

# Earnings Release 2Q20

## Webcast in English:

**August 14th, 2020**

2:00 pm (New York time)

3:00 pm (Brasília time)

Webcast: [ri.jhsf.com.br](http://ri.jhsf.com.br)



## Webcast in Portuguese:

**August 14th, 2020**

3:00 pm (Brasília time)

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# JHSF



### CONSOLIDATED RESULTS:

- Consolidated Net Income **increased 5,028.1% x 2Q19;**
- Consolidated Adjusted EBITDA **increased 236.3% x 2Q19;**
- Consolidated Gross Revenue **grew 70.3% x 2Q19;**
- Real Estate Developments **Sales grew 465.4% x 2Q19 and 778.4% in Adjusted EBITDA;**
- Recurring Income **with Adjusted EBITDA and Operating Cash Generation positive**, despite the impacts generated by COVID-19;
- **Overcoming Breakeven** in Airport activities;
- **5th app launched - CJ Food**, strengthening our digital strategy;

**São Paulo, August 13, 2020** – JHSF Participações S.A. (B3: JHSF3) announces its operating and financial results for the second quarter of 2020 (2Q20). All the following information, unless otherwise indicated, is presented in Brazilian Reais (R\$), based on consolidated figures and in accordance with Brazilian corporate law and International Financial Reporting Standards (IFRS). All percentage changes between periods are nominal, unless otherwise indicated. The information held in this release, was not audited by the independent auditors. We recommend this material to be read in conjunction with the Explanatory Notes to the Quarterly Financial Statements. All amounts have been rounded to the nearest thousand, generating rounding and resulting in immaterial divergences. Margins are calculated as a percentage of net revenue, except when otherwise indicated. All the acronyms used herein are defined in the Glossary on the final page of this document.

**Impacts of the Covid-19 Declaration of State of Emergency on the Operational Context**

Since March 2020, as a result of the verification of COVID-19 cases in Brazil, government authorities have declared a State of Emergency (SE), resulting in several actions that led to an abrupt reduction in the circulation of people and economic activity, especially in Recurring Income and Hospitality and Gastronomy activities, which were also negatively affected during 2Q20. During the month of June 2020, the restriction measures imposed at the end of 1Q20 began to be relaxed and the Company's Management, prioritizing the health and safety of Customers, Employees and Business Partners, started the process of resuming its activities.

**RECURRING INCOME:** The Company chose not to account for discount linearization in the quarter.

The malls began to reopen, operating at reduced hours, and with various activities such as food and entertainment, still suspended. Below there is a breakdown of the date on which activities resumed and the number of hours they could operate at the end of 2Q20, as well as the situation on 08/13/2020, the date of this release.

Malls	Closure	Reopening	2Q20 operation (in days)	2Q20 operation (days of week and hours)	08/13/2020 operation (days of week and hours)
Cidade Jardim	03/19/2020	06/11/2020	20	Mon to Sun, from 4pm to 8pm	Mon to Sun, from 4pm to 10pm
Bela Vista	03/21/2020	07/24/2020	0	Mon to Sat, from 12pm to 8pm	Mon to Sat, from 12pm to 8pm
Ponta Negra	03/21/2020	06/01/2020	30	Mon to Sun, from 12pm to 8pm	Mon to Sat, from 11am to 9pm Sun, from 12pm to 9pm
Catarina Fashion Outlet	03/18/2020	06/03/2020	28	Mon to Sun, from 12pm to 4pm	Mon to Sun, from 12pm to 4pm

As a result of the temporary suspension of activities in the malls, we were supportive with the tenants, the Company's Business Partners, with whom we have Long-Term Relationships. Thus, rental charges for the months of 2Q20 were exempt in April and May, and for June only variable rental was charged in proportion to the days on that each operation was open, as well as we continued with actions to reduce costs with Condominium and the Promotion and Propaganda Fund, which resulted in no material impact of default or the need for the Company's contribution to the projects. It is important to note that, for the result of **Recurring Income**, the Company chose not to account for any linearization discount effect related to the impacts to Covid-19, during 2Q20, thus absorbing the totality of impacts in this period.

Our corporate commitment to have the malls ready to resume their activities as soon as the authorities allowed it was fulfilled and we did so within strict safety protocols, in order to have healthy environments and provide well-being for Customers, Employees and Business Partners.

The expansion works of the Gross Leasable Area (GLA) of the shopping malls, **Cidade Jardim Shops** and **Shopping Cidade Jardim**, continued in progress, and we accelerate the **Catarina Fashion Outlet Expansion** works, as well as, we completed the process of land formation and linking of CEPACs (air rights) for the **Faria Lima Shops** project and land acquisition about 2 minutes from Shopping Cidade Jardim, where the Company will develop a multipurpose project with residential towers integrated into a shopping center.

<sup>1</sup>Disclaimer: Management makes statements concerning future events that are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of its Management, and on information currently available to the Company. Statements include information regarding JHSF's intentions, estimates or current expectations or those of its Board of Directors or Executive Officers. Statements also include information concerning the Company's possible or presumed future operating results, as well as statements preceded by, followed by, or including the words "believes," "may," "will," "continues," "expects," "envisages," "intends," "plans," "estimates" or similar expressions.



During 2Q20, the Company's digital strategy was intensified. [CJ Fashion](#) has more than 300 brands in its portfolio and grew sales by 271.5% in 2Q20. The [CJ Concierge](#) service, which takes Customers any product they want, performed better than projected, with an increase in sales of 332.5%. [Delivery Fasano's](#) orders grew 963.6% when compared to 1Q20 and fostered the creation of [CJ Food](#), a new gastronomy application developed by JHSF, where deliveries will be made in a new "premium" logistics model, with exclusivity for CJ Food. Initially CJ Food will deliver to São Paulo and inside Fazenda Boa Vista.

### **HOSPITALITY AND GASTRONOMY**

Restaurants and hotels spent most part of the 2Q20 with activities suspended, having gradually resumed activities at the end of 2Q20.

In the case of restaurants, whose service in the salons has been suspended, we count with [Delivery Fasano's](#), which served the cities of São Paulo, Rio de Janeiro, Angra dos Reis and Fazenda Boa Vista, and so we were able to serve our clients.

Hotels began to reopen in June, and the level of reservations and rates practiced since then are at a healthy pace, with leisure hotels at a higher than expected pace.

### **REAL ESTATE DEVELOPMENT**

The activities of the Real Estate Development segment, despite the closing of the sales showroom, which were partially replaced by the [JHSF Real Estate Sales](#) application, JHSF's innovative and practical marketing and relationship platform, had a heated commercial pace, with high demand for the Company's products, which translated 465.4% higher in sales than in 2Q19.

### **EXECUTIVE AIRPORT**

São Paulo Catarina Executive Airport operations took place 24 hours, 7 days a week, with the adoption of strict hygiene and safety protocols and flexibility in the boarding and landing processes, which are done directly (from the owner's car to the aircraft), in addition to providing aircraft disinfection services and the entire differentiated structure of the project.

With the level of occupation of the current hangar capacity already taken, we anticipate for 2020 the expansion plan for the construction of new hangars, which was scheduled for 2021. Our plan is to have 3 new hangars ready by 2020, as well as the internationalization of the airport.

### **CAPITAL STRUCTURE**

During April, the Company concluded the issuance of debentures in the amount of R\$ 300 million with a 6-year term and a CDI + 1.55% per year. Part of the funds were used to improve the debt profile and cost. In July 2020, the Company concluded a primary share offering that resulted in a net inflow of approximately R\$ 380 million in JHSF's cash, which results in a comfortable cash and net debt situation (for more details please see page 16 in this release).

With this liquidity, composed of almost R\$ 1.4 billion, between the cash that ended the 2Q20 plus Accounts Receivables and the net resources of the share offering, the Company's Management remains attentive in relation to the capital structure of JHSF to cross the SE period and continue with the development of its business plan.

### SOLIDARITY ACTIONS

During the SE period, the Company intensified its solidarity actions, contributing to the communities neighboring its projects. Thousands of basic food baskets, cardiac monitors and hospital beds were donated. In addition, cash donations to GRAACC hospital and equipment for making masks. Motivated to support vulnerable communities and homeless people in the fight against COVID-19, the Company joined with partner NGOs to distribute a thousand weekly lunch boxes in the downtown neighborhood and other Communities in São Paulo. The Company continues to support several social Institutions such as Liga Solidária, União São Paulo, Gerando Falcões, among others.

### STRATEGY

The Company's Management is focused on developing and managing Unique Businesses for Special Customers, focused on Excellence and Quality, committed to Innovation and Modernity.

We believe that, coupled with the search for excellence in productivity and operational efficiency, we execute financial management in a disciplined way, aiming at high rates of return on invested capital and aiming at improving cash flow, optimizing investments and preserving liquidity. We aim to achieve and maintain an adequate degree of leverage, preserving financial flexibility so that operating cash flow is used to finance the business expansion cycle and to maintain the distribution of dividends.

The Company's Management has invested, and will continue to invest, in internal integrity, audit and ombudsman mechanisms and procedures and the effective application of codes of ethics and conduct.

### BUSINESS PRESENTATION

**JHSF - Unique Business for Special Clients**, is a leader in business focused on serving the high-end public in Brazil, with activities in development and management of unique, innovative and highly valued clients' multi-product projects in the business sectors of **(i) Real Estate Development, (ii) Recurring Income; (iii) Hospitality and Gastronomy and (iv) Executive Airport**.

Our main brands, JHSF, Fazenda Boa Vista, Cidade Jardim Mall, Catarina Fashion Outlet and Fasano, are reference in the luxury market.

We seek to develop projects in segments that we differentiate ourselves, serving with quality and excellence the wishes of our target audience.

### REAL ESTATE DEVELOPMENT

Given the current market conditions, suitable for the development of real estate development activities, the Company's management intensified preparatory work, both internal and external, with a view to resuming real estate launches. These projects will be in the current land bank, bringing agility of implementation and synergistically to other projects already launched by JHSF.

In September 2019 we launched **Fasano Cidade Jardim**, located in the City of São Paulo. The development, unprecedented in the Brazilian market, brings together the **Hotel Fasano Cidade Jardim**, the **Fasano Private Residence** and the **Fasano Club**. It will be connected to **Shopping Cidade Jardim** and will have exclusive hospitality services, Private Fashion Concierge, as well as modern concepts present in the most desired real estate developments currently developed internationally.

