

HBR

HBRE
B3 LISTED NM

Earnings Release

Presentation

2Q24

[Videoconference](#)

Date: 08-09-2024

At 3pm (Brasília) and

2 pm (New York)

[Click here](#)

ComVem Patteo São Paulo

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- Factors that may affect HBR Realty's operational and economic and financial performance include but are not limited to: (i) macroeconomic situation (ii) risks associated with real estate activity; (iii) lack of funding to meet our activities and needs; (iv) possible problems of delays and failures in our real estate developments; (v) success of our partnerships; (vi) competitiveness of the real estate sector; (vii) changes in the legislation regulating the sector.
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- The information expressed in this report should be evaluated by following the Financial Statements and their respective explanatory notes. Operating data and managerial information, including EBITDA calculation, Adjusted EBITDA, were adjusted to reflect the effects of unconsolidated ventures by the Company, adjusted to the participation in each enterprise. Such information was not reviewed by the independent auditors. All IFRS information was extracted directly from the Company's audited Financial Statements and followed international financial reporting standards and standards (IFRS).



Key Messages

Net revenue totals R\$ 36.6 million in 2Q24, up 7.5% YoY on the HBR Malls platform, and Adjusted EBITDA reaches R\$18.3 million with a 4.2% reduction in SG&A

Performance 2Q24

R\$ 41.1 millions

Gross Revenue stable in the quarter and 1% growth in 6M24

R\$ 36.6 millions

Net Revenue

R\$ 28.8 millions

NOI – with 79% margin

R\$ 18.3 millions

Adjusted EBITDA grows 12% vs 1Q24, and remains stable compared to 2Q23.

Operational Highlights

ComVem

- **GLA grows 20%** compared to 2Q23
- **Occupancy rate increases 2.p.p.** and consolidates at **84%**
- **29 new contracts signed** that exceed 4,000 sqm of GLA

Malls

- Patteo Urupema Shopping | **1st Year**
- Suzano Shopping | **Abrasce Award**
- **2024**
10% growth in total sales

Opportunities

- Gross accommodation revenue totals **R\$ 4.3 million** in 2Q24, up **8%**
- +BOX captures **R\$ 1.1 million** in gross revenue, up **13%**

Strategic Agenda

- Updates on the sale process of the **Ibis Styles Anhembi Hotel** and the **Bradesco BBI mandate**
- **Termination of HBR 55 project** – Conselheiro Carrão
- Sale of the **HBR 30 project** – ComVem Caçapava in the form of an exchange for the acquisition of a complementary stake in the **HBR 10 project** - ComVem Downtown



Sustainability Report 2023

As a subsequent event, in July, the Company released its 2023 Sustainability Report, which includes the main initiatives of the ESG pillars.

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Operational Performance 2T24

