**International Conference Call**
**Iguatemi S/A (IGTI11)**
**Earnings Results 4Q24**
**February 19th, 2025**

**Operator:** Good morning, everyone, and thank you for holding. Welcome to Iguatemi S/A conference call for the 4Q24.

With us today, we have Ms. Cristina Bettss, the CEO, and Mr. Guido Oliveira, CFO and Investor Relations Officer. We would like to inform you that this event is being recorded, and all participants will be in listen-only mode during the Company presentation. In suing this, we will go on to the question-and-answer session, at which time further instructions will be given. The presentation is available for download at www.iguatemi.com.br/ir.

Please be advised that the forward-looking statements are based on the beliefs and assumptions of Iguatemi management and on information currently available to the Company. They involve risks, uncertainties, and assumptions as they relate to future events and therefore depend on circumstances that may or may not occur.

Investors and analysts should understand that general economic conditions, industry conditions, and other operating factors could also affect the future results of Iguatemi and lead these results to differ materially from those expressed in such forward-looking statements.

We will now turn the floor over to Ms. Cristina Betts, who will begin the presentation. You may proceed, ma'am.

**Cristina Betts:** Thank you and a good day to all of you. It is a pleasure to be at the conference consolidated results for 2024.

We can't begin differently; we are here at the Company celebrating the first time that we reach R$ 1 billion in EBITDA; something that has been celebrated in the Company, a historical result that was expected by us and by yourselves as well.

With all of this, we end the year complying with one more guidance, the practice that we have passed since the Company IPO, transparency, commitment, and alignment, of course, of where we are heading. Once again, therefore – and Guido will show you this very shortly, how we have complied with the guidelines –, we came to results very close to the top range of the guidance, confirming that commitment with all of you.

I think this is already on the screen. We can go to the first slide and speak about our record EBITDA. Our cash generation, of course, the Company EBITDA, here you see the evolution from 2023 to 2024 with a growth of 11% and the FFO also growing almost 23% reaching almost R$ 700 million. Here we have some significant changes carried out during 2024 that you have followed up on our exit from São Carlos, where we sold 50%, our exit from Alphaville, and our entrance into Rio Sul with an expressive increase in growth that we will refer to very shortly. Sales per square meter increased by 15%.

Now on to the next slide, speak about the sales – we've changed the system, as you can see, so if we remain in silence, it's because we're getting used to the system –, to speak about sales, this is something we celebrated thoroughly. Total sales, when we exited São Carlos and Alphaville and entered Rio Sul, we had an explosion of sales quarter on quarter, a growth of more than 19%. When we speak about same-area, same-store sales, 11% are same-area, 9.5% from same-store sales, a significant growth on the IPCA that during the year was weak as well as the IGP-M. So the results are significant, and total sales show the qualification in sales per square meter in the Company.

And we have been discussing for a long time the occupancy rate. We ended the 4Q at 97.7. This is something that we have not reached since 2010. We deployed great efforts at the Company, we had made commitments during the quarter to reach that figure. It was not part of the guidance, it was self-guidance, and this shows you the commercial effort and the resilience of our portfolio.

As you can see, in occupation, something we have mentioned frequently every quarter, every year, it's part of our DNA, it's not enough to have incredible figures like 97.7%; we have to get here with quality. When we speak about what ended the occupancy rate in the 4Q, we have iconic brands like the Tiffany flagship in São Paulo and satellite stores like Maria Filó, Erick Megastore, the first Almanara that went to the hinterland, in Ribeirão, it is a success, we have one in Santa Terezinha and Sorocaba. So we have done a great deal, and this 4Q was blessed with openings in all of our malls.

A bit about rent. First, we'll speak about rent. We spoke about same-store sales, same-area, so let's speak about same-store rent. When we look at the impact of IGP-M on the portfolio and our closures here, we had significant growth over the IGP-M, same-store rent with 7.6%, same-area rent with 6% growth. And if we look at the leasing spread at renewal, the 4Q closed at 9.5% and withe significant figures during the year. What is important in this area is to speak about closing with quality, of course, thinking about the moment of each tenant and the sales explosion.

The mix qualification in the following slide. We have spoken about this somewhat, Tiffany and Company, the new Manioca in the JK Mall, and some important things in each of our ventures.

Let’s speak a bit about the sale of fraction of the 4Q of Marketplace. As you know, we had a significant retrofit project at the Marketplace. It has a new multifamily tower, and we closed this contract with JFL Living in the 4Q, in December, representing almost 35 million for the land for the construction of a residential tower. So our strategy of mixed use becomes very evident here. This is a region that is also growing residentially with significant demand, and it will be important for the mall along with the refurbishing of all of those spaces in the future that will probably begin this year.

