

Quarterly Information - ITR

Multiplan Empreendimentos Imobiliários S.A.

March 31, 2020
with Independent Auditor's Review Report on Quarterly Information

Multiplan Empreendimentos Imobiliários S.A.

Quarterly Information - ITR

March 31, 2020

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A free translation from Portuguese into English of Independent Auditor's Review Report on individual and consolidated interim financial information prepared in Brazilian currency in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting and with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Independent auditor's review report on quarterly information - ITR

The
Shareholders, Board of Directors and Officers
Multiplan Empreendimentos Imobiliários S.A.
Rio de Janeiro - RJ

Introduction

We have reviewed the individual and consolidated interim financial information of Multiplan Empreendimentos Imobiliários S.A. ("Company") contained in the Quarterly Information Form - (ITR) for the quarter ended March 31, 2020, which comprise the balance sheet as of March 31, 2020 and the statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended, and notes to the quarterly information.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC 21 - Interim Financial Reporting and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), applicable to real estate development entities in Brazil registered with the Brazilian Securities and Exchange Commission (CVM), as well as for the presentation of this information consistently with the standards issued by the CVM, relating to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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



Conclusion on the individual and consolidated interim information

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

Emphasis of matter

As described in Note 2, the individual and consolidated interim financial information contained in the Quarterly Information Form (ITR) was prepared in accordance with NBC TG 21 and IAS 34 applicable to real estate development entities in Brazil registered with CVM. Accordingly, the determination of the accounting policy adopted by the entity for the recognition of revenue in contracts for the involving purchase and sale of unfinished real estate units on, as regards the aspects related to the transfer of control follows the understanding of the Company's management as to the application of NBC TG 47, in line with that expressed by CVM in its Circular letter CVM/SNC/SEP No. 02/2018. Our conclusion is not qualified in respect of this matter.


Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated statements of value added (SVA) for the three-month period ended March 31, 2020, prepared under the responsibility of the Company management and presented as supplementary information under IAS 34, applicable to real estate development entities in Brazil, registered with the Brazilian Securities and Exchange Commission ("CVM"). These statements have been subject to review procedures performed in conjunction with the review of the quarterly information, in order to determine whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG - 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria set forth in this standard and consistently with the individual and consolidated interim financial information as a whole.

Rio de Janeiro, April 28, 2020.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-6



Mauro Moreira
Accountant CRC-1RJ072056/O-2

A free translation from Portuguese into English of quarterly information prepared in Brazilian currency in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting and with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Multiplan Empreendimentos Imobiliários S.A.

Statements of balance sheet
 March 31, 2020 and December 31, 2019
 (In thousands of reais - R\$)

	Individual		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Assets				
Current assets				
Cash and cash equivalents (Note 3)	647,647	22,562	990,094	36,463
Short-term investments (Note 3)	150,709	623,912	150,709	871,506
Accounts receivable (Note 4)	135,327	195,248	217,370	284,116
Land and properties for sale (Note 6)	6,135	6,976	24,540	25,737
Accounts receivable from related parties (Note 5)	11,110	11,046	16,680	15,167
Taxes and social contributions to be offset (Note 16)	14,604	15,193	18,447	17,917
Deferred costs (Note 18)	23,399	24,998	41,838	41,741
Other	17,156	17,357	31,114	26,648
Total current assets	1,006,087	917,292	1,490,792	1,319,295
Non-current assets				
Accounts receivable (Note 4)	18,692	20,147	53,059	56,406
Land and properties for sale (Note 6)	19,731	19,581	425,794	424,052
Accounts receivable from related parties (Note 5)	8,125	8,823	8,654	9,143
Judicial deposits (Note 17.2)	31,747	31,861	33,968	34,848
Deferred income and social contribution taxes (Note 7)	-	-	23,219	17,171
Deferred costs (Note 18)	74,186	75,203	117,684	118,606
Other	1,467	1,785	5,238	6,102
Investments (Note 8)	3,676,560	3,315,065	148,975	176,663
Investment properties (Note 9)	4,272,850	3,976,033	7,635,747	6,948,372
Property and equipment (Note 10)	91,049	91,769	104,817	105,651
Intangible assets (Note 11)	361,261	359,768	363,569	360,440
Total non-current assets	8,555,668	7,900,035	8,920,724	8,257,454
Total assets	9,561,755	8,817,327	10,411,516	9,576,749

	Individual		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Liabilities and equity				
Current liabilities				
Loans and financing (Note 12)	241,683	240,440	305,726	295,688
Accounts payable (Note 13)	80,387	151,111	116,357	193,202
Property acquisition obligations (Note 15)	163,005	30,758	281,049	35,755
Taxes and contributions payable (Note 16)	7,400	7,313	22,609	26,021
Interest on shareholders' equity (Note 19,d)	148,375	148,375	148,375	148,375
Payables to related parties (Note 5)	-	38	93	109
Deferred revenues (Note 18)	14,131	14,310	18,503	18,436
Debentures (Note 14)	220,021	204,475	220,021	204,475
Other	4,342	4,387	6,484	6,617
Total current liabilities	879,344	801,207	1,119,217	928,678
Non-current liabilities				
Loans and financing (Note 12)	1,103,271	862,036	1,578,901	1,361,947
Accounts payable (Note 13)	41,463	38,501	41,662	38,684
Property acquisition obligations (Note 15)	188,566	-	192,055	4,738
Debentures (Note 14)	1,242,227	1,241,327	1,242,227	1,241,327
Provision for contingencies (Note 17,1)	4,857	5,321	11,576	11,811
Payables to related parties (Note 5)	-	-	2,102	2,125
Deferred income and social contribution taxes (Note 7)	254,991	203,087	262,716	209,359
Deferred revenue (Note 18)	38,407	36,579	59,287	55,618
Advance from customers	-	-	89,861	89,861
Phantom stock options (Note 20,b)	2,593	41,600	2,593	41,600
Total non-current liabilities	2,876,375	2,428,451	3,482,980	3,057,070
Equity (Note 19)				
Capital	2,988,062	2,988,062	2,988,062	2,988,062
Share issue costs	(43,548)	(43,548)	(43,548)	(43,548)
Capital reserves	1,026,025	1,017,475	1,026,025	1,017,475
Income reserves	1,804,831	1,804,831	1,804,831	1,804,831
Treasury shares	(57,985)	(89,155)	(57,985)	(89,155)
Effects on capital transaction	(89,996)	(89,996)	(89,996)	(89,996)
Net Income for the period	178,647	-	178,647	-
Total equity	5,806,036	5,587,669	5,806,036	5,587,669
Non-controlling interests	-	-	3,283	3,332
Total equity	5,806,036	5,587,669	5,809,319	5,591,001
Total liabilities and equity	9,561,755	8,817,327	10,411,516	9,576,749

See accompanying notes.

Multiplan Empreendimentos Imobiliários S.A.

Statements of income

Three-month period ended March 31, 2020 and 2019

(In thousands of reais - R\$, except basic and diluted earnings per share, in reais)

	Individual		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Net operating revenue (Note 21)	235,199	226,390	320,674	302,338
Cost of services rendered and properties sold (Note 22)	(39,905)	(42,627)	(71,231)	(75,370)
Gross profit	195,294	183,763	249,443	226,968
Operating income (expenses):				
Administrative expenses - Headquarters (Note 22)	(33,488)	(38,266)	(34,170)	(38,719)
Administrative expenses - Properties (Note 22)	(5,356)	(1,616)	(10,394)	(5,239)
Projects for lease expenses (Note 22)	(1,526)	(140)	(3,200)	(2,118)
Projects for sale expenses (Note 22)	(459)	(327)	(1,352)	(821)
Share-based compensation expenses (Note 20)	22,002	(10,980)	22,002	(10,980)
Equity pickup (Note 8)	34,121	21,011	1,295	2,415
Depreciation and amortization	(4,879)	(3,640)	(5,121)	(3,821)
Other operating income (expenses), net	69,107	9,675	66,172	9,352
Operating income before finance income (costs)	274,816	159,480	284,675	177,037
Finance income (costs), net (Note 23)	(20,180)	(27,366)	(23,142)	(34,189)
Income before income and social contribution taxes	254,636	132,114	261,533	142,848
Total current and deferred income and social contribution taxes	(75,989)	(40,150)	(83,810)	(51,517)
Net income for the period	178,647	91,964	177,723	91,331
Income attributable to:				
Non-controlling interest	-	-	177,749	91,946
Owners of the company	-	-	(26)	(615)
Basic earnings per share (Note 26)	0,2988	0,1547	0,2973	0,1547
Diluted earnings per share (Note 26)	0,2969	0,1540	0,2954	0,1539

See accompanying notes,

Multiplan Empreendimentos Imobiliários S.A.

Statements of comprehensive income
Three-month period ended March 31, 2020 and 2019
(In thousands of reais - R\$)

	Individual		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Net income for the period	178,647	91,964	177,723	91,331
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	178,647	91,964	177,723	91,331
Total comprehensive income attributed to:				
Non-controlling interests	-	-	(26)	(615)
Owners of the parent company	-	-	177,749	91,946

See accompanying notes.

Multiplan Empreendimentos Imobiliários S.A.

Statements of changes in equity - Individual
 Three-month period ended March 31, 2020 and 2019
 (In thousands of reais - R\$)

				Capital reserves			Income reserves			Effects on capital transactions	Retained earnings	Total
	Capital	Expenses on issue of shares	Stock options granted	Special Goodwill reserve upon merger	Goodwill reserve on issue of shares	Other capital reserves	Legal reserve	Expansion reserve	Treasury shares			
Balances at December 31, 2018	2,988,062	(43,548)	106,918	186,548	706,517	-	164,330	1,449,378	(132,229)	(89,996)	-	5,335,980
Stock option exercise	-	-	-	-	21	-	-	-	2,975	-	-	2,996
Stock options granted (Note 20.c)	-	-	3,511	-	-	-	-	-	-	-	-	3,511
Net income for the period	-	-	-	-	-	-	-	-	-	-	91,964	91,964
Balances at March 31, 2019	2,988,062	(43,548)	110,429	186,548	706,538	-	164,330	1,449,378	(129,254)	(89,996)	91,964	5,434,451
Balances at December 31, 2019	2,988,062	(43,548)	122,232	186,548	707,710	985	187,886	1,616,945	(89,155)	(89,996)	-	5,587,669
Stock option exercise (Note 20.a)	-	-	-	-	1,230	-	-	-	31,170	-	-	32,400
Stock options granted (Note 20.c)	-	-	7,320	-	-	-	-	-	-	-	-	7,320
Net income for the period	-	-	-	-	-	-	-	-	-	-	178,647	178,647
Balances at March 31, 2020	2,988,062	(43,548)	129,552	186,548	708,940	985	187,886	1,616,945	(57,985)	(89,996)	178,647	5,806,036

Multiplan Empreendimentos Imobiliários S.A.

Statements of changes in equity (Consolidated)
 Three-month period ended March 31, 2020 and 2019
 (In thousands of reais - R\$)

	Capital reserves					Income reserves					Total	Non-controlling interest	Total	
	Capital	Share issue costs	Stock options granted	Special goodwill reserve upon merger	Other capital reserves	Goodwill reserve on issue of shares	Legal reserve	Expansion reserve	Effects on capital transaction	Treasury shares				Retained earnings
Balances at December 31, 2018	2,988,062	(43,548)	106,918	186,548	-	706,517	164,330	1,449,378	(89,996)	(132,229)	-	5,335,980	16,207	5,352,187
Equity pickup - subsidiary (Note 2,3)	-	-	-	-	-	-	-	-	-	-	18	18	-	18
Capital increase by Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	540	540
Exercise of stock options	-	-	-	-	-	21	-	-	-	2,975	-	2,996	-	2,996
Stock options granted	-	-	3,511	-	-	-	-	-	-	-	-	3,511	-	3,511
Net income for the year	-	-	-	-	-	-	-	-	-	-	91,946	91,946	(615)	91,331
Balances at March 31, 2019	2,988,062	(43,548)	110,429	186,548	-	706,538	164,330	1,449,378	(89,996)	(129,254)	91,964	5,434,451	16,132	5,450,583
Balances at December 31, 2019	2,988,062	(43,548)	122,232	186,548	985	707,710	187,886	1,616,945	(89,996)	(89,155)	-	5,587,669	3,332	5,591,001
Equity pickup - subsidiary (Note 2,3)	-	-	-	-	-	-	-	-	-	-	898	898	-	898
Capital increase by Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(23)	(23)
Exercise of stock options	-	-	-	-	-	1,230	-	-	-	31,170	-	32,400	-	32,400
Stock options granted	-	-	7,320	-	-	-	-	-	-	-	-	7,320	-	7,320
Net income for the period	-	-	-	-	-	-	-	-	-	-	177,749	177,749	(26)	177,723
Balances at March 31, 2020	2,988,062	(43,548)	129,552	186,548	985	708,940	187,886	1,616,945	(89,996)	(57,985)	178,647	5,806,036	3,283	5,809,319

See accompanying notes.

Multiplan Empreendimentos Imobiliários S.A.

Statements of cash flows

Three-month period ended March 31, 2020 and 2019

(In thousands of reais - R\$)

	Individual		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Cash flows from operating activities				
Income before taxes	254,636	132,114	261,533	142,848
Adjustments to:				
Depreciation and amortization	34,584	29,511	58,230	52,017
Equity pickup	(34,121)	(21,011)	(1,295)	(2,415)
Stock option-based payments	(22,002)	10,980	(22,002)	10,980
Allocation of store buyback	591	869	669	945
Allocation of deferred revenues and costs	(8,903)	(1,079)	(14,254)	1,610
Interest accrual of debentures	15,374	20,564	15,374	20,564
Interest accrual of loans and financing	10,110	16,619	18,798	29,516
Business combination gain	(73,169)	-	(73,169)	-
Swap transactions	(681)	-	(681)	-
Interest accrual of property acquisition obligations	3,273	-	3,820	7
Interest accrual of related-party transactions	(168)	(271)	(187)	(283)
Allowance for doubtful accounts	7,433	1,197	11,692	4,416
Capital loss	2,503	-	2,503	-
Other	2,956	4,151	4,581	4,013
	192,416	193,644	265,612	264,218
Changes in operating assets and liabilities				
Land and properties held for sale	691	-	(1,795)	(5,971)
Accounts receivable	178,755	37,371	63,451	47,771
Judicial deposits	114	3,756	927	3,606
Deferred costs	7,127	(13,811)	14,469	(15,348)
Other assets	519	(1,533)	(3,602)	(4,992)
Accounts payable	(70,092)	3,729	(76,427)	(2,174)
Payables - related parties	(38)	-	(39)	-
Property acquisition obligations	(1,047)	-	(1,047)	14
Taxes and contributions payable	(11,303)	(2,574)	(13,606)	(3,284)
Deferred revenue	6,041	11,197	9,351	13,890
Other obligations	(44)	(14,958)	(133)	(14,906)
Phantom Stock Options	(8,113)	-	(8,113)	-
Income and social contribution taxes paid	(12,106)	(19,253)	(21,133)	(30,642)
Net cash from operating activities	282,920	197,568	227,915	252,182
Cash flows from investing activities				
Increase in investments	(349,007)	(43,243)	(6,250)	-
Dividends received	-	1,250	-	1,250
Receipt (payment) in related-party transactions	483	569	(3,194)	(2,853)
Additions to property and equipment	(992)	(2,704)	(992)	(2,704)
Additions to investment properties	(34,073)	(18,767)	(195,593)	(50,075)
Write-off of investment properties	18,000	-	-	-
Additions to intangible assets	(4,616)	(1,645)	(4,616)	(1,645)
Short-term investments	473,203	(100,266)	721,533	(144,218)
Acquisition of interest in subsidiary	(19,118)	-	(19,118)	-
Acquisition of subsidiary	-	-	217	-
Net cash used in investing activities	83,880	(164,806)	491,987	(200,245)
Cash flows from financing activities				
Repayment of loans and financing	(12,139)	(16,169)	(25,183)	(23,960)
Payment of interest on loans and financing	(7,285)	(12,756)	(18,774)	(26,229)
Cash from stock options exercised	32,400	2,996	32,400	2,996
Loans taken out	245,309	-	245,309	-
Non-controlling interest	-	-	(23)	540
Net cash from (used in) financing activities	258,285	(25,929)	233,729	(46,653)
Increase in cash and cash equivalents	625,085	6,833	953,631	5,284
Cash and cash equivalents at beginning of year	22,562	24,717	36,463	38,864
Cash and cash equivalents at end of period	647,647	31,550	990,094	44,148
Increase in cash and cash equivalents	625,085	6,833	953,631	5,284

See accompanying notes.

Multiplan Empreendimentos Imobiliários S.A.

Statements of value added
 Three-month period ended March 31, 2020 and 2019
 (In thousands of reais - R\$)

	Individual		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Revenues:				
Revenue from sales and services	254,694	249,694	347,490	333,968
Other revenues	78,278	16,223	81,168	16,074
Allowance for doubtful accounts	(7,433)	(1,197)	(11,692)	(4,416)
	325,539	264,720	416,966	345,626
Bought-in inputs				
Cost of sales and services	(13,554)	(19,123)	(21,406)	(27,596)
Power, outsourced services and others	(12,326)	(13,526)	(19,206)	(16,689)
	(25,880)	(32,649)	(40,612)	(44,285)
Gross value added	299,659	232,071	376,354	301,341
Retentions				
Depreciation and amortization	(34,583)	(29,511)	(58,230)	(52,017)
Net value added produced by the Entity	265,076	202,560	318,124	249,324
Value added received in transfer				
Equity pickup	34,121	21,011	1,295	2,415
Finance income	13,380	14,663	20,500	21,470
	47,501	35,674	21,795	23,885
Total value added to be distributed	312,577	238,234	339,919	273,209
Distribution of value added				
Personnel				
Direct compensation	6,051	(31,755)	5,732	(31,999)
Benefits	(2,360)	(2,033)	(2,409)	(2,044)
Unemployment Compensation Fund (FGTS)	(2,121)	(861)	(2,135)	(866)
	1,570	(34,649)	1,188	(34,909)
Taxes, charges and contributions				
Federal	(99,085)	(66,087)	(111,372)	(82,344)
State	(9)	(12)	(20)	(25)
Local	(1,722)	(1,585)	(6,772)	(6,781)
	(100,816)	(67,684)	(118,164)	(89,150)
Debt remuneration				
Interest, monetary difference and foreign exchange difference	(33,217)	(42,542)	(42,972)	(56,063)
Lease expenses	(1,467)	(1,395)	(2,249)	(1,756)
	(34,684)	(43,937)	(45,221)	(57,819)
Equity remuneration				
Non-controlling interests in retained profits	-	-	26	616
Interest on shareholders' equity	(178,647)	(91,964)	(177,748)	(91,947)
Retained profits	(178,647)	(91,964)	(177,722)	(91,331)
	-	-	-	-
Value added distributed	(312,577)	(238,234)	(339,919)	(273,209)

See accompanying notes.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information

March 31, 2020

(In thousands of reais, unless otherwise stated)

1. Company information

The issue of the individual and consolidated quarterly information of Multiplan Empreendimentos Imobiliários S.A. (the “Company”, “Multiplan” or “Multiplan Group” when referred to jointly with its subsidiaries) as of September 30, 2019 was authorized by management on October 28, 2019. The Company was organized as a “limited liability company” and subsequently was transformed into a “joint-stock corporation”, and its registered office is located in the city and state of Rio de Janeiro, at Avenida das Américas 4.200, Bloco 2, sala 501, Barra da Tijuca, CEP 22.640-102.

The Company is a joint-stock corporation and has shares traded on B3 (MULT3). In addition, the Company is part of the special listing segment of B3 named Level 2 of Corporate Governance. Multiplan makes up the portfolio of the Bovespa Index (IBOVESPA), among others.

The Company was organized on December 30, 2005 and is engaged in (a) the planning, construction, development and sale of real estate projects of any nature, either residential or commercial, including mainly urban shopping malls and areas developed based on these real estate projects; (b) the purchase and sale of real properties and the acquisition and disposal of real estate rights, and their operation, through any means, including through lease; (c) the provision of management and administrative services for its own shopping malls, or those of third parties; (d) the provision of technical advisory and support services concerning real estate matters; (e) civil construction, the execution of construction works and provision of engineering and similar services in the real estate market; (f) development, promotion, management, planning and intermediation of real estate projects; (g) import and export of goods and services related to its activities; and (h) generation of electric power for own consumption, being able, however, to sell the surplus of electric power generated; and (i) the acquisition of ownership interest and share control in other entities, as well as joint ventures with other entities, where it is authorized to enter into shareholders’ agreements in order to attain or supplement its business purpose.

The Company holds direct and indirect interest in several shopping malls as at March 31, 2020 and December 31, 2019, in the following projects:

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

1. Company information (Continued)

Project	Location	Operations started up in	interest % as at	
			03/31/2020	12/31/2019
Shopping Centers				
BH Shopping	Belo Horizonte	1979	100.0	100.0
RibeirãoShopping	Ribeirão Preto	1981	81.6	81.6
BarraShopping	Rio de Janeiro	1981	65.8	65.8
MorumbiShopping	São Paulo	1982	73.7	73.7
ParkShopping	Brasília	1983	73.4	61.7
Diamond Mall	Belo Horizonte	1996	90.0	90.0
New York City Center	Rio de Janeiro	1999	50.0	50.0
Shopping Anália Franco	São Paulo	1999	30.0	30.0
ParkShopping Barigui (i)	Curitiba	2003	93.3	93.3
Pátio Savassi	Belo Horizonte	2004	96.5	96.5
Shopping Santa Úrsula	Ribeirão Preto	1999	100.0	62.5
Barra Shopping Sul	Porto Alegre	2008	100.0	100.0
Shopping Vila Olímpia	São Paulo	2009	60.0	60.0
ParkShopping São Caetano	São Caetano	2011	100.0	100.0
Jundiá Shopping	Jundiá	2012	100.0	100.0
ParkShopping Campo Grande	Rio de Janeiro	2012	90.0	90.0
Village Mall	Rio de Janeiro	2012	100.0	100.0
Parque Shopping Maceió	Maceió	2013	50.0	50.0
ParkShopping Canoas (i)	Canoas	2017	82.3	82.3

Further to the Private Instrument of Purchase and Sale Commitment and Other Covenants Subject to Suspensive Conditions, executed with Clube Atlético Mineiro on July 3, 2017, the Company signed on January 20, 2020, the Public Deed of Purchase and Sale, whereby it acquired 50.1% of Clube Atlético Mineiro's interest in DiamondMall shopping mall for R\$268,000, corresponding to R\$296,773, as restated on the closing date of the transaction. Of this amount, R\$5,935 have already been paid. The remaining balance of R\$290,838 will be settled in 36 consecutive monthly installments as follows: (i) one installment in the amount of R\$23,742; (ii) three monthly installments in the amount of R\$11,871; (iii) two monthly installments of R\$8,903; and (iv) thirty monthly installments in the amount of R\$7,123. All installments will be adjusted for inflation by reference to the CDI variation.

Additionally, Clube Atlético Mineiro will receive for 48 successive months 7.515% of Diamond Mall's gross monthly revenue, using the same calculation criteria as the lease contract currently in force. These installments are estimated to total R\$18,000. There are no adjustments on this amount.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

1. Company information (Continued)

On February 20, 2020, the Company executed a public deed of purchase and sale commitment as a result of the exercise of its preemptive right in the acquisition of the participation of IRB Investimentos e Participações Imobiliárias SA in Parkshopping, corresponding to 20% of the property of certain units of the project for R\$225,000. Of this amount, R\$18,000 were paid through two deposits of R\$11,250 and R\$6,750, made on November 19 and 25, 2019, respectively; R\$94,500 were paid upon the execution of the public deed of purchase and sale commitment, and the balance of R\$112,500 will be paid within 180 days from execution of the public deed of purchase and sale commitment, as restated by the positive variation of 120% (one hundred and twenty percent) of the CDI, through the date of its settlement.

On April 11, 2019, the Company executed a public deed of purchase and sale commitment as a result of the exercise of its preemptive right in the acquisition of the participation of its partner in BH Shopping, corresponding to 20% of the venture, for the amount of R\$360,000. Of this amount, R\$330,000 was paid on the date the business was formally carried out and R\$30,000 ("Balance") would be paid within 12 months, adjusted by the positive variation of Brazil's Extended Consumer Price Index (IPCA), disclosed by the Brazilian Institute of Geography and Statistics (IBGE), until the settlement date. On April 8, 2020, the Company signed the re-ratification of the aforementioned public deed of purchase and sale commitment, changing the Balance's maturity to April 14, 2021, to be adjusted until its effective payment by the positive variation of the IPCA, disclosed by IBGE, plus interest of 4.9% per year. After the acquisition, the Company now holds 100% interest in BH Shopping.

As at March 31, 2020 and December 31, 2019, the Company has legal representation and management for all shopping malls, except Parque Shopping Maceió.

Business Combination

On February 7, 2020, the Company concluded a transaction whereby it acquired the remaining 50.0% interest in Manati Empreendimentos e Participações SA held by Aliansce Sonae Shopping Centers S.A., corresponding to an indirect interest of 37.5% in Shopping Santa Úrsula, for the total amount of R\$ 28,500, adjustable by the accumulated positive variation of the CDI from October 18, 2019 until the business day immediately prior to payment, of which R\$ 19,000 were paid on the closing date of the transaction and the balance will be paid in four equal, fixed and half-yearly installments, starting in six months from that date. On March 6, 2020, the acquisition price was increased by R\$ 368 thousand, corresponding to Manati's cash on the closing date in proportion to the interest then held by Aliansce. With this acquisition, the Company now holds, directly and indirectly, 100% interest in Shopping Santa Úrsula.

The Company made a phased acquisition (by first purchasing control of a Joint Venture), thus, as provided for in CPC 15, it also revalued its previous participation at fair value against Profit or loss for the period.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

1. Company information (Continued)

Business Combination (Continued)

The fair value of Manati's assets acquired and liabilities assumed on the acquisition date was calculated by the Company's management through the individualized analysis of each statement of financial position account, with the impact basically attributed to the fair value of the investment property (Shopping Santa Úrsula). Worth noticing that the net assets acquired in the quarterly information as of March 31, 2020 were accounted for based on a preliminary assessment carried out through an internal study, since the Company will engage an independent appraiser to prepare a report. Management expects this transaction to be completed by December 31, 2020, and, if so necessary, it will make final adjustments as required by IFRS 3/CPC 15.

Additional interest acquired (%)	50.0%
Total consideration	28,868
Consideration transferred on acquisition date	19,118
Accounts payable for acquisition (Note 15)	9,750
Interest prior to fair value	67,270
Interest prior to book value	32,503
Gain on business combination due to the revaluation of the portion previously held	34,767
Deferred income and social contribution taxes	(11,821)
Net gain on phased business combination	22,946
<u>Assets</u>	
Cash and cash equivalents	109
Short-term investments	367
Accounts receivable, net	1,830
Accounts receivable from related parties	69
Taxes recoverable	118
Deferred costs	2,523
Judicial deposits	24
Deferred income and social contribution taxes	2,787
Investment properties	58,786
Intangible assets	838
<u>Liabilities</u>	
Accounts payable	109
Taxes payable	53
Deferred revenue	19
Total identifiable assets, net	67,270
Total consideration	28,868
Gain on bargain purchase in the acquisition	38,402
Gain on business combination due to revaluation of previously held portion	34,767
Total gain on bargain purchase (i)	73,169
(-) tax effects (34%)	(24,877)
Net gain	48,292
Contribution to the Group with revenue from acquisition date	2,078
Contribution to the Group with income before taxes from acquisition date	(18)
Acquirees revenue since beginning of year	2,751
Acquiree's income before taxes since beginning of year	69

(i) This amount is recorded in the statement of profit or loss for the period.

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Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

2. Presentation of quarterly information and accounting policies

2.1. Statement of compliance with the IFRS and Brazil's Financial Accounting Standards Board ("CPC") standards

This quarterly information includes the individual and consolidated interim financial information in accordance with Accounting Pronouncement CPC 21 (R1) - Interim Financial Reporting and the international standard IAS 34 - Interim Financial Reporting, applicable to real estate development entities in Brazil, registered with Brazil's Securities and Exchange Commission ("CVM"). This information is also presented in a manner consistent with the rules issued by CVM, applicable to the preparation of the Quarterly Information - ITR. Accordingly, the determination of the accounting policy adopted by the Company, for the recognition of revenue in purchase and sale contracts for unfinished real estate units, on the aspects related to the transfer of control follow the understanding expressed by CVM in Memorandum Circular/CVM/SNC/SEP No. 02/2018 on the application of NBC TG 47 (IFRS 15).

In addition, the Company considered the guidance provided for in Accounting Guidance OCPC 07, issued by Brazil's FASB (CPC) in November 2014, in preparing its financial statements. Consequently, any significant information that is inherent in the financial statements is evidenced, and it corresponds to that used by the Company in its management.

2.2. Basis of measurement

The individual and consolidated quarterly information has been prepared under the historical cost convention, except for certain financial instruments measured at fair value, as disclosed in Note 25.

2.3. Basis of consolidation

The consolidated quarterly information includes the quarterly information of the Company and its subsidiaries as at March 31, 2020 and are in line with the financial statements as at December 31, 2019 disclosed on February 14, 2020, except in relation to the subsidiary Manati Empreendimentos e Participações S.A. which became consolidated after the acquisition of the remaining 50% interest on February 7, 2020 held by Aliance Sonae Shopping Center S.A., as detailed in Note 1 above.

The reconciliation between the net income for the quarters ended March 31, 2020 and 2019 between Individual and Consolidated is as follows:

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

2. Presentation of quarterly information and accounting policies (Continued)

2.3. Basis of consolidation (Continued)

	Net income for the period	
	03/31/2020	03/31/2019
Individual	178,647	91,964
Equity pickup for the period - County (a)	(898)	(18)
Consolidated	177,749	91,946

(a) Subsidiary Renasce holds 100% in County's capital, which is primarily engaged in holding interest in subsidiary Embassy. In order to properly prepare Multiplan's individual and consolidated statement of financial position, the Company adjusted Renasce's equity and the investment calculation for consolidation purposes only. This adjustment refers to the Company's share in County's P&L not reflected on equity pickup of Renasce, calculated and recorded by the Company.

2.4. Significant accounting policies adopted in the quarterly information

The significant accounting policies adopted by the Company in this quarterly information are consistent with those adopted in the financial statements for the year ended December 31, 2019, disclosed on February 14, 2020, complemented by the accounting policy included below about the business combination that occurred in this quarter of 2020.

Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the sum of the consideration transferred, measured at the fair value on the acquisition date, and the value of any non-controlling interests in the acquiree. For each business combination, the acquirer should measure non-controlling interests at fair value or based on the proportionate share in the identifiable net assets of the acquiree. Costs directly attributable to the acquisition are recognized as expenses, as incurred.

When acquiring a business, the Company analyzes the financial assets and liabilities assumed, in order to classify and allocate them according to the contractual terms, economic circumstances and applicable conditions on the acquisition date, including segregation, by the acquiree, of embedded derivatives existing in host contracts in the acquiree.

If the business combination is conducted in stages, the fair value on the date of acquisition of the interest previously held in the capital of the acquired company is remeasured on the acquisition date, and any impacts are recognized in P&L.

If the consideration is lower than the fair value of net assets acquired, the difference is recognized as a gain in P&L.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

3. Cash and cash equivalents, and short-term investments

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Cash and cash equivalents				
Cash and banks	27,640	47,343	20,929	34,830
Short-term investments - Bank Deposit Certificates (CDB)	620,007	942,751	1,633	1,633
Total cash and cash equivalents	647,647	990,094	22,562	36,463

All short-term investments are made with first-tier financial institutions, at market price and terms.

The short-term investments presented as cash and cash equivalents can be redeemed at any time without penalty and without affecting earnings recognized or any risk of significant change in value. These investments bear interest at an average effective rate of 100.79% of the Interbank deposit certificate (CDI) at March 31, 2020 (99.25% at December 31, 2019).

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Short-term investments with daily liquidity				
Investment fund DI - Fixed Income	150,709	150,709	623,912	871,506
Total short-term investments	150,709	150,709	623,912	871,506

The Fixed Income Investment Funds - DI are non-boutique funds classified by the Brazilian Financial and Capital Markets Association (ANBIMA) as short-term and low-risk funds, which bear interest at an average effective rate of 96.48% of the CDI at March 31, 2020 (94.40% at December 31, 2019). The funds' portfolios are managed by Bradesco Asset Management, Santander Asset Management, Itaú Asset and BB DTVM. The Company does not interfere with or influence the management of the portfolios or the acquisition and sale of the securities included in the portfolios.

The Company's exposure to interest rate risks, credit, liquidity and market risks, and the sensitivity analysis of financial assets and liabilities are disclosed in Note 25.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

4. Accounts receivable

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Lease	85,898	119,059	163,836	209,121
Straight-line effect	53,870	77,609	19,445	33,213
Key money	25,832	41,078	24,923	38,617
Parking	4,268	8,479	14,473	23,980
Management fees (a)	9,622	9,621	8,566	8,566
Brokerage	472	472	746	746
Merchandising	505	505	993	993
Real Estate for sale	14,879	65,188	15,886	67,256
Other	3,881	7,973	5,962	8,359
	199,227	329,984	254,830	390,851
Allowance for doubtful accounts (ADA)	(45,208)	(59,555)	(39,435)	(50,329)
	154,019	270,429	215,395	340,522
Non-current	(18,692)	(53,059)	(20,147)	(56,406)
Current	135,327	217,370	195,248	284,116

(a) In March 2020, due to the COVID-19 pandemic, which had a direct impact on the Company's operations, management introduced a change in its relationship with storeowners, allowing them - under the condition of making the payments on their due dates - to pay with a 50% reduction in the rent due, besides to a 50% reduction for amounts due as a condominium and 100% as a promotion fund. These reductions are applicable for the March 2020 with payments in April 2020, and will not be offset against the remaining installments of the lease agreements. Accordingly, this condition was treated as a change in the flow of the lease and, therefore, the Company revised the straight-lining of its minimum rents according to the remaining term of each agreement, as provided for in CPC 06 (R2)/IFRS 16.

(b) Refer to the management fees receivable by the Company, charged from business or storeowners of the shopping malls that it administrates, corresponding to a percentage of the store rent, common charges of storeowners, financial management, and promotion fund.

The aging list of accounts receivable is as follows:

Individual	Balance falling due with no impairment loss	< 30 days	Balance overdue with no impairment loss					Total
			30 - 60 days	61 - 90 days	91 - 120 days	121-180 days	>180 days	
Lease (*)	41,535	5,112	2,839	3,364	1,405	2,236	29,407	85,898
Straight-line effect	53,870	-	-	-	-	-	-	53,870
Key money (*)	23,516	1,196	120	105	94	194	607	25,832
Parking	4,268	-	-	-	-	-	-	4,268
Management fees	7,090	1,077	175	-	-	-	1,280	9,622
Brokerage	458	-	8	-	-	-	6	472
Merchandising	472	-	29	-	-	-	4	505
Real Estate for sale	13,005	62	65	64	339	70	1,274	14,879
Other	1,230	158	-	-	-	3	2,490	3,881
Total at 03/31/2020	145,444	7,605	3,236	3,533	1,838	2,503	35,068	199,227
(-) ADA	(1,703)	(3,490)	(1,945)	(2,559)	(1,250)	(2,152)	(32,109)	(45,208)
Net balance at 03/31/2020	143,741	4,115	1,291	974	588	351	2,959	154,019

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

4. Accounts receivable (Continued)

Individual	Balance falling due with no impairment loss			Balance overdue with no impairment loss				Total
	impairment loss	< 30 days	30 - 60 days	61 - 90 days	91 - 120 days	121-180 days	>180 days	
Lease (*)	125,075	3,317	1,719	1,364	1,588	3,058	27,715	163,836
Straight-line effect	19,445	-	-	-	-	-	-	19,445
Key money (*)	23,540	241	116	107	175	187	557	24,923
Parking	14,473	-	-	-	-	-	-	14,473
Management fees	7,243	-	-	-	15	-	1,308	8,566
Brokerage	740	-	-	-	-	-	6	746
Merchandising	805	-	5	3	5	11	164	993
Real Estate for sale	13,941	612	48	27	24	30	1,204	15,886
Other	2,553	931	26	2	1	1	2,448	5,962
Total at 12/31/2019	207,815	5,101	1,914	1,503	1,808	3,287	33,402	254,830
(-) ADA	(3,462)	(1,722)	(1,070)	(968)	(1,325)	(2,626)	(28,262)	(39,435)
Net balance at 12/31/2019	204,353	3,379	844	535	483	661	5,140	215,395

Consolidated	Balance falling due with no impairment loss			Balance overdue with no impairment loss				Total
	no impairment loss	< 30 days	30 - 60 days	61 - 90 days	91 - 120 days	121-180 days	>180 days	
Lease (*)	60,759	6,971	3,590	4,850	2,017	3,615	37,257	119,059
Straight-line effect	77,609	-	-	-	-	-	-	77,609
Key money (*)	36,590	1,612	220	154	124	257	2,121	41,078
Parking	7,090	1,039	138	148	21	17	26	8,479
Management fees	7,089	1,077	175	-	-	-	1,280	9,621
Brokerage	458	-	8	-	-	-	6	472
Merchandising	472	-	29	-	-	-	4	505
Real Estate for sale	55,858	650	245	241	518	531	7,145	65,188
Other	3,370	481	2	15	-	52	4,053	7,973
Total at 03/31/2020	249,295	11,830	4,407	5,408	2,680	4,472	51,892	329,984
(-) ADA	(2,191)	(4,694)	(2,471)	(3,668)	(1,701)	(3,425)	(41,405)	(59,555)
Net balance at 03/31/2020	247,104	7,136	1,936	1,740	979	1,047	10,487	270,429

Consolidated	Balance falling due with no impairment loss			Balance overdue with no impairment loss				Total
	no impairment loss	< 30 days	30 - 60 days	61 - 90 days	91 - 120 days	121-180 days	>180 days	
Lease (*)	159,811	4,181	2,561	2,075	2,139	4,058	34,296	209,121
Straight-line effect	33,213	-	-	-	-	-	-	33,213
Key money (*)	35,499	305	148	144	213	248	2,060	38,617
Parking	21,339	2,240	134	191	10	45	21	23,980
Management fees	7,243	-	-	-	15	-	1,308	8,566
Brokerage	740	-	-	-	-	-	6	746
Merchandising	805	-	5	3	5	11	164	993
Real Estate for sale	58,691	829	200	423	428	241	6,444	67,256
Other	4,171	1,019	75	3	1	18	3,073	8,359
Total at 12/31/2019	321,512	8,574	3,123	2,839	2,811	4,621	47,372	390,851
(-) ADA	(4,250)	(2,131)	(1,565)	(1,453)	(1,743)	(3,495)	(35,692)	(50,329)
Net balance at 12/31/2019	317,262	6,443	1,558	1,386	1,068	1,126	11,680	340,522

(*) The accounts receivable from lease and key money is net of a provision for tax loss amounting to R\$16,180 at September 30, 2019 (R\$15,588 at December 31, 2018) in individual and R\$30,884 at September 30, 2019 (R\$27,187 at December 31, 2018) in consolidated, recorded in the statement of income as "Mall expenses".

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

4. Accounts receivable (Continued)

Lease and key money

The Company applies the simplified approach to estimate the expected credit loss using an expected loss matrix based on the history of losses, adjusted by the management's expectations on the aspects that may influence storeowner's default in the future.

The information on exposure to average credit risk of the Company's lease receivables and key money as at March 31, 2020 and December 31, 2019 is presented below, using a provision matrix:

<u>Risk</u>	<u>03/31/2020</u>	<u>12/31/2019</u>
Falling due	2.6%	2.3%
Overdue up to 30 days	55.2%	48.4%
Overdue up to 60 days	65.8%	58.3%
Overdue up to 90 days	73.9%	65.8%
Overdue up to 120 days	83.4%	75.2%
Overdue up to 180 days	88.6%	80.9%
Overdue for more than 180 days	100.0%	92.6%

The balances of accounts receivable for rent, assignment of rights and acknowledgment of debt at March 31, 2020 were impacted by Covid-19. This impact was considered in accounts receivable upon reducing its expectation of recovery from default in all ranges of the provision matrix.

Real Estate for sale

The allowance for doubtful accounts is recorded to write down trade accounts receivable to their recoverable amount, based on an individual analysis of such receivables. As trade accounts receivable are guaranteed by the real estate units sold, when a customer becomes a defaulter, the total balance due on the unit is compared with the best estimate of the unit's market value, less costs to recover and sell. An allowance for doubtful accounts is set up when the total balance due is higher than the net value given in guarantee. At March 31, 2020, even considering the impacts of COVID-19, and December 31, 2019, the Company did not identify the need for an allowance for doubtful accounts on the real estate receivables.

Parking, management fee, brokerage and merchandising and others

The Company understands that the credit risk from accounts receivable for parking, management fee, brokerage and merchandising is very low and has no history of default. Therefore, at March 31, 2020, even considering the impacts of COVID-19, and December 31, 2019, the Company did not identify the need for an allowance for doubtful accounts on the respective balances.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

4. Accounts receivable (Continued)

Parking lot, management fee, sale and advertising and others (Continued)

The balance of accounts receivable for parking, administration, marketing and advertising fee as of March 31, 2020 was impacted by Covid-19. This impact was considered in accounts receivable when reducing parking, services and other revenue from March 2020. This reduction is due to a reduction in the flow of cars, condominium costs and sales in the Company's properties.

For "Others", the Company identified the need for an allowance for doubtful accounts in the amount of R\$2,097 at March 31, 2020 and December 31, 2019.

Changes in allowance for doubtful accounts (ADA) are as follows:

	ADA	
	Individual	Consolidated
Balances at December 31, 2018	(28,677)	(38,081)
Additions	(30,584)	(44,336)
Write-offs	19,826	32,088
Balances at December 31, 2019	(39,435)	(50,329)
Manati acquisition	-	(1,146)
Additions	(10,288)	(15,748)
Write-offs	4,515	7,668
Balances at March 31, 2020	<u>(45,208)</u>	<u>(59,555)</u>

The Company has operating lease agreements with the lessees of shopping mall stores (lessees) with a standard term of 5 years. Exceptionally, there may be agreements with differentiated terms and conditions.

For the quarters ended March 31, 2020 and 2019, the Company earned R\$205,667 and R\$216,946, respectively, from base rent only in relation to agreements prevailing at the end of each year, which presented the following renewal schedule:

	Consolidated	
	March 31, 2020	March 31, 2019
In 2020	8.0%	15.3%
In 2021	15.1%	17.8%
In 2022	15.9%	18.5%
In 2023	16.8%	17.6%
In 2024	18.0%	9.4%
After 2024	14.6%	8.5%
Undetermined (*)	11.6%	12.9%
Total	<u>100.0%</u>	<u>100.0%</u>

(*) Non-renewed agreements in which the parties may request termination through a prior legal notice (30 days).

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Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

5. Transactions with related parties

5.1. The main balances and transactions with related parties are as follows:

	March 31, 2020		December 31, 2019	
	Company	Consolidated	Company	Consolidated
Current assets:				
Sundry loans and advances				
Advances on shopping mall charges (a)	28,443	51,253	27,024	46,682
Shopping Mall Associations (b)	1,016	1,016	932	932
Park Jacarepaguá (i)	84	-	72	-
JundiaíShopping (i)	76	-	26	-
Danville (g)	-	-	428	-
Ribeirão Residencial (g)	-	-	544	-
Fulllab (h)	-	80	-	80
Shopping Mall Condominiums (c)	2,034	2,742	2,244	3,390
Subtotal	31,653	55,091	31,270	51,084
Allowance for doubtful accounts (a)	(20,543)	(38,411)	(20,224)	(35,917)
Total sundry loans and advances - current	11,110	16,680	11,046	15,167
Accounts receivable				
Multiplan Administradora de Shopping Centers Ltda, (e)	4,268	-	14,473	-
Total accounts receivable - non-current	4,268	-	14,473	-
Total current assets	15,378	16,680	25,519	15,167
Non-current assets:				
Sundry loans and advances				
Advances on shopping mall charges (a)	56	60	56	60
Shopping Mall Condominiums (c)	1,058	1,583	1,511	1,827
Shopping Mall Associations (b)	6,822	6,822	7,099	7,099
Loans - other (d)	199	199	197	197
Subtotal	8,135	8,664	8,863	9,183
Provision for losses (a)	(10)	(10)	(40)	(40)
Total sundry loans and advances - non-current	8,125	8,654	8,823	9,143
Current liabilities:				
Payables to related parties				
Fulllab (h)	-	93	-	94
MPH Empreendimento Imobiliário Ltda, (k)	-	-	38	15
Total Payables to related parties - current	-	93	38	109
Non-current liabilities:				
Payables to related parties				
Fulllab (h)	-	2,102	-	2,125
Total Payables to related parties - Non-current	-	2,102	-	2,125

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

5. Transactions with related parties (Continued)

5.1. The main balances and transactions with related parties are as follows: (Continued)

	Company	
	03/31/2020	03/31/2019
Statement of profit or loss:		
Service revenue		
Multiplan Administradora de Shopping Centers Ltda. (e)	24,616	28,078
Revenue from Hot Zone lease (f)	258	214
Shopping centers expenses:		
Multiplan Arrecadadora Ltda. (g)	258	258
Service agreement		
Peres - Advogados, Associados S/C (h)	174	377
Finance income (costs), net		
Interest on loans and sundry advances (j)	168	271
	Consolidated	
	03/31/2020	03/31/2019
Profit or loss statement:		
Rental revenue from Hot Zone (f)	358	308
Service agreement		
Peres - Advogados, Associados S/C (h)	174	377
Finance income (costs), net		
Interest on loans and sundry advances (j)	186	283

- (a) Prepayments of charges granted to condominiums of shopping malls owned by Multiplan Group, in light of the default of storeowners with the condominiums. At March 31, 2020, based on a study of expected credit losses for the balance, which identified a 27.4% (29.7% at December 31, 2019) historical percentage of return of all prepaid charges, the provision was adjusted to 72.6% (70.3% at March 2019) of the prepaid balance, with an average effect of R\$2,494 (R\$1,346 due to effect of acquisition of MANATI) as provision at March 31, 2020 (reversal of R\$1,234 at December 31, 2019) recorded against income, as "Shopping Expenses".
- (b) These refer to advances granted to the Storeowners Association of the following Shopping Malls: BarraShopping Sul and ParkShopping Barigui. These advances bear interest based on the CDI fluctuation, and will be fully settled up to 2022.
- (c) These refer to loans made with the condominiums of Village Mall, Barra Shopping, ParkShopping Canoas, ParkShopping São Caetano and Morumbi Corporate Towers that bear interest based on the CDI fluctuation, and will be fully settled up to 2023.
- (d) This refers to loans granted to employees, which are being repaid in annual installments.
- (e) Refers to the portion of accounts receivable and income (loss) that the Company has with subsidiary Multiplan Administradora de Shopping Centers Ltda., which manages the shopping malls' parking lots and transfer from 93% to 97.5% of net income to the Company. It should be noted that whenever total expenses exceed the income generated, the Company is required to reimburse such difference to Multiplan Administradora de Shopping Centers Ltda. plus 3% of monthly gross revenue. These amounts are billed and received on a monthly basis.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

5. Transactions with related parties (Continued)

5.1. The main balances and transactions with related parties are as follows (Continued)

- (f) This refers to amounts billed as Hot Zone store leases entered into with Divertplan Comércio e Indústria Ltda. (lessee), in which Multiplan Planejamento Participações e Administração S/A, a Company shareholder, holds 99% of the capital.
- (g) These are amounts recoverable from subsidiaries Ribeirão Residencial and Danville relating to construction cost. They refer to regularization of future capital contribution in subsidiary Ribeirão Residencial as well.
- (h) Receivables from and payables to Fullab refer to an advance of R\$135 remunerated based on the CDI variation, which will be fully settled by 2020, and a purchase of equity interest amounting to R\$2,243 annually restated by reference to the SELIC rate, which will be settled by 2043.
- (i) These are amounts recoverable from subsidiary Jundiá Shopping Center Ltda., ParkShopping Jacarepaguá Ltda. and ParkShopping Canoas Ltda., referring to the sharing of payroll expenses.
- (j) This refers to the addendum to the legal service agreement entered into by the Company and Peres - Advogados, Associados S/C, owned by a close family member of the Company's controlling shareholder, dated May 1, 2011. The agreement has an indefinite term and establishes a monthly compensation of R\$50, restated by reference to the Consumer Price Index (IPC) on an annual basis.
- (k) This refers to amounts to be transferred to subsidiary MPH Empreendimento Imobiliário Ltda. referring to settlement of a labor lawsuit.
- (l) This refers to the net finance income of interest on the various loans granted to related parties.
- (m) This refers to lease collection services, common and specific charges, revenue from promotion funds and other revenue deriving from the operation and sale of office spaces of the Company and/or its subsidiaries.

5.2. Key management personnel compensation

Management Compensation

The members of the Board of Directors and the executive officers elected by the Board of Directors in accordance with the Company's Articles of Incorporation, whose duties involve decision making and control over the Company's activities, are considered as key management personnel by the Company.

The key management personnel compensation accounted for in the statement of income by category is as follows:

	<u>03/31/2020</u>	<u>03/31/2019</u>
Short-term benefits	5,863	6,710
Compensation based on variation of the share value (phantom) (*)	(12,759)	3,311
Compensation based on variation of the share value (restricted) (Note 20,c)	2,384	1,090
	<u>(4,512)</u>	<u>11,111</u>

- (*) The amount refers to stock options of investment units based on the valuation of the Company's shares and cash settled, which can only be redeemable after specific grace periods. In accordance with the applicable accounting standards, these investment units, including those not yet exercisable, are marked to market on a quarterly basis based on the market price of the share, which may affect income to a greater or lesser extent, as a non-cash matching entry in liabilities. It should be noted that, regardless of the provision amount, the amount to be effectively paid to management members will depend, in addition to other factors, on the quotation of shares issued by the Company when the investment units are effectively redeemed by the management members after the applicable vesting period. See further details in Note 20.b.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

5. Transactions with related parties (Continued)

5.2. Key management personnel compensation (Continued)

At March 31, 2020, key management personnel comprised seven members of the Board of Directors, six executive officers and three members of the supervisory board.

The Company does not grant to its managing officers any benefits relating to employment contract termination other than those provided for in the applicable legislation.

6. Land and properties held for sale

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Land	19,731	425,794	19,581	424,052
Properties completed	6,135	24,540	6,976	25,737
	25,866	450,334	26,557	449,789
Current	6,135	24,540	6,976	25,737
Non-current	19,731	425,794	19,581	424,052
	25,866	450,334	26,557	449,789

The Company reclassifies part of its inventories from non-current assets to “Land”, according to launches scheduled for projects, and to “Construction in progress” based on the completion schedule of its construction works. It should be noted that as of March 31, 2020 and December 31, 2019, the Company does not have any properties under construction. There were no indicators of impairment of land and properties to be sold at March 31, 2020 and December 31, 2019.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

7. Income and social contribution taxes

Deferred income and social contribution taxes are broken down as follows:

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Assets:				
Provision for legal and administrative proceedings	4,615	4,976	5,321	5,649
Allowance for doubtful accounts	42,195	53,747	36,885	44,231
Provision for losses on advances of charges	20,553	20,553	20,264	20,264
Accrued annual bonus (a)	32,886	32,886	27,186	27,186
Phantom stock options	31,163	31,163	67,605	67,605
Others (b)	3,707	3,707	4,278	4,278
Income and social contribution tax loss	-	138,784	-	118,572
Deferred tax asset base	135,119	286,016	161,539	287,785
Deferred income tax asset (c)	29,257	66,973	36,647	67,951
Deferred social contribution tax asset (c)	12,161	25,740	14,539	25,811
Subtotal	41,418	92,713	51,186	93,762
Liabilities:				
Difference between accounting x taxgoodwill (d)	(316,845)	(316,845)	(316,845)	(316,845)
Straight-line revenue (e)	(35,776)	(41,154)	(1,540)	878
Income (loss) from real estate projects (f)	-	(24,525)	-	(26,745)
Depreciation (g)	(386,032)	(446,466)	(370,686)	(426,436)
Gain on bargain purchase	(73,169)	(73,169)	-	-
Interest capitalized (h)	(59,971)	(97,216)	(58,786)	(96,183)
Deferred tax liabilities base	(871,793)	(999,375)	(747,857)	(865,331)
Deferred income tax liabilities (c)	(217,949)	(244,207)	(186,965)	(210,186)
Deferred social contribution tax liabilities (c)	(78,461)	(88,003)	(67,308)	(75,764)
Subtotal	(296,410)	(332,210)	(254,273)	(285,950)
Deferred income and social contribution taxes, net	(254,992)	(239,497)	(203,087)	(192,188)
Non-current assets	-	23,219	-	17,171
Non-current liabilities	(254,992)	(262,716)	(203,087)	(209,359)

(a) For the calculation of deferred income tax, only the share of employee profit sharing was considered.

(b) The Company recognized deferred income and social contribution taxes by fully derecognizing deferred assets.

(c) In consolidated, the bases of deferred assets and liabilities also comprises entities subject to the calculation of Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Profit (CSLL) under the taxable profit computed as percentage of gross revenue regime. For that reason, the effect of these tax rates includes the tax rates applied to such taxation regime, pursuant to the federal legislation, which may vary depending on the nature of the income.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

7. Income and social contribution taxes (Continued)

- (d) Goodwill on acquisition of Multishopping Empreendimentos Imobiliários S.A., Bozano Simonsen Centros Comerciais S.A. and Realejo Participações S.A. based on expected future earnings. Such companies were then merged and the respective goodwill reclassified to intangible assets. Pursuant to the new accounting standards, beginning January 1, 2009 such goodwill is no longer amortized and deferred income and social contribution tax liabilities were recognized on the difference between the tax base and the carrying amount of the related goodwill. For tax purposes, the amortization of goodwill ended November 2014.
- (e) The Company formed income and social contribution taxes on deferred taxation of straight-line income during the term of the contract, regardless of the receipt term. As of 2015, after the enactment of Law No. 12973 of May 13, 2014, this income has been subject to taxation on an accrual basis. Thus, the deferred balance up to December 31, 2014 will be subjected to taxation upon its realization.
- (f) According to the tax criterion, the income (loss) on the sale of real estate units is determined based on the financial realization of income (cash basis) while for accounting purposes such income (loss) is accounted for on an accrual basis.
- (g) The Company recognized deferred income and social contribution tax liabilities on differences between the amounts calculated based on the accounting method and criteria provided for in Law No. 12973 of May 13, 2014.
- (h) The Company recognized deferred income and social contribution tax liabilities on the immediate tax deduction of interest on loans taken out for the construction of assets and recorded as a cost of its original asset. The deferred liability will be reversed as the original asset is realized through depreciation.
- (i) Recognition of deferred liabilities due to gain on bargain purchase, which was excluded from the calculations of IRPJ and CSLL. Taxation will only occur if the investment is sold. See business combination (Note 1).

Deferred income and social contribution tax assets will be realized based on management's expectation, as follows:

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
2019	14,677	16,189	17,606	18,801
2020	7,612	9,533	12,100	20,867
2021	7,612	20,630	12,182	20,785
2022 a 2023	6,127	29,356	5,044	21,051
2024 a 2025	5,390	17,005	4,254	12,257
	41,418	92,713	51,186	93,761

The Company revised its taxable profit projections on March 31, 2010 due to the impacts arising from COVID-19 and concluded that there is no need for a valuation allowance on the recorded.

Reconciliation of income and social contribution tax expenses

The reconciliation between the tax expense as calculated by the combined nominal rates and the income and social contribution tax expense charged to income (loss) is presented below:

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

7. Income and social contribution taxes (Continued)

Reconciliation of income tax and social contribution tax expenses (Continued)

Description	Individual			
	March 31, 2020		March 31, 2019	
	Income tax	Social contribution tax	Income tax	Social contribution tax
Income before income and social contribution taxes	254,635	254,635	132,114	132,114
Rate	25%	9%	25%	9%
Statutory rate	(63,659)	(22,917)	(33,029)	(11,890)
Permanent additions and exclusions				
Equity pickup	8,530	3,071	5,253	1,891
Interest on shareholders' equity received	-	-	(420)	(151)
Other	(809)	(205)	(1,498)	(305)
Total additions and exclusions	7,721	2,866	3,335	1,435
Current income and social contribution taxes on P&L	(17,565)	(6,519)	(27,023)	(9,870)
Deferred income and social contribution taxes on P&L	(38,373)	(13,532)	(2,671)	(585)
Total	(55,938)	(20,051)	(29,694)	(10,455)
Description	Consolidated			
	March 31, 2020		March 31, 2019	
	Income tax	Social contribution tax	Income tax	Social contribution tax
Income before income and social contribution taxes	261,532	261,532	142,847	142,847
Rate	25%	9%	25%	9%
Statutory rate	(65,383)	(23,538)	(35,712)	(12,856)
Permanent additions and exclusions				
Equity pickup	324	117	604	217
Interest on shareholders' equity received	-	-	(420)	(151)
Current losses without tax credit	(1,693)	(609)	(2,987)	(1,075)
Income and social contribution taxes on companies operating under the taxable profit computed as a percentage of gross revenue regime	6,178	2,223	2,541	915
Other	(1,050)	(378)	(1,906)	(687)
Total additions and exclusions	3,759	1,353	(2,168)	(781)
Current income and social contribution taxes on income	(22,739)	(8,186)	(35,143)	(12,652)
Deferred income and social contribution taxes on income	(38,885)	(13,999)	(2,737)	(985)
Total	(61,624)	(22,185)	(37,880)	(13,637)

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments

Significant information on investees:

Investees	March 31, 2020			March 31, 2019		December 31, 2019	
	Number of units of interest/shares	Interest (%)	Capital	Net income (loss) for the period	Equity	Net income (loss) for the period	Equity
CAA-Corretagem e Consultoria Publicitária Ltda.	40,000	99.00	400	221	621	(18)	1,070
RENASCE - Rede Nacional de Shopping Centers Ltda.	1,761,500	99.99	17,615	(1,006)	5,765	(366)	5,073
CAA-Corretagem Imobiliária Ltda.	182,477	99.61	1,825	-	1	-	1
MPH Empreendimento Imobiliário Ltda. (*)	154,940,898	100.00 (*)	154,941	4,805	158,694	3,809	172,425
Multiplan Administr. Shopping Center Ltda.	20,000	99.00	20	2,277	12,930	2,779	17,952
Pátio Savassi Administração de Shopping Center Ltda.	10,750,000	100.00	107	(8)	170	(5)	161
Royal Green Península	-	98.00	51,582	-	2,499	-	2,500
Manati Empreendimentos e Participações S.A.	42,885,388	100.00	73,758	10	65,016	(218)	65,439
Delivery Center Holding S.A.	1,082,034	18.76	1,394	(6,441)	31,588	-	82,515
Parque Shopping Maceió S.A.	182,505,268	50.00	230,505	6,626	249,395	5,282	242,769
Danville SP Empreendimento Imobiliário Ltda.	54,083,073	99.99	54,083	(87)	49,799	(84)	48,885
Multiplan Holding S.A.	1,000	100.00	3,393	9	3,525	43	2,816
Embraplan Empresa Brasileira de Planejamento Ltda.	5,110,438	99.99	5,110	1	257	2	256
Multiplan Greenfield I Emp Imob Ltda.	35,943,556	99.99	35,944	1,515	40,209	599	45,346
Barrasul Empreendimento Imobiliário Ltda.	27,520,443	99.99	27,520	968	28,488	1,121	29,757
Ribeirão Residencial Emp. Imob. Ltda.	22,687,056	99.90	22,687	(80)	19,530	(130)	18,610
Morumbi Business Center Empreendimento Imobiliário Ltda.	125,852,380	99.90	125,852	2,577	148,359	2,089	147,506
Multiplan Greenfield II Empr. Imob. Ltda.	115,024,966	99.90	115,025	5,402	132,081	5,031	141,168
Multiplan Greenfield IV Empr. Imob. Ltda.	103,876,853	99.90	103,877	8,142	116,616	4,467	125,762
Multiplan Greenfield III Empr. Imob. Ltda.	271,805,648	99.90	271,806	(228)	250,546	(690)	250,773
ParkShopping Campo Grande Ltda.	-	-	-	-	-	2,986	-
Jundiaí Shopping Center Ltda.	258,875,987	99.90	258,876	7,140	297,354	6,118	326,357
ParkShopping Corporate Empr. Imob. Ltda.	54,243,251	99.90	54,243	279	40,908	15	40,629
Multiplan Arrecadadora Ltda.	1,000	99.90	1	175	5,349	196	5,174
ParkShopping Global Ltda.	34,160,010	87.00	34,160	(374)	24,259	(177)	24,252
Multiplan ParkShopping e Participações Ltda.	594,907,187	99.99	868,907	(203)	865,062	(11,640)	591,265
Multishopping Shopping Center Ltda.	16,979	99.90	17	-	5	-	5
ParkShopping Jacarepagua Ltda.	384,260,731	99.90	384,261	(1,191)	374,172	(742)	320,163
Multiplan Greenfield XI Empr. Imob. Ltda.	90,103,755	99.90	90,104	1,146	91,250	801	95,700
Multiplan Greenfield XII Empr. Imob. Ltda.	7,305,881	99.90	7,306	(130)	5,612	(208)	5,742
Teatro VillageMall Ltda.	4,652,881	99.90	4,653	(2,711)	1,690	-	1,111
Multiplan Barra 1 Empr. Imob. Ltda.	463,135,848	99.90	463,136	3,892	467,028	2,784	477,232
Multiplan Morumbi 1 Empr. Imob. Ltda.	190,332,604	99.90	190,333	2,045	192,378	1,258	197,509
Multiplan Golden I Empr. Imob. Ltda.	20,796,256	99.90	20,796	(40)	19,563	(35)	19,062