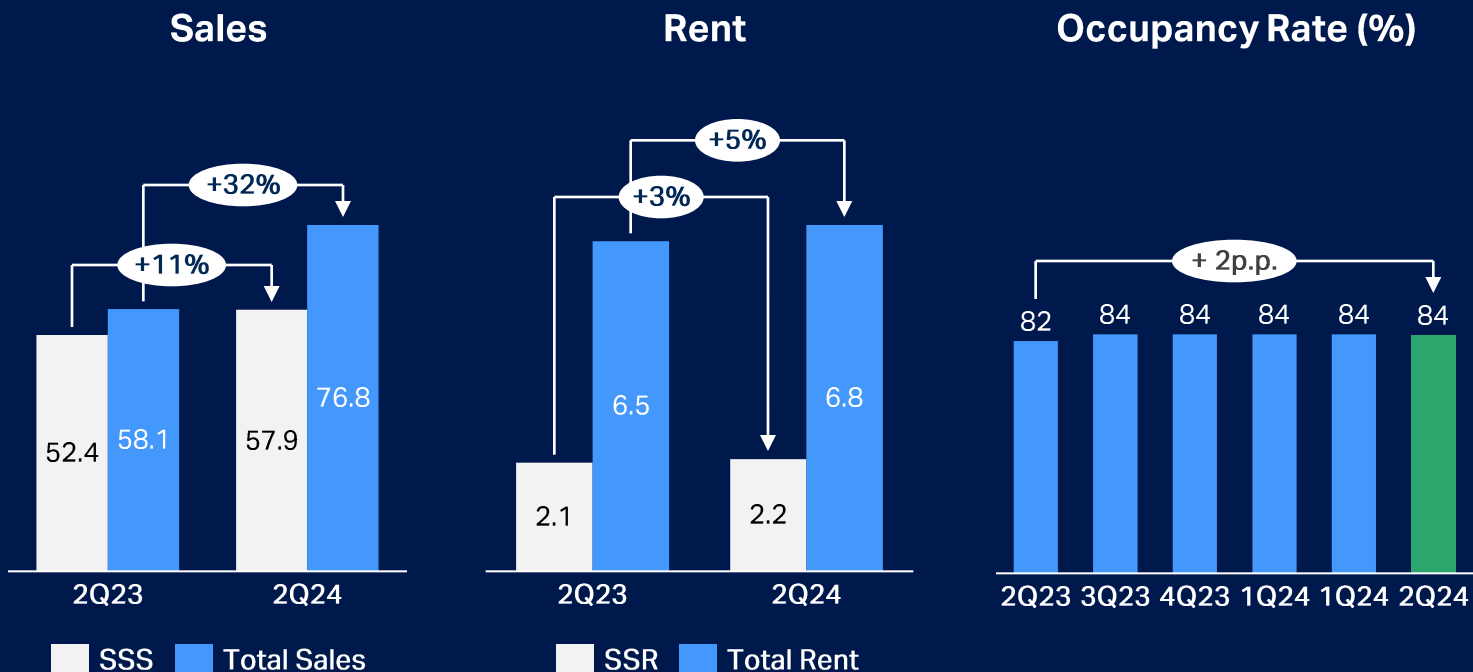


ComVem Brigadeiro

Operational Performance



Sales grow 32% and total R\$76.8 million, and SSS advances 10.7%



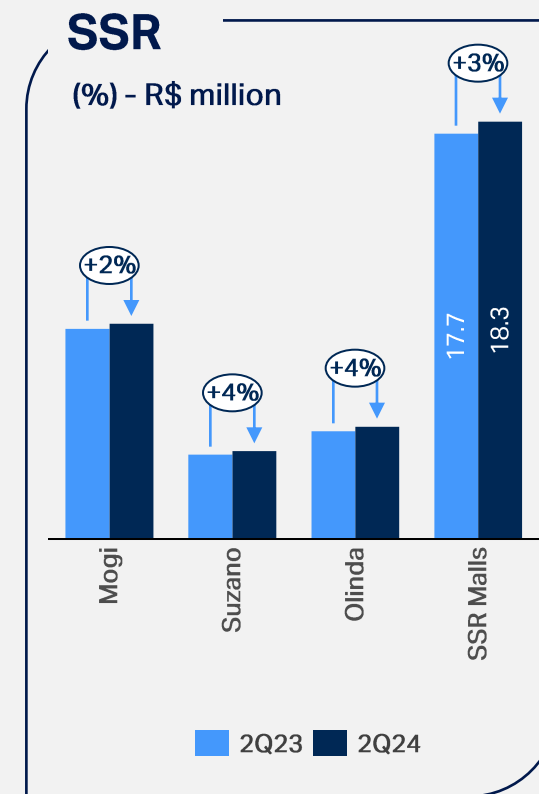
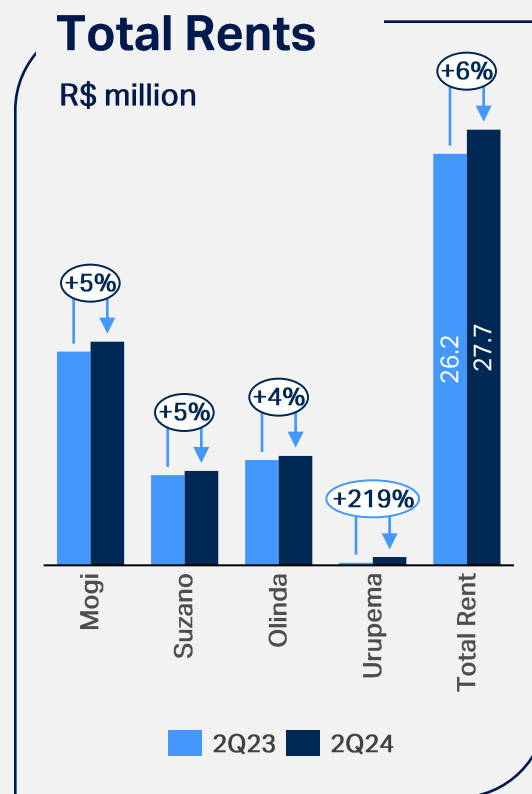
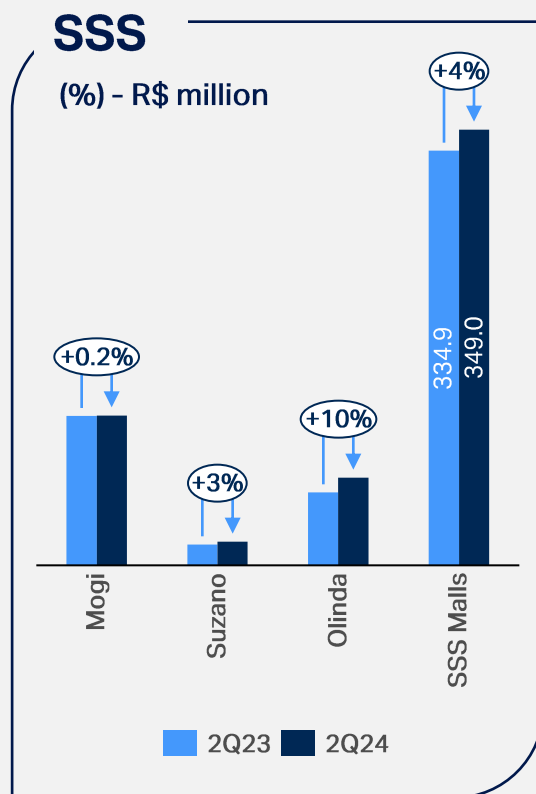
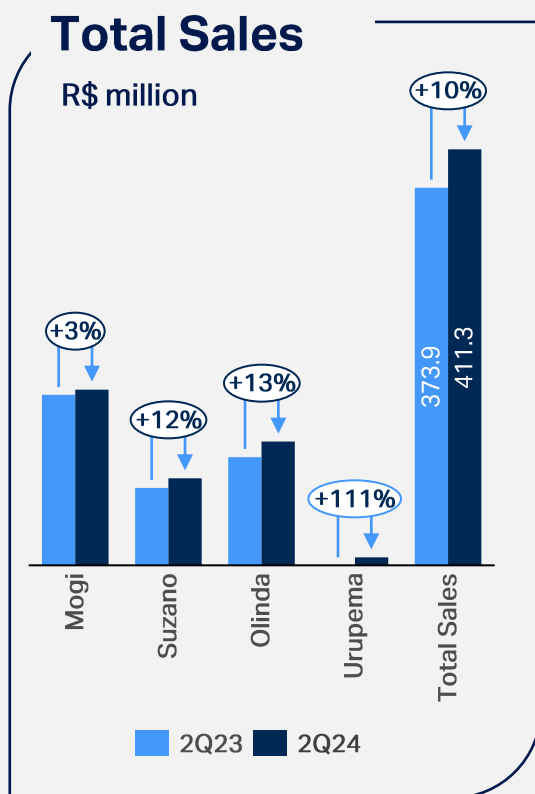
2Q24 Highlights

- **R\$ 76.8 million in total sales**
Expansion of 32.1% vs 2Q23 and SSS of 10.7%
- **Rents grow 4.9%**
SSR consolidates 3.1%
