(Convenience Translation into English from the
Original Previously Issued in Portuguese)

Iguatemi S.A. and Subsidiaries

Individual and Consolidated
Financial Statements
for the Year Ended
December 31, 2023 and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

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INDEPENDENT AUDITOR'S REPORT ON THE
INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders, Directors and Officers of
Iguatemi S.A.

Opinion

We have audited the accompanying individual and consolidated financial statements of Iguatemi S.A. ("Company"), identified as Parent and Consolidated, respectively, which comprise the individual and consolidated balance sheet as at December 31, 2023, and the related individual and consolidated statements of income, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of Iguatemi S.A. as at December 31, 2023, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards - IFRSs, issued by the International Accounting Standards Board - IASB.

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters - KAMs are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of investment properties

As mentioned in notes 2.12 and 8 to the individual and consolidated financial statements, as at December 31, 2023, the balances of investment properties, which are recorded at cost, less accumulated depreciation, amount to R$5,029,091 thousand in the Consolidated. The Company and its subsidiaries support the realization of these assets based on estimated future earnings and cash generation, prepared by the Executive Board, based on their judgment and supported by the business plan and budget, approved by the corporate governance bodies. These estimates are prepared and reviewed internally in accordance with the Company's governance structure. Due to the materiality of the balances and the use of internal subjective and market assumptions to determine the recoverable amount of the assets, which involves significant Executive Board's judgment, this matter was considered a key audit matter.

Our audit procedures included, among others: (a) identifying the control activities designed and implemented by the Company in relation to the preparation and reviews of the asset impairment tests; (b) involving valuation specialists in the analysis and review of the methodologies and models used by the Executive Board and assessment of the main assumptions that support the projections that determined the business plan, budget, technical studies and impairment tests of the Company's investment properties; (c) assessing the reasonableness and consistency of the data and main assumptions used in the preparation of these documents, including growth rates, discount rates and cash flow projections, among others, as provided by the Company's Executive Board, comparing with external market information, as well as with their own assumptions approved by the Executive Board in the preparation of its business plan and other estimates made by the Company; (d) verifying the accuracy of the mathematical calculations of the projections; (e) comparing the assertiveness of projections prepared in previous periods in relation to the Company's performance in the year to identify any potential inconsistency in the development of the cash flow projections; (f) comparing the recoverable amount adopted by the Executive Board, based on the discounted cash flow, with the carrying amount of the investment properties; and (g) assessing the adequacy of the disclosures in the respective notes to the individual and consolidated financial statements.

Based on the audit procedures performed, we believe that the procedures adopted by the Executive Board, as well as the related disclosures in the notes to the financial statements, are acceptable within the context of the financial statements taken as a whole.

Recognition of rent revenue

As mentioned in notes 2.5 and 21, the Company and its subsidiaries recognize their rent revenues on a straight-line basis during the period of lease of their investment properties. These transactions are classified as operating leases, as the Company does not substantially transfer all risks and rewards incidental to ownership of the assets. For rent revenue, the lease contracts generally establish that lessees must pay the higher of the minimum contractual amount determined and a variable amount, calculated based on a percentage rate of the sales of each establishment. Pursuant to technical pronouncement CPC 06 (R2)/IFRS 16 - Leases, the minimum rent revenue, considering potential effects arising from grace periods, discounts, etc., without considering inflationary effects, must be recognized on a straight-line basis over the lease term, and any amount exceeding the variable rent is recognized when incurred. Accordingly, due to the volume of effective contracts, we consider revenue recognition as a key audit matter because the procedures adopted by the Company involve specific contractual clauses and systemic calculations to determine the contract revenue amount and the recognition period and, in this scenario, the straight-line calculation might not coherently correspond to the transactions and/or effective accounting standards.

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Our audit procedures included, among others: (a) identifying the control activities designed and implemented by the Company in the rent revenue recognition process; (b) performing documentary tests, on a sample basis, including the analysis of the respective contracts; and (c) recalculating the revenue amounts recognized, in accordance with the proper accrual periods over the year and contractual periods; (d) assessing the adequacy of the disclosures in the respective notes to the individual and consolidated financial statements.

As a result of the audit procedures performed for the year ended December 31, 2023, we identified internal control deficiencies related to rent revenue recognition, as well as adjustment not made by the Company as it was considered immaterial, which made us expand the extent and nature of our planned substantive procedures to obtain sufficient and appropriate audit evidence.

Based on the audit procedures performed, we believe that the revenues recognized arising from operating lease contracts, as well as the related disclosures in the notes to the individual and consolidated financial statements, are acceptable within the context of the individual and consolidated financial statements taken as a whole.

Recoverable amount of deferred tax assets

As described in note 17 to the individual and consolidated financial statements as at December 31, 2023, the consolidated balance of deferred tax assets arising from tax loss carryforwards and temporary differences, whose recognition and realization are supported by a study prepared by the Executive Board on the generation of future taxable income, amounts to R$364,409 thousand in the Consolidated.
The estimated generation of future taxable income requires significant judgment in the determination of the projected future income. Due to the materiality of the balances and the use of internal subjective and market assumptions to determine the projected future taxable income, which involves high degree of judgment by the Executive Board, the matter was considered a key audit matter.

Our audit procedures included, among others: (a) identifying the control activities designed and implemented by the Company in relation to the preparation and reviews of the projected future taxable income; (b) analyzing the bases that gave rise to the tax credits in conformity with the prevailing tax laws; (c) assessing the main assumptions and methodology used by the Company for the preparation of the projected future taxable income and adjustments due to permanent and temporary differences that comprise the determination of the tax income, tax planning, tax rates and arithmetical calculations; (d) comparing certain projection data, when available, with other external sources and alignment of these assumptions with the business plans approved by the Company's Governance bodies; (e) comparing the assertiveness of the projections made in previous periods in relation to the Company's performance in the year; and (f) reviewing the disclosures in note 17 to the individual and consolidated financial statements.

Based on the audit procedures performed, we believe that the procedures adopted by the Executive Board, as well as the related disclosures in the notes to the financial statements, are acceptable within the context of the financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (DVA) for the year ended December 31, 2023, prepared under the responsibility of the Company's Executive Board and disclosed as supplemental information for purposes of the IFRS, were subject to audit procedures performed together with the audit of the Company's individual and consolidated financial statements. In forming our opinion, we assess whether these statements of value added are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. In our opinion, these individual and consolidated statements of value added were prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the independent auditor's report

The Executive Board is responsible for the other information. Such other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Board and those charged with governance for the individual and consolidated financial statements

The Executive Board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and the IFRS, issued by the IASB, as well as the standards issued by CVM, and for such internal control as the Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the Executive Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Executive Board either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s and its subsidiaries’ internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board.

- Conclude on the appropriateness of the Executive Board’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s and its subsidiaries’ ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit and, consequently, for the audit opinion.

We communicate with those charged with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, when applicable, related safeguards.

From the matters communicated with those charged with Management, we determine those matters that were of most significance in the audit of the financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The accompanying individual and consolidated financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, February 20, 2024

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Ribas Gomes Simões
Engagement Partner

2024SP029275

OPERATING PERFORMANCE

COMPANY SHOWS POSITIVE EVOLUTION IN THE PERFORMANCE OF THE OPERATING INDICATORS FOR THE YEAR.

Operating Indicators	4Q23	4Q22	Var. %	12M23	12M22	Var. %
Total GLA (sqm)	727,337	723,480	0.5%	727,337	723,480	0.5%
Owned GLA (sqm)	490,419	488,849	0.3%	490,419	488,849	0.3%
Average Owned GLA (sqm)	490,419	480,796	2.0%	490,419	480,796	2.0%
Total GLA, malls (sqm)	673,827	669,970	0.6%	673,827	669,970	0.6%
Owned GLA, malls (sqm)	449,769	448,200	0.4%	449,769	448,200	0.4%
Total number of malls (1)	16	16	0.0%	16	16	0.0%
Total sales (R$ ‘000)	5,875,594	5,259,167	11.7%	18,866,203	16,968,641	11.2%
Same-Store Sales (SSS)	9.4%	8,9%	0.5 p.p.	9.0%	30,0%	-21.0 p.p.
Same-area sales (SAS)	11.7%	10,7%	1.0 p.p.	11.2%	33,7%	-22.5 p.p.
Same-store rents (SSR)	6.6%	22,0%	-15.4 p.p.	10.1%	44,1%	-34.0 p.p.
Same-area rents (SAR)	4.6%	25,7%	-21.1 p.p.	8.2%	40,8%	-32.6 p.p.
Occupancy cost (% of sales)	11.1%	11,8%	-0.7 p.p.	11.7%	12,1%	-0.4 p.p.
Occupancy rate	94.5%	92,9%	1.6 p.p.	93.3%	92,9%	0.4 p.p.
Net delinquency rate	-1.7%	-3,8%	2.1 p.p.	1.2%	-0,2%	1.4 p.p.
Sales/sqm – malls (2)	9,344	8,409	11.1%	29,948	27,077	10.6%
Rent/sqm – malls (2)	733	703	4.3%	2,422	2,293	5.6%
Rent/sqm (3)	641	612	4.8%	2,128	2,001	6.4%

(1) Considers Iguatemi Esplanada and Esplanada Shopping as one asset.
(2) Considers sales and revenue from rental of malls and total GLA total – malls (excluding towers, outlets and Power Center Iguatemi Campinas).
(3) Considers total GLA – malls, outlets and towers.

MINIMUM RENT + OVERAGE + TEMPORARY RENT (R$ THOUSAND)

Portfolio	4Q23	4Q22	Var. %	12M23	12M22	Var. %
Iguatemi São Paulo	106,984	101.561	5.3%	346,949	324.785	6,8%
JK Iguatemi	50,755	45.834	10.7%	166,432	150.440	10,6%
Pátio Higienópolis	43,462	41.430	4.9%	141,745	132.655	6,9%
Market Place	9,336	9.747	-4.2%	33,114	33.322	-0,6%
Torres Market Place	5,973	5.076	17.7%	22,501	21.888	2,8%
Iguatemi Alphaville	14,396	13.018	10.6%	46,452	44.638	4,1%
Iguatemi Campinas	48,954	47.886	2.2%	160,860	154.245	4,3%
Galleria	10,841	10.737	1.0%	37,606	40.206	-6,5%
Torre Sky Galleria	3,075	2.013	52.7%	11,656	2.013	478,9%
Iguatemi Esplanada	29,871	26.453	12.9%	99,293	90.021	10,3%
Iguatemi São Carlos	5,377	4.963	8.3%	17,690	17.164	3,1%
Iguatemi Ribeirão Preto	12,539	11.878	5.6%	43,311	39.796	8,8%
Iguatemi Rio Preto	15,088	14.678	2.8%	50,702	47.572	6,6%
Iguatemi Porto Alegre	57,606	56.213	2.5%	192,568	179.098	7,5%
Torre Iguatemi Porto Alegre	2,760	2.547	8.4%	10,967	10.288	6,6%
Praia de Belas	19,360	20.517	-5.6%	65,759	67.252	-2,2%
Iguatemi Brasília	19,678	18.490	6.4%	65,363	60.452	8,1%
I Fashion Outlet Novo Hamburgo	6,786	6.104	11.2%	21,769	19.368	12,4%
I Fashion Outlet Santa Catarina	2,614	2.458	6.4%	8,852	8.245	7,4%
Power Center Iguatemi Campinas	1,116	1.093	2.1%	4,465	4.189	6,6%
Total	466.572	442,696	5,4%	1.548.052	1,447,636	6.9%
Revenue/sqm (1)	641	612	4,8%	2.128	2,001	6.4%

PARKING

Portfolio	4Q23	4Q22	Var. %	12M23	12M22	Var. %
Iguatemi São Paulo	12,249	10.305	18,9%	42,531	36.043	18.0%
JK Iguatemi	8,424	6.935	21,5%	31,373	24.487	28.1%
Pátio Higienópolis	7,190	4.083	76,1%	22,135	15.907	39.2%
Market Place	4,400	3.961	11,1%	15,830	14.855	6.6%
Torres Market Place	-	-	-	-	-	-
Iguatemi Alphaville	5,168	4.545	13,7%	17,682	16.585	6.6%
Iguatemi Campinas	11,949	10.401	14,9%	41,077	34.827	17.9%
Galleria	3,447	2.585	33,3%	12,422	10.547	17.8%
Torre Sky Galleria	-	-	-	-	-	-
Iguatemi Esplanada	9,662	8.306	16,3%	32,310	28.268	14.3%
Iguatemi São Carlos	1,314	1.061	23,8%	4,234	3.370	25.6%
Iguatemi Ribeirão Preto	2,618	1.934	35,4%	9,186	7.041	30.5%
Iguatemi Rio Preto	2,537	1.942	30,7%	8,558	6.854	24.9%
Iguatemi Porto Alegre	10,222	8.445	21,1%	34,979	29.667	17.9%
Torre Iguatemi Porto Alegre	-	-	-	-	-	-
Praia de Belas	4,453	3.823	16,5%	16,512	14.450	14.3%
Iguatemi Brasília	4,113	3.311	24,2%	13,517	10.537	28.3%
I Fashion Outlet Novo Hamburgo	-	-	-	-	-	-
I Fashion Outlet Santa Catarina	-	-	-	-	-	-
Power Center Iguatemi Campinas	353	339	4,0%	1,358	1.481	-8.4%
Total	88.101	71,977	22.4%	303,703	254,919	19.1%

CONSOLIDATED ECONOMIC AND FINANCIAL PERFORMANCE

Consolidated Statement of Income - Accounting (R$ '000)	12M23	12M22	Var. %
Gross revenue	**1,387,542**	**1,228,682**	**12.9%**
Taxes and discounts	-230,379	-212,341	8.5%
Net revenue	**1,157,163**	**1,016,341**	**13.9%**
Costs and expenses	-383,574	-401,810	-4.5%
Other operating income (expenses)	56,705	43,669	29.9%
Share of profit (loss) of subsidiaries	-33,787	-4,400	667.9%
EBITDA	**796,507**	**653,800**	21.8%
EBITDA Margin	*68.83%*	*64.33%*	**4.5 p.p.**
Depreciation and amortization	-174,376	-159,030	9.6%
EBIT	**622,131**	**494,770**	**25.7%**
EBIT margin	*53.76%*	*48.68%*	5.1 p.p.
Finance income	212,683	186,846	13.8%
Finance costs	-462,612	-489,439	-5.5%
Fair value of capital instruments	-10,402	-323,091	-96.8%
Income tax and social contribution	-52,866	143,735	-136.8%
Profit	**308,934**	**12,821**	**2309.6%**
Net Margin	*26.70%*	*1.26%*	25.4 p.p.
Attributable to the Company's owners	304,713	7,568	3926.3%
Attributable to noncontrolling interests	4,221	5,253	-19.6%
FFO	**483,310**	**171,851**	**181.24%**
FFO Margin	*41.77%*	*16.91%*	24.9 p.p.

GROSS REVENUE

Iguatemi's Gross Revenue in the period reached R$1.4 billion, up by 12.9% in relation to the same period in 2022.

Gross Revenue - Accounting (R$ '000)	12M23	12M22	Var. %
Rentals	959,316	845,328	13.5%
Management Fees	65,159	62,753	3.8%
Parking	200,693	168,420	19.2%
Retail transactions	145,283	139,163	4.4%
Other	17,091	13,018	31.3%
Total	**1,387,542**	**1,228,682**	**12.9%**

Rental Revenue, comprising Minimum Rent, Overage and Temporary Rent, grew by 13.5% over 2022.

Rental Revenue - Accounting (R$ '000)	12M23	12M22	Var. %
Minimum Rent	799,678	724,999	10.3%
Overage	70,955	54,342	30.6%
Temporary Rents	88,683	65,987	34.4%
Total	**959,316**	**845,328**	**13.5%**

This increase in Rental Revenue, compared to 2022, is mainly explained by:

- Minimum Rent: 10.3% increase, due to the closing of vacant areas and positive spread leasing in renewals.
- Overage: 30.6% increase, due to the continuing sales growth.
- Temporary Rents: 34.4% increase due to the strong event schedule, continuous search for temporary stores, kiosks and spaces for merchandising in projects.

Management Fees increased by 3.8% in relation to 2022, in line with the growth in operating revenues of the projects. Parking Revenue reached R$201 million, up by 19.2% when compared to 2022. Such growth is due to the increase in the flow of vehicles, coupled with the tariff review.

DEDUCTIONS, TAXES AND CONTRIBUTIONS

Deductions, Taxes and Contributions totaled R$230 million (negative).

NET REVENUE

Iguatemi's Net Revenue in the period reached R$1.2 billion, up by 13.9% in relation to the same period in 2022.

COSTS AND EXPENSES

Costs and Expenses - Accounting (R$ '000)	12M23	12M22	Var. %
Rental and Service Costs	**-271,624**	**-287,395**	**-5.5%**
Personnel	-41,168	-32,782	25.6%
Outside services	-8,452	-9,530	-11.3%
Promotion fund	-3,659	-2,956	23.8%
Parking	-40,716	-44,495	-8.5%
Retail transactions	-125,484	-147,001	-14.6%
Other	-52,145	-50,631	3.0%
Expenses	**-111,950**	**-114,415**	**-2.2%**
Personnel	-64,855	-63,854	1.6%
Share-based compensation	-14,411	-13,563	6.3%
Outside services	-17,331	-23,279	-25.6%
Other	-15,353	-13,719	11.9%
Subtotal	**-383,574**	**-401,810**	**-4.5%**
Depreciation and amortization	-174,376	-159,030	9.6%
Total	**-557,950**	**-560,840**	**-0.5%**

Line item “Rental and Service Costs” totaled R$272 million in the period (less depreciation and amortization), i.e., a decrease of 5.5% over the same period of 2022, due to the drop in retail costs and outside services. Expenses were 2.2% lower than the same period of 2022, primarily due to the decrease in personnel and outside services.

OTHER OPERATING INCOME (EXPENSES)

Other Operating Income (Expenses) – Accounting (R$ ‘000)	12M23	12M22	Var. %
Real estate development	30,178	23,434	28.8%
Other	26,527	20,235	31.1%
Other Operating Income (Expenses)	**56,705**	**43,669**	**29.9%**

Other Operating Income (Expenses) totaled R$56.7 million (positive); the main impact on this variation was the resale of the point of sales. The Company recorded R$30 million referring to sales of Iguatemi’s fractions of land for the construction of towers.

FINANCE INCOME (COSTS)

Finance Income (Costs), Net - Accounting (R$ ‘000)	12M23	12M22	Var. %
Finance income	212,683	186,846	13.8%
Finance costs	-462,612	-489,439	-5.5%
Finance income (costs), net	**-249,929**	**-302,593**	**-17.4%**
Fair value of capital instruments	-10,402	-323,091	-96.8%
Finance income (costs)	**-260,331**	**-625,684**	**-58.4%**

Iguatemi's Finance Income (Costs), net in the period was R$260.3 million (negative), down by 58.4% when compared to the same period of 2022.

INCOME TAX AND SOCIAL CONTRIBUTION (CURRENT AND DEFERRED)

In 2023, Income Tax and Social Contribution totaled R$52.8 million.

CONSOLIDATED EBITDA

Reconciliation of EBIT (LAJIR) and EBITDA (LAJIDA) – Accounting (R$ '000)	12M23	12M22	Var. %
Profit	**308,934**	**12,821**	**2309.6%**
(+) Income tax and social contribution	52,866	-143,735	**-136.8%**
(+) Finance costs	462,612	489,439	**-5.5%**
(-) Finance income	-212,683	-186,846	**13.8%**
(-) Fair value of capital instruments	10,402	323,091	**-96.8%**
EBIT (LAJIR)	**622,131**	**494,770**	**25.7%**
(+) Depreciation and amortization	174,376	159,030	9.6%
EBITDA	**796,507**	**653,800**	**21.8%**
Net revenue	**1,157,163**	**1,016,341**	**13.9%**
EBITDA Margin	***68.83%***	***64.33%***	***4.5 p.p.***

INDEBTEDNESS

	12/31/2023	12/31/2022	Var. %
Total Debt	**3,367,008**	**3,100,412**	8.6%
Cash and cash equivalents	1,609,863	1,906,816	-15.6%
Net Debt	**1,757,145**	**1,193,596**	47.2%
EBITDA (LTM)	833,283	667,899	24.8%
Net Debt/EBITDA	**2.11**	**1.79**	18.0%

The Company ended the year with a Total Debt of R$3.4 billion. Cash and cash equivalents amounted to R$1.6 billion, a 15.6% decrease, reaching a Net Debt of R$1.8 billion and a Net Debt/EBITDA multiple of 2.11, a 18% increase compared to December 31, 2022.

