**Operator:**

Good morning, ladies and gentlemen. Welcome to SYN conference to discuss the results for the 3Q24.

This video conference is being recorded, and the replay can be accessed on the Company's website, ri.syn.com.br. The presentation will be also available for download.

Please be advised that all the attendees will only be watching the videoconference during the presentation, and then we will start the Q&A session, when further instructions will be provided. For those who are watching the videoconference in English, we advise you to download the Company's website and the information available for the Company.

These statements may involve risks and uncertainties as they relate to the future events and therefore, depend on circumstances that may or may not occur. Investors, analysts and journalists should be aware of events related to the macroeconomic environment, the industry and other factors that could cause results to differ materially from those expressed in the respective forward-looking statements.

Presenting this video conference are Mr. Thiago Muramatsu, CEO of SYN; and Mr. Hector Leitão, CFO and IRO of the Company.

Now I would like to give the floor to Mr. Thiago Muramatsu, who will start the presentation. Please, Thiago, you can proceed.

**Thiago Muramatsu:**

Good morning, everybody. Thank you so much for participating on this teleconference. And to start, we would like to see the 3Q24 achievements. Less activity in the business, but some activities internally that is very important to share with you.

Starting with the prepayment of 13th debenture, something that we mentioned that we would do, reduce the leverage with the cash received from the transaction of the shopping malls partial sale. We paid the second series, R$160.7 million; and in September, we distributed R$440 million in dividends, considering already the profit of the operation of the partial sale of the mall.

After the closing of this 3Q, we approved the capital reduction, R$560 million, in a total of dividends and capital reduction returning to the shareholders R$1 billion. In addition to that, we announced in the end of October the signature of Brasilio Machado. We announced this in the 2Q, and we concluded the signature in this transaction, R$32 million, and then we are selling a building, our participation in Class B that was almost 100% vacant.

And here, just showing the flow of the transaction that we concluded in June, receiving up to the close R$941 million. Part of this, R$300 million was cash, and then the end of the closing of the payment, taxes and expenses of transaction, we spent R$70 million. And then we have 2 more parts to receive, R$359 million paid in December 2024, and 1 more installment in December 2025, R$550 million. Both installments are CDI oriented.

And that, as I mentioned before, the distribution of values to shareholders, we distributed already R$440 million dividends on September 2, and we have a capital reduction that we are still in the term of the creditors finalizing in December, 2 or 3 weeks from today, with the payment date up to the end of this year. Showing also the work we had in ROE, return on equity, in the last 12 months, the return is almost 30%. And this is one of the best returns that we have had in the stock market in the last 12 months, with 2 distributions with yields over 50%.

In the operational, starting with the malls, we finalized the quarter with occupancy of 93.4%, a big impact of vacancy in Grand Plaza, really relevant, but we are already in discussion on the minute for next quarter. Probably this number is going to be closer to what it was in the 3Q23.

Financial occupancy, as the area that is vacant is big and with the rental per square meter lower to a store, a satellite store, we finalized with financial occupancy of 95%, and then the expectation is signing this contract that we can overpass 95% of occupancy in our malls.

And talking about sales, the composition of sales, we finished the quarter with a total of R$724 million in sales. The growth compared to 3Q23 was of 4.2%, and half was replacing malls, stores, what we have been doing, working on qualifying our mix in general. And R$20 million growth of same-store sales, this quarter it’s 3.2%.

In comparison, same-store rental from 0 from the 2Q24 going to 2.7% increase in the 3Q24. Buildings, not considering Brasilio Machado transaction, we finalized this semester, but now we concluded the sale; we finalized 93.2%. The vacancy was really representative, almost 100% vacant considering this asset in our portfolio, 83%. When we remove this effect of our portfolio, it’s 93.2%. And financial occupancy, a little bit higher, 84%.

And to finalize here, operational aspect. We have our CLD warehouse partially concluded with the first phase delivered. This first phase, we have the physical occupancy of 72%. As the quarter finalized, we have 3 Since then, we already have three negotiations under discussion, with drafts being prepared to be finalized, enough to finalize the year with 100% occupancy in this asset.

I pass the floor to Hector, so he can talk about financial performance.

**Hector Leitão:**

Good morning. Thank you so much for your attendance in our call. I would like to start talking about NOI of the same properties, as we had an important divestment in last quarter. I would like to bring the performance of the same properties. Adjusting the share in the last quarter, we can see growth of almost 2.5% in total of NOI, reaching R$22 million in the 3Q. And in the accrual of the year, the growth is 9.7%, with R$65 million, compared to 59.3% on the 9M23.