Growth above the IGP-M inflation index
- **41.263 sqm of total GLA in operation**
+ 20% GLA expansion vs. 2Q23
- **Occupancy Rate 84%**
2 p.p. advance versus 2Q23
- **29 Contracts Signed**
14 Stores opened

Operational Performance

HBR Malls

Total Sales grow 10% and SSS advances 4.2% vs 2Q23



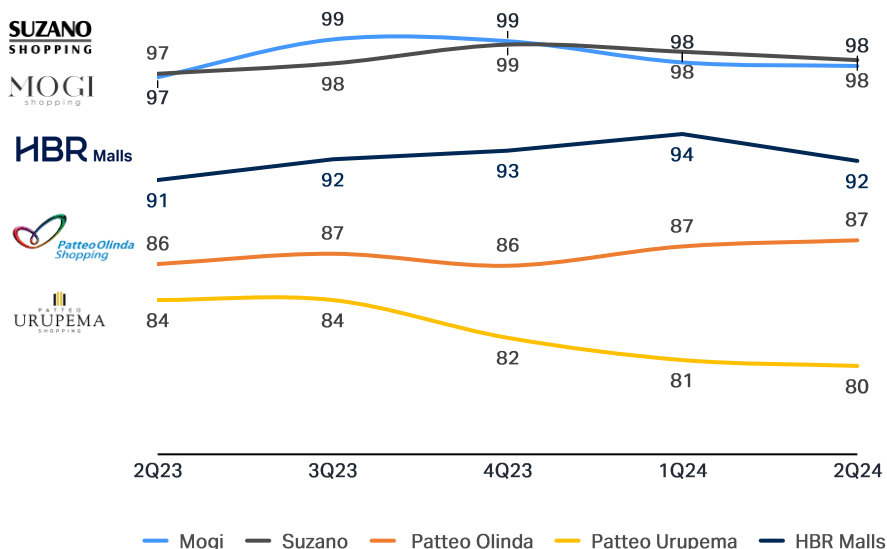
* Shopping Patteo Urupema is not yet included in the SSS and SSR breakdowns by asset, as it does not have the complete time base for 2Q23.