We go on to the next slide to speak about the Iguatemi recognitions and events. For the fourth consecutive year, we are Top Employer certification. This is a significant stamp of recognition that is acknowledged by the market. When we look at how we are seen in the retail market, our stakeholders, associates, and much more, this has been a partner understanding what it is that we can do evermore with our team. And we have attained incredible results as a Great Place To Work in the Company.

We don't only want to leave our clients happy, but also our associates, and we want to have happiness among everybody.

Guido will now speak about the operational performance, the repurchase buyback of sales and yields. And I would like to close this beginning address saying that we had an incredible 2024. More important than the awesome results, we have new avenues for growth that were open with the conclusion of the acquisition of our stake in Rio Sul. And we begin the year of 2025 speeding up our pace. We had a significant increase of sales in January. If we compare total sales with 2019, we're speaking of a growth of 18% increase in sales year on year in the portfolio. And as you are aware, many things happening in the Company when it comes to growth. Not only in our operating results, we still have a lot to deliver to consolidate the new occupancy rate, the efficiency rate as well, but organic and inorganic growth in the Company that is ahead of us.

We're quite enthusiastic about our guidance as well. That shows our expectations for 2025. We're highly satisfied with the results for 2024 and very enthusiastic with what we have ahead.

I will now turn the floor over to Guido to refer to our indicators.

**Guido Oliveira:** Good morning, everybody. It is a pleasure to have all of you here. Let's speak about some indicators. Cris has already mentioned some important ones. In the GLA, we had a drop in the GLA, the average total GLA of our portfolio that includes the malls because we sold out 50% of São Carlos, a percentage of Alphaville, we had a drop of 1.9%, but in total GLA, a drop of 3.5%. But we had expressive gains with the entrance of the new portfolio of Rio Sul, as you will observe in the coming quarters.

We only have October, November, and December from Rio Sul here, and obviously, we don't have the full month of October because there are also those active and passive superveniences when you do the M&A. So, we have a full November and December from Rio Sul in our numbers.So we don't have the full figures, but we see growth in sales of 19% and significant growth in sales of 18% in January.

We already spoke about same-store sales, same-area sales. We don't have Rio Sul in this base. We had an impact because of the Marketplace retrofit. We have the closing of 6,000 meters of GLA to carry out the retrofit that impacts on some of our figures, which perhaps are not the best. When we speak about same base, it is before the retrofit, impressive real growth through all the quarters on the IGP-M. In the IGP-M 2025, the base will be higher.

The IGP-M presently, we will see the figures of January and February, we’re operating at 8%, it almost reached 9%. So there's a new level of IGP-M vis-à-vis last year when the IGP-M was zero, we had real gains between  5.5% and 6.0% through all of the quarters. Record net default, minus 1.1 for the entire year. Now, we ended the year below 3%, growth default for January and February around 2%, which shows you how the portfolio of tenants is thriving.

The discount in rent for 2023, to give you a base, we had an average discount of 5.5%. This went down to 3.5% in 2024, and at the end of the year, the average discount was 2%. In the 2Q of last year, the shopping Praia de Belas and Novo Hamburgo Outlet were impacted by the heavy flooding in the south, and we had to offer higher discounts because the mall was closed and the malls in the south received discounts higher that we had imagined because of this impact. Despite this, the discount was 3.5%. But at the end of the year, the discounts were 2%, and presently it is 2% strengthening the portfolio once again.

Let's go on to slide number 12, where you see the growth of our EBITDA. In the quarter, it was excellent. Adjusted EBITDA growing 19.4%, net income growing 22%, FFO growing 23%. As Cris mentioned, we're all celebrating; we hit the record of 1 billion in EBITDA for 2024, 500 million for net income, and FFO very close to 700 million.

Above, of course, everything that the market had expected in the 4Q, we also had a growth that will show you the performance of our portfolio, a growth of 6.6% for the quarter minimum rent growing 6% of invoicing, net revenue growing 15.4%, and our retail doing very well growing 32% in the 4Q, once again, showing the strength of sales we had in the 4Q.

Let's speak about indebtedness and liability management on the next slide. Simply to show you that cash stood at 1.550 billion. We show you the cash of the assets and liabilities. Everything was paid off in January. So adjusted availability is 1.5 billion with a net debt of 1.886 billion, which is how we ended on January 2nd. Leverage stands at 1.84 with a cost of debt of 105%, and we have cash coverage for three years and a proxy CDI cost that is extremely comfortable for the coming years.

Now, please refer to this, and we're now going to go on to slide 14 to speak about the cancellation of shares. We acquired 100 million of shares in the last two years. We used 15 million for our long-term incentive, this represented cancellations of units of 3.9 million units, Our base goes from 300 million shares to 296 million.. We also announced a new 18-month program of 140 million. It's the same buyback program for the coming month that began on February 1st and will be in effect until July 1st of 2026. So, in 2024, we have 4% yield with 200 million distributed and 43 million in buyback. We canceled 85 million, so our growth here is of approximately 60% in the return between dividends and the buyback.