CAPITAL MARKETS

Shareholding Structure (Iguatemi S.A.)	IGTI3 (ONs)	IGTI4 (PNs)	IGTI11 (Units)		Equivalent Unit	
	# common shares	# preferred shares	# common shares	# preferred shares	(theoretical)	% Total
Controlling Shareholder	530,132,630	0	4,209,970	8,419,940	79,943,203	26.6%
Float	36,594,126	2,795,546	212,216,363	424,432,726	218,642,186	72.7%
Treasury	16,706	0	1,997,257	3,994,514	1,999,644	0.7%
Total	566,743,462	2,795,546	218,423,590	436,847,180	300,585,033	100.0%

Iguatemi's units ended the year at R$24.38. Currently, 13 sell-side analysts have active coverage on Iguatemi shares.

IGTI11 [(1)]	
Closing Price (12/31/2023)	R$24.38
Highest Price in 4Q23	R$24.71
Lowest Price in 4Q23	R$19.16
Appreciation in 4Q23	20.40%
Number of Equivalent Units	300,585,033
Market Cap (12/31/2023)	R$7,328,263,101
Average daily liquidity in 4Q23	R$73,078,502

Source: Bloomberg. Base date: 12/31/2023

INDEPENDENT AUDITING SERVICES – COMPLIANCE WITH CVM INSTRUCTION 381/2003

The Company and its subsidiaries engaged Deloitte Touche Tohmatsu Auditores Independentes Ltda. to provide auditing services beginning the first quarter of 2022. The Company's policy adopted for the engagement of non-audit services complies with the principles that preserve the external auditor's independence. These internationally-accepted principles are: (a) the auditor must not audit his or her own work; (b) the auditor must not exercise management functions in the client; and (c) the auditor must not serve in a position of being an advocate for his or her client.

Note: Non-financial information, such as GLA, average sales, average rentals, occupancy costs, average prices, average quotations, EBITDA and pro-forma cash flows, has not been reviewed by our independent auditors.

The Company is subject to arbitration at the Market Arbitration Chamber as set forth in the arbitration clause included in its Bylaws.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IGUATEMI S.A.

BALANCE SHEETS AS AT DECEMBER 31, 2023 AND 2022
(In thousands of Brazilian reais - R$)

		Parent		Consolidated	
ASSETS	Note	12.31.23	12.31.22	12.31.23	12.31.22
CURRENT ASSETS					
Cash and cash equivalents	4 (a)	9,884	8,395	59,473	52,164
Short-term investments	4 (b)	388,758	729,762	1,538,714	1,777,694
Inventories		-	-	30,728	37,569
Trade receivables	5	29,596	-	253,905	274,192
Recoverable taxes		10,126	6,411	41,324	26,472
Loans receivable		-	-	186	258
Dividends receivable	6	72,847	489	-	-
Derivatives	13	8,843	-	8,843	-
Prepaid expenses		-	-	6,072	6,402
Other receivables		-	743	10,433	2,194
TOTAL CURRENT ASSETS		520,054	745,800	1,949,678	2,176,945
NONCURRENT ASSETS					
Short-term investments	4 (b)	70	-	11,676	76,958
Trade receivables	5	19,677	-	219,948	237,270
Loans receivable		-	-	546	-
Due from related parties	6	2,547	1,820	20,191	39,346
Escrow deposits		533	-	39,569	21,778
Deferred income tax and social contribution	17	66,310	40,335	7,518	-
Other receivables		2,636	2,792	2,648	2,804
Investments:					
Investment properties	8	993,163	145,881	5,029,091	4,970,735
Equity interests	7	3,850,176	3,209,893	310,832	306,509
Goodwill on investments	7	-	-	3,495	3,495
Other	7	1,297	1,297	22,514	49,593
Property, plant and equipment	9	-	-	51,490	45,318
Intangible assets	10	752	752	122,483	117,386
TOTAL NONCURRENT ASSETS		4,937,161	3,402,770	5,842,001	5,871,192
TOTAL ASSETS		5,457,215	4,148,570	7,791,679	8,048,137

		Parent		Consolidated	
LIABILITIES AND EQUITY	Note	12.31.23	12.31.22	12.31.23	12.31.22
CURRENT LIABILITIES					
Borrowings and financing	11	31,167	17,611	269,457	585,919
Debentures	12	-	-	425,571	338,097
Domestic suppliers		2,920	486	23,905	18,101
Taxes payable	14	1,901	855	26,937	17,762
Payroll, related taxes and premiums		834	764	39,177	52,939
Due to related parties	6	12,422	-	775	557
Dividends payable	6	73,072	2,357	73,072	2,357
Derivatives	13	-	-	-	9,618
Other payables	18	9,276	1,978	40,122	682,458
TOTAL CURRENT LIABILITIES		131,592	24,051	899,016	1,707,808
NONCURRENT LIABILITIES					
Borrowings and financing	11	1,131,824	17,449	1,674,769	785,434
Debentures	12	-	-	997,211	1,390,962
Taxes payable	14	1,452	518	12,804	17,685
Provision for tax, labor and civil risks	15	14,948	13,223	16,590	15,342
Deferred income tax and social contribution	17	-	-	-	14,465
Due to related parties	6	-	-	8,555	-
Other payables		76	-	5,216	8,753
TOTAL NONCURRENT LIABILITIES		1,148,300	31,190	2,715,145	2,232,641
EQUITY	18				
Capital		1,759,393	1,759,393	1,759,393	1,759,393
Treasury shares		(45,932)	(11,884)	(45,932)	(11,884)
Capital reserves		1,442,065	1,448,164	1,442,065	1,448,167
Earnings reserves		1,021,797	897,656	1,021,797	897,653
Equity attributable to Company's owners		4,177,323	4,093,329	4,177,323	4,093,329
Noncontrolling interests		-	-	195	14,359
TOTAL EQUITY		4,177,323	4,093,329	4,177,518	4,107,688
TOTAL LIABILITIES AND EQUITY		5,457,215	4,148,570	7,791,679	8,048,137

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

IGUATEMI S.A.

STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In thousands of Brazilian reais - R$, except for earnings per share)

		Parent		Consolidated	
	Note	12.31.23	12.31.22	12.31.23	12.31.22
Net operating revenue from rents and services	21	106,075	12,975	1,157,163	1,016,341
Costs of rents and services	22	(14,199)	(1,350)	(418,208)	(420,884)
GROSS PROFIT		91,876	11,625	738,955	595,457
OPERATING INCOME (EXPENSES)					
General and administrative expenses	22	(16,869)	(8,599)	(139,742)	(139,956)
Share of profit (loss) of subsidiaries	7	265,728	(21,176)	(33,787)	(4,400)
Other operating income	24	1,401	108	67,076	50,220
Other operating expenses	24	(1,922)	(843)	(10,371)	(6,551)
		248,338	(30,510)	(116,824)	(100,687)
OPERATING INCOME BEFORE FINANCE INCOME (COSTS) AND TAXES		340,214	(18,885)	622,131	494,770
Finance income (costs), net	23	(59,649)	(3,022)	(249,929)	(302,593)
Finance income		27,726	22,540	212,683	186,846
Finance costs		(87,375)	(25,562)	(462,612)	(489,439)
Fair value of equity instruments	23	-	(26,720)	(10,402)	(323,091)
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		280,565	(48,627)	361,800	(130,914)
INCOME TAX AND SOCIAL CONTRIBUTION	17				
Current		(1,827)	-	(74,849)	(76,983)
Deferred		25,975	56,195	21,983	220,718
		24,148	56,195	(52,866)	143,735
PROFIT FOR THE YEAR		304,713	7,568	308,934	12,821
Company's owners		304,713	7,568	304,713	7,568
Noncontrolling interests		-	-	4,221	5,253
Basic earnings per share - in Brazilian reais - R$	19	0.2499	0.0066	0.2499	0.0066
Diluted earnings per share - in Brazilian reais - R$	19	0.2499	0.0066	0.2499	0.0066

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

IGUATEMI S.A.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In thousands of Brazilian reais - R$)

	Subsidiary		Consolidated	
	12.31.23	12.31.22	12.31.23	12.31.22
Profit for the year	304,713	7,568	308,934	12,821
COMPREHENSIVE INCOME FOR THE YEAR	304,713	7,568	308,934	12,821
Company's owners	304,713	7,568	304,713	7,568
Noncontrolling interests	-	-	4,221	5,253

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

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IGUATEMI S.A.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In thousands of Brazilian reais - R$, except for the amount per share)

			Capital reserves			Earnings reserves					
	Note	Capital	Capital transaction	Other	Treasury shares	Legal	Retention	Retained earnings	Owners of the Company	Noncontrolling interests	Consolidated equity
BALANCES AS AT DECEMBER 31, 2021		1,069,691	1,417,508	13,822	(31)	100,824	827,564	-	3,429,378	11,156	3,440,534
Capital increase	19. a	689,702	-	-	-	-	-	-	689,702	-	689,702
Treasury shares acquired	19.c	-	-	-	(11,853)	-	-	-	(11,853)	-	(11,853)
Prior-year additional dividends	19.e	-	-	-	-	-	(33,232)	-	(33,232)	(2,050)	(35,282)
Subsidiaries' stock option plan		-	13,562	-	-	-	-	-	13,562	-	13,562
Other adjustments to the subsidiaries' equity		-	3,272	-	-	-	(3,272)	-	-	-	-
Profit for the year		-	-	-	-	-	-	7,568	7,568	5,253	12,821
Allocation of profit for the year:											
Legal reserve	19.d	-	-	-	-	379	-	(379)	-	-	-
Mandatory minimum dividends	19.e	-	-	-	-	-	-	(1,796)	(1,796)	-	(1,796)
Earnings retention	19.d	-	-	-	-	-	5,393	(5,393)	-	-	-
BALANCES AS AT DECEMBER 31, 2022		1,759,393	1,434,342	13,822	(11,884)	101,203	796,453	-	4,093,329	14,359	4,107,688
Treasury shares acquired	18.d	-	-	-	(54,031)	-	-	-	(54,031)	-	(54,031)
Treasury shares assigned		-		-	19,983	-	-	-	19,983	-	19,983
Prior-year additional dividends	18.f	-	-	-	-	-	(108,203)	-	(108,203)	-	(108,203)
Subsidiaries' stock option plan		-	12,491	-	-	-	-	-	12,491	-	12,491
Change in interest in subsidiaries		-	(18,590)	-	-	-	-	-	(18,590)	(18,385)	(36,975)
Profit for the year		-	-	-	-	-	-	304,713	304,713	4,221	308,934
Allocation of profit for the year:											
Legal reserve	18.e	-	-	-	-	15,236	-	(15,236)	-	-	-
Mandatory minimum dividends	18.f	-	-	-	-	-	-	(72,369)	(72,369)	-	(72,369)
Earnings retention	18.e	-	-	-	-	-	217,108	(217,108)	-	-	-
BALANCES AS AT DECEMBER 31, 2023		1,759,393	1,428,243	13,822	(45,932)	116,439	905,358	-	4,177,323	195	4,177,518

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

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IGUATEMI S.A.

STATEMENTS OF CASH FLOWS - INDIRECT METHOD
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In thousands of Brazilian reais - R$)

	Parent		Consolidated	
	12.31.23	12.31.22	12.31.23	12.31.22
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the year	304,713	7,568	308,934	12,821
ADJUSTMENTS TO RECONCILE PROFIT FOR THE YEAR TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Depreciation and amortization	11,781	1,062	174,376	159,030
Gain (loss) on disposal of investment property	-	-	9,052	25,915
Provision for tax, labor and civil risks	1,725	1,740	1,247	12,744
Deferred income tax and social contribution	(25,975)	(56,195)	(21,984)	(220,718)
Provision for share-based payment	-	-	14,411	13,562
Provision for bonus program	-	-	21,884	26,949
Allowance for inventory impairment	-	-	411	3,402
Allowance for expected credit losses	362	-	10,971	9,337
Accrued interest, inflation adjustments and exchange rate changes on borrowings, contingencies, escrow deposits and shor	29,824	(1,398)	231,472	306,157
Share of profit (loss) of subsidiaries	(265,728)	21,176	33,787	4,400
Loss (gain) of interest	-	119	993	(993)
Amortization of borrowing costs	1,588	-	7,964	9,240
Fair value adjustment	-	26,720	10,402	323,091
Straight-lining of amortization	-	-	77,913	45,891
VARIATIONS IN OPERATING ASSETS:				
Trade receivables	(49,635)	-	(40,256)	(67,112)
Inventories	-	-	6,430	(14,696)
Loans receivable	-	-	(474)	126
Due from related parties	13,087	(1,820)	11,746	(4,734)
Recoverable taxes and tax credits	(3,715)	(2,465)	-	-
Prepaid expenses	-	-	330	2,160
Other	855	8,652	(17,635)	(12,643)
VARIATIONS IN OPERATING LIABILITIES:				
Accrued payroll and related taxes	70	(5,281)	(35,646)	(15,398)
Domestic suppliers	2,434	397	5,804	(1,496)
Taxes payable	4,266	(2,329)	67,371	42,343
Due to related parties	-	(1,868)	(5,568)	(2,241)
Other payables	16,215	(10,625)	(6,273)	(16,305)
Deferred revenue				
Net cash provided by (used in) operating activities	41,867	(14,547)	867,662	640,832
Payments of income tax and social contribution	(2,286)	-	(77,928)	(53,430)
Payments of interest on borrowings, financing and debentures	(54,709)	(23,579)	(411,631)	(394,663)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(15,128)	(38,126)	378,103	192,739
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment, investment properties and intangible assets	(690,423)	(8,887)	(919,722)	(175,615)
Dividends received from subsidiaries and investees	-	318,061	1,548	1,615
Capital increase	(619,708)	-	-	(6,251)
Capital decrease of subsidiaries	16,021	-	-	-
Advance for future capital increase	137	(5,579)	-	-
Short-term investments	364,891	(712,911)	459,988	(228,504)
Other	-	-	-	(2,050)
NET CASH USED IN INVESTING ACTIVITIES	(929,082)	(409,316)	(458,186)	(410,805)
CASH FLOWS FROM FINANCING ACTIVITIES				
Borrowings and financing	1,167,000	-	1,167,000	-
Repayment of borrowings, financing and debentures	(57,413)	(132,449)	(915,720)	(356,686)
Proceeds from the issuance of shares	-	689,702	-	689,702
Dividends paid	(109,857)	(89,863)	(109,857)	(89,863)
Treasury shares	(54,031)	(11,853)	(54,031)	(11,853)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	945,699	455,537	87,392	231,300
INCREASE IN CASH AND CASH EQUIVALENTS	1,489	8,095	7,309	13,234
CASH AND CASH EQUIVALENTS				
Opening balance	8,395	300	52,164	38,930
Closing balance	9,884	8,395	59,473	52,164
INCREASE IN CASH AND CASH EQUIVALENTS	1,489	8,095	7,309	13,234

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

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IGUATEMI S.A.

STATEMENTS OF VALUE ADDED
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In thousands of Brazilian reais - R$)

	Parent		Consolidated	
	12.31.23	12.31.22	12.31.23	12.31.22
Rental revenue and other operating revenue	120,702	14,190	1,387,542	1,228,682
Other revenue and discounts	(3,724)	(169)	(48,204)	(63,614)
Allowance for expected credit losses	(362)	-	(10,971)	(9,337)
	116,616	14,021	1,328,367	1,155,731
SERVICES AND INPUTS ACQUIRD FROM THIRD PARTIES				
Costs of rents and services	(4,947)	(1,295)	(167,770)	(180,523)
Materials, electric power, outside services and other supplies	(8,658)	(6,186)	(59,298)	(65,203)
	(13,605)	(7,481)	(227,068)	(245,726)
GROSS VALUE ADDED	103,011	6,540	1,101,299	910,005
DEPRECIATION AND AMORTIZATION	(11,781)	(1,062)	(174,376)	(159,030)
NET WEALTH CREATED	91,230	5,478	926,923	750,975
WEALTH RECEIVED IN TRANSFER				
Share of profit (loss) of subsidiaries	265,728	(21,176)	(33,787)	(4,400)
Finance income	27,726	22,540	212,683	186,846
	293,454	1,364	178,896	182,446
TOTAL WEALTH FOR DISTRIUTION	384,684	6,842	1,105,819	933,421
WEALTH DISTRIBUTED				
Personnel:				
Salaries and wages	8,856	2,841	92,371	97,313
Benefits	(1,967)	933	51,016	44,480
Severance pay fund (FGTS)	188	138	10,407	8,702
	7,077	3,912	153,794	150,495
Government:				
Federal	(12,278)	(54,445)	142,854	(81,025)
State	-	-	24,624	22,971
Municipal	288	-	16,925	15,362
	(11,990)	(54,445)	184,403	(42,692)
Lenders and lessors:				
Interest	87,375	52,282	473,014	812,530
Rents	-	-	723	3,977
Other	(2,491)	(2,475)	(15,049)	(3,710)
	84,884	49,807	458,688	812,797
Shareholders:				
Interest on capital and dividends	72,369	1,796	72,369	1,796
Retained earnings	232,344	5,772	232,344	5,772
Noncontrolling interests	-	-	4,221	5,253
	304,713	7,568	308,934	12,821
TOTAL	384,684	6,842	1,105,819	933,421

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

1. GENERAL INFORMATION

a) Business purpose

Iguatemi S.A., the new corporate name adopted by Jereissati Participações S.A. (“Company” and, together with Iguatemi Empresa de Shopping Centers and its subsidiaries, “Group”), is a Brazilian publicly-held company whose shares are traded on B3 S.A. - Brasil, Bolsa, Balcão (“B3”) - under ticker symbols IGTI11 (UNT), IGTI4 (ON) and IGTI3 (ON), primarily engaged in holding interests in other companies and providing economic, financial and tax advisory and consulting services. The Company is a holding company with registered head office at Rua Angelina Maffei Vita, 200 - 9th floor, Jardim Paulistano, in the city of São Paulo, State of São Paulo, Brazil.

The Company is a subsidiary of GJ Investimentos e Participações S.A. (“GJIP”), which, as at December 31, 2023 and 2022, holds 40.64% of the Company’s total outstanding shares.

Iguatemi Empresa de Shopping Centers S.A. and its subsidiaries (“Iguatemi” or “Iguatemi and its subsidiaries”) are the main asset of the Company. As at December 31, 2023, the Company holds 100% of Iguatemi’s total outstanding voting capital.

b) Information on investments in Iguatemi Empresa de Shopping Centers S.A.

Iguatemi, with head office at Rua Angelina Maffei Vita, 200, in the city of São Paulo - State of São Paulo, is engaged in the commercial exploration and planning of shopping malls, the rendering of services involving the management of regional shopping malls and mixed-use real estate complexes, the purchase and sale of properties, the exploration of short-stay parking lots, intermediation in the lease of promotional spaces, the preparation of studies, projects and planning in promotions and merchandising, the pursuit of other activities that are similar or related to its business purpose and holding interests in other companies as an owner, shareholder or member in any other form permitted by law.

The ventures (“shopping centers”) are jointly managed by shareholders and set up as condominium of buildings and consortiums. Their operations are recorded by Iguatemi in its accounting books proportionally to their interests. Iguatemi and its subsidiaries hold interest in specific real estate projects, mostly shopping malls, located in the Southern, Southeastern and Midwestern Brazil.

Iguatemi’s results of operations are subject to seasonal changes that affect the shopping mall industry. Sales of shopping malls generally increase in seasonal periods, such as the weeks before Easter (April), Mother’s Day (May), Valentine’s Day (which in Brazil occurs in June), Father’s Day (which in Brazil occurs in August), Children’s Day (which in Brazil occurs in October) and Christmas (December). In addition, a large majority of the Iguatemi leaseholders pay rents twice in December under their lease agreements.

