

Quarterly Information (ITR)

BR Properties S.A.

September 30, 2021
with Independent Auditor's Review Report

MANAGEMENT REPORT

Dear Shareholders,

In compliance with the legal and statutory provisions in force, the management of BR Properties S.A. (the “Company” or “BR Properties”) hereby presents its comments and results referring to the three-month period ended September 30, 2021. The amounts are expressed in thousands of Brazilian reais, unless otherwise stated, and in accordance with the provisions contained in the Brazilian Corporation Law and the rules of the Brazilian Securities and Exchange Commission (CVM). The message from management is an integral part of the individual and consolidated financial statements and should be read in conjunction with the respective Notes.

BUSINESS DESCRIPTION

BR Properties is one of the leading commercial real estate investment companies in Brazil, focused on the acquisition, lease, management, development and sale of commercial real estate, including office buildings and industrial and logistics warehouses located in the main metropolitan regions of Brazil. BR Properties adopts a dynamic approach to monitoring the Brazilian commercial real estate market in order to anticipate supply and demand trends in the various regions where it operates, evaluate the best opportunities for buying or selling, and to maximize the profitability of its investments.

At the end of this quarter, the Company had 32 commercial properties in its portfolio, totaling a gross leasable area (GLA) of 811 thousand square meters, which represent a market value of approximately R\$9,021,645. The Company has 7 land lots that correspond to 287 thousand square meters of GLA.

The 32 properties held in portfolio by the Company at the end of the 3Q21 are distributed as follows:

- 22 or 477 thousand square meters are office buildings;
- 3 or 47 thousand square meters are industrial and logistics warehouses;
- 7 or 287 thousand square meters refer to landbanks.

MESSAGE FROM MANAGEMENT

The year 2021 started with a more positive outlook compared to 2020, a year that was strongly impacted by the Covid-19 pandemic. Throughout the first nine months of the year, global and Brazilian vaccination campaigns have progressed, bringing more confidence to the market. By October, 71% of the Brazilian population had received at least one shot of the vaccine, and 50% were fully vaccinated, allowing economic activity to resume gradually and sanitary restrictions to be cautiously lifted in Brazil as of the second semester of 2021.

Throughout 2021, the office buildings real estate market showed positive signs for better quality assets, both in São Paulo and Rio de Janeiro. Following the trend observed since the second half of 2020, the reinforcement of the flight-to-quality movement in both cities can be explained by the companies' search for better quality spaces, allowing modern office layouts, providing their employees with more flexible working hours, including the adoption of flexi-time work schedules. In this scenario, it is essential that the selected assets are located in consolidated urban centers that offer the population a wide range of services and transportation.

Furthermore, it is important to note that the coming years will be marked by a very low volume of new offices spaces stock, in São Paulo and, especially, in Rio de Janeiro. Accordingly, considering the fundamentals of the commercial market, the Company maintains its long-term strategy focused on AAA assets in the key areas of these two cities.

The São Paulo real estate warehouse segment has been experiencing very positive results in recent years, with accelerated expansion amid the growth of e-commerce in Brazil in the last year. Vacancy rates for this sector were in historic lows in the first quarter of 2021, down to 5.1%. Since the current demand for warehouses is driven mainly by the e-commerce, transport and logistics industries, assets in a range of 60 km from the city of São Paulo tend to have higher demand.

From an operational perspective, the Company's results improved when compared to previous quarters, reflecting the gradual recovery of the economy and a clearer companies' perspective regarding the pandemic slowdown. Net revenue for the 3Q21 increased by 6% over the same prior year period. The YTD net revenue grew 6% compared to the same period of 2020.

3Q21 OPERATIONAL HIGHLIGHTS

Leasing Activity

Throughout 3Q21, BR Properties signed 8,989 sqm of its GLA under new leases, totaling 96,887 sqm year-to-date (YTD).

It should be mentioned that, of the total volume leased in the quarter, 6,789 square meters correspond to the leases in the city of São Paulo and 2,200 square meters correspond to the leases in Rio de Janeiro.

BR Properties closed the quarter with financial and physical vacancy rates of 29.9% and 31.2%, respectively. Disregarding the 101,926 square meters acquired in the Parque da Cidade Complex, the financial and physical vacancy rates are 16.9% and 19.7%, respectively.

Asset Acquisition

In July 2021, BR Properties acquired three commercial buildings designed for retail occupation (restaurants and other services), which are part of the Parque da Cidade Complex. The acquisition comprises a gross leasable area (GLA) of 2,286 square meters for the total amount of R\$28.0 million. The transaction execution is subjected to overcoming suspensive conditions set forth in the SPA (Sale and Purchase Agreement).

In September 2021, the Company has executed an agreement providing for an exchange of real estate properties, with the difference in value to be paid in cash, aiming the acquisition of a landbank, located in the municipality of Cajamar, for the purpose of developing logistic/industrial warehouses with approximately 150,000 sqm of gross leasable area (GLA). The landbank is located adjacent to the "Galpão Cajamar I", where BR Properties already owns a logistics condominium under development, with a gross leasable area of 149,525 square meters and delivery scheduled for the second quarter of 2022.

The Contract establishes the development by the Company of two condominiums ("Galpão Cajamar II"), which will be comprised of four warehouses. The acquisition price of the land corresponds to the obligation of construction (swap deal) of 33% in the Galpão Cajamar II with an additional payment in cash, in the amount of R\$10,000. Upon completion of the Galpão Cajamar II, the Company will own 67% of the project, approximately 100,500 sqm.

Asset Sale

In June 2021, BR Properties entered into a SPA (Sale and Purchase Agreement) to sell 20% of the ideal fraction of “COMPLEXO JK – Torre B”, located in the city and state of São Paulo. The ideal fraction sale is equivalent to a gross leasable area of 6,126 square meters, and totaled R\$184,699 thousand, or R\$30,150 per square meter of GLA. In July, the sale was completed.

Also in July, the Company and Fundo de Investimento Imobiliário VBI Logístico entered into an agreement regarding “Galpão Pirituba” (Pirituba Warehouse). The agreement stipulates the greenfield development, by the Fund, of a real estate project that includes two Last Mile logistics warehouses, with a total built area of approximately 8,450 square meters. After completion of the construction, the Company will own 40% of the project. The execution of the referred transaction is subjected to overcoming suspensive conditions set forth in the Term of Agreement. BR Properties will have no cash disbursement in this transaction

In August 2021, BR Properties and Fundo de Investimento Imobiliário VBI Logístico entered into an SPA (Sale and Purchase Agreement) aiming the sale of a logistics warehouse under development, with a GLA of 35,690 square meters, which is part of the “Projeto Cajamar I”, a Company’s development, with its construction’s completion scheduled for the 2nd quarter of 2022. The sale corresponds to approximately 24% of the total leasable area of the project of 149,525 square meters, and will be sold for the total price of R\$ 123,215 thousand, equivalent to R\$3,452 per square meter of gross leasable area.

Also in that month, the Company completed the sale of the property “Galpão Tucano” (Tucano Warehouse), located at Centro Empresarial Espaço Gaia Ar, in the City of Jarinu, District of Atibaia, State of São Paulo, with a gross leasable area (GLA) of 31,718 square meters, for a total price of R\$94,000 thousand.

The sale of the properties is in line with the strategy designed by the Company in recent years, aiming to, among other objectives, recycle part of its portfolio, monetize its investments and make them attractive, in addition to continuously maintaining the process of optimizing its capital structure.

Capital markets

On August 20, 2021, the Company terminated its own Share Buyback Program (“2020 Buyback Program”) approved by the Board of Directors in the third quarter of 2020. The total number of shares repurchased by the Company under the 2020 Buyback Program was 10,994,600 book-entry common shares with no par value, which were acquired at an average price of R\$8.63 per share, representing 99.95% of the 2020 Buyback Program. The 17,350,586 book-entry common shares with no par value remaining in treasury after the termination of the Program were canceled on August 20 without reducing its share capital.

On August 22, 2021, a new Share Buyback Program was approved. The 2021 Buyback Program will be effective until February 19, 2023, and comprises the acquisition of up to 18,000,000 Company-issued common shares. By the end of the third quarter of 2021, 10,105,800 book-entry common shares with no par value had already been repurchased for the average price of R\$8.58 per share.

The Board meeting held on February 8, 2021 approved the BR Properties Dividend Policy, which was prepared for the purpose of aligning the Company’s cash generation to its dividend distribution. The Company proposed in a Special and Annual General Meeting (SGM/AGM) the distribution of dividends for the year 2020 in the amount of R\$94.7 million, equivalent to R\$0.196 per share. Of this total, R\$71.0 million was distributed until September and the remaining amount will be paid in one installment of R\$23,681 in December.

PROFIT OR LOSS

Consolidated gross revenue totaled R\$105,544 in 3Q21, an increase of 8% compared with same prior year period.

The Company's gross revenue in the third quarter of 2021 was divided between lease income and revenue from building management, in the following proportion:

- Lease income: totaling R\$101,487, an 8% increase compared with 3Q20, representing 96% of consolidated gross revenue;
- Revenue from Building Management: totaling R\$4,057, representing 4% of consolidated gross revenue.

Net revenue for the quarter totaled R\$83,496, a 6% increase over the same prior year period.

Adjusted EBITDA, excluding non-cash P&L, such as the stock option plan, reached R\$58,255 in 3Q21, a 0.8% decrease over the previous year, with an adjusted EBITDA margin of 70%.

EBITDA in 3Q21 using the methodology determined by CVM Ruling No. 527/12 totaled R\$52,310, reaching an EBITDA margin of 63%, as follows:

	3Q21
Net income (loss) for the period	38,263
Depreciation	850
Deferred taxes	(32,983)
Provision for IR and CSLL	8,160
Finance income (costs)	38,021
EBITDA	52,310
EBITDA margin	63%
Other operating income /expenses	8,146
Gain/Loss on fair value of investment properties	(4,284)
Provision for LTB / Stock Option	2,083
Adjusted EBITDA	58,255
EBITDA margin	70%

Adjusted FFO, a non-accounting measure used in the real estate industry to measure the Company's net cash generation, totaled R\$19,758 in the third quarter of the year, a 59% decrease in relation to 3Q20, with a 24% FFO margin.

BR Properties recorded net income of R\$38,263 in 3Q21.

HUMAN RESOURCES

Headcount at the end of the third quarter of 2021 was 87 employees: 52 employees at the Company's head office in the city of São Paulo, and 35 employees at the properties administered by the Company.

SHAREHOLDERS' RIGHTS AND MARKET DATA

At the end of 3Q21, BR Properties' equity value, which is calculated by dividing the Company's equity by the total number of shares issued at the time, totaled R\$15.09/share. The Company's shares are traded in the Novo Mercado segment on the São Paulo Stock Exchange (Bovespa), whose quotation at the closing of the trading session on September 30, 2021 was R\$7.94/share.

PROSPECTS AND PLANS FOR THE CURRENT AND FUTURE YEARS/CONCLUSION

We intend to follow the strategy that has made us one of the largest companies in this industry, focusing on the best regions in the country and on top quality real estate in the asset classes we are exposed to: offices and industrial and logistics warehouses.

We pursue the strategy of market consolidation, focusing on the acquisition of properties with high valuation potential, adding value by using modern management techniques, consistent strategies, rationalization of operating costs, retrofit, quality improvements and portfolio recycling.

We will continue to monitor the effects of the Covid-19 pandemic on our business, seeking to achieve the best possible understanding of the potential impacts on our P&L throughout the year, adjusting any strategies to the current reality, based at all times on a conservative approach to our liquidity and to lessees.

RELATIONSHIP WITH THE INDEPENDENT AUDITOR

Pursuant to CVM Ruling No. 381 of January 14, 2003, the Company informs that its policy of engaging services not related to external auditing is based on principles that preserve the independence of the auditor. These principles are based on the fact that the independent auditor should not audit his own work, cannot engage in managerial duties, should not advocate for their client or provide any other services that are considered prohibited by current regulations, thus maintaining independence in the work performed. The Company further states that its auditors, Ernst & Young Auditores Independentes S.S., did not provide any services other than auditing.

EXECUTIVE BOARD REPRESENTATION

Under the terms of CVM Ruling No. 480/09, the Company's Executive Board represents that it has reviewed, discussed and agreed with the independent auditor's report on the financial statements for the three-month period ended September 30, 2021.

A free translation from Portuguese into English of Independent Auditor's Review Report on Individual and Consolidated Interim Financial Information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 and the rules issued by the Brazilian Securities Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Independent auditor's review report on quarterly information

To the
Shareholders, Board of Directors and Officers
BR Properties S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of BR Properties S.A. (the "Company") for the quarter ended September 30, 2021, which comprises the statement of financial position as at September 30, 2021 and the related statements of profit or loss and of comprehensive income for the three and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 – Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with the Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statements of value added (SVA) for the nine-month period ended September 30, 2021, prepared under Company's management responsibility and presented as supplementary information under IAS 34. These statements have been subject to review procedures performed in conjunction with the review of the quarterly information, in order to conclude whether they are reconciled to the interim financial information and accounting records, as applicable, and whether their format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, in accordance with the criteria defined in this standard and consistently with individual and consolidated interim financial information taken as a whole.

São Paulo, October 29, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6



Cezar Augusto Ansoain de Freitas
Accountant CRC-1SP246234/O-0

Contents**Company information**

Capital	4
---------	---

Individual financial statements

Statement of financial position – assets	7
Statement of financial position – liabilities and equity	8
Statement of profit or loss	10
Statement of comprehensive income	12
Statement of cash flows (Indirect method)	13

Statement of changes in equity

Statement of changes in equity - 1/1/2021 to 9/30/2021	15
Statement of changes in equity - 1/1/2020 to 9/30/2020	16
Statement of value added	17

Consolidated financial statements

Statement of financial position – assets	18
Statement of financial position – liabilities and equity	19
Statement of profit or loss	21
Statement of comprehensive income	18
Statement of cash flows (Indirect method)	23

Statement of changes in equity

Statement of changes in equity - 1/1/2021 to 9/30/2021	26
Statement of changes in equity - 1/1/2020 to 9/30/2020	27
Statement of value added	28

Company information / Capital

Number of shares (thousand)	Current quarter 9/30/2021
Paid-in capital	
Common shares	474,160
Preferred shares	0
Total	474,160
Treasury	
Common shares	10,106
Preferred shares	0
Total	10,106

Individual financial statements / Statement of financial position – assets**(In thousands of Reais)**

Account code	Account description	Current quarter 9/30/2021	Prior year 12/31/2020
1	Total assets	11,444,524	10,617,928
1.01	Current assets	1,242,565	1,338,463
1.01.01	Cash and cash equivalents	991,674	1,056,486
1.01.02	Short-term investments	109,004	116,635
1.01.02.01	Short-term investments at fair value through profit or loss	109,004	116,635
1.01.02.01.03	Marketable securities	109,004	116,635
1.01.03	Accounts receivable	50,683	42,851
1.01.03.01	Trade accounts receivable	50,683	42,851
1.01.06	Taxes recoverable	20,741	15,183
1.01.06.01	Current taxes recoverable	20,741	15,183
1.01.07	Prepaid expenses	15,209	1,426
1.01.08	Other current assets	55,254	105,882
1.01.08.03	Other	55,254	105,882
1.01.08.03.04	Other current assets	55,254	105,882
1.02	Noncurrent assets	10,201,959	9,279,465
1.02.01	Long-term receivables	611,096	566,363
1.02.01.01	Short-term investments at fair value through profit or loss	6,013	29,087
1.02.01.01.01	Securities designated at fair value	6,013	29,087
1.02.01.10	Other noncurrent assets	605,083	537,276
1.02.01.10.04	Other noncurrent assets	200,218	147,570
1.02.01.10.05	Taxes recoverable	249,682	249,408
1.02.01.10.06	Accounts receivable	155,183	140,298
1.02.02	Investments	9,019,801	8,140,683
1.02.02.01	Equity interests	28,279	50,526
1.02.02.01.02	Interest held in subsidiaries	28,279	50,526
1.02.02.02	Investment properties	8,991,522	8,090,157
1.02.03	Property and equipment	16,220	17,577
1.02.03.01	Property and equipment in operation	16,220	17,577
1.02.04	Intangible assets	554,842	554,842
1.02.04.01	Intangible assets	554,842	554,842
1.02.04.01.02	Goodwill	554,842	554,842