In December, **Boa Vista Village** was pre-launched, an extension of the **Boa Vista** complex of which **Fazenda Boa Vista** is already part. **Boa Vista Village**, was conceived within the same principles and standards as **Fazenda Boa Vista**, will feature landscaping by **Maria João Dorey** and architectural projects developed by the renowned **Sig Bergamin and Pablo Slemenson**, following modern concepts of high quality field projects, segment that JHSF3 is the market leader in Brazil. The first project launched at the complex was **Surf Lodge & Residences**.

In July 2020, a plot of land of approximately 34.5 thousand sqm was acquired, located in the city of São Paulo, facing *Marginal Pinheiros* and *Ponte Estaiada*, a 2-minute drive from *Parque Cidade Jardim* and **Shopping Cidade Jardim**, for the development of a new multipurpose project, including high-end residential towers, with an estimated PSV of R\$ 1.5 billion, in addition to the shopping center area. This transaction will be disbursed in 2023, has a current value of approximately R\$ 157 million and will be adjusted annually by the IPCA until maturity.

In addition, we will use part of the proceeds from the July 2020 share offering to expand the Boa Vista land bank.

This decision, supported by the significant improvement in the real estate market, notably by the increase in demand, as a result of the growing customer confidence indices and supported by historically low levels of real interest rates, will enable the Company to incorporate projects on land that are already part of the assets JHSF, thus starting a new cycle of cash generation and value creation.

### **RECURRING INCOME**

We have been developers and operators of shopping centers since 1999 and have focused our projects on niches. This results-generating unit comprises (i) the Shoppings Malls business unit: which consolidates the operations and services (administration, parking and energy supply and telecommunications) for malls; (ii) Cidade Jardim Fashion (e-commerce); and (iii) Retail: operation of international luxury brands.

The growth in Recurring Income is based on expansions of GLA in consolidated projects, CFO and SCJ, to be developed in areas that are already part of the Company's land bank, with reduced incremental CAPEX and low risk of execution because they are already anchored in mature projects, and the launch of a new shopping center model, Cidade Jardim Shops, in the Jardins district, São Paulo, with approximately 6,500 m<sup>2</sup> of total GLA. Additionally, the Company is working on a new project on Avenida Faria Lima, in the Itaim neighborhood in São Paulo, with approximately 12,000 m<sup>2</sup> of GLA and other one in Real Parque with approximately 30,000 m<sup>2</sup> of GLA.

### **HOSPITALITY AND GASTRONOMY**

Hospitality and Gastronomy operations under the Fasano brand, includes 7 hotels in operation (São Paulo, Rio de Janeiro, Fazenda Boa Vista, Punta del Este, Angra dos Reis, Belo Horizonte and Salvador), as well as 27 restaurants and bars in 7 cities (São Paulo, Porto Feliz, Rio de Janeiro, Brasília, Angra dos Reis, Punta del Este, Belo Horizonte and Salvador).

The potential growth of this division, in short term, will derive from 3 new hotels in Brazil (Trancoso and São Paulo, Itaim and Cidade Jardim), where we will also develop new restaurants activities. In the medium and long term, we intend to internationalize the operations, having the United States and Europe as a destination for our additional operations.

Recently, we expanded our operations to the United States. We launched in New York the Fasano Fifth Avenue, a new development with private apartments Private Residences and Club Residences (multi-owned), and the Fasano New York Restaurant on Park Avenue. The start of activities is scheduled for the end of 2020, subject to obtaining customary licenses for this type of operation.

### **EXECUTIVE AIRPORT**

The São Paulo Catarina Executive Airport, which opened its first phase on December 16th, 2019, is the first executive airport in Brazil, thought about 10 years ago, when an opportunity was identified to contribute to the improvement of infrastructure and business aviation services. With a structure and service different from the current offer in Brazil, the São Paulo Catarina Executive Airport has a 2,470-meter long runway, 6,000 sq.m of hangar and 21,600 sq.m of yards. The Company is currently working on the internationalization of the São Paulo Catarina Executive Airport, in order to make the São Paulo Catarina Executive Airport the gateway for the entry of passengers and investments in Brazil.

The business model we have adopted is similar to solutions implemented in cities such as New York, London and Paris, which, after developing airports exclusively dedicated to business aviation, helped to contour the capacity bottleneck of commercial airports, the same difficulty observed in the two main airports in the Metropolitan region of Sao Paulo.

### **MANAGEMENT**

#### **BOARD OF DIRECTORS**

José Auriemo Neto – Chairman

Luiz Gonzaga de Mello Belluzo – Independent Member

Osvaldo Roberto Nieto – Independent Member

João Alves Meira Neto – Member

Thiago Alonso de Oliveira – Member

#### **STATUTORY MANAGEMENT**

Thiago Alonso de Oliveira – CEO, CFO and IRO

Wilmar Silva Rodriguez – Executive Vice President

Karine Monteiro de Oliveira – Human Resources Officer

#### **STATUTORY AUDIT COMMITTEE**

Osvaldo Roberto Nieto – Sitting Member

Francisco Montagner - Sitting Member

### FISCAL COUNCIL

Ariovaldo dos Santos - Effective Member  
Bruno Meirelles Salotti – Alternate Member  
Hector José Afonso - Effective Member  
Norton dos Santos Freire - Alternate Member  
Ademir José Scarpin - Effective Member  
João Odair Brunozi - Alternate Member

The Financial Reports were analyzed and approved for disclosure by the Board of Directors at the meeting held on August 13, 2020, having been previously examined by a meeting of the Statutory Audit Committee August 11, 2020.

The comments on the Company's consolidated performance are available on the Company's headquarter and on the investor relations website [ri.jhsf.com.br](http://ri.jhsf.com.br).

### AUDIT

According to CVM Instruction 381/03, we hereby declare that the payments made by JHSF and its subsidiaries to Ernst & Young Auditores Independentes, in contracts initiated after the definition of the Company's independent auditor hiring, refer exclusively to the auditing process of the Financial Reports.

### ARBITRATION

The Market Arbitration Chamber, pursuant to the Arbitration Clause in its Bylaws, binds the Company to arbitration.

Management remains focused on the development of the Company, based on the Culture of Long-Term Vision, in order to bring Quality and Excellence in a way to Surprise, Inspire, Accomplish and Transform the quality of life of ours Special Customers.

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## CONSOLIDATED RESULTS AND BY SEGMENT

# JHSF

### CONSOLIDATED RESULTS:

For the Result, the Company chose not to account any discount linearization effect related to the Covid-19 impacts during 2Q20, thus absorbing all impacts in this period.

Consolidated Information (R\$ million)	2Q20	2Q19	Var %
<b>Gross Revenue</b>	<b>266.2</b>	<b>156.3</b>	<b>70.3%</b>
Taxes on Revenue	(13.0)	(15.8)	-17.7%
<b>Net Revenue</b>	<b>253.2</b>	<b>140.5</b>	<b>80.2%</b>
COGS	(70.6)	(72.4)	-2.4%
<b>Gross Profit</b>	<b>182.6</b>	<b>68.2</b>	<b>167.8%</b>
<b>Margin (% of Net Revenue)</b>	<b>72.1%</b>	<b>48.5%</b>	<b>23.60 p.p.</b>
<b>Operating Expenses</b>	<b>(16.8)</b>	<b>(36.7)</b>	<b>-54.2%</b>
Commercial Expenses	(4.4)	(4.8)	-9.7%
Administrative Expenses	(18.6)	(33.2)	-44.1%
Other Operating Expenses	6.1	1.3	354.5%
<b>Fair Value of Investment Properties</b>	<b>177.3</b>	<b>61.8</b>	<b>187.0%</b>
<b>Operating Income</b>	<b>343.1</b>	<b>93.2</b>	<b>268.0%</b>
Depreciation and Amortization	3.4	5.1	-32.0%
<b>EBITDA</b>	<b>346.5</b>	<b>98.3</b>	<b>252.5%</b>
Fair Value of Investment Properties	(177.3)	(61.8)	187.0%
Non-recurring events (adjustments)	2.9	14.7	-80.1%
<b>Adjusted EBITDA</b>	<b>172.1</b>	<b>51.2</b>	<b>236.3%</b>
<b>Margin (% of Net Revenue)</b>	<b>68.0%</b>	<b>36.4%</b>	<b>31.56 p.p.</b>
Financial Result	(17.2)	(60.6)	-71.6%
Income Taxes and Social Contribution	(71.2)	(27.7)	157.0%
<b>Net Income</b>	<b>254.7</b>	<b>5.0</b>	<b>5028.1%</b>
<b>Margin (% of Net Revenue)</b>	<b>100.6%</b>	<b>3.5%</b>	<b>97.05 p.p.</b>

### RESULTS BY SEGMENT:

2Q20	RE Development	Recurring Income	Hospitality and Gastronomy	Airport	Holding	Consolidated
<b>Gross Revenue</b>	<b>240.8</b>	<b>14.8</b>	<b>6.2</b>	<b>4.4</b>		<b>266.2</b>
Taxes on Revenue	(9.0)	(2.7)	(0.8)	(0.4)		(13.0)
<b>Net Revenue</b>	<b>231.8</b>	<b>12.1</b>	<b>5.4</b>	<b>3.9</b>		<b>253.2</b>
COGS	(49.1)	(4.3)	(14.6)	(2.6)		(70.6)
<b>Gross Profit</b>	<b>182.7</b>	<b>7.7</b>	<b>(9.2)</b>	<b>1.4</b>		<b>182.6</b>
<b>Margin (% of Net Revenue)</b>	<b>78.8%</b>	<b>64.0%</b>	<b>-170.9%</b>	<b>35.0%</b>		<b>72.1%</b>
Operating Expenses	(8.4)	(1.6)	(4.3)	(0.6)	(1.9)	(16.8)
Commercial Expenses	(3.8)	(0.5)	(0.0)			(4.4)
Administrative Expenses	(4.9)	(2.7)	(4.2)	(0.6)	(6.2)	(18.6)
Other Operating Expenses	0.4	1.6	(0.2)	0.0	4.3	6.1
Fair Value of Investment Properties		177.3				177.3
<b>Operating Income</b>	<b>174.3</b>	<b>183.4</b>	<b>(13.5)</b>	<b>0.8</b>	<b>(1.9)</b>	<b>343.1</b>
Depreciation and Amortization	0.3	(0.2)	1.5	0.5	1.3	3.4
<b>EBITDA</b>	<b>174.6</b>	<b>183.3</b>	<b>(12.0)</b>	<b>1.3</b>	<b>(0.6)</b>	<b>346.5</b>
Non-recurring events (adjustments)		(177.3)			2.9	(177.3)
<b>Adjusted EBITDA</b>	<b>174.6</b>	<b>5.9</b>	<b>(12.0)</b>	<b>1.3</b>	<b>2.3</b>	<b>169.2</b>
<b>Margin (% of Net Revenue)</b>	<b>75.3%</b>	<b>49.1%</b>	<b>-223.0%</b>	<b>32.3%</b>	<b>-</b>	<b>66.8%</b>
Net Financial Result						(17.2)
Income Taxes and Social Contribution						(71.2)
<b>Net Income</b>						<b>254.7</b>
<b>Margin (% of Net Revenue)</b>						<b>100.6%</b>