Iguatemi and its subsidiaries hold interest in specific real estate projects, mostly shopping malls, located in the Southern, Southeastern and Midwestern Brazil. Shopping malls and office buildings in operation:

	Equity interest - %			
	12.31.2023			12.31.2022
	Direct	Indirect	Total	Total
Shopping Center Iguatemi São Paulo (“SCISP”)	-	58.58	58.58	58.58
Shopping Center JK Iguatemi (“JK Iguatemi”)	56.00	44.00	100.00	100.00
Shopping Center Iguatemi Campinas (“SCIC”)	-	70.00	70.00	70.00
Shopping Center Iguatemi Porto Alegre (“SCIPA”)	36.00	6.58	42.58	42.58
Shopping Center Iguatemi Brasília (“SCIBRA”)	-	64.00	64.00	64.00
Shopping Center Iguatemi Alphaville (“SCIAlpha”)	-	78.00	78.00	78.00
Market Place Shopping Center (“MPSC”)	-	100.00	100.00	100.00
Praia de Belas Shopping Center (“PBSC”)	-	57.55	57.55	57.55
Shopping Center Galleria (“SCGA”)	-	100.00	100.00	100.00
Esplanada Shopping Center (“SCESP”)	-	53.21	53.21	53.21
Shopping Center Iguatemi Ribeirão Preto (“SCIRP”)	-	88.00	88.00	88.00
Shopping Center Iguatemi São José Rio Preto (“SCIRIOP”)	-	88.00	88.00	88.00
Shopping Center Iguatemi Esplanada (“SCIESP”)	-	65.71	65.71	65.71
Shopping Center Iguatemi São Carlos (“SCISC”)	-	50.00	50.00	50.00
Platinum Outlet Premium Novo Hamburgo (“IFONH”)	-	41.00	41.00	41.00
Ifashion Outlet Santa Catarina ("IFOSC)	-	54.00	54.00	54.00
Boulevard Campinas	-	77.00	77.00	77.00
Praia de Belas Prime Offices	-	43.78	43.78	43.78
Market Place Tower (“MPT”)	-	100.00	100.00	100.00
Shopping Patio Higienópolis	-	11.54	11.54	11.54

c) Continuity as a going concern

Management concluded that there are no material uncertainties that may cast significant doubt on the Company’s ability to continue as a going concern. No events or conditions that individually or in the aggregate, could cast significant doubt as to the Company’s ability to continue as a going concern have been identified. Therefore, Management continues to adopt the going concern basis of accounting when preparing the Company’s financial statements.

Approval of the financial statements

The financial statements were approved by the Company’s Board of Directors and authorized for filing on February 20, 2024.

2. ACCOUNTING POLICIES

2.1. Basis of preparation

Statement of compliance

All relevant information for the financial statements, and only such information, is being disclosed and corresponds to the information used in managing the Company. The Company's Management is responsible for the individual and consolidated financial statements, which comprise:

The individual, identified as Parent, and consolidated financial statements have been prepared and are being presented in accordance with the accounting practices adopted in Brazil, which include the standards issued by the Brazilian Securities and Exchange Commission (CVM), which are consistent with the International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board - IASB.

As there is no difference between the consolidated equity and the consolidated profit or loss attributable to the owners of the Company, disclosed in the consolidated financial statements, and the Parent's equity and profit or loss disclosed in the individual financial statements, the Company elected to present these individual and consolidated financial statements in a single set.

Additionally, the Company also considered the guidance set out in technical orientation OCPC 07, which was issued by CPC in November 2014, in preparing its financial statements. Accordingly, the relevant information for the financial statements is being disclosed and corresponds to the information used by Management in managing the Company.

Statements of cash flows

The statements of cash flows have been prepared using the indirect method and are presented in accordance with technical pronouncement CPC 03 (R2) - Statements of Cash Flows issued by the Accounting Pronouncements Committee (CPC).

The Company classifies the dividends received, arising from the operations of its investees and subsidiaries in investing activities.

2.2. Investments in direct and indirect subsidiaries and joint ventures

The table below comprises the Company's equity interests as at December 31, 2023 and 2022:

	Equity interest - %			
	12.31.2023			12.31.2022
	Direct	Indirect	Total	Total
Iguatemi Empresa de Shopping Centers S.A. ("IGTA")	100.00	-	100.00	100.00
EDS66 Participações S.A. ("SP66")	100.00	-	100.00	96.54
Mutuall Soluções Financeiras Ltda. ("MUTU")	-	-	-	100.00
Venture Iguatemi Fundo de Investimento em Participações Multiestratégia Investimento no Exterior ("FP84")	100.00	-	100.00	100.00
Adeoti Empreendimentos Imobiliários Ltda. ("ADEO")	-	100.00	100.00	100.00
AEMP - Administradora de Empreendimentos Ltda. ("AEMP")	-	100.00	100.00	100.00
AEST - Administradora de Estacionamento Ltda. ("AEST")	-	100.00	100.00	100.00
Amuco Shopping Ltda. ("Amuco")	-	100.00	100.00	100.00
ATOW Administradora de Torres Ltda. ("ATOW")	-	100.00	100.00	100.00
AZ Brasil Comércio Varejista Ltda. ("AZBR")	-	100.00	100.00	100.00
CSC41 Participações Ltda. ("CS41")	-	100.00	100.00	100.00
CSC61 Participações Ltda. ("CS61")	-	100.00	100.00	100.00
CSC132 Comércio Varejista Ltda. ("POLO")	-	100.00	100.00	100.00
CSC142 Participações Ltda. ("OLSC")	-	100.00	100.00	100.00
DV Brasil Comércio Varejista Ltda. ("DV Brasil")	-	100.00	100.00	100.00
Fleury Alliegro Imóveis Ltda. ("FLEURY")	-	80.00	80.00	80.00
Galleria Empreendimentos Imobiliários Ltda. ("01GL")	-	100.00	100.00	100.00
Milan Comércio Varejista Ltda. ("MILA")	-	100.00	100.00	100.00
I-Art Produções Teatrais Ltda. ("IART")	-	100.00	100.00	100.00
IESTA Porto Alegre Estacionamentos Ltda. ("IESTAPA")	-	99.99	99.99	99.99
Iguatemi Estacionamentos Ltda. ("IESTA")	-	100.00	100.00	100.00
Iguatemi Leasing Ltda. ("Iguatemi Leasing")	-	100.00	100.00	100.00
Iguatemi Outlets do Brasil Ltda. ("OLNH")	-	100.00	100.00	100.00
I-Retail Serv. Consult. de Moda e Particip. Ltda. ("I-Retail")	-	100.00	100.00	100.00
Iguatemi 365 Ltda. ("I365")	100.00	-	100.00	100.00
JK Iguatemi Administração de Shopping Centers Ltda. ("JK ADM")	-	100.00	100.00	100.00
JK Iguatemi Empreendimentos Imobiliários S.A. (JKIG)	-	100.00	100.00	100.00
JK Iguatemi Estacionamentos Ltda. ("JKES")	-	100.00	100.00	64.00
Lasul Empresa de Shopping Centers Ltda. ("Lasul")	-	100.00	100.00	100.00
Market Place Participações e Empreendimentos Imobiliários Ltda. ("MPPart")	-	100.00	100.00	100.00
Market Place Torres Ltda. ("MPT")	-	100.00	100.00	100.00
Nova Galleria Empreendimentos Imobiliários Ltda. ("01NG")	-	100.00	100.00	100.00
Ork Empreendimentos Imobiliarios SPE Ltda. ("ORKE")	-	100.00	100.00	100.00
Praia de Belas Deck Parking Ltda. ("PBES")	-	100.00	100.00	80.00
Riviera Comércio Varejista Ltda. ("VILE")	-	100.00	100.00	100.00
SCIALPHA Participações Ltda. ("SCIALPHA")	-	100.00	100.00	100.00
SCIRP Participações Ltda. ("SCRP")	-	100.00	100.00	100.00
Shopping Center Reunidos do Brasil Ltda. ("SCRB")	-	100.00	100.00	100.00
SISP Participações Ltda. ("SISP")	-	100.00	100.00	100.00
SJRP Iguatemi Empreendimentos Ltda. ("SJRP")	-	100.00	100.00	100.00
SPH 1 Iguatemi Empreendimentos Imobiliarios S.A. ("SPHI")	-	100.00	100.00	100.00
Administradora Gaúcha de Shopping Centers S.A. ("AGSC") (a)	-	36.00	36.00	36.00
Odivelas SP Participações S.A. ("OSPP") (a)	-	52.00	52.00	52.00

a) The jointly controlled investees AGSC and OSPP were recognized under the equity method, considering the shared control established under Shareholders' Agreement executed between the entities, whereby no party individually determines the financial and operating policies.

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. Specifically, the Group controls an investee if, and only if, it has:

- Power over the investee (i.e., existing rights ensuring its current ability to govern the investee's relevant activities).
- Exposure or right to variable returns based on its interest in the investee.
- The ability to use its power over the investee affecting its return.

Generally, there is a presumption that a majority of voting rights results in control.
To support this presumption and when the Group has less than a majority of the voting rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over such subsidiary and ceases when the Group no longer exercises such control. Assets, liabilities and profit or loss of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group achieves control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to owners of the Group and to the noncontrolling interests, even if it results in noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, profit or loss, income, expenses and cash flows relating to transactions between members of the Group and its subsidiaries are eliminated in full on consolidation.

Any variations in equity interests held by subsidiaries, without loss of control, are accounted for as equity transactions. When the Group loses control over a subsidiary, it derecognizes the assets (including goodwill), liabilities, and any related noncontrolling interests and other components of equity, whereas any resulting gains or losses are recorded in profit or loss. Any retained investments are remeasured at fair value.

2.3. Business combination

Business combinations are accounted for under the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is determined using the fair value at the acquisition date, and the amount of any noncontrolling interests in the acquiree. For each business combination, the acquirer should measure noncontrolling interests in the acquiree at fair value or based on its share of the acquiree's identifiable net assets. Costs directly attributable to the acquisition are recorded as expenses when incurred.

Upon acquiring a business, the Group measures the financial assets acquired and financial liabilities assumed for the purpose of classifying and allocating them according to the contractual terms, economic circumstances and conditions prevailing at the acquisition date, which includes the acquiree's segregation of the embedded derivatives existing in the acquiree's host contracts.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration considered as an asset or a liability should be recognized in the statement of income.

Goodwill is initially measured as the exceeding consideration amount transferred in relation to the net assets acquired (identifiable net assets acquired and liabilities assumed).
If consideration is lower than the fair value of net assets acquired, the difference should be recognized as a gain in the statement of income.

Upon initial recognition, goodwill is measured at cost, less any accumulated impairment losses. For impairment testing purposes, after the acquisition date, the goodwill acquired on a business combination is allocated to each of the cash-generating units that are expected to benefit from the combination synergies, regardless of other assets or liabilities of the acquiree attributable to these cash-generating units.

When goodwill forms part of a cash-generating unit and a portion of such unit is disposed of, the goodwill associated with the portion disposed of should be included in transaction costs when determining the gain or loss thereon. The goodwill disposed of under these circumstances is calculated based on the proportional amounts of the portion disposed of in relation to the cash-generating unit.

2.4. Goodwill

Goodwill is tested for impairment annually or, more frequently, when there is an indication that an unit might be impaired. If the recoverable amount is lower than the carrying amount, the impairment loss is firstly allocated to reduce the carrying amount of any goodwill allocated to that unit, and subsequently to the other assets of the cash-generating unit, proportionally to the carrying amount of each of its assets. Any impairment loss of goodwill is recognized directly in profit or loss for the year. An impairment loss is not reversed in subsequent periods.

2.5. Revenue recognition and income and expense recognition

The Group's revenue primarily derives from contracts with customers, leases, provision of services, parking lots and property sales.

Contracts with customers

Revenue from contracts with customers is recognized when control over the goods or services is transferred to the customer in an amount that reflects the consideration that the Group expects to be entitled in exchange for transferring those goods or services. Revenues, costs and expenses are recognized on an accrual basis. Rental revenue is recognized over the contractual period and service revenue is allocated to profit or loss when control over services is transferred to the customer. Expenses and costs are recognized when incurred. Revenue from assignment of rights to storeowners is deferred and allocated to income over the term of the first rental agreement. Revenue from disposal of properties is recognized on an accrual basis and classified as "Other operating income (expenses)" as it does not refer to recurring income.

Leases

Lease revenues are recorded in accordance with technical pronouncement CPC 06 (2)/IFRS 16. Lease agreements under which the Group does not substantially transfer all risks and rewards incidental to ownership of the assets are classified as operating leases.

Initial direct costs incurred on the negotiation of operating leases are added to the carrying amount of the lease asset and recognized over the lease term, on the same basis as the lease revenue. Contingent leases are recognized as revenue when earned. Revenues from minimum rents, co-payments, considering possible effects of grace periods, discounts, etc., less any inflation adjustments, should be recognized on a straight-line basis over the lease term, an any excess of variable rent is recognized when incurred, regardless of the receipt method.

Financial barters

The Company adopts the strategy of negotiating with associated developers the plots of land around certain malls, for the development of residential and commercial ventures to leverage mall revenues in the future, as well as the profitability of these assets. Negotiations provide for the execution of agreements with characteristics of financial barters, in which certain performance obligations have to be met.

Provision of services

Refers to revenues from the collection of condominium management fees from shopping malls.

Parking

Refers to revenues from the operation of parking lots in the shopping malls. These revenues are allocated to profit or loss on an accrual basis, according to the use of the parking space by customers, the price schedule per hour, charged over the period used.

2.6. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of an entity and a financial liability or equity instrument of another entity.

a) Financial assets

<u>Initial recognition and measurement</u>

Upon initial recognition, financial assets are classified as subsequently measured at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss.

The classification of financial assets on initial recognition depends on their contractual cash flow characteristics and the Company's business model for managing these financial assets. Except for trade receivables that do not contain a significant financing component or to which the Company has applied the practical expedient, the Company initially measures financial assets at fair value plus transaction costs, in the case of financial assets not measured at fair value through profit or loss.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it must give rise to cash flows that are "solely payments of principal and interest" on the principal amount outstanding. Such assessment is performed at an instrument level. Financial assets comprising cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, regardless of the business model adopted.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, whereas financial assets classified as measured at fair value through other comprehensive income are held within a business model whose objective is to collect contractual cash flows and sell financial assets.

Purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the marketplace (regular-way trades) are recognized on the trade date, i.e., the date on which the Company undertakes to purchase or sell the asset.

<u>Subsequent measurement</u>

For purposes of subsequent measurement, financial assets are classified into four categories:

i) Financial assets at amortized cost.

ii) Financial assets measured at fair value through other comprehensive income with reclassification of retained earnings (accumulated losses).

iii) Financial assets measured at fair value through other comprehensive income, without reclassification of retained earnings (accumulated losses) upon derecognition (equity instruments).

iv) Financial assets measured at fair value through profit or loss.

<u>Financial assets measured at amortized cost</u>

Financial assets measured at amortized cost are subsequently measured using the effective interest method and are subject to impairment losses. Any gains and losses are recognized in profit or loss when an asset is derecognized, modified or impaired.

<u>Financial assets measured at fair value through other comprehensive income</u>

For debt instruments measured at fair value through other comprehensive income, interest income, exchange gains or losses and impairment losses or reversals of impairment losses are recognized in the statement of income and calculated on the same basis as for financial assets measured at amortized cost. The remaining changes in fair value are recognized in other comprehensive income. Upon derecognition, the cumulative changes in fair value recognized in other comprehensive income are reclassified to profit or loss.

<u>Financial assets measured at fair value through other comprehensive income, without reclassification of retained earnings (accumulated losses) upon derecognition (equity instruments)</u>

Upon initial recognition, the Group may irrevocably elect to classify its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under technical pronouncement CPC 39 - Financial Instruments. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never reclassified to profit or loss. Dividends are recognized as other income in the statement of income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial assets, in which case such gains are recorded in other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment testing.

<u>Financial assets measured at fair value through profit or loss</u>

Financial assets measured at fair value through profit or loss are recognized in the balance sheet at fair value, with the related gains or losses recognized in the statement of income.

Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognized when:

i) The rights to collect cash flows from an asset have expired; or

ii) The Company has transferred its rights to collect cash flows from the asset or assumed an obligation to pay cash flows received in full, with no significant delay, to a third party under a “transfer” arrangement and the Company has substantially transferred all risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards incidental to the asset but it has transferred control over the asset.

Impairment of financial assets

The Company tests its financial assets for impairment according to the model proposed under technical pronouncement CPC 48/IFRS 9 (expected credit losses). The measurement is applied to assets classified as measured at amortized cost and fair value through other comprehensive income, and is based on the perception of increase in credit risk since the initial recognition of the asset, in which an allowance is recorded according to the expected losses for the next 12 months or lifetime expected losses. For the portfolio of receivables, since they have no significant financing component, the Company applies the simplified approach permitted as a practical expedient by technical pronouncement CPC 48/IFRS 9, in which lifetime expected losses are recognized from the initial recognition of receivables. Further information on the measurement of expected credit losses is stated in note 5.

b) Financial liabilities

Initial recognition and measurement

Upon initial recognition, financial liabilities are either classified as financial liabilities measured at fair value through profit or loss, financial liabilities measured at amortized cost or derivatives designated as hedge instruments in an effective hedge relationship, as appropriate.

All financial liabilities are initially measured at their fair values increased or decreased by, in the case of financial liabilities other than those measured at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified into two categories:

i) Financial liabilities measured at fair value through profit or loss.

ii) Financial liabilities measured at amortized cost.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss

If any, financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated at fair value through profit or loss on initial recognition.

Financial liabilities are classified as held for trading if they have been incurred for the purpose of repurchasing in the short term.

Gains and losses on liabilities held for trading are recognized in the statement of income.

Financial liabilities are designated as measured at fair value through profit or loss at the initial recognition date, and only if the technical pronouncement CPC 48 criteria are met.

Financial liabilities measured at amortized cost (borrowings, financing and debentures)

After initial recognition, interest-bearing borrowings, financing and debentures are subsequently measured at amortized cost using the effective interest method. Any gains and losses are recognized in profit or loss when liabilities are derecognized, as well as during the amortization process using the effective interest method.

The amortized cost is calculated taking into consideration any discount or goodwill on acquisition and rates or costs that are an integral part of the effective interest method. The amortization under the effective interest method is recognized in line item “Finance costs” in the statement of income.

Derecognition

A financial liability is derecognized when the obligation thereunder is extinguished, i.e., when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender under substantially different terms, or the terms of an existing liability are substantially modified, such a change or modification is treated as the derecognition of the original liability and recognition of a new liability. Any differences in the respective carrying amounts are recognized in the statement of income.

c) Net presentation of financial instruments

Financial assets and financial liabilities are offset and the net amount is recorded in the individual and consolidated balance sheet when there is a legally enforceable right to set off recognized amounts and the intent to either settle them on a net basis, or to recognize the assets and settle the liabilities simultaneously.

2.7. Fair value measurement

The Group measures financial instruments, such as derivatives, and, for reporting purposes, investments properties at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market players at the measurement date. Fair value measurement is based on the assumption that the transaction to sell the asset or to transfer the liability will take place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The Group must have access to the principal or most advantageous market.

The fair value of an asset or liability is measured based on the assumption that market players would use to define the price of an asset or liability, assuming that those market players act in their best economic interest. A fair value measurement of nonfinancial assets takes into account a market player's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market player that would also do so. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy described below, based on the lowest level inputs that are significant to the fair value measurement as a whole:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - valuation techniques for which inputs of the lowest level and significant to fair value measurement are directly or indirectly observable.
- Level 3 - valuation techniques for which inputs of the lowest level and significant to fair value measurement are unobservable.

For assets and liabilities recognized at fair value in the financial statements on a recurring basis, the Group determines whether there have been transfers between hierarchy levels, revaluing their categorization (based on the lowest level inputs that are significant to the fair value measurement as a whole) at the end of each reporting period. The Group determined the policies and procedures to measure the fair value of investment properties, which were internally prepared based on the knowledge, market performance information and expertise in the shopping mall industry. For fair value disclosure purposes, the Group determined classes of assets and liabilities based on the nature, characteristics and risks of an asset or liability and their fair value hierarchy level, as described above. Corresponding disclosures at fair value of financial instruments and nonfinancial assets measured at fair value or, upon disclosure of fair values, are summarized in the respective notes.

2.8. Current vs. noncurrent classification

The Group records assets and liabilities in the balance sheet based on current/noncurrent classification. An asset is classified as current when:

- it is primarily held for trading.
- it is expected to be realized within 12 months from the reporting date; or
- it comprises cash or cash equivalents, unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as noncurrent. A liability is classified as current when:

- it is primarily held for trading.
- it is expected to be realized within 12 months from the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

The Group classifies all other liabilities as noncurrent. Deferred tax assets and liabilities are classified in noncurrent assets and liabilities.