Individual financial statements / Statement of financial position – liabilities and equity

(In thousands of Reais)

Account code	Account description	Current quarter 9/30/2021	Prior year 12/31/2020
2	Total liabilities	11,444,524	10,617,928
2.01	Current liabilities	614,200	357,788
2.01.01	Labor and social obligations	2,646	2,103
2.01.01.02	Labor obligations	2,646	2,103
2.01.01.02.01	Salaries and social charges payable	2,646	2,103
2.01.02	Trade accounts payable	31,241	2,586
2.01.02.01	Trade accounts payable - domestic	31,241	2,586
2.01.03	Tax obligations	21,558	1,904
2.01.03.01	Federal tax obligations	21,558	1,904
2.01.03.01.01	Income and social contribution taxes payable	7,687	0
2.01.03.01.02	Taxes payable	13,871	1,904
2.01.04	Loans and financing	324,213	251,920
2.01.04.01	Loans and financing	324,213	251,920
2.01.04.01.01	In local currency	324,213	251,920
2.01.05	Other obligations	226,600	87,575
2.01.05.02	Other	226,600	87,575
2.01.05.02.01	Dividends and interest on equity payable	23,684	48,989
2.01.05.02.06	Other current liabilities	202,916	38,586
2.01.06	Provisions	7,942	11,700
2.01.06.01	Provisions for tax, social security, labor and civil contingencies	7,942	11,700
2.01.06.01.05	Provision for bonuses to employees and management personnel	7,942	11,700
2.02	Noncurrent liabilities	3,675,666	2,980,537
2.02.01	Loans and financing	2,610,785	1,979,551
2.02.01.01	Loans and financing	2,610,785	1,979,551
2.02.01.01.01	In local currency	2,610,785	1,979,551
2.02.02	Other obligations	36,717	30,918
2.02.02.02	Other	36,717	30,918
2.02.02.02.05	Other noncurrent liabilities	36,717	30,918
2.02.03	Deferred taxes	918,532	892,287
2.02.03.01	Deferred income and social contribution taxes	918,532	892,287
2.02.04	Provisions	109,632	77,781
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	109,632	77,781
2.02.04.01.05	Provisions for contingencies	109,632	77,781
2.03	Equity	7,154,658	7,279,603
2.03.01	Realized capital	4,267,545	4,267,545
2.03.01.01	Capital	4,369,145	4,369,145
2.03.01.02	Share issue costs	-101,600	-101,600
2.03.02	Capital reserves	2,114,579	2,273,244
2.03.02.01	Premium on issuance of shares	450	0
2.03.02.02	Special goodwill reserve on merger	2,154,513	2,306,784
2.03.02.05	Treasury shares	-86,734	-78,422
2.03.02.07	Stock options – employees and management	46,350	44,882
2.03.04	Income reserves	693,080	738,814
2.03.04.02	Statutory reserve	41,860	41,860
2.03.04.04	Unrealized income reserve	77,201	77,201
2.03.04.05	Retained earnings reserve	574,019	619,753

Individual financial statements / Statement of financial position – liabilities and equity**(In thousands of Reais)**

Account code	Account description	Current quarter 9/30/2021	Prior year 12/31/2020
2.03.05	Retained earnings/accumulated losses	79,454	0

Individual financial statements / Statement of profit or loss**(In thousands of Reais)**

Account code	Account description	Current quarter 7/1/2021 to 9/30/2021	YTD Current year 1/1/2021 to 9/30/2021	Same quarter of Prior year 7/1/2020 to 9/30/2020	YTD Prior year 1/1/2020 to 9/30/2020
3.01	Sales revenue	79,844	233,839	74,415	215,068
3.01.01	Net sales revenue	79,844	233,839	74,415	215,068
3.03	Gross profit	79,844	233,839	74,415	215,068
3.04	Operating expenses/income	-28,606	-36,120	-21,754	-56,313
3.04.02	General and administrative expenses	-26,265	-71,684	-22,457	-64,191
3.04.02.01	General and administrative expenses	-21,799	-57,740	-17,091	-51,809
3.04.02.02	Management fees	-2,382	-7,532	-3,067	-8,893
3.04.02.04	Stock option plan	-2,084	-6,412	-2,299	-3,489
3.04.04	Other operating income	4,284	52,293	0	1,322
3.04.04.01	Other operating income	0	0	0	1,322
3.04.04.02	Gain on fair value of investment properties	4,284	52,293	0	0
3.04.05	Other operating expenses	-8,148	-20,661	-1,112	0
3.04.05.01	Other operating expenses	-8,148	-20,661	-1,112	0
3.04.06	Share of profit of subsidiary, associate and joint venture	1,523	3,932	1,815	6,556
3.05	Income before finance income (costs) and taxes	51,238	197,719	52,661	158,755
3.06	Finance income (costs)	-38,272	-84,337	-9,581	-23,900
3.06.01	Finance income	16,228	41,126	13,326	47,982
3.06.02	Finance costs	-54,500	-125,463	-22,907	-71,882
3.07	Income (loss) before income taxes	12,966	113,382	43,080	134,855
3.08	Income and social contribution taxes	25,298	-33,928	-26,820	-84,272
3.08.01	Current	-7,683	-7,683	-67	-275
3.08.02	Deferred	32,981	-26,245	-26,753	-83,997
3.09	Net income (loss) from continuing operations	38,264	79,454	16,260	50,583
3.11	Income/(loss) for the period	38,264	79,454	16,260	50,583
3.99	Earnings per share – (reais/share)				
3.99.01	Basic earnings per share				
3.99.01.01	Registered common shares	0.07961	0.16519	0.03318	0.10405
3.99.02	Diluted earnings per share				

Individual financial statements / Statement of profit or loss**(In thousands of Reais)**

Account code	Account description	Current quarter 7/1/2021 to 9/30/2021	YTD Current year 1/1/2021 to 9/30/2021	Same quarter of Prior year 7/1/2020 to 9/30/2020	YTD Prior year 1/1/2020 to 9/30/2020
3.99.02.01	Registered common shares	0.07961	0.16519	0.03318	0.10405

Individual financial statements / Statement of comprehensive income**(In thousands of Reais)**

Account code	Account description	Current quarter 7/1/2021 to 9/30/2021	YTD Current year 1/1/2021 to 9/30/2021	Same quarter of Prior year 7/1/2020 to 9/30/2020	YTD, prior year 1/1/2020 to 9/30/2020
4.01	Net income for the period	38,264	79,454	16,260	50,583
4.03	Comprehensive income for the period	38,264	79,454	16,260	50,583

Individual financial statements / Statement of cash flows – indirect method**(In thousands of Reais)**

Account code	Account description	YTD	YTD, prior year
		Current year 1/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020
6.01	Net cash flows from operating activities	171,677	93,022
6.01.01	Cash flows from operating activities	194,053	145,128
6.01.01.01	Income before income and social contribution taxes on net income	113,382	134,855
6.01.01.02	Depreciation of property and equipment	1,228	473
6.01.01.03	Fair value of investment properties	-52,293	0
6.01.01.04	Straight-line revenue recognition	-24,700	-51,875
6.01.01.05	Interest and monetary adjustments on loans	110,180	59,641
6.01.01.10	Amortization of capitalized costs	24,565	6,738
6.01.01.11	Stock option plan	6,412	3,489
6.01.01.12	Provision for bonuses to employees and management personnel	6,167	8,452
6.01.01.13	Other provisions	11,351	2,471
6.01.01.14	Allowance for doubtful accounts	4,195	3,582
6.01.01.15	Monetary adjustment	-7,435	-14,323
6.01.01.17	Income (loss) from marketable securities	-696	-2,274
6.01.01.18	Gain (loss) on investment and property transactions	5,629	0
6.01.01.19	Finance income/costs from debt rescheduling	0	455
6.01.01.20	Share of profit of subsidiary, associate and joint venture	-3,932	-6,556
6.01.02	Changes in assets and liabilities	-22,376	-52,106
6.01.02.01	Trade accounts receivable	-8,352	-15,962
6.01.02.02	Taxes recoverable	-243	4,176
6.01.02.05	Other assets	561	-6,817
6.01.02.06	Accounts payable	3,165	529
6.01.02.08	Taxes and contributions	-1,044	-17,178
6.01.02.11	Salaries and social charges	-894	1,300
6.01.02.12	Provision for bonuses to employees and management personnel	-9,925	-10,877
6.01.02.14	Other liabilities	-5,644	-7,277
6.02	Net cash flows from investing activities	-582,251	199,298
6.02.03	Dividends and interest on equity received from subsidiaries	11,822	14,226
6.02.04	Amount received for the sale of investment properties	357,676	126,064
6.02.06	Payment of obligations due to acquisition of properties	-28,062	0
6.02.08	Acquisition of/ investment in investment properties	-199,397	-75,610
6.02.09	Acquisition of property and equipment	-3,756	-3,955
6.02.10	Investments in marketable securities	0	100,441
6.02.11	Advance for acquisition of investment properties	-4,355	-8,742
6.02.12	Write-off of investment in subsidiaries	0	35,500
6.02.13	Net cash from merged investee	0	11,374
6.02.14	Acquisition of investments	-792,058	0
6.02.15	Capital reduction in subsidiaries	14,271	0
6.02.16	Advance for disposal of investment properties	61,608	0
6.03	Net cash flows from financing activities	345,762	379,832
6.03.02	Share issue costs	0	-198
6.03.03	Loans and financing taken out	750,000	800,000
6.03.04	Repayment of loans and financing	-146,740	-322,423

Individual financial statements / Statement of cash flows – indirect method**(In thousands of Reais)**

Account code	Account description	YTD	YTD, prior
		Current year 1/1/2021 to 9/30/2021	year 1/1/2020 to 9/30/2020
6.03.05	Payment of obligations due to acquisition of properties	0	-2,687
6.03.08	Share buyback	-167,244	-43,567
6.03.09	Payment of dividends	-71,039	-42,000
6.03.10	Loan and financing transaction cost	-22,817	-9,293
6.03.12	Disposal of treasury shares to exercise options	3,602	0
6.05	Increase (decrease) in cash and cash equivalents	-64,812	672,152
6.05.01	Opening balance of cash and cash equivalents	1,056,486	1,090,967
6.05.02	Closing balance of cash and cash equivalents	991,674	1,763,119

Individual financial statements / Statement of changes in equity / SCE - -1/1/2021 to 9/30/2021**(In thousands of Reais)**

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings/ accumulated losses	Other comprehensive income	Equity
5.01	Opening balances	4,267,545	2,273,244	738,814	0	0	7,279,603
5.03	Adjusted opening balances	4,267,545	2,273,244	738,814	0	0	7,279,603
5.04	Capital transactions with shareholders	0	-158,665	-45,734	0	0	-204,399
5.04.04	Treasury shares purchased	0	-167,244	0	0	0	-167,244
5.04.05	Treasury shares sold	0	3,602	0	0	0	3,602
5.04.06	Dividends	0	0	-45,734	0	0	-45,734
5.04.08	Recognition of stock option plan	0	6,412	0	0	0	6,412
5.04.09	Stock option plans realized	0	-104	0	0	0	-104
5.04.10	Transfer of treasury shares – stock option plan	0	-1,331	0	0	0	-1,331
5.05	Total comprehensive income (loss)	0	0	0	79,454	0	79,454
5.05.01	Net income for the period	0	0	0	79,454	0	79,454
5.07	Closing balances	4,267,545	2,114,579	693,080	79,454	0	7,154,658

Individual financial statements / Statement of changes in equity / SCE - -1/1/2020 to 9/30/2020**(In thousands of Reais)**

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings/ accumulated losses	Other comprehensive income	Equity
5.01	Opening balances	4,267,743	2,312,796	623,534	0	0	7,204,073
5.03	Adjusted opening balances	4,267,743	2,312,796	623,534	0	0	7,204,073
5.04	Capital transactions with shareholders	-198	-40,078	-42,000	50,583	0	-31,693
5.04.02	Share issue costs	-198	0	0	0	0	-198
5.04.05	Treasury shares sold	0	4,366	0	0	0	4,366
5.04.06	Dividends	0	0	-42,000	0	0	-42,000
5.04.12	Net income for the period	0	0	0	50,583	0	50,583
5.04.13	Stock option plan	0	3,489	0	0	0	3,489
5.04.14	Share buyback	0	-47,933	0	0	0	-47,933
5.07	Closing balances	4,267,545	2,272,718	581,534	50,583	0	7,172,380

Individual financial statements / Statement of value added**(In thousands of Reais)**

Account code	Account description	YTD	YTD, prior year
		Current year 1/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020
7.01	Revenues	346,960	264,774
7.01.01	Sales revenue	298,862	267,034
7.01.02	Other revenues	48,098	-2,260
7.01.02.01	Other revenues	0	1,322
7.01.02.04	Reversal/(provision) of allowance for doubtful accounts	-4,195	-3,582
7.01.02.05	Fair value gain on investment properties	52,293	0
7.02	Materials acquired from third parties	-110,237	-71,766
7.02.04	Other	-110,237	-71,766
7.02.04.01	Materials acquired from third parties	-89,576	-71,766
7.02.04.02	Other	-20,661	0
7.03	Gross value added	236,723	193,008
7.04	Retentions	-1,228	-473
7.04.01	Depreciation, amortization and depletion	-1,228	-473
7.05	Net value added	235,495	192,535
7.06	Value added received from transfers	45,058	54,538
7.06.01	Share of profit of subsidiary, associate and joint venture	3,932	6,556
7.06.02	Finance income	41,126	47,982
7.07	Total value added to be distributed	280,553	247,073
7.08	Value added distributed	280,553	247,073
7.08.01	Employee benefits expense	26,237	24,524
7.08.01.01	Salaries	24,213	22,591
7.08.01.02	Benefits	1,412	1,359
7.08.01.03	Unemployment Compensation Fund (FGTS)	612	574
7.08.02	Taxes and contributions	49,399	100,084
7.08.02.01	Federal taxes	49,398	98,041
7.08.02.03	Local taxes	1	2,043
7.08.03	Debt remuneration	125,463	71,882
7.08.03.01	Interest	110,180	60,096
7.08.03.03	Other	15,283	11,786
7.08.03.03.03	Other	4,652	1,594
7.08.03.03.04	Financial charges	10,631	10,192
7.08.04	Equity remuneration	79,454	50,583
7.08.04.03	Retained profits/losses for the period	79,454	50,583

Consolidated financial statements – Statement of financial position – assets**(In thousands of Reais)**