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

Investees	March 31, 2020			March 31, 2019		December 31, 2019	
	Number of units of interest/shares	Interest (%)	Capital	Net income (loss) for the period	Equity	Net income (loss) for the period	Equity
Multiplan Golden II Empr. Imob. Ltda.	21,000	99.90	21	-	19	-	19
Multiplan Golden III Empr. Imob. Ltda.	11,000	99.90	11	-	6	-	6
Multiplan Golden IV Empr. Imob. Ltda.	41,000	99.90	41	-	39	-	39
Multiplan Golden V Empr. Imob. Ltda.	8,746,601	99.90	8,747	(20)	8,378	(18)	8,136
Multiplan Golden VI Empr. Imob. Ltda.	9,524,144	99.90	9,524	(22)	9,123	(19)	8,860
Multiplan Golden VII Empr. Imob. Ltda.	9,525,144	99.90	9,525	(22)	9,124	(19)	8,861
Multiplan Golden VIII Empr. Imob. Ltda.	8,510,308	99.90	8,510	(19)	8,150	(17)	7,915
Multiplan Golden IX Empr. Imob. Ltda.	2,787,009	99.90	2,787	(6)	2,666	(5)	2,591
Multiplan Golden X Empr. Imob. Ltda.	5,615,245	99.90	5,615	(13)	5,373	(11)	5,218
Multiplan Golden XI Empr. Imob. Ltda.	5,803,207	99.90	5,803	(13)	5,553	(12)	5,393
Multiplan Golden XII Empr. Imob. Ltda.	3,930,270	99.90	3,930	(9)	3,758	(8)	3,650
Teatro VillageMall Ltda.	9,986,297	99.90	9,986	(23)	9,567	(20)	9,281
Multiplan Golden XIV Empr. Imob. Ltda.	8,746,603	99.90	8,747	(20)	8,378	(18)	8,136
Multiplan Golden XV Empr. Imob. Ltda.	8,509,292	99.90	8,509	(19)	8,151	(17)	7,906
Multiplan Golden XVI Empr. Imob. Ltda.	9,980,297	99.90	9,980	(23)	9,560	(20)	9,284
Multiplan Golden XVII Empr. Imob. Ltda.	11,405,410	99.90	11,405	(25)	10,937	(21)	10,625
Multiplan Golden XVIII Empr. Imob. Ltda.	11,189,964	99.90	11,190	(25)	10,723	(22)	10,415
MultiplanXVI Empr. Imob. Ltda.	2,000	99.90	2	(1)	3	-	-
MultiplanXVII Empr. Imob. Ltda.	6,000	99.90	6	-	2	(1)	2
MultiplanXVIII Empr. Imob. Ltda.	2,000	99.90	2	-	2	-	-
MultiplanXIX Empr. Imob. Ltda.	2,000	99.90	2	(1)	2	-	-
MultiplanXX Empr. Imob. Ltda.	2,000	99.90	2	-	3	-	-

(*) 50.00% direct and 50.00% indirect through subsidiary Morumbi Business Center Empreendimento Imobiliário Ltda.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.1. Changes in investments - individual

Investees	12/31/2019	Additions	Transfers	Dividends	Amortization	Interest Capitalized	Capital gain(ii)	Equity pickup	03/31/2020
<u>Investments</u>									
CAA Corretagem e Consultoria Publicitária Ltda.	1,059	-	-	(663)	-	-	-	219	615
CAA Corretagem Imobiliária Ltda.	-	-	-	-	-	-	-	-	-
RENASCE - Rede Nacional de Shopping Centers Ltda.	5,071	-	800	-	-	-	-	(108)	5,763
Delivery Center Holding S.A.	4,127	6,250	-	-	-	-	(2,504)	(1,946)	5,927
Royal Green Península	2,003	-	-	-	-	-	-	-	2,003
Multiplan Admin. Shopping Center Ltda.	17,774	-	-	(7,227)	-	-	-	2,254	12,801
MPH Empreendimento Imobiliário Ltda.	86,213	-	-	(9,268)	-	-	-	2,403	79,348
Manati Empreendimentos e Participações S.A. (Nota 1)	32,531	102,037	-	-	-	-	-	(18)	134,550
Parque Shopping Maceió S.A.	121,385	-	-	-	-	-	-	3,313	124,698
Pátio Savassi Administração de Shopping Center Ltda.	160	-	17	-	-	-	-	(8)	169
Danville SP Empreendimento Imobiliário Ltda.	48,885	-	1,000	-	-	-	-	(87)	49,798
Multiplan Holding S.A.	2,816	-	700	-	-	-	-	9	3,525
Embraplan Empresa Brasileira de Planejamento Ltda.	257	-	-	-	-	-	-	1	258
Ribeirão Residencial Emp Im Ltda.	18,592	-	999	-	-	-	-	(80)	19,511
Morumbi Business Center Empreendimento Imobiliário Ltda.	147,358	-	-	(1,722)	-	-	-	2,575	148,211
Barrasul Empreendimento Imobiliário Ltda.	29,757	-	-	(2,237)	-	-	-	968	28,488
Multiplan Greenfield I Emp. Imobiliário Ltda.	45,347	-	-	(6,652)	-	-	-	1,515	40,210
Multiplan Greenfield II Empreendimento Imobiliário Ltda.	141,026	-	2,997	(17,473)	-	-	-	5,397	131,947
Multiplan Greenfield III Empreendimento Imobiliário Ltda.	250,523	-	-	-	-	-	-	(228)	250,295
Multiplan Greenfield IV Empreendimento Imobiliário Ltda.	125,636	-	-	(17,270)	-	-	-	8,134	116,500
Jundiá Shopping Center Ltda.	326,029	-	-	(36,107)	-	-	-	7,133	297,055
ParkShopping Corporate Empreendimento Imobiliário Ltda.	40,588	-	-	-	-	-	-	279	40,867

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

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(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.1. Changes in investments - individual (Continued)

Investees	12/31/2019	Additions	Transfers	Dividends	Amortization	Interest Capitalized	Capital gain(ii)	Equity pickup	03/31/2020
Multiplan Arrecadadora Ltda.	5,169	-	-	-	-	-	-	176	5,345
ParkShopping Global Ltda.	21,099	-	331	-	-	-	(325)	-	21,105
Multiplan ParkShopping e Participações Ltda.	590,894	-	273,505	-	-	-	1	(202)	864,198
Multishopping Shopping Center Ltda.	5	-	-	-	-	-	-	-	5
ParkJacarepaguá Empreendimento Imobiliário Ltda.	319,844	-	55,145	-	-	-	-	(1,190)	373,799
Multiplan Greenfield XI Empreendimento Imobiliário Ltda.	95,604	-	-	(5,591)	-	-	-	1,145	91,158
Multiplan Greenfield XII Empreendimento Imobiliário Ltda.	5,736	-	-	-	-	-	-	(130)	5,606
Teatro VillageMall Ltda. Ltda.	1,111	-	3,287	-	-	-	-	(2,708)	1,690
Multiplan Barra 1 Empreendimento Imobiliário Ltda.	476,754	-	-	(14,082)	-	-	-	3,888	466,560
Multiplan Morumbi 1 Empreendimento Imobiliário Ltda.	197,312	-	-	(7,170)	-	-	-	2,043	192,185
Multiplan Golden I Empreendimento Imobiliário Ltda.	19,044	-	540	-	-	-	-	(40)	19,544
Multiplan Golden II Empreendimento Imobiliário Ltda.	19	-	-	-	-	-	-	-	19
Multiplan Golden III Empreendimento Imobiliário Ltda.	6	-	-	-	-	-	-	-	6
Multiplan Golden IV Empreendimento Imobiliário Ltda.	39	-	-	-	-	-	-	-	39
Multiplan Golden V Empreendimento Imobiliário Ltda.	8,127	-	261	-	-	-	-	(20)	8,368
Multiplan Golden VI Empreendimento Imobiliário Ltda.	8,850	-	285	-	-	-	-	(22)	9,113
Multiplan Golden VII Empreendimento Imobiliário Ltda.	8,851	-	285	-	-	-	-	(22)	9,114
Multiplan Golden VIII Empreendimento Imobiliário Ltda.	7,908	-	254	-	-	-	-	(19)	8,143
Multiplan Golden IX Empreendimento Imobiliário Ltda.	2,587	-	82	-	-	-	-	(6)	2,663
Multiplan Golden X Empreendimento Imobiliário Ltda.	5,212	-	168	-	-	-	-	(13)	5,367
Multiplan Golden XI Empreendimento Imobiliário Ltda.	5,388	-	173	-	-	-	-	(13)	5,548
Multiplan Golden XII Empreendimento Imobiliário Ltda.	3,645	-	117	-	-	-	-	(9)	3,753
Multiplan Golden XIII Empreendimento Imobiliário Ltda.	9,276	-	308	-	-	-	-	(23)	9,561
Multiplan Golden XIV Empreendimento Imobiliário Ltda.	8,128	-	261	-	-	-	-	(20)	8,369
Multiplan Golden XV Empreendimento Imobiliário Ltda.	7,898	-	264	-	-	-	-	(19)	8,143

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.1. Changes in investments - individual (Continued)

Investees	12/31/2019	Additions	Transfers	Dividends	Amortization	Interest Capitalized	Capital gain(ii)	Equity pickup	03/31/2020
Multiplan Golden XVI Empreendimento Imobiliário Ltda.	9,275	-	298	-	-	-	-	(23)	9,550
Multiplan Golden XVII Empreendimento Imobiliário Ltda.	10,613	-	337	-	-	-	-	(25)	10,925
Multiplan Golden XVIII Empreendimento Imobiliário Ltda.	10,406	-	333	-	-	-	-	(25)	10,714
Multiplan XVI Empreendimento Imobiliário Ltda.	1	-	-	-	-	-	-	(1)	-
Multiplan XVII Empreendimento Imobiliário Ltda.	3	-	-	-	-	-	-	-	3
Multiplan XVIII Empreendimento Imobiliário Ltda.	1	-	-	-	-	-	-	(1)	-
Multiplan XIX Empreendimento Imobiliário Ltda.	-	-	-	-	-	-	-	-	-
Multiplan XX Empreendimento Imobiliário Ltda.	-	-	-	-	-	-	-	-	-
Outros	94	-	-	-	-	-	-	-	94
Subtotal - Investments	3,286,036	108,287	342,747	(125,462)	-	-	(2,503)	34,121	3,643,226
<u>Future capital contributions</u>									
Reansce - Rede Nacional de Shopping Centers Ltda.	-	800	(800)	-	-	-	-	-	-
Pátio Savassi Administração de Shopping Center Ltda.	-	17	(17)	-	-	-	-	-	-
Danville SP Empreendimento Imobiliário Ltda.	-	1,000	(1,000)	-	-	-	-	-	-
Ribeirão Residencial Empreendimento Imobiliário Ltda.	-	999	(999)	-	-	-	-	-	-
Multiplan Greenfield II Empreendimento Imobiliário Ltda.	-	2,997	(2,997)	-	-	-	-	-	-
ParkShopping Global Ltda.	-	331	(331)	-	-	-	-	-	-
Multiplan ParkShopping e Participações Ltda.	-	273,505	(273,505)	-	-	-	-	-	-
ParkJacarepaguá Empreendimento Imobiliário Ltda.	-	55,145	(55,145)	-	-	-	-	-	-
Multiplan Holding SA	-	700	(700)	-	-	-	-	-	-

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.1. Changes in investments - individual (Continued)

Investees	12/31/2019	Additions	Transfers	Dividends	Amortization	Interest Capitalized	Capital gain(ii)	Equity pickup	03/31/2020
Teatro VillageMall Ltda.	-	3,287	(3,287)	-	-	-	-	-	-
Multiplan Golden I Empreendimento Imobiliário Ltda.	-	540	(540)	-	-	-	-	-	-
Multiplan Golden V Empreendimento Imobiliário Ltda.	-	261	(261)	-	-	-	-	-	-
Multiplan Golden VI Empreendimento Imobiliário Ltda.	-	285	(285)	-	-	-	-	-	-
Multiplan Golden VII Empreendimento Imobiliário Ltda.	-	285	(285)	-	-	-	-	-	-
Multiplan Golden VIII Empreendimento Imobiliário Ltda.	-	254	(254)	-	-	-	-	-	-
Multiplan Golden IX Empreendimento Imobiliário Ltda.	-	82	(82)	-	-	-	-	-	-
Multiplan Golden X Empreendimento Imobiliário Ltda.	-	168	(168)	-	-	-	-	-	-
Multiplan Golden XI Empreendimento Imobiliário Ltda.	-	173	(173)	-	-	-	-	-	-
Multiplan Golden XII Empreendimento Imobiliário Ltda.	-	117	(117)	-	-	-	-	-	-
Multiplan Golden XIII Empreendimento Imobiliário Ltda.	-	308	(308)	-	-	-	-	-	-
Multiplan Golden XIV Empreendimento Imobiliário Ltda.	-	261	(261)	-	-	-	-	-	-
Multiplan Golden XV Empreendimento Imobiliário Ltda.	-	264	(264)	-	-	-	-	-	-
Multiplan Golden XVI Empreendimento Imobiliário Ltda.	-	298	(298)	-	-	-	-	-	-
Multiplan Golden XVII Empreendimento Imobiliário Ltda.	-	337	(337)	-	-	-	-	-	-
Multiplan Golden XVIII Empreendimento Imobiliário Ltda.	-	333	(333)	-	-	-	-	-	-
Multiplan XVI Empreendimento Imobiliário Ltda.	-	3	-	-	-	-	-	-	3
Multiplan XVIII Empreendimento Imobiliário Ltda.	-	2	-	-	-	-	-	-	2
Multiplan XIX Empreendimento Imobiliário Ltda.	-	2	-	-	-	-	-	-	2
Multiplan XX Empreendimento Imobiliário Ltda.	-	3	-	-	-	-	-	-	3
Subtotal - Future capital contributions	-	342,757	(342,747)	-	-	-	-	-	10
Subtotal - Investments	3,286,036	451,044	-	(125,462)	-	-	(2,503)	34,121	3,643,236
Capitalização de juros em investidas									
ParkJacarepaguá Empreendimento Imobiliário Ltda.	3,440	-	-	-	-	4,434	-	-	7,874
Darville SP Empreendimento Imobiliário Ltda.	14,443	-	-	-	-	-	-	-	14,443
Ribeirão Residencial Empreendimento Imobiliário Ltda.	2,501	-	-	-	-	-	-	-	2,501
Total capitalization of interest in investees	20,384	-	-	-	-	4,434	-	-	24,818
Goodwill									
Finite useful life	144	-	-	-	(139)	-	-	-	5
Indefinite useful life	8,501	-	-	-	-	-	-	-	8,501
Total goodwill	8,645	-	-	-	(139)	-	-	-	8,506
Total net investments	3,315,065	451,044	-	(125,462)	(139)	4,434	(2,503)	34,121	3,676,560

(i) See corporate restructuring (Note 1).

(ii) The capital gain refers to the changes in participation that occurred during the year in the Delivery Center.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.1. Changes in investments - individual (Continued)

Investees	12/31/2018	Additions	Transfers	Dividends	Amortization	Development(i)	Interest Capitalized	Capital gain(ii)	Equity pickup	12/31/2019
<u>Investments</u>										
CAA Corretagem e Consultoria Publicitária Ltda.	2,421	-	-	(1,881)	-	-	-	-	519	1,059
CAA Corretagem Imobiliária Ltda.	4	-	-	-	-	-	-	-	(4)	-
RENASCE - Rede Nacional de Shopping Centers Ltda.	4,219	-	1,949	-	-	-	-	-	(1,097)	5,071
Delivery Center Holding S.A.	-	3,962	-	-	-	-	-	4,175	(4,010)	4,127
Royal Green Peninsula	1,983	83	-	-	-	-	-	-	(63)	2,003
Multiplan Admin. Shopping Center Ltda.	32,061	-	-	(25,244)	-	-	-	-	10,957	17,774
MPH Empreendimento Imobiliário Ltda.	94,137	-	-	(17,150)	-	-	-	-	9,226	86,213
Manati Empreendimentos Participações S.A.	33,346	-	-	-	-	-	-	-	(815)	32,531
Parque Shopping Maceió S.A.	95,607	24,000	-	(8,740)	-	-	-	-	10,518	121,385
Pátio Savassi Administração de Shopping Center Ltda.	179	-	-	-	-	-	-	-	(19)	160
Darville SP Empreendimento Imobiliário Ltda.	61,204	-	2,470	-	-	-	(14,443)	-	(346)	48,885
Multiplan Holding S.A.	2,711	-	-	-	-	-	-	-	105	2,816
Embraplan Empresa Brasileira de Planejamento Ltda.	252	-	-	-	-	-	-	-	5	257
Ribeirão Residencial Emp Im Ltda.	18,291	-	3,238	-	-	-	(2,501)	-	(436)	18,592
Morumbi Business Center Empreendimento Imobiliário Ltda.	155,457	-	-	(18,232)	-	-	-	-	10,133	147,358
Barrasul Empreendimento Imobiliário Ltda.	47,357	-	-	(19,800)	-	-	-	-	2,200	29,757
Multiplan Greenfield I Emp. Imobiliário Ltda.	63,003	-	-	(20,500)	-	-	-	-	2,844	45,347
Multiplan Greenfield II Empreendimento Imobiliário Ltda.	141,517	-	-	(20,480)	-	-	-	-	19,989	141,026
Multiplan Greenfield III Empreendimento Imobiliário Ltda.	253,013	-	-	-	-	-	-	-	(2,490)	250,523
Multiplan Greenfield IV Empreendimento Imobiliário Ltda.	130,476	-	-	(22,977)	-	-	-	-	18,137	125,636
ParkShopping Campo Grande Ltda.	373,054	-	-	(13,686)	-	(369,798)	-	-	10,430	-
Jundiá Shopping Center Ltda.	329,524	-	-	(31,469)	-	-	-	-	27,974	326,029
ParkShopping Corporate Empreendimento Imobiliário Ltda.	39,172	-	999	-	-	-	-	-	417	40,588

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.1. Changes in investments - individual (Continued)

Investees	12/31/2018	Additions	Transfers	Dividends	Amortization	Development(i)	Interest Capitalized	Capital gain(ii)	Equity pickup	12/31/2019
Multiplan Arrecadadora Ltda.	4,381	-	-	-	-	-	-	-	788	5,169
ParkShopping Global Ltda.	19,208	-	3,482	-	-	-	-	-	(1,591)	21,099
Multiplan ParkShopping e Participações Ltda.	230,693	985	24,936	-	-	369,798	-	-	(35,518)	590,894
Multishopping Shopping Center Ltda.	6	-	-	-	-	-	-	-	(1)	5
ParkJacarepaguá Empreendimento Imobiliário Ltda.	196,691	-	129,770	-	-	-	-	-	(6,617)	319,844
Multiplan Greenfield XI Empreendimento Imobiliário Ltda.	86,673	-	4,525	-	-	-	-	-	4,406	95,604
Multiplan Greenfield XII Empreendimento Imobiliário Ltda.	6,015	-	193	-	-	-	-	-	(472)	5,736
Multiplan Greenfield XIII Empreendimento Imobiliário Ltda.	7	-	1,349	-	-	-	-	-	(245)	1,111
Multiplan Barra 1 Empreendimento Imobiliário Ltda.	493,667	-	-	(30,969)	-	-	-	-	14,056	476,754
Multiplan Morumbi 1 Empreendimento Imobiliário Ltda.	203,848	-	-	(13,686)	-	-	-	-	7,150	197,312
Multiplan Golden I Empreendimento Imobiliário Ltda.	16,512	-	3,337	-	-	-	-	-	(805)	19,044
Multiplan Golden II Empreendimento Imobiliário Ltda.	19	-	-	-	-	-	-	-	-	19
Multiplan Golden III Empreendimento Imobiliário Ltda.	7	-	-	-	-	-	-	-	(1)	6
Multiplan Golden IV Empreendimento Imobiliário Ltda.	38	-	-	-	-	-	-	-	1	39
Multiplan Golden V Empreendimento Imobiliário Ltda.	7,295	-	994	-	-	-	-	-	(162)	8,127
Multiplan Golden VI Empreendimento Imobiliário Ltda.	7,944	-	1,082	-	-	-	-	-	(176)	8,850
Multiplan Golden VII Empreendimento Imobiliário Ltda.	7,942	-	1,084	-	-	-	-	-	(175)	8,851
Multiplan Golden VIII Empreendimento Imobiliário Ltda.	7,096	-	969	-	-	-	-	-	(157)	7,908
Multiplan Golden IX Empreendimento Imobiliário Ltda.	2,329	-	308	-	-	-	-	-	(50)	2,587
Multiplan Golden X Empreendimento Imobiliário Ltda.	4,684	-	633	-	-	-	-	-	(105)	5,212
Multiplan Golden XI Empreendimento Imobiliário Ltda.	4,843	-	653	-	-	-	-	-	(108)	5,388
Multiplan Golden XII Empreendimento Imobiliário Ltda.	3,277	-	442	-	-	-	-	-	(74)	3,645
Teatro VillageMall Ltda.	8,331	-	1,127	-	-	-	-	-	(182)	9,276
Multiplan Golden XIV Empreendimento Imobiliário Ltda.	7,305	-	984	-	-	-	-	-	(161)	8,128
Multiplan Golden XV Empreendimento Imobiliário Ltda.	7,096	-	959	-	-	-	-	-	(157)	7,898

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.1. Changes in investments - individual (Continued)

Investees	12/31/2018	Additions	Transfers	Dividends	Amortization	Development(i)	Interest Capitalized	Capital gain(ii)	Equity pickup	12/31/2019
Multiplan Golden XVI Empreendimento Imobiliário Ltda.	8,335	-	1,124	-	-	-	-	-	(184)	9.275
Multiplan Golden XVII Empreendimento Imobiliário Ltda.	9,544	-	1,271	-	-	-	-	-	(202)	10.613
Multiplan Golden XVIII Empreendimento Imobiliário Ltda.	9,298	-	1,313	-	-	-	-	-	(205)	10.406
Multiplan XVI Empreendimento Imobiliário Ltda.	1	-	1	-	-	-	-	-	(1)	1
Multiplan XVII Empreendimento Imobiliário Ltda.	5	-	-	-	-	-	-	-	(2)	3
Multiplan XVIII Empreendimento Imobiliário Ltda.	1	-	1	-	-	-	-	-	(1)	1
Multiplan XIX Empreendimento Imobiliário Ltda.	1	-	1	-	-	-	-	-	(2)	-
Multiplan XX Empreendimento Imobiliário Ltda.	1	-	1	-	-	-	-	-	(2)	-
Other	94	-	-	-	-	-	-	-	-	94
Subtotal - Investments	3,232,175	29,030	189,195	(244,814)	-	-	(16.944)	4,175	93,219	3,286,036
<u>Future capital contributions</u>										
Reansce - Rede Nacional de Shopping Centers Ltda.	-	1,949	(1,949)	-	-	-	-	-	-	-
Danville SP Empreendimento Imobiliário Ltda.	-	2,470	(2,470)	-	-	-	-	-	-	-
Ribeirão Residencial Empreendimento Imobiliário Ltda.	-	3,238	(3,238)	-	-	-	-	-	-	-
ParkShopping Global Ltda.	-	3,482	(3,482)	-	-	-	-	-	-	-
Multiplan ParkShopping e Participações Ltda.	-	24,936	(24,936)	-	-	-	-	-	-	-
ParkJacarepaguá Empreendimento Imobiliário Ltda.	-	129,770	(129,770)	-	-	-	-	-	-	-
Multiplan Greenfield XI Empreendimento Imobiliário Ltda.	-	4,525	(4,525)	-	-	-	-	-	-	-
ParkShopping Corporate Empreendimento Imobiliário Ltda.	-	999	(999)	-	-	-	-	-	-	-
Multiplan Greenfield XII Empreendimento Imobiliário Ltda.	-	193	(193)	-	-	-	-	-	-	-

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.1. Changes in investments - individual (Continued)

Investees	12/31/2018	Additions	Transfers	Dividends	Amortization	Development(i)	Interest Capitalized	Capital gain(ii)	Equity pickup	12/31/2019
Multiplan Golden XIII Empreendimento Imobiliário Ltda.	-	1,349	(1,349)	-	-	-	-	-	-	-
Multiplan Golden I Empreendimento Imobiliário Ltda.	-	3,337	(3,337)	-	-	-	-	-	-	-
Multiplan Golden V Empreendimento Imobiliário Ltda.	-	994	(994)	-	-	-	-	-	-	-
Multiplan Golden VI Empreendimento Imobiliário Ltda.	-	1,082	(1,082)	-	-	-	-	-	-	-
Multiplan Golden VII Empreendimento Imobiliário Ltda.	-	1,084	(1,084)	-	-	-	-	-	-	-
Multiplan Golden VIII Empreendimento Imobiliário Ltda.	-	969	(969)	-	-	-	-	-	-	-
Multiplan Golden IX Empreendimento Imobiliário Ltda.	-	308	(308)	-	-	-	-	-	-	-
Multiplan Golden X Empreendimento Imobiliário Ltda.	-	633	(633)	-	-	-	-	-	-	-
Multiplan Golden XI Empreendimento Imobiliário Ltda.	-	653	(653)	-	-	-	-	-	-	-
Multiplan Golden XII Empreendimento Imobiliário Ltda.	-	442	(442)	-	-	-	-	-	-	-
Multiplan Golden XII Empreendimento Imobiliário Ltda.	-	1,127	(1,127)	-	-	-	-	-	-	-
Multiplan Golden XIV Empreendimento Imobiliário Ltda.	-	984	(984)	-	-	-	-	-	-	-
Multiplan Golden XV Empreendimento Imobiliário Ltda.	-	959	(959)	-	-	-	-	-	-	-
Multiplan Golden XVI Empreendimento Imobiliário Ltda.	-	1,124	(1,124)	-	-	-	-	-	-	-
Multiplan Golden XVII Empreendimento Imobiliário Ltda.	-	1,271	(1,271)	-	-	-	-	-	-	-
Multiplan Golden XVIII Empreendimento Imobiliário Ltda.	-	1,313	(1,313)	-	-	-	-	-	-	-
Multiplan XVI Empreendimento Imobiliário Ltda.	-	1	(1)	-	-	-	-	-	-	-
Multiplan XVIII Empreendimento Imobiliário Ltda.	-	1	(1)	-	-	-	-	-	-	-
Multiplan XIX Empreendimento Imobiliário Ltda.	-	1	(1)	-	-	-	-	-	-	-
Multiplan XX Empreendimento Imobiliário Ltda.	-	1	(1)	-	-	-	-	-	-	-
<u>Subtotal - Future capital contributions</u>	-	189,195	(189,195)	-	-	-	-	-	-	-
<u>Subtotal - Investments</u>	3,232,175	218,225	-	(244,814)	-	-	(16,944)	4,175	93,219	3,286,036
<u>Capitalization of interest in investees</u>										
ParkJacarepaguá Empreendimento Imobiliário Ltda.	-	-	-	-	-	-	3,440	-	-	3,440
Danville SP Empreendimento Imobiliário Ltda.	-	-	-	-	-	-	14,443	-	-	14,443
Ribeirão Residencial Empreendimento Imobiliário Ltda.	-	-	-	-	-	-	2,501	-	-	2,501
<u>Total capitalization of interest in investees</u>	-	-	-	-	-	-	20,384	-	-	20,384
Goodwill										
Finite useful life	-	675	-	-	(531)	-	-	-	-	144
Indefinite useful life	-	8,501	-	-	-	-	-	-	-	8,501
<u>Total goodwill</u>	-	9,176	-	-	(531)	-	-	-	-	8,645
<u>Total net investments</u>	3,232,175	227,401	-	(244,814)	(531)	-	3,440	4,175	93,219	3,315,065

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.2. Changes in investments - consolidated

Investees	12/31/2019	Additions	Amortization	Write-offs	Capital loss	Equity pickup	03/31/2020
SCP - Royal Green Península (*)	2,003	-	-	-	-	-	2,003
Manati Empreendimentos e Participações S.A.(***)	32,531	-	-	(32,503)	-	(28)	-
Parque Shopping Maceió S.A.	121,385	-	-	-	-	3,313	124,698
Multiplan Greenfield XII Empreendimento Imobiliário Ltda.	180	-	-	-	-	(44)	136
Delivery Center Holding S.A. (**)	4,127	6,250	-	-	(2,504)	(1,946)	5,927
Others	153	-	-	-	-	-	153
Subtotal - Investments	160,379	6,250	-	(32,503)	(2,504)	1,295	132,917
Intangible assets - finite useful life	1,044	-	(225)	-	-	-	819
Goodwill - indefinite useful life	15,239	-	-	-	-	-	15,239
Subtotal - Goodwill	16,283	-	(225)	-	-	-	16,058
Total net investments	176,662	6,250	(225)	(32,503)	(2,504)	1,295	148,975

(*) Shareholder Multiplan Planejamento conducts the material activities and have the ability to affect the return of Royal Green operations; therefore, this investment is not consolidated, since the financial information of shareholder Multiplan Planejamento includes records of this silent partnership's (SCP) operations.

(**) On July 12, 2019, the Company completed the operation through which it now holds 18.41% of the capital of Delivery Center Holding S.A. ("DC"), corresponding to 203,341 registered common shares with no par value, which were subscribed and paid in through assignment of exclusive rights to the operation of delivery centers in the 18 shopping malls currently managed by the Company, in addition to contribution of R\$12.000. Of the total amount paid, R\$675 was allocated as intangible assets with definite useful life and will be amortized within one year, while R\$8,501 was allocated as goodwill, which will not be amortized and will be annually tested for impairment. The percentage of interest originally provided for in the investment agreement signed on April 1, 2019 (18.79%) changed due to increase in the capital of the DC on May 24, 2019, resulting in shareholding interest of 18.41%.