Very well. Let's go on to the guidance for 2024. On slide number 16, we have a growth in revenue at the top, 6.4%, EBITDA margin 84.5%, EBITDA margin and total EBITDA 77.4%, almost at the top of the range. And investment, somewhat above the top range at 235 million for 2025.

If you go to slide 18, a growth of net revenue between 7 and 11%, already taking into account Rio Sul. I emphasize that this guidance does not consider the purchase of the malls we are negotiating, the malls EBITDA margin in the same range as 2024, and the total EBITDA margin also in the same range of 75 to 79.As we had mentioned in former quarters, we have increased the guidance for CAPEX to 330 million to 400 million as we have 120 to 150 million of expansion for Iguatemi São Paulo and Iguatemi Brasilia, and 50 or 60 million for real estate development for the end of infrastructure of Casa Figueira that begun las year. Las year, the figures were similar, 50 to 60 million. With the conclusion of Casa Figueira and the conclusion of infrastructure.

Very well. With this, we would like to open for questions and answers. We are at your disposal. Thank you.

## Question and Answer Session

**Elvis Credendio, from BTG:** Good morning, Cris, Guido. We have two questions. First, on the possibility of recycling assets on media. They spoke about the possibility of selling some stakes. If you could confirm this and which will be the assets that will undergo recycling and if there are difficulties in the real estate funds.

Second question regarding CAPEX, 120 to 150 and 60 million for real estate development. When we make an implicit calculation, it ranges from 160 to 190 for other items, and I would like to understand how much of these other items reflects maintenance CAPEX, how much would be related, perhaps, to investments in Rio Sul, and if there is already something in progress for CAPEX given the acquisitions of the malls, investments for these assets to perform better over time. That's it, thank you.

**Cristina Betts:** Hello Elvis. Thank you for the question. I will begin here speaking about the recycling. Yes, we're always considering the possibility of recycling our portfolio. We did this very well in 2024 and in the past, but 2024 showed that we are committed in making changes in square meters in a very interesting way for the Company.

The answer is yes. We continue to consider these possibilities. I can't say where and with whom, but in our conversations, we're speaking about cash transactions, not quota transactions. It makes more sense for us. And the idea is to use our liquidity that recycling is to invest in other things. If people can pay in quotas, we don't want to receive the quotas. This makes sense. Otherwise, well, they're going to say I'm like the English, and I am English, this could only have an impact on leverage, but we could not use those resources, so for us, evidently, we prefer, and there is the possibility for this to work with cash transactions per se.

When it comes to the CAPEX ex-expansion and real estate development, it's not what is implicit or maintenance only. We have a great deal of things happening. When it comes to the change of portfolio, small things in quotation marks that do consume more than would be a maintenance CAPEX, for example. What we did in Iguatemi São Paulo, we have changed the paving. This is not exactly a run-of-the-mill maintenance, but it also is not expansion. So it is part of those changes. And throughout the portfolio, we do make these moves.

**Guido Oliveira:** Now, simply to reinforce that our maintenance CAPEX is not between 150 and 200 million. It's closer to 70 and 90 million. And within those figures, we have other refurbishments that are not considered as expansion, they are not maintenance CAPEX either.

An example, the Campinas Tower that we sold announced in 2023 that was sold. Now, we have to prepare the land for the developer. We have a CAPEX to deliver the Marketplace power to JFL. This also includes CAPEX. We have executive projects for the retrofit of Marketplace that are not part of CAPEX because this represents a new project. We have the IT CAPEX as well. So our maintenance CAPEX is not around 150 million. The

Company's run rate for maintenance basically is between 70 to 90 million, which would be the Company's run rate for maintenance basically.

**Elvis Credendio:** Very, very clear. Thank you very much, Guido and Cris.

**Alejandra Obregon, Morgan Stanley:** Hi, good morning, Iguatemi team. Congratulations on the numbers. I want to ask about average, and I guess I'll separate the question into parts if I may. So the first part is, if you can provide perhaps some insights into how your overage rent agreements differ between, let's say, the anchor tenants and the satellites. So that's the first part.

And then the second part is, if you can elaborate on what's driving the overage lately, it's been impressive. Meaning, if the usual suspects, let's say, if the anchors are making the break even more comfortably these days, or perhaps is it related to your tenanting efforts, where, as you move away from the mom-and-pop sort of tenants, let's say, you now have bigger rents in the portfolio that perhaps could be making the cut that were not there before. So those are the two parts of the question. Thank you.

**Cristina Betts:** Thank you, Alejandra, for your questions. Actually, I'm going to refer to the overage. The increase in overage has less to see with that break between anchor tenants and satellites and more to see with the qualification of our mix through time. When I mentioned at the beginning about the closing of the vacant areas, we have an occupancy rate of practically 98%. Our concern was always to eliminate that vacancy area with quality, and this obviously allows us to remove the tenants with a lower performance and to replace them with more performing tenants.