2.9. Cash and cash equivalents

Cash equivalents are held to meet short-term cash commitments rather than for investment or any other purposes. The Group considers as cash equivalents the short-term investments readily convertible into a known cash amount, which are subject to an insignificant risk of change in value. Therefore, an investment usually qualifies as a cash equivalent when it has a short-term maturity of, for example, three months or less from the investment date.

2.10. Inventories

Inventories are carried at the lower of cost and net realizable value. Inventories are stated at average acquisition cost. The net realizable value represents the estimated selling price for inventories less all costs necessary to make the sale.

2.11. Investments

Investments are accounted for under the equity method in the individual financial statements. Investments in companies in which Management has significant influence or interest of 20% or more in the voting capital, or which are part of the same group or are under common control, are accounted for under the equity method (see note 7).

Investments in joint ventures

A joint venture is a contractual arrangement whereby the Company and other parties engaged in an economic activity that is subject to joint control, and exists only when the decisions on strategic financial and operating policies related to the joint venture activities require the unanimous consent of all parties sharing control.

Joint investments are recorded under the equity method, from the date the shared control was acquired, and are not consolidated.

2.12. Investment properties

Investment properties are initially measured at cost, less depreciation calculated on a straight-line basis, including transaction costs. The carrying amount includes borrowing costs, the cost for replacing part of an investment property existing at the time the cost is incurred if the recognition criteria are met, less costs of daily service of the investment properties. After initial recognition, investment properties are carried at cost, but measured at fair value, which reflects the market conditions at the balance sheet date. Investment properties are derecognized when either sold or when they are no longer permanently used and no future economic benefits from the disposal thereof are expected. The difference between the net sales proceeds and its carrying amount is recognized in the statement of profit and loss on the derecognition date. The Company annually reviews the useful life and the residual value of its investment properties.

2.13. Property, plant and equipment

Stated at cost, less depreciation calculated on a straight-line basis according to the rates disclosed in note 9.

The estimated useful lives and residual values are reviewed at least on an annual basis, and the effects of any change in estimates are recorded prospectively.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its continuing use. Any gain or loss arising on the disposal or derecognition of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.14. Intangible assets

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment on an annual basis, as disclosed in note 2. Intangible assets with finite useful lives are subject to amortization over their estimated useful lives and, whenever impairment indicators are identified, they are also tested for impairment (see note 10).

The estimated useful lives of intangible assets with finite useful lives are reviewed at least on an annual basis, and the effects of any change in estimates are recorded prospectively.

2.15. Direct taxes

Certain Group companies are subject to taxation under the taxable income regime, whereas other companies are taxed under the deemed income regime.

Taxable income

The provision for income tax is recognized at the rate of 15%, plus a 10% surtax on annual taxable income exceeding R$240. Social contribution was calculated at the rate of 9% on adjusted profit. Deferred income tax and social contribution were calculated based on temporary differences arising from the recognition of income and expenses for tax and accounting purposes, as well as on tax loss carryforwards, in accordance with technical pronouncement CPC 32 (IAS 12) - Income Taxes.

Deemed income

Income tax and social contribution are calculated at the rate of 32% on gross service revenue, 8% on sales revenue (12% for social contribution) and 100% of finance income and other revenues are subject to the regular rates of 15%, plus a 10% surtax, for income tax, and 9% for social contribution; therefore, these consolidated entities did not record deferred income tax and social contribution on tax loss carryforwards and temporary differences nor are subject to the noncumulative PIS and COFINS taxation system.

2.16. Equity

a) Distribution of dividends

The distribution of minimum dividends to the Company's shareholders is recognized as a liability in the financial statements at the end of each reporting period, according to its bylaws. Any amounts in excess of mandatory minimum dividends can only be accrued on the date they are approved by the shareholders at a General Meeting.

b) Earnings (loss) per share

Basic earnings (loss) per share are calculated using profit or loss for the year attributable to the Company's owners and the monthly average number of shares outstanding in the year. Diluted earnings (loss) per share are calculated by means of the average number of shares outstanding, adjusted by instruments potentially convertible into shares, with diluting effect, in the reported years, pursuant to technical pronouncement CPC 41/IAS 33.

c) Common and preferred shares

Common and preferred shares are classified as equity. Additional costs directly attributable to the issuance of shares and stock options are recognized as a deduction from equity, net of any taxes.

d) Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the statement of income on the purchase, sale, issuance or cancellation of the Group's own equity instruments.
Any difference between the carrying amount and the consideration is recognized in "Other capital reserves".

e) Capital reserve

The gain on the merger of all subsidiary's shares is recognized in equity, with no impact on profit or loss for the year.

2.17. Provisions

a) General

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of funds will be required to settle the obligation, and the obligation amount can be reliably estimated. When the Group expects that the amount of a provision will be reimbursed, whether wholly or partially (e.g., by virtue of an insurance contract), the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. Expenses on any provision are recorded in the statement of income, net of any reimbursements.

If the effect of the time value of money is material, provisions are discounted by using a current pretax rate that reflects, when appropriate, the liability-specific risks. When discounts are used, the increase in the provision due to the passage of time is recognized as financing cost.

b) Provision for tax, labor and civil risks

The Group is a party to several lawsuits and administrative proceedings. Provisions are recognized for all risks relating to lawsuits for which it is probable that an outflow of funds will be required to settle the contingency/obligation and a reliable estimate can be made. The provisions for labor risks are recognized based on the opinion and amounts assessed by the legal counsel, according to a percentage rate defined by Management by reference to the historical settlement of lawsuits of similar nature over the past 12 months.
The likelihood of loss is assessed based on available evidence, the hierarchy of laws, available case rulings, most recent court decisions, their relevance within the legal system, and the assessment made by the outside legal counsel. Provisions are reviewed and adjusted to take into account changes in circumstances, such as relevant statute of limitations, conclusions of tax audits or additional exposures identified based on new matters or court decisions. Risks assessed as possible losses are not recognized for accounting purposes and should only be disclosed, whereas those classified as remote losses do not require provision or disclosure.

2.18. Share-based payment

The Company offers its employees share-based compensation plans, settled in shares, under which the Company receives services as consideration for stock options. The value of options granted is recognized as expenses over the vesting period, during which certain vesting terms and conditions must be met. At the balance sheet date, the Company revises its estimates on the number of options that will be vested under specific terms and conditions. The Company recognizes the impact of the revised estimates, if any, in the statement of profit and loss, as a contra entry to equity.

2.19. Present value adjustments to assets and liabilities

Long-term monetary assets and liabilities are adjusted for inflation and, therefore, are adjusted at their present value. Present value adjustments to short-term monetary assets and liabilities are calculated, and only recorded, if considered material in relation to the financial statements taken as a whole. For purposes of recording and determining the materiality, the present value adjustments are calculated taking into consideration the contractual cash flows and the explicit, and in certain cases implicit, interest rate of the related assets and liabilities. Based on the analyses made and Management's best estimate, the Group concluded that the adjustments to present value of current monetary assets and liabilities are immaterial in relation to the financial statements taken as a whole and, accordingly, it did not record any adjustments.

2.20. Impairment losses on nonfinancial assets

Management annually tests assets for impairment to determine whether events or changes in economic, operating or technological circumstances indicate that they might be impaired. Whenever any evidence of impairment is identified and the carrying amount exceeds the recoverable amount, an allowance for impairment is recognized to adjust the carrying amount to the recoverable amount. The recoverable amount of an asset or a certain cash-generating unit is defined as the higher of the value-in-use and the net sales amount. In measuring the value-in-use of assets, estimated future cash flows are discounted to their present values, using a pretax discount rate that reflects the weighted average cost of capital in the industry where the cash-generating unit operates. The net fair value of selling expenses is determined, whenever possible, based on recent market transactions between knowledgeable and willing parties with similar assets. In the absence of observable transactions in this regard, an appropriate valuation methodology is used. The calculations provided under this model are corroborated by available fair value indicators, such as quoted prices for listed entities, among other available indicators. The Group's impairment test is based on forecasts and detailed financial budgets, which are separately prepared by Management for each cash-generating unit to which the assets are allocated. Projections based on these forecasts and budgets usually cover a five-year period. An average long-term growth rate is calculated and applied to future cash flows after the fifth year. Any impairment losses on assets are recognized in the statement of income consistently with the use of the impaired assets. For assets other than goodwill, an impairment test is performed at each reporting date to determine whether there is any indication that previously recognized impairment losses no longer exist or have decreased. If any such indication exists, the Group estimates the recoverable amount of the assets or cash-generating unit. Previously recognized impairment losses on assets are reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset since the last impairment loss that was recognized. The reversal is limited so that the carrying amount of an asset does not exceed the carrying amount that would have been determined (net of depreciation, amortization or depletion) had no impairment losses been recognized in prior years. Such reversal is recognized in profit or loss. Goodwill is tested for impairment on an annual basis as at December 31 or whenever the circumstances indicate that the carrying amount has deteriorated. An impairment loss is recognized for a cash-generating unit to which the goodwill relates.

Whenever the recoverable amount of the unit is lower than its carrying amount, an impairment loss is recognized and allocated to write down the carrying amount of the unit assets in the following order: (a) reducing the carrying amount of goodwill allocated to the cash-generating unit; and (b) then, other unit assets proportionately to the carrying amount of each asset. Intangible assets with indefinite useful lives are tested for impairment annually as at December 31, individually, or at the level of the cash-generating unit, as the case may be or when the circumstances indicate any existing impairment losses. As at December 31, 2023, no impairment loss on non-financial assets was recorded.

2.21. Functional and presentation currency

The financial statements of each investee included in the consolidation are prepared using the functional currency (i.e., currency of the primary economic environment in which it operates) of each investee. When defining the functional currency of each subsidiary, Management considered which currency significantly influences the price of the services rendered and the currency in which most of the service costs are paid or incurred. The consolidated financial statements are presented in Brazilian reais (R$), which is the functional and presentation currency adopted by the parent and all subsidiaries.

Foreign currency

In preparing the Company's individual and consolidated financial statements, foreign currency-denominated transactions are recorded at the exchange rates prevailing on the date of each transaction. At the end of each reporting period, monetary items denominated in foreign currency are translated at the effective rates. Exchange rate changes on monetary items are recognized in profit or loss for the year in which they incur.

2.22. Adoption of new and revised IFRSs

New and revised IFRSs that are effective for the current year

In the current year, the Company applied a series of amendments to the IFRSs issued by the International Accounting Standards Board - IASB that are mandatorily effective for accounting periods beginning on or after January 1, 2023. Their adoption had no significant impact on the disclosures or amounts presented in these financial statements.

a) Technical pronouncement CPC 50 (IFRS 17) - Insurance Contracts (including amendments published in June 2020 and December 2021).

   The Company analyzed the adoption of technical pronouncement CPC 50 (IFRS 17) and corresponding amendments for the first time in the current year. Technical pronouncement CPC 50 (IFRS 17) establishes the principles for recognition, measurement, presentation and disclosure of insurance contracts and supersedes technical pronouncement CPC 11 (IFRS 4) - Insurance Contracts. The standard describes the general model modified for insurance contracts with direct participation features, referred to as variable fee approach. The general model is simplified if certain criteria are met, thus measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and explicitly measures such uncertainty cost. It takes into consideration market interest rates and the impact of options and warranties of the policy holders. The Company has no contracts that meet the definition of insurance contract in accordance with technical pronouncement CPC 50 (IFRS 17).

b) Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Making Materiality Judgments

The Company adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to the disclosure of accounting policies. The amendments replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not to be disclosed. Accounting policy information may be material because of the nature of the corresponding transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. In addition, the Board prepared guidance and examples to explain and show the application of the “four-step materiality process” described in the Practice Statement 2.

c) Amendments to IAS 12 - Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Company adopted the amendments to IAS 12 for the first time in the current year. The amendments introduce an additional exception to the exemption of first-time recognition. According to the amendments, the Company does not apply the exemption of initial recognition for transactions resulting in equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable income. Following the amendments to IAS 12, an entity is required to recognize the corresponding deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

d) Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

The Company adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in the financial statements that are subject to measurement uncertainty.” The definition of a change in accounting estimates was deleted.

New and revised CPCs/IFRSs already issued, but not yet adopted

As part of CPC's commitment to adopt in Brazil all amendments issued by the International Accounting Standards Board - IASB in the IFRSs, amendments to certain accounting pronouncements were already disclosed by the IASB, but are not yet effective, and the Company did not early adopt them in the preparation of these financial statements. These amendments are not expected to significantly affect the Company's individual and consolidated financial statements.

a) Amendments to IFRS 10 (technical pronouncement CPC 36 (R3)) - Consolidated Financial Statements and IAS 28 (technical pronouncement CPC 18 (R2)) - Investments in Associates and Joint Ventures - Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture.

   The amendments to IFRS 10 (technical pronouncement CPC 36 (R3)) and IAS 28 (technical pronouncement CPC 18 (R2)) address situations involving the sale or contribution of assets between an investor and its associate or joint venture. Specifically, gains and losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in a former subsidiary (that has become an associate or a joint venture accounted for under the equity method) at fair value are recognized in the former parent's profit or loss to the extent of the unrelated investors' interests in the new associate or joint venture. The effective date of the amendments has not yet been defined by the IASB; however, early adoption is permitted. The Company's Management expects the adoption of these amendments to have an impact on the Company's consolidated financial statements in the future in case these transactions are carried out.

b) Amendments to IAS 1 - Presentation of Financial Statements (technical pronouncement CPC 26 (R1)) - Classification of Liabilities as Current or Non-current

   The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the balance sheet and not the amount or timing of recognition of any assets, liabilities, income or expenses, or the information disclosed on these items. The amendments clarify that the classification of liabilities as current or non-current is based on rights existing at the end of the reporting period, specify that classification is not affected by expectations about whether an entity will exercise its right to defer settlement of the liability, explain that rights exist if covenants are complied with at the end of the reporting period, and introduce the definition of settlement to make it clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments must be applied retrospectively for annual periods beginning on or after January 1, 2024, with early adoption permitted.
   The IASB aligned the effective date with the 2022 amendments to IAS 1. If an entity applies the 2020 amendments for a prior period, it must also early apply the 2022 amendments.

c) Amendments to IAS 1 - Presentation of Financial Statements - Non-current Liabilities with Covenants

The amendments indicate that solely covenants that an entity must comply with on or before the end of the reporting period, affect the entity's right to defer settlement of a liability for at least 12 months after the reporting date (and, therefore, this must be considered when assessing the classification of the liability as current or non-current). These covenants affect whether the right exists at the end of the reporting period, even if the compliance with the covenant is assessed solely after the reporting date (e.g., a covenant based on the entity's financial condition at the reporting date that is assessed for purposes of compliance solely after the reporting date). The IASB also determines that the right to defer settlement of a liability for at least 12 months after the reporting date is not affected if the entity must solely comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the compliance with covenants by the entity within a period of 12 months after the reporting date, the entity discloses information that allows the users of the financial statements to understand the risk of liabilities becoming amortizable within the period of 12 months after the reporting date. This would include information on the covenants (including the nature of the covenants and when the entity must comply with them), the carrying amount of the corresponding liabilities and the facts and circumstances, if any, indicating that the entity can face difficulties to comply with the covenants.
The amendments are applied retrospectively for annual periods beginning on or after January 1, 2024, with early adoption permitted. If an entity applies the amendments for a prior period, it must also early apply the 2020 amendments.

d) Amendments to IAS 7 - Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures-Supplier Finance Arrangements

The amendments add a disclosure objective in IAS 7 by asserting that an entity must disclose information about its supplier finance arrangements that allow the users of the financial statements to assess the effects of these arrangements on the entity's liabilities and cash flows. Also, IFRS 7 was amended to include supplier finance arrangements as an example within the requirements to disclose information on the entity's exposure to the liquidity risk concentration. The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which the entity should provide the information. To fulfill the disclosure objective, the entity must fully disclose for its supplier finance arrangements:

- The terms and conditions of the arrangements.
- The carrying amount, and corresponding line items in the entity's balance sheet, of the liabilities that are part of the arrangements.
- The carrying amount, and corresponding line items for which the suppliers already received payment from those providing the financing.
- The maturity date ranges of the payments for the financial liabilities that are part of a supplier finance arrangement and comparable payables that are not part of a supplier finance arrangement.
- Information on the liquidity risk.

The amendments, which contain specific transition measures for the first annual period in which the entity applies the amendments, are effective for annual period beginning on or after January 1, 2024, with early adoption permitted.

e) Amendments to IFRS 16 - Leases - Lease Liability in a Sale and a Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions, which satisfy the requirements of technical pronouncement CPC 47 (IFRS 15), for purposes of recognition as sale. The amendments require that the seller-lessee determines ‘lease payments’ or ‘revised lease payments’ so that the seller-lessee does not recognize a gain or loss relating to the right of use retained by the seller-lessee, after the inception date. The amendments do not affect the gain or loss recognized by the seller-lessee at the full or partial end of a lease. Without these new requirements, a seller-lessee could have recognized a gain on the right of use exclusively retained by it due to the remeasurement of the lease liability (e.g., after a modification of or change in the lease within the lease term) that applies the general requirements in IFRS 16. This could have particularly been the case in a leaseback that includes variable lease payments that do not depend on an index or rate. As part of the amendments, the IASB changed the Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of the right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability resulting from a sale and leaseback transaction that qualifies as sale upon adoption of technical pronouncement CPC 47 (IFRS 15) is a lease liability. The amendments are effective for annual periods beginning on or after January 1, 2024, with early adoption permitted. If the seller-lessee applies the amendments for a prior period, it must disclose such fact. The seller-lessee applies the amendments retrospectively pursuant to technical pronouncement CPC 23 (IAS 8) to sale and leaseback transactions carried out after the first-time adoption date, which is defined as the beginning of the annual reporting period in which the entity applied IFRS 16 for the first time.

In Management’s opinion, there are no other standards or interpretations issued and not yet adopted that could have a significant impact on profit or loss for the year or the equity disclosed by the Company.

3. CRITICAL ACCOUNTING JUDGMENTS AND KEY ESTIMATES AND ASSUMPTIONS

Estimates and assumptions

In preparing the financial statements, estimates need to be used to account for certain assets, liabilities and other transactions. The financial statements of the Company and its subsidiaries include, therefore, estimates referring to the selection of the useful lives of property, plant and equipment, intangible assets and investment properties, the necessary provisions for tax, labor and civil risks, the recognition of provisions for income tax and social contribution, allowance for doubtful debts, fair value of investment properties for reporting purposes, and other similar provisions. The settlement of transactions involving these estimates may result in amounts that significantly differ from those reported in the financial statements due to the inaccuracy inherent to the estimation process.
The Company revises its estimates at least annually.

Judgments

The preparation of the Group's individual and consolidated financial statements requires Management to make judgments and estimates and adopt assumptions that affect the reported amounts of income, expenses, assets and liabilities, as well as the disclosures of contingent liabilities. In applying the Group's accounting policies, Management exercised the following judgments, which most significantly affect the amounts recognized in the consolidated financial statements.

Fair value measurement of investment properties for impairment testing and reporting purposes

Fair values are based on market values and the estimated amount by which a property could be exchanged at the valuation date between knowledgeable and willing parties in an arm's length transaction, as defined in IFRS 13 for level 3 assessments. To measure the fair value of investment properties for impairment testing and reporting purposes, the Group adopted the methodology of cash flows discounted to present value. Under such methodology, the current lease revenue is projected based on current performance and projections, over a period of 10 years, considering appropriate growth rates and contractual events (adjustments, reviews and renewals), within the lower frequency set forth in the legislation governing lease agreements. For those cases where current lease is higher or lower than the market, marked-to-market adjustments are considered at the review dates of each agreement. In addition, in the case of a percentage lease collection, projections consider the higher of the revenues earned. To reflect the perpetuity of operations, at the end of the 10th year, revenue is capitalized, and the revenue flow and perpetuity value are then discounted to present value using the discount rates appropriate to the market risk perception, taking into account the probable risk/performance under each scenario. For analysis purposes, the continuity of existing agreements is considered, with automatic renewal of those agreements. Losses of revenue due to default were also considered. Investment properties under construction are valued by measuring the fair value of the entire investment, less the estimated costs of completion, financing costs and a reasonable profit margin. The main assumptions adopted in determining the fair value of investment properties are detailed in note 8.