## CONSOLIDATED RESULTS AND BY SEGMENT

# JHSF

### REAL ESTATE DEVELOPMENT:

Income Statement (R\$ million)	2Q20	2Q19	Var %
<b>Gross Revenue</b>	<b>240.8</b>	<b>49.7</b>	<b>384.8%</b>
Taxes on Revenue	(9.0)	(2.3)	295.2%
<b>Net Revenue</b>	<b>231.8</b>	<b>47.4</b>	<b>389.1%</b>
COGS	(49.1)	(23.9)	105.5%
<b>Gross Profit</b>	<b>182.7</b>	<b>23.5</b>	<b>677.6%</b>
<b>Margin (% of Net Revenue)</b>	<b>78.8%</b>	<b>49.6%</b>	<b>29.24 p.p.</b>
<b>Operating Expenses</b>	<b>(8.4)</b>	<b>(5.2)</b>	<b>61.0%</b>
Commercial Expenses	(3.8)	(3.2)	21.2%
Administrative Expenses	(4.9)	(2.3)	114.5%
Other Operating Expenses	0.4	0.3	50.7%
Fair Value of Investment Properties			
<b>Operating Income</b>	<b>174.3</b>	<b>18.3</b>	<b>852.5%</b>
Depreciation and Amortization	0.3	0.0	856.1%
<b>EBITDA</b>	<b>174.6</b>	<b>18.3</b>	<b>852.5%</b>
Non-recurring events (adjustments)		1.5	-100.0%
<b>Ajusted EBITDA</b>	<b>174.6</b>	<b>19.9</b>	<b>778.4%</b>
<b>Adjusted EBITDA Margin (% Net Revenue)</b>	<b>75.3%</b>	<b>41.9%</b>	<b>33.38 p.p.</b>

### RECURRING INCOME:

For the Recurring Income Result, the Company chose not to account any discount linearization effect related to the Covid-19 impacts during 2Q20, thus absorbing all impacts in this period.

	Shoppings Malls			Retail + Digital			TOTAL		
	2Q20	2Q19	Var.	2Q20	2Q19	Var.	2Q20	2Q19	Var.
<b>Gross Revenue</b>	<b>8.6</b>	<b>47.7</b>	<b>-82.0%</b>	<b>6.2</b>	<b>7.6</b>	<b>-18.1%</b>	<b>14.8</b>	<b>55.2</b>	<b>-73.2%</b>
Taxes on Revenue	(1.2)	(5.7)	-79.3%	(1.5)	(2.0)	-22.9%	(2.7)	(7.7)	-64.7%
<b>Net Revenue</b>	<b>7.4</b>	<b>42.0</b>	<b>-82.4%</b>	<b>4.7</b>	<b>5.6</b>	<b>-16.4%</b>	<b>12.1</b>	<b>47.5</b>	<b>-74.6%</b>
COGS	(3.5)	(12.0)	-71.0%	(0.9)	(2.4)	-63.6%	(4.3)	(14.4)	-69.7%
<b>Gross Profit</b>	<b>3.9</b>	<b>29.9</b>	<b>-87.0%</b>	<b>3.8</b>	<b>3.2</b>	<b>18.3%</b>	<b>7.7</b>	<b>33.2</b>	<b>-76.7%</b>
<b>Margin (% of Net Revenue)</b>	<b>52.8%</b>	<b>71.4%</b>	<b>-18.5 p.p.</b>	<b>81.6%</b>	<b>57.7%</b>	<b>23.9 p.p.</b>	<b>64.0%</b>	<b>69.8%</b>	<b>-5.8 p.p.</b>
<b>Operating Expenses</b>	<b>0.9</b>	<b>(4.4)</b>	<b>-120.8%</b>	<b>(2.5)</b>	<b>(5.2)</b>	<b>-51.3%</b>	<b>(1.6)</b>	<b>(9.6)</b>	<b>-82.9%</b>
Commercial Expenses	(0.0)	(0.7)	-99.2%	(0.5)	(1.0)	-49.0%	(0.5)	(1.7)	-68.8%
Administrative Expenses	(0.7)	(3.2)	-77.4%	(2.0)	(4.7)	-58.7%	(2.7)	(7.9)	-66.1%
Other Operating Expenses	1.6	(0.6)	-394.5%	(0.1)	0.5	-113.6%	1.6	(0.0)	-6183.1%
Fair Value of Investment Properties	177.3	61.8	187.0%				177.3	61.8	187.0%
<b>Operating Income</b>	<b>182.1</b>	<b>87.4</b>	<b>108.5%</b>	<b>1.3</b>	<b>(2.0)</b>	<b>-163.5%</b>	<b>183.4</b>	<b>85.4</b>	<b>114.9%</b>
Depreciation and Amortization	(0.1)	0.2	-170.9%	(0.0)	0.2	-104.9%	(0.2)	0.4	-142.5%
<b>EBITDA</b>	<b>182.0</b>	<b>87.6</b>	<b>107.8%</b>	<b>1.3</b>	<b>(1.8)</b>	<b>-168.6%</b>	<b>183.3</b>	<b>85.7</b>	<b>113.8%</b>
Non-recurring events (adjustments)	(177.3)	(58.1)	205.2%		0.6	-100.0%	(177.3)	(57.5)	208.2%
<b>Ajusted EBITDA</b>	<b>4.7</b>	<b>29.5</b>	<b>-84.2%</b>	<b>1.3</b>	<b>(1.3)</b>	<b>-198.6%</b>	<b>5.9</b>	<b>28.2</b>	<b>-79.0%</b>
<b>Adjusted EBITDA Margin (% Net Revenue)</b>	<b>63.1%</b>	<b>70.3%</b>	<b>-7.1 p.p.</b>	<b>27.0%</b>	<b>-22.9%</b>	<b>49.8 p.p.</b>	<b>49.1%</b>	<b>59.3%</b>	<b>-10.2 p.p.</b>

## CONSOLIDATED RESULTS AND BY SEGMENT

# JHSF

### HOSPITALITY AND GASTRONOMY:

Income Statement (R\$ million)	2Q20	2Q19	Var %
<b>Gross Revenue</b>	<b>6.2</b>	<b>51.4</b>	<b>-87.9%</b>
Taxes on Revenue	(0.8)	(5.8)	-85.5%
<b>Net Revenue</b>	<b>5.4</b>	<b>45.6</b>	<b>-88.2%</b>
COGS	(14.6)	(34.1)	-57.2%
<b>Gross Profit</b>	<b>(9.2)</b>	<b>11.5</b>	<b>-180.0%</b>
<b>Margin (% of Net Revenue)</b>	<b>-170.9%</b>	<b>25.2%</b>	<b>-196.2 p.p.</b>
<b>Operating Expenses</b>	<b>(4.3)</b>	<b>(8.6)</b>	<b>-49.6%</b>
Commercial Expenses	(0.0)		
Administrative Expenses	(4.2)	(8.5)	-51.4%
Other Operating Expenses	(0.2)	(0.1)	185.8%
Fair Value of Investment Properties			
<b>Operating Income</b>	<b>(13.5)</b>	<b>2.9</b>	<b>-567.3%</b>
Depreciation and Amortization	1.5	3.1	-50.4%
<b>EBITDA</b>	<b>(12.0)</b>	<b>6.0</b>	<b>-300.2%</b>
Non-recurring events (adjustments)			
<b>Ajusted EBITDA</b>	<b>(12.0)</b>	<b>6.0</b>	<b>-300.2%</b>
<b>Adjusted EBITDA Margin (% Net Revenue)</b>	<b>-223.0%</b>	<b>13.2%</b>	<b>-236.1 p.p.</b>

### AIRPORT:

Income Statement (R\$ million)	2Q20	2Q19	Var %
<b>Gross Revenue</b>	<b>4.4</b>	<b>-</b>	<b>-</b>
Taxes on Revenue	(0.4)	-	-
<b>Net Revenue</b>	<b>3.9</b>	<b>-</b>	<b>-</b>
COGS	(2.6)	-	-
<b>Gross Profit</b>	<b>1.4</b>	<b>-</b>	<b>-</b>
<b>Margin (% of Net Revenue)</b>	<b>35.0%</b>	<b>-</b>	<b>-</b>
<b>Operating Expenses</b>	<b>(0.6)</b>	<b>-</b>	<b>-</b>
Commercial Expenses		-	-
Administrative Expenses	(0.6)	-	-
Other Operating Expenses	0.0	-	-
Fair Value of Investment Properties		-	-
<b>Operating Income</b>	<b>0.8</b>	<b>-</b>	<b>-</b>
Depreciation and Amortization	0.5	-	-
<b>EBITDA</b>	<b>1.3</b>	<b>-</b>	<b>-</b>
Non-recurring events (adjustments)		-	-
<b>Ajusted EBITDA</b>	<b>1.3</b>	<b>-</b>	<b>-</b>
<b>Adjusted EBITDA Margin (% Net Revenue)</b>	<b>32.3%</b>	<b>-</b>	<b>-</b>

**GROSS AND NET REVENUE**

As mentioned in the Management Comments, the **Recurring Income and Hospitality and Gastronomy segments** had results affected by the closing of their operations, following the decrees of each public authority in their locality.