On January 20, 2020, the Company subscribed for 53,225 new common shares issued within the scope of the capital increase of Delivery Center Holding S.A. ("DC"), for the total amount of R\$ 6,200, which was paid up in local currency on the January 24, 2020. As a result, the Company now holds an 18.76% interest in DC's capital.

(***) Acquisition of full control on February 7, 2020 of subsidiary Manati Empreendimentos e Participações S.A., as per Business Combination (Note 1).

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.2. Changes in investments - consolidated (Continued)

Investees	12/31/2018	Additions	Transfers	Dividends	Amortization	Capital gain	Equity pickup	12/31/2019
SCP - Royal Green Península (*)	1,983	83	-	-	-	-	(63)	2,003
Manati Empreendimentos Participações S.A.	33,346	-	-	-	-	-	(815)	32,531
Parque Shopping Maceió S.A.	95,607	24,000	-	(8,740)	-	-	10,518	121,385
Multiplan Greenfield XII Empreendimento Imobiliário Ltda. (**)	162	-	-	-	-	-	18	180
Delivery Center Holding S.A. (***)	-	3,962	-	-	-	4,175	(4,010)	4,127
Other	153	-	-	-	-	-	-	153
Subtotal - Investments	131,251	28,045	-	(8,740)	-	4,175	5,648	160,379
Intangible assets - finite useful life	1,261	675	-	-	(892)	-	-	1,044
Goodwill - indefinite useful life	6,738	8,501	-	-	-	-	-	15,239
Subtotal - Goodwill	7,999	9,176	-	-	(892)	-	-	16,283
Total net investments	139,250	37,221	-	(8,740)	(892)	4,175	5,648	176,662

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.3. Financial information of subsidiaries

The main information relating to the financial statements of the Company's subsidiaries is as follows:

	March 31, 2020				
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net revenues
CAA Corretagem e Consultoria Publicitária Ltda. (a)	653	-	32	-	221
RENASCE - Rede Nacional de Shopping Centers Ltda.	1,262	6,068	1,295	270	(1,006)
CAA Corretagem Imobiliária Ltda. (a)	1	-	-	-	-
MPH Empreendimento Imobiliário Ltda.	15,840	145,509	1,633	1,021	4,805
Multiplan Administr. Shopping Center Ltda.	34,331	119	21,350	171	2,277
Pátio Savassi Administração de Shopping Center Ltda.	34	156	20	-	(8)
Manati Empreend.e Participações	7,629	57,872	463	22	10
Danville SP Empreendimento Imobiliário Ltda. (c)	538	49,261	-	-	(87)
Multiplan Holding S.A.	382	3,144	-	-	9
Embraplan Empresa Brasileira de Planejamento Ltda. (b)	259	-	2	-	1
Multiplan Greenfield I Empr. Imob. Ltda.	28,212	17,412	1,047	4,369	1,515
Barrasul Empreendimento Imobiliário Ltda.	19,513	12,047	871	2,201	968
Ribeirão Residencial Emp. Imob. Ltda. (c)	350	19,182	2	-	(80)
Morumbi Business Center Empr. Imob. Ltda. (d)	9,901	138,856	398	-	2,577
Multiplan Greenfield II Empr. Imob. Ltda.	15,390	239,948	29,219	94,038	5,402
Multiplan Greenfield IV Empr. Imob. Ltda.	10,343	227,040	23,900	96,867	8,142
Multiplan Greenfield III Empr. Imob. Ltda. (c)	20,570	233,059	3,084	-	(228)
Jundiaí Shopping Center Ltda	14,026	286,039	2,036	675	7,140
ParkShopping Corporate Empr. Imob. Ltda.	4,706	38,044	469	1,373	279
Multiplan Arrecadadora Ltda.	107,124	9,929	111,704	-	175
ParkShopping Global Ltda.	1,730	24,384	1,855	-	(374)
Multiplan ParkShopping e Participações Ltda.	207,514	1,101,122	147,974	295,600	(203)
Multishopping Shopping Center Ltda.	5	-	-	-	-
ParkJacarepaguá Empreendimento Imobiliário Ltda.	14,446	383,849	13,856	10,267	(1,191)
Multiplan Greenfield XI Empr. Imob. Ltda.	3,155	88,615	285	235	1,146
Multiplan Greenfield XII Empr. Imob. Ltda.	186	7,688	160	2,102	(130)
Teatro VillageMall Ltda..	754	1,223	286	-	(2,711)
Multiplan Barra 1 Empr. Imob. Ltda.	53,412	418,495	2,372	2,507	3,892
Multiplan Morumbi 1 Empr. Imob. Ltda.	30,242	164,427	753	1,538	2,045
Multiplan Golden I Empr. Imob. Ltda.	383	32,650	700	12,770	(40)
Multiplan Golden II Empr. Imob. Ltda.	19	-	-	-	-
Multiplan Golden III Empr. Imob. Ltda.	6	-	-	-	-
Multiplan Golden IV Empr. Imob. Ltda.	39	-	-	-	-
Multiplan Golden V Empr. Imob. Ltda.	153	14,743	339	6,180	(20)
Multiplan Golden VI Empr. Imob. Ltda.	165	16,057	369	6,731	(22)
Multiplan Golden VII Empr. Imob. Ltda.	166	16,057	369	6,731	(22)
Multiplan Golden VIII Empr. Imob. Ltda.	149	14,343	330	6,012	(19)
Multiplan Golden IX Empr. Imob. Ltda.	96	4,609	106	1,932	(6)
Multiplan Golden X Empr. Imob. Ltda.	96	9,462	218	3,967	(13)
Multiplan Golden XI Empr. Imob. Ltda.	102	9,774	225	4,098	(13)
Multiplan Golden XII Empr. Imob. Ltda.	70	6,612	152	2,772	(9)
Multiplan Golden XIII Empr. Imob. Ltda.	180	16,831	387	7,057	(23)
Multiplan Golden XIV Empr. Imob. Ltda.	158	14,738	339	6,180	(20)
Multiplan Golden XV Empr. Imob. Ltda.	155	14,338	330	6,012	(19)
Multiplan Golden XVI Empr. Imob. Ltda.	173	16,831	387	7,057	(23)
Multiplan Golden XVII Empr. Imob. Ltda.	261	19,095	437	7,981	(25)
Multiplan Golden XVIII Empr. Imob. Ltda.	196	18,828	431	7,869	(25)
Multiplan XVI Empreendimento Imob. Ltda.	3	-	-	-	(1)
Multiplan XVII Empreendimento Imob. Ltda.	2	-	-	-	-
Multiplan XVIII Empreendimento Imob. Ltda.	2	-	-	-	-
Multiplan XIX Empreendimento Imob. Ltda.	2	-	-	-	-
Multiplan XX Empreendimento Imob. Ltda.	3	-	-	-	-
Saldos em 31 de março de 2020	605,087	3,898,456	370,185	606,605	34,286

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.3. Financial information of subsidiaries (Continued)

	December 31, 2019				
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net revenues
CAA Corretagem e Consultoria Publicitária Ltda. (a)	1,165	-	95	-	524
RENASCE - Rede Nacional de Shopping Centers Ltda.	744	6,125	1,546	250	(1,219)
CAA Corretagem Imobiliária Ltda. (a)	1	-	-	-	(4)
MPH Empreendimento Imobiliário Ltda.	29,512	146,168	2,031	1,224	18,454
Multiplan Administr. Shopping Center Ltda	60,082	124	42,068	186	11,068
Pátio Savassi Administração de Shopping Center Ltda.	5	156	-	-	(19)
Danville SP Empreendimento Imobiliário Ltda. (c)	396	49,261	771	-	(346)
Multiplan Holding S.A.	155	2,290	-	-	105
Embraplan Empresa Brasileira de Planejamento Ltda. (b)	257	-	2	-	5
Multiplan Greenfield I Emp. Imob. Ltda.	32,951	18,414	1,437	4,581	2,844
Barrasul Empreendimento Imobiliário Ltda.	19,667	12,881	568	2,223	2,200
Ribeirão Residencial Emp. Imob. Ltda. (c)	321	19,146	857	-	(436)
Morumbi Business Center Empr Imob. Ltda. (d)	2,087	145,773	355	-	10,143
Multiplan Greenfield II Empr Imob. Ltda.	27,629	236,658	19,452	103,667	20,009
Multiplan Greenfield IV Empr Imob. Ltda.	22,545	229,674	19,889	106,567	18,155
Multiplan Greenfield III Empr. Imob. Ltda. (c)	17,241	233,836	303	-	(2,492)
ParkShopping Campo Grande Ltda.	-	-	-	-	10,440
Jundiaí Shopping Center Ltda.	41,542	288,745	3,173	758	28,002
ParkShopping Corporate Empr. Imob. Ltda.	3,980	38,445	502	1,294	418
Multiplan Arrecadadora Ltda.	251,171	10,122	256,119	-	789
ParkShopping Global Ltda.	142	24,113	3	-	(1,828)
Multiplan ParkShopping e Participações Ltda.	56,079	873,773	34,216	304,371	(37,193)
Multishopping Shopping Center Ltda.	5	-	-	-	(1)
ParkJacarepaguá Empreendimento Imobiliário Ltda.	6,670	342,342	20,386	8,462	(6,625)
Multiplan Greenfield XI Empr. Imob. Ltda.	7,230	89,140	476	193	4,411
Multiplan Greenfield XII Empr. Imob. Ltda.	208	7,818	160	2,125	(472)
Multiplan Greenfield XIII Empr. Imob. Ltda.	1,921	47	857	-	(245)
Multiplan Barra 1 Empr. Imob. Ltda.	59,779	422,604	3,004	2,148	14,070
Multiplan Morumbi 1 Empr. Imob. Ltda.	33,887	166,455	1,256	1,577	7,157
Multiplan Golden I Empr. Imob. Ltda.	474	32,116	795	12,733	(806)
Multiplan Golden II Empr. Imob. Ltda.	19	-	-	-	-
Multiplan Golden III Empr. Imob. Ltda.	6	-	-	-	(1)
Multiplan Golden IV Empr. Imob. Ltda.	39	-	-	-	-
Multiplan Golden V Empr. Imob. Ltda.	126	14,550	379	6,162	(162)
Multiplan Golden VI Empr. Imob. Ltda.	137	15,846	413	6,711	(176)
Multiplan Golden VII Empr. Imob. Ltda.	138	15,846	413	6,711	(176)
Multiplan Golden VIII Empr. Imob. Ltda.	124	14,155	369	5,994	(157)
Multiplan Golden IX Empr. Imob. Ltda.	88	4,548	119	1,927	(50)
Multiplan Golden X Empr. Imob. Ltda.	79	9,338	243	3,956	(105)
Multiplan Golden XI Empr. Imob. Ltda.	85	9,645	251	4,086	(108)
Multiplan Golden XII Empr. Imob. Ltda.	59	6,526	170	2,764	(74)
Teatro VillageMall Ltda.	140	16,610	433	7,037	(184)
Multiplan Golden XIV Empr. Imob. Ltda.	132	14,545	379	6,162	(162)
Multiplan Golden XV Empr. Imob. Ltda.	119	14,150	369	5,994	(158)
Multiplan Golden XVI Empr. Imob. Ltda.	143	16,610	433	7,037	(184)
Multiplan Golden XVII Empr. Imob. Ltda.	227	18,846	489	7,958	(202)
Multiplan Golden XVIII Empr. Imob. Ltda.	162	18,582	482	7,846	(205)
Multiplan XVI Empreendimento Imob. Ltda.	1	-	-	-	(1)
Multiplan XVII Empreendimento Imob. Ltda.	2	-	-	-	(2)
Multiplan XVIII Empreendimento Imob. Ltda.	1	-	-	-	(1)
Multiplan XIX Empreendimento Imob. Ltda.	1	-	-	-	(1)
Multiplan XX Empreendimento Imob. Ltda.	-	-	-	-	(2)
Balances at December 31, 2019	679,674	3,586,023	415,263	632,704	94,997

(a) In 2007, these companies' operations were transferred to the Company.

(b) Dormant company since 2003.

(c) Companies with buildings under construction.

(d) Income for the year of subsidiary Morumbi Business Center Empr. Imob. Ltda. basically arises from equity pickup due to the 50% interest held in subsidiary MPH Empreendimentos Imobiliários Ltda.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.4. Information on joint ventures

In compliance with CPC 19 (R2), the information on joint ventures Parque Shopping Maceió S.A., whose shareholders' agreements provide for shared control, was not proportionally consolidated.

The main information relating to the financial statements of the Company's joint ventures is as follows:

	Parque Shopping Maceió S.A.	
	March 31, 2020	December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	16,915	11,426
Accounts receivable	5,609	8,003
Related-party receivables	67	100
Taxes and contributions recoverable	946	2,235
Sundry advances	429	429
Other	1,479	771
	25,445	22,964
Non-current assets		
Judicial deposits	65	55
Investment properties	245,593	245,463
Intangible assets	62	29
	245,720	245,547
Total assets	271,165	268,511
Liabilities		
Current liabilities		
Accounts payable	344	739
Taxes and contributions payable	2,171	1,785
Dividends payable	-	3,587
Other	55	345
	2,570	6,456
Non-current liabilities		
Deferred income and social contribution taxes	17,894	17,894
Deferred revenue and costs	1,306	1,392
	19,200	19,286
Equity:		
Capital	230,505	230,505
Reserve for new investments	12,264	29,743
Prepaid Interest on shareholders' equity	-	(17,479)
Income for the period	6,626	-
	249,395	242,769
Total liabilities and equity	271,165	268,511

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

8. Investments (Continued)

8.4. Information on joint ventures (Continued)

	Parque Shopping Maceió S.A.	
	March 31, 2020	March 31, 2019
Statement of profit or loss		
Net revenue	10,333	9,686
Cost of services	(2,551)	(3,751)
Gross profit (loss)	7,782	5,935
Administrative expenses - properties	(75)	(68)
Parking	(347)	-
Income before finance income (costs)	7,360	5,867
Finance income (costs)	161	316
Income before income and social contribution taxes	7,521	6,183
Income and social contribution taxes		
Current	(895)	(227)
Deferred	-	(671)
Net income (loss) for the year period	6,626	5,285

The financial information referring to the joint ventures was based on the trial balances presented by the Companies on the closing date for the period.

At March 31, 2020, the Company has no commitments assumed with its joint ventures. Additionally, these joint ventures have no contingent liabilities, comprehensive income and other disclosures required by CPC 45 - Disclosure of Interests in Other Entities (IFRS 12) other than those mentioned above.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

9. Investment properties

Changes in investment properties are as follows:

	Weighted average depreciation rate (%)	Individual							March 31, 2020
		December 31, 2019	Additions(a)	Write-offs(c)	Capitalized interest	Allocation	Depreciation	Transfers	
Cost									
Land		751,198	102,535	-	215	-	-	-	853,948
Buildings and improvements	2.25	3,350,845	221,436	-	-	-	-	-	3,572,281
(-) Accumulated depreciation		(686,740)	-	-	-	-	(17,935)	-	(704,675)
Net value		2,664,105	221,436	-	-	-	(17,935)	-	2,867,606
Facilities	15.88	475,296	44	-	-	-	-	-	475,340
(-) Accumulated depreciation		(313,422)	-	-	-	-	(9,190)	-	(322,612)
Net value		161,874	44	-	-	-	(9,190)	-	152,728
Machinery, equipment, furniture and fixtures	10	48,389	10	-	-	-	-	-	48,399
(-) Accumulated depreciation		(32,644)	-	-	-	-	(1,019)	-	(33,663)
Net value		15,745	10	-	-	-	(1,019)	-	14,736
Lease	12.6	48,576	44,354	(48,576)	-	-	-	-	44,354
(-) Accumulated depreciation		(6,136)	-	6,647	-	-	(1,188)	-	(677)
Net value		42,440	44,354	(41,929)	-	-	(1,188)	-	43,677
Other	10	10,358	689	-	-	-	-	-	11,047
(-) Accumulated depreciation		(5,722)	-	-	-	-	(373)	-	(6,095)
Net value		4,636	689	-	-	-	(373)	-	4,952
Construction in progress		289,473	13,419	(18,000)	1,135	-	-	-	286,027
Stores buyback		46,562	3,205	-	-	(591)	-	-	49,176
		3,976,033	385,692	(59,929)	1,350	(591)	(29,705)	-	4,272,850

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

9. Investment properties (Continued)

	Weighted average depreciation rate (%)	Individual									
		December 31, 2018	Impacts of adoption of IFRS 16/CPC 06 (R2)	January 1, 2019	Additions (a)	Write-offs (b)	Capitalized interest	Allocation	Depreciation	Transfers (c)	December 31, 2019
Cost											
Land		672,093	-	672,093	77,821	-	1,284	-	-	-	751,198
Buildings and improvements	2.25	2,975,950	-	2,975,950	332,773	-	-	-	-	42,122	3,350,845
(-) Accumulated depreciation		(622,795)	-	(622,795)	-	-	-	-	(63,945)	-	(686,740)
Net value		2,353,155	-	2,353,155	332,773	-	-	-	(63,945)	42,122	2,664,105
Facilities	15.88	432,070	-	432,070	41,708	(612)	-	-	-	2,130	475,296
(-) Accumulated depreciation		(277,567)	-	(277,567)	-	260	-	-	(36,115)	-	(313,422)
Net value		154,503	-	154,503	41,708	(352)	-	-	(36,115)	2,130	161,874
Machinery, equipment, furniture and fixtures	10	47,063	-	47,063	1,185	-	-	-	-	141	48,389
(-) Accumulated depreciation		(28,534)	-	(28,534)	-	-	-	-	(4,110)	-	(32,644)
Net value		18,529	-	18,529	1,185	-	-	-	(4,110)	141	15,745
Lease	12.6	-	48,576	48,576	-	-	-	-	-	-	48,576
(-) Accumulated depreciation		-	-	-	-	-	-	-	(6,136)	-	(6,136)
Net value		-	48,576	48,576	-	-	-	-	(6,136)	-	42,440
Other	10	9,859	-	9,859	499	-	-	-	-	-	10,358
(-) Accumulated depreciation		(4,839)	-	(4,839)	-	-	-	-	(883)	-	(5,722)
Net value		5,020	-	5,020	499	-	-	-	(883)	-	4,636
Construction in progress		194,698	-	194,698	134,819	-	4,349	-	-	(44,393)	289,473
Stores buyback		42,644	-	42,644	6,929	-	-	(3,011)	-	-	46,562
		3,440,642	48,576	3,489,218	595,734	(352)	5,633	(3,011)	(111,189)	-	3,976,033

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

9. Investment properties (Continued)

	Weighted average depreciation rate (%)	Consolidated								
		December 31, 2019	Aquisition Manati (b)	Additions (a)	Write-offs (c)	Capitalized interest	Allocation	Depreciation	Transfer	March 31, 2020
Cost										
Land		1,536,158	12,707	174,958	-	215	-	-	-	1,724,038
Buildings and improvements	2.23	5,273,332	114,278	372,961	-	-	-	-	18,000	5,778,571
(-) Accumulated depreciation		(877,802)	(10,489)	-	-	-	-	(28,448)	-	(916,739)
Net amount		4,395,530	103,789	372,961	-	-	-	(28,448)	18,000	4,861,832
Facilities	15.04	897,012	8,442	5,880	-	-	-	-	-	911,334
(-) Accumulated depreciation		(535,703)	(7,794)	-	-	-	-	(20,401)	-	(563,898)
Net amount		361,309	648	5,880	-	-	-	(20,401)	-	347,436
Machinery, equipment, furniture and fixtures	10	78,333	3,315	309	-	-	-	-	-	81,957
(-) Accumulated depreciation		(46,962)	(3,259)	-	-	-	-	(1,742)	-	(51,963)
Net amount		31,371	56	309	-	-	-	(1,742)	-	29,994
Leases	12.6	48,820	-	44,354	(48,820)	-	-	-	-	44,354
(-) Accumulated depreciation		(6,168)	-	-	6,903	-	-	(1,194)	-	(459)
Net amount		42,652	-	44,354	(41,917)	-	-	(1,194)	-	43,895
Other	10	21,762	242	750	-	-	-	-	-	22,754
(-) Accumulated depreciation		(10,688)	(144)	-	-	-	-	(1,324)	-	(12,156)
Net amount		11,074	98	750	-	-	-	(1,324)	-	10,598
Construction in progress		516,754	108	56,756	-	5,569	-	-	(18,000)	561,187
Stores buyback		53,524	167	3,745	-	-	(669)	-	-	56,767
		6,948,372	117,573	659,713	(41,917)	5,784	(669)	(53,109)	-	7,635,747

(a) As per Note 1 above, the Company increased its participation in certain shopping malls, distributed as follows: Land: R\$ 102,505 DMM, R\$67,521 PKS, R\$ 4,901 PKC, Buildings and Improvements: R\$220,517 DMM, R\$138,361 PKS, R\$11,468 PKS.

(b) See business combination (Note 1)

(c) Write-offs refer substantially to the following factors: (i) advance of R\$18,000 made in November 2019 by the parent company and allocated as an advance in the investment property account, when signing the deed for the acquisition of Parkshopping (see Note 1). This amount was reimbursed by the subsidiary Multiplan Parkshopping e Participações Ltda. resulting in a write-off of PPI in the parent company in the same amount; (ii) write-off of the lease balance and set-up of a new amount due to the postponement of the lease term with Diamond Mall scheduled to end initially in 2026 to 2030. The Company will now pay the percentage of 7.5% instead of 15.0% on the monthly gross revenue of the for lease purposes;

(d) Of the addition totaling R\$56,756, the principal refers to the ongoing work of Parkshopping Jacarepagua in the amount of R\$41,616.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

9. Investment properties (Continued)

Consolidated											
	Weighted average depreciation rate (%)	December 31, 2018	Impacts of adoption of IFRS 16/CPC 06 (R2)	January 1, 2019	Additions (a)	Write-offs (b)	Capitalized interest	Allocation	Depreciation	Transfers (c)	December 31, 2019
Cost											
Land		1,416,181	-	1,416,181	85,950	(1,399)	1,319	-	-	34,107	1,536,158
Buildings and improvements	2.23	4,877,434	-	4,877,434	335,889	(8,050)	-	-	-	68,059	5,273,332
(-) Accumulated depreciation		(774,466)	-	(774,466)	-	249	-	-	(103,585)	-	(877,802)
Net value		4,102,968	-	4,102,968	335,889	(7,801)	-	-	(103,585)	68,059	4,395,530
Facilities	15.04	850,586	-	850,586	42,690	(3,016)	-	-	-	6,752	897,012
(-) Accumulated depreciation		(454,143)	-	(454,143)	-	670	-	-	(82,230)	-	(535,703)
Net value		396,443	-	396,443	42,690	(2,346)	-	-	(82,230)	6,752	361,309
Machinery, equipment, furniture and fixtures	10	76,613	-	76,613	1,673	(146)	-	-	-	193	78,333
(-) Accumulated depreciation		(39,601)	-	(39,601)	-	22	-	-	(7,383)	-	(46,962)
Net value		37,012	-	37,012	1,673	(124)	-	-	(7,383)	193	31,371
Lease	12.6	-	48,820	48,820	-	-	-	-	-	-	48,820
(-) Accumulated depreciation		-	-	-	-	-	-	-	(6,168)	-	(6,168)
Net value		-	48,820	48,820	-	-	-	-	(6,168)	-	42,652
Other	10	18,199	-	18,199	3,567	(4)	-	-	-	-	21,762
(-) Accumulated depreciation		(7,595)	-	(7,595)	-	3	-	-	(3,096)	-	(10,688)
Net value		10,604	-	10,604	3,567	(1)	-	-	(3,096)	-	11,074
Construction in progress		348,374	-	348,374	269,718	(16)	7,789	-	-	(109,111)	516,754
Stores buyback		49,785	-	49,785	7,056	-	-	(3,317)	-	-	53,524
		6,361,367	48,820	6,410,187	746,543	(11,687)	9,108	(3,317)	(202,462)	-	6,948,372

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Notes to quarterly information (Continued)
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9. Investment properties (Continued)

Multiplan measured its investment properties internally at fair value based on the Discounted Cash Flow (DCF) method. The Company calculated the present value by using a discount rate following the Capital Asset Pricing Model (CAPM). Risk and return assumptions were considered based on studies published by Mr. Damodaran (New York University professor) relating to the stock market performance of the Company (beta), in addition to market prospects (Central Bank of Brazil - BACEN) and data on the risk premium of the domestic market (country risk).

In 2019, the Company updated its methodology to calculate the discount rate by aligning the country risk rate with market practices, and now uses the original unlevered beta before adjustments. In 2020, it started to use the average leverage level of the last 20 quarters to calculate the unlevered beta, as we believe it better reflects the current market volatility.

Based on these assumptions, the Company used a nominal, unlevered weighted average discount rate of 12.04% as of March 31, 2020, resulting from a statutory discount rate of 11.77% calculated in accordance with the CAPM model and, based on internal analyses, a spread from 0 to 150 base points was added to this rate, resulting in an additional weighted average spread of 29 base points in the valuation of each shopping mall, office towers and project.

Cost of equity	March 2020	December 2019
Risk Free Rate	3.35%	3.35%
Market risk premium	6.35%	6.35%
Beta	0.82	0.80
Country risk	240 b.p.	245 b.p.
Additional spread	26 b.p.	27 b.p.
Cost of equity - US\$	10.77%	10.67%

Inflation assumptions	March 2020	December 2019
Inflation (BR) - (i)	3.57%	3.64%
Inflation (USA)	2.40%	2.40%
Cost of equity - R\$	12.04%	12.01%

(i) Inflation (BR) of September 2018 refers to the weighted average of estimates for the period between January 2019 and December 2022. Inflation (BR) of March 2020 refers to the weighted average of estimates for the period between April 2020 and March 2024.

The investment properties valuation reflects the market participant concept. Thus, the Company does not consider, in the discounted cash flows calculation, taxes, income and expenses relating to administration and sales services.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

9. Investment properties (Continued)

The future cash flow of the model was estimated based on the individual cash flows of shopping malls, expansions and office buildings, including the Net Operating Income (NOI), recurring Key money (based only on mix changes, except for future projects), Income from Transfer Charges, investments in revitalization, and construction in progress. Perpetuity was calculated considering a real growth rate of 2.0% for shopping malls and of 0.0% for office buildings.

The discount rate calculation methodology, which uses long-term averages, considers the effects of the coronavirus pandemic (Covid-19) until March 2020. Additionally, the projected future cash flow considers a preliminary estimate by the Company of possible impacts of the coronavirus pandemic.

The Company classified its investment properties in accordance with their statuses. The table below describes the amount identified for each category of property and presents the amount of assets in the Company's share:

	Individual	
	March 2020	December 2019
Valuation of investment properties		
Shopping malls and office towers in operation	15,908,562	16,019,117
Projects in progress (disclosed) (i)	7,020	6,418
Projects in progress (not disclosed) (i)	148,775	148,599
	16,064,357	16,174,134
	Consolidated	
	March 2020	December 2019
Valuation of investment properties		
Shopping malls and office towers in operation	21,374,166	21,155,015
Projects in progress (disclosed) (i)	384,186	342,782
Projects in progress (not disclosed) (i)	174,920	174,473
Total	21,933,272	21,672,270

(i) Projects in progress were valued at cost.

The interest of 37.5% held in Santa Úrsula Shopping Mall and 50.0% in the Parque Shopping Maceió project through joint ventures were not considered in the consolidated valuation. In March 2020, the 50.0% interest in Parque Shopping Maceió project through a jointly-controlled subsidiary was not yet considered in the consolidated evaluation. The 37.5% stake in Santa Úrsula shopping mall held in the company Manati, after its acquisition in February 2020, started to be considered in the valuation of the Company's investment property. In addition to this acquisition, the Company also completed acquisitions of minority interest in ParkShopping, ParkShopping Corporate and DiamondMall (including the extension of its lease), leading to an increase in the value of its investment properties in this quarter. No need for provision for impairment of investment properties was identified as at March 31, 2020 and December 31, 2019.

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Notes to quarterly information (Continued)
 March 31, 2020
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10. Property and equipment

Cost	Annual depreciation rates (%)	Individual				
		December 31, 2019	Additions	Write-offs	Depreciation	March 31, 2020
Land	-	2,015	-	-	-	2,015
Buildings and improvements	4	5,145	-	-	-	5,145
(-) Accumulated depreciation		(2,168)	-	-	(52)	(2,220)
Net value		2,977	-	-	(52)	2,925
Facilities	10	3,922	-	-	-	3,922
(-) Accumulated depreciation		(3,133)	-	-	(88)	(3,221)
Net value		789	-	-	(88)	701
Machinery, equipment, furniture and fixtures	10	13,531	241	-	-	13,772
(-) Accumulated depreciation		(8,417)	-	-	(282)	(8,699)
Net value		5,114	241	-	(282)	5,073
Vehicles	10	59,950	-	-	-	59,950
(-) Accumulated depreciation		(4,066)	-	-	(508)	(4,574)
Net value		55,884	-	-	(508)	55,376
Lease	1.6 a 7.4	6,019	-	(2,052)	-	3,967
(-) Accumulated depreciation		(1,780)	-	1,957	(492)	(315)
Net value		4,239	-	(95)	(492)	3,652
Other	10	22,038	751	-	-	22,789
(-) Accumulated depreciation		(2,840)	-	-	(195)	(3,035)
Net value		19,198	751	-	(195)	19,754
Construction in progress		1,553	-	-	-	1,553
		91,769	992	(95)	(1,617)	91,049

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
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10. Property and equipment (Continued)

	Annual depreciation rates (%)	Individual						
		December 31, 2018	Impacts of adoption of IFRS 16/CPC 06 (R2)	January 1, 2019	Additions	Write-offs	Depreciation	December 31, 2019
Cost								
Land	-	2,015	-	2,015	-	-	-	2,015
Buildings and improvements	4	5,145	-	5,145	-	-	-	5,145
(-) Accumulated depreciation		(1,960)	-	(1,960)	-	-	(208)	(2,168)
Net value		3,185	-	3,185	-	-	(208)	2,977
Facilities	10	3,908	-	3,908	14	-	-	3,922
(-) Accumulated depreciation		(2,776)	-	(2,776)	-	-	(357)	(3,133)
Net value		1,132	-	1,132	14	-	(357)	789
Machinery, equipment, furniture and fixtures	10	11,156	-	11,156	2,375	-	-	13,531
(-) Accumulated depreciation		(7,391)	-	(7,391)	-	-	(1,026)	(8,417)
Net value		3,765	-	3,765	2,375	-	(1,026)	5,114
Vehicles (a)	10	78,574	-	78,574	55	(18,679)	-	59,950
(-) Accumulated depreciation		(20,721)	-	(20,721)	-	18,679	(2,024)	(4,066)
Net value		57,853	-	57,853	55	-	(2,024)	55,884
Lease	1.6 to 7.4	-	6,019	6,019	-	-	-	6,019
(-) Accumulated depreciation		-	-	-	-	-	(1,780)	(1,780)
Net value		-	6,019	6,019	-	-	(1,780)	4,239
Other	10	9,788	-	9,788	12,250	-	-	22,038
(-) Accumulated depreciation		(2,118)	-	(2,118)	-	-	(722)	(2,840)
Net value		7,670	-	7,670	12,250	-	(722)	19,198
Construction in progress		-	-	-	1,553	-	-	1,553
		75,620	6,019	81,639	16,247	-	(6,117)	91,769

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

10. Property and equipment (Continued)

	Annual depreciation rates (%)	Consolidated				
		December 31, 2019	Additions	Write-offs	Depreciation	March 31, 2020
Cost						
Land	-	6,193	-	-	-	6,193
Buildings and improvements	4	18,809	-	-	-	18,809
(-) Accumulated depreciation		(6,080)	-	-	(147)	(6,227)
Net value		12,729	-	-	(147)	12,582
Facilities	10	5,153	-	-	-	5,153
(-) Accumulated depreciation		(4,334)	-	-	(88)	(4,422)
Net value		819	-	-	(88)	731
Machinery, equipment, furniture and fixtures	10	15,222	241	-	-	15,463
(-) Accumulated depreciation		(10,135)	-	-	(282)	(10,417)
Net value		5,087	241	-	(282)	5,046
Vehicles	10	59,950	-	-	-	59,950
(-) Accumulated depreciation		(4,068)	-	-	(508)	(4,576)
Net value		55,882	-	-	(508)	55,374
Lease	1.6 a 7.4	6,019	-	(2,052)	-	3,967
(-) Accumulated depreciation		(1,780)	-	1,957	(492)	(315)
Net value		4,239	-	(95)	(492)	3,652
Other	10	22,533	751	-	-	23,284
(-) Accumulated depreciation		(3,384)	-	-	(214)	(3,598)
Net value		19,149	751	-	(214)	19,686
Construction in progress		1,553	-	-	-	1,553
		105,651	992	(95)	(1,731)	104,817

No need to recognize a provision for impairment of property, plant and equipment was identified as at March 31, 2020 and December 31, 2019.