Account code	Account description	Current quarter 9/30/2021	Prior year 12/31/2020
1	Total assets	11,447,309	10,654,156
1.01	Current assets	1,254,044	1,405,613
1.01.01	Cash and cash equivalents	1,001,736	1,088,972
1.01.02	Short-term investments	109,004	106,963
1.01.02.01	Short-term investments at fair value through profit or loss	109,004	106,963
1.01.02.01.03	Marketable securities	109,004	106,963
1.01.03	Accounts receivable	51,215	42,851
1.01.03.01	Trade accounts receivable	51,215	42,851
1.01.06	Taxes recoverable	21,367	15,183
1.01.06.01	Current taxes recoverable	21,367	15,183
1.01.07	Prepaid expenses	15,209	1,426
1.01.08	Other current assets	55,513	150,218
1.01.08.03	Other	55,513	150,218
1.01.08.03.04	Other current assets	55,513	150,218
1.02	Noncurrent assets	10,193,265	9,248,543
1.02.01	Long-term receivables	614,482	569,765
1.02.01.01	Short-term investments at fair value through profit or loss	6,013	29,087
1.02.01.01.01	Securities designated at fair value	6,013	29,087
1.02.01.07	Deferred taxes	418	436
1.02.01.07.01	Deferred income and social contribution taxes	418	436
1.02.01.10	Other noncurrent assets	608,051	540,242
1.02.01.10.04	Other noncurrent assets	200,236	147,586
1.02.01.10.05	Taxes recoverable	252,632	252,358
1.02.01.10.06	Accounts receivable	155,183	140,298
1.02.02	Investments	9,007,434	8,106,068
1.02.02.02	Investment properties	9,007,434	8,106,068
1.02.03	Property and equipment	16,507	17,868
1.02.03.01	Property and equipment in operation	16,507	17,868
1.02.04	Intangible assets	554,842	554,842
1.02.04.02	Goodwill	554,842	554,842

Consolidated financial statements – Statement of financial position – liabilities and equity

(In thousands of Reais)

Account code	Account description	Current quarter 9/30/2021	Prior year 12/31/2020
2	Total liabilities	11,447,309	10,654,156
2.01	Current liabilities	616,364	393,424
2.01.01	Labor and social obligations	3,731	2,914
2.01.01.02	Labor obligations	3,731	2,914
2.01.01.02.01	Salaries and social charges payable	3,731	2,914
2.01.02	Trade accounts payable	31,274	2,586
2.01.02.01	Trade accounts payable - domestic	31,274	2,586
2.01.03	Tax obligations	22,604	2,327
2.01.03.01	Federal tax obligations	22,604	2,327
2.01.03.01.01	Income and social contribution taxes payable	8,669	358
2.01.03.01.02	Taxes payable	13,935	1,969
2.01.04	Loans and financing	324,213	286,242
2.01.04.01	Loans and financing	324,213	286,242
2.01.04.01.01	In local currency	324,213	286,242
2.01.05	Other obligations	226,600	87,655
2.01.05.02	Other	226,600	87,655
2.01.05.02.01	Dividends and interest on equity payable	23,684	48,989
2.01.05.02.06	Other current liabilities	202,916	38,666
2.01.06	Provisions	7,942	11,700
2.01.06.01	Provisions for tax, social security, labor and civil contingencies	7,942	11,700
2.01.06.01.05	Provision for bonuses to employees and management personnel	7,942	11,700
2.02	Noncurrent liabilities	3,676,287	2,981,129
2.02.01	Loans and financing	2,610,785	1,979,551
2.02.01.01	Loans and financing	2,610,785	1,979,551
2.02.01.01.01	In local currency	2,610,785	1,979,551
2.02.02	Other obligations	36,717	30,918
2.02.02.02	Other	36,717	30,918
2.02.02.02.05	Other noncurrent liabilities	36,717	30,918
2.02.03	Deferred taxes	918,533	892,287
2.02.03.01	Deferred income and social contribution taxes	918,533	892,287
2.02.04	Provisions	110,252	78,373
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	110,252	78,373
2.02.04.01.05	Provision for contingencies	110,252	78,373
2.03	Consolidated equity	7,154,658	7,279,603
2.03.01	Realized capital	4,267,545	4,267,545
2.03.01.01	Capital	4,369,145	4,369,145
2.03.01.02	Share issue costs	-101,600	-101,600
2.03.02	Capital reserves	2,114,579	2,273,244
2.03.02.01	Premium on issuance of shares	450	0
2.03.02.02	Special goodwill reserve on merger	2,154,513	2,306,784
2.03.02.05	Treasury shares	-86,734	-78,422
2.03.02.07	Stock options – employees and management	46,350	44,882
2.03.04	Income reserves	693,080	738,814
2.03.04.02	Statutory reserve	41,860	41,860
2.03.04.04	Unrealized income reserve	77,201	77,201
2.03.04.05	Retained earnings reserve	574,019	619,753

Consolidated financial statements – Statement of financial position – liabilities and equity**(In thousands of Reais)**

Account code	Account description	Current quarter 9/30/2021	Prior year 12/31/2020
2.03.05	Retained earnings/accumulated losses	79,454	0

Consolidated financial statements – Statement of profit or loss**(In thousands of Reais)**

Account code	Account description	Current quarter	YTD	Same quarter of	YTD, prior
		7/1/2021 to 9/30/2021	Current year 1/1/2021 to 9/30/2021	Prior year 7/1/2020 to 9/30/2020	year 1/1/2020 to 9/30/2020
3.01	Sales revenue	83,498	244,462	78,618	230,102
3.01.01	Net sales revenue	83,498	244,462	78,618	230,102
3.03	Gross profit	83,498	244,462	78,618	230,102
3.04	Operating expenses/income	-32,041	-45,989	-25,500	-70,778
3.04.02	General and administrative expenses	-28,177	-77,713	-24,384	-71,683
3.04.02.01	General and administrative expenses	-24,105	-63,769	-19,018	-59,301
3.04.02.02	Management fees	-1,988	-7,532	-3,067	-8,893
3.04.02.04	Stock option plan	-2,084	-6,412	-2,299	-3,489
3.04.04	Other operating income	4,284	52,293	0	905
3.04.04.01	Other operating income	0	0	0	905
3.04.04.02	Fair-value gain on investment properties	4,284	52,293	0	0
3.04.05	Other operating expenses	-8,148	-20,569	-1,116	0
3.04.05.01	Other operating expenses	-8,148	-20,569	-1,116	0
3.05	Income before finance income (costs) and taxes	51,457	198,473	53,118	159,324
3.06	Finance income (costs)	-38,023	-83,708	-9,413	-22,339
3.06.01	Finance income	16,479	44,276	16,697	55,932
3.06.02	Finance costs	-54,502	-127,984	-26,110	-78,271
3.07	Income (loss) before income taxes	13,434	114,765	43,705	136,985
3.08	Income and social contribution taxes	24,824	-35,311	-27,445	-86,402
3.08.01	Current	-8,160	-9,048	-606	-2,513
3.08.02	Deferred	32,984	-26,263	-26,839	-83,889
3.09	Net income (loss) from continuing operations	38,258	79,454	16,260	50,583
3.11	Consolidated income/(loss) for the period	38,258	79,454	16,260	50,583
3.11.01	Attributed to shareholders of the parent company	0	0	16,260	50,583
3.99	Earnings per share – (reais/share)				
3.99.01	Basic earnings per share				
3.99.01.01	Registered common shares	0.07961	0.16519	0.03318	0.10405
3.99.02	Diluted earnings per share				

Consolidated financial statements – Statement of profit or loss**(In thousands of Reais)**

Account code	Account description	Current quarter 7/1/2021 to 9/30/2021	YTD Current year 1/1/2021 to 9/30/2021	Same quarter of Prior year 7/1/2020 to 9/30/2020	YTD, prior year 1/1/2020 to 9/30/2020
3.99.02.01	Registered common shares	0.07961	0.16519	0.03318	0.10405

Consolidated financial statements – Statement of comprehensive income**(In thousands of Reais)**

Account code	Account description	Current quarter 7/1/2021 to 9/30/2021	YTD Current year 1/1/2021 to 9/30/2021	Same quarter of Prior year 7/1/2020 to 9/30/2020	YTD, prior year 1/1/2020 to 9/30/2020
4.01	Consolidated net income for the period	38,258	79,454	16,260	50,583
4.03	Consolidated comprehensive income (loss) for the period	38,258	79,454	16,260	50,583
4.03.01	Attributed to shareholders of the parent company	38,258	79,454	16,260	50,583

Consolidated financial statements / Statement of cash flows – indirect method**(In thousands of Reais)**

Account code	Account description	YTD	YTD, prior
		Current year 1/1/2021 to 9/30/2021	year 1/1/2020 to 9/30/2020
6.01	Net cash flows from operating activities	222,503	99,462
6.01.01	Cash flows from operating activities	199,717	154,462
6.01.01.01	Income before income and social contribution taxes on net income	114,765	136,985
6.01.01.02	Depreciation of property, plant and equipment	1,232	473
6.01.01.03	Fair value of investment properties	-52,293	0
6.01.01.04	Straight-line revenue recognition	-24,700	-51,969
6.01.01.05	Interest and monetary adjustments on loans	112,648	65,908
6.01.01.06	Gains (losses) on receivables	-3,164	0
6.01.01.10	Amortization of capitalized costs	24,565	6,748
6.01.01.11	Stock option plan	6,412	3,489
6.01.01.12	Provision for bonuses to employees and management personnel	6,561	8,988
6.01.01.13	Other provisions	11,365	-8,033
6.01.01.14	Allowance for doubtful accounts	4,195	3,582
6.01.01.15	Monetary adjustment	-7,498	-14,629
6.01.01.16	Finance income/costs from debt rescheduling	0	455
6.01.01.17	Income (loss) from marketable securities	0	-508
6.01.01.18	Gain (loss) on investment and property transactions	5,629	0
6.01.01.19	Other	0	2,973
6.01.02	Changes in assets and liabilities	22,786	-55,000
6.01.02.01	Trade accounts receivable	-8,883	-15,868
6.01.02.02	Taxes recoverable	-806	4,177
6.01.02.05	Other assets	47,705	-6,899
6.01.02.06	Accounts payable	3,198	-292
6.01.02.08	Taxes and contributions	-1,781	-18,984
6.01.02.11	Salaries and social charges payable	-619	1,668
6.01.02.12	Provision for bonuses to employees and management personnel	-10,319	-11,413
6.01.02.14	Other liabilities	-5,709	-7,389
6.02	Net cash flows from investing activities	-608,344	149,736
6.02.04	Amount received for the sale of investment properties	357,676	137,556
6.02.06	Payment of obligations due to acquisition of properties	-28,062	0
6.02.08	Acquisition of/ investment in investment Investments	-199,397	-75,610
6.02.09	Acquisition of property and equipment	-3,756	-3,909
6.02.10	Investments in marketable securities	0	100,441
6.02.11	Advance for acquisition of investment properties	-4,355	-8,742
6.02.16	Advance for disposal of investment properties	61,608	0
6.02.17	Payment of obligations due to acquisition of investment properties	-792,058	0
6.03	Net cash flows from financing activities	298,605	379,832
6.03.02	Share issue costs	0	-198
6.03.03	Loans and financing taken out	750,000	800,000
6.03.04	Repayment of loans and financing	-193,897	-322,423
6.03.05	Payment of obligations due to acquisition of properties	0	-2,687
6.03.08	Share buyback	-167,244	-43,567

Consolidated financial statements / Statement of cash flows – indirect method**(In thousands of Reais)**

Account code	Account description	YTD	YTD, prior
		Current year 1/1/2021 to 9/30/2021	year 1/1/2020 to 9/30/2020
6.03.09	Dividends paid	-71,039	-42,000
6.03.10	Loan and financing transaction cost	-22,817	0
6.03.12	Disposal of treasury shares to exercise options	3,602	0
6.03.13	Transaction costs	0	-9,293
6.05	Increase (decrease) in cash and cash equivalents	-87,236	629,030
6.05.01	Opening balance of cash and cash equivalents	1,088,972	1,165,337
6.05.02	Closing balance of cash and cash equivalents	1,001,736	1,794,367

Consolidated financial statements / Statement of changes in equity / SCE - 1/1/2021 to 9/30/2021**(In thousands of Reais)**

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings/ accumulated losses	Other comprehensive income	Equity	Noncontrolling interests	Equity Consolidated
5.01	Opening balances	4,267,545	2,273,244	738,814	0	0	7,279,603	0	7,279,603
5.03	Adjusted opening balances	4,267,545	2,273,244	738,814	0	0	7,279,603	0	7,279,603
5.04	Capital transactions with shareholders	0	-158,665	-45,734	0	0	-204,399	0	-204,399
5.04.04	Treasury shares purchased	0	-167,244	0	0	0	-167,244	0	-167,244
5.04.05	Treasury shares sold	0	3,602	0	0	0	3,602	0	3,602
5.04.06	Dividends	0	0	-45,734	0	0	-45,734	0	-45,734
5.04.08	Recognition of stock option plan	0	6,412	0	0	0	6,412	0	6,412
5.04.09	Stock option plans realized	0	-104	0	0	0	-104	0	-104
5.04.10	Transfer of treasury shares - stock option plan	0	-1,331	0	0	0	-1,331	0	-1,331
5.05	Total comprehensive income (loss)	0	0	0	79,454	0	79,454	0	79,454
5.05.01	Net income for the period	0	0	0	79,454	0	79,454	0	79,454
5.07	Closing balances	4,267,545	2,114,579	693,080	79,454	0	7,154,658	0	7,154,658

Consolidated financial statements / Statement of changes in equity / SCE - 1/1/2020 to 9/30/2020**(In thousands of Reais)**

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings/ accumulated losses	Other comprehensive income	Equity	Noncontrolling interests	Equity Consolidated
5.01	Opening balances	4,267,743	2,312,796	623,534	0	0	7,204,073	0	7,204,073
5.03	Adjusted opening balances	4,267,743	2,312,796	623,534	0	0	7,204,073	0	7,204,073
5.04	Capital transactions with shareholders	-198	-40,078	-42,000	50,583	0	-31,693	0	-31,693
5.04.02	Share issue costs	-198	0	0	0	0	-198	0	-198
5.04.05	Treasury shares sold	0	4,366	0	0	0	4,366	0	4,366
5.04.06	Dividends	0	0	-42,000	0	0	-42,000	0	-42,000
5.04.08	Stock option plan	0	3,489	0	0	0	3,489	0	3,489
5.04.12	Net income for the period	0	0	0	50,583	0	50,583	0	50,583
5.04.13	Share buyback	0	-47,933	0	0	0	-47,933	0	-47,933
5.07	Closing balances	4,267,545	2,272,718	581,534	50,583	0	7,172,380	0	7,172,380

Consolidated financial statements / Statement of value added**(In thousands of Reais)**

Account code	Account description	YTD	YTD, prior year
		Current year 1/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020
7.01	Revenues	358,589	281,642
7.01.01	Sales revenue	310,491	284,319
7.01.02	Other revenues	48,098	-2,677
7.01.02.01	Other revenues	0	905
7.01.02.04	Reversal/(recognition) of allowance for doubtful accounts	-4,195	-3,582
7.01.02.05	Fair value adjustment of investment properties	52,293	0
7.02	Materials acquired from third parties	-110,460	-74,590
7.02.04	Other	-110,460	-74,590
7.02.04.01	Materials acquired from third parties	-89,891	-74,590
7.02.04.02	Other	-20,569	0
7.03	Gross value added	248,129	207,052
7.04	Retentions	-1,232	-473
7.04.01	Depreciation, amortization and depletion	-1,232	-473
7.05	Net value added	246,897	206,579
7.06	Value added received from transfers	44,276	55,932
7.06.02	Finance income	44,276	55,932
7.07	Total value added to be distributed	291,173	262,511
7.08	Value added distributed	291,173	262,511
7.08.01	Employee benefits expense	31,069	29,344
7.08.01.01	Salaries	27,885	26,256
7.08.01.02	Benefits	2,280	2,225
7.08.01.03	Unemployment Compensation Fund (FGTS)	904	863
7.08.02	Taxes and contributions	52,666	104,313
7.08.02.01	Federal taxes	52,658	102,263
7.08.02.03	Local taxes	8	2,050
7.08.03	Debt remuneration	127,984	78,271
7.08.03.01	Interest	112,648	66,363
7.08.03.03	Other	15,336	11,908
7.08.03.03.03	Other	4,655	1,595
7.08.03.03.04	Financial charges	10,681	10,313
7.08.04	Equity remuneration	79,454	50,583
7.08.04.03	Retained profits/losses for the period	79,454	50,583

Notes to quarterly information

(In thousands of Reais)

1 Operations

BR Properties S.A. (hereinafter referred to as the “Company”) is a corporation domiciled in Brazil whose shares are traded on B3 under ticker symbol “BRPR3”. Its main place of business is located at Avenida das Nações Unidas, 12495 - 18º Andar - São Paulo, São Paulo State.