Operational Performance

HBR Malls

Net revenue grows 7.5% vs 2Q23 and occupancy rate up 1 p.p. consolidating 92%

Occupation (%)



2Q24 Highlights

- **Occupancy rate reaches higher level than 2Q23**
Indicator advances 1.p.p. in comparison
- **Growth in Total Sales**
Expansion of 10.0% (YoY), totaling R\$ 411.3 million
- **1st Anniversary Patteo Urupema Shopping**
- **ABRASCE Award**
Suzano Shopping wins Bronze Trophy in the Institutional Campaigns category



Suzano Shopping

Operational Performance

HBR_{3A}

Highlights

- Consistent performance with 100% occupancy rate since 4Q20
- NOI grows 4.6% compared to 2Q23
- Conclusion of the single-user lease agreement for the HBR Corporate Pinheiros project, and 88% of the work completed

8 ongoing
project
in the city
São Paulo



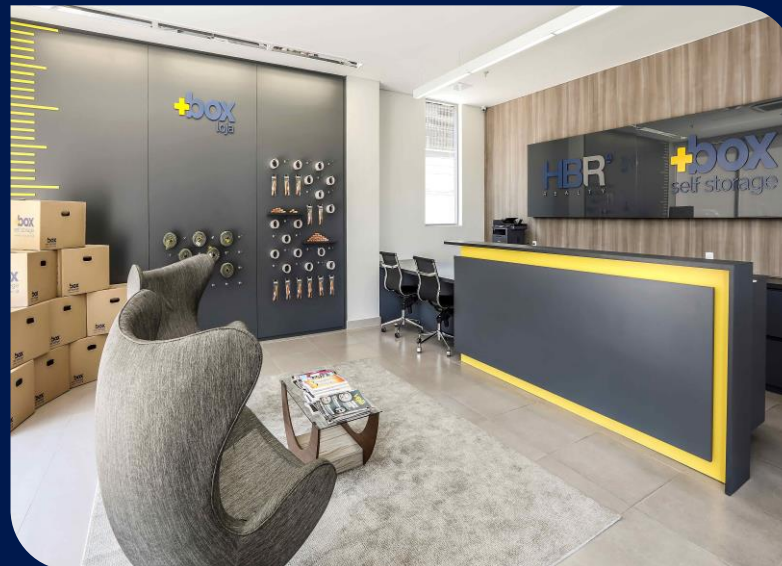
Operational Performance

HBR Opportunities

Hotels total R\$4.3 million in gross accommodation revenue, and **+box** reached record revenue and occupancy rate

5 assets in operation

- + Box Self Storage reached record revenue and occupancy rate in 2Q24. Gross revenue totaled R\$1.1 million and the occupancy rate increased by 7.6 p.p., reaching 82%
- Gross accommodation revenue totals R\$4.3 million in the quarter, and Ibis Styles Anhembi grows by more than 50%
- Hotel W records 96.1% completion of construction



+ Box Self Storage

Current portfolio, new businesses and delivery pipeline

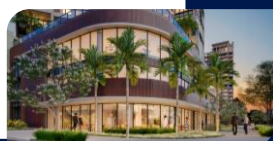
Projects in prime locations in the urban centers of the city of São Paulo