Realization of deferred income tax and social contribution credits

Deferred tax assets are recognized for all unutilized tax loss carryforwards and temporary differences to the extent that it is probable that taxable income will be available to allow the utilization of such tax losses and temporary differences. Considerable judgment is required from Management to determine the amount of deferred tax assets that can be recognized, based on the probable term and future taxable income, together with future tax planning strategies. These Company's tax losses can be carried forward indefinitely. However, their offset is limited to 30% of taxable income generated during a certain fiscal year. For further details on deferred taxes, see note 17.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities reported in the balance sheet cannot be obtained from active markets, it is determined based on valuation techniques, including the discounted cash flow method. Inputs for these methods are based on market values, if possible; otherwise, Management is required to make judgment to determine the fair value. Such judgment includes the analysis of the data used, such as liquidity risk, credit risk and volatility. Changes in the assumptions related to these factors could affect the fair value of financial instruments.

Allowance for expected credit losses for trade receivables and contract assets

The Group uses an allowance matrix to calculate expected credit losses on trade receivables and contract assets. The allowance rates applied are based on days of delay for groupings of various customer segments that have similar loss patterns (such as by geographic region, product type or customer type and credit risk, among others). The allowance matrix is initially based on the historical loss rates observed by the Group. The Group reviews the matrix prospectively to adjust it according to the historical credit losses. For example, if economic conditions are expected to deteriorate over the next year (e.g., gross domestic product) - which could lead to an increase in default rates in the manufacturing sector - the historical loss rates are adjusted. At all reporting dates, the historical loss rates are adjusted and any changes in forward-looking estimates are analyzed. Assessing the correlation between observed historical loss rates, foreseen economic conditions and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and foreseen economic conditions. The Group's historical credit loss experience and forecast economic conditions may also not represent the customer's actual pattern in the future. Information on expected credit losses on the Group's trade receivables and contract assets is disclosed in note 5.

Provisions for tax, civil and labor risks

The Group recognizes a provision for civil and labor risks. The likelihood of loss is assessed based on available evidence, the hierarchy of laws, available case rulings, most recent court decisions, their relevance within the legal system, and the assessment made by the outside legal counsel. Provisions are reviewed and adjusted to take into account changes in circumstances, such as relevant statute of limitations, conclusions of tax audits or additional exposures identified based on new matters or court decisions.

4. CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Cash and cash equivalents				
Cash and banks	9,884	8,395	59,473	52,164
Total	9,884	8,395	59,473	52,164
Short-term investments				
National investment fund (i)	335,343	672,568	1,112,476	1,300,020
Foreign investment fund (ii)	53,415	57,194	73,046	79,687
Short-term investments under repurchase agreements (iii)	70	-	11,676	56,080
Multimarket investment funds (iv)	-	-	353,192	418,865
Total	388,828	729,762	1,550,390	1,854,652
Current	398,642	738,157	1,598,187	1,829,858
Noncurrent	70	-	11,676	76,958

(i) These are represented by non-exclusive fixed-income investment funds, with daily liquidity and accumulated yield of 13.03% up to December 31, 2023 (13.40% - 2022). Management manages the Company's cash through non-exclusive investment funds, expecting to use such resources for the development of the projects foreseen.

(ii) It refers to the investment in a foreign investment fund, with investments in equity interests and in other investment funds, subject to exchange rate changes. These investments are made within the scope of the Corporate Venture Capital investment program, which aims to support companies with high growth potential at the beginning of their business journey.
The investments can be partially or fully made in the short- and medium-term and the Company does not make these investments for the purpose of controlling or having significant influence in the investees.

(iii) Short-term investments under repurchase agreements are aimed at securing borrowings under Mortgage-backed Securities (CRI), maturing on September 17, 2025. The average yield was approximately 12.91% (2022 - 12.72%).

(iv) Multimarket investment funds

The investments managed by G5 Partners ultimately refer to an exclusive multimarket investment fund drawing on a wide and diversified investment strategy that seeks to ensure maximum return to its shareholders.

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Fixed income securities (i)	-	-	283,145	347,787
Variable-income securities (ii)	-	-	70,047	71,078
	-	-	353,192	418,865

(i) Substantially comprises federal government bonds, debentures and receivables, among others. In the year ended December 31, 2023, the average yield was approximately 14.95% (2022 - 14.93%).

(ii) Comprises investments in ownership interests not subject to any exchange rate changes. In the year ended December 31, 2023, the average yield was approximately -0.09% (2022 - -8.26%).

5. TRADE RECEIVABLES

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Rents, co-payments, retail and provision of services	39,475	-	313,425	313,257
Straight-lining, net of amortization (i)	-	-	113,937	191,850
Other (ii)	22,182	-	162,854	125,550
	61,657	-	590,216	630,657
Allowance for expected credit losses	(12,384)		(116,363)	(119,195)
	49,273	-	473,853	511,462
Current	29,596	-	253,905	274,192
Noncurrent	19,677	-	219,948	237,270

(i) The straight-lining is substantially represented by discounts granted during the COVID-19 pandemic, in which Management adopted new discount policies in order to create financial breathing room in the shopkeepers' cash flows. These discounts include full or partial exemptions, always based on each shopkeeper's condition (these conditions reach most shopkeepers in the Company's portfolio, but consider exceptions relating to establishments whose operations were not halted when the shopping malls closed). These discounts were straight-lined and will be amortized over the remaining lease term, as provided for by technical pronouncement CPC 06(R2)/IFRS 16.

(ii) Substantially represented by sales of plots of land for the development of real estate projects by the development buyers. Receipts will occur through transfers of funds related to units sold ("financial barter transaction") and installment payments, as provided for in the agreement. In addition, we highlight that these financial assets are monthly restated based on the INCC/FGV and/or IGP-M/FGV indexes.

The aging list of trade receivables is as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Current - 721 to 1440 days	644	-	154,208	146,093
Current - 361 to 720 days	19,033	-	65,740	91,177
Current - up to 360 days	24,636	-	241,360	266,818
Up to 30 days past due	682	-	7,886	7,883
31 to 60 days past due	572	-	4,596	4,004
61 to 90 days past due	180	-	1,696	1,111
91 to 120 days past due	378	-	2,995	3,498
121 to 360 days past due	5,665	-	19,591	19,770
Over 360 days past due	9,867	-	92,144	90,303
	61,657	-	590,216	630,657

The aging list of trade receivables without any impacts on the straight-lining recognition is as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Current - 721 to 1440 days	644	-	86,331	46,108
Current - 361 to 720 days	19,033	-	42,468	56,896
Current - up to 360 days	24,636	-	218,573	209,235
Up to 30 days past due	682	-	7,886	7,883
31 to 60 days past due	572	-	4,596	4,004
61 to 90 days past due	180	-	1,696	1,111
91 to 120 days past due	378	-	2,995	3,498
121 to 360 days past due	5,665	-	19,591	19,769
Over 360 days past due	9,867	-	92,143	90,303
	61,657	-	476,279	438,807

Iguatemi and its subsidiaries adopted the calculation of expected losses on trade receivables based on an “allowance matrix”, taking into account historical default data that already include the events of COVID-19, and defined a percentage of allowance for each maturity range of the receivables portfolio. The aging list reflects the original date of each security, with no change in the original dates of the securities overdue, which were renegotiated. The balance reported in line item “Trade receivables” was classified into the category of financial assets measured at “amortized cost”.

The variations in the allowance for expected credit losses are shown below:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Current	(1,003)	-	(6,583)	(10,454)
Up to 30 days past due	(65)	-	(2,106)	(1,899)
31 to 60 days past due	(76)	-	(1,456)	(1,405)
61 to 90 days past due	(3)	-	(638)	(429)
91 to 120 days past due	(118)	-	(1,260)	(1,561)
121 to 360 days past due	(1,252)	-	(12,176)	(13,144)
Over 360 days past due	(9,867)	-	(92,144)	(90,303)
	(12,384)	-	(116,363)	(119,195)

To determine the collectability of trade receivables, Iguatemi and its subsidiaries consider any changes in the customer’s creditworthiness from the date the credit was originally granted through the end of the reporting period.

The percentage rates attributable to the allowance for expected credit losses are broken down as follows:

	%	
	12.31.2023	12.31.2022
Current	3.57%	3.97%
Up to 30 days past due	26.71%	30.55%
31 to 60 days past due	31.68%	35.83%
61 to 90 days past due	37.64%	41.40%
91 to 120 days past due	42.07%	46.27%
121 to 360 days past due	62.15%	68.52%
Over 360 days past due	100.00%	100.00%

The aging list of amounts included in the allowance for expected credit losses is as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Opening balance	-	-	(119,195)	(109,786)
Recognition of allowance for expected credit losses	(362)	-	(10,971)	(9,337)
Write-off/reversal/transfer of uncollectible receivables	(12,022)	-	13,803	(72)
Closing balance	(12,384)	-	(116,363)	(119,195)

Leases

Iguatemi and its subsidiaries lease spaces in their shopping malls, with an effective term between four (4) and five (5) years, with the option of renewal after this period. Exceptionally, they may have contracts with different effective terms and conditions. The amounts are adjusted annually, according to market indexes. The future minimum contractual rent installments to be billed on non-cancelable leases, considering the stores in operation as at December 31, 2023 and 2022, are as follows (unaudited):

	Consolidated	
	12.31.2023	12.31.2022
Up to one year	730,312	700,361
Between two to five years	1,952,434	1,716,817
More than five years	229,946	206,733
	2,912,692	2,623,911

6. INFORMATION ON RELATED-PARTY BALANCES AND TRANSACTIONS

In the normal course of business, the Company carries out transactions with related parties represented by Iguatemi S.A. entities at prices, terms, finance charges and other conditions determined by Management.

Related-party balances and transactions

Related-party balances and transactions as at December 31, 2023 and 2022 are as follows:

a) Balances

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Current assets				
Dividends receivable:				
Iguatemi Empresa de Shopping Centers S.A.	72,847	-	-	-
EDS66 Participações S.A.	-	489	-	-
Total current assets	72,847	489	-	-
Noncurrent assets				
Due from other related parties:				
Ifashion Outlet Santa Catarina (iii)	-	-	935	963
Ifashion Outlet Novo Hamburgo (iii)	-	-	355	302
Shopping Center Galleria (iii)	-	-	5,861	5,409
Shopping Center Iguatemi São Paulo (iii)	-	-	2,020	6,367
Federação das Entidades Assistenciais Campinas (i)	-	-	6,887	15,289
Shopping Center Iguatemi Ribeirão Preto (iii)	-	-	3,095	2,860
Other related parties (ii)	2,547	1,820	1,038	8,156
Total due from related parties	2,547	1,820	20,191	39,346
Total noncurrent assets	2,547	1,820	20,191	39,346
Current liabilities				
Due to related parties:				
Lease - Shopping Center Iguatemi São Paulo (iv)	-	-	775	557
Lasul Empresa de Shopping Centers Ltda. (v)	12,422	-	-	-
Total due to related parties	12,422	-	775	557
Dividends payable:				
Company x shareholders	73,072	2,357	73,072	2,357
Total dividends payable	73,072	2,357	73,072	2,357
Total current liabilities	85,494	2,357	73,847	2,914
Noncurrent liabilities				
Due to related parties:				
With subsidiaries				
Lease - Shopping Center Iguatemi São Paulo (iv)	-	-	8,555	-
Total due to related parties	-	-	8,555	-
Total noncurrent liabilities	-	-	8,555	-
Total due to related parties	85,494	2,357	82,402	2,914

(i) Refers to a loan with FEAC - Federação das Entidades Assistenciais de Campinas, which holds a 30% interest in Shopping Center Iguatemi Campinas, for the purpose of financing the expansion of the mall, bearing interest of CDI + 0.8% p.a. and settlement expected for August 31, 2026.

(ii) Refers substantially to the receivables from and payables to various mall condominiums, arising from the processes of refund of several payments, made by the Company.

(iii) The related-party balances between the civil and the commercial condominium refer to reimbursements of expenses not paid by lessees that were paid by the entrepreneurs, as determined by Laws No. 4591/64 and No. 8245/91.

(iv) Amount payable referring to a corporate office lease agreement entered into with Iguatemi São Paulo shopping mall, maturing on December 31, 2026, due to the adoption of IFRS 16/technical pronouncement CPC 06 (R2).

(v) Transfer of interest of Shopping Iguatemi Porto Alegre to Iguatemi S.A., as shown in note 7.

Transactions

	Consolidated	
	12.31.2023	12.31.2022
Cost of services:		
GJ Investimentos S.A. (ii)	(1,560)	(1,560)
IFCM - Infracommerce CXAAS S.A.	(110)	(111)
	(1,670)	(1,671)
Intragroup loans:		
Federação das Entidades Assistenciais de Campinas (i)	1,108	2,174
Ifashion Outlet Santa Catarina (iii)	50	82
Ifashion Outlet Novo Hamburgo (iii)	53	44
Shopping Center Galleria (iii)	692	601
Shopping Center Iguatemi São Carlos (iii)	-	95
Shopping Center Iguatemi Ribeirão Preto (iii)	330	168
	2,233	3,164

(i) Refers to a loan with FEAC - Federação das Entidades Assistenciais de Campinas, which holds a 30% interest in Shopping Center Iguatemi Campinas, for the purpose of financing the expansion of the mall, bearing interest of CDI + 0.8% p.a. and settlement expected for August 31, 2026.

(ii) Refer to administrative services provided by parent Iguatemi S.A., such as financial and tax consulting.

(iii) The related-party balances between the civil and the commercial condominium refer to reimbursements of expenses not paid by lessees that were paid by the entrepreneurs, as determined by Laws No. 4591/64 and No. 8245/91.

Intragroup loan agreements

Iguatemi and its subsidiaries enter into borrowing and financing agreements as a lender to finance the working capital of related companies and, as borrower, to finance its ventures. The terms and conditions of agreements are described in the table above.

Management compensation

Management's annual compensation relating to short-term benefits, in the amount of R$40,089, was approved at the Annual General Meeting held on April 20, 2023.

The compensation paid to the officers responsible for planning, steering and controlling the Company's operations, which include the Board of Directors' members and statutory officers, is as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Short-term benefits (i)	13,107	4,508	35,340	26,450
Share-based payment (ii)	-	-	7,168	6,948
	13,107	4,508	42,508	33,398

(i) These basically refer to Executive Board's fees and profit sharing, including a performance bonus.

(ii) This refers to the cost of options granted to Management members.

Guarantees provided to the subsidiaries of Iguatemi Empresa de Shopping Centers S.A.

a) On September 4, 2015, the Board of Directors approved the provision by subsidiary Iguatemi Empresa de Shopping Centers S.A. of a guarantee on behalf of Nova Galleria Empreendimentos Imobiliários Ltda., in order to collateralize the securitization of real estate receivables arising from the commitment to sell and purchase the properties composing Shopping Center Galleria, signed between its subsidiaries Galleria Empreendimentos Imobiliários Ltda. and Nova Galleria Empreendimentos Imobiliários Ltda., and Securitizadora RB Capital Companhia de Securitização, in the amount of R$210,000, subject to CDI + 0.15% p.a. and term of 120 months, as disclosed in note 11 (c).

b) On December 28, 2015, the Board of Directors approved the provision by subsidiary Iguatemi Empresa de Shopping Centers S.A. of a guarantee on behalf of CSC 142 Participações, in order to collateralize the securitization of real estate receivables arising from the commitment to sell and purchase the property located in the city of Tijucas, on which a commercial complex will be built, with Securitizadora RB Capital Companhia de Securitização, in the amount of R$105,000, subject to CDI + 1.30% p.a. and term of 228 months, as disclosed in note 11 (d).

c) On March 31, 2016, the Board of Directors approved the provision by subsidiary Iguatemi Empresa de Shopping Centers S.A. of a guarantee on behalf of CSC41 Participações Ltda., in order to collateralize the securitization of real estate receivables with Securitizadora RB Capital Companhia de Securitização, in the amount of R$105,000, subject to CDI + 1.30% p.a. and term of 228 months, as disclosed in note 11 (e).

d) On July 12, 2016, the Board of Directors approved the provision by subsidiary Iguatemi Empresa de Shopping Centers S.A. of a guarantee on behalf of ORK Empreendimentos Imobiliários SPE Ltda., in order to collateralize the securitization of real estate receivables with Securitizadora RB Capital Companhia de Securitização, in the amount of R$275,000, subject to a closing CDI rate - 0.10% p.a. and term of 84 months, as disclosed in note 11 (f).

7. INVESTMENTS

Breakdown of investments

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Iguatemi Empresa de Shopping Centers S.A.	3,665,247	3,042,766	146,439	147,966
FIP -Venture Iguatemi (ii)	164,338	159,033	164,393	158,543
Iguatemi 365 Ltda. (iii)	16,826	-	-	-
EDSP66 Participações S.A.	3,765	8,094	-	-
Equity interests	3,850,176	3,209,893	310,832	306,509
Goodwill on asset surplus (i)	-	-	3,495	3,495
Other investments (iv)	1,297	1,297	22,514	49,593
	3,851,473	3,211,190	336,841	359,597

(i) Goodwill arising on the acquisition of additional interest in Odivelas Participações S.A., with useful life to be defined after the project completion. As it refers to a noncontrolling interest that does not hold control over the operation, goodwill was not reclassified to investment property.

(ii) The Company made a long-term investment in a FIP (“Fundo de Investimento em Participações Multiestratégia”) to concentrate the investments made within the scope of the Corporate Venture Capital investment program. This FIP’s main asset is the indirect interest of 4.8% (7.9% in December 2022) in Infracommerce CXAAS S.A. As prescribed by accounting pronouncement CPC 18, paragraph18, since it has significant influence, the Company measures this interest through profit or loss to equity method. On December 15, 2023, the interest in Infracommerce was diluted from 7.9% to 4.8% due to a capital increase without the Company’s participation.

(iii) Iguatemi I365 was transferred to Iguatemi S.A., due to an investment management strategy.

(iv) The amounts of other investments in the consolidated substantially refer to equity interests, as described below:

i. Equity interest in Rojo Entretenimento S.A. “Teatro Santander”. Such interest is equivalent to 5% of the capital of Rojo Entretenimento S.A.

ii. In 2022 refers to equity interest in Etiqueta Única, an e-commerce portal intermediating the sale of authentic second-hand luxury goods from third parties. Currently, the Company holds an option to acquire the residual interest from third-party shareholders, provided that certain contractually determined metrics are achieved. As at September 30, 2023, it was transferred to FIP Venture Iguatemi. As at December 31, 2023, those metrics were not achieved, while the Company’s Executive Board does not expect such purchase option to become exercisable.

Variations in equity interests

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Opening balance	3,209,893	3,396,057	306,509	145,328
Capital increase	619,708	98,179	-	6,251
Advance for future capital increase	(137)	5,579	-	-
Capital decrease	(16,021)	-	-	-
Acquisition of interest	4,122	161,900	39,658	160,945
Share of profit (loss) of subsidiaries	265,728	(21,176)	(33,787)	(4,400)
Dividends received	-	(306,043)	(1,548)	(1,615)
Minimum mandatory dividends	(72,847)	-	-	-
Other (i)	(160,270)	(124,603)	-	-
Closing balance	3,850,176	3,209,893	310,832	306,509

(i) The amount substantially refers to the transfer of 36% of Shopping Iguatemi Porto Alegre to Iguatemi S.A., through redemption of shares of Iguatemi Empesa de Shopping Centers S.A. upon delivery of free reserves in 2023 and 20% of Shopping Iguatemi JK in 2022.

Financial information on subsidiaries with noncontrolling interests and joint ventures

As at December 31, 2023 and 2022, Management analyzed the financial information on subsidiaries with noncontrolling interests and joint ventures, and concluded that such information is immaterial for reporting purposes. However, as additional information, significant balances of assets, liabilities and profit or loss for the years are as follows:

	Assets		Capital		Equity		Profit for the year	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022	12.31.2023	12.31.2022	12.31.2023	12.31.2022
AGSC	200	108	74	74	(18)	(18)	4,300	4,182
Other	6,183	5,908	11,807	11,807	6,149	5,888	261	57

8. INVESTMENT PROPERTIES

At cost

Description	Average remaining useful life in years	Land	Buildings, facilities and other	Accumulated depreciation	Total
Parent					
12.31.2023	49 to 60 (*)	322,836	683,411	(13,084)	993,163
12.31.2022	50 to 60 (*)	19,285	127,658	(1,062)	145,881
Consolidated before goodwill					
12.31.2023	27 to 60 (*)	744,900	5,628,004	(1,419,111)	4,953,793
12.31.2022	28 to 60 (*)	632,789	5,290,512	(1,277,274)	4,646,027

Description	Average remaining useful life in years	Land	Buildings, facilities and other	Accumulated depreciation	Total
Reclassified goodwill (**)					
12.31.2023	39 to 60	34,785	58,576	(18,063)	75,298
12.31.2022	40 to 60	147,654	193,867	(16,813)	324,708
Total consolidated 2023		779,685	5,686,580	(1,437,174)	5,029,091
Total consolidated 2022		780,443	5,484,379	(1,294,087)	4,970,735

(*) The useful life of other items classified as investment properties are assessed annually and reflect the nature of the assets and their use by the Company.