When we look at the explosion of sales that we are having, all of this is driven by that qualification. It's evident, of course, that this refers to luxury. The luxury part has performed incredibly. Just look at our retail unit. We're working with luxury brands in retail and the performance has been stellar. And this also applies to several domestic brands, mid and upper brands with a very good performance. So the resiliency of our client, that is upper clients that do not suffer the impacts of inflation have proven that this overage will have this performance.

It doesn't have very much to do either with the following. In our portfolio, we have always had high-quality brands, and this refers to the brand's life cycle. When you said mom & pop stores, I don't want to qualify them that well. If you look at our portfolio for many years already, we have moved away from that place. It has more to do with having a more qualified and stronger mix at present.

**Alejandra Obregon:** Thank you. That was very clear.

**Ruan Argenton, XP Inc:** Good morning, Cris, Guido, and team. Congratulations for your results and for taking my questions. We have two questions regarding to your EBITDA margin guidance. For the EBITDA margin for malls, 2024 was a year of efficiency gain, higher occupancy rates, low default rates. I'd like to know your expectations for this construction margin. Are you still expecting negative default levels? What is it that is going to be a good indicator in this case?

The second question is EBITDA margin guidance in general. Real estate development and construction have helped you in this construction of EBITDA. What is your expectation in these two-line items for 2025? If you expect similar results compared to 2024.

**Guido Oliveira:** Ruan, thank you for the question. Well, in my presentation, I briefly referred to our new portfolio and how we began the year. We had sales, same-base sales of 9% and the growth of total sales of 18% with very low discount rates and default rates of 2%, discount of 2%, and occupancy of 97.7%, and with a very low occupancy cost with a higher IGP-M. We're quite calm about obtaining that growth in net revenue and these EBITDA margins.

Why? Because all of this will have a cost. When you have higher occupancy, you decrease the cost of your vacant areas. We have 3 points of growth in occupancy rate. The cost linked to the mall operation, which are the parking costs and costs that arise from the malls per se remain flat. We have shown you that these figures are growing below inflation. They have a real drop, and we look at the G&A for the Company, this quarter we made it clear that we had a growth due to the increase in provisions as the year was very good at the Company. We were able to comply with all of the goals. We had strong growth in all of the Company's KPIs, and that is why we increased our provision, 6 million above the provisions we had last year, and we showed you this in the release. We're very comfortable, therefore.

When we look at the mall operation, the resale of points of sale, something we always do, 20 million, 40 million, we had the sale of H&M last year. So we will always have specific operations, and this year should not be different. So our expectation is to attain figures of 20 to 30 million in the retail of sales points.

And we begin this year to sell the lots of the Casa Figueira neighborhood. We have worked in the first phase of infrastructure, we have launched the neighborhood, we no longer have the standard Casa Figueira, which is a framework for the neighborhood, and we have the first round of road show for all developers. We will begin sales this year. Now, some people say that this is non-recurrent revenues for Iguatemi since I have been here since 2007. We have recurring sales in the sale of fraction. So once again, we will have these revenues from the sale of lots throughout the year.

We're very comfortable in speaking of that margin of 82 to 85 in the mall, the figures dropped because of our retail unit, the margin was 9% for the year. We're hoping that margin will get to 20%. In a conservative way, we're maintaining a margin of 10 to 15%. But in truth, we work with higher margins. So we're comfortable that we will attain our guidance.

**Ruan Argenton:** Thank you. That was very clear, Guido. Have a good day.

**André Mazini, Citi:** Good morning. Guido, we have two questions at our end. First, to understand if something will change in your negotiation and bargaining power with the tenants. You have a very low vacancy rate, lower than in other years, and if the conversion of the real will change, if we can expect a growth in rent going forward. And you have a very high occupancy rate, a qualified rate, as you mentioned.

The second question is somewhat more conceptual, the share price is R$ 19.00 and the NAV is R$ 52,00 per share. In the US, there are several transactions. This week, Blackstone spoke about Retail Opportunity Investments Copr, the NAV, U$4 billion in possibilities. So what catalyzes the share of Iguatemi if you could negotiate closer to the NAV in Brazil? Thank you.

**Cristina Betts:** Hello Mazini. OK. Let's begin with the simplest part here, and it's about rent, of course. I think that, as I mentioned, we've never given up to the temptation of closing our vacancies with little qualification. It means a certain discipline for us because we had problems in former quarters because of our occupancy rate. Now, looking forward, how does this help us? It helps us to sit down and converse and negotiate because now we have less room. What happens is that we have to be more effective in doing the churn of those who are not being very productive in those areas.

So it becomes ever more difficult to find those opportunities. But on the other hand, we do have to dig out those spaces in our planning for the year and future years. We have mapped what we intend to do, what we would like to have in each of the malls. And it's up to us to fight for those spaces. We're going to become more emphatic, of course. As you observed in our balance, we no longer have a tool for this. We're at the lower level of discounts, the best level of discounts since 2014. So in terms of operational indices of the Company, we're at a fantastic level. We have to be more disciplined and look for opportunities in our portfolio.