Upcoming Deliveries

ComVem Moema

Delivery on 2S24

1.945 sqm in Total GLA



ComVem Patteo Klabin

Delivery on 2S24

7.105 sqm in Total GLA



Hotel W São Paulo

Delivery on 2S24

9.642 sqm in Total GLA



ComVem + 3A Pinheiros

Delivery on 2S24

17.242 sqm in Total GLA



ComVem + 3A Itaim 2 Cyrela

Delivery on 2S25

9.887 sqm in Total GLA



ComVem + 3A Cotovia Cyrela

Delivery on 1S26

7.157 sqm in Total GLA



ComVem + 3A Carandá Ascendino Reis Cyrela

Delivery on 1S26

7.822 sqm in Total GLA



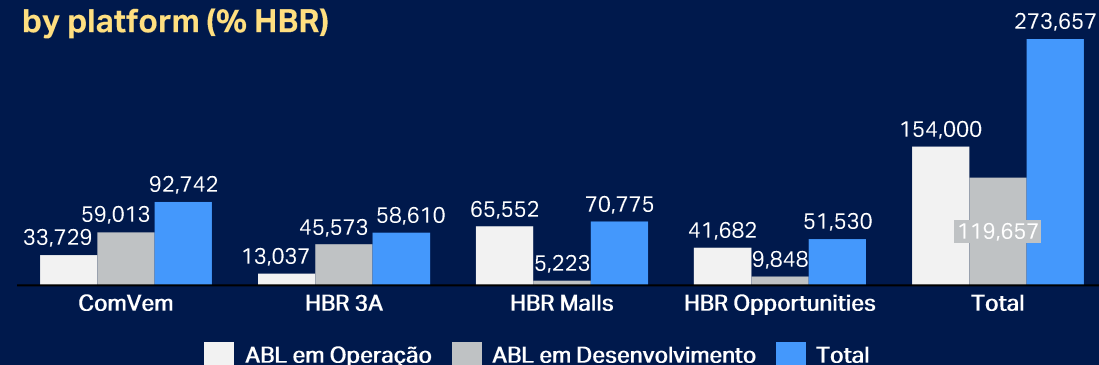
ComVem + 3A Paulista

Delivery on 1S27

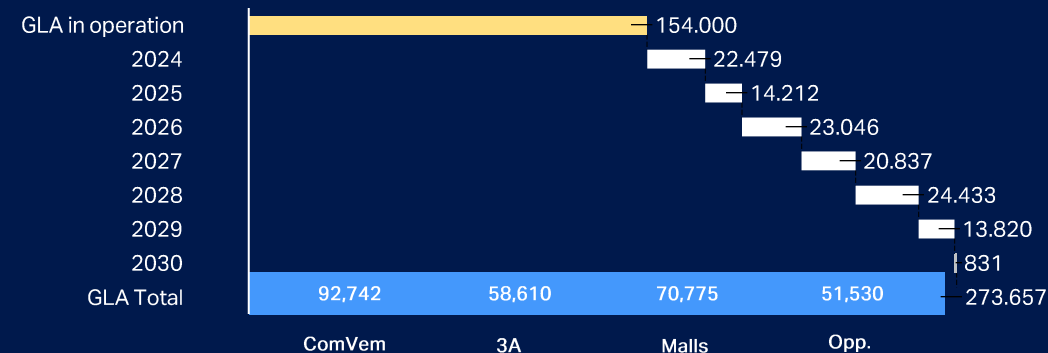
9.319 sqm in Total GLA



Analysis of the evolution of GLA by platform (% HBR)



Delivery Schedule (% HBR)



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Financial Data 2Q24



Patteo Olinda Shopping

Management DRE

Gross revenue stable compared to 2Q23 and 4.2% savings in SG&A

R\$ (thousand)	2Q24	2Q23	Var. % 2Q24/2Q23
Gross Revenue	41,139	41,339	-0.5%
Deductions from Revenues	(4,505)	(4,268)	5.6%
Net Revenue	36,634	37,071	-1.2%
Costs	(7,804)	(6,981)	11.8%
Gross Profit (NOI)	28,830	30,090	-4.2%

Revenues and Expenses	2Q24	2Q23	Var. % 2Q24/2Q23
Administrative Expenses	(11,024)	(11,082)	-0.5%
Selling Expenses	(558)	(829)	-32.7%
Tax Expenses	(88)	(270)	-67.4%
Other Expenses and Revenues	(116)	91	-
Change in Fair Value of Investment Properties	(4,328)	-	-
Income before Financial Income	12,716	18,000	-29.4%