(**) This refers to the asset's surplus value, due to its origin, reported as investment properties in Consolidated. The amounts are stated net of amortization.

Income and the substantial costs generated by investment properties are described in notes 21 and 22, respectively.

Variations in investment properties are as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Opening balance	145,881	-	4,970,735	4,319,121
Additions (i)	859,063	146,943	216,294	810,023
Write-offs	-	-	(13,710)	(25,915)
Depreciation	(11,781)	(1,062)	(144,228)	(132,494)
Closing balance	993,163	145,881	5,029,091	4,970,735

(i) Refers to the transfer of 36% of Shopping Iguatemi Porto Alegre to the controlling shareholder, Iguatemi S.A., through capital reserve. As at December 31, 2022, refers to the transfer of 20% of Shopping Iguatemi JK to the controlling shareholder,
Iguatemi S.A., through dividend distribution.

Iguatemi and its subsidiaries annually measure the fair value of investment properties, as follows:

	12.31.2023	12.31.2022
	Shopping malls in operation	Shopping malls in operation
Fair value	14,069,612	13,752,192
Own gross leasable area (thousand square meter)	490	490

Iguatemi and its subsidiaries adopted a methodology for calculating the fair value, considering the discounted cash flows - Nominal model (fair value - level III), which was prepared by internal specialists according to the physical qualifications, assumptions and estimates determined as per real estate market inputs, as well as macroeconomic trends for a ten-year period. These assumptions consisted of projections on revenues, costs and expenses. The calculations did not include potential expansions, barters of land and unannounced projects (even those contained in the guidance).

Assumptions used in the evaluation:

	12.31.2023	12.31.2022
Real average discount rate	8.5% p.a.	8.9% p.a.
Occupancy rate	96.4%	96.7%
Effective growth rate in perpetuity	2% p.a.	2% p.a.
Annual inflation in perpetuity	4.0% p.a.	3.7% p.a.

Based on the fair value of investment properties, Management concluded that there is no indication of impairment.

9. PROPERTY, PLANT AND EQUIPMENT

		Consolidated			
	Annual depreciation rate (%)	12.31.2023			12.31.2022
		Cost	Accumulated depreciation	Net	Net
Facilities, machinery and equipment	10	81,549	(42,923)	38,626	28,322
Furniture and fixtures	10	13,917	(10,009)	3,908	4,196
IT equipment	33.33	26,180	(22,283)	3,897	7,022
Other	20	18,360	(13,301)	5,059	5,778
		140,006	(88,516)	51,490	45,318

The variations in property, plant and equipment are as follows:

	Consolidated	
	12.31.2023	12.31.2022
Opening balance	45,318	47,477
Additions	30,535	14,280
Write-offs	(2,662)	-
Depreciation	(21,701)	(16,439)
Closing balance	51,490	45,318

Based on the same assumptions adopted to measure the fair value of investment properties, as disclosed in note 8, Management concluded that there is no indication of impairment.

10. INTANGIBLE ASSETS

	Parent			
	12.31.2023			12.31.2022
	Cost	Accumulated amortization	Net	Net
Software under development (ii)	-	-	-	-
Other (iii)	752	-	752	752
	752	-	752	752

(i) Goodwill net of amortization amounting to R$76,365 (SISP Participações S.A.) and R$11,804 (Lasul Empresa de Shopping Centers Ltda.) was calculated by the Company in 2007, through the acquisition of equity interests in the respective companies. This goodwill is economically based on the future earnings of shopping malls - Shopping Center Iguatemi Porto Alegre (Lasul) and Shopping Center Iguatemi São Paulo (SISP).

(ii) The modules under development are added to cost, which completion is expected to occur within one year, on average.

(iii) Refers to the implementation and improvements of the various technology systems, with amortization in three years.

Variations in intangible assets:

	Consolidated			
	12.31.2023			12.31.2022
	Cost	Accumulated amortization	Net	Net
Goodwill on future earnings (i)	88,169	-	88,169	88,169
Software under development (ii)	21,619	-	21,619	21,701
Other (iii)	67,347	(54,652)	12,695	7,516
	177,135	(54,652)	122,483	117,386

<u>Impairment test of goodwill on future earnings</u>

The cash-generating unit (CGU) to which goodwill on expected future earnings is allocated should be tested for impairment. The impairment test is conducted by comparing the carrying amount of the CGU (including goodwill) with its recoverable amount. This test should be conducted at least annually or whenever there is indication that the CGU might be impaired.

The goodwill tested for impairment considers the CGU of Iguatemi São Paulo and Iguatemi Porto Alegre shopping malls. The Company analyzed the recoverable amount considering the discounted cash flows - nominal model, which was prepared by internal specialists according to the physical qualifications, assumptions and estimates determined as per real estate market inputs, as well as macroeconomic trends.

The Company adopted a methodology for calculating the fair value, considering the discounted cash flows - Nominal model (fair value - level III), which was prepared by internal specialists according to the physical qualifications, assumptions and estimates determined as per real estate market inputs, as well as macroeconomic trends for a ten-year period. These assumptions consisted of projections on revenues, costs and expenses, which are based on past experience adjusted for the expected market trends and strategic decisions taken in relation to the cash-generating units. The calculations did not include potential expansions, barters of land and unannounced projects (even those contained in the guidance).

The key assumptions supporting the estimated amounts are described below:

	12.31.2023	12.31.2022
Real average discount rate	7.7% p.a.	8.1% p.a.
Occupancy rate	97.9%	97.6%
Effective growth rate in perpetuity	2% p.a.	2% p.a.
Annual inflation in perpetuity	4.0% p.a.	3.7% p.a.

In light of the impairment testing of shopping malls (measured through cash flows) against the net cost, goodwill on future earnings and goodwill on asset surplus allocated to the respective malls (when applicable), Management concluded that no allowance for impairment losses is required.

11. BORROWINGS AND FINANCING

			Parent		Consolidated	
			12.31.2023	12.31.2022	12.31.2023	12.31.2022
Banco Itaú TR + 6.0% to 8.6% p.a.	July 10, 2031	(a)	-	-	52,964	58,853
Banco Itaú TR + 6.0% to 8.6% p.a.	December 15, 2030	(b)	-	-	96,662	108,482
RB Capital CDI + 0.15% p.a.	September 15, 2025	(c)	-	-	78,939	112,467
RB Capital CDI + 1.30% p.a.	December 15, 2034	(d)	-	-	92,388	95,125
RB Capital CDI + 1.30% p.a.	March 19, 2035	(e)	-	-	97,064	98,349
RB Capital CDI + 0.10% p.a.	July 12, 2023	(f)	-	-	-	78,976
RB Capital 96% of CDI	September 18, 2024	(g)	-	-	143,496	287,673
Apice 97.5% of CDI	June 27, 2023	(h)	-	-	-	254,679
Banco Itaú TR + 5.0% to 8.6% p.a.	March 29, 2032	(i)	-	-	147,340	162,066
Banco Itaú TR + 5.0% to 8.6% p.a.	March 29, 2032	(j)	-	-	72,382	79,623
Banco Safra S.A. CDI + 1.75 p.a.	December 20, 2024	(k)	12,286	24,611	12,286	24,611
Banco Itaú S.A. CDI + 1.40 p.a.	December 20, 2024	(l)	5,216	10,449	5,216	10,449
RB Capital CDI + 0.55% p.a.	October 16, 2028	(m)	181,350	-	181,350	-
RB Capital CDI + 0.60% p.a.	October 15, 2030	(m)	24,972	-	24,972	-
RB Capital 105% of CDI	October 16, 2028	(m)	249,423	-	249,423	-
RB Capital 106% of CDI	October 15, 2030	(m)	43,890	-	43,890	-
Banco Bradesco 99.95% of CDI	February 6, 2043	(n)	645,854	-	645,854	-
			1,162,991	35,060	1,944,226	1,371,353
Current			31,167	17,611	269,457	585,919
Noncurrent			1,131,824	17,449	1,674,769	785,434

Breakdown of debt by index

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
TR	-	-	369,348	409,024
CDI	1,162,991	35,060	1,574,878	962,329
	1,162,991	35,060	1,944,226	1,371,353

Debt repayment schedule

The repayment schedule of long-term debts with third parties is as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
2025 to 2026	61,535	17,449	214,184	337,706
2027 to 2035	1,070,289	-	1,460,585	447,728
	1,131,824	17,449	1,674,769	785,434

Variations in borrowings and financing

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Opening balance	35,060	170,132	1,371,353	1,713,972
Borrowings	1,167,000	-	1,167,000	-
Repayment of principal and interest	(112,122)	(156,028)	(797,064)	(529,179)
Accrued interest	71,465	20,956	197,674	181,249
Borrowing costs	1,588	-	5,263	5,311
Closing balance	1,162,991	35,060	1,944,226	1,371,353

The main characteristics of borrowings and financing are described below:

a) In order to expand Shopping Center Iguatemi Porto Alegre, the subsidiary entered into a financing agreement with Itaú Unibanco S.A. on July 11, 2014, in the amount of R$78,000, subject to TR + 6.0, which was fully released with a total borrowing cost of R$1,571. The subsidiary pledged 40% of Shopping Campinas and its future expansion as collateral. The repayment is being made within 144 months through the Constant Amortization System (SAC). As at December 31, 2023, the balance amounted to R$52,964 (R$58,853 in 2022) in Parent and Consolidated. The transaction is not subject to any covenants.

b) In order to expand Shopping Center Iguatemi Campinas, the subsidiary entered into a financing agreement with Itaú Unibanco S.A. on July 11, 2014, in the amount of R$152,000, subject to TR + 6.0, which was fully released. The subsidiary pledged 40% of Shopping Campinas and its future expansion as collateral. The repayment is being made within 144 months through the Constant Amortization System (SAC). As at December 31, 2023, the balance amounted to R$96,662 (R$108,482 in 2022) in Parent and Consolidated. The transaction is not subject to any covenants.

c) On September 24, 2015, the subsidiary carried out a securitization transaction within the market through Securitizadora RB Capital, in the amount of R$210,000 on behalf of subsidiary Galleria Empreendimentos Imobiliários Ltda., in order to capitalize the Company. Mortgage-backed Securities (CRI) were subject to the closing of book building at the rate of CDI + 0.15% p.a., with a grace period of 48 months and repayment in 72 months beginning October 2019.
The subsidiary pledged 100% of Shopping Galleria as collateral. As at December 31, 2023, the balance amounted to R$78,939 (R$112,467 in 2022) in Consolidated.
The transaction is not subject to any covenants.

d) On December 28, 2015, the Company carried out a securitization transaction within the market through Securitizadora RB Capital, in the amount of R$105,000, releasing the amounts of R$35,000 on December 31, 2015 and R$70,000 on January 4, 2016, on behalf of subsidiary CSC 142 Participações Ltda., for the construction of the future outlet in the city of Tijucas in Santa Catarina. Mortgage-backed Securities (CRI) were distributed at the rate of CDI + 1.30% p.a. and repayment in 228 months. The Company pledged 50% of Shopping Iguatemi JK as collateral.
As at December 31, 2023, the balance amounted to R$92,388 (R$95,125 in 2022) in Consolidated.
The transaction is not subject to any covenants.

e) On June 30, 2016, the Company carried out a securitization transaction within the market through Securitizadora RB Capital, in the amount of R$105,000 on behalf of subsidiary CSC 41 Participações Ltda., in order to capitalize the subsidiary. Mortgage-backed Securities (CRI) were distributed at the rate of CDI + 1.30% p.a. and repayment in 22 months. The Company pledged 50% of Shopping Iguatemi JK as collateral. As at December 31, 2023, the balance amounted to R$97,064 (R$98,349 in 2022) in Consolidated. The transaction is not subject to any covenants.

f) On July 12, 2016, the Company carried out a securitization transaction within the market through Securitizadora RB Capital, in the amount of R$275,000 on behalf of subsidiary Ork Empreendimento Imobiliários SPE Ltda., in order to capitalize the subsidiary. Mortgage-backed Securities (CRI) were distributed at the rate of CDI + 0.10% p.a. and repayment in 84 months, maturing on July 12, 2023. The Company pledged 78% of Shopping Iguatemi Alphaville as collateral. The transaction is not subject to any covenants.

g) On July 24, 2017, the subsidiary was authorized by the Board of Directors to conduct the fifth issue of simple, nonconvertible debentures, in a single series, to be linked to the issuance of Mortgage-backed Securities (CRI). The transaction was completed on September 18, 2017, in the total amount of R$279,635 and total borrowing cost of R$7,600, yielding interest limited to 96% of the cumulative DI rate fluctuation, with amortization in 84 months. As at December 31, 2023, the balance amounted to R$143,496 (R$287,673 in 2022) in Parent and Consolidated. The transaction is not subject to any covenants.

h) On April 30, 2018, the subsidiary was authorized by the Board of Directors to conduct the sixth issue of simple, nonconvertible debentures, in a single series, to be linked to the issuance of Mortgage-backed Securities (CRI). The transaction was completed on June 27, 2018, in the total amount of R$254,000, yielding interest equivalent to 97.5% of the CDI rate and maturing on June 27, 2023. This transaction is subject to a nonfinancial covenant, which consists of a risk rating downgrade by two levels (notches), by Fitch Ratings or its equivalent by Standard & Poor's or Moody's, except when such a downgrade solely arises from changes or impacts on the risk rating referring to the credit of the Federative Republic of Brazil (sovereign risk). The transaction is not subject to any covenants.

i) In order to increase its equity interest in Praia de Belas Shopping Center, the subsidiary entered into a financing agreement with Itaú Unibanco S.A. on March 23, 2020, in the amount of R$174,600, subject to a rate ranging between TR + 8.60% and TR + 5.00%, which is monthly assessed by reference to the Selic rate calculated on the date of each maturity. The Company pledged 37.545% of Praia de Belas Shopping Center as collateral. The repayment is being made within 120 months through the Constant Amortization System (SAC). As at December 31, 2023, the balance amounted to R$147,339 (R$162,066 in 2022) in Parent and Consolidated. The transaction is not subject to any covenants.

j) In order to increase its equity interest in Esplanada Shopping, the subsidiary entered into a financing agreement with Itaú Unibanco S.A. on March 23, 2020, in the amount of R$85,500, subject to a rate ranging between TR + 8.60% and TR + 5.00%, which is monthly assessed by reference to the Selic rate calculated on the date of each maturity. The subsidiary pledged 27.3271782% of Esplanada Shopping as collateral. The repayment is being made within 120 months through the Constant Amortization System (SAC). As at December 31, 2023, the balance amounted to R$72,383 (R$79,623 in 2022) in Consolidated. The transaction is not subject to any covenants.

k) On November 29, 2018, the Company carried out the portability of its debt with Banco Bradesco to Banco Safra, in the amount of R$61,246, subject to 100% CDI + 1.50% p.a., for a three-year period, subject to annual maturity of interest and principal on 11/29/2019, 11/30/2020 and 11/29/2021. The borrowing has no collaterals. On November 27, 2019, the Company renegotiated the borrowing from Banco Safra, which interest was CDI + 1.50% p.a. to CDI + 1.75% p.a. and the term was extended for five years with installments maturing beginning December 21, 2020 and ending December 21, 2024. In December 2023, the balance is R$12,286 (R$24,611 in 2022) in the Parent and Consolidated.

l) On February 26, 2018, the Company entered into a borrowing with Banco Itaú Unibanco S.A., in the amount of R$26,000, subject to 100% CDI + 2.25% p.a., for a two-year period, with semiannual maturity of interest on 08/27/2018, 02/26/2019, 08/26/2019 and principal maturity on 02/26/2020. The borrowing has no collaterals. The Company renegotiated the borrowing from Banco Itaú, which interest was CDI + 2.25% p.a. to CDI + 1.40% p.a. and the term was extended for ten installments maturing beginning June 22, 2020. In December 2023, the balance is R$5,216 (R$10,449 in 2022) in the Parent and Consolidated.

m) On September 18, 2023, the subsidiary was authorized by the Board of Directors to conduct the fourth issue of simple, nonconvertible debentures, in a four series, to be linked to the 189th issuance of Mortgage-backed Securities (CRI) of Opea Securitizadora. The transaction was completed on October 18, 2023 in the total amount of R$500,000, as follows: 1st series in the amount of R$177,072 subject to 100% CDI+ 0.55% p.a., with maturity on 10/16/2028 and repayment on the same date; 2nd series in the amount of R$243,526 subject to 105% of CDI, with maturity on 10/16/2028 and repayment on the same date; 3ª series in the amount ofR$24,380 subject to 100% CDI + 0.60% p.a., with maturity on 10/15/2030 and repayment on 10/15/2029 and 10/15/2030; 4th series in the amount of R$55,022 subject to 106% of CDI, with maturity on 10/15/2030 and repayment on 10/15/2029 and 10/15/2030. In December 2023, the balance is R$499,635. This transaction has non-financial covenants clause as requirements for change of shareholding control, limitation on the significant sale of assets, etc.

n) In order to increase its interest in Shopping Iguatemi JK, the Company contracted a financing with Banco Bradesco S.A. on March 6, 2023, in the amount of R$667,000, subject to TR + 9.48%. This agreement was swapped in full regarding its flow at 99.95% of CDI. The Company pledged 36% of Shopping Iguatemi JK as collateral. The repayment will be made within 216 months, beginning 03/06/2025, through the Constant Amortization System (SAC). As at December 31, 2023, the balance is R$645,854. This transaction is not subject to covenants.

12. DEBENTURES

The Company uses the proceeds from the offerings to finance:
(a) the expansion of the operations of the shopping malls in which the Company holds interests; (b) the acquisition of higher equity interests; (c) the acquisition of interest in existing third-party shopping malls and smaller chains; (d) the design, acquisition and management of new shopping malls; and (e) the refinancing of falling-due financial liabilities.

	Consolidated	
	12.31.2023	12.31.2022
Debentures - 7th issue	408,262	409,530
Debentures - 9th issue	-	303,308
Debentures - 10th issue	515,712	517,445
Debentures - 11th issue	498,808	498,776
	1,422,782	1,729,059
Current	425,571	338,097
Noncurrent	997,211	1,390,962

The nonconvertible debentures were subject to public offering under the firm guarantee regime, pursuant to the Public Offering Agreement, through the intermediation of the financial institutions that participate in the securities distribution system. There were no early reservations nor minimum or maximum allotments, and the Offering was based on the results of the book building procedure.

The debentures were registered for trading in the secondary market through the National Debentures System and BOVESPA FIX.

Seventh issue

In September 2018, the Company conducted the seventh issue of debentures through a public offering pursuant to CVM Instruction 476. Three hundred and ninety-five thousand, one hundred and seventy-six (395,176) debentures were allocated: 100,000 debentures of the first series, 65,741 debentures of the second series and 229,435 debentures of the third series, all of which are registered, book-entry, unsecured and nonconvertible debentures, with unit par value of one thousand reais (R$1,000) and final maturity on September 20, 2024 for all issues.

The debentures were issued based on the resolution of the Board of Directors' Meetings held in August 2018.

The maturity of debentures will be six (6) years from the date of issue and its par value will be fully amortized in a single installment on the relevant maturity date for all issues.