There is a waiting line to become part of our ventures. We have demand for those spaces. And we think we could use those spaces more productively. Of course, we're looking around, which helps us a great deal. It helps us in the discussion of productivity per square meter. We have comparables in the Company to show that X is more productive than Y. And we use this in our discussion. But it's not the same as occupying vacant areas. We have to carry out these transitions.

The second part of your question, which is more difficult, quite honestly, after several conferences, I would say that the catalyst for our sector – and not only for our sector, but for all of the shares in the stock market presently – have more to do with the macroeconomic situation than with what we do. We're showing the incredible homework we have done at Iguatemi. The operating indices are better than we had in 2010. It's been 15 years since we didn't have those indices. We have extremely healthy growth. We're doing everything right. We need to be aided and abetted by the macroeconomic situation, something that will unharness all the shares in the stock market.

**Guido Oliveira:** Well, I don't have to speak about this once again, the rate of interest, the lack of flow at the stock market. You know this better than myself. Now, the Company has been delivering excellent results, we're optimizing the portfolio. If you look at our rent per square meter, it is growing 9% because of the improvement in portfolio. We walked away from São Carlos, we sold 18% of Alphaville and acquired Rio Sul that had a growth of 22% of sales in January because of the tourism flow.

This shows you the strength of sales in this new asset that is now part of our portfolio. We have shown with the recycling just how many assets we are selling at cap in the public market, in the private share market. So it's a negotiation. The Company continues to be a cash cow. Well, the three companies that we have are important for the market. So I believe that it's simply a matter of time to enhance the pricing. There will be a significant repricing in the market. It's just a matter of time with a macroeconomic improvement in the country.

**André Mazini:** That was very clear. Thank you, Guido and Cris. Have a good day.

**Pedro Lobato, Bradesco BBI:** Morning, Cris, Guido. Thank you for taking my questions. We have two questions. The first, you mentioned that among all possibilities, you're thinking of the shareholders' capital as well, dividends and buyback. So looking at 2025, my first question, what will be disbursed with acquisitions? What will happen with buybacks and dividends? I mean, this has been renewed, but more specifically to speak about dividends, which is your mindset.

Secondly, if we look at 365, the retail segment, Guido mentioned that the idea is to improve this and reach 20%. So, which is your focus? What is it that you have to improve to attain that margin?

**Guido Oliveira:** Wonderful. Hello Pedro. About capital allocation and shareholders, we did announce a new buyback similar to those of 23 and 24. We have a higher FFO of almost 700 million. We announced the dividend anticipation of 50 million. In the Assembly, we will approve another 150 million that were approved yesterday. So the payout this year will be around 200 million on the same date that we had in 24, along with the buyback we mentioned.

Now in buyback, the idea is to maintain dividends above what we are doing, around 4 and 5% dividend yield for this year, not differently from what we did in 2024, we are looking at our allocation management. And as we have reiterated in several calls and in meetings with you, we're seeking to maintain our leverage below two times so we can remanage things, as we have done recently, and have a very clear capital allocation considering the buy side of M&A and the sell side as well, doing allocations, of course, considering an increase in capital. This is what we will pursue throughout 2025.

**Cristina Betts:** Now, Pedro, to speak about that retail division, we do have some things in mind. It's a journey. The retail is a journey. When we began, we referred to 365 a great deal. It was something separate. It is now part of our retail unit, and we took a first important step of working with a break even for 365, and it does contribute to the positive margin as a whole.

We're looking at some brands that should come into the next cycle, Comme Les Garçons, for example, that will become part of our retail unit. But we do have other ideas. And we have significant store expansion. Birkenstock is the store with the best performance. We should have a new store opening in Pátio Higienópolis, it will contribute to a better result. It dilutes the cost of the brand if you have more stores open. And of course, we will do what is important in the retail unit to create a differentiation for the different assets. Birkenstock, as we know, is the new hotspot for sandals. My daughter says that New Year and Trancoso can only be spent with their sandals. So we have to create this edge for their products, and when you expand the brand, they improve their results, it dilutes their fixed cost.

We have several important things happening. 365 continues towards enhancing its results, contributing to the brands we operate with. Some brands are exclusively in 365, and they're doing very well. Longchamp, for example, is highly successful. It has been leaders in sales. They don't have a brick-and-mortar store, and we're discussing the success of the sale of their products. Small components, small pieces that allow us to grow results and also contribute to the results.

We don't only want to increase sales, we want to enhance the margin and have a difference in our portfolio, of course.

**Pedro Lobato:** That was very clear. Thank you, Cris and Guido. Have a good day.

**Tainan Costa, UBS:** Good morning, Cris, Guido. My question refers to your investment guidance, especially for the part of expansion, 120-150 million. In the Brasilia shopping, we have significant details. This was communicated last year. What about Iguatemi São Paulo, what is included in that expansion, which is the expectation for a conclusion of the works and what will happen because of this expansion? Thank you.