The Company’s individual and consolidated quarterly information for the period ended September 30, 2021 comprises the Company, its subsidiaries and jointly-controlled entities (collectively referred to as “Company” and individually as “Company entities”).

The Company and its subsidiaries are mainly engaged in the acquisition, management, lease and sale of commercial properties in Brazil, particularly office and commercial buildings and floors, retail stores and warehouses, as long as these refer to existing or built-to-suit assets. The Company also develops and engages third parties to build new properties, which will be added to its portfolio for lease purposes.

The Company individual and consolidated quarterly information for the quarter ended September 30, 2021 was concluded and approved by the Company’s executive board on October 29, 2021 and will be authorized for issue by resolution of the Board of Directors on November 4, 2021.

On August 7, 2020, the Company entered into a Deed of Sale and Purchase with BBP Figueira Empreendimento Imobiliário SPE Ltda. for the acquisition of a property intended for logistical/industrial use called “Edifício Cupuaçu” (Warehouse), with a gross leasable area (GLA) of 9,962 sqm, located within the Centro Empresarial Espaço Gaia Terra project, in the municipality of Jarinú, state of São Paulo. The total acquisition price was R\$17,400, and the first installment in the amount of R\$8,700 was paid on that date. On November 26, 2020, the purchase and sale deed was executed, and R\$5,220 was paid on that date. The remaining balance, totaling R\$3,480, as detailed in Note 11, will be paid when the seller verifies the completion of certain conditions defined in the deed. “Edifício Cupuaçu” has been completed and is fully leased.

The Special General Meeting held on August 31, 2020 approved the Merger Prospectus for SPE 61 Empreendimentos Imobiliários e Participações S.A., as well as the Merger Prospectus due to Spin-off of PP II SPE Empreendimentos Imobiliários Ltda, with the merger into the Company of their respective spun-off assets. The assets and liabilities subject to the partial spin-off are described in the Appraisal Report prepared by an independent external appraisal company, having appropriate recognized professional qualifications and recent experience in the region and type of property under appraisal. The Appraisal Report was prepared based on the net assets of these Companies as at June 30, 2020, totaling R\$161,371. The merger was part of the Company’s reorganization process the objective of which was to streamline its corporate structure. Among other benefits, the Merger streamlined operations and reduced the costs of transactions between the Companies involved (administrative and management).

On December 16, 2020, the Company completed the acquisition of “Torre Corporativa B1 – Aroeira,” a commercial property with a gross leasable area (GLA) of 45,678 square meters located in the “Parque da Cidade Complex,” a real estate project in the city of São Paulo, state of São Paulo, after signing the relevant Deed of Sale and Purchase (“Deed”) with REC 2017 EMPREENDIMENTOS PARTICIPAÇÕES VI S.A. (“Seller”), registered with the National Registry of Legal Entities (CNPJ) under No. 26.929.617/0001-80. The total purchase price is R\$667,688, with R\$606,765 being disbursed on the acquisition date. The remaining balance, net of the down payment made in 2019 totaling R\$29,900, equivalent to R\$31,023 as at September 30, 2021 is currently being paid by the Purchaser upon meeting the conditions defined in the deed, as detailed in Note 11.

On January 13, 2021, in line with the material news release disclosed on October 14, 2019, the Company completed the acquisition of 100% of the shares of SPEs REC Empreendimentos e Participações VII and REC Empreendimentos e Participações IX, owners of the following commercial properties, respectively: (i) 100% of the commercial property “Torre Corporativa B2 – Paineira,” with a gross leasable area (GLA) of 44,673 square meters; and (ii) 30% of the commercial property “Torre Corporativa B3 – Jatobá,” with a GLA of 11,154 square meters, both located in the real estate development “Condomínio Parque da Cidade”, in the City and State of São Paulo, with HSI V REAL ESTATE - FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES MULTIESTRATÉGIA (“Seller”). The total acquisition price adjusted for INCC is R\$835,452, with the amount of R\$756,637 being disbursed on that date. The remaining balance, net of the down payment made in 2019, totaling R\$38,305, equivalent to R\$40,510 as at September 30, 2021, has been paid when the conditions defined in the acquisition documents are met, as detailed in Note 11.

On March 25, 2021, the Company entered into a Share Purchase and Sale Agreement and a Real Estate Purchase and Sale Commitment Agreement and Other Covenants, on an irrevocable and irreversible basis, with CORE METROPOLIS FUNDO DE INVESTIMENTO IMOBILIÁRIO, for the sale of the following office buildings: (i) 100% of the interest held in Companhia dos Edifícios Souza Aranha I and Souza Aranha II, located in the city and state of São Paulo, and (ii) 100% of Edifício Porto Alegre, located in the city of Porto Alegre, State of Rio Grande do Sul, for a total R\$63,718. The conditions precedent were met or waived in the period.

On May 24, 2021, the Company entered into the “Real Estate Purchase and Sale Commitment Agreement with Suspensive Conditions, Conditions Precedent and Other Covenants” (“Agreement”), with BR PROPERTIES FUNDO DE INVESTIMENTO IMOBILIÁRIO (“Fund”), with the purpose of the sale by the Company to the Fund, of: (a) 10% of the undivided interest of Complexo Centenário Plaza, located in the City of São Paulo, State of São Paulo; (b) 15% of the undivided interest of TNU Building, located in the City of São Paulo, State of São Paulo; (c) 100% of blocks 2 and 3 of Condomínio Panamérica Park, located in the City of São Paulo, State of São Paulo; (d) 15% of the undivided interest of Edifício Manchete, located in the City of Rio de Janeiro, State of Rio de Janeiro; and (e) 15% of the undivided interest of Edifício Passeio Corporate, located in the City of Rio de Janeiro, State of Rio de Janeiro, for the total amount of R\$485,365. The execution of the transaction provided for in the Agreement is subject to the parties meeting certain suspensive conditions and conditions precedent, including the raising of the funds required by the Fund, through the completion of the market offer of its shares. Considering the completion of the raising of the funds, the Company will be the Fund’s Real Estate Advisor.

On May 25, 2021, the Company, MORRO VERDE INCORPORAÇÃO IMOBILIÁRIA SPE LTDA and THÉIA EMPREENDIMENTO IMOBILIÁRIO SPE LTDA entered into a Real Estate Purchase and Sale Commitment Agreement and Other Covenants ("Agreement"), as amended, for the acquisition of future independent units of the warehouse called "Edifício Centauri," "Ed. Bellatrix" and "Area de Apoio" (Support Area), which are part of the Gaia Théia project, for the total amount of R\$213,577. The acquisition was completed on August 17, 2021 through the execution of a purchase and sale deed, and R\$84,853 had already been paid up to that date. The balance of the price, equivalent to R\$128,724 as at September 30, 2021, is subject to customary adjustments, and will be paid according to the construction schedule, as established in the deed, as detailed in Note 11. The gross leasable area of "Centauri Building", around 63,000 sqm, has been fully pre-leased.

On June 14, 2021, the Company entered into a Real Estate Sale and Purchase Commitment Agreement with Resolutive Conditions and Other Covenants ("Agreement") with ESPAÇO GAIA EMPREENDIMENTOS IMOBILIÁRIOS SPE LTDA, with the purpose of selling the property named "Galpão Tucano", a warehouse located at the Espaço Gaia Ar Business Center, in the City of Jarinu, District of Atibaia, State of São Paulo, for a total price of R\$94,000. The transaction was completed on August 31, 2021 following the fulfillment of certain suspensive conditions by the Parties.

On June 30, 2021, the Company entered into a Sale and Purchase Commitment Agreement concerning Undivided interest with Suspensive Conditions and Other Covenants ("CVC") with FUNDO DE INVESTIMENTO IMOBILIÁRIO - VBI PRIME PROPERTIES, with the purpose of selling undivided interest of 20% of the property named "Complexo JK – Bloco B" ("Property"), located in the city and state of São Paulo, for a total price of R\$184,699. The completion of the sale and the payment, made on July 13, 2021, were carried out after certain conditions precedent were met as established in the CVC. The CVC also included the possibility of selling an additional percentage of up to 25% of the Property. However, the purchase option for an additional percentage of up to 25% was not exercised by the buyer. The sale was completed on July 13, 2021, and the Company received the full sale price on that date.

On July 21, 2021, the Company entered into Terms of Agreement for the Purchase of Acquisition Rights with Suspensive Conditions ("Agreement Terms") with the FUNDO DE INVESTIMENTO IMOBILIÁRIO - VBI LOGÍSTICO, a real estate investment fund enrolled with the CNPJ/ME under No. 30,629,603/0001-18 ("Fund"), relating to part of the property located at Avenida Mutinga, no. 4935, Via Anhanguera, City of São Paulo, State of São Paulo ("Galpão Pirituba"), equivalent to an area of land of approximately 32,500 sqm, owned by the Company. The Terms of the Agreement provide for the development, by the Fund, in the land area, of a real estate project consisting of two Last Mile logistics warehouses ("Development") with a total built-up area of approximately 8,450 sqm. Upon completion of construction, the Company will own 40% of the Project. The completion of the sale is subject to suspensive conditions being met, as established in the Terms of the Agreement.

On July 28, 2021, the Company entered into a Real Estate Sale and Purchase Commitment Agreement and Other Covenants ("CVC") with BMX REALIZAÇÕES IMOBILIÁRIAS E PARTICIPAÇÕES SA, for the acquisition of 3 Commercial Buildings designed for retail occupation (restaurants and other services), which are part of the Parque da Cidade Complex, located in the city and state of São Paulo. The acquisition comprises a gross leasable area (GLA) of 2,286 sqm and will be carried out for a total price of R\$ R\$28,000. The transaction execution is subjected to overcoming suspensive conditions set forth in the SPA (Sale and Purchase Agreement).

On August 16, 2021, the Company entered into a Sale and Purchase Commitment Agreement for Property under Construction with Resolutive Condition and Other Covenants ("CVC") with the FUNDO DE INVESTIMENTO IMOBILIÁRIO - VBI LOGÍSTICO, registered with the CNPJ/ME under No. 30.629.603/0001-18 ("Fund"), represented by its administrator, BTG PACTUAL SERVIÇOS FINANCEIROS S.A. DTVM, registered with the CNPJ/ME under No. 59.281.253/0001-23, for the sale of a logistics warehouse under development, with a gross leasable area of 35,690 sqm ("Asset"), which is part of the "Galpão Cajamar" (Cajamar Warehouse) project being developed by the Company, with the completion of construction scheduled for the beginning of the 2nd quarter of 2022. The sale corresponds to approximately 24% of the total leasable area of the project (149,525 sqm) and will be sold for the total price of R\$123,215. The payment for 50% of the total price was made on August 20, 2021, and the remaining 50% will be paid upon completion of the project and execution of the deed of purchase and sale of the property scheduled for the 2nd quarter of 2022, with the balance to be adjusted by reference to IPCA from the date of the CVC date to the date of payment.

On August 30, 2021, the Company entered into a binding proposal for the sale ("Proposal"), with a view to selling 55% of the ideal fraction of the property named "Complexo JK - Bloco B" ("Property"), located in the city and state of São Paulo. The sale of 55% of the ideal fraction of the Property is equivalent to a gross leasable area (GLA) of approximately 16,847 sqm, and will be sold for a total R\$555,935. The completion of the sale and payment will be made after fulfilling certain conditions precedent, as established in the proposal. The proposal also included the sale of the undivided interest that may remain from the remaining 25% in the Property for the price of R\$230,874, if FII VBI Prime Properties does not exercise its option.

On September 29, 2021, the Company entered into a Property Swap with Cash Return Agreement and other Covenants with CRISTAIS LOG C1 LTDA. registered with the CNPJ under No. 43.564.175/0001-34 ("Cristais Log C1"), CRISTAIS LOG G1 LTDA. ("Cristais Log G1"), registered with the CNPJ under No. 43.565.304/0001-09, CRISTAIS LOG J1 LTDA. ("Cristais Log J1"), registered with the CNPJ under No. 43.564.100/0001-53, CRISTAIS LOG J2 LTDA. ("Cristais Log J2"), registered with the CNPJ under No. 43.565.754/0001-00 (together, the "Swapping Entities"), with CAP ADMINISTRAÇÃO E PARTICIPAÇÕES LTDA., registered with the CNPJ under No. 51.029.239/0001-25, acting as the intervening agent, aiming at the acquisition of land owned by the Swapping Entities for logistic/industrial purposes, located in the municipality of Cajamar, District of Jundiaí, State of São Paulo, for the development of a logistic project of approximately 150,000 sqm of gross leasable area (GLA). The Agreement states that the Company will develop, in the land lot, two logistics condominiums ("Cajamar II Project") which will comprise four warehouses in total. The land acquisition price corresponds to the obligation to swap the construction of 33% of the Cajamar II Project to the Swapping Entities, plus a cash return in the amount of R\$10,000 thousand. Upon completion of construction, the Company will own 67% of the project. The completion of the transaction is subject to the fulfillment of certain resolutive/suspensive conditions by the parties, as defined in the commitment agreement.

2 Summary of significant accounting practices and policies

The individual and consolidated quarterly information has been prepared consistently with the accounting practices described in Note 2 to the individual and consolidated financial statements for the year ended December 31, 2020, which remain valid.

Accordingly, this quarterly information does not include all notes and disclosures required by standards for annual individual and consolidated financial statements, and, as a result, the respective information should be read together with the referred to annual individual and consolidated financial statements. Based on the judgment and assumptions adopted by management on the materiality and changes that should be disclosed in the notes, this quarterly information includes selected notes and does not include all the notes presented in the annual financial statements, as allowed by Memorandum Circular No. 03/2011, issued by the Brazilian Securities and Exchange Commission ("CVM").

The Company's individual and consolidated quarterly information, contained in the Quarterly Information (ITR) for the quarter ended September 30, 2021, has been prepared in accordance with NBC TG 21 (R4) (R1) – Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) and presented consistently with CVM rules applicable to the preparation of Quarterly Information (ITR).

The preparation of quarterly information requires the use of certain critical accounting estimates and exercise of judgment by the Company management in the process of applying the accounting practices. Accounting estimates and assumptions are assessed from time to time and based on historical experience and other factors, including expected future events considered reasonable for the circumstances. These estimates and assumptions may differ from actual results.

The quarterly information is presented in thousands of reais (R\$) and all amounts are rounded to the nearest thousand, unless otherwise stated. In certain circumstances, this may lead to immaterial differences between the sum of the figures and the subtotals presented in the tables.

On March 10, 2020 and April 16, 2020, the Brazilian SEC (CVM) issued Memorandum Circulars No. 02/2020 and No. 03/2020 ("CVM/SNC/SEP Memorandum Circulars No. 02/2020 and No. 03/2020") on potential effects that the coronavirus may have on companies' business and its impacts on the financial statements, stressing how important it is for listed companies and their Independent Auditors to carefully consider COVID-19 impacts on these companies' business and the risks and uncertainties to which such companies are exposed.