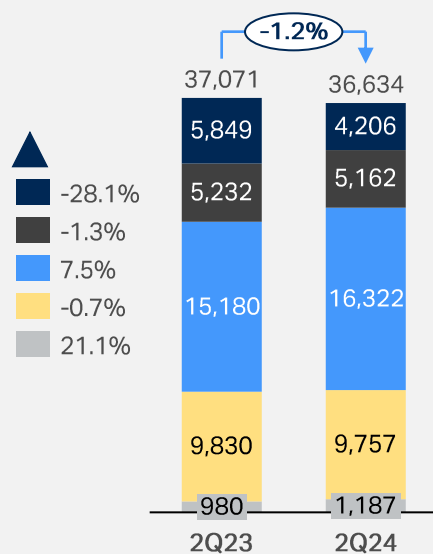
Financial Income	2Q24	2Q23	Var. % 2Q24/2Q23
Financial Expenses	(38,164)	(34,764)	9.8%
Financial Revenues	5,766	7,528	-23.4%

Earnings before Income Tax and Social Contribution	2Q24	2Q23	Var. % 2Q24/2Q23
Current Income Tax and Social Contribution	(1,733)	(1,537)	12.8%
Deferred Income Tax and Social Contribution	1,962	-	-
Net Income (loss) for the Period	(19,453)	(10,773)	80.6%

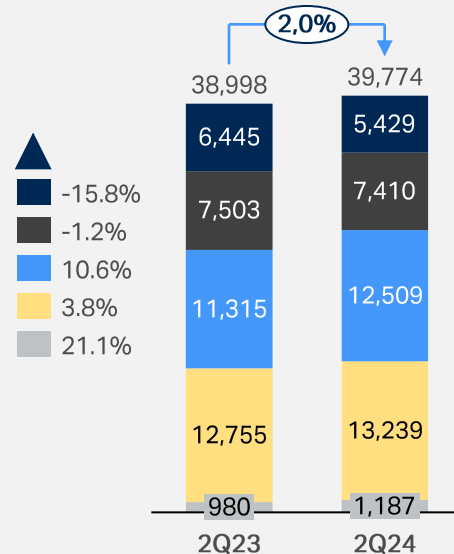
Financial Data

- Net managerial revenue totals R\$ 36.6 million, with a slight decrease compared to 2Q23, and growth of 4% vs 1Q24
- Managerial NOI totaled R\$ 28.8 million in 2Q24, with a margin of 79%

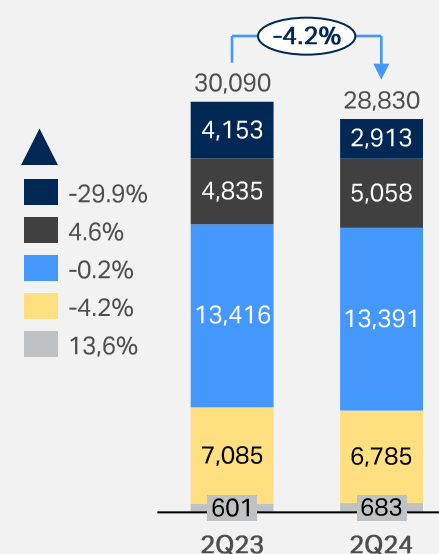
Managerial Net Revenue (R\$ thousand)



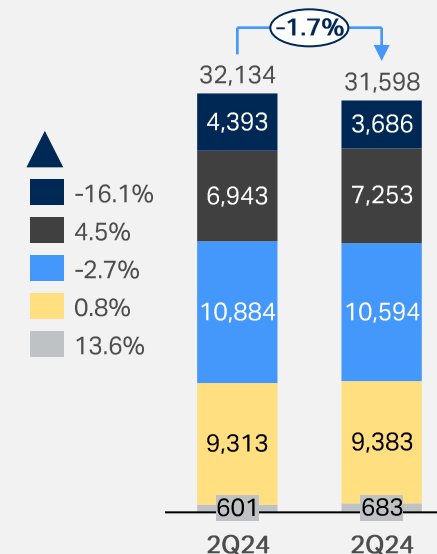
IFRS Net Revenue (R\$ thousand)



Management NOI (R\$ thousand)



IFRS Net NOI (R\$ thousand)



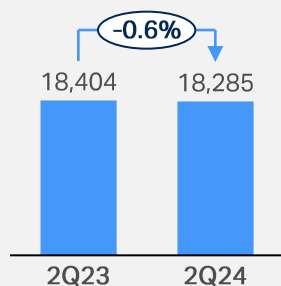
ComVem
 HBR 3A
 HBR Malls
 HBR Opportunities
 Outras Receitas Holding

¹ Variation in revenue and NOI of the ComVem platform is due to movements in the HBR-12 project (discounts and termination), in addition to the amount reported in 2Q23 incorporating Patteo Urupema Shopping into its base, an asset that was reclassified to the HBR Malls platform in 3Q23.