Debentures of the first series will bear compensatory interest equivalent to 107.50% of the cumulative fluctuation of the DI Over rates, on a 252-business-days basis; debentures of the second series will bear compensatory interest equivalent to 100% of the cumulative fluctuation of DI Over rates, exponentially increased by a surcharge or spread of 0.82% p.a., on a 252-business-days basis; and debentures of the third series will bear compensatory interest equivalent to 109% of the cumulative fluctuation of the DI Over rates, on a 252-business-days basis, all exponentially and cumulatively calculated on a pro rata basis for business days elapsed, from the first payment date or interest payment date of the respective immediately preceding series, as the case may be, to the effective payment date. Accrued interest amounts to R$2,370 as at December 31, 2020 and R$5,954 as at December 31, 2019. Debentures of the second and third series were only distributed to debenture holders in connection with the fourth issue of simple, nonconvertible, unsecured debentures conducted by the Issuer on December 27, 2012 (debentures of the fourth issue).

The issuance costs are amortized in profit or loss under the effective cost method and are recognized in line item “Debentures” as a debt decrease. The costs to be amortized total R$544 as at December 31, 2023 and R$1,137 (noncurrent: R$544) as at December 31, 2022.

Ninth issue

In May 2020, the Company conducted the ninth issue of debentures through a public offering pursuant to CVM Instruction 476. Three hundred thousand (300,000) debentures were allocated in a single series, all of which are book-entry, unsecured and nonconvertible debentures, with unit par value of one thousand reais (R$1,000) and final maturity on May 28, 2023.

The debentures were issued based on the resolution of the Board of Directors’ Meetings held in May 2020.

The maturity of debentures will be three (3) years from the date of issue and its par value will be fully amortized in a single installment on the relevant maturity date.

The debentures will bear compensatory interest equivalent to 100% of the cumulative fluctuation of DI Over rates, exponentially increased by a surcharge or spread of 3.0% p.a., on a 252-business-days basis, all exponentially and cumulatively calculated on a pro rata basis for business days elapsed, from the first payment date to the effective payment date.

The issuance costs are amortized in profit or loss under the effective cost method and are recognized in line item “Debentures” as a debt decrease. In 2023, there were no costs to be amortized; this issue was settled on December 31, 2022 and costs total R$1,227.

Tenth issue

In October 2020, the Company conducted the tenth issue of debentures through a public offering pursuant to CVM Instruction 476. Five hundred thousand (500,000) debentures were allocated in two series, according to a book building procedure, all of which are book-entry, unsecured and nonconvertible debentures, with unit par value of one thousand reais (R$1,000); the first series matures on September 28, 2025 and the second series matures on September 28, 2026 (50%) and September 28, 2027 (50%).

The debentures were issued based on the resolution of the Board of Directors’ Meetings held in September 2020.

The maturity of debentures will be five (5) years for the first series and seven (7) years for the second series, from the date of issue. The par value of first-series debentures will be fully amortized in a single installment, on the relevant maturity date, whereas the par value of second-series debentures will be amortized in two installments.

The first-series debentures will bear compensatory interest equivalent to 100% of the cumulative fluctuation of DI Over rates, exponentially increased by a surcharge or spread of 2.15% p.a., on a 252-business-days basis, whereas the second-series debentures will bear compensatory interest equivalent to 100% of the cumulative fluctuation of DI Over rates, exponentially increased by a surcharge or spread of 2.45% p.a., on a 252-business-days basis, all exponentially and cumulatively calculated on a pro rata basis for business days elapsed, from the first payment date to the effective payment date for both series.

The issuance costs are amortized in profit or loss under the effective cost method and are recognized in line item “Debentures” as a debt decrease. The costs to be amortized total R$1,719 (noncurrent: R$1,261) as at December 31, 2023 and R$2,178 (noncurrent: R$1,720) as at December 31, 2022.

Eleventh issue

In July 2021, the Company conducted the eleventh issue of debentures through a public offering pursuant to CVM Instruction 476. Five hundred thousand (500,000) debentures were allocated in two series, according to a book building procedure, all of which are book-entry, unsecured and nonconvertible debentures, with unit par value of one thousand reais (R$1,000); the first series matures on June 24, 2026 and the second series matures on June 24, 2028.

The debentures were issued based on the resolution of the Board of Directors’ Meetings held in June 2021.

The maturity of debentures will be five (5) years for the first series and seven (7) years for the second series, from the date of issue. The par value of first-series debentures will be fully amortized in a single installment, on the relevant maturity date, whereas the par value of second-series debentures will be amortized in two annual installments, with the first one falling due in June 2027 and the second one on the relevant maturity date.

The first-series debentures will bear compensatory interest equivalent to 100% of the cumulative fluctuation of DI Over rates, exponentially increased by a surcharge or spread of 1.48% p.a., on a 252-business-days basis, whereas the second-series debentures will bear compensatory interest equivalent to 100% of the cumulative fluctuation of DI Over rates, exponentially increased by a surcharge or spread of 1.63% p.a., on a 252-business-days basis, all exponentially and cumulatively calculated on a pro rata basis for business days elapsed, from the first payment date to the effective payment date for both series.

The issuance costs are amortized in profit or loss under the effective cost method and are recognized in line item “Debentures” as a debt decrease. The costs to be amortized total R$1,940 (noncurrent: R$1,528) as at December 31, 2023 and R$2,363 (noncurrent: R$1,951) as at December 31, 2022.

Covenants

The Company has covenants in some of its borrowing, financing and debenture agreements. The main covenants refer to the compliance with certain financial and non-financial ratios as requirements for change of shareholding control, limitation to the significant sale of assets, etc.

The debentures subject to covenants determining the debt levels and leverage are as follows:

Debentures	Leverage and indebtedness level
7th issue	Net debt / EBITDA < 3.50 and EBITDA-to-net finance cost > 2.00
9th issue	Net debt / EBITDA < 4.00 and EBITDA-to-net finance cost > 2.00
10th issue	Net debt / EBITDA < 4.00 and EBITDA-to-net finance cost > 2.00
11th issue	Net debt / EBITDA < 4.00 and EBITDA-to-net finance cost > 2.00

Compliance with the financial and non-financial ratios must be achieved on a quarterly basis.
The covenants were met as at December 31, 2023 and there are no renegotiation clauses.

Variations in debentures, recorded in current and noncurrent liabilities, are as follows:

	Consolidated	
	12.31.2023	12.31.2022
Opening balance	1,729,059	1,709,954
Repayment of principal and interest	(530,287)	(222,170)
Issuance costs	2,701	3,929
Accrued interest	221,309	237,346
Closing balance	1,422,782	1,729,059

The repayment schedule for the principal amount, classified in noncurrent liabilities, is as follows:

	Consolidated	
	12.31.2023	12.31.2022
Debentures - 7th issue	408,262	409,530
Debentures - 9th issue	-	303,308
Debentures - 10th issue	515,712	517,445
Debentures - 11th issue	498,808	498,776
	1,422,782	1,729,059
Current	425,571	338,097
Noncurrent	997,211	1,390,962

13. DERIVATIVES

The Company entered into an agreement for swap of gain (loss) on future financial flows (swap agreement) with Banco Itaú and Santander, whereby the Company holds a long position in the fluctuations of the price of its shares and a short position in the fluctuation equivalent to 100% of the CDI rate, plus a fixed rate. The result of operations will be financially settled on maturity.

As at December 31, 2023 and 2022, the Company held the following outstanding positions:

Parent and Consolidated				Fair value
Start	Maturity	Number of shares	Long position	12.31.2023
March-2023	March-2024	5,320,200	Shares	18,089
May - 2023	May- 2024	1,923,142	Shares	5,769
				23,858
Start	Maturity	Amount	Short position	12.31.2023
March-2023	Match - 2024	111,920	CDI + 0.97%	11,584
May - 2023	May - 2024	41,251	CDI + 0.71%	3,431
				15,015
			Net balance	8,843

Parent and Consolidated				Fair value
Start	Maturity	Number of shares	Long position	12.31.2022
January - 2022	May - 2023	5,029,200	Shares	6,853
February-2022	May - 2023	521,000	Shares	(190)
March - 2022	August - 2023	1,693,142	Shares	(70)
				6,593
Start	Maturity	Amount	Short position	12.31.2022
January - 2022	May - 2023	87,746	CDI + 0.9% to 1%	11,364
February - 2022	May - 2023	9,991	CDI + 0.9%	1,231
March - 2022	August - 2023	31,918	CDI + 0.89% to 0.92%	3,616
				16,211
			Net balance	9,618

14. TAXES PAYABLE

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Deferred taxes (i)	1,452	518	12,804	17,685
PIS, COFINS and FINSOCIAL (taxes on revenue)	1,796	853	12,227	8,960
Other taxes and contributions (ii)	105	2	14,710	8,802
	3,353	1,373	39,741	35,447
Current	1,901	855	26,937	17,762
Noncurrent	1,452	518	12,804	17,685

(i) In the Consolidated, substantially refers to taxes on revenue (PIS and COFINS) on discounts recorded on a straight-line basis, as stated in note 5, item (ii).

(ii) Substantially refers to the Urban Property Tax (IPTU), in the amount of R$9,519 - Consolidated.

15. PROVISION FOR TAX, LABOR AND CIVIL RISKS

The Company and its subsidiaries are defendants to lawsuits and administrative proceedings involving tax, labor and civil matters. Accordingly, a provision for risks was recognized in amounts considered sufficient to cover any probable future disbursements.

a) Breakdown of the account balance

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Noncurrent:				
Labor (i)	11,900	10,175	12,400	10,863
Other (ii)	3,048	3,048	4,190	4,479
	14,948	13,223	16,590	15,342

(i) The Company and its subsidiaries are defendants to various labor claims filed by former employees. Based on the likelihood of loss assessed by Management and its legal counsel, the Company recognized a provision, as at December 31, 2023, amounting to R$11,900 (R$10,175 in 2022) and R$12,400 in Consolidated (R$10,863 in 2022).

(ii) They substantially refer to the provision for Urban Property Tax (IPTU)-related lawsuits filed by Votorantim and Sorocaba City Governments, which amount to R$1,210 as at December 31, 2023 (R$1,196 in 2022).

Tax, civil and indemnification claims assessed as possible losses

The Company and its subsidiaries are parties to other tax, civil and indemnification claims arising in the normal course of their business and involving a “possible” risk of loss. As at December 31, 2023, the estimated losses on tax lawsuits total R$89,542 (R$57,027 in 2022) in Consolidated; civil lawsuits: R$6,905 (R$12,341 in 2022) in Consolidated; and indemnification lawsuits: R$7,624 (R$5,787 in 2022) in Consolidated. Most civil lawsuits are covered by an insurance policy, as stated in note 20 - item (b).

Variations in the provision for tax, labor and civil risks

Variations in the provision for tax, labor and civil risks are broken down as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Opening balance	13,223	12,808	15,342	45,558
Provisions, net of reversals	1,725	415	1,248	(30,216)
Closing balance	14,948	13,223	16,590	15,342

16. FINANCIAL INSTRUMENTS

General considerations and policies

The Company and its subsidiaries enter into transactions involving financial instruments, where applicable, all recorded in balance sheet accounts, which are intended to meet their operating and financial needs. Short-term investments, borrowings and financing and intercompany loans, debentures, among others, are contracted.

These financial instruments are managed based on policies, definition of strategies and establishment of control systems, which are monitored by the Company's Management.

Treasury procedures set by the policy in effect include monthly projection routines and assessment of the consolidated foreign exchange exposure for the Company and its subsidiaries, based on which Management makes its decisions.

Financial instruments by category

The Company and its investees apply the hierarchy rules to measure the fair values of their financial instruments, for financial instruments measured in the balance sheet, which requires the disclosure of fair value measurements at the following hierarchy level:

(i) Prices quoted (unadjusted) in markets for identical assets and liabilities (Level 1).

(ii) In addition to the quoted prices included in Level 1, market inputs for assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2).

(iii) Assumptions for assets and liabilities that are not based on observable market inputs (unobservable inputs) (Level 3).

The consolidated balances of the Company's financial instruments were classified into the following categories:

		Consolidated			Consolidated		
		12.31.2023			12.31.2022		
Nature	Fair value hierarchy	Fair value through profit or loss	Amortized cost	Total	Fair value through profit or loss	Amortized cost	Total
Assets							
Cash and cash equivalents	N/A	-	59,473	59,473	-	52,164	52,164
Short-term investments	Level 2	1,538,714	11,676	1,550,390	1,798,572	56,080	1,854,652
Trade receivables	N/A	-	197,062	197,062	-	194,062	194,062
Other receivables	N/A	-	276,791	276,791	-	317,400	317,400
Loans receivable	N/A	-	732	732	-	258	258
Due from other related parties	N/A	-	20,191	20,191	-	39,346	39,346
Derivatives	Level 1	8,843	-	8,843	-	-	-
Other receivables	N/A	-	10,433	10,433	-	2,194	2,194
Other investments	Level 3	22,514	-	22,514	49,593	-	49,593
Total		1,570,071	576,358	2,146,429	1,848,165	661,504	2,509,669
Liabilities							
Trade payables	N/A	-	23,905	23,905	-	18,101	18,101
Borrowings and financing	N/A	-	1,944,226	1,944,226	-	1,371,353	1,371,353
Debentures and charges	N/A	-	1,422,782	1,422,782	-	1,729,059	1,729,059
Derivatives	Level 1	-	-	-	9,618	-	9,618
Other payables	N/A	-	45,338	45,338	-	691,210	691,210
Due to related parties	N/A	-	9,330	9,330	-	557	557
Total		-	3,445,581	3,445,581	-	3,810,280	3,819,898

<u>Risk factors</u>

The main source of revenue for the Company and its subsidiaries is the leases from the shopping mall lessees.

According to their nature, financial instruments may involve known or unknown risks, and the potential risk assessment is important, in the best judgment of the Company and its subsidiaries. Thus, there may be risks with or without guarantees depending on circumstantial or legal aspects. The main market risk factors that may affect the business of the Company and its subsidiaries are as follows:

a) Credit risk

The Company and its investees have internal controls designed for monitoring the level of default of its clients to control the credit risk underlying the diversified customer portfolio.
The assumptions considered by the Company to evaluate the acceptance of potential clients are: the collaterals accepted (property, letter of guarantee, insurance, etc.), the suitability of individuals and legal entities involved in the lease (partners and guarantors) and use of SERASA as a reference for consultation. The allowance for impairment losses is analyzed at each balance sheet date by analyzing the historical data of default and expected loss projections.

The maximum exposure to credit risk at the balance sheet date is the recorded amount of each class of financial assets.

The Company derecognizes its financial assets when there is no reasonable expectation of recovery (write-off). Receivables written off by the Company remain under collection to recover the amount of receivables. If any, recoveries are recognized as credit recovery proceeds in profit or loss for the year.

b) Liquidity risk

The cash flow forecast is performed at the Company's operating entities by finance professionals who continuously monitor liquidity to ensure that the Company has sufficient cash to meet its operating needs. This forecast takes into consideration the debt financing plans, compliance with internal balance sheet ratio goals and, if applicable, external regulatory or legal requirements.

The table below details the remaining contractual maturities of financial liabilities and related amortization. This table was prepared according to the undiscounted cash flows based on the earliest date on which the Company expects to settle the related liabilities.

	Parent				Consolidated			
12.31.2023	Up to one year	One to three years	More than three years	Total	Up to one year	One to three years	More than three years	Total
Borrowings and financing	31,167	61,535	1,070,289	1,162,991	269,457	214,184	1,460,585	1,944,226
Debentures	425,571	562,108	435,103	1,422,782	425,571	562,108	435,103	1,422,782
Total	456,738	623,643	1,505,392	2,585,773	695,028	776,292	1,895,688	3,367,008

c) Capital management

The Company’s objectives in managing its capital are to safeguard its ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders, as well as to maintain an optimal capital structure to reduce this cost. The net financial position is equivalent to total cash and cash equivalents, less short- and long-term borrowings, financing and debentures.

	Consolidated	
	12.31.2023	12.31.2022
Cash, cash equivalents and short-term investments	1,609,863	1,906,816
Borrowings, financing and debentures	(3,367,008)	(3,100,412)
Net financial position	(1,757,145)	(1,193,596)
Equity	4,177,518	4,107,688

d) Price fluctuation risk

Lease agreements, in general, are restated by reference to the annual variation of the IGP-M (General Market Price Index) and IPCA (Extended Consumer Price Index), as set forth in such agreements. Lease levels may vary due to adverse economic conditions and, consequently, the level of revenues may be affected. Management monitors these risks to minimize the impacts on its business.

e) Interest rate risk

The Company’s interest rate risk substantially results from short- and long-term borrowings, financing and debentures, described in the prior notes. These financial instruments are subordinated to interest rates pegged to indexes such as CDI, as well as the balance of taxes payable, subject to interest based on the Selic rate. The risk inherent in these liabilities arises from the possibility of fluctuations in these rates. The Company and its investees do not have any derivative contracts, except for the swap disclosed below to hedge against this risk, as they understand that this risk is mitigated by the existence of assets pegged to the CDI rate.

Sensitivity analysis of fluctuations in inflation adjustment indexes

Management considers that the most significant risk of fluctuations in interest rates derives from the liabilities pegged to TR and mainly the CDI. The risk is related to fluctuations in those rates.

In the year ended December 31, 2023, Management estimated scenarios of fluctuations in the DI and TR rates. For the probable scenario, rates prevailing at the end of the reporting period were used. These rates were stressed by 25% and 50%, used as a basis for possible and remote scenarios, respectively.

As at December 31, 2023, Management estimated the future flow of interest payments on its debts pegged to the CDI and TR, based on the interest rates presented above, assuming that all interest payments would be made on the contractually established maturity dates. The impact of the hypothetical fluctuations in interest rates can be measured by the difference of the future flows under the possible and remote scenarios in relation to the probable scenario, where no increase is estimated. It should be noted that such a sensitivity analysis considers payment flows on future dates. Thus, the total amounts under each scenario are not equivalent to the fair value or the present value of these liabilities. The fair value of these liabilities, when considering the Company’s credit risk unchanged, would not be affected by interest rate fluctuations, since the rates applied to cash flows discounted to future value would be the same as those applicable to discounting these cash flows to present value.

In addition, cash equivalents and short-term investments in floating securities that would increase yield accrued under the possible and remote scenarios are held, thus neutralizing part of the impact of interest rate increases on the flow of debt payments.

However, due to the lack of predictability of maturities equivalent to financial liabilities, the impact of the scenarios on these assets was not considered. The balances of cash equivalents and short-term investments are shown in note 4.