**Cristina Betts:** Hello Tainan. I'm going to focus on Iguatemi São Paulo, which is the thick of your question. We have several stages at Iguatemi São Paulo this year. We have some important things underway in the mall. Last year, and this is not in our expansion CAPEX considered as maintenance, we changed the food court opening space to change the mix, that is very important for us, beginning with the inauguration of the Tiffany flagship that left the entrance of the mall and went to the middle with absurd sales. Only in December, they sold more than many malls' sales so during the entire year, that new opening of Tiffany was very important.

Now, I don't remember when we received the question, but we're thinking about how to enhance that efficiency. It is these moves that enable us to change what was already in imaginable sales and revenues. Now, this year, we will inaugurate on top of what we have for Faria Lima, the theater at Iguatemi São Paulo; a theater with 250 seats and important programs. This should be inaugurated in the first half of the year. This is important because it is a pre-requirement to expand a second step, which will be in the buildings and the outside parking at the back, which we have called rooftop.

All of this CAPEX refers to the conclusion of the theater and the beginning of work. So we have begun very lightly in 2024. We will now begin more significantly to create the rooftop on the other side. We will have new flagships, new restaurants. Of course, we will connect the roofing of the mall with the cinema. For those who can envision this, we will have two additional stairways, an important work that will begin in 2025, and we want to inaugurate this in 2026, where we celebrate 60 years of Iguatemi São Paulo. It was the first mall in Latin America; a significant date, and we want to celebrate this with the launch of the rooftop that will open up space for new operations. Presently, this is not possible. We do need to have more restaurants. We need to open more space for brands that want to work with us. They are important brands. So all of this is part of the plan for Iguatemi São Paulo. That part of the CAPEX refers to all of these changes. It's part now and there will be a second part in 2026.

After 2026, I won't say we have finished. We always have new ideas, but that will be the end of this project.

**Tainan Costa:** Thank you, Cris. Thank you very much. Have a good day.

**Jorel Guilloty, Goldman Sachs:** Good morning, everybody. Thank you for taking my questions. I have two. Of course, your sales have been very strong. You had a new growth of 9% year on year just in January. My question is, which are your expectations for the sales of tenants this year? Are you going to continue at that level? Will there be a drop because of the macroeconomic concerns and problems we observe?

Along with this, we see that the cost of occupancy has dropped. You have double-digit leasing spread. Now, in an environment where sales are dropping, if we have a material slowdown this half of the year, can you continue with high leasing spreads? This is my question. Thank you.

**Cristina Betts:** Hello, Jorel. I think we can. We received that same question last year, simply to remind you. Well, that idea of sales, we say we have a slowdown, a macroeconomic situation. Well, the opposite happened. We have proven constantly through the life of Iguatemi that our client is very resilient. They have gotten used to buying luxury, mid-luxury in Brazil. And despite the volatile macroeconomic situation, we continue to have strong demand for products, our services, and everything else we offer at the mall with our partners, the tenants.

And what is wonderful about our business is that we offer novelties, things that enchant the client, creating a greater flow, an interesting flow. We were speaking about Tiffany. I made a bet with the worldwide CEO, Anthony, in terms of sales, and he surpassed the bet just with what they sold in December. Of course, Black Friday and Christmas contributed, but we will have sales above his expectations because it is something novel, something that enchants.

Now, we have to create this type of differential in our malls to continue to maintain that level of interest, that level of sales. And these are clients that suffer less with macroeconomic volatility than the population at large. And this, of course, should be a significant point to be able to maintain the strength of sales of our portfolio.

To speak about occupancy, the fact that we have very strong and resilient sales means that we have demand. It is true that in general, we had less strong demand and resilience, but our quality helps us. People are concentrating their operations on more profitable assets, and we have the more profitable assets. It makes sense. And we can foresee that demand in our daily life, we have demanded that each tenant have productivity up to what we demand in our portfolio. Hard discussions, but they're productive for both parties. There's a certain synergy when you include a store that sells a great deal. There is a spillover effect if each part should do what they have to do, and we're going to continue to thrive to have better tenants, better sales, and better rent, of course. It's as simple as that. And that's the dynamic of our business.

**Guido Oliveira:** Jorel, simply to add something in sales and occupancy, the sales of January were excellent, and the sales of February, we still haven't closed the figures, but they're doing very well, with the flow of vehicles increasing both in January and February, and the resilience of our customers, we underscore this. Parking in self-parking has grown 1 to 2%, but our valet in the last quarter grew 30% vis-à-vis the last year. In January and February, our valet parking from several of our malls has had a growth of 35%. It shows the frequency of our customer that is ever more resilient and that buys mid and upper luxury and high sales in our portfolio when we think of sales per square meter.