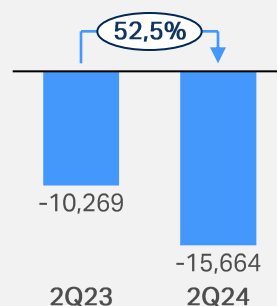
Financial Data

- Adjusted EBITDA of R\$ 18.3 million stable compared to the previous year
- At the end of 2Q24, adjusted FFO totaled negative R\$ 15.7 million in the quarter, compared to negative R\$10.3 million in 2Q23

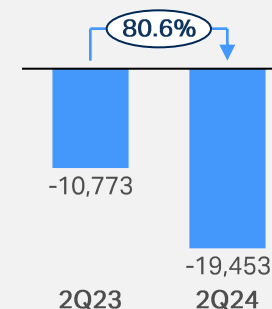
Management Adjusted EBITDA (R\$ thousand)



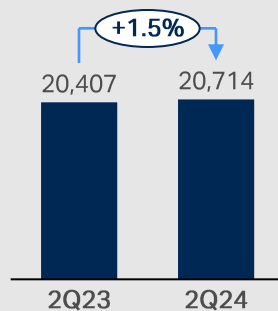
Management Adjusted FFO (R\$ thousand)



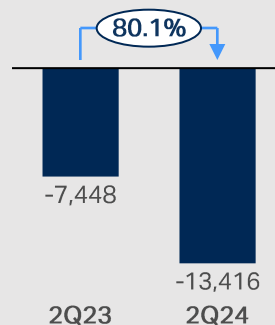
Managerial Net Profit (Loss) (R\$ thousand)



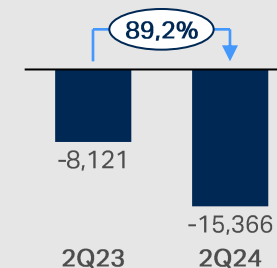
IFRS Adjusted EBITDA (R\$ thousand)



IFRS Adjusted FFO (R\$ thousand)



IFRS Net Profit (Loss) (R\$ thousand)

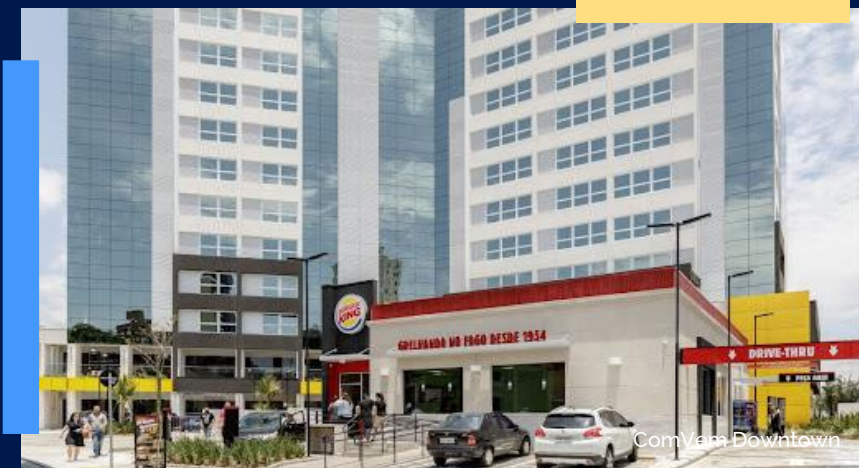


Capex and Strategic Assets Sale

- Capex plan is based on the agenda for recycling mature assets
- In June, the Company hired Bradesco BBI to lead asset negotiations on the 3A and Malls platforms