It is important to note that, for the result of **Recurring Income**, the Company chose not to account for any linearization discount effect related to the impacts to Covid-19, during 2Q20, thus absorbing the totality of impacts in this period.

Revenue (R\$' million)	2Q20	2Q19	Var %
<b>Gross Revenue</b>	<b>266.2</b>	<b>156.3</b>	<b>70.3%</b>
RE Development	240.8	49.7	384.8%
Recurring Income	14.8	55.2	-73.2%
Hospitality and Gastronomy	6.2	51.4	-87.9%
Airport	4.4	-	
<b>Net Revenue</b>	<b>253.2</b>	<b>140.5</b>	<b>80.2%</b>
RE Development	231.8	47.4	389.1%
Recurring Income	12.1	47.5	-74.6%
Hospitality and Gastronomy	5.4	45.6	-88.2%
Airport	3.9	-	

The **Real Estate Development segment** maintained its intense commercial activity, and registered an increase in Revenue, with sales growth in the Fazenda Boa Vista project (+531.8% versus 2Q19).

It is important to note that sales of the launches of the two new developments, **Fasano Cidade Jardim** (launched in September 2019) and **Boa Vista Village** (pre-launch in December 2019), and **Houses sold at Fazenda Boa Vista**, are accounted for using the Percentage of Completion "PoC", according to the progress of the works and the cost incurred for the project. As a result, in 2Q20, the balance of **Revenue "to Perform" is R\$ 167.3 million**, which will be recognized in the coming quarters.

During 2Q20, 3 Shopping Centers resumed operations in June, and on average they were open for 25 days in the quarter and with restricted schedules and capacities. As a result, Gross and Net Revenue decreased of the **Recurring Income** segment decreased.

In **Hospitality and Gastronomy**, there was a reduction in Revenue due to the temporary suspension of operations, according to guidelines from local authorities. During 2Q20, Restaurants operated by the delivery system, and the Hospitality segment had the resumption of one operation starting in June, the Hotel Fasano Fazenda Boa Vista.

Finally, the **Executive Airport**, which operated 24 hours a day, 7 days a week, had a revenue growth versus 1Q20. It is important to note that, even with the level of occupation of the hangar capacity at the limit, airport operations (landings and take-offs) are affected, due to the current global situation of circulation restrictions and less economic activity.



**COST OF GOODS AND SERVICES SOLD (COGS)**

Cost of Goods Sold - COGS (R\$' million)	2Q20	2Q19	Var %
<b>Consolidated COGS</b>	<b>(70.6)</b>	<b>(72.4)</b>	<b>-2.4%</b>
RE Development	(49.1)	(23.9)	105.5%
Recurring Income	(4.3)	(14.4)	-69.7%
Hospitality and Gastronomy	(14.6)	(34.1)	-57.2%
Airport	(2.6)	-	0.0%

The Cost of Products and Services Sold Consolidated showed a reduction in the quarterly comparison, however, growth below the growth of Consolidated Net Revenue.

In **Real Estate Development business**, the increase in Costs, less than that of Net Revenue, was due to the higher volume of sales at Fazenda Boa Vista and the recognition of the costs with works, of the projects: Sport Houses (Fazenda Boa Vista), Fasano Cidade Jardim and Boa Vista Village.

In **Recurring Income**, the reduction in Costs is due to the lower operating activity in this segment. It is important to highlight that the Retail segment had organic growth with an increase of 5 operations, when compared to 2Q19. The CJ Fashion (e-commerce) operation also experienced significant growth in the operation, with + 57% brands and +176.1% of orders in 2Q20 compared to 2Q19.

In **Hospitality and Gastronomy**, Costs decreased due to the suspension of activities, with Restaurants operating only through the Delivery mode.

The **Executive Airport** is operating normally. The Costs is related to its maintenance structure and it decreased in relation to 1Q20.

**GROSS PROFIT**

Gross Profit increased in RE Development and decreased in Recurring Income and Hospitality & Gastronomy segments.

Gross Profit (R\$' million)	2Q20	2Q19	Var %
<b>Consolidated Gross Profit</b>	<b>182.6</b>	<b>68.2</b>	<b>167.8%</b>
<b>Margin (% of Net Revenue)</b>	<b>72.1%</b>	<b>48.5%</b>	<b>23.60 p.p.</b>
RE Development	182.7	23.5	677.6%
Margin (% of Net Revenue)	78.8%	49.6%	29.2 p.p.
Recurring Income	7.7	33.2	-76.7%
Margin (% of Net Revenue)	64.0%	69.8%	-5.8 p.p.
Hospitality and Gastronomy	(9.2)	11.5	-180.0%
Margin (% of Net Revenue)	-170.9%	25.2%	-196.2 p.p.
Airport	1.4	-	-
Margin (% of Net Revenue)	35.0%	-	-

**OPERATING EXPENSES**

Operating Expenses (R\$' million)	2Q20	2Q19	Var %
<b>Consolidated Operating Expenses</b>	<b>(16.8)</b>	<b>(36.7)</b>	<b>-54.2%</b>
<b>Real Estate Development</b>	<b>(8.4)</b>	<b>(5.2)</b>	<b>61.0%</b>
Commercial	(3.8)	(3.2)	21.2%
Administrative	(4.9)	(2.3)	114.5%
Other	0.4	0.3	50.7%
<b>Recurring Income</b>	<b>(1.6)</b>	<b>(9.6)</b>	<b>-82.9%</b>
Commercial	(0.5)	(1.7)	-68.8%
Administrative	(2.7)	(7.9)	-66.1%
Other	1.6	(0.0)	-
<b>Hospitality and Gastronomy</b>	<b>(4.3)</b>	<b>(8.6)</b>	<b>-49.6%</b>
Commercial	(0.0)	-	-
Administrative	(4.2)	(8.5)	-51.4%
Other	(0.2)	(0.1)	185.8%
<b>Airport</b>	<b>(0.6)</b>	-	-
Commercial	-	-	-
Administrative	(0.6)	-	-
Other	0.0	-	-
<b>Holding</b>	<b>(1.9)</b>	<b>(13.3)</b>	<b>-85.7%</b>
Commercial	-	-	-
Administrative	(6.2)	(14.5)	-57.3%
Other	4.3	1.1	271.7%

In **Real Estate Development**, the increase in Expenses is related to greater commercial activity. The Other Operating Results consider a higher level of marketing actions.

In the **Recurring Income business**, Operating Expenses decreased in the quarterly comparison. It is important to note that there was an increase in operations in the Retail segment (5 new brands and stores operated by the Company) and operational growth at CJ Fashion.

The **Hospitality and Gastronomy business** registered a reduction in Operating Expenses, due to the lower activity in this segment.

At the **Holding**, there was a reduction in Administrative Expenses, and in Other Operating Results, non-recurring expenses were recorded and adjusted to EBITDA, such as expenses with donations to combat Covid-19 and expenses without a “cash” effect with the appropriation of stock options.

**INVESTMENT PROPERTIES AND FAIR VALUE**

In 2Q20 the appreciation in the Fair Value of Investment Properties was R\$ 177.3 million, mainly due to Faria Lima Shops.

Appreciation of Investment Properties (R\$' million)	2Q20	2Q19	Var.
<b>Appreciation of Investment Properties</b>	<b>177.3</b>	<b>61.8</b>	<b>187.0%</b>

Below is the table with the fair value balance of Investment Properties, which registered an increase of 25.7%:

Fair Value of Investment Properties (R\$' million)	jun/20	jun/19	Var %
<b>Fair Value of Investment Properties</b>	<b>3,440.7</b>	<b>2,736.4</b>	<b>25.7%</b>

**ADJUSTED EBITDA AND EBITDA RECONCILIATION**

The Adjusted EBITDA to non-recurring expenses and revenues or with no “Cash” effect on the Company's business is shown below.

Non-recurring expenses and income adjusted to EBITDA include: expenses with donations and amortization of expenses with no “Cash” effect as the stock options program at the Holding.

Adjusted EBITDA (R\$' million)	2Q20	2Q19	Var %
<b>Adjusted EBITDA</b>	<b>172.1</b>	<b>51.2</b>	<b>236.3%</b>
<b>Margin (% of Net Revenue)</b>	<b>68.0%</b>	<b>36.4%</b>	<b>31.56 p.p.</b>
RE Development	174.6	19.9	778.4%
Margin (% of Net Revenue)	75.3%	41.9%	33.38 p.p.
Recurring Income	5.9	28.2	-79.0%
Margin (% of Net Revenue)	49.1%	59.3%	-10.20 p.p.
Hospitality and Gastronomy	(12.0)	6.0	-300.2%
Margin (% of Net Revenue)	-223.0%	13.2%	-236.13 p.p.
Airport	1.3	-	-
Margin (% of Net Revenue)	32.3%	-	32.32 p.p.
Holding	2.3	(2.9)	-180.8%
Margin (% of Net Revenue)	-	-	-

EBITDA and Adjusted EBITDA Reconciliation (R\$' million)	2Q20	2Q19	Var %
Net Income	254.7	5.0	5028.1%
Income Taxes and Social Contribution	71.2	27.7	157.0%
Financial Result	17.2	60.6	-71.6%
Depreciation and Amortization	3.4	5.1	-32.0%
<b>EBITDA</b>	<b>346.5</b>	<b>98.3</b>	<b>252.5%</b>
Fair Value of Investment Properties	(177.3)	(61.8)	187.0%
Non-recurring expenses	2.9	14.7	-80.1%
<b>Adjusted EBITDA</b>	<b>172.1</b>	<b>51.2</b>	<b>236.3%</b>
<b>Margin (% of Net Revenue)</b>	<b>68.0%</b>	<b>36.4%</b>	<b>31.6 p.p.</b>

**NET FINANCIAL RESULT**

Consolidated Financial Result (R\$' million)	2Q20	2Q19	Var %
<b>Financial Result</b>	<b>(17.2)</b>	<b>(60.6)</b>	<b>-71.6%</b>
Financial Revenue	4.2	(0.5)	-989.0%
Financial Expenses	(21.4)	(60.1)	-64.4%

The increase in Financial Revenue was due to the higher amount of funds invested by the Company, resulting from the higher Cash position.