In this regard, the Company clarifies that, based on the information and data currently available on the potential impacts of the Covid-19 pandemic on the Company activities, as well as rent deferrals to lessees with specific lines of business that were most affected by the pandemic, and which will be paid in the future as agreed for each situation, the Company is of the understanding that, so far, there are no significant effects on its quarterly information, its ability to continue as a going concern, and/or accounting estimates.

Nevertheless, the Company continues diligently monitoring all information on this matter and assessing, based on the evolution of the crisis generated by the pandemic and the impact on the market in general, and on its business, whether it is necessary to disclose a new material fact and/or change the projections and estimates relating to the risks reported in its reference form, in order to inform Company shareholders and the market about changes in assessment that have significant effects.

3 Cash, cash equivalents and marketable securities

	Note	Individual		Consolidated	
		9/30/2021	12/31/2020	9/30/2021	12/31/2020
Cash and banks		202	7,241	282	7,345
Short-term investments	(i)	991,472	1,049,245	1,001,454	1,081,627
Cash and cash equivalents		991,674	1,056,486	1,001,736	1,088,972
Certificates of Real Estate Receivables	(ii)	-	9,672	-	-
Restricted cash	(iii)	115,017	136,050	115,017	136,050
Marketable securities		115,017	145,722	115,017	136,050
Total		1,106,691	1,202,208	1,116,753	1,225,022
Current		1,100,678	1,173,121	1,110,740	1,195,935
Noncurrent		6,013	29,087	6,013	29,087

(i) Short-term investments correspond to Bank Deposit Certificates (CDBs) held with first-tier domestic and foreign financial institutions. These transactions are mostly remunerated based on the Interbank Deposit Certificate (CDI) rate variation, under normal market conditions and rates.

(ii) Under the merger approved on April 8, 2019, BRPR now holds the rights to the repurchased securities relating to the Certificates of Real Estate Receivables (CRI) issued by BRPR 56 Securitizadora de Créditos Imobiliários S.A., which were eliminated for consolidation purposes. This transaction was settled on March 8, 2021.

(iii) Restricted cash on acquisition of equity interest and sale of properties, invested in Bank Deposit Certificates (CDB), bearing interest at rates ranging from 98% to 107% of the Interbank Deposit Certificate (CDI). On October 25, 2021, the amount of R\$109,004 was released, due to the fulfillment of all obligations defined in the agreement, thus making these funds available.

The Company adopts financial investment policies determining that investments should be concentrated on low-risk marketable securities and investments in first-tier financial institutions, bearing interest ranging from 96% to 114% (12/31/2020 - 96% to 108%) of the Interbank Deposit Certificate (CDI).

4 Trade accounts receivable

		Individual		Consolidated	
		9/30/2021	12/31/2020	9/30/2021	12/31/2020
Rental receivable		214,572	193,230	215,104	193,230
(-) Allowance for expected credit losses	(i)	(8,706)	(10,081)	(8,706)	(10,081)
		205,866	183,149	206,398	183,149
Current		50,683	42,851	51,215	42,851
Noncurrent		155,183	140,298	155,183	140,298

(i) The total amount recorded as at September 30, 2021 includes (a) R\$184 overdue by 30 days; (b) R\$184 overdue by 60 days, and R\$8,338 overdue after 180 days.

Under typical contracts with customers, lease is usually received until the tenth business day of the subsequent month, in addition to contracts with annual payments.

Current lease agreements are annually restated substantially by reference to the General Market Price Index (IGP-M), and most of the new agreements have been adjusted by reference to the IPCA/INPC rate throughout 2021; the agreements contain no contingent receipt clauses, as they do not include payments based on variables, such as percentage of future sales, futures price indexes and other.

According to amendments brought by CPC 48 (IFRS 9), the objective of which is to generate a predictive approach to determine the increase in credit risk, through introduction of predictive metrics in the methodology for assessment of receivables, the Company adopts the “provision matrix” model, according to which the amount of expected losses is defined “ad hoc”, that is, using the concept of historical loss for trade accounts receivable for 12 months, discounting any guarantees (bank guarantee, escrow savings, among others).

Management understands that the risk related to trade accounts receivable is mitigated as the Company’s customer portfolio is diversified and with first-tier lessees.

Changes in allowance for expected credit losses are as follows:

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Balance at beginning of year	(10,081)	(5,988)	(10,081)	(5,988)
Transfer	5,570	-	5,570	-
Changes in the allowance in P&L	(4,195)	(4,093)	(4,195)	(4,093)
Balance at end of period	(8,706)	(10,081)	(8,706)	(10,081)

(i) Transfer to provision for adjustment to realizable value, as stated in Note 6.

Operating lease agreements

The Company entered into commercial property lease agreements for its investment property portfolio. These non-cancelable leases have remaining terms of five to fifteen years. All leases include a clause that allows a review of lease amounts according to market conditions and applicable legislation.

Future minimum lease receivables, without discounts, under operating leases as at September 30, 2021 are as follows:

	Consolidated	
	9/30/2021	12/31/2020
Within one year	361,577	348,253
From 1 to 5 years	1,246,381	1,230,858
Over 5 years	1,255,323	1,273,335
	2,863,280	2,852,446

5 Taxes recoverable and payable

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Withholding income taxes	6,446	-	6,734	-
Prepayment of Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Profit (CSLL)	7,211	-	7,633	-
PIS and COFINS to be offset	119	-	145	20
Negative IRPJ and CSLL balance	256,645	264,591	259,487	267,520
Total taxes recoverable	270,421	264,591	273,999	267,540
Income and social contribution taxes payable	(7,687)	-	(8,669)	(358)
Taxes on income - PIS and COFINS	(1,325)	(1,275)	(1,326)	(1,277)
Withholding taxes	(1,384)	(629)	(1,384)	(630)
Other taxes payable	(11,160)	-	(11,225)	(61)
Total taxes payable	(21,556)	(1,904)	(22,604)	(2,326)
Total, net	248,865	262,687	251,395	265,214
Current assets	20,741	15,183	21,367	15,183
Noncurrent assets	249,682	249,408	252,632	252,358
Current liabilities	(21,558)	(1,904)	(22,604)	(2,327)
Total, net	248,865	262,687	251,395	265,214

6 Other current and noncurrent assets

	Note	Individual		Consolidated	
		9/30/2021	12/31/2020	9/30/2021	12/31/2020
Receivables	(i)	64,834	36,366	65,608	37,187
Receivables from sale of properties	(ii)	44,673	58,368	44,673	58,368
Advance for acquisition of investments	(iii)	17,748	60,783	17,747	60,783
Assignment of credit	(iv)	-	-	-	43,994
Advances to suppliers		1,414	3,504	1,506	3,625
Amounts recoverable	(v)	114,346	82,352	114,346	82,352
Other assets		23,589	16,100	23,603	16,118
Provision for adjustment to realizable value	(vi)	(11,132)	(4,021)	(11,734)	(4,623)
		255,472	253,452	255,749	297,804
Current		55,254	105,882	55,513	150,218
Noncurrent		200,218	147,570	200,236	147,586

(i) This substantially represents amounts to be reimbursed by lessees (R\$62,998).

(ii) Balance receivable upon sale of properties adjusted based on CDI variation until its effective payment.

(iii) As at September 30, 2021, advances for the acquisition of investments refer to (a) acquisition of Castanheira (R\$6,808) and Jaborandi (R\$10,940) warehouses, belonging to Théia BBP condominium.

(iv) Assignment of receivables to UBS arising from the sale of Ed. Barra da Tijuca. Such receivables were linked to the 1st Issue of CRI of BRPR 56, as explained in Note 9(ii).

(v) Judicial expenses to be reimbursed substantially to WTorre, as detailed in Note 12.

(vi) This substantially represents amounts receivable related to renegotiations with lessees. For the nine-month period ended September 30, 2021, a R\$7,111 increase was reported in connection with renegotiations.

7 Investments

Interest held in subsidiaries, valued under the equity method, was determined based on the statements of financial position as at September 30, 2021 and December 31, 2020. The carrying amount of the investment and equity pickup for the nine-month period ended September 30, 2021 and year ended December 31, 2020 are as follows:

	Individual	
	9/30/2021	12/31/2020
Interest held in subsidiaries	28,279	50,526

a. Information on subsidiaries

	Shares/units of interest	Equity	P&L for the year	9/30/2021		12/31/2020	9/30/2020
				Book value of the investment	Equity pickup	Book value of the investment	Equity pickup
Direct subsidiaries							
BRPR VII Empreendimentos e Participações Ltda.	93,199,399	1,189	190	1,189	190	12,367	285
BRPR 43 Empreendimentos e Participações Ltda.	11,427,013	1,252	19	1,252	19	1,232	17
BRPR 45 Empreendimentos e Participações S.A.	863,162	704	10	704	10	693	10
BRPR 56 Empreendimentos e Participações S.A.	105,509	1,134	52	1,134	52	10,582	176
BRPR 62 Empreendimentos e Participações Ltda.	48,599,924	2,380	41	2,380	41	2,340	34
BRPR 66 Empreendimentos e Participações Ltda.	17,799,464	17,109	22	17,109	22	17,087	20
BRPR A Adm. de Ativos Imob. Ltda.	400,999	3,903	3,502	3,903	3,502	5,623	4,191
BRPR Participações S.A.	701,000	609	8	608	8	602	2
Investees merged in 2021	-	-	86	-	86	-	-
Investees merged in 2020	-	-	-	-	-	-	1,821
				28,279	3,932	50,526	6,556

b. Information on main groups of assets, liabilities and profit or loss of subsidiaries at September 30, 2021

	ASSETS			LIABILITIES AND EQUITY			
	Current assets	Noncurrent assets	Total	Current liabilities	Noncurrent liabilities	Equity	Total
Direct subsidiaries							
BRPR VII Empreendimentos e Participações Ltda.	747	478	1,225	(36)	-	(1,189)	(1,225)
BRPR 43 Empreendimentos e Participações Ltda.	553	705	1,258	(6)	-	(1,252)	(1,258)
BRPR 45 Empreendimentos e Participações S.A.	661	45	706	(2)	-	(704)	(706)
BRPR 56 Empreendimentos e Participações S.A.	605	530	1,135	(1)	-	(1,134)	(1,135)
BRPR 62 Empreendimentos e Participações Ltda.	1,090	1,298	2,388	(8)	-	(2,380)	(2,388)
BRPR 66 Empreendimentos e Participações Ltda.	1,142	15,972	17,114	(5)	-	(17,109)	(17,114)
BRPR A Adm. de Ativos Imob. Ltda.	6,087	537	6,624	(2,101)	(620)	(3,903)	(6,624)
BRPR Participações S.A.	597	18	615	(6)	-	(609)	(615)
Investees merged in 2021	76	835,468	835,544	(5)	-	(835,539)	(835,544)

Statement of profit or loss					
	Gross revenue from leases and services	Taxes, rebates and costs of leased properties	Operating (expenses) / income	Income and social contribution taxes	P&L for the period
Direct subsidiaries					
BRPR VII Empreendimentos e Participações Ltda.	-	-	228	(38)	190
BRPR 43 Empreendimentos e Participações Ltda.	-	-	25	(6)	19
BRPR 45 Empreendimentos e Participações S.A.	-	-	12	(2)	10
BRPR 56 Empreendimentos e Participações S.A.	-	-	79	(27)	52
BRPR 62 Empreendimentos e Participações Ltda.	-	-	49	(8)	41
BRPR 66 Empreendimentos e Participações Ltda.	-	-	27	(5)	22
BRPR A Adm. de Ativos Imob. Ltda.	11,629	(1,006)	(5,831)	(1,290)	3,502
BRPR Participações S.A.	-	-	10	(2)	8
Investees merged in 2021	-	-	90	(4)	86

c. Changes in investments

	Note	9/30/2021	9/30/2020
Opening balance		50,526	197,470
(+) Acquisition of investments	(i)	835,453	-
(-) Capital reduction in subsidiaries		(14,271)	(35,500)
(-) Receipt of dividends and IOE		(11,822)	(14,226)
(-) Merger of subsidiaries	(i)	(835,539)	(102,813)
(+/-) Equity pickup		3,932	6,556
Closing balance		28,279	51,487

- (i) As discussed in Note 1, on January 13, 2021, in line with the material news release disclosed on October 14, 2019, the Company completed the acquisition of 100% of the shares of SPEs REC Empreendimentos e Participações VII and REC Empreendimentos e Participações IX, owners of the following commercial properties, respectively: (i) 100% of commercial property “Torre Corporativa B2 – Paineira” and (ii) 30% of commercial property “Torre Corporativa B3 – Jatobá.” The Special General Meeting (SGM) held on April 26, 2021 approved the merger of these companies into BR Properties S.A.

8 Investment properties

a. Information on changes in investment properties

	Note	Individual		Consolidated	
		9/30/2021	9/30/2020	9/30/2021	9/30/2020
Opening balance		8,090,157	7,018,049	8,106,068	7,133,661
(+) Acquisitions of properties	(i)	249,537	-	1,085,005	-
(+) Development and retrofit costs	(ii)	106,486	84,514	106,486	84,514
(+/-) Other changes		-	(1,441)	-	(1,384)
(+) Disposal of properties	(iii)	(342,418)	-	(342,418)	-
(+) Merger of subsidiaries	(iv)	835,468	99,757	-	-
(+/-) Market value adjustment	(v)	52,293	-	52,293	-
Closing balance		8,991,522	7,200,880	9,007,434	7,216,791

- (i) Acquisition costs and costs directly attributable to the assets: (i) Tower B2 – Paineira and Tower B3 – Jatobá (R\$ 865,688) (ii) Galpão Centauri, Belatrix and support area (R\$219,316).
- (ii) In 2021 and 2020, retrofit costs refer substantially to the following projects: Galpão Cajamar, Ed. PDC B1 Aroeira, Ed. Centenário Plaza I, Passeio Corporate and Águas Claras.
- (iii) As mentioned in Note 1, the disposals refer to the following properties: Ed. Porto Alegre, Ed. Souza Aranha I / II, 20% of Ed. JK Torre B and Galpão Tucano.
- (iv) At the Annual (AGM) and Special (SGM) General Meeting held on April 26, 2021, the merger of the companies holding assets Tower B2 – Paineira and Tower B3 – Jatobá was approved, as detailed in Note 7c (i).
- (v) This refers to the mark-to-market of the sales described in note (iii) above.

Following is a sensitivity analysis of the asset amounts and the respective adjustments to the Company's P&L, presented in the financial statements for the year ended December 31, 2020, in case of changes in the discount rates used for fair value calculation. Variations of 0.5 percentage points upwards and downwards were used. In the quarter ended September 30, 2021, there were no events that significantly impacted the intervals determined at December 31, 2020 that had not been adjusted for disposals in the period, in accordance with the accounting practice adopted by the Company.