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Notes to quarterly information (Continued)
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10. Property and equipment (Continued)

	Annual depreciation rates (%)	Consolidated						
		December 31, 2018	Impacts of adoption of IFRS 16/CPC 06 (R2)	January 1, 2019	Additions	Write-offs	Depreciation	December 31, 2019
Cost								
Land	-	4,442	-	4,442	1,751	-	-	6,193
Buildings and improvements	4	11,344	-	11,344	7,465	-	-	18,809
(-) Accumulated depreciation		(5,576)	-	(5,576)	-	-	(504)	(6,080)
Net value		5,768	-	5,768	7,465	-	(504)	12,729
Facilities	10	5,139	-	5,139	14	-	-	5,153
(-) Accumulated depreciation		(3,977)	-	(3,977)	-	-	(357)	(4,334)
Net value		1,162	-	1,162	14	-	(357)	819
Machinery, equipment, furniture and fixtures	10	12,849	-	12,849	2,373	-	-	15,222
(-) Accumulated depreciation		(9,109)	-	(9,109)	-	-	(1,026)	(10,135)
Net value		3,740	-	3,740	2,373	-	(1,026)	5,087
Vehicles (a)	10	78,574	-	78,574	55	(18,679)	-	59,950
(-) Accumulated depreciation		(20,723)	-	(20,723)	-	18,679	(2,024)	(4,068)
Net value		57,851	-	57,851	55	-	(2,024)	55,882
Lease	1.6 to 7.4	-	6,019	6,019	-	-	-	6,019
(-) Accumulated depreciation		-	-	-	-	-	(1,780)	(1,780)
Net value		-	6,019	6,019	-	-	(1,780)	4,239
Other (b)	10	10,283	-	10,283	12,250	-	-	22,533
(-) Accumulated depreciation		(2,662)	-	(2,662)	-	-	(722)	(3,384)
Net value		7,621	-	7,621	12,250	-	(722)	19,149
Construction in progress		-	-	-	1,553	-	-	1,553
		80,584	6,019	86,603	25,461	-	(6,413)	105,651

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Notes to quarterly information (Continued)
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11. Intangible assets

Intangible assets comprise system licenses and goodwill recorded by the Company on the acquisition of new interests in 2007 and 2008; a portion of these investments was subsequently merged. The goodwill presented below has an indefinite useful life.

	Annual amortization rates	Individual				
		December 31, 2019	Additions	Write-offs	Amortization	March 31, 2020
Goodwill of merged companies (a)						
Bozano		118,610	-	-	-	118,610
Realejo		51,966	-	-	-	51,966
Multishopping		84,095	-	-	-	84,095
		<u>254,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>254,671</u>
Goodwill on acquisition of new equity interests (b)						
Brazilian Realty LLC.		33,202	-	-	-	33,202
Indústrias Luna S.A.		4	-	-	-	4
JPL Empreendimentos Ltda.		12,583	-	-	-	12,583
Solução Imobiliária Ltda.		2,970	-	-	-	2,970
		<u>48,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,759</u>
Right of use of systems						
Software license (c)	10	119,603	4,616	-	-	124,219
Brands and patents	10	341	-	-	-	341
Accumulated amortization		(63,606)	-	-	(3,123)	(66,729)
		<u>56,338</u>	<u>4,616</u>	<u>-</u>	<u>(3,123)</u>	<u>57,831</u>
		<u>359,768</u>	<u>4,616</u>	<u>-</u>	<u>(3,123)</u>	<u>361,261</u>
Individual						
	Annual amortization rates	December 31, 2018	Additions	Write-offs	Amortization	December 31, 2019
Goodwill of merged companies (a)						
Bozano		118,610	-	-	-	118,610
Realejo		51,966	-	-	-	51,966
Multishopping		84,095	-	-	-	84,095
		<u>254,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>254,671</u>
Goodwill on acquisition of new equity interests (b)						
Brazilian Realty LLC.		33,202	-	-	-	33,202
Indústrias Luna S.A.		4	-	-	-	4
JPL Empreendimentos Ltda.		12,583	-	-	-	12,583
Solução Imobiliária Ltda.		2,970	-	-	-	2,970
		<u>48,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,759</u>
Right of use of systems						
Software license (c)	10	104,107	16,088	(592)	-	119,603
Brands and patents	10	341	-	-	-	341
Accumulated amortization		(53,007)	-	-	(10,599)	(63,606)
		<u>51,441</u>	<u>16,088</u>	<u>(592)</u>	<u>(10,599)</u>	<u>56,338</u>
		<u>354,871</u>	<u>16,088</u>	<u>(592)</u>	<u>(10,599)</u>	<u>359,768</u>

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Notes to quarterly information (Continued)
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11. Intangible assets (Continued)

	Annual amortization rates	Consolidated					March 31, 2020
		December 31, 2019	Aquisition Manati (d)	Additions	Write-offs	Amortization	
Goodwill of merged companies (a)							
Bozano		118,610	-	-	-	-	118,610
Realejo		51,966	-	-	-	-	51,966
Multishopping		84,095	-	-	-	-	84,095
		<u>254,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>254,671</u>
Goodwill on acquisition of new equity interests (b)							
Brazilian Realty LLC.		33,202	-	-	-	-	33,202
Indústrias Luna S.A.		4	-	-	-	-	4
JPL Empreendimentos Ltda.		12,583	-	-	-	-	12,583
Solução Imobiliária Ltda.		2,970	-	-	-	-	2,970
		<u>48,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,759</u>
Right of use of systems							
Software license (c)	10	120,822	2,367	4,616	-	-	127,805
Brands and patents	10	442	-	-	-	-	442
Accumulated amortization		(64,254)	(690)	-	-	(3,164)	(68,108)
		<u>57,010</u>	<u>1,677</u>	<u>4,616</u>	<u>-</u>	<u>(3,164)</u>	<u>60,139</u>
		<u>360,440</u>	<u>1,677</u>	<u>4,616</u>	<u>-</u>	<u>(3,164)</u>	<u>363,569</u>

(a) Goodwill recorded has its origin in the acquisitions made in 2006. Such goodwill was based on the expected future profitability of these investments and were amortized through December 31, 2008.

(b) Goodwill recorded has its origin in the acquisitions made in 2007. Such goodwill was based on the expected future profitability of these investments and were amortized through December 31, 2008.

(c) To continue strengthening its internal control system and keeping a well-structured growth strategy, the Company has been engaging services of evaluation and implementation of new SAP features, in addition decision-making support systems, aimed at promoting greater efficiency, transparency and autonomy to the managers of the Company.

(d) See Business Combination (Note 1).

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11. Intangible assets (Continued)

	Annual amortization rates	Consolidated				
		December 31, 2018	Additions	Write-offs	Amortization	December 31, 2019
Goodwill of merged companies (a)						
Bozano		118,610	-	-	-	118,610
Realejo		51,966	-	-	-	51,966
Multishopping		84,095	-	-	-	84,095
		<u>254,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>254,671</u>
Goodwill on acquisition of new equity interests (b)						
Brazilian Realty LLC.		33,202	-	-	-	33,202
Indústrias Luna S.A.		4	-	-	-	4
JPL Empreendimentos Ltda.		12,583	-	-	-	12,583
Solução Imobiliária Ltda.		2,970	-	-	-	2,970
		<u>48,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,759</u>
Right of use of systems						
Software license (c)	10	105,305	16,109	(592)	-	120,822
Brands and patents		442	-	-	-	442
Accumulated amortization		(53,538)	-	-	(10,716)	(64,254)
		<u>52,209</u>	<u>16,109</u>	<u>(592)</u>	<u>(10,716)</u>	<u>57,010</u>
		<u>355,639</u>	<u>16,109</u>	<u>(592)</u>	<u>(10,716)</u>	<u>360,440</u>

Goodwill based on future profitability does not have a determinable useful life, and hence is not amortized. The Company tests these assets for impairment on an annual basis.

The other finite-lived intangible assets are amortized by the straight-line method based on the table above.

The impairment test for goodwill validation was conducted at December 31, 2019 and revised for March 31, 2020 due to the impacts of COVID-19, considering the projected cash flow of shopping malls that presented goodwill upon their establishment (cash generating unit). The assumptions used to prepare this cash flow are described in Note 9. In case of changes in the main assumptions used to determine the recoverable amount of cash-generating units, goodwill with indefinite useful life allocated to the cash-generating units plus the carrying amounts of investment properties (cash-generating units) would be substantially lower than the fair values of investment properties, i.e., there has been no indication of impairment losses in the cash-generating units since at March 31, 2020 and December 31, 2019.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

12. Loans and financing

	Index	Annual average interest rate	March 31, 2020		December 31, 2019	
			Individual	Consolidated	Individual	Consolidated
			March 31, 2020	March 31, 2020	December 31, 2019	December 31, 2019
Current						
Santander	Multiplan Greenfield IV (a)	CDI + 0.85%	-	23,015	-	18,713
	Multiplan Greenfield II (a)	CDI + 0.85%	-	22,388	-	18,204
Itaú bank	São Caetano (b)	TR + 7.40%	10,648	10,648	10,644	10,644
	VillageMall (c)	TR + 7.40%	27,255	27,255	27,245	27,245
	CCB 250 (d)	CDI + 1.95%	446	446	-	-
Brazilian bank	CCB 175 (e)	% do CDI 110.00%	33,687	33,687	33,716	33,716
	CCB 50 (f)	% do CDI 110.00%	15,125	15,125	15,138	15,138
	CCB 150 (g)	% do CDI 110.00%	45,374	45,374	45,413	45,413
	BarraShopping VII (h)	TR + 7.60%	11,421	11,421	11,458	11,458
Bradesco bank	CCB 300 (i)	CDI + 1.00%	106,190	106,190	102,357	102,357
	Canoas (j)	TR + 7.50%	-	20,084	-	19,773
	MTE JPA SWAP (k)	TR + 5.15%	(728)	(728)	(47)	(47)
Others	Cia. Real de Distribuição (l)	-	53	53	53	53
	Funding costs	-	(7,788)	(9,232)	(5,537)	(6,979)
	Subtotal current	-	241,683	305,726	240,440	295,688

	Index	Annual average interest rate	March 31, 2020		December 31, 2019	
			Individual	Consolidated	Individual	Consolidated
			March 31, 2020	March 31, 2020	December 31, 2019	December 31, 2019
Non-current						
	Multiplan Greenfield IV (a)	CDI + 0.85%	-	98,681	-	108,695
	Multiplan Greenfield II (a)	CDI + 0.85%	-	95,996	-	105,738
Itaú bank	São Caetano (b)	TR + 7.40%	46,231	46,231	48,848	48,848
	VillageMall (c)	TR + 7.40%	124,939	124,939	131,632	131,632
	CCB 250 (d)	CDI + 1.95%	250,000	250,000	-	-
Brazilian bank	CCB 175 (e)	% do CDI 110.00%	44,545	44,545	44,545	44,545
	CCB 50 (f)	% do CDI 110.00%	20,000	20,000	20,000	20,000
	CCB 150 (g)	% do CDI 110.00%	60,000	60,000	60,000	60,000
	BarraShopping VII (h)	TR + 7.60%	37,549	37,549	40,365	40,365
Bradesco bank	CCB 300 (i)	CDI + 1.00%	200,000	200,000	200,000	200,000
	Canoas (j)	TR + 7.50%	-	290,198	-	295,083
	MTE JPA (k)	TR 5.15%	339,989	339,989	335,748	335,748
Others	Cia. Real de Distribuição (l)	-	231	231	245	245
	Funding costs	-	(20,213)	(29,458)	(19,347)	(28,952)
	Subtotal non-current	-	1,103,271	1,578,901	862,036	1,361,947
	Total	-	1,344,954	1,884,627	1,102,476	1,657,635

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

- (a) On August 7, 2013, subsidiaries Multiplan Greenfield II Empreendimento Imobiliário Ltda. and Multiplan Greenfield IV Empreendimento Imobiliário Ltda. entered into a financing agreement with Banco Santander S.A. for construction of the Morumbi Corporate project located in São Paulo. The amount raised totaled R\$400,000, and each company became individually responsible for its stake in the project, i.e., 49.3104% for Multiplan Greenfield II and 50.6896% for Multiplan Greenfield IV. The financing was subject to charges of 8.70% per year plus TR, with repayment in 141 monthly installments beginning November 15, 2013. The total financing amount had been released at December 31, 2015. The loan is guaranteed by chattel mortgage of the portion of 0.4604509 of the property being financed, represented by a certain number of autonomous units, and amounts referring to receivables from lease of the property being financed to which the Company is entitled were assigned in trust, which should correspond, at least, to 120% of one monthly installment until the total settlement of the debt.

In addition to these guarantees, the parent company Multiplan Empreendimentos Imobiliários stood as guarantor for its subsidiaries. On October 16, 2019, the 1st amendment to the financing agreement was executed, changing: (i) the transaction rate from TR + 8.70% p.a. to CDI + 0.85% p.a. This agreement does not provide for any financial covenants.

- (b) On August 10, 2010, the Company conducted a Bank Credit Bill transaction for the construction of ParkShopping São Caetano, totaling R\$140,000, with Banco Itaú BBA S.A. This financing was subject to TR plus 9.75% per annum, with repayment in 99 monthly consecutive installments, beginning June 15, 2012. The total financing amount had been released at December 31, 2015. As guarantee for the loan, the amounts referring to receivables from lease and key money to use the stores of the project being financed were assigned in trust, which should correspond, at least, to 120% of one monthly installment, from the project launch to the total settlement of the debt. On September 30, 2013, the 1st amendment to the financing agreement was signed, amending: (i) the agreement's rate from Referential Rate (TR) + 9.75% p.a. to TR + 9.35% p.a., and (ii) the final amortization deadline from August 15, 2020 to August 15, 2025. On August 29, 2019, the 2nd amendment to the financing agreement was signed reducing the contract rate to pre-determined levels that vary according to the Selic rate, as shown in the table below:

Range	Contractual rate
Selic ≤ 6,5%	TR + 7.40%
Selic from >6,5% e <7,25%	TR + 7.90%
Selic from ≥7,25% e ≤8,25%	TR + 8.60%
Selic > 8,25%	TR + 9.00%

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

- (c) On November 30, 2010, the Company conducted a Bank Credit Bill transaction for the construction of Shopping Village Mall, totaling R\$270,000, with Banco Itaú BBA S.A. This financing was subject to TR plus 9.75% per annum, with repayment in 114 monthly consecutive installments, beginning March 15, 2013. The total financing amount had been released at December 31, 2015, including the additional amount of R\$50,000, raised under an addendum dated July 4, 2012. As guarantee for the loan, the Company pledged the land and all accessions, constructions, facilities and improvements existing therein or that may be added thereto, valued at that time at R\$370,000. Additionally, the amounts referring to receivables from lease and key money of the right to use the stores of the project being financed were assigned in trust, which should correspond, at least, to 100% of one monthly installment, from January 2015 to the total settlement of the debt. On July 4, 2012, the Company signed an addendum to the bank credit bill for construction of Shopping Village Mall, which amended the following: (i) the total amount contracted from R\$270,000 to R\$320,000, (ii) the covenant of net debt to EBITDA from 3.0x to 3.25x, and (iii) the starting date for checking the restricted account from January 30, 2015 to January 30, 2017. On September 30, 2013, the 2nd amendment to the financing agreement was executed, amending: (i) the agreement's rate from TR + 9.75% p.a. to TR + 9.35% p.a., (ii) the final repayment deadline from November 15, 2022 to November 15, 2025, and (iii) the net debt/EBITDA covenant from 3.25x times to 4.0x times. On August 29, 2019, the 2nd amendment to the financing agreement was signed reducing the contract rate to pre-determined levels that vary according to the Selic rate, as shown in the table below:

Range	Contractual rate
Selic ≤ 6,5%	TR + 7.40%
Selic from >6,5% e <7,25%	TR + 7.90%
Selic from ≥7,25% e ≤8,25%	TR + 8.60%
Selic > 8,25%	TR + 9.00%

All other clauses from the original agreement remained unchanged.

Financial covenants of the agreement:

Net debt/EBITDA lower than or equal to 4.0x.

EBITDA/Net finance costs higher than or equal to 2x.

EBITDA used for calculation of the financial covenants follows the definitions established in the loan agreements.

At March 31, 2020, the Company was compliant with all covenants set forth in the financing agreement.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

- (d) On March 18, 2020, the Company entered into a Bank Credit Bill (CCB) with Banco Itaú BBA to strengthen its cash position. No guarantees were provided for these instruments. Interest will be paid semiannually and the principal in a single installment on March 8, 2022.

<u>Start date</u>	<u>Final date</u>	<u>Amount</u>	<u>Interest rate</u>
03/18/2020	03/08/2022	250.000	CDI + 1.95% p.a.

This agreement does not provide for any financial covenants.

- (e) On January 19, 2012, the Company entered into a bank credit bill with Banco do Brasil in the total amount of R\$175,000, in order to consolidate its cash position. No guarantee was given for such instrument. On December 8, 2015, an addendum to the CCB was signed whereby the maturity date of the principal debt and the financial covenants were renegotiated. The new aging list shown below. Interest will be paid quarterly and the principal as follows:

<u>Start date</u>	<u>Final date</u>	<u>Amount</u>	<u>Interest rate</u>	<u>Status</u>
01/19/2012	12/01/2014	31,819	110.0% CDI	Paid
01/19/2012	12/01/2015	31,818	110.0% CDI	Paid
01/19/2012	12/01/2017	5,568	110.0% CDI	Paid
01/19/2012	12/01/2018	5,568	110.0% CDI	Paid
01/19/2012	12/01/2019	22,273	110.0% CDI	Paid
01/19/2012	12/01/2020	33,409	110.0% CDI	Falling due
01/19/2012	12/01/2021	44,545	110.0% CDI	Falling due

Financial covenants of the agreement:

Net debt/EBITDA lower than or equal to 4.0x.

EBITDA used for calculation of the financial covenants follows the definitions established in the loan agreements.

On March 31, 2020, the Company was compliant with all covenants set forth in the bank credit bill.

- (f) On October 31, 2012, the Company signed a bank credit note (CCB) with Banco do Brasil S/A, in the total amount of R\$50,000, in order to consolidate its cash position. No guarantee was given for such instrument. Interest will be paid quarterly and principal in a lump sum, on October 30, 2017. On December 8, 2015, an addendum to the CCB was signed, whereby the principal debt maturity was renegotiated. The new aging list shown below. Interest will be paid quarterly and the principal as follows:

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

Start date	Final date	Amount	Interest rate	Status
10/31/2012	12/01/2017	2,500	110.0% CDI	Paid
10/31/2012	12/01/2018	2,500	110.0% CDI	Paid
10/31/2012	12/01/2019	10,000	110.0% CDI	Paid
10/31/2012	12/01/2020	15,000	110.0% CDI	Falling due
10/31/2012	12/01/2021	20,000	110.0% CDI	Falling due

Financial covenants of the agreement:

Net debt/EBITDA lower than or equal to 4.0x.

EBITDA used for calculation of the financial covenants follows the definitions established in the loan agreements.

At March 31, 2020, the Company was compliant with all covenants set forth in the financing agreement.

- (g) On December 23, 2015, the Company signed a bank credit bill (CCB) with Banco do Brasil S/A, in total amount of R\$150,000, in order to consolidate its cash position. No guarantee was given for such instrument. Interest will be paid on a quarterly basis and principal according to the aging list below. Interest is payable on a quarterly basis.

Start date	Final date	Amount	Interest rate	Status
12/30/2015	12/01/2017	7,500	110.0% CDI	Paid
12/30/2015	12/01/2018	7,500	110.0% CDI	Paid
12/30/2015	12/01/2019	30,000	110.0% CDI	Paid
12/30/2015	12/01/2020	45,000	110.0% CDI	Falling due
12/30/2015	12/01/2021	60,000	110.0% CDI	Falling due

Financial covenants of the agreement:

Net debt/EBITDA lower than or equal to 4.0x.

EBITDA used for calculation of the financial covenants follows the definitions established in the loan agreements.

At March 31, 2020, the Company was compliant with all covenants set forth in the financing agreement.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

- (h) On October 16, 2014, the Company entered into a credit facility agreement with Banco do Brasil S/A for construction of the seventh expansion of BarraShopping, located in the city of Rio de Janeiro, which was completed in 2014. The total amount contracted was R\$100,000. This financing bears interest of 8.90% p.a., plus the Reference Rate (TR), with repayment in 108 monthly installments beginning August 15, 2015. As guarantee for the loan, a Bank Deposit Certificate (CDB) corresponding to 120% of the amount of a monthly installment was assigned in trust, until the full settlement of the debt. On December 20, 2019, the 1st amendment to the financing agreement was signed, changing: (i) the transaction rate from TR + 8.90% p.a. to TR + 7.60% p.a.

Financial covenants of the agreement:

Net debt/EBITDA lower than or equal to 4.0x.

EBITDA used for calculation of the financial covenants follows the definitions established in the loan agreements.

At March 31, 2020, the Company was compliant with all covenants set forth in the financing agreement.

- (i) On December 11, 2012, the Company signed a bank credit bill with Banco Bradesco S/A in the total amount of R\$300,000, in order to consolidate its cash position. No guarantee was given for such instrument. On July 31, 2017, an addendum to the agreement was executed, extending the terms of payment of the principal as per the table below. The interest rates remain payable on a half-yearly basis.

<u>Start date</u>	<u>Final date</u>	<u>Amount</u>	<u>Interest rate</u>
12/11/2012	11/09/2020	R\$100,000	CDI + 1.0% p.a.
12/11/2012	11/09/2021	R\$200,000	CDI + 1.0% p.a.

There are no financial covenants for this contract.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

- (j) On May 25, 2015, the subsidiary ParkShopping Canoas Ltda entered into a credit facility agreement with Banco Bradesco S.A., collateralized by a mortgage, for construction of the ParkShopping Canoas project in the city of Canoas, state of Rio Grande do Sul. The total amount contracted was R\$280,000 and this financing bears interest of 9.25% p.a., plus the Reference Rate (TR), payable in 144 monthly installments beginning April 25, 2019. As guarantee for the loan, the subsidiary provided a mortgage on 80% of the property for which the financing was obtained, and assigned 80% of the receivables from lease of this property in trust, which should correspond to at least 120% of the amount of one monthly installment until full settlement of the debt. In addition to these guarantees, the parent company Multiplan Empreendimentos Imobiliários stood as guarantor for its subsidiary. On July 24, 2016, the Company signed an addendum to the credit facility agreement collateralized by a mortgage for construction of the ParkShopping Canoas project in the city of Canoas, which sets forth the following: (i) maturity of the first installment on August 25, 2019, (ii) reduction of the term of return to 140 months, (iii) debt maturity on March 25, 2031, and (iv) final term for the construction work on August 25, 2017. On December 27, 2019, an addendum to the financing agreement was signed, changing: (i) the transaction rate from TR + 9.25% p.a. to TR + 7.50% p.a.
- (k) On September 19, 2019, the Company entered into a credit facility agreement with Banco Bradesco S.A., collateralized by a mortgage, for construction of the ParkJacarepaguá project in the city of Rio de Janeiro. The total amount contracted was R\$350,000 and this financing bears interest of 5.15% p.a., plus the Reference Rate (TR), during the first 15 months, and of 105.85% of the CDI after this period until the end of the operation. A financial instrument (swap) was contracted for the first 15 months, changing the restatement of TR+5.15% per year provided for in the agreement to 105.85% of the CDI. During the first 15 months, there will be a grace period for principal and interest. After this period, the following 12 months will be still be subject to grace period, with normal payment of interest. The debt payment period will begin on January 10, 2022, through 166 monthly installments plus interest. As guarantee for the loan, the subsidiary ParkJacarepaguá Empreendimento Imobiliário Ltda. provided a mortgage on 91% of the property for which the financing was obtained, and assigned 91% of the receivables from lease of this property in trust, which should correspond to at least 100% of the amount of one monthly installment until full settlement of the debt. The first installment of the loan was released on October 21, 2019.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

- (l) The balance payable to Companhia Real de Distribuição arises from the intercompany loan with the merged subsidiary Multishopping to finance the construction of BarraShopping Sul, to be settled in 516 monthly installments of R\$4, as from the hypermarket inauguration date in November 1998, not subject to interest or monetary restatement.

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Loans and financing				
2020	360,964	409,829	373,103	433,217
2021 onwards	762,520	1,198,530	508,280	957,681
Subtotal - Loans and financing	1,123,484	1,608,359	881,383	1,390,898
Funding costs				
2020	(5,704)	(6,787)	(5,400)	(6,843)
2021 onwards	(14,509)	(22,671)	(13,947)	(22,108)
Subtotal - Funding costs	(20,213)	(29,458)	(19,347)	(28,951)
Total - Loans and financing	1,103,271	1,578,901	862,036	1,361,947

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

Reconciliation of changes in equity to cash flows from financing activities

Individual

	Loans and financing	Debentures	Interest on shareholders' equity	Capital	Total
Balances at December 31, 2019	1,102,476	1,445,802	148,375	5,587,669	8,284,322
Changes in cash flows from financing					
Loans taken out	250,000	-	-	-	250,000
Repayment of Fundings	(12,139)	-	-	-	(12,139)
Payment of interest on loans and financing	(7,285)	-	-	-	(7,285)
Cost of Fundings	(4,692)	-	-	-	(4,692)
Exercise of stock options	-	-	-	32,400	32,400
Total changes in cash flows from financing	225,884	-	-	32,400	258,284
Other changes					
Allocation of interest on loans and financing raised	10,111	-	-	-	10,111
Capitalization of interest on subsidiaries	4,434	-	-	-	4,434
Capitalization of interest	1,350	-	-	-	1,350
Allocated Funding costs	1,380	-	-	-	1,380
Swap transactions	(681)	-	-	-	(681)
Debenture funding costs	-	1,072	-	-	1,072
Allocation of debenture charges	-	15,374	-	-	15,374
Stock options granted	-	-	-	7,320	7,320
Profit or loss	-	-	-	178,647	178,647
Total other changes	16,594	16,446	-	185,967	219,007
Balances at March 31, 2020	1,344,954	1,462,248	148,375	5,806,036	8,761,613

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

Reconciliation of changes in equity to cash flows from financing activities (Continued)

Individual (Continued)

	Loans and financing	Debentures	Interest on shareholders' equity	Capital	Total
Balances at December 31, 2018	924,178	1,294,202	129,551	5,335,980	7,683,911
Changes in cash flows from financing					
Loans taken out	332,500	-	-	-	332,500
Repayment of Fundings	(148,175)	-	-	-	(148,175)
Payment of interest on loans and financing	(67,046)	-	-	-	(67,046)
Cost of Fundings	(12,364)	-	-	-	(12,364)
Debenture funding costs	-	(1,162)	-	-	(1,162)
Payment of debentures	-	(200,000)	-	-	(200,000)
Payment of charges on debentures	-	(92,137)	-	-	(92,137)
Debentures raised	-	350,000	-	-	350,000
Payment of Interest on shareholders' equity	-	-	(225,306)	-	(225,306)
Exercise of stock options	-	-	-	44,267	44,267
Total changes in cash flows from financing	104,915	56,701	(225,306)	44,267	(19,423)
Other changes					
Allocation of interest on loans and financing raised	59,417	-	-	-	59,417
Capitalization of interest on subsidiaries	3,440	-	-	-	3,440
Capitalization of interest	5,633	-	-	-	5,633
Allocated Funding costs	4,940	-	-	-	4,940
Swap transactions	(47)	-	-	-	(47)
Shareholders transactions	-	-	-	985	985
Debenture funding costs	-	4,232	-	-	4,232
Allocation of debenture charges	-	90,667	-	-	90,667
Stock options granted	-	-	-	15,314	15,314
Expansion reserve	-	-	-	165,114	165,114
Income reserve	-	-	-	23,427	23,427
Provision for Interest on shareholders' equity	-	-	244,130	-	244,130
Total other changes	73,383	94,899	244,130	204,840	617,252
Balances at December 31, 2019	1,102,476	1,445,802	148,375	5,585,087	8,281,740

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

Reconciliation of changes in equity to cash flows from financing activities (Continued)

Consolidated (Continued)

	Loans and financing	Debentures	Interest on shareholders' equity	Capital	Non-controlling interest	Total
Balances at December 31, 2019	1,657,635	1,445,802	148,375	5,587,669	3,332	8,842,813
Changes in cash flows from financing						
Loans taken out	250,000	-	-	-	-	250,000
Repayment of Fundings	(25,183)	-	-	-	-	(25,183)
Payment of interest on loans and financing	(18,774)	-	-	-	-	(18,774)
Cost of Fundings	(4,692)	-	-	-	-	(4,692)
Exercise of stock options	-	-	-	32,400	-	32,400
Non-controlling interest	-	-	-	-	(23)	(23)
Total changes in cash flows from financing	201,351	-	-	32,400	(23)	233,728
Other changes						
Allocation of interest on loans and financing raised	18,798	-	-	-	-	18,798
Capitalization of interest on subsidiaries	4,434	-	-	-	-	4,434
Capitalization of interest	1,350	-	-	-	-	1,350
Allocated Funding costs	1,740	-	-	-	-	1,740
Swap transactions	(681)	-	-	-	-	(681)
Debenture funding costs	-	1,072	-	-	-	1,072
Allocation of debenture charges	-	15,374	-	-	-	15,374
Stock options granted	-	-	-	7,320	-	7,320
Profit or loss	-	-	-	178,647	(26)	178,621
Total other changes	25,641	16,446	-	185,967	(26)	228,028
Balances at March 31, 2020	1,884,627	1,462,248	148,375	5,806,036	3,283	9,304,569

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

12. Loans and financing (Continued)

Reconciliation of changes in equity to cash flows from financing activities (Continued)

Consolidated (Continued)

	Loans and financing	Debentures	Interest on shareholders' equity	Capital	Non-controlling interest	Total
Balances at December 31, 2018	1,519,530	1,294,202	129,551	5,335,980	16,207	8,295,470
Changes in cash flows from financing						
Loans taken out	332,500	-	-	-	-	332,500
Repayment of Fundings	(187,022)	-	-	-	-	(187,022)
Payment of interest on loans and financing	(118,893)	-	-	-	-	(118,893)
Cost of Fundings	(12,364)	-	-	-	-	(12,364)
Debenture funding costs	-	(1,162)	-	-	-	(1,162)
Payment of debentures	-	(200,000)	-	-	-	(200,000)
Payment of charges on debentures	-	(92,137)	-	-	-	(92,137)
Debentures raised	-	350,000	-	-	-	350,000
Exercise of stock options	-	-	-	44,267	-	44,267
Payment of Interest on shareholders' equity	-	-	(225,306)	-	-	(225,306)
Non-controlling interest	-	-	-	-	1,250	1,250
Total changes in cash flows from financing	14,221	56,701	(225,306)	44,267	1,250	(108,867)
Other changes						
Allocation of interest on loans and financing raised	108,439	-	-	-	-	108,439
Capitalization of interest on subsidiaries	3,440	-	-	-	-	3,440
Capitalization of interest	5,668	-	-	-	-	5,668
Allocated Funding costs	6,384	-	-	-	-	6,384
Swap transactions	(47)	-	-	-	-	(47)
Shareholders transactions	-	-	-	985	-	985
Debenture funding costs	-	4,232	-	-	-	4,232
Allocation of debenture charges	-	90,667	-	-	-	90,667
Stock options granted	-	-	-	15,314	-	15,314
Non-controlling interest	-	-	-	-	(1,803)	(1,803)
Decrease in non-controlling interest	-	-	-	-	(12,322)	(12,322)
Expansion reserve	-	-	-	165,114	-	165,114
Income reserve	-	-	-	23,427	-	23,427
Provision for Interest on shareholders' equity	-	-	244,130	-	-	244,130
Total other changes	123,884	94,899	244,130	204,840	(14,125)	653,628
Balances at December 31, 2019	1,657,635	1,445,802	148,375	5,585,087	3,332	8,840,231

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
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12. Loans and financing (Continued)

“EBITDA” and “EBIT” are part of the Company's main indexes, as they are important performance metrics and certain covenants (loans, financing and debentures) for users of quarterly information.

