



Financial statements

**Allpark Empreendimentos, Participações e Serviços
S.A.**

September 30, 2021
with Independent Auditor's Report



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 NBC TG 21 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

To the Shareholders, Board of Directors and Officers of
Allpark Empreendimentos, Participações e Serviços S.A.
São Paulo – SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Allpark Empreendimentos, Participações e Serviços S.A. (the "Company") for the quarter ended September 30, 2021, comprising the statement of financial position as at September 30, 2021 and the related statements of profit or loss and of comprehensive income for the three- and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 - Interim Financial Reporting, and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (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 auditing standards 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 financial information

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

Other matters

Statements of value added

The accompanying quarterly information includes the individual and consolidated statements of value added (SVA) for the three- and nine-month periods ended September 30, 2021, prepared under the responsibility of the Company's management and presented as supplementary information for purposes of IAS 34. These statements were subject to review procedures performed in conjunction with the review of the quarterly information, with the purpose of concluding whether they are reconciled with the interim accounting 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 Added Value. Based on our review, nothing has come to our attention that causes us to believe they were not prepared, in all material respects, in accordance with the criteria defined in the abovementioned standard and consistently with the overall individual and consolidated interim financial information.

São Paulo, November 10, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6



Flávio Serpejante Peppe
Accountant CRC-1SP172167/O-6

Allpark Empreendimentos, Participações e Serviços S.A.

Statements of financial position
September 30, 2021 and December 31, 2020
(In thousands of reais - R\$)

		Individual		Consolidated	
	Note	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Assets					
Current assets					
Cash and cash equivalents	4	20,915	5,710	64,826	42,109
Accounts receivable	5	41,269	40,739	56,391	49,942
Taxes recoverable	6	40,539	42,739	49,097	49,415
Prepaid expenses		3,172	1,668	7,426	4,035
Advances to suppliers		702	530	1,405	1,183
Advances to employees		1,518	1,724	1,713	2,114
Prepaid leases		329	404	343	418
Transactions with related parties	17.1	9,218	10,083	19,840	22,833
Other receivables	7	37,743	30,787	37,860	30,930
Total current assets		155,405	134,384	238,901	202,979
Noncurrent assets					
Taxes recoverable	6	18,536	20,912	28,912	32,012
Transactions with related parties	17.1	115	18	371	275
Judicial deposits	18	4,340	9,763	6,276	11,265
Prepaid expenses		3,354	3,607	3,672	4,578
Other receivables	7	20,515	14,053	20,515	14,053
Investment property	8	13,548	13,800	13,548	13,800
Investments	9	323,355	446,010	16,400	20,158
Property and equipment	11	155,787	163,646	229,868	238,339
Right of use	10	70,333	88,787	458,085	509,410
Intangible assets	12	521,698	547,117	1,583,515	1,650,236
Total noncurrent assets		1,131,581	1,307,713	2,361,162	2,494,126

Total assets	1,286,986	1,442,097	2,600,063	2,697,105
--------------	------------------	-----------	------------------	-----------

See accompanying notes.

Allpark Empreendimentos, Participações e Serviços S.A.

Statements of financial position
September 30, 2021 and December 31, 2020
(In thousands of reais - R\$)

	Note	Individual		Consolidated	
		9/30/2021	12/31/2020	9/30/2021	12/31/2020
Liabilities and equity					
Current liabilities					
Loans, financing and debentures	13	214,465	301,366	395,703	473,634
Derivative financial instruments	14	5,135	-	5,135	-
Trade accounts payable		34,001	38,595	116,364	82,511
Lease liability	15	30,762	34,482	115,461	139,059
Concession rights payable	16	-	-	52,257	50,064
Accounts payable for investments made		6,848	2,000	6,848	2,000
Labor obligations		31,346	23,258	37,519	27,557
Tax obligations		10,044	5,278	14,872	8,290
Tax payment in installments		60	133	132	230
Advances from customers		1,655	1,599	17,609	10,158
Transactions with related parties	17.2	1,061	727	85	22
Provision for losses on investees	9	12,257	15,039	-	-
Other payables		11,378	14,217	14,229	16,882
Total current liabilities		359,012	436,694	776,214	810,407
Noncurrent liabilities					
Loans, financing and debentures	13	360,149	238,088	496,026	391,569
Lease liability	15	55,238	71,019	463,038	475,934
Trade accounts payable		1,080	1,625	2,761	1,768
Concession rights payable	16	-	-	322,647	297,544
Accounts payable for investments made		-	3,815	-	3,815
Tax payment in installments		58	101	96	167
Transactions with related parties	17.2	-	5,700	654	18
Provision for contingencies	18	6,862	6,862	22,216	25,239
Other payables		-	-	3,588	3,654
Total noncurrent liabilities		423,387	327,210	1,311,026	1,199,708
Total liabilities		782,399	763,904	2,087,240	2,010,115
Equity	20				
Capital		514,460	512,453	514,460	512,453
Capital reserve		768,198	769,674	768,198	769,674
Accumulated losses		(778,071)	(603,934)	(778,071)	(603,934)
Total equity		504,587	678,193	504,587	678,193
Non-controlling interests		-	-	8,236	8,797
		504,587	678,193	512,823	686,990
Total liabilities and equity		1,286,986	1,442,097	2,600,063	2,697,105

See accompanying notes.

	Note	Individual				Consolidated			
		1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020
Net revenue from services rendered	21	398,940	156,272	360,387	105,098	569,784	228,674	464,745	135,540
Cost of services rendered	22	(308,560)	(120,660)	(262,969)	(76,233)	(430,455)	(166,399)	(342,956)	(98,495)
Gross profit		90,380	35,612	97,418	28,865	139,329	62,275	121,789	37,045
Operating income (expenses)									
General and administrative expenses	22	(56,473)	(20,134)	(50,721)	(17,080)	(64,156)	(22,919)	(59,518)	(20,060)
Amortization of intangible assets	12	(47,387)	(15,776)	(48,805)	(16,269)	(109,660)	(36,591)	(83,996)	(38,748)
Other operating income (expenses), net	22	(1,740)	(2,700)	272	(1,004)	(1,826)	(2,617)	1,391	129
Equity pickup	9	(123,073)	(31,601)	(88,116)	(45,543)	(3,175)	(600)	(2,849)	(684)
Operating loss before finance income/(costs)		(138,293)	(34,599)	(89,952)	(51,031)	(39,488)	(452)	(23,183)	(22,318)
Finance income (costs)									
Finance income	23	11,471	345	26,016	5,061	12,539	905	27,246	5,451
Finance costs	23	(47,315)	(14,560)	(91,084)	(27,154)	(144,433)	(48,304)	(158,767)	(56,011)
		(35,844)	(14,215)	(65,068)	(22,093)	(131,894)	(47,399)	(131,521)	(50,560)
Loss before income and social contribution taxes		(174,137)	(48,814)	(155,020)	(73,124)	(171,382)	(47,851)	(154,704)	(72,878)
Income and social contribution taxes									
Current	19	-	-	-	-	(2,014)	(373)	(931)	(321)
		-	-	-	-	(2,014)	(373)	(931)	(321)
Loss for the period		(174,137)	(48,814)	(155,020)	(73,124)	(173,396)	(48,224)	(155,635)	(73,199)
Attributable to:									
Controlling shareholders		(174,137)	(48,814)	(155,020)	(73,124)	(174,137)	(48,814)	(155,020)	(73,124)
Noncontrolling shareholders		-	-	-	-	741	590	(615)	(75)
Earnings per share									
Basic – common shares	24	(0.8984)	(0.2518)	(0.8798)	(0.4150)	(0.8984)	(0.2518)	(0.8798)	(0.4150)
Diluted – common shares	24	(0.8984)	(0.2518)	(0.8798)	(0.4150)	(0.8984)	(0.2518)	(0.8798)	(0.4150)

See accompanying notes.

Statements of comprehensive income
Nine- and three-month periods ended September 30, 2021 and 2020
(In thousands of reais - R\$)

	Individual				Consolidated			
	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020
Loss for the year	(174,137)	(48,814)	(155,020)	(73,124)	(173,396)	(48,224)	(155,635)	(73,199)
Total comprehensive income (loss) for the period	(174,137)	(48,814)	(155,020)	(73,124)	(173,396)	(48,224)	(155,635)	(73,199)
Attributable to:								
Controlling shareholders	(174,137)	(48,814)	(155,020)	(73,124)	(174,137)	(48,814)	(155,020)	(73,124)
Noncontrolling shareholders	-	-	-	-	741	590	(615)	(75)
	(174,137)	(48,814)	(155,020)	(73,124)	(173,396)	(48,224)	(155,635)	(73,199)

See accompanying notes.

	Note	Capital	Reserves Capital reserves	Stock option plan	Accumulated losses	Total	Non-controlling interests	Total
Balance at December 31, 2019		212,153	773,692	16,265	(432,974)	569,136	11,980	581,116
Capital increase	20	300,300	-	-	-	300,300	-	300,300
Share issue costs	20	-	(23,239)	-	-	(23,239)	-	(23,239)
Instruments granted	30	-	-	3,262	-	3,262	-	3,262
Dividends		-	-	-	-	-	(467)	(467)
Loss for the period		-	-	-	(155,020)	(155,020)	(615)	(155,635)
Total comprehensive income		-	-	-	(155,020)	(155,020)	(615)	(155,635)
Balance at September 30, 2020		512,453	750,453	19,527	(587,994)	694,439	10,898	705,337
Balance at December 31, 2020		512,453	750,879	18,795	(603,934)	678,193	8,797	686,990
Capital increase	20	2,007	-	(2,007)	-	-	-	-
Instruments granted	30	-	-	531	-	531	-	531
Dividends		-	-	-	-	-	(1,302)	(1,302)
Profit or loss for the period		-	-	-	(174,137)	(174,137)	741	(173,396)
Total comprehensive income		-	-	-	(174,137)	(174,137)	741	(173,396)
Balance at September 30, 2021		514,460	750,879	17,319	(778,071)	504,587	8,236	512,823

See accompanying notes.

Statements of value added
 Nine- and three-month periods ended September 30, 2021 and 2020
 (In thousands of reais - R\$)

	Individual		Consolidated	
	9/30/2021	9/30/2020	9/30/2021	9/30/2020
Loss before income and social contribution taxes	(174,137)	(155,020)	(171,382)	(154,704)
Non-cash adjustments:				
Depreciation and amortization	62,244	63,835	132,517	108,808
Depreciation of right-of-use asset	16,723	56,070	50,893	93,908
Property and equipment, and intangible assets written off	9,247	2,495	10,176	2,933
(Loss) - right of use / Leases - IFRS 16	(1,112)	(4,823)	(1,196)	(4,823)
(Reversal of) provision for contingencies	-	(4,107)	(3,023)	(3,313)
Expenses with share-based payments	146	2,504	146	2,504
Provision for bonuses	4,910	5,374	4,910	5,374
Equity pickup	123,073	88,116	3,175	2,849
Mark-to-market of derivatives	5,135	(17,548)	5,135	(17,548)
Decrease in contingent lease liability	-	(36,820)	-	(36,820)
Decrease in lease liability – practical expedient CVM 859	(7,662)	(10,246)	(13,435)	(43,060)
Allowance for expected credit losses	345	-	345	-
Provision for interest	29,919	73,441	128,584	143,658
(Increase) decrease in assets and liabilities:				
Accounts receivable	(875)	11,252	(6,794)	12,885
Taxes recoverable	4,576	131	3,418	725
Prepaid expenses	(1,251)	(506)	(2,485)	(2,231)
Advances to suppliers	(172)	812	(222)	780
Advances to employees	206	148	401	154
Prepaid leases	75	(17)	75	7
Judicial deposits	5,423	(4,949)	4,989	(4,951)
Other receivables	(12,651)	(13,977)	(10,495)	(28,809)
Trade accounts payable	(6,287)	(26,422)	33,550	(15,285)
Labor obligations	8,088	8,911	9,962	11,274
Tax obligations	4,766	1,871	6,582	360
Tax payment in installments	(116)	(153)	(169)	(225)
Advances from customers	56	88	7,451	54
Other payables	(13,115)	(4,115)	(6,930)	(1,607)
Income and social contribution taxes paid	-	-	(2,014)	(931)
Net cash from operating activities	57,554	36,345	184,164	71,966
Cash flows from investing activities:				
Acquisition of property and equipment	(9,535)	(10,758)	(18,011)	(16,362)
Dividends received	2,047	777	592	139
Acquisition of intangible assets	(27,275)	(17,728)	(32,620)	(415,847)
Capital increase in investees	(5,247)	(344,371)	(9)	(14)
Net cash used in investing activities	(40,010)	(372,080)	(50,048)	(432,084)
Cash flows from financing activities:				
Exercise of options	385	758	385	758
Capital increase	-	300,300	-	300,300
Share issue costs	-	(23,239)	-	(23,239)
Loans, financing and debentures raised	195,356	300,343	195,356	597,005
Repayment of principal on loans, financing and debentures	(154,198)	(201,307)	(165,960)	(202,156)
Repayment of principal and interest on leases	(17,254)	(52,126)	(76,986)	(97,187)
Interest paid on loans, financing and debentures	(26,628)	(20,809)	(43,296)	(21,723)
Dividends paid	-	-	(1,302)	-
Derivative financial instruments	-	19,208	-	19,208
Payment to granting authority	-	-	(19,596)	(16,965)
Net cash flows from (used in) financing activities	(2,339)	323,128	(111,399)	556,001
Increase in cash and cash equivalents	15,205	(12,607)	22,717	195,883
Cash and cash equivalents at beginning of period	5,710	73,933	42,109	120,196
Cash and cash equivalents at end of period	20,915	61,326	64,826	316,079

See accompanying notes.

Statements of value added

Nine- and three-month periods ended September 30, 2021 and 2020

(In thousands of reais - R\$)

	Individual		Consolidated	
	1/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	1/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020
Revenue:	460,701	415,903	658,700	536,327
Revenue from services	460,701	415,903	658,700	536,327
Inputs acquired from third parties	(278,072)	(196,525)	(360,895)	(232,324)
Cost of services rendered	(271,375)	(190,036)	(348,868)	(222,853)
Materials, power, services from suppliers and other	(6,697)	(6,489)	(12,027)	(9,471)
Gross value added	182,629	219,378	297,805	304,003
Depreciation and amortization	(77,876)	(115,249)	(179,224)	(194,629)
Net value added produced by the Company:	104,753	104,129	118,581	109,374
Value added received in transfer:	(111,602)	(62,100)	9,364	24,397
Equity pickup	(123,073)	(88,116)	(3,175)	(2,849)
Finance income	11,471	26,016	12,539	27,246
Total value added to be distributed	(6,849)	42,029	127,945	133,771
Distribution of value added	(6,849)	42,029	127,945	133,771
Salaries - charges				
Salaries	21,591	22,241	24,531	25,444
Benefits	2,779	2,790	3,206	3,305
Unemployment Compensation Fund (FGTS)	1,745	1,683	2,054	1,988
Taxes, charges and contributions				
Federal taxes	40,794	36,544	57,882	46,875
State taxes	632	706	1,253	1,156
Local taxes	20,335	18,266	29,780	23,551
Debt remuneration				
Interest	47,315	91,084	144,433	158,766
Leases	775	321	873	1,444
Other	31,322	23,414	37,329	26,877
Equity remuneration:	(174,137)	(155,020)	(173,396)	(155,635)
Loss for the period	(174,137)	(155,020)	(173,396)	(155,635)

See accompanying notes.

1. Operations

Allpark Empreendimentos, Participações e Serviços S.A. (hereinafter referred to as the “Company”, “Allpark”, or “Individual”) is a publicly-held corporation with main place of business at Av. Pres. Juscelino Kubitschek, 1.830, Torre III, 3º andar, in the city and state of São Paulo. It was incorporated in 1982, and it is mainly engaged in managing, operating and/or controlling vehicle parking lot activities, rendering technical management, advisory and planning services related to vehicle parking lots, whether in own or third-party properties, for public or private companies, including in special short-stay parking areas located in public streets, conducting projects, implementing and maintaining traffic signs and road surface markings for the transportation system, and holding interest in other entities.

On May 15, 2020, the Company went public on the stock market and its shares are traded on B3 S.A. - Brasil, Bolsa, Balcão under ticker symbol “ALPK3”, reporting its information to the Securities and Exchange Commission (“CVM”).