The effects of exposure to interest rates, in the sensitivity scenarios estimated by the Company, are shown in the following tables:

Total interest amounts to be paid in the estimated sensitivity scenarios:

			Parent					Consolidated				
			2023					2023				
Transaction	Rate	Individual risk	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Probable scenario												
Debts indexed to the CDI	12.65	CDI maintenance	136,769	259,462	663,331	217,549	1,277,111	394,771	464,020	720,045	253,185	1,832,021
Debts indexed to the TR	0.17	TR maintenance	-	-	-	-	-	30,559	50,989	36,627	23,483	141,658
Total indexed to interest rates			136,769	259,462	663,331	217,549	1,277,111	425,330	515,009	756,672	276,668	1,973,679
Possible scenario > 25%												
Debts indexed to the CDI	15.81	CDI increase	164,717	320,728	720,664	250,062	1,456,171	477,760	567,247	789,113	293,198	2,127,318
Debts indexed to the TR	0.21	TR increase	-	-	-	-	-	30,636	51,538	37,608	25,020	144,802
Total indexed to interest rates			164,717	320,728	720,664	250,062	1,456,171	508,396	618,785	826,721	318,218	2,272,120
Remote scenario > 50%												
Debts indexed to the CDI	18.98	CDI high increase	192,128	380,885	776,976	281,861	1,631,850	559,393	668,745	856,942	332,326	2,417,406
Debts indexed to the TR	0.25	TR high increase	-	-	-	-	-	30,713	52,092	38,606	26,598	148,009
Total indexed to interest rates			192,128	380,885	776,976	281,861	1,631,850	590,106	720,837	895,548	358,924	2,565,415
Possible scenario < 25%												
Debts indexed to the CDI	9.49	CDI decrease	108,261	197,038	604,935	184,288	1,094,522	310,369	358,992	649,683	212,242	1,531,286
Debts indexed to the TR	0.12	TR decrease	-	-	-	-	-	30,482	50,446	35,664	21,987	138,579
Total indexed to interest rates			108,261	197,038	604,935	184,288	1,094,522	340,851	409,438	685,347	234,229	1,669,865
Remote scenario < 50%												
Debts indexed to the CDI	6.33	CDI decrease	79,164	133,398	545,420	150,241	908,223	224,486	252,075	577,963	170,321	1,224,845
Debts indexed to the TR	0.08	TR decrease	-	-	-	-	-	23,537	38,808	27,266	16,384	105,995
Total indexed to interest rates			79,164	133,398	545,420	150,241	908,223	248,023	290,883	605,229	186,705	1,330,840

Estimated impacts on the Company's debts

	Parent					Consolidated				
	2023					2023				
Transaction	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
<u>Possible scenario - Probable scenario</u>										
Debts indexed to the CDI	27,948	61,266	57,333	32,513	179,060	82,989	103,227	69,068	40,013	295,297
Debts indexed to the TR	-	-	-	-	-	77	549	981	1,537	3,144
Total impact	27,948	61,266	57,333	32,513	179,060	83,066	103,776	70,049	41,550	298,441
Remote scenario - Probable scenario										
Debts indexed to the CDI	55,359	121,423	113,645	64,312	354,739	164,622	204,725	136,897	79,141	585,385
Debts indexed to the TR	-	-	-	-	-	154	1,103	1,979	3,115	6,351
Total impact	55,359	121,423	113,645	64,312	354,739	164,776	205,828	138,876	82,256	591,736

Transaction	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
<u>Possible scenario - Probable scenario</u>										
Debts indexed to the CDI	(28,508)	(62,424)	(58,396)	(33,261)	(182,589)	(84,402)	(105,028)	(70,362)	(40,943)	(300,735)
Debts indexed to the TR	-	-	-	-	-	(77)	(543)	(963)	(1,496)	(3,079)
Total impact	(28,508)	(62,424)	(58,396)	(33,261)	(182,589)	(84,479)	(105,571)	(71,325)	(42,439)	(303,814)
Remote scenario - Probable scenario										
Debts indexed to the CDI	(57,605)	(126,064)	(117,911)	(67,308)	(368,888)	(170,285)	(211,945)	(142,082)	(82,864)	(607,176)
Debts indexed to the TR	-	-	-	-	-	(7,022)	(12,181)	(9,361)	(7,099)	(35,663)
Total impact	(57,605)	(126,064)	(117,911)	(67,308)	(368,888)	(177,307)	(224,126)	(151,443)	(89,963)	(642,839)

17. INCOME TAX AND SOCIAL CONTRIBUTION

Income tax and social contribution are calculated based on the prevailing rates, as follows:

Breakdown of income tax and social contribution expenses in the years

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Current income tax and social contribution	(1,827)	-	(74,849)	(76,983)
Deferred income tax and social contribution	25,975	56,195	21,983	220,718
	24,148	56,195	(52,866)	143,735

The net balance of deferred income tax and social contribution as at December 31, 2023 and 2022 is as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Tax loss carryforwards	83,800	45,000	324,967	285,886
Swap transaction	5,105	-	5,105	3,270
Other temporary differences	2,573	-	27,601	41,604
Fair value adjustment	-	-	6,736	-
Deferred taxes - assets	91,478	45,000	364,409	330,760
Temporary differences (tax depreciation)	(5,899)	(132)	(287,773)	(262,063)
Straight-lining discounts - COVID 19	(8,611)	(239)	(58,460)	(77,147)
Swap transaction	(8,112)	-	(8,112)	-
Fair value adjustment (i)	(2,546)	(4,294)	(2,546)	(6,015)
Other temporary differences	-	-	-	-
Deferred tax - liabilities	(25,168)	(4,665)	(356,891)	(345,225)
Deferred taxes, net	66,310	40,335	7,518	(14,465)

(i). This substantially refers to income tax and social contribution on adjustments to investments in a foreign investment fund, as stated in note 4, item (ii).

Deferred income tax and social contribution are recorded to reflect the future tax effects attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts.

Projections on the realization of deferred taxes were prepared by Management, taking into account the current macroeconomic inputs available within the market. Currently, the tax credits are being utilized through an increase in taxable income arising from the significant decrease in finance costs and better performance of certain assets, which were also considered as an integral part of the assumptions supporting those projections. Nevertheless, given that several assumptions that are outside the Company's control are involved, such as inflation rates and other economic uncertainties in Brazil, future results may materially differ from those considered in preparing the projections.

As at December 31, 2023, unrecognized tax credits amount to R$60,778, based on Management's assessment of their expected realization in the long term.

The Company reported the expected realization of tax credits below:

	Parent		Consolidated	
Year	%	Amount	%	Amount
2024	3%	2,744	6%	21,865
2025	8%	7,318	13%	47,373
2026	15%	13,722	22%	80,170
2027	24%	21,955	33%	120,255
2028	35%	32,017	48%	174,916
2029	48%	43,909	62%	225,934
2030	64%	58,546	78%	284,239
2031	83%	75,927	90%	327,968
After 2032	100%	91,478	100%	364,409

Reconciliation of income tax and social contribution expenses in the years

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Profit (loss) before income tax and social contribution	280,565	48,627	361,000	(130,914)
Statutory tax rate	34%	34%	34%	34%
Income tax and social contribution expenses at statutory rate	(95,392)	16,533	(123,012)	44,511
Tax effects on:				
Share of profit (loss) of subsidiaries	90,348	(7,200)	(11,488)	(1,496)
Interest on capital:				
Difference in tax base of companies taxed based on deemed income	-	-	43,102	39,422
Write-off of deferred income tax and social contribution:				
Deferred income tax and social contribution recognized in the year	39,593	45,000	39,593	45,000
Permanent deductions (additions) and other	(10,401)	1,862	(1,061)	16,298
Income tax and social contribution expenses at effective rate	24,148	56,195	(52,866)	143,735

18. EQUITY - PARENT

a) Capital

As at December 31, 2023 and 2022, the Company's paid-in capital amounted to R$1,819,552, represented by 797,612,750 common shares and 435,494,160 preferred shares, all registered and with no par value. The Company's paid-in capital is R$1,759,393 (R$1,759,393 as at December 31, 2022), due to the recognition of share issuance costs in the amount of R$60,159 as a reduction of equity.

b) Authorized capital

The Company is authorized to increase its capital up to the limit of 150,000,000 common shares, regardless of any amendment to the bylaws, upon resolution of the Board of Directors, which will establish the share issue conditions, price and payment conditions.

c) Capital reserves

The amount of R$1.428.243 refers mainly to the gain on the merger of 100% of the shares of its subsidiary Iguatemi Empresa de Shopping Centers S.A., due to the corporate restructuring process.

Other capital reserves

The Company recognized a reserve for the share-based compensation plan in the amount of R$7,462 (R$13,563 as at December 31, 2022). As at June 30, 2023, 645,135 shares were exercised, in the total amount of R$18,590.

d) Treasury shares

As at December 31, 2023, the Company's treasury shares amounted to R$45,932 (R$11,884 in 2022), comprising 2,013,963 common shares and 3,994,514 preferred shares, to sponsor the share-based compensation plan.

e) Earnings reserves

<u>Legal reserve</u>

A legal reserve is recognized by allocating 5% of profit for the year, limited to 20% of capital, pursuant to the bylaws.

<u>Earnings retention reserve</u>

The retained earnings reserve, which corresponds to the remaining earnings after the allocation to the legal reserve and the proposed payment of dividends, is primarily intended to meet the investment plans comprising the Company's and its subsidiaries' working capital budgets.
The capital budget will be presented in the next general meeting.

f) Dividends

Dividend policy

The mandatory dividend is equivalent to a certain percentage of the Company's net income, adjusted according to the Brazilian Corporate Law. Under the terms of the Articles of Incorporation currently in force, at least 25% of net income accrued in the previous year should be distributed as a mandatory dividend. For the Brazilian Corporate Law purposes, net income is defined as the income for any given year which remains after the deduction of the amounts related to income tax and social contribution, net of any prior-year accumulated losses, and any amounts used to pay officers’ and employees' profit sharing.

On February 28, 2023, the Board of Directors approved the distribution of dividends related to prior years, which were settled in four equal and consecutive installments, and the last installment was settled in December 2023.

Minimum mandatory dividends calculated based on profit for the year are as follows:

	12.31.2023	12.31.2022
Profit for the year	304,713	7,567
Recognition of legal reserve	15,236	378
Dividend base	289,477	7,188
Minimum mandatory dividends	72,369	1,797

19. BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

	Parent and Consolidated	
	12.31.2023	12.31.2022
Basic earnings per share from operations (in R$)	0.2499	0.0066
Diluted earnings per share from operations (in R$)	0.2499	0.0066

a) Basic earnings per share

Profit or loss and the weighted average number of common shares used to calculate basic earnings per share are as follows:

	Parent and Consolidated	
	12.31.2023	12.31.2022
Profit for the year attributable to the owners of the Company	304,713	7,568
Weighted average number of shares for calculating earnings per share	1,219,456,991	1,152,683,128

b) Diluted earnings per share

Profit used to calculate diluted earnings/loss per share is as follows:

	Parent and Consolidated	
	12.31.2023	12.31.2022
Profit used to calculate basic and diluted earnings per share	304,713	7,568

The weighted average number of common shares used to calculate diluted earnings per share is reconciled with the weighted average number of common shares used to calculate basic earnings per share, as follows:

	Parent and Consolidated	
	12.31.2023	12.31.2022
Weighted average number of shares used to calculate earnings per share	1,219,456,991	1,152,683,128
Weighted average number of employee options	26,080	23,469
Weighted average number of shares for calculating diluted earnings per share	1,219,483,071	1,152,706,597

20. INSURANCE

As at December 31, 2023, the Company and its projects have the following insurance policies obtained from third parties (unaudited):

a) Named peril insurance

The Company contracted an operational risk insurance, which covers the usual risks that may impact its activities, with Tókio Marine Seguradora S.A. (61%), Axa Seguros S.A. (19%) and Sompo Seguros S.A. (20%). This policy establishes a maximum indemnity limit of R$1,162,473 for property damages and loss of profits. Shopping Pátio Higienópolis also contracted operational risk insurance with Tókio Marine Seguradora S.A. (70%), Axa Seguros S.A. 15%) and Sompo Seguros S.A. (15%), whose policy establishes a maximum indemnity limit of R$745,090 for property damages and loss of profits. The insured period is up to April 28, 2024.

b) General civil liability insurance

The Company and Shopping Pátio Higienópolis have general liability insurance covering the usual risks applicable to their activities contracted with Sompo Seguros S.A. (100%). Such policies refer to the amounts for which the Company may become liable in a final and unappealable court decision or in a settlement reached by the insurer with regard to the compensation for involuntary damages, bodily injuries and/or property damages caused to third parties. The insured period is up to April 28, 2024.

The insured amount contracted by the Company will have the maximum indemnity amount of RR13.5 million, primarily covering: (a) shopping centers and condominium; (b) commercial and/or industrial establishments: for the premises of the holding companies; (c) lodging establishments, restaurants, bars, nightclubs and similar establishments; (d) civil liability of the employers; (e) civil works of construction and/or renovation of real estate with additional coverage for: error of design, crusade and property damages/bodily injuries to the owner of the work; (f) civil liability for all coverages.

The insured amount contracted by Shopping Pátio Higienópolis will have the maximum indemnity amount of R$30 million, primarily covering: (a) shopping centers and condominium; (b) commercial and/or industrial establishments: for the premises of the holding companies; (c) lodging establishments, restaurants, bars, nightclubs and similar establishments; (d) civil liability of the employers; (e) civil works of construction and/or renovation of real estate with additional coverage for: error of design, crusade and property damages/bodily injuries to the owner of the work; (f) civil liability of garage owner: fire/theft/flooding of vehicles to places that do not have Valet system and fire/theft/collision for places that have Valet system; and (g) pain and suffering for all coverages.

21. NET REVENUE FROM RENTALS AND SERVICES

Net revenue from rentals and services is represented by:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Rents	114,952	14,190	959,316	845,328
Parking	5,750	-	200,693	168,420
Service rendering	-	-	81,882	75,356
Retail transactions (i)	-	-	145,283	139,163
Other	-	-	368	415
Gross revenue from rentals and services	120,702	14,190	1,387,542	1,288.682
Taxes and deductions	(14,627)	(1,215)	(230,379)	(212,341)
Net revenue from rentals and services (ii)	106,075	12,975	1,157,163	1,061,341

(i) Refers to revenue from the sale of goods involving iretail and e-commerce transactions

(ii) The net revenue from rentals and services was impacted by the straight-lining of discounts, according to note 4, item (i).

22. COST OF SERVICES AND EXPENSES BY NATURE

The Company elected to present the consolidated statement of profit and loss by function.
As required by the IFRS, detailed costs of services rendered and administrative expenses by nature are as follows:

Parent

	12.31.2023			12.31.2022		
	Cost of services	Administrative expenses	Total	Cost of services	Administrative expenses	Total
Depreciation and amortization	(8,885)	(2,896)	(11,781)	(52)	(1,010)	(1,062)
Personnel	(602)	(12,236)	(12,838)	(16)	(7,497)	(7,513)
Outside services	(1,997)	(829)	(2,826)	(534)	-	(534)
Promotion fund	(678)	-	(678)	-	-	-
Parking	(328)	-	(328)	-	-	-
Other	(1,709)	(908)	(2,617)	(748)	(92)	(840)
	(14,199)	(16,869)	(31,068)	(1,350)	(8,599)	(9,949)

Consolidated

	12.31.2023			12.31.2022		
	Cost of services	Administrative expenses	Total	Cost of services	Administrative expenses	Total
Depreciation and amortization	(146,584)	(27,792)	(174,376)	(133,489)	(25,541)	(159,030)
Personnel	(41,168)	(64,855)	(106,023)	(32,782)	(63,854)	(96,636)
Share-based compensation	-	(14,411)	(14,411)	-	(13,563)	(13,563)
Outside services	(8,452)	(17,331)	(25,783)	(9,530)	(23,279)	(32,809)
Promotion fund	(3,659)	-	(3,659)	(2,956)	-	(2,956)
Parking	(40,716)	-	(40,716)	(44,495)	-	(44,495)
Retail transactions (i)	(125,484)	-	(125,484)	(147,001)	-	(147,001)
Other	(52,145)	(15,353)	(67,498)	(50,631)	(13,719)	(64,350)
	(418,208)	(139,742)	(557,950)	(420,884)	(139,956)	(560,840)

(i) Refer to expenses on iretail and e-commerce transactions.

23. FINANCE INCOME (COSTS)

Finance income (costs) are broken down as follows:

	Parent		Consolidated	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
Finance income:				
Interest receivable	423	91	9,827	11,372
Inflation adjustment and exchange gains	-	2	13,353	2,713
Income from short-term investments (i)	23,957	22,354	166,128	121,110
Gain on swap transaction (ii)	2,971	-	17,684	-
Other finance income	375	93	5,691	51,651
	27,726	22,540	212,683	186,846
Finance costs:				
Interest on borrowings and financing	(73,053)	(20,956)	(202,937)	(186,560)
Debentures interest	-	-	(224,010)	(241,275)
Loss on swap transaction (ii)	-	-	-	(8,672)
Taxes and fees	(1,472)	(1,898)	(17,673)	(16,005)
Other finance costs	(12,850)	(2,708)	(17,992)	(36,927)
	(87,375)	(25,562)	(462,612)	(489,439)
Finance costs, net	(59,649)	(3,022)	(249,929)	(302,593)
Fair value of capital instruments (iii)		(26,720)	(10,402)	(323,091)
	(59,649)	(29,742)	(260,331)	(625,684)

(i) Substantially refers to the adjustments made to short-term investments, as stated in note 4, items (i), (iii) and (iv).

(ii) Substantially refers to gains on the return equity swap, as approved by the Board of Directors at the meeting held on November 5, 2020.

(iii) Refers to adjustment to a short-term investment at fair value, which variation is not characterized as finance income or finance cost, pursuant to note 4, item (ii).

24. OTHER OPERATING INCOME (EXPENSES)

Other operating income refers basically to revenues from the resale of spaces, store transfer fees, fines for termination of contracts with storekeepers and sale of other assets, while other operating expenses refer mainly to the allowance for doubtful debts.

25. SEGMENT REPORTING

The information presented to the chief decision-maker to allocate resources and evaluate the performance of the Company and its subsidiaries includes the Shopping Center segment, whose statement of profit and loss is the lowest level for the purpose of analyzing the Group’s performance.

26. EMPLOYEE BENEFITS

a) Supplementary private pension plan

Currently, the Group maintains a supplementary private pension plan (defined contribution) at Itaú Vida e Previdência S.A. This plan is optional for employees and the Company contributes 100% of the monthly amount contributed by employees. The Company does not have any obligation or right related to any surplus or deficit arising from the plan.

b) Iguatemi Bonus Plan

The Group grants eligible employees a bonus plan linked to the attainment of budget and operational goals, whose amounts are recognized on accrual basis in the Company's profit or loss and payments were annually made in March.

c) Share-based compensation plan

On March 28, 2018, the Extraordinary Shareholders' Meeting terminated the Stock Option Plan approved by the previous Shareholders' Meeting held on November 8, 2006, maintaining the effectiveness of the stock options still in effect based on it and on the respective Programs.

Also on March 28, 2018, the Extraordinary Shareholders' Meeting approved the new Long-term Incentive Plan - Restricted Shares ("Plan").

The Plan aims to allow the granting of Restricted Shares to Eligible Employees, primarily with a view to: (i) encouraging improvements in the management of the Company and its subsidiaries, giving the participants the possibility of being shareholders of the Company, stimulating them in the optimization of all aspects that can value the Company in the long term, besides giving them an entrepreneurial and corporate vision; (ii) encouraging the attraction and retention of managers, employees and service providers; (iii) supporting the alignment of interests between the Company's executives and shareholders, maximizing the level of commitment of managers and employees to the generation of sustainable results for the Company; and (iv) increasing the attractiveness of the Company and its subsidiaries.

<u>Restricted Share Program</u>

Granting of restricted shares, to be settled in equity instruments, subject to the vesting condition of one-year grace period, with vesting of (a) 1/3 of the total restricted shares granted after the first year; (b) 1/3 of total restricted shares granted after the second year; and 1/3 of total restricted shares granted after the third year.

This plan will be accounted for in accordance with technical pronouncement CPC 10 - Share-based Payment and its corresponding IFRS 2, which requires the Company to determine the amount of equity instruments granted based on their fair values on the granting date. There is no strike price to be considered. The corresponding expenses will be recognized over the grace period so that the instruments may become vested. The fair value of stock options granted was measured on the granting date of each plan, which is equivalent to the average number of shares on the trading sessions held in the month preceding the granting, which period is adopted to allow pricing and cutting procedures to calculate the global volume of the programs, less dividends, per share.

Considering the matching concept adoption, for each Restricted Share acquired by the participant, through use of the Authorized Funds, a multiple of up to six (6) Restricted Shares may be additionally granted, in conformity with the blocking periods and criteria of this Program.

The criteria adopted for choosing the participants and matching are: performance of the year prior to the Program; quality of the challenges established for the year prior to the Program (KPIs). future potential of the participant; and company performance and expectations for the future.

The volumes of stock options granted per lot are described in the following table:

	Number granted	Grace date	Total plan expense - 2021	Accumulated plan expense - 2021
Vesting 1st year	175,793	05/01/2022	7,145	7,145
Vesting 2nd year	175,793	05/01/2023	6,821	6,821
Vesting 3rd year	175,793	05/01/2024	3,573	3,573
Total	527,431		17,539	17,539

	Number granted	Grace date	Total plan expense - 2021	Accumulated plan expense - 2021
Vesting 1st year	216,733	05/01/2023	5,007	3,987
Vesting 2nd year	216,733	05/01/2024	4,780	3,806
Vesting 3rd year	216,733	05/01/2025	2,504	1,994
Total	650,265		12,291	9,787

	Number granted	Grace date	Total plan expense - 2021	Accumulated plan expense - 2021
Vesting 1st year	295,632	05/01/2024	6,387	2,602
Vesting 2nd year	295,632	05/01/2025	6,096	2,484
Vesting 3rd year	295,632	05/01/2026	3,194	1,301
Total	886,985		15,677	6,387

As at December 31, 2022, the long-term incentive plan amounted to R$14,411 (2022: R$13,563), as disclosed in note 22.

27. EVENTS AFTER THE REPORTING PERIOD

On January 29, 2024, the Company announced that it has entered into an agreement for the acquisition of additional 10% interest in I Fashion Outlet Novo Hamburgo for the amount of R$24,500. The transaction completion is contingent on the satisfactory outcome of the due diligence and approval from the Administrative Council of Economic Defense (CADE). For further details on this transaction, see notice to the market.