		Effects of changes in fair value			
	Fair value at 12/31/2020 Consolidated	-0.5 p.p.		+0.5 p.p.	
		Effect on profit or loss		Effect on profit or loss	
Fair value of investment properties	8,106,068	8,403,818	297,750	7,822,018	(284,050)

9 Loans and financing

Loans	Note	Financial charges		Individual		Consolidated	
		Index	Coupon (%) p.a.	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Mortgage Bonds (CCI)				256,550	270,245	256,550	270,245
Guarantee CRI 142 and 143 RB Capital		CDI	1.45	256,550	270,245	256,550	270,245
Mortgage-backed Securities (CRI)				-	-	-	34,322
CRI 1st Issue of BRPR 56	(ii)	IGPM	9.50	-	-	-	34,322
Debentures	(i)			2,701,592	1,984,825	2,701,592	1,984,825
7th issue – 1st tranche		CDI	1.55	98,801	104,355	98,801	104,355
7th issue – 2nd and 3rd tranche		IPCA	7.23	155,668	152,193	155,668	152,193
9th Issue		CDI	0.70	-	50,113	-	50,113
10th issue – 1st tranche		% of CDI	121.50	175,975	352,678	175,975	352,678
10th issue – 2nd tranche		CDI	1.80	176,076	-	176,076	-
11th Issue		% of CDI	101.00	244,014	240,580	244,014	240,580
12th Issue		CDI	1.70	281,106	280,559	281,106	280,559
14th Issue		% of CDI	137.00	256,889	251,591	256,889	251,592
15th Issue		CDI	2.65	554,791	552,755	554,791	552,755
16th Issue		CDI	2.30	405,433	-	405,433	-
17th Issue		CDI	1.85	352,838	-	352,838	-
Total				2,958,142	2,255,070	2,958,142	2,289,392
Unamortized charges				(23,144)	(23,599)	(23,144)	(23,599)
Total loans plus charges				2,934,998	2,231,471	2,934,998	2,265,793
Current				324,213	251,920	324,213	286,242
Noncurrent				2,610,785	1,979,551	2,610,785	1,979,551

- (i) On July 14, 2017, the Company conducted the 7th issue of non-privileged unsecured nonconvertible debentures, in up to three series, in the total amount of up to R\$275,000, as follows: a) the 1st series will mature within 12 years and entitles to payment of conventional interest equivalent to 100% of the accumulated variation of the Interbank Deposit (DI) Rate, plus a surcharge of 1.55% p.a., and b) the 2nd and 3rd series will mature within 15 years, with monthly restatement by reference to the IPCA and bearing interest of 7.23% p.a.

On February 20, 2018, the Company conducted the 9th issue of non-privileged unsecured nonconvertible debentures, in a single series, in the total amount of R\$50,000. The debentures mature in 60 months and entitle to payment of conventional interest equivalent to 100% of the accumulated DI rate variation, plus surcharge of 0.7% per annum. This issue was fully amortized on July 8, 2021.

On August 14, 2018, the Company conducted the 10th issue of non-privileged unsecured nonconvertible debentures, in a single series, in the total amount of R\$350,000. The debentures mature in 48 months and entitle to payment of conventional interest equivalent to 121.50% of the accumulated DI rate variation. On August 31, 2021, the renegotiation of part of this issue was concluded, equivalent to R\$175,000 with a maturity of 48 months and entitled to the payment of interest equivalent to CDI+1.8%.

On November 3, 2018, the Company conducted the 11th issue of non-privileged unsecured nonconvertible debentures, in a single series, in the total amount of R\$240,000. The debentures mature in five years and entitle to payment of conventional interest equivalent to 101.00% of the accumulated DI rate variation.

On December 13, 2018, the Company conducted the 12th issue of unsecured nonconvertible debentures, with security interest, in five series, in the total amount of R\$500,000. The debentures mature in seven years and have an annual cost of CDI+1.7%.

On April 1, 2020, the Company conducted the 14th issue of non-privileged unsecured nonconvertible debentures, in the total amount of R\$250,000, with par value of R\$10 maturing within three years and subject to semiannual payment of conventional interest equivalent to 137% of the accumulated DI rate variation.

On August 20, 2020, the Company conducted the 15th issue of non-privileged unsecured nonconvertible debentures, in the total amount of R\$550,000, with par value of R\$1 maturing within five years and annual cost of CDI+2.65%.

On January 28, 2021, the Company carried out the 16th Public Issuance of Unsecured Nonconvertible Debentures of real type, in the total amount of R\$400,000, with a unit face value of R\$1, five-year maturity terms and annual cost of CDI + 2.30%. As regards the restrictive clauses, the Trustee must declare the obligations arising from the Debentures in advance, and demand the immediate payment by the Company of the outstanding balance of the Face Value of the Debentures outstanding, plus Remuneration calculated on a prorated basis from the Issue Date or the immediately preceding Remuneration payment date, as the case may be, until the effective payment date, without prejudice, when applicable, to the Late Payment Charges, upon occurrence of any of the events provided for by law and/or certain contractually provided events, similar to those mentioned in previous issues, the most relevant being the Loan To Value at the end of each quarter, of a maximum of 70% ("LTV"), obtained by dividing the Debit Balance of the Debentures divided by the value of the properties in the following proportion: 70% of Ed. TNU, 43% of Ed. Manchete and 100% of Cajamar land, based on the appraisal report using the market value criterion.

On August 6, 2021, the Company carried out the 17th Public Issuance of Unsecured Nonconvertible Debentures of real type, in the total amount of R\$350,000, with a unit face value of R\$1, five-year maturity terms and annual cost of CDI + 1.85%. As regards the restrictive clauses, the Trustee must declare the obligations arising from the Debentures in advance, and demand the immediate payment by the Company of the outstanding balance of the Face Value of the Debentures outstanding, plus Remuneration calculated on a prorated basis from the Issue Date or the immediately preceding Remuneration payment date, as the case may be, until the effective payment date, without prejudice, when applicable, to the Late Payment Charges, upon occurrence of any of the events provided for by law and/or certain contractually provided events, similar to those mentioned in previous issues, the most relevant being the Loan To Value at the end of each quarter, of a maximum of 50% ("LTV"), obtained by the ratio of the net financial debt, equivalent to the total debt (all debt for borrowed money, including, but not limited to, loan agreements, bank credit bills, debt securities, receivables finance, securities representing debts and obligations for the acquisition of real estate) less the amount in cash and cash equivalents and marketable securities, and investment properties (according to the item in the Company's consolidated financial statements).

- (ii) Under the merger approved on April 8, 2019, the Company became the direct owner of the Property, assuming the position of grantor and trustee of the Property within the scope of the pledge in force, and BRPR 56 Securitizadora de Créditos Imobiliários SA became the assignee in relation to the lease arising from the Lease Agreement, pegged to the CRI. The outstanding balance of the real estate receivables related to the issue was fully assigned by BRPR 56 Securitizadora de Créditos Imobiliários SA to the Company. Jointly with the sale of Ed. Barra da Tijuca, 100% of the real estate receivables linked to the issue to FII UBS (BR) OFFICE (the "Fund") were assigned. This securitization transaction was settled on March 8, 2021.

In consonance with the new accounting standard CPC 48 (IFRS 09), contractual changes of financial liabilities may have different accounting effects, depending on whether such changes are substantial.

Resulting costs, expenses and fees required for the changes were included in the gross carrying amount of the financial liability, and subsequently allocated to P&L based on the effective interest rate.

Guarantees, collateral and mortgage granted to creditors

Real properties acquired (investment properties) were given as chattel mortgage and main guarantee of financing. In addition, the Company offered guarantees in the form of a fiduciary assignment of the credit rights of the lease agreements entered into with the lessees of real properties.

The Company recorded R\$1,752,350 in debts pegged to the portion of investment properties held in portfolio and whose market value, at September 30, 2021, amounts to R\$9,007,434 (Note 8). As such, debts in guarantee represent 19% of the investment property amount.

Maturities

The table below shows the current and noncurrent portions of the accounting amortization schedule and undiscounted financial flow:

	Accounting		Financial	
	Individual	Consolidated	Individual	Consolidated
	9/30/2021	9/30/2021	9/30/2021	9/30/2021
2021	74,431	74,431	76,408	76,408
2022	395,788	395,788	402,881	402,881
2023	561,241	561,241	566,236	566,236
2024	485,724	485,724	488,463	488,463
2025	839,346	839,346	841,847	841,847
2026	329,629	329,629	332,819	332,819
2027 onwards	248,839	248,839	249,487	249,487
Total	2,934,998	2,934,998	2,958,142	2,958,142

Covenants

At September 30, 2021, the Company and its subsidiaries were compliant with all covenants.

10 Income and social contribution taxes

	Individual		Consolidated	
	9/30/2021	9/30/2020	9/30/2021	9/30/2020
Income before income and social contribution taxes	113,382	134,855	114,765	136,985
Income and social contribution taxes at statutory rate (34%)	(38,550)	(45,851)	(39,020)	(46,575)
Adjustments to derive the effective rate:				
Equity pickup	1,337	2,229	-	-
Unrecognized tax credits from income and social contribution tax losses	3,301	(38,932)	3,334	(38,831)
Permanent exclusions (additions), net				
Gains (losses) on disposal of investment properties	646	-	646	-
Other	(662)	(1,718)	(271)	(996)
Income from (loss on) income and social contribution taxes	(33,928)	(84,272)	(35,311)	(86,402)

At September 30, 2021 and 2020, breakdown of income and social contribution tax expenses is as follows:

	Individual		Consolidated	
	9/30/2021	9/30/2020	9/30/2021	9/30/2020
Current income and social contribution taxes	(7,683)	(275)	(9,048)	(2,513)
Deferred income and social contribution taxes	(26,245)	(83,997)	(26,263)	(83,889)
	(33,928)	(84,272)	(35,311)	(86,402)

Deferred income and social contribution taxes are recorded so as to reflect future tax effects on temporary differences existing between assets and liabilities tax base and the corresponding carrying amount.

At September 30, 2021 and December 31, 2020, the net accumulated balance of deferred income and social contribution tax liabilities is broken down as follows:

	Note	Individual		Consolidated	
		9/30/2021	12/31/2020	9/30/2021	12/31/2020
Fair value adjustment of investment properties		848,385	889,025	848,385	889,026
Temporary differences (tax depreciation)		329,685	298,809	329,685	298,809
Rental income on a straight line basis		58,510	51,985	58,510	51,985
Appreciation of assets	(i)	38,087	34,659	38,087	34,659
Other		12,702	11,311	12,703	11,310
Deferred tax liabilities		1,287,369	1,285,789	1,287,370	1,285,789
Income and social contribution tax losses	(ii)	(306,056)	(306,056)	(306,056)	(306,056)
Tax credit arising from goodwill on merger	(iii)	(46,812)	(71,891)	(46,812)	(71,891)
Other		(15,969)	(15,555)	(16,387)	(15,991)
Deferred tax assets		(368,837)	(393,502)	(369,255)	(393,938)
Deferred taxes, net		918,532	892,287	918,115	891,851
Deferred taxes – Statement of financial position - Assets		-	-	(418)	(436)
Deferred taxes – Statement of financial position - Liabilities		918,532	892,287	918,533	892,287
Deferred taxes, net		918,532	892,287	918,115	891,851

Deferred tax liabilities

(i) Due to the application of CPC 28 / IAS 40 (investment properties), assets and their respective appreciation will be recorded as investments in the financial statements, not subject to depreciation. However, in tax accounting, assets will continue to be depreciated, the appreciation arising from application of CPC 28 / IAS 40 does not exist, and goodwill based on the asset market value is part of the value of the asset, subject to depreciation. Therefore, amortization of goodwill based on appreciation of assets, due to depreciation of assets, will be achieved through an exclusion in the calculation of the income and social contribution tax base calculation in accordance with the current tax legislation.

Deferred tax assets

Tax asset recoverability estimates (R\$369,255 - consolidated) are based on projections of taxable profit considering various financial and business assumptions projected by the Company for the coming years. Consequently, such estimates may not materialize given the uncertainties inherent in the estimation process.

As expected by Company management, considering the results presented through December 31, 2020, tax credits arising from tax losses and temporary differences will be realized within 11 years, as follows:

Year	Individual/Consolidated
2021	0.0%
2022	0.2%
2023	3.7%
2024	9.6%
2025	18.2%
2026	29.2%
2027	42.0%
2028	56.4%
2029	72.4%
2030	90.9%
2031	100.0%

As the income and social contribution taxable base stems not only from the profit that can be generated, but also from the existence of nondeductible expenses and other variables, there is no immediate correlation between the Company's net income and the income and social contribution tax gains (losses). Therefore, the expectation of use of tax credits should not be perceived as an indication of the Company's future P&L.

The Company did not recognize deferred tax assets on the balance of IRPJ and CSLL tax losses of the subsidiaries, as the related amounts are not expected to be realized.

(ii) In the years 2020 and 2021, the Company carried out a corporate restructuring upon the merger of certain subsidiaries for operation optimization purposes, thus confirming the expected future realization of deferred tax assets.

(iii) The tax credit arising from goodwill on merger refers to One Properties S.A. (merged into the Company on March 29, 2012). This credit was recorded in One Properties on March 29, 2012, the date on which Saíra Diamante Empreendimento Imobiliário S.A. (parent company of One Properties at the time) underwent a downstream merger. The amount of tax credits was calculated considering 34% tax rate on goodwill (resulting from the payment of assets in One Properties) of R\$983,502. As a basis for tax accounting, the Company considered accounting pronouncements ICPC 09 and CPC 32 (IAS 12).

At September 30, 2021, the balance of tax credit and goodwill costs from future profitability and appreciation of assets in acquisitions or mergers, liable to deduction due to amortization, was broken down as follows:

	Individual	
	9/30/2021	12/31/2020
Tax credit – merger of ONEP	334,390	334,390
Deductibility of appreciation of assets - tax effect	210,860	114,260
(-) Amortization	(325,665)	(297,158)
	219,585	151,492

11 Other current and noncurrent liabilities

	Note	Individual		Consolidated	
		9/30/2021	12/31/2020	9/30/2021	12/31/2020
Advances from customers	(i)	62,280	2,976	62,280	2,976
Obligations from acquisition of property	(ii)	157,379	49,189	157,379	49,189
Provision for costs and expenses to be incurred		19,974	17,339	19,974	17,419
		239,633	69,504	239,633	69,584
Current		(202,916)	(38,586)	(202,916)	(38,666)
Noncurrent		(36,717)	(30,918)	(36,717)	(30,918)

- (i) Advance received for the sale of Galpão Cajamar 300, equivalent to R\$61,608, as mentioned in Note 1.
(ii) Obligations from acquisition of properties refer to:

(a) the amount of R\$40,510 was withheld in connection with the acquisition of Torre B2, Torre B3 and Ed. Parque da Cidade, as mentioned in Note 1. Of this balance, R\$35,421 has already been settled, with a balance payable equivalent to R\$5,963, plus monetary adjustment;

(b) the amount of R\$31,023 was withheld in connection with the acquisition of Ed Parque da Cidade – Torre B1 on December 16, 2020, as mentioned in Note 1. Of this balance, R\$28,500 has already been settled by September 30, 2021, with a balance payable equivalent to R\$3,386, plus monetary adjustment; and

(c) balance payable for the acquisition of Galpão Centauri, Ed. Bellatrix and support area. Of the total acquisition amount, equivalent to R\$213,577, R\$84,853 was paid up to the acquisition date on August 17, 2021, with a balance payable equivalent to R\$128,724. Of this balance, R\$2,072 has already been paid by September 30, 2021, with a balance payable equivalent to R\$127,710, plus monetary adjustment.

(d) the amount of R\$3,480 was withheld in connection with the acquisition of Galpão Cupuaçu, not subject to monetary adjustment, subject to the seller's verifying the completion of certain conditions defined in the deed.

- (iii) This substantially represents provisions for minimum guaranteed income for a certain period, granted in certain property sale transactions, equivalent to R\$19,849 as at September 30, 2021.

12 Contingencies

The Company and its subsidiaries are parties to labor, civil and tax proceedings at various court levels. The provisions for contingencies to cover losses arising from proceedings pending judgment are set up and restated based on management's assessment, considering the opinion of its legal advisors.

A summary of provisions set up and judicial deposits made is as follows:

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Labor	-	-	629	600
Tax	1,914	1,914	1,914	1,914
Civil	296	345	296	345
Subtotal - BR Properties proceedings	2,210	2,259	2,839	2,859
Labor	1	-	1	-
Tax	23,178	-	23,178	-
Civil	89,071	80,217	89,071	80,217
Subtotal - One Properties proceedings	112,250	80,217	112,250	80,217
(-) Judicial deposits	(4,828)	(4,695)	(4,837)	(4,703)
Total	109,632	77,781	110,252	78,373

At September 30, 2021, the main amounts refer to lawsuits involving One Properties S.A., predecessor of the Company, which are the responsibility of WTorre, classified as probable loss according to legal advisors.