When we look at the beginning of the year, we estimate the exit of some tenants. Now, that figure was below what we had expected and the hiring of tenants to maintain our occupancy level at 97.7%. Seasonally, we always lose on occupancy in the first quarter, but we haven't had this in January and February. So, our portfolio is better than in previous years. We do expect a decrease in the growth of GDP in the 2H of the year, not in the first. But we have shown that the portfolio responds well to that, and we're comfortable that we will repeat the sales of January and February based on the double-digit figures we have so far.

**Jorel Guilloty:** Thank you. Thank you very much.

**Fanny Oreng, Santander:** Hello. Good morning, Cris and Guido. Congratulations for your results. I have two questions. The first is about parking. You put in a graph showing the increase in the growth of traffic flow and we see how much it has grown after the pandemic. Where does this growth come from? What generates the growth? And could it go back to the levels we had before the pandemic, before 2019?

The second question, your occupancy rates are impressive in the malls. I don't remember those figures ever for Iguatemi, only in 2010. When you look at individual assets, is there any assets you have to work on to increase those occupancy rates? Thank you very much.

**Cristina Betts:** Hello, Fanny. Well, I joke that longevity in the sector makes us go back to 2010 and remember things. Yeah, well, that speaks about our age. It was my third child. But yes, Fanny. That idea of parking, we never doubted the traffic. We doubted on the form of transportation. We questioned ourselves about the revenue, the parking revenue line item because we would have less people circulating through our mall, we thought people would come on bicycle, by bus or whatever. We even created bicycle parking areas, but we never imagined we would have a lower flow in the mall.

What we observed at present, as Guido mentioned, in the normal parking, we have a maintenance, but we have an explosion in the valet parking. This shows the desire of our customer of having services up to what they expect. Our valet does stand aside. These customers expect different treatment when they enter the mall. We're studying to see what we can improve in our valet services, if we should have these valet services in other malls. But it does refer to the service level and less to the increase of flow.

The flow has been increasing, but it's increasing resilient audience, mid to upper audience. And this is what is reflected in our mall.

**Guido Oliveira:** Now, yesterday, we were speaking about the valet at the Board meeting. The operations team works day and night to improve the flow of valet. They say the valet is very, very full, and we're trying to seek out solutions to improve the service and the flow. It's impressive how much demand there is there.

And there's also an issue of safety seeking the mall as a more secure environment in the larger cities, it's become a safe haven for families or the population at large. And this is where people meet as well. And we have made our malls a reflection of that. And the occupancy also reflects that it is the best meeting point in the city among the malls that we have.

**Cristina Betts:** What was the second question, Fanny?

**Fanny Oreng:** About your very high occupancy rates. If there's a specific asset that you need to work more on because of occupancy.

**Cristina Betts:** Yes, Fanny, there are assets that we have to work on. There's a great deal we have to focus on presently, understanding the mixed qualification. There are two assets that are under transition: One is the Marketplace. We're going to work with a retrofit. That work will begin this year at some point. So we have been cleaning out the spaces that will be impacted by the retrofit, and whatever is not part of the retrofit will have an impact because we have withdrawn several operations. And it's a difficult moment for those who are there, we're working on that, but it's part of what we have to focus on;

Another asset that is changing profile and qualification is Galleria. We have implemented significant changes there to reflect the new vocation with a tower that is doing very well. It's 100% leased. And we have added more qualified restaurants there. So this is ongoing work at the Galleria that is important;

And finally, another asset that we're fond of is Praia de Belas in the south. That asset was undergoing change and mix qualification using a fashion plan, as we call it. We put in the Leliz, Track & Field, and other stores, but it was impacted mid last year because of the flooding in the south. It wasn't a pause; it was a gap basically. The rollout of this plan was not exactly as we had planned for 2024, so it will continue on in 2025. And it's important to work with that qualification, there's still a great deal of potential in Praia de Belas. We have to ascertain the quality mix.

So these are the three assets that we are looking at more closely. And from there upwards, we can change one for the other to enhance the quality of what we have in our portfolio.

**Fanny Oreng:** Thank you, Cris. Thank you very much. And thank you, Guido.

**Luiz Capistrano, Itaú BBA:** Hello Cris, Guido. Good morning, everybody. Congratulations for your results. A question inspired by information on the release, when you speak about the difference of performance of your malls, it's no news that you have better performance per a square meter of sales or increase in sales. So perception is that this gap increased during the pandemic and continues to expand in the 4Q and in January as well. That gap in the increase in sales seems to be increasing. Could you refer to that?

Of course, there's all of that work that you have been carrying out. We have spoken about this in this call. Is it something sectoral that is becoming more exacerbated, what do you think?