At September 30, 2021, the Company had 650 operations (665 at September 30, 2020) and 35 franchises (46 at September 30, 2020) located in the main marketplaces in the states of São Paulo, Rio Grande do Sul, Goiás, Pernambuco, Rio Grande do Norte, Bahia, Paraná, Santa Catarina, Minas Gerais, Rio de Janeiro, Espírito Santo, Tocantins, Alagoas, Sergipe, Paraíba and the Federal District.

On May 19, 2020, the Company signed a concession arrangement with the São Paulo City Government, comprising the operation of pay-and-display parking areas in public streets by private companies in the city of São Paulo, the so-called Zona Azul. The concession arrangement was signed in accordance with the provisions of the International Call for Tender No. 001/SMT/2019.

The concession term will be 15 years, from the Notice of Commencement issued by the São Paulo City Government after signature of the arrangement, which provides for the payment of an initial fixed grant in the amount of R\$595,000 and covers a total of approximately 52,000 parking vacancies.

1.1. Impacts of COVID-19

The social distancing measures taken since March 2020 across the country, as a way to curb the spread of COVID-19, have significantly reduced the flow of people on the streets, in public spaces, airports, shopping malls, universities, hospitals, commercial buildings, etc. This reduced flow of people has had a significant impact on our operations since the beginning of the pandemic, resulting in a significant drop in the volume of vehicles parked in our parking lots.

Impacts

The Company management has followed all developments related to Covid-19, by daily monitoring the situation and the guidance from government authorities as of March 2020.

1. Operations (Continued)

1.1. Impacts of COVID-19 (Continued)

Impacts (Continued)

At the beginning of 2021, some of the Company's operations, particularly shopping malls and on-street parking, were temporarily without movement or with reduced movement due to the worsening of the COVID-19 pandemic, pursuant to state government guidelines. As of May 2021, as the state governments started to ease the quarantine restrictions, the movement has increased, but not at full capacity.

At this time of uncertainty and from the point of view of the operation, demand and financial management are being adjusted according to this new reality. In accordance with Circular Letters No. 02/20 and No. 03/20 issued by the Brazilian SEC (CVM) and taking into account the economic scenario and the risks and uncertainties arising from the impacts of Covid-19, we have revised our accounting estimates, listed below, and disclose our assessments in the respective explanatory notes. We also list other measures that have been adopted due to this new economic reality.

Estimates	Note
Allowance for expected credit losses	5
Impairment testing of right-of-use assets	10
Impairment testing of investments and joint ventures	9
Impairment testing of property and equipment	11
Impairment testing of intangible assets and of indefinite-lived assets	12
Determination of fair value of derivative financial instruments	27
Provision for contingencies (tax, civil and labor)	18
Other measures	Note
Loans, financing and debentures – covenants	13
Taxes recoverable	6

Measures in response to the impact of COVID-19

As at September 30, 2021, our 630 off-street parking lots are open, showing a consistent recovery in revenues when compared to the most critical pandemic period, in line with the gradual increase in the number of vehicles in our parking lots.

With regard to on-street parking lots, as at September 30, 2021, our 20 parking lots are operating normally, with a substantial drop in revenue due to the significant drop in the circulation of vehicles.

Company management, after carefully assessing its options to address all the challenges caused by Covid-19, has been adopting some measures to comply with local government decrees:

1. Operations (Continued)

1.1. Impacts of COVID-19 (Continued)

Health:

- Frequent newsletters and training on prevention, hygiene and health care;
- Online platform with exclusive videos with doctors to support and guide our employees, as well as support through virtual assistant services;
- Distribution of prevention kits (hand sanitizer, face masks, non-contact thermometers) to the teams involved in currently active operations;
- Visits from doctors and from the medical and occupational safety department to support employees currently working in the operations;
- Monitoring of suspected and confirmed cases;
- Removal of employees in risk groups from the workplace;
- More than 90% of the administrative employees working from home at the height of the pandemic; and

Meetings between employees and leaders preferably held through digital platforms.

Manpower:

- Work schedule and planning for operations reviewed to meet the demand.

Renegotiations, lease payments / considerations and other costs and expenses

- Reduction of operating costs and expenses to adapt to reduced demand;
- Reduction of costs and administrative expenses;
- Ongoing review and negotiation of most contracts for our operations due to the drop in the volume of vehicles.
- Below are some examples of our initiatives regarding lease payments/considerations of our operations:

1. Operations (Continued)

1.1. Impacts of COVID-19 (Continued)

Off-street concessions – Airports:

- We have 5 parking lots where we have adopted negotiation initiatives to timely reduce values and/or a review the lease payment/consideration calculation methodology;
- In 4 other parking lots, we have contracts that have downside protection mechanisms, which already guarantee our protection in scenarios of reduced revenue volume.

Off-street concessions - Except for Airports, Zona Azul, Franchise:

- A portion of our contracts has fixed lease payments/consideration amounts or amounts that are payable based on a percentage of revenue, but minimum lease payments/consideration amounts are guaranteed. Based on these contracts, we have already managed to renegotiate virtually all contracts in order to reduce the lease payment/consideration, see Note 15. While most of the contracts have already been renegotiated, they are monitored monthly in order to verify the volume of use of the parking lots in relation to the amount of the consideration paid.

On-street concessions:

- Investments related to on-street contracts have a natural hedge, as the term of the contract may be extended in case the operation is temporarily suspended. In addition, the monthly grant/consideration amounts are based on a percentage of revenue. Currently, operations are normalized, however with a reduced volume.

Cash preservation:

- Reduction in expenses with maintenance Capex, IT and others, related to our operations and management;
- Reduction and extension of Capex expenses for the acquisition of new operations;
- Ongoing renegotiation to postpone installments, repayments and debt interest payments;
- Constant negotiation with several commercial banks, with credit facilities already approved and under approval and/or definition of commercial terms;
- Withdrawal of a new credit line of R\$70,000 with Banco do Brasil to increase cash, with interest rates of 3.90% p.a. with initial maturity in September 2021, renegotiated in August 2021 to August 2023, reducing the interest rate to 2.25% p.a.

1. Operations (Continued)

1.1. Impacts of COVID-19 (Continued)

Cash preservation: (Continued)

- First issue of simple debentures by investee Z.A Digital de São Paulo Sistema de Parque Rotativo S.A. of R\$300,000, for more information, see Note 13;
- Seeking new short-term revenues with the car rental segment, logistics and retail companies; and
- In February 2021, a new credit facility of R\$20,000 obtained from Finep to strengthen cash, bearing interest of TJLP + 0.08% p.a. and with maturity in February 2030, and a new credit facility of R\$75,000 obtained from Santander to strengthen cash, with a change in debt maturities from short to long term, with an interest rate of 3.95% p.a. with maturities from 2022 to 2026.

Going concern:

At September 30, 2021, the Company and its subsidiaries had negative net working capital, in the amount of R\$537,313, mainly due to the lease liabilities that have been recognized after adoption of CPC 06(R2)/IFRS 16 and liabilities for concession grant payable under the concession agreement for Zona Azul in São Paulo. The Company and its subsidiaries generated positive cash flow of R\$184,164 through their operating activities for the six-month period ended September 30, 2021 and, additionally, as described in this Note 1, the Company adopted a number of measures to address the effects arising from the COVID-19. Management continuously monitors the effects of the crisis, and will continue to adopt measures to strengthen its cash position, such as its continuous monitoring and renegotiating of loans and financing with financial institutions.

In addition, the Company engaged an independent consultancy firm to conduct a business continuity analysis for the following 12 months, which considered, among other factors, the impacts of COVID-19 on the Company's operations. The Company also has pre-approved medium to long-term credit facilities with financial institutions, to complement any cash disbursement needs.

Accordingly, based on its projections, the Company understands that its operations for the next 12 months will be sufficient to continue generating positive cash flow and to fulfill contractual and financial obligations, including those maturing in the short term.

2. Accounting policies

This interim financial information was authorized for issue by the Board of Directors on November 10, 2021.

The Company's individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) for the period ended September 30, 2021, have been prepared in accordance with NBC TG 21 (R4) and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) and are presented according to the standards issued by the Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR). All amounts reported in this interim financial information are in thousands of Brazilian reais (R\$), unless otherwise stated.

Significant accounting practices applied in the preparation this individual and consolidated interim financial information are consistent with those adopted and disclosed in Note 2 to the annual financial statements for the year ended December 31, 2020, which were approved on March 9, 2021. In view of the foregoing, the interim financial information should be read in conjunction with the financial statements for the year ended December 31, 2020.

2.1. Basis of consolidation

The consolidated financial statements include operations of the Company and the following subsidiaries that have the same business purposes of the Company. Equity interest held in those subsidiaries at the statement of financial position date is as follows:

Company name	Note	% at 9/30/2021		% at 12/31/2020	
		Direct	Indirect	Direct	Indirect
Riopark Estacionamento Ltda. ("Riopark")		99.99%	-	99.99%	-
Hora Park Sist. Estacionamento Rotativo Ltda. ("Hora Park")		100.00%	-	100.00%	-
Saepart Soc. Adm. Empreend. Part. Ltda. ("Saepart")		99.99%	-	99.99%	-
Capital Parking Estacionamento de Veículos Ltda. ("Capital")		99.99%	-	99.99%	-
Primeira Estacionamentos Ltda. ("Primeira")		100.00%	-	100.00%	-
Azera Parking Ltda. ("Azera")		100.00%	-	100.00%	-
Calvitium Participações S.A. ("Calvitium")		100.00%	-	100.00%	-
Autopark S.A. ("Autopark")	(a)	-	99.99%	-	99.99%
Cellopark Estacionamento Ltda. ("Cellopark")	(a)	-	100.00%	-	100.00%
Estacionamentos Cinelândia S.A. ("Cinelândia")	(a)	-	80.00%	-	80.00%
Hospital Marcelino Champagnat Ltda. ("Marcelino")		75.00%	-	75.00%	-
Wellpark Estacionamento e Serviços Ltda. ("Wellpark")		100.00%	-	100.00%	-
E.W.S Estacionamentos Salvador S.A. ("EWS")	(b)	-	100.00%	-	100.00%
Parking Tecnologia da Informação Ltda. ("Parking TI")		99.90%	-	99.90%	-
I-Park Estacionamentos Inteligentes S.A. ("I-Park")	(c)	-	83.59%	-	83.59%
Loop AC Participações Ltda. ("Loop AC")		75.48%	-	75.48%	-
SCP Parque Shopping Aracaju ("Parque Aracaju")	(d)	51.00%	-	51.00%	-
SCP Estacionamento do Shopping Monte Carmo ("Monte Carmo")	(e)	51.00%	-	51.00%	-
Praça EDG Congonhas Empreendimentos S.A.		-	100.00%	-	100.00%
Z.A. Digital de São Paulo Sistema de Estacionamento Rotativo S.A.		-	100.00%	-	100.00%
SCP – Estacionamento do Shopping Hortolândia ("Shop. Hortolândia")		51.00%	-	-	-
Ecovagas Carregadores Elétricos LTDA ("Ecovagas")		100.00%	-	100.00%	-

(a) Subsidiary of Hora Park.

(b) Subsidiary of Hora Park (50%) and Wellpark (50%).

(c) Subsidiary of Capital.

(d) Silent partnership (SCP) created for operation in Parque Shopping Aracaju.

(e) SCP created for operation in Shopping Monte Carmo.

2. Accounting policies (Continued)

2.1. Basis of consolidation (Continued)

Subsidiaries are fully consolidated as of acquisition date, which is the date the Company obtained control thereover, and continue to be consolidated until the date such control ceases to exist. The subsidiaries' financial statements are prepared for the same reporting period used by the Company, using consistent accounting policies. All intercompany balances, revenues and expenses as well as unrealized gains and losses arising from intercompany transactions are fully eliminated in the consolidation.

The Company has no investments abroad.

Significant financial information on the investments above is disclosed in Note 9.

2.2. Investment in associates and joint ventures

An associate is an investee over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but it is not control or joint control over those policies. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Company's investments in its associate and joint venture are accounted for using the equity method.

The Company has no investments in associates and joint ventures abroad.

Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the associate or joint venture since the acquisition date.

The statement of profit or loss reflects the Company's share of the results of operations of the associate or joint venture.

The aggregate of the Company's share of profit or loss of an associate and a joint venture is shown on the statement of profit or loss and represents the Company's proportional interests in the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

2. Accounting policies (Continued)

2.2. Investments in affiliates and joint ventures (Continued)

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Company measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Equity interest held in associates and joint ventures at the reporting dates is as follows:

Company name	Note	% at 9/30/2021		% at 12/31/2020	
		Direct	Indirect	Direct	Indirect
CCN Centro de Convenções Ltda. ("CCN")	(a)	-	50.00%	-	50.00%
Loop Gestão de Pátios S.A. ("Loop")	(b)	-	49.00%	-	49.00%
Consórcio Enéas de Carvalho Ltda. ("Enéas")	(c)	-	5.60%	-	5.60%
Consórcio Trianon Park Ltda. ("Trianon")	(c)	-	5.00%	-	5.00%
Consórcio Estacionamento Centro Cívico ("Centro Cívico")	(d)	70.00%	-	70.00%	-
Consórcio Estacionamento Novo Centro ("Novo Centro")	(d)	60.00%	-	60.00%	-

(a) Joint venture of Riopark.

(b) Affiliate of Loop AC.

(c) Company merged into Primeira in 2017.

(d) The Company exercises significant influence in the investee. While equity interest is higher than 50%, the Company has no control over the entity, as it does not have the necessary amount of voting capital according to the shareholders' agreement.

Significant financial information on the investments above is disclosed in Note 9.

3. Significant accounting judgments, estimates and assumptions

Judgments, estimates and assumptions

The preparation of the Company's individual and consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the period; however, uncertainties about these assumptions and estimates could result in outcomes that require adjustments to the carrying amount of assets or liabilities affected in future periods.

The significant assumptions and estimates used in the preparation of the individual and consolidated interim financial information for the quarter ended September 30, 2020 were the same as those adopted in the individual and consolidated financial statements for the year ended December 31, 2020.

4. Cash and cash equivalents

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Cash and banks	2,978	3,553	5,824	4,796
Bank deposit certificates (a)	17,937	2,157	59,002	37,313
	20,915	5,710	64,826	42,109

- (a) Investments in Bank Deposit Certificates are restated at the average rate of 97.73% of the Interbank Deposit Certificate (CDI) at September 30, 2021 (101.86% at December 31, 2020). Such investments may be redeemed at any time without loss in profitability.

5. Accounts receivable

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Trade accounts receivable	13,696	17,460	16,224	19,492
Services rendered in events and guests	1,129	377	1,908	491
"Tag" Agreements	11,883	10,108	15,214	12,368
Agreements and sponsorships	1,244	2,010	1,252	2,018
Debit and credit cards	6,476	3,523	14,601	7,590
Accounts receivable from franchisees	389	552	492	655
Accounts receivable – leases	3,464	2,812	3,712	3,432
Other receivables	3,583	4,147	3,583	4,146
	41,864	40,989	56,986	50,192
(-) Allowance for expected credit losses	(595)	(250)	(595)	(250)
	41,269	40,739	56,391	49,942

5. Accounts receivable (Continued)

At September 30, 2021 and December 31, 2020, the aging list of accounts receivable, gross of expected credit losses, is as follows:

Individual		Balance falling due, with no impairment losses	Balance overdue, with no impairment losses				
	Total		< 30 days	30 - 60 days	60 - 90 days	90 - 120 days	> 120 days
9/30/2021	41,864	41,161	208	82	102	100	211
12/31/2020	40,989	39,669	1,098	65	22	5	130

Consolidated		Balance falling due, with no impairment losses	Balance overdue, with no impairment losses				
	Total		< 30 days	30 - 60 days	60 - 90 days	90 - 120 days	> 120 days
9/30/2021	56,986	55,933	327	222	147	118	239
12/31/2020	50,192	48,256	1,300	197	110	93	236

The Company's operations mainly include the provision of services that are settled in cash, TAGs, credit cards, and debit cards. The option for bank slips is exclusive to monthly customers or contracts with legal entities. The Company rates the credit risk as low.

Management understands that amounts overdue will be mostly received, as there are specific negotiations for each outstanding amount. Therefore, the Company did not recognize a loss allowance for these amounts. Rescheduling negotiations due to default are already in progress and generating positive results. Monthly parking customers have already been informed about pre-set payment plans. In addition, management actively charges on ad hoc events.