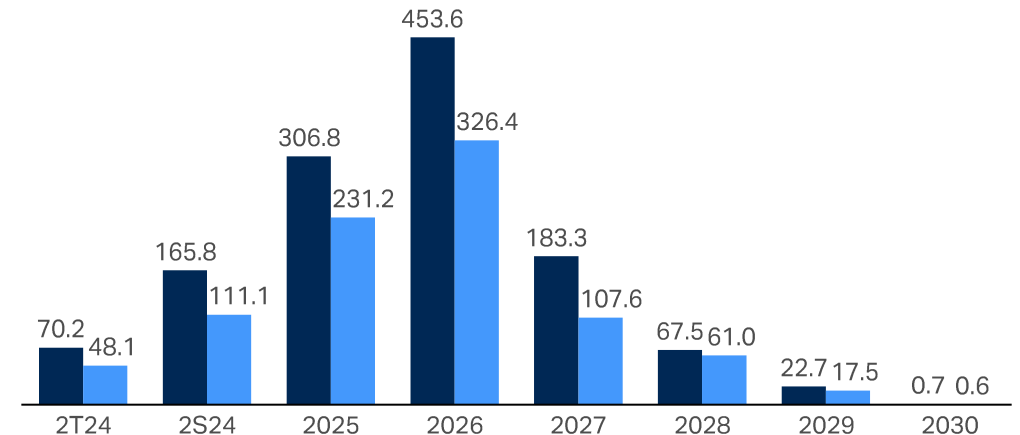
— Recent Portfolio Movements

- Termination of HBR 55 project – Conselheiro Carrão
- Sale of the HBR 30 project – ComVem Caçapava in the form of an exchange for the acquisition of a complementary stake in the HBR 10 project - ComVem Downtown



— Investment Curve | Capex

R\$ million



— Total Capex to be incurred **R\$ 1.2 bi**

— HBR Stake to be Incurred **R\$ 855.4 mi**

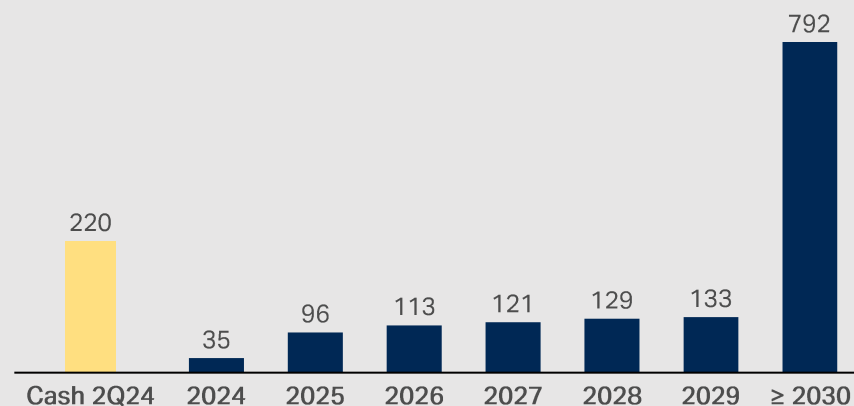
Managerial Indebtedness

Debt with an extended profile with a positive impact on free cash flow

- Net debt consolidated to the amount of R\$ 1.2 billion at the end of 2Q24
- The net debt/PPI ratio was established at 34.8%
- The Company's debt has an extended profile with attractive pre and post-fixed rates
- Below we present the amortization schedule and the distribution of gross debt among the Company's platforms:

Debt Amortization Schedule

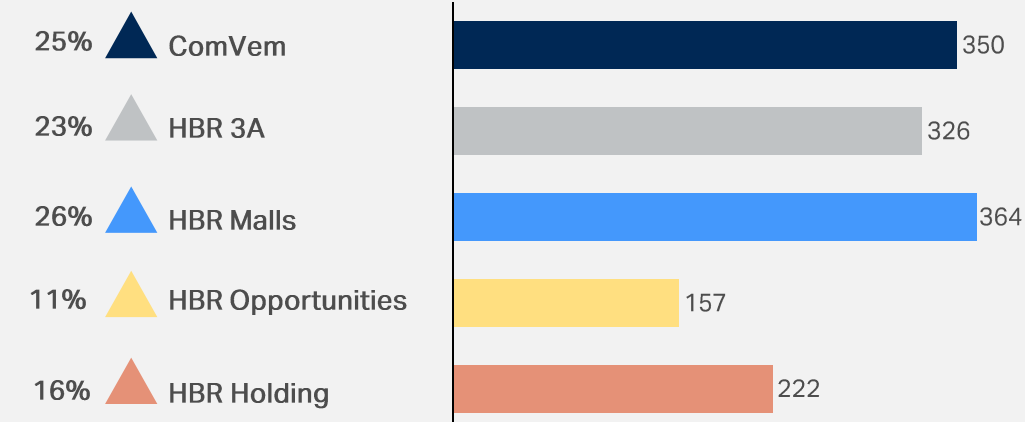
(R\$ million - %HBR)



*The amortization schedule considers the maturities of loans, financing and debentures of HBR's stake in each of the companies.

Gross Debt

(R\$ million - %HBR)





Talk to RI



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HBR is not responsible for investment decisions made. Potential investors should make their own analysis of the Company's conditions and its business strategy.