of our priorities to continue the **Ligado em Você Caminhoneiro** channel, on which drivers can count to receive prevention guidance, health tips for them and their families, information about support points along the highways and, mainly, all the guidance, follow-up and support for the suspected and confirmed cases of Covid-19. Among the 8,000 truckers (independent contractors) who work for JSL, **more than 2,000 made contact through the telephone channel** in the first three months of quarantine.

Besides, during the first months of the pandemic, we **assisted BBC clients** who faced financial difficulties concerning commitments previously made, and those who were out of work, or with reduced activity, were able to opt for a grace period for payment of outstanding installments. Led by the BBC team, in the last year we enabled face-to-face meetings in 18 municipalities, in order to **give financial guidance to truck drivers** when making decisions regarding the financing of their vehicles. We have directly reached about 500 drivers and this initiative will continue to occur permanently. Concerning the internal audience, we carry out a mapping of good practices and working conditions of drivers in our main branches, to propose projects that impact the quality of life of these professionals and bring positive results to our business.

Also, with a look at the Social pillar, we have made progress with the **Respect for Diversity Program** by defining specific goals per business, developing the Inclusion and Diversity Policy, and offering our employees online meetings about Unconscious Bias. Aware of our responsibility, we have started a social diagnosis work in the communities where we have operations, seeking to identify the main challenges and opportunities of these locations and enhance the generation of value through our business. In this sense, among the actions completed, we had the approval of the **Social Investment Policy** of the JSL Group by the Sustainability Committee and the Theory of Change work carried out at the Julio Simões Institute, in a partnership with Bemtevi Negócios Sociais, which will help us **redefine the future vision of the Institute** in the coming years and its main impacts.

On the environmental front, we concentrate our efforts on the **Group's Energy Study**, by mobilizing executives and specialists from each company separately, aiming at deeply understanding the reality of each branch and jointly building a macro plan for the entire Group, seeking synergy between business and opportunities when adopting renewable energy projects.

Concerning our governance, one of the main highlights was the **renewal of our commitment as signatories of the principles of the UN Global Compact** and, also, the initiative of JSL companies Vamos and Movida to commit themselves to **combat deforestation of the Amazon**, in a movement promoted by CEBDS and with the participation of over 60 companies, through an open letter. To ensure the dissemination of our Sustainability strategy and practices consistently and in line, we train the entire JSL commercial team and all CS Brasil managers on the main concepts, initiatives, and ESG challenges for the Company and the entire society.

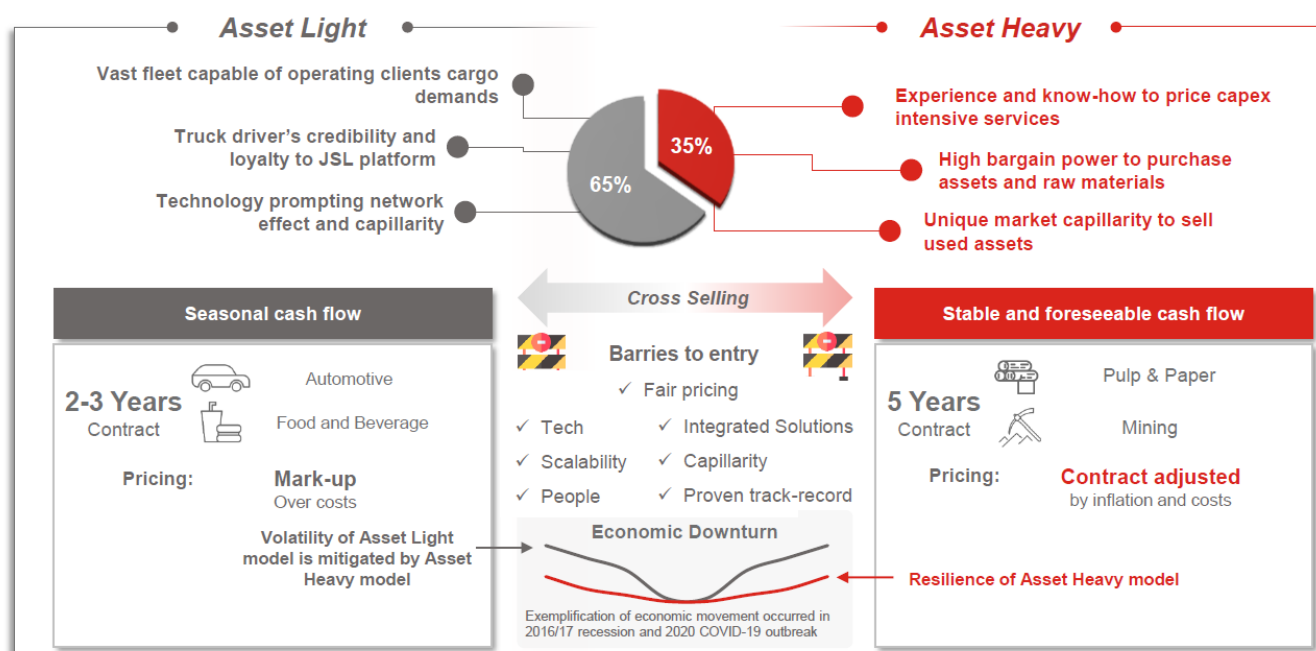


I. JSL Logística



JSL was the basis of the Group's growth, having developed the other companies with the contribution of know-how, culture, people and financial resources. The company is the **leader in road logistics in Brazil** with diversification of services and customers, maintaining long-term relationships and long-term contracts. JSL has a **flexible model** that encompasses two distinct profiles, but with a single purpose of generating value for the customer and long-term return on invested capital: capital and labor intensive (**asset-heavy**) and **asset-light** in services where this model is more efficient.

In order to better understand both business profiles, starting in 2Q20, JSL will disclose financial information **segregating Asset-Light and Asset-Heavy**. Therefore, JSL will enable the investor to have a better understanding of the company's different operating profiles standalone.



Net Revenue from Services and RSC (Revenue from Same Contracts)

Net Revenue from Services (R\$ million)	Total Revenue					RSC
	2Q19	1Q20	2Q20	▲ Q o Q	▲ Y o Y	▲ Y o Y
Asset-Light	470,1	460,1	332,1	-27,8%	-29,4%	-35,6%
Road cargo transp. and Dedicated road cargo logistics	331,8	314,0	202,0	-35,7%	-39,1%	-46,9%
Internal Logistic	79,4	81,0	75,6	-6,7%	-4,8%	3,5%
Urban Distribution	30,0	31,1	26,9	-13,5%	-10,3%	-16,7%
Warehousing Services	25,0	29,3	22,6	-22,9%	-9,6%	-24,1%
Others	3,9	4,7	4,9	4,3%	25,6%	33,3%
Asset-Heavy	269,1	196,2	218,2	11,2%	-18,9%	1,0%
Commodity logistics ¹	182,4	127,5	143,6	12,6%	-21,3%	3,1%
Charter for companies and Rental with Driver	86,6	68,7	74,5	8,4%	-14,0%	-3,3%
Total	739,2	656,3	550,2	-16,2%	-25,6%	-24,1%

¹ Includes the pulp and paper, sugar-energy, steel and mining sectors.

The figures reported below reflect JSL's **financial statements**, to provide, through a single financial statement, information relating to the entire logistics activities of the JSL Group, regardless of the layout of its corporate structure.

Main Indicators – JSL

Financial Highlights (R\$ million)	JSL								
	2Q19	1Q20	2Q20	Δ Y o Y	Δ Q o Q	6M19	6M20	Δ Y o Y	LTM
Gross Revenue	937.9	832.3	697.9	-25.6%	-16.1%	1,878.9	1,530.2	-18.6%	3,404.3
Deductions	(151.4)	(138.5)	(116.3)	-23.2%	-16.0%	(299.4)	(254.8)	-14.9%	(558.3)
Net Revenue	786.5	693.8	581.6	-26.1%	-16.2%	1,579.5	1,275.4	-19.3%	2,846.0
Net Revenue from Services	739.2	656.3	550.2	-25.6%	-16.2%	1,464.9	1,206.5	-17.6%	2,677.9
Net Revenue from Asset Sales	47.3	37.5	31.4	-33.6%	-16.3%	114.6	68.9	-39.9%	168.1
Total Costs	(679.4)	(626.0)	(531.6)	-21.8%	-15.1%	(1,364.6)	(1,157.6)	-15.2%	(2,530.3)
Cost of Services	(633.7)	(588.0)	(501.2)	-20.9%	-14.8%	(1,250.9)	(1,089.2)	-12.9%	(2,366.3)
Cost of Asset Sales	(45.7)	(38.0)	(30.4)	-33.5%	-20.0%	(113.8)	(68.4)	-39.9%	(164.1)
Gross Profit	107.1	67.8	50.0	-53.3%	-26.3%	214.9	117.8	-45.2%	315.7
Operational Expenses	(31.9)	(18.4)	(23.2)	-27.3%	26.1%	(54.9)	(41.6)	-24.2%	(115.6)
EBIT	75.3	49.4	26.8	-64.4%	-45.7%	160.0	76.2	-52.4%	200.1
Margin (% NR from Services)	10.2%	7.5%	4.9%	-5.3 p.p.	-2.6 p.p.	10.9%	6.3%	-4.6 p.p.	7.5%
Financial Result	(40.5)	(25.7)	(27.9)	-31.1%	8.6%	(68.4)	(53.6)	-21.6%	(127.1)
Taxes	(10.2)	(4.1)	1.7	-116.7%	-141.5%	(27.2)	(2.4)	-91.2%	(7.8)
Net Income	24.6	19.7	0.5	-98.0%	-97.5%	64.4	20.2	-68.6%	65.2
Margin (% Total NR)	3.1%	2.8%	0.1%	-3.0 p.p.	-2.7 p.p.	4.1%	1.6%	-2.5 p.p.	2.3%
EBITDA	133.2	110.4	82.4	-38.1%	-25.4%	274.3	192.9	-29.7%	433.1
Margin (% NR from Services)	10.2%	7.5%	4.9%	-5.3 p.p.	-2.6 p.p.	10.9%	6.3%	+0.0 p.p.	7.5%

1. Asset-Light

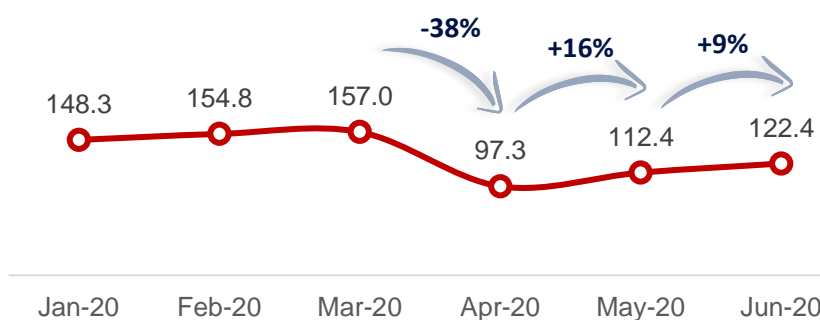
The operational profile is composed of the following business lines: Road cargo transportation and dedicated road cargo logistics, Internal Logistics, Urban Distribution, Warehousing services, and Others.

Financial Highlights (R\$ million)	JSL - Asset-Light								
	2Q19	1Q20	2Q20	Δ Y o Y	Δ Q o Q	6M19	6M20	Δ Y o Y	LTM
Gross Revenue	581.8	566.8	414.1	-28.8%	-26.9%	1,168.5	980.9	-16.1%	2,159.7
Deductions	(111.6)	(106.7)	(82.1)	-26.4%	-23.1%	(223.1)	(188.8)	-15.4%	(410.2)
Net Revenue	470.1	460.1	332.1	-29.4%	-27.8%	945.4	792.2	-16.2%	1,749.5
Net Revenue from Services	470.1	460.1	332.1	-29.4%	-27.8%	945.4	792.2	-16.2%	1,749.5
Net Revenue from Asset Sales	-	-	-	-	-	-	-	-	-
Total Costs	(420.1)	(412.1)	(321.9)	-23.4%	-21.9%	(834.4)	(734.0)	-12.0%	(1,586.3)
Cost of Services	(420.1)	(412.1)	(321.9)	-23.4%	-21.9%	(834.4)	(734.0)	-12.0%	(1,586.3)
Cost of Asset Sales	-	-	-	-	-	-	-	-	-
Gross Profit	50.0	48.0	10.2	-79.6%	-78.8%	111.0	58.2	-47.6%	163.2
Operational Expenses	(24.0)	(24.2)	(18.3)	-23.8%	-24.4%	(37.1)	(42.5)	14.6%	(86.2)
EBIT	26.0	23.8	(8.2)	-131.5%	-134.5%	73.9	15.6	-78.9%	77.0
Margin (% NR from Services)	5.5%	5.2%	-2.5%	-8.0 p.p.	-7.7 p.p.	7.8%	2.0%	-5.8 p.p.	4.4%
Financial Result	(20.0)	(11.8)	(15.6)	-22.0%	32.2%	(23.2)	(27.4)	18.1%	(61.1)
Taxes	(0.4)	(0.6)	7.1	-	-	(13.0)	6.5	-150.0%	8.3
Net Income	5.6	11.4	(16.7)	-	-	37.7	(5.3)	-114.1%	24.2
Margin (% Total NR)	1.2%	2.5%	-5.0%	-6.2 p.p.	-7.5 p.p.	4.0%	-0.7%	-4.7 p.p.	1.4%
EBITDA	60.4	64.8	27.5	-54.5%	-57.6%	140.8	92.3	-34.4%	225.3
Margin (% NR from Services)	12.8%	14.1%	8.3%	-4.5 p.p.	-5.8 p.p.	14.9%	11.7%	-3.2 p.p.	12.9%

1.a. Net Revenue from Services

Net Revenue from Services decreased by 29.4% YoY and 27.8% QoQ, totaling R\$332.1 million in 2Q20. This variation is mainly due to the reduction in volume due to the impacts of the new Coronavirus pandemic. The automotive sector was the most impacted since the plants of the country's major automakers were shut down in April 2020, gradually resuming their activities from the second half of May onwards. Despite the challenging scenario in the second quarter, we point out that the monthly evolution of Net Logistic Services Revenue showed a positive recovery in May and June 2020, when there was a growth of 16% and 9% respectively, compared to the previous month.

Evolution of the Net Revenue from Services – Asset Light



1.b Costs

Costs (R\$ million)	JSL - Asset-Light								
	2Q19	1Q20	2Q20	▲Y o Y	▲Q o Q	6M19	6M20	▲Y o Y	LTM
Cost of Services	(420,1)	(412,1)	(321,9)	-23,4%	-21,9%	(834,4)	(734,0)	-12,0%	(1.586,3)
Personnel	(95,6)	(94,0)	(86,3)	-9,7%	-8,2%	(187,4)	(180,4)	-3,7%	(364,4)
Independent contractors / third parties	(235,1)	(224,7)	(144,8)	-38,4%	-35,6%	(462,4)	(369,5)	-20,1%	(846,4)
Fuel and lubricants	(13,3)	(13,0)	(9,3)	-30,1%	-28,5%	(26,7)	(22,3)	-16,5%	(49,2)
Parts / tires / maintenance	(24,6)	(24,8)	(20,2)	-17,9%	-18,5%	(54,3)	(45,0)	-17,1%	(97,7)
Depreciation / amortization	(29,1)	(36,5)	(31,4)	7,9%	-14,0%	(55,8)	(67,9)	21,7%	(128,9)
Others	(22,6)	(19,1)	(29,8)	31,9%	56,0%	(48,0)	(48,9)	1,9%	(99,7)

In 2Q20, Cost of Services totaled R\$321.9 million (-23.4% YoY), a lower reduction than the Net Revenue from Services of -29.4% YoY. We point out that Independent Contractors and Third-Party Costs, which is more representative, showed a reduction of 38.4% YoY, due to the lower volume transported in the annual comparison. The line of Personnel Costs varied 9.7% in the annual comparison, as the operating bases remain ready for an economic recovery. In addition, there was a variation in the Other Services Costs line, which totaled R\$29.8 million compared to R\$22.6 million, mainly due to the lower volume of PIS and Cofins credits in the annual comparison, which is related to the lower contracting of freight from third parties and independent contractors.

Compared to the previous quarter, Cost of Services fell by 21.9%, a lower reduction than in Net Revenue from Services of 27.8%, mainly due to the impact of lower volume of operations and in Other Services Costs, as detailed in previously in the year-on-year comparison.

1.c. EBITDA and Net Income

In 2Q20, EBITDA totaled R\$27.5 million (-54.5% YoY) while EBITDA Margin reached 8.3%, down by -4.5 p.p. YoY, mainly due to the lower volume transported in 2Q20 and due to the lower dilution of fixed costs. Compared to 1Q20, EBITDA decreased 57.6%, while the EBITDA margin decreased by 5.8 p.p. QoQ. We point out that the dynamics of margin recovery evolved positively from April to June 2020, with the EBITDA margin reaching 12.4% in the last month of the quarter.

Net Income was negative by R\$16.7 million in 2Q20, mainly due to the lower volume carried due to the impact of the new Coronavirus pandemic in the quarter.

2. Asset-Heavy

The operational profile is composed of the following segments: Commodity Logistics and Charter for companies and Rental with driver.

JSL - Asset-Heavy									
Financial Highlights (R\$ million)	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Gross Revenue	356.1	265.5	283.8	-20.3%	6.9%	710.4	549.3	-22.7%	1,244.6
Deductions	(39.8)	(31.8)	(34.2)	-14.1%	7.5%	(76.3)	(66.0)	-13.5%	(148.1)
Net Revenue	316.4	233.7	249.6	-21.1%	6.8%	634.1	483.3	-23.8%	1,096.5
Net Revenue from Services	269.1	196.2	218.2	-18.9%	11.2%	519.5	414.3	-20.3%	928.4
Net Revenue from Asset Sales	47.3	37.5	31.4	-33.6%	-16.3%	114.6	68.9	-39.9%	168.1
Total Costs	(259.2)	(213.9)	(209.7)	-19.1%	-2.0%	(530.2)	(423.6)	-20.1%	(944.1)
Cost of Services	(213.6)	(175.9)	(179.3)	-16.1%	1.9%	(416.4)	(355.2)	-14.7%	(780.0)
Cost of Asset Sales	(45.7)	(38.0)	(30.4)	-33.5%	-20.0%	(113.8)	(68.4)	-39.9%	(164.1)
Gross Profit	57.2	19.8	39.9	-30.2%	101.5%	103.9	59.6	-42.6%	152.5
Operational Expenses	(7.9)	5.8	(4.9)	-38.0%	-184.5%	(17.8)	0.9	-105.1%	(29.4)
EBIT	49.2	25.6	35.0	-28.9%	36.7%	86.2	60.6	-29.7%	123.1
Margin (% NR from Services)	18.3%	13.0%	16.0%	-2.3 p.p.	+3.0 p.p.	16.6%	14.6%	-2.0 p.p.	13.3%
Financial Result	(20.5)	(13.8)	(12.4)	-39.5%	-10.1%	(45.3)	(26.2)	-42.2%	(66.0)
Taxes	(9.8)	(3.5)	(5.4)	-44.9%	54.3%	(14.2)	(8.8)	-38.0%	(16.1)
Net Income	19.0	8.3	17.2	-9.5%	107.2%	26.7	25.5	-4.5%	40.9
Margin (% Total NR)	6.0%	3.5%	6.9%	+0.9 p.p.	+3.4 p.p.	4.2%	5.3%	+1.1 p.p.	3.7%
EBITDA	72.9	45.6	55.0	-24.6%	20.6%	133.5	100.6	-24.6%	207.7
Margin (% NR from Services)	27.1%	23.2%	25.2%	-1.9 p.p.	+2.0 p.p.	25.7%	24.3%	-1.4 p.p.	22.4%

2.a. Net Revenue from Services

Net Revenue from Services decreased by 18.9% YoY, totaling R\$218.2 million in 2Q20. In the annual comparison, the reduction occurred mainly due to the demobilization of contracts in the commodities segment due to operational scope change. The 11.2% increase QoQ shows the implementation of new contracts in the mining sector, as well as the end of the off-season period in the sugar sector in 1Q20.

2.b. Net Revenue from Assets Sold

Net Asset Sales Revenue totaled R\$31.4 million in 2Q20, higher than the Cost of Asset Sales of R\$30.4 million in the period. Asset sales had an occasional drop when compared to 1Q20 and 2Q19, when they reached R\$37.5 million and R\$47.3 million, respectively.

2.c Costs

JSL - Asset-Heavy									
Costs (R\$ million)	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Cost of Services	(213,6)	(175,9)	(179,3)	-16,1%	1,9%	(416,4)	(355,2)	-14,7%	(780,0)
Personnel	(115,6)	(90,9)	(94,1)	-18,6%	3,5%	(220,2)	(185,1)	-15,9%	(410,7)
Independent contractors / third parties	(3,0)	(3,2)	(3,5)	16,7%	9,4%	(5,3)	(6,7)	26,4%	(12,6)
Fuel and lubricants	(22,3)	(23,3)	(19,3)	-13,5%	-17,2%	(43,9)	(42,6)	-3,0%	(91,8)
Parts / tires / maintenance	(43,3)	(33,9)	(36,7)	-15,2%	8,3%	(85,6)	(70,6)	-17,5%	(154,4)
Depreciation / amortization	(22,7)	(19,0)	(18,9)	-16,7%	-0,5%	(45,5)	(37,9)	-16,7%	(81,9)
Others	(6,7)	(5,7)	(6,8)	1,5%	19,3%	(15,9)	(12,4)	-22,0%	(28,6)
Costs of Sales of Assets	(45,7)	(38,0)	(30,4)	-33,5%	-20,0%	(113,8)	(68,4)	-39,9%	(164,1)
Sale of Assets	(45,7)	(38,0)	(30,4)	-33,5%	-20,0%	(113,8)	(68,4)	-39,9%	(164,1)
Total	(259,2)	(213,9)	(209,7)	-19,1%	-2,0%	(530,2)	(423,6)	-20,1%	(944,1)

In 2Q20, Services Costs totaled R\$179.3 million (-16.1% YoY), a lower reduction than the Net Service Revenue of -18.9% YoY. We point out that Personnel Costs, which are the most representative, showed a reduction of 18.6%, in line with the decrease in revenues, both explained by the demobilization of contracts in the commodities sector by changing the operational scope, which were reimbursed and positively impacted operating expenses.

Compared to the previous quarter, Services Costs increased by 1.9%, a lower increase than the growth in Net Service Revenue of 11.2% QoQ, mainly impacted by the extraordinary cost of layoffs in the period.

2.d. Operating Expenses

In 2Q20, Operating Expenses totaled R\$4.9 million, a variation of -38.0% YoY, mainly due to the compensation for costs of demobilization in the commodities sector by reviewing the client's operational scope, as mentioned above. There was a variation of R\$10.7 million QoQ, given that most of the receipt of compensation for customer demobilization costs took place in the previous quarter.

2.e. EBITDA and Net Income

In 2Q20, EBITDA totaled R\$55.0 million (-24.6% YoY) while EBITDA Margin reached 25.2%, down by -1.9 p.p. YoY, mainly due to the demobilization of contracts and to the lower dilution of fixed costs. Compared to 1Q20, EBITDA increased 20.6%, while EBITDA margin increased 2.0 p.p. QoQ, given the implementation of new contracts.

Net Income totaled R\$17.2 million in 2Q20, a 9.5% drop in the annual comparison, however more than twice as much as 1Q20, given the implementation of new contracts and the end of the off-season in the sugar sector. Net margin reached 6.9% in 2Q20 (+0.9 p.p. YoY and 3.4 p.p. QoQ), reflecting the resilience of the asset-heavy operating profile, even in a challenging quarter impacted by the new Coronavirus pandemic.

Investments

Capex (R\$ million)	JSL								
	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Gross capex by nature	75.2	160.7	55.4	-26.3%	-65.5%	176.4	216.1	22.5%	407.4
Expansion	69.6	152.2	53.2	-23.6%	-65.0%	130.2	205.4	57.8%	370.3
Maintenance	5.6	8.5	2.2	-60.7%	-74.1%	46.1	10.7	-76.8%	37.1
Gross capex by type	75.2	160.7	55.4	-26.3%	-65.5%	176.4	216.1	22.5%	407.4
Trucks	48.8	108.3	34.9	-28.5%	-67.8%	86.2	143.2	66.1%	245.8
Machinery and Equipment	5.7	17.9	8.6	50.9%	-52.0%	16.0	26.5	65.6%	48.7
Light Vehicles	9.2	16.4	1.7	-81.5%	-89.6%	30.6	18.1	-40.8%	49.7
Bus	1.5	6.3	2.4	60.0%	-61.9%	28.3	8.6	-69.6%	22.0
Others	10.0	11.8	7.9	-21.0%	-33.1%	15.3	19.7	28.8%	41.1
Usual sale of assets	(48.3)	(38.5)	(31.7)	-34.4%	-17.7%	(116.2)	(70.2)	-39.6%	(171.5)
Total net capex	26.9	122.1	23.8	-11.5%	-80.5%	60.1	145.9	142.8%	236.0

Net Capex totaled R\$23.8 million in 2Q20. The funds were mainly allocated to expansion investments, mostly directed to trucks (*asset-heavy*). In the last six months, Net Capex totaled R\$145.9 million. We emphasize that 65% of current revenue comes from operations based on the asset-light model, which means that the growth in volume and revenue for the Logistics activity does not imply proportional growth in net investment.

II. Vamos



In 2Q20, VAMOS continued to show profitable growth, with evolution in all operational and financial indicators, such as the expansion of the rented fleet, increased investments in new rental contracts, diversification of the client portfolio, growth in net revenue, net income and EBITDA, reinforcing the resilience of VAMOS' business model, even in a recessive economic environment.

A substantial part of the activities performed by VAMOS has continued to operate normally since the beginning of the pandemic, such as the marketing of agricultural machinery, the workshops of all the dealerships for maintenance services, and mainly the Rental segment with the contracting of new businesses. The Truck Dealerships had an impact in April, due to the temporary closure of the sales showroom of the stores, given the restriction measures imposed by local authorities, but had a quick recovery in May and June with the reopening of stores.

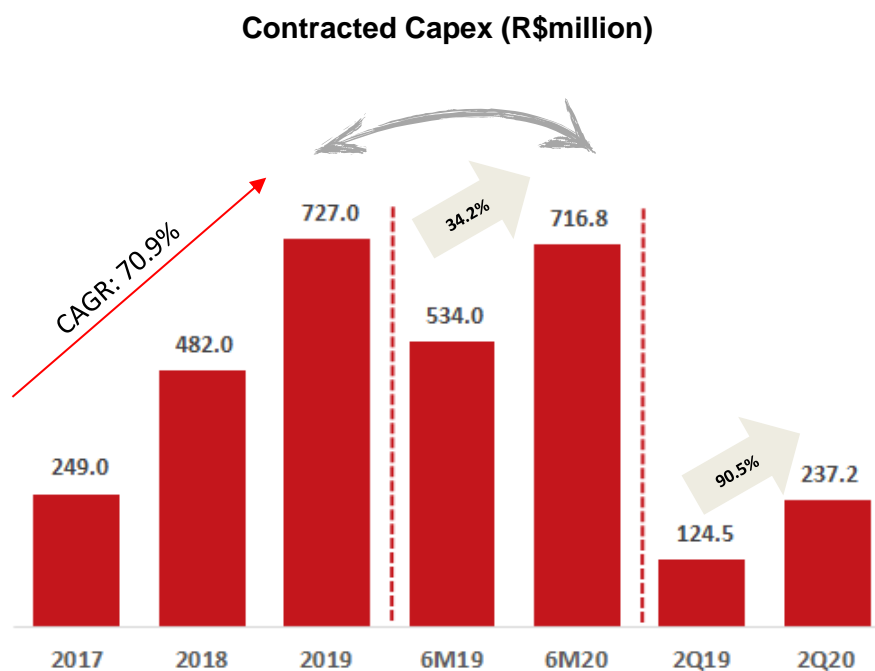
Long-term rental contracts (standard 5-year contract), with an increasingly pulverized client portfolio, present in several sectors of the economy, have shown resilience even in the most adverse scenario we have experienced in recent times.

Financial Highlights (R\$ million)	Vamos								
	2Q19	1Q20	2Q20	▲ YoY	▲ QoQ	6M19	6M20	▲ YoY	LTM
Gross Revenue	324.3	326.7	363.0	11.9%	11.1%	626.1	689.7	10.2%	1,385.4
Deductions	(23.4)	(31.2)	(33.1)	41.5%	6.1%	(51.3)	(64.3)	25.3%	(123.2)
Net Revenue	300.9	295.5	329.9	9.6%	11.6%	574.7	625.4	8.8%	1,262.1
Net Revenue from Services	244.5	249.7	297.5	21.7%	19.1%	484.0	547.2	13.1%	1,062.7
Rental	137.9	145.7	160.1	16.1%	9.9%	266.9	305.8	14.6%	604.3
Dealerships	106.6	104.0	137.4	28.9%	32.1%	217.1	241.4	11.2%	458.3
Net Rev. from Sale of Assets	56.4	45.8	32.3	-42.7%	-29.5%	90.8	78.2	-13.9%	199.5
Costs	(197.7)	(186.1)	(213.7)	8.1%	14.8%	(380.6)	(399.8)	5.0%	(817.6)
Cost of Services	(143.9)	(141.7)	(180.8)	25.6%	27.6%	(293.0)	(322.4)	10.0%	(623.2)
Cost of Asset Sales	(53.8)	(44.4)	(32.9)	-38.8%	-25.9%	(87.6)	(77.3)	-11.8%	(194.4)
Gross Profit	103.2	109.4	116.2	12.6%	6.2%	194.1	225.6	16.2%	444.6
Operational Expenses	(22.6)	(29.8)	(30.7)	35.8%	3.0%	(52.5)	(60.4)	15.0%	(128.3)
EBIT	80.6	79.7	85.5	6.1%	7.3%	141.6	165.2	16.7%	316.2
Margin (% NR from Services)	33.0%	31.9%	28.7%	-4.3 p.p.	-3.2 p.p.	29.3%	30.2%	+0.0 p.p.	29.8%
Financial Result	(26.0)	(27.4)	(29.0)	11.5%	5.8%	(44.7)	(56.3)	26.0%	(105.1)
Taxes	(17.1)	(17.7)	(17.3)	1.2%	10.2%	(27.9)	(33.0)	18.3%	(62.5)
Net Income	37.5	36.6	39.3	4.8%	7.4%	68.9	75.8	10.0%	148.7
Margin (% NR from Services)	15.3%	14.6%	13.2%	-2.1 p.p.	-1.4 p.p.	14.2%	13.9%	+0.0 p.p.	14.0%
EBITDA	136.3	138.8	152.7	12.0%	10.0%	256.7	291.4	13.5%	562.4
Margin (% NR from Services)	55.7%	55.6%	51.3%	-4.4 p.p.	-4.3 p.p.	53.0%	53.3%	+0.0 p.p.	52.9%

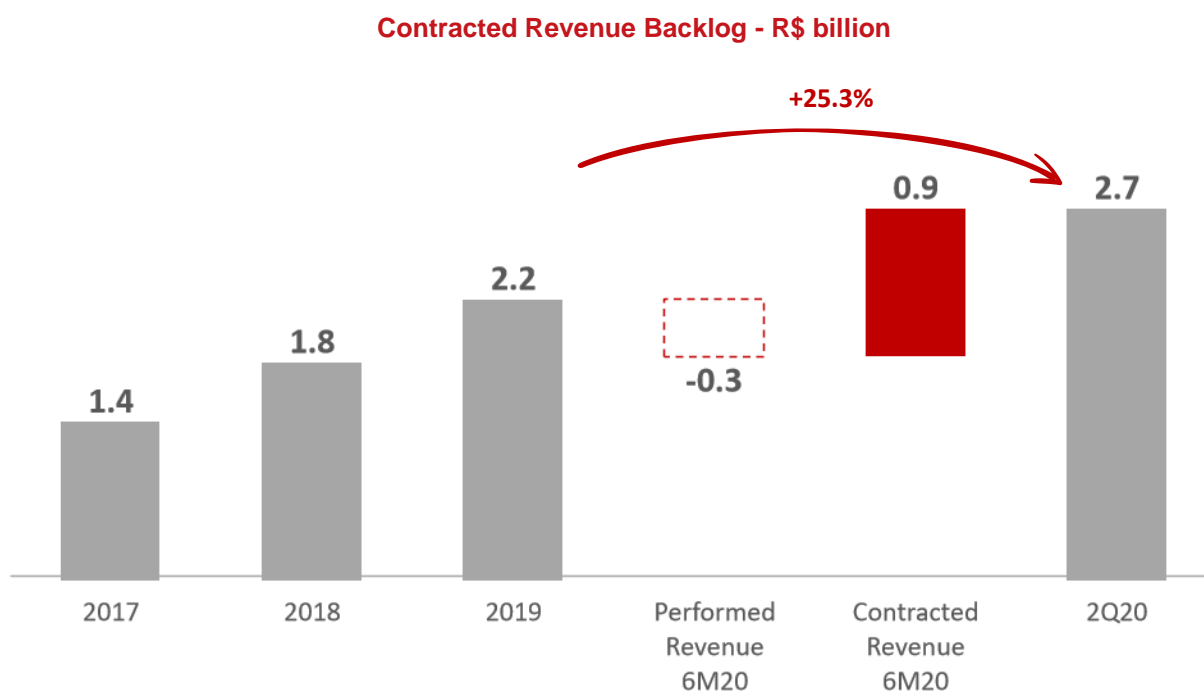
VAMOS presented record Net Revenue of R\$329.9 million (+9.6% YoY and 11.6% QoQ) due to the growth in all business segments, with highlight to Net Revenue from Rental Services of record R\$160.1 million (+16.1% YoY and 9.9% QoQ), proving the strong growth trend of the business model with long-term contracts. The Net Revenue from Dealerships totaled R\$137.4 million (+28.9% YoY and +32.1% QoQ), with a highlight for the VALTRA dealerships of agricultural machines that had a growth of 126% YoY, showing the solidity of the Agribusiness sector, besides the start-up of Komatsu Dealerships in February 2020. During 2Q20, most of the Used Cars stores were closed, by determination of local authorities, due to Covid-19, which damaged a little the volume of assets sold in 2Q20, reaching a Net Asset Sales Revenue of R\$32.3 million, but keeping the stock at R\$87.7 million, virtually the same as in 1Q20, even with the normal seasonality of the first semester.

VAMOS ended 2Q20 with a total fleet of 13,785, 11,432 trucks, and 2,353 machines, in line with the asset mix strategy focused on trucks, 83% of the current fleet.

In 2Q20 VAMOS continued with a large volume of new contracts signed, with a diversified portfolio of clients and sectors of the economy, which represented an increase of 90.5% YoY in CAPEX signed in long-term contracts, and ending the 6M20 with R\$716.8 million, which represents almost the same volume of the 12 months of 2019 (R\$727.0 million).



On June 30, 2020, the backlog was R\$2.7 billion, an increase of 25.3% in the last 6 months, with a contracted revenue of R\$891 million in the period. The existing backlog of R\$2.7 billion represents approximately 4.0 years of contracted revenue from Rental Services when compared to the gross revenue from Rental Services in the last twelve months (R\$678.6 million in LTM 2Q20).

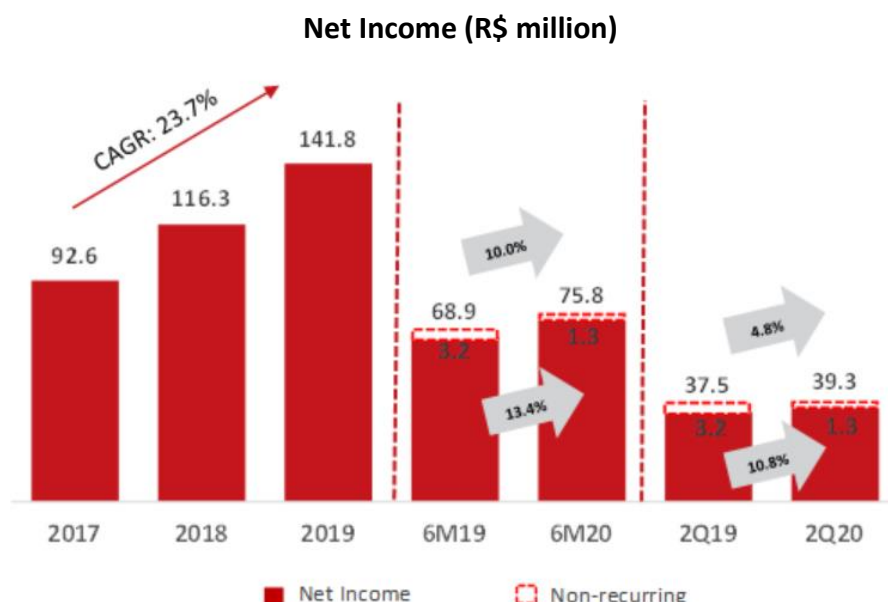


2Q20 EBIT was R\$85.5 million, totaling R\$165.2 million in the first half of 2020, an increase of 19.3% p/a, not considering the non-recurring effect of extemporaneous credits in the compared periods. The increase was mainly due to the growth in Rental which represented 92% of VAMOS' EBIT.