Civil – One Properties - application for enforcement of debt payment lodged by Bicletas Monark S/A ("Monark") referring to fine due WTorre's withdrawal from the business, provided for in the preliminary purchase and sale agreement. In July 2011, a favorable decision was handed down for Monark, sentencing the defendant to pay the contractual fine in the historical amount of R\$19,238. In December 2019, BR Properties filed a motion for clarification, requesting that the São Paulo Court of Justice rule on the request to reduce the attorney's fees payable by the losing party, established in favor of Monark's attorneys. Monark was summoned to provide a statement on the motion for clarification. In September 2020, a decision was given on the motion for clarification to reject the reduction in the costs of losing the suit for Monark's lawyers; a special appeal was filed thereafter. The estimated loss totals R\$84,767, including Monark's attorney fees payable by the Company.

Tax – One Properties - Administrative proceeding (WTorre São Paulo) referring to additions not computed in the calculation of income and social contribution tax bases – Nondeductible costs/expenses and incorrect offset of operating loss totaling R\$17,041.

As provided for in Merger Agreement and other Covenants, entered into on January 14, 2012 between the Company and third parties, in the event of loss, the Company would be responsible for the payment, subsequently claiming reimbursement from its predecessors, contractually responsible for any loss related to these proceedings. For payment of reimbursements of this nature, the guarantee from WTorre is currently 1.8 million own shares (BRPR3), pledged in the name of the Company.

Accordingly, the Company recorded the amount of R\$112,250, which includes other actions to be reimbursed by WTorre, under "Amounts recoverable" (Note 6) in noncurrent assets, considering the expectation of reimbursement of 100% of this amount upon effective loss.

The Company is party to other tax, labor and civil proceedings arising from the ordinary course of business, whose likelihood of an unfavorable outcome was rated as possible by management and its legal advisors. As a result, no provision was set up to cover these possible unfavorable outcomes. At September 30, 2021, these proceedings amount to:

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Labor	41	43	41	43
Tax	285,088	282,696	285,088	282,696
Civil	-	-	-	126
Subtotal - BR Properties	285,129	282,739	285,129	282,865
	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Tax	46,646	62,912	46,646	62,912
Civil	498,527	454,509	498,527	454,509
Subtotal - One Properties	545,173	517,421	545,173	517,421
Total	830,302	800,160	830,302	800,286

At September 30, 2021, significant contingencies classified as possible losses are as follows:

Tax - BR Properties – (i) Tax notice issued on December 12, 2017 requiring payment of IRPJ and CSLL related to calendar years 2012, 2013 and 2014, given the challenged use of tax credits referring to the deductibility of goodwill amortization expenses generated on Saíra Diamante's acquisition of shares issued by One Properties. The amount of possible loss (tending to remote loss) is R\$222,397; (ii) Tax notice issued on December 12, 2020, requiring payment of IRPJ and CSLL related to calendar years 2015 and 2016, given the challenged use of tax credits referring to the deductibility of goodwill amortization expenses generated on Saíra Diamante's acquisition of shares issued by One Properties. The amount of possible loss (tending to remote loss) is R\$62,690.

Tax - One Properties – Petition for urgent relief filed to eliminate the effects of the notices served requiring payment of Property Transfer Tax (ITBI) debts on assignment of rights over acquisition of Pátio Malzoni, which took place upon payment of the shares of One Properties by Saíra Diamante, considering possible loss of R\$38,831.

Civil - One Properties – Suit filed by BR7 (former BRPR 47) seeking cancellation of the note issued by PETROBRAS due to delay in delivery of Ed. Senado. PETROBRAS filed a counterclaim seeking the following: (i) that BR7 be sentenced to pay the amount of R\$183,301 referring to fines and (ii) the recognition of its right to, alternatively, in case of non-payment by BR7 of the fines charged, convert the case amount into additional lease time. The maximum amount of R\$498,454 indicated by the legal advisors corresponds to the subsidiary request established in the counterclaim, consisting in the conversion of the amount of the fine into additional lease time. In this case, the agreement allows that the conversion take place for double the amount resulting from application of fines and/or penalties. We stress that such amount does not represent an effective disbursement for BR7, but the operation of an asset without a counterpart (lease of the property without receipt of consideration).

13 Equity

a. Capital

At September 30, 2021 and December 31, 2020, paid-in capital amounts to R\$4,369,145 (less issue costs of R\$101,600 for both periods), represented in both periods by 474,159,697 common book-entry shares, with no par value.

On that same date, the authorized capital limit is 650,000,000 common shares.

b. Treasury shares

The shares repurchased under the Buyback Program will be held in treasury and may be delivered to the beneficiaries of the Stock Option Plan approved at the General Shareholders' Meeting, in accordance with the articles of incorporation, upon exercise of the stock option by the beneficiaries.

On August 22, 2021, the Board of Directors' Meeting approved purchase of Company shares to be held in treasury, cancellation and/or delivery to the beneficiaries of the Stock Option Plan or the Restricted Stock Option Plan, in the maximum number of 18,000,000 common shares outstanding at B3. The maximum term for the purchase of shares issued by the Company under the Share Buyback Program is February 19, 2023.

On August 20, 2021, the Board of Directors approved the cancellation of 17,350,586 book-entry common shares with no par value, without reducing the Company's capital stock. The shares were held in treasury after being acquired by the Company under the share buyback program before that date. The change in the Company's capital, after the cancellation of shares, will be resolved at an extraordinary general meeting, to be called in due course.

On March 17, 2020, the Board of Directors' Meeting approved purchase of Company shares to be held in treasury, cancelled and/or delivered to the beneficiaries of the Stock Option Plan or the Restricted Stock Option Plan, in the maximum number of 4,000,000 common shares outstanding at B3. The maximum term for the purchase of shares issued by the Company under the Share Buyback Program is September 17, 2021. The Program ended on June 27, 2020.

On August 5, 2020, the Board of Directors' Meeting approved the acquisition of the Company's own issue to be held in treasury, for cancellation and/or delivery of the Stock Option Plan to the beneficiaries and also to maximize the shareholders' return, since in the Company's view the current value of its shares did not reflect the actual value of its assets combined with the prospect of profitability and generation of future profits. The Buyback Program will be effective until February 5, 2022, and comprises the acquisition of up to 11,000,000 Company-issued common shares. The acquisition will be completed for the market price of the Company's shares on the acquisition date. The program ended on August 22, 2021.

Changes in treasury shares for the period:

	9/30/2021		12/31/2020	
	Thousands of shares	R\$	Thousands of shares	R\$
Opening balance	8,698	78,422	3,547	33,064
(+) Buyback	19,500	167,244	5,600	49,724
(-) Cancellation	-17,351	-152,271	-	-
(-) Transfer to stock option exercise	-399	-3,582	-	-
(-) Disposal for stock option exercise	-343	-3,080	-449	-4,366
Closing balance	10,106	86,734	8,698	78,422
Average acquisition cost per share (R\$)	8.58		9.02	

c. Capital reserve

Reserve for recognized options granted

The reserve for recognized options granted records the matching entry of stock option plan expenses, in accordance with CPC 10 (R1) - Share-based Payment.

Merger reserve

This is represented by the share premium reserve upon subscription of new shares issued by the Company due to shareholders' contribution of funds and assets. The realization of this reserve will occur in accordance with article 200 of the Brazilian Corporation Law, conditional upon approval of shareholders at a Special General Meeting.

d. Legal reserve

This reserve is set up at the rate of 5% of the net income calculated in each fiscal year, in accordance with article 193 of Law No. 6404/76, up to a limit of 20% of capital, or set up in the year when the balance of such reserve, plus the amount of capital reserves described in paragraph 1 of article 193, exceeds 30% of capital.

e. Unrealized income reserve

As provided for in the Company's articles of incorporation, in the year when the amount of the mandatory minimum dividend is greater than the realized portion of net income for the year, the excess portion must be recorded in unrealized income reserve. Net income realized in the period is represented by the portion that exceeds the sum of (i) net income from equity pickup, (ii) fair value gain from investment properties, and (iii) fair value adjustment of financial instruments, net of taxes.

f. Dividends

Management adopts the policy of analyzing the possibility of proposing the highest possible value exceeding mandatory minimum dividends and, for such, considers any investment needs and business continuity plans. Under the Company's articles of incorporation, shareholders are entitled to mandatory minimum dividends of 25% of net income for the year, adjusted pursuant to article 202 of Law No. 6404/76.

The Company management proposed for decision at the Annual General Meeting (AGM) to be held on April 24, 2020 the payment of additional dividends amounting to R\$ 73,946 relating to the year ended December 31, 2019. On March 24, 2020, as disclosed in a Material Fact, due to the uncertainties brought by COVID-19 pandemic and their potential impacts on Brazil's and the world's economy, the Company management decided to adopt a more conservative approach and partially reduce the payment of non-mandatory additional dividends initially proposed of R\$42,000, in order to preserve liquidity in light of the future investments projected by the Company.

In accordance with the resolution of the Annual and Special General Meeting held on April 24, 2020 and with the resolution of the Board of Directors' meeting held on May 6, 2020, the Company paid dividends in the total amount of R\$42,000 to the retained profits reserve account on May 15, 2020.

The mandatory minimum dividends for the December 31, 2020 financial statements totaled R\$48,989, less R\$10,313 deducted as part of the legal reserve. Additionally, the Company's management proposed, and as approved by the Annual Shareholders' Meeting (AGO) held on April 26, 2021, the distribution of supplementary dividends in the amount of R\$45,734, related to income reserves existing in the year ended December 31 2020. The remaining balance is allocated to the retained profit reserve.

g. Stock option plans

On January 21, 2021, the Board of Directors approved the change in the index for adjusting and updating the exercise price of the options in the 2016 and 2020 Stock Option Plans, from IGPM/FGV to the Extended Consumer Price Index (IPCA), beginning on or after June 1, 2020, with the change in each of the Plans.

On November 4, 2020, the Board of Directors approved the termination of the restricted shares program approved at a Board Meeting held on March 9, 2017 ("Restricted Stock Option Plan"), due to the failure to meet the necessary requirements, with shares being delivered to Beneficiaries.

On May 6, 2020, the Board of Directors approved the Stock Option Program for 2020 ("2020 Program"). The Beneficiary may exercise the options not yet be exercised, whether of the said Annual Lot or of previous Annual Lots, until their expiration in 8 (eight) years from May 6, 2020, as provided for by the 2020 Program. The exercise price is R\$ 8.96 per share ("Exercise Price"), corresponding to the weighted average of the share price in B3 trading sessions that occurred in the last 30 (thirty) days prior to May 6, 2020, date of approval of the proposal to create the 2020 Program.

On the same date, the Additional Stock Option Program for 2020 ("Matching Program 2/2020") was approved and is intended to the Beneficiaries of the 2020 Program. The Additional Stock Option will only be delivered by the Company to the Beneficiary within 60 (sixty) days after the Exercise Window, after payment of the Bonus, the 5th and last Annual Lot ("Grace Period"), subject to other terms and conditions applicable to the respective program.

At the AGM and SGM held on April 24, 2020, the Company's shareholders approved an amendment to the Plan approved on October 31, 2016, providing that the total number of shares covered by it may not exceed the limit of 7,014,562 shares, which represented, on the date of the aforementioned amendment to the Stock Option Plan, 1.43% of the Company's total shares, on a fully diluted basis.

On that date, the Board of Directors also approved the creation of a new Additional Stock Option Program ("Matching Program 1/2020") intended for certain employees and executive officers ("Eligible Beneficiaries"). The Additional Stock Option will only be delivered by the Company to the Eligible Beneficiary within two (2) years after its exercise, with respect to each of the Annual Lots of 2020 and 2021 (i.e. the 4th and 5th Annual Lots of the 2016 SOP Program) ("Grace Period"), respectively, subject to other terms and conditions applicable to the respective program.

The Special Shareholders' Meeting held on October 31, 2016 approved the new Stock Option Plan and the new Restricted Stock Option Plan, under which the Board of Directors may grant stock options to management personnel and employees.

When the beneficiary joins this new Stock Option Plan, partially or fully, he/she cannot exercise any stock options relating to previously approved Plans and Programs, thus the options granted to the beneficiary relating to the Option Plans from 2008 to 2015 become null and void. The Stock Options will represent the maximum limit of 6,014,562 shares of the Company, which represent 1.97% of the total shares issued by the Company, on a fully diluted basis on the date of approval of this Plan. The exercise price of the options will be equivalent to the market value, understood as the amount equivalent to the average price of the last 30 (thirty) trading sessions prior to the date on which the proposal for the creation of this Plan was approved, as adjusted by the IGPM/FGV index.

The table below shows the changes in the stock option grants, the option value, and the market value of the share on that date:

In thousands of stock options

Total number of stock options issued

(-) Stock options canceled

(-) Stock options exercised

(=) Current number of stock options at 6/30/2021

Strike price at 9/30/2021 – in R\$

Share market value at 9/30/2021 – in R\$

8th grant	9th grant	Total
2,635	2,170	4,805
(457)	(120)	(577)
(1,265)	-	(1,265)
913	2,050	2,963
10.88	9.85	
7.94	7.94	

In determining the fair value of stock options, the following economic assumptions were used:

	8th grant	9th grant
Grant date	2/3/2017	7/1/2020
Share price volatility	32.18%	34.62%
Risk-free interest rate	10.85%	4.09%
Vesting period	FULLY VESTED	3.50 years
Number of options	2,635	2,170
Fair value (R\$MM) on grant date	4,158	4,071
Strike price at 9/30/2021 – in R\$	10.88	9.85

The table below shows the number and weighted average of the strike price and the changes in stock options in the period:

	9/30/2021		12/31/2020	
	Number	Weighted average strike price	Number	Weighted average strike price
Opening balance	3,423	R\$11.02	2,678	R\$11.37
Granted in the year	-	R\$0.00	2,170	R\$9.82
Exercised in the year	(343)	R\$10.49	(449)	R\$9.72
Canceled in the year	(117)	R\$9.83	(976)	R\$9.02
Closing balance	2,963	R\$10.17	3,423	R\$11.02
Exercisable	1,323		765	

The expense recorded corresponds to the fair value of the respective financial instruments, calculated on the grant date, based on the Black & Scholes model, recorded on a time proportion basis, during the period the services were rendered, from the grant date until the vesting date. In the nine-month period ended September 30, 2021, the Company recognized expenses of R\$6,412 (R\$5,807 at December 31, 2020).

14 Net operating revenue

	Individual		Consolidated	
	9/30/2021	9/30/2020	9/30/2021	9/30/2020
Lease revenue	298,676	266,721	298,676	271,279
Service revenue	186	313	11,815	13,040
Total gross revenue	298,862	267,034	310,491	284,319
Straight-line basis and rebates	(43,706)	(35,530)	(43,706)	(36,554)
Taxes on revenues	(21,317)	(16,436)	(22,323)	(17,663)
Total net revenue	233,839	215,068	244,462	230,102

15 General and administrative expenses

	Note	Individual		Consolidated	
		9/30/2021	9/30/2020	9/30/2021	9/30/2020
Personnel expenses		(15,017)	(14,708)	(20,696)	(20,339)
Condominium/vacancy expenses		(36,504)	(24,085)	(36,504)	(25,350)
Expenses with attorneys and advisors		(5,154)	(5,747)	(5,338)	(6,220)
Other general and administrative expenses	(i)	(9,636)	(10,459)	(9,769)	(10,521)
Total administrative expenses		(66,311)	(54,999)	(72,307)	(62,430)
Taxes and contributions		8,571	3,190	8,538	3,129
Total general and administrative expenses		(57,740)	(51,809)	(63,769)	(59,301)

- (i) Other general and administrative expenses refer substantially to expenses with property maintenance, allowance for losses, and leases.