In order to comply with the terms of paragraph 2 of article 2 of CVM Rule No. 527/12, we state below the reconciliation of EBITDA and EBIT amounts for the quarters ended March 31, 2020 and 2019.

	March 31, 2020		March 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Net income for the year	178,647	177,749	91,964	91,946
Non-controlling interest	-	(26)	-	(616)
Income and social contribution taxes	75,988	83,810	40,150	51,517
Finance income (costs), net	20,180	23,142	27,366	34,189
EBIT	274,815	284,674	159,480	177,036
Depreciation and amortization	34,583	58,230	29,511	52,017
EBITDA	309,398	342,905	188,991	229,055

13. Accounts payable

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Trade accounts payable	10,506	39,574	80,097	116,621
Leases	47,337	47,358	46,722	46,753
Contractual retentions	4,195	10,049	4,560	9,127
Indemnification payable	2,710	3,799	9,071	9,916
Labor obligations	57,102	57,239	49,162	49,469
	121,850	158,019	189,612	231,886
Current	80,387	116,357	151,111	193,202
Non-current	41,463	41,662	38,501	38,684

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Notes to quarterly information (Continued)
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14. Debentures

The debentures are broken down as follows:

	Individual and Consolidated	
	03/31/2020	12/31/2019
Current liabilities		
3 rd Issue - Debentures	204,881	202,390
4 th Issue - Debentures	3,433	536
5 th Issue - Debentures	3,483	585
6 th Issue - Debentures	5,299	2,010
7 th Issue - Debentures	6,927	3,127
Subtotal	224,023	208,648
Funding cost - 3 rd issue	(401)	(573)
Funding cost - 4 th issue	(2,052)	(2,052)
Funding cost - 5 th issue	(1,133)	(1,133)
Funding cost - 6 th issue	(249)	(249)
Funding cost - 7 th issue	(166)	(166)
Total - Funding cost	(4,001)	(4,173)
Total - Current liabilities	220,022	204,475
Non-current liabilities		
4 th Issue - Debentures	300,000	300,000
5 th Issue - Debentures	300,000	300,000
6 th Issue - Debentures	300,000	300,000
7 th Issue - Debentures	350,000	350,000
Subtotal	1,250,000	1,250,000
Funding cost - 4 th issue	(3,592)	(4,105)
Funding cost - 5 th issue	(2,548)	(2,831)
Funding cost - 6 th issue	(789)	(851)
Funding cost - 7 th issue	(844)	(886)
Total - Funding cost	(7,773)	(8,673)
Total - Non-current liabilities	1,242,227	1,241,327

Third issue of debentures for primary public distribution

On October 15, 2014, the Company completed the 3rd issue of debentures for primary public distribution, in the amount of R\$400,000, whereby 40,000 simple, nonconvertible, book-entry, registered and unsecured debentures were issued in a single series for public distribution with restricted efforts, on a firm guarantee basis, with a par value of R\$10. The transaction will be repaid in two equal installments at the end of the fifth and sixth year bearing semi-annual interest. The final issue price was set on September 25, 2014 through the bookbuilding procedure, with yield set at 100% of the accumulated fluctuation of average daily DI rates increased on a compound basis by a spread or surcharge of 0.87% p.a. The total estimated debenture transaction cost was R\$1,777. The net proceeds obtained by the Company with this debenture issue will be fully used for the following (i) early redemption of the total simple, nonconvertible, unsecured, single-series debentures of the Company's second issue; and (ii) the remaining balance for payment of general expenses and settle short- and long-term debts and/or consolidate working capital of the Company and/or its subsidiaries.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
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14. Debentures (Continued)

The financial covenants of these debentures are as follows: (i) net debt/EBITDA lower than or equal to 4.0; (ii) EBITDA/net finance cost higher than or equal to 2.0.

Interest was paid as follows: (i) R\$24,491 on April 15, 2015; (ii) R\$28,307 on October 15, 2015; (iii) R\$28,950 on April 15, 2016; (iv) R\$29,421 on October 17, 2016; (v) R\$27,016 on April 17, 2017; (vi) R\$20,677 on October 16, 2017; (vii) R\$15,110 on April 16, 2018; (viii) R\$14,374 on October 15, 2018; and (ix) R\$14,160 on April 15, 2019; (x) R\$14,074 on October 15, 2019.

On October 15, 2019, the principal was paid amounting to R\$200,000.

At March 31, 2020, the Company had met all the covenants determined in the indenture.

Fourth issue for primary private distribution of debentures for investment and issue of mortgage bonds (CRI)

On December 13, 2016, the Company completed the 4th issue of debentures for primary private distribution, in the amount of R\$300,000, whereby 300,000 simple, nonconvertible, book-entry, registered, single-series debentures were issued, with security interest. The fourth issue debentures were subscribed and paid-in on December 29, 2016 by the subsidiary Multiplan Greenfield XII at their par value. Subsidiary Multiplan Greenfield XII, in turn, issued a mortgage bond and fully granted such bonds to Cibrasec (Securitization Company), which performed public distribution, on a firm guarantee basis, at a par value of R\$1. This transaction will be repaid in a single installment at the end of the sixth year and bear semi-annual interest. The final issue price was set on December 8, 2016 through the bookbuilding procedure, with yield set at 95% of the accumulated fluctuation of average daily DI rates. The total estimated funding cost was R\$10,421.

The Company's net proceeds from this debenture issue will be fully used directly or through its subsidiaries, through the maturity date of the Debentures, for acquisition, and/or construction, and/or expansion, and/or revitalization, and/or development of the following shopping malls and/or real estate developments, as described in the Indenture of Issue of Debentures and in the amendments thereto: ParkJacarepaguá, BarraShopping, VillageMall, Village Corporate, RibeirãoShopping, Pátio Savassi and Residencial Porto Alegre.

Chattel mortgage of the indivisible part of 39.77% of the property registered under number 37.850 at the Real Estate Notary Office of the 5th Region of Porto Alegre was given as guarantee; this registration number includes the sub-condominium BarraShoppingSul. For this transaction no other collaterals have been recognized and no financial covenants have been established.

Interest was paid as follows: (i) R\$15,182 on June 13, 2017; (ii) R\$12,070 on December 13, 2017; (iii) R\$9,031 on June 13, 2018; (iv) R\$9,035 on December 13, 2018; (v) R\$8,827 on June 13, 2019; and (vi) R\$8,166 on December 13, 2019.

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Notes to quarterly information (Continued)
March 31, 2020
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14. Debentures (Continued)

Fourth issue for primary private distribution of debentures for investment and issue of mortgage bonds (CRI) (Continued)

At March 31, 2020, the Company had met all the covenants determined in the indenture.

Fifth issue for primary private distribution of debentures for investment and issue of CRI

On June 6, 2017, the Company completed the 5th issue of debentures for primary private distribution, in the amount of R\$300,000, whereby 300,000 simple, nonconvertible, book-entry, registered, single-series debentures were issued, with security interest. The fifth issue debentures were subscribed and paid-in on June 14, 2017 by the subsidiary Multiplan Greenfield XII at par value. Subsidiary Multiplan Greenfield XII, in turn, issued a mortgage bond and fully granted such bonds to Cibrasec (Securitization Company), which performed public distribution, on a firm guarantee basis, at a par value of R\$1. This transaction will be repaid in a single installment at the end of the sixth year and bear semi-annual interest. The final issue price was set on June 2, 2017 through the bookbuilding procedure with yield set at 95% of the accumulated fluctuation of average daily DI rates. The total estimated funding cost was R\$5,946.

The Company's net proceeds from this debenture issue will be fully used directly or through its subsidiaries, through the maturity date of the Debentures, for acquisition, and/or construction, and/or expansion, and/or revitalization, and/or development of the following shopping malls and/or real estate developments, as described in the Indenture of Issue of Debentures and in the amendments thereto: ParkJacarepaguá, BarraShopping, VillageMall, Village Corporate, ParkShoppingBarigui, ParkShoppingCanoas, DiamondMall and MorumbiShopping.

Chattel mortgage of the indivisible part of 39.77% of the property registered under number 37.850 at the Real Estate Notary Office of the 5th Region of Porto Alegre was given as guarantee; this registration number includes the sub-condominium BarraShoppingSul. For this transaction no other collaterals have been recognized and no financial covenants have been established.

Interest was paid as follows: (i) R\$12,105 on December 12, 2017; (ii) R\$9,036 on June 12, 2018; (iii) R\$9,035 on December 12, 2018; (iv) R\$8,827 on June 12, 2019; and (iv) R\$8,188 on December 12, 2019.

At March 31, 2020, the Company had met all the covenants determined in the indenture.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
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14. Debentures (Continued)

Sixth issue of debentures for primary public distribution

On May 10, 2018, the Company completed the 6th issue of debentures for primary public distribution, in the amount of R\$300,000, whereby 30,000 simple, nonconvertible, book-entry, registered and unsecured debentures were issued in a single series for public distribution with restricted efforts, on a firm guarantee basis, with a par value of R\$10. The transaction will be repaid in a single installment at the end of sixth year, bearing semi-annual interest. The final issue price was set on May 30, 2018 through the bookbuilding procedure, with yield set at 107.25% of the accumulated fluctuation of average daily DI rates. The total estimated funding cost was R\$1,494. The net proceeds obtained by the Company with this debenture issue will be fully used to pay general expenses and settle short- and long-term debts and/or consolidate the working capital of the Company and/or its subsidiaries.

The financial covenants of these debentures are as follows: (i) net debt/EBITDA lower than or equal to 4.0; (ii) EBITDA/net finance cost higher than or equal to 2.0.

Interest was paid as follows: (i) R\$8,830 on November 12, 2018; (ii) R\$9,820 on May 10, 2019; and (iii) R\$9,753 on November 11, 2019.

At March 31, 2020, the Company had met all the covenants determined in the indenture.

Seventh issue of debentures for primary public distribution

On April 25, 2019, the Company completed the seventh issue of debentures for primary public distribution, in the amount of R\$350,000, whereby 35,000 simple, nonconvertible, book-entry, registered and unsecured debentures were issued in a single series for public distribution with restricted efforts, on a firm guarantee basis, with a par value of R\$10. The transaction will be repaid in two equal installments at the end of the sixth and seventh years, bearing semi-annual interest. The final issue price was set on May 8, 2019 through the bookbuilding procedure, with yield set at 106.00% of the accumulated fluctuation of average daily DI rates. Total funding cost was R\$1,162. The Company's net proceeds from this debenture issue will be fully used to: (i) invest in new developments and expand existing developments, (ii) acquire non-controlling interests, and (iii) pay general expenses and settle short- and long-term debts and/or consolidate the working capital of the Company and/or its subsidiaries.

The financial covenants of these debentures are as follows: (i) net debt/EBITDA lower than or equal to 4.0; (ii) EBITDA/net finance cost higher than or equal to 2.0.

We list the interest payment events: (i) On October 25, 2019, a portion in the amount of R\$10,322 was paid.

At March 31, 2020, the Company had met all the covenants determined in the indenture.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

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15. Property acquisition obligations

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Current				
Jockey (a)	-	4,997	-	4,997
Interest - ParkShopping (b)		113,047	-	-
Usiminas (c)	30,969	30,969	30,489	30,489
Atlético Mineiro (d)	126,697	126,697	-	-
Manati (e)	5,070	5,070	-	-
Others	269	269	269	269
	163,005	281,049	30,758	35,755
Non-current				
Jockey (a)	-	3,489	-	4,738
Atlético Mineiro (d)	183,691	183,691	-	-
Manati (e)	4,875	4,875	-	-
	188,566	192,055	-	4,738
Total	351,571	473,104	30,758	40,493

- (a) By means of the Deed of Purchase and Sale and the Deed of Novation, Acknowledgment of Debt with Pledge of Accord and Satisfaction and other Covenants, executed on 11/09/2016, as amended, the Company, through its subsidiaries Multiplan Golden I Empreendimento Imobiliário Ltda., Multiplan Golden V Empreendimento Imobiliário Ltda., Multiplan Golden VI Empreendimentos Imobiliário Ltda., Multiplan Golden VII Empreendimento Imobiliário Ltda., Multiplan Golden VIII Empreendimento Imobiliário Ltda., Multiplan Golden IX Empreendimento Imobiliário Ltda., Multiplan Golden X Empreendimento Imobiliário Ltda., Multiplan Golden XI Empreendimento Imobiliário Ltda., Multiplan Golden XII Empreendimentos Imobiliário Ltda., Multiplan Golden XIII Empreendimento Imobiliário Ltda., Multiplan Golden XIV Empreendimento Imobiliário Ltda., Multiplan Golden XV Empreendimento Imobiliário Ltda., Multiplan Golden XVI Empreendimentos Imobiliário Ltda., Multiplan Golden XVII Empreendimento Imobiliário Ltda. and Multiplan Golden XVIII Empreendimento Imobiliário Ltda., acquired from the Jockey Club of Rio Grande do Sul ("Jockey"), an area of 166,979.355 sqm, located in Porto Alegre/RS, for the price of R\$ 164,644, through the delivery of five (05) promissory notes for satisfaction of debt in the amounts of R\$89,861, R\$19,966, R\$28,245, R\$3,000 and R\$23,572. These promissory notes were replaced as follows: (i) R\$89,861 through the obligation to pay in full the independent units of a commercial venture to be built with an area of approximately 13,723.93 sqm in the referred to land; (ii) R\$19,966 through the obligation to build the new bay structure of Vila Hípica on the property owned by Jockey; (iii) R\$27,852, already paid in cash; (iv) R\$ 3,000 also paid in cash; and (v) R\$23,572 upon payment of the monthly amount of R\$393. This amount will be adjusted annually, based on May 2016, by the variation in the General Market Price Index (IGP-M) published by Getulio Vargas Foundation (FGV).
- (b) By way of the Public Deed of Purchase and Sale Commitment executed on February 20, 2020, the Company, through its subsidiary Multiplan Parkshopping e Participações Ltda. acquired interest of 20% of the registrations of ParkShopping and ParkShopping Corporate held by seller IRB Investimentos e Participações Imobiliárias S.A., for the right and agreed-upon price of R\$ 243,000. The payment was agreed as follows: (i) R\$18,000 as a down payment in two installments on November 19, 2019 and November 25, 2019; (ii) R\$112,500 in a single installment on February 20, 2020; and (iii) R\$ 112,500 payable up to August 18, 2020, restated based on the positive variation of 120% of the CDI.
- (c) Through the public deed of purchase and sale executed on April 11, 2019, the Company acquired the fraction of 20.00% of BH Shopping held by Previdência Usiminas, for the agreed price of R\$360,000. The payment will be as follows: (i) downpayment of R\$330,000 on April 11, 2019; and (ii) a single installment of R\$30,000 payable until April 11, 2020. The remaining outstanding balance will be adjusted by the positive variation of the Extended Consumer Price Index (IPCA) disclosed by the Brazilian Institute of Geography and Statistics (IBGE), up to the date of its settlement.
- (d) Based on the Private Instrument of Sale and Purchase Commitment and Other Covenants, executed on July 3, 2017, the Company undertook to purchase the undivided interest of 50.1% of the Diamond Mall owned by the seller Clube Atlético Mineiro, through delivery of 02 (two) promissory notes for payment of the debt in the amounts of R\$250,000 and R\$18,000 to the seller, which were issued at the time of execution of the Final Deed of Purchase and Sale. To the amount referring to the promissory note of R\$250,000, monetary restatement was applied to the positive variation of the Extended Consumer Price Index - IPCA disclosed by IBGE, plus interest of 3% p.a. until the date of execution of the final deed.

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Notes to quarterly information (Continued)

March 31, 2020

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15. Property acquisition obligations (Continued)

On January 20, 2020, the Company concluded the acquisition of the undivided interest of 50.1% of Diamond Mall through the execution of the Public Deed of Purchase and Sale, through the delivery of 02 (two) promissory notes for payment of the debt in the amounts of R\$250,000 and R\$18,000 to the seller, Clube Atlético Mineiro.

On January 20, 2020, the Company and Clube Atlético Mineiro entered into the Public Deed of Novation, Acknowledgment of Debt and Other Covenants, replacing the aforementioned promissory notes ("NP") as follows: (i) NP in the amount of R\$250,000, which as monetarily restated totals R\$296,773, was replaced by the payment of R\$ 5,935, made on January 27, 2020 and the remaining balance of R\$290,838 will be paid in 01 (one) installment of R\$23,742. 03 (three) installments of R\$11,871.02, (two) installments of R\$8,903 and 30 (thirty) installments of R\$7,123 as of April 19, 2020, and the remainder on the same day of subsequent months. Each installment will be adjusted based on the variation of 100% of the CDI until the date of their respective payments; and (ii) NP in the amount of R\$18,000 was replaced by Clube Atlético Mineiro's right to receive, over the next 48 (forty-eight) months, the amount equivalent to 7.515% of Diamond Mall's monthly gross revenue.

- (e) By means of a Share Purchase and Sale Agreement and Other Covenants, executed on January 7, 2020, the Company acquired 50% of the capital of company Manati Empreendimentos e Participações S.A., corresponding to 21,442,694 common shares of the seller Aliansce Sonae Shopping Center S.A. for the total price of R\$28,500. The payment was agreed upon as follows: (i) R\$18,750 paid on January 7, 2020; and (ii) R\$9,750 in 04 (four) equal, semiannual and consecutive installments of R\$2,438 each, the first installment due on August 7, 2020. All installments must be adjusted by the accumulated variation of 100% of CDI since October 18, 2019, as stated in the agreement.

Non-current property acquisition obligations mature by 2024.

	March 31, 2020	December 31, 2019
2021	73.404	4.738
2022	92.408	-
2023	25.868	-
2024	375	-
	192.055	4.738

16. Taxes and contributions, net

	Individual		Consolidated	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Taxes recoverable				
IR, IRRF and CS to be offset	77,321	65,577	92,151	78,543
PIS and COFINS to be offset	46	2,267	1,521	3,707
Other taxes recoverable	2,838	2,554	3,098	2,815
Total	80,205	70,398	96,770	85,065
Taxes and contributions payable				
PIS/COFINS	7,179	9,375	15,887	17,916
ISS	-	-	870	2,037
IR e CS payable	65,822	53,143	82,680	71,418
Other	-	-	1,495	1,797
Total	73,001	62,518	100,932	93,168
Current assets	14,604	15,193	18,447	17,917
Current liabilities	7,400	7,313	22,609	26,021

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Notes to quarterly information (Continued)
 March 31, 2020
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17. Provision for contingencies and judicial deposits

17.1. Provision for contingencies

Provision for contingencies	Individual				March 31, 2020
	December 31, 2019	Additions	Write-offs	Monetary accrual	
Civil (a)	1,667	10	(134)	(269)	1,274
Labor	3,413	67	(145)	7	3,342
Tax	241	-	-	-	241
	5,321	77	(279)	(262)	4,857

Provision for contingencies	Consolidated				March 31, 2020
	December 31, 2019	Additions	Write-offs	Monetary accrual	
Civil (a)	7,807	94	(158)	(435)	7,308
Labor	3,700	500	(236)	-	3,964
Tax	304	-	-	-	304
	11,811	594	(394)	(435)	11,576

The provision for contingencies was set up to cover probable losses on administrative and legal proceedings related to civil, tax and labor matters, at an amount deemed sufficient by management, based on the opinion of its attorneys and legal advisors, as follows:

- (a) The legal advisors rated the likelihood of loss on certain legal proceedings related to real estate contract terminations as probable, totaling R\$5,815 at March 31, 2020 (R\$5,980 at December 31, 2019),

The remaining balance of provisions for civil contingencies consists of various claims in insignificant amounts filed against the shopping malls in which the Company holds equity interest.

Contingencies with likelihood of loss rated as possible

The Company is defendant in various tax, administrative, labor and civil proceedings, whose likelihood of loss is assessed by its legal advisors as possible, estimated at R\$105,708 at March 31, 2020 (R\$102,224 at December 31, 2019), as follows:

	Consolidated	
	March 31, 2020	December 31, 2019
Tax	68,894	67,568
Civil and administrative	30,977	28,303
Labor	5,837	6,353
Total	105,708	102,224

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Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

17. Provision for contingencies and judicial deposits (Continued)

17.1. Provision for contingencies (Continued)

Tax

ITBI (Property Transfer Tax) collection arising from full merger of companies that own properties, The disputes regarding levy of this tax are concentrated in the municipalities of São Paulo (R\$6,332), Belo Horizonte (R\$13,968) and Brasília (R\$2,205); in all cases, the Company claims acknowledgment of the non-levy of ITBI based on the provisions of article 37, paragraph 4, of the Brazilian Tax Code.

The outcome of disputes in Brasília was unfavorable at the appellate level and at the board of tax appeals, In October 2017, a full deposit of the tax credit related to this debt was made, in order to maintain the suspension of the requirement to pay the tax during the Tax Enforcement process, while awaiting judgment by the Federal Supreme Court (STF).

In São Paulo, four tax assessment notices were drawn by the City, The discussion ended at administrative level unfavorably to the Company and is currently before the Judiciary with four tax collection claims filed by the authorities and already stayed, The amounts are guaranteed by guarantee insurance policies, So far, the judgments have been unfavorable to the Company, considering the stays of execution of the tax collection claims unfounded, and the Company has already lodged the respective appeals, which are awaiting a decision.

In Belo Horizonte, of the four discussions, two follow the administrative level awaiting analysis of the request for non-application of the ITBI tax and the appeal filed at first level, The other two discussions ended at the administrative level and proceeded to the judicial sphere, Two Writ of Mandamus were filed by the Company and a tax collection claim by the Municipality of Belo Horizonte. In the first writ of mandamus, there was a favorable injunction (reversed by the Court) and an unfavorable decision, and the Company is currently awaiting judgment of the Appeal. In the second writ of mandamus, there was a favorable injunction (suspended by the Court) and the Company is currently awaiting an analysis of the merits of the interlocutory appeal against the injunction, as well as the decision by the lower court, To date, there has been no need to provide a guarantee.

The Company also has a discussion at the administrative level referring to social security contributions, totaling R\$7,413. The tax authority issued a tax delinquency notice requesting social security contributions on amounts referring to the Company's stock option plan. The decision at the lower administrative level was unfavorable and the Company filed a voluntary appeal. The appeal was denied in June 2019 with publication of the Decision. The Company filed requests for amendment of judgment and awaits their analysis. In March 2020, the appeal to the Higher Court of Justice (STJ) was partially accepted. An interlocutory appeal against the unfavorable part of that decision is currently awaited.

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Notes to quarterly information (Continued)
March 31, 2020
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17. Provision for contingencies and judicial deposits (Continued)

17.1. Provision for contingencies (Continued)

Tax (Continued)

A tax notice was issued in January 2018 for income and social contribution taxes, PIS and COFINS levied on the land purchase and sale transaction for the construction of a Company's project amounting to R\$3,876 million. An appeal was filed and is awaiting decision at the lower level.

In April 2019, a tax assessment notice was served by the Rio de Janeiro City Government (R\$27,089) referring to collection of Service Tax (ISS) on certain revenues/reimbursement of expenses. The Company filed an appeal and awaits decision at the lower level.

Civil, administrative and labor

The Company is a party to various civil, administrative and labor claims, none of which is considered individually material.

Other

In 2013, the Brazilian Board of Tax Appeals (CARF) canceled tax assessment notices served by the Brazilian IRS against the Company, regarding the use of goodwill in the context of a corporate restructuring in 2007. The decision was unanimous (6x0) and, on that occasion, the Federal Finance Attorney General's Office did not appeal to the Higher Board of Tax Appeals. The Company disclosed a Release to the Market on the matter on December 11, 2013.

In 2018, the Company became aware of inquiries about the performance of one of the six members of CARF panel that analyzed the matter. In this context, expenses incurred by the Company with the engagement of a law firm to work on the referred to judgment were disallowed by the Income Tax Audit, and the Company was served a notice amounting to R\$3,3 million. The Company paid, under protest, R\$2,5 million, with 50% fine reduction applied by the Department of Finance, and lodged a suit to recover these unduly paid amounts, as it disagrees with the notice.

As soon as it became aware of the inquiries above, the Company started an internal analysis for which renowned professionals were engaged to analyze the issue in an in-depth and comprehensive manner.

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Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

17. Provision for contingencies and judicial deposits (Continued)

17.1. Provision for contingencies (Continued)

Other (Continued)

This analysis was conducted by a specialized Law Firm, supported by an international firm specialized in forensic audit and concluded that there was no proof that the Company or its management members participated in any irregular acts related to this tax notice.

On 12 February 2020, CARF rejected the annulment of the Decision, upholding the cancellation of the tax notices. Against this judgment, the Office of the Attorney General of the National Treasury filed an Administrative Appeal on April 3, 2020. The Company will submit a reply brief to the appeal in due course.

17.2. Judicial deposits

Judicial deposits	Individual			March 31, 2020
	December 31, 2019	Additions	Write-offs	
PIS and COFINS (a)	101	-	-	101
ITBI (b)	4,695	-	-	4,695
Civil	21,353	1,527	(1,670)	21,210
Labor	5,249	37	-	5,286
Other	463	-	(8)	455
	<u>31,861</u>	<u>1,564</u>	<u>(1,678)</u>	<u>31,747</u>

Judicial deposits	Consolidated			March 31, 2020	
	December 31, 2019	Acquisition Manati (c)	Additions		Write-offs
PIS and COFINS (a)	821	-	-	821	
ITBI (b)	4,695	-	-	4,695	
Civil	22,614	-	1,711	(2,862)	21,463
Labor	5,723	-	38	-	5,761
Other	995	48	219	(34)	1,228
	<u>34,848</u>	<u>48</u>	<u>1,968</u>	<u>(2,896)</u>	<u>33,968</u>

(a) Refers essentially to a deposit made to suspend the payment of PIS and COFINS debts and to obtain the Debt Clearance Certificate, The matter currently awaits distribution and trial at the High Court of Justice (STJ).

(b) In October 2017, a full deposit of the ITBI tax credit was made in Brasilia, as mentioned under the item Tax of Note 17,1,

(c) See Business Combination (Note 1).

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Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

18. Deferred revenue and costs

	March 31, 2020		December 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Revenue from Key money	51,386	76,639	49,726	72,890
Unallocated cost of sales (a)	(97,585)	(159,522)	(100,200)	(160,347)
Other revenues	1,151	1,151	1,164	1,164
	(45,048)	(81,732)	(49,310)	(86,293)
Current assets	(23,399)	(41,838)	(24,998)	(41,741)
Non-current assets	(74,186)	(117,684)	(75,203)	(118,606)
Current liabilities	14,131	18,503	14,310	18,436
Non-current liabilities	38,407	59,287	36,579	55,618

(a) Refers to cost related to brokerage of key money and lessee allowance. The lessee allowance is an incentive offered by the Company to some storeowners for them to settle down in a property of the Multiplan Group. Appropriation of these amounts is recognized in the statement of income for the year, with deduction in "Revenue from Key money".

19. Equity

a) Capital

As of March 31, 2020 and December 31, 2019, the Company's share capital is represented by 600,760,875 registered book-entry common and preferred shares, with no par value.

The Company is authorized to increase its capital, without the need to amend its articles of incorporation, up to the limit of 210,038,121 new common shares, as resolved by the Board of Directors, which has the authority to determine, in each case, the number of shares to be issued, place of distribution, manner of distribution (public or private), issue price, and other conditions for payment within the authorized limit.