The reduction in Financial Expenses was due to lower interest expenses, due to the drop in the SELIC rate, as well as the lower average spread paid by the Company in financing lines contracted from 2Q19.

Financial Expenses in 2Q20 include approximately R\$ 5.3 million of non-recurring expenses with early amortization of commissions paid when financing is contracted (“non-cash” effect), which were paid in advance with the funds coming from the issue of the 9th R\$ 300 million Debentures in April.

**INCOME TAXES AND NET INCOME**

Income Tax and CSLL is composed of R\$ 63.7 million of deferred taxes (without “cash” effect), referring to the appreciation of the fair value of investment properties, and the remaining current tax.

The Net Result evolved as shown below.

Income Taxes, Social Contribution and Net Income (R\$' million)	2Q20	2Q19	Var %
<b>Income Before Taxes and Social Contribution</b>	<b>325.9</b>	<b>32.7</b>	<b>897.7%</b>
Income Taxes and Social Contribution	(71.2)	(27.7)	157.0%
<b>Net Income</b>	<b>254.7</b>	<b>5.0</b>	<b>5028.1%</b>

**CONSOLIDATED CASH AND CASH EQUIVALENTS AND DEBT**

Cash and Equivalents and Indebtedness (R\$' million)	jun/20	jun/19	Var. R\$ million	Var. %
<b>Gross Debt</b>	<b>(1,293.6)</b>	<b>(1,078.3)</b>	<b>(215.2)</b>	<b>20.0%</b>
Mandatorily convertible debt*	120.3	-	-	-
Cash, Equivalents and Interest earnings bank deposits	559.9	138.3	421.5	304.7%
Accounts receivable ("on balance")	459.5	271.7	184.1	67.8%
<b>Net Cash (Net Debt) - Before Share Offering</b>	<b>(153.8)</b>	<b>(668.3)</b>	<b>390.4</b>	<b>-77.0%</b>
Net Resources of the Offering 07 / 20 <sup>2</sup>	379.4	-	-	-
<b>Net Cash (Net Debt) - After Share Offering</b>	<b>225.6</b>	<b>(668.3)</b>	<b>910.4</b>	<b>-136.2%</b>
Average Total Debt Maturity (in years)	7.0	6.7	0.3	3.8%
Average Total Debt Maturity (%)	5.6%	9.4%	-3.8 p.p.	-40.1%

Adjusted EBITDA	374.0
Net Cash (Net Debt) / Adjusted EBITDA - Before Offering	(0.4)
<b>Net Cash (Net Debt) / Adjusted EBITDA - After Offering</b>	<b>0.6</b>

In April, debentures were issued in the amount of R\$ 300 million, with annual remuneration of CDI + 1.55% and a total term of up to 6 years. This issue contributes to a reduction in the weighted average cost of the Company's debt and savings in interest expense, in addition to extending the average term.

At the end of 2Q20, the Company's Consolidated Net Debt decreased 77.0% when compared to 2Q19, in addition to a 40.1% reduction in the average cost and a 3.8% increase in the average term. It is important to note that more than 60% of the total debt is in default of payment of Principal.

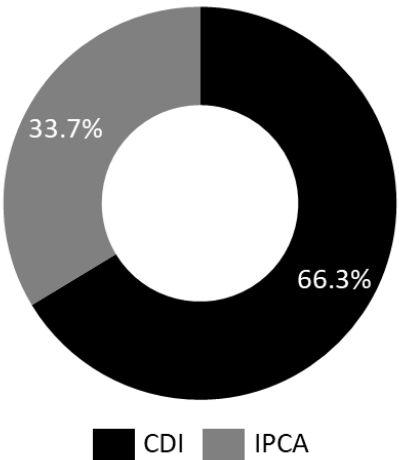
<sup>1</sup>For the calculation of net debt, debt of R\$ 120.3 million is excluded, as it is mandatorily convertible into participation in a future project of the Company, located at Avenida Brigadeiro Faria Lima, as well as R\$ 455.8 million in performed receivables, in a good “collateral” portion of debts in the amortization period.

<sup>2</sup>In a subsequent event, in July 2020, there was a capital increase in the scope of a restricted offering (follow on), priced on July 15, 2020 at R \$ 9.75 per share. Due to this issue, Cash was increased with a net amount of R \$ 379.4 million.

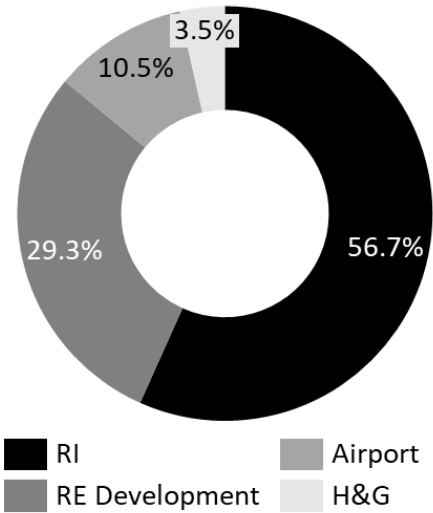
With this, the Company reached a Net Cash of R \$ 225.6 million after the conclusion of the Offering.



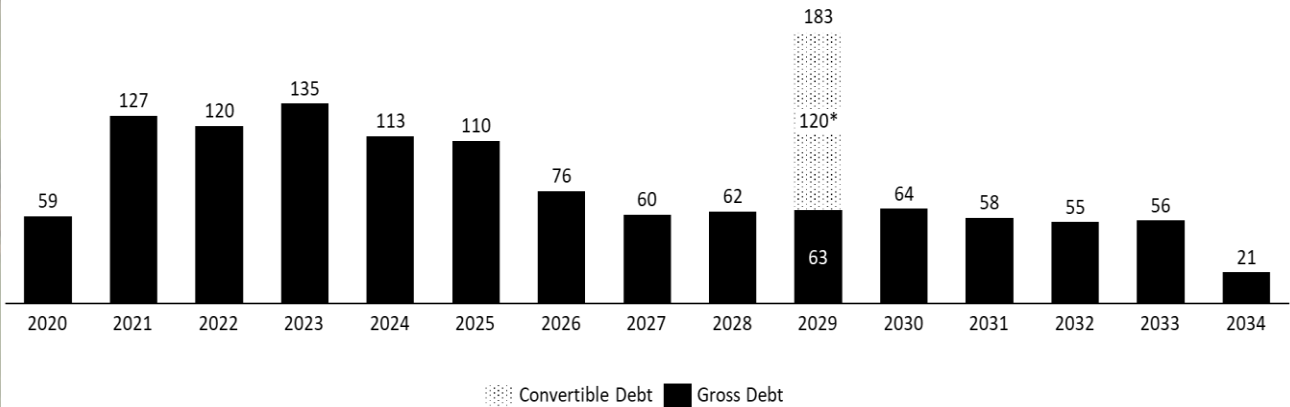
Debt Indexes  
(jun/2020)



Consolidated Debt Profile  
Managerial allocation



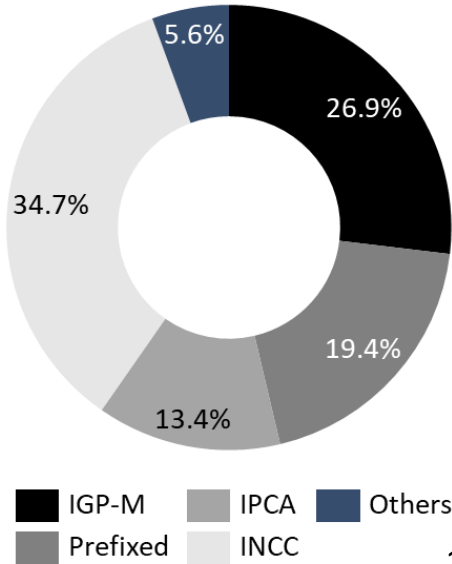
Consolidated Gross Debt Amortization Schedule  
(R\$ million)



## Consolidated Accounts Receivable Indexes

The Real Estate Receivables Portfolio has indicators distributed as shown in the chart besides, plus an **average interest of 2.65%, and an average term of 1.25 years.**

The Company uses the performed real estate receivables portfolio as a guarantee for certain lines of financing contracted, essentially those managerially allocated to the Real Estate Development unit.



As part of the Company's positioning strategy in the segments that it operates and to better serve our Clients, JHSF has, over the past few years, developed a set of online solutions for the diversification and extension of its business.

In 2Q20, CJ Food was launched, an app developed for the best restaurants to reach the home of our Special Customers and recently, we launched [TAKE ME VINTAGE](#), another application contained in CJ Fashion, which offers a unique fashion experience extending the life of vintage and iconic pieces.

### CJ FASHION:

The **Shopping Cidade Jardim E-commerce**, with more than 1 year of operation, more than **300** connected brands, has delivery throughout Brazil, and same day delivery to the city of São Paulo, in addition to Personal Shopper and Concierge (delivers what the customer wants, wherever he is), leaving the most complete platform.

In 2Q20, sales grew **271.5%** compared to the same period last year, whereas at CJ Concierge there was an increase of **332.5% in sales**, on the same basis of comparison. **The number of orders increased 176.1% in 2Q20**, compared to 2Q19, and 38,5% on June compared to April.

In June, the e-commerce launched the Special Edition of Parents' Days of the digital magazine CJ EM CASA. In this link, it is possible to access this edition by laptop, cell phone or tablet: [CJ EM CASA](#)



### TAKE ME VINTAGE

The newest application of CJ Fashion, [Take me Vintage](#), was created to offer our customers a unique fashion experience, extending the life of clothes and accessories from imported and national brands.

## JHSF REAL ESTATE SALES:

In 2Q20, the online sales application in the real estate segment increased by **682.6% in the number of downloads**.

Sales of the Real Estate Development segment through the Digital channel, grew **548.1%** in the comparison between 2Q20 and 2Q19 and **213.2%** in the half-year comparison.



## DELIVERY FASANO:

Fasano's delivery application increased **963.6%** in the number of orders in the quarter, when compared to 1Q20. And if we compare June with January, the growth was **3,700%**.



## CJ FOOD:

Launched in 2Q20, CJ Food is the application developed by JHSF, so that the best restaurants reach the homes of our Special Customers. Initially, the application's operations will be in the capitals São Paulo, Rio de Janeiro, Belo Horizonte and Salvador.