Changes in allowance for doubtful accounts are as follows:

	Individual and Consolidated	
	9/30/2021	12/31/2020
Balance at beginning of the period	(250)	(250)
Additions	(345)	-
Write-offs	-	-
Balance at the end of the period	(595)	(250)

In view of the current scenario of uncertainties in the economy, caused by the Covid-19 pandemic and in compliance with CVM/SNC/SEP Memorandum Circulars No. 02/2020 and No. 03/2020, the Company reviewed the variables that make up the methodology of measurement of expected credit losses and considers that the credit risk is low.

6. Taxes recoverable

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Withholding Income Tax (IRRF)	10,186	8,965	11,103	9,748
Corporate Income Tax (IRPJ)	8,184	8,135	9,990	9,167
Social Contribution Tax on Net Profit (CSLL)	1,532	1,219	2,289	1,639
INSS	6,977	6,652	7,815	7,486
PIS and COFINS	31,740	36,463	45,701	50,585
Other taxes recoverable	456	2,217	1,111	2,802
	59,075	63,651	78,009	81,427
Current assets	40,539	42,739	49,097	49,415
Noncurrent assets	18,536	20,912	28,912	32,012
	59,075	63,651	78,009	81,427

These taxes are realized based on growth projections, operational issues and debt generation for these tax credits to be used by the Company and its subsidiaries.

7. Other receivables

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Accounts receivable – leases (a)	56,700	43,335	56,700	43,335
Other receivables	1,558	1,505	1,675	1,648
	58,258	44,840	58,375	44,983
Current	37,743	30,787	37,860	30,930
Noncurrent	20,515	14,053	20,515	14,053

- (a) Receivables arising from downside protection clauses in lease contracts of long-term private contract segment, with a term of receipt between 6 and 24 months. The amounts may be deducted from balances determined to be paid or received in cash, or translated into extended contractual terms.

8. Investment property

	Individual and Consolidated	
	9/30/2021	12/31/2020
Opening balance	13,800	14,137
Depreciation	(252)	(337)
Closing balance	13,548	13,800

The amount recorded as investment property refers to the acquisition cost of stores, restaurants and movie theaters in a venture in the city of São Paulo (Brascan Open Mall). This venture was acquired on December 28, 2011, together with the local parking lot. The venture was pledged as collateral for the 9th issue of Company debentures, as disclosed in Note 13.

8. Investment property (Continued)

The fair value of this investment property is R\$41,494, according to an assessment prepared by external consultants at December 31, 2020. At September 30, 2021, due to the impacts of Covid-19 and in accordance with management's assessment, the need to record a provision for assets was not identified. The fair value hierarchy is classified as Level 3.

A summary of the valuation techniques used is as follows:

Valuation techniques	Significant non-observable inputs	Average 2020
Discounted cash flow method	<ul style="list-style-type: none"> Estimated annual lease amount Restatement Perpetuity growth rate Discount rate 	R\$8,638 Inflation 3.30% 11.00%

We present below a sensitivity analysis of assets and the respective fair value adjustments had there been changes in the discount rates used to calculate fair value. We used variations of 0.5 percentage points upwards and downwards.

Fair value at 12/31/2020	Effects of changes in the discount rate			
	- 0.5 p.p	Effect	+ 0.5 p.p.	Effect
41,494	44,523	3,029	39,091	(2,403)

Amounts computed as revenues and expenses, recorded under "Revenues", are as follows:

	Individual and Consolidated	
	9/30/2021	12/31/2020
Lease revenue resulting from investment property	1,412	3,781
Direct operating expenses (including repair and maintenance) that generate lease	(2,103)	(2,292)
Income (loss) from investment properties	(691)	1,489

Future lease receivable from investment properties is as follows:

	9/30/2021
Minimum lease payment:	
Within one year	5,725
From 2 to 4 years	19,197
From 5 to 10 years	45,045
	69,967

Notes to interim financial statements
September 30, 2021
(In thousands of reais R\$)

9. Investments

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Investments:				
Subsidiaries	323,355	446,010	-	-
Associates	-	-	16,400	20,158
Total assets	323,355	446,010	16,400	20,158
Subsidiaries' capital deficiency:				
Subsidiaries	(12,257)	(15,039)	-	-
Total liabilities	(12,257)	(15,039)	-	-
Total investments	311,098	430,971	16,400	20,158

Changes in investments

	Individual	Consolidated
Balance at 12/31/2019	246,510	23,233
Equity pickup	(193,101)	(2,510)
Dividends	(2,810)	(633)
Capital increase in investees	380,372	68
Balance at 12/31/2020	430,971	20,158
Equity pickup	(123,073)	(3,175)
Dividends	(2,047)	(592)
Capital increase in investees	5,247	9
Balance at 9/30/2021	311,098	16,400

Notes to interim financial statements
September 30, 2021
(In thousands of reais R\$)

9. Investments (Continued)

Information on subsidiaries and provision for investment losses

	Information on subsidiaries and associates (1/1 to 9/30/2021)					9/30/2021	12/31/2020	9/30/2020	
Individual	Total assets	Total liabilities	Total equity	Net revenue	Profit or loss for the period	Investment balance	Equity pickup	Investment balance	Equity pickup
Capital Parking Estacionamento de Veículos Ltda.	9,964	121	9,843	407	(1,395)	9,843	(1,395)	10,399	(1,819)
Hora Park Sist. Estacionamento Rotativo Ltda.	868,701	578,313	290,388	89,134	(121,425)	273,994	(121,425)	395,419	(72,493)
Riopark Estacionamentos Ltda.	14,901	14,038	863	77	(498)	863	(498)	1,362	(292)
Primeira Estacionamentos Ltda.	21,305	1,758	19,547	6,670	265	19,541	265	19,275	154
Saepart Soc. Adm. Empreend. Part. Ltda.	-	-	-	-	-	-	-	117	(172)
Hospital Marcelino Champagnat Ltda.	218	217	1	1,527	484	1	484	73	573
Loop AC Participações Ltda.	15,227	-	15,227	-	(3,303)	11,496	(2,494)	13,990	(2,239)
SCP Estacionamento do Shopping Monte Carmo	626	146	480	1,416	793	245	405	356	318
Calvitium Participações S.A.	5,260	222	5,038	1,461	391	5,038	391	4,419	(200)
Praça EDG Congonhas	6	1	5	-	0	5	0	5	(1)
Shopping Parque Bahia	2,696	720	1,976	3,615	2,548	1,008	1,253	595	110
Ecovagas Carregadores Elétricos Ltda.	1,324	7	1,317	-	(34)	1,316	(34)	-	-
SCP Shopping Hortolândia	267	257	9	245	9	5	5	-	-
						323,355	(123,043)	446,010	(76,061)
Subsidiaries' capital deficiency									
Parking Tecnologia da Informação Ltda.	5,940	8,052	(2,112)	-	(67)	(2,112)	(67)	(2,045)	(977)
Shopping Parque Aracaju	542	564	(22)	462	89	(11)	46	(57)	(87)
Wellpark Estacionamentos e Serviços Ltda.	9,088	18,718	(9,629)	9,353	26	(9,630)	26	(12,476)	(11,125)
Azera Parking Ltda.	238	699	(461)	-	-	(461)	-	(461)	-
Saepart Soc. Adm. Empreend. Part. Ltda.	2,215	2,258	(43)	196	(160)	(43)	(160)	-	-
						(12,257)	(155)	(15,039)	(12,189)
Consórcio Estacionamento Centro Cívico	183	39	144	536	127	-	104	-	127
Consórcio Estacionamento Novo Centro	135	119	16	126	(28)	-	21	-	7
						-	125	-	134
						311,098	(123,073)	430,971	(88,116)

9. Investments (Continued)

Information on subsidiaries and provision for investment losses (Continued)

Consolidated	Information on associates (1/1 to 9/30/2021)					9/30/2021		12/31/2020	9/30/2020
	Total assets	Total liabilities	Total equity	Net revenue	Profit or loss for the period	Investment balance	Equity pickup	Investment balance	Equity pickup
Consórcio CCN Centro de Convenções Ltda. (1)	2,421	1,069	1,352	326	(491)	676	(246)	1,033	(218)
Consórcio Enéas De Carvalho Ltda.	950	1	949	3,115	2,718	459	244	571	199
Consórcio Trianon Park Ltda.	2,511	2,159	352	706	80	38	4	24	2
Loop Gestão de Pátios S.A.	44,940	39,585	5,355	12,058	(6,742)	15,227	(3,302)	18,530	(2,967)
Consórcio Estacionamento Centro Cívico	183	39	144	536	127	-	104	-	128
Consórcio Estacionamento Novo Centro	135	119	16	126	(28)	-	21	-	7
						16,400	(3,175)	20,158	(2,849)

(1) This investment is classified as a joint venture, and accounted for using the equity method, in accordance with CPC 18.

The joint venture has no contingent liabilities or capital commitments at September 30, 2021 and December 31, 2020.

For the capital deficiency of investees, as detailed above, the Company will continue providing the necessary financial support for their operations.

At September 30, 2021, management tested its investments and joint ventures for impairment and did not identify the need to recognize losses on the respective assets. Further details on the assumptions used in the projections for March 31, 2021 are described in Note 12.



10. Right of use

At September 30, 2021, the Company had 556 garage lease agreements (636 at December 31, 2020) entered into with third parties. Such agreements were reviewed by management, which concluded that they are classified as operating lease agreements. Some of these contracts provide for a variable lease expense on revenue, with amounts annually restated through contractual indexes. For fixed-installment lease contracts (127 contracts at September 30, 2021 and 180 contracts at December 31, 2020), installments were recognized at present value (considering the nominal incremental interest rate at commencement of the contract or upon any change in scope) as a right of use, matched against lease liabilities.

In addition, the Company recorded, on an accrual basis, directly in the statement of profit or loss under Leases account, the lease agreements in the three-month period ended September 30, 2021 containing: contingent payments, which vary according to ranges and percentages on parking lot billing in the amount of R\$113,775 (R\$115,121 in the nine-month period ended September 30, 2020); low value contracts (which the Company has defined as contracts whose asset value when new is less than R\$20) in the amount of R\$22 (R\$52 in the nine-month period ended September 30, 2020); and contracts whose term is less than 12 months in the amount of R\$1,187 (R\$641 in the nine-month period ended September 30, 2020).

The Company decided to adopt the full retrospective approach as a transition method as of January 1, 2019, and prospectively from the beginning of the first practicable period.

- Term: the lease term will be the legally applicable period of the contract and will take into consideration the termination and renewal options by court, the use of which is reasonably certain by the Company. The contractual average term is from 1 to 30 years. Further details on the maturity of contracts are presented in Note 15.
- Rate: the discount rate used to calculate the right of use and the lease liability was determined based on certain historical inputs attributable to the Company and/or directly observable in the market. The average contract rate is 13.08% p.a. in 2021 and 2020. More details on rates adopted vis-à-vis the contract terms are presented in Note 15.

Lease payments are restated from time to time, according to the respective agreement and related clauses for restatement by inflation indexes. Such remeasurements are recorded in the right of use account matched against the lease liability account on the respective property lease contract restatement base date.

10. Right of use (Continued)

Changes for the quarter ended September 30, 2021 and year ended December 31, 2020 are as follows:

	Individual	Consolidated
Balance at December 31, 2019	439,291	881,290
Additions	657	641
Write-offs (i)	(311,269)	(311,269)
Remeasurements	21,940	51,029
Depreciation	(61,832)	(112,281)
Balance at December 31, 2020	88,787	509,410
Additions	1,805	1,805
Write-offs	(4,124)	(4,240)
Remeasurements	588	2,003
Depreciation	(16,723)	(50,893)
Balance at September 30, 2021	70,333	458,085

- (i) Write-off mainly due to a change in the operation's contractual terms and conditions, changing the term and remuneration methodology of the operation mentioned in Note 18, resulting in the derecognition of the right of use in the amount of R\$304,599 and the lease liability, in the amount of R\$407,308 (see Note 15), in accordance with CPC 06 (R2)/IFRS 16. The net effects, without cash impact, amounted to R\$102,709, recognized in profit or loss for the year.

The table below shows the potential right to PIS/COFINS tax credits recoverable embedded in the lease/rent consideration, according to expected payment periods. Balances discounted and not discounted to present value:

Individual – 9/30/2021		
Cash flows	Nominal	Present value adjustment
Lease consideration	122,363	86,000
Potential PIS/COFINS (9.25%)	9,703	6,820
Consolidated – 9/30/2021		
Cash flows	Nominal	Present value adjustment
Lease consideration	1,058,052	578,499
Potential PIS/COFINS (9.25%)	95,379	52,149

At September 30, 2021, the Company assessed the impacts of Covid-19 and identified no indication of asset impairment.

11. Property and equipment

	Individual					
	9/30/2021			12/31/2020		
	Cost	Accumulated depreciation	Net carrying amount	Cost	Accumulated depreciation	Net carrying amount
Carrying amount						
Land	1,310	-	1,310	1,310	-	1,310
Real estate properties	93,527	(29,155)	64,372	93,527	(28,190)	65,337
Leasehold improvements	126,991	(83,914)	43,077	128,624	(82,114)	46,510
Machinery and equipment	85,481	(53,771)	31,710	84,290	(49,373)	34,917
Furniture and fixtures	7,857	(5,077)	2,780	7,780	(4,764)	3,016
Signboards and signs	15,283	(9,142)	6,141	14,643	(8,232)	6,411
Security system	12,789	(8,071)	4,718	12,137	(7,357)	4,780
Other property and equipment	24,066	(22,387)	1,679	23,121	(21,756)	1,365
Total	367,304	(211,517)	155,787	365,432	(201,786)	163,646

	Consolidated					
	9/30/2021			12/31/2020		
	Cost	Accumulated depreciation	Net carrying amount	Cost	Accumulated depreciation	Net carrying amount
Carrying amount						
Land	1,310	-	1,310	1,310	-	1,310
Real estate properties	129,699	(51,269)	78,430	129,699	(49,360)	80,339
Leasehold improvements	186,606	(115,172)	71,434	187,133	(111,297)	75,836
Machinery and equipment	132,726	(79,501)	53,225	129,920	(74,896)	55,024
Furniture and fixtures	9,894	(6,193)	3,701	9,784	(5,822)	3,962
Signboards and signs	25,330	(14,016)	11,314	24,382	(12,904)	11,478
Security system	15,371	(9,167)	6,204	14,554	(8,280)	6,274
Other property and equipment	36,203	(31,953)	4,250	35,044	(30,928)	4,116
Total	537,139	(307,271)	229,868	531,826	(293,487)	238,339

Changes in property and equipment at September 30, 2021 and December 31, 2020 are as follows:

	Individual					
	Balance at 1/1/2021	Additions	Write-offs	Transfers	Depreciation	Balance at 9/30/2021
Carrying amount						
Land	1,310	-	-	-	-	1,310
Real estate properties	65,337	-	-	-	(965)	64,372
Leasehold improvements	46,510	2,995	(1,450)	-	(4,978)	43,077
Machinery and equipment	34,917	2,924	(915)	43	(5,259)	31,710
Furniture and fixtures	3,016	207	(56)	-	(387)	2,780
Signboards and signs	6,411	940	(120)	-	(1,090)	6,141
Security system	4,780	980	(162)	-	(880)	4,718
Other property and equipment	1,365	1,489	(126)	(3)	(1,046)	1,679
Total	163,646	9,535	(2,829)	40	(14,605)	155,787

	Balance at 1/1/2020	Additions	Write-offs	Transfers	Depreciation	Balance at 12/31/2020
Carrying amount						
Land	1,310	-	-	-	-	1,310
Real estate properties	67,267	39	-	(682)	(1,287)	65,337
Leasehold improvements	48,458	4,669	(347)	212	(6,482)	46,510
Machinery and equipment	38,163	4,268	(173)	(50)	(7,291)	34,917
Furniture and fixtures	3,022	468	(19)	53	(508)	3,016
Signboards and signs	5,827	1,874	(41)	255	(1,504)	6,411
Security system	4,639	1,129	(16)	251	(1,223)	4,780
Other property and equipment	1,927	950	(80)	(39)	(1,393)	1,365
Total	170,613	13,397	(676)	-	(19,688)	163,646

11. Property and equipment (Continued)

	Consolidated					Balance at 9/30/2021
	Balance at 1/1/2021	Additions	Write-offs	Transfers	Depreciation	
Carrying amount						
Land	1,310	-	-	-	-	1,310
Real estate properties	80,339	-	-	-	(1,909)	78,430
Leasehold improvements	75,836	4,886	(1,627)	(164)	(7,497)	71,434
Machinery and equipment	55,024	7,879	(1,526)	44	(8,196)	53,225
Furniture and fixtures	3,962	280	(66)	-	(475)	3,701
Signboards and signs	11,478	1,865	(193)	-	(1,836)	11,314
Security system	6,274	1,202	(170)	(21)	(1,081)	6,204
Other property and equipment	4,116	1,899	(147)	(7)	(1,611)	4,250
Total	238,339	18,011	(3,729)	(148)	(22,605)	229,868

	Balance at 1/1/2020	Additions	Write-offs (i)	Transfers	Depreciation	Balance at 12/31/2020
Carrying amount						
Land	1,310	-	-	-	-	1,310
Real estate properties	86,941	819	-	(4,878)	(2,543)	80,339
Leasehold improvements	119,418	7,330	(39,713)	635	(11,834)	75,836
Machinery and equipment	52,341	7,430	(574)	6,983	(11,156)	55,024
Furniture and fixtures	3,887	749	(51)	(4)	(619)	3,962
Signboards and signs	9,241	4,541	(77)	174	(2,401)	11,478
Security system	5,425	2,013	(20)	265	(1,409)	6,274
Other property and equipment	7,323	2,327	(47)	(3,175)	(2,312)	4,116
Total	285,886	25,209	(40,482)	-	(32,274)	238,339

- (i) The main difference results from the return of the parking lot operation in the Salvador International Airport. For more information, see Note 16.