Shareholder	Number of shares					
	March 31, 2020			December 31, 2019		
	Common shares	Preferred shares	Total	Common shares	Preferred shares	Total
Multiplan Planejamento, Participações e Administração S.A,	126,371,349	-	126,371,349	126,371,349	-	126,371,349
1700480 Ontário Inc,	128,841,603	35,575,041	164,416,644	128,841,603	35,575,041	164,416,644
José Isaac Peres	20,953,673	-	20,953,673	22,453,673	-	22,453,673
Maria Helena Kaminitz Peres	7,379,268	-	7,379,268	7,379,268	-	7,379,268
Outstanding shares	278,848,567	-	278,848,567	275,848,567	-	275,848,567
Board of Directors and Executive Board	471	-	471	471	-	471
Total outstanding shares	562,394,931	35,575,041	597,969,972	560,894,931	35,575,041	596,469,972
Treasury shares	2,790,903	-	2,790,903	4,290,903	-	4,290,903
Total shares issued	565,185,834	35,575,041	600,760,875	565,185,834	35,575,041	600,760,875

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

19. Equity (Continued)

b) Effect on capital transactions

On February 9, 2012, subsidiary Morumbi Business Center Empreendimento Imobiliário Ltda, acquired 77,470,449 units of interest representing 41,958% of the capital of subsidiary MPH Empreendimento Imobiliário Ltda, for R\$175,000, paid in cash. Then, a member withdrew from MPH Empreendimento Imobiliário Ltda., reducing capital by 16,084%, by canceling all its units of interest and returning the net assets representing such interest. These two transactions resulted in a R\$128,337 reduction of non-controlling interest in the consolidated financial statements. In view of the foregoing, Morumbi Business Center Empreendimento Imobiliário Ltda, and Multiplan Empreendimentos Imobiliários S,A, each became holders of 50% interest in MPH Empreendimento Imobiliário Ltda. As a result of the acquisition by Morumbi Business Center Empreendimento Imobiliário Ltda, and withdrawal of one MPH Empreendimento Imobiliário S,A, member, the effects of said transaction, amounting to R\$89,996, were recorded in equity.

c) Treasury shares

The Company acquired 26,203,500 common shares through March 31, 2020 (26,203,500 through December 31, 2019). Through March 31, 2020, 23,412,597 shares (21,912,597 shares through December 31, 2019) were used to settle the exercise of stock options. At March 31, 2020, treasury shares comprised 2,790,903 shares (4,290,903 shares at December 31, 2019), See Note 20 for more details.

At March 31, 2020, the percentage of outstanding shares (shares issued excepting treasury shares, shares held by directors, controlling shareholders and persons related thereto is 46,42% (45,92% at December 31, 2019). Treasury shares were acquired at a weighted average cost of R\$ 20,78, at a minimum cost of R\$3,27 and at a maximum cost of R\$24,65 (amounts in reais). The closing price of the shares calculated based on the last quotation prior to the end of the year was R\$28,85 (in reais).

d) Dividends and interest on shareholders' equity

Pursuant to article 39, item (c), of the Company's articles of incorporation, annual mandatory minimum dividend is 25% of net income for the year, adjusted under the terms of the Brazilian Corporation Law. Distribution of dividends or interest on shareholders' equity is specifically approved by the Company's Board of Directors, as set forth in the law and article 22 item (g) of the Company's Articles of Incorporation.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
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19. Equity (Continued)

d) Dividends and interest on shareholders' equity (Continued)

Under article 39, paragraph 3 of the Company's Articles of Incorporation, mandatory minimum dividend will not be paid in the year in which Company management bodies inform to the Annual Shareholders' Meeting that such payment is incompatible with the Company's financial position, and it is thereby agreed that the Supervisory Board, if active, will issue an opinion on this matter. Any dividends retained will be paid when the Company's financial position permits.

Interest on shareholders' equity approved in 2019

On June 24, 2019, the Board of Directors approved, with a favorable report from the Supervisory Board, the payment of interest on shareholders' equity in the gross amount of R\$110,000 assigned to the Company's shareholders registered as such on June 27, 2019, corresponding to R\$0,18458448946 per share, before 15% withholding income tax, except for shareholders who are tax-exempt or tax-immune, as set forth in the applicable laws. This amount was paid to the Company's shareholders on October 22, 2019.

On September 25, 2019, the Board of Directors approved, with a favorable report from the Supervisory Board, the payment of interest on shareholders' equity in the gross amount of R\$80,000 assigned to the Company's shareholders registered as such on September 30, 2019, corresponding to R\$0,13417101396 per share, before 15% withholding income tax, except for shareholders who are tax-exempt or tax-immune, as set forth in the applicable laws, This amount will be paid to the Company's shareholders by May 29, 2020.

On March 28, 2020, in view of the substantial change in the economic and financial scenario resulting from the new coronavirus pandemic (COVID-19), the Company's Board of Directors, with a favorable opinion from the Supervisory Board ("CF"), approved the proposal for postponement of the payment of this amount until December 31, 2020, which will be submitted for resolution at the Special General Meeting (SGM) of the Company called for April 30, 2020.

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Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

19. Equity (Continued)

d) Dividends and interest on shareholders' equity (Continued)

Interest on shareholders' equity approved in 2019 (Continued)

On December 23, 2019, the Company's Board of Directors approved, with a favorable opinion from the Supervisory Board, the payment of interest on equity to the Company's shareholders in the gross amount of R\$ 90,000, attributed to the shareholders registered as such on December 30, 2019, corresponding to R\$ 0,15088772985 per share, before the application of a 15% withholding income tax, except for shareholders who were not subject to the levy of the tax, pursuant to the applicable legislation. The payment related to this amount was expected to occur until May 29, 2020. On March 28, 2020, in view of the substantial change in the economic and financial scenario resulting from the new coronavirus pandemic (COVID-19), the Company's Board of Directors, with a favorable opinion from the Supervisory Board, approved the proposal to postpone the payment of this amount until December 31, 2020, which will be submitted for resolution at the SGM of the Company called for April 30, 2020.

	<u>2019</u>	<u>%</u>
Net income for the year	471,123	
Allocation to legal reserve	(23,556)	
Net income after deduction of the legal reserve	<u>447,567</u>	<u>100%</u>
Interest on shareholders' equity approved, net of taxes	244,130	55%

20. Share-based payment

a) Stock option plan (share-based payment)

The Special General Shareholders' Meeting held on July 6, 2007 approved a Stock Option Plan to its management, employees and service providers or those of other entities under the Company's control.

Such plan is managed by the Board of Directors, and the Chief Executive Officer is responsible for determining the beneficiaries to whom those stock options will be granted.

Options granted under the Stock Option Plan approved in 2007 do not entitle their holders the right to buy shares based on a number of shares exceeding 7% of the Company's capital at any time. The dilution corresponds to the percentage represented by the number of stock options divided by the total number of shares issued by the Company.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

20. Share-based payment (Continued)

a) Stock option plan (share-based payment) (Continued)

The issue of our shares through the exercise of stock options under the Stock Option Plan would result in a dilution for our shareholders since the stock options to be granted under the Stock Option Plan can confer acquisition rights on a volume of shares of up to 5% of our capital, not considering the options of the CEO, or 7% considering them.

At March 31, 2020, the percentage of stock options granted is 3,7094% of capital, without considering the CEO's options, and 4,7070% when the CEO's options are considered.

The beneficiaries eligible to the Stock Option Plan can exercise their options within six years from the grant date, Each stock option granted can be converted into a Company common share at the time of exercise of the option, i.e., it cannot be cash-settled, The vesting period will be of up to four years, with releases of 33,4% after the second anniversary, 33,3% after the third anniversary, and 33,3% after the fourth anniversary.

The option price shall be based on the average price of the Company's shares of the same class and type over the last 20 (twenty) trading sessions on the São Paulo Stock Exchange (Bovespa) immediately prior to the option grant date, weighted by the trading volume, adjusted for inflation based on the IPCA, or based on any other index determined by the Board of Directors, through the option exercise date.

The Company offered nine stock option grants from 2007 to March 31, 2020, which satisfy the maximum limit of 7% provided for in the plan.

No stock options were granted in 2015, 2016, 2017, 2018, 2019 and in the first three months of 2020.

Until March 31, 2020, 23,412,597 stock options were exercised related to Programs 2, 3, 4, 5, 6, 7 and 9 by some beneficiaries. All options exercised were settled through common shares of the Company. On May 14, 2019, 5,068,650 share purchase options were canceled relating to Program 8 granted on May 14, 2013, which expired after the lapse of six years since their granting. Therefore, at March 31, 2020, the total amount of shares that make up the balance of the options granted and not exercised amounted to 371,970 shares, which represent 0,06% of the total shares.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

20. Share-based payment (Continued)

a) Stock option plan (share-based payment) (Continued)

The vesting periods to exercise the options are as follows:

Vesting periods as of the grant date	% of options released for the year	Maximum number of shares (1)	Number of options exercised through March 31, 2020
Program 1			
180 days after the Initial Public Offering - 01/26/2008	100%	4,493,319	4,493,319
Program 2			
As from the second anniversary - 12/20/2009	33.4%	98,196	98,196
As from the third anniversary - 12/20/2010	33.3%	97,902	97,902
As from the fourth anniversary - 12/20/2011	33.3%	97,902	97,902
Program 3			
As from the second anniversary - 06/04/2010	33.4%	936,662	936,662
As from the third anniversary - 06/04/2011	33.3%	933,865	933,865
As from the fourth anniversary - 06/04/2012	33.3%	933,873	933,873
Program 4			
As from the second anniversary - 04/13/2011	33.4%	1,258,500	1,258,500
As from the third anniversary - 04/13/2012	33.3%	1,254,740	1,254,740
As from the fourth anniversary - 04/13/2013	33.3%	1,254,754	1,254,754
Program 5			
As from the second anniversary - 03/04/2012	33.4%	968,665	968,665
As from the third anniversary - 03/04/2013	33.3%	965,780	965,780
As from the fourth anniversary - 03/04/2014	33.3%	948,834	948,834
Program 6			
As from the second anniversary - 03/23/2013	33.4%	1,299,625	1,299,625
As from the third anniversary - 03/23/2014	33.3%	1,275,760	1,275,760
As from the fourth anniversary - 03/23/2015	33.3%	1,245,799	1,245,799
Program 7			
As from the second anniversary - 03/07/2014	33.4%	1,330,599	1,330,599
As from the third anniversary - 03/07/2015	33.3%	1,296,651	1,296,651
As from the fourth anniversary - 03/07/2016	33.3%	1,296,660	1,296,660
Program 8			
As from the second anniversary - 05/14/2015	33.4%	1,432,860	-
As from the third anniversary - 05/14/2016	33.3%	1,428,570	-
As from the fourth anniversary - 05/14/2017	33.3%	1,428,570	-
Program 9 (2)			
As from the second anniversary - 04/16/2016	33.4%	2,100,793	2,002,597
As from the third anniversary - 04/16/2017	33.3%	2,094,503	1,996,601
As from the fourth anniversary - 04/16/2018	33.3%	2,094,504	1,918,632

(1) Net number of shares canceled due to termination of Company employees before the vesting period.

(2) In relation to Program 9, change in the vesting period of 135,000 options was approved.

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Notes to quarterly information (Continued)
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20. Share-based payment (Continued)

a) Stock option plan (share-based payment) (Continued)

The weighted average fair value of stock options on the grant dates, as described below, was estimated using the Black-Scholes option pricing model, based on the following assumptions:

	Strike price (R\$)	Price on grant date (1)	Accrual index	Number of options
Program 1	R\$3.27	R\$8.33 (2)	IPCA	4,493,319
Program 2	R\$7.61	R\$6.67	IPCA	342,000
Program 3	R\$6.75	R\$6.17	IPCA	3,010,200
Program 4	R\$5.04	R\$5.10	IPCA	3,900,300
Program 5	R\$10.09	R\$9.88	IPCA	2,900,256
Program 6	R\$11.04	R\$11.28	IPCA	3,891,330
Program 7	R\$13.20	R\$13.15	IPCA	4,043,880
Program 8 (3)	R\$18.75	R\$19.60	IPCA	5,068,650
Program 9	R\$16.01	R\$16.30	IPCA	6,643,650

- (1) Closing price on the last day used in the pricing of the stock option plan.
 (2) Issue price on the Company's IPO date, on June 27, 2007.
 (3) Program expired on May 14, 2019 after the lapse of six years since the grant.

The volatility used in the model was based on the historical standard deviation of MULT3, or on a panel of companies of the same industry, in accordance with the availability and fluctuation consistency in the market in the appropriate period. The Dividend Yield was based on Company's internal models considering the maturity of each option. The Company did not consider the option's early exercise and any market condition other than the assumptions above.

Additional information on the stock option plan:

	Number of options (1)	Price (2) (R\$)
Total stock options granted		
At December 31, 2012	22,195,185	7.92
At December 31, 2013	27,086,910	11.66
At December 31, 2014	33,400,650	13.15
At December 31, 2015	33,400,650	14.57
At December 31, 2016	33,028,329	15.47
At December 31, 2017	33,028,116	15.85
At December 31, 2018	32,567,886	16.39
At December 31, 2019	28,277,886	15.43
At March 31, 2020	28,277,886	15.69
Options granted in 2012	4,043,880	13.78
Options granted in 2013	5,008,650	19.25
Options granted in 2014	6,523,650	16.58
Options granted in 2015	-	-
Options granted in 2016	-	-
Options granted in 2017	-	-
Options granted in 2018	-	-
Options granted in 2019	-	-
Options granted in the first three months of 2020	-	-

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Notes to quarterly information (Continued)
 March 31, 2020
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20. Share-based payment (Continued)

a) Stock option plan (share-based payment) (Continued)

	Number of options (1)	Price (2) (R\$)
Total stock options exercised		
At December 31, 2012	10,544,484	6.00
At December 31, 2013	12,822,537	6.67
At December 31, 2014	15,851,145	7.81
At December 31, 2015	17,670,459	8.42
At December 31, 2016	20,416,740	9.61
At December 31, 2017	24,012,636	11.04
At December 31, 2018	24,333,036	11.14
At December 31, 2019	26,405,916	11.95
At March 31, 2020	27,905,916	12.46
Stock options exercised in 2012	3,250,668	8.27
Stock options exercised in 2013	2,278,053	9.74
Stock options exercised in 2014	3,028,608	12.63
Stock options exercised in 2015	1,819,314	13.72
Stock options exercised in 2016	2,746,281	17.29
Stock options exercised in 2017	3,595,896	19.16
Stock options exercised in 2018	320,400	18.96
Options granted in 2019	2,072,880	21.36
Options granted in the first three months of 2020	1,500,000	21.60
	Number of options	Price (2)
	(1)	(R\$)
Total stock options expired		
At December 31, 2012	11,112,939	6.12
At December 31, 2013	14,604,762	7.15
At December 31, 2014	18,149,121	8.56
At December 31, 2015	22,594,338	10.65
At December 31, 2016	27,309,054	12.56
At December 31, 2017	30,940,206	13.77
At December 31, 2018	32,567,886	14.27
At December 31, 2019	28,277,886	12.58
At March 31, 2020	28,277,886	12.59
Stock options expired in 2012	3,117,420	8.63
Stock options expired in 2013	3,491,823	10.51
Stock options expired in 2014	3,544,359	14.29
Stock options expired in 2015	4,445,217	18.82
Stock options expired in 2016	4,849,854	20.78
Stock options expired in 2017	3,631,365	22.11
Stock options expired in 2018	2,049,549	20.91
Options granted in 2019	-	-
Options granted in the first three months of 2020	-	-
Total not exercised		
At December 31, 2012	11,650,701	11.83
At December 31, 2013	14,264,373	15.28
At December 31, 2014	17,549,505	16.95
At December 31, 2015	15,730,191	19.25
At December 31, 2016	12,611,589	21.10
At December 31, 2017	9,015,480	22.50
At December 31, 2018	8,234,850	23.51
At December 31, 2019	1,871,970	21.58
At March 31, 2020	371,970	21.94

(1) Net number of shares canceled due to termination of Company employees before the vesting period.

(2) Price set by the end of the period or the date of exercise.

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Notes to quarterly information (Continued)
March 31, 2020
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20. Share-based payment (Continued)

a) Stock option plan (share-based payment) (Continued)

The weighted average market price of options exercised in 2013 was R\$19,40, R\$17,74 in 2014, R\$18,60 in 2015, R\$19,60 in 2016, R\$23,68 in 2017, R\$23,52 in 2018, R\$26,03 in 2019 and R\$33,50 in the first three months of 2020.

On January 9, 2020, 1,500,000 stock options were exercised by CEO José Isaac Peres, in the amount of R\$32,400, which was recorded in equity.

b) Phantom Stock Option Program

The Company's First Long-Term Incentive Plan was approved at the Board of Directors' meeting held on July 29, 2015. It establishes the terms and conditions for payment of a cash premium with reference to the valuation of shares issued by the Company to certain management members, employees and service providers or those of other entities under its control. The right to receive this premium is represented by investment units, and the Board of Directors is responsible for electing participants and for authorizing the granting of investment units.

Phantom 1: on July 29, 2015, the Board of Directors approved the granting, for 2015, of 7,502,949 investment units (equivalent to 2,500,983 investment units prior to the split) to elected participants. Of this total, 383,914 investment units (equivalent to 127,971 investment units prior to the split) were granted to employees that left the Company before the vesting period.

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Notes to quarterly information (Continued)
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20. Share-based payment (Continued)

b) Phantom Stock Option Program (Continued)

Phantom 2: on September 21, 2016, the Board of Directors approved the granting, for 2016, of 7,502,250 investment units (equivalent to 2,500,750 investment units prior to the split) to elected participants. Of this total, 522,647 investment units (equivalent to 174,216 investment units prior to the split) were granted to employees that left the Company before the vesting period.

In 2019 and in the first three months of 2020 no investment units were granted.

These investment units may be redeemed by participants in three distinct tranches, within the maximum period of six years as from the respective grant date. The vesting period will be of up to two years, with redemption of 33,4% after the second anniversary, 33,3% after the third anniversary, and 33,3% after the fourth anniversary.

The cash amount to be disbursed in relation to investment units is based on the increase in the Company's share price between the grant date and redemption period.

Details of liabilities deriving from the investment units are as follows:

	<u>Consolidated</u>
Balances at December 31. 2019	41,600
Mark-to-market	(25,080)
Labor Charges	(5,814)
Payments	(8,113)
Balances at March 31. 2020	<u><u>2,593</u></u>

i) *Measurement of fair value*

The weighted average fair value of investment units was estimated using the Black-Scholes option pricing model. The Dividend Yield was based on Company's internal models considering the maturity of each investment unit. The Company did not consider the early redemption of investment units and any market condition other than the assumptions below.

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Notes to quarterly information (Continued)
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20. Share-based payment (Continued)

b) Phantom Stock Option Program (Continued)

i) *Measurement of fair value* (Continued)

Fair value on the grant date was calculated considering the following assumptions:

	Fair value on the grant date							
	Reference value (R\$) (1)	Share price (R\$) (2)	Accrual index	Number of options	Volatility MULT3 (3)	Risk-free rate	Average expiry	Fair value
Phantom 1	15.57	15.42	IPCA	7,502,949	5.5% to 5.8%	11.3% to 12.3%	3.00 years	R\$1.89
Phantom 2	20.46	20.49	IPCA	7,502,250	5.9% to 6.5%	10.7% to 11.5%	3.00 years	R\$2.62

(1) Investment units' reference value on grant date corresponds to average quotation of the Company's shares on BM&FBOVESPA, calculated by dividing the financial volume by the number of traded shares accumulated in 20 trading sessions immediately prior to their calculation base date.

(2) Share price corresponds to average of 20 sessions prior to the closing date of the quarter.

(3) Volatility used in this model was based on MULT3 historical standard deviation in the appropriate period.

The fair value at the reporting date was calculated based on the following assumptions:

	Fair value at December 31, 2019							
	Reference value (R\$)	Share price (R\$)	Accrual index	Number of options	Volatility MULT3	Risk-free rate	Average expiry	Average fair value
Phantom 1	15.57	27.03	IPCA	7,170,733	Mark-to-market	Mark-to-market	0 years	R\$6.65
Phantom 2	20.46	22.18	IPCA	7,083,000	15.17%	3.49%	0.2 years	R\$2.10

Additional information on the investment units' Long-Term Incentive Plan:

	Number of options	Price (1) (R\$)
Grant		
Total balance of investment units granted at December 31, 2017	14,957,199	19.46
Total balance of investment units granted at December 31, 2018	14,253,734	20.25
Total balance of investment units granted at December 31, 2019	14,098,639	20.90
Total balance of investment units granted at March 31, 2020	14,098,639	21.25
Investment units granted in 2017	-	-
Investment units granted in 2018	-	-
Investment units granted in 2019	-	-
Investment units granted in March 31, 2020	-	-
Exercise		
Total balance of investment units exercised at December 31, 2017	2,580,828	17.44
Total balance of investment units exercised at December 31, 2018	2,789,919	17.51
Total balance of investment units exercised at December 31, 2019	9,617,559	19.26
Total balance of investment units exercised at March 31, 2020	10,520,392	19.56
Investment units exercised in 2017	2,444,379	17.46
Investment units exercised in 2018	209,091	18.33
Investment units exercised in 2019	6,827,640	19.98
Investment units granted in March 31, 2020	902,833	22.72

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20. Share-based payment (Continued)

b) Phantom Stock Option Program (Continued)

i) *Measurement of fair value* (Continued)

	Number of options	Price (1) (R\$)
Expired		
Total balance of investment units expired at December 31, 2017	2,671,704	17.45
Total balance of investment units expired at December 31, 2018	7,286,940	19.27
Total balance of investment units expired at December 31, 2019	11,791,698	19.91
Total balance of investment units expired at March 31, 2020	11,791,698	19.95
Investment units expired in 2017	2,444,379	17.46
Investment units expired in 2018	4,615,237	20.31
Investment units expired in 2019	4,504,758	20.96
Investment units expired in March 31, 2020	-	-
Not redeemed		
Total balance of investment units not redeemed at December 31, 2017	12,376,371	19.83
Total balance of investment units not redeemed at December 31, 2018	11,463,815	20.69
Total balance of investment units not redeemed at December 31, 2019	4,481,080	22.78
Total balance of investment units not redeemed at March 31, 2020	3,578,247	23.16

(1) Price set by the end of the period or the date of exercise.

ii) *Revenue (expense) recognized in income*

At March 31, 2020, the amount of R\$29,008 ((R\$7,574) at March 31, 2019) was recognized in income, of which R\$12,759 ((R\$3,311) at March 31, 2019) refers to management's portion.

c) Restricted Stock Option Plan (Restricted Stock Unit)

The Special General Shareholders' Meeting held on July 20, 2018 approved the Company's Restricted Stock Option Plan, which establishes the terms and conditions for the granting of common shares issued by the Company, subject to certain restrictions, to Company management members, employees and service providers, or those of other entities under its control.

The referred to Plan is managed by the Board of Directors, which will be in charge of approving participants to whom the restricted stock units will be granted.

The rights of participants in relation to restricted stock units will only be fully vested if they remain continuously related to the Company or the entity under its control, as applicable, for the period between the date of approval of the respective grant by the Company's Board of Directors and the vesting dates determined in the respective programs, as defined by the Board of Directors.

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Notes to quarterly information (Continued)
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20. Share-based payment (Continued)

c) Restricted Stock Option Plan (Restricted Stock Unit) (Continued)

The total number of Restricted Stock Units not fully acquired, considering all grants under the Plan, may not exceed, at any time, 3% of the shares representing the Company's total capital.

In addition, the maximum number of Restricted Stock Units that may be granted by the Board of Directors annually shall be limited to 0,5% of the shares representing the Company's total capital.

Plan 1: on August 15, 2018, the Board of Directors approved the granting, for 2018, of 2,197,500 restricted stock units to elected participants. The rights of participants in relation to restricted stock units will only be fully vested if they remain continuously related to the Company or the entity under its control, in the period between the date of grant and vesting period that will be up to five years, with releases of 25,0% on the second anniversary, 25,0% on the third anniversary, 25,0% on the fourth anniversary and 25,0% on the fifth anniversary.

Plan 2: on November 20, 2019, the Board of Directors approved for year 2019 the granting of 1,538,250 Restricted Shares to the elected participants. The participant will only be fully vested in relation to the Restricted Shares if s/he remains continuously related to the Company or company under its control, in the period between the grant date and the grace period, which will be up to five years, with vesting of 25,0% on the second anniversary, 25,0% on the third anniversary, 25,0% on the fourth anniversary and 25,0% on the fifth anniversary.

i) Measurement of fair value

The weighted average fair value of the Restricted Stock Units was estimated according to the market price of each tranche on the grant date and discounted from the expectation of future dividends which the elected participants will not be entitled to receive during the vesting period. The expectation of future dividends was based on Company internal models for maturity dates of each tranche of the Restricted Stock Unit plan.

Fair value on the grant date was calculated considering the following assumptions:

	Fair value on the grant date					Fair value
	Grant date	Reference value (R\$) (1)	Number of units granted	Discount rate (2)	Expectation of future dividends (3)	
Plan 1	08/15/2018	R\$18.92	2,197,500	7.25% to 7.70%	(R\$1.49)	R\$17.43
Plan 2	11/20/2019	R\$ 28.71	1,538,250	4.50% to 6.50%	(R\$1.60)	R\$27.11

(1) The reference value of the Restricted Stock Units on the grant date corresponds to the closing price of the Company's shares on BM&FBOVESPA on the trading floor on the grant date.

(2) The discount rate refers to the weighted average market expectations for the Selic rate for the vesting periods of each tranche, available in the Central Bank of Brazil (BACEN) Market Expectations System.

(3) The expectation of future dividends is the weighted average of the present value of the annual expectation of dividends in accordance with the Company's internal models, brought to present value according to the discount rates based on market expectations for the Selic rate for the vesting periods of each tranche.

(4) The average fair value is the result of the weighted average fair value of each of the four tranches of the program.

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Notes to quarterly information (Continued)
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 (In thousands of reais, unless otherwise stated)

20. Share-based payment (Continued)

c) Restricted Stock Option Plan (Restricted Stock Unit) (Continued)

Plan 2 (Continued)

ii) Vesting conditions

The number of units granted on the grant date was adjusted to reflect potential losses and cancellations of Restricted Stock Units resulting from vesting conditions, according to the Company's history.

The net amount of cancellations was calculated considering the assumptions listed below:

Vesting conditions on grant date				
	Grant date	Number of units granted	Cancellation rate (1)	Number of units granted considered after cancellations
Plan 1	08/15/2018	2,197,500	-5.79%	2.070.245
Plan 2	11/20/2019	1,538,250	-5.79%	1.449.172

(1) The cancellation rate was calculated in accordance with the losses and cancellations of the eight stock option plans (subject to settlement through equity instruments) granted between December 20, 2007 and April 16, 2014.

iii) Recognition in equity and income

At March 31, 2020, the effect referring to the recognition of restricted stock units in equity was R\$7,320, with R\$7,006 in income and R\$314 for expenses capitalized in investment properties (R\$3,511 on March 31, 2020 in equity and investment properties). We should point out that, of the total R\$10,533 effect of restricted stock units, R\$2,384 (R\$1,090 at March 31, 2019) refers to management's portion.

21. Net operating revenue

	March 31, 2020		March 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Gross operating revenue from sales and services				
Rental	201,689	276,047	188,346	254,750
Parking	24,616	45,038	28,078	50,657
Services	27,422	27,036	32,149	29,691
Key money	(711)	(3,615)	222	(2,544)
Real Estate for sale	738	1,201	-	(83)
Other	940	1,783	899	1,497
	254,694	347,490	249,694	333,968
Taxes and contributions on sales and services	(19,495)	(26,816)	(23,304)	(31,630)
Net operating revenue	235,199	320,674	226,390	302,338

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Notes to quarterly information (Continued)
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21. Net operating revenue (Continued)

Gross operating revenue from sales and services at March 31, 2020 was impacted by Covid-19. This impact was due to the reduction in the car flow, condominium costs and sale of Company's properties, In addition, store rent revenue was impacted by a condition offered to customers who remain in compliance with their obligations.

22. Breakdown of costs and expenses by nature

During the periods ended March 31, 2020 and 2019, the Company incurred in the following costs and expenses:

Costs: arising from the interest held in the civil condominiums of shopping malls in operation, costs on depreciation of investment properties and cost of properties sold.

	Cost of services rendered and properties sold			
	March 31, 2020		March 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Services	(1,037)	(1,150)	(1,158)	(1,198)
Parking lot	-	(1,361)	-	(1,015)
Properties (charges, IPTU, rental, condominium fees)	(6,467)	(10,415)	(7,321)	(9,759)
Occupancy cost	(1,856)	(3,964)	(8,277)	(15,307)
Cost of properties sold	(841)	(1,232)	-	105
Depreciation and amortization	(29,704)	(53,109)	(25,871)	(48,196)
Total	(39,905)	(71,231)	(42,627)	(75,370)
Costs:				
Services rendered	(39,064)	(69,999)	(42,627)	(75,475)
of properties sold	(841)	(1,232)	-	105
Total	(39,905)	(71,231)	(42,627)	(75,370)

The breakdown of these expenses into their main categories is as follows:

- Expenses: with personnel (administrative, operational and development) of Multiplan Group's headquarters and branches, in addition to expenditures on corporate marketing, outsourcing and travel.
- Properties: expenses on civil condominium of properties in operation, including Allowance for Doubtful Accounts.
- Projects for lease: pre-operating expenses relating to real estate projects and shopping mall expansion.
- Projects for sale: pre-operating expenses arising from real estate projects for sale.