CJ Food iOS



CJ Food Android





REAL ESTATE DEVELOPMENT

**JHSF**



In **Real Estate Development** segment, the pace of activities continued to be intense, with the sale of stocks from **Fazenda Boa Vista**, the launch of **Fasano Cidade Jardim**, and the pre-launch of **Boa Vista Village**.

Respecting health safety protocols, the works of the Sports Houses (Fazenda Boa Vista), Fasano Cidade Jardim and Boa Vista Village projects were maintained.

To know our products, download the [JHSF Real Estate Sales app](#), which is being used as a way to bring the Customer closer and serve him in a unique way. In 2Q20, there was an increase of 683% in the number of users of the application, compared to 1Q20.

Contracted Sales grew by 465.4%, with an increase of **531.8% at Fazenda Boa Vista**. The last two launches of the Company, **Fasano Cidade Jardim**, launched in September 2019, and **Boa Vista Village**, in the pre-launch phase, presented sales of **R\$ 5.1 million and R\$ 37.7 million**, respectively.

Contracted Sales (in R\$' million)	2Q20	2Q19	Var.
Fazenda Boa Vista	288.4	45.6	531.8%
Fasano Cidade Jardim	5.1	-	-
Boa Vista Village	46.1	-	-
Townhouse	-	13.2	-
Others	-	1.2	-
<b>Total</b>	<b>339.7</b>	<b>60.1</b>	<b>465.7%</b>

Below, the composition of the Gross Revenue this segment. It is important to note that the sales of Fasano Cidade Jardim, as well as Sports Houses and Country Houses, and Boa Vista Village, are accounted for in the Percentage of Completion "Poc" method according to the cost incurred for the project. In 2Q20, Revenue to Perform totaled approximately **R\$ 167.3 million**.

Revenue (R\$' million)	2Q20	2Q19	Var %
Fazenda Boa Vista	222.5	40.6	448.2%
Fasano Cidade Jardim	3.8	-	-
Boa Vista Village	13.6	-	-
Others	0.9	9.1	-90.0%
<b>Gross Revenue</b>	<b>240.8</b>	<b>49.7</b>	<b>384.8%</b>
Taxes on Revenue	(9.0)	(2.3)	295.2%
<b>Net Revenue</b>	<b>231.8</b>	<b>47.4</b>	<b>389.1%</b>

Digital Revenues (in R\$ million)	2Q20	2Q19	Var.
<b>Gross Revenue</b>	<b>2.7</b>	<b>0.4</b>	<b>593.3%</b>
Taxes on Revenue	(0.3)	(0.0)	693.8%
<b>Net Revenue</b>	<b>2.4</b>	<b>0.4</b>	<b>583.7%</b>



RECURRING INCOME

**JHSE**

## MALLS: OPERATIONAL PERFORMANCE

Current Portfolio	Location	% JHSF	Total GLA (sq.m)	JHSF GLA (sq.m)
Shopping Cidade Jardim	São Paulo - SP	50.01%	39,012	19,510
Shopping Bela Vista	Salvador - BA	26.01%	51,143	13,302
Shopping Ponta Negra	Manaus - AM	40.01%	35,029	14,015
Catarina Fashion Outlet	São Roque - SP	50.01%	29,529	14,767

The Company has a shareholders' agreement with the XP Malls fund and controls the Malls

Portfolio in execution	Location	Total GLA (sq.m)
Cidade Jardim Shops	São Paulo - SP	6,500
Faria Lima Shops	São Paulo - SP	11,096
Real Parque Mall	São Paulo - SP	30,000
Boa Vista Village Mall	Porto Feliz - SP	15,000

## CIDADE JARDIM SHOPS

New shopping center model, Cidade Jardim Shops, in the Jardins district, São Paulo, with approximately 6,500 m<sup>2</sup> of total GLA, and 3-storey parking.

Despite the decree of the State of Emergency, construction was maintained at a normal pace, respecting strict safety and hygiene protocols, and is now in the final stage where tenants finish their works, and the inauguration is scheduled for the end of 2020. In April, the Municipality of São Paulo issued a certificate of completion of the work.



Current photos of the project

## OPERATIONAL PERFORMANCE: MALLS

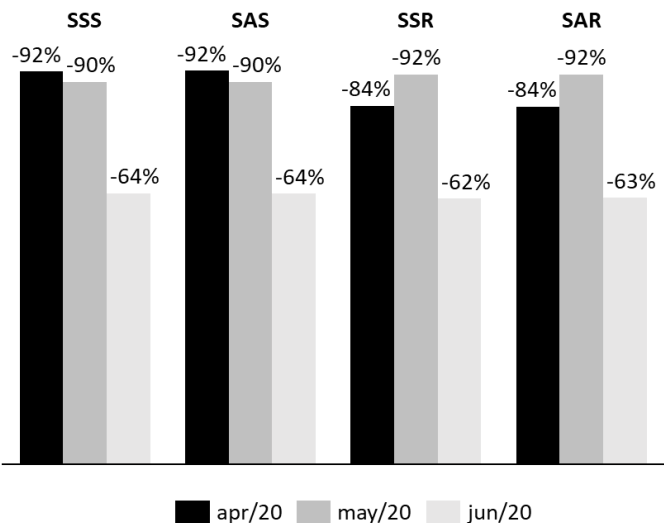
The 2Q20 indicators were affected by the period in which the malls were closed due to the State of Emergency (SE) decree in March 2020, with this, for better analysis, operational indicators were shown proportional to the days when each mall was open in the 2Q20 compared to the same period in 2Q19. For the **Recurring Income Result**, the Company chose not to account any discount linearization effect related to the Covid-19 impacts during 2Q20, thus absorbing all impacts in this period.

Malls Indicators	2Q20	2Q19	Var.	Proportional 2Q20	Proportional 2Q19	Var.
Retailers' Sales (R\$' million)	109,3	621,8	-82,4%	109,3	499,9	-78,1%
Occupancy Rate	96,5%	97,3%	-0,8 p.p.	96,5%	97,3%	-0,8 p.p.
Occupancy Cost	18,7%	9,4%	9,3 p.p.	18,7%	9,4%	9,3 p.p.
SSS	-80,3%	11,8%	-92,1 p.p.	-74,9%	11,2%	-86,1 p.p.
SAS	-80,4%	12,3%	-92,7 p.p.	-75,2%	11,5%	-86,7 p.p.
SSR	-78,1%	8,8%	-86,9 p.p.	-78,1%	8,8%	-86,9 p.p.
SAR	-78,2%	8,2%	-86,4 p.p.	-78,2%	8,2%	-86,4 p.p.

The following table shows the reopening dates for each mall and the days of operation in 2Q20 and on 8/13/2020, the date of this release:

Malls	Closure	Reopening	2Q20 operation (in days)	2Q20 operation (days of week and hours)	08/13/2020 operation (days of week and hours)
Cidade Jardim	03/19/2020	06/11/2020	20	Mon to Sun, from 4pm to 8pm	Mon to Sun, from 4pm to 10pm
Bela Vista	03/21/2020	07/24/2020	0	Mon to Sat, from 12pm to 8pm	Mon to Sat, from 12pm to 8pm
Ponta Negra	03/21/2020	06/01/2020	30	Mon to Sun, from 12pm to 8pm	Mon to Sat, from 11am to 9pm Sun, from 12pm to 9pm
Catarina Fashion Outlet	03/18/2020	06/03/2020	28	Mon to Sun, from 12pm to 4pm	Mon to Sun, from 12pm to 4pm

Below is the monthly breakdown of the operational sales and rental indicators. It is important to highlight that, the tenants' sales grew **652.9%** in June versus April 2020.





The tables below show the measures taken in each mall in the face of the pandemic situation, it is important to note that the Company has always been and continues to be more and more, supporting its tenants and partners.

## April:

Mall	Closure	Reopening	Rent	Condominium	FPP
Cidade Jardim	03/19/2020	06/11/2020	Exempt <sup>1</sup>	Reduction of 50%	Reduction of 60%
Bela Vista	03/21/2020	07/24/2020	Exempt <sup>1</sup>	Reduction of 50%	Full exempt
Ponta Negra	03/21/2020	06/01/2020	Exempt <sup>1</sup>	Reduction of 50%	Full exempt
Catarina Fashion Outlet	03/18/2020	06/03/2020	Exempt <sup>1</sup>	Reduction of 50%	Full exempt

<sup>1</sup>Full rental exemption for stores that are closed and inactive. Percentage charge according to sales, for stores operating in delivery or pick up format;

## May:

Mall	Closure	Reopening	Rent	Condominium	FPP
Cidade Jardim	03/19/2020	06/11/2020	Exempt <sup>1</sup>	Reduction of 50%	Reduction of 60%
Bela Vista	03/21/2020	07/24/2020	Exempt <sup>1</sup>	Reduction of 50%	Full exempt
Ponta Negra	03/21/2020	06/01/2020	Exempt <sup>1</sup>	Reduction of 50%	Full exempt
Catarina Fashion Outlet	03/18/2020	06/03/2020	Exempt <sup>1</sup>	Reduction of 50%	Full exempt

<sup>1</sup>Full rental exemption for stores that are closed and inactive. Percentage charge according to sales, for stores operating in delivery or pick up format.