The Company has no contractual obligations arising from the acquisition of property and equipment. In addition, the Company has no property and equipment given in guarantee for transactions.

Due to the impacts of Covid-19, at March 31, 2021, Management tested property and equipment for impairment, and detected no need to set up a provision for impairment. Further details on the assumptions used in the projections are described in Note 12. At September 30, 2021, Management monitored the impairment of property and equipment and detected no need to set up a related provision.

12. Intangible assets

	Individual					
	9/30/2021			12/31/2020		
	Cost	Accumulated amortization	Net carrying amount	Cost	Accumulated amortization	Net carrying amount
Software	89,400	(56,583)	32,817	78,690	(48,750)	29,940
Goodwill	553,865	(211,974)	341,891	549,477	(184,732)	364,745
Lease contract (ii)	122,380	(89,286)	33,094	122,380	(84,378)	38,002
Service concession arrangement	10,230	(6,394)	3,836	10,230	(5,878)	4,352
Goodwill	109,368	-	109,368	109,386	-	109,386
Other	692	-	692	692	-	692
Total	885,935	(364,237)	521,698	870,855	(323,738)	547,117

	Consolidated					
	9/30/2021			12/31/2020		
	Cost	Accumulated amortization	Net carrying amount	Cost	Accumulated amortization	Net carrying amount
Software	112,844	(68,443)	44,401	97,429	(58,579)	38,850
Goodwill	756,188	(264,308)	491,880	750,965	(226,314)	524,651
Lease contract (ii)	117,963	(91,650)	26,313	117,963	(86,090)	31,873
Concession infrastructure use right (iii)	968,406	(80,214)	888,192	953,083	(31,770)	921,313
Service concession arrangement	23,143	(10,175)	12,968	23,143	(9,373)	13,770
Goodwill	118,464	-	118,464	118,482	-	118,482
Other	1,417	(120)	1,297	1,417	(120)	1,297
Total	2,098,425	(514,910)	1,583,515	2,062,482	(412,246)	1,650,236

Changes in intangible assets for the period ended September 30, 2021 and year ended December 31, 2020 are as follows:

	Individual					
	Balance at 1/1/2021	Additions	Write-offs	Transfers (i)	Amortization	Balance at 9/30/2021
Carrying amount						
Software	29,940	11,018	(169)	-	(7,972)	32,817
Goodwill	364,745	17,379	(6,231)	(11)	(33,991)	341,891
Lease contract (ii)	38,002	-	-	-	(4,908)	33,094
Service concession arrangement	4,352	-	-	-	(516)	3,836
Goodwill	109,386	-	(18)	-	-	109,368
Other	692	-	-	-	-	692
Total	547,117	28,397	(6,418)	(11)	(47,387)	521,698

	Consolidated					
	Balance at 1/1/2020	Additions	Write-offs	Transfers (i)	Amortization	Balance at 12/31/2020
Carrying amount						
Software	26,086	13,423	(53)	-	(9,516)	29,940
Goodwill	396,809	14,478	(2,286)	-	(44,256)	364,745
Lease contract (ii)	49,002	-	-	-	(11,000)	38,002
Service concession arrangement	5,040	-	-	-	(688)	4,352
Goodwill	109,368	18	-	-	-	109,386
Other	692	-	-	-	-	692
Total	586,997	27,919	(2,339)	-	(65,460)	547,117

12. Intangible assets (Continued)

	Consolidated					Balance at 9/30/2021
	Balance at 1/1/2021	Additions	Write-offs	Transfers (i)	Amortization	
Carrying amount						
Software	38,850	15,860	(198)	-	(10,111)	44,401
Goodwill	524,651	18,214	(6,231)	(11)	(44,743)	491,880
Lease contract (ii)	31,873	-	-	-	(5,560)	26,313
Concession infrastructure use right (iii)	921,313	15,323	-	-	(48,444)	888,192
Service concession arrangement	13,770	-	-	-	(802)	12,968
Goodwill	118,482	-	(18)	-	-	118,464
Other	1,297	-	-	-	-	1,297
Total	1,650,236	49,397	(6,447)	(11)	(109,660)	1,583,515

	Consolidated					Balance at 12/31/2020
	Balance at 1/1/2020	Additions	Write-offs (iv)	Transfers (i)	Amortization	
Carrying amount						
Software	30,591	20,160	(70)	-	(11,831)	38,850
Goodwill	553,171	30,517	(2,280)	-	(56,757)	524,651
Lease contract (ii)	43,767	-	-	-	(11,894)	31,873
Concession infrastructure use right (iii)	140,766	958,185	(137,032)	(434)	(40,172)	921,313
Service concession arrangement	14,838	-	-	-	(1,068)	13,770
Goodwill	118,464	18	-	-	-	118,482
Other	1,293	4	-	-	-	1,297
Total	902,890	1,008,884	(139,382)	(434)	(121,722)	1,650,236

(i) Transfers to others asset accounts.

(ii) Lease contract refers to the 1st purchase price allocation referring to favorable terms in the lease contracts of acquirees Azera, Minas Park, Multivagas, Injetpark, OW, EWS and Calvitium in relation to the market value of the respective leases upon acquisition of these companies.

(iii) On May 19, 2020, the Company entered into a concession arrangement with the São Paulo City Government, comprising the operation of pay-and-display parking areas in public streets in the city of São Paulo, the so-called Zona Azul, in accordance with the provisions of the International Call for Tender No. 001/SMT/2019. Due to this arrangement, the Company recorded a grant in the amount of R\$595,355, and a matching entry against obligations payable to grantor (see Note 16).

(iv) The main difference results from the return of the parking lot operations in the Salvador International Airport. For more information, see Note 16.

Impairment testing of goodwill paid for expected future profitability and intangible assets with indefinite useful lives

Assets with indefinite useful lives, such as goodwill, are tested for impairment on an annual basis, regardless of the existence of impairment indications. The Company tested goodwill for impairment at March 31, 2021 and December 31, 2020, and no indications of impairment were found.



12. Intangible assets (Continued)

Impairment testing of goodwill paid for expected future profitability and intangible assets with indefinite useful lives (Continued)

In conducting impairment tests, the carrying amount of an asset or cash-generating unit is compared to its recoverable amount. The Company has allocated goodwill and performed impairment tests on allocated goodwill based on operating segments, see Note 25 for goodwill allocation. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Considering the specific characteristics of the Company's assets, the recoverable amount used in the impairment test is the value in use, unless otherwise stated.

This value in use is estimated based on the present value of future cash flows, resulting from the Company's best estimates. Cash flows arising from the ongoing use of the related assets are adjusted for specific risks and use the pretax discount rate of 11.81% p.a. to 14.02% p.a. This rate derives from Weighted Average Capital Cost rate (Nominal WACC). Significant assumptions are: the Company's economic and financial assessment, a projected horizon comprising the period from September 2021 to December 2031, deriving from its budget for the next ten years, considering the present value of the cash flow perpetuity projected for the last year, with constant nominal growth of 3.3% p.a., which corresponds to the expected long-term inflation, as projected by the Central Bank of Brazil. The impairment test of the Company's intangible assets concluded that the Company does not need to recognize losses on said assets.

As an assumption of growth in net revenue from services provided, we use GDP + inflation for the period from March 31, 2021 to 2025 and from 2026 to 2031 (and perpetuity) 0% p.a. real growth + inflation for the leased and managed segments, own operations, off-street concessions, long-term private contracts and others; -19% p.a. real (revenue losses estimated by management due to non-renewal of contracts expiring in the period) + inflation for the period from March 31, 2021 to 2025 and from 2026 to 2031 (and perpetuity) 0% p.a. real growth + inflation for the on-street concessions segment.

The growth assumption for Costs of services considers 100% of the variable costs with net revenue from services provided, considering a margin recovery based on management's expectations about the segment's normalized margin in terms of percentage of net operating revenue (and compatible with segment history).

The Company performed a sensitivity analysis of the impairment test of goodwill paid based on expected future profitability and intangible assets with an indefinite useful life, applying the sensitivity of the WACC discount rate (+/- 1%) by operating segment, and concluded that the assets were not impaired at December 31, 2020, March 31, 2021 and June 30, 2021. At September 30, 2021, Management monitored the impairment of property and equipment and detected no need to set up a related provision.

13. Loans, financing and debentures

					Individual		Consolidated	
	Index	Rate	Maturity	Guarantees	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Domestic currency								
PROINFRA	Fixed rate	11.18% p.a.	12/10/2027	Bank surety	-	-	24,582	26,729
FINEP	TJLP	0.8% p.a.	12/15/2030	Bank surety	20,403	-	20,403	-
FINAME/ BNDES	TJLP	5.75% p.a.	9/15/2021	Guarantee	-	-	-	4
FINAME/ BNDES	TJLP	5.75% p.a.	9/15/2021	Guarantee	-	-	-	16
Debentures	CDI	1.9% p.a.	5/9/2024	Mortgage + Receivables	267,817	342,433	267,817	342,433
Debentures	CDI	3.65% p.a.	12/17/2021	Lien	-	-	150,490	152,637
Debentures	CDI	4.4% p.a.	8/25/2025	Lien	-	-	144,660	150,332
Working capital - FRN	CDI	3.5% p.a.	6/9/2022	Guarantee	20,143	-	20,143	-
Working capital - CCB	CDI	4.32% p.a.	4/13/2021	Guarantee	-	30,586	-	30,586
Working capital - CCB	CDI	4.22% p.a.	12/13/2021	Guarantee	-	50,164	-	50,164
Working capital - CCB	CDI	2.25% p.a.	8/13/2023	Lien + Receivables	70,275	70,048	70,275	70,048
Working capital - CCB	CDI	2.25% p.a.	10/4/2023	Lien + Receivables	50,000	50,197	50,000	50,197
Working capital - 4131	Fixed rate	7.15% p.a.	4/1/2022	Guarantee	29,071	-	29,071	-
Working capital - 4131	CDI	4.32% p.a.	3/10/2023	Guarantee	46,420	-	46,420	-
Working capital - 4131	CDI	3.95% p.a.	2/2/2026	Guarantee	75,116	-	75,116	-
Borrowing costs					(4,631)	(3,974)	(7,248)	(7,943)
Total					574,614	539,454	891,729	865,203
Current liabilities					214,465	301,366	395,703	473,634
Noncurrent liabilities					360,149	238,088	496,026	391,569
Total					574,614	539,454	891,729	865,203

The Company did not capitalize borrowing costs in property and equipment because it does not have qualifying assets in the period ended September 30, 2021 and prior year ended.

Changes in loans, financing and debentures are as follows:

	Individual	Consolidated
At December 31, 2019	453,414	478,014
Amount raised	300,343	597,005
Repayment of principal	(201,307)	(202,156)
Payment of interest	(20,809)	(21,723)
Interest allocation	17,884	20,567
Foreign exchange differences	1,548	1,548
Commissions	985	1,150
At September 30, 2020	552,058	874,405
At December 31, 2020	539,454	865,203
Amount raised	195,356	195,356
Repayment of principal	(154,198)	(165,960)
Payment of interest	(26,628)	(43,296)
Interest allocation	26,102	44,545
Foreign exchange differences	(4,813)	(4,813)
Commissions	(659)	693
At September 30, 2021	574,614	891,729

At September 30, 2021, the Company has outstanding swap transactions for the translation of loans made in foreign currency into debt in CDI. At December 31, 2020, the Company has no such outstanding transactions.

13. Loans, financing and debentures (Continued)

9th issue of debentures Allpark Empreendimentos, Participações e Serviços

The characteristics of debentures issued are as follows:

	9th issue
Issue:	350,000
Total amount:	350,000
Series:	Single
Class and convertibility:	Non-convertible into Company shares
Guarantee:	Mortgaged property amounting to R\$45,000 and receivables (Note 8)
Issue date:	5/9/2019
Maturity date:	5/9/2024
Covenants:	Yes
Date of early settlement	-

On May 9, 2019, the Company completed the 9th issue of debentures in the total amount of R\$350,000, as detailed above. Thus, the Company settled the obligations related to the 6th and 7th issues in advance, as well as other loan agreements, since the cost of debt of the 9th issue is lower. The Company settled between the months of May and September 2019 the principal and interest amounts of the 6th and 7th issues in the amount of R\$181,257 net of their respective issue costs. Amounts remaining from funds raised will be allocated to operations. Costs with the 9th issue of debentures as at September 30, 2021 amounted to R\$3,057 (Individual and Consolidated), allocated as reducing items of debenture balance to be settled, and monthly allocated to profit or loss, over the pro-rata day maturity flow, using the effective interest rate.

The 9th issue debentures is conditioned to the following covenants, assessed on an annual basis, the first check taking place at December 31 of each year:

- (a) Net debt/Adjusted EBITDA equal to or lower than 3.0;
- (b) Net debt/equity equal to or lower than 3.0;
- (c) Adjusted EBITDA/ finance costs equal to or greater than 1.0.

At December 31, 2020, the Company was compliant with the conditions established for the 9th issue debentures.

1st Issue of debentures Z.A Digital de São Paulo Sistema de Estacionamento Rotativo S.A.

On September 17, 2020, Z.A Digital de São Paulo Sistema de Estacionamento Rotativo S.A. ("Z.A. Digital"), an indirect subsidiary of the Company, issued 300,000 debentures, of which 150,000 of the first series and 150,000 of the second series, all with nominal unit value of R\$1,000.00, totaling R\$300,000,000.00 on the respective issue dates. Debenture issue costs at September 30, 2021 totaled R\$2,125.

13. Loans, financing and debentures (Continued)

1st Issue of debentures Z.A Digital de São Paulo Sistema de Estacionamento Rotativo S.A. (Continued)

	First series debentures	Second series debentures
Issue:	150,000	150,000
Total amount:	150,000	150,000
Series:	Single	Single
Class and convertibility:	Non-convertible into Company shares	Non-convertible into Company shares
Guarantee:	Receivables assigned – gross profit and related parties	Receivables assigned – gross profit and related parties
Issue date:	8/25/2020	9/17/2020
Maturity date:	8/25/2025	12/17/2021
Covenants:	Yes	Yes
Date of early settlement	-	-

Z.A. Digital debentures are conditioned to the following covenants, assessed on an annual basis, the first check taking place at December 31, 2021:

- (a) $(\text{EBITDA} - \text{fixed monthly grant} - \text{IR/CS} + \text{working capital difference}) / (\text{amortization} + \text{interest})$ equal to or greater than 1.30.

Except for the debentures shown above, loans have no security interest.

At September 30, 2021, the aging list of noncurrent amounts is as follows:

	Individual	Consolidated
2022	62,058	70,175
2023	192,265	235,300
2024	64,803	109,644
2025	23,566	55,748
2026	6,263	10,054
2027	11,194	15,105
	360,149	496,026

14. Derivative financial instruments

	Individual and Consolidated	
	9/30/2021	12/31/2020
Foreign exchange derivatives (swap) (a)	5,135	-
	5,135	-

- (a) Derivative financial instruments to hedge against the currency risk.