16 Finance income (costs), net

	Individual		Consolidated	
	9/30/2021	9/30/2020	9/30/2021	9/30/2020
Short-term investments	22,657	31,058	22,581	30,531
Monetary adjustment	14,926	14,372	14,988	14,816
Other finance income	3,543	2,552	6,707	10,585
Total finance income	41,126	47,982	44,276	55,932
Financial interest on loans	(110,180)	(59,641)	(112,648)	(65,908)
Income from (expenses on) debt renegotiation	-	(455)	-	(455)
Financial charges on loans	(10,631)	(10,192)	(10,681)	(10,313)
Other	(4,652)	(1,594)	(4,655)	(1,595)
Total finance costs	(125,463)	(71,882)	(127,984)	(78,271)
Total finance income (costs), net	(84,337)	(23,900)	(83,708)	(22,339)

17 Related parties (Individual)

Major asset and liability balances, as well as related-party transactions that impacted P&L for the year, arise from transactions between the Company and its subsidiaries, associates, joint ventures and other related parties.

Key management personnel compensation

Key management personnel compensation is broken down as follows:

	Individual	
Note	9/30/2021	9/30/2020
Salary or management fees – Management personnel	(i) 7,374	8,750
Direct and fringe benefits - management personnel	158	143
Total	7,532	8,893
Stock option plan – management personnel	(ii) 5,107	2,600
Total management fees	12,639	11,493

- (i) At the AGM and SGM held on April 24, 2020, the Company's Supervisory Board ("CF") was elected, under the terms of article 21-K, sole, of CVM instruction 481, and also approved the compensation of the CF members for the fiscal year 2020, in the minimum amount established in article 162, paragraph 3 of the Brazilian Corporate Law.

At the AGM and SGM held on April 26, 2021, no candidates were appointed for the CF seats, and, therefore, the request to install the CF for fiscal year 2021 was deemed impaired.

- (ii) Amounts corresponding to the amortization charges of the new option grant approved by the Board of Directors on May 6, 2020 were not included in the overall management compensation approved by the Annual General Meeting held on April 24, 2020, and, therefore, was re-ratified at the next general meeting held on April 26, 2021.

18 Financial instruments and risk management

The Company and its subsidiaries are parties to transactions involving financial instruments intended to fund their activities or to invest their financial resources available. Management of such risks is performed by defining conservative strategies, seeking liquidity, profitability and safety.

The Company restricts its exposure to credit risk associated with banks and short-term investments by investing with top-tier financial institutions and in short-term securities. Credit risk is minimized, as the lease agreements have been entered into with top-tier customers.

In the nine-month period ended September 30, 2021 and year ended December 31, 2020, the top 10 lessees of the Company account for approximately 54.8% and 55% of total gross revenue, respectively.

Key financial risks are the following:

Interest rate risk

The Company's revenues and expenses are affected by changes in interest rates due to the mismatch between interest on its debt instruments (most of which were taken out at variable rates) and its lease income, adjusted mostly by the General Market Price Index (IGP-M) and IPCA. The Company seeks to mitigate these risks by maintaining all its financial resources invested at variable rates and by carefully monitoring the prospective evolution of the indices applied to its assets and revenues (mainly CDI, IGP-M and IPCA), compared with those applicable to its liabilities (mainly CDI).

Sensitivity analysis of financial instruments

CPC 40 (IFRS 7) determines that the entity must disclose a table showing the sensitivity analysis for each type of market risk considered significant by management, arising from financial instruments to which the entity is exposed at each year-end closing date, including all transactions involving derivative financial instruments.

The tables below show the sensitivity analysis prepared by the Company management and the effect of the outstanding transactions at September 30, 2021:

Index	Scenario involving gain		Probable scenario	Scenario involving loss	
	Decrease by 50%	Decrease by 25%		Increase by 25%	Increase by 50%
CDI	3.08%	4.61%	6.15%	7.69%	9.23%
IGP-M	12.43%	18.65%	24.86%	31.08%	37.29%
IPCA	5.13%	7.69%	10.25%	12.81%	15.38%
INCC	7.97%	11.95%	15.93%	19.91%	23.90%
INPC	5.39%	8.09%	10.78%	13.48%	16.17%

Net assets (liabilities)	Effect of additional gain (loss) in adverse scenario			
	Net balance 9/30/2021	Expected result with probable index	Increase 25%	Increase 50%
CDI	(1,651,599)	(101,573)	(25,393)	(50,787)
IGP-M	144,919	36,027	9,007	18,013
IPCA	(228,733)	(23,445)	(5,861)	(11,723)
INCC	(9,349)	(1,489)	(372)	(745)
INPC	4,418	476	119	238
Total	(1,740,344)	(90,005)	(22,501)	(45,002)

	Balance at 9/30/21	CDI	IGP-M	IPCA	INCC	INPC	No index
Assets							
Cash, cash equivalents and marketable securities	1,116,753	1,116,471	-	-	-	-	282
Cash and banks	282	-	-	-	-	-	282
Short-term investments	1,001,454	1,001,454	-	-	-	-	-
Marketable securities	115,017	115,017	-	-	-	-	-
Accounts receivable	251,071	34,404	157,604	54,645	-	4,418	-
Rental receivable	206,398	-	157,604	44,376	-	4,418	-
Disposal of investment properties	44,673	34,404	-	10,269	-	-	-
Total assets with financial risks	1,367,824	1,150,875	157,604	54,645	-	4,418	282
Liabilities							
Loans and financing	(2,934,998)	(2,802,474)	-	(155,668)	-	-	23,144
Loans and financing	(2,958,142)	(2,802,474)	-	(155,668)	-	-	-
Transaction costs	23,144	-	-	-	-	-	23,144
Obligations from acquisition of properties	(157,379)	-	(12,685)	(127,710)	(9,349)	-	(7,635)
Advances from customers	(62,280)	-	-	-	-	-	(62,280)
Total liabilities with financial risks	(3,154,657)	(2,802,474)	(12,685)	(283,378)	(9,349)	-	(46,771)
Net assets and liabilities	(1,786,833)	(1,651,599)	144,919	(228,733)	(9,349)	4,418	(46,489)

Liquidity risk

The Company's finance costs could be negatively affected by the need for emergency loans or financing required to cover commitments not adequately contemplated in the planning of its operations, or by any mismatches between the terms of receipt of its contracted revenues and payment of its operational commitments. The Company's liquidity risk management is based on cash flow, in order to maintain a sound capital structure and minimize risk arising from unforeseen or untimely cash outflows. In addition, any mismatches between assets and liabilities are constantly monitored.

Fair value measurement

The table below shows a comparison, by class, of the carrying amount and the fair value of the Company's key financial instruments presented in the quarterly information:

	Book value				Fair value			
	Individual		Consolidated		Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Financial assets								
Cash, cash equivalents and marketable securities	1,106,691	1,095,245	1,116,753	1,118,059	1,106,691	1,095,245	1,116,753	1,118,059
Accounts receivable	205,866	183,149	206,398	183,149	205,866	183,149	206,398	183,149
Total	1,312,557	1,278,394	1,323,151	1,301,208	1,312,557	1,278,394	1,323,151	1,301,208
Financial liabilities								
Loans and financing	(2,934,998)	(2,231,471)	(2,934,998)	(2,265,793)	(3,103,132)	(2,196,211)	(3,103,132)	(2,231,183)
Accounts payable	(188,620)	(51,775)	(188,653)	(51,775)	(188,620)	(51,775)	(188,653)	(51,775)
Total	(3,123,618)	(2,283,246)	(3,123,651)	(2,317,568)	(3,291,752)	(2,247,986)	(3,291,785)	(2,282,958)

The Company discloses its financial assets and liabilities at fair value, based on the applicable accounting pronouncements that define fair value, which refer to valuation concepts and fair value disclosure requirements. Specifically regarding disclosure, the Company applies the hierarchy requirements that involve the following aspects:

Definition of fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Three-level hierarchy for fair value measurement is based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while non-observable inputs reflect the Company's market assumptions.

These two types of inputs create the following fair value hierarchy:

Level 1 - Quoted prices for identical instruments in active markets;

Level 2 - Prices quoted in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are not active, and valuation models for which inputs are observable; and

Level 3 - Instruments whose significant inputs are not observable.

The Company's financial assets based on the general classification of these instruments, in accordance with the valuation hierarchy are as follows:

Description	Classification	Level	Individual		Consolidated	
			9/30/2021	12/31/2020	9/30/2021	12/31/2020
Financial assets						
Cash, cash equivalents and marketable securities	(i)	2	1,106,691	1,095,245	1,116,753	1,118,059
Accounts receivable	(ii)	-	205,866	183,149	206,398	183,149
Financial liabilities						
Loans and financing	(i)	2	3,103,132	2,196,211	3,103,132	2,231,183
Accounts payable	(ii)	-	188,620	51,775	188,653	51,775

(i) Fair value through profit or loss.

(ii) Amortized cost.

Fair value of financial assets and liabilities is included in the value for which the instrument could be exchanged in a current transaction between willing parties, rather than in a forced sale or settlement. The following methods and assumptions were used to estimate fair value:

Cash and cash equivalents, marketable securities, accounts receivable, taxes recoverable, trade accounts payable, and taxes payable - Approximate their realizable values largely due to the short-term maturity of these instruments.

Loans and financing - The fair values of loans and financing subject to interest are calculated using the discounted cash flow method, which reflects the issuer's financing rate at the end of the reporting period.

Capital management

The primary objective of Company management is to ensure that it maintains a strong credit rating and a problem-free capital ratio in order to support its business and maximize shareholders' value. The Company manages its capital structure and makes adjustments considering changes in economic conditions.

There were no changes in the objectives, policies or processes in the period and year ended September 30, 2021 and December 31, 2020 respectively.

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Loans and financing	2,934,998	2,231,471	2,934,998	2,265,793
(-) Cash and cash equivalents	(991,674)	(1,056,486)	(1,001,736)	(1,088,972)
(-) Marketable securities	-	(9,672)	-	-
Net debt (net cash from loans and financing)	1,943,324	1,165,313	1,933,262	1,176,821
Equity	7,154,658	7,279,603	7,154,658	7,279,603
Equity and net debt	9,097,982	8,444,916	9,087,920	8,456,424

19 Earnings (loss) per share

In accordance with CPC 41 (IAS 33) approved by CVM Rule No. 636 – Earnings per share, the Company presents the following information about earnings per share for the period ended September 30, 2021.

h. Basic

Basic earnings per share are calculated by dividing net income for the year, attributed to common shareholders, by the weighted average number of common shares available in the period.

i. Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares, assuming the conversion of all potentially dilutive common shares. Potentially dilutive common shares are related to stock options.

P&L and share data used to calculate basic and diluted earnings per share are as follows:

	9/30/2021	9/30/2020
Numerator:		
Net income (loss) for the period	79,454	50,583
Denominator:		
Weighted average number of shares	480,978,758	486,139,385
Basic earnings per share – R\$	0.16519	0.10405
Diluted earnings per share		
	9/30/2021	9/30/2020
Numerator:		
Net income (loss) for the period	79,454	50,583
Denominator:		
Weighted average number of shares	480,978,758	486,139,385
Adjustment due to stock options	-	-
Weighted average number of shares (diluted)	480,978,758	486,139,395
Diluted earnings per share - R\$	0.16519	0.10405

20 Insurance coverage

As at September 30, 2021, insurance for investment properties is taken out by the respective lessees, and the Company is the beneficiary. The insurance taken out directly by the Company is considered sufficient according to the opinion of insurance experts, as summarized below:

Type	9/30/2021
	Amount insured
Operational risks	1,130,000
General civil liability	100,000

21 Operating segments

Due to the concentration of its activities in the lease and management of commercial real estate properties, the Company is organized as a single business unit. The Company's properties, although intended to lessees of various business segments, are not controlled and managed by management as independent segments, and the Company's P&L is followed up, monitored and measured on an integrated basis. Given the above, the Company considers that no further disclosure is required.

Information that the Company deems relevant

Attachment 3

<u>SHAREHOLDER' POSITION OF OVER 5% OF SHARES OF EACH KIND AND CLASS OF THE COMPANY TO THE LEVEL OF PHYSICAL PEOPLE</u>						
Company:					Position as of 09/30/2021 (Share Units)	
Shareholder	Ordinary Shares		Preferred Shares		Total	
	Quantity	%	Shares	%	Quantity	%
GP Capital Partners VI	285,280,815	60.17%	-	-	285,280,815	60.17%
Vista Capital	24,001,673	5.06%	-	-	24,001,673	5.06%
Share in treasury	10,105,800	2.13%	-	-	10,105,800	2.13%
Others	154,771,409	32.64%	-	-	154,771,409	32.64%
Total	474,159,697	100.00%	-	-	474,159,697	100.00%

Attachment 4

<u>CONSOLIDATED SHAREHOLDER POSITION AND SHARES IN CIRCULATION</u>						
Position as of 09/30/2021						
Shareholder	Ordinary Shares (Units)	%	Preferred Shares (Units)	%	Total of Shares (Units)	%
Controller	285,280,815	60.17%	-	-	285,280,815	60.17%
Administrator	1,287,719	0.27%	-	-	1,287,719	0.27%
Board of Directors	1	0.00%	-	-	1	0.00%
Directors	1,287,718	0.27%	-	-	1,287,718	0.27%
Fiscal Council	-	-	-	-	-	-
Shares in treasury	10,105,800	2.13%	-	-	10,105,800	2.13%
Other Shareholders	177,485,363	37.43%	-	-	177,485,363	37.43%
Total	474,159,697	100%	-	-	474,159,697	100%
Shares in circulation	177,485,363	37.43%	-	-	177,485,363	37.43%

<u>CONSOLIDATED SHAREHOLDER POSITION AND SHARES IN CIRCULATION</u>						
Position as of 09/30/2020						
Shareholder	Ordinary Shares (Units)	%	Preferred Shares (Units)	%	Total of Shares (Units)	%
Controller	285,280,815	58.04%	-	-	285,280,815	58.04%
Administrators	768,631	0.16%	-	-	768,631	0.16%
Board of Directors	1	0.00%	-	-	1	0.00%
Directors	768,630	0.16%	-	-	768,630	0.16%
Fiscal Council¹	-	-	-	-	-	-
Shares in treasury	8,698,221	1.77%	-	-	8,698,221	1.77%
Other Shareholders	196,762,616	40.03%	-	-	196,762,616	40.03%
Total	491,510,283	100%	-	-	491,510,283	100%
Shares in circulation	196,762,616	40.03%	-	-	196,762,616	40.03%

Notes:

1. there was not until Fiscal Council installed

Information that the Company deems relevant

Reports and statements / Officer's statement on the financial statements

Pursuant to item VI of article 25 of CVM Instruction No. 480 of December 7, 2009, the Board of Directors declares that it has reviewed, discussed and agreed with the quarterly information for the quarter ended September 30, 2021, authorizing its conclusion on this date.

São Paulo, October 29, 2021.

Martín Andrés Jaco

Chief Executive Officer

André Bergstein

Chief Financial Office

Information that the Company deems relevant

Reports and statements / Officer's statement on the independent auditor's report

Pursuant to CVM Normative Instruction 480/09, the Company's Board of Executive Officers declares that they have reviewed, discussed and agreed to the conclusion expressed in the review report of the independent auditors' on the quarterly information for September 30, 2021.

São Paulo, October 29, 2021.

Martín Andrés Jaco

Chief Executive Officer

André Bergstein

Chief Financial Officer