## June:

Mall	Closure	Reopening	Rent	Condominium	FPP
Cidade Jardim	03/19/2020	06/11/2020	MMR Exempt/Proportional <sup>1</sup>	Reduction of 30%	Reduction of 30%
Bela Vista	03/21/2020	07/24/2020	Proportional <sup>2</sup>	Reduction of 50%	Full exempt
Ponta Negra	03/21/2020	06/01/2020	Proportional <sup>3</sup>	Reduction of 30%	Reduction of 40%
Catarina Fashion Outlet	03/18/2020	06/03/2020	MMR Exempt/Proportional <sup>1</sup>	Reduction of 30%	Reduction of 50%

<sup>1</sup>MMR exemption: minimum monthly rent referring to June competence; Proportional: Collection of only % rent referring to June sales;

<sup>2</sup>Collection only of the percentage rent on sales of stores that are in operation, and also for pick up and delivery operations;

<sup>3</sup>Collection only of the percentage rent of stores that opened between 06/15/2020 to 06/29/2020 (with the exception of anchor stores and banks);

## July:

Mall	Closure	Reopening	Rent	Condominium	FPP
Cidade Jardim	03/19/2020	06/11/2020	Reduction of 50% of MMR	Reduction of 20%	Reduction of 50%
Bela Vista	03/21/2020	07/24/2020	Proportional <sup>1</sup>	Proportional	Rent proportional <sup>2</sup>
Ponta Negra	03/21/2020	06/01/2020	Proportional	Reduction of 30% or 15% <sup>3</sup>	Reduction of 30%
Catarina Fashion Outlet	03/18/2020	06/03/2020	MMR Exempt/Proportional <sup>4</sup>	Reduction of 30%	Reduction of 40%

<sup>1</sup>Collection only of the percentage rent on sales of stores that are in operation, and also for pick up and delivery operations;

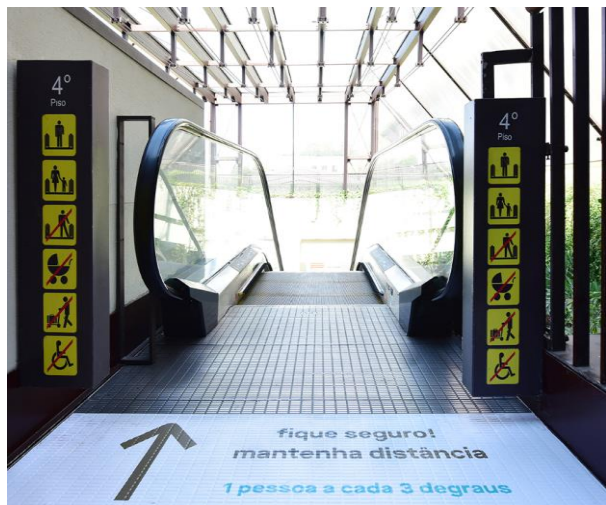
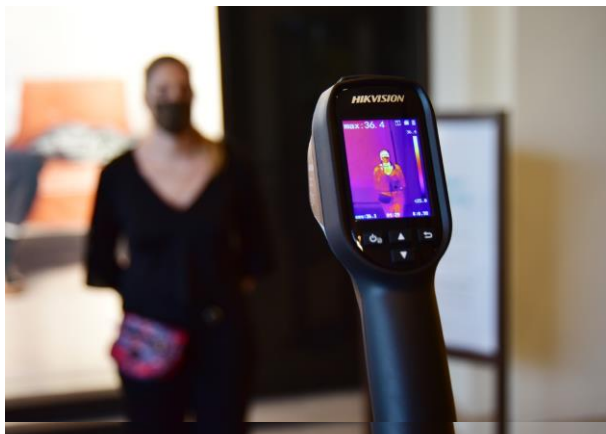
<sup>2</sup>According to the contractual provision, the collection of the promotion fund (FPP) will be levied on the amount of the rent charged;

<sup>3</sup>30% reduction for satellite stores with up to 250sqm and 15% reduction for stores from 251sqm up to 1000sqm;

<sup>4</sup>MMR exemption: minimum monthly rent referring to June competence; Proportional: Collection of only A% referring to June sales; **25**

## REOPENING:

The process of malls reopening was carried out according to the protocols required by the State Government Plan, such as temperature measurement, distance demarcations, availability of gel alcohol on the mall premises, among other measures. In addition, the areas destined for cinema, gym, entertainment, were not available in this 1st phase.





## MALLS MOVIMENT AFTER REOPENING

JUNE and JULY 2020





**HOSPITALITY&GASTRONOMY**

**JHSF**



**HOSPITALITY:**

With the relaxation of the measures of social isolation of the Public Authorities from each locality, some of the hotels gradually resumed their operations, following strict hygiene and safety protocols:

Hotel	Closure	Reopening
São Paulo	03/21/2020	08/01/2020
Rio de Janeiro	03/25/2020	06/29/2020
Fazenda Boa Vista	03/21/2020	06/01/2020
Angra dos Reis	03/22/2020	08/15/2020
Punta del Leste	03/19/2020	-
Salvador	03/20/2020	-
Belo Horizonte	03/20/2020	-

The reopening dates for the Fasano Hotels in Punta Del Leste, Salvador and Belo Horizonte have not yet been defined.

In the **Hospitality** division, the 2Q20 results refer only to the Hotel Fasano Boa Vista (HFBV), which reopened on June 1st. For a better analysis, operational indicators were shown proportional to the days that HFBV was open in 2Q20 compared to the same period in 2Q19:

Hotels	2Q20	2Q19	Var.	Proportional 2Q20	Proportional 2Q19	Var.
Average Daily (R\$)	1,910	1,903	0.3%	1,910	1,866	2.4%
Revpar (R\$)	356	1,047	-66.0%	462	1,142	-59.6%
Occupancy Rate (%)	18.6%	53.5%	-34.9 p.p.	24.2%	61.2%	-37.0 p.p.

Proportional Occupancy Rate (%)*	47.0%
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\*Considers only HFBV and the number of UHs available in the period

The proportional occupancy rate of 47.0% considers only the rooms available for rent in the period, as that during the gradual reopening process, the rooms were not fully available.

**NEXT OPENINGS:**

Fasano Hotels Portfolio (Next Openings)	Location	Expected opening
Hotel Fasano Trancoso	Trancoso - BA	2020
Hotel Fasano Itaim	São Paulo - SP	2021
Hotel Fasano Fifth Avenue	Manhattan - NY	2020
Hotel Fasano Cidade Jardim	São Paulo - SP	2022

<sup>2</sup>JHSF owns 65% of HMI, the holding company controlling Fasano's operations.

**GASTRONOMY:**

In 2Q20, revenues from the **gastronomy division** were obtained through online sales (delivery Fasano and Ifood), HFBV room service and Panetteria in Angra dos Reis. In order to expend the analysis, in addition to the consolidated indicators for the quarters, the indicators proportional to the days that the HFBV and Panetteria room service services had operations in 2Q20 compared to the same period in 2019.

Restaurants	2Q20	2Q19	Var.	Proportional 2Q20	Proportional 2Q19	Var.
Average Couvert (R\$)	161	206	-21.7%	161	50	219.6%
Number of Couverts (units)	25,156	209,115	-88.0%	25,156	3,319	657.9%

<sup>1</sup>Considers only the days when HFBV room service, Panetteria Angra dos Reis and sales delivery operations took place in 2Q20.

Delivery Fasano had a **963.6%** increase in the number of orders compared to 2Q20 and 1Q20, when it was launched, and a **29.6%** increase between April and June 2020.





AIRPORT

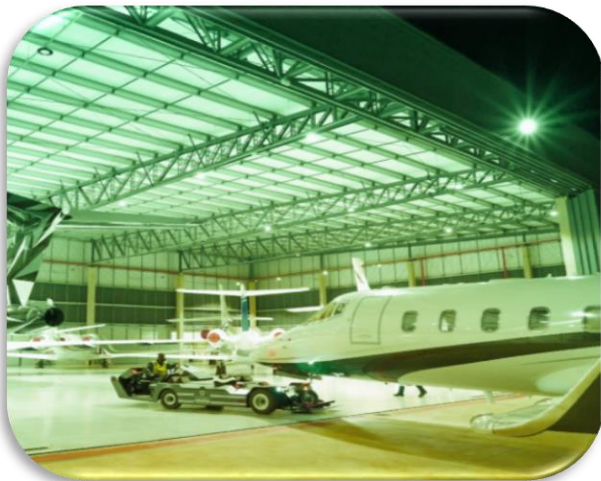
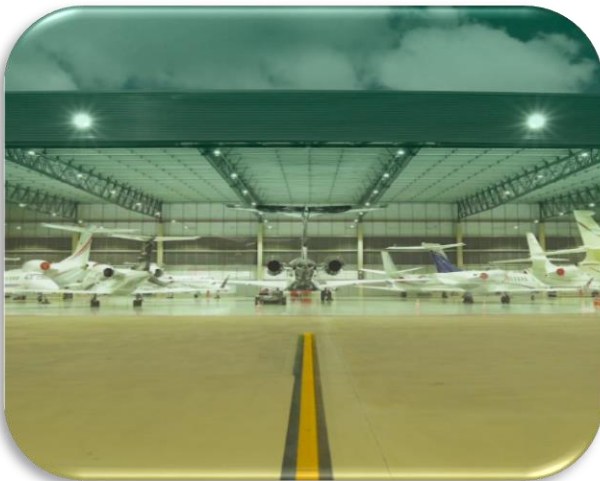
**JHSF**

The São Paulo Catarina Executive Airport, opened on December 16, 2019, has a runway of 2,470 meters in length and 6,000 m<sup>2</sup> of hangar and 21,600 m<sup>2</sup> of patios, to serve business aviation, including intercontinental executive jets. The business model we have adopted is similar to solutions implemented in cities such as New York, London and Paris, which, after developing airports dedicated exclusively to business aviation.

During the pandemic, operations were maintained in the 24-hour operating model, with more rigor in the processes of hygiene and disinfection.

In the 2nd quarter, the number of movements (landings and takeoffs) increased 31.1% compared to 1Q20 and +715.6% since the opening in December 2019.

Catarina Fuel, the fuel resale operation at São Paulo Catarina Executive Airport, supplied 117.4% more liters in 2Q20 versus 1Q20.



The level of occupation of the hangar capacity is at 100%, and the expansion plan for the construction of 3 new hangars has already started, representing the addition of 150% of the current capacity.