14. Derivative financial instruments (Continued)

The Company classifies derivative financial instruments under Swap derivatives, which were taken out to hedge against the currency risk arising from loans and financing denominated in foreign currency. The Company does not apply the hedge accounting.

Consolidated	Principal							
	Principal amount (notional)		Curve value		Fair value		Gain/(loss) MTM	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2019	9/30/2021	12/31/2019
Long position:								
Long position - foreign currency	71,000	-	68,634	-	73,769	-	(5,135)	-
Short position:	-	-	-	-	-	-	-	-
Short position - CDI	71,000	-	71,376	-	71,376	-	-	-
	-	-	(2,742)	-	2,393	-	(5,135)	-

Financial swap transactions consist in replacing foreign exchange difference with a restatement rate related to a percentage of the Bank Deposit Certificate (CDI) variation.

The Company and its subsidiaries make no investments in derivatives or any other risk financial instruments for speculative purposes.

Regarding the impacts of Covid-19, in accordance with management's assessment, it was concluded that the future fluctuations in the CDI and Dollar rates are already captured in the calculation methodology for measuring the fair values of financial instruments reflected in the financial positions of financial assets and liabilities.

15. Lease liability

Changes in lease liability in connection with the right of use of lease contracts are as follows:

	Individual	Consolidated
Balance at December 31, 2019	554,040	1,071,148
Additions	664	645
Write-offs (i)	(418,801)	(418,801)
Write-off of contingent lease	(36,820)	(36,820)
Remeasurements	21,940	51,029
Practical expedient – CVM Rule No. 859	(14,764)	(58,619)
Payments	(56,295)	(116,461)
Interest incurred	55,537	122,872
Balance at December 31, 2020	105,501	614,993
Additions	1,805	1,805
Write-offs	(5,236)	(5,436)
Remeasurements	588	2,003
Practical expedient – CVM Rule No. 859	(7,662)	(13,435)
Payments	(17,254)	(76,986)
Interest incurred	8,258	55,555
Balance at September 30, 2021	86,000	578,499
Current	30,762	115,461
Noncurrent	55,238	463,038

(i) See item (ii) in Note 10.

15. Lease liability (Continued)

The Company presents in the table below the aging list of its contracts, undiscounted installments, reconciled with the balance at September 30, 2021:

Year	Individual	Consolidated
2022	5,867	31,161
2023	19,212	119,617
2024	14,928	114,099
2025	12,499	93,236
2026	10,422	65,598
More than 5 years	31,266	510,377
Total undiscounted amounts	94,194	934,088
Embedded interest	(38,956)	(471,050)
Lease liability balance	55,238	463,038

The Company determined the discount rates based on risk-free interest rates observed in the Brazilian market, for the terms of its contracts, adjusted to the Company's reality (credit spread), nominal rate. The spreads were obtained through surveys of the Company's debt instruments. The table below shows the rates adopted, vis-à-vis the terms of the contracts, as required by CPC 12, paragraph 33:

Contracts by term and discount rate	
Contractual terms	Rate % p.a.
4 years	9%
5 years	12%
6 years	13%
More than 7 years	14%

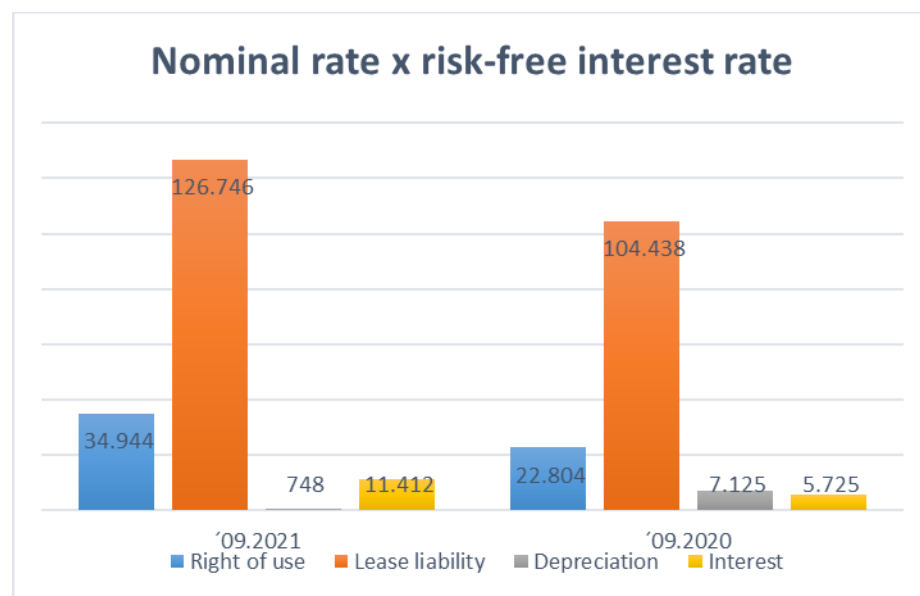
Additional information

In compliance with IFRS 16/CPC 06 (R2) in measuring its lease liabilities and the right of use and consequent accounting record, the Company used the discounted cash flow model at the nominal interest rate without considering the projected future inflation on the flows to be discounted.

As required by CVM Memorandum Circular No. 2/2019, lease payments expected until the end of each contract are measured at the present value, including the projected future inflation and discounted at the incremental borrowing rate, i.e. the nominal interest rate. The Company shows below the net effects of the increases and decreases in lease liability balances (Note 15), the right of use and right-of-use depreciation expense (Note 10), and the finance costs (Note 23) for the periods ended September 30, 2021 and December 31, 2020.

15. Lease liability (Continued)

Additional information (Continued)



The nominal interest rates reflect the rates used for calculation and accounting records under IFRS 16/CPC 06 (R2) – Leases determined at the lease inception. Additionally, as an assumption for the determination of future contractual cash flows that include the expected inflation, future market quotations obtained through B3 S.A. - Brasil, Bolsa, Balcão were used for the inflation indexes provided for in our lease contracts, such as the Extended Consumer Price Index (IPCA) and the General Market Price Index (IGPM). The inflation curves were obtained at the contract inception and at each adjustment date considering the remaining contractual term.

In compliance with CVM Rule No. 859, of July 7, 2020, the Company elected to adopt the practical expedient contained in item 46 of the rule. The impact of the adoption at September 30, 2021 is R\$7,662 on the individual statements (R\$10,246 at September 30, 2020) and R\$13,435 on the consolidated statements (R\$43,060 at September 30, 2020), substantially represented by discounts obtained, and it is shown in the statement of profit or loss as a reduction of leases, under Cost of services.

16. Concession rights payable

	Consolidated	
	9/30/2021	12/31/2020
Fixed portions	355,308	347,608
Amounts renegotiated	19,596	-
	374,904	347,608
Current liabilities	52,257	50,064
Noncurrent liabilities	322,647	297,544
Total	374,904	347,608

16. Concession rights payable (Continued)

EWS

On August 28, 2019, subsidiary E.W.S. Estacionamentos Salvador S.A. entered into an Agreement for the Assignment of Use of an Area of the Airport Complex, arising from the subrogation of the agreement related to Salvador International Airport, previously entered into with Infraero. As a result, the service concession arrangement entered into on July 28, 2017 is no longer in force, and was replaced by the agreement executed on August 28, 2019.

The referred to agreement has the same previous scope of operation of the airport area, except for the operation of advertising activities that will no longer be carried out by the Company, with installments to be paid to the new administrator (Salvador Airport Concession operator) measured monthly over fixed and variable amounts, and maintaining the same contractual term (until 2033).

With the subrogation of the agreement on December 31, 2019, the Company remeasured the balance recorded in Concession rights payable in the amount of R\$40,651 matched against Concession infrastructure use right in Intangible assets.

On October 1, 2020, due to the Company's strategic positioning, it elected to early close its parking operation at Salvador International Airport and the transfer the possession to the new parking operator. As a result, the Company wrote off the assets and liabilities related to the operation, in the amount of R\$137,028 of intangible assets, R\$39,759 of property and equipment, and R\$128,581 of concession rights payable, and recognized a provision related to the amounts under discussion with the concession operator, in the amount of R\$7,851, generating a negative impact on profit or loss amounting to R\$56,056.

Zona Azul Digital – São Paulo

On May 19, 2020, subsidiary Z.A Digital de São Paulo Sistema de Estacionamento Rotativo S.A. entered into a Private Instrument for the Assignment of Play-and-Display Parking Operation on streets and in public places in the city of São Paulo, with installments to be paid to the administrator (São Paulo City government) measured monthly on fixed and variable amounts, with a 15-year term as of July 15, 2020. The initial fixed grant was settled in 2020, the installments to be paid during the concession term are discussed below.

For the calculation, the Company considered the future flow of fixed payments to the granting authority in accordance with amounts and terms defined in the arrangement, adjusted to present value by the discount rate calculated. The discount rate was calculated considering the 7.57% DI projection calculated from the commencement of the arrangement (July 15, 2020) with a 15-year term, and a 4.57% spread calculated based on the interest rate of the debentures issued considering the 15-year term. At September 30, 2021, there were 165 installments falling due. The aging list of noncurrent installments is as follows:

16. Concession rights payable (Continued)**Zona Azul Digital – São Paulo (Continued)**

	Consolidated
2022	10,531
2023	39,160
2024	34,803
2025	30,937
2026 to 2033	187,620
	303,051

Changes are as follows:

	9/30/2021	12/31/2020
Opening balance:	347,608	119,133
Additions	-	353,555
Write-offs (i)	-	(128,581)
Monetary difference on concession rights payable	31,569	28,175
Payment of principal and restatement	(19,596)	(29,776)
Remeasurement	15,323	5,102
Closing balance	374,904	347,608

(i) Impact of derecognizing airport parking operation in Salvador.

The Company renegotiated the payment term for part of the monthly fixed grants for 2021 payable by ZAD to the City of São Paulo, changing the related maturity previously defined from April to December 2021 to April to December 2023 in the amount of R\$19,596.

17. Transactions with related parties

The Company, its subsidiaries, joint ventures, associates and shareholders enter into, among themselves and in the normal course of their business, financial and commercial transactions. These transactions include, in particular, the provision of funds for parking lots in the form of advances for capital increase, intercompany loan agreements and checking account to be used as a source of working capital, normally for specific cash flow needs, whose settlement does not exceed 30 days. Commercial transactions basically refer to the lease of certain parking lots to its related party Carmo Couri.

Intercompany transactions referring to trade accounts receivable and payable are conducted under conditions agreed by and between the parties and comprise transactions intended to cover the companies' daily cash flows (with no interest), such as insurance, uniforms and administrative apportionments.

The Company has no intercompany purchase and sale transactions.

17. Related parties (Continued)**17.1. Assets**

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Current assets:				
Estacionamento Cinelândia S.A.	-	28	-	-
Calvitium Participações S.A.	1	1	-	-
Praça Edg Congonhas Empreendimentos S.A.	1	1	-	-
Capital Parking Estacionamentos Ltda.	8	5	-	-
Riopark Estacionamentos e Garagens Ltda.	19	18	-	-
Primeira Estacionamentos Ltda.	26	275	-	-
Wellpark Estacionamento e Serviços Ltda.	53	89	-	-
Z.A.Digital de São Paulo Sistema de Estacionamento Rotativo S.A.	54	291	-	-
Ews Estacionamento Salvador S.A.	160	111	-	-
Parking Tecnologia da Informação Ltda.	194	113	-	-
Hora Park Sistema Estacionamentos Rotativos Ltda.	385	620	-	-
Saepart Soc. de Adm. Emp. e Part. Ltda.	508	391	-	-
Azera Parking Ltda.	693	693	-	-
Consórcio Estacionamento Centro Cívico	15	22	15	22
Consórcio Estacionamento Novo Centro	117	136	117	136
Estacionamento Shopping Monte Carmo	2	69	-	-
Estacionamento Hospital Marcelino Champagnat	82	53	-	-
Estacionamento Shopping Sete Lagoas	93	-	93	-
Estacionamento do Shopping Hortolândia	137	-	-	-
Estacionamento Shopping Bay Market Center	173	190	173	190
Estacionamento Shopping Parque Bahia	441	463	-	-
Estacionamento Shopping Parque Aracajú	502	330	-	-
Estacionamento do Mogi Shopping	922	557	922	557
Estacionamento Shopping Bourbon Pompéia	2,185	2,971	2,185	2,971
Accounts receivable – equity holders (i)	2,444	2,655	16,333	18,957
Other	3	1	2	-
	9,218	10,083	19,840	22,833
Noncurrent assets:				
Other	115	18	371	275
	115	18	371	275

17.2. Liabilities

	Individual		Consolidated	
	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Current liabilities:				
Saepart Soc. de Adm. Emp. e Part. Ltda.	2	9	-	-
Calvitium Participações S.A.	3	2	-	-
Capital Parking Estacionamentos Ltda.	5	5	-	-
Autopark S.A.	6	10	-	-
Loop Gestão de Pátios S.A.	7	7	7	7
I-park Estacionamentos Inteligentes S.A.	8	8	-	-
Estacionamento Cinelândia S.A.	16	14	-	-
Primeira Estacionamentos Ltda.	108	94	-	-
Hora Park Sistema Estacionamentos Rotativos Ltda.	208	171	-	-
Wellpark Estacionamento e Serviços Ltda.	255	224	-	-
Consórcio Estacionamento Centro Cívico	-	1	1	1
Consórcio Estacionamento Novo Centro	-	1	1	1
Estacionamento Edifício Comercial Ahead	-	-	1	2
Estacionamento do Mogi Shopping	1	1	1	1
Estacionamento Hospital Marcelino Champagnat	2	-	-	-
Estacionamento Shopping Bourbon Pompéia	4	3	5	3
Estacionamento Shopping Bay Market Center	55	-	55	-
Estacionamento Shopping Parque Bahia	175	177	-	-
Estacionamento Shopping Parque Aracajú	194	-	-	-
Other	12	-	14	7
	1,061	727	85	22
Noncurrent liabilities:				
Saepart Soc. de Adm. Emp. e Part. Ltda.	-	900	-	-
Parking Tecnologia da Informação Ltda.	-	3,500	-	-
Cellopark Estacionamentos Ltda.	-	1,300	-	-
Future capital contribution	-	-	654	18
	-	5,700	654	18

(i) Indemnity amounts related to lawsuits receivable from previous members or shareholders of acquirees.



17. Related parties (Continued)

Lease and goodwill

Goodwill and lease payments for the period ended September 30, 2021 and December 31, 2020 are as follows:

	Individual and Consolidated	
	9/30/2021	12/31/2020
Leases paid	979	705
Total	979	705

Additionally, leases paid to Carmo Couri Engenharia e Construções Ltda. refer to 4 (four) lease contracts, with no grace period, with fixed and variable lease payments in installments (percentage on parking lot revenue), which are formalized under the same conditions for similar lease agreements, equivalent to other operations in the region where this operation is located.

Transactions with key management personnel

Key management personnel include the CEO and officers.

The Company does not make it a practice to grant post-employment, employment contract termination or any other long-term benefits.

Key management personnel compensation, which includes retention bonus for the period, amounted to R\$9,135 as at September 30, 2021 (R\$6,205 as at September 30, 2020), and is considered a short-term benefit. At September 30, 2020, the expense related to the stock option plan amounted to R\$2,504.

Letter of guarantee – EWS

On July 7, 2020, EWS as the customer, BTG Pactual as the endorser, and the Company as the guarantor, entered into the “Letter of Guarantee No. FI162/20”, under which BTG Pactual will guarantee the payment of obligations assumed by EWS under the “Loan Facility Agreement under Instrument No. 187.2015.1139.3661”, entered into on December 10, 2015 with Banco do Nordeste do Brasil S.A., Wellpark Estacionamento e Serviços Ltda. and Hora Park Sistema de Parque Rotativo Ltda. (“Letter of Guarantee”). The Letter of Guarantee, in turn, is guaranteed by surety provided by the Company to guarantee the fulfillment of EWS obligations under the Letter of Guarantee (“Counter Guarantee”).

The Letter of Guarantee matures on September 23, 2022, and covers the amount of R\$25,405.

18. Provision for contingencies

The Company and its subsidiaries are parties to legal and administrative civil, labor and tax proceedings. Provisions for probable losses, if any, resulting from these lawsuits and proceedings are estimated and restated by the Company based on the opinion of its outside legal advisors.

The Company recorded provisions for tax, civil and labor contingencies whose settlement is likely to generate an outflow of economic benefits.

At September 30, 2021 and December 31, 2020, the Company had the following provisions, corresponding to legal and administrative proceedings whose likelihood of an unfavorable outcome was assessed as probable (for labor claims whose likelihood of an unfavorable outcome was assessed as probable and possible), as summarized below:

	Individual				Consolidated			
	Tax	Labor	Civil	Total	Tax	Labor	Civil	Total
Balance at December 31, 2019	184	8,783	2,002	10,969	294	9,262	18,491	28,047
Additions	-	-	-	-	-	-	1,299	1,299
Write-offs (payment)	-	(4,107)	-	(4,107)	-	(4,107)	-	(4,107)
Transfers	140	(1,236)	1,096	-	30	(858)	828	-
Balance at December 31, 2020	324	3,440	3,098	6,862	324	4,297	20,618	25,239
Updated amount	-	-	-	-	-	-	295	295
Reversal	-	-	-	-	-	-	(3,318)	(3,318)
Balance at September 30, 2021	324	3,440	3,098	6,862	324	4,297	17,595	22,216

Nature of the main claims for which a provision was set up by the Company:

Labor: the Company and investees recognize a provision for labor claims based on an average percentage of loss history of the past three years, considering the best estimate of amounts of claims pending judgment. Claims are related to overtime, severance pay, among others.

Civil: In the consolidated financial statements, the main civil proceeding whose likelihood of an unfavorable outcome was rated as probable, in the amount of R\$13,974, is an out-of-court enforcement proceeding filed by Infraero, on January 27, 2000, to collect amounts related to the service concession arrangement for the operation of the parking lot in Rio de Janeiro International Airport - Galeão. This claim has a development whose likelihood of loss was rated as possible.

Possible risks

The Company and its subsidiaries are parties to tax and civil legal proceedings for which no provision was set up, as the likelihood of an unfavorable outcome therefor was classified by management and its outside legal advisors as possible. In the consolidated financial statements, contingencies whose likelihood of an unfavorable outcome was assessed as possible are as follows:

	9/30/2021
Civil proceedings	69,453
Tax proceedings	53,359
	122,812

18. Provision for contingencies (Continued)

Possible risks (Continued)

Civil proceedings: The main civil proceeding whose likelihood of an unfavorable outcome is rated as possible, in the amount of i) R\$48,459 refers to the unenforceability of fixed lease payments that are under discussion in court, given the COVID-19 pandemic.

Tax proceedings: The main tax proceedings whose likelihood of an unfavorable outcome is possible are: i) claim seeking the collection of tax debits for the year 1997 in the amount of R\$7,773; ii) cancellation of IPTU from 2011 to 2014 at Santos Dumont Airport in the amount of R\$9,908.

The Company's management assessed the impacts of Covid-19 and concluded that there are no factors indicating the need for a significant increase in its provision for tax, civil and labor contingencies.

Appeal bonds and judicial deposits

The Company is challenging the payment of certain taxes, contributions and labor obligations, and paid appeal bonds (restricted) at amounts equivalent to those pending a final court decision.

	Individual				Consolidated			
	Tax	Labor	Civil	Total	Tax	Labor	Civil	Total
Balance at December 31, 2019	506	3,235	1,206	4,947	506	4,299	1,682	6,487
Additions (deposits)	-	300	5,480	5,780	-	347	5,549	5,896
Reclassifications	101	(1,009)	908	-	101	(945)	844	-
Unfavorable outcome	-	(109)	(68)	(177)	-	(154)	(68)	(222)
Favorable outcome	-	(271)	(516)	(787)	-	(329)	(567)	(896)
Balance at December 31, 2020	607	2,146	7,010	9,763	607	3,218	7,440	11,265
Additions (deposits)	-	321	63	384	-	372	478	850
Unfavorable outcome	-	-	(5,469)	(5,469)	-	-	(5,469)	(5,469)
Favorable outcome	-	(238)	(100)	(338)	-	(265)	(105)	(370)
Balance at September 30, 2021	607	2,229	1,504	4,340	607	3,325	2,344	6,276

19. Current and deferred income and social contribution taxes

Reconciliation of tax expense and the result of accounting profit multiplied by the tax rate for the periods ended September 30, 2021 and 2020 is as follows:

	Individual		Consolidated	
	9/30/2021	9/30/2020	9/30/2021	9/30/2020
Loss before income and social contribution taxes	(174,137)	(155,020)	(171,382)	(154,704)
Income and social contribution tax credits at a statutory tax rate of 34%	59,207	52,707	58,270	52,599
Permanent differences:				
Equity pickup	(42,633)	(29,959)	(1,207)	(1,264)
Tax impact generated by Silent Partnerships (SCPs)	894	97	149	323
Other permanent differences	(1,763)	(3,706)	(2,407)	(3,849)
Temporary differences:				
Unrecognized deferred taxes on temporary differences – prior years	-	(125)	-	274
Unrecognized tax loss for the period	(19,009)	(22,004)	(39,217)	(48,003)
(Reversal of) / Provision for realization of deferred taxes	3,304	2,990	(17,602)	(1,011)
Income and social contribution tax expenses	-	-	(2,014)	(931)
Current	-	-	(2,014)	(931)
Deferred	-	-	-	-
	-	-	(2,014)	(931)

Deferred income and social contribution taxes

At September 30, 2021, the Company's income and social contribution tax loss carryforwards (Individual) amounted to approximately R\$497,662 (R\$441,754 at December 31, 2020) and income and social contribution tax loss carryforwards (Consolidated) amounted to approximately R\$818,224 (R\$702,880 at December 31, 2020). The Company did not recognize the potential tax credit from deferred income and social contribution taxes or the potential tax credit on temporary differences at September 30, 2021 and December 31, 2020.

20. Equity

Capital

At September 30, 2021, fully subscribed and paid-in capital amounted to R\$514,460 (R\$512,453 at December 31, 2020), represented by 193,941,206 (193,771,106 at December 31, 2020) common registered shares, with no par value, held as follows:

20. Equity (Continued)

Capital (Continued)

Shareholding structure	September 30, 2021		December 31, 2020	
	Common shares	%	Common shares	%
Fundo de investimento em Participações Maranello - Multiestratégico	76,890,226	39.65%	76,890,226	39.68%
Riverside FIP	56,698,371	29.23%	56,698,371	29.26%
FIP Valbuena	13,175,000	6.79%	13,175,000	6.80%
TSEMF III Brazil S.a.r.l.	6,044,430	3.12%	6,044,430	3.12%
Tempranillo	5,055,500	2.61%	5,055,500	2.61%
TSEMF IV Brazil S.a.r.l.	3,488,954	1.80%	3,488,954	1.80%
Other	32,588,725	16.80%	32,418,625	16.73%
Total	193,941,206	100.00%	193,771,106	100.00%

The Company's authorized capital is equivalent to 2,100,000,000 common shares; thus, the capital can be increased within the aforementioned limit. The Board of Directors is the body that decides on the increase and the consequent issue of new shares.

The Special General Meeting held on February 11, 2020 approved the conversion of all Company-issued preferred shares into Company-issued common shares at a ratio of 1:1.12785198, as defined in our bylaws then in force, so that 6,567,712 (six million five hundred sixty-seven thousand seven hundred twelve) Company-issued preferred shares, corresponding to all Company-issued preferred shares, were converted into 7,407,407 (seven million four hundred seven thousand four hundred seven) Company-issued common shares, all registered and with no par value, with the same rights and conditions as the common shares already issued by the Company.

All common shares issued by the Company were split at the ratio of 1:7, so that the Company's capital now comprises 161,335,153 (one hundred sixty-one million three hundred thirty-five thousand one hundred fifty-three) registered common shares with no par value.

The number of shares subject to the authorized capital changed as a result of the abovementioned split, thus the Company's authorized capital is now 2,100,000,000 common shares; the Board of Directors is the body that decides on the increase and the consequent issue of new shares, within the authorized capital limit.

On May 15, 2020, the Company made its initial public offering (IPO) with the issue of 28,600,000 new common shares. The offer price was R\$10.50 per common share. The Company's shares are listed on the Novo Mercado segment of the São Paulo Stock Exchange - B3 S.A. - Brasil, Bolsa, Balcão, under ticker symbol ALPK3.

Gross funding from the Public Offering of Shares totaled R\$300,300. Costs with banks, lawyers, consultants, among others, initially amounted to R\$23,239, to be accounted for as a deduction of the "Capital reserve" account, in accordance with CPC 08 - Transaction Costs and Premiums on Issue of Marketable Securities. The funds raised were effectively received on May 18, 2020 and allocated to the São Paulo Zona Azul Concession.



20. Equity (Continued)

Capital (Continued)

On August 10, 2021, the Board of Directors approved the increase in the Company's capital, within the authorized capital limit, due to the exercise of stock options in connection with the stock option plan (Note 30). 170,100 new common shares were issued, totaling R\$2,007.

Subscription warrants

On February 12, 2020, the Board of Directors approved the issuance of 462,017 subscription warrants. Each subscription warrant will grant its holder the right to subscribe Company-issued common shares in an amount to be determined by applying the formula in the minutes, and, in any case, limited to 10 Company-issued common shares. The issue price of the shares to be subscribed as a result of the exercise of the subscription warrant is R\$100,00 for a total of 4,620,170 common shares that can be subscribed due to the exercise of all subscription warrants, and such exercise should result in the payment proportional to the number of common shares effectively subscribed as a result of their exercise. The rights granted by subscription warrants may be exercised within five business days after the physical and financial settlement of the initial public offering of Company shares approved at the SGM held on February 11, 2020 (Offer). The rights granted by the subscription warrants can only be exercised if the physical and financial settlement of the Offer occurs until August 10, 2020, and if the physical and financial settlement of the Offer does not occur by that date, the subscription warrant holders lose their right to subscribe Company shares due to their subscription warrants. The rights granted by the subscription warrants are subject to the resolutive condition that the price per share obtained as a result of the procedure for collecting investment intentions carried out and organized by the coordinators of the Offer (Price per Share) is equal to or greater than R\$10.32 plus an amount equal to (a) the variation of the IPCA calculated from September 30, 2018 until the date the Company was registered as a category A securities issuer with CVM (in which case, if the IPCA for the month of registration has not yet been released, the index for the immediately preceding month shall be used and calculated on a pro rata basis to replace the index not yet released); plus (b) 4% per year, considering possible stock splits and other significant corporate events, in both cases, calculated on a pro rata die basis, until the Price per Share is defined. In the event of fulfillment of the abovementioned resolutive condition, subscription warrants and all rights granted thereby are terminated.

On March 20, 2020, the Board of Directors approved the issuance of subscription warrants, subscribed and paid in, amounting to 458,810 subscription warrants at the total exercise price of R\$99.31, equivalent to 3,835,953 common shares issued by the Company. That corresponds to the minimum subscription amount provided for in the Board of Directors' Meeting held on February 12, 2020. The cancellation of 3,027 subscription warrants was also approved, corresponding to the remaining unsubscribed subscription warrants and in relation to which, during the preemptive right exercise period, there was no request to subscribe the remaining warrants in the respective subscription forms.



20. Equity (Continued)

Subscription warrants (Continued)

On May 29, 2020, the Board of Directors approved the issuance, within the authorized capital limit, of 3,835,953 common shares, due to the exercise of the rights granted by the subscription warrants held by Riverside Fundo de Investimento em Participação Multiestratégia. The Company's capital increase was also approved, within the authorized capital limit, in the amount of R\$99.31 (ninety-nine reais and thirty-one cents), through the issuance of 3,835,953 registered, book-entry common shares with no par value, due to the exercise of the rights granted by the subscription warrants held by Riverside Fundo de Investimento em Participações Multiestratégia, totaling 193,771,106 registered, book-entry, common shares with no par value issued by the Company.

Capital reserve

This is the contra entry of stock option plan expenses in accordance with Note 29, goodwill reserve, capital reserve for future investments, and share issue costs (IPO). Share issue costs comprise costs of banks, lawyers, consultants, among others, initially totaling R\$22,813.

Dividends

The Company's Articles of Incorporation determine that shareholders are entitled to non-cumulative annual dividend corresponding to 25% of net income for the year, calculated under the terms of article 202 of the Brazilian Corporation Law.

The remaining net income balance, after legal provisions and allocation determined for dividends, will be allocated to the capital reserve, which shall not exceed 100% of the Company's capital. After the special income reserve balance reaches the limit, allocation of the remaining income will be determined at the Annual General Meeting.

The Company did not distribute dividends for the nine-month period ended September 30, 2021 and the year ended December 31, 2020.

21. Net revenue from services rendered

	Individual				Consolidated			
	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020
Revenue:								
Operation of parking lots	391,411	158,309	345,779	99,229	494,795	202,723	428,459	121,456
Provision of management services	20,020	6,549	21,393	6,386	23,568	7,785	24,977	7,595
Operation of pay-and-display areas (Zona Azul)	-	-	-	-	87,937	37,029	29,468	11,318
Lease of spaces	2,329	780	3,481	636	2,637	834	4,248	805
Revenue as agent	437	289	421	143	437	289	421	143
Revenue from services rendered in events	4,168	1,568	3,753	1,001	5,192	2,040	4,260	1,235
Other revenue from services rendered	42,336	13,346	41,076	13,916	44,134	14,225	44,494	13,898
	460,701	180,841	415,903	121,311	658,700	264,925	536,327	156,450
Deductions:								
PIS - 0.65% and 1.65%	(7,250)	(2,838)	(6,519)	(1,930)	(10,297)	(4,128)	(8,361)	(2,472)
COFINS - 3.00% and 7.65%	(33,544)	(13,070)	(30,025)	(8,889)	(47,586)	(19,014)	(38,514)	(11,385)
ISS - 2% to 5%	(20,335)	(8,461)	(18,266)	(5,266)	(29,780)	(12,601)	(23,551)	(6,766)
Other deductions	(632)	(200)	(706)	(128)	(1,253)	(508)	(1,156)	(287)
	398,940	156,272	360,387	105,098	569,784	228,674	464,745	135,540

22. Costs of services and expenses by nature

	Individual				Consolidated			
	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020
Payroll and related charges	(147,650)	(50,700)	(162,774)	(51,884)	(181,637)	(62,330)	(197,675)	(63,433)
Leases	(118,744)	(52,327)	(28,646)	(3,780)	(146,381)	(66,408)	(15,973)	4,954
Services from individuals	(121)	(38)	(112)	(34)	(212)	(68)	(154)	(52)
Services from legal entities	(18,469)	(6,848)	(17,259)	(4,701)	(25,614)	(9,480)	(24,538)	(7,665)
General	(19,032)	(9,263)	(13,427)	(3,414)	(28,541)	(12,616)	(19,956)	(5,394)
Utilities	(10,380)	(3,773)	(8,314)	(2,657)	(15,724)	(5,271)	(11,367)	(3,605)
Maintenance	(9,518)	(3,716)	(7,367)	(2,224)	(13,314)	(5,150)	(9,925)	(3,120)
Insurance	(3,618)	(1,360)	(2,831)	(985)	(4,347)	(1,559)	(3,582)	(1,204)
Provision for expected loss	(345)	-	-	-	(345)	-	-	-
Depreciation	(14,857)	(4,931)	(15,031)	(5,025)	(22,857)	(7,614)	(24,812)	(8,285)
Depreciation of right-of-use assets (i)	(1,035)	(341)	(964)	(321)	(1,392)	(458)	(1,324)	(2,203)
Depreciation of right-of-use assets (ii)	(14,597)	(4,730)	(50,449)	(16,349)	(45,314)	(14,852)	(84,496)	(25,951)
Other costs and expenses	(8,407)	(5,467)	(6,244)	(2,943)	(10,759)	(6,129)	(7,281)	(2,468)
Total	(366,773)	(143,494)	(313,418)	(94,317)	(496,437)	(191,935)	(401,083)	(118,426)
Cost of services rendered	(308,560)	(120,660)	(262,969)	(76,233)	(430,455)	(166,399)	(342,956)	(98,495)
Administrative expenses	(56,473)	(20,134)	(50,721)	(17,080)	(64,156)	(22,919)	(59,518)	(20,060)
Other operating income (expenses), net	(1,740)	(2,700)	272	(1,004)	(1,826)	(2,617)	1,391	129
Total	(366,773)	(143,494)	(313,418)	(94,317)	(496,437)	(191,935)	(401,083)	(118,426)

- (i) Depreciation - right of use assets - administrative services, is net of PIS and COFINS tax credits on leases in the amounts of R\$103 for the nine-month period ended September 30, 2021 and R\$95 for the nine-month period ended September 30, 2020 (Individual), and R\$140 for the nine-month period ended September 30, 2021 and R\$132 for the nine-month period ended September 30, 2020 (Consolidated).
- (ii) Depreciation - right of use assets - operations, is net of PIS and COFINS tax credits on leases in the amounts of R\$998 for the nine-month period ended September 30, 2021 and R\$4,562 for the nine-month period ended September 30, 2020 (Individual), and R\$4,047 for the nine-month period ended September 30, 2021 and R\$7,956 for the nine-month period ended September 30, 2020 (Consolidated).

23. Finance income (costs)

Finance income

	Individual				Consolidated			
	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020
Interest on short-term investments	617	274	1,998	681	1,311	683	2,934	1,015
Discounts obtained	35	11	222	10	379	153	429	52
Interest income	1,220	60	229	12	1,247	69	259	25
Monetary differences	48	-	692	36	51	-	749	37
Foreign exchange differences	9,551	-	5,152	109	9,551	-	5,152	109
Fair value adjustment – swap	-	-	17,723	4,213	-	-	17,723	4,213
	11,471	345	26,016	5,061	12,539	905	27,246	5,451

Finance costs

	Individual				Consolidated			
	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020	1/1/2021 to 9/30/2021	7/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020	7/1/2020 to 9/30/2020
Interest	(27,312)	(11,298)	(18,587)	(5,854)	(45,833)	(18,669)	(21,351)	(7,194)
Interest on concession rights payable	-	-	-	-	(31,569)	(10,598)	(16,877)	(11,427)
Tax on financial transactions (IOF)	(93)	(71)	(66)	(3)	(164)	(109)	(94)	(5)
Fair value adjustment – swap	(5,135)	4,795	-	-	(5,135)	4,795	-	-
Bank surety	-	-	-	-	(11)	4	-	-
Commissions	(1,556)	(533)	(1,181)	(453)	(3,881)	(1,450)	(1,589)	(758)
Interest on leases (i)	(7,746)	(2,358)	(48,532)	(15,431)	(52,195)	(17,102)	(95,777)	(30,956)
Foreign exchange differences	(4,663)	(4,660)	(22,064)	(5,268)	(4,663)	(4,660)	(22,064)	(5,268)
Bank fees	(521)	(182)	(506)	(137)	(649)	(234)	(614)	(165)
Other finance costs	(289)	(253)	(148)	(8)	(333)	(281)	(401)	(238)
	(47,315)	(14,560)	(91,084)	(27,154)	(144,433)	(48,304)	(158,767)	(56,011)

- (i) Interest on leases are stated net of PIS and COFINS tax credits on leases in the amounts of R\$511 for the nine-month period ended September 30, 2021 and R\$3,900 for the nine-month period ended September 30, 2020 (Individual), and R\$3,361 for the nine-month period ended September 30, 2021 and R\$7,554 for the nine-month period ended September 30, 2020 (Consolidated). For the three-month period from July 1 to September 30, the amounts are net at R\$212 in 2021 and R\$1,283 in 2020 (Individual), and R\$1,283 in 2021 and R\$2,518 in 2020 (Consolidated).



24. Earnings per share

Basic and diluted earnings per share are calculated by dividing net income for the year, attributed to the Company's common shareholders, by the weighted average number of common shares outstanding during the period.

The following table reflects the income and share data used in the basic and diluted earnings per share calculations, already considering the effects of conversion and stock split, and the subscription warrant, in accordance with Note 20:

	Individual and Consolidated	
	1/1/2021 to 9/30/2021	1/1/2020 to 9/30/2020
Numerator - Basic		
Net income (loss) for the period attributable to controlling shareholders	(174,137)	(155,020)
Denominator - Basic		
Weighted average number of common shares	193,827,806	176,198,345
Stock options (Note 30) - in thousands	3,226,349	4,580,849
Weighted average number of shares - Diluted	193,827,806	176,198,345
Basic and diluted earnings per share	<u>(0.8984)</u>	<u>(0.8798)</u>

The Company had antidilutive effect related to the stock-option plan, with an effect of R\$0.0147 for the nine-month period ended September 30, 2021, and R\$0.0223 for the nine-month period ended September 30, 2020.

	Individual and Consolidated	
	7/1/2021 to 9/30/2021	7/1/2020 to 9/30/2020
Numerator - Basic		
Net income (loss) for the period attributable to controlling shareholders	(48,814)	(73,124)
Denominator - Basic		
Weighted average number of common shares	193,827,806	176,198,345
Stock options (Note 30) - in thousands	3,226,349	4,580,849
Weighted average number of shares - Diluted	193,827,806	176,198,345
Basic and diluted earnings per share	<u>(0.2518)</u>	<u>(0.4150)</u>

The Company had antidilutive effect related to the stock-option plan, with an effect of R\$0.0041 for the three-month period ended September 30, 2021, and R\$0.0105 for the three-month period ended September 30, 2020.



25. Segment information

Operating segments are reported consistently with the internal reports provided to the Chief Operating Decision Maker (CODM) for purposes of assessment of each segment performance and resource allocation.

An operating segment is defined as a component of a company that engages in business activities from which it may earn revenues and incur expenses. Each operating segment is directly responsible for the revenues and expenses related to its operations. The chief operating decision makers assess each operating segment performance using information on its revenue and contribution margin, rather than using information on assets and liabilities.

There are no intersegment operations, and the Company does not allocate administrative expenses, finance income and costs, and income and social contribution taxes to operating segments.

Segments internally reported are Leased and Managed Locations, Owned Locations, Concessions - On and Off-Street, Long-term Contracts, and Others. It should be noted that this model is modified over time, depending on how management sees the business. In the event of a change in methodology, prior periods will be reclassified for comparison purposes. The Company does not assess segment performance considering asset and liability balances or geographic region.

- **Leased and Managed Locations:** comprises agreements entered into with the private sector. There are parking operations in various segments, such as: commercial buildings, malls, hospitals, educational institutions, banks, and land. Agreements are for leases (fixed or variable leases, or a combination of both) and management (fixed or variable fee).
- **Owned Locations:** these are real estate acquisition agreements (garages or parking spaces) as a unit separate from the venture where it is located.
- **Off-Street Concessions:** comprises agreements with the Government, won through bidding. It may be related to infrastructure, which demands huge volumes of investments. These agreements are off-street, and mainly include airports and underground garages.
- **On-Street Concessions:** on-street pay-and-display parking space management agreements entered into with the City Administration, which grant the right of operation for a period from 5 to 15 years (renewable for the same period; subject to renewal in São Paulo). The contra entry includes investments in pay-and-display machines, infrastructure, signs and markings, and initial grants in the cities of Americana, Araraquara, Itatiba, Jacareí, Jaraguá do Sul, Juiz de Fora, Limeira, Mauá, Mogi das Cruzes, Pindamonhangaba, Piracicaba, Rio Claro, Santa Bárbara d'Oeste, Santo André, São Carlos, São João da Boa Vista, São Bernardo, São Paulo, Taubaté and Vila Velha.
- **Long-term Contracts:** include agreements entered into with the private sector and demand investments in infrastructure and/or initial grant. We highlight parking operations in the following segments: commercial buildings, airports, educational institutions, among others.



25. Segment information (Continued)

- Others: secondary revenues that are not specifically identifiable to an operating segment, such as operation of investee in Loop, franchise revenues, and specific operations considered extraordinary.

25. Segment information (Continued)

At September 30, 2021 and 2020, segment information was as follows:

	Note	Consolidated															
		Leased and managed locations		Long-term contracts		Owned locations		Off-street		On-street		Other		Unallocated		Total	
		9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020
Net revenue from services rendered	21	253,218	216,251	175,656	163,951	15,726	14,053	49,587	44,715	75,436	25,482	161	293	-	-	569,784	464,745
Gross profit (c)		42,542	42,978	82,130	125,760	4,766	4,315	36,104	58,923	43,382	2,043	(32)	(1,598)	-	-	208,892	232,421
General and administrative expenses (a)	22	-	-	-	-	-	-	-	-	-	-	-	-	(64,156)	(59,518)	(64,156)	(59,518)
Other operating income (expenses), net	22	-	-	-	-	-	-	-	-	-	-	(1,826)	1,392	-	-	(1,826)	1,392
Equity pickup	9	-	-	-	(3)	125	136	3	(16)	-	-	(3,303)	(2,966)	-	-	(3,175)	(2,849)
Income (loss) before depreciation and amortization		42,542	42,978	82,130	125,757	4,891	4,451	36,107	58,907	43,382	2,043	(5,161)	(3,172)	(64,156)	(59,518)	139,735	171,446
Depreciation (cost of services) (d)		(20,276)	(22,990)	(7,841)	(42,045)	(1,615)	(1,617)	(33,384)	(37,763)	(3,393)	(2,942)	(458)	(2,084)	(2,596)	(1,192)	(69,563)	(110,633)
Amortization of intangible assets	12	(12,327)	(14,407)	(28,224)	(28,403)	(189)	(195)	(7,861)	(15,223)	(52,341)	(18,440)	(1,617)	(1,077)	(7,101)	(6,251)	(109,660)	(83,996)
Income before finance income (costs)		9,939	5,581	46,065	55,309	3,088	2,639	(5,138)	5,921	(12,352)	(19,339)	(7,236)	(6,333)	(78,853)	(66,961)	(39,488)	(23,183)
Finance income	23	-	-	-	-	-	-	-	-	-	-	-	-	12,539	27,246	12,539	27,246
Finance costs (a)	23	-	-	-	-	-	-	-	-	-	-	-	-	(144,433)	(158,767)	(144,433)	(158,767)
Loss before income and social contribution taxes		9,939	5,581	46,065	55,309	3,088	2,639	(5,138)	5,921	(12,352)	(19,339)	(7,236)	(6,333)	(205,747)	(198,482)	(171,382)	(154,704)
Current income and social contribution taxes (b)	19	-	-	-	-	-	-	-	-	-	-	-	-	(2,014)	(931)	(2,014)	(931)
Deferred income and social contribution taxes	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income (loss) for the year		9,939	5,581	46,065	55,309	3,088	2,639	(5,138)	5,921	(12,352)	(19,339)	(7,236)	(6,333)	(207,761)	(199,413)	(173,396)	(155,635)

(a) Management separately monitors operating income (loss) of business units in order to make decisions on fund allocation and evaluate performance. Performance of segments is assessed based on revenue and contribution margin. Administrative expenses, Company's finance income (costs), and income taxes are managed at the Company level, rather than allocated to the operating segments.

(b) Current income and social contribution taxes are allocated only to companies with one segment only.

(c) Gross profit from the segments is reconciled to the statement of profit or loss for the years, reducing the line of depreciation of costs of services.

(d) Depreciation of the right of use of operations is stated net of PIS and COFINS tax credits on leases of operating lease contracts in the amounts of R\$4,047 at September 30, 2021 and R\$7,956 at September 30, 2020.

(e) Finance costs are stated net of PIS and COFINS tax credits on leases of operating lease contracts in the amounts of R\$3,361 at September 30, 2021 and R\$7,554 at September 30, 2020.



25. Segment information (Continued)Other significant information

		Consolidated															
		Leased and managed locations		Long-term contracts		Owned locations		Off-street		On-street		Other		Unallocated		Total	
Note		9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2020	9/30/2021	12/31/2020
Property and equipment																	
Acquisition cost		186,294	185,745	78,298	78,640	99,981	99,388	84,250	84,807	55,393	52,300	5,422	4,152	27,498	26,794	537,136	531,826
Depreciation		(123,872)	(119,451)	(49,706)	(46,428)	(30,556)	(29,049)	(50,626)	(48,232)	(30,726)	(30,233)	(4,471)	(3,961)	(17,311)	(16,134)	(307,268)	(293,488)
11		62,422	66,294	28,592	32,212	69,425	70,339	33,624	36,575	24,667	22,067	951	191	10,187	10,660	229,868	238,338
Intangible assets																	
Goodwill		103,528	103,528	1,663	1,663	-	-	10,260	10,278	828	828	2,185	2,185	-	-	118,464	118,482
Other intangible assets:																	
Acquisition cost		179,066	175,866	512,857	509,915	3,265	3,205	167,504	167,485	1,018,881	1,003,458	18,097	14,122	80,291	69,950	1,979,961	1,944,001
Amortization		(122,180)	(110,223)	(187,459)	(165,774)	(1,170)	(982)	(50,361)	(42,532)	(94,049)	(41,785)	(9,381)	(7,766)	(50,310)	(43,185)	(514,910)	(412,247)
12		160,414	169,171	327,061	345,804	2,095	2,223	127,403	135,231	925,660	962,501	10,901	8,541	29,981	26,765	1,583,515	1,650,236
Right of use																	
Cost of right of use		179,559	184,286	245,323	244,930	1,557	1,557	614,481	612,554	2,727	2,645	-	-	24,815	24,734	1,068,462	1,070,706
Depreciation of right of use		(150,723)	(140,362)	(211,914)	(207,143)	(1,362)	(1,245)	(229,456)	(197,278)	(2,259)	(2,090)	-	-	(14,663)	(13,178)	(610,377)	(561,296)
10		28,836	43,924	33,409	37,787	195	312	385,025	415,276	468	555	-	-	10,152	11,556	458,085	509,410
Additions																	
Capital invested in property and equipment		7,366	9,189	956	4,053	596	1,074	565	1,997	6,615	7,675	1,204	604	709	618	18,011	25,209
11																	
Capital invested in intangible assets		4,143	14,471	15,310	2,310	61	27	46	5,432	17,891	971,556	1,600	2,452	10,346	12,637	49,397	1,008,884
12																	
Total capital invested		11,509	23,659	16,266	6,363	657	1,101	611	7,429	24,506	979,230	2,804	3,056	11,055	13,255	67,408	1,034,093



26. Financial instruments and financial risk management policies

Financial instruments carried by the Company at September 30, 2021 and December 31, 2020 are mainly the following:

Cash and cash equivalents

Cash and cash equivalents basically comprise investments in CDB (Bank Deposit Certificates), which yield interest by reference to the CDI rates.

Loans and financing

Loans and financing are subject to the rates described in Note 13.

Debentures

Debentures are subject to the CDI variation, plus an average percentage of 3.3% p.a., as disclosed in Note 13.

Derivative financial instruments

Derivative financial instruments are subject to the rates described in Note 14.

Accounts payable for investments made

Accounts payable for investments made are pegged to the IPCA, and restated over the year.

Credit risk

The Company's main operation is rendering parking services that are settled in cash or through major credit and debit cards existing in the market. The Company rates the credit risk as low.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices include two types of risk: (i) interest rate risk, and (ii) currency risk. Liabilities subject to floating interest rates expose the Company to the risk of changes in market interest rates. These obligations and related indexes are described below:



26. Financial instruments and financial risk management policies (Continued)

Market risk (Continued)

	Note	Index	Individual		Consolidated	
			9/30/2021	12/31/2020	9/30/2021	12/31/2020
Financial assets:						
Bank deposit certificate	4	CDI	17,937	2,157	59,002	37,313
			17,937	2,157	59,002	37,313
Financial liabilities:						
Working capital	13	CDI	240,234	200,995	262,199	200,995
Working capital - swap	13	Dollar (i)	66,563	-	66,563	-
Debentures	13	CDI	267,817	342,433	562,967	645,402
Derivative financial instruments	14	CDI	5,135	-	5,135	-
Lease liability	15	INPC	86,000	105,501	578,499	614,993
Concession rights payable	16	IPCA	-	-	374,904	347,608
Accounts payable for investments made		IPCA/IGP-M	6,848	5,815	6,848	5,815
			672,597	654,744	1,857,115	1,814,813

(i) While the loan is denominated in US\$, the Company entered into a swap transaction to convert the debt into CDI. See Note 14.

Currency risk

Currency risk is the risk that fair value of future cash flows of a financial instrument fluctuates due to changes in exchange rates. The Company's exposure to the risk of foreign exchange differences mainly refers to loans as a source of working capital. The Company has a swap contract to convert the debt into CDI.

Liquidity risk

Management continuously monitors the Company's liquidity needs in order to ensure that it has sufficient cash to meet its operational needs.

Given the business dynamics of the Company and its subsidiaries, the Treasury Department aims to maintain balance between fund availability and flexibility through working capital.

In addition, the Treasury Department monitors the consolidated liquidity ratio, considering the expected cash flows matched against the unused credit facilities.

The following table shows the liquidity risks of significant financial liabilities by maturity, and reflect the Company's undiscounted financial flow at September 30, 2021 and December 31, 2020:



26. Financial instruments and financial risk management policies (Continued)

Liquidity risk (Continued)

At September 30, 2021	Individual					Consolidated				
	Book balance	1 to 12 months	1 to 5 years	> 5 years	Total	Book balance	1 to 12 months	1 to 5 years	> 5 years	Total
Loans, financing and debentures	574,614	214,465	348,954	11,195	574,614	891,729	395,702	480,922	15,105	891,729
Trade accounts payable	35,081	34,001	778	302	35,081	119,125	116,364	2,459	302	119,125
Lease liability	86,000	28,169	69,782	24,412	122,363	578,499	123,964	468,875	465,213	1,058,052
Accounts payable for investments made	6,848	6,848	-	-	6,848	6,848	6,848	-	-	6,848
Concession rights payable	-	-	-	-	-	374,904	52,257	261,284	404,989	718,530
	702,543	283,483	419,514	35,909	738,906	1,971,105	695,135	1,213,540	885,609	2,794,284

At December 31, 2020	Individual					Consolidated				
	Book balance	1 to 12 months	1 to 5 years	> 5 years	Total	Book balance	1 to 12 months	1 to 5 years	> 5 years	Total
Loans, financing and debentures	539,454	305,339	97,902	140,187	543,428	865,203	332,894	276,559	263,693	873,146
Trade accounts payable	40,220	38,595	1,625	-	40,220	84,740	82,972	1,768	-	84,740
Lease liability	105,501	32,888	86,980	31,774	151,642	614,993	133,463	511,291	486,556	1,131,310
Accounts payable for investments made	5,815	2,000	3,815	-	5,815	5,815	2,000	3,815	-	5,815
Concession rights payable	-	-	-	-	-	347,608	50,064	250,320	425,544	725,928
	690,990	378,822	190,322	171,961	741,105	1,918,359	601,393	1,043,753	1,175,793	2,820,939

Capital management

The Company's objective regarding capital management is maintaining the investment capacity, which enables growth and return to its investors.

Accordingly, the financial leverage ratio is the result of net debt divided by equity. Net debt results from total loans, financing, debentures, lease liabilities (current and noncurrent), less total cash and cash equivalents.

There were no changes in capital management objectives, policies and procedures over the periods presented.

Sensitivity analysis of financial instruments

The sensitivity analysis for each type of market considered significant by management is presented in the table below.

For the probable scenario, a one-year horizon was considered in management's assessment. In addition, two other scenarios (A) and (B) are presented. The Company assumes a 25% increase (scenario A) and 50% increase (scenario B - extreme situation) in market projection for the CDI rate of the probable scenario.



26. Financial instruments and financial risk management policies (Continued)

Financial instruments sensitivity analysis (Continued)

Consolidated	Note	Index	9/30/2021	Probable	Market projections	
					Scenario A	Scenario B
Loans and financing	13	CDI	333,278	343,310	345,818	348,326
Debentures	13	CDI	558,451	575,260	579,463	583,665
Accounts payable for investments made		IPCA	6,848	7,550	7,725	7,901
			898,577	926,120	933,006	939,892
Bank deposit certificate	4	CDI	59,002	60,778	61,222	61,666
			59,002	60,778	61,222	61,666
Total exposure, net			839,575	865,342	871,784	878,226
Loss				(25,767)	(32,209)	(38,651)

Individual	Note	Index	9/30/2021	Probable	Market projections	
					Scenario A	Scenario B
Loans and financing	13	CDI	309,591	318,910	321,239	323,569
Debentures	13	CDI	265,023	273,000	274,994	276,989
Accounts payable for investments made		IPCA	6,848	7,550	7,725	7,901
			581,462	599,460	603,958	608,459
Bank deposit certificate	4	CDI	17,937	18,477	18,612	18,747
			17,937	18,477	18,612	18,747
Total exposure, net			563,525	580,983	585,346	589,712
Loss				(17,458)	(21,821)	(26,187)

Total net effect of the abovementioned scenarios is basically due to the Company's exposure to CDI and IPCA.

The cumulative 12-month CDI rates used in scenarios Probable, (A) and (B) were 3.01%, 3.76% and 4.52%. The cumulative 12-month IPCA rates used in scenarios Probable, (A) and (B) were 10.25%, 12.81% and 15.38%. The CDI and IPCA projection was extracted from Anbima's and IBGE's websites.

27. Fair value

Financial instrument fair value calculation methodology

Fair value is defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

The Company adopts CPC 40/IFRS 7 for financial instruments measured at fair value in the Statement of Financial Position, which requires disclosure of the fair value measurements at the following fair value measurement hierarchy level:

27. Fair value (Continued)**Financial instrument fair value calculation methodology (Continued)**

- Quoted (unadjusted) prices in active markets for identical assets and liabilities (Level 1);
- Inputs other than quoted prices included in Level 1 that are adopted by the market for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices) (Level 2);
- Inputs for assets or liabilities that are not based on observable market data (i.e. unobservable inputs) (Level 3).

The following tables show the fair value measurement hierarchy level for the Company's consolidated assets and liabilities.

Fair value

				9/30/2021		
Consolidated	Note	Book balance	Total	Level 1	Level 2	Level 3
Assets with fair value disclosed						
Noncurrent						
Investment property (c)	8	13,548	41,494	-	-	41,494
Assets measured at fair value						
Cash and cash equivalents	4	64,826	64,826	64,826	-	-
Trade accounts receivable	5	56,986	56,986	-	56,986	-
Liabilities measured at fair value						
Derivative financial instruments (b)	14	5,135	5,135	-	5,135	-
Liabilities with fair value disclosed						
Interest-bearing loans, financing and debentures (a)	13	891,729	891,729	-	891,729	-
Trade accounts payable		119,125	119,125	-	119,125	-
Accounts payable for investments made		6,848	6,848	-	6,848	-

				12/31/2020		
Consolidated	Note	Book balance	Total	Level 1	Level 2	Level 3
Assets with fair value disclosed						
Investment property (c)	8	13,800	41,494	-	-	41,494
Assets measured at fair value						
Cash and cash equivalents	4	42,109	42,109	42,109	-	-
Trade accounts receivable	5	50,192	50,192	-	50,192	-
Liabilities with fair value disclosed						
Loans, financing and debentures (a)	13	865,203	865,203	-	865,203	-
Trade accounts payable		84,279	84,279	-	84,279	-
Accounts payable for investments made		5,815	5,815	-	5,815	-

- (a) The carrying amount of loans, financing and debentures presented in the financial statements approximates the fair value since the rates of these instruments are market values and there is no intention of early settlement. The debentures are private.
- (b) Derivative transactions traded over the counter are measured at Level 2, as shown above.
- (c) Investment properties are accounted for at cost. If they were recorded at their fair value, they would be classified as level 3. More information on the assumptions used in the calculation and sensitivity analysis is shown in Note 8.



27. Fair value (Continued)

Financial instrument fair value calculation methodology (Continued)

We consider that the balances of trade accounts receivable, trade accounts payable, lease liabilities and accounts payable for investments made at carrying amount, less impairment, approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available for similar financial instruments.

For the period ended September 30, 2021 and year ended December 31, 2020, there was no fair value assessment transfer between Level 1 and Level 2, or fair value assessment transfer between Level 3 and Level 2.

28. Insurance coverage

Insurance coverage is as follows:

Type of coverage	Coverage
Civil Liability and D&O	25,000
Vehicle insurance	4,700
Corporate insurance and fire in facilities	30,732
Insurance against accidents in garages	131,935
Cash robbery in garages	750
Total	<u>193,117</u>

The Company has insurance coverage at amounts considered sufficient by management to cover risks, if any, inherent in the operation and of its assets and/or liabilities.

In its main insurance policy, the Company covers all operating issues, which include: branches, related companies and associates.

The Company currently has an internal contingent event department that manages the Company's needs regarding taking out insurance and effectively contacting insurers in case of a contingent event.

At September 30, 2021, the Company took out insurance from Tokio Marine Seguros to cover its operating activities. Other insurance coverage is taken out from first-tier insurers, considering premium, risks and contingent event policy.



29. Non-cash transactions

At September 30, 2021 and 2020, the Company conducted non-transactions which, therefore, were not presented in the Statements of Cash Flows, as follows:

- Remeasurements and additions related to CPC 06 (R1) - IFRS 16, according to Notes 10 and 15.
- Share-based compensation totaling R\$2,007, according to Note 30.
- Addition of goodwill to intangible assets related to new locations, including R\$1,122 at September 30, 2021 and R\$(2,032) at September 30, 2020 – Individual, and R\$1,454 at September 30, 2021 and R\$219,284 at September 30, 2020 – Consolidated, in connection with the “Zona Azul” (pay and display) in São Paulo.
- Remeasurement of concession rights payable, in accordance with Notes 16 and 12.

30. Share-based payment

The data on the volume and values of the options below are shown considering the effect of the stock split approved on February 11, 2020.

2011 Plan

On August 30, 2011, at the Company’s Annual General Meeting, the creation of a stock option plan for shares issued by the Company was approved (“2011 Plan”).

The Board of Directors, at a meeting held on July 3, 2013, approved the First Stock Option Plan (“2011 Plan”), whereby the beneficiary was granted a stock option for shares to be issued and sold by the Company.

The fair value of each option granted is estimated on the grant date using the Black & Scholes option pricing model, considering the following assumptions: (i) share price; (ii) strike price; (iii) risk-free interest rate; (iv) expected share price volatility; and (v) term until option expiry, as detailed in the table below. Options, when exercised, are converted into shares.

Information on the stock option program and assumptions used in the valuation are as follows:



30. Share-based payment (Continued)

2011 Plan (Continued)

2011 Plan – 2nd program

	Lot
Vesting date	3/6/2013
Strike price	3/6/2013
Strike price (estimated) at the reporting date	2.33
Risk-free interest rate %	4.39
Contractual term for exercise per lot (days)	8%
Expected dividend yield	941
Share volatility in the market	0%
Total number of outstanding options	24%
Total number of lost/expired options	695,849
Number of options exercised	-
Number of options to be exercised	-
Estimated fair value (R\$/share)	695,849
	2.66

Considering the expected average life of the series, the maximum exercise term is 540 days from the date the employee ceases to be in the position of administrator of Allpark and/or Group subsidiaries. Options, when exercised, are converted into shares.

2019 Plan

On January 2, 2019, at the Company's Annual General Meeting, the creation of a stock option plan for shares issued by the Company was approved ("2019 Plan – 1st program").

On March 4, 2019, at the Annual General Meeting, the Company's Board of Directors approved the Second Stock Option Plan ("2019 Plan – 2nd program"), whereby the Beneficiary was granted a stock option, for invaluable consideration, for shares issued or sold by the Company.

The fair value of each option granted is estimated on the grant date using the Black & Scholes option pricing model, considering the following assumptions: (i) share price; (ii) strike price; (iii) risk-free interest rate; (iv) expected share price volatility; and (v) term until option expiry, as detailed in the table below. Options, when exercised, are converted into shares.

30. Share-based payment (Continued)**2019 Plan (Continued)**

Information on the stock option program and assumptions used in the valuation are as follows:

2019 Plan – 1st program

	First lot	Second lot	Third lot	Fourth lot
Date of issue	1/4/2019	1/4/2019	1/4/2019	1/4/2019
Vesting date	3/31/2019	10/1/2019	4/1/2020	10/1/2020
Strike price	10.68	10.90	11.12	11.34
Strike price (estimated) at the reporting date	12.92	12.92	12.92	12.92
Risk-free interest rate %	7.4%	8.2%	8.2%	8.3%
Contractual term for exercise per lot (days)	214	397	580	762
Expected dividend yield	0%	0%	0%	0%
Share volatility in the market	31%	27.9%	27.5%	27.5%
Total number of outstanding options	1,437,975	675,675	675,675	675,675
Total number of lost/expired options	42,000	-	-	-
Number of options exercised	67,200	34,650	34,650	33,600
Number of options granted/to be exercised	1,328,775	641,025	641,025	642,075
Estimated fair value (R\$/share)	3.61	4.10	4.54	4.96

2019 Plan – 2nd program

	First lot	Second lot	Third lot	Fourth lot	Fifth lot
Date of issue	3/4/2019	3/4/2019	3/4/2019	3/4/2019	3/4/2019
Vesting date	3/31/2019	10/1/2019	4/1/2020	10/1/2020	3/31/2019
Strike price	10.68	10.90	11.12	11.34	11.56
Strike price (estimated) at the reporting date	12.92	12.92	12.92	12.92	12.92
Risk-free interest rate %	7.4%	8.2%	8.2%	8.3%	8.3%
Contractual term for exercise per lot (days)	214	397	580	762	945
Expected dividend yield	0%	0%	0%	0%	0%
Share volatility in the market	31%	27.9%	27.5%	27.5%	27.5%
Total number of outstanding options	92,400	81,900	81,900	-	-
Total number of lost/expired options	-	-	-	81,900	81,900
Number of options exercised	-	-	-	-	-
Number of options granted/to be exercised	92,400	81,900	81,900	-	-
Estimated fair value (R\$/share)	3.61	4.10	4.54	4.96	5.34

Participants acquired the right to exercise the lots of their options from March 31, 2019, October 1, 2019, April 1, 2020, October 1, 2020, April 1, 2021 ("Initial Vesting"), respectively. For participation purposes, the vesting period for each lot will be considered the full time elapsed of these periods.

At September 30, 2019, plan beneficiaries exercised the purchase option referring to the acquisition right of the first lot in the amount of R\$763, presented in Financing activities in the statement of cash flows. At March 31, 2020 and September 30, 2020, plan beneficiaries exercised the purchase option referring to the acquisition right of the second and third lots in the amounts of R\$379 and R\$379, respectively. At March 31, 2021, plan beneficiaries exercised the purchase option referring to the acquisition right of the fifth lot in the amount of R\$385, presented in Financing activities in the statement of cash flows.



30. Share-based payment (Continued)

2019 Plan (Continued)

2019 Plan – 2nd program (Continued)

At December 31, 2020, the expense related to the stock option plan amounted to R\$1,772, as disclosed in Note 17. At September 30, 2021, the monetary adjustment of the balance translated into capital stock was R\$146.

On August 10, 2021, the Board of Directors unanimously approved the increase in the Company's capital, within the authorized capital limit, totaling R\$2,007, due to the exercise of stock options in connection with the 2019 Plan – 2nd program. 170,100 (one hundred seventy thousand one hundred) options were exercised. A 12-month extension of the "Exercise Period" to September 30, 2022 was also approved.

The remaining expected average life of unvested periods is 730 days at September 30, 2021.

Regarding the impacts of Covid-19, in accordance with management's assessment, it was concluded that future fluctuations in the share price and the CDI index did not affect the methodology for calculating the fair value of the options granted for the purchase of shares, as the fair value of options was priced prior to the impacts of Covid-19.

31. Events after the reporting period

Capital increase

On September 3, the Company's Board of Directors approved, by a majority vote, the increase in the Company's capital within the authorized limit, in the amount of R\$100,000,000.80, through the issuance of 15,290,520 common, registered, book-entry shares without face value, for private subscription, at the issue price of R\$6.54. The shares issued were subscribed and paid in by the Company's shareholders through the exercise of preemptive rights from September 10, 2021 to October 11, 2021.

Acquisition of On Tecnologia de Mobilidade Urbana S.A. ("Zul Digital")

On November 10, 2021, the Company entered into a share purchase and sale agreement, merger of shares and other covenants of all the shares of On Tecnologia de Mobilidade Urbana S.A. ("Zul Digital"). The acquisition of Zul Digital will be made through the payment of approximately R\$8,406,670.62 and the issue of approximately 12,963,030 common, registered, no par value shares. The amounts are estimated and may vary as a result of (i) the opening price of shares issued by the Company on B3 on the date of signature of the Merger Prospectus; (ii) the price adjustment defined in the Agreement based on Zul Digital's net debt estimated for the closing date; and (iii) the achievement of the operational and financial goals established between the parties ("Contingent Amounts").