**Guido Oliveira:** Good question, Luiz. When we look at the three listed companies, we have the consolidation of several companies in the portfolio of one of the listed companies, and we have three large companies with their main malls in the country. When you look at the sector as a whole, there is enormous growth, not differently that what happened with enlisted companies between 2010 and 2014 of GLA in Brazil. And that industry was faced with an enormous crisis in 2015. In 2017, we saw a recession, we had never seen before with a drop of GDP of 8%. When that industry began to recover, it faced the pandemic with the highest impact ever. The stores were closed for 90 days in 2020, 45 days in 2021, an increase in idle capacity, an increase in discounts in several regions and cities, all of which were impacted. We had two years of minor growth in economy once we left the pandemic and began 23-24 with a growth of GDP.

We look at that and we see that the industry has not absorbed that idle capacity. What did it do? It closed down its vacancies. Vacancy was 15 percentage points. It has dropped to 5 points. The flow of vehicles and pedestrians recovering, and there's a decrease in the increase of GLA inventory, which is very important for the industry. We saw it in the property sector, they decreased their inventory as well to decrease vacancies. So now we see a greater increase in sales. Idle capacity has gone back to being a normal capacity for the industry.

Now, why are the listed companies performing better? They're in the best cities, in the best areas with a better portfolio. We're working with Iguatemi with a different income bracket segment compared to other malls throughout Brazil. It is a more resilient as proven in the recession. And according to the ABRASCE figures, we maintain same-store sales, same-store rate, quite similar even during the pandemic.

Now, this is not a diagnosis that the industry will not carry out again. They will begin again this year. There will be growing sales because idle capacity has been decreased. And the GLA is no longer being brought to the market. It has been maintained, and this makes it possible to recover sales.

**Luiz Capistrano:** Thank you. Thank you, Guido. Excellent comments. And that was very useful.

**Marcelo Motta, JP Morgan:** Good morning, everybody. Simply one topic you did not remark on. How is the negotiation of Pátio Higienópolis and Pátio Paulista? We heard that the BB was trying to raise funds. Any clue of the timing that they should be concluded and what is still pending? Thank you.

**Cristina Betts:** Hello, Mota. I thought it was strange that none of the analysts had asked about this. So happy you did. Yes, we would like to remark and we can say calmly that Banco do Brasil is doing their part acquiring the two patios that we are mentioning here. And they have disclosed publicly that they are committed with those R$ 800 million. We have partners in the operation, we can't speak on their behalf, but we have their commitment and negotiations, aligned commitment.

So we can speak about our stake in the investment, make sure it doesn't go beyond 2 times net debt EBITDA leverage for us. The payment of the patios will be similar to what we did in Rio Sul, 70% cash and 15%-15% in subsequent years. This will allow us some relief in the payment, also relief in the payments of Banco do Brasil, and we're quite calm in the performance of each of our partners. They're different partners for different assets. Within each asset, we have participants that will exercise their power of preference, of course. So the check will be very divided. And we're going to add our part insofar as we had expected.

It's moving along. We should have some novelties very soon regarding the signature of the contract with our other partners. We imagine that we will conclude everything in the coming two months. We're advancing adequately. It's an operation that is different when you have only one or two players. We have several players together that are bidding. This perhaps is the greatest difficulty.

Pátio Higienópolis is an asset we know upside down. We have been there for many years. Pátio Paulista has some novelties and some precedents that had to happen to be able to conclude this. It's a matter of timing. This is what is hampering the process. We're quite calm and very confident about our part here. And the participation of third parties.

**Guido Oliveira:** Mota, simply to add something, we received an invitation from everybody, and they found the partners that could resolve this imbroglio of two assets, and we had a very good negotiation. We have co-property owners in both malls. They are different owners. We have been able to conciliate all of this. And BB funds felt comfortable and continue to work with us.

We're doing very well. So we have the commitment of co-investors, and we should close this deal in the coming two months.

**Cristina Betts:** I don't know if you know this, we have gone beyond the stage of the antitrust agency, the CADE. That stage is over, and it's a more procedural stage at present between all the partners at present in terms of timing and the concatenation of steps.

**Marcelo Mota:** Thank you. That was very clear. Thank you, Cris. And thank you, Guido.

**Operator:** Thank you, ladies and gentlemen. We have no further questions. We will return the floor to Ms. Cris Betts for the closing remarks.

**Cristina Betts:** Well, thank you very much for your attendance in the call. As I said at the beginning, we're very satisfied with the results of 2024. It was incredible work on the part of the Iguatemi team. We all gave our blood and sweat. Congratulations to all. We're very enthusiastic about 2025, quite enthusiastic about what lays ahead of us. The Company that is presenting good results is always better than when you're cutting down on cost. The emotional part is different, not that it is less important, but we are anxious to see what will happen in 2025 with novelties.

We are at your disposal should there be something we did not respond to, my team as a whole and myself. And we hope to see you again at the close of the 1Q. Thank you very much.

**Operator:** So we have ended the Iguatemi conference call. Thank you very much for your attention. You can now disconnect.