Opening up the business unit, shopping malls, the growth is 4% and 10.6% accrual in the year. Offices, there is a penalty in our NOI growth. This is a punctual result of the quarter. We are growing almost 7% a year, and in the quarter, a drop of 3%. There were some accounting effects, grace period that we accrued in this quarter because of occupancy in our development. But the trend here, we are going to continue to grow above the inflation in offices as well.

Observing the results, there is no adjustment on participation, EBITDA adjusted on the quarter. It's important to highlight that there was an adjustment because of the sale on the previous quarter, especially in 2 lines. Financial results, we removed all the positive effect of the monetary adjustment of the installments, December 2024 and 2025, a penalty in the adjustment to keep our criteria of removing the sales effect.

And also, above the financial result in revenue and other revenues and operational expenses, we have a positive adjust now because of AVP, present value installments. So on the net value, we have an important adjustment in our net profit because of the sale.

Seeing the numbers, we closed the quarter in R$18 million in EBITDA adjusted with a drop of 58%. It is expected this plunge, as we commented last quarter. Our EBITDA recurring is around R$20 million. And here, there was a penalty, a higher penalty in this quarter on PDD. The last quarter, we presented a positive number. And this PDD would revert next quarter because we received highest part of the PDD, it was a tenant and we received in October. So we are going to revert PDD next quarter. In the accrual of the year, we closed at R$95.6 million, a 22.9% drop in the same reasons that I explained before in the participation.

Profit, the growth is 10% compared to the previous quarter, closing with R$6 million. And here, although the adjusted financial result was superior than last year because of the positive net cash all over the quarter and dividend distribution, the net debt is R$300 million, inferior to what we presented in the previous year. In the year accrual, we have R$16 million adjusted net profit, R$700 million loss last year. FFO, in the quarter, there is a drop of 40%, R$9 million FFO, and the accrual of the year, R$35 million growing on R$30 million.

So basically, the drop in the plunge that we see is portfolio adjustment. On the other hand, the financial result is better. We leveraged the balance in a better net profit. And underneath of the graph, we have EBITDA net profit without the sales, without this effect. We would like to highlight the accrual. In EBITDA, we reached R$650 million in the accrual of the year and R$486 million net profit.

Leverage, in the quarter, we closed with R$880 million of debt and R$300 million on net debt, representing 2x our EBITDA in the last 12 months. So we presented before the transaction, a leverage close to 5x. We have net cash in the 2Q because we received the transaction after distribution. We are back to a net debt of almost 2x.

And observing after the transaction, after the installments and payment of capital reduction, December 2025, we see a net debt close to 0. So we had already a comfortable cash situation with a debt profile that was comfortable as well. Now even more, we have a great option, either on distributing more dividends or having some reinvestment with this cash that we have in our hands.

And finally, we see the amortization schedule well equated, considering the towers, R$120 million for next year, R$130 million for 2026 and 2027. And in 2028, we have the amortization that is more expressive, R$400 million, giving us time to re-leverage and equate this amortization.

So we are comfortable here in this situation, considering cash management and debt management. Index, we have half and half, IPCA and CDI. This cost is very interesting, the spread of 1.3% CDI and 6.5% in IPCA.

On my side, I would like to conclude. Let's open up the floor for Q&A.

**Elvis Credendio, BTG Pactual:**

I have a question about capital allocation. There is a big movement on capital director, and the leverage of the Company is low, even after capital distribution, selling assets. On the other hand, the news, Brookfield, Brasilio Machado are selling. I would like to understand your reasoning in the midterm to allocate the capital of the Company, if we expect a leverage that is higher, investments and more return to the shareholder. That’s it. Thank you so much.

**Thiago Muramatsu:**

We have, in fact, the level of leverage that is low. That is our objective here. We have the development of CLD that is still on the second phase out of 4. So we have a cash exposure to happen in the next year and a half. So part of the cash is going to be used for debt.

And we have a term, a deadline, and Hector showed it, in 2028. But in addition to that, we would like to leave room for opportunity investments. Lately, we see opportunities, so we observe some things and we would like to make room for these things for the next 12 months up to the end of next year, to understand if we can find something that is timely.

The moment is also interesting in the next months because real estate fund will have a higher restriction for capture. So we have a position of capital structure that is balanced with credit. So maybe we can see opportunities in the future, in the next 12 months.

So the idea is that in 12 months from now, we can discuss more if there is more room for returning dividends to the shareholders.