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Notes to quarterly information (Continued)
 March 31, 2020
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22. Breakdown of costs and expenses by nature (Continued)

	Administrative and project-related expenses			
	March 31, 2020		March 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Payroll	(19,165)	(19,282)	(22,424)	(22,499)
Services	(4,967)	(6,414)	(6,456)	(7,862)
Marketing	(3,760)	(4,421)	(2,547)	(4,510)
Travel	(1,064)	(1,080)	(996)	(1,384)
Properties (charges, IPTU, lease and condominium fees)	(936)	(3,251)	(614)	(3,006)
Occupancy cost	(1,098)	(1,299)	(1,138)	(1,390)
Social security contribution	(3,355)	(3,369)	(2,827)	(2,840)
Other	(6,484)	(10,000)	(3,347)	(3,406)
Total	(40,829)	(49,116)	(40,349)	(46,897)
Expenses:				
Administrative expenses - headquarters	(33,488)	(34,170)	(38,266)	(38,719)
Administrative expenses - properties	(5,356)	(10,394)	(1,616)	(5,239)
Projects for lease expenses	(1,526)	(3,200)	(140)	(2,118)
Projects for sale expenses	(459)	(1,352)	(327)	(821)
Total	(40,829)	(49,116)	(40,349)	(46,897)

23. Finance income (costs), net

	March 31, 2020		March 31, 2019	
	Individual	Consolidated	Individual	Consolidated
Short-term investment yield	5,216	8,258	8,694	13,458
Interest and monetary variation on loans, financing and debentures	(27,321)	(36,131)	(38,995)	(52,014)
Gain on derivative	681	681	-	-
Interest on real estate projects	368	1,509	438	1,746
Bank fees and other charges	(1,494)	(2,183)	(1,229)	(1,782)
Monetary gains	403	2,068	410	93
Fine and interest on lease and key money - shopping mall	2,105	2,607	2,719	3,297
Fine and interest charges on tax assessment notices	(254)	(260)	(404)	(424)
Interest and monetary accrual on transaction with related parties	168	185	271	283
Interest and monetary variation on obligations for purchases of assets	(3,273)	(3,372)	-	(7)
Other	3,221	3,496	730	1,161
Total	(20,180)	(23,142)	(27,366)	(34,189)

24. Segment reporting

For managerial purposes, the Company recognizes four business segments (described below) that account for its revenues and expenses. Segment reporting is required since margins, revenue and expense recognition and deliverables are different among them. Income was calculated considering only the Company's external customers.

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24. Segment reporting (Continued)

a) Properties for lease

This refers to the Company's share in the civil condominium of shopping malls and their respective parking, as well as real estates for lease. This is the Company's major revenue-generating segment, accounting for 92,40% of its gross operating revenue for the period ended March 31, 2020. The determining factor for the amount of revenue and expenses in this segment is the Company's share in each venture, Its revenues and expenses are described below:

Lease revenue

This refers to amounts collected by mall owners (the Company and its shareholders) in connection with the areas leased in their shopping malls and commercial projects. The revenue includes four types of lease: minimum lease (based on a commercial agreement indexed to the IGP-DI), supplementary lease (percentage of sales made by storeowners), merchandising (lease of an area in the mall) and straight-line lease revenue (excludes the volatility and seasonality of minimum lease revenue).

Parking revenues

Revenue from payments made by customers for the time their vehicles are parked in the parking lot.

Expenses

Include expenses on vacant areas, contributions to the promotion fund, legal fees, lease, parking, brokerage fees, and other expenses arising from the interest held in the venture.

As owners of the properties where the shopping malls in which the Company holds interest are located (or cases in which the ownership of the property stems from the lease agreement), the Company is subject to the payment of any additional expenses that are not routine and, therefore, are the condominium's responsibility. The Company is also subject to expenses and costs arising from legal actions necessary for the collection of past due leases, lawsuits in general (eviction, lease renewal or review, among others). Maintenance and operating expenses (common condominium expenses) of the project are the responsibility of storeowners.

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Notes to quarterly information (Continued)
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24. Segment reporting (Continued)

a) Properties for lease (Continued)

Other

Includes depreciation expenses.

The shopping mall assets substantially comprise investment properties of operational shopping malls and commercial buildings, and lease and parking lot revenue receivable.

b) Real estate for sale

Real estate operations include revenues, cost of properties sold and expenses from the real estate for sale projects normally developed in the surrounding areas of the shopping mall. As previously mentioned, this activity contributes to generating customer flows to the shopping mall, thus increasing its revenue. Additionally, the appreciation and convenience brought by a shopping mall to its neighborhood enable the Company to minimize risks and increase revenue from properties sold. Revenues derive from the sale of real estate and their related construction costs. Both are recognized based on the percentage of completion (POC) of the construction work. Expenses arise mainly from brokerage and marketing activities.

Finally, "Other" mainly refers to a real estate project that has been recognized in the statements of financial position and of income in the "Investment" and "Equity pickup" line items, respectively.

Assets in this segment are concentrated in the Company's inventory of land and properties completed and under construction and in accounts receivable.

c) Projects

The operation of projects includes revenues and expenses arising from the development of shopping mall and real estate project for lease. Development costs are recorded in the statement of financial position, but expenses with marketing, brokerage, property taxes (IPTU), feasibility studies and other items are recorded in the Company's statement of income. Likewise, the Company believes that most of its revenue from Key money derives from projects initiated over the last 5 years (average period to recognize key money revenue), thus resulting from the lease of stores during the construction process.

By developing its own projects, the Company is able to ensure the quality of the ventures in which it will hold interest in the future.

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Notes to quarterly information (Continued)
 March 31, 2020
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24. Segment reporting (Continued)

c) Projects (Continued)

Project assets mainly comprise investment properties under construction and accounts receivable (Key money) from leased stores.

d) Management and other

The Company provides management services to its shareholders and storeowners in consideration for a service fee. Additionally, the Company charges brokerage fees from its shareholders for the lease of stores, Management of its shopping malls is essential for the Company's success and is a major area of concern in the Company. On the other hand, the Company incurs expenses on the Headquarters for these services and others, which are considered solely in this segment. This also includes taxes, finance income and costs and other income and expenses that depend on the Company's structure rather than the operation of each segment previously described. Therefore, this segment presents loss.

This segment's assets mainly comprise the Company's cash, deferred taxes and intangible assets.

	March 31, 2020 (Consolidated)				
	Properties for lease	Real estate for sale	Projects	Management and other	Total
Gross revenue	321.084	1.201	(3.615)	28.820	347.490
Costs	(69.999)	(1.232)	-	-	(71.231)
Expenses	(10.394)	(1.352)	(3.200)	(12.169)	(27.115)
Other	40.932	2.886	292	(31.722)	12.389
Income before income and social contribution taxes	281.623	1.503	(6.523)	(15.070)	261.533
Operating assets	7.991.996	636.846	618.968	1.163.706	10.411.516

	March 31, 2019 (Consolidated)				
	Properties for lease	Real estate	Projects	Management and other	Total
Gross revenue	305.407	(83)	(2.544)	31.187	333.967
Costs	(75.476)	105	-	-	(75.371)
Expenses	(5.239)	(821)	(2.118)	(49.700)	(57.878)
Other	(22.610)	3.584	268	(39.112)	(57.870)
Income before income and social contribution taxes	202.082	2.785	(4.394)	(57.625)	142.848
Operating assets	7.051.774	691.509	367.323	913.350	9.023.956

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25. Financial instruments and risk management

The main financial liabilities of the Company refer to loans and financing, trade accounts payable and other accounts payable. Such financial liabilities mainly aim to raise funds for the Company's operations. The Company's main financial assets include accounts receivable, cash and cash equivalents and short-term investments resulting directly from its operations.

The Company is exposed to capital risk and market risks (such as financial credit risk and service risk, interest rate risk and liquidity risk). Company management oversees management of these risks, evaluating and managing them in accordance with the Company's policies. The Company does not participate in derivative trading for speculative purposes.

25.1. Capital risk management

The Company and its subsidiaries manage their capital in order to ensure the continuity of their normal operations, while maximizing the return of their operations to all stakeholders, through the optimization of the use of debt and equity instruments.

The capital structure of the Company and its subsidiaries comprises net debt - loans and financing, debentures and property acquisition obligations (detailed in Notes 12, 14 and 15, respectively), less cash and cash equivalents and short-term investments (detailed in Note 3), and the Company equity (which includes the paid-in capital and reserves, as explained in Note 19).

Debt-to-equity ratio is as follows:

	Individual		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Debt (a)	3,158,773	2,579,037	3,819,979	3,143,930
Cash and cash equivalents and short-term investments	(798,356)	(646,474)	(1,140,803)	(907,969)
Net debt	2,360,417	1,932,563	2,679,176	2,235,961
Equity (b)	5,806,036	5,585,087	5,809,319	5,588,419
Net debt-to-equity ratio	40.65%	34.60%	46.12%	40.01%

(a) Debt is defined as loans and financing, debentures and property acquisition obligations, current and non-current, detailed in Notes 12, 14 and 15.

Of the total defined in item (a) above, R\$624,709 refers to the amount classified in the individual financial statements and maturing in the short-term at March 31, 2020 (R\$475,673 at December 31, 2019) and R\$2,534,065 classified as Non-current at March 31, 2020 (R\$2,103,363,186,095 at December 31, 2019). In the consolidated financial statements, at March 31, 2020, R\$806,796 is classified as current (R\$535,918 at December 31, 2019) and R\$ 3,013,183 as Non-current at March 31, 2020 (R\$ 2.608.012 at December 31, 2019).

(b) Equity includes paid-in capital and reserves.

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25. Financial instruments and risk management (Continued)

25.2. Market risk management

In the industry in which the Company operates, the main market risks are financial risks related to interest rate, credit risk inherent in the provision of services, and credit risk derived from its short-term investments.

The Company's main strategies to hedge its equity against market risks are as follows: (a) significant compatibility between its financial assets and liabilities, aligning time, cost, indexes, currencies and other items; (b) the diversification of its revenues and receivables among the different properties of the Company and the different retail segments derived from the assortment of stores; (c) the application of liquidity on a conservative basis, in investments with immediate liquidity and low credit risk.

Based on its strategy for hedging its equity against market risks, the Company understands that, to date, there has been no need to contract any hedging instrument. This position may be reviewed if, in the future, we identify any inconsistency that could cause risks to finance and operating income (loss) of the Company.

25.2.1. Interest rate risk management

Interest rate risk refers to:

- Possibility of fluctuations in the fair value of loans and financing pegged to fixed interest rates, if such rates do not reflect current market conditions, The Company monitors these indexes on an ongoing basis, The Company has not yet identified the need to take out financial instruments to hedge against interest rate risks;
- Possibility of unfavorable change in interest rates, which would result in increase in finance costs as a result of the debt portion pegged to variable interest rate; and
- Possibility of changes in the fair value of its investment properties, due to effects of changes in the interest rate on the indicators of risk and return used to calculate the discount rate, including beta index, country risk and inflation estimates, The Company monitors these indexes on an ongoing basis,

25.2.2. Credit risk related to service rendering

This risk is related to the possibility of the Company and its subsidiaries posting losses resulting from difficulties in collecting amounts from lease, property sales, key money, management fees and brokerage fees.

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Notes to quarterly information (Continued)
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25. Financial instruments and risk management (Continued)

25.2. Market risk management (Continued)

25.2.3. Financial credit risk

This risk is related to the possibility of the Company and its subsidiaries posting losses resulting from difficulties in realizing short and long-term investments.

25.2.4. Sensitivity analysis

In order to analyze the sensitivity of financial asset and liability indexes to which the Company is exposed as at March 31, 2020, five different scenarios were defined and a sensitivity analysis to fluctuations in the indexes of such instruments was prepared. At March 27, 2020, the IGP-M and IPCA index projection was extracted from the FOCUS Report, the IGP-DI was extracted from FGV' official web site, the CDI index was extracted from the CETIP's official web site, and the reference rate (TR) was extracted from BM&F BOVESPA's official web site for 2020, Such indexes and rates were considered as probable scenario and 25% and 50% decreases and increases were calculated.

Indexes of financial assets and liabilities:

<u>Index</u>	<u>50% decrease</u>	<u>25% decrease</u>	<u>Probable scenario</u>	<u>25% increase</u>	<u>50% increase</u>
CDI	1.83%	2.74%	3.65%	4.56%	5.48%
IGP-DI	3.49%	5.24%	6.98%	8.73%	10.47%
IGP - M	2.07%	3.10%	4.13%	5.16%	6.20%
IPCA	1.47%	2.21%	2.94%	3.68%	4.41%

Financial assets

Gross revenue was calculated for each scenario at March 31, 2020, based on one-year projection and not taking into consideration any tax levied on income, The sensitivity for each scenario is analyzed below.

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Notes to quarterly information (Continued)
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25. Financial instruments and risk management (Continued)

25.2. Market risk management (Continued)

25.2.4. Sensitivity analysis (Continued)

Financial assets (Continued)

Sensitivity of income - 2020

		Individual					
		Balance at 03/31/2020	50% decrease	25% decrease	Probable scenario	25% increase	50% increase
Cash and cash equivalents and short-term investments							
Cash and cash equivalents	N/A	647,647	N/A	N/A	N/A	N/A	N/A
Short-term investments	100% CDI	150,709	2,750	4,126	5,501	6,876	8,251
		798,356	2,750	4,126	5,501	6,876	8,251
Accounts receivable							
Trade accounts receivable - store lease	IGP-DI	45,078	1,573	2,360	3,146	3,933	4,720
Trade accounts receivable - straight-line	N/A	53,870	N/A	N/A	N/A	N/A	N/A
Trade accounts receivable - Key money	IGP-DI	23,538	821	1,232	1,643	2,054	2,464
Trade accounts receivable - real estate for sale units	IGP-M + 12%	14,880	2,093	2,247	2,400	2,554	2,707
Other trade accounts receivable	N/A	16,653	N/A	N/A	N/A	N/A	N/A
		154,019	4,487	5,839	7,189	8,541	9,891
Transactions with related parties							
Shopping Mall Association	N/A	7,838	N/A	N/A	N/A	N/A	N/A
Shopping Mall Condominiums	N/A	3,092	N/A	N/A	N/A	N/A	N/A
Charges	N/A	7,946	N/A	N/A	N/A	N/A	N/A
Sundry loans and advances	N/A	359	N/A	N/A	N/A	N/A	N/A
		19,235	-	-	-	-	-
Total		971,610	7,237	9,965	12,690	15,417	18,142
		Consolidated					
		Balance at 03/31/2020	50% decrease	25% decrease	Probable scenario	25% increase	50% increase
Cash and cash equivalents and short-term investments							
Cash and cash equivalents	N/A	990,094	N/A	N/A	N/A	N/A	N/A
Short-term investments	100% CDI	150,709	2,750	4,126	5,501	6,876	8,251
		1,140,803	2,750	4,126	5,501	6,876	8,251
Accounts receivable							
Trade accounts receivable - store lease	IGP-DI	65,776	2,296	3,443	4,591	5,739	6,887
Straight-line effect	N/A	77,310	N/A	N/A	N/A	N/A	N/A
Trade accounts receivable - Key money	IGP-DI	36,903	1,288	1,932	2,576	3,220	3,864
Trade accounts receivable - real estate for sale units	IGP-M + 12%	14,880	2,093	2,247	2,400	2,554	2,707
Trade accounts receivable - real estate for sale units	IGP-M + 11%	50,309	6,573	7,092	7,612	8,131	8,651
Other trade accounts receivable	N/A	25,251	N/A	N/A	N/A	N/A	N/A
		270,429	12,250	14,714	17,179	19,644	22,109
Transactions with related parties							
Shopping Mall Associations	110% CDI	7,838	N/A	N/A	N/A	N/A	N/A
Shopping Mall Condominiums	110% CDI	4,325	N/A	N/A	N/A	N/A	N/A
Charges	N/A	12,892	N/A	N/A	N/A	N/A	N/A
Loans - other	N/A	279	N/A	N/A	N/A	N/A	N/A
		25,334	-	-	-	-	-
Total		1,436,566	15,000	18,840	22,680	26,520	30,360

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)

March 31, 2020

(In thousands of reais, unless otherwise stated)

25. Financial instruments and risk management (Continued)

25.2. Market risk management (Continued)

25.2.4. Sensitivity analysis (Continued)

Financial liabilities

Finance cost projection - 2020

Individual

The Company calculated gross finance costs for each scenario, not taking into account the taxes levied and the aging list of contracts for 2020. The reporting date used was March 31, 2020, projecting indexes for one year and checking their sensitivity in each scenario.

	Yield	Balance at 03/31/2020	50% decrease	25% decrease	Probable scenario	25% increase	50% increase
Loans and financing							
Banco Itaú PSC	TR + 7.4%	56,879	4,209	4,209	4,209	4,209	4,209
Banco Itaú VLG	TR + 7.4%	152,194	11,262	11,262	11,262	11,262	11,262
Bradesco MTE	CDI + 1.00%	306,190	8,650	11,444	14,238	17,032	19,826
CCB - BB 175M	110% do CDI	78,233	1,571	2,356	3,141	3,926	4,712
CCB - BB 50M	110% do CDI	35,125	705	1,058	1,410	1,763	2,115
CCB - BB 150M	110% do CDI	105,374	2,115	3,173	4,231	5,288	6,346
BB - BRS Exp. VII	TR + 7.60%	48,970	3,722	3,722	3,722	3,722	3,722
CCB ITAU 250	CDI+1.95%	250,446	9,454	11,740	14,025	16,310	18,596
Bradesco MTE JPA	TR 5.15%	339,989	17,509	17,509	17,509	17,509	17,509
Bradesco MTE JPA SWAP	TR + 5.15%	(728)	(38)	(38)	(38)	(38)	(38)
Funding costs	N/A	(28,003)	N/A	N/A	N/A	N/A	N/A
Cia. Real de Distribuição	N/A	285	N/A	N/A	N/A	N/A	N/A
		1,344,954	59,159	66,435	73,709	80,983	88,259
Property acquisition obligations							
Usiminas	IPCA+4.9%	30,969	1,973	2,200	2,428	2,656	2,883
Atlético Mineiro	CDI+3%	310,389	5,665	8,497	11,329	14,161	16,994
Manati	100%CDI	9,944	182	272	363	454	545
Other	N/A	269	N/A	N/A	N/A	N/A	N/A
		351,171	7,820	10,969	14,120	17,271	20,422
Debentures							
3 rd issue of debentures	CDI + 0.87% p.a.	204,881	5,522	7,391	9,261	11,130	13,000
3 rd issue of debentures	107.25% of CDI	305,299	5,976	8,963	11,951	14,939	17,927
7 th issue of debentures	106% of CDI	356,927	6,905	10,357	13,810	17,262	20,714
Funding costs		(2,449)	N/A	N/A	N/A	N/A	N/A
4 th and 5 th issue of debentures (CRI)	95% of CDI	606,916	10,522	15,784	21,045	26,306	31,567
Funding costs		(9,326)	N/A	N/A	N/A	N/A	N/A
		1,462,248	28,925	42,495	56,067	69,637	83,208
Total		3,158,773	95,904	119,899	143,896	167,891	191,889

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

25. Financial instruments and risk management (Continued)

25.2. Market risk management (Continued)

25.2.4. Sensitivity analysis (Continued)

Financial liabilities (Continued)

Finance cost projection - 2019 (Continued)

Consolidated

	Yield	Balance at 03/31/2020	50% decrease	25% decrease	Probable scenario	25% increase	50% increase
Loans and financing							
Banco Itaú PSC	TR + 7.4%	56,879	4,209	4,209	4,209	4,209	4,209
Banco Itaú VLG	TR + 7.4%	152,194	11,262	11,262	11,262	11,262	11,262
Bradesco MTE	CDI + 1.00%	306,190	8,650	11,444	14,238	17,032	19,826
Banco do Brasil 175M	110% do CDI	78,233	1,571	2,356	3,141	3,926	4,712
Banco do Brasil 50M	110% do CDI	35,125	705	1,058	1,410	1,763	2,115
Banco do Brasil 150M	110% do CDI	105,374	2,115	3,173	4,231	5,288	6,346
Banco do Brasil BRS Exp VII	TR + 7.6%	48,970	3,722	3,722	3,722	3,722	3,722
CCB ITAU 250	CDI+1.95%	250,446	9,454	11,740	14,025	16,310	18,596
Bradesco MTE JPA	TR 5.15%	339,989	17,509	17,509	17,509	17,509	17,509
Bradesco MTE JPA SWAP	TR + 5.15%	(728)	(38)	(38)	(38)	(38)	(38)
Morumbi Corporate - DTIY	CDI+0.85%	121,695	3,255	4,366	5,476	6,587	7,697
Morumbi Corporate - GTIY	CDI+0.85%	118,384	3,167	4,247	5,327	6,408	7,488
Bradesco - Canoas	TR+7.5%	310,281	23,271	23,271	23,271	23,271	23,271
Funding costs	N/A	(38,689)	N/A	N/A	N/A	N/A	N/A
Cia. Real de Distribuição	N/A	284	N/A	N/A	N/A	N/A	N/A
		1,884,627	88,852	98,319	107,783	117,249	126,715
Property acquisition obligations							
Usiminas	IPCA+4.90%	30,969	1,973	2,200	2,428	2,656	2,883
Atlético Mineiro	CDI+3%	310,388	5,665	8,497	11,329	14,161	16,994
Manati	100%CDI	9,945	182	272	363	454	545
Jockey	IGPM	8,486	175	263	350	438	526
ParkShopping	120%CDI	113,047	2,476	3,714	4,951	6,189	7,427
Other	N/A	269	N/A	N/A	N/A	N/A	N/A
		473,104	10,471	14,946	19,421	23,898	28,375
Debentures							
3 rd issue of debentures	CDI + 0.87%	204,881	5,522	7,391	9,261	11,130	13,000
3 rd issue of debentures	107.25% of CDI	305,299	5,976	8,963	11,951	14,939	17,927
7 th issue of debentures	106% of CDI	356,927	6,905	10,357	13,810	17,262	20,714
Funding costs		(2,449)	N/A	N/A	N/A	N/A	N/A
4 th and 5 th issue of debentures (CRI)	95% of CDI	606,916	10,522	15,784	21,045	26,306	31,567
Funding costs		(9,326)	N/A	N/A	N/A	N/A	N/A
		1,462,248	28,925	42,495	56,067	69,637	83,208
Total		3,819,979	128,248	155,760	183,271	210,784	238,298

Part of the Company's financial assets and liabilities are pegged to interest rates and indexes that may vary, which represents a market risk for the Company.

For the quarter ended March 31, 2020, the Company's financial assets and liabilities generated net finance income (costs) amounting to R\$23,142.

Multiplan Empreendimentos Imobiliários S.A.

Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

25. Financial instruments and risk management (Continued)

25.2. Market risk management (Continued)

25.2.4. Sensitivity analysis (Continued)

Financial liabilities (Continued)

Finance cost projection - 2019 (Continued)

Consolidated (Continued)

The Company understands that an increase in interest rates, in indexes, or in both may cause an increase in finance costs, negatively impacting the Company's net finance income (costs). Likewise, a decrease in interest rates, in indexes, or in both may cause a decrease in finance income, negatively impacting the Company's net finance income (costs).

25.2.5. Liquidity risk management

Management of the Company and its subsidiaries manages liquidity risk by keeping adequate reserves, bank credit facilities and credit facilities to raise loans and financing, through the ongoing monitoring of forecasted and realized cash flows and combination of the maturity profiles of financial assets and liabilities.

The following table shows, in detail, the remaining contractual maturity of financial liabilities of the Company and the contractual amortization terms. This table was prepared in accordance with the undiscounted cash flows of financial liabilities based on the nearest date on which the Company shall settle the respective obligations:

March 31, 2020	Individual			Total
	Up to one year	From one to three years	Over three years	
Loans and financing	292,332	809,488	665,895	1,767,715
Property acquisition obligations	171,960	194,900	3,750	370,610
Debentures	253,067	441,206	1,107,507	1,801,780
Total	717,359	1,445,594	1,777,152	3,940,105

December 31, 2019	Individual			Total
	Up to one year	From one to three years	Over three years	
Loans and financing	283,831	539,676	650,678	1,474,185
Property acquisition obligations	30,886	-	-	30,886
Debentures	264,958	448,541	1,073,160	1,786,659
Total	579,675	988,217	1,723,838	3,291,730

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Notes to quarterly information (Continued)
 March 31, 2020
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25. Financial instruments and risk management (Continued)

25.2. Market risk management (Continued)

25.2.5. Liquidity risk management (Continued)

March 31, 2020	Consolidated			
	Up to one year	From one to three years	Over three years	Total
Loans and financing	386,742	1,002,218	1,111,166	2,500,126
Property acquisition obligations	291,951	198,899	5,665	496,515
Debentures	253,067	441,206	1,107,507	1,801,780
Total	931,760	1,642,323	2,224,338	4,798,421

December 31, 2019	Consolidated			
	Up to one year	From one to three years	Over three years	Total
Loans and financing	379,683	730,765	1,116,202	2,226,650
Property acquisition obligations	36,132	5,289	1,938	43,359
Debentures	264,958	448,541	1,073,160	1,786,659
Total	680,773	1,184,595	2,191,300	4,056,668

Derivatives

March 31, 2020								
Swap transaction	Purpose of derivative	Assets/liabilities	Maturity	Notional value	Long position	Short position	Difference in fair value receivable (payable)	Difference in curve receivable (payable)
Interest rate swaps								
Financing - Bradesco	Change in interest rate for financing construction - ParkJacarepaguá	TR + 5.15% v, 105.85% of CDI	12/21/2020	332,500	340,099	339,371	5,095	728

December 31, 2019								
Swap transaction	Purpose of derivative	Assets/liabilities	Maturity	Notional value	Long position	Short position	Difference in fair value receivable (payable)	Difference in curve receivable (payable)
Interest rate swaps								
Financing - Bradesco	Change in interest rate for financing construction - ParkJacarepaguá	TR + 5.15% v, 105.85% of CDI	12/21/2020	332,500	335,809	335,762	1,476	47

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Notes to quarterly information (Continued)
 March 31, 2020
 (In thousands of reais, unless otherwise stated)

25. Financial instruments and risk management (Continued)

25.3. Category of the main financial instruments

The main financial instruments classified by category are as follows:

	Individual		Consolidated	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
Financial assets at fair value through profit or loss				
Short-term investments	150,709	623,912	150,709	871,506
Financial assets at amortized cost				
Accounts receivable	154,019	215,395	270,429	340,522
Related-party receivables	19,235	19,869	25,334	24,310
Financial liabilities at amortized cost				
Loans and financing	1,344,954	1,102,476	1,884,627	1,657,635
Property acquisition obligations	351,171	269	473,104	40,493
Debentures	1,462,248	1,445,802	1,462,248	1,445,802

The fair values and carrying amounts of financial liabilities stated in the statements of financial position are as follows:

Instruments	Individual			
	March 31, 2020		December 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans and financing	1,372,957	1,436,736	1,127,360	1,154,344
Debentures	1,474,023	1,494,340	1,458,648	1,433,414
Total funding	2,846,980	2,931,076	2,586,008	2,587,758
Total funding costs	(39,778)		(37,730)	
Total funding, net	2,807,202		2,548,278	

Instruments	Consolidated			
	March 31, 2020		December 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans and financing	1,923,317	1,965,828	1,693,567	1,688,368
Debentures	1,474,023	1,494,340	1,458,648	1,433,414
Total funding	3,397,340	3,460,168	3,152,215	3,121,782
Total funding costs	(50,465)		(48,777)	
Total funding, net	3,346,875		3,103,438	

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Notes to quarterly information (Continued)
March 31, 2020
(In thousands of reais, unless otherwise stated)

25. Financial instruments and risk management (Continued)

25.3. Category of the main financial instruments (Continued)

Valuation techniques and assumptions applied for purposes of fair value calculation

The estimated fair values of financial assets and liabilities of the Company and its subsidiaries have been determined using available market information and appropriate valuation methodologies in conformity with the financial statements for the year ended December 31, 2019.

Financial instruments measured at fair value after initial recognition are grouped into specific categories (levels 1, 2 and 3), according to the corresponding observable level of fair value:

- Measurements of level 1 fair value are obtained from prices quoted (unadjusted) in active markets for identical assets or liabilities.
- Measurements of level 2 fair value are obtained by means of variables other than the quoted prices included in level 1, which are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).
- Measurements of level 3 fair value are obtained from non-observable market variables.

Management understands that the fair values applicable to the Company's financial instruments fall into Level 2.

26. Earnings per share

The table below shows information on income and shares used to calculate basic and diluted earnings per share:

		March 31, 2020		March 31, 2019	
		Individual	Consolidated	Individual	Consolidated
A	Weighted average number of shares issued	600,760,875	600,760,875	600,760,875	600,760,875
B	Treasury shares (average)	2,790,903	2,790,903	6,220,616	6,220,616
C= A - B	Outstanding shares (average)	597,969,972	597,969,972	594,540,259	594,540,259
D	Dilutive earnings	3,810,499	3,810,499	2,743,248	2,743,248
E	Net earnings for the period attributed to the Company's shareholders	178,647	177,749	91,964	91,946
E/C	Earnings per share	R\$0.2988	R\$0.2973	R\$0.1547	R\$0.1547
E/(C+D)	Adjusted earnings/share	R\$0.2969	R\$0.2954	R\$0.1540	R\$0.1539

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Notes to quarterly information (Continued)

March 31, 2020

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27. Subsequent events

On April 8, 2020, the Company and Previdência Usiminas renegotiated the payment of the installment of R\$30,000 through the Deed of Re-ratification of the Purchase and Sale Commitment. The payment was renegotiated for April 13, 2021, and the amount remains restated by the Extended Consumer Price Index - IPCA plus interest of 4.90% p.a., as of April 14, 2020.

On April 15, 2020, the Company entered into a bank credit note with Banco Itaú Unibanco S.A, to finance the acquisition of a stake in ParkShopping, through its subsidiary Multiplan Parkshopping e Participações Ltda., represented by the interest of 20% of registrations held by the seller IRB Investimentos e Participações Imobiliárias S.A. The total financing amount is R\$225,000 is to be released in two tranches of R\$112,500 on April 17, 2020 and June 17, 2020. The charges on this financing vary by reference to the benchmark interest rate (Selic), according to the table described at the end of this note, Its amortization will be carried out in 180 consecutive monthly installments starting May 17, 2020. As a guarantee for the loan, the Company sold in a fiduciary manner interest of 67.56% over the 50% portion it held in the registrations involved in transaction and set up a fiduciary assignment of credit rights arising from the same interest above of ParkShopping's net operating income.

Intervals	Contract Rate
If Selic \leq 3.75%	TR + 5.00%
If Selic between $>$ 3.75% and \leq 4.25%	TR + 5.50%
If Selic between $>$ 4.25% and \leq 5.00%	TR + 6.00%
If Selic between $>$ 5.00 % and \leq 6.0%	TR + 6.50%
If Selic between $>$ 6.0% and \leq 7.25%	TR + 7.50%
If Selic between $>$ 7.25% and \leq 8.25%	TR + 8.20%
If Selic $>$ 8.25%	TR + 8.60%

On April 23, 2020, the Company completed the transaction provided for in the Investment Agreement entered into on January 20, 2020, as amended on April 16, 2020, whereby it now holds a 22.95% interest in the capital of Delivery Center Holding S.A., through subscription of 159,675 new common shares at the issue price of R\$117,42 each, This contribution, totaling R\$18.7 million, will be paid in nine equal and successive monthly installments, the first of which was paid on April 23, 2020 and the others will be due on the same day of the subsequent months until December 2020.