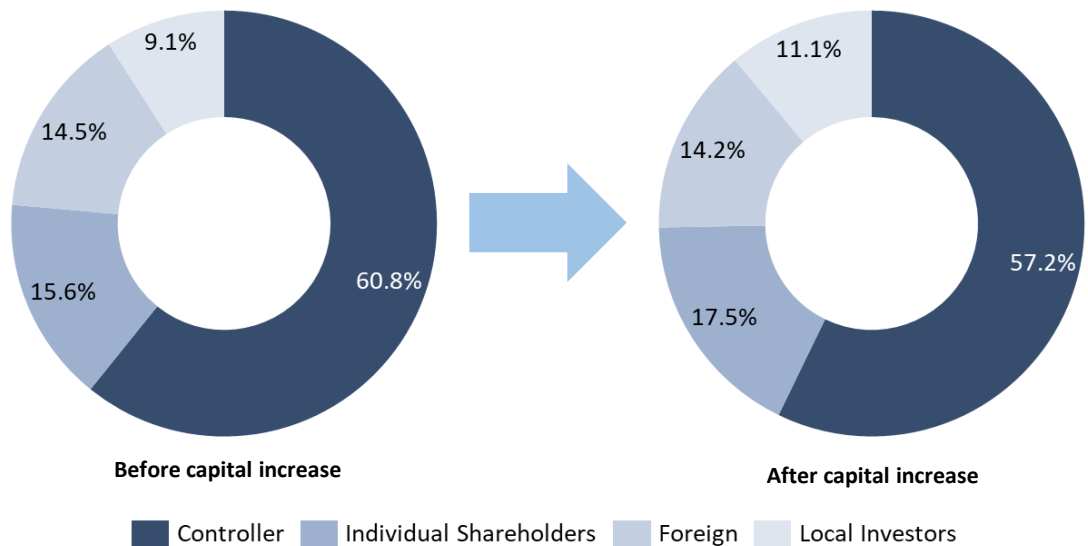


Expansion photos.

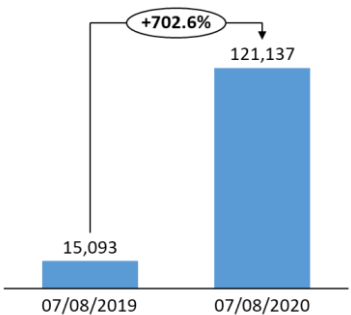


Since its IPO in 2007, JHSF Participações S.A (JHSF3) shares have been traded on B3's Novo Mercado, a segment of the highest level of Corporate Governance in the Brazilian stock market.

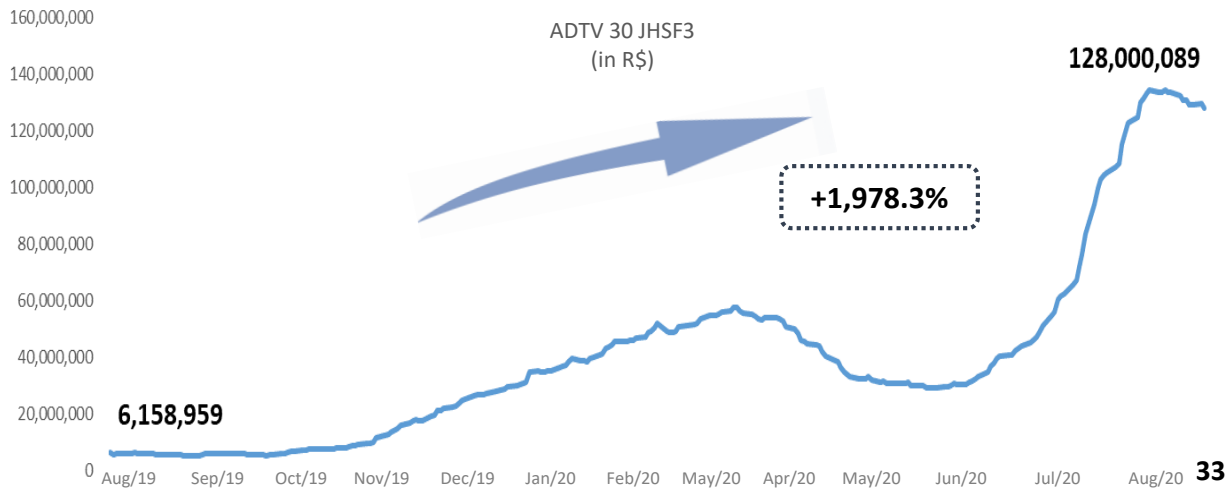
The Company's Capital Stock currently comprises 682,241,829 common shares (ON), of which 57.2% are held by the controller and the remaining 42.8% are distributed to individual shareholders (17.5%), foreign (14.2%) and local investors (11.1%), considering the Company's last capital increase, carried out in July 2020.



The Company's shareholder base has shown significant growth in the number of shareholders in recent periods. Taking into account the latest information available, we observed an increase of **702.6% in the LTM analysis** (last twelve months):



In the last twelve months, there was an increase in the Company's daily liquidity, represented by the increase in the average daily trading volume (ADTV 30):



JHSF REAL ESTATE SALES



CJ FASHION



DELIVERY FASANO



EXECUTIVE AIRPORT



The financial statements below do not consider the adjustments made to the 1S19 Recurring Income for comparison purposes, reflecting the sale of minority interests in Shopping Malls to the XP Malls fund.

[thousand BRL]	1S20	1S19	Δ %
<b>Net Revenue</b>	<b>420,137</b>	<b>265,579</b>	58%
<i>Real Estate Development</i>	312,220	87,755	256%
<i>Recurring Income</i>	56,529	89,029	-37%
<i>Hospitality and Gastronomy</i>	45,554	88,795	-49%
<i>Airport</i>	5,834	-	-
<b>Costs</b>	<b>(158,357)</b>	<b>(143,297)</b>	11%
<i>Real Estate Development</i>	(84,279)	(21,531)	291%
<i>Recurring Income</i>	(17,883)	(53,391)	-67%
<i>Hospitality and Gastronomy</i>	(52,336)	(68,375)	-23%
<i>Airport</i>	(3,859)	-	-
<b>Gross Profit</b>	<b>261,780</b>	<b>122,282</b>	114%
	<b>(49,812)</b>	<b>(64,170)</b>	-22%
General and Administrative Expenses	(49,812)	(64,170)	-22%
Commercial Expenses	(9,668)	(8,633)	12%
Other Operating Expenses	(2,320)	(3,082)	-25%
Fair Value of Investment Properties	205,493	112,533	83%
Equity in Earnings of Subsidiaries	(93)	(528)	-82%
<b>Income before Financial Result and Taxes</b>	<b>405,380</b>	<b>158,402</b>	156%
Financial Result	(46,826)	(95,155)	-51%
<b>Income before Taxes and Social Contribution</b>	<b>358,554</b>	<b>63,247</b>	467%
Income Taxes and Social Contribution	(84,848)	(41,369)	105%
<b>Net Income</b>	<b>273,706</b>	<b>21,878</b>	1151%

[thousand BRL]	Jun/20	Dec/19
<b>Assets</b>	<b>6,360,208</b>	<b>5,837,934</b>
<b>Current</b>	<b>1,061,558</b>	<b>930,319</b>
Cash and equivalents	310,663	286,335
Interest earnings bank deposits	249,218	250,769
Accounts receivable	262,416	170,936
Inventory	159,982	153,759
Other current assets	79,279	68,520
<b>Non-Current</b>	<b>5,298,650</b>	<b>4,907,615</b>
Marketable securities	-	6,595
Accounts receivable	197,071	117,189
Inventory	466,082	466,082
Other current assets	18,177	16,323
Credit with related parties	97,663	79,573
Investments	6,086	6,264
Fixed assets	1,072,832	1,047,473
Investment property	3,440,739	3,168,116
<b>Liabilities</b>	<b>3,081,112</b>	<b>2,781,146</b>
<b>Current</b>	<b>434,370</b>	<b>429,941</b>
Suppliers	63,940	65,871
Loans, financing and debentures	122,391	179,638
Obligations with partners in ventures	24,385	25,682
Other Debts	220,782	157,626
Debts with related parties	2,872	1,124
<b>Non-Current</b>	<b>2,646,742</b>	<b>2,351,205</b>
Loans, financing and debentures	1,171,159	1,026,708
Obligations with partners in ventures	475,271	474,242
Taxes and deferred contributions	723,936	648,356
Debt with related parties	90,961	67,211
Provisions	4,116	4,052
Other Debts	181,299	130,635
<b>Shareholder's Equity</b>	<b>3,243,964</b>	<b>3,014,129</b>
Capital stock	1,443,151	1,436,138
Options granted recognized	38,899	36,728
Capital reserves	1,773,200	1,570,381
Profits to realize	(11,286)	(29,118)
Shareholders' equity	35,132	42,659
<b>Shareholder's Equity Total</b>	<b>3,279,096</b>	<b>3,056,788</b>
<b>Total Liabilities and Shareholder's Equity</b>	<b>6,360,208</b>	<b>5,837,934</b>



[R\$ thousand]	Jun/20	Jun/19
Earnings Before Income Taxes (EBIT)	358,554	30,590
Expenses (revenues) not affecting cash flow	(155,900)	(37,125)
Variation in current and non-current assets and liabilities	(60,427)	22,428
<b>Cash Flow from Operating Activities</b>	<b>142,227</b>	<b>15,893</b>
Income and social contribution taxes paid	(38,278)	(56,928)
	103,949	(41,035)
Cash Flow from Investing Activities	(90,651)	216,107
Cash Flow from Financing Activities	11,213	(185,218)
<b>Cash Flow generated (used) in the period</b>	<b>24,327</b>	<b>17,453</b>

**EBITDA:** Net income for the period plus income taxes, net financial expenses from financial income and depreciation, amortization and depletion. The calculation of EBITDA may be adjusted for non-recurring items, which contribute to the information on the potential gross cash in the Company's operations. Adjusted EBITDA does not have a standardized meaning and our definition may not be comparable to those used by other companies.

**Gross Leasable Area (GLA):** This represents the areas available for leasing in shopping malls.

**GLA owned by the Company:** This refers to the share JHSF owns in the malls.

**Occupancy Rate:** This is the area leased divided by the GLA of each shopping mall at the end of the period in question.

**Occupancy Cost:** It is the occupancy cost of a store as a percentage of sales. It includes rent and other expenses (condo and promotion fund expenses).

**PPI:** Property for Investment.

**RevPar (Revenue per Available Room):** RevPAR is calculated by multiplying the occupancy rate by the average daily rate in a given period.

**Same Store Rent (SSR):** This is the ratio of the rent charged for a given area in the current period in comparison with the same period in the prior year.

**Same Store Sales (SSS):** This is the ratio of the sales of given stores in the current period in comparison with the sales of the same stores in the same period of the prior year.

**Same Area Rent (SAR):** This is the ratio of the rent charged for a given area in the current period in comparison with the same period in the prior year.

**Same Area Sales (SAS):** This is the ratio of the sales of a given area in the current period in comparison with the sales of the same area in the same period of the prior year.