**Marcos Barroso (via webcast):**

Good morning. Thank you for answering my question. If you invest in SYN's current price after sales of properties in 2024, what's the thesis of value generation for 2025 and long term?

**Thiago Muramatsu:**

I think that every investor has their thesis on investment. What I can say on SYN, it does not matter the moment that you get into after distribution in capital reduction, you still see a cap rate that is very appealing, calculated by investors and banks, almost 15% expectation for 2025. We do not have any guidance on this sense.

And the idea is that you have a company that is low even after the dividends, and we see operational performance that is not reflected in this quarter. But the perspective of growth is very interesting next year.

With this transaction, we have a higher part of our result in service provision, improving the return on invested capital. So some of these components, I believe, help in the value generation. I believe the main is a calculation of cap rate, the way of the investors sees their strategy of investment.

**Marcos Barroso:**

About the minority share in balance, the accounting value of investment property of R$1.7 billion, what is the partner, shareholders, compared minority and the installments to be received of the shopping? What is the percentage of the shareholders here and the minorities?

**Hector Leitão:**

Marcos, thank you so much for the question. About the accounting value in the release, you can see R$800 million. We opened the balance pro forma. And about this installment values, R$360 million and R$550 million, this is our share already. So we do not consider partners here. So these values are totally received by SYN.

**Sani Miranda (via webcast):**

With the high interest rate scenario and economic instability, how do you adjust your acquisition strategy and asset selling? Is that any profile of asset that you consider more appealing or the opposite, that you are preventing? And about the period of opposition of creditors, is there a term for a deadline?

**Thiago Muramatsu:**

Let's start with the second question that is more direct. Yes, there is a deadline. I believe it's December 2, finalizing it. And then we receive the cash on the second installment, XP. So it would be something that timely. As soon as the term is ending, we will communicate the cutoff date and the instructions for capital reduction.

And about the first question, I believe I have already answered this to Elvis before. We see a scenario in the next 12 months with a reduction of acquisition activity on real estate development because of a more challenging capture scenario.

And this is a little bit of the difference when you see a company of profits and real estate investment, they have different objectives considering dividends and growth on capital. We can position ourselves as buyers in a moment that we have capture difficulty on real estate funds.

Maybe there is opportunity. At this point, there is no specific asset that we are searching for or preventing. Maybe that's our work is to have an assessment of opportunities to understand potential upsides for each one of asset classes that we work. So we observe and search opportunities of investments where there is a possibility of gain of our shareholders.

And talking about divestment, something that we did a lot in the last years, well executed, well performed, successful, reaching a value close to what we believe. And eventually, we can have another movement of divestment. Nothing so relevant, but it's always searching opportunities to see something that makes sense to our shareholders; for you in general.

**Reinaldo Francisco (via webcast):**

Congratulations on the results. Can you update the situation of the work in Cidade São Paulo shopping mall?

This question also answers Mr. Eduardo Salma's question.

**Thiago Muramatsu:**

Hello Reinaldo e Eduardo. An update of this construction work. We have not started yet this construction work. It’s an area of the mall together with another building. So we are working the bureaucratic aspect to advance with this construction work. But for now, we do not have a term date to start this construction work, this expansion work.

There’s one more question about GLA, and the IR will answer you directly.

**Eduardo Granjeiro:**

Good morning. Thank you so much on the opportunity, and congratulations on the results. I would like to have a follow-up question about capital allocation, asking if you have any opportunity of M&A already in your radar.

And a second topic, a little bit different, I would like to understand better why you outsource the management of parking lots. What is the strategy behind it?

**Thiago Muramatsu:**

Good morning, Eduardo. We have a good relationship with great part of banks, real estate funds and property owners. So we have a big funnel of opportunities coming up to us. So constantly, we are analyzing. This is an investment, and we have it as our daily activities. So there is always something under analysis.

But I believe in the short term, in the next 2 months, there is nothing that we see already ongoing to be concluded. So we have analysis, discussions, nothing advanced, just things on daily activities.

And about your second question, the company that manages the parking lot is Park Place, and it's 100% owned by us. They do not have our name, but it's ours, managing parking lots.

**Operator**

No more questions. The Q&A session is closed. We would like to give the floor to Mr. Thiago Muramatsu to make the Company's final remarks.

**Thiago Muramatsu:**

I believe that we talked a lot about things on the 3Q, and also mentioning things on perspective that we have on the operational point of view, capital allocation and M&A. I believe we conveyed a very good message to you all. And remember that if you have further questions, our team of IR is here for you.

Thank you so much. Good day.

**Operator**

This SYN video conference is now closed. We appreciate your participation, and have a good afternoon.