In 2Q20, EBITDA was a record R\$152.7 million, totaling R\$291.4 million in the first half of 2020, 14.9% higher than the same period last year, excluding the non-recurring effect of extemporaneous credits. The increase is due to the higher profitability of all businesses, even in a recessive economic environment, given the several cost adjustments in Dealerships, focus on specific sectors of Rental to generate new business and improve productivity and efficiency of operations.

The Rental segment continued to be the main generator of EBITDA, corresponding to 94% of the VAMOS' EBITDA in 2Q20, a growth of 14.3% YoY, totaling R\$143.0 million.

In 2Q20 VAMOS reached the mark of R\$39.3 million in Net Income, the best result ever, totaling R\$75.8 million in 1H20, an increase of 10.8% and 13.4%, respectively, compared to the same periods in 2019, purging the non-recurring effect of Dealerships, of extemporaneous credits. The best result is mainly due to organic growth in the Rental segment. We also emphasize that the growth of Net Income in the annual comparison could have been greater since it was impacted by the increase in leverage, which rose from 2.4x in 2Q19 to 3.3x in 2Q20, due to the payment of dividends in the period (R\$ 288 million in the last 12 months).

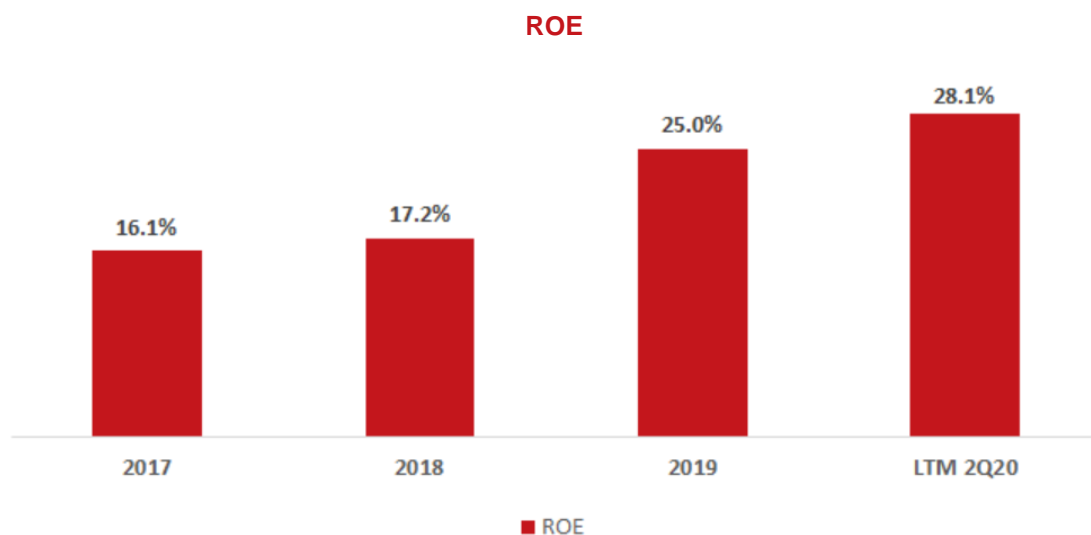


Indebtedness (R\$ million)	2Q20	1Q20	Var% Q/Q	2Q19	Var% Y/Y
Gross debt	2,452.1	2,084.6	17.6%	1,264.1	94.0%
Gross debt - Short Term	154.7	177.0	-12.6%	294.6	-47.5%
Gross Debt - Long Term	2,327.8	1,921.6	21.1%	980.8	137.3%
Financial Leases Payable	(30.4)	(14.1)	116.2%	(11.4)	167.4%
Cash and Financial Investments	616.4	364.7	69.0%	97.4	533.1%
Net Debt	1,835.6	1,719.9	6.7%	1,166.7	57.3%
LTM EBITDA	562.4	546.0	3.0%	492.0	14.3%
Net Leverage (x)	3.26x	3.15x	0.11x	2.37x	0.89x

VAMOS ended June 2020 with a cash position and financial investments of R\$616.4 million, sufficient to cover the repayment of short-term debt by 4.0x. Net debt ended at R\$1.8 billion, with the leverage measured by net debt/EBITDA LTM virtually stable, compared to 1Q20, at 3.26x.

In June 2020, VAMOS further strengthened its capital structure, accessing the local capital market through the 3rd issue of CRA, of R\$500 million and a term of 7 years. Thus, ending 2Q20 with the average debt term at 3.7 years and with a reduction in average cost to 4.3% compared to the average cost of 5.0% in March 2020.

Vamos showed significant expansion in terms of profitability, reaching a record level of 28.1% in the last 12 months (+3.1 p.p. compared to 2019).



III. CS Brasil



CS Brasil provides various services focused on the public sector and public and mixed capital companies, with Fleet Management and Outsourcing (GTF) as its main activity.

CS Brasil: Business Lines

73% of revenue
R\$ 502 million

1 Fleet Management and Outsourcing (GTF)



GTF – Light Vehicles

GTF – Heavy Vehicles

GTF with driver

% of Net Revenue from Services 2Q20 LTM

20% of revenue
R\$ 137 million

2 Municipal Passenger Transportation



7% of revenue
R\$ 49 million

3 Urban Cleaning



CS Brasil adopts excellent **governance, transparency and compliance practices** in the provision of services. Thus, the company invests in the best technologies to have the highest standards to participate in bidding processes and maintain the good reputation of an ethical company in accordance with the anti-corruption policies.

Compliance, Transparency and Conformity

CS Brasil: proven track record with high standards of COMPLIANCE and GOVERNANCE

- ✓ 87% of the bids made through electronic auctions
- ✓ 100% electronically monitored room



In the last twelve months, CS Brasil participated in 163 bidding processes, with 87% through **electronic auctions** with high standards of compliance and governance in a 100% electronically monitored room, having won 52% of the fleet bids it participated in the period.

Following the JSL Group's Sustainability Policy and the principles of the UN Global Compact to which it has been a signatory since 2014, CS Brasil seeks tools and initiatives that consolidate its reputation as an ethical and transparent company. In line with these efforts, the **Transparency Portal** was developed by the Company in order to reinforce the criteria of excellence in management, compliance, governance, traceability, and transparency in business with regularly updated information (available at <https://transparencia.csbrasilservicos.com.br>).

When accessing the web portal, **users have access to detailed information about the service provided to public agencies**, from the bid process to the actual provision of the service. Additionally, they can learn about the structure

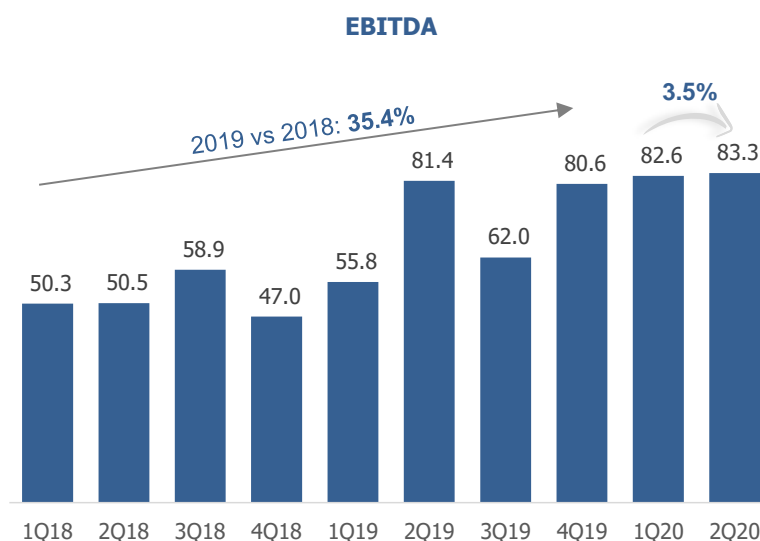
of the Biddings Room, an environment with secure and controlled access, used exclusively to house the competitive phases of the public bid processes, with trained people and dedicated equipment and infrastructure. Through the Transparency Portal, it is possible to have access to the main information of the Company, such as corporate structure, code of conduct, articles of incorporation, quarterly results, in addition to information on the Compliance Program, the Reporting Channel, the Transparent Line, Anti-Corruption Policies and the Business Pact for Integrity and Anti-Corruption.

CS Brasil: Main Indicators

	CS Brasil								
Financial Highlights (R\$ million)	2Q19	1Q20	2Q20	Δ Y o Y	Δ Q o Q	6M19	6M20	Δ Y o Y	LTM
Gross Revenue	243.2	233.2	205.6	-15.5%	-11.8%	466.9	438.8	-6.0%	916.0
Revenue Deductions	(25.2)	(21.4)	(21.8)	-13.5%	1.9%	(47.8)	(43.3)	-9.4%	(88.6)
Net Revenue	218.0	211.8	183.7	-15.7%	-13.3%	419.1	395.5	-5.6%	827.4
Net Revenue from Services	186.8	171.1	160.8	-13.9%	-6.0%	363.1	331.9	-8.6%	687.6
GTF - Light Vehicles	82.2	87.7	92.5	12.5%	5.5%	160.1	180.2	12.6%	341.2
GTF - Heavy Vehicles	3.7	3.9	4.5	21.6%	15.4%	6.6	8.4	27.3%	16.1
GTF with driver	38.9	37.0	35.8	-8.0%	-3.2%	78.1	72.8	-6.8%	144.8
Municipal Passenger	62.0	42.5	28.0	-54.8%	-34.1%	118.4	70.5	-40.5%	185.5
Net Rev. from Sale of Assets	31.2	40.8	22.9	-26.6%	-43.9%	55.9	63.7	14.0%	139.7
Costs	(175.1)	(159.5)	(131.4)	-25.0%	-17.6%	(341.0)	(290.8)	-14.7%	(647.9)
Cost of Services	(139.8)	(119.4)	(108.0)	-22.7%	-9.5%	(278.2)	(227.4)	-18.3%	(508.1)
Cost of Asset Sales	(35.4)	(40.1)	(23.3)	-34.2%	-41.9%	(62.8)	(63.4)	1.0%	(139.8)
Gross Profit	42.8	52.3	52.4	22.4%	0.2%	78.1	104.7	34.1%	179.5
Operational Expenses	4.8	(10.8)	(9.5)	-	-12.0%	(8.2)	(20.3)	147.6%	(27.3)
EBIT	47.6	41.5	42.9	-9.9%	3.4%	69.9	84.4	20.7%	152.1
Margin (% NR from Services)	25.5%	24.3%	26.7%	+1.2 p.p.	+2.4 p.p.	19.3%	25.4%	+6.1 p.p.	22.1%
Financial Result	(4.1)	(17.0)	(13.9)	-	-18.2%	(9.2)	(30.9)	-	(44.9)
Taxes	(14.8)	(8.3)	(9.9)	-33.1%	19.3%	(20.9)	(18.2)	-12.9%	(35.8)
Net Income	28.6	16.2	19.0	-33.6%	17.3%	39.9	35.2	-11.8%	71.4
Margin (% Total NR)	13.1%	7.6%	10.4%	-2.7 p.p.	+2.8 p.p.	9.5%	8.9%	-0.6 p.p.	8.6%
EBITDA	81.4	82.6	83.3	2.3%	0.8%	137.2	166.0	21.0%	308.6
Margin (% NR from Services)	43.6%	48.3%	51.8%	+8.2 p.p.	+3.5 p.p.	37.8%	50.0%	+12.2 p.p.	44.9%

In 2Q20, CS Brasil's Net Revenue totaled R\$183.7 million, 15.7% down YoY. Net revenue from Services fell by 13.9% YoY, mainly due to the divestment of the concession of one of the municipal transportation lines concluded in November 2019, which caused an impact of 15.9 million compared to 2Q19, as well as due to the impact of the pandemic on the number of passengers transported. Net Service Revenue fell 6.0% QoQ. The positive highlight is the GTF activity, which represents a growth of 6.4% YoY and 3.3% QoQ, showing resilience even during the pandemic.

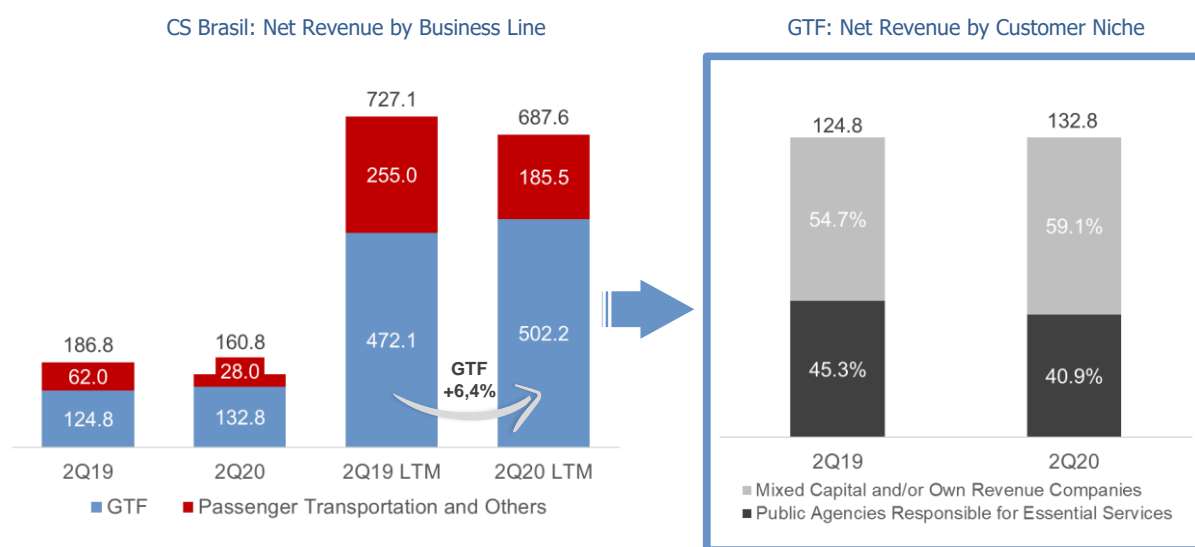
EBIT totaled R\$42.9 million in 2Q20, down 9.9% YoY, and reaching an EBIT margin of 26.7% (+1.2 p.p. YoY). EBITDA totaled R\$83.3 million in 2Q20 (+2.3% YoY and 0.8% QoQ), while the EBITDA margin totaled 51.8% in 2Q20 (+8.2 p.p. YoY and +3.5 p.p. QoQ). We point out that in 2Q19 there was a positive impact of non-recurring events: (i) R\$7.4 million of retroactive tariffs on municipal transportation; (ii) R\$5.9 million of extemporaneous tax credits, both recorded under Other Operating Revenues (Expenses). **Excluding these non-recurring effects in 2Q19, EBIT and EBITDA would have grown by 25.0% and 22.4% respectively YoY.** The improvement in the indicators is due to the light-asset leasing business, improvement of contract margins, reduction of administrative costs.



Net Income totaled R\$19.0 million in 2Q20, a reduction of 33.6% YoY. **Regardless of the non-recurring effects recorded in the previous year, the decrease in Net Income would have been 4.1% p.a.** We also point out that there was an increase in financial expenses YoY and QoQ, given the Company's new capital structure, which ended 2Q20 with net debt of R\$835 million, against R\$105 million in 2Q19.

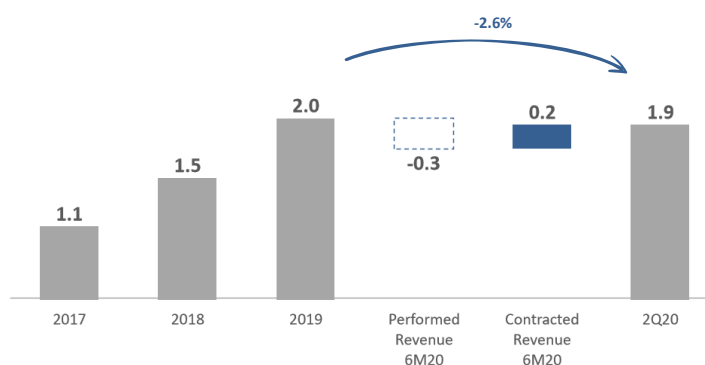
Fleet Management and Outsourcing (GTF)

Over the past few years, CS Brasil has been increasing its return through the management of its contract portfolio and greater focus on GTF activity whose net revenue **grew 6.4%** in LTM 2Q20 when compared to LTM 2Q19 and went from 67% to 82% of Net Revenue from Services between 2Q19 and 2Q20. In the same period, the share of the "Mixed Capital and/or Own Revenue Companies" niche increased from 54.7% to 59.1%.



Considering the amounts and terms provided for in all GTF contracts in force in June 2020, the Backlog had a slight decrease of 2.6%, reaching R\$1.9 billion. 3.4 years of contracted revenue when compared to Gross Revenue from GTF in the last 12 months of R\$572 million.

Rental Contracted Revenue Backlog (GTF) ¹ - R\$ billion



(1) It considers the additional revenue due to the extension of the agreements in operation up to the renewal limit of 60 months (without new biddings).

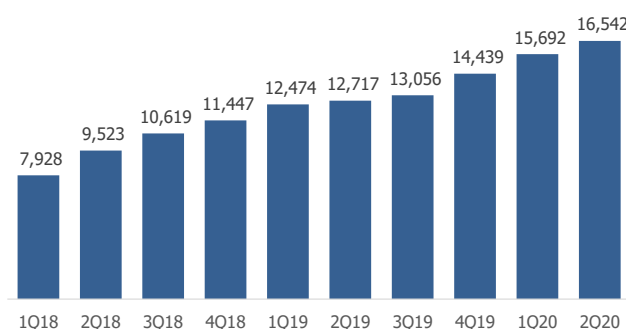
GTF – Light Vehicles

Net Revenue from **GTF – Light Vehicles** grew 12.5% in 2Q20 YoY and 5.5% over 1Q20, reaching R\$92.5 million. This growth is the result of a 30.1% expansion in the average operating fleet, partially offset by a 18.0% reduction in average net revenue. This reduction in average revenue per vehicle reflects a change in mix with less participation of assets with more severe use, such as public safety, and growth in the sanitation and energy segments. Despite impacting average revenue, this change in mix contributed favorably to the reduction of costs in the period.

CS Brasil: GTF - Light Vehicles										
Operating Highlights	2Q19	1Q20	2Q20	▲Y o Y	▲Q o Q	6M19	6M20	0	2019	LTM
Total fleet at the end of the period	13,539	16,390	16,442	21.4%	0.3%	13,539	16,442	21.4%	15,194	16,442
Average operating fleet	12,717	15,692	16,542	30.1%	5.4%	12,596	16,117	28.0%	52,686	14,932
Average monthly net revenue per average operating fleet (R\$)	6,920	7,416	7,416	7.2%	0.0%	6,902	7,416	7.4%	30,043	7,767
Number of cars sold	979	1,087	675	-31.1%	-37.9%	1,749	1,762	0.7%	3,643	3,656
Average price per car sold (R\$)	35,331	31,430	31,447	-11.0%	0.1%	36,345	31,437	-13.5%	31,277	30,223
Number of cars purchased	1,285	1,101	369	-71.3%	-66.5%	2,597	1,470	-43.4%	7,287	6,160
Average price per car purchased (R\$)	42,745	55,051	64,609	51.2%	17.4%	50,607	57,450	13.5%	54,852	57,962
Average monthly net revenue per average operating fleet (R\$)	2,275	1,863	1,865	-18.0%	0.1%	2,233	1,864	-16.5%	8,620	1,970

Most of the GTF – Light Vehicles service is performed by the subsidiary **CS Frotas**, which presents distinct returns (annualized ROIC of 13.1% in 2Q20).

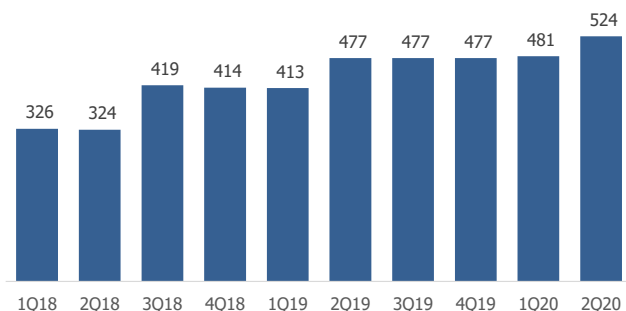
GTF – Light Vehicles: Average operating fleet (vehicles)



GTF – Heavy Vehicles

Net Revenue from **GTF – Heavy Vehicles** grew by 21.6% YoY in 2Q20 and 15.4% QoQ, reaching R\$4.5 million. The average operating fleet grew 9.8% between June 2019 and June 2020, reaching 524 vehicles.

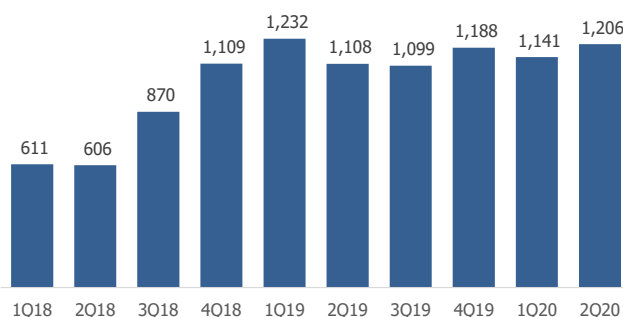
GTF – Heavy Vehicles: Average operating fleet (vehicles)



GTF with driver

Net Revenue from **GTF with driver** decreased by 8.0% YoY in 2Q20 and grew 3.2% QoQ, reaching R\$35.8 million. The average operating fleet grew 8.8% between June 2019 and June 2020, reaching 1,206 vehicles.

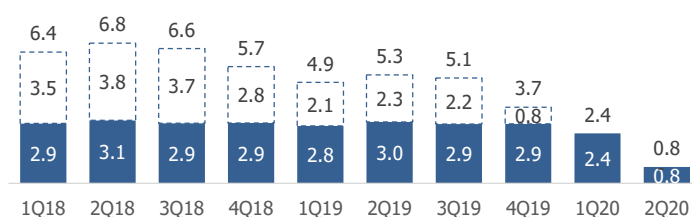
GTF with driver: Average operating fleet (vehicles)



Municipal Passenger Transportation

Net Revenue from **Municipal Passenger Transportation** declined by 68.8% YoY in 2Q20 and 48.1% over 1Q20. The number of passengers transported decreased by 84.9% between 2Q19 and 2Q20, mainly due to the divestment of a concession and the negative impact of the Covid-19 pandemic. Considering only current operations, we observed a reduction of 73.3% in the number of passengers transported in the annual comparison.

Municipal Passenger Transportation (Million Passengers)



□ Monthly average passengers transported - discontinued operations
 ■ Monthly average passengers transported - current operations

Investments

Capex (R\$ million)	CS Brasil								
	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Gross capex by nature	73.2	74.2	29.8	-59.3%	-59.8%	193.7	104.0	-46.3%	449.7
Expansion	66.0	61.8	29.3	-55.6%	-52.6%	166.0	91.1	-45.1%	370.4
Maintenance	7.2	12.3	0.5	-93.1%	-95.9%	27.7	12.8	-53.8%	79.3
Gross capex by type	73.2	74.2	29.8	-59.3%	-59.8%	193.7	104.0	-46.3%	449.7
Trucks	9.4	3.4	5.1	-45.7%	50.0%	22.1	8.5	-61.5%	39.6
Machinery and Equipment	0.0	0.1	0.2	-	100.0%	5.0	0.3	-94.0%	4.9
Light Vehicles	58.4	62.7	23.3	-60.1%	-62.8%	149.2	86.0	-42.4%	391.6
Bus	5.0	6.1	-	-100.0%	-100.0%	16.7	6.1	-63.5%	6.1
Others	0.4	1.9	1.1	175.0%	-42.1%	0.7	3.0	-	7.5
Usual sale of assets	(33.7)	(41.5)	(23.4)	-30.6%	-43.6%	(59.5)	(64.9)	9.1%	(142.6)
Total net capex	39.5	32.7	6.4	-83.8%	-80.4%	134.3	39.1	-70.9%	307.1

Net Capex totaled R\$6.4 million in 2Q20 and R\$39.1 in the first semester. Funds were directed mainly to expansion investments in new contracts at CS Brasil, to light assets related to fleet management and outsourcing contracts, which should strengthen future cash generation.

IV. Original Concessionárias



Financial Highlights (R\$ million)	Original Concessionárias								
	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Total Gross Revenue	218.1	191.5	67.5	-69.1%	-64.8%	413.7	259.0	-37.4%	696.7
Deductions	(9.9)	(10.8)	(4.6)	-53.5%	-57.4%	(19.3)	(15.4)	-20.2%	(26.0)
Total Net Revenue	208.3	180.7	62.9	-69.8%	-65.2%	394.3	243.6	-38.2%	670.7
Light Vehicles	176.6	149.6	44.2	-75.0%	-70.5%	332.1	193.8	-41.6%	554.8
Direct Sales	4.0	5.1	1.9	-52.5%	-62.7%	8.5	7.0	-17.6%	18.2
F&I	5.0	3.3	2.2	-56.0%	-33.3%	9.7	5.5	-43.3%	16.1
Post Sales	22.6	22.6	14.6	-35.4%	-35.4%	44.0	37.2	-15.5%	81.6
Total Volume (units)	12,183	12,188	3,324	-72.7%	-72.7%	21,421	15,512	-27.6%	39,862
Light Vehicles	3,804	2,685	946	-75.1%	-64.8%	7,245	3,631	-49.9%	10,611
Direct Sales Light Vehicles	8,379	9,503	2,378	-71.6%	-75.0%	14,176	11,881	-16.2%	29,251
Costs	(176.0)	(151.9)	(50.8)	-71.1%	-66.6%	(332.2)	(202.7)	-39.0%	(565.3)
Gross Profit	32.2	28.8	12.1	-62.4%	-58.0%	62.1	40.9	-34.1%	105.4
Operational Expenses	(24.1)	(26.5)	(14.3)	-40.7%	-46.0%	(51.0)	(40.8)	-20.0%	(93.8)
EBIT	8.1	2.3	(2.2)	-127.2%	-195.7%	11.1	0.1	-99.1%	11.6
Margin	3.9%	1.3%	-3.6%	-7.5 p.p.	-4.9 p.p.	2.8%	0.0%	-2.8 p.p.	1.7%
Financial Result	(1.0)	(2.0)	(1.4)	40.0%	-30.0%	(2.1)	(3.3)	57.1%	(6.8)
Taxes	(2.4)	(0.1)	1.2	-150.0%	-	(3.0)	1.1	-136.7%	(1.7)
Net Income	4.7	0.2	(2.4)	-151.1%	-	6.0	(2.1)	-135.0%	3.1
Margin	2.3%	0.1%	-3.8%	-6.1 p.p.	-3.9 p.p.	1.5%	-0.9%	-2.4 p.p.	0.5%
EBITDA	12.0	6.5	2.0	-83.3%	-69.2%	19.2	8.5	-55.7%	26.9
Margin	5.8%	3.6%	3.2%	-2.6 p.p.	-0.4 p.p.	4.9%	3.5%	-1.4 p.p.	4.0%

Original Concessionárias posted a Total Net Revenue of R\$62.9 million in 2Q20 (-69.8% YoY and -65.2% QoQ), mainly due to the impacts of temporary store closures due to the Covid-19.

EBITDA totaled R\$2.0 million in 2Q20, due to the lower number of cars sold and the due decrease in the dilution of expenses in the quarter.

Net Loss totaled R\$2.4 million in 2Q20, compared to Net Income of R\$4.7 million in 2Q19 and R\$ 0.2 million in 1Q20.

V. BBC



	BBC								
Financial Highlights (R\$ million)	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Total Gross Revenue	10.3	12.5	11.7	13.6%	-6.4%	19.8	24.1	21.7%	47.2
Deductions	(0.5)	(0.9)	(1.1)	120.0%	22.2%	(1.0)	(2.0)	100.0%	(3.8)
Net Revenue	9.8	11.5	10.6	8.2%	-7.8%	18.8	22.2	18.1%	43.4
Total of Costs	(2.8)	(3.3)	(2.2)	-21.4%	-33.3%	(5.6)	(5.5)	-1.8%	(11.3)
Gross Profit	7.0	8.3	8.4	20.0%	1.2%	13.2	16.6	25.8%	32.1
Operational Expenses	(4.0)	(4.2)	(5.5)	37.5%	31.0%	(7.9)	(9.7)	22.8%	(17.5)
EBIT	3.0	4.1	2.9	-3.3%	-29.3%	5.3	7.0	32.1%	14.6
Margin	30.5%	35.3%	27.2%	-3.3 p.p.	-8.1 p.p.	28.4%	31.4%	+0.0 p.p.	33.7%
Financial Result	(0.3)	(1.0)	(1.3)	-	30.0%	(0.5)	(2.3)	-	(4.1)
Taxes	(0.9)	(1.1)	(0.5)	-44.4%	-54.5%	(1.6)	(1.6)	0.0%	(3.8)
Net Income	1.8	2.0	1.1	-38.9%	-45.0%	3.3	3.1	-6.1%	6.7
Margin	18.1%	17.2%	10.1%	-8.0 p.p.	-7.1 p.p.	17.5%	13.8%	-0.5 p.p.	15.5%
EBITDA	3.2	4.3	3.1	-3.1%	-27.9%	5.7	7.3	28.1%	15.4
Margin	32.4%	36.8%	28.9%	-3.5 p.p.	-7.9 p.p.	30.4%	33.0%	+0.0 p.p.	35.4%
Operations (Qt.)	643	687	273	-57.5%	-60.3%	1,386	960	-30.7%	2,081
Present Value of Operations	134.0	166.9	166.9	24.6%	0.0%	134.0	166.9	24.6%	166.9

In 2Q20, BBC recorded a Net Revenue of R\$10.6 million, up by 8.2% YoY. Throughout the quarter, the institution carried out 273 loan transactions, while the balance of the loan portfolio at the end of the period totaled R\$166.9 million (+24.6% YoY).

EBITDA decreased from R\$3.2 million in 2Q19 to R\$3.1 million in 2Q20, while Net Income reached R\$1.1 million, against R\$1.8 million in 2Q19 and R\$2.0 million in 1Q20.

BBC continues to offer financial alternatives to facilitate access to used trucks, buses, automobiles, machinery and equipment, as well as electronic freight payment means.

VI. Movida



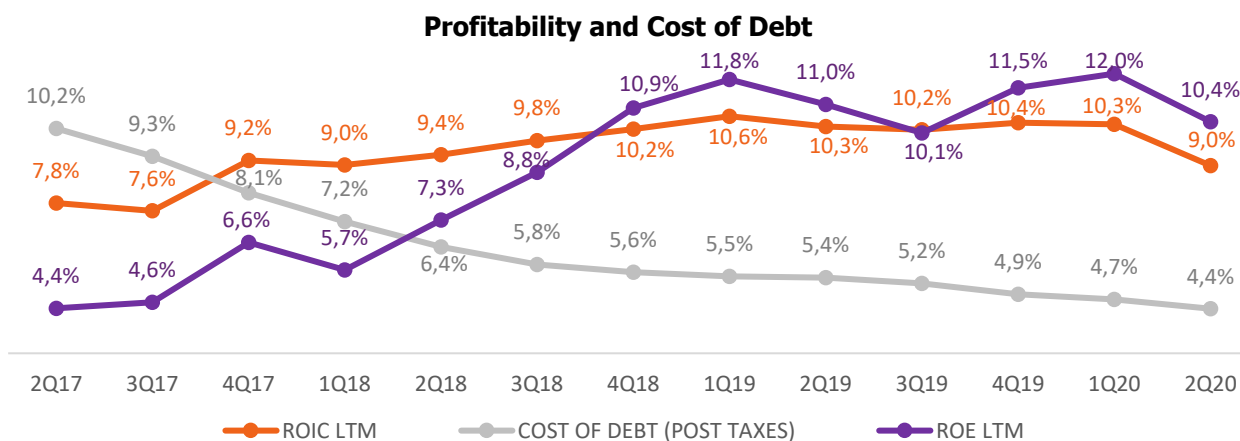
Financial Highlights (R\$ million)	Movida								
	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Gross Revenue	1,038.5	1,076.5	1,093.6	5.3%	1.6%	1,936.6	2,170.1	12.1%	4,289.8
Deductions	(48.1)	(65.4)	(45.7)	-5.0%	-30.1%	(100.8)	(111.1)	10.2%	(230.6)
Net Revenue	990.4	1,011.2	1,047.8	5.8%	3.6%	1,835.8	2,059.0	12.2%	4,059.2
Net Revenue from Services	372.6	452.0	298.7	-19.8%	-33.9%	749.6	750.7	0.1%	1,622.6
Net Revenue from Sale of Assets	617.8	559.2	749.1	21.3%	34.0%	1,086.2	1,308.3	20.4%	2,436.6
Costs	(788.6)	(758.9)	(890.0)	12.9%	17.3%	(1,421.8)	(1,648.9)	16.0%	(3,123.6)
Cost of Services	(185.7)	(234.0)	(187.8)	1.1%	-19.7%	(355.4)	(421.8)	18.7%	(825.7)
Cost of Asset Sales	(602.9)	(525.0)	(702.2)	16.5%	33.8%	(1,066.4)	(1,227.2)	15.1%	(2,297.9)
Gross Profit	201.7	252.2	157.8	-21.8%	-37.4%	414.0	410.1	-0.9%	935.6
Operational Expenses	(105.6)	(134.3)	(108.0)	2.3%	-19.6%	(223.3)	(242.4)	8.6%	(490.5)
MEBIT	96.1	117.9	49.8	-48.2%	-57.8%	190.7	167.7	-12.1%	445.2
Margin (% NR from Services)	25.8%	26.1%	16.7%	-9.1 p.p.	-9.4 p.p.	25.4%	22.3%	-3.1 p.p.	27.4%
Financial Result	(46.5)	(45.2)	(45.8)	-1.5%	1.3%	(87.7)	(91.0)	3.8%	(190.7)
Taxes	8.1	17.6	1.4	-82.7%	-92.0%	19.6	19.0	-3.1%	52.4
Net Income	41.5	55.1	2.6	-93.7%	-95.3%	83.5	57.7	-30.9%	202.1
Margin (% NR from Services)	11.1%	12.2%	0.9%	-10.2 p.p.	-11.3 p.p.	11.1%	7.7%	-3.4 p.p.	12.5%
Adjusted EBITDA	151.4	225.1	151.3	-0.1%	-32.8%	296.4	376.4	27.0%	823.3
Margin (% NR from Services)	40.6%	49.8%	50.7%	+10.1 p.p.	+0.9 p.p.	39.5%	50.1%	+10.6 p.p.	50.7%

Movida is ready to face unprecedented challenges, like that in the second quarter of 2020 due to the impacts of the pandemic on the operations. The values have been more consolidated than ever, mainly because we have OUR PEOPLE as the key pillar. The Net Income in the 2Q20 was R\$ 1 billion, an increase of 5.8% when compared to 2Q19. EBITDA totaled R\$ 151 million, remaining stable YoY. The Net Income of R\$ 2.6 million reflects the impacts of the pandemic, partially offset by expense and cost cutting measures. The Company has made decisions seeking to optimize assets, with the best possible profitability in each scenario. 2Q20 was closed with a total fleet of 105,698 cars – a decrease of more than 13,000 cars since 1Q20, as planned when the restrictive measures started. This suitability shows evidence that we were able to quickly adjust the Company to the current scenario.

With respect to **RAC**, Movida reached 3.5 million of daily rents, a negative variation of 7.5% when compared to 2Q19, and a negative variation of 21.7% when compared to 1Q20. The average rate of 2Q20 was R\$ 59 reais, a reduction of 25.2% YoY due to the pandemic, which led to greater participation of monthly products in the composition of the revenue. From June, we noted a ticket higher than the average for the quarter, pointing to a restart of demand for eventual rental service for the following months. The reduction of 23 p.p. in the gross margin when compared to 2Q19 is a result of the lower revenues and increase in depreciation. In case of EBIT, the margin was negative by 7.3% in 2Q20, down from 32 p.p. when compared to 2Q19. There was a decrease of 10% in overall and administrative expenses in the 2Q20 when compared to the previous year due to the efficient strategy of adjusting the Company's structure to the reduced demand due to the new coronavirus. This operation mitigated the decline in the EBITDA margin, which was 9 p.p. for the period.

In **GTF - Fleet Management and Outsourcing**, the operation remained almost stable during the pandemic, with the gross revenue increasing by 12% in the 2Q19 when compared to 2Q20 due to the increase of 5,000 cars in the operational fleet. The Company was able to renew agreements and attract new clients during 2Q20, noting a commercial pipeline that remained heated. The average revenue per car even rose 3.4% when compared to 1Q20 due to this operation of contracts. The gross margin of 50% in the 2Q20 has a 0.6 p.p expansion, reflecting operating gains for the period. When compared to 1Q20, there was a decline of administrative expenses according to the optimization of the Company's general structure, bringing scale gains and increasing the EBITDA margin that reached 73.4% in 2Q20.

In **Used Cars**, the net revenue was the highest ever reported in a quarter, increasing by 21% in 2Q20 when compared to 2Q19 due to the volume of 18,500 cars sold and the 7% expansion the average ticket. The sale of a mix of cars with higher value follows the trend of the last year of increase in the average purchase ticket. The higher sales in volume channels, mainly to small retailers ("*Atacarejo*") partially reduces this effect, besides the higher discounts that were practiced at the most serious time of the COVID-19 crisis. The record in the number of cars sold gave the Company the comfort to gradually withdraw these discounts, as it already raised prices in July.



NOTE: ROIC was calculated by using EBIT and the effective income tax rate as "Return", and net debt added to shareholders' equity as "Invested Capital" of the last twelve months of the periods analyzed.

The spread between the ROIC LTM and the Company's debt cost reached a 4.6 p.p. in 2Q20. The profitability indexes were affected by the effects of the new coronavirus crisis, causing the spread between ROIC LTM and the Company's cost of debt to return to this level in the quarter. ROE LTM also reflected the crisis, totaling 10.4% in the 2Q20. The efforts to adjust the Company's structure to the new reality will make the invested capital more profitable again in the following quarters.

Capex (R\$ million)	Movida								
	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Fleet	1,271.9	1,139.1	303.2	-76.2%	-73.4%	1,976.4	1,442.3	-27.0%	2,981.9
RAC	988.1	936.1	263.4	-73.3%	-71.9%	1,571.3	1,199.5	-23.7%	2,308.5
Expansion	323.1	335.4	-	-100.0%	-100.0%	373.4	335.4	-10.2%	351.8
Maintenance	665.1	600.7	263.4	-60.4%	-56.2%	1,197.8	864.1	-27.9%	1,956.6
GTF	283.7	203.1	39.7	-86.0%	-80.5%	405.1	242.8	-40.1%	673.5
Expansion	273.8	171.7	14.8	-94.6%	-91.4%	382.5	186.5	-51.2%	549.3
Maintenance	9.9	31.4	24.9	151.5%	-20.7%	22.6	56.3	149.1%	124.2
Stores	2.5	8.4	4.3	72.0%	-48.8%	5.5	12.7	130.9%	23.8
New	0.2	0.2	1.9	-	-	0.8	2.1	162.5%	3.5
Former	2.3	8.2	2.4	4.3%	-70.7%	4.6	10.6	130.4%	20.3
Others	29.3	19.2	15.9	-45.7%	-17.2%	51.5	35.1	-31.8%	80.3
Others RAC	29.3	19.2	15.9	-45.7%	-17.2%	51.3	35.1	-31.6%	80.2
Others GTF	0.0	-	-	-	-	0.2	-	-100.0%	0.0
Total Gross Capex	1,303.7	1,166.8	323.3	-75.2%	-72.3%	2,033.4	1,490.1	-26.7%	3,086.0
Sale of Assets	(617.9)	(567.4)	(750.0)	21.4%	32.2%	(1,086.6)	(1,317.3)	21.2%	(2,450.1)
Total Net Capex	685.8	599.4	(426.7)	-162.2%	-171.2%	946.8	172.8	-81.7%	635.9

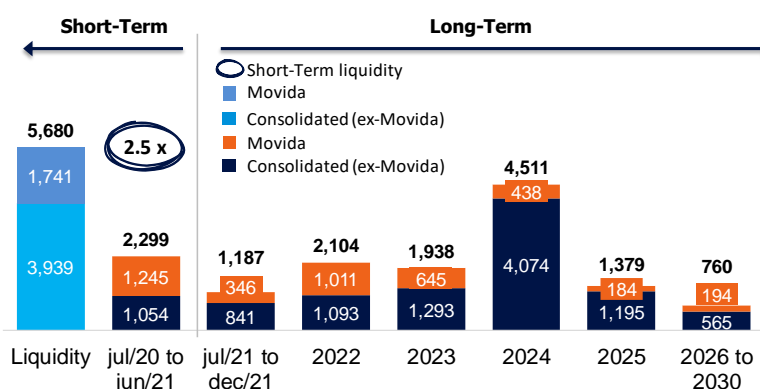
One of the Company's strategies in facing the COVID-19 crisis was to adjust supply to the reduced demand due to the restriction of circulation and to continue selling used cars. 5,945 vehicles were purchased, with an average ticket affected by the SUV models, and the total number of cars sold was 18,465. With a balanced capital structure, the Company intends to resume the addition of cars in the coming months, with a positive outlook for the resumption of demand of short-term products.

VII. Capital Structure - JSL Consolidated

Liability management in 2Q20 was paramount to get ready for the challenging scenario imposed by the Covid-19 pandemic. The group remained its cash reinforced, **which became sufficient to cover 2.5x short-term debt amortization**. The **main funding totaled over R\$2 billion** in 2Q20, especially: (i) JSL's CRA of R\$400 million with a maturity of 5 years; (ii) Vamos' CRA of R\$500 million with a maturity of 7 years; (iii) Movida's CCBs, NPs, and debentures totaling R\$545 million with an average maturity of 2 years; and (iv) renewal of swaps of the bonds issued by JSL Europe, with a net impact on cash of R\$594 million.

We also highlight the **extension of the net debt**, which went from 3.7 years in March 2019 to **4.3 years in March 2020**, in addition to the **decrease in the average cost of debt by 457 bps**, which totaled 5.5% in 2Q20 over 10.1% in 2Q19 (with the cost after taxes equal to 3.6% and 6.6%, respectively). At the end of June 2020, net debt totaled R\$ 8.5 billion, up by R\$ 485.0 million, +6.1 % compared to 1Q20. There was an increase of R\$1,094.2 million, or +14.8% YoY, mainly due to the strengthened liquidity necessary to go through the period of restrictions imposed by the Covid-19 pandemic.

Gross Debt Amortization Schedule ¹ (R\$ million)



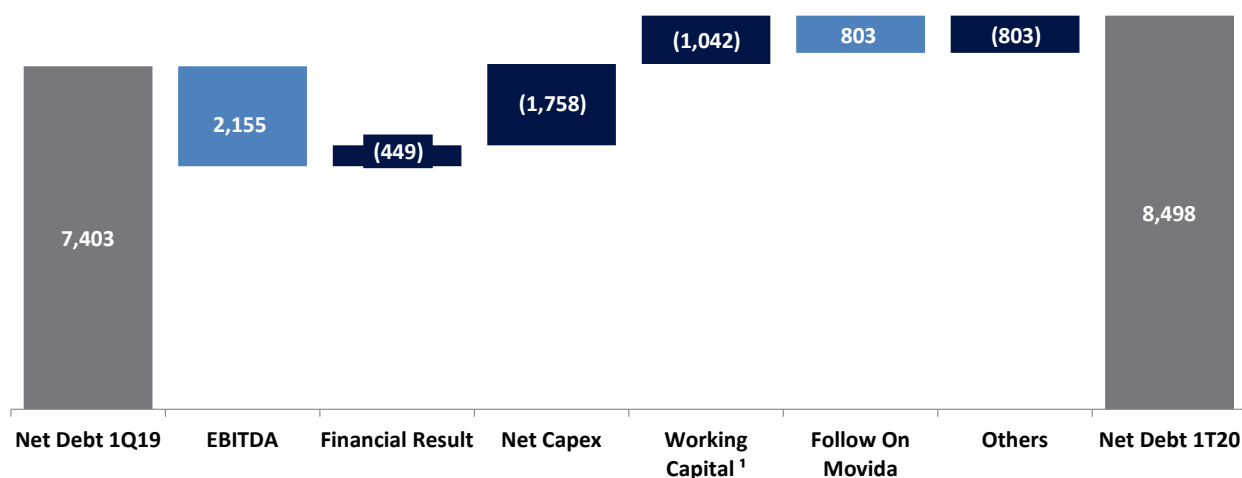
Cash and Debt Evolution (R\$ million)

Indebtedness - JSL Consolidated (R\$ million)	2Q19	3Q19	4Q19	1Q20	2Q20	June/20
Cash and Investments ¹	3,101.5	4,360.1	3,849.0	4,093.8	5,679.7	-
Cash and Investments - Book value	4,946.8	6,312.4	5,774.5	6,516.6	8,278.8	-
Credit note - CLN ²	(1,845.4)	(1,952.3)	(1,925.5)	(2,422.9)	(2,599.0)	-
Gross debt ¹	10,505.0	11,413.0	11,411.4	12,106.5	14,177.4	-
Gross debt - Book value	12,350.3	13,365.3	13,336.8	14,529.4	16,776.4	-
Credit note - CLN ²	(1,845.4)	(1,952.3)	(1,925.5)	(2,422.9)	(2,599.0)	-
Borrowings ¹	6,257.7	6,666.1	6,296.6	7,123.6	8,231.6	-
Local Bonds	4,579.6	5,192.0	5,371.8	5,333.9	5,426.0	-
Finance lease payable	230.5	289.2	401.6	436.0	404.1	-
Confirming payable	-	11.2	12.1	106.8	575.9	-
Debt Swap MTM	(562.8)	(745.5)	(670.6)	(893.8)	(460.2)	-
Net Debt	7,403.5	7,052.9	7,562.3	8,012.7	8,497.7	-
Short-term gross debt	2,046.3	2,298.4	1,927.9	1,782.1	2,298.5	-
Long-term gross debt ¹	8,458.6	9,114.6	9,483.4	10,324.4	11,878.9	-
Average Cost of Net Debt (p.a.)	10.1%	9.0%	8.6%	6.8%	6.2%	5.5%
Average Cost of Net Debt (Post Taxes) (p.a.)	6.6%	6.0%	5.7%	4.5%	4.1%	3.6%
Average Cost of Gross Debt (p.a.)	8.8%	8.2%	7.9%	5.9%	5.1%	4.4%
Average Cost of Gross Debt (Post Taxes) (p.a.)	5.8%	5.4%	5.2%	3.9%	3.4%	2.9%
Average term of gross debt (years)	3.0	3.1	3.1	3.1	3.1	-
Average term of net debt (years)	3.7	4.2	4.1	4.0	4.3	-

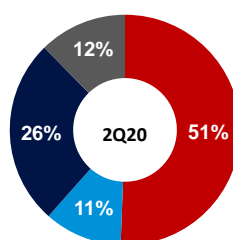
¹ Disregards the amount of R\$ 2,599.0 million resulting from the structure for entry of the bonds issuance funds, which equally impacts cash and gross debt

² The amount related to CLN refers to the investment with the financial institution hired to bring onshore the funds raised from the Senior Notes (Bonds) by issuing a debt mirror-image instrument of the bond in Brazil. For this reason, the CLN balance is fully deducted from gross debt in order to eliminate the effect of duplication caused by the debt mirror-image instrument.

Evolution of the Net Debt (R\$ million)



¹ Considers Vehicles in progress and Changes in the balance of trade payables for property and equipment and automakers



■ CDI ■ CDI with CAP ¹ ■ Pre ■ Others

¹ Includes debts protected by derivative financial instruments that ensure a maximum loss limit and that benefit with the CDI drop in a scenario where the Company contracts loans at a floating rate.

Financial Result

Financial Result (R\$ million)	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Net financial interest	(196.7)	(85.3)	(10.2)	-94.8%	-88.0%	200.6	(95.5)	-147.6%	(440.3)
Financial Revenues	51.0	202.5	308.2	-	52.2%	162.2	510.7	214.9%	713.8
Financial Expenses	(247.7)	(287.8)	(318.4)	28.5%	10.6%	38.4	(606.2)	-1678.6%	(1,154.1)
Derivatives Result	(62.4)	1,220.9	(444.7)	-	-136.4%	(13.5)	776.2	-5849.6%	962.4
Net Exchange Variation	60.3	(1,293.4)	569.1	-	-144.0%	12.6	(724.3)	-5848.4%	(912.1)
Interest on right of use (IFRS 16)	(7.2)	(12.4)	(11.1)	54.2%	-10.5%	(14.1)	(23.5)	-	(59.0)
Total	(206.1)	(170.2)	103.0	-150.0%	-160.5%	(386.2)	(67.2)	-82.6%	(449.0)

Net Financial Interest amounted to R\$10.2 million in 2Q20 against R\$196.7 million in 2Q19 (-94.8% YoY), as a result of the drop in interest rates (average CDI rate) and the management of liabilities carried out by Company.

Net Financial Result totaled R\$103.0 million in 2Q20, compared to -R\$206.1 million in 2Q19. We point out that in 2Q20 we had a revenue of R\$277.5 million from the early settlement of swaps on bonds issued by JSL Europe. Due to the Reorganization and allocation process between JSL and SIMPAR, the Company carried out the early settlement of six swap instruments and the respective hedged debt instruments, which were settled on the same date and replaced by new instruments under the same conditions as the previous ones, remaining protected against exchange variations (principal and interest).

As a result, we noted a positive net effect of R\$ 144 million on net income for the quarter, derived from the special gain of R\$ 182 million, net of taxes, and a single expense of R\$ 38 million (write-off of deferred income tax on tax losses to be lost in the spin-off of JSL for SIMPAR).

Leverage Indicators

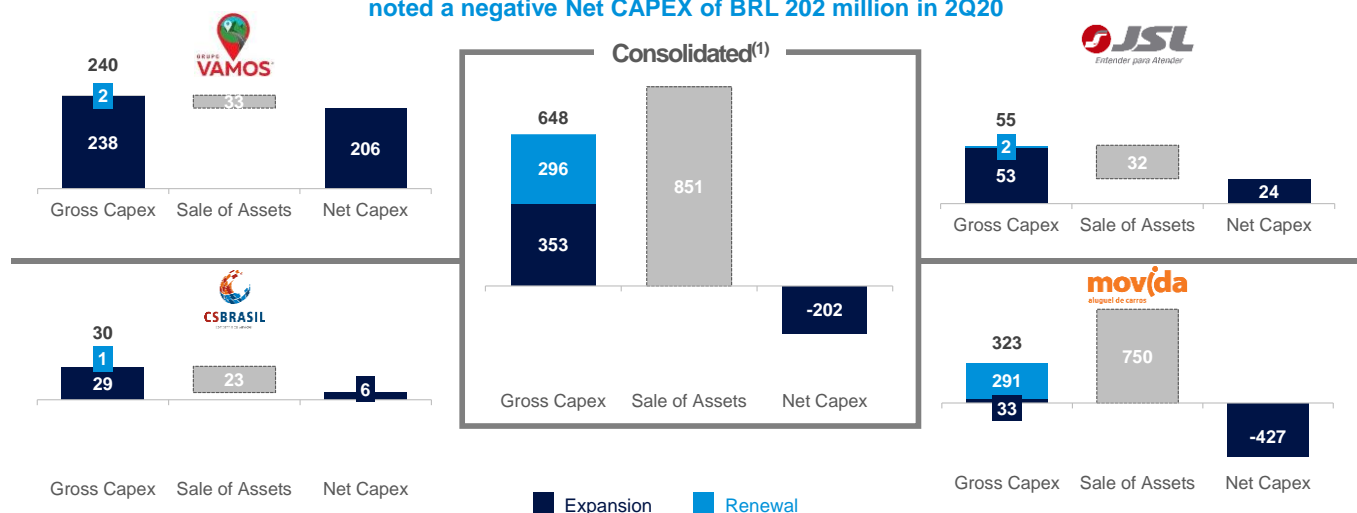
Leverage Indicators ¹	2Q19	3Q19	4Q19	1Q20	2Q20	Covenants	Event
Net Debt / EBITDA-A	1.9x	1.7x	1.6x	1.7x	1.7x	Max 3.5x	Maintenance
Net Debt / EBITDA	4.0x	3.6x	3.6x	3.6x	3.9x	Max 4.40x	Incurrence
EBITDA-A / Net interest expenses	5.3x	5.6x	6.0x	6.4x	10.8x	Min 2.0x	Maintenance

¹ To calculate the covenants, EBITDA does not consider the impairment

Leverage, as measured by net debt over EBITDA¹ remained under control at 3.9x, mostly impacted by the occasional downturn in EBITDA for JSL and Movida, mainly due to the temporary stoppage of production in the automotive sector and lower rental demand in RAC. In the year-on-year comparison, it was decreased when compared to 4.0x in 2Q19, which is explained by the increase in EBITDA¹. In turn, the net debt/EBITDA-A¹ ratio totaled 1.7x in 2Q20, compared to 1.9x in 2Q19. The indicators above reflect the net debt calculation methodology in the bond issuance covenants.

VIII. Investments - JSL Consolidated

According to the strategy and thanks to the dynamic management of Movida, which recorded record vehicle sales in the period, we noted a negative Net CAPEX of BRL 202 million in 2Q20



Net Capex in 2Q20 was negative, in R\$202 million, given the record sale of 18,465 vehicles made by Movida, resulting in a negative Net Capex of R\$427 million. The strategy facing the COVID-19 crisis was to adjust supply to the reduced demand due to the restriction of circulation. With a balanced capital structure, the Company intends to resume the addition of cars in the coming months, with a positive outlook for the resumption of demand of short-term products. Vamos continued to carry out its investment plan totaling R\$206 million in 2Q20, while the other companies also reduced their net investments: JSL with R\$24 million and CS Brasil with R\$6 million in the period.

EBITDA Reconciliation (R\$ million)	2Q19	1Q20	2Q20	▲Y o Y	▲Q o Q	6M19	6M20	▲Y o Y	LTM
Net Result	71.2	(86.3)	156.6	119.9%	-	131.9	70.3	-46.7%	257.0
Financial Result	206.1	170.2	(103.0)	-150.0%	-160.5%	(386.2)	67.2	-117.4%	449.0
Income tax and Social contribution	31.7	(43.6)	145.0	-	-	(58.6)	101.4	-	155.2
Depreciation / Amortization	178.5	239.7	242.5	35.9%	1.2%	416.1	482.2	15.9%	937.7
Amortization (IFRS 16)	30.6	36.0	29.4	-3.9%	-18.3%	57.7	65.4	13.3%	110.6
Impairment Effect	-	245.7	-	-	-100.0%	-	245.7	-	245.7
EBITDA	518.2	561.7	470.4	-9.2%	-16.3%	992.8	1,032.1	4.0%	2,155.2
Costs of Sales of Assets	665.7	606.9	775.6	16.5%	27.8%	1,214.2	1,382.5	13.9%	2,692.5
EBITDA-A	1,183.8	1,168.6	1,246.0	5.3%	6.6%	2,207.0	2,414.6	9.4%	4,847.7

IX. Free Cash Flow and EBITDA - JSL Consolidated

Free Cash Flow Generation - R\$ million		2Q19 LTM	2Q20 LTM
Operation	EBITDA	1,845.2	2,155.2
	Net Revenue from Sale of Light/Heavy Vehicles, Machinery and Equipment	(2,046.2)	(2,888.7)
	Depreciated Cost of Light/Heavy Vehicles, Machinery and Equipment Sold	2,009.9	2,692.5
	Taxes + Working Capital	449.7	(1,382.4)
	Free Cash flow Generated by Rental Activities and Services Rendered	2,258.7	576.6
Maintenance Capex	Net Revenue Sale of Light/Heavy Vehicles, Machinery and Equipment	2,046.2	2,888.7
	Capex for Light/Heavy Vehicles, Machinery and Equipment	(2,328.1)	(2,230.9)
	Net Capex for Fleet Maintenance	(281.9)	657.8
Operational Free Cashflow before Growth		1,976.7	1,234.4
Growth Capex	Capex for Light/Heavy Vehicles, Machinery and Equipment	(2,705.9)	(2,462.9)
Free Cashflow Generated (Consumed) after Growth and before Interest		(729.1)	(1,228.5)

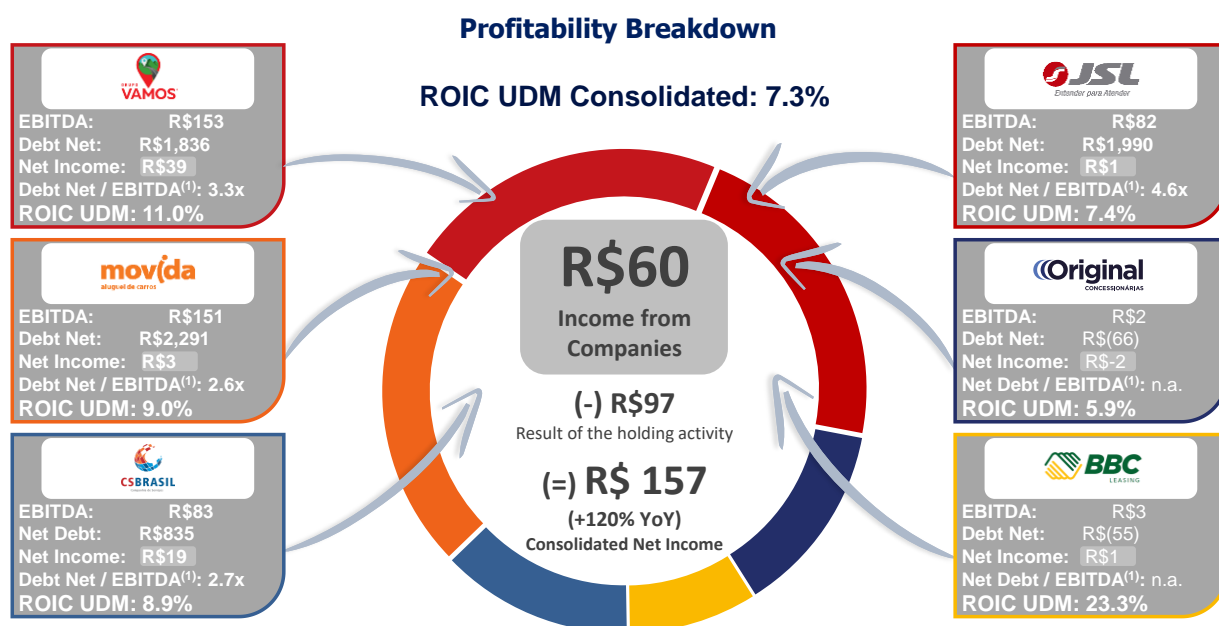
Free cashflow before JSL Consolidated's expansion was approximately R\$1.2 billion in the last 12 months up to June 2020, up by 37.6% over LTM 2Q19. Capex for fleet growth amounted to R\$2.5 billion, mainly focused on Movida, Vamos and CS Brasil. Free cash flow after expansion and before interests totaled a negative R\$1.2 billion, given the acceleration of investments made in recent quarters, which did not reach their full revenue and cash generation potential for the same period.

Reconciliation of Investment to Cash Flow of Financial Statements

Reconciliation to Cash Flow of FS		2Q19 LTM	2Q20 LTM
Capex Maintenance + Growth + Others	Capex for Light/Heavy Vehicles, Machinery and Equipment - Maintenance	(2,328.1)	(2,230.9)
	Capex for Light/Heavy Vehicles, Machinery and Equipment - Growth	(2,625.3)	(2,382.6)
	Capex for other PP&E and Intangible Assets	(80.6)	(80.3)
Total Capex - Accrual Method		(5,034.0)	(4,693.8)
Cash Flow FS	Leasing and Finance Raised for Acquisition of Fixed Assets	451.7	969.3
	Changes in Balance of Suppliers Financing	(8.2)	(729.7)
	Changes in Balance of Automakers	986.4	(69.4)
Note 11 FS	Other Additions (Non-Capex)	(5.4)	(230.4)
Supplemental Information to the Statement of Cashflow and Fixed Assets Note		1,424.5	(60.1)
Total Investment - FS Cash flow		(3,609.6)	(4,753.9)
Cash flow	Purchase of Fixed Assets for Rental	3,413.6	4,543.2
	Additions to PP&E for Capex and Intangible Assets	195.9	210.7

EBITDA Reconciliation (R\$ million)	2Q19	1Q20	2Q20	▲ Y o Y	▲ Q o Q	6M19	6M20	▲ Y o Y	LTM
Net Result	71.2	(86.3)	156.6	119.9%	-	131.9	70.3	-46.7%	257.0
Financial Result	206.1	170.2	(103.0)	-150.0%	-160.5%	(386.2)	67.2	-117.4%	449.0
Income tax and Social contribution	31.7	(43.6)	145.0	-	-	(58.6)	101.4	-	155.2
Depreciation / Amortization	178.5	239.7	242.5	35.9%	1.2%	416.1	482.2	15.9%	937.7
Amortization (IFRS 16)	30.6	36.0	29.4	-3.9%	-18.3%	57.7	65.4	13.3%	110.6
Impairment Effect	-	245.7	-	-	-100.0%	-	245.7	-	245.7
EBITDA	518.2	561.7	470.4	-9.2%	-16.3%	992.8	1,032.1	4.0%	2,155.2
Costs of Sales of Assets	665.7	606.9	775.6	16.5%	27.8%	1,214.2	1,382.5	13.9%	2,692.5
EBITDA-A	1,183.8	1,168.6	1,246.0	5.3%	6.6%	2,207.0	2,414.6	9.4%	4,847.7

X. Profitability - JSL Consolidated



ROE 2Q20 LTM (R\$ million)	JSL Consolidated	JSL Consolidated (controlling shareholder participation in companies)
Net Income 2Q20 LTM	426.5	329.0
Average Equity ¹	1,940.0	1,374.8
ROE 2Q20 LTM	22.0%	23.9%

¹ Considers the average between the current period and same period of last year

ROIC 2Q20 LTM (R\$ million)	Consolidated ¹	JSL Logística	Vamos	CS Brasil	Original Concessionárias	BBC	Movida
EBIT 2Q20 LTM	1,107.0	200.2	316.2	152.1	11.6	14.6	445.2
Taxes	(389.5)	(21.3)	(93.5)	(50.8)	(4.1)	(5.3)	(91.7)
NOPLAT	717.5	178.9	222.7	101.4	7.5	9.4	353.4
Average Net Debt ²	7,950.6	1,658.4	1,501.2	469.8	(45.5)	(49.7)	1,980.3
Average Equity ²	1,940.0	755.8	529.2	673.2	173.1	89.8	1,940.3
Average Invested Capital ²	9,890.6	2,414.2	2,030.4	1,143.0	127.6	40.1	3,920.6
ROIC 2Q20 LTM	7.3%	7.4%	11.0%	8.9%	5.9%	23.3%	9.0%

¹ Considers elimination between companies and Holding debt

² Considers the average between the current period and december 2019

³ Considers adjusted EBIT to calculate ROIC

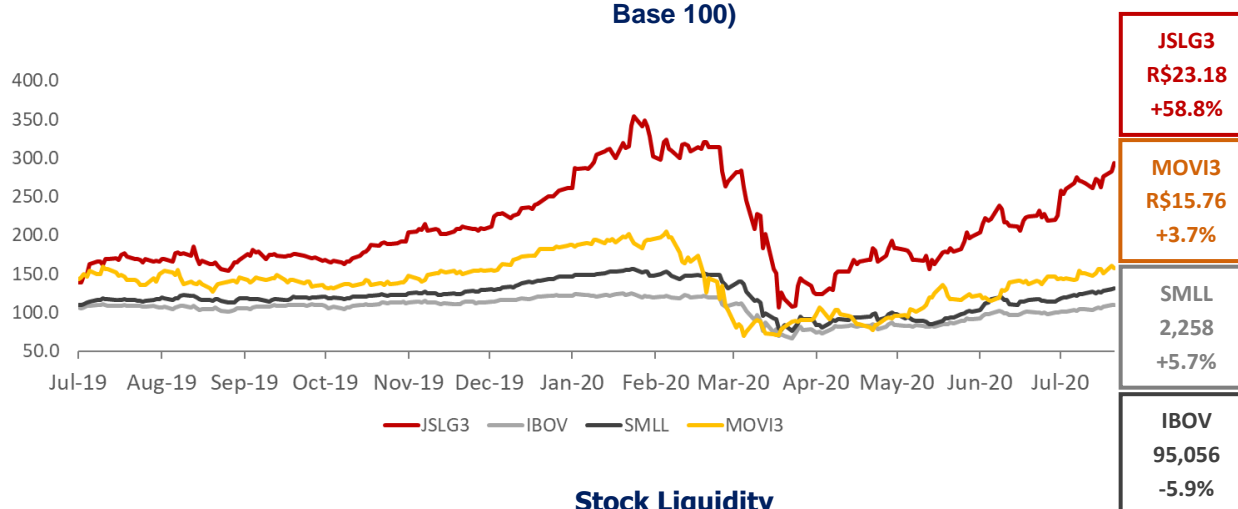
XI. Capital Market

Stock Performance

JSL is listed on B3's Novo Mercado segment and its shares are part of the IGCX (Special Corporate Governance Stock Index), IGC-NM (Novo Mercado Corporate Governance Equity Index), ITAG (Special Tag-Along Stock Index), and SMLL (Small Caps Index) indices, prepared and published by B3 SA - Brasil, Bolsa, Balcão ("B3"), as well as the MSCI Global Small Cap Index.

On June 30, 2020, JSLG3 shares were priced at R\$23.18, an increase of 58.8% when compared to June 30, 2019. On this date, the Company had a total of 207,735,316 shares, including a balance of 1,531,343 treasury shares.

Performance Comparison JSLG3 and MOVI3 x IBOV and SMLL11 (from June 30, 2019 to June 30, 2020 - Base 100)



Stock Liquidity

(moving average of the financial volume traded in the last 22 trading sessions - data-base August 12, 2020 - R\$ million)



XIII. Glossary

EBITDA-A or EBITDA Added – Represents EBITDA plus the residual costs associated with the sale of fixed assets, which does not represent operational cash disbursements, as they are 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 more appropriate measure of operating cash flow than traditional EBITDA, since it represents the Company's capacity to meet its financial obligations.

Eliminations – Offset of the amounts inherent to the operations of JSL Logística, VAMOS, Movida and JSL Concessionárias de Veículos Leves, with a null effect on JSL Consolidated.

IFRS16 - The International Accounting Standards Board (IASB) issued standard CPC 06 (R2)/IFRS 16, which requires tenants to recognize most of the leases in the balance sheet, being registered as liability for future payments and an asset for the right of use. The standard came into force on January 1, 2019.

RSC or Revenue from Same Contracts – Revenue from existing contracts in a comparison period.

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

XIV. Additional Information

JSL S.A. presents its results for the 2Q20, which includes JSL, Vamos, Movida, Original Concessionárias and BBC, which together make up the consolidated results. The financial information is presented in millions of Reais, unless otherwise indicated. The Company's interim financial information is prepared in accordance with the Brazilian corporate law and is presented on a consolidated basis in accordance with CPC 21 (R1) – Interim Financial Reporting and IAS 34 – Interim Financial Reporting, issued by the IASB. Comparisons refer to the revised data for 2Q20, 2Q19 and 1Q20, except where otherwise indicated.

As of January 1st, 2019, JSL Group 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.

XV. Disclaimer

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

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

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

XVI. Conference Call and Webcast

Date: August 14, 2020, Friday.

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

Dial In:

Brazil:	+55 (11) 3127 4971
Other Countries:	+1 (929) 378 3440

Access Code: JSL

Webcast: www.jsl.com.br/ri

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

For further information, please contact the Investor Relations Department:

Phone: +55 (11) 2377-7178

ri@jsl.com.br

www.jsl.com.br/ri

JSL S.A.
Statements of financial position
At June 30, 2020 and December 31, 2019
In thousands of Brazilian reais

Assets	Note	Parent Company		Consolidated	
		06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current assets					
Cash and cash equivalents	5	393,331	125,353	753,934	591,815
Marketable securities and financial investments	6	2,128,965	996,067	7,483,991	5,182,010
Derivative financial instruments	4.3 (b)	30,921	32,233	30,921	32,233
Trade receivables	7	613,147	643,042	1,627,089	1,775,137
Inventories	8	43,427	28,120	292,120	306,037
Assets held for sale	9	111,341	107,018	684,016	541,188
Taxes recoverable	10	41,634	50,689	97,707	155,284
Income tax and social contribution recoverable	24.3	268,992	75,858	372,232	147,266
Prepaid expenses		19,391	13,323	110,570	42,874
Dividends receivable	25.1	21,297	33,939	-	-
Advances to third parties		33,977	37,396	40,545	82,420
Other credits		74,923	51,068	57,266	54,568
		3,781,346	2,194,106	11,550,391	8,910,832
Noncurrent assets					
Long-term assets					
Marketable securities and financial investments	6	-	-	40,829	655
Derivative financial instruments	4.3 (b)	369,016	622,352	429,253	638,400
Trade receivables	7	7,304	16,787	80,319	88,321
Taxes recoverable	10	54,202	63,803	165,315	138,466
Income tax and social contribution recoverable	24.3	20,494	20,494	40,466	34,929
Judicial deposits	23.1	43,597	46,360	78,789	76,353
Deferred income tax and social contribution	24.1	-	-	160,609	138,431
Related parties	25.1	45,617	713,635	17	-
Other credits		16,647	11,212	92,557	82,391
		556,877	1,494,643	1,088,154	1,197,946
Investments	11	2,588,483	2,542,201	8,345	6,716
Property and equipment	12	1,562,194	1,466,272	9,399,250	9,615,005
Intangible assets	13	258,047	255,519	557,263	537,735
		4,965,601	5,758,635	11,053,012	11,357,402
Total assets		8,746,947	7,952,741	22,603,403	20,268,234

JSL S.A.
Statements of financial position
At June 30, 2020 and December 31, 2019
In thousands of Brazilian reais

Liabilities	Note	Parent Company		Consolidated	
		06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current liabilities					
Trade payables	14	99,205	71,765	951,888	1,691,713
Floor plan	15	-	-	117,444	106,735
Suppliers financing - car makers	16	2,143	-	575,860	12,051
Loans and borrowings	17	203,790	247,139	902,537	1,171,988
Debentures	18	365,987	505,025	777,568	694,901
Leases payable	19	38,947	54,547	154,563	140,850
Right-of-use leases	20	26,480	25,041	103,514	113,869
Assignment of receivables	21	-	-	6,043	6,043
Social and labor liabilities	22	147,702	124,853	267,316	231,374
Income tax and social contribution payable	24.3	-	-	9,498	3,094
Tax liabilities		27,748	39,107	72,227	83,162
Dividends and interest on capital payable		-	45,118	15,177	70,587
Advances from customers		22,416	6,923	164,189	175,700
Related parties	25.1	-	-	2,806	3,056
Other payables		49,752	34,245	168,883	173,845
		984,170	1,153,763	4,289,513	4,678,968
Noncurrent liabilities					
Loans and borrowings	17	4,162,360	3,206,945	9,928,079	7,050,051
Debentures	18	1,743,367	1,740,531	4,648,437	4,676,855
Leases payable	19	54,345	61,851	249,579	260,762
Right-of-use leases	20	162,297	130,636	415,922	403,831
Assignment of receivables	21	-	-	9,064	12,085
Tax liabilities		841	841	1,046	1,095
Provision for judicial and administrative litigation	23.2	45,079	47,859	65,259	67,829
Deferred income tax and social contribution	24.1	68,540	151,401	439,289	574,120
Other payables		123,464	111,869	176,439	162,675
		6,360,293	5,451,933	15,933,114	13,209,303
Total liabilities		7,344,463	6,605,696	20,222,627	17,888,271
Equity					
Share capital	26.1	706,459	695,069	706,459	695,069
Capital reserves	26.2	20,223	50,951	20,223	50,951
Treasury shares	26.3	(38,247)	(460)	(38,247)	(460)
Earnings reserves		203,711	159,121	203,711	159,121
Retained earnings for the period		106,715	-	106,715	-
Other comprehensive income		32,690	158,635	32,690	158,635
Other equity adjustments related to subsidiaries		(5,888)	(3,031)	(5,888)	(3,031)
Equity valuation adjustments		376,821	286,760	376,821	286,760
Equity attributable to the owners of the Company		1,402,484	1,347,045	1,402,484	1,347,045
Non-controlling interests		-	-	978,292	1,032,918
Total equity		1,402,484	1,347,045	2,380,776	2,379,963
Total liabilities and equity		8,746,947	7,952,741	22,603,403	20,268,234

JSL S.A.**Statements of profit or loss****Three and six-month periods ended June 30, 2020 and 2019****In thousands of Brazilian reais, except for earnings per share**

	Note	Parent Company				Consolidated			
		04/01 to 06/30/2020	04/01 to 06/30/2019	01/01 to 06/30/2020	01/01 to 06/30/2019	04/01 to 06/30/2020	04/01 to 06/30/2019	01/01 to 06/30/2020	01/01 to 06/30/2019
Net revenue from sale, lease, services rendered and sale of decommissioned assets	28	559,448	758,024	1,231,679	1,528,134	2,197,224	2,388,944	4,554,117	4,600,728
Cost of sales, leases and services rendered	29	(485,052)	(608,837)	(1,055,402)	(1,206,293)	(1,028,109)	(1,232,757)	(2,262,186)	(2,417,125)
Cost of sales of decommissioned assets	29	(29,901)	(45,307)	(67,937)	(113,196)	(775,583)	(665,677)	(1,382,508)	(1,214,236)
Total cost of sales, leases, services rendered and sale of decommissioned assets		(514,953)	(654,144)	(1,123,339)	(1,319,489)	(1,803,692)	(1,898,434)	(3,644,694)	(3,631,361)
Gross profit		44,495	103,880	108,340	208,645	393,532	490,510	909,423	969,367
Selling expenses	29	(4,818)	(4,435)	(8,807)	(9,492)	(67,723)	(59,205)	(153,184)	(115,011)
Administrative expenses	29	(28,057)	(27,548)	(60,367)	(51,962)	(117,804)	(154,098)	(256,533)	(302,243)
(Provision) reversal of expected credit losses ("impairment") of trade receivables	29	(2,451)	(623)	(3,852)	5,112	(12,421)	(6,245)	(75,338)	(11,998)
Provision for impairment of non-financial assets	1.2 (c) (iii)	-	-	-	-	-	-	(195,394)	-
Other operating income (expenses), net	29	14,237	(257)	34,449	(330)	3,566	38,631	10,554	37,578
Equity results from subsidiaries	11	43,189	93,592	18,865	162,381	(627)	(613)	(698)	(975)
Profit before finance income, costs and taxes		66,595	164,609	88,628	314,354	198,523	308,980	238,830	576,718
Finance income	30	303,777	15,404	332,359	51,980	257,410	50,964	459,918	162,227
Finance costs	30	(97,356)	(132,596)	(191,156)	(273,787)	(154,394)	(257,057)	(527,085)	(548,398)
Profit before income tax and social contribution		273,016	47,417	229,831	92,547	301,539	102,887	171,663	190,547
Income tax and social contribution - current	24.2	43,984	(1,095)	(40,129)	(2,859)	20,770	(31,470)	(105,002)	(52,804)
Income tax and social contribution - deferred	24.2	(161,601)	12,453	(69,238)	17,015	(165,735)	(257)	3,636	(5,823)
Total income tax and social contribution		(117,617)	11,358	(109,367)	14,156	(144,965)	(31,727)	(101,366)	(58,627)
(Loss) net profit for the period		155,399	58,775	120,464	106,703	156,574	71,160	70,297	131,920
Attributable to:									
Owners of the Company		155,399	58,775	120,464	106,703	155,399	58,775	120,464	106,703
Non-controlling interests		-	-	-	-	1,175	12,385	(50,167)	25,217
(=) Basic earnings per share (in Reais)	31.1	-	-	-	-	-	-	0,5833	0,5199
(=) Diluted earnings per share (in Reais)	31.2	-	-	-	-	-	-	0,5686	0,5071

The accompanying notes are an integral part of these financial statements.

JSL S.A.**Statements of comprehensive income****Three and six-month periods ended June 30, 2020 and 2019****In thousands of Brazilian reais**

	Parent company				Consolidated			
	04/01 to 06/30/2020	04/01 to 06/30/2019	01/01 to 06/30/2020	01/01 to 06/30/2019	04/01 to 06/30/2020	04/01 to 06/30/2019	01/01 to 06/30/2020	01/01 to 06/30/2019
Profit for the period	155,399	58,775	120,464	106,703	156,574	71,160	70,297	131,920
Items that are or may be subsequently reclassified to profit or loss:								
(Losses) gains on cash flow hedge	(11,100)	125,648	98,630	124,341	(10,691)	125,648	97,584	124,341
Gains on cash flow hedge in subsidiaries	453	3,435	1,102	4,374	-	3,435	-	4,374
Income tax and social contribution on cash flow hedge	3,656	(42,180)	(33,652)	(42,055)	4,401	(42,180)	(32,907)	(42,055)
Unrealized gains (losses) on marketable securities instruments measured at FVOCI	51,381	20,487	(6,275)	44,353	51,381	20,487	(6,275)	44,353
	44,390	107,390	59,805	131,013	45,091	107,390	58,402	131,013
Cash flow hedge gains reclassified to profit or loss (note 4.3 (b) (ii))	(277,494)	-	(277,494)	-	(277,494)	-	(281,440)	-
Cash flow hedge gains in subsidiaries reclassified to profit or loss	-	-	(3,946)	-	-	-	-	-
Income tax and social contribution on cash flow hedge (note 24.1)	95,690	-	95,690	-	95,690	-	95,690	-
Total other comprehensive income (loss)	(137,414)	107,390	(125,945)	131,013	(136,713)	107,390	(127,348)	131,013
Total comprehensive income for the period	17,985	166,165	(5,481)	237,716	19,861	178,550	(57,051)	262,933
Attributable to:								
Owners of the Company	17,985	166,165	(5,481)	237,716	17,985	166,165	(5,481)	237,716
Non-controlling interests	-	-	-	-	1,876	12,385	(51,570)	25,217

The accompanying notes are an integral part of these financial statements.

JSL S.A.
Statements of changes in equity
For the nine-month periods ended June 30, 2020 and 2019
In thousands of Brazilian reais

	Capital reserves				Earnings reserves					Other comprehensive income (loss)							
	Share capital	Share-based payment transactions	Government grant reserve	Treasury shares	Retention of earnings	Government grant reserve	Investment reserve	Legal reserve	Retained earnings	Hedge reserve	Unrealized gains (losses) on available-for-sale investments	Total other comprehensive income (loss)	Other equity adjustments related to subsidiaries	Equity valuation adjustments	Total equity of owners of the Company	Non-controlling interests	Total equity
Balances at December 31, 2018	681,202	22,858	10,873	(103,925)	15,192	-	-	2,649	-	27,418	(35,691)	(8,273)	-	132,569	753,145	495,354	1,248,499
Net profit for the period	-	-	-	-	-	-	-	-	106,703	-	-	-	-	-	106,703	25,217	131,920
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	-	-	86,660	44,353	131,013	-	-	131,013	-	131,013
Total comprehensive income for the period, net of taxes	-	-	-	-	-	-	-	-	106,703	86,660	44,353	131,013	-	-	237,716	25,217	262,933
Share-based payment (note 26.2 (a))	-	789	-	-	-	-	-	-	-	-	-	-	-	-	789	-	789
Losses (gain) on equity interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(329)	(329)	(155)	(484)
Government grants (note 26.4 (d))	-	-	17,174	-	-	-	-	-	(17,174)	-	-	-	-	-	-	-	-
Dividends and interest on capital for distribution (note 26.4 (a))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,191)	(11,191)
Capital contribution	2,053	-	-	-	-	-	-	-	-	-	-	-	-	-	2,053	-	2,053
Repurchase of shares	-	-	-	(2,403)	-	-	-	-	-	-	-	-	-	-	(2,403)	(1,024)	(3,427)
Cancellation of shares	-	-	-	82,685	-	-	-	-	-	-	-	-	-	(82,685)	-	-	-
Balances at June 30, 2019	683,255	23,647	28,047	(23,643)	15,192	-	-	2,649	89,529	114,078	8,662	122,740	-	49,555	990,971	508,201	1,499,172
Balances at December 31, 2019	695,069	19,387	31,564	(460)	15,192	-	129,985	13,944	-	135,527	23,108	158,635	(3,031)	286,760	1,347,045	1,032,918	2,379,963
Profit (loss) for the period	-	-	-	-	-	-	-	-	120,464	-	-	-	-	-	120,464	(50,167)	70,297
Other comprehensive income (loss) for the period, net of taxes	-	-	-	-	-	-	-	-	-	(119,670)	(6,275)	(125,945)	-	-	(125,945)	(1,403)	(127,348)
Total comprehensive income (loss) for the period, net of taxes	-	-	-	-	-	-	-	-	120,464	(119,670)	(6,275)	(125,945)	-	-	(5,481)	(51,570)	(57,051)
Transfer to earnings reserves (note 26.4 (d))	-	-	(31,564)	-	-	31,564	-	-	-	-	-	-	-	-	-	-	-
Share-based payment (note 26.2 (a))	-	836	-	-	-	-	-	-	-	-	-	-	(2,058)	-	(1,222)	(1,816)	(3,038)
Repurchase of shares (note 26.3)	-	-	-	(37,787)	-	-	-	-	-	-	-	-	(1,522)	-	(39,309)	(1,240)	(40,549)
Gain on equity interests in subsidiaries, net of taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	90,061	90,061	-	90,061
Government grants (note 26.4 (d))	-	-	-	-	-	13,026	-	-	(13,749)	-	-	-	723	-	-	-	-
Capital contribution (note 26.1)	11,390	-	-	-	-	-	-	-	-	-	-	-	-	-	11,390	-	11,390
Balances at June 30, 2020	706,459	20,223	-	(38,247)	15,192	44,590	129,985	13,944	106,715	15,857	16,833	32,690	(5,888)	376,821	1,402,484	978,292	2,380,776

The accompanying notes are an integral part of these financial statements.

JSL S.A.
Statements of cash flows - indirect method
Six-month periods ended June 30, 2020 and 2019
In thousands of Brazilian reais

		Parent Company		Consolidated	
	Note	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Cash flows from operating activities					
Profit before income tax and social contribution		229,831	92,547	171,663	190,547
Adjustments to:					
Equity results from subsidiaries	11.1	(18,865)	(162,381)	698	975
Depreciation and amortization	11.1.12e13	114,292	113,153	547,592	416,009
Provision for impairment of non-financial assets	1.2(c)(iii)	-	-	195,394	-
Cost of sales of decommissioned assets	9	67,937	113,196	1,382,508	1,214,236
(Reversal of) provision for losses, write-off of other assets and extemporaneous tax credits		(63,609)	3,653	(45,223)	29,914
Share-based payment	26.2(a)	836	789	(3,038)	789
(Gain) losses on fair value of derivative financial instruments	30	(685,381)	8,681	(772,285)	13,520
Interest and monetary variations on loans and borrowings, leases payable, right-of-use leases, debentures and suppliers financing - car makers	30	869,998	233,909	2,157,872	473,905
		515,039	403,547	3,635,181	2,339,895
Changes in operating net working capital					
Trade receivables		25,646	(140,269)	70,832	(303,504)
Inventories		(16,030)	(1,147)	35,776	19,217
Trade payables and Floor plan		23,855	(13,333)	563	18,913
Labor and tax liabilities, and taxes recoverable		85,089	(14,125)	209,955	2,423
Other current and noncurrent assets and liabilities		70,374	(18,772)	(38,116)	(52,887)
		188,934	(187,646)	279,010	(315,838)
Income tax and social contribution paid					
Interest paid on loans and borrowings, leases payable, right-of-use leases, debentures and suppliers financing - car makers		(228,233)	-	(296,130)	(25,760)
Acquisition of operational property and equipment for leasing		(299,709)	(235,454)	(648,937)	(483,081)
Net cash (used in) generated by operating activities before marketable securities and financial investments	32	(204,041)	(131,824)	(2,036,648)	(2,077,287)
(Investments in) redemptions of marketable securities and financial investments		(28,010)	(151,377)	932,476	(562,071)
Net cash generated by (used in) operating activities		(532,836)	517,236	(2,348,430)	(159,872)
Cash flows from investing activities		(560,846)	365,859	(1,415,954)	(721,943)
Capital contribution in subsidiaries					
Acquisition of property and equipment for investment and intangible assets	11.1	(16,823)	(31,430)	-	(2,198)
Dividends and interest on capital received		(20,145)	(13,905)	(80,954)	(72,022)
Net cash used in investing activities		(24,326)	(31,083)	(80,954)	(74,220)
Cash flows from financing activities					
Treasury shares acquired					
Payment for the acquisition of companies		(37,787)	-	(40,549)	(3,427)
Payment for assignment of receivables		(1,959)	(193)	(1,959)	(193)
New loans, borrowings and debentures		-	-	(3,021)	(3,021)
Payment of loans and borrowings, leases payable, right-of-use leases, debentures and suppliers financing - car makers		2,974,138	494,119	4,674,061	2,534,149
Derivative financial instruments received		(2,801,782)	(955,652)	(3,720,586)	(1,807,539)
Dividends and interest on capital paid		754,268	23,855	795,101	12,519
Capital increase		(45,118)	(27,541)	(55,410)	(27,541)
Net cash generated by (used in) financing activities		11,390	2,053	11,390	2,053
Net increase (decrease) in cash and cash equivalents		853,150	(463,359)	1,659,027	707,000
Cash and cash equivalents		267,978	(128,583)	162,119	(89,163)
At the beginning of the period					
At the end of the period		125,353	277,290	591,815	690,324
Net increase (decrease) in cash and cash equivalents		393,331	148,707	753,934	601,161
		267,978	(128,583)	162,119	(89,163)
Balance variation, without affecting cash					
Raising of leases payable and Finame for the acquisition of property and equipment					
Change in the balance of trade payables and suppliers financing - car makers		(2,263)	(50,633)	(710,539)	(146,876)
Additions to right-of-use leases		(3,585)	(7,214)	729,679	(717,287)
Initial adoption CPC 06 (R2) / IFRS 16 - Leases	12	(117,693)	(11,774)	(172,298)	(72,990)

The accompanying notes are an integral part of these financial statements.

JSL S.A.
Statements of value added
Six-month periods ended June 30, 2020 and 2019
In thousands of Brazilian reais

	Note	Parent Company		Consolidated	
		06/30/2020	06/30/2019	06/30/2020	06/30/2019
Sales, lease, services rendered and sale of decommissioned assets	28	1,477,264	1,842,644	5,044,829	5,201,689
(Provision) reversal of expected credit losses ("impairment") of trade receivables	29	(3,852)	5,112	(75,338)	(11,998)
Other operating income	29	51,654	13,028	49,845	71,036
		1,525,066	1,860,784	5,019,336	5,260,727
Inputs acquired from third parties					
Cost of sales and services rendered		(729,449)	(910,849)	(2,776,968)	(2,814,255)
Materials, electric power, services provided by third parties and others		(31,829)	(21,294)	(204,156)	(248,508)
Provision for impairment of non-financial assets	1.2 (c) (iii)	-	-	(195,394)	-
		(761,278)	(932,143)	(3,176,518)	(3,062,763)
Gross value added		763,788	928,641	1,842,818	2,197,964
Retentions					
Depreciation and amortization	29	(114,292)	(113,153)	(547,592)	(416,009)
Net value added produced		649,496	815,488	1,295,226	1,781,955
Value added received through transfer					
Equity results from subsidiaries	11.1	18,865	162,381	(698)	(975)
Finance income	30	332,359	51,980	459,918	162,227
		351,224	214,361	459,220	161,252
Total value added to distribute		1,000,720	1,029,849	1,754,446	1,943,207
Distribution of value added					
Personnel and payroll taxes	29	394,163	437,880	709,829	796,535
Federal taxes		185,557	81,757	237,744	217,516
State taxes		70,239	84,445	153,020	167,399
Municipal taxes		25,333	31,142	37,834	46,148
Interest and bank fees	30	191,156	273,787	527,085	548,398
Leases	29	13,808	14,135	18,637	35,291
Retained earnings for the period		120,464	106,703	70,297	131,920
		1,000,720	1,029,849	1,754,446	1,943,207

1. Reporting entity

JSL S.A. ("Company") is a publicly-traded corporation with its headquarters at Renato Paes de Barros Street 1.017, 9th floor - Itaim Bibi - São Paulo, and has its shares traded on B3 S.A. - Brasil, Bolsa, Balcão ("B3") under the ticker JSLG3, and controlled by Simpar S.A.. 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.

The Company and its subsidiaries (collectively referred to as "JSL Group") operate in six main segments:

- (i) JSL Logística: Road transportation of cargo, dedicated road freight logistics, commodities logistics, handling, urban distribution, storage and charter;
- (ii) Movida: light vehicles rental in the retail through the 'Movida' brand stores, light vehicles fleet management to the private sector. As a consequence and aiming at the realization of rental activities, Movida constantly renews its fleet, divesting vehicles at the end or near the end of its economic lives to replace them with new vehicles;
- (iii) Vamos: rental and fleet management of trucks, machinery and equipment, sale of new and used trucks, machinery and equipment, parts, accessories and providing mechanical services, bodywork and painting services;
- (iv) CS Brasil: management and outsourcing of light and heavy vehicle fleets to the public sector, municipal passenger transport and urban cleaning;
- (v) Original Concessionárias: sale of new and used light vehicles, parts, machinery and accessories, providing mechanical services, bodywork and painting services, and brokerage services for automotive insurance sales;
- (vi) BBC: lease transactions for the purchase of vehicles and equipment defined by Law 6,099/74, and card issuance and management;

The Group also has entities located abroad used a vehicle for raising funds for the issuance of Senior Notes (Bonds), other legal entities with non-relevant operations not allocated in any of the segments, in addition to the treasury segments and holding of investments and equity interests and management of the JSL Group. These activities are allocated in note 3, Segment information, as Holding and other activities.

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

In thousands of Brazilian Reais, unless otherwise stated

1.1 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	Segment	06/30/2020		12/31/2019	
			Direct %	Indirect %	Direct %	Indirect %
Agrolog Transportadora de Cargas em Geral Ltda. ("Agrolog Transportadoras") (i)	Brazil	JSL Logística	99.80	0.20	99.80	0.20
Medlogística Prestação de Serviços de Logística S.A. ("Medlogística")	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Quick Armazéns Gerais - Eireli - ME ("Quick Armazéns")	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Quick Logística Ltda. ("Quick Logística")	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Riograndense Navegação Ltda. ("Riograndense") (i)	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Sinal Serviços de Integração Industrial Ltda. ("Sinal Serviços") (i)	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Yolanda Logística Armazém Transportes e Serviços Gerais Ltda. ("Yolanda")	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Movida Participações S.A. ("Movida Participações")	Brazil	Movida	55.11	-	55.11	-
Movida Locação de Veículos Premium Ltda. ("Movida Premium")	Brazil	Movida	-	55.11	-	55.11
Movida Locação de Veículos S.A. ("Movida Locação")	Brazil	Movida	-	55.11	-	55.11
Vamos Locação de Caminhões, Máquinas e Equipamentos S.A. ("Vamos")	Brazil	Vamos	99.99	0.01	99.99	0.01
Vamos Máquinas S.A. ("Vamos Máquinas")	Brazil	Vamos	-	100.00	-	100.00
Vamos Seminovos S.A. ("Vamos Seminovos")	Brazil	Vamos	-	100.00	-	100.00
Vamos Comércio de Máquinas Linha Amarela Ltda. ("Vamos Linha Amarela")	Brazil	Vamos	-	100.00	-	100.00
Borgato Serviços Agrícolas S.A. ("Borgato Serviços")	Brazil	Vamos	-	100.00	-	100.00
Transrio Caminhões, Ônibus, Máquinas e Motores Ltda. ("Transrio")	Brazil	Vamos	-	100.00	-	100.00
CS Brasil Participações e Locações Ltda. ("CS Brasil Participações")	Brazil	CS Brasil	99.99	0.01	99.99	0.01
CS Brasil Transportes de Passageiros e Serviços Ambientais Ltda. ("CS Brasil Transportes")	Brazil	CS Brasil	-	100.00	-	100.00
CS Brasil Frotas Ltda. ("CS Brasil Frotas")	Brazil	CS Brasil	-	100.00	-	100.00
BRT Sorocaba Concessionárias	Brazil	CS Brasil	-	49.75	-	49.25
Consórcio Sorocaba (ii)	Brazil	CS Brasil	-	50.00	-	50.00
Mogipasses Comércio de Bilhetes Eletrônicos Ltda. ("Mogipasses")	Brazil	CS Brasil	99.99	0.01	99.99	0.01
Mogi Mob Transporte de Passageiros Ltda. ("Mogi Mob")	Brazil	CS Brasil	99.99	0.01	99.99	0.01
TPG Transporte de Passageiros Ltda. ("TPG Transporte")	Brazil	CS Brasil	99.99	0.01	99.99	0.01
Avante Veículos Ltda. ("Avante Veículos")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
JSL Corretora e Administradora de Seguros Ltda. ("JSL Corretora")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
Original Distribuidora de Peças e Acessórios Ltda. ("Original Distribuidora")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
Original Veículos Ltda. ("Original Veículos")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
Ponto Veículos Ltda. ("Ponto Veículos")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
JSL Arrendamento Mercantil S.A. ("JSL Arrendamento")	Brazil	BBC	-	100.00	-	100.00
JSL Holding Financeira Ltda. ("JSL Holding")	Brazil	BBC	100.00	-	100.00	-
BBC Pagamentos Ltda. ("BBC Pagamentos")	Brazil	Holding and other	99.99	0.01	99.99	0.01
JSL Empreendimentos Imobiliários Ltda. ("JSL Empreendimentos")	Brazil	Holding and other	99.99	0.01	99.99	0.01
JSL Europe	Luxembourg	Holding and other	100.00	-	100.00	-
JSL Finance S.a.r.l. ("JSL Finance")	Luxembourg	Holding and other	100.00	-	100.00	-

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

(ii) The subsidiary CS Brasil Transportes proportionally consolidates in its balance sheet the percentage of its 50% interest in Consórcio Sorocaba.

1.2 Situation due to COVID-19

On January 30, 2020, the World Health Organization (WHO) declared a global state of emergency due to the spread of COVID-19. On March 11, 2020, it declared COVID-19 as a pandemic outbreak. From March 2020 to June 30, 2020, government authorities in various jurisdictions imposed confinement or other restrictions to contain the virus, causing the suspension or reduction of business activities in various sectors of the economy. The final impact on the global economy and financial markets is expected with a contraction in the Gross Domestic Products - GDP of most countries, and in Brazil are expected a decrease of 6.54% in its GDP, according to the Central Bank of Brazil's Focus bulletin of June 29, 2020.

In Brazil, the main market in which the JSL Group operates, the restriction measures included the closing of part of the trade and services considered as non-essential.

The JSL Group's Management created a multidisciplinary crisis management committee specific to deal with the COVID-19 issue, and through this committee the evolution of the crisis is monitored on a daily basis, applying actions in line with WHO guidelines highlighting the following aspects:

a. Care for employees

Adoption of work on a home office basis for part of employees, including people over 60 years old and others that are considered as a risk group, flexible entry and exit times to avoid agglomeration of employees during their circulation in the offices of the companies of JSL Group; adaptation of physical facilities to ensure bigger spacing between people and facilitate their circulation; availability of vehicles for employees who use public transport; collective vacations and use of the hour bank; and the introduction of massive cleaning, sterilization and physical sanitation routines for furniture and building premises.

In addition, to ensure the security of information in the JSL Group's systems and network environment, given the adoption of a group was created to assess the risks of unauthorized access and data collection, and thus define and implement actions to mitigate them.

b. Support to communities

Provision of its structure and operations in support of the communities where the Company is present, mainly by donating essential and basic products to families, logistics services for circulation and delivery of donations received from government institutions.

Additionally, the JSL Group continues with its initiatives and projects linked to socio-environmental programs

c. Economic and financial impacts

Most of the JSL Group's activities are considered essential, which, therefore, are kept operating, such as road freight transport, urban distribution, vehicle rental, outsourcing of fleets of light and heavy vehicles used in the provision of essential services, such as agribusiness, basic services, and government institutions. Therefore, these activities kept their operations in full service.

The JSL Group has a solid financial condition sufficient to overcome the crisis, mainly citing the following circumstances:

(i) The economic and financial situation

- Positive current liquidity, that is, current assets greater than current liabilities of 3.8 times in Parent Company and 2.7 times in Consolidated, and a positive quick ratio, that is, cash balance, cash equivalents, marketable securities, financial investments and short-term derivative financial instruments greater than current liabilities by 2.6 times in Parent Company and 1.9 times in Consolidated.
- Most of the services provided, mainly in the logistics and fleet outsourcing segments, are supported by long-term agreements, ensuring more than 57% of the JSL Group's revenue.
- Implementation of cost reduction programs to adapt the cost structure according to changes in revenue and its cash generation, monitored on a daily basis.

(ii) Impairment testing of financial assets

The JSL Group reviewed its financial assets, including trade receivables, to assess the need to set up additional impairment provisions. This testing was conducted considering the credit risk and current default situation known to date. For financial assets held with financial institutions, mark-to-market was made and the impacts were recognized in profit or loss.

For trade receivables, as a result of the analysis, there was no need to set up additional provisions in the JSL Logística, CS Brasil, Vamos, Original and BBC segment. For Movida, an additional impairment provision of R\$ 50,304 was set up, totaling the expense for the six-month period ended June 30, 2020 of R\$ 75,388 in Consolidated (R\$ 11,998 at June 30, 2019), as mentioned in note 7.1.

(iii) Impairment testing of non-financial assets

The JSL Group analyzed its non-financial assets, which are concentrated in inventories, assets held for sale, property and equipment and intangible assets.

As a result, no provision for any of the related assets was identified, except for Movida's segment, which recorded an allowance for the impairment of assets as follows:

	Carrying amount	Provision balance as at 06/30/2020
Assets held for sale	(97,854)	(63,364)
Property and equipment	(97,540)	(41,316)
Total provision recognized	(195,394)	(104,680)
Deferred income tax and social contribution	66,434	35,591
Net impact on profit or loss	(128,960)	(69,089)

As a result of the sale of part of these assets, the corresponding portion of the provision of R\$ 90,714 was written off with the respective residual balance.

The assumptions used in the respective analyses are described in the notes 9 - Assets held for sale, 12 - Property and equipment and 13 - Intangible assets.

(iv) Analysis of recovery of deferred income tax and social contribution

The JSL Group has updated their deferred income tax and social contribution recovery studies, considering the possible impacts to be measured and future forecasts with the ratios known to date. Based on these analyzes, it was not necessary to derecognize or record provisions on the balances recorded at June 30, 2020.

(v) Concessions announced by municipal, state and federal governments

Municipal, state and federal governments have announced several measures to combat the negative impacts of COVID-19. Principally, the Federal Government, issued provisional measures, decrees and laws granting discounts and extensions of payments of taxes and social contributions. The JSL Group partially adhered to these programs, so it is paying part of these taxes as usual and part of some contributions will be paid according to the special schedule established by the Federal Government. All related accounting effects are properly reflected in the interim financial information as taxes payable and respective expenses in the results for the six-month period ended June 30, 2020.

(vi) Analysis of benefits in right-of-use leases - CPC 6 (R2) / IFRS 16.

As a result of the crisis, the JSL Group negotiated discounts on its lease agreements, in the amount of R\$ 2,193 in Parent Company and R\$ 7,014 in Consolidated, in addition to certain maturity extensions.

Pursuant to resolution 859 issued by the Brazilian Securities and Exchange Commission and with the Revision of Technical Pronouncements 16/2020, issued by the Brazilian Accounting Pronouncements Committee (CPC), Management evaluated these concessions and elected to adopt the practical expedient and not treat these benefits as modification of the respective lease agreements.

The discounts obtained were recognized directly in profit or loss for the six-month period ended June 30, 2020.

The JSL Group's Management continues to constantly assess the evolution of the crisis, and also considers: (i) the stage of spread of the virus in Brazil (ii) it is a new and unprecedented event, never seen in contemporary world history; and (iii) all municipal, state and federal governments still continue to announce and test actions to combat, close and reopen trade in general, which makes it uncertain how many measures will be adopted and their extent.

Therefore, it assesses that any necessary adjustments may be necessary in the future in order to address the impacts that may occur. See note 33.2 referring to the subsequent events of COVID-19 until the issuance of this interim financial information.

2. Basis of preparation and presentation of the individual and consolidated interim financial information.

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

The interim financial information has been prepared in accordance with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and CPC 21 (R1) – Interim Financial Reporting and presented according to the standards issued and approved by the CVM, applicable to the preparation of Interim Financial Information - ITR.

The interim financial information contains selected explanatory notes that explain significant events and transactions, which allow the understanding of the changes occurred in the JSL Group's financial position and performance since its last individual and consolidated annual financial statements. Therefore, this interim financial information should be read in conjunction with the Company's financial statements for the year ended December 31, 2019, published on March 30, 2020.

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

The issuance of this interim financial information was approved and authorized by the Board of Directors on August 13, 2020.

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 this interim financial information.

2.3 Use of estimates and judgments

In preparing this interim financial information, Management has made judgments and estimates that affect the application of the JSL Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The significant judgments made by Management during the application of JSL Group's accounting policies and the information about uncertainties related to assumptions and estimates that have a significant risk of resulting in a material adjustment are the same as those disclosed in the latest individual and consolidated annual financial statements.

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3. Segment information

The segment information is presented in relation to the JSL Group business, which were identified based on the management structure and internal managerial information utilized by the Group chief decision-makers, see note 1.

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

No customer accounted for more than 10% of the net revenue for the six-month periods ended June 30, 2020 and 2019.

The segment information for the six-month periods ended June 30, 2020 and 2019, is presented below:

									06/30/2020
	JSL Logística	Movida	Vamos	CS Brasil	Original Concessionárias	BBC	Holding and other	Eliminations ⁽ⁱ⁾	Consolidated
Net revenue from sale, lease, services rendered and sale of decommissioned assets	1,275,422	2,058,990	625,378	395,520	243,550	22,151	-	(66,894)	4,554,117
(-) Cost of sales, leases and services rendered	(1,089,254)	(421,691)	(322,435)	(227,446)	(200,326)	(5,517)	-	4,483	(2,262,186)
Cost of sales of decommissioned assets	(68,416)	(1,227,249)	(77,346)	(63,389)	(2,360)	-	-	56,252	(1,382,508)
(=) Gross profit	117,752	410,050	225,597	104,685	40,864	16,634	-	(6,159)	909,423
Selling expenses	(8,806)	(102,937)	(27,510)	(1,417)	(15,022)	(210)	(6,351)	9,069	(153,184)
Administrative expenses	(60,639)	(93,218)	(41,787)	(18,995)	(28,187)	(5,601)	(8,112)	6	(256,533)
(Provision) reversal of expected credit losses ("impairment") of trade receivables	(7,213)	(63,268)	-	(1,535)	627	(3,949)	-	-	(75,338)
Provision for impairment of non-financial assets	-	(195,394)	-	-	-	-	-	-	(195,394)
Other operating income (expenses), net	34,721	(33,234)	8,869	2,356	1,797	103	(1,686)	(2,372)	10,554
Equity results from investees	-	-	-	(698)	-	-	-	-	(698)
Operating profit (loss) before finance income (costs) and taxes	75,815	(78,001)	165,169	84,396	79	6,977	(16,149)	544	238,830
Finance income									459,918
Finance costs									(527,085)
Profit before income tax and social contribution									171,663
Income tax and social contribution									(101,366)
Loss for the period									70,297
Total assets per segment at 06/30/2020	3,787,805	7,460,748	3,586,975	1,981,124	330,892	246,082	8,570,034	(3,360,257)	22,603,403
Total liabilities per segment at 06/30/2020	2,626,239	5,281,474	3,017,753	1,532,993	156,342	152,618	8,328,792	(873,584)	20,222,627
Depreciation and amortization at 06/30/2020	(116,511)	(208,730)	(126,271)	(81,577)	(8,395)	(359)	(5,749)	-	(547,592)

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									06/30/2019
	JSL Logística	Movida	Vamos	CS Brasil	Original Concessionárias	BBC	Holding and other	Eliminations ⁽ⁱ⁾	Consolidated
Net revenue from sale, lease, services rendered and sale of decommissioned assets	1,536,465	1,768,712	574,738	419,085	394,341	18,803	-	(111,416)	4,600,728
(-) Cost of sales, leases and services rendered	(1,247,767)	(288,331)	(293,002)	(278,230)	(328,193)	(5,576)	(504)	24,478	(2,417,125)
Cost of sales of decommissioned assets	(73,448)	(1,066,355)	(87,610)	(62,757)	(4,042)	-	-	79,976	(1,214,236)
(=) Gross profit	215,250	414,026	194,126	78,098	62,106	13,227	(504)	(6,962)	969,367
Selling expenses	(9,489)	(86,970)	(13,997)	(1,806)	(4,233)	(317)	-	1,801	(115,011)
Administrative expenses	(54,201)	(124,515)	(48,015)	(15,775)	(50,667)	(5,665)	(54,083)	50,678	(302,243)
Reversal (provision) of expected credit losses ("impairment") of trade receivables	3,922	(13,965)	(2,396)	(987)	(215)	(1,986)	3,629	-	(11,998)
Other operating (expenses) income, net	(1,192)	10,244	11,882	11,409	4,119	67	3,481	(2,432)	37,578
Equity results from investees	-	-	-	(975)	-	-	-	-	(975)
Operating profit (loss) before finance income (and cost) and taxes	154,290	198,820	141,600	69,964	11,110	5,326	(47,477)	43,085	576,718
Finance income									162,227
Finance costs									(548,398)
(=) Profit before income tax and social contribution									190,547
Income tax and social contribution									(58,627)
Net profit for the period									131,920
Total assets per segment at 12/31/2019	3,268,124	7,242,817	3,053,849	2,181,157	345,944	219,324	7,505,056	(3,548,037)	20,268,234
Total liabilities per segment at 12/31/2019	2,354,648	4,941,818	2,563,095	1,768,619	169,263	129,042	7,054,289	(1,092,503)	17,888,271
Depreciation and amortization at 06/30/2019	(111,178)	(105,648)	(115,086)	(67,247)	(8,119)	(364)	(8,367)	-	(416,009)

(i) Elimination of transactions between the segments

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

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4. Financial instruments and risk management**4.1 Financial instruments by category**

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

	06/30/2020				Parent Company 12/31/2019			
	Assets at fair value through profit or loss	Fair value of hedge instruments	Amortized cost	Total	Assets at fair value through profit or loss	Fair value of hedge instruments	Amortized cost	Total
Assets, as per the statement of financial position								
Cash and cash equivalents	391,217	-	2,114	393,331	123,290	-	2,063	125,353
Marketable securities and financial investments	2,128,965	-	-	2,128,965	996,067	-	-	996,067
Derivative financial instruments	41,252	358,685	-	399,937	63,986	590,599	-	654,585
Trade receivables	-	-	620,451	620,451	-	-	659,829	659,829
Related parties	-	-	45,617	45,617	-	-	713,635	713,635
Other credits	-	-	87,055	87,055	-	-	45,373	45,373
	<u>2,561,434</u>	<u>358,685</u>	<u>755,237</u>	<u>3,675,356</u>	<u>1,183,343</u>	<u>590,599</u>	<u>1,420,900</u>	<u>3,194,842</u>
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		-	99,205	99,205		-	71,765	71,765
Suppliers financing - car makers		-	2,143	2,143		-	-	-
Loans and borrowings		-	4,366,150	4,366,150		-	3,454,084	3,454,084
Debentures (i)		173,837	1,935,517	2,109,354		213,811	2,031,745	2,245,556
Leases payable		-	93,292	93,292		-	116,398	116,398
Right-of-use leases		-	188,777	188,777		-	155,677	155,677
Other payables		-	114,718	114,718		-	111,752	111,752
		<u>173,837</u>	<u>6,799,802</u>	<u>6,973,639</u>		<u>213,811</u>	<u>5,941,421</u>	<u>6,155,232</u>

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	06/30/2020					Consolidated 12/31/2019				
	Assets at fair value through profit or loss	Fair value of hedge instruments	Assets at fair value through other comprehensive income - FVOCI	Amortized cost	Total	Assets at fair value through profit or loss	Fair value of hedge instruments	Assets at fair value through other comprehensive income - FVOCI	Amortized cost	Total
Assets, as per the statement of financial position										
Cash and cash equivalents	732,296	-	-	21,638	753,934	579,063	-	-	12,752	591,815
Marketable securities and financial investments	6,576,262	-	948,558	-	7,524,820	4,464,771	-	717,894	-	5,182,665
Derivative financial instruments	41,252	418,922	-	-	460,174	63,986	606,647	-	-	670,633
Trade receivables	-	-	-	1,707,408	1,707,408	-	-	-	1,863,458	1,863,458
Related parties	-	-	-	17	17	-	-	-	-	-
Other credits	-	-	-	96,250	96,250	-	-	-	53,431	53,431
	7,349,810	418,922	948,558	1,825,313	10,542,603	5,107,820	606,647	717,894	1,929,641	8,362,002
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			-	951,888	951,888			-	1,691,713	1,691,713
Floor plan			-	117,444	117,444			-	106,735	106,735
Suppliers financing - car makers			-	575,860	575,860			-	12,051	12,051
Loans and borrowings			-	10,830,616	10,830,616			-	8,222,039	8,222,039
Debentures (i)			173,837	5,252,168	5,426,005			213,811	5,157,945	5,371,756
Leases payable			-	404,142	404,142			-	401,612	401,612
Right-of-use leases			-	519,436	519,436			-	517,700	517,700
Assignment of receivables			-	15,107	15,107			-	18,128	18,128
Related parties			-	2,806	2,806			-	3,056	3,056
Other payables			-	184,709	184,709			-	162,290	162,290
			173,837	18,854,176	19,028,013			213,811	16,293,269	16,507,080

(i) As mentioned in note 4.3 (b) (ii), the Group elected to designate part of the debentures at fair value through profit or loss (fair value option).

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4.2 Fair value of financial assets and liabilities

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

	Carrying amount		Parent Company	
			Fair value	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Financial assets				
Cash and cash equivalents	393,331	125,353	393,331	125,353
Marketable securities and financial investments	2,128,965	996,067	2,128,965	996,067
Derivative financial instruments	399,937	654,585	399,937	654,585
Trade receivables	620,451	659,829	620,451	659,829
Related parties	45,617	713,635	45,617	713,635
Other credits	87,055	45,373	87,055	45,373
Total	3,675,356	3,194,842	3,675,356	3,194,842
Financial liabilities				
Trade payables	99,205	71,765	99,205	71,765
Suppliers financing - car makers	2,143	-	2,143	-
Loans and borrowings	4,366,150	3,454,084	4,412,167	3,485,671
Debentures	2,109,354	2,245,556	2,142,516	2,255,099
Leases payable	93,292	116,398	93,332	116,670
Right-of-use leases	188,777	155,677	188,777	155,677
Other payables	114,718	111,752	114,718	111,752
Total	6,973,639	6,155,232	7,052,858	6,196,634
			Consolidated	
	Carrying amount		Fair value	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Financial assets				
Cash and cash equivalents	753,934	591,815	753,934	591,815
Marketable securities and financial investments	7,524,820	5,182,665	7,524,820	5,182,665
Derivative financial instruments	460,174	670,633	460,174	670,633
Trade receivables	1,707,408	1,863,458	1,707,408	1,863,458
Related parties	17	-	17	-
Other credits	96,250	53,431	96,250	53,431
Total	10,542,603	8,362,002	10,542,603	8,362,002
Financial liabilities				
Trade payables	951,888	1,691,713	951,888	1,691,713
Floor plan	117,444	106,735	117,444	106,735
Suppliers financing - car makers	575,860	12,051	575,860	12,051
Loans and borrowings	10,830,616	8,222,039	10,946,640	8,229,773
Debentures	5,426,005	5,371,756	5,385,901	5,401,654
Leases payable	404,142	401,612	404,205	402,082
Right-of-use leases	519,436	517,700	519,436	517,700
Assignment of receivables	15,107	18,128	15,107	18,128
Related parties	2,806	3,056	2,806	3,056
Other payables	184,709	162,290	184,709	162,290
Total	19,028,013	16,507,080	19,103,996	16,545,182

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 unobservable inputs; and

Level 3 - Instruments with unobservable significant inputs. The JSL Group does not have financial instruments classified in this category.

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

Parent Company

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	06/30/2020			12/31/2019		
	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")	-	289,746	289,746	-	23,926	23,926
Financial bills	-	21,935	21,935	-	30,167	30,167
Lease bills	-	79,272	79,272	-	57,657	57,657
Units of other funds	264	-	264	11,540	-	11,540
Marketable securities and financial investments						
Financial Treasury Bills ("LFT")	846,315	-	846,315	593,705	-	593,705
National Treasury Bills ("LTN")	682,588	-	682,588	402,362	-	402,362
Promissory Notes	-	600,062	600,062	-	-	-
Derivative financial instruments						
Cash flow swap	-	399,937	399,937	-	654,585	654,585
	1,529,167	1,390,952	2,920,119	1,007,607	766,335	1,773,942
Liabilities at fair value through profit or loss						
Debentures	-	173,837	173,837	-	213,811	213,811
	-	173,837	173,837	-	213,811	213,811
Financial liabilities not measured at fair value						
Loans and borrowings	-	4,366,150	4,366,150	-	3,454,084	3,454,084
Debentures	-	1,935,517	1,935,517	-	2,031,745	2,031,745
Leases payable	-	93,292	93,292	-	116,398	116,398
	-	6,394,959	6,394,959	-	5,602,227	5,602,227
	-	6,568,796	6,568,796	-	5,816,038	5,816,038
Consolidated						
	06/30/2020			12/31/2019		
	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")	-	617,327	617,327	-	374,011	374,011
Repurchase agreements	-	30,007	30,007	-	121,092	121,092
Financial bills	-	40,861	40,861	-	63,904	63,904
Units of other funds	2,006	-	2,006	17,455	-	17,455
Others	-	42,095	42,095	-	2,601	2,601
Marketable securities and financial investments						
CLN - Credit linked notes	-	2,599,016	2,599,016	-	1,925,460	1,925,460
Financial Treasury Bills ("LFT")	2,290,953	-	2,290,953	1,736,780	-	1,736,780
National Treasury Bills ("LTN")	1,676,917	-	1,676,917	792,795	-	792,795
Units of other funds	8,547	-	8,547	9,080	-	9,080
Others	829	-	829	656	-	656
Derivative financial instruments						
Cash flow swap	-	459,970	459,970	-	669,535	669,535
IDI options	-	204	204	-	1,098	1,098
	3,979,252	3,789,480	7,768,732	2,556,766	3,157,701	5,714,467
Assets at fair value through other comprehensive income - FVOCI						
Marketable securities and financial investments						
Sovereign securities (in USD)	515,891	-	515,891	366,709	-	366,709
Corporate securities (in USD)	432,667	-	432,667	351,185	-	351,185
	948,558	-	948,558	717,894	-	717,894
	4,927,810	3,789,480	8,717,290	3,274,660	3,157,701	6,432,361
Liabilities at fair value through profit or loss						
Debentures	-	173,837	173,837	-	213,811	213,811
	-	173,837	173,837	-	213,811	213,811
Financial liabilities not measured at fair value						
Loans and borrowings	-	10,830,616	10,830,616	-	8,222,039	8,222,039
Debentures	-	5,252,168	5,252,168	-	5,157,945	5,157,945
Leases payable	-	404,142	404,142	-	401,612	401,612
	-	16,486,926	16,486,926	-	13,781,596	13,781,596
	-	16,660,763	16,660,763	-	13,995,407	13,995,407

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

- (i) Quoted market prices or quotations from financial institutions or brokers for similar instruments; and
- (ii) Analysis of discounted cash flows.

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The curve used in the fair value measurement of agreements indexed to the CDI at June 30, 2020 is as follows:

Interest curve - Brazil

	1M	6M	1A	2Y	3Y	5Y	10Y
Vertex							
Rate (p.a.) - %	2.2%	2.1%	2.4%	3.5%	4.5%	5.9%	7.4%

Source: B3, 06/30/2020.

4.3 Financial risk management

The JSL Group is exposed to market risk, credit risk, and liquidity risk 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 instrument 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 JSL Group 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. The JSL Group is exposed to credit risk, mainly in respect of trade receivables, deposits with banks, financial investments and other financial instruments 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 Group treasury area in accordance with the guidelines approved by the Board of Directors. The surplus funds are invested only in approved counterparties and within the limit established to each one, in order to minimize the risk concentration, and thus mitigate the financial loss in the event of a potential bankruptcy of a counterparty.

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

For risk assessment purposes, a local scale ("Br") and a global scale ("G") of credit risk exposure obtained from rating agencies are used, as shown below:

Rating in Local Scale "Br"		Rating in Global Scale "G"	
Nomenclature	Quality	Nomenclature	Quality
Br AAA	Prime	G AAA	Prime
Br AA+, AA, AA-	High Investment Grade	G AA+, AA, AA-	High Investment Grade
Br A+, A, A-	High Average Investment Grade	G A+, A, A-	High Average Investment Grade
Br BBB+, BBB, BBB-	Low Average Investment Grade	G BBB+, BBB, BBB-	Low Average Investment Grade
Br BB+, BB, BB-	Non-Speculative Investment Grade	G BB+, BB, BB-	Non-Speculative Investment Grade
Br B+, B, B-	Non-highly Speculative Investment Grade	G B+, B, B-	Non-highly Speculative Investment Grade
Br CCC	Extremely Speculative Non-Investment Grade	G CCC	Extremely Speculative Non-Investment Grade
Br DDD, DD, D	Non-Speculative Moratorium Investment Grade	G DDD, DD, D	Non-Speculative Moratorium Investment Grade

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

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	Parent Company	Consolidated
	06/30/2020	06/30/2020
Demand and short-term deposits	2,114	21,638
Br AAA	279,472	573,226
Br AA+	79,272	109,411
Br AA	32,473	49,659
Total financial investments	391,217	732,296
Total cash and cash equivalents	393,331	753,934

	Parent Company	Consolidated
	06/30/2020	06/30/2020
Marketable securities and financial investments		
Br AAA	2,128,965	3,573,782
Br AA	-	403,464
G BB+	-	119,022
G BB-	-	2,934,863
G BB	-	493,689
Total marketable securities and financial investments	2,128,965	7,524,820

ii. Trade receivables

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

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

The JSL Group recognized an impairment allowance that represents its estimate of expected credit losses on trade receivables, see note 7.

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 JSL Group's 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.

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

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 variations in market interest rates. The JSL Group exposure to risk associated with market interest rate fluctuations relates primarily to cash and cash equivalents, marketable securities and financial investments, loans, borrowings, debentures, leases payable and right-of-use leases, subject to interest rates.

To mitigate part of this exposure, through its subsidiary Vamos, the Group has contracted options on the “Average One-Day Interbank Deposit Rate (IDI) Index” listed on B3. These options act as limiters, ensuring an upper limit of interest rate variation. IDI options are used as a kind of insurance, where the option premium resembles an insurance premium where the Vamos bought rights only. Limiters are contracted for the sole and exclusive purpose of cash flow protection. The sensitivity analysis is presented in note 4.4.

ii. Foreign exchange currency risk

The JSL Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which loans are denominated and its functional currency. Borrowings are generally denominated in currency equivalent to the cash flows generated by trade operations, mainly in Reais. However, there are also contracts in US dollars ("dollars" and Euro ("Euro"), which have been protected against exchange rate changes by swap instruments, which exchange the indexation of foreign currency and the fixed rate by the Interbank Deposit Certificate (CDI), limiting exposure to possible losses due to exchange rate changes. The sensitivity analysis is presented in note 4.4.

To manage these risks, at June 30, 2020 and 2019, the JSL Group had derivative financial instruments (swap contracts and long position of interest rate options) treated as hedge accounting, whose positive variations in their fair values of R\$ 66,080 and R\$ 64,677 in the six-month period ended June 30, 2020, in Parent Company and Consolidated, respectively, (as at June 30, 2019, a positive variation of R\$ 86,660 in Parent Company and Consolidated), were recorded in "other comprehensive income". During the same period, no gain or loss on the ineffective portion was recognized. The amounts accumulated in OCI, net of taxes, are reclassified to the statement of profit or loss for the periods when the hedged item affects profit or loss (for example, when the settlement of the hedged item occurs).

On March 18, 2020 and between June 24 and 29, 2020, the Company made an early settlement of six foreign exchange hedge swap instruments, with interest rate spread with a notional value of USD 463.5 million, receiving the amount net of withholding income tax - IRRF of R\$ 754,268. The hedged debt instruments were settled on the same date and replaced by new instruments under the same conditions as the previous ones. As a result, hedge accounting contracts were discontinued, and the respective hedge reserve balance of R\$ 277,494 was reclassified to profit or loss.

On the same dates, new swap instruments were contracted to hedge foreign exchange exposure and interest rate spread, with the same maturities and with an average rate of 153% of the CDI, in the same notional amount of USD 463,5 million. In this transaction, a premium of R\$ 278,788 was paid to financial institutions as part of the negotiation of the new instruments.

On March 20, 2020, the subsidiary Vamos, as a result of the renegotiation of International Credit Loan (4131), replaced the swap to have the same conditions as the renegotiated debt. When settling the previous swap, the balance of R\$ 3,946 was reclassified from the hedge reserve to profit or loss. The Company received R\$ 40,833, net of IRRF, for the settlement.

The JSL Group has other derivative financial instruments (swap agreements) that were classified as fair value hedge and were not elected for the application of the hedge accounting pursuant to CPC 48/IFRS 9 – Financial Instruments, the resulting gains and losses of which arising from changes in the fair value of these transactions are recognized in profit or loss, as well as financial instrument liabilities, part of the debentures, which were designated as liabilities at fair value through profit or loss (fair value option). During the six-month period ended June 30, 2020, the result from swap operations was a gain of R\$ 685,381 (loss of R\$ 8,681 at June 30, 2019) and gain of R\$ 772,285 (loss of R\$ 13,520 at June 30, 2019), in Parent company and Consolidated, respectively. These gains offset losses on the related hedged instruments.

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The outstanding contracts at June 30, 2020 are the following:

Company	Instrument	Type of derivative financial instrument	Operation	Notional amount	Maturity	Hedge index	Average contracted rate	Parent company and Consolidated	
								Balance of the hedged debt as of 06/30/2020	
								At amortized cost	At fair value
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 278.500	Jul/24	Fixed rate + Exchange rate	150.62 % of CDI	1,564,503	1,564,503
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 185.000	Jul/24	Fixed rate + Exchange rate	CDI + 4.50%	1,038,766	1,038,765
JSL	Swap agreement	Cash flow hedge	SWAP IPCA X CDI	R\$ 362,685	Nov/25	IPCA + Fixed rate	CDI + 0.65%	370,905	370,905
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 106,906	Jul/20	IPCA + Fixed rate	108.85% of CDI	141,538	142,520
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 47,834	Jul/24	IPCA + Fixed rate	CDI + 2.53%	32,299	34,198
Total Parent Company								3,148,011	3,150,891
Vamos	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD40.000	Sep/23	Fixed rate + Exchange rate	134.99% of CDI	212,143	231,250
Vamos	Swap agreement	Cash flow hedge	Swap CDI Fixed X CDI	BRL98.036	Nov/24	Fixed + CDI	7.60% + 100% CDI	98,924	106,848
Vamos	Swap agreement	Cash flow hedge	Swap CDI Fixed X CDI	BRL121.964	Nov/26	Fixed + CDI	8.00% + 100% CDI	118,145	134,239
Movida	Swap agreement	Cash flow hedge	SWAP USD X CDI	EUR42.000	Mar/25	Fixed rate + Exchange rate	0.017	259,733	270,526
Total Consolidated								3,836,956	3,893,754

Consolidated										
Company	Description	Counterparty	Beginning date	Maturity	Quantity	Notional amount – R\$	Indexer	Contracted rate p.a.	Exercise price	Market value – R\$
Vamos	Purchase of IDI call option	B3	02/25/2019	01/03/2022	525	139,799	FIXED RATE	7.70%	329	6
Vamos	Purchase of IDI call option	B3	08/28/2019	01/02/2023	670	184,011	FIXED RATE	7.10%	985	146
Vamos	Purchase of IDI call option	B3	12/19/2019	01/03/2022	1,840	513,628	Fixed rate	6.50%	970	52
						837,438			2,284	204

The outstanding balances are as follows:

Operation	Parent Company			Parent Company		
	06/30/2020			12/31/2019		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Swap - USD x CDI	USD 463,500	333,936	-	USD 463,500	590,599	-
Swap - IPCA x CDI	R\$ 517,425	66,001	-	R\$ 648,247	63,986	-
Total		399,937	-		654,585	-
Current		30,921	-		32,233	-
Noncurrent		369,016	-		622,352	-
Total		399,937	-		654,585	-

Operation	Consolidated			Consolidated		
	06/30/2020			12/31/2019		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Swap - USD x CDI	USD503.500	359,585	-	USD503.500	605,549	-
Swap - USD x CDI	EUR42.000	29,812	-	EUR42.000	-	-
Swap - IPCA x CDI	R\$ 517,425	66,001	-	R\$ 648,247	63,986	-
Swap CDI Fixed X CDI	R\$ 220,000	4,572	-	-	-	-
Call option IDI	R\$ 837,438	204	-	R\$ 892,367	1,098	-
Total		460,174	-		670,633	-
Current		30,921	-		32,233	-
Noncurrent		429,253	-		638,400	-
Total		460,174	-		670,633	-

The table below indicates the expected periods that the cash flows associated with the swap contract will impact the profit or loss and the respective carrying amount of these instruments.

	Parent Company				
	At June 30, 2020				
	Expected cash flow				
	Carrying amount	Total	1-6 months	7-12 months	Over 1 year
Cash flow swap					
Asset	3,703,537	3,955,007	162,985	99,450	3,692,572
Liability position	(3,303,600)	(3,966,518)	(125,837)	(60,719)	(3,779,962)
	399,937	(11,511)	37,148	38,731	(87,390)

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		Consolidated			
		At June 30, 2020			
		Expected cash flow			
	Carrying amount	Total	1-6 months	7-12 months	Over 1 year
Cash flow swap					
Asset	4,446,400	4,231,835	165,217	101,695	3,964,923
Liability position	(3,986,430)	(4,251,534)	(131,043)	(65,347)	(4,055,144)
	459,970	(19,699)	34,174	36,348	(90,221)

c) Liquidity risk

The JSL Group monitors risks associated with funding shortages on an ongoing basis through a current liquidity planning. The Group's purpose is to maintain in its assets 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:

Payment:

	Parent Company				
	06/30/2020				
	Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	From 3 to 8 years
Financial assets					
Cash and cash equivalents	393,331	393,331	393,331	-	-
Marketable securities and financial investments	2,128,965	2,128,965	2,128,965	-	-
Derivative financial instruments	399,937	399,937	30,921	35,080	333,936
Trade receivables	620,451	620,451	613,147	7,304	-
Related parties	45,617	45,617	-	45,617	-
Other credits	87,055	87,055	73,283	13,772	-
Total	3,675,356	3,675,356	3,239,647	101,773	333,936

	Parent Company				
	06/30/2020				
	Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	From 3 to 8 years
Financial liabilities					
Trade payables	99,205	99,205	99,205	-	-
Suppliers financing - car makers	2,143	2,143	2,143	-	-
Loans and borrowings	4,366,150	5,459,219	415,411	827,678	4,216,130
Debentures	2,109,354	2,359,764	429,941	300,736	1,629,087
Leases payable	93,292	99,867	42,127	20,142	37,598
Right-of-use leases	188,777	299,791	42,978	35,833	220,980
Other payables	114,718	120,736	46,898	44,759	29,079
Total	6,973,639	8,440,725	1,078,703	1,229,148	6,132,874

					Consolidated
					06/30/2020
	Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	From 3 to 8 years
Financial assets					
Cash and cash equivalents	753,934	753,934	753,934	-	-
Marketable securities and financial investments	7,524,820	7,524,820	7,483,991	40,829	-
Derivative financial instruments	460,174	460,174	30,921	35,284	393,969
Trade receivables	1,707,408	1,707,408	1,627,089	80,319	-
Related parties	17	17	-	17	-
Other credits	96,250	96,250	57,073	27,765	11,412
Total	10,542,603	10,542,603	9,953,008	184,214	405,381

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	Consolidated				
	06/30/2020				
	Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	From 3 to 8 years
Financial liabilities					
Trade payables	951,888	951,888	951,888	-	-
Floor plan	117,444	117,444	117,444	-	-
Suppliers financing - car makers	575,860	575,860	575,860	-	-
Loans and borrowings	10,830,616	12,822,948	1,170,647	1,890,091	9,762,210
Debentures	5,426,005	6,122,718	949,577	1,167,707	4,005,434
Leases payable	404,142	430,220	168,145	118,296	143,779
Right-of-use leases	519,436	712,890	143,049	133,267	436,574
Assignment of receivables	15,107	15,107	6,043	9,064	-
Related parties	2,806	2,806	2,806	-	-
Other payables	184,709	197,942	100,381	68,483	29,078
Total	19,028,013	21,949,823	4,185,840	3,386,908	14,377,075

4.4 Sensitivity analysis

The JSL Group's Management performed a sensitivity analysis in accordance with CVM Instruction No. 475/2008, 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 2.36 % p.a., based on the future yield curve (source: B3);
- TLP of 4.84% p.a. (source: BNDES);
- IPCA 2.78 % p.a. (source: B3);
- IGP-M of 3.27% p.a. (source: B3);
- SELIC of 2.36% p.a. (source: B3);
- Euro rate of R\$ 6.22 (source: B3); and
- US dollar ("dollar" or "USD") rate of R\$ 5.50 (source: B3).

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

Operation	Exposure	Risk	Probable rate	Parent Company		
				Scenario I probable	Scenario II + depreciation of 25%	Scenario III + depreciation of 50%
Derivatives designated as hedging accounting						
Swap	USD 463,500	USD increase	5.50	2,549,250	3,186,563	3,823,875
CCB FX (hedged item)	USD (463,500)	USD increase	5.50	(2,549,250)	(3,186,563)	(3,823,875)
Net effect of exposure						
Debentures (hedged item)	(544,742)	IPCA increase	10.42%	(56,762)	(70,953)	(85,143)
Swap long position	544,742	IPCA increase	10.42%	56,762	70,953	85,143
Swap short position	(478,741)	CDI increase	3.02%	(14,449)	(18,061)	(21,673)
Net effect of exposure	(478,741)			(14,449)	(18,061)	(21,673)
Loans and borrowings – CCB FX	(2,603,269)	Fixed rate	7.60%	(197,848)	(197,848)	(197,848)
Swap long position - CCB FX	2,603,269	Fixed rate	7.60%	197,848	197,848	197,848
Swap short position	(2,824,859)	CDI increase	2.36%	(66,667)	(83,333)	(100,000)
Net effect of exposure	(2,824,859)			(66,667)	(83,333)	(100,000)
Net effect of hedge accounting operations	(3,303,600)			(81,116)	(101,394)	(121,673)
Other operations - floating rate						
Financial investments	391,217	CDI increase	2.29%	8,973	11,217	13,460
Marketable securities and financial investments	600,062	CDI increase	5.71%	34,264	42,829	51,395
Marketable securities and financial investments	846,315	SELIC increase	2.36%	19,973	24,966	29,960
Loans and borrowings	(967,806)	CDI increase	3.94%	(38,132)	(47,664)	(57,197)
Debentures	(1,564,612)	CDI increase	3.65%	(57,108)	(71,385)	(85,663)
Leases payable	(93,292)	CDI increase	4.98%	(4,646)	(5,807)	(6,969)
Payables for the acquisition of companies (i)	(75,344)	IGPM increase	4.27%	(3,217)	(4,021)	(4,826)
Loans and borrowings	(670,481)	IPCA increase	6.07%	(40,698)	(50,873)	(61,047)
Loans and borrowings	(4,361)	TLP/TJLP increase	4.84%	(211)	(264)	(317)
Net effect of exposure	(1,538,302)			(80,802)	(101,002)	(121,204)
Net exposure and impact on finance costs - floating rate	(4,841,902)			(161,918)	(202,396)	(242,877)
Other operations - Fixed rate						
Marketable securities and financial investments	682,588	Fixed rate	3.52%	24,027	24,027	24,027
Right-of-use leases	(188,777)	Fixed rate	9.12%	(17,216)	(17,216)	(17,216)
Loans and borrowings	(120,233)	Fixed rate	4.79%	(5,759)	(5,759)	(5,759)
Net exposure and impact on finance costs - fixed rate	373,578			1,052	1,052	1,052
Net exposure and total impact of finance costs in profit or loss	(4,468,324)			(160,866)	(201,344)	(241,825)

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Operation	Exposure	Risk	Probable rate	Scenario I probable	Scenario II + depreciation of 25%	Consolidated Scenario III + depreciation of 50%
Derivatives designated as hedging accounting						
Swap agreement	USD 503,500	USD increase	5.50	2,769,250	3,461,563	4,153,875
Swap agreement	EUR 42,000	EUR increase	6.22	261,240	326,550	391,860
CCB FX (hedged item)	USD (463,500)	USD increase	5.50	(2,549,250)	(3,186,563)	(3,823,875)
International credit (hedged item)	USD (40,000)	USD increase	5.50	(220,000)	(275,000)	(330,000)
International credit (hedged item)	EUR (42,000)	Euro increase	6.22	(261,240)	(326,550)	(391,860)
Net effect of exposure	-			-	-	-
Debentures (hedged item)	(544,742)	IPCA increase	10.42%	(56,762)	(70,953)	(85,143)
Swap long position	544,742	IPCA increase	10.42%	56,762	70,953	85,143
Swap short position	(478,741)	CDI increase	3.02%	(14,449)	(18,061)	(21,673)
Net effect of exposure	(478,741)			(14,449)	(18,061)	(21,673)
Loans and borrowings - CCB FX	(2,603,269)	Fixed rate	7.60%	(197,848)	(197,848)	(197,848)
Swap long position - CCB FX	2,603,269	Fixed rate	7.60%	197,848	197,848	197,848
Loans and borrowings - international credit	(259,733)	Fixed rate	1.70%	(4,415)	(4,415)	(4,415)
Swap long position - international credit	259,733	Fixed rate	1.70%	4,415	4,415	4,415
Loans and borrowings - international credit	(212,143)	Fixed rate	2.48%	(5,261)	(5,261)	(5,261)
Swap long position - international credit	212,143	Fixed rate	2.48%	5,261	5,261	5,261
Swap short position	(3,507,689)	CDI increase	2.36%	(82,781)	(103,477)	(124,172)
Net effect of exposure	(3,507,689)			(82,781)	(103,477)	(124,172)
Other derivative financial instruments						
Call option IDI (Long position in Call option short curve)	(837,438)	Fixed rate	6.99%	(58,537)	(73,171)	(87,805)
Call option IDI (Long position in Call option long curve)	837,438	CDI increase	6.99%	58,537	73,171	87,805
Net effect of exposure	-			-	-	-
Net effect of hedge accounting operations	(3,986,430)			(97,230)	(121,538)	(145,845)
Other operations - floating rate						
Financial investments	732,296	CDI increase	2.29%	16,797	20,996	25,195
Marketable securities and financial investments	8,547	CDI increase	2.29%	196	245	294
Marketable securities and financial investments	2,291,782	SELIC increase	2.36%	54,086	67,608	81,129
Receivables from sale of companies - Joseense (ii)	16,720	IPCA increase	2.78%	465	581	697
Receivables from sale of companies - Quatai (ii)	17,625	CDI increase	2.36%	416	520	624
Loans and borrowings	(2,852,266)	CDI increase	4.22%	(120,366)	(150,457)	(180,548)
Debentures	(4,881,263)	CDI increase	4.96%	(242,111)	(302,638)	(363,166)
Leases payable	(404,142)	CDI increase	4.69%	(18,954)	(23,693)	(28,431)
Payables for the acquisition of companies (i)	(84,329)	IGPM increase	4.27%	(3,601)	(4,501)	(5,401)
Loans and borrowings	(1,015,995)	IPCA increase	8.63%	(87,680)	(109,600)	(131,521)
Loans and borrowings	(32,893)	TLP/TJLP increase	7.09%	(2,332)	(2,915)	(3,498)
Net effect of exposure	(6,203,918)			(403,084)	(503,854)	(604,626)
Net exposure and impact on finance costs - floating rate	(10,190,348)			(500,314)	(625,392)	(750,471)
Other operations - fixed rate						
Marketable securities and financial investments	4,275,933	Fixed rate	5.63%	240,699	240,699	240,699
Marketable securities and financial investments - Corporate and sovereign bonds	948,558	Fixed rate	4.43%	42,021	42,021	42,021
Right-of-use leases	(519,436)	Fixed rate	9.12%	(47,373)	(47,373)	(47,373)
Suppliers financing - car makers	(575,860)	Fixed rate	8.34%	(48,027)	(48,027)	(48,027)
Loans and borrowings - Senior Notes "Bond"	(3,482,609)	Fixed rate	7.83%	(272,688)	(272,688)	(272,688)
Loans and borrowings	(371,708)	Fixed rate	6.62%	(24,607)	(24,607)	(24,607)
Net exposure and impact on finance costs - fixed rate	274,878			(109,975)	(109,975)	(109,975)
Net exposure and total impact of finance costs in profit or loss	(9,915,470)			(610,289)	(735,367)	(860,446)

(i) Payables for the acquisition of companies are recorded in the line item of other payables.

(ii) The rights receivable for sale of companies are recorded in the "other credits" line item.

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

5. Cash and cash equivalents

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Cash	492	366	11,289	1,832
Banks	1,622	1,697	10,349	10,920
Total cash on hand	2,114	2,063	21,638	12,752
Bank deposit certificates ("CDB")	289,746	23,926	617,327	374,011
Repurchase agreements - debenture-backed	-	-	30,007	121,092
Financial bills	21,935	30,167	40,861	63,904
Units of other funds	264	11,540	2,006	17,455
Finance Leases Bill - related parties (note 25.1)	79,272	57,657	-	-
Others	-	-	42,095	2,601
Total financial investments	391,217	123,290	732,296	579,063
Total	393,331	125,353	753,934	591,815

During the six-month period ended June 30, 2020 the average income from these investments was 3.52% p.a., (as at December 31, 2019 the average income was 5.91% p.a.).

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6. Marketable securities and financial investments

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Operations				
Government securities - exclusive funds (i)				
Financial Treasury Bills ("LFT")	846,315	593,705	2,290,953	1,736,780
National Treasury Bills ("LTN")	682,588	402,362	1,676,917	792,795
Units of other funds	-	-	8,547	9,080
Other securities				
Sovereign securities (in USD) (ii)	-	-	515,891	366,709
Corporate securities (in USD) (ii)	-	-	432,667	351,185
Credit linked notes ("CLN") (iii)	-	-	2,599,016	1,925,460
Promissory notes - related parties (note 25.1) (iv)	600,062	-	-	-
Sundry	-	-	829	656
Total	2,128,965	996,067	7,524,820	5,182,665
Current assets	2,128,965	996,067	7,483,991	5,182,010
Noncurrent assets	-	-	40,829	655
Total	2,128,965	996,067	7,524,820	5,182,665

- (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 six-month period ended June 30, 2020, the average income from these investments was 3.52% p.a. (5.94% p.a. in the year ended December 31, 2019).
- (ii) Corporate securities are debt securities issued by Brazilian companies such as bonds, notes and others that have weighted risk rating "BB" in global scale. Sovereign bonds are debt securities issued by the Brazilian and American governments or by entities controlled by the Brazilian government. These securities in foreign currency (USD) are available to be sold according to Management's need for the utilization of these resources. In addition, they are naturally hedged by the respective USD debt amount. The remuneration from these securities is defined based on the coupon of each issuance and on the yield rate at the acquisition date. During the six-month period ended June 30, 2020, the average income from these investments was 4.60% p.a. (4.54% p.a. in the year ended December 31, 2019).
- (iii) CLN refers to the Credit Linked Note applied by the subsidiary JSL Europe at Santander Bank in US dollar currency and was remunerated in the six-month period ended June 30, 2020 at 6.99% p.a. (6.99% p.a. at December 31, 2019).
- (iv) Promissory notes are debt securities issued to the market by the Subsidiary CS Brasil Participações, acquired by the Company, which are eliminated in the consolidated. The remuneration for this operation is CDI + 3.35% p.a. and mature up to October 15, 2024.

7. Trade receivables

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Customers and credit card companies	469,664	457,619	1,384,633	1,463,980
Leases receivable	-	-	172,916	167,651
Unbilled revenue from services rendered and leases	196,783	204,228	350,546	338,315
Related parties (note 25.1)	15,703	45,322	13,178	26,978
Other receivables	25,163	35,670	111,575	116,415
(-) Expected credit losses ("impairment") of trade receivables	(86,862)	(83,010)	(325,440)	(249,881)
Total	620,451	659,829	1,707,408	1,863,458
Current assets	613,147	643,042	1,627,089	1,775,137
Noncurrent assets	7,304	16,787	80,319	88,321
Total	620,451	659,829	1,707,408	1,863,458

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

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Current (not past due)	538,350	567,662	1,414,603	1,541,349
1-30 days past due	37,916	52,006	93,957	120,181
31- 90 days past due	29,783	42,392	84,415	85,233
91-180 days past due	21,370	14,189	70,624	39,234
181-365 days past due	13,415	4,920	51,110	39,972
More than 365 days past due	66,479	61,670	318,139	287,370

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Total past due	168,963	175,177	618,245	571,990
(-) Expected credit losses ("impairment") of trade receivables	(86,862)	(83,010)	(325,440)	(249,881)
Total	620,451	659,829	1,707,408	1,863,458

The movement in the expected credit losses ("impairment") of trade receivables is shown below:

	Parent Company	Consolidated
At December 31, 2018	(65,871)	(251,924)
(-) additions	(3,091)	(46,721)
(+) reversals	8,203	34,723
At June 30, 2019	(60,759)	(263,922)
At December 31, 2019	(83,010)	(249,881)
(-) additions	(6,016)	(84,015)
(+) reversals	2,164	8,677
(-) write-off to losses	-	(221)
At June 30, 2020	(86,862)	(325,440)

From the addition of R\$ 84,015, a portion of R\$ 50,304 in the six-month period ended June 30, 2020 refers to the additional provision recorded by subsidiary Movida as mentioned in note 1.2.c (ii), based on the expectation, considered by the most recent data assessed, of possible losses due to the deterioration of defaults and individual customer credit risk, arising from the COVID-19 crisis.

8. Inventories

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
New vehicles	-	-	138,287	159,650
Used vehicles	-	-	49,286	62,507
Parts for resale	-	-	40,706	47,056
Consumables	48,821	32,791	67,582	43,613
Others	-	-	8,824	4,021
(-) Estimated losses on impairment of inventories (i)	(5,394)	(4,671)	(12,565)	(10,810)
Total	43,427	28,120	292,120	306,037

(i) The Estimated losses on impairment of inventories refers to the lines of use and consumption of parts for resale.

Movement in estimated losses on impairment of inventories:

	Parent Company	Consolidated
At December 31, 2018	(5,331)	(9,639)
(-) additions	(2,544)	(6,372)
(+) reversals	2,292	3,497
Balance at June 30, 2019	(5,583)	(12,514)
Balance at December 31, 2019	(4,671)	(10,810)
(-) additions	(1,567)	(3,090)
(+) Reversals	844	1,335
Balance as of June 30, 2020	(5,394)	(12,565)

9. Assets held for sale

The movements in the six-month periods ended June 30, 2020 and 2019 are as follows:

	Parent Company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
Cost:						
At December 31, 2019	134,236	26,150	160,386	600,775	134,280	735,055
Assets transferred from property and equipment	160,445	19,717	180,162	1,923,486	45,817	1,969,303
Assets written off due to sale	(132,215)	(19,705)	(151,920)	(1,631,665)	(24,010)	(1,655,675)
Transfer to the Original Concessionárias segment's inventories	-	-	-	(25,761)	-	(25,761)
Provision for impairment (i)	-	-	-	(97,854)	-	(97,854)
At June 30, 2020	162,466	26,162	188,628	768,981	156,087	925,068

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Accumulated depreciation:

At December 31, 2019	(40,885)	(12,483)	(53,368)	(103,131)	(90,736)	(193,867)
Assets transferred from property and equipment	(89,803)	(18,099)	(107,902)	(291,901)	(30,598)	(322,499)
Assets written off due to sale	68,504	15,479	83,983	267,557	5,610	273,167
Transfer to the Original Concessionárias segment's inventories	-	-	-	2,147	-	2,147
At June 30, 2020	(62,184)	(15,103)	(77,287)	(125,328)	(115,724)	(241,052)
Net value:						
At December 31, 2019	93,351	13,667	107,018	497,644	43,544	541,188
At June 30, 2020	100,282	11,059	111,341	643,653	40,363	684,016

	Parent Company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
Cost:						
At December 31, 2018	61,901	6,108	68,009	436,749	147,862	584,611
Assets transferred from property and equipment	170,158	36,658	206,816	1,673,269	105,055	1,778,324
Assets written off due to sale	(168,603)	(33,690)	(202,293)	(1,349,788)	(121,857)	(1,471,645)
Transfer to the Original Concessionárias segment's inventories	-	-	-	(58,459)	-	(58,459)
At June 30, 2019	63,456	9,076	72,532	701,771	131,060	832,831
Accumulated depreciation:						
At December 31, 2018	(20,783)	(5,357)	(26,140)	(82,413)	(104,414)	(186,827)
Assets transferred from property and equipment	(64,028)	(26,377)	(90,405)	(196,880)	(67,656)	(264,536)
Assets written off due to sale	63,562	25,535	89,097	166,399	91,010	257,409
Transfer to the Original Concessionárias segment's inventories	-	-	-	10,838	-	10,838
At June 30, 2019	(21,249)	(6,199)	(27,448)	(102,056)	(81,060)	(183,116)
Net value:						
At December 31, 2018	41,118	751	41,869	354,336	43,448	397,784
At June 30, 2019	42,207	2,877	45,084	599,715	50,000	649,715

- (i) As mentioned in note 1.2.c (iii), based on the estimated sales value conditions of part of the vehicles available for sale, given the impact of COVID-19 on the used vehicle sale sector, subsidiary Movida recorded in March 2020 a provision for impairment of part of its vehicles available for sale in the amount of R\$ 97,854. Until June 30, 2020, R\$ 34,490 of this provision was realized for the sale of vehicles.

10. Taxes recoverable

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
PIS and COFINS	8,968	31,986	105,239	126,566
INSS	69,713	61,329	110,111	84,465
ICMS	14,867	13,859	41,381	42,928
Withholding Income Tax (IRRF) and others	2,288	7,318	6,291	39,791
Total	95,836	114,492	263,022	293,750
Current assets	41,634	50,689	97,707	155,284
Noncurrent assets	54,202	63,803	165,315	138,466
Total	95,836	114,492	263,022	293,750

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11. Investments

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

11.1 Changes in investments

Investments	12/31/2019	Capital contribution	Equity results from subsidiaries	Amortization of surplus value, goodwill	Other changes (iv)	06/30/2020	Parent Company	
							Interest %	Equity at 06/30/2020
Avante Veículos	20,222	-	385	-	-	20,607	99.99	20,609
CS Brasil Participações	373,776	-	36,420	-	-	410,196	99.99	410,237
JSL Corretora	8,864	-	478	-	-	9,342	99.99	9,343
JSL Empreendimentos	3,248	-	(739)	-	-	2,509	99.99	2,509
JSL Europe	31,573	-	7,196	-	-	38,769	100.00	38,769
JSL Holding	90,282	-	3,183	-	-	93,465	99.99	93,474
Medlogística	1,282	-	591	-	-	1,873	99.99	1,873
Mogi Mob	20,014	-	(1,580)	-	-	18,434	99.99	18,436
Mogipasses	8,609	-	337	-	-	8,946	99.99	8,947
Movida Participações	1,268,013	-	(61,591)	-	(5,424)	1,200,998	55.11	2,179,274
Original Veículos	109,345	-	(3,884)	-	-	105,461	99.99	105,472
Ponto Veículos	38,488	-	902	-	-	39,390	99.99	39,394
Quick Armazéns	5,427	-	57	-	-	5,484	99.99	5,485
Quick Logística	18,442	-	(3,267)	-	-	15,175	99.99	15,177
Sinal Serviços	3	-	(1)	-	-	2	99.99	2
TPG Transportes	10,400	-	84	-	-	10,484	99.99	10,485
Vamos	490,754	-	75,821	-	2,590	569,165	99.99	569,222
Yolanda	24,137	-	(1,917)	-	29	22,249	99.99	22,251
Surplus value of property and equipment (i)	12,814	-	-	(2,190)	(1,171)	9,453	-	-
Goodwill on business acquisition (ii)	6,481	-	-	-	-	6,481	-	-
Total investments	2,542,174	-	52,475	(2,190)	(3,976)	2,588,483		3,550,959
Provisions for investment losses (iii)								
JSL Finance	(17,920)	16,823	(30,143)	-	(6,275)	(37,515)	100.00	(37,515)
Original Distribuidora	(239)	-	(1)	-	-	(240)	99.99	(240)
BBC Pagamentos	27	-	(3,466)	-	-	(3,439)	99.99	(3,439)
Total investments, net of provision for losses	2,524,042	16,823	18,865	(2,190)	(10,251)	2,547,289		3,509,765

(i) Refers to the surplus value of property and equipment, arising from a business combination, through the sale of the corresponding assets, amortized according to the useful lives of the respective assets, and written off when disposed of.

(ii) Goodwill arising on the acquisition of companies and businesses, classified as investment in Parent Company, in accordance with CPC 18 (R2)/IAS 28 - Investments in Associates and Joint Ventures.

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- (iii) Refers to the provision for losses on subsidiaries with negative equity that were classified in the group of "Other payables". As part of the bonds raising process, JSL Finance is one of the vehicle entities used for managing the fundraising. The calculated results are mainly related to interest on debt, net of the interest of the funds used by this entity. This negative balance is covered by the Company through capital contributions in the months of interest payment.
- (iv) Refers to the effect of equity in the capital reserve balances in subsidiaries, deriving from the share-based payment plans and the mark-to-market of investments classified as at fair value through other comprehensive income, which were recognized in the equity of subsidiaries.

Investments	12/31/2018	Capital contribution	Corporate restructuring (v)	Equity results from subsidiaries	Realization of surplus value of assets, goodwill (ii)	Amortization of surplus value, goodwill (iii)	Dividends and interest on capital	Other changes (iv)	06/30/2019	Parent Company	
										Interest %	Equity at 06/30/2019
Avante Veículos	20,043	-	-	403	-	-	-	-	20,446	99.99	20,446
CS Brasil Transportes	563,691	-	(9,828)	11,347	-	-	-	1,087	566,297	99.99	566,297
CS Brasil Frotas	287,750	-	-	27,644	-	-	-	(939)	314,455	88.87	353,857
Joseense Transportes	-	-	116	-	-	-	-	-	116	99.99	116
JSL Corretora	8,314	-	-	468	-	-	-	-	8,782	99.99	8,782
JSL Empreendimentos	4,717	-	-	(731)	-	-	-	-	3,986	99.99	3,986
JSL Europe	5,480	31,430	-	(3,277)	-	-	-	3	33,636	100.00	33,636
JSL Holding	82,946	-	-	3,272	-	-	-	(102)	86,116	99.99	86,116
Medlogística	944	-	-	210	-	-	-	-	1,154	99.99	1,154
Mogi Mob	-	-	100	-	-	-	-	-	100	99.99	100
Mogipasses	6,803	-	-	884	-	-	-	-	7,687	99.99	7,687
Movida Participações	1,163,402	-	-	58,518	-	-	(26,273)	(2,528)	1,193,119	70.13	1,701,320
Original Veículos	105,558	-	-	1,796	-	-	-	-	107,354	99.99	107,354
Ponto Veículos	31,734	-	-	3,353	-	-	-	-	35,087	99.99	35,087
Quick Armazéns	5,215	-	-	112	-	-	-	-	5,327	99.99	5,327
Quick Logística	21,733	-	-	(1,043)	-	-	-	-	20,690	99.99	20,690
Sinal Serviços	4	-	-	(1)	-	-	-	-	3	99.99	3
TPG Transportes	-	-	9,612	-	-	-	-	-	9,612	99.99	9,612
Vamos	581,483	-	-	68,941	-	-	(164,594)	3,351	489,181	99.99	489,181
Yolanda	23,742	-	-	408	-	-	-	-	24,150	99.99	24,150
Surplus value of property and equipment	18,379	-	-	-	(301)	(2,678)	-	-	15,400	-	-
Goodwill on business acquisition (i)	6,481	-	-	-	-	-	-	-	6,481	-	-
Total investments	2,938,419	31,430	-	172,304	(301)	(2,678)	(190,867)	872	2,949,179		3,474,901
Provisions for investment losses											
JSL Finance	(53,102)	-	-	(9,864)	-	-	-	44,353	(18,613)	100.00	(18,613)
Original Distribuidora	(21)	-	-	(59)	-	-	-	-	(80)	99.99	(80)
Total investments, net of provision for losses	2,885,296	31,430	-	162,381	(301)	(2,678)	(190,867)	45,225	2,930,486		3,456,208

- (i) Goodwill arising on the acquisition of companies and businesses, classified as investment in Parent Company, in accordance with CPC 18 (R2)/IAS 28 - Investments in Associates and Joint Ventures.
- (ii) Refers to write-off of surplus value of property and equipment arising from the business combination due to sale of the related assets;
- (iii) Refers to amortization of surplus value arising from the business combination;

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- (iv) Refers to the effect of equivalence of capital reserve balances in subsidiaries arising from share-based payment plans and mark-to-market of investments classified at fair value through other comprehensive income that were recognized in the equity of subsidiaries JSL Finance and Vamos; and
- (v) Refers to the corporate restructuring carried out in the operations of the subsidiary CS Brasil Transportes.

Investments	12/31/2019	Equity		Interest %	12/31/2018	Equity		Interest %
		results from	06/30/2020			results from	06/30/2019	
		subsidiaries				subsidiaries		
BRT Sorocaba Concessionárias	5,609	(698)	7,218	49.75	2,715	(975)	3,946	49.25
Others	1,107	-	1,127	-	1,039	-	1,031	-
Total investments	6,716	(698)	8,345		3,754	(975)	4,977	

11.2 Balances of assets, liabilities and results of subsidiaries

The balances of assets, liabilities, revenues and expenses in subsidiaries at June 30, 2020 are presented below:

Investments	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity	Net revenues	Costs and expenses	Profit (loss) for the period
Avante Veículos	23,597	6,920	8,093	1,815	20,609	17,635	(17,250)	385
BRT Sorocaba Concessionárias	20,121	131,145	136,181	-	15,085	335	(1,738)	(1,403)
BBC Pagamentos	4,538	-	3,149	4,828	(3,439)	5	(3,471)	(3,466)
CS Brasil Participações	13,014	1,164,667	92,248	675,196	410,237	9,372	27,052	36,424
JSL Corretora	9,512	640	809	-	9,343	1,826	(1,348)	478
JSL Empreendimentos	480	7,320	26	5,265	2,509	(11)	(728,00)	(739)
JSL Europe	2,601,280	985,538	127,046	3,421,003	38,769	-	7,196,00	7,196
JSL Finance	948,740	-	717	985,538	(37,515)	-	(30,143)	(30,143)
JSL Holding	60,121	33,931	578	-	93,474	-	3,183	3,183
Medlogística	4,586	38,180	8,211	32,682	1,873	9,442	(8,851)	591
Mogi Mob	23,629	34,943	33,230	6,906	18,436	20,729	(22,309)	(1,580)
Mogipasses	46,364	199	5,626	31,990	8,947	889	(552)	337
Movida Participações	2,629,303	4,831,445	2,183,540	3,097,934	2,179,274	2,058,990	(2,170,750)	(111,760)
Original Distribuidora	2,064	832	932	2,204	(240)	1,767	(1,768)	(1)
Original Veículos	134,455	92,249	70,599	50,633	105,472	179,723	(183,607)	(3,884)
Ponto Veículos	35,097	28,430	17,331	6,802	39,394	47,213	(46,311)	902
Quick Armazéns	1,714	3,777	6	-	5,485	(2)	59	57
Quick Logística	30,901	31,018	30,727	16,015	15,177	30,397	(33,664)	(3,267)
Sinal Serviços	6	7	-	11	2	-	(1)	(1)
TPG Transportes	15,624	5,949	9,288	1,800	10,485	2,887	(2,803)	84
Vamos	1,216,887	2,370,088	473,488	2,544,265	569,222	625,378	(549,549)	75,829
Yolanda	3,376	43,527	7,735	16,917	22,251	5,594	(7,511)	(1,917)

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12. Property and equipment

The movements in the six-month periods ended June 30, 2020 and 2019 are as follows:

	Parent Company								
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Constructions in progress	Right of use	Others	Total
Cost:									
At December 31, 2019	1,288,408	351,075	179,294	28,827	33,086	34,179	176,326	187,584	2,278,779
Additions	182,240	27,649	1,583	1,855	2,410	8,053	117,693	1,215	342,698
Transfers	20	(20)	5,923	-	-	-	-	(5,923)	-
Transfers to / return of assets held for sale	(160,445)	(19,717)	-	-	-	-	-	-	(180,162)
Assets written off and others (i)	(3)	(69)	-	(6)	(13)	-	(74,523)	-	(74,614)
At June 30, 2020	1,310,220	358,918	186,800	30,676	35,483	42,232	219,496	182,876	2,366,701
Accumulated depreciation:									
At December 31, 2019	(407,642)	(202,425)	(60,372)	(17,650)	(17,044)	-	(33,666)	(73,708)	(812,507)
Depreciation expense for the period	(60,591)	(18,814)	(4,416)	(1,807)	(1,509)	-	(14,755)	(7,709)	(109,601)
Transfers	9	(9)	(5,127)	-	-	-	-	5,127	-
Transfers to / return of assets held for sale	89,803	18,099	-	-	-	-	-	-	107,902
Assets written off and others (i)	-	-	-	2	-	-	9,697	-	9,699
At June 30, 2020	(378,421)	(203,149)	(69,915)	(19,455)	(18,553)	-	(38,724)	(76,290)	(804,507)
Net value:									
At December 31, 2019	880,766	148,650	118,922	11,177	16,042	34,179	142,660	113,876	1,466,272
At June 30, 2020	931,799	155,769	116,885	11,221	16,930	42,232	180,772	106,586	1,562,194
Average depreciation rate for the period:									
Light vehicles	8.9%	-	-	-	-	-	-	-	-
Heavy vehicles	7.0%	-	-	-	-	-	-	-	-
Others	-	10.5%	5.9%	20.1%	10.0%	-	7.5%	4.2%	-

(i) Refers substantially to derecognition of property lease agreements, terminated before maturity.

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	Parent Company							
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Constructions in progress	Right of use	Others
Cost:								
At December 31, 2018	1,342,046	412,382	178,104	24,291	28,988	20,521	-	188,987
Initial adoption of CPC 06 (R2)/IFRS 16	-	-	-	-	-	-	179,413	-
At January 1, 2019	1,342,046	412,382	178,104	24,291	28,988	20,521	179,413	188,987
Additions	173,917	15,754	-	3,315	1,930	5,708	11,774	98
Transfers	89	(145)	751	(77)	133	(751)	-	-
Transfers to / return of assets held for sale	(170,158)	(36,658)	-	-	-	-	-	-
Assets written off and others (i)	(1,678)	(19,886)	-	(416)	(277)	-	-	(43)
At June 30, 2019	1,344,216	371,447	178,855	27,113	30,774	25,478	191,187	189,042
Accumulated depreciation:								
At December 31, 2018	(412,987)	(236,060)	(51,369)	(14,535)	(14,467)	-	-	(59,060)
Depreciation expense for the year	(55,417)	(19,889)	(4,342)	(1,645)	(1,383)	-	(16,407)	(8,025)
Transfers to / return of assets held for sale	64,028	26,377	-	-	-	-	-	-
Assets written off and others (i)	447	19,613	-	217	151	-	-	39
At June 30, 2019	(403,929)	(209,959)	(55,711)	(15,963)	(15,699)	-	(16,407)	(67,046)
Net value:								
At December 31, 2018	929,059	176,322	126,735	9,756	14,521	20,521	-	129,927
At June 30, 2019	940,287	161,488	123,144	11,150	15,075	25,478	174,780	121,996
Average depreciation rate for the period:								
Light vehicles	9.9%	-	-	-	-	-	-	-
Heavy vehicles	7.8%	-	-	-	-	-	-	-
Others	-	11.9%	4.9%	20.0%	10.0%	-	8.9%	8.5%

(i) Refers substantially to write-offs due to damages and damaged assets amounting to R\$ 514.

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	Consolidated										
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Buildings	Land	Constructions in progress	Right of use	Others	Total
Cost:											
At December 31, 2019	9,079,061	1,142,217	371,060	58,502	71,349	20,756	15,917	64,920	614,801	207,456	11,646,039
Additions	1,872,276	153,766	4,743	4,194	7,981	-	-	24,287	172,298	2,050	2,241,595
Transfers	12,729	(11,852)	16,655	(70)	(686)	-	-	(10,736)	790	(5,923)	907
Transfers to / return of assets held for sale	(1,923,486)	(45,817)	-	-	-	-	-	-	-	-	(1,969,303)
Assets written off and others (i)	(75,496)	(301)	(16,740)	(1,402)	(52)	-	-	(38)	(114,584)	-	(208,613)
Provision for <i>impairment</i> (note 13.2)	(95,485)	-	(2,055)	-	-	-	-	-	-	-	(97,540)
At June 30, 2020	8,869,599	1,238,013	373,663	61,224	78,592	20,756	15,917	78,433	673,305	203,583	11,613,085
Accumulated depreciation:											
At December 31, 2019	(1,161,898)	(414,776)	(168,429)	(37,705)	(33,359)	(9,552)	-	-	(127,209)	(78,106)	(2,031,034)
Depreciation expense for the year	(382,042)	(60,321)	(14,758)	(3,333)	(3,377)	(1,066)	-	-	(65,198)	(7,860)	(537,955)
Transfers	(7,277)	7,468	(5,127)	-	-	-	-	-	(1,098)	5,127	(907)
Transfers to / return of assets held for sale	291,901	30,598	-	-	-	-	-	-	-	-	322,499
Assets written off and others (i)	3,492	218	17,093	1,314	-	-	-	-	11,445	-	33,562
At June 30, 2020	(1,255,824)	(436,813)	(171,221)	(39,724)	(36,736)	(10,618)	-	-	(182,060)	(80,839)	(2,213,835)
Net value:											
Balance at December 31, 2019	7,917,163	727,441	202,631	20,797	37,990	11,204	15,917	64,920	487,592	129,350	9,615,005
Balance as of June 30, 2020	7,613,775	801,200	202,442	21,500	41,856	10,138	15,917	78,433	491,245	122,744	9,399,250
Average depreciation rate for the period:											
Light vehicles	8.8%	-	-	-	-	-	-	-	-	-	-
Heavy vehicles	9.3%	-	-	-	-	-	-	-	-	-	-
Others	-	11.4%	12.5%	20.0%	10.0%	10.0%	-	-	5.7%	8.4%	-

- (i) Includes write-offs of cost and depreciation due to damages and damaged assets in the residual amount of R\$ 72,004 and derecognition of property lease agreements, terminated before maturity in the amount of R\$ 114,584.

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	Consolidated										
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Buildings	Land	Constructions in progress	Right of use	Others	Total
Cost:											
At December 31, 2018	7,028,327	1,144,867	352,917	48,488	56,671	20,771	15,917	43,183	-	208,981	8,920,122
Initial adoption of CPC 06 (R2)/IFRS 16	-	-	-	-	-	-	-	-	504,788	-	504,788
At January 1, 2019	7,028,327	1,144,867	352,917	48,488	56,671	20,771	15,917	43,183	504,788	208,981	9,424,910
Additions	2,798,154	143,296	567	8,544	7,568	77	-	15,200	72,990	168	3,046,564
Transfers	(6,770)	6,623	1,489	(84)	231	-	-	(1,489)	-	-	-
Transfers to / return of assets held for sale	(1,673,269)	(105,055)	-	-	-	-	-	-	-	-	(1,778,324)
Assets written off and others (i)	(42,926)	(1,971)	-	(733)	(342)	(15)	-	-	(13,223)	-	(59,210)
At June 30, 2019	8,103,516	1,187,760	354,973	56,215	64,128	20,833	15,917	56,894	564,555	209,149	10,633,940
Accumulated depreciation:											
At December 31, 2018	(925,390)	(447,490)	(136,615)	(33,218)	(27,286)	(7,443)	-	-	-	(63,273)	(1,640,715)
Depreciation expense for the year	(254,873)	(60,684)	(14,549)	(2,889)	(2,832)	(1,081)	-	-	(61,344)	(8,233)	(406,485)
Transfers	197	(166)	-	(2)	(29)	-	-	-	-	-	-
Transfers to / return of assets held for sale	196,880	67,656	-	-	-	-	-	-	-	-	264,536
Assets written off and others (i)	2,027	1,172	-	365	175	7	-	-	152	-	3,898
At June 30, 2019	(981,159)	(439,512)	(151,164)	(35,744)	(29,972)	(8,517)	-	-	(61,192)	(71,506)	(1,778,766)
Net value:											
At December 31, 2018	6,102,937	697,377	216,302	15,270	29,385	13,328	15,917	43,183	-	145,708	7,279,407
At June 30, 2019	7,122,357	748,248	203,809	20,471	34,156	12,316	15,917	56,894	503,363	137,643	8,855,174
Average depreciation rate for the period:											
Light	4.1%	-	-	-	-	-	-	-	-	-	-
Heavy	9.2%	9.5%	-	-	-	-	-	-	-	-	-
Others	-	-	8.2%	18.0%	10.0%	9.0%	-	-	5.8%	9.0%	-

(i) Includes write-offs of cost and depreciation due to damages and damaged assets in the amount of R\$ 15,678.

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12.1 Leases of property and equipment items

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

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Cost - capitalized leases	155,926	158,651	508,386	500,983
Accumulated depreciation	(32,644)	(31,390)	(69,000)	(60,338)
Net balance	123,282	127,261	439,386	440,645

12.2 Impairment testing of property and equipment items

As mentioned in note 1.2.c (iii), given the impacts brought by, and known to date, by the crisis caused by the COVID-19 pandemic, the JSL Group made an assessment of the evidence of impairment of property and equipment, mainly regarding the fleets of vehicles, machinery and equipment.

The analysis of indicators considered the following premises:

- Comparison between the residual balances of the assets, individually or jointly by model, and their estimated sales values, based on market prices and expectations of Management and experts regarding future pricing; and
- For items whose market values were lower than the respective residual balances, the estimated cash generation for these assets was added during the term of the contracts in which these assets provide service, up to the limit of the expectation of their decommissioning.

Based on this analysis, evidence of impairment was observed, and for this reason detailed tests were applied with calculations for Movida's vehicle fleet, which recorded a respective provision of R\$ 97,540 in March 2020. Until June 30, 2020, the amount of R\$ 56,224 of this provision was realized for the effective sale of vehicles.

For the other subsidiaries, with the results of the analyzes, Management concluded that there are no evidences and amounts of impairment to be recorded.

13. Intangible assets

The movements in the six-month periods ended June 30, 2020 and 2019 are as follows:

	Parent Company			
	Goodwill	Software	Others	Total
Cost:				
At December 31, 2019	232,609	62,546	1,157	296,312
Additions	-	5,029	-	5,029
At June 30, 2020	232,609	67,575	1,157	301,341
Accumulated amortization:				
At December 31, 2019	-	(40,440)	(353)	(40,793)
Amortization expenses in the period	-	(2,490)	(11)	(2,501)
At June 30, 2020	-	(42,930)	(364)	(43,294)
Net value:				
At December 31, 2019	232,609	22,106	804	255,519
At June 30, 2020	232,609	24,645	793	258,047
Average amortization rate in the period:	-	20.0%	2.0%	-

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	Parent Company			
	Goodwill	Software	Others	Total
Cost:				
At December 31, 2018	232,609	51,092	1,157	284,858
Additions	-	2,854	-	2,854
Write-offs	-	(28)	-	(28)
At June 30, 2019	232,609	53,918	1,157	287,684
Accumulated amortization:				
At December 31, 2018	-	(33,971)	(330)	(34,301)
Amortization expenses in the period	-	(3,356)	(11)	(3,367)
Write-offs	-	9	-	9
At June 30, 2019	-	(37,318)	(341)	(37,659)
Net value:				
At December 31, 2018	232,609	17,121	827	250,557
At June 30, 2019	232,609	16,600	816	250,025
Average amortization rate in the period:	-	12.8%	2.0%	-

	Consolidated					
	Goodwill	Non-competitive agreement and customer list	Software	Commercial rights (i)	Others (ii)	Total
Cost:						
At December 31, 2019	336,377	54,904	164,430	54,306	10,742	620,759
Additions	-	-	28,845	300	20	29,165
Write-offs	-	-	(378)	-	-	(378)
At June 30, 2020	336,377	54,904	192,897	54,606	10,762	649,546
Accumulated amortization:						
At December 31, 2019	-	(22,325)	(49,966)	(3,720)	(7,013)	(83,024)
Amortization expenses for the period	-	(5,010)	(4,569)	(44)	(14)	(9,637)
Write-offs	-	-	378	-	-	378
At June 30, 2020	-	(27,335)	(54,157)	(3,764)	(7,027)	(92,283)
Net value:						
At December 31, 2019	336,377	32,579	114,464	50,586	3,729	537,735
At June 30, 2020	336,377	27,569	138,740	50,842	3,735	557,263
Average amortization rate in the period:	-	9.1%	20.0%	0.1%	10.0%	-

	Consolidated					
	Goodwill	Non-competitive agreement and customer list	Software	Commercial rights (i)	Others (ii)	Total
Cost:						
At December 31, 2018	336,377	54,904	91,608	54,306	14,704	551,899
Additions	-	-	39,368	-	530	39,898
Write-offs	-	-	(1,978)	-	-	(1,978)
At June 30, 2019	336,377	54,904	128,998	54,306	15,234	589,819
Accumulated amortization:						
At December 31, 2018	-	(17,945)	(40,844)	(3,720)	(4,814)	(67,323)
Amortization expenses in the period	-	(5,010)	(4,189)	-	(325)	(9,524)
	-	-	142	-	-	142
At June 30, 2019	-	(22,955)	(44,891)	(3,720)	(5,139)	(76,705)
Net value:						
At December 31, 2018	336,377	36,959	50,764	50,586	9,890	484,576
At June 30, 2019	336,377	31,949	84,107	50,586	10,095	513,114
Average amortization rate in the period:	-	13,0%	11,4%	-	10,0%	-

- (i) Refers mainly to: R\$ 8,972 paid on the acquisition of points of sales used for Movida stores, allocated to CGU Movida; R\$ 30,814 related to rights to use the MAN brand, allocated to CGU Transrio; and the acquisition of rights to use the Valtra brand in the amount of R\$ 10,800, allocated to CGU Valtra;
- (ii) Refers mainly to the concession rights to provide urban transportation services in the municipality of Sorocaba - SP, acquired in 2011, valid until November 2027.

13.1 Impairment testing

As mentioned in note 1.2.c. (iii), due to the economic and financial impacts caused to date by the COVID-19 pandemic crisis, the Company and its subsidiaries have reassessed the impairment testing of their CGUs. The Company updated its CGUs impairment testing with the current measurable assumptions, indicators and expectations after the crisis began, and did not determine any impairment on the recorded amount of their intangible assets with indefinite useful life, goodwill and commercial rights.

The Company has goodwill related to the BBC business segment of R\$ 6,361, which Management concluded that there are no indicators of impairment of the respective cash-generating unit and, therefore, maintained the last impairment test of intangible assets made for the year ended December 31, 2019.

The key assumptions used in the calculations as of March 31, 2020 are presented below. The Company carried out an internal evaluation for the six-month period ended June 30, 2020, and did not identify any indications of variation in key assumptions, being adequate with the current scenario.

Cash generating units	JSL Logística	Movida	Original Concessionárias	Vamos	Valtra	Transrio
Discount rates (WACC)	11.60%	10.50%	11.7%	10.22%	11.00%	10.22%
Growth rate in perpetuity	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Estimated growth rate for EBITDA (i) - average for the following 5 years	9.09%	5.30%	26.50%	7.94%	27.59%	17.33%

For comparative purposes, the key assumptions used in the value in use calculations as at December 31, 2019 are as follows:

Cash generating units	JSL Logística	Movida	Original Concessionárias	Vamos	Valtra	Transrio
Discount rates (WACC)	11.20%	10.20%	10.90%	9.17%	10.13%	9.17%
Growth rate in perpetuity	3.50%	3.50%	3.50%	3.55%	3.55%	3.55%
Estimated growth rate for EBITDA (i) - average for the following 5 years	8.35%	13.01%	6.12%	6.00%	13.70%	8.60%

(i) 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, which comprise from January 2020 to December 2027.
- All projections were made on a nominal basis, that is, considering the effect of inflation.
- The cash flows were discounted considering the mid period convention, assuming that the cash flows are generated throughout the year.

The estimated recoverable amounts for the CGUs exceeded their carrying amounts. Management identified the key assumption for which reasonable possible changes may cause impairment. The table below presents the amount by which individual changes in this basic assumption could result in the recoverable amount of the CGU to be equal to the carrying amount.

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Change required for the recoverable amount to equal the carrying amount

In percentage points (%)	JSL Logística	Movida	Original Concessionárias	Vamos	Valtra	Transrio
Discount rate (WACC) - 06/30/2020	1.10	0.50	0.70	0.78	0.10	3.00
Discount rate (WACC) - 12/31/2019	0.80	0.60	4.60	4.19	0.28	3.93

14. Trade payables

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Vehicles, machinery and equipment (i)	8,093	4,508	770,413	1,500,092
Parts and maintenance	25,548	16,522	46,456	50,299
Related parties (note 25.1)	13,010	12,792	-	222
Inventory	21,515	13,476	24,881	16,512
Contracted services	19,115	15,732	54,919	54,284
Property leasing	4,226	3,455	6,618	5,139
Others	7,698	5,280	48,601	65,165
Total	99,205	71,765	951,888	1,691,713

- (i) The decrease in the balance of the item "Vehicles, machinery and equipment" is due to the reduction in the volume of purchase of new vehicles and renegotiation with the automakers, according to note 16.

15. Floor plan

Part of the purchases of new vehicles for the segment of authorized vehicle dealerships is paid with extended term under the program to finance the inventory of new and used vehicles and automobile parts floor plan, with revolving credit facilities made available by financial institutions, and with the agreement of car makers. These programs generally have an initial period during which they are interest-free until the invoice issuance and with maturities of up to 180 days after the invoice issuance. After this period, these purchases are subject to interest of up to 100% of the CDI plus interest of up to 0.5% p.m.. During the six-month period ended June 30, 2020, the JSL Group used only the interest-free period. The balance payable at June 30, 2020 is R\$ 117,444 (R\$ 106,735 at December 31, 2019).

16. Suppliers financing - car makers

The JSL Group entered into "suppliers financing" agreements with financial institutions to manage its payables to car makers related to purchase of vehicles. Through this operation, suppliers transfer the right to receive payment of bills for vehicles sales to financial institutions. The agreements entered into with the financial institutions are not guaranteed by the assets (vehicles) linked to the securitized operations.

The movement in the six-month period ended June 30, 2020 are as follows:

			Parent Company					
Type	Annual average rate	Maturity	06/30/2020	Movement				12/31/2019
			Total	New contracts	Amortization	Interest paid	Interest incurred	Total
In local currency								
Suppliers financing	9.95%	Feb/21	2,143	2,263	(165)	-	45	-

			Consolidated					
Type	Annual average rate	Maturity	06/30/2020	Movement				12/31/2019
			Total	New contracts	Amortization	Interest paid	Interest incurred	Total
In local currency								
Suppliers financing	8.34%	Feb/21	575,860	574,403	(164)	(19,565)	9,135	12,051

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17. Loans and borrowings

The movements in the six-month periods ended June 30, 2020 and 2019 are as follows:

				Parent Company										
				06/30/2020			Movement					12/31/2019		
Type	Annual average rate	Average rate structure	Maturity	Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Exchange rate changes	Current	Noncurrent	Total
In local currency														
CCBs (i)	4.79%	CDI + 2.64%	Mar/23	60,840	710,664	771,504	-	-	(25,932)	25,773	-	3,561	768,102	771,663
CRAs (ii)	5.05%	CDI/IPCA	Nov/25	894	849,439	850,333	408,671	(135,799)	(36,144)	19,252	-	138,591	455,762	594,353
FINAME (iii)	4.31%	Fixed rate	Jan/25	19,337	44,536	63,873	-	(27,897)	(1,755)	1,703	-	24,589	67,233	91,822
FINEM (v)	6.88%	TLP/ IPCA	Jun/21	6,089	-	6,089	-	(4,219)	(900)	405	-	7,456	3,347	10,803
		Fixed												
FNO (vii)	4.51%	rate/IPCA	Jul/24	9,157	28,073	37,230	-	(1,840)	(1,136)	1,271	-	9,908	29,027	38,935
NCEs (iv)	3.65%	CDI + 1.50%	Apr/21	14,722	-	14,722	-	-	-	501	-	555	13,666	14,221
Working capital (CDC) (ix)	7.38%	Fixed rate	Mar/22	8,016	7,466	15,482	15,206	(387)	(275)	561	-	134	243	377
				119,055	1,640,178	1,759,233	423,877	(170,142)	(66,142)	49,466	-	184,794	1,337,380	1,522,174
In foreign currency														
NCEs (iv)	7.75%	USD + 7.75%	Jul/24	-	-	-	-	(2,472,407)	(149,358)	89,728	604,178	59,629	1,868,230	1,927,859
CCB FX	7.36%	USD + 7.36%	Jul/24	81,087	2,522,182	2,603,269	2,550,261	-	-	1,675	51,333	-	-	-
International credit (4131) - USD (xi)	7.60%	USD + 7.60%	Apr/21	3,648	-	3,648	-	(1,239)	(816)	207	1,445	2,716	1,335	4,051
				84,735	2,522,182	2,606,917	2,550,261	(2,473,646)	(150,174)	91,610	656,956	62,345	1,869,565	1,931,910
				203,790	4,162,360	4,366,150	2,974,138	(2,643,788)	(216,316)	141,076	656,956	247,139	3,206,945	3,454,084

				Parent Company										
				06/30/2019			Movement					12/31/2018		
Type	Annual average rate	Average rate structure	Maturity	Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Exchange rate changes	Current	Noncurrent	Total
In local currency														
CCBs (i)	9.02%	CDI + +2.62%	Mar/23	43,231	944,588	987,819	-	(246,032)	(48,602)	47,261	-	170,397	1,064,795	1,235,192
CRAs (ii)	7.10%	CDI + 0.70%	Jun/20	132,825	-	132,825	-	(235,000)	(12,826)	14,808	-	231,949	133,894	365,843
FINAME (iii)	5.51%	Fixed rate/TLP	Jan/25	34,296	121,388	155,684	26,566	(93,407)	(6,339)	6,574	-	43,696	178,594	222,290
FINAME (iii)	10.38%	SELIC/TLP	Feb/24	1,135	5,246	6,381	7,199	(67,452)	(2,668)	2,283	-	16,241	50,778	67,019
FINEM (v)	7.77%	IPCA/TLP	Jun/21	8,497	5,998	14,495	-	(5,961)	(1,054)	698	-	10,435	10,377	20,812
		Fixed												
FNO (vii)	6.05%	rate/IPCA	Jan/24	5,341	27,914	33,255	30,419	(13,707)	(688)	727	-	1,868	14,636	16,504
NCEs (iv)	7.90%	CDI + 1.50%	Apr/21	61	13,614	13,675	13,700	(188)	-	163	-	-	-	-
NP (vi)	7.90%	123% of CDI	Nov/19	201,093	-	201,093	-	-	(7,526)	7,587	-	201,032	-	201,032
Working capital (CDC) (ix)	11.33%	Fixed rate	Mar/24	-	-	-	-	(801)	(31)	28	-	43	761	804
				426,479	1,118,748	1,545,227	77,884	(662,548)	(79,734)	80,129	-	675,661	1,453,835	2,129,496
In foreign currency														
NCE (iv)	7.75%	USD + 7.75%	Jul/24	57,166	1,791,057	1,848,223	-	-	(64,208)	64,051	(4,913)	57,323	1,795,970	1,853,293
International credit (4131) - USD (xi)	8.33%	USD + 3.73%	Mar/19	-	-	-	-	(111,390)	(182)	150	(699)	112,121	-	112,121
International credit (4131) - USD (xi)	7.60%	Fixed rate	Apr/21	2,615	2,560	5,175	-	(1,239)	(323)	237	17	2,632	3,851	6,483
				59,781	1,793,617	1,853,398	-	(112,629)	(64,713)	64,438	(5,595)	172,076	1,799,821	1,971,897
				486,260	2,912,365	3,398,625	77,884	(775,177)	(144,447)	144,567	(5,595)	847,737	3,253,656	4,101,393

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Notes to the individual and consolidated interim financial information for the period ended June 30, 2020

In thousands of Brazilian Reais, unless otherwise stated

													Consolidated		
Type	Annual average rate	Average rate structure	Maturity	06/30/2020			Movement					12/31/2019			
				Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Exchange rate changes	Current	Noncurrent	Total	
In local currency															
CCBs (i)	4.23%	Fixed rate / CDI	Aug/25	221,711	1,333,092	1,554,803	440,000	(258,042)	(42,677)	39,516	-	408,460	967,546	1,376,006	
CRAs (ii)	5.71%	Fixed rate / CDI/IPCA	Jun/27	63,146	1,709,656	1,772,802	908,671	(169,133)	(86,625)	35,035	-	204,102	880,752	1,084,854	
FINAME (iii)	4.51%	Fixed rate TLP /SELIC	Jan/25	35,888	87,303	123,191	65,731	(130,141)	(4,124)	4,261	-	51,256	136,208	187,464	
FINAME (iii)	-	/ TLP	-	-	-	-	-	(15,586)	(418)	300	-	3,373	12,331	15,704	
FINEM (v)	6.88%	TLP/ IPCA	Jun/21	6,089	-	6,089	-	(4,219)	(900)	405	-	7,456	3,347	10,803	
FNO (vii)	4.51%	Fixed rate / IPCA	Jul/24	9,157	28,073	37,230	-	(1,840)	(1,136)	1,271	-	9,908	29,027	38,935	
NCEs (iv)	3.65%	CDI +1.50%	Apr/21	14,722	-	14,722	-	-	-	501	-	555	13,666	14,221	
NPs (vi)	5.17%	Fixed rate / CDI	Set/22	289,623	234,044	523,667	105,000	(174,094)	(20,526)	15,236	-	285,176	312,875	598,051	
FNE (viii)	2.82%	Fixed rate / IPCA	Jul/22	47,834	95,098	142,932	-	(17,042)	(4,526)	4,462	-	46,421	113,617	160,038	
FINEP (viii)	4.94%	TLP + 0.5%	Jul/30	27	30,006	30,033	-	-	(746)	754	-	37	29,988	30,025	
Working capital (CDC) (ix)	5.78%	Fixed rate / CDI	Sep/23	18,696	38,798	57,494	248,181	(217,765)	(1,257)	3,698	-	9,166	15,471	24,637	
Others	5.10%	Fixed rate	Dec/24	2,751	3,500	6,251	-	(4,351)	-	-	-	4,638	5,964	10,602	
				709,644	3,559,570	4,269,214	1,767,583	(992,213)	(162,935)	105,439	-	1,030,548	2,520,792	3,551,340	
In foreign currency															
Senior Notes "Bond" (x)		USD +7.75%	Jul/24	105,682	3,376,927	3,482,609	-	-	(101,450)	125,499	881,813	78,281	2,498,466	2,576,747	
NCEs (iv)	7.75%	USD + 7.75%	Jul/24	-	-	-	-	(2,472,407)	(149,358)	89,728	604,178	59,629	1,868,230	1,927,859	
CCB FX	USD +7.36%	USD +7.36%	Jul/24	81,087	2,522,182	2,603,269	2,550,261	-	-	1,675	51,333				
International credit (4131) - USD (xi)	USD + 2.48%	USD + 2.48%	Sep/23	1,207	210,936	212,143	-	-	(10,202)	3,867	56,436	814	161,228	162,042	
International credit (4131) - USD (xi)	7.60%	USD + 7.60%	Apr/21	3,648	-	3,648	-	(1,239)	(816)	207	1,445	2,716	1,335	4,051	
International credit (4131) - EUR (xi)	3.89%	CDI + 1.70%	Mar/25	1,269	258,464	259,733	221,948	-	-	1,122	36,663	-	-	-	
				192,893	6,368,509	6,561,402	2,772,209	(2,473,646)	(261,826)	222,098	1,631,868	141,440	4,529,259	4,670,699	
				902,537	9,928,079	10,830,616	4,539,792	(3,465,859)	(424,761)	327,537	1,631,868	1,171,988	7,050,051	8,222,039	
													Consolidated		
Type	Annual average rate	Average rate structure	Maturity	06/30/2019			Movement					12/31/2018			
				Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Exchange rate changes	Current	Noncurrent	Total	
In local currency															
CCBs (i)	8.91%	CDI + 2.41%	Aug/25	68,204	1,109,085	1,177,289	-	(399,916)	(62,781)	61,516	-	241,940	1,336,530	1,578,470	
CRAs (ii)	7.24%	CDI + 0.84%	Feb/24	181,185	226,957	408,142	281,075	(232,730)	(22,082)	16,036	-	231,949	133,894	365,843	
FINAME (iii)	7.58%	Fixed rate/TLP	Feb/29	114,106	442,596	556,702	89,320	(178,450)	(22,798)	23,811	-	125,844	518,975	644,819	
FINAME (iii)	10.57%	TLP/SELIC	Feb/29	78,036	134,881	212,917	26,832	(111,554)	(9,308)	9,376	-	97,169	200,402	297,571	
FINEM (v)	7.77%	IPCA/TLP	Jun/21	8,497	5,998	14,495	-	(5,961)	(1,054)	698	-	10,435	10,377	20,812	
FNO (vii)	6.05%	Fixed rate/IPCA	Jan/24	5,341	27,914	33,255	30,419	(13,707)	(688)	727	-	1,868	14,636	16,504	
NCEs (iv)	7.90%	CDI + 1.50%	Apr/21	61	13,614	13,675	13,700	(188)	-	163	-	-	-	-	
NPs (vi)	7.77%	CDI + 1.37%	Aug/21	618,195	249,707	867,902	100,000	(4,660)	(7,636)	28,539	-	438,419	313,240	751,659	
FNE (viii)	8.19%	Fixed rate/IPCA	Jul/22	46,240	88,701	134,941	-	(114,408)	(9,305)	7,563	-	82,877	168,214	251,091	
FINEP (viii)	6.76%	TJLP + 0.5%	Jul/30	24	9,618	9,642	-	-	(254)	286	-	26	9,584	9,610	
Working capital (CDC) (ix)	11.33%	Fixed rate	Mar/24	59,624	121,952	181,576	158,955	(9,803)	(3,673)	6,719	-	4,997	24,381	29,378	
Others	10.40%	Fixed rate	Jul/25	7,393	8,436	15,829	-	(6,577)	(309)	11	-	11,473	11,231	22,704	
				1,186,906	2,439,459	3,626,365	700,301	(1,077,954)	(139,888)	155,445	-	1,246,997	2,741,464	3,988,461	
In foreign currency															
Senior Notes "Bond" (x)	7.75%	USD + 7.75%	Jul/24	75,047	2,392,489	2,467,536	-	-	(88,270)	90,904	(6,625)	75,253	2,396,274	2,471,527	
NCEs (iv)	7.75%	USD + 7.75%	Jul/24	57,166	1,791,057	1,848,223	-	-	(64,208)	64,051	(4,913)	57,323	1,795,970	1,853,293	
International credit (4131) - USD (xi)	5.05%	USD + 5.05%	May/21	1,180	154,568	155,748	-	(111,390)	(3,908)	4,231	(1,123)	112,946	154,992	267,938	
International credit (4131) - USD (xi)	7.60%	Fixed rate	Apr/21	2,615	2,560	5,175	-	(1,239)	(323)	237	17	2,632	3,851	6,483	

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In thousands of Brazilian Reais, unless otherwise stated

136,008	4,340,674	4,476,682	-	(112,629)	(156,709)	159,423	(12,644)	248,154	4,351,087	4,599,241
1,322,914	6,780,133	8,103,047	700,301	(1,190,583)	(296,597)	314,868	(12,644)	1,495,151	7,092,551	8,587,702

- (i) **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 several maturities, either monthly, quarterly, semi-annually or bullet and some CCBs have covenants, including the maintenance of certain financial ratios linked to the percentage of debt and finance costs in relation to EBITDA-A.
- (ii) **CRAs** are Agribusiness Receivables Certificates issued for raising funds to finance the agribusiness sector chain, backed by Agribusiness credit rights certificates and debentures. In Parent Company, CRAs are backed by Agribusiness Credit Rights Certificate No. 001/2019, 002/19 and 01/20 issued by the Company ("CDCA"), which have varying maturities with quarterly or half-yearly interest and have commitment clauses, including the maintenance of financial ratios 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 set out in item (x) of Clause 9.2 of the CDCA's 001/2019 and 002/2019 and 7.2.1 do CDCA 001/2020 and must be proven quarterly, and have been complied with in all years and in the quarters ended March 31, 2020 and June 30, 2020.
- (iii) **FINAME** are financing for investments in vehicles, machinery and equipment used in operations. New contracts are signed monthly, related to the purchase of new assets under the normal fleet expansion and renewal process. 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.
- (iv) **NCEs** transactions in dollar have covenants, including the maintenance of a financial ratio linked to the percentage of debt in relation to EBITDA. These notes have a bullet maturity at the end of the contractual term and semiannual payment of interest, and are 100% hedged through swap agreements, as mentioned in note 4.3.b. Between June 24 and 29, 2020, the Company settled the balance of R\$ 2,550,261, and in the same period signed new CCB contracts, in the same amounts settled. See item (xii) below.
- (v) **FINEM** are financing for investments in infrastructure raised for the construction, renovation and installation of operating sites. These agreements have monthly payments of interest and principal repayment and do not have covenants.
- (vi) **Promissory notes ('NPs')** refer to commercial notes of promise to pay, issued to reinforce working capital, within the ordinary management of its business. These agreements have several maturities, with payment of interest and principal at the end of the agreement. These transactions have covenants, including the maintenance of a financial ratio linked to the percentage of debt and finance costs in relation to EBITDA.
- (vii) **FNEs and FNOs** 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 the JSL Group'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. Payments of interest and principal are monthly after the grace period and have no covenants.
- (viii) **FINEP** refer to financing agreements with the Financier of Studies and Projects - FINEP, with the purpose of investing in research and development projects for technological innovations. This transaction has no covenants. Principal will be repaid at the end of the contract.
- (ix) **Working capital (CDC)** refer to short-term transactions used to manage the JSL Group's cash. These transactions have covenants for the maintenance of certain financial ratios linked to the percentage of debt in relation to earnings before interest, taxes, depreciation and amortization (EBITDA).
- (x) **Senior Notes "Bond"** refer to debt bonds issued by the subsidiary JSL Europe in the international market, in the amount of US\$ 325,000 thousand, with maturity on July 26, 2024 and semi-annual payment of interest of 7.75% p.a., beginning on January 26, 2018. On January 8, 2018, JSL Europe made a "Retap"

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020****In thousands of Brazilian Reais, unless otherwise stated**

offering in the amount of U\$ 300,000 thousand keeping the same characteristics from the original issuance. These bonds were issued with a rate of 6.75% p.a., where JSL Europe recognized a gain in the amount of R\$ 49,400, related to the balancing in the original rate of 7.75% p.a.. This gain will be recognized in the statement of profit or loss over the maturity of the transaction. These transactions have covenants, including the maintenance of a financial ratio linked to the percentage of debt and finance costs in relation to EBITDA. The balance payable is indexed to the US dollar and is naturally hedged by financial investments in the same amount also indexed to the dollar.

- (xi) **International credit (4131)** refer to borrowing transactions with foreign institutions. These transactions have covenants, including the maintenance of certain financial ratios linked to the percentage of debt in relation to EBITDA-A. On March 20, 2020, the subsidiary Vamos renegotiated this debt, changing the maturity from May 2021 to September 2023 and the contracted rate from 5.05% to 2.48% p.a.. With this renegotiation, the previously contracted exchange rate of R\$ 3.77 was R\$ 4.85. This transaction is 100% protected through swap contracting, as mentioned in note 4.3.b.
- (xii) **CCB - FX (Foreign exchange)**, as mentioned in item (iv) above, these were contracted between June 25 and 30, replacing settled NCEs. These borrowings have covenants, including the maintenance of a financial ratio linked to the percentage of debt in relation to EBITDA. These notes have a bullet maturity at the end of the contractual term and semiannual payment of interest, and are 100% hedged by swap agreements, as mentioned in note 4.3b.

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

Net Debt for covenant purposes: means the total balance of JSL's current and non-current loans and borrowings, including debentures and any other debt securities, the negative and/or positive results of the hedge transactions, less: (a) the amounts of cash and short-term investments; and (b) borrowings arranged under the program for financing inventories of new and used vehicles, locally made or imported, and automotive parts, under revolving credit facilities from financial institutions linked to the car makers.

Adjusted EBITDA for covenant purposes: means earnings before interest, taxes, depreciation, amortization, impairment of assets and equity from subsidiaries, plus impairment losses.

Added EBITDA (EBITDA-A) for covenant purposes: means earnings before interest, taxes, depreciation, amortization, impairment of assets and equity from subsidiaries, plus cost of sale of decommissioned assets, 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.

Guarantees and bank guarantees

At June 30, 2020, JSL Logística has certain guarantees for loans and borrowings transactions, as follows:

- ✓ **FINAME, FNO, CDC and leases payable** - guaranteed by the respective financed vehicles, machinery and equipment;
- ✓ **FINEM e FNE** - bank guarantees;
- ✓ **CCBs** - the Company has a fiduciary assignment of duplicates of R \$ 31,000 and a pledge of 10% of the quotas of CS Brasil Transportes; Vamos has CCB operations and consortia guaranteed by the respective vehicles, machines and equipment financed; and CS Brasil Transportes has a fiduciary assignment of duplicates of 20% of the operation's debit balance;
- ✓ **CDCA, CRA II e CRA III** - Guarantees of receivables from customers (ballast).

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The other transactions do not have any guarantees.

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In thousands of Brazilian Reais, unless otherwise stated

18. Debentures

The movements in the six-month periods ended June 30, 2020 and 2019 are as follows:

											Parent Company		
			06/30/2020			Movement				12/31/2019			
Type	Annual average rate	Maturity	Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Current	Noncurrent	Total	
In local currency													
6 th issuance	4.12%	Jul/20	163,625	-	163,625	-	-	(4,525)	6,641	161,509	-	161,509	
8 th issuance	3.49%	Jun/21	74,758	-	74,758	-	(66,701)	(14,762)	4,673	75,633	75,915	151,548	
10 th issuance	2.69%	Dec/23	73,894	224,393	298,287	-	-	(6,832)	7,760	73,765	223,594	297,359	
11 th issuance	2.74%	Nov/25	-	393,333	393,333	-	-	(10,071)	9,718	1,117	392,569	393,686	
12 th issuance	4.10%	Apr/25	1,814	554,380	556,194	-	(35,294)	(16,148)	15,100	139,883	452,653	592,536	
13 th issuance	4.12%	May/26	1,783	447,425	449,208	-	-	(13,330)	12,599	2,775	447,164	449,939	
14 th issuance	2.48%	Nov/23	50,113	123,836	173,949	-	(25,000)	(4,216)	4,186	50,343	148,636	198,979	
			365,987	1,743,367	2,109,354	-	(126,995)	(69,884)	60,677	505,025	1,740,531	2,245,556	

Parent Company												
Type	Annual average rate	Maturity	06/30/2019			Movement				12/31/2018		
			Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Current	Noncurrent	Total
In local currency												
6 th issuance	7.19%	Jul/20	165,491	157,374	322,865	-	-	(912)	16,119	153,151	154,507	307,658
8 th issuance	8.17%	Jun/21	71,676	75,432	147,108	-	(149,287)	(20,725)	13,006	157,941	146,173	304,114
10 th issuance	8.00%	Dec/23	48,443	298,022	346,465	-	-	(20,608)	13,682	55,498	297,893	353,391
11 th issuance	8.03%	Jun/21	199,011	198,528	397,539	-	-	(15,471)	16,151	-	396,859	396,859
12 th issuance	7.94%	Dec/23	69,448	522,213	591,661	-	-	(22,927)	23,603	-	590,985	590,985
13 th issuance	8.41%	May/26	2,398	446,902	449,300	450,000	-	(3,709)	3,009	-	-	-
			556,467	1,698,471	2,254,938	450,000	(149,287)	(84,352)	85,570	366,590	1,586,417	1,953,007

JSL S.A.
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In thousands of Brazilian Reais, unless otherwise stated

Type	Annual average rate	Maturity	06/30/2020			Movement				Consolidated 12/31/2019		
			Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest incurred	Current	Noncurrent	Total
In local currency												
6 th issuance - JSL S.A.	4.12%	Jul/20	163,625	-	163,625	-	-	(4,525)	6,641	161,509	-	161,509
8 th issuance - JSL S.A.	3.49%	Jun/21	74,758	-	74,758	-	(66,701)	(14,762)	4,673	75,633	75,915	151,548
10 th issuance - JSL S.A.	2.69%	Dec/23	73,894	224,393	298,287	-	-	(6,832)	7,760	73,765	223,594	297,359
11 th issuance - JSL S.A.	2.74%	Nov/25	-	393,333	393,333	-	-	(10,071)	9,718	1,117	392,569	393,686
12 th issuance - JSL S.A.	4.10%	Apr/25	1,814	554,380	556,194	-	(35,294)	(16,148)	15,100	139,883	452,653	592,536
13 th issuance - JSL S.A.	4.12%	May/26	1,783	447,425	449,208	-	-	(13,330)	12,599	2,775	447,164	449,939
14 th issuance - JSL S.A.	2.48%	Nov/23	50,113	123,836	173,949	-	(25,000)	(4,216)	4,186	50,343	148,636	198,979
1 st issuance - Movida Locação	4.19%	Mar/23	127,579	124,002	251,581	-	-	(11,090)	9,391	66,544	186,736	253,280
2 nd issuance - Movida Locação	3.99%	Oct/21	43,188	39,951	83,139	-	-	-	2,227	41,034	39,878	80,912
3 rd issuance - Movida Locação	3.78%	Jan/24	4,046	199,352	203,398	-	-	(8,006)	5,121	7,055	199,228	206,283
4 th issuance - Movida Locação	6.44%	Apr/22	1,203	199,209	200,412	200,000	-	-	412	-	-	-
1 st issuance - Movida Participações	4.32%	Jul/22	8,471	12,178	20,649	-	-	(816)	1,061	8,447	11,957	20,404
2 nd issuance - Movida Participações	4.19%	Jun/23	201,437	246,020	447,457	-	-	(16,404)	13,717	33,608	416,536	450,144
3 rd issuance - Movida Participações	4.18%	Jun/24	1,260	593,465	594,725	-	-	(17,156)	20,007	-	591,874	591,874
4 th issuance - Movida Participações	3.95%	Jul/27	12,013	698,213	710,226	-	-	(23,278)	15,151	20,008	698,345	718,353
2 nd issuance - Vamos	3.96%	Aug/26	12,384	792,680	805,064	-	-	(22,062)	22,176	13,180	791,770	804,950
			777,568	4,648,437	5,426,005	200,000	(126,995)	(168,696)	149,940	694,901	4,676,855	5,371,756

			06/30/2019			Movement				Consolidated 12/31/2018		
Type	Annual average rate	Maturity	Current	Noncurrent	Total	New contracts	Amortization	Interest paid	Interest	Current	Noncurrent	Total
In local currency												
6 th issuance - JSL S.A.	7.19%	Jul/20	165,491	157,374	322,865	-	-	(912)	16,119	153,151	154,507	307,658
8 th issuance - JSL S.A.	8.17%	Jun/21	71,676	75,432	147,108	-	(149,287)	(20,725)	13,006	157,941	146,173	304,114
10 th issuance - JSL S.A.	8.00%	Dec/23	48,443	298,022	346,465	-	-	(20,608)	13,682	55,498	297,893	353,391
11 th issuance - JSL S.A.	8.03%	Jun/21	199,011	198,528	397,539	-	-	(15,471)	16,151	-	396,859	396,859
12 th issuance - JSL S.A.	7.94%	Dec/23	69,448	522,213	591,661	-	-	(22,927)	23,603	-	590,985	590,985
13 th issuance - JSL S.A.	8.41%	May/26	2,398	446,902	449,300	450,000	-	(3,709)	3,009	-	-	-
1 st issuance - Movida Locação	8.50%	Mar/23	67,246	186,565	253,811	-	-	(10,108)	10,361	4,662	248,896	253,558
2 nd issuance - Movida Locação	8.30%	Oct/21	25,155	79,805	104,960	-	-	-	4,100	21,129	79,731	100,860
3 rd issuance - Movida Locação	8.10%	Feb/24	-	198,898	198,898	200,000	-	(1,122)	20	-	-	-
1 st issuance - Movida Participações	8.60%	Jul/22	8,598	20,102	28,700	-	(370,532)	(16,198)	2,053	89,796	323,581	413,377
2 nd issuance - Movida Participações	8.50%	Jun/23	33,907	416,232	450,139	-	-	(18,209)	18,408	1,490	448,450	449,940
3 rd issuance - Movida Participações	8.50%	Jun/24	6	590,989	590,995	600,000	-	(34,195)	25,190	-	-	-
4 th issuance - Movida Participações	8.20%	Jul/27	-	697,151	697,151	700,000	-	(3,120)	271	-	-	-
			691,379	3,888,213	4,579,592	1,950,000	(519,819)	(167,304)	145,973	483,667	2,687,075	3,170,742

JSL S.A.
Notes to the individual and consolidated interim financial information for the period ended June 30, 2020
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The characteristics of the debentures are presented in the table below:

Issuer	JSL S.A.							Movida Locação				Movida Participações				Vamos
	6 th issuance	8 th issuance	10 th issuance	11 th issuance	12 th issuance	13 th issuance	14 th issuance	1 st issuance	2 nd issuance	3 rd issuance	4 rd issuance	1 st issuance	2 nd issuance	3 rd issuance	4 th issuance	2 nd issuance
a. Identification of the process by nature																
1 st series amount	152,429	165,175	352,000	400,000	600,000	344,940	200,000	250,000	100,000	200,000	200,000	150,000	138,250	214,478	250,000	382,500
2 nd series amount	62,472	71,751	-	-	-	105,060	-	-	-	-	-	250,000	181,500	138,112	166,000	417,500
3 rd series amount	185,099	163,074	-	-	-	-	-	-	-	-	-	-	130,250	247,410	284,000	-
Issuance amount	400,000	400,000	352,000	400,000	600,000	450,000	200,000	250,000	100,000	200,000	200,000	400,000	450,000	600,000	700,000	800,000
Total amount received in checking account	401,910	400,390	352,000	400,000	600,000	450,000	200,000	250,000	100,000	200,000	200,000	400,000	450,000	600,000	700,000	800,000
Issuance	07/15/2013	06/15/2014	03/20/2017	06/20/2017	12/20/2018	05/20/2019	11/19/2019	04/13/2018	10/31/2018	06/27/2019	04/30/2020	07/04/2017	06/07/2018	01/04/2019	06/27/2019	08/16/2019
Funding	7/30 and 7/31/2013 and 8/1/2013	06/18/2014	03/29/2017	06/30/2017	12/06/2018	05/30/2019	12/02/2019	04/13/2018	10/31/2018	06/27/2019	04/30/2020	07/27/2017	06/07/2018	01/04/2019	06/27/2019	09/20/2019
Maturity	07/15/2020	06/15/2021	12/20/2023	06/20/2021	12/20/2023	05/20/2026	11/20/2023	03/29/2023	10/10/2021	01/24/2024	04/20/2022	07/15/2020 and 07/15/2022	06/07/2023	06/07/2024	07/27/2027	08/20/2024 and 08/20/2026
Type	Unsecured	Unsecured	Unsecured	Floating	Floating	Unsecured CRC A3/B3	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured
Identification with B3	JSML16/26/36	JSML 18/28/38	JSML 10	JSML A1	JSML A2	JSML A3	JSML A4	MVLV11	MVLV12	MVLV13	MVLV14	MOVI 11/21	MOVI 12/22/32	MOVI 13/23/33	MOVI 14/24/34	VAMO12 and VAMO22
b. Transaction costs incurred	5,012	2,624	9,272	15,479	10,284	3,709	1,926	2,390	452	1,167	2,110	3,248	2,638	13,466	3,120	10,518
c. Premiums																
Additional due to settlement	7/30 and 7/31/2013 and 8/01/2013	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Amount of settlement	1,910	390	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d. Effective interest rate (IRR) p.a. %																
1 st series	CDI + 1.80%	116% of CDI	125.0% of CDI	125.50% of CDI	124.0% of CDI	CDI +1.90% CDI +2.20%	115.20% of CDI	CDI +2.05%	CDI + 1.80%	CDI +1.60%	CDI+4.20%	CDI +1.55% CDI +2.70%	CDI +1.60% CDI +2.20% CDI +1.90%	CDI +1.85% CDI +2.05%	CDI +1.25% CDI +1.60% CDI +2.05%	CDI +1.60%
2 nd series	CDI + 2.20%	IPCA + 8.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	CDI + 2.00%
3 rd series	IPCA + 7.5%	118.5% of CDI	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e. Amount of costs and premiums to be apportioned until maturity	60	258	3,978	8,098	13,736	3,098	1,645	1,568	195	897	1,846	1,846	962	1,206	9,368	2,427

The Debentures issued by the JSL Group are all simple debentures, non-secured, except for the 11th issuance that is issued as debentures of the floating guarantee type and 12th issuance that is issued as debentures of the floating and additional fidejussory guarantee. All debentures have clauses of maintenance of financial ratios linked to the percentage of debt and finance costs in relation to EBITDA-A.

For the 11th and 12th issuance of debentures, the Company is required to maintain at least 130% of the debt balance, amount equivalent to assets free of burden and debt.

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

In thousands of Brazilian Reais, unless otherwise stated

19. Leases payable

Finance lease agreements including Finame leases and lease liability for the acquisition of vehicles and assets of the JSL Group operating activity which have annual fixed charges, and are distributed as follows:

	Parent Company		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Lease liabilities at December 31st	116,398	83,288	401,612	242,914
New contracts	-	16,868	70,405	30,724
Amortization	(20,007)	(18,596)	(72,001)	(46,395)
Interest paid	(6,354)	(2,930)	(11,735)	(8,313)
Interest	3,255	3,883	15,861	11,601
Lease liabilities at the end of the period	93,292	82,513	404,142	230,531
Current	38,947	39,388	154,563	89,875
Noncurrent	54,345	43,125	249,579	140,656
Total	93,292	82,513	404,142	230,531
Annual average rate	4.77%	9.16%	4.48%	9.68%
Average rate structure	CDI + 2.62%	CDI + 2.76%	CDI + 2.33%	CDI + 3.28%
Maturity	Dec/24	Mar/23	Feb/25	Jun/24

20. Right-of-use leases

Information on lease liabilities in which the JSL Group is a lessee are presented below: Information regarding right-of-use assets is included in note 12.

	Parent Company		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Lease liabilities at December 31st	155,677	-	517,700	-
Initial adoption of CPC 06 (R2) / IFRS 16	-	179,413	-	504,788
New contracts	117,693	11,774	172,298	72,990
Write-offs	(74,600)	-	(114,346)	(13,071)
Amortization	(10,827)	(12,592)	(55,567)	(50,742)
Interest paid	(7,155)	(3,725)	(24,180)	(10,867)
Interest	7,989	5,484	23,531	14,107
Lease liabilities at the end of the period	188,777	180,354	519,436	517,205
Current	26,480	23,381	103,514	105,424
Noncurrent	162,297	156,973	415,922	411,781
Total	188,777	180,354	519,436	517,205

21. Assignment of receivables

	Consolidated	
	06/30/2020	12/31/2019
Sale of receivables	20,039	25,412
Interest to be accrued	(4,932)	(7,284)
Total	15,107	18,128
Current	6,043	6,043
Noncurrent	9,064	12,085
Total	15,107	18,128

It refers to the assignment of part of its future receivables arising from lease agreements and related services. The assignment included agreements whose assets for lease were delivered, with proper acknowledgment of the lease and service rendered by the customer. Vamos is responsible for operating the collection of these receivables, however, there is no regressive claim or co-obligation for the receivables, and it will not be responsible for the solvency of the contracting customer. The future value of the portfolio assigned was R\$ 40,077, the amount received by Vamos was R\$ 30,214, and the interest paid will be recognized as finance costs in the statement of profit or loss over the agreement period. This operation matures in December 2022.

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

In thousands of Brazilian Reais, unless otherwise stated

22. Social and labor liabilities

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Provision for vacation and 13 th salary	65,860	39,992	119,069	78,716
Salaries	26,350	40,267	45,492	68,801
Bonus and profit sharing	10,610	13,301	18,470	28,676
INSS	34,011	26,163	64,144	45,362
FGTS (Severance pay fund)	10,696	4,897	17,242	7,512
Others	175	233	2,899	2,307
	147,702	124,853	267,316	231,374

23. Judicial deposits and provision for judicial and administrative litigation

In the normal course of their business, the JSL Group 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 shown below:

	Parent Company				Consolidated			
	Judicial deposits		Provisions		Judicial deposits		Provisions	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Labor	23,686	26,690	(30,361)	(31,991)	47,795	50,689	(43,143)	(45,827)
Civil	10,262	10,022	(14,718)	(15,868)	13,286	12,805	(21,536)	(21,923)
Tax	9,649	9,648	-	-	17,708	12,859	(580)	(79)
	43,597	46,360	(45,079)	(47,859)	78,789	76,353	(65,259)	(67,829)

23.1 Judicial deposits

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

23.2 Provision for judicial and administrative litigation

The JSL Group 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.

The Management believes that the provision for tax, civil and labor risks is sufficient to cover any losses on administrative and judicial litigation. The movement in the six-month periods ended June 30, 2020, and 2019 are as follows:

	Parent Company				Consolidated			
	Labor	Civil	Tax	Total	Labor	Civil	Tax	Total
At December 31, 2019	31,991	15,868	-	47,859	45,827	21,923	79	67,829
additions	3,448	1,632	-	5,080	4,960	2,919	-	7,879
reversals	(5,078)	(2,782)	-	(7,860)	(7,201)	(3,248)	-	(10,449)
At June 30, 2020	30,361	14,718	-	45,079	43,228	21,451	580	65,259

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

In thousands of Brazilian Reais, unless otherwise stated

	Parent company			
	Labor	Civil	Tax	Total
At December 31, 2018	35,964	17,089	298	53,351
additions	7,519	5,761	-	13,280
reversals	(9,114)	(4,377)	-	(13,491)
At June 30, 2019	34,369	18,473	298	53,140

	Consolidated			
	Labor	Civil	Tax	Total
At December 31, 2018	51,201	24,024	338	75,563
additions	12,465	11,105	-	23,570
reversals	(14,425)	(9,160)	-	(23,585)
At June 30, 2019	49,241	25,969	338	75,548

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 subsidiary 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 the JSL Group challenging certain tax assessment notices issued in the inspection process, and other lawsuits filed challenging the lawfulness of the collection of certain taxes.

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

At June 30, 2020, The JSL Group is 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	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Labor	130,727	125,423	149,087	137,010
Civil	106,310	139,854	169,946	190,750
Tax	256,206	259,552	288,661	292,499
Total	493,243	524,829	607,694	620,259

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 the JSL Group.

Civil

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

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020****In thousands of Brazilian Reais, unless otherwise stated****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 and (v) challenge related to the recognition of ICMS credits. The amounts involved are as follows:

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
IRPJ and CSLL	109,250	108,053	110,980	109,764
ICMS	76,427	75,120	94,013	89,636
INSS	7,730	7,858	7,730	7,858
PER/DCOMP	37,582	21,862	38,505	22,805
PIS/COFINS	11,514	33,372	11,888	33,747
Others	13,703	13,287	25,545	28,689
Total	256,206	259,552	288,661	292,499

23.4 Contingent asset

The JSL Group filed lawsuits requesting the exclusion of ICMS from the PIS and COFINS calculation bases, as well as the recognition of the right to offset credits raised in the 5 years prior to the filing, comprising the period from 2002 to 2017. These lawsuits are pending a final decision in favor of the JSL Group, and for certain subsidiaries and companies acquired already merged into the Company, the lawsuits had final and unappealable decisions during 2018 and 2019, recognizing the right postulated.

However, considering the embargoes filed by the Federal Government before the Federal Supreme Court (STF), claiming the modulation of the effects of the decision issued by the same court, which determined the exclusion of ICMS from the PIS and COFINS calculation bases, Management has been assessing the respective effects that the judgment of these embargoes may have on the actions, whether carried forward or those that have not been res judicata.

Management considers that for the lawsuits for which final and unappealable decisions have been handed down, depending on any interpretation resulting from the STF decision, termination actions may be filed by the counterparty within two years from the final decision. Therefore, considering the uncertainty regarding the probable realizable value of these tax credits, estimated at R\$ 18,308 at June 30, 2020 (R\$ 18,308 at December 31, 2019), based on final and unappealable decisions, and also, considering their materiality, Management decided not to record the respective asset.

With regard to lawsuits for which no final and unappealable decisions have been handed down yet, the Company estimates tax credits in the amount of up to R\$ 130,000 at June 30, 2020 (R\$ 18,308 at December 31, 2019), depending on the rights recognized by the final and unappealable decisions and any interpretation resulting from the STF decision.

The JSL Group is gathering all supporting documents to ratifying the benefit amounts for the eventual registration, pursuant to final decisions.

24. Income tax and social contribution

24.1 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 comprised as follows:

	Parent Company		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Tax credits				
Tax losses (i)	5,843	61,452	244,260	243,151
Provision for judicial and administrative litigation	23,032	23,977	52,528	49,822
Expected credit losses ("impairment") of trade receivables	(239)	14,537	56,596	45,919
Provision for adjustment to market value and obsolescence	1,834	1,588	4,276	3,115
Provision for impairment of assets (ii)	-	-	35,591	-
Share-based payment plan	6,691	6,406	7,018	6,711
Amortization and write-off of intangible assets from business combinations	17,848	17,062	17,848	17,062
Depreciation of right-of-use leases	2,723	4,426	4,437	10,696
Other provisions	36,478	32,770	48,680	42,346
Total tax credits - gross	94,210	162,218	471,234	418,822
Tax debits				
Present value adjustment	(2,385)	(1,937)	(2,981)	(2,085)
Deferred net income from sales to public authorities	(1,281)	(1,281)	(34,411)	(32,855)
Hedge derivatives (swap) and exchange rate changes under cash basis	(17,873)	(81,121)	(20,090)	(79,078)
Accounting vs. tax depreciation	(30,424)	(52,267)	(498,753)	(501,973)
Property and equipment - finance leases	(38,017)	(17,831)	(120,320)	(79,658)
Gains on equity interests in subsidiaries	-	(89,852)	-	(89,852)
Revaluation of assets	(3,596)	(3,596)	(3,596)	(2,686)
Realization of goodwill	(69,174)	(65,734)	(69,763)	(66,324)
Total tax debits - gross	(162,750)	(313,619)	(749,914)	(854,511)
Total tax debits - net	(68,540)	(151,401)	(278,680)	(435,689)
Deferred tax assets	-	-	160,609	138,431
Deferred tax liabilities	(68,540)	(151,401)	(439,289)	(574,120)
Total tax debits - net	(68,540)	(151,401)	(278,680)	(435,689)

(i) At June 30, 2020, the Company recorded a provision of R\$ 38.000 for loss of credits from deferred income tax and social contribution on tax losses, in connection with the loss of this proportion of tax losses due to the corporate restructuring mentioned in note 33.1.

(ii) In June 2020, the JSL Group recorded deferred income and social contribution taxes on the provision for losses on property and equipment and assets available for sale, as mentioned in note 1.2.(c)

The movements in deferred income tax and social contribution for the six-month periods ended June 30, 2020 and 2019 are as follows:

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	Parent Company	Consolidated
At December 31, 2019	(151,401)	(435,689)
Deferred income tax and social contribution recognized in the statement of profit or loss	(69,238)	3,636
Income tax and social contribution on cash flow hedge, in other comprehensive income recycled to profit or loss	95,690	95,690
Income tax and social contribution on cash flow hedge, in other comprehensive income to recycle in profit or loss	(33,652)	(32,907)
Deferred income tax and social contribution on equity valuation adjustments	90,061	90,061
Reclassifications between deferred and current	-	529
At June 30, 2020	(68,540)	(278,680)

	Parent company	Consolidated
At December 31, 2018	(68,895)	(277,614)
Deferred income tax and social contribution recognized in the statement of profit or loss	17,015	(5,823)
Income tax and social contribution on cash flow hedge	(42,055)	(42,055)
Reclassifications between deferred and current	5,654	4,501
Balance at June 30, 2019	(88,281)	(320,991)

24.2 Estimated realization schedule

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

Tax losses can be carried forward indefinitely and, at June 30, 2020 and December 31, 2019, deferred income tax and social contribution were recognized for all tax loss carryforwards, except for the tax loss carryforwards of JSL Holding and Vamos Seminovos in the amounts of R\$ 129 and R\$ 20,225, respectively, due to the lack of appropriate evidence and support of their expectation of future taxable income.

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 realization of these credits related to the balance for the year ended December 31, 2019 is shown in the individual and consolidated annual financial statements, issued on March 30, 2020.

24.3 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	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Profit before income tax and social contribution	229,831	92,547	171,663	190,547
Statutory rates	34%	34%	34%	34%
Income tax and social contribution calculated at the standard rates	(78,143)	(31,466)	(58,365)	(64,786)
Permanent (additions) exclusions				
Equity results from subsidiaries	6,414	55,210	(237)	(332)
Tax incentives - Workers Meal Program ("PAT")	946	50	1,649	298
Effects of interest on capital - received and paid	(4,722)	(13,895)	(166)	3,804
Provision for deferred tax credits on tax losses carried forward (i)	(38,000)	-	(38,000)	-
Un constituted deferred tax credits on taxes loss	-	-	(9,252)	(5,307)
Non-deductible expenses and other permanent (additions) deductions	4,138	4,257	3,005	7,696
Income tax and social contribution calculated	(109,367)	14,156	(101,366)	(58,627)
Current	(40,129)	(2,859)	(105,002)	(52,804)
Deferred	(69,238)	17,015	3,636	(5,823)
Income tax and social contribution on results	(109,367)	14,156	(101,366)	(58,627)
Effective rate	-47.59%	15.30%	-59.05%	-30.77%

- (i) Refers to the provision for income tax and social contribution on expenses arising from the corporate reorganization occurred at the Company, according to note 33.1.

The JSL Group'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.

24.4 Income tax and social contribution recoverable and payable

The movements in current income tax and social contribution for the six-month periods ended June 30, 2020 and 2019 are as follows:

	Parent Company	Consolidated
Income tax and social contribution recoverable - current	75,858	147,266
Income tax and social contribution recoverable - noncurrent	20,494	34,929
Income tax and social contribution payable	-	(3,094)
Balance at December 31, 2019	96,352	179,101
Provision for income tax and social contribution payable for the period	(40,129)	(105,002)
Advances, offsets and payments in the period	233,263	329,101
Balance at June 30, 2020	289,486	403,200
Income tax and social contribution recoverable - current	268,992	372,232
Income tax and social contribution recoverable - noncurrent	20,494	40,466
Income tax and social contribution payable	-	(9,498)
Balance at June 30, 2020	289,486	403,200

	Parent company	Consolidated
Income tax and social contribution recoverable - current	64,787	110,149
Income tax and social contribution recoverable - noncurrent	20,494	24,312
Income tax and social contribution payable	-	(12,356)
Balance at December 31, 2018	85,281	122,105
Provision for income tax and social contribution payable for the period	(2,859)	(52,804)
Advances, offsets and payments in the period	(21,272)	25,760
Balance at June 30, 2019	61,150	95,061
Income tax and social contribution recoverable - current	40,656	90,675
Income tax and social contribution recoverable - noncurrent	20,494	24,147
Income tax and social contribution payable	-	(19,761)
Balance at June 30, 2019	61,150	95,061

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

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25. Related parties**25.1 Related-party balances (assets and liabilities)**

Transactions between the Company and its subsidiaries are eliminated for the purpose of presenting the consolidated balances but maintained at de parent company in this quarterly information. The nature of these transactions is comprised of:

- (ii) Cash and cash equivalents, securities, securities and financial investments: these are financial securities, such as leasing bills and financial promissory notes.
- (iii) Accounts receivable: balances arising from commercial transactions for the purchase and sale of assets, leasing of assets and provision of services.
- (iv) 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.
- (v) Dividends receivable: balances receivable from dividends proposed and approved by the Company's subsidiaries.
- (vi) Receivable and payable 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.
- (vii) Other accounts payable: balances payable for reimbursement of the Company's expenses borne by the subsidiaries.
- (viii) Suppliers: balances arising from commercial transactions for the purchase and sale of assets, leasing of assets and provision of services.

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

Assets	Parent Company											
	Cash and cash equivalents (note 5)		Marketable securities and financial investments (note 6)		Advances to third parties and other credits		Trade receivables (Note 7)		Dividends receivable		Receivables from related parties	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Avante Veículos	-	-	-	-	3	24	-	-	-	-	-	-
BBC Pagamentos	-	-	-	-	691	9	-	-	-	-	-	-
Borgato Serviços	-	-	-	-	3	4	-	-	-	-	-	-
Ciclus Ambiental	-	-	-	-	-	-	13,178	26,978	-	-	-	-
CS Brasil Frotas	-	-	-	-	8,753	-	741	-	2,348	2,348	-	-
CS Brasil Participações	-	-	600,062	-	15	-	-	-	-	-	1,146	674,857
CS Brasil Transportes	-	-	-	-	4,795	8,425	-	-	-	-	-	-
Instituto Júlio Simões	-	-	-	-	6	2	-	-	-	-	-	-
JSL Arrendamento	79,272	57,657	-	-	4,270	1,547	-	1,259	-	-	-	-
JSL Corretora	-	-	-	-	15	23	-	-	-	-	-	-
JSL Empreendimentos	-	-	-	-	5,003	-	-	5,001	-	-	264	188
JSL Europe	-	-	-	-	8,771	8,771	-	-	-	-	-	-
Medlogística	-	-	-	-	-	47	-	34	321	-	-	-
Mogi Mob	-	-	-	-	395	318	-	-	-	-	-	-
Mogipasses	-	-	-	-	7	-	-	-	-	-	-	-
Movida Locação	-	-	-	-	7,246	1,507	1,012	57	-	-	-	-
Movida Participações	-	-	-	-	2,015	539	-	-	18,628	31,267	-	-
Movida Premium	-	-	-	-	102	41	-	-	-	-	-	-
Original Distribuidora	-	-	-	-	1	4	-	-	-	-	-	-
Original Veículos	-	-	-	-	249	496	115	-	-	-	27,785	27,135
Ponto Veículos	-	-	-	-	5	53	-	-	-	-	-	-
Quick Armazéns	-	-	-	-	-	3	-	-	-	-	-	8,274
Quick Logística	-	-	-	-	-	17,526	-	635	-	-	11,480	-
Ribeira Imóveis	-	-	-	-	57	-	-	-	-	-	-	-
Simpar	-	-	-	-	86	39	24	-	-	-	-	-

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TPG Transportes	-	-	-	-	22	8	-	-	-	-	-	-
Transrio	-	-	-	-	73	3,123	-	66	-	-	-	-
Vamos	-	-	-	-	15,280	-	633	11,292	-	-	17	17
Vamos Máquinas	-	-	-	-	49	114	-	-	-	-	-	-
Vamos Seminovos	-	-	-	-	36	11	-	-	-	-	-	-
Vamos Linha Amarela	-	-	-	-	76	-	-	-	-	-	-	-
Yolanda	-	-	-	-	-	4,260	-	-	-	-	4,914	3,103
Outros	-	-	-	-	-	17	-	-	-	324	11	61
Total	79,272	57,657	600,062	-	58,024	46,911	15,703	45,322	21,297	33,939	45,617	713,635
Circulante	79,272	57,657	600,062	-	49,253	38,140	15,703	40,321	21,297	33,939	-	-
Não circulante	-	-	-	-	8,771	8,771	-	5,001	-	-	45,617	713,635
Total	79,272	57,657	600,062	-	58,024	46,911	15,703	45,322	21,297	33,939	45,617	713,635

Liabilities
Related parties

	Other payables		Trade payables (note 14)	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Avante Veículos	1	-	2	1
CS Brasil Frotas	2,741	-	214	-
CS Brasil Transportes	2,726	-	11,034	1,171
JSL Arrendamento	-	-	-	4,831
JSL Corretora	5	-	2	5
JSL Empreendimentos	1	-	-	-
Mogi Mob	724	-	-	27
Mogipasses	7	-	2	6
Movida Locação	10	-	844	226
Movida Participações	38	-	90	1,194
Original Distribuidora	-	-	1	-
Original Veículos	351	-	3	370
Ponto Veículos	6	-	-	6
Quick Logística	-	-	-	1,345
Ribeira Imóveis	225	-	-	222
TPG Transportes	4	-	40	-
Transrio	-	-	1,367	1,347
Vamos	1,230	-	7,833	2,041
Vamos Máquinas	-	-	548	-
Vamos Seminovos	-	-	67	-
Total	8,069	-	22,047	12,792
Current	8,069	-	22,047	12,792
Noncurrent	-	-	-	-
Total	8,069	-	22,047	12,792

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Amounts corresponding to loan agreements with related parties are subject to contractual charges of 100% of the CDI plus 2.5% p.a., which are recognized in the finance income (costs) of the respective entities. Related-party transactions were contracted at rates compatible with those used with third parties, prevailing at the transaction dates, taking into consideration the reduction of risk, except for reimbursement of expenses that are transferred at cost.

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

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Notes to the individual and consolidated interim financial information for the period ended June 30, 2020

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	Consolidated											
	Assets						Liabilities					
	Trade receivables (note 7)		Other credits		Receivables from related parties		Trade payables (note 14)		Other payables		Payables to related parties	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Related parties												
Ciclus Ambiental	13,178	26,978	-	-	-	-	-	-	-	-	-	-
Consórcio Sorocaba	-	-	-	-	-	-	-	-	-	-	2,806	3,056
Instituto Julio Simões	-	-	6	-	-	-	-	-	-	-	-	-
Ribeira Imóveis	-	-	57	-	-	-	-	222	225	-	-	-
Simpar	-	-	86	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	17	-	-	-	-	-	-	-
Total	13,178	26,978	149	-	17	-	-	222	225	-	2,806	3,056
Current	13,178	26,978	149	-	-	-	-	222	225	-	2,806	3,056
Noncurrent	-	-	-	-	17	-	-	-	-	-	-	-
Total	13,178	26,978	149	-	17	-	-	222	225	-	2,806	3,056

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

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25.2 Related-party transactions with effects in profit or loss

The table below presents the results from transactions between the Company, its subsidiaries and other related parties in the line items of revenues, costs, deductions and other operating revenues and expenses, net, for the six-month period ended June 30, 2020 and 2019:

	Consolidated															
Results	Rent and services rendered		Contracted rent and services		Sale of assets		Purchase of assets		Administrative and selling expenses, and recovery of expenses		Other operating income (expenses)		Finance income		Finance expense	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Transactions eliminated in profit or loss																
JSL S.A.	1,571	2,510	(3,739)	(3,866)	13,648	51,925	(13,648)	(51,988)	12,868	(22)	2,459	652	-	1,684	(17,823)	(1)
Avante Veículos	1,018	-	(622)	-	1,373	-	(1,373)	-	(68)	-	-	-	-	-	-	-
Borgato Serviços	-	-	(198)	-	-	-	-	(1,358)	(19)	-	(439)	-	-	-	-	-
CS Brasil Frotas	10,997	-	(195)	-	989	1,188	(989)	-	(3,910)	-	148	-	-	-	-	(231)
CS Brasil Participações	-	-	(9,964)	-	-	-	-	-	(38)	-	229	-	18,490	-	(730)	-
CS Brasil Transportes	4,630	20	(4,293)	-	2,819	-	(2,819)	-	(2,149)	-	267	-	(29)	-	(2,143)	(624)
JSL Arrendamento	305	-	274	-	2,733	-	(2,733)	-	(265)	-	-	-	(2,005)	-	5	-
JSL Corretora	57	-	-	-	-	-	-	-	(48)	-	3	-	-	-	(2)	-
JSL Empreendimentos	4	-	-	-	-	-	-	-	(2)	-	-	-	5	-	1	(3)
JSL Europe	-	-	-	-	-	-	-	-	-	-	-	-	28,186	25,153	-	-
JSL Finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(28,186)	(25,153)
JSL Holding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,439	(280)
Medlogística	102	-	-	-	-	-	-	-	(276)	-	-	-	-	-	-	-
Mogi Mob	870	-	(1)	-	-	-	-	-	(839)	-	11	-	-	-	-	-
Mogipasses	1	-	(722)	-	-	-	-	-	(79)	-	-	-	-	-	-	-
Movida Locação	5,685	-	(129,308)	(19)	1,370	-	(1,370)	-	(7,888)	-	2,211	-	-	-	(15,020)	-
Movida Participações	128,974	199	(1,292)	(10)	6,392	-	(6,392)	-	1,271	-	201	-	-	-	-	-
Movida Premium	13,924	-	(41)	-	-	-	-	-	(61)	-	4	-	-	-	-	-
Original Distribuidora	3	-	(1,392)	-	-	-	-	-	(9)	-	(5)	-	6	-	-	-
Original Veículos	2,215	2	(2,678)	-	19,283	-	(19,283)	-	(513)	-	1	-	677	-	(5)	(398)
Ponto Veículos	1,137	-	(5,506)	-	3,171	-	(3,171)	-	(188)	-	-	-	-	-	-	-
Quick Armazéns	-	-	-	-	-	-	-	-	(9)	-	-	-	-	144	(109)	-
Quick Logística	675	-	(8)	(622)	-	-	-	-	(280)	-	2	-	387	-	-	(291)
Sinal Serviços	-	-	-	-	-	-	-	-	-	-	-	-	(364)	-	-	-
TPG Transportes	-	-	-	-	-	-	-	-	(136)	-	16	-	-	-	-	-
Transrio	10	328	(1,631)	(122)	5,293	-	(5,293)	-	(434)	-	-	-	-	-	-	-
Vamos	2,885	1,632	(1,386)	(2,027)	7,132	-	(7,132)	(26,687)	776	-	877	2,231	-	-	77	-
Vamos Máquinas	885	523	(1,714)	(523)	86	-	(86)	-	(395)	-	(388)	-	-	-	3	-
Vamos Seminovos	172	-	-	-	-	-	-	-	(38)	-	-	-	-	-	-	-
Vamos Linha Amarela	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Yolanda	-	-	-	(227)	-	26,686	-	-	(43)	(425)	1,491	-	119	-	-	-
	176,121	5,214	(164,416)	(7,416)	64,289	79,799	(64,289)	(80,033)	(2,772)	(447)	7,088	2,883	45,472	26,981	(61,493)	(26,981)
Related-party transactions																
Ciclus Ambiental	36,873	43,077	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ribeira Imóveis	-	-	(8,724)	(14,282)	-	-	-	-	-	-	-	-	-	-	-	-
Others (i)	-	-	(1,918)	(835)	-	-	-	-	-	-	-	-	-	-	-	-
	36,873	43,077	(10,642)	(15,117)	-	-	-	-	-	-	-	-	-	-	-	-
Total	212,994	48,291	(175,058)	(22,533)	64,289	79,799	(64,289)	(80,033)	(2,772)	(447)	7,088	2,883	45,472	26,981	(61,493)	(26,981)

(i) Refers to tax consulting services rendered by a tax law firm where members of the Board of Directors and the Fiscal Council are partners.

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In thousands of Brazilian Reais, unless otherwise stated

25.3 Transactions or relationships with shareholders related to property leasing

The JSL Group has operating and administrative lease contracts for properties with the associate Ribeira Imóveis Ltda., Company under common control. The lease amount recognized in the profit or loss for the six-month period ended June 30, 2020 was R\$ 8,724 (R\$ 14,282 at June 30, 2019). The agreements have conditions in line with market values and have maturities until 2027.

25.4 Administrative services center

In order to better apportion common expenses between the companies that use corporate services, the JSL Group makes apportionments based on criteria defined in appropriate technical studies. For the six-month period ended June 30, 2020, the amount related to recovery of expenses in Parent Company was R\$ 19,338 (R\$ 23,397 at June 30, 2019). The administrative services center does not charge management fees nor applies profitability margin on services rendered, passing on only the costs.

25.6 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	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Fixed compensation	(7,763)	(6,759)	(16,652)	(11,986)
Variable compensation	(7,505)	(4,011)	(17,536)	(8,959)
Payroll charges and benefits	(92)	(161)	(206)	(334)
Shared-based payments	(3,141)	(874)	(5,628)	(1,011)
Total	(18,501)	(11,805)	(40,022)	(22,290)

The managers are included in the Company's share-based payment plan. For the six-month period ended June 30, 2020, stock options were exercised by the managers, as described in note 26.2.

Management does not have post-retirement benefits or any other significant long-term benefits.

The compensation paid to key management personnel is within the limit approved by the Shareholders' Meeting held in 2020.

26. Equity**26.1 Share capital**

The Company's fully subscribed and paid-in capital at June 30, 2020 is R\$ 706,459 (R\$ 695,069 at December 31, 2019), less the transaction costs incurred in the process of IPO in the amount of R\$ 16,219. The shares are registered common shares without par value.

The Company increased its capital in February and June 2020 through the issuance and subscription of 904,656 common shares, fully paid-in in cash in the amount of R\$ 10,107 and payment of shares issued in 2019 in the amount of R\$ 1,283, both related to the share-based payment plan disclosed in the explanatory note. After this capital increase, the Company's fully paid in capital is divided into 207,735,316 registered shares (206,830,660 at December 31, 2019) with no par value, 1,531,343 (41,794 at December 31, 2019) non-voting treasury shares. At June 30, 2020, share capital is held as follows:

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<i>Number of shares</i>	06/30/2020		12/31/2019	
	Common shares	(%)	Common shares	(%)
Shareholders				
Owners of the Company	127,759,521	61.5	132,459,519	64.0
Simpar S.A.	114,451,301	55.1	114,451,301	55.3
Fernando Antonio Simões	13,308,220	6.4	18,008,218	8.7
Other members of the Simões family	15,497,817	7.5	13,328,663	6.4
Management	1,059,255	0.5	771,370	0.4
Treasury shares	1,531,343	0.7	41,794	0.0
Outstanding shares traded on the stock exchange	61,887,380	29.8	60,229,314	29.1
Total	207,735,316	100.0	206,830,660	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 Fiscal Council.

26.2 Capital reserves**a) Share-based payment transactions****Stock option plan:**

The following table presents the number, weighted average of the exercise price and the movement of the granted stock options:

	Number of stock options				Average exercise price (R\$)
	Granted	Canceled	Transferred	Stock options outstanding	
Position as at December 31, 2018	4,943,806	(3,513)	-	4,940,293	7.55
Transfer to beneficiaries	-	-	(1,212,294)	(1,212,294)	7.19
Options cancelled	-	(11,470)	-	(11,470)	7.19
Position as at December 31, 2019	4,943,806	(14,983)	(1,212,294)	3,716,529	7.19
Transfer to beneficiaries	-	-	(899,869)	(899,869)	7.19
Position as at June 30, 2020	4,943,806	(14,983)	(2,112,163)	2,816,660	9.19

Restricted shares plan:

The following table presents the number, weighted average of the fair value and the movement of the granted restricted shares options:

	Number of shares				Average exercise price (R\$)
	Granted	Canceled	Transferred	Stock options outstanding	
Position as at December 31, 2018	334,476	-	-	334,476	8.12
Granted	758,136	-	-	758,136	6.52
Position as at December 31, 2019	1,092,612	-	-	1,092,612	7.32
Granted	507,378	-	-	507,378	23.54
Options exercised	-	-	(824,114)	(824,114)	7.32
Transfers to beneficiaries	-	(117,045)	-	(117,045)	7.32
Position as at June 30, 2020	1,599,990	(117,045)	(824,114)	658,831	12.73

The amount of R\$ 836 (R\$ 789 at June 30, 2019) was recognized in profit or loss for the six-month period ended June 30, 2020 under the line item "Administrative expenses" as remuneration for share-based payment transactions, and the accumulated balance in the capital reserve account referring to these plans in equity is R\$ 20,223 at June 30, 2020 (R\$ 19,387 at December 31, 2019). Additionally, through its subsidiaries Movida and Vamos, the amount of R\$ 2,058 was recognized under the heading "other equity adjustments reflecting subsidiaries" the amount of R\$ 2,058 for "share-based payments transactions", in the shareholders' equity and R\$ 1,816 in the non-controlling interests, totaling R\$ 3,038 in the Consolidated.

Complete information on the share-based payment plan is presented in note 29.2 to the annual individual and consolidated annual financial statements for the year ended December 31, 2019.

26.3 Treasury shares

At June 30, 2020, the Company has a balance of R\$ 38,247, representing 1,531,343 common shares held in treasury (R\$ 460 at December 31, 2019, representing 41,794 common shares held in treasury).

In 2020, the parent company JSL repurchased 1,827,418 shares at a weighted average price of R\$ 20.67 in the amount of R\$ 37,787 and transferred 337,869 shares to the beneficiaries of the long-term incentive programs at a weighted average price of R\$ 7.23 in the amount of R\$ 2,444. The shares were acquired to be held in treasury, to meet the Company's variable compensation program.

In 2020, the subsidiary Movida repurchased 185,100 shares at a weighted average price of R\$ 14.74, in the amount of R\$ 2,728, with the Company holding a 55.11% interest allocated to other equity adjustments of subsidiaries. The shares were acquired to be held in treasury, to cover any exercise of options under the scope of share-based compensation.

26.4 Earnings reserves

a) Distribution of dividends

The dividend distribution policy is disclosed in note 29.4 to the Company's individual and consolidated annual financial statements for the year ended December 31, 2019.

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 the JSL Group 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 and associates, including through subscriptions of capital increases or creation of new enterprises, to which up to 100% of the net income 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.

The balance in the retained earnings reserve refers to retained earnings based on the capital budget, established under the terms of article 196 of the Brazilian Corporate Law, and approved at the Ordinary General Meeting of shareholders held on April 29, 2019.

d) Government grants

At the Parent Company, due to the calculation of the ICMS through the presumed credit method (ICMS 106/96), there was use in the amount of R\$ 31,564, for the six-month period ended June 30, 2020, registered as a reserve of government grants, according to Law 12.973/14 Art. 30, paragraph 4. Additionally, through its subsidiary Quick Logística it is entitled to a tax benefit grant related to the value added tax on sales and services (ICMS) in the state of Goiás, and during the six-month period ended June 30, 2020 the amount utilized was R\$ 723 recorded in other equity adjustments from subsidiaries.

27. Insurance coverage

The JSL Group 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.

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

In thousands of Brazilian Reais, unless otherwise stated

Complete information on the insurance coverage is presented in note 30 to the annual individual and consolidated annual financial statements for the year ended December 31, 2019.

28. Net revenue from sale, lease, rendering of services and sale of assets used in services rendered**a) Revenue flows**

The JSL Group generates revenue mainly from the rendering of services, sale of new and used vehicles, parts, rental and sale of decommissioned assets.

	Parent Company		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Revenue from services rendered	1,091,908	1,299,562	1,204,843	1,492,830
Revenue from lease of vehicles, machinery and equipment	71,780	114,737	1,403,899	1,283,982
Revenue from sale of new vehicles	-	-	254,580	286,539
Revenue from sale of used vehicles	-	-	93,084	159,802
Revenue from sale of parts and accessories	-	-	75,208	98,967
Other revenues	-	-	51,895	47,726
Total net revenue from sale, lease and services rendered	1,163,688	1,414,299	3,083,509	3,369,846
Revenue from sale of decommissioned assets	67,991	113,835	1,470,608	1,230,882
Total net revenue	1,231,679	1,528,134	4,554,117	4,600,728

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

	Parent company		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Gross revenue	1,477,264	1,842,644	5,044,829	5,201,689
Less:				
Taxes on sales	(218,304)	(260,952)	(420,728)	(479,965)
Returns and cancellations	(9,616)	(30,159)	(43,052)	(55,905)
Toll rates	(17,615)	(23,373)	(18,471)	(24,795)
Discounts granted	(50)	(26)	(8,461)	(40,296)
Total net revenue	1,231,679	1,528,134	4,554,117	4,600,728

b) Breakdown of revenue from contracts with customers by segment

The following table presents the analytical composition of the revenue from contracts with customers of the main business lines and the timing of revenue recognition. It also includes reconciliation of the analytical composition of revenue with the JSL Group's reportable segments:

	Parent Company	
	06/30/2020	06/30/2019
Main products and services		
Revenue from dedicated services	512,689	625,225
Revenue from passengers transportation	89,016	97,729
Revenue from general cargo	490,203	576,608
Revenue from lease of vehicles, machinery and equipment	71,780	114,737
Net revenue from sale, lease and services rendered	1,163,688	1,414,299
Revenue from sale of decommissioned assets	67,991	113,835
Total net revenue	1,231,679	1,528,134
Timing of revenue recognition		
Products transferred at a specific point in time	67,991	113,835
Products and services transferred over time	1,163,688	1,414,299
Total net revenue	1,231,679	1,528,134

JSL S.A.
Notes to the individual and consolidated interim financial information for the period ended June 30, 2020

In thousands of Brazilian Reais, unless otherwise stated

	JSL Logística		Movida		Vamos		Consolidated CS Brasil	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Revenue from dedicated services	532,340	631,910	-	-	-	-	-	-
Revenue from transport of passengers	89,017	97,729	-	-	-	-	69,710	87,904
Revenue from general cargo	513,926	619,848	-	-	-	-	-	-
Revenue from lease of vehicles, machinery and equipment	71,010	113,982	746,873	682,669	325,298	291,513	262,143	271,707
Revenue from sale of new vehicles	-	-	-	-	150,730	121,224	-	-
Revenue from sale of used vehicles	-	-	-	-	17,678	16,054	-	-
Revenue from sale of parts and accessories	-	-	-	-	53,504	55,174	-	-
Other revenues	-	-	-	-	-	-	-	-
Net revenue from sale, lease and services rendered	1,206,293	1,463,469	746,873	682,669	547,210	483,965	331,853	359,611
Revenue from sale of decommissioned assets	69,129	72,996	1,312,117	1,086,043	78,168	90,773	63,667	59,474
Total net revenue	1,275,422	1,536,465	2,058,990	1,768,712	625,378	574,738	395,520	419,085
Timing of revenue recognition								
Products transferred at a specific point in time	69,129	72,996	1,312,117	1,086,043	300,080	283,225	133,377	147,378
Products and services transferred over time	1,206,293	1,463,469	746,873	682,669	325,298	291,513	262,143	271,707
Total net revenue	1,275,422	1,536,465	2,058,990	1,768,712	625,378	574,738	395,520	419,085

	Original Concessionárias		BBC		Eliminations		Total	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Revenue from dedicated services	-	-	-	-	(150)	-	532,190	631,910
Revenue from transport of passengers	-	-	-	-	-	-	158,727	185,633
Revenue from general cargo	-	-	-	-	-	-	513,926	619,848
Revenue from lease of vehicles, machinery and equipment	-	-	-	-	(1,425)	(20,450)	1,403,899	1,339,421
Revenue from sale of new vehicles	105,968	165,315	-	-	(2,118)	-	254,580	286,539
Revenue from sale of used vehicles	76,550	143,748	-	-	(1,144)	-	93,084	159,802
Revenue from sale of parts and accessories	27,662	50,010	-	-	(5,958)	(6,217)	75,208	98,967
Other revenues	29,614	28,879	22,151	18,803	130	44	51,895	47,726
Net revenue from sale, lease and services rendered	239,794	387,952	22,151	18,803	(10,665)	(26,623)	3,083,509	3,369,846
Revenue from sale of decommissioned assets	3,756	6,389	-	-	(56,229)	(84,793)	1,470,608	1,230,882
Total net revenue	243,550	394,341	22,151	18,803	(66,894)	(111,416)	4,554,117	4,600,728
Timing of revenue recognition								
Products transferred at a specific point in time	213,936	365,462	-	-	(65,449)	(91,010)	1,963,190	1,864,094
Products and services transferred over time	29,614	28,879	22,151	18,803	(1,445)	(20,406)	2,590,927	2,736,634
Total net revenue	243,550	394,341	22,151	18,803	(66,894)	(111,416)	4,554,117	4,600,728

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

In thousands of Brazilian reais, unless otherwise stated

29. Expenses by nature

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

	Parent Company		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Cost of sales of new and used vehicles and parts	-	-	(376,669)	(477,968)
Fleet costs / expenses	(17,459)	(21,370)	(127,474)	(101,186)
Cost of sales of decommissioned assets (i)	(67,937)	(113,196)	(1,382,508)	(1,214,236)
Personnel	(394,163)	(437,880)	(709,829)	(796,535)
Related and third parties	(359,788)	(441,843)	(378,624)	(468,705)
Depreciation and amortization	(114,292)	(113,153)	(547,592)	(416,009)
Parts, tires and maintenance	(113,666)	(137,967)	(220,059)	(248,331)
Fuels and lubricants	(64,002)	(69,582)	(98,377)	(117,187)
Reversal for judicial and administrative litigation	-	211	-	15
Communication, advertising and publicity	(1,118)	(1,244)	(21,661)	(19,007)
Services rendered	(42,516)	(39,958)	(129,528)	(129,282)
(Provision) reversal of expected credit losses ("impairment") of trade receivables (note 7.1)	(3,852)	5,112	(75,338)	(11,998)
Court-ordered indemnities	(15,497)	(10,488)	(24,914)	(19,272)
Electric power	(9,656)	(10,612)	(13,382)	(16,043)
Property leasing	(4,038)	(3,840)	(6,056)	(31,956)
Lease of vehicles, machinery and equipment	(9,770)	(10,295)	(12,581)	(3,335)
Results from sale of damaged vehicles	517	862	38,815	80,803
Cost of sale of damaged vehicles	(3)	(635)	(72,004)	(90,608)
Provision for impairment losses (note 1.2 (c) (iii))	-	-	(195,394)	-
PIS and COFINS credits on inputs	59,973	65,538	187,769	159,716
Extemporaneous tax credits (iv)	13,478	3,846	31,553	29,214
Other costs	(18,127)	(39,667)	(180,865)	(131,125)
	<u>(1,161,916)</u>	<u>(1,376,161)</u>	<u>(4,314,718)</u>	<u>(4,023,035)</u>
Cost of sales, leases and services rendered	(1,055,402)	(1,206,293)	(2,262,186)	(2,417,125)
Cost of sales of decommissioned assets	(67,937)	(113,196)	(1,382,508)	(1,214,236)
Selling expenses	(8,807)	(9,492)	(153,184)	(115,011)
Administrative expenses	(60,367)	(51,962)	(256,533)	(302,243)
(Provision) reversal of expected credit losses ("impairment") of trade receivables	(3,852)	5,112	(75,338)	(11,998)
Provision for impairment of non-financial assets	-	-	(195,394)	-
Other operating expenses	(17,205)	(13,358)	(39,420)	(33,458)
Other operating income	51,654	13,028	49,845	71,036
	<u>(1,161,916)</u>	<u>(1,376,161)</u>	<u>(4,314,718)</u>	<u>(4,023,035)</u>

- (i) The cost of selling demobilized assets consists of the cost of assets used in the provision of rental services and logistics services sold.

30. Finance income (costs)

	Parent company		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Finance income				
Financial investments	24,304	26,217	157,049	133,290
Monetary variation income	23,023	20,581	7,171	11,225
Interest received	1,272	3,752	6,191	9,309
Gain on early settlement of swaps	277,494	-	281,440	-
Other finance income	6,266	1,430	8,067	8,403
Total finance income	332,359	51,980	459,918	162,227
Finance costs				
Interest on loans, borrowings and debentures	(201,753)	(230,137)	(477,477)	(460,841)
Interest and bank fees on leases payable	(3,255)	(3,883)	(15,861)	(11,601)
Interest on suppliers financing – car makers	(45)	-	(9,135)	-
Exchange rate changes	(656,956)	5,595	(724,348)	12,644
Net gains (losses) on swap agreements	685,381	(8,681)	772,285	(13,520)
Total debt service costs	(176,628)	(237,106)	(454,536)	(473,318)
Interest on right-of-use leases	(7,989)	(5,484)	(23,531)	(14,107)
Interest payable	(3,797)	(6,860)	(8,503)	(13,328)
Other finance costs	(2,742)	(24,337)	(40,515)	(47,645)
Total finance costs	(191,156)	(273,787)	(527,085)	(548,398)
Net finance result	141,203	(221,807)	(67,167)	(386,171)

31. Earnings per share - R\$**31.1 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:

	06/30/2020	Consolidated 06/30/2019
Numerator:		
Profit for the period attributable to owners of the Company	120,464	106,703
Denominator:		
Weighted average number of outstanding shares	206,537,376	205,223,260
Basic earnings per share - R\$	0.5833	0.5199
(i) Weighted average number of outstanding shares		
	06/30/2020	06/30/2019
Common shares - January 1	206,788,866	205,223,260
Effect of shares issued during period	155,507	-
Effect of treasury shares	(406,997)	-
Weighted average number of outstanding common shares	206,537,376	205,223,260

31.2 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.

The JSL Group 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 Group 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.

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

In thousands of Brazilian reais, unless otherwise stated

	Consolidated
	06/30/2020
	06/30/2019
(Loss) profit for the period attributable to owners of the Company	120,464
Weighted average number of outstanding shares	206,537,376
Adjustments for:	
Stock options (weighted)	5,339,886
Weighted average of number of shares for diluted earnings per share	211,877,262
Diluted earnings per share - Reais	0,5686
	0,5071

32. 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.

The JSL Group made acquisitions of vehicles for renewal and expansion of its fleet, and part of these vehicles do not affect cash because they are financed. These acquisitions without cash outflow effect are as follows:

	Parent company		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Total additions to property and equipment in the period	342,698	212,496	2,241,595	3,046,564
Additions settled without cash flows				
Raising of leases payable, FINAME and suppliers financing – car makers	(2,263)	(50,633)	(710,539)	(146,876)
Additions to right-of-use leases (note 12)	(117,693)	(11,774)	(172,298)	(72,990)
Additions settled with cash flows				
Change in the balance of trade payables and suppliers financing – car makers	(3,585)	(7,214)	729,679	(717,287)
Total cash flows for purchase of property and equipment	219,157	142,875	2,088,437	2,109,411
Statements of cash flows:				
Operating property and equipment for lease	204,041	131,824	2,036,648	2,077,287
Property and equipment	15,116	11,051	51,789	32,124
Total	219,157	142,875	2,088,437	2,109,411
Other non-cash transactions:				
Initial adoption CPC 06 (R2)/IFRS 16 - Leases	-	(179,413)	-	(504,788)

33. Subsequent events**33.1 Corporate restructuring**

On August 5, 2020, at an extraordinary general meeting, the JSL Group's corporate restructuring, announced on April 1, 2020 in a material fact notice, was approved.

The restructuring consists of the migration of the Company's entire shareholder base to Simpar S.A. ("Simpar"), direct controlling shareholder of the Company, which will become a company listed on the New Market, a special segment of B3. As a result, Simpar will become the holding company of the JSL Group, with shares traded on the stock exchange, replacing the Company.

On the same date, also as part of the restructuring, also at the Company's extraordinary general meeting, its spin-off was approved, with its net assets including the total balances of investments in equity interests in subsidiaries Vamos, Movida Participações, CS Brasil Participações, Mogipasses, Mogi Mob, TPG Transporte, Avante Veículos, JSL Corretora, Original Distribuidora, Original Veículos, Ponto Veículos, JSL Holding, BBC Payments, JSL Empreendimentos, JSL Europe and JSL Finance, certain debts in addition to other assets and liabilities, incorporated by Simpar, in order to concentrate the holding activity of the JSL Group in Simpar.

These subsidiaries are the entities that operate the Movida, Vamos, CS Brasil, Original and BBC segments. Consequently, the Company starts to operate in the Logistics segment and part of the treasury activities still considered as JSL Group holding activities.

The restructuring resulted in the following movement:

JSL S.A.**Notes to the individual and consolidated interim financial information for the period ended June 30, 2020**

In thousands of Brazilian reais, unless otherwise stated

	06/30/2020		
	JSL S.A. Parent company	Net assets spin-off	JSL after spin-off
Cash and cash equivalents	393,331	87,280	306,051
Marketable securities and financial investments	2,128,965	1,154,195	974,770
Trade receivables	613,147	-	613,147
Other current assets	645,903	54,353	591,550
Total current assets	3,781,346	1,295,828	2,485,518
Investments	2,588,483	2,534,320	54,163
Property and equipment	1,562,194	75,293	1,486,901
Intangible assets	258,047	-	258,047
Other noncurrent assets	556,877	376,902	179,975
Total noncurrent assets	4,965,601	2,986,515	1,979,086
Total assets	8,746,947	4,282,343	4,464,604
Trade payables	99,205	-	99,205
Loans and borrowings	203,790	84,735	119,055
Debentures	365,987	51,896	314,091
Leases payable	38,947	-	38,947
Right-of-use leases	26,480	-	26,480
Other current liabilities	249,761	9,293	240,468
Total current liabilities	984,170	145,924	838,246
Loans and borrowings	4,162,360	2,522,182	1,640,178
Debentures	1,743,367	571,262	1,172,105
Leases payable	54,345	-	54,345
Right-of-use leases	162,297	-	162,297
Other noncurrent liabilities	237,924	24,295	213,629
Total noncurrent liabilities	6,360,293	3,117,739	3,242,554
Total liabilities	7,344,463	3,263,663	4,080,800
Net assets	1,402,484	1,018,680	383,804

33.2 Effects of the COVID-19 pandemic

As disclosed in note 1.2, the JSL Group has adopted and has been adopting a series of measures to mitigate the impacts caused by the crisis caused by the COVID-19 pandemic.

In July, the JSL Group's actions were mainly aimed at resuming operations that had been paralyzed and maintaining its liquidity position.

Until to the approval of this interim financial information, the JSL Group's financial ratios indicate the maintenance of a substantial part of its revenues, cash generation and its liquidity position.

33.3 Company acquisitions**a) Acquisition of Fadel Holding Ltda. ("Fadel")**

According to a relevant fact disclosed to the market, on August 3, 2020, a purchase and sale agreement was signed with purpose of the acquisition of Fadel Holding Ltda. ("Fadel") by the Company.

Fadel operates in the sectors of beverage, food, consumer goods and initiated activities in electronic commerce (e-commerce), with a fleet of more than 1,600 operating assets of its own (including trucks, mechanical horses, trucks and light commercial vehicles) and having 25 branches in Brazil and 4 units in Paraguay.

The Company initially acquired 75% of the shares issued by Fadel for the price of R \$ 159.4 million, half of which was paid in cash and the other half in 6 months. Such price may be increased by R \$ 13.7 million if Fadel reaches certain goals in 2020. The Company will have the right to acquire, as from the 3rd year, and the current partner of Fadel will have the right to sell to the Company, from the 5th year, the remaining shares of Fadel's capital, at a price to be determined according to the contract. At the Company's discretion,

the purchase price of the remaining portion may be paid in cash or in shares issued by the Company, using the market value of JSL's shares as a reference.

b) Acquisition of TransMoreno Transporte e Logística Ltda. ("TransMoreno")

According to a material fact disclosed to the market, on August 10, 2020, a purchase and sale agreement was signed with a view to the acquisition of TransMoreno Transporte e Logística Ltda. ("TransMoreno") by the Company. TransMoreno operates in the automobile transport sector.

The Company acquired 100% of TransMoreno's participation quotas for the price of R\$ 310 million, of which R \$ 100 million was paid in cash and the remaining balance in semiannual installments over 5 years. Such price may be increased by R\$ 10 million if Transamoreno reaches certain targets regarding changes in net working capital by the end of 2024.

33.4 Initial public offering of JSL S.A . shares

According to a material fact disclosed to the market, on August 3, 2020, the Company intends to make an initial public offering of common shares of its issue, with restricted placement efforts, pursuant to CVM Instruction 476 ("Restricted Offer"), after the conclusion of the corporate reorganization mentioned in note 33.2, when it becomes a wholly owned subsidiary of Simpar SA.

Until to the approval of this interim financial information, the JSL Group's financial ratios indicate the maintenance of a substantial part of its revenues, cash generation and its liquidity position.

JSL S.A.
Publicly-Held Company with Authorized Capital
Corporate Taxpayer's ID (CNPJ/MF) 52.548.435/0001-79
NIRE 35300362683

SUPERVISORY BOARD'S REPORT

The Supervisory Board of JSL S.A. ("Company"), in the exercise of its attributions provided for in article 163 of Law 6,404/76, at a meeting held on this date, after examining the Performance Comments and the individual and consolidated interim financial information for the six-month period ended June 30, 2020, concludes, based on the examinations made and considering also the Independent Auditors' Review Report, unanimously, that these documents properly reflect the Company's financial situation.

São Paulo, August 12, 2020.

Luiz Augusto Marques Paes

Luciano Douglas Colauto

Rafael Ferraz Dias de Moraes

Executive Board's Statement on JSL S.A. Individual and Consolidated Interim Financial Information

In accordance with item VI of article 25 of CVM Instruction 480 of December 7, 2009, the Executive Board declares that it reviewed, discussed and agreed to the Individual and Consolidated Interim Financial Information of JSL S.A. for the six-month period ended June 30, 2020, authorizing the issue on this date.

São Paulo, August 13, 2020.

Fernando Antonio Simões
Chief Executive Officer

Denys Marc Ferrez
Administrative, Financial and Investor Relations Officer

Samir Moises Gilio Ferreira
Chief Controlling Officer

Statement of the Executive Board on the Independent auditor's report

In accordance with item V of article 25 of CVM Instruction 480 of December 7, 2009, the Executive Board declares that it reviewed, discussed and agreed to the Individual and Consolidated Interim Financial Information of JSL S.A. for the six-month period ended June 30, 2020, issued on this date.

São Paulo, August 13, 2020.

Fernando Antonio Simões
Chief Executive Officer

Denys Marc Ferrez
Administrative, Financial and Investor Relations Officer

Samir Moises Gilio Ferreira
Chief